

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
As of December 31, 2019, and December 31, 2018
(In Thousands of New Taiwan Dollars)

	December 31,2019		December 31,2018			December 31,2019		December 31,2018	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets					Liabilities and equity				
Current assets :					Current liabilities :				
Cash and cash equivalents	\$ 666,521	45	\$ 632,168	44	Current contract liabilities	\$ 8,559	1	6,893	-
Current financial assets at fair value through profit or loss	163,112	11	162,742	12	Accounts payable	91,050	6	72,867	6
Notes receivable, net	3,062	-	1,451	-	Other payables	137,597	9	140,475	10
Accounts receivable, net	137,904	9	127,997	9	Current tax liabilities	22,176	2	25,723	2
Accounts receivable due from related parties, net	50,677	4	34,307	2	Current provisions for employee benefits	5,460	-	5,342	-
Other receivables	1,413	-	2,114	-	Current lease liabilities	16,408	1	-	-
Inventories	246,380	17	243,128	17	Other current liabilities	3,308	-	6,948	1
Prepayments	11,251	1	11,847	1	Total current liabilities	284,558	19	258,248	19
Other current financial assets	1,159	-	1,146	-	Non-current liabilities :				
Total current assets	1,281,479	87	1,216,900	85	Deferred tax liabilities	-	-	346	-
Non-current assets :					Lease liabilities	38,397	2	-	-
Non-current financial assets at amortized cost	100,000	7	100,000	7	Net defined benefit liabilities	8,248	1	6,734	-
Property, plant and equipment	6,562	-	9,257	1	Total non-current liabilities	46,645	3	7,080	-
Right-of-use assets	54,616	4	-	-	Total liabilities	331,203	22	265,328	19
Intangible assets	5	-	52,282	4	Equity attributable to owners of parent :				
Deferred tax assets	14,499	1	19,912	1	Ordinary share	594,687	40	594,687	42
Guarantee deposits paid	4,746	-	6,139	-	Capital surplus :				
Other non-current assets, others	18,183	1	23,161	2	Capital surplus, additional paid-in capital arising from ordinary share	-	-	9,954	1
Total non-current assets	198,611	13	210,751	15	Capital surplus, from share of changes in equity of subsidiaries	5,214	-	-	-
					Capital surplus, net assets from merger	31,955	2	39,842	3
					Capital surplus, others	514	-	514	-
						37,683	2	50,310	4
					Retained earnings :				
					Legal reserve	249,843	17	230,075	16
					Special reserve	-	-	24	-
					Unappropriated retained earnings (accumulated deficit)	200,523	14	204,746	14
						450,366	31	434,845	30
					Other equity interest :				
					Exchange differences on translation of foreign operations	(976)	-	672	-
					Total equity attributable to owners of parent	1,081,760	73	1,080,514	76
					Non-controlling interests	67,127	5	81,809	5
					Total equity	1,148,887	78	1,162,323	81
Total Assets	\$ 1,480,090	100	1,427,651	100	Total liabilities and equity	\$ 1,480,090	100	1,427,651	100

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years ended December 31, 2019 and 2018
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
Sales revenue	\$ 1,155,836	101	1,080,406	100
Less : Sales returns	559	-	1,848	-
Sales discounts and allowances	8,243	1	1,605	-
Operating revenue	1,147,034	100	1,076,953	100
Cost of sales	490,674	43	480,417	45
Gross profit (loss) from operations	656,360	57	596,536	55
Operating expenses				
Selling expenses	52,584	4	61,819	6
Administrative expenses	61,882	5	56,851	5
Research and development expenses	282,730	25	266,497	25
Total operating expenses	397,196	34	385,167	36
Net operating income (loss)	259,164	23	211,369	19
Non-operating income and expenses :				
Other income	11,766	1	10,855	1
Other gains and losses, net	(54,168)	(5)	9,571	1
Finance costs, net	(440)	-	-	-
Total non-operating income and expenses	(42,842)	(4)	20,426	2
Profit (loss) before tax	216,322	19	231,795	21
Less : Tax expense (income)	43,622	4	36,930	3
Profit (loss)	172,700	15	194,865	18
Other comprehensive income (loss) :				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit obligation	(1,924)	-	(1,955)	-
Income tax related to items that will not be reclassified subsequently	-	-	-	-
	(1,924)	-	(1,955)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(2,934)	-	1,126	-
Income tax related to items that may be reclassified subsequently	-	-	-	-
	(2,934)	-	1,126	-
Other comprehensive income, net	(4,858)	-	(829)	-
Comprehensive income	\$ 167,842	15	194,036	18
Profit (loss), attributable to :				
Profit (loss), attributable to owners of parent	\$ 195,851	17	197,685	18
Profit (loss), attributable to non-controlling interests	(23,151)	(2)	(2,820)	-
	\$ 172,700	15	194,865	18
Comprehensive income attributable to :				
Comprehensive income, attributable to owners of parent	\$ 192,279	17	196,426	18
Comprehensive income, attributable to non-controlling interests	(24,437)	(2)	(2,390)	-
	\$ 167,842	15	194,036	18
Earnings per share(NT Dollars) :				
Basic earnings per share	\$	3.29	\$	3.32
Diluted earnings per share	\$	3.25	\$	3.28

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER EQUITY
For the Years ended December 31, 2019 and 2018
(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent								Non-controlling interests	Total equity
	Share capital		Retained earnings				Other equity interest			
	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign operations	Total equity attributable to owners of parent			
Beginning balance, January 1, 2018	\$ 594,687	109,779	209,193	-	214,275	(24)	1,127,910	66,562	1,194,472	
Profit for current period	-	-	-	-	197,685	-	197,685	(2,820)	194,865	
Other comprehensive income for current period	-	-	-	-	(1,955)	696	(1,259)	430	(829)	
Total comprehensive income	-	-	-	-	195,730	696	196,426	(2,390)	194,036	
Appropriation and distribution of retained earnings :										
Legal reserve appropriated	-	-	20,882	-	(20,882)	-	-	-	-	
Special reserve appropriated	-	-	-	24	(24)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(184,353)	-	(184,353)	-	(184,353)	
Other changes in capital surplus :										
Cash dividends from capital surplus	-	(59,469)	-	-	-	-	(59,469)	-	(59,469)	
Changes in non-controlling interests	-	-	-	-	-	-	-	17,637	17,637	
Ending Balance, December 31, 2018	594,687	50,310	230,075	24	204,746	672	1,080,514	81,809	1,162,323	
Profit for current period	-	-	-	-	195,851	-	195,851	(23,151)	172,700	
Other comprehensive income for current period	-	-	-	-	(1,924)	(1,648)	(3,572)	(1,286)	(4,858)	
Total comprehensive income	-	-	-	-	193,927	(1,648)	192,279	(24,437)	167,842	
Appropriation and distribution of retained earnings :										
Legal reserve appropriated	-	-	19,768	-	(19,768)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(178,406)	-	(178,406)	-	(178,406)	
Reversal of special reserve	-	-	-	(24)	24	-	-	-	-	
Other changes in capital surplus :										
Cash dividends from capital surplus	-	(17,841)	-	-	-	-	(17,841)	-	(17,841)	
From share of changes in equity of subsidiaries	-	5,214	-	-	-	-	5,214	-	5,214	
Changes in non-controlling interests	-	-	-	-	-	-	-	9,755	9,755	
Ending Balance, December 31, 2019	\$ 594,687	37,683	249,843	-	200,523	(976)	1,081,760	67,127	1,148,887	

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOW
For the Years ended December 31, 2019 and 2018
(In Thousands of New Taiwan Dollars)

	2019	2018
Cash flows from operating activities, indirect method :		
Profit (loss) before tax	\$ 216,322	231,795
Adjustments :		
Adjustments to reconcile profit (loss) :		
Depreciation expense	21,580	3,796
Amortization expense	39,486	28,567
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(883)	(708)
Interest expense	440	-
Interest income	(7,653)	(7,373)
Loss (gain) on disposal of property, plan and equipment	328	-
Impairment loss on non-financial assets	45,400	-
Other item	(5)	-
Total adjustments to reconcile profit (loss)	98,693	24,282
Changes in operating assets and liabilities :		
Changes in operating assets :		
Decrease (increase) in financial assets at fair value through profit or loss	513	-
Decrease (increase) in notes receivable	(1,611)	1,870
Decrease (increase) in accounts receivable	(9,907)	10,152
Decrease (increase) in accounts receivable due from related parties	(16,370)	(19,524)
Decrease (increase) in other receivable	41	(24)
Decrease (increase) in inventories	(3,252)	117,623
Decrease (increase) in prepayments	596	(4,775)
Decrease (increase) in other financial assets	(13)	(12)
Total changes in operating assets	(30,003)	105,310
Changes in operating liabilities :		
Increase (decrease) in current contract liabilities	1,666	1,757
Increase (decrease) in notes payable	-	(385)
Increase (decrease) in accounts payable	18,183	(313)
Increase (decrease) in other payable	1,995	(3,813)
Increase (decrease) in provisions	118	518
Increase (decrease) in other current liabilities	(3,640)	(605)
Increase (decrease) in net defined benefit liabilities	(410)	(412)
Total changes in operating liabilities	17,912	(3,253)
Total changes in operating assets and liabilities	(12,091)	102,057
Total adjustments	86,602	126,339
Cash inflow (outflow) generated from operations	302,924	358,134
Interest received	8,313	6,736
Interest paid	(440)	-
Income taxes refund (paid)	(42,102)	(44,611)
Net cash flows from (used in) operating activities	268,695	320,259
Cash flows from (used in) investing activities :		
Net cash flow from acquisition of subsidiaries	-	(29,962)
Acquisition of property, plant and equipment	(5,297)	(8,148)
Decrease (Increase) in refundable deposits	1,393	(1,355)
Acquisition of intangible assets	(34)	-
Increase in other non-current assets	(30,667)	(30,389)
Net cash flows from (used in) investing activities	(34,605)	(69,854)
Cash flows from (used in) financing activities :		
Increase (decrease) short-term loans	-	(5,817)
Repayments of bonds	-	(1,074)
Repayment of the principal portion of lease liabilities	(16,973)	-
Cash dividends paid	(196,247)	(243,822)
Change in non-controlling interests	14,969	-
Net cash flows from (used in) financing activities	(198,251)	(250,713)
Effect of exchange rate changes on cash and cash equivalents	(1,486)	625
Net increase (decrease) in cash and cash equivalents	34,353	317
Cash and cash equivalents at beginning of period	632,168	631,851
Cash and cash equivalents at end of period	\$ 666,521	\$ 632,168