

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS  
(In Thousands of New Taiwan Dollars)

	June 30, 2023		December 31, 2022		June 30, 2022			June 30, 2023		December 31, 2022		June 30, 2022	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
ASSETS							LIABILITIES AND EQUITY						
CURRENT ASSETS							CURRENT LIABILITIES						
Cash and cash equivalents	\$ 3,264,707	55	\$ 2,828,958	48	\$ 2,915,658	49	Trade payables	\$ 311,372	5	\$ 317,324	5	\$ 424,344	7
Financial assets at fair value through profit or loss - current	432,298	7	527,067	9	541,749	9	Accrued compensation of employees and remuneration of directors	309,250	5	258,638	4	146,190	3
Trade receivables, net	592,229	10	979,728	16	1,245,619	21	Dividends payables	1,701,931	29	-	-	1,202,427	20
Inventories	506,862	9	400,392	7	264,969	5	Other payables	61,766	1	282,949	5	62,717	1
Prepayments and other current assets	<u>43,690</u>	<u>1</u>	<u>42,997</u>	<u>1</u>	<u>20,545</u>	<u>-</u>	Current tax liabilities	121,966	2	378,402	6	313,498	5
							Provisions - current	50,422	1	49,634	1	44,707	1
Total current assets	<u>4,839,786</u>	<u>82</u>	<u>4,779,142</u>	<u>81</u>	<u>4,988,540</u>	<u>84</u>	Lease liabilities - current	24,590	-	25,120	1	26,007	-
							Other current liabilities	<u>28,738</u>	<u>1</u>	<u>72,696</u>	<u>1</u>	<u>147,944</u>	<u>3</u>
NON-CURRENT ASSETS							Total current liabilities	<u>2,610,035</u>	<u>44</u>	<u>1,384,763</u>	<u>23</u>	<u>2,367,834</u>	<u>40</u>
Financial assets at fair value through profit or loss - non-current	77,950	1	72,893	1	76,009	1	NON-CURRENT LIABILITIES						
Property, plant and equipment	232,275	4	217,562	4	155,925	3	Deferred tax liabilities	31,699	1	33,097	1	36,664	1
Right-of-use assets	30,353	1	41,879	1	54,346	1	Lease liabilities - non-current	4,369	-	14,896	-	26,276	-
Goodwill	369,040	6	369,040	6	369,040	6	Provisions - non-current	<u>6,447</u>	<u>-</u>	<u>6,447</u>	<u>-</u>	<u>6,447</u>	<u>-</u>
Other Intangible assets	295,120	5	388,002	6	223,100	4	Total non-current liabilities	<u>42,515</u>	<u>1</u>	<u>54,440</u>	<u>1</u>	<u>69,387</u>	<u>1</u>
Deferred tax assets	35,395	1	44,881	1	52,997	1							
Refundable deposits	11,109	-	10,405	-	10,393	-	Total liabilities	<u>2,652,550</u>	<u>45</u>	<u>1,439,203</u>	<u>24</u>	<u>2,437,221</u>	<u>41</u>
Other non-current assets	<u>1,600</u>	<u>-</u>	<u>3,150</u>	<u>-</u>	<u>19,776</u>	<u>-</u>	SHAREHOLDERS' EQUITY						
							Capital						
Total non-current assets	<u>1,052,842</u>	<u>18</u>	<u>1,147,812</u>	<u>19</u>	<u>961,586</u>	<u>16</u>	Share capital	378,207	7	378,207	6	343,551	6
							Employee share bonus to be distributed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>175,873</u>	<u>3</u>
							Total capital	<u>378,207</u>	<u>7</u>	<u>378,207</u>	<u>6</u>	<u>519,424</u>	<u>9</u>
							Capital surplus	<u>1,539,778</u>	<u>26</u>	<u>1,539,778</u>	<u>26</u>	<u>1,327,523</u>	<u>22</u>
							Retained earnings						
							Legal reserve	799,954	14	601,620	10	601,620	10
							Special reserve	64,701	1	22,169	1	22,169	-
							Unappropriated earnings	<u>494,542</u>	<u>8</u>	<u>2,010,678</u>	<u>34</u>	<u>1,058,812</u>	<u>18</u>
							Total retained earnings	<u>1,359,197</u>	<u>23</u>	<u>2,634,467</u>	<u>45</u>	<u>1,682,601</u>	<u>28</u>
							Other equity	<u>(37,104)</u>	<u>(1)</u>	<u>(64,701)</u>	<u>(1)</u>	<u>(16,643)</u>	<u>-</u>
							Total equity	<u>3,240,078</u>	<u>55</u>	<u>4,487,751</u>	<u>76</u>	<u>3,512,905</u>	<u>59</u>
TOTAL	<u>\$ 5,892,628</u>	<u>100</u>	<u>\$ 5,926,954</u>	<u>100</u>	<u>\$ 5,950,126</u>	<u>100</u>	TOTAL	<u>\$ 5,892,628</u>	<u>100</u>	<u>\$ 5,926,954</u>	<u>100</u>	<u>\$ 5,950,126</u>	<u>100</u>

# ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE								
Sales	\$ 674,216	99	\$ 1,424,955	100	\$ 1,343,430	100	\$ 2,576,326	100
Other operating revenue	<u>5,823</u>	<u>1</u>	<u>377</u>	<u>-</u>	<u>6,005</u>	<u>-</u>	<u>515</u>	<u>-</u>
Total operating revenue	680,039	100	1,425,332	100	1,349,435	100	2,576,841	100
OPERATING COSTS	<u>233,723</u>	<u>34</u>	<u>496,349</u>	<u>35</u>	<u>473,125</u>	<u>35</u>	<u>891,213</u>	<u>35</u>
GROSS PROFIT	<u>446,316</u>	<u>66</u>	<u>928,983</u>	<u>65</u>	<u>876,310</u>	<u>65</u>	<u>1,685,628</u>	<u>65</u>
OPERATING EXPENSES								
Selling and marketing expenses	21,914	3	22,750	1	40,431	3	43,684	2
General and administrative expenses	54,089	8	51,290	4	106,378	8	103,409	4
Research and development expenses	<u>155,374</u>	<u>23</u>	<u>160,698</u>	<u>11</u>	<u>305,117</u>	<u>23</u>	<u>298,773</u>	<u>11</u>
Total operating expenses	<u>231,377</u>	<u>34</u>	<u>234,738</u>	<u>16</u>	<u>451,926</u>	<u>34</u>	<u>445,866</u>	<u>17</u>
INCOME FROM OPERATIONS	<u>214,939</u>	<u>32</u>	<u>694,245</u>	<u>49</u>	<u>424,384</u>	<u>31</u>	<u>1,239,762</u>	<u>48</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income	23,220	3	3,799	-	42,244	3	5,531	-
Other income	1,600	-	1,630	-	3,009	1	2,947	-
Other gains and losses	43,711	7	12,068	1	43,473	3	52,942	2
Finance costs	<u>(157)</u>	<u>-</u>	<u>(392)</u>	<u>-</u>	<u>(348)</u>	<u>-</u>	<u>(689)</u>	<u>-</u>
Total non-operating income and expenses, net	<u>68,374</u>	<u>10</u>	<u>17,105</u>	<u>1</u>	<u>88,378</u>	<u>7</u>	<u>60,731</u>	<u>2</u>
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	283,313	42	711,350	50	512,762	38	1,300,493	50
INCOME TAX EXPENSE	<u>42,961</u>	<u>6</u>	<u>147,938</u>	<u>10</u>	<u>86,101</u>	<u>6</u>	<u>269,016</u>	<u>10</u>
NET INCOME FOR THE PERIOD	240,352	36	563,412	40	426,661	32	1,031,477	40
OTHER COMPREHENSIVE INCOME								
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating financial statement of foreign operations	<u>1,049</u>	<u>-</u>	<u>1,177</u>	<u>-</u>	<u>549</u>	<u>-</u>	<u>2,303</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 241,401</u>	<u>36</u>	<u>\$ 564,589</u>	<u>40</u>	<u>\$ 427,210</u>	<u>32</u>	<u>\$ 1,033,780</u>	<u>40</u>
NET INCOME ATTRIBUTABLE TO:								
Owners of the Company	<u>\$ 240,352</u>	<u>35</u>	<u>\$ 563,412</u>	<u>40</u>	<u>\$ 426,661</u>	<u>32</u>	<u>\$ 1,031,477</u>	<u>40</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	<u>\$ 241,401</u>	<u>36</u>	<u>\$ 564,589</u>	<u>40</u>	<u>\$ 427,210</u>	<u>32</u>	<u>\$ 1,033,780</u>	<u>40</u>
EARNINGS PER SHARE								
Basic	<u>\$ 6.37</u>		<u>\$ 14.90</u>		<u>\$ 11.30</u>		<u>\$ 27.30</u>	
Diluted	<u>\$ 6.36</u>		<u>\$ 14.87</u>		<u>\$ 11.27</u>		<u>\$ 27.22</u>	

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
(In Thousands of New Taiwan Dollars)

	Share Capital				Retained Earnings			Other		Total Equity
	Shares (In Thousands)	Amount	Share Bonus and Share Dividends to be Distributed	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Employee Unearned Compensation	Exchange Differences on Translating Foreign Operations	
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 2021 earnings										
Legal reserve	-	-	-	-	131,292	-	(131,292)	-	-	-
Special reserve	-	-	-	-	-	(23,722)	23,722	-	-	-
Cash dividends to shareholders - NT\$35.00 per share	-	-	-	-	-	-	(1,202,427)	-	-	(1,202,427)
Issuance of common share from capital surplus - Record date: July 4, 2022	-	-	34,355	(34,355)	-	-	-	-	-	-
Net income for the six months ended June 30, 2022	-	-	-	-	-	-	1,031,477	-	-	1,031,477
Other comprehensive income after tax for the six months ended June 30, 2022	-	-	-	-	-	-	-	-	2,303	2,303
Comprehensive income for the six months ended June 30, 2022	-	-	-	-	-	-	1,031,477	-	2,303	1,033,780
Cancellation of restricted share under employees share options on March 7, 2022	(14)	(143)	-	(9,252)	-	-	-	9,395	-	-
Employee share bonus	-	-	141,518	-	-	-	-	-	-	141,518
Compensation cost of restricted shares for employees	-	-	-	-	-	-	-	(6,172)	-	(6,172)
BALANCE AT JUNE 30, 2022	34,355	\$ 343,551	\$ 175,873	\$ 1,327,523	\$ 601,620	\$ 22,169	\$ 1,058,812	\$ (13,562)	\$ (3,081)	\$ 3,512,905
BALANCE AT JANUARY 1, 2023	37,821	\$ 378,207	\$ -	\$ 1,539,778	\$ 601,620	\$ 22,169	\$ 2,010,678	\$ (62,683)	\$ (2,018)	\$ 4,487,751
Appropriations of 2022 earnings										
Legal reserve	-	-	-	-	198,334	-	(198,334)	-	-	-
Special reserve	-	-	-	-	-	42,532	(42,532)	-	-	-
Cash dividends to shareholders - NT\$45.00 per share	-	-	-	-	-	-	(1,701,931)	-	-	(1,701,931)
Net income for the six months ended June 30, 2023	-	-	-	-	-	-	426,661	-	-	426,661
Other comprehensive income after tax for the six months ended June 30, 2023	-	-	-	-	-	-	-	-	549	549
Comprehensive income for the six months ended June 30, 2023	-	-	-	-	-	-	426,661	-	549	427,210
Compensation cost of restricted shares for employees	-	-	-	-	-	-	-	27,048	-	27,048
BALANCE AT JUNE 30, 2023	37,821	\$ 378,207	\$ -	\$ 1,539,778	\$ 799,954	\$ 64,701	\$ 494,542	\$ (35,635)	\$ (1,469)	\$ 3,240,078

# ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 512,762	\$ 1,300,493
Adjustments for:		
Depreciation expense	62,381	48,738
Amortization expense	92,992	64,623
Net (gain) loss on fair value changes of financial assets at fair value through loss or profit	(21,113)	38,447
Finance costs	348	689
Interest income	(42,244)	(5,531)
Recognition (reversal) of compensation cost of employee restricted shares	27,048	(6,172)
(Gain) loss on disposal of financial assets	(3,478)	4,443
(Reversal) write-down of inventories	(1,592)	6,663
Net gain on foreign currency exchange	(27,428)	(42,343)
Recognition of provisions	788	5,021
Changes in operating assets and liabilities:		
Trade receivables	412,240	(397,601)
Inventories	(104,878)	(114,119)
Prepayments and other current assets	(175)	(7,602)
Trade payables	(15,274)	156,170
Other payables	(26,448)	(2,351)
Other current liabilities	(42,508)	(925)
Accrued compensation of employees and remuneration of directors	50,612	128,500
Cash generated from operations	874,033	1,177,143
Interest paid	(348)	(689)
Income taxes paid	(334,467)	(180,042)
Net cash generated from operating activities	539,218	996,412
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through profit or loss	(19,810)	(50,983)
Disposal of financial assets at fair value through profit or loss	136,469	5,134
Payments for property, plant and equipment	(68,990)	(19,952)
(Increase) decrease in refundable deposit	(704)	18
Payments for intangible assets	(201,408)	(23,362)
Decrease in other non-current assets	1,550	-
Interest received	41,784	5,533
Net cash used in investing activities	(111,109)	(83,612)

## CASH FLOWS FROM FINANCING ACTIVITIES

(Continued)

# ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2023	2022
Repayments of the principal portion of lease liabilities	\$ (13,159)	\$ (12,269)
Net cash used in financing activities	(13,159)	(12,269)
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	20,799	37,679
NET INCREASE IN CASH AND CASH EQUIVALENTS	435,749	938,210
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,828,958	1,977,448
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	\$ 3,264,707	\$ 2,915,658
		(Concluded)