

**eGalax\_eMPIA Technology Inc. and SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEET**  
**As of December 31, 2015, and December 31, 2014**  
**(In Thousands of New Taiwan Dollars)**

	December 31, 2015		December 31, 2014			December 31, 2015		December 31, 2014	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>Assets</b>					<b>Liabilities and equity</b>				
<b>Current assets :</b>					<b>Current liabilities :</b>				
Cash and cash equivalents	\$ 812,644	53	795,082	52	Current financial liabilities at fair value through profit or loss	\$ 373	-	330	-
Current financial assets at fair value through profit or loss	254,179	17	185,685	12	Notes payable	418	-	41	-
Current held-to-maturity financial assets, net	100,000	7	-	-	Accounts payable	65,977	5	72,446	5
Notes receivable, net	1,648	-	1,135	-	Other payables	137,026	9	141,509	9
Accounts receivable, net	111,709	7	89,916	6	Current tax liabilities	16,656	1	7,289	-
Accounts receivable due from related parties, net	19,642	1	28,291	2	Current provisions for employee benefits	3,630	-	3,096	-
Other receivables	1,779	-	2,716	-	Bonds payable, current portion	89,717	6	89,498	6
Inventories	141,921	9	181,307	12	Other current liabilities	4,104	-	7,735	1
Prepayments	11,894	1	8,989	-	<b>Total current liabilities</b>	<b>317,901</b>	<b>21</b>	<b>321,944</b>	<b>21</b>
Other current financial assets	1,109	-	1,096	-	<b>Non-current liabilities :</b>				
<b>Total current assets</b>	<b>1,456,525</b>	<b>95</b>	<b>1,294,217</b>	<b>84</b>	Deferred tax liabilities	583	-	677	-
<b>Non-current assets :</b>					Net defined benefit liabilities	1,735	-	175	-
Non-current financial assets at fair value through profit or loss	40,032	3	98,866	7	<b>Total non-current liabilities</b>	<b>2,318</b>	<b>-</b>	<b>852</b>	<b>-</b>
Non-current held-to-maturity financial assets, net	-	-	100,000	7	<b>Total liabilities</b>	<b>320,219</b>	<b>21</b>	<b>322,796</b>	<b>21</b>
Property, plant and equipment	4,922	-	5,560	-	<b>Equity attributable to owners of parent :</b>				
Intangible assets	5	-	4,438	-	Ordinary share	549,821	36	533,807	35
Deferred tax assets	9,351	1	9,828	1	Capital surplus :				
Guarantee deposits paid	5,283	-	4,633	-	Capital surplus, additional paid-in capital arising from ordinary share	148,598	10	164,612	11
Other non-current assets, others	10,989	1	21,646	1	Capital surplus, net assets from merger	39,842	3	39,842	2
<b>Total non-current assets</b>	<b>70,582</b>	<b>5</b>	<b>244,971</b>	<b>16</b>	Capital surplus, share options	514	-	514	-
						<b>188,954</b>	<b>13</b>	<b>204,968</b>	<b>13</b>
					Retained earnings :				
					Legal reserve	166,869	11	142,898	10
					Special reserve	-	-	471	-
					Unappropriated retained earnings (accumulated deficit)	235,136	15	264,570	17
						<b>402,005</b>	<b>26</b>	<b>407,939</b>	<b>27</b>
					Other equity interest :				
					Exchange differences on translation of foreign operations	1,334	-	801	-
					<b>Total equity attributable to owners of parent</b>	<b>1,142,114</b>	<b>75</b>	<b>1,147,515</b>	<b>75</b>
					Non-controlling interests	64,774	4	68,877	4
					<b>Total equity</b>	<b>1,206,888</b>	<b>79</b>	<b>1,216,392</b>	<b>79</b>
<b>Total Assets</b>	<b>\$ 1,527,107</b>	<b>100</b>	<b>1,539,188</b>	<b>100</b>	<b>Total liabilities and equity</b>	<b>\$ 1,527,107</b>	<b>100</b>	<b>1,539,188</b>	<b>100</b>

**eGalax\_eMPIA Technology Inc. and SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**For the Years ended December 31, 2015 and 2014**  
**(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	<b>2015</b>		<b>2014</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Sales revenue</b>	\$ 1,010,225	101	1,014,743	100
Less : Sales returns	7,877	1	2,486	-
Sales discounts and allowances	798	-	1,289	-
<b>Operating revenue</b>	<u>1,001,550</u>	<u>100</u>	<u>1,010,968</u>	<u>100</u>
<b>Cost of sales</b>	<u>434,583</u>	<u>43</u>	<u>393,624</u>	<u>39</u>
<b>Gross profit (loss) from operations</b>	<u>566,967</u>	<u>57</u>	<u>617,344</u>	<u>61</u>
<b>Operating expenses</b>				
Selling expenses	48,598	5	61,715	6
Administrative expenses	59,184	6	65,590	6
Research and development expenses	226,629	23	241,150	24
<b>Total operating expenses</b>	<u>334,411</u>	<u>34</u>	<u>368,455</u>	<u>36</u>
<b>Net operating income (loss)</b>	<u>232,556</u>	<u>23</u>	<u>248,889</u>	<u>25</u>
<b>Non-operating income and expenses :</b>				
Other income	12,661	1	19,636	2
Other gains and losses, net	8,838	1	3,549	-
Finance costs, net	(1,119)	-	(1,116)	-
<b>Total non-operating income and expenses</b>	<u>20,380</u>	<u>2</u>	<u>22,069</u>	<u>2</u>
<b>Profit (loss) before tax</b>	<u>252,936</u>	<u>25</u>	<u>270,958</u>	<u>27</u>
<b>Less : Tax expense (income)</b>	<u>31,725</u>	<u>3</u>	<u>33,911</u>	<u>3</u>
<b>Profit (loss)</b>	<u>221,211</u>	<u>22</u>	<u>237,047</u>	<u>24</u>
<b>Other comprehensive income (loss) :</b>				
<b>Items that will not be reclassified subsequently to profit or loss:</b>				
Remeasurement of defined benefit obligation	(1,998)	-	(1,019)	-
Income tax related to items that will not be reclassified subsequently	-	-	-	-
	<u>(1,998)</u>	<u>-</u>	<u>(1,019)</u>	<u>-</u>
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Exchange differences on translation of foreign operations	820	-	1,959	-
Income tax related to items that may be reclassified subsequently	-	-	-	-
	<u>820</u>	<u>-</u>	<u>1,959</u>	<u>-</u>
<b>Other comprehensive income, net</b>	<u>(1,178)</u>	<u>-</u>	<u>940</u>	<u>-</u>
<b>Comprehensive income</b>	<u>\$ 220,033</u>	<u>22</u>	<u>237,987</u>	<u>24</u>
<b>Profit (loss), attributable to :</b>				
Profit (loss), attributable to owners of parent	\$ 225,601	22	239,706	24
Profit (loss), attributable to non-controlling interests	(4,390)	-	(2,659)	-
	<u>\$ 221,211</u>	<u>22</u>	<u>237,047</u>	<u>24</u>
<b>Comprehensive income attributable to :</b>				
Comprehensive income, attributable to owners of parent	\$ 224,136	22	239,959	24
Comprehensive income, attributable to non-controlling interests	(4,103)	-	(1,972)	-
	<u>\$ 220,033</u>	<u>22</u>	<u>237,987</u>	<u>24</u>
<b>Earnings per share(NT Dollars) :</b>				
<b>Basic earnings per share</b>	<u>\$ 4.10</u>		<u>4.36</u>	
<b>Diluted earnings per share</b>	<u>\$ 3.87</u>		<u>4.12</u>	

**eGalax\_eMPIA Technology Inc. and SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER EQUITY**  
**For the Years ended December 31, 2015 and 2014**  
**(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, 2014	\$ 523,340	215,435	99,318	1,985	434,287	(471)	1,273,894	70,849	1,344,743	
Appropriation and distribution of retained earnings :										
Legal reserve appropriated	-	-	43,580	-	(43,580)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(366,338)	-	(366,338)	-	(366,338)	
Reversal of special reserve	-	-	-	(1,514)	1,514	-	-	-	-	
Stock dividends from capital surplus	10,467	(10,467)	-	-	-	-	-	-	-	
Profit for current period	-	-	-	-	239,706	-	239,706	(2,659)	237,047	
Other comprehensive income for current period	-	-	-	-	(1,019)	1,272	253	687	940	
Total comprehensive income	-	-	-	-	238,687	1,272	239,959	(1,972)	237,987	
Ending Balance, December 31, 2014	533,807	204,968	142,898	471	264,570	801	1,147,515	68,877	1,216,392	
Appropriation and distribution of retained earnings :										
Legal reserve appropriated	-	-	23,971	-	(23,971)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(229,537)	-	(229,537)	-	(229,537)	
Reversal of special reserve	-	-	-	(471)	471	-	-	-	-	
Stock dividends from capital surplus	16,014	(16,014)	-	-	-	-	-	-	-	
Profit for current period	-	-	-	-	225,601	-	225,601	(4,390)	221,211	
Other comprehensive income for current period	-	-	-	-	(1,998)	533	(1,465)	287	(1,178)	
Total comprehensive income	-	-	-	-	223,603	533	224,136	(4,103)	220,033	
Ending Balance, December 31, 2015	\$ 549,821	188,954	166,869	-	235,136	1,334	1,142,114	64,774	1,206,888	

**eGalax\_eMPIA Technology Inc. and SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**For the Years ended December 31, 2015 and 2014**  
(In Thousands of New Taiwan Dollars)

	2015	2014
<b>Cash flows from operating activities, indirect method :</b>		
<b>Profit (loss) before tax</b>	\$ 252,936	270,958
<b>Adjustments :</b>		
Adjustments to reconcile profit (loss) :		
Depreciation expense	2,735	3,231
Amortization expense	26,539	30,642
Provision (reversal of provision) for bad debt expense	(90)	11,565
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(919)	(965)
Interest expense	1,119	1,116
Interest income	(8,856)	(10,701)
Loss (gain) on disposal of investments	(50)	(9)
Impairment loss on non-financial assets	-	5,217
Other income	-	(653)
Total adjustments to reconcile profit (loss)	<u>20,478</u>	<u>39,443</u>
<b>Changes in operating assets and liabilities :</b>		
Changes in operating assets :		
Decrease (increase) in financial assets held for trading	(8,648)	(77,139)
Decrease (increase) in notes receivable	(513)	(1,075)
Decrease (increase) in accounts receivable	(21,696)	91,498
Decrease (increase) in accounts receivable due from related parties	8,649	(14,935)
Decrease (increase) in other receivable	952	1,284
Decrease (increase) in inventories	39,386	(92,293)
Decrease (increase) in prepayments	(2,905)	14,860
Decrease (increase) in other financial assets	(13)	(13)
Total changes in operating assets	<u>15,212</u>	<u>(77,813)</u>
Changes in operating liabilities :		
Increase (decrease) in notes payable	377	(23)
Increase (decrease) in accounts payable	(6,469)	(12,928)
Increase (decrease) in other payable	553	(35,043)
Increase (decrease) in provisions	534	332
Increase (decrease) in other current liabilities	(3,631)	1,827
Increase (decrease) in net defined benefit liabilities	(438)	175
Total changes in operating liabilities	<u>(9,074)</u>	<u>(45,660)</u>
Total changes in operating assets and liabilities	<u>6,138</u>	<u>(123,473)</u>
Total adjustments	<u>26,616</u>	<u>(84,030)</u>
Cash inflow (outflow) generated from operations	279,552	186,928
Interest received	8,834	10,651
Interest paid	(900)	(900)
Income taxes refund (paid)	(21,975)	(107,028)
<b>Net cash flows from operating activities</b>	<u>265,511</u>	<u>89,651</u>
<b>Cash flows from investing activities :</b>		
Acquisition of property, plant and equipment	(2,838)	(1,474)
Decrease (Increase) in refundable deposits	(650)	434
Net cash inflows from business combination	-	746
Increase in other non-current assets	(15,771)	(22,077)
<b>Net cash flows from investing activities</b>	<u>(19,259)</u>	<u>(22,371)</u>
<b>Cash flows from financing activities :</b>		
Cash dividends paid	(229,537)	(366,338)
<b>Net cash flows from financing activities</b>	<u>(229,537)</u>	<u>(366,338)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>847</u>	<u>1,627</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	17,562	(297,431)
<b>Cash and cash equivalents at beginning of period</b>	795,082	1,092,513
<b>Cash and cash equivalents at end of period</b>	<u>\$ 812,644</u>	<u>\$ 795,082</u>