

LEADTREND TECHNOLOGY CO. LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

Code	ASSETS	March 31, 2023 (Reviewed)		December 31, 2022 (Audited)		March 31, 2022 (Reviewed)	
		Amount	%	Amount	%	Amount	%
	Current asset						
1100	Cash and cash equivalents (Note 6)	\$ 223,795	12	\$ 250,680	13	\$ 707,881	31
1110	Financial Assets measured at fair value through profit and loss - Current (Note 7)	78,410	4	55,634	3	123,801	5
1170	Notes and Accounts Receivable (Note 8)	141,179	8	169,644	9	300,101	13
130X	Inventory (Note 9)	783,282	43	808,004	43	597,700	26
1460	Non-current assets held for sale and discontinued operations (Note 10)	8,185	1	-	-	-	-
1470	Other current assets (Note 15)	<u>37,010</u>	<u>2</u>	<u>36,407</u>	<u>2</u>	<u>44,954</u>	<u>2</u>
11XX	Total current assets	<u>1,271,861</u>	<u>70</u>	<u>1,320,369</u>	<u>70</u>	<u>1,774,437</u>	<u>77</u>
	Non-Current Assets						
1600	Real estate, plant and equipment (Notes 12)	511,341	28	529,530	28	473,504	20
1755	Right-of-use assets (Note 13)	16,594	1	19,712	1	32,316	1
1780	Intangible assets (Note 14)	16,460	1	13,829	1	16,237	1
1840	Deferred income tax assets	-	-	91	-	1,501	-
1990	Other non-current assets (Note 15)	<u>10,834</u>	<u>-</u>	<u>8,871</u>	<u>-</u>	<u>20,511</u>	<u>1</u>
15XX	Total non-current assets	<u>555,229</u>	<u>30</u>	<u>572,033</u>	<u>30</u>	<u>544,069</u>	<u>23</u>
1XXX	Total assets	<u>\$ 1,827,090</u>	<u>100</u>	<u>\$ 1,892,402</u>	<u>100</u>	<u>\$ 2,318,506</u>	<u>100</u>
	Liabilities and Equity						
	Current liability						
2170	Payable account	\$ 58,175	3	\$ 63,567	3	\$ 279,430	12
2200	Remuneration payable to staff and directors (Note 21)	37,508	2	37,508	2	101,899	4
2230	Current income tax liabilities (Note 22)	14,944	1	15,120	1	80,578	3
2280	Lease liabilities - current (Note 13)	11,487	-	12,415	1	14,723	1
2399	Other current liabilities (Note 16)	<u>53,288</u>	<u>3</u>	<u>97,519</u>	<u>5</u>	<u>59,629</u>	<u>3</u>
21XX	Total current liabilities	<u>175,402</u>	<u>9</u>	<u>226,129</u>	<u>12</u>	<u>536,259</u>	<u>23</u>
	Non-current liability						
2570	Deferred income tax liabilities	78	-	-	-	-	-
2580	Lease liabilities - non-current (Note 13)	5,195	1	7,568	1	17,794	1
2640	Net defined benefit liabilities - non-current (Notes 4 and 17)	4,879	-	4,840	-	7,802	-
2645	Deposits received	<u>1,051</u>	<u>-</u>	<u>914</u>	<u>-</u>	<u>1,262</u>	<u>-</u>
25XX	Total non-current liabilities	<u>11,203</u>	<u>1</u>	<u>13,322</u>	<u>1</u>	<u>26,858</u>	<u>1</u>
2XXX	Total liabilities	<u>186,605</u>	<u>10</u>	<u>239,451</u>	<u>13</u>	<u>563,117</u>	<u>24</u>
	Equity (Notes 18 and 19)						
	Share capital						
3110	Common stock	568,528	31	568,838	30	528,646	23
	Capital reserve						
3210	Share premium	258,027	14	258,027	14	273,131	12
3251	Donations received from shareholders	84,732	5	84,732	4	84,732	4
3273	Stocks with restricted employee's option	45,667	2	47,567	3	51,708	2
3280	Other	125	-	106	-	106	-
	Retained earnings						
3310	Statutory surplus reserves	199,793	11	199,793	11	166,987	7
3350	Undistributed earnings	503,494	28	520,231	27	676,914	29
	Other equity						
3410	Exchange difference in conversion of financial statements by foreign operating institutions	6,932	-	5,602	-	11,081	1
3491	Remuneration not gained by staff	<u>(26,813)</u>	<u>(1)</u>	<u>(31,945)</u>	<u>(2)</u>	<u>(37,916)</u>	<u>(2)</u>
3XXX	Total equity	<u>1,640,485</u>	<u>90</u>	<u>1,652,951</u>	<u>87</u>	<u>1,755,389</u>	<u>76</u>
	Total liabilities and equity	<u>\$ 1,827,090</u>	<u>100</u>	<u>\$ 1,892,402</u>	<u>100</u>	<u>\$ 2,318,506</u>	<u>100</u>

The notes below are an integral part of these consolidated financial statements.

LEADTREND TECHNOLOGY CO. LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

Code		Three Months Ended March 31			
		2023		2022	
		Amount	%	Amount	%
	Operating revenues (Note 20)				
4110	Sales revenue	\$ 223,718	104	\$ 552,416	101
4170	Sales returns and allowances	(7,772)	(4)	(3,714)	(1)
4000	Net operating revenue	215,946	100	548,702	100
	Operating costs (Notes 9, 17 and 21)				
5110	Cost of goods sold	137,694	64	317,885	58
5900	Operating margin	78,252	36	230,817	42
	Operating expenses (Notes 17 and 21)				
6100	Amortization cost	14,245	7	24,520	5
6200	Management costs	21,760	10	28,156	5
6300	Research and development expenses	60,609	28	84,771	15
6000	Total operating expenses	96,614	45	137,447	25
6900	Net operating profit	(18,362)	(9)	93,370	17
	Non-operating income and expenditure (Note 21)				
7100	Interest incomes	514	-	888	-
7010	Other Income	1,148	1	500	-
7020	Other interests and losses	61	-	19,282	4
7050	Financial Costs	(98)	-	(166)	-
7000	Total non-operating incomes and expenses	1,625	1	20,504	4
7900	Pre-tax net profit	(16,737)	(8)	113,874	21

7950	Income tax expense (Notes 4 and 22)	<u> -</u>	<u> -</u>	<u> 19,917</u>	<u> 4</u>
8200	Net profit for the year	(16,737)	(8)	93,957	17
	Other composite gains and losses				
8360	Items that may be subsequently reclassified as profit or loss:				
8361	Exchange difference in conversion of financial statements by foreign operating institutions (Note 18)	<u>\$ 1,330</u>	<u> 1</u>	<u>\$ 9,214</u>	<u> 2</u>
8500	Total consolidated profit and loss for the year	(<u>\$ 15,407</u>)	(<u> 7</u>)	<u>\$ 103,171</u>	<u> 19</u>
	Earnings per share (Note 23)				
9750	Basic	(<u>\$ 0.30</u>)		<u>\$ 1.69</u>	
9850	Dilutive	(<u>\$ 0.30</u>)		<u>\$ 1.65</u>	

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LEADTREND TECHNOLOGY CO. LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)
(Reviewed, Not Audited)

Code	Capital on issued common shares		Capital reserve				Retained earnings			Other equity items		Total equity	
	Number of Holdings (Shares In Thousands)	Amount	Share premium	Donations received from shareholders	Restricted employee employee's option	Other	Statutory surplus reserves	Undistributed earnings	Total	Foreign operators Exchange difference in conversion of financial statements	Remuneration not gained by staff		
A1	Balance as of January 1, 2022	52,864	\$ 528,646	\$ 273,131	\$ 84,732	\$ 51,708	\$ 98	\$ 166,987	\$ 582,957	\$ 749,944	\$ 1,867	(\$ 42,573)	\$1,647,553
C17	Changes in other capital reserves	-	-	-	-	-	8	-	-	-	-	-	8
D1	Net profit for the three months ended March 31, 2022	-	-	-	-	-	-	-	93,957	93,957	-	-	93,957
D3	Other comprehensive income for the three months ended March 31, 2022, net of income tax	-	-	-	-	-	-	-	-	-	9,214	-	9,214
D5	Total comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	-	-	93,957	93,957	9,214	-	103,171
N1	Compensation cost on stocks with restricted employee's option	-	-	-	-	-	-	-	-	-	-	4,657	4,657
Z1	Balance as of March 31, 2022	<u>52,864</u>	<u>\$ 528,646</u>	<u>\$ 273,131</u>	<u>\$ 84,732</u>	<u>\$ 51,708</u>	<u>\$ 106</u>	<u>\$ 166,987</u>	<u>\$ 676,914</u>	<u>\$ 843,901</u>	<u>\$ 11,081</u>	<u>(\$ 37,916)</u>	<u>\$1,755,389</u>
A1	Balance as of January 31, 2023	56,883	\$ 568,838	\$ 258,027	\$ 84,732	\$ 47,567	\$ 106	\$ 199,793	\$ 520,231	\$ 720,024	\$ 5,602	(\$ 31,945)	\$1,652,951
C17	Changes in other capital reserves	-	-	-	-	-	19	-	-	-	-	-	19
D1	Net profit for the three months ended March 31, 2023	-	-	-	-	-	-	-	(16,737)	(16,737)	-	-	(16,737)
D3	Other comprehensive income for the three months ended March 31, 2023, net of income tax	-	-	-	-	-	-	-	-	-	1,330	-	1,330
D5	Total comprehensive income for the three months ended March 31, 2023	-	-	-	-	-	-	-	(16,737)	(16,737)	1,330	-	(15,407)
N1	Canceled stocks with restricted employee's option	(31)	(310)	-	-	310	-	-	-	-	-	-	-
N1	Compensation cost on stocks with restricted employee's option	-	-	-	-	(2,210)	-	-	-	-	-	5,132	2,922
Z1	Balance as of March 31, 2023	<u>56,852</u>	<u>\$ 568,528</u>	<u>\$ 258,027</u>	<u>\$ 84,732</u>	<u>\$ 45,667</u>	<u>\$ 125</u>	<u>\$ 199,793</u>	<u>\$ 503,494</u>	<u>\$ 703,287</u>	<u>\$ 6,932</u>	<u>(\$ 26,813)</u>	<u>\$1,640,485</u>

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LEADTREND TECHNOLOGY CO. LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

Code		Three Months Ended March 31	
		2023	2022
	Cash flow from operating activities		
A10000	Pre-tax net profit	(\$ 16,737)	\$ 113,874
A20010	Revenue expense loss items:		
A20100	Depreciation expense	18,890	21,282
A20200	Amortization cost	2,830	3,374
A20400	Net benefit of financial assets and liabilities measured at fair value through profit and loss	(331)	(578)
A20900	Financial Costs	98	166
A21200	Interest incomes	(514)	(888)
A21900	Compensation cost on stocks with restricted employee's option	2,922	4,657
A24100	Net gain/loss on foreign currency exchange	(1,604)	(13,409)
A30000	Net changes in operating assets and liabilities		
A31150	Decrease/increase in notes and accounts receivable	29,889	31,624
A31200	Inventory increase	24,722	(139,479)
A31240	Decrease/increase in other current assets	(579)	(21,631)
A32150	Increase/decrease in notes payable and accounts	(6,067)	21,565
A32200	Increase/decrease in compensation payable to staff and directors	-	23,578
A32230	Increase in other current liabilities	(40,484)	(30,238)
A32240	Decrease in net defined benefit liability	<u>39</u>	<u>(1,892)</u>
A33000	Cash inflow to/outflow from operations	13,074	12,005
A33300	Interest paid	(98)	(166)
A33500	Income tax paid	<u>(7)</u>	<u>(4)</u>
AAAA	Net cash inflow to/outflow from operating activities	<u>12,969</u>	<u>11,835</u>
	Cash flow from investment activities		
B00100	Acquisition of financial assets measured at fair value through profit and loss	(22,155)	(22,530)

B00200	Dispose of financial assets measured at fair value through profit and loss	-	13,518
B02700	Acquisition of real estate, plant and equipment	(11,215)	(21,528)
B03700	Increase in deposit margin	(5)	(41)
B04500	Acquisition of intangible assets	(\$ 5,461)	(\$ 9,973)
B07500	Interest received	<u>490</u>	<u>882</u>
BBBB	Net cash outflows from investment activities	(<u>38,346</u>)	(<u>39,672</u>)
Cash flows from financing activities			
C03000	Increase/decrease in deposits received	137	16
C04020	Repayment of lease principal	(3,326)	(3,638)
C09900	Other financing activities	<u>19</u>	<u>8</u>
CCCC	Net cash outflow to financing activities	(<u>3,170</u>)	(<u>3,614</u>)
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>1,662</u>	<u>9,901</u>
EEEE	Current net increase/decrease in cash and cash equivalents in current year	(26,885)	(21,550)
E00100	Balance of cash and cash equivalents at the beginning of the year	<u>250,680</u>	<u>729,431</u>
E00200	Balance of cash and cash equivalents at the end of the year	<u>\$ 223,795</u>	<u>\$ 707,881</u>

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