

# Zacks Small-Cap Research

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## Perfect Corp

(NYSE: PERF)

### PERF: Perfect Corp. Reports Solid Q1 as Going Private Transaction Progresses

Perfect Corp. has an offer of \$1.95 in a going-private transaction that we expect will occur by year-end or early 2027

Current Price (4/27/26) \$1.66  
Valuation \$1.95

### OUTLOOK

Perfect Corp. provides an AI and machine learning based B2B SaaS platform for virtual try on and marketing of beauty and fashion products as well as seven mobile apps sold B2C for makeup suggestions, try-on, tutorials, photo and video editing, Gen AI creation and editing and AI Chat. It is expanding its offering to new verticals and has strong IP as well as the largest database for AI training in the industry. Last year it bought the leading fashion try-on provider to expand to that vertical. It has a dominant market share and serves almost all the major beauty brands worldwide, and now many of the couture fashion brands. We believe its technology can be used in a much wider range of applications and even licensed to companies beyond Beauty and Fashion industries.

### SUMMARY DATA

52-Week High \$2.62  
52-Week Low \$1.30  
One-Year Return (%) -16.2  
Beta 0.3  
Average Daily Volume (sh) 88,449

A+B Shares Out. (mil) 101.8  
Market Capitalization (\$mil) \$169  
Short Interest Ratio (days) 1.1  
Institutional Ownership (%) 51.8  
Insider Ownership (%) 59.0

Annual Cash Dividend \$0.00  
Dividend Yield (%) 0.00

5-Yr. Historical Growth Rates  
Sales (%) 14.5  
Earnings Per Share (%) N/A  
Dividend (%) N/A

P/E using TTM EPS 30.1  
P/E using 2026 Estimate 19.4  
P/E using 2027 Estimate 19.0

Risk Level  
Type of Stock  
Industry  
Average  
Small Value  
Software & Services

### ZACKS ESTIMATES

#### Revenue (in millions of \$)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	14 A	14 A	16 A	16 A	60 A
2025	16 A	16 A	19 A	18 A	69 A
2026	18 A	19 E	21 E	20 E	77 E
2027					86 E

#### Earnings Per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	\$0.01 A	\$0.01 A	\$0.03 A	\$0.01 A	\$0.05 A
2025	\$0.02 A	\$0.00 A	\$0.02 A	\$0.01 A	\$0.05 A
2026	\$0.02 A	\$0.02 E	\$0.03 E	\$0.02 E	\$0.09 E
2027					\$0.09 E

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## WHAT'S NEW

### Perfect Reports Q1 Revenues Increased 12% and Margins Improved

Perfect Corp. reported Q1 revenues of \$17.9 million, up 12%. The company improved both gross margins and operating margins, showing an operating margin of 8.2% (9.9% without the credit loss charge) versus a loss of 1.0% last year. It now has \$176 million in cash or \$1.73 per share.

Mobile subscriber numbers decreased 12% year over year and sequentially to 864,000. Despite the decline in subscribers, revenues increased as ASPs rose. The company is now generating incremental revenues from virtual points, which is similar to mobile minutes—the customer can buy extra usage above and beyond what comes with a subscription. Other revenues, which include revenues from virtual points, rose to \$ 1.0 million in Q1 versus \$ 0.3 million last year.

As of March 31, 2026, Perfect Corp. had 866 brand clients, with over 989,000 SKUs for makeup, haircare, skincare, shoes, bags, eyewear, watches, and jewelry products, as well as 118 key customers. The decline in the number of Key Customers year over year, as well as sequentially, was primarily due to customer churn in North America.

Gross margin improved to 81.9% from 77.9% a year ago due to operational efficiencies as the company reduced its use of customized software.

Total operating expenses for the March quarter increased to \$13.2 million from \$12.6 million in the same period of 2025, but included a one-time write-off for a cancelled contract of \$307,000. Excluding that, write-off expenses were \$12.9 million.

The operating profit was \$1.5 million, versus a loss of \$157,000 last year. Without the write-off, there would have been an operating profit of \$1.8 million. The company earned \$1.4 million in interest income, down from \$1.6 million last year, due to lower short-term interest rates. Pretax earnings were \$2.8 million versus \$2.5 million last year. The company paid \$481,000 in taxes compared to \$192,000 last year. Net income was \$2.4 million compared to \$2.3 million last year. This resulted in an EPS of \$0.023 flat with the previous year. Shares outstanding this quarter were again 102 million.

### Balance Sheet and Cash Flow

On March 31st, Perfect Corp. had \$176 million in cash and equivalents, 6-month time deposits, and US Treasuries. This equals \$1.73 per share. It had \$133 million in working capital and no debt. Not including changes in working capital, the company had operating cash flow and a free cash flow of \$2.1 million in the quarter.

### During the First Quarter

On January 8th, 2026, Perfect Corp. announced it is powering a new in-store digital innovation through a new partnership with PHOENIX Pharma Italia. Customers can now access an AI-powered skin analysis and personalized product recommendations experience through smart, illuminated mirrors from Inovshop. With a quick facial scan, Perfect Corp.'s Skincare Pro solution analyzes several facial features, delivering results directly on an iPad and pairing them with personalized suggestions drawn from more than 200 skincare products from major brands. PHOENIX Pharma Italia's retail division operates over 1,000 pharmacies and plans to add locations in the future.

On January 15<sup>th</sup>, 2026, Perfect Corp. announced the launch of nine new APIs within its Fashion API category, introducing virtual try-on capabilities for watches, bracelets, rings, earrings, necklaces, scarves, hats, shoes, and bags.

## Perfect Corp. Receives \$1.95 Going Private Proposal from Majority Holders

In March, Perfect Corp. received a preliminary non-binding letter that proposes a going-private transaction for \$1.95 in cash per ordinary share from CyberLink International Technology Corp. and Alice H. Chang and her controlled entities. Alice Chang, the CEO, controls 66.6% of the voting power. Ms. Chang and Cyberlink together own over 53% of the company's Class A and B shares.

The consortium members established an acquisition vehicle to implement the transaction. It is expected to be financed through equity contributions from the consortium members in the form of rollover equity in the company and available unrestricted cash from the company. Debt financing may also be arranged as necessary. A copy of the proposal is available on the SEC website.

The board has established a special committee of independent and disinterested directors for the purpose of evaluating and considering the proposal, namely Philip Tsao, who will serve as the chairman of the Special Committee, Chung-Hui (Christine) Jih, and Meng-Shiou (Frank) Lee. On April 20, 2026, Perfect announced the appointment of a financial advisor and legal counsel to the special committee to assist in its evaluation.

Given the process, we expect that the deal could be expected to close by the end of the year or early 2027.

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### KEY POINTS

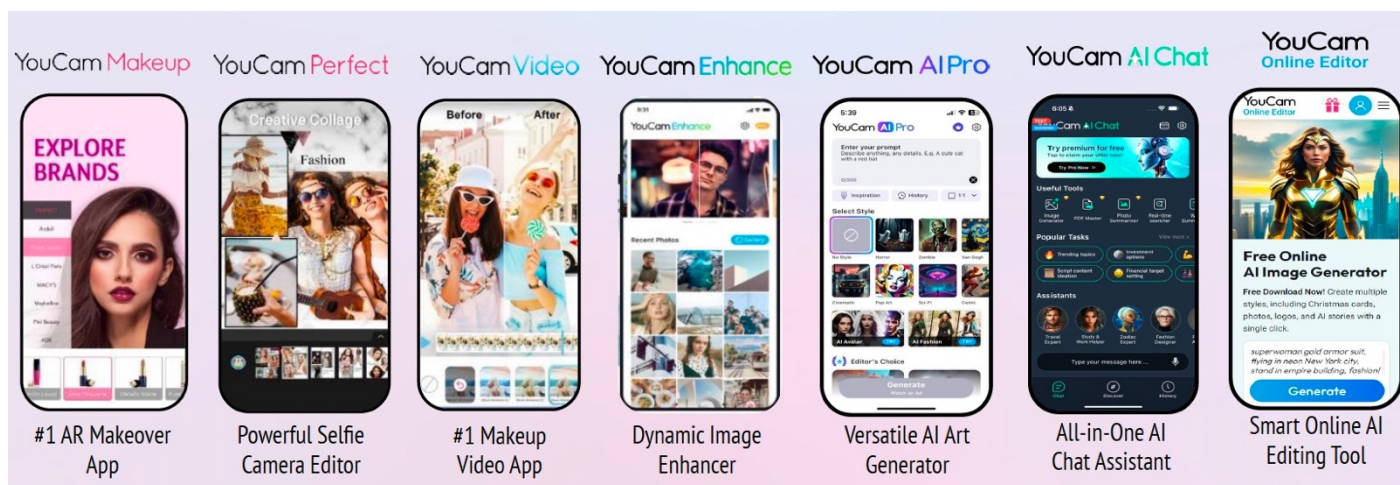
- Perfect Corp. is evaluating a take-private transaction offer of \$1.95 per share from its largest shareholders. We believe it will, in all likelihood, be approved and occur within the next few months.
- Real-world applications of AI and Generative AI are just beginning to be discovered; however, Perfect Corp. has been using them for years. Rather than a technology looking for an application, Perfect Corp. long ago sought AI and machine learning as tools to create its solutions, and now has many years of experience and a database of billions of images per year to expand its use.
- Perfect Corp. has the SaaS platform used by the vast majority of the non-captive beauty industry for brands and retailers seeking to allow customers to try on and learn about products. By using AI and machine learning on its database of billions of user-provided images, it can generate augmented reality solutions that help brands increase conversion rates, reduce returns, and boost sales. It provides a documentable ROI to its B2B customers.
- Perfect Corp. also has a suite of consumer mobile apps that now generates more than 70% of its revenues. This business grew approximately 42% in 2025. The company keeps adding new features and mobile apps with new capabilities, expanding its target market.
- The two parts of the company share the same R&D, which is monetized with two separate markets. This increases ROI and allows one part to test before rolling out products and features to the entire customer base.
- Last year, the company purchased Wannaby to expand into the fashion business. The company now has a huge new market to pursue with new capabilities, can cross-sell between the two companies, and expand Wannaby's presence into new geographies.

- We estimate the company could generate \$77 million in sales in 2026. The company grew revenues by 15% in 2025 while operating income went from a loss to a positive \$237,000, and we expect revenues and profits to continue to grow.

## OVERVIEW

Perfect Corp. is a \$151 million market cap company based in Taiwan, founded and spun off from CyberLink in 2015. It employed 353 people as of the end of 2025. It became a public company in October 2022 via a SPAC. It is a SaaS company with revenues generated by B2B and B2C solutions in an approximate 30/70 split. Most investors have never heard of Perfect Corp., but it is the dominant supplier of B2B solutions to the beauty and fashion industry. It provides try-on solutions to 18 of the top 20 cosmetic brands worldwide and is the software behind almost all the try-on solutions used by brands and retailers. Examples include Estee Lauder, [Walmart](#), Sephora, Shiseido, NARS, Sally Hansen, and Avon. As of the end of 2025, the company served 135 key customers (those who pay more than \$50,000 a year). In addition, it supports 859 brands selling 982,000 SKUs of makeup, haircare, skincare, eyewear, jewelry, and apparel. The only major player it does not serve is L'Oréal, which bought a provider as an in-house solution.

The other part of the company sells freemium-priced mobile apps to consumers for makeup try-ons, tutorials, and photo and video editing. It has seven mobile apps in both the Apple and Google stores that can be downloaded and trialed for free, but users are then charged a monthly or yearly fee for the premium version. The business has a lower gross margin due to the fees charged by the app stores. Perfect had 908,000 paying subscribers of these apps as of the end of 2025. With higher average revenue per subscriber, we believe subscription revenues increased by over 34% in 2025.



Source: Perfect Corp.

### Perfect Corp.'s Database Trains Its AI and Creates a Moat for Competitors

While the B2B business generates much higher gross margins, the B2C business grows faster. However, these two businesses share the same R&D efforts and technology, and one can test for the other as the company rolls out new products and features. The company uses powerful AI technology built on deep learning and machine learning algorithms, powered by data from over 10 billion real-life try-ons every year around the world. Perfect Corp. maintains an image library of millions of end-user customers to train its AI, creating a considerable moat for competitors. Its data allows Perfect Corp. to provide highly accurate and realistic AR makeover experiences and personalized recommendations. It has developed proprietary AI and AR technologies, with over 3,900 real-time facial 3D live meshes, backed by visual

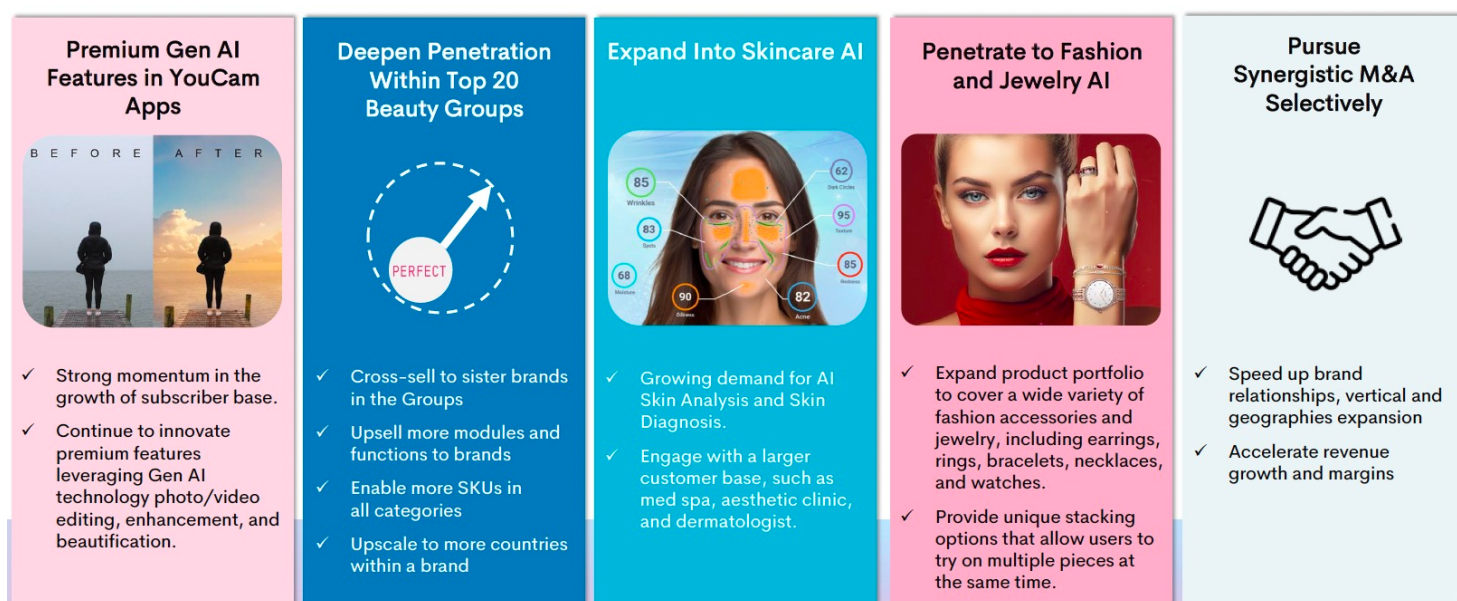
computing, enabling more true-to-life effects than its competitors. Its technology now supports over 89,969 skin tones and 14 makeup textures for facial attributes across all ethnicities and ages in its virtual try-on experience. As of December 31, 2024, Perfect had 35 registered patents and 25 pending patent applications to protect its IP.

### Growth Plans Focus on Adding New Geographies and Penetrating New Verticals

With its dominant market share, the company is looking to other geographies and verticals for growth. For the first six months of 2025, 38.2% of its revenue came from the US, 29.1% from Europe, and 18.3% from Asia-Pacific, and it looks to broaden its reach. As far as verticals, Perfect Corp. recently added skin care products, since it already has AI trained on faces, and the skincare market is triple the size of the makeup market. It has been successful in selling this to not only marketers of lotions and other skin products but also to professional practices, such as dermatologists, med-spas, and beauty clinics, who use the platform to augment and speed up evaluation processes and to project potential results.

Not including fashion, the vertical added by the acquisition of Wannaby was wigs; the most recent vertical it entered was accessories, which encompasses jewelry, [watches](#), and [eyeglasses](#). Since it already has a huge database of faces and hands from its [nail product](#), these products were a logical step. With the acquisition of Wannaby, it has added bags, scarves, shoes, and apparel to its offerings.

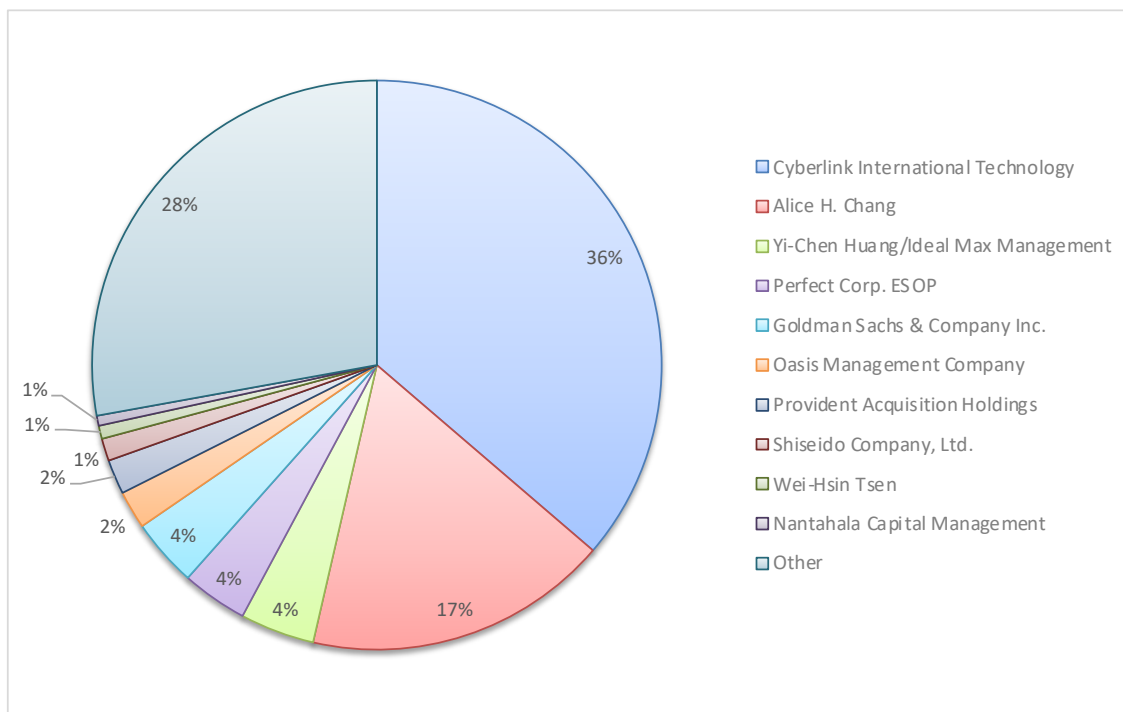
The chart below shows near-term growth plans for Perfect Corp.



Source: Perfect Corp.

## OWNERSHIP

As of March 20, 2025, Alice H. Chang beneficially owns (a) 10,622,620 Class B Ordinary Shares held by GOLDEN EDGE CO., LTD., a British Virgin Islands company in which Alice H. Chang has a controlling interest, (b) 4,669,346 Class B Ordinary Shares held by DVDonet.com. Inc., a British Virgin Islands company wholly owned by World Speed Company Limited, which is a British Virgin Islands company wholly owned by Alice H. Chang, (c) 523,008 Class B Ordinary Shares held by World Speed Company Limited, a British Virgin Islands company wholly owned by Alice H. Chang, (d) 973,744 Class B Ordinary Shares held by Alice H. Chang, and (e) 597,256 Class A Ordinary Shares held by Alice H. Chang.



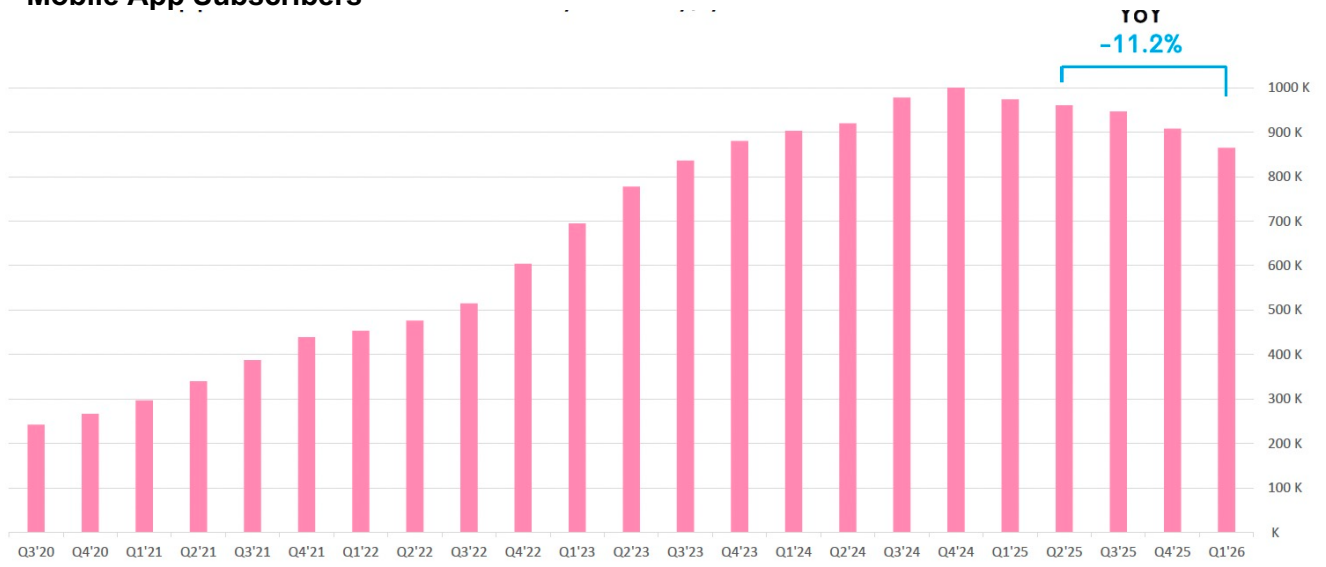
## RISKS

- Perfect Corp.'s AI solutions, particularly those used for facial analysis, may collect private and sensitive data. This may pose a risk of confidential information being leaked. In addition, a hack or data breach initiated by unauthorized third parties may result in noncompliance with data-related laws and the disclosure of confidential information. A system breakdown could also cause a leak.
- A substantial portion of Perfect Corp.'s network infrastructure is provided by third parties, including Amazon Web Services (AWS), Alibaba Cloud, and Google Cloud. Any disruption or failure in those services could harm its business.
- Governments could restrict Perfect Corp.'s ability to do business in their jurisdiction. For example, Perfect Corp.'s YouCam Makeup app has been banned in India because it raised national security concerns under Section 69A of the Information Technology Act, 2000.
- The company's CEO controls 66.4% of the voting power, leaving other shareholders with little say in governance.

## METRICS

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026
	31-Mar	30-Jun	30-Sep	31-Dec	31-Mar	30-Jun	30-Sep	31-Dec	31-Mar	30-Jun	30-Sep	31-Dec	31-Mar
<b>B2C</b>													
Monthly Active Subscriber	694,000	777,000	835,000	879,000	902,000	919,000	977,000	1,004,697	973,000	960,000	946,000	908,000	864,000
Yr-Yr Growth Rate	53%	63%	63%	45%	30%	18%	17%	14%	8%	4%	-3%	-10%	-11%
<b>B2B</b>													
SKUs	591,000	655,000	678,000	704,000	745,000	774,000	806,000	822,000	891,000	914,000	953,000	982,000	989,000
Yr-Yr Growth Rate	25%	28%	31%	27%	26%	18%	19%	17%	20%	18%	18%	19%	11%
Brands	525	601	627	645	666	686	708	732	801	818	842	859	866
Yr-Yr Growth Rate	17%	30%	32%	27%	27%	14%	13%	13%	20%	19%	19%	17%	8%
Key Customers	158	163	169	162	152	151	151	151	148	139	142	135	118
Yr-Yr Growth Rate		16%	12%	7%	-4%	-7%	-11%	-7%	-3%	-8%	-6%	-11%	-20%

# Mobile App Subscribers



Source: Perfect Corp

# INCOME STATEMENT

\$ in Thousands	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026E	Q3 2026E	Q4 2026E	2025	2026E	2027E
	31-Mar	30-Jun	30-Sep	31-Dec	4-Aug	30-Jun	30-Sep	31-Dec			
B2B Minus Licensing									17,555	15,417	17,000
Yr-to-yr Growth									-9.2%	-12.2%	10.3%
Mobile app subscriptions									46,299	53,000	60,526
Yr-to-yr Growth									34.3%	14.5%	14.2%
SaaS and subscriptions	14,095	14,900	15,700	16,400	15,486	16,986	17,741	18,204	61,090	68,417	77,526
Yr-to-yr Growth	13.7%	15.4%	17.2%	8.6%	9.9%	14.0%	13.0%	11.0%	13.5%	12.0%	13.3%
Licensing & Advertising & Other	1,919	1,447	2,959	1,734	2,450	1,800	3,000	1,500	8,100	8,750	8,500
Yr-to-yr Growth	1.5%	45.4%	8.5%	122.0%	27.7%	24.4%	1.4%	-13.5%	26.7%	8.0%	-2.9%
									67.0%	68.7%	70.4%
<b>Total Revenues</b>	<b>\$16,014</b>	<b>\$16,347</b>	<b>\$18,659</b>	<b>\$18,134</b>	<b>\$17,936</b>	<b>\$18,786</b>	<b>\$20,741</b>	<b>\$19,704</b>	<b>\$69,154</b>	<b>\$77,167</b>	<b>\$86,026</b>
Yr-to-yr Growth	12.1%	17.6%	15.7%	14.2%	12.0%	14.9%	11.2%	8.7%	14.9%	11.6%	11.5%
Cost of sales and services	3,540	4,040	4,512	3,538	3,242	3,700	4,300	4,005	15,630	15,247	16,280
Gross profit	12,474	12,307	14,147	14,596	14,694	15,086	16,441	15,699	53,524	61,920	69,746
Gross Margin %	77.9%	75.3%	75.8%	80.5%	81.9%	80.3%	79.3%	79.7%	77.4%	80.2%	81.1%
Sales and Marketing	7,360	7,810	7,909	7,732	7,650	8,100	8,300	8,500	30,811	32,550	36,000
G&A	1,706	2,001	1,740	1,549	1,731	1,650	1,700	1,750	6,996	6,831	8,000
R&D	3,565	4,030	3,932	3,878	3,532	4,100	4,200	4,300	15,405	16,132	18,000
Expected credit losses	0	(67)	69	73	307	0	0	0	75	307	0
Impairment loss on goodwill	0	0	0	1,965	0	0	0	0	1,965	-	0
Total operating expenses	12,631	13,774	13,650	15,197	13,220	13,850	14,200	14,550	55,252	55,513	62,000
Operating income:	(157)	(1,467)	497	(601)	1,474	1,236	2,241	1,149	(1,728)	6,407	7,746
Operating margin	-1.0%	-9.0%	2.7%	-3.3%	8.2%	6.6%	10.8%	5.8%	-2.5%	8.3%	9.0%
<b>Other income:</b>											
Interest income	1,577	1,587	1,546	1,424	1,357	1,357	1,357	1,357	6,134	5,428	5,000
Other income	2	14	12	0	20	0	0	0	28	20	0
Other gains and losses	1,066	526	175	(448)	(13)	0	0	0	1,319	-13	0
Finance costs	(3)	(3)	(5)	(5)	(4)	(4)	(5)	(5)	(16)	(18)	(10)
Total other income	2,642	2,124	1,728	971	1,360	1,353	1,352	1,352	7,465	5,417	4,990
Income before income taxes	2,485	657	2,225	370	2,834	2,589	3,593	2,501	5,737	11,824	12,736
Pretax Margin	15.5%	4.0%	11.9%	2.0%	15.8%	13.8%	17.3%	12.7%	8.3%	15.3%	14.8%
Income taxes	192	450	145	307	481	777	1,078	750	1,094	3,086	3,821
Tax rate	8%	68%	7%	83%	17%	30%	30%	30%	19%	26%	30%
Net income	2,293	207	2,080	63	2,353	1,812	2,515	1,751	4,643	8,738	8,915
Net margin	14.3%	1.3%	11.1%	0.3%	13.1%	9.6%	12.1%	8.9%	6.7%	11.3%	10.4%
<b>Other comprehensive income:</b>											
Actuarial gains	0	0	0	(16)	0	0	0	0	(16)	0	0
Credit risk changes preferred	0	0	0	0	0	0	0	0	0	0	0
Exchange difference on translation	108	103	(56)	(112)	(45)	0	0	0	43	0	0
Other comprehensive income, net	2,401	310	2,024	(128)	2,308	1,812	2,515	1,751	27	8,738	8,915
Stk based compensation	620	280	284	226	214	214	214	214	1,410	1,500	1,700
One-time exp. & non-cash adj.	(889)	(85)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Non-IFRS Income	2,024	402	NA	NA	NA	NA	NA	NA	NA	NA	NA
Yr-over-Yr	33%	-68%	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Net income per share:</b>											
Shareholders of Parent Primary EPS	0.023	0.002	0.020	0.010	0.023	0.018	0.025	0.017	0.046	0.086	0.087
Shareholders Diluted EPS	0.023	0.002	0.020	0.010	0.023	0.018	0.025	0.017	0.046	0.086	0.087
Total Diluted Non-IFRS EPS	0.020	0.004	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Shares</b>											
Avg basic shares (A+B)	101,849	101,849	101,849	101,849	101,849	101,849	101,849	101,849	101,849	101,900	101,900
Yr-over-Yr	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%

## BALANCE SHEET

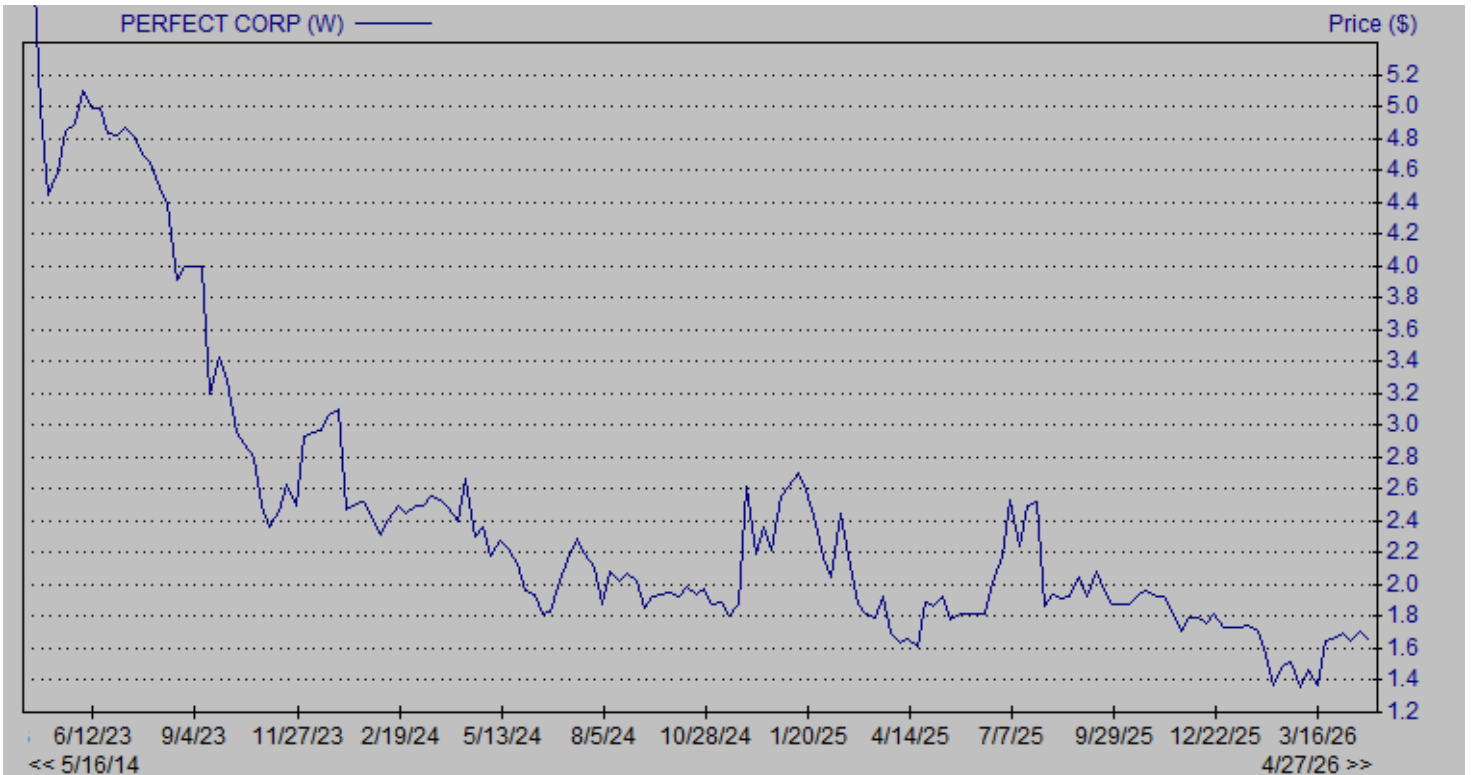
US\$ in Thousands

	Mar 31, 2026	Dec 31, 2025	Qtr-Qtr % Growth	Mar 31, 2024	Yr-Yr % Growth
<b>Current assets:</b>					
Cash and equivalents	\$ 120,633	\$ 125,976	-4.2%	\$ 121,960	-1%
Current financial assets at fair value	4,233	0	NA	0	NA
Current financial assets at amortized costs	36,400	36,300	0.3%	35,300	3%
Current contract assets (contract receivable)	802	968	-17.1%	2,251	-64%
Accounts receivable, net	6,736	7,567	-11.0%	7,699	-13%
Other receivables	690	358	92.7%	707	-2%
Current income tax assets	22	22	0.0%	344	-94%
Inventories	17	17	0.0%	28	-39%
Other current assets	1,939	2,138	-9.3%	3,491	-44%
Total current assets	171,472	173,346	-1.1%	171,780	0%
Non-current financial asset at amortized cost	15,153	10,173	49.0%	0	NA
Property, plant and equipment	667	695	-4.0%	420	59%
Right-of-use assets	525	659	-20.3%	725	-28%
Intangible assets, net	4,390	4,421	-0.7%	64	6759%
Deferred income tax assets	2,549	2,483	2.7%	692	268%
Security deposits paid	167	193	-13.5%	139	20%
Total non-current assets	23,451	18,624	25.9%	2,040	1050%
Total assets	194,923	191,970	1.5%	173,820	12%
<b>Current liabilities:</b>					
Current contract liabilities (unearned revenue)	23,011	21,902	5.1%	18,216	26%
Other payables	11,794	12,831	-8.1%	9,720	21%
Other payables - related parties	111	72	54.2%	49	127%
Current tax liabilities	1,442	996	44.8%	225	541%
Current provisions	1,212	1,061	14.2%	2,179	-44%
Current lease liabilities	400	444	-9.9%	486	-18%
Other current liabilities	336	359	-6.4%	224	50%
Total current liabilities	38,306	37,665	1.7%	31,099	23%
Non-current financial liabilities at FV	309	419	-26.3%	1,670	-81%
Deferred income tax liabilities	479	488	-1.8%	0	NA
Non-current lease liabilities	148	239	-38.1%	266	-44%
Net defined benefit liabilities, non-current	64	64	0.0%	80	-20%
Guarantee deposits received	0	0	0.0%	25	-100%
Total non-current liabilities	1,000	1,210	-17.4%	2,041	-51%
Total liabilities	39,306	38,875	1.1%	33,140	19%
<b>Stockholders' equity</b>					
Class A Shares	8,506	8,506	0.0%	8,506	0%
Class B Shares	1,679	1,679	0.0%	1,679	0%
Capital surplus	514,614	514,400	0.0%	511,000	1%
Accumulated deficit	(368,440)	(370,793)	-0.6%	(379,842)	-3%
Other equity interest	(742)	(597)	24.3%	(663)	12%
Total stockholders' equity	155,617	153,095	1.6%	140,680	11%
Total liabilities and stockholders' equity	194,923	191,970	1.5%	173,820	12%
Current ratio	4.5	4.6	-2.7%	5.5	-19%
Working Capital	133,166	135,681	-1.9%	140,681	-5%
Net cash plus CDs	176,419	172,449	2.3%	157,260	12%
Cash per share	\$1.73	\$1.69	2.3%	\$1.54	12%
Debt	0	0	0.0%	0	0%

## CASH FLOWS

US\$ in Thousands	Year 2023	Year 2024	3 Mo Ended Mar 31, 2025	3 Mo Ended Jun 30, 2025	3 Mo Ended Sep 30, 2025	3 Mo Ended Dec 31, 2025	Year 2025	3 Mo Ended Mar 31, 2026
<b>Cash flows from operating activities:</b>								
Profit before tax	5,531	4,286	2,485	657	2,225	370	5,737	2,834
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>								
Depreciation	638	747	210	217	218	226	871	217
Amortization	75	51	31	44	36	34	145	31
Expected credit losses	-	1,373	-	(67)	69	73	75	307
Interest income	(9,498)	(7,708)	(1,577)	(1,587)	(1,546)	(1,424)	(6,134)	(1,357)
Interest expense	15	18	3	3	5	5	16	4
Net losses on financial assets at FV				(9)	(23)	(19)	(51)	(17)
Net losses on financial liabilities at FV	(1,641)	227	(951)	(85)	(621)	125	(1,532)	(110)
Share-based payments	3,210	2,774	620	280	284	226	1,410	214
Impairment loss on goodwill						1,965	1,965	
Recognition of listing expense	-	-	-	-	-	-	-	-
<b>Change in operating assets and liabilities:</b>								
Accounts receivable	759	(2,300)	(815)	456	(1,126)	1,965	480	522
Current contract assets	866	1,789	214	(88)	(499)	385	12	161
Other receivables	3	-	-	(22)	22	-	-	(55)
Other receivables - related parties	-	-	-	-	-	-	-	-
Inventories	12	15	0	-	-	-	-	0
Other current assets	662	1,514	214	148	257	(175)	444	196
Current contract liabilities	2,366	1,949	3,976	333	1,976	(1,720)	4,565	1,131
Other payables	1,050	1,362	(644)	2,137	486	(905)	1,074	(1,030)
Other payables - related parties	(12)	(2)	6	10	13	(2)	27	39
Current provisions	565	(449)	(600)	81	(278)	(52)	(849)	157
Other current liabilities	27	80	(13)	(34)	72	(9)	16	(21)
Net defined benefit liabilities, non-current	3	3	-	-	-	-	-	-
Net cash generated by operating activities	4,631	5,729	3,159	2,474	1,570	1,068	8271	3,223
Interest income	9,464	7,699	1,416	1,765	1,389	1,552	6,122	1,137
Interest paid	(15)	(18)	(3)	(3)	(5)	(5)	(16)	(4)
Income tax paid	(502)	(407)	(246)	(575)	(186)	(65)	(1,072)	(114)
<b>Cash used by operating activities</b>	13,578	13,003	4,326	3,661	2,768	2,550	13,305	4,242
<b>Cash flows from Investing activities:</b>								
Acquisition of financial assets at FV	-	-	-	(6,143)	232	(232)	(6,143)	(6,287)
Proceeds from disposal of financial assets at FV through p or l	-	-	2,746	-	-	6,194	8,940	2,071
Acquisition of financial assets at amortized	(196,100)	(83,347)	(6,300)	(30,000)	(11,300)	(35,118)	(82,718)	(16,436)
Proceeds from disposal of financial assets	195,800	74,874	6,000	30,000	11,300	25,000	72,300	11,300
Acquisition of subsidiaries, net	-	-	(5,553)	(428)	-	-	(5,981)	-
Capital expenditures, net	(289)	(392)	(46)	(118)	(253)	(7)	(425)	(56)
Proceeds from disposal of property, plant & eqt						2	3	1
Acquisition of intangible assets	(33)	(6)	-	-	-	-	-	-
Increase in guarantee deposits paid	(15)	(8)	(52)	(15)	-	28	(39)	26
<b>Net cash used in investing activities</b>	(637)	(8,879)	(3,205)	(6,704)	(21)	(4,133)	(14,063)	(9,381)
<b>Cash flows from Financing activities:</b>								
Repayment of principal portion of lease liab.	(435)	(525)	(134)	(169)	(116)	(143)	(562)	(135)
Employee stock option exercised	-	-	-	-	-	-	-	-
Proceeds from recapitalization	-	-	-	-	-	-	-	-
Payments for treasury shares	(51,064)	-	-	-	-	-	-	-
<b>Net cash provided by financing activities</b>	(51,499)	(525)	(134)	(169)	(116)	(143)	(562)	(135)
Effect of exchange rate changes of cash	(187)	(349)	195	246	(86)	(180)	175	(69)
Net change - cash	(38,745)	3,250	1,182	(2,966)	2,545	(1,906)	(1,145)	(5,343)
Cash, beginning of period	162,616	123,871	127,121	128,303	125,337	127,882	127,121	125,976
Cash, end of period	123,871	127,121	128,303	125,337	127,882	125,976	125,976	120,633
<b>Cash Flow</b>	(1,670)	1,768	821	(547)	647	1,581	2,502	2,123
<b>Free cash flow</b>	(1,959)	1,376	775	(665)	394	1,574	2,077	2,067

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