

VIA Technologies, Inc. and Subsidiaries

**Consolidated Financial Statements for the
Three Months Ended March 31, 2023 and 2022**

VIA TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

	March 31, 2023 (Reviewed)		December 31, 2022 (Audited)		March 31, 2022 (Reviewed)	
ASSETS	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents	\$ 11,986,907	47	\$ 11,850,296	49	\$ 11,917,604	53
Financial assets at fair value through profit or loss - current	414,210	2	382,613	2	369,999	2
Financial assets at amortized cost - current	293,389	1	103,071	-	117,250	-
Notes and accounts receivable	373,791	1	443,715	2	618,923	3
Accounts receivable - related parties	623	-	1,930	-	139,616	1
Other receivables	43,630	-	34,492	-	25,138	-
Inventories	3,201,690	13	2,857,115	12	1,722,880	7
Other current assets	<u>1,858,492</u>	<u>7</u>	<u>1,313,929</u>	<u>5</u>	<u>659,038</u>	<u>3</u>
Total current assets	<u>18,172,732</u>	<u>71</u>	<u>16,987,161</u>	<u>70</u>	<u>15,570,448</u>	<u>69</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current	1,799,711	7	1,769,876	7	1,682,044	7
Financial assets at fair value through other comprehensive income - non-current	1,063,747	4	1,072,567	5	812,749	4
Investments accounted for using the equity method	231,634	1	244,482	1	92,350	-
Property, plant and equipment	1,988,634	8	1,989,134	8	2,018,008	9
Right-of-use assets	225,094	1	239,587	1	286,439	1
Investment properties, net	1,838,646	7	1,847,568	8	1,913,847	9
Intangible assets	70,193	-	72,016	-	84,831	-
Deferred tax assets	82,901	1	79,143	-	46,471	-
Refundable deposits	76,425	-	77,727	-	107,401	1
Other assets - non-current	<u>312</u>	<u>-</u>	<u>3,086</u>	<u>-</u>	<u>12,447</u>	<u>-</u>
Total non-current assets	<u>7,377,297</u>	<u>29</u>	<u>7,395,186</u>	<u>30</u>	<u>7,056,587</u>	<u>31</u>
TOTAL	<u>\$ 25,550,029</u>	<u>100</u>	<u>\$ 24,382,347</u>	<u>100</u>	<u>\$ 22,627,035</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Financial liabilities at fair value through profit or loss - current	\$ -	-	\$ 1,861	-	\$ -	-
Contract liabilities - current	3,979,498	16	2,080,007	9	696,504	3
Notes payable	302	-	678	-	534	-
Accounts payable	1,019,273	4	891,369	4	776,965	3
Accounts payable - related parties	13,412	-	34,464	-	24,892	-
Other payables	1,571,790	6	1,731,268	7	2,346,245	10
Current tax liabilities	320,379	1	303,715	1	387,341	2
Provisions - current	41,872	-	290,786	1	175,654	1
Lease liabilities - current	47,900	-	52,466	-	97,314	-
Current portion of long-term borrowings	1,079,267	4	1,399,352	6	1,250,000	6
Other current liabilities	<u>26,734</u>	<u>-</u>	<u>272,352</u>	<u>1</u>	<u>116,132</u>	<u>1</u>
Total current liabilities	<u>8,100,427</u>	<u>31</u>	<u>7,058,318</u>	<u>29</u>	<u>5,871,581</u>	<u>26</u>
NON-CURRENT LIABILITIES						
Long-term borrowings	2,380,000	9	2,010,000	8	840,000	4
Long-term bills payable	-	-	-	-	1,399,646	6
Deferred tax liabilities	193,779	1	192,906	1	201,582	1
Lease liabilities - non-current	105,643	1	114,530	-	168,614	1
Net defined benefit liabilities	309,420	1	308,755	1	354,104	1
Other non-current liabilities	<u>265,402</u>	<u>1</u>	<u>141,130</u>	<u>1</u>	<u>49,922</u>	<u>-</u>
Total non-current liabilities	<u>3,254,244</u>	<u>13</u>	<u>2,767,321</u>	<u>11</u>	<u>3,013,868</u>	<u>13</u>
Total liabilities	<u>11,354,671</u>	<u>44</u>	<u>9,825,639</u>	<u>40</u>	<u>8,885,449</u>	<u>39</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
Share capital	4,974,974	20	4,970,099	20	4,953,142	22
Capital collected in advance	16,217	-	12,037	-	3,796	-
Capital surplus	1,246,768	5	1,241,826	5	1,220,936	5
Retained earnings						
Legal reserve	749,725	3	749,725	3	749,725	4
Special reserve	910,285	3	910,285	4	910,285	4
Unappropriated earnings	4,829,329	19	4,908,847	20	4,815,353	21
Other equity	<u>131,127</u>	<u>1</u>	<u>207,098</u>	<u>1</u>	<u>(288,053)</u>	<u>(1)</u>
Total equity attributable to owners of the Company	<u>12,858,425</u>	<u>51</u>	<u>12,999,917</u>	<u>53</u>	<u>12,365,184</u>	<u>55</u>
NON-CONTROLLING INTERESTS	<u>1,336,933</u>	<u>5</u>	<u>1,556,791</u>	<u>7</u>	<u>1,376,402</u>	<u>6</u>
Total equity	<u>14,195,358</u>	<u>56</u>	<u>14,556,708</u>	<u>60</u>	<u>13,741,586</u>	<u>61</u>
TOTAL	<u>\$ 25,550,029</u>	<u>100</u>	<u>\$ 24,382,347</u>	<u>100</u>	<u>\$ 22,627,035</u>	<u>100</u>

VIA TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Loss Per Share)

(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE	\$ 2,044,567	100	\$ 2,208,219	100
OPERATING COSTS	<u>1,460,522</u>	<u>71</u>	<u>1,267,951</u>	<u>57</u>
GROSS PROFIT	<u>584,045</u>	<u>29</u>	<u>940,268</u>	<u>43</u>
OPERATING EXPENSES				
Selling and marketing expenses	185,868	9	173,378	8
General and administrative expenses	150,424	7	146,344	7
Research and development expenses	441,414	22	538,827	24
Expected credit loss	<u>-</u>	<u>-</u>	<u>2,240</u>	<u>-</u>
Total operating expenses	<u>777,706</u>	<u>38</u>	<u>860,789</u>	<u>39</u>
(LOSS) PROFIT FROM OPERATIONS	<u>(193,661)</u>	<u>(9)</u>	<u>79,479</u>	<u>4</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	115,742	5	6,211	-
Other income	37,642	2	98,821	5
Other gains and losses	11,291	1	(105,980)	(5)
Finance costs	(19,090)	(1)	(14,824)	(1)
Share of profit or loss of associates	<u>(12,104)</u>	<u>(1)</u>	<u>(1,226)</u>	<u>-</u>
Total non-operating income and expenses	<u>133,481</u>	<u>6</u>	<u>(16,998)</u>	<u>(1)</u>
(LOSS) PROFIT BEFORE INCOME TAX	(60,180)	(3)	62,481	3
INCOME TAX EXPENSE	<u>(17,634)</u>	<u>(1)</u>	<u>(68,693)</u>	<u>(3)</u>
NET LOSS FOR THE PERIOD	<u>(77,814)</u>	<u>(4)</u>	<u>(6,212)</u>	<u>-</u>

(Continued)

VIA TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Loss Per Share)

(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2023		2022	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	\$ (17,928)	(1)	\$ 5,173	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(61,231)	(3)	395,488	18
Share of the other comprehensive income of associates	<u>236</u>	<u>-</u>	<u>2,608</u>	<u>-</u>
Other comprehensive (loss) income for the period, net of income tax	<u>(78,923)</u>	<u>(4)</u>	<u>403,269</u>	<u>18</u>
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	<u>\$ (156,737)</u>	<u>(8)</u>	<u>\$ 397,057</u>	<u>18</u>
NET (LOSS) PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ (79,518)	(4)	\$ (131,022)	(6)
Non-controlling interests	<u>1,704</u>	<u>-</u>	<u>124,810</u>	<u>6</u>
	<u>\$ (77,814)</u>	<u>(4)</u>	<u>\$ (6,212)</u>	<u>-</u>
TOTAL COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ (154,391)	(8)	\$ 270,393	12
Non-controlling interests	<u>(2,346)</u>	<u>-</u>	<u>126,664</u>	<u>6</u>
	<u>\$ (156,737)</u>	<u>(8)</u>	<u>\$ 397,057</u>	<u>18</u>
LOSS PER SHARE				
From continuing operations				
Basic	<u>\$ (0.16)</u>		<u>\$ (0.26)</u>	
Diluted	<u>\$ (0.16)</u>		<u>\$ (0.26)</u>	

(Concluded)

VIA TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company											
	Share Capital	Capital Collected in Advance	Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Other Equity		Total Equity Attributable to Owners of the Company	Non-controlling Interests	Total Equity
				Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized Gain or Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Employee Benefits			
BALANCE, JANUARY 1, 2022	\$ 4,944,109	\$ 24,881	\$ 1,209,690	\$ 354,878	\$ 595,929	\$ 6,150,928	\$ (666,970)	\$ (22,498)	\$ -	\$ 12,590,947	\$ 1,558,660	\$ 14,149,607
Appropriation of 2021 earnings												
Legal reserve	-	-	-	394,847	-	(394,847)	-	-	-	-	-	-
Special reserve	-	-	-	-	314,356	(314,356)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(495,350)	-	-	-	(495,350)	-	(495,350)
Net (loss) profit for the three months ended March 31, 2022	-	-	-	-	-	(131,022)	-	-	-	(131,022)	124,810	(6,212)
Other comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	-	397,758	3,657	-	401,415	1,854	403,269
Total comprehensive (loss) income for the three months ended March 31, 2022	-	-	-	-	-	(131,022)	397,758	3,657	-	270,393	126,664	397,057
Cash dividends distributed by the subsidiary	-	-	-	-	-	-	-	-	-	-	(325,606)	(325,606)
Change in capital surplus from investments in associates	-	-	73	-	-	-	-	-	-	73	-	73
Share-based payment transaction	-	-	4,915	-	-	-	-	-	-	4,915	-	4,915
Issuance of shares from exercise of employee share options	9,033	(21,085)	15,848	-	-	-	-	-	-	3,796	-	3,796
Changes in percentage of ownership interests in the subsidiary	-	-	(9,779)	-	-	-	-	-	-	(9,779)	16,541	6,762
Recognition of employee share options issued by the subsidiary	-	-	189	-	-	-	-	-	-	189	143	332
BALANCE, MARCH 31, 2022	<u>\$ 4,953,142</u>	<u>\$ 3,796</u>	<u>\$ 1,220,936</u>	<u>\$ 749,725</u>	<u>\$ 910,285</u>	<u>\$ 4,815,353</u>	<u>\$ (269,212)</u>	<u>\$ (18,841)</u>	<u>\$ -</u>	<u>\$ 12,365,184</u>	<u>\$ 1,376,402</u>	<u>\$ 13,741,586</u>
BALANCE, JANUARY 1, 2023	\$ 4,970,099	\$ 12,037	\$ 1,241,826	\$ 749,725	\$ 910,285	\$ 4,908,847	\$ 266,586	\$ (58,445)	\$ (1,043)	\$ 12,999,917	\$ 1,556,791	\$ 14,556,708
Net (loss) profit for the three months ended March 31, 2023	-	-	-	-	-	(79,518)	-	-	-	(79,518)	1,704	(77,814)
Other comprehensive loss for the three months ended March 31, 2023	-	-	-	-	-	-	(60,985)	(13,888)	-	(74,873)	(4,050)	(78,923)
Total comprehensive loss for the three months ended March 31, 2023	-	-	-	-	-	(79,518)	(60,985)	(13,888)	-	(154,391)	(2,346)	(156,737)
Cash dividends distributed by the subsidiary	-	-	-	-	-	-	-	-	-	-	(225,865)	(225,865)
Change in capital surplus from investments in associates	-	-	118	-	-	-	-	-	(1,098)	(980)	-	(980)
Share-based payment transaction	-	-	1,736	-	-	-	-	-	-	1,736	-	1,736
Issuance of shares from exercise of employee share options	4,875	4,180	6,885	-	-	-	-	-	-	15,940	-	15,940
Changes in percentage of ownership interests in the subsidiary	-	-	(3,881)	-	-	-	-	-	-	(3,881)	8,287	4,406
Recognition of employee share options issued by the subsidiary	-	-	84	-	-	-	-	-	-	84	66	150
BALANCE, MARCH 31, 2023	<u>\$ 4,974,974</u>	<u>\$ 16,217</u>	<u>\$ 1,246,768</u>	<u>\$ 749,725</u>	<u>\$ 910,285</u>	<u>\$ 4,829,329</u>	<u>\$ 205,601</u>	<u>\$ (72,333)</u>	<u>\$ (2,141)</u>	<u>\$ 12,858,425</u>	<u>\$ 1,336,933</u>	<u>\$ 14,195,358</u>

VIA TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) profit before income tax	\$ (60,180)	\$ 62,481
Adjustments for:		
Depreciation expense	55,869	58,684
Amortization expense	17,977	14,695
Expected credit loss	-	2,240
Finance costs	19,090	14,824
Interest income	(115,742)	(6,211)
Compensation costs of employee share options	1,886	5,247
Share of profit or loss of associates	12,104	1,226
Gain on disposal of property, plant and equipment	(71)	(3,547)
Loss on changes in fair value of investment properties	17,491	-
Gain on lease modification	(2)	(819)
Changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	(70,208)	165,382
Notes and accounts receivable	69,924	33,432
Accounts receivable - related parties	1,307	(136,866)
Other receivables	8,737	5,234
Inventories	(344,575)	(111,245)
Other current assets	(544,563)	(393,648)
Other non-current assets	2,774	3,377
Financial liabilities at fair value through profit or loss	(1,861)	-
Contract liabilities	1,899,491	336,217
Notes payable	(376)	(195)
Accounts payable	127,904	(143,791)
Accounts payable - related parties	(21,052)	(8,803)
Other payables	(381,159)	(203,866)
Provisions	(248,914)	35,970
Other current liabilities	(245,618)	(24,325)
Net defined benefit liabilities	665	287
Cash generated from (used in) operations	200,898	(294,020)
Interest received	97,867	6,214
Interest paid	(18,661)	(14,446)
Income tax paid	(4,728)	(41,249)
Net cash generated from (used in) operating activities	275,376	(343,501)

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VIA TECHNOLOGIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ (9,108)	\$ (137,461)
Purchase of financial assets at amortized cost	(190,344)	-
Proceeds from sale of financial assets at amortized cost	26	1,428,894
Payments for property, plant and equipment	(40,590)	(67,164)
Proceeds from disposal of property, plant and equipment	388	3,560
Increase in refundable deposits	(43)	(3,192)
Decrease in refundable deposits	1,272	198
Payments for intangible assets	(19,013)	(25,342)
Payments for investment properties	-	(114)
Dividends received from associates	-	40,787
Net cash (used in) generated from investing activities	<u>(257,412)</u>	<u>1,240,166</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in long-term bills payable	-	435,000
Decrease in long-term bills payable	-	(460,000)
Proceeds from long-term borrowings	200,000	298,000
Repayments of long-term borrowings	(150,000)	-
Increase in guarantee deposits	137,203	93
Decrease in guarantee deposits	(12,092)	(1,725)
Repayment of the principal portion of lease liabilities	(15,146)	(22,533)
Proceeds from exercise of employee share options	15,940	3,796
Partial disposal of interests in the subsidiary without a loss of control	<u>4,406</u>	<u>6,762</u>
Net cash generated from financing activities	<u>180,311</u>	<u>259,393</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>(61,664)</u>	<u>281,799</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	136,611	1,437,857
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>11,850,296</u>	<u>10,479,747</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 11,986,907</u>	<u>\$ 11,917,604</u>

(Concluded)