

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2022		December 31, 2021		March 31, 2021	
	Reviewed		Audited		Reviewed	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents	\$ 2,514,902	48	\$ 1,977,448	43	\$ 1,742,387	42
Financial assets at fair value through profit or loss - current	516,041	10	532,115	12	436,308	11
Trade receivable, net	963,544	19	828,723	18	580,747	14
Inventories	211,422	4	157,513	4	135,577	3
Prepayments and other current assets	<u>16,665</u>	-	<u>12,967</u>	-	<u>102,781</u>	<u>3</u>
Total current assets	<u>4,222,574</u>	<u>81</u>	<u>3,508,766</u>	<u>77</u>	<u>2,997,800</u>	<u>73</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current	76,788	2	82,686	2	82,588	2
Property, plant and equipment	171,362	3	188,662	4	163,941	4
Right-of-use assets	57,888	1	63,909	2	84,754	2
Goodwill	369,040	7	369,040	8	369,040	9
Other Intangible assets, net	255,635	5	272,637	6	359,597	9
Deferred tax assets	47,791	1	48,978	1	43,060	1
Refundable deposits	10,383	-	10,411	-	10,420	-
Other non-current assets	<u>11,463</u>	-	<u>11,593</u>	-	<u>-</u>	<u>-</u>
Total non-current assets	<u>1,000,350</u>	<u>19</u>	<u>1,047,916</u>	<u>23</u>	<u>1,113,400</u>	<u>27</u>
TOTAL	<u>\$ 5,222,924</u>	<u>100</u>	<u>\$ 4,556,682</u>	<u>100</u>	<u>\$ 4,111,200</u>	<u>100</u>

LIABILITIES AND EQUITY	March 31, 2022		December 31, 2021		March 31, 2021	
	Reviewed		Audited		Reviewed	
	Amount	%	Amount	%	Amount	%
CURRENT LIABILITIES						
Trade payables	\$ 310,114	6	\$ 264,119	6	\$ 120,816	3
Accrued employees' compensation and remuneration of directors	75,893	1	159,208	3	44,037	1
Cash dividends payables	1,202,427	23	-	-	892,204	22
Other payables	60,848	1	81,622	2	77,418	2
Current tax liabilities	333,581	6	222,026	5	213,471	5
Provisions - current	41,782	1	39,686	1	34,194	1
Lease liabilities - current	23,918	1	23,668	-	24,268	-
Other current liabilities	<u>143,494</u>	<u>3</u>	<u>140,868</u>	<u>3</u>	<u>120,943</u>	<u>3</u>
Total current liabilities	<u>2,192,057</u>	<u>42</u>	<u>931,197</u>	<u>20</u>	<u>1,527,351</u>	<u>37</u>
NON-CURRENT LIABILITIES						
Deferred tax liabilities	42,705	1	35,143	1	49,782	1
Lease liabilities - non-current	31,728	1	37,689	1	56,825	2
Provisions - non-current	<u>6,447</u>	-	<u>6,447</u>	-	<u>6,447</u>	-
Total non-current liabilities	<u>80,880</u>	<u>2</u>	<u>79,279</u>	<u>2</u>	<u>113,054</u>	<u>3</u>
Total liabilities	<u>2,272,937</u>	<u>44</u>	<u>1,010,476</u>	<u>22</u>	<u>1,640,405</u>	<u>40</u>
SHAREHOLDERS' EQUITY						
Capital						
Share capital	343,551	6	343,694	8	343,155	8
Employee share bonus to be distributed	<u>141,518</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>108,367</u>	<u>3</u>
Total capital	<u>485,069</u>	<u>9</u>	<u>343,694</u>	<u>8</u>	<u>451,522</u>	<u>11</u>
Capital surplus	<u>1,361,878</u>	<u>26</u>	<u>1,371,130</u>	<u>30</u>	<u>1,269,301</u>	<u>31</u>
Retained earnings						
Legal reserve	470,328	9	470,328	10	369,858	9
Special reserve	45,891	1	45,891	1	34,592	1
Unappropriated earnings	<u>602,970</u>	<u>11</u>	<u>1,337,332</u>	<u>30</u>	<u>383,006</u>	<u>9</u>
Total retained earnings	<u>1,119,189</u>	<u>21</u>	<u>1,853,551</u>	<u>41</u>	<u>787,456</u>	<u>19</u>
Other equity	<u>(16,149)</u>	-	<u>(22,169)</u>	(1)	<u>(37,484)</u>	(1)
Total equity	<u>2,949,987</u>	<u>56</u>	<u>3,546,206</u>	<u>78</u>	<u>2,470,795</u>	<u>60</u>
TOTAL	<u>\$ 5,222,924</u>	<u>100</u>	<u>\$ 4,556,682</u>	<u>100</u>	<u>\$ 4,111,200</u>	<u>100</u>

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE				
Sale	\$ 1,151,371	100	\$ 750,035	100
Other operating revenue	<u>138</u>	<u>-</u>	<u>480</u>	<u>-</u>
Total operating revenue	1,151,509	100	750,515	100
OPERATING COSTS	<u>394,864</u>	<u>34</u>	<u>270,662</u>	<u>36</u>
GROSS PROFIT	<u>756,645</u>	<u>66</u>	<u>479,853</u>	<u>64</u>
OPERATING EXPENSES				
Selling and marketing expenses	20,934	2	16,206	2
General and administrative expenses	52,119	5	35,813	5
Research and development expenses	<u>138,075</u>	<u>12</u>	<u>121,718</u>	<u>16</u>
Total operating expenses	<u>211,128</u>	<u>19</u>	<u>173,737</u>	<u>23</u>
INCOME FROM OPERATIONS	<u>545,517</u>	<u>47</u>	<u>306,116</u>	<u>41</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	1,732	-	1,602	-
Other income	1,317	-	1,603	-
Other gains and losses	40,874	4	(16)	-
Finance costs	<u>(297)</u>	<u>-</u>	<u>(425)</u>	<u>-</u>
Total non-operating income and expenses, net	<u>43,626</u>	<u>4</u>	<u>2,764</u>	<u>-</u>
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	589,143	51	308,880	41
INCOME TAX EXPENSE	<u>121,078</u>	<u>10</u>	<u>62,050</u>	<u>8</u>
NET INCOME FOR THE PERIOD	468,065	41	246,830	33
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statements of foreign operations	<u>1,126</u>	<u>-</u>	<u>54</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 469,191</u>	<u>41</u>	<u>\$ 246,884</u>	<u>33</u>

(Continued)

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2022		2021	
	Amount	%	Amount	%
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 468,065	41	\$ 246,830	33
TOTAL COMPREHENSIVE INCOME				
ATTRIBUTABLE TO:				
Owners of the Company	\$ 469,191	41	\$ 246,884	33
EARNINGS PER SHARE				
Basic	\$ 13.64		\$ 7.21	
Diluted	\$ 13.61		\$ 7.18	

(Concluded)

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

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

	Capital Share - Common Share			Capital Surplus	Retained Earnings			Others		Total Equity
	Shares (In Thousands)	Amount	Share Bonus to be Distributed		Legal Reserve	Special Reserve	Unappropriated Earnings	Employee Unearned Compensation	Exchange Differences on Translating Foreign Operations	
BALANCE AT JANUARY 1, 2021	34,320	\$ 343,200	\$ -	\$ 1,273,540	\$ 369,858	\$ 34,592	\$ 1,028,380	\$ (41,675)	\$ (4,217)	\$ 3,003,678
Appropriations of prior year's earnings										
Cash dividends to shareholders - NT\$26.00 per share	-	-	-	-	-	-	(892,204)	-	-	(892,204)
Net income for the three months ended March 31, 2021	-	-	-	-	-	-	246,830	-	-	246,830
Other comprehensive income after tax	-	-	-	-	-	-	-	-	54	54
Comprehensive income for the three months ended March 31, 2021	-	-	-	-	-	-	246,830	-	54	246,884
Employee share bonus	-	-	108,367	-	-	-	-	-	-	108,367
Cancellation of restricted share under employees share options on March 8, 2021	(5)	(45)	-	(4,239)	-	-	-	4,284	-	-
Compensation cost of restricted shares for employees	-	-	-	-	-	-	-	4,070	-	4,070
BALANCE AT MARCH 31, 2021	<u>34,315</u>	<u>\$ 343,155</u>	<u>\$ 108,367</u>	<u>\$ 1,269,301</u>	<u>\$ 369,858</u>	<u>\$ 34,592</u>	<u>\$ 383,006</u>	<u>\$ (33,321)</u>	<u>\$ (4,163)</u>	<u>\$ 2,470,795</u>
BALANCE AT JANUARY 1, 2022	34,369	\$ 343,694	\$ -	\$ 1,371,130	\$ 470,328	\$ 45,891	\$ 1,337,332	\$ (16,785)	\$ (5,384)	\$ 3,546,206
Appropriations of prior year's earnings										
Cash dividends to shareholders - NT\$35.00 per share	-	-	-	-	-	-	(1,202,427)	-	-	(1,202,427)
Net income for the three months ended March 31, 2022	-	-	-	-	-	-	468,065	-	-	468,065
Other comprehensive income after tax	-	-	-	-	-	-	-	-	1,126	1,126
Comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	-	468,065	-	1,126	469,191
Employee share bonus	-	-	141,518	-	-	-	-	-	-	141,518
Cancellation of restricted share under employees share options on March 7, 2022	(14)	(143)	-	(9,252)	-	-	-	9,395	-	-
Compensation cost of restricted shares for employees	-	-	-	-	-	-	-	(4,501)	-	(4,501)
BALANCE AT MARCH 31, 2022	<u>34,355</u>	<u>\$ 343,551</u>	<u>\$ 141,518</u>	<u>\$ 1,361,878</u>	<u>\$ 470,328</u>	<u>\$ 45,891</u>	<u>\$ 602,970</u>	<u>\$ (11,891)</u>	<u>\$ (4,258)</u>	<u>\$ 2,949,987</u>

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 589,143	\$ 308,880
Adjustments for:		
Depreciation expense	24,168	22,381
Amortization expense	32,007	30,574
Net loss on fair value changes of financial assets designated as at fair value through profit or loss	12,395	130
Finance costs	297	425
Interest income	(1,732)	(1,602)
(Reversal) recognition of compensation cost of employee restricted shares	(4,501)	4,070
Loss on disposal of financial assets	4,443	-
Write-down (reversal) of inventories	2,520	(1,349)
Net gain on foreign currency exchange	(92,289)	(20,228)
Recognition of provisions	2,096	1,385
Changes in operating assets and liabilities:		
Trade receivables	(114,106)	(54,938)
Inventories	(56,429)	31,834
Other current assets	(3,696)	(9,784)
Trade payables (include related parties)	40,378	15,942
Other payables	(2,855)	(8,719)
Other current liabilities	13,154	14,229
Accrued employees' compensation and remuneration of directors	58,203	30,491
Cash generated from operations	503,196	363,721
Interest paid	(297)	(425)
Income taxes paid	(774)	(537)
Net cash generated from operating activities	502,125	362,759
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	-	(166,176)
Proceeds from sale of financial assets at fair value through profit or loss	5,134	-
Payments for Property, plant and equipment	(18,872)	(8,912)
Decrease in refundable deposits	28	-
Payments for intangible assets	(14,968)	(3,429)
Interest received	1,732	854
Net cash used in investing activities	(26,946)	(177,663)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of the principal portion of lease liabilities	(5,892)	(6,090)

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ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2022	2021
Net cash used in financing activities	\$ <u>(5,892)</u>	\$ <u>(6,090)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>68,167</u>	<u>14,668</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	537,454	193,674
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	<u>1,977,448</u>	<u>1,548,713</u>
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u>\$ 2,514,902</u>	<u>\$ 1,742,387</u> (Concluded)