

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

Code	ASSETS	June 30, 2023		December 31, 2022		June 30, 2022	
		Amount	%	Amount	%	Amount	%
	Current asset						
1100	Cash and cash equivalents (Note 6)	\$ 305,898	17	\$ 250,680	13	\$ 602,214	26
1110	Financial Assets measured at fair value through profit and loss - Current (Note 7)	48,306	3	55,634	3	42,442	2
1170	Notes and Accounts Receivable (Note 8)	161,752	9	169,644	9	248,242	11
130X	Inventory (Note 9)	722,886	40	808,004	43	769,953	33
1470	Other current assets (Note 14)	<u>23,894</u>	<u>1</u>	<u>36,407</u>	<u>2</u>	<u>54,169</u>	<u>2</u>
11XX	Total current assets	<u>1,262,736</u>	<u>70</u>	<u>1,320,369</u>	<u>70</u>	<u>1,717,020</u>	<u>74</u>
	Non-Current Assets						
1600	Real estate, plant and equipment (Notes 11)	495,059	28	529,530	28	536,091	23
1755	Right-of-use assets (Note 12)	19,148	1	19,712	1	26,034	1
1780	Intangible assets (Note 13)	15,883	1	13,829	1	13,799	1
1840	Deferred income tax assets	-	-	91	-	-	-
1990	Other non-current assets (Note 14)	<u>7,166</u>	<u>-</u>	<u>8,871</u>	<u>-</u>	<u>15,419</u>	<u>1</u>
15XX	Total non-current assets	<u>537,256</u>	<u>30</u>	<u>572,033</u>	<u>30</u>	<u>591,343</u>	<u>26</u>
1XXX	Total assets	<u>\$ 1,799,992</u>	<u>100</u>	<u>\$ 1,892,402</u>	<u>100</u>	<u>\$ 2,308,363</u>	<u>100</u>
	Liabilities and Equity						
	Current liability						
2170	Payable account	\$ 67,164	4	\$ 63,567	3	\$ 255,405	11
2200	Remuneration payable to staff and directors (Note 20)	24,192	1	37,508	2	63,181	3
2216	Dividends payable (Note 17)	51,195	3	-	-	174,273	8
2230	Current income tax liabilities (Note 4 and 21)	14,874	1	15,120	1	53,881	2
2280	Lease liabilities - current (Note 12)	11,109	-	12,415	1	12,550	-
2399	Other current liabilities (Note 15)	<u>50,798</u>	<u>3</u>	<u>97,519</u>	<u>5</u>	<u>88,462</u>	<u>4</u>
21XX	Total current liabilities	<u>219,332</u>	<u>12</u>	<u>226,129</u>	<u>12</u>	<u>647,752</u>	<u>28</u>
	Non-current liability						
2570	Deferred income tax liabilities	111	-	-	-	219	-
2580	Lease liabilities - non-current (Note 12)	8,141	1	7,568	1	13,712	1
2640	Net defined benefit liabilities - non-current (Notes 4 and 16)	-	-	4,840	-	7,669	-
2645	Deposits received	<u>923</u>	<u>-</u>	<u>914</u>	<u>-</u>	<u>1,217</u>	<u>-</u>
25XX	Total non-current liabilities	<u>9,175</u>	<u>1</u>	<u>13,322</u>	<u>1</u>	<u>22,817</u>	<u>1</u>
2XXX	Total liabilities	<u>228,507</u>	<u>13</u>	<u>239,451</u>	<u>13</u>	<u>670,569</u>	<u>29</u>
	Equity (Notes 17 and 18)						
	Share capital						
3110	Common stock	568,528	31	568,838	30	528,101	23
3150	Stock dividends to be distributed	17,065	1	-	-	36,967	2
	Capital reserve						
3210	Share premium	245,361	13	258,027	14	250,270	11
3251	Donations received from shareholders	84,732	5	84,732	4	84,732	3
3273	Stocks with restricted employee's option	38,424	2	47,567	3	43,156	2
3280	Other	125	-	106	-	106	-
	Retained earnings						
3310	Statutory surplus reserves	215,284	12	199,793	11	199,793	9
3350	Undistributed earnings	426,527	24	520,231	27	515,433	22
	Other equity						
3410	Exchange difference in conversion of financial statements by foreign operating institutions	(2,198)	-	5,602	-	7,316	-
3491	Remuneration not gained by staff	(22,363)	(1)	(31,945)	(2)	(28,080)	(1)
3XXX	Total equity	<u>1,571,485</u>	<u>87</u>	<u>1,652,951</u>	<u>87</u>	<u>1,637,794</u>	<u>71</u>
	Total liabilities and equity	<u>\$ 1,799,992</u>	<u>100</u>	<u>\$ 1,892,402</u>	<u>100</u>	<u>\$ 2,308,363</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 June 30				Six Months Ended June 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Operating revenues (Note 19)								
4110	\$ 274,025	104	\$ 488,113	101	\$ 497,743	104	\$ 1,040,529	101
4170	(9,992)	(4)	(6,701)	(1)	(17,764)	(4)	(10,415)	(1)
4000	264,033	100	481,412	100	479,979	100	1,030,114	100
Operating costs (Notes 9, 16 and 20)								
5110	174,846	66	280,133	58	312,540	65	598,018	58
5900	89,187	34	201,279	42	167,439	35	432,096	42
Operating expenses (Notes 16 and 20)								
6100	13,752	5	23,588	5	27,997	6	48,108	5
6200	23,990	9	28,562	6	45,750	9	56,718	5
6300	68,218	26	79,343	16	128,827	27	164,114	16
6000	105,960	40	131,493	27	202,574	42	268,940	26
6900	(16,773)	(6)	69,786	15	(35,135)	(7)	163,156	16
Non-operating income and expenditure (Note 20)								
7100	839	-	1,392	-	1,353	-	2,280	-
7010	563	-	7,623	2	1,711	-	8,123	1
7020	2,368	1	404	-	2,429	1	19,686	2
7050	(122)	-	(155)	-	(220)	-	(321)	-
7000	3,648	1	9,264	2	5,273	1	29,768	3
7900	(13,125)	(5)	79,050	17	(29,862)	(6)	192,924	19
7950	-	-	22,890	5	-	-	42,807	4
8200	(13,125)	(5)	56,160	12	(29,862)	(6)	150,117	15
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 17)	(9,130)	(3)	(3,765)	(1)	(7,800)	(2)	5,449	-
8500	Total consolidated profit and loss for the year	<u>(\$ 22,255)</u>	<u>(8)</u>	<u>\$ 52,395</u>	<u>11</u>	<u>(\$ 37,662)</u>	<u>(8)</u>	<u>\$ 155,566</u>	<u>15</u>
	Earnings per share (Note 22)								
9750	Basic	<u>(\$ 0.23)</u>		<u>\$ 0.98</u>		<u>(\$ 0.52)</u>		<u>\$ 2.62</u>	
9850	Dilutive	<u>(\$ 0.23)</u>		<u>\$ 0.96</u>		<u>(\$ 0.52)</u>		<u>\$ 2.56</u>	

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

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	Dividends to be tributed on shares	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
	Appropriation and distribution of 2021 retained earnings													
B1	Legal reserve				-	-	-	-	32,806	(32,806)	-	-	-	-
B5	Cash dividend to shareholders - \$2.800 per share	-	-	-	-	-	-	-	-	(147,868)	(147,868)	-	-	(147,868)
B9	Stock dividend to shareholders - \$0.700 per share	-	-	36,967	-	-	-	-	-	(36,967)	(36,967)	-	-	-
	Total Appropriation and distribution of retained earnings	-	-	36,967	-	-	-	-	32,806	(217,641)	(184,835)	-	-	(147,868)
C15	Capital reserve distributed stock dividend - \$0.500 per share				(26,405)	-	-	-	-	-	-	-	-	(26,405)
C17	Changes in other capital reserves	-	-	-	-	-	-	8	-	-	-	-	-	8
D1	Net profit for the six months ended June 30, 2022				-	-	-	-	-	150,117	150,117	-	-	150,117
D3	Other comprehensive income (loss) for the six months ended June 30, 2022	-	-	-	-	-	-	-	-	-	-	5,449	-	5,449
D5	Total comprehensive income for the six months ended June 30, 2022	-	-	-	-	-	-	-	-	150,117	150,117	5,449	-	155,566
N1	Acquired stocks with restricted employee's option	-	-	-	3,544	-	(3,544)	-	-	-	-	-	-	-
N1	Canceled stocks with restricted employee's option	(55)	(545)	-	-	-	545	-	-	-	-	-	-	-
N1	Compensation cost on stocks with restricted employee's option	-	-	-	-	-	(5,553)	-	-	-	-	-	14,493	8,940
Z1	Balance as of June 30, 2022	52,809	\$ 528,101	\$ 36,967	\$ 250,270	\$ 84,732	\$ 43,156	\$ 106	\$ 199,793	\$ 515,433	\$ 715,226	\$ 7,316	(\$ 28,080)	\$ 1,637,794
A1	Balance as of January 1, 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
	Appropriation and distribution of 2021 retained earnings													
B1	Legal reserve				-	-	-	-	15,491	(15,491)	-	-	-	-
B5	Cash dividend to shareholders - \$0.550 per share	-	-	-	-	-	-	-	-	(31,286)	(31,286)	-	-	(31,286)
B9	Stock dividend to shareholders - \$0.300 per share	-	-	17,065	-	-	-	-	-	(17,065)	(17,065)	-	-	-
	Total Appropriation and distribution of retained earnings	-	-	17,065	-	-	-	-	15,491	(63,842)	(48,351)	-	-	(31,286)
C15	Capital reserve distributed stock dividend - \$0.350 per share				-	-	-	-	-	-	-	-	-	(19,909)
C17	Changes in other capital reserves				-	-	-	19	-	-	-	-	-	19
D1	Net profit for the six months ended June 30, 2023				-	-	-	-	-	(29,862)	(29,862)	-	-	(29,862)
D3	Other comprehensive income for the six months ended June 30, 2023	-	-	-	-	-	-	-	-	-	-	(7,800)	-	(7,800)
D5	Total comprehensive income for the six months ended June 30, 2023	-	-	-	-	-	-	-	-	(29,862)	(29,862)	(7,800)	-	(37,662)
N1	Acquired stocks with restricted employee's option				-	-	(7,243)	-	-	-	-	-	-	-
N1	Canceled stocks with restricted employee's option	(31)	(310)	-	-	-	310	-	-	-	-	-	-	-
N1	Compensation cost on stocks with restricted employee's option	-	-	-	-	-	(2,210)	-	-	-	-	-	9,582	7,372

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

Code		Three Months Ended June 30	
		2023	2022
	Cash flow from operating activities		
A10000	Pre-tax net profit	(\$ 29,862)	\$ 192,924
A20010	Revenue expense loss items:		
A20100	Depreciation expense	45,024	44,247
A20200	Amortization cost	5,347	6,428
A20400	Net benefit of financial assets and liabilities measured at fair value through profit and loss	(705)	(963)
A20900	Financial Costs	220	321
A21200	Interest incomes	(1,353)	(2,280)
A21900	Compensation cost on stocks with restricted employee's option	7,372	8,940
A22500	Disposal and scrapping of immovable property, plant and equipment (profit).	(2,222)	151
A23700	Inventory price decline and sluggish loss	14,905	-
A29900	Loss from lease modification	-	(20)
A24100	Net loss/gain on foreign currency exchange	2,840	(4,619)
A30000	Net changes in operating assets and liabilities		
A31150	Decrease/increase in notes and accounts receivable	8,676	75,867
A31200	Inventory increase	70,213	(311,732)
A31240	Decrease/increase in other current assets	(2,463)	(30,840)
A32150	Increase/decrease in notes payable and accounts	2,512	(1,171)
A32200	Increase/decrease in compensation payable to staff and directors	(13,316)	(15,140)
A32230	Increase in other current liabilities	(43,466)	(5,012)
A32240	Decrease in net defined benefit liability	(4,840)	(2,025)
A33000	Cash inflow to/outflow from operations	58,882	(44,924)
A33300	Interest paid	(220)	(321)
A33500	Income tax paid	(44)	(47,871)

AAAA	Net cash inflow to/outflow from operating activities	<u>58,618</u>	(<u>93,116</u>)
	Cash flow from investment activities		
B00100	Acquisition of financial assets measured at fair value through profit and loss	(21,410)	(22,195)
B00200	Dispose of financial assets measured at fair value through profit and loss	27,833	93,219
B02700	Acquisition of real estate, plant and equipment	(\$ 14,775)	(\$ 96,580)
B02800	Disposition of the price of real estate, plant and equipment	10,395	-
B03700	Decrease in deposit margin	14,776	546
B04500	Acquisition of intangible assets	(7,401)	(10,326)
B07500	Interest received	<u>1,329</u>	<u>2,268</u>
BBBB	Net cash inflow to/outflow from investment activities	<u>10,747</u>	(<u>33,068</u>)
	Cash flows from financing activities		
C03000	Increase/decrease in deposits received	9	(29)
C04020	Repayment of lease principal	(6,748)	(7,072)
C09900	Other financing activities	<u>19</u>	<u>8</u>
CCCC	Net cash outflow to financing activities	(<u>6,720</u>)	(<u>7,093</u>)
DDDD	Effect of exchange rate changes on cash and cash equivalents	(<u>7,427</u>)	<u>6,060</u>
EEEE	Net increase/decrease in cash and cash equivalents in current period	55,218	(127,217)
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>\$ 305,898</u>	<u>\$ 602,214</u>

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