

eGalax_eMPIA Technology Inc.
BALANCE SHEET
As of December 31, 2020, and December 31, 2019
(In Thousands of New Taiwan Dollars)

	December 31,2020		December 31,2019	
Assets	Amount	%	Amount	%
Current assets :				
Cash and cash equivalents	\$ 461,432	33	503,620	37
Current financial assets at fair value through profit or loss	172,037	12	141,394	10
Current financial assets at amortized cost	25,000	2	-	-
Notes receivable, net	834	-	3,062	-
Accounts receivable, net	101,507	7	114,382	9
Accounts receivable due from related parties, net	46,948	3	50,677	4
Other receivables	509	-	641	-
Inventories	355,847	25	237,567	17
Prepayments	2,037	-	3,210	-
Other current financial assets	1,169	-	1,159	-
Total current assets	1,167,320	82	1,055,712	77
Non-current assets :				
Non-current financial assets at amortized cost	50,000	4	100,000	7
Investments accounted for using equity method	127,575	9	126,554	9
Property, plant and equipment	6,085	-	6,309	1
Right-of-use assets	38,486	3	52,846	4
Deferred tax assets	8,000	1	9,432	1
Guarantee deposits paid	3,692	-	3,308	-
Other non-current assets, others	16,015	1	18,091	1
Total non-current assets	249,853	18	316,540	23
Total Assets	\$ 1,417,173	100	\$ 1,372,252	100

Liabilities and equity				
Current liabilities :				
Current contract liabilities	\$ 3,465	-	5,630	-
Accounts payable	108,052	8	81,932	6
Other payables	122,199	9	112,829	8
Current tax liabilities	12,270	1	21,244	2
Current provisions for employee benefits	6,577	-	5,460	-
Current lease liabilities	14,858	1	14,637	1
Other current liabilities	1,087	-	843	-
Total current liabilities	268,508	19	242,575	17
Non-current liabilities :				
Deferred tax liabilities	67	-	-	-
Lease liabilities	23,901	1	38,397	3
Net defined benefit liabilities	9,203	1	8,248	1
Credit balance of investments accounted for using equity method	1,285	-	1,272	-
Total non-current liabilities	34,456	2	47,917	4
Total liabilities	302,964	21	290,492	21
Equity :				
Ordinary share	594,687	42	594,687	43
Capital surplus :				
Capital surplus, from share of changes in equity of subsidiaries	5,214	-	5,214	1
Capital surplus, net assets from merger	14,114	1	31,955	2
Capital surplus, others	514	-	514	-
	19,842	1	37,683	3
Retained earnings :				
Legal reserve	269,428	19	249,843	18
Special reserve	976	-	-	-
Unappropriated retained earnings (accumulated deficit)	230,915	17	200,523	15
	501,319	36	450,366	33
Other equity interest :				
Exchange differences on translation of foreign operations	(1,639)	-	(976)	-
Total equity	1,114,209	79	1,081,760	79
Total liabilities and equity	\$ 1,417,173	100	\$ 1,372,252	100

eGalax_eMPIA Technology Inc.
STATEMENTS OF COMPREHENSIVE INCOME
For the Years ended December 31, 2020 and 2019
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
Sales revenue	\$ 1,066,593	101	1,031,437	101
Less : Sales returns	5,744	1	559	-
Sales discounts and allowances	222	-	8,099	1
Operating revenue	<u>1,060,627</u>	<u>100</u>	<u>1,022,779</u>	<u>100</u>
Cost of sales	<u>490,192</u>	<u>46</u>	<u>440,060</u>	<u>43</u>
Gross profit (loss) from operations	<u>570,435</u>	<u>54</u>	<u>582,719</u>	<u>57</u>
Operating expenses				
Selling expenses	46,271	5	43,606	4
Administrative expenses	44,080	4	42,366	4
Research and development expenses	214,709	20	213,203	21
Total operating expenses	<u>305,060</u>	<u>29</u>	<u>299,175</u>	<u>29</u>
Net operating income (loss)	<u>265,375</u>	<u>25</u>	<u>283,544</u>	<u>28</u>
Non-operating income and expenses :				
Interest income	3,357	-	5,259	1
Other income	1,367	-	2,717	-
Other gains and losses, net	(2,998)	-	(5,117)	(1)
Finance costs, net	(324)	-	(425)	-
Share of profit (loss) of subsidiaries.associates and joint ventures accounted for using equity method	1,671	-	(47,921)	(5)
Total non-operating income and expenses	<u>3,073</u>	<u>-</u>	<u>(45,487)</u>	<u>(5)</u>
Profit (loss) before tax	<u>268,448</u>	<u>25</u>	<u>238,057</u>	<u>23</u>
Less : Tax expense (income)	<u>37,708</u>	<u>3</u>	<u>42,206</u>	<u>4</u>
Profit (loss)	<u>230,740</u>	<u>22</u>	<u>195,851</u>	<u>19</u>
Other comprehensive income (loss) :				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit obligation	(1,381)	-	(1,924)	-
Income tax related to items that will not be reclassified subsequently	-	-	-	-
	<u>(1,381)</u>	<u>-</u>	<u>(1,924)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(663)	-	(1,648)	-
Income tax related to items that may be reclassified subsequently	-	-	-	-
	<u>(663)</u>	<u>-</u>	<u>(1,648)</u>	<u>-</u>
Other comprehensive income, net	<u>(2,044)</u>	<u>-</u>	<u>(3,572)</u>	<u>-</u>
Comprehensive income	<u>\$ 228,696</u>	<u>22</u>	<u>192,279</u>	<u>19</u>
Earnings per share(NT Dollars) :				
Basic earnings per share	<u>\$</u>	<u>3.88</u>	<u></u>	<u>3.29</u>
Diluted earnings per share	<u>\$</u>	<u>3.83</u>	<u></u>	<u>3.25</u>

eGalax_eMPIA Technology Inc.
STATEMENT OF CHANGES IN STOCKHOLDER EQUITY
For the Years ended December 31, 2020 and 2019
(In Thousands of New Taiwan Dollars)

	Ordinary share	Capital surplus	Retained earnings			Other equity interest	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign operations	
Beginning balance, January 1, 2019	\$ 594,687	50,310	230,075	24	204,746	672	1,080,514
Profit for current period	-	-	-	-	195,851	-	195,851
Other comprehensive income for current period	-	-	-	-	(1,924)	(1,648)	(3,572)
Total comprehensive income	-	-	-	-	193,927	(1,648)	192,279
Appropriation and distribution of retained earnings :							
Legal reserve appropriated	-	-	19,768	-	(19,768)	-	-
Cash dividends of ordinary share	-	-	-	-	(178,406)	-	(178,406)
Reversal of special reserve	-	-	-	(24)	24	-	-
Other changes in capital surplus :							
Cash dividends from capital surplus	-	(17,841)	-	-	-	-	(17,841)
From share of changes in equity of subsidiaries	-	5,214	-	-	-	-	5,214
Ending Balance, December 31, 2019	594,687	37,683	249,843	-	200,523	(976)	1,081,760
Profit for current period	-	-	-	-	230,740	-	230,740
Other comprehensive income for current period	-	-	-	-	(1,381)	(663)	(2,044)
Total comprehensive income	-	-	-	-	229,359	(663)	228,696
Appropriation and distribution of retained earnings :							
Legal reserve appropriated	-	-	19,585	-	(19,585)	-	-
Special reserve appropriated	-	-	-	976	(976)	-	-
Cash dividends of ordinary share	-	-	-	-	(178,406)	-	(178,406)
Other changes in capital surplus :							
Cash dividends from capital surplus	-	(17,841)	-	-	-	-	(17,841)
Ending Balance, December 31, 2020	\$ 594,687	19,842	269,428	976	230,915	(1,639)	1,114,209

eGalax_eMPIA Technology Inc.
STATEMENT OF CASH FLOW
For the Years ended December 31, 2020 and 2019
(In Thousands of New Taiwan Dollars)

	2020	2019
Cash flows from operating activities, indirect method :		
Profit (loss) before tax	\$ 268,448	238,057
Adjustments :		
Adjustments to reconcile profit (loss) :		
Depreciation expense	17,935	18,129
Amortization expense	23,344	24,526
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(643)	(762)
Interest expense	324	425
Interest income	(3,357)	(5,259)
Share of loss (profit) of subsidiaries.associates and joint ventures accounted for using equity method	(1,671)	47,921
Impairment loss on non-financial assets	-	3,843
Total adjustments to reconcile profit (loss)	35,932	88,823
Changes in operating assets and liabilities :		
Changes in operating assets :		
Decrease (increase) in financial assets at fair value through profit or loss	(30,000)	513
Decrease (increase) in notes receivable	2,228	(1,611)
Decrease (increase) in accounts receivable	12,875	(19,531)
Decrease (increase) in accounts receivable due from related parties	3,729	(16,917)
Decrease (increase) in other receivable	33	184
Decrease (increase) in inventories	(118,280)	(14,468)
Decrease (increase) in prepayments	1,173	783
Decrease (increase) in other financial assets	(10)	(13)
Total changes in operating assets	(128,252)	(51,060)
Changes in operating liabilities :		
Increase (decrease) in current contract liabilities	(2,165)	2,094
Increase (decrease) in accounts payable	26,120	19,635
Increase (decrease) in other payable	7,419	7,281
Increase (decrease) in provisions	1,117	118
Increase (decrease) in other current liabilities	244	112
Increase (decrease) in net defined benefit liabilities	(426)	(410)
Total changes in operating liabilities	32,309	28,830
Total changes in operating assets and liabilities	(95,943)	(22,230)
Total adjustments	(60,011)	66,593
Cash inflow (outflow) generated from operations	208,437	304,650
Interest received	3,456	5,901
Interest paid	(324)	(425)
Income taxes refund (paid)	(45,183)	(40,029)
Net cash flows from (used in) operating activities	166,386	270,097
Cash flows from (used in) investing activities :		
Proceeds from repayments of financial assets at amortised cost	25,000	-
Acquisition of property, plant and equipment	(2,851)	(5,187)
Decrease (Increase) in refundable deposits	(384)	47
Increase in other non-current assets	(19,317)	(28,601)
Net cash flows from (used in) investing activities	2,448	(33,741)
Cash flows from (used in) financing activities :		
Repayment of the principal portion of lease liabilities	(14,775)	(14,534)
Cash dividends paid	(196,247)	(196,247)
Net cash flows from (used in) financing activities	(211,022)	(210,781)
Net increase (decrease) in cash and cash equivalents	(42,188)	25,575
Cash and cash equivalents at beginning of period	503,620	478,045
Cash and cash equivalents at end of period	461,432	503,620