

CYBERLINK CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2021, DECEMBER 31, 2020 AND MARCH 31, 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(The balance sheets as of March 31, 2021 and 2020 are reviewed, not audited)

Assets		March 31, 2021		December 31, 2020		March 31, 2020	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets							
1100	Cash and cash equivalents	\$ 1,033,134	21	\$ 1,119,884	22	\$ 1,147,506	21
1110	Current financial assets at fair value through profit or loss	240,081	5	-	-	-	-
1136	Current financial assets at amortized cost	613,610	13	968,320	19	1,683,435	30
1170	Accounts receivable, net	70,686	1	99,780	2	95,883	2
1200	Other receivables	1,144	-	1,129	-	2,958	-
1210	Other receivables - related parties	3,175	-	2,943	-	5,215	-
1220	Current income tax assets	46,931	1	47,660	1	34,402	1
130X	Inventories	6,846	-	6,633	-	6,862	-
1470	Other current assets	22,363	1	22,796	-	16,146	-
11XX	Total current assets	<u>2,037,970</u>	<u>42</u>	<u>2,269,145</u>	<u>44</u>	<u>2,992,407</u>	<u>54</u>
Non-current assets							
1510	Non-current financial assets at fair value through profit or loss	276,988	6	264,278	5	234,415	4
1517	Non-current financial assets at fair value through other comprehensive income	309	-	309	-	507	-
1535	Non-current financial assets at amortized cost	5,000	-	5,000	-	-	-
1550	Investments accounted for using equity method	788,204	16	788,353	15	463,239	9
1600	Property, plant and equipment, net	469,348	10	483,854	10	485,561	9
1755	Right-of-use assets	14,810	-	17,996	-	21,541	-
1760	Investment property, net	1,236,821	25	1,239,664	24	1,248,191	23
1780	Intangible assets	1,787	-	2,116	-	-	-
1840	Deferred income tax assets	49,687	1	43,395	1	49,280	1
1900	Other non-current assets	14,778	-	18,832	1	7,876	-
15XX	Total non-current assets	<u>2,857,732</u>	<u>58</u>	<u>2,863,797</u>	<u>56</u>	<u>2,510,610</u>	<u>46</u>
1XXX	Total assets	<u>\$ 4,895,702</u>	<u>100</u>	<u>\$ 5,132,942</u>	<u>100</u>	<u>\$ 5,503,017</u>	<u>100</u>

(Continued)

CYBERLINK CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2021, DECEMBER 31, 2020 AND MARCH 31, 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(The balance sheets as of March 31, 2021 and 2020 are reviewed, not audited)

Liabilities and Equity	March 31, 2021		December 31, 2020		March 31, 2020		
	AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current liabilities							
2130	Current contract liabilities	\$ 148,105	3	\$ 130,158	3	\$ 80,903	1
2170	Accounts payable	65,500	2	77,934	2	92,729	2
2200	Other payables	375,650	8	422,870	8	413,211	8
2220	Other payables - related parties	-	-	435	-	2,210	-
2230	Income tax payable	1,706	-	6,930	-	3,815	-
2280	Current lease liabilities	10,349	-	10,748	-	9,284	-
2300	Other current liabilities	60,704	1	64,981	1	63,947	1
21XX	Total current liabilities	<u>662,014</u>	<u>14</u>	<u>714,056</u>	<u>14</u>	<u>666,099</u>	<u>12</u>
Non-current liabilities							
2550	Non-current provisions	504,948	10	504,032	10	516,247	9
2570	Deferred income tax liabilities	9,572	-	5,640	-	1,880	-
2580	Non-current lease liabilities	4,512	-	7,299	-	12,275	-
2600	Other non-current liabilities	85,071	2	85,759	2	82,972	2
25XX	Total non-current liabilities	<u>604,103</u>	<u>12</u>	<u>602,730</u>	<u>12</u>	<u>613,374</u>	<u>11</u>
2XXX	Total Liabilities	<u>1,266,117</u>	<u>26</u>	<u>1,316,786</u>	<u>26</u>	<u>1,279,473</u>	<u>23</u>
Equity							
Equity attributable to shareholders of the parent							
Capital Stock							
3110	Common stock	806,983	16	826,003	16	848,790	15
Capital surplus							
3200	Capital surplus	993,528	20	1,177,301	23	1,141,825	21
Retained earnings							
3310	Legal reserve	1,192,548	24	1,192,548	23	1,154,554	21
3320	Special reserve	129,240	3	129,240	2	88,831	2
3350	Unappropriated earnings	921,312	19	891,491	17	1,166,543	21
Other equity interest							
3400	Other equity interest	(204,008)	(4)	(185,920)	(3)	(116,849)	(2)
3500	Treasury shares	(210,018)	(4)	(214,507)	(4)	(60,150)	(1)
31XX	Equity attributable to shareholders of the parent	<u>3,629,585</u>	<u>74</u>	<u>3,816,156</u>	<u>74</u>	<u>4,223,544</u>	<u>77</u>
3XXX	Total equity	<u>3,629,585</u>	<u>74</u>	<u>3,816,156</u>	<u>74</u>	<u>4,223,544</u>	<u>77</u>
Significant contingent liabilities and unrecognized contract commitments							
3X2X	Total liabilities and equity	<u>\$ 4,895,702</u>	<u>100</u>	<u>\$ 5,132,942</u>	<u>100</u>	<u>\$ 5,503,017</u>	<u>100</u>

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

CYBERLINK CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE)
(Reviewed, not audited)

		Three months ended March 31			
Items		2021		2020	
		AMOUNT	%	AMOUNT	%
4000	Net revenue	\$ 376,391	100	\$ 356,754	100
5000	Operating costs	(39,850)	(11)	(42,015)	(12)
5900	Gross profit	<u>336,541</u>	<u>89</u>	<u>314,739</u>	<u>88</u>
Operating expenses					
6100	Sales and marketing expenses	(174,423)	(46)	(148,347)	(41)
6200	General and administrative expenses	(30,206)	(8)	(27,576)	(8)
6300	Research and development expenses	(107,661)	(29)	(95,414)	(27)
6000	Total operating expenses	<u>(312,290)</u>	<u>(83)</u>	<u>(271,337)</u>	<u>(76)</u>
6900	Operating income	<u>24,251</u>	<u>6</u>	<u>43,402</u>	<u>12</u>
Non-operating income and expenses					
7100	Interest income	322	-	9,841	3
7010	Other income	21,131	6	21,113	6
7020	Other gains and losses	(9,346)	(3)	3,796	1
7050	Finance costs	(64)	-	(40)	-
7060	Share of (loss) gain of associates and joint ventures accounted for using equity method	<u>(798)</u>	<u>-</u>	<u>17,488</u>	<u>5</u>
7000	Total non-operating income and expenses	<u>11,245</u>	<u>3</u>	<u>52,198</u>	<u>15</u>
7900	Income before income tax	35,496	9	95,600	27
7950	Income tax expense	(5,675)	(1)	(18,813)	(5)
8200	Net income	<u>\$ 29,821</u>	<u>8</u>	<u>\$ 76,787</u>	<u>22</u>
Other comprehensive income (loss)					
Components of other comprehensive income that will be reclassified to profit or loss subsequently					
8361	Exchange differences arising on translation of foreign operations	(\$ 18,321)	(5)	\$ 10,052	3
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	<u>233</u>	<u>-</u>	<u>2,339</u>	<u>-</u>
8360	Components of other comprehensive income that will be reclassified to profit or loss subsequently	<u>(18,088)</u>	<u>(5)</u>	<u>12,391</u>	<u>3</u>
8500	Total comprehensive income	<u>\$ 11,733</u>	<u>3</u>	<u>\$ 89,178</u>	<u>25</u>
Net income, attributable to:					
8610	Shareholders of the parent	<u>\$ 29,821</u>	<u>8</u>	<u>\$ 76,787</u>	<u>22</u>
Total comprehensive income, attributable to:					
8710	Shareholders of the parent	<u>\$ 11,733</u>	<u>3</u>	<u>\$ 89,178</u>	<u>25</u>
Earnings per share					
9750	Basic earnings per share	<u>\$ 0.38</u>		<u>\$ 0.91</u>	
9850	Diluted earnings per share	<u>\$ 0.37</u>		<u>\$ 0.89</u>	

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

CYBERLINK CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(Reviewed, not audited)

	Equity attributable to owners of the parent								
	Retained Earnings					Other equity interest			Total
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences arising on translation of foreign operations	Unrealised losses on	Treasury stocks	
financial assets measured at fair value through other comprehensive income									
<u>Three months ended March 31, 2020</u>									
Balance at January 1, 2020	\$ 845,992	\$ 1,130,694	\$ 1,154,554	\$ 88,831	\$ 1,089,756	(\$ 117,204)	(\$ 12,036)	\$ -	\$ 4,180,587
Net income for the three months ended March 31,2020	-	-	-	-	76,787	-	-	-	76,787
Other comprehensive income for the three months ended March 31, 2020	-	-	-	-	-	12,391	-	-	12,391
Total comprehensive income for the three months ended March 31, 2020	-	-	-	-	76,787	12,391	-	-	89,178
Purchase of treasury share	-	-	-	-	-	-	-	(60,150)	(60,150)
Employee stock options excercised	2,798	10,241	-	-	-	-	-	-	13,039
Change in net equity of associates accounted for using equity method	-	890	-	-	-	-	-	-	890
Balance at March 31, 2020	<u>\$ 848,790</u>	<u>\$ 1,141,825</u>	<u>\$ 1,154,554</u>	<u>\$ 88,831</u>	<u>\$ 1,166,543</u>	<u>(\$ 104,813)</u>	<u>(\$ 12,036)</u>	<u>(\$ 60,150)</u>	<u>\$ 4,223,544</u>
<u>Three months ended March 31, 2021</u>									
Balance at January 1, 2021	\$ 826,003	\$ 1,177,301	\$ 1,192,548	\$ 129,240	\$ 891,491	(\$ 173,686)	(\$ 12,234)	(\$ 214,507)	\$ 3,816,156
Net income for the three months ended March 31,2021	-	-	-	-	29,821	-	-	-	29,821
Other comprehensive income for the three months ended March 31, 2021	-	-	-	-	-	(18,088)	-	-	(18,088)
Total comprehensive income for the three months ended March 31, 2021	-	-	-	-	29,821	(18,088)	-	-	11,733
Purchase of treasury share	-	-	-	-	-	-	-	(203,150)	(203,150)
Retirement of treasury share	(20,000)	(187,639)	-	-	-	-	-	207,639	-
Employee stock options excercised	980	3,450	-	-	-	-	-	-	4,430
Change in net equity of associates accounted for using equity method	-	416	-	-	-	-	-	-	416
Balance at March 31, 2021	<u>\$ 806,983</u>	<u>\$ 993,528</u>	<u>\$ 1,192,548</u>	<u>\$ 129,240</u>	<u>\$ 921,312</u>	<u>(\$ 191,774)</u>	<u>(\$ 12,234)</u>	<u>(\$ 210,018)</u>	<u>\$ 3,629,585</u>

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

CYBERLINK CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(Reviewed, not audited)

	Three months ended March 31	
	2021	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before tax	\$ 35,496	\$ 95,600
Adjustments		
Adjustments to reconcile profit (loss)		
Loss on financial assets at fair value through profit or loss	39	-
Depreciation expense	8,977	8,055
Amortization expense	599	-
Interest income	(322)	(9,841)
Interest expense	64	40
Loss on scrapping of property, plant, and equipment	34	-
Share of loss (gain) of associates and joint ventures accounted for using equity method	798	(17,488)
Changes in operating assets and liabilities		
Changes in operating assets		
Financial assets mandatorily measured at fair value through profit or loss	(252,425)	-
Accounts receivable	25,600	12,153
Other receivables	(200)	111
Other receivables-related parties	(283)	642
Inventories	(213)	556
Other current assets	3,817	(4,301)
Changes in operating liabilities		
Current contract liabilities	17,961	19,193
Accounts payable	(10,496)	(15,437)
Other payables	(41,561)	(48,090)
Other payables-related parties	(435)	(1,254)
Other current liabilities	(632)	2,285
Provisions	916	8,029
Other non-current liabilities	(181)	(119)
Cash (outflow) inflow generated from operations	(212,447)	50,134
Interest received	507	9,979
Interest paid	(64)	(40)
Income tax paid	(13,523)	(35,344)
Net cash flows (used in) from operating activities	(225,527)	24,729

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CYBERLINK CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(Reviewed, not audited)

	Three months ended March 31	
	2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from disposal of financial assets at amortized cost	\$ 354,770	\$ -
Acquisition of financial assets at amortized cost	-	(131,961)
Acquisition of property, plant, and equipment	(42)	(3,073)
Decrease in refundable deposits	35	61
Acquisition of intangible assets	(270)	-
Net cash flows from (used in) investing activities	354,493	(134,973)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Repayment of the principal portion of lease liabilities	(2,621)	(2,144)
Exercise of employee stock options	4,430	13,039
Acquisition of treasury shares	(203,150)	(60,150)
Net cash flows used in financing activities	(201,341)	(49,255)
Effects of changes in exchange rates of foreign currency holdings	(14,375)	7,683
Net decrease in cash and cash equivalents	(86,750)	(151,816)
Cash and cash equivalents at beginning of period	1,119,884	1,299,322
Cash and cash equivalents at end of period	\$ 1,033,134	\$ 1,147,506

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