

**eGalax\_eMPIA Technology Inc. and SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEET**  
As of September 30, 2017, December 31, 2016 and September 30, 2016  
(In Thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)

	September 30, 2017		December 31, 2016		September 30, 2016	
	Amount	%	Amount	%	Amount	%
<b>Assets</b>						
<b>Current assets :</b>						
Cash and cash equivalents	\$ 573,779	40	796,854	52	677,937	46
Current financial assets at fair value through profit or loss	161,864	11	149,454	10	182,162	13
Current held-to-maturity financial assets, net	-	-	-	-	50,000	4
Notes receivable, net	3,277	-	992	-	4,093	-
Accounts receivable, net	134,777	9	117,514	8	140,045	10
Accounts receivable due from related parties, net	32,076	2	26,378	2	31,067	2
Other receivables	1,621	-	696	-	1,567	-
Inventories	386,936	27	313,773	21	304,619	21
Prepayments	9,498	1	15,226	1	19,638	1
Other current financial assets	1,122	-	1,122	-	1,109	-
<b>Total current assets</b>	<b>1,304,950</b>	<b>90</b>	<b>1,422,009</b>	<b>94</b>	<b>1,412,237</b>	<b>97</b>
<b>Non-current assets :</b>						
Non-current financial assets at fair value through profit or loss	-	-	-	-	10,021	1
Non-current held-to-maturity financial assets, net	100,000	7	50,000	4	-	-
Non-current financial assets at cost, net	-	-	2,400	-	2,400	-
Property, plant and equipment	4,314	-	4,741	-	4,886	-
Intangible assets	5	-	5	-	5	-
Deferred tax assets	19,955	2	18,209	1	19,270	1
Guarantee deposits paid	4,732	-	4,796	-	4,886	-
Other non-current assets, others	16,731	1	7,990	1	8,597	1
<b>Total non-current assets</b>	<b>145,737</b>	<b>10</b>	<b>88,141</b>	<b>6</b>	<b>50,065</b>	<b>3</b>
<b>Total Assets</b>	<b>\$ 1,450,687</b>	<b>100</b>	<b>1,510,150</b>	<b>100</b>	<b>1,462,302</b>	<b>100</b>

	September 30, 2017		December 31, 2016		September 30, 2016	
	Amount	%	Amount	%	Amount	%
<b>Liabilities and equity</b>						
<b>Current liabilities :</b>						
Notes payable	\$ 1,818	-	-	-	81	-
Accounts payable	115,791	8	153,129	10	172,921	12
Other payables	124,887	9	125,994	9	105,861	7
Current tax liabilities	29,192	2	15,323	1	10,936	1
Current provisions for employee benefits	4,712	-	3,996	-	3,614	-
Other current liabilities	10,001	1	8,964	1	12,368	1
<b>Total current liabilities</b>	<b>286,401</b>	<b>20</b>	<b>307,406</b>	<b>21</b>	<b>305,781</b>	<b>21</b>
<b>Non-current liabilities :</b>						
Deferred tax liabilities	109	-	458	-	-	-
Net defined benefit liabilities	3,057	-	3,409	-	1,382	-
<b>Total non-current liabilities</b>	<b>3,166</b>	<b>-</b>	<b>3,867</b>	<b>-</b>	<b>1,382</b>	<b>-</b>
<b>Total liabilities</b>	<b>289,567</b>	<b>20</b>	<b>311,273</b>	<b>21</b>	<b>307,163</b>	<b>21</b>
<b>Equity attributable to owners of parent :</b>						
Ordinary share	594,687	41	571,814	38	571,814	39
Capital surplus :	594,687	41	571,814	38	571,814	39
Capital surplus, additional paid-in capital arising from ordinary share	69,423	5	126,605	8	126,605	9
Capital surplus, net assets from merger	39,842	3	39,842	3	39,842	3
Capital surplus, others	514	-	514	-	514	-
Retained earnings :	109,779	8	166,961	11	166,961	12
Legal reserve	209,193	14	189,429	13	189,429	13
Unappropriated retained earnings (accumulated deficit)	181,817	13	204,689	13	161,735	11
Other equity interest :	391,010	27	394,118	26	351,164	24
Exchange differences on translation of foreign operations	160	-	1,001	-	597	-
<b>Total equity attributable to owners of parent</b>	<b>1,095,636</b>	<b>76</b>	<b>1,133,894</b>	<b>75</b>	<b>1,090,536</b>	<b>75</b>
Non-controlling interests	65,484	4	64,883	4	64,603	4
<b>Total equity</b>	<b>1,161,120</b>	<b>80</b>	<b>1,198,877</b>	<b>79</b>	<b>1,155,139</b>	<b>79</b>
<b>Total liabilities and equity</b>	<b>\$ 1,450,687</b>	<b>100</b>	<b>1,510,150</b>	<b>100</b>	<b>1,462,302</b>	<b>100</b>

**eGalax\_eMPIA Technology Inc. and SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
For the three months ended September 30, 2017 and 2016  
For the nine months ended September 30, 2017 and 2016  
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)  
(Reviewed, Not Audited)

	<b>For The Three Months Ended September 30</b>				<b>For The Nine Months Ended September 30</b>			
	<b>2017</b>		<b>2016</b>		<b>2017</b>		<b>2016</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Sales revenue</b>	\$ 308,350	100	330,469	101	869,653	100	927,664	101
Less : Sales returns	1,290	-	3,345	1	3,294	-	3,600	-
Sales discounts and allowances	225	-	785	-	2,017	-	4,897	1
<b>Operating revenue</b>	<u>306,835</u>	<u>100</u>	<u>326,339</u>	<u>100</u>	<u>864,342</u>	<u>100</u>	<u>919,167</u>	<u>100</u>
<b>Cost of sales</b>	<u>144,545</u>	<u>47</u>	<u>183,693</u>	<u>56</u>	<u>387,603</u>	<u>45</u>	<u>488,101</u>	<u>53</u>
<b>Gross profit (loss) from operations</b>	<u>162,290</u>	<u>53</u>	<u>142,646</u>	<u>44</u>	<u>476,739</u>	<u>55</u>	<u>431,066</u>	<u>47</u>
<b>Operating expenses</b>								
Selling expenses	13,414	4	12,574	4	41,391	5	41,508	5
Administrative expenses	13,828	5	12,905	4	40,903	4	39,592	4
Research and development expenses	62,298	20	58,979	18	189,910	22	176,379	19
<b>Total operating expenses</b>	<u>89,540</u>	<u>29</u>	<u>84,458</u>	<u>26</u>	<u>272,204</u>	<u>31</u>	<u>257,479</u>	<u>28</u>
<b>Net operating income (loss)</b>	<u>72,750</u>	<u>24</u>	<u>58,188</u>	<u>18</u>	<u>204,535</u>	<u>24</u>	<u>173,587</u>	<u>19</u>
<b>Non-operating income and expenses :</b>								
Other income	2,390	-	2,074	-	7,646	-	6,998	-
Other gains and losses, net	(482)	-	(9,437)	(3)	(9,783)	(1)	(13,249)	(1)
Finance costs, net	-	-	-	-	-	-	(154)	-
<b>Total non-operating income and expenses</b>	<u>1,908</u>	<u>-</u>	<u>(7,363)</u>	<u>(3)</u>	<u>(2,137)</u>	<u>(1)</u>	<u>(6,405)</u>	<u>(1)</u>
<b>Profit (loss) before tax</b>	<u>74,658</u>	<u>24</u>	<u>50,825</u>	<u>15</u>	<u>202,398</u>	<u>23</u>	<u>167,182</u>	<u>18</u>
Less : Tax expense (income)	9,253	3	3,658	1	27,289	3	14,362	1
<b>Profit (loss)</b>	<u>65,405</u>	<u>21</u>	<u>47,167</u>	<u>14</u>	<u>175,109</u>	<u>20</u>	<u>152,820</u>	<u>17</u>
<b>Other comprehensive income :</b>								
<b>Items that may be reclassified subsequently to profit or loss :</b>								
Exchange differences on translation of foreign operations	(89)	-	(702)	-	(1,295)	-	(1,135)	-
Income tax related to items that may be reclassified subsequently	-	-	-	-	-	-	-	-
<b>Items that may be reclassified subsequently to profit or loss</b>	<u>(89)</u>	<u>-</u>	<u>(702)</u>	<u>-</u>	<u>(1,295)</u>	<u>-</u>	<u>(1,135)</u>	<u>-</u>
<b>Other comprehensive income, net</b>	<u>(89)</u>	<u>-</u>	<u>(702)</u>	<u>-</u>	<u>(1,295)</u>	<u>-</u>	<u>(1,135)</u>	<u>-</u>
<b>Comprehensive income</b>	<u>\$ 65,316</u>	<u>21</u>	<u>46,465</u>	<u>14</u>	<u>173,814</u>	<u>20</u>	<u>151,685</u>	<u>17</u>
<b>Profit (loss), attributable to :</b>								
Profit (loss), attributable to owners of parent	\$ 62,987	21	47,204	14	174,154	20	152,593	17
Profit (loss), attributable to non-controlling interests	2,418	-	(37)	-	955	-	227	-
	<u>\$ 65,405</u>	<u>21</u>	<u>47,167</u>	<u>14</u>	<u>175,109</u>	<u>20</u>	<u>152,820</u>	<u>17</u>
<b>Comprehensive income attributable to :</b>								
Comprehensive income, attributable to owners of parent	\$ 62,929	21	46,749	14	173,313	20	151,856	17
Comprehensive income, attributable to non-controlling interests	2,387	-	(284)	-	501	-	(171)	-
	<u>\$ 65,316</u>	<u>21</u>	<u>46,465</u>	<u>14</u>	<u>173,814</u>	<u>20</u>	<u>151,685</u>	<u>17</u>
<b>Earnings per share(NT Dollars) :</b>								
<b>Basic earnings per share</b>	<u>\$ 1.06</u>		<u>0.79</u>		<u>2.93</u>		<u>2.57</u>	
<b>Diluted earnings per share</b>	<u>\$ 1.05</u>		<u>0.79</u>		<u>2.90</u>		<u>2.52</u>	

**eGalax\_eMPIA Technology Inc. and SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER EQUITY**  
**For the nine months ended September 30, 2017 and 2016**  
**(In Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

	Equity attributable to owners of parent							Non-controlling interests	Total equity
	Share capital		Retained earnings			Other equity interest	Total equity attributable to owners of parent		
	Ordinary share	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign operations				
Beginning balance, January 1, 2016	\$ 549,821	188,954	166,869	235,136	1,334	1,142,114	64,774	1,206,888	
Profit for current period	-	-	-	152,593	-	152,593	227	152,820	
Other comprehensive income for current period	-	-	-	-	(737)	(737)	(398)	(1,135)	
Total comprehensive income	-	-	-	152,593	(737)	151,856	(171)	151,685	
Appropriation and distribution of retained earnings :									
Legal reserve appropriated	-	-	22,560	(22,560)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	(203,434)	-	(203,434)	-	(203,434)	
Stock dividends from capital surplus	21,993	(21,993)	-	-	-	-	-	-	
Ending Balance, September 30, 2016	\$ 571,814	166,961	189,429	161,735	597	1,090,536	64,603	1,155,139	
Beginning balance, January 1, 2017	\$ 571,814	166,961	189,429	204,689	1,001	1,133,894	64,983	1,198,877	
Profit for current period	-	-	-	174,154	-	174,154	955	175,109	
Other comprehensive income for current period	-	-	-	-	(841)	(841)	(454)	(1,295)	
Total comprehensive income	-	-	-	174,154	(841)	173,313	501	173,814	
Appropriation and distribution of retained earnings :									
Legal reserve appropriated	-	-	19,764	(19,764)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	(177,262)	-	(177,262)	-	(177,262)	
Stock dividends from capital surplus	22,873	(22,873)	-	-	-	-	-	-	
Cash dividends from capital surplus	-	(34,309)	-	-	-	(34,309)	-	(34,309)	
Ending Balance, September 30, 2017	\$ 594,687	109,779	209,193	181,817	160	1,095,636	65,484	1,161,120	

**eGalax\_eMPIA Technology Inc. and SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**For the nine months ended September 30, 2017 and 2016**  
**(In Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

	2017	2016
<b>Cash flows from operating activities, indirect method :</b>		
<b>Profit (loss) before tax</b>	\$ 202,398	\$ 167,182
<b>Adjustments :</b>		
Adjustments to reconcile profit (loss) :		
Depreciation expense	1,835	2,168
Amortization expense	7,990	15,140
Provision (reversal of provision) for bad debt expense	-	(26)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(410)	(533)
Interest expense	-	154
Interest income	(3,926)	(5,440)
Loss (gain) on bond redemption	-	(113)
Total adjustments to reconcile profit (loss)	<u>5,489</u>	<u>11,350</u>
<b>Changes in operating assets and liabilities :</b>		
Changes in operating assets :		
Decrease (increase) in financial assets held for trading	(12,000)	102,561
Decrease (increase) in notes receivable	(2,285)	(2,445)
Decrease (increase) in accounts receivable	(17,263)	(28,319)
Decrease (increase) in accounts receivable due from related parties	(5,698)	(11,425)
Decrease (increase) in other receivable	(77)	223
Decrease (increase) in inventories	(73,163)	(162,698)
Decrease (increase) in prepayments	5,728	(7,744)
Total changes in operating assets	<u>(104,758)</u>	<u>(109,847)</u>
Changes in operating liabilities :		
Increase (decrease) in notes payable	1,818	(337)
Increase (decrease) in accounts payable	(37,338)	106,944
Increase (decrease) in other payable	(2,874)	(33,702)
Increase (decrease) in provisions	716	(16)
Increase (decrease) in other current liabilities	1,037	8,264
Increase (decrease) in net defined benefit liabilities	(352)	(353)
Total changes in operating liabilities	<u>(36,993)</u>	<u>80,800</u>
Total changes in operating assets and liabilities	<u>(141,751)</u>	<u>(29,047)</u>
Total adjustments	<u>(136,262)</u>	<u>(17,697)</u>
Cash inflow (outflow) generated from operations	66,136	149,485
Interest received	3,078	5,438
Income taxes refund (paid)	<u>(15,515)</u>	<u>(30,584)</u>
<b>Net cash flows from (used in) operating activities</b>	<u>53,699</u>	<u>124,339</u>
<b>Cash flows from (used in) investing activities :</b>		
Acquisition of held-to-maturity financial assets	(50,000)	-
Proceeds from repayments of held-to-maturity financial assets	-	50,000
Acquisition of financial assets at cost	-	(2,400)
Proceeds from disposal of financial assets at cost	2,400	-
Acquisition of property, plant and equipment	(1,114)	(2,176)
Decrease (Increase) in refundable deposits	64	397
Increase in other non-current assets	<u>(15,263)</u>	<u>(10,191)</u>
<b>Net cash flows from (used in) investing activities</b>	<u>(63,913)</u>	<u>35,630</u>
<b>Cash flows from (used in) financing activities :</b>		
Repayments of bonds	-	(90,131)
Cash dividends paid	<u>(211,571)</u>	<u>(203,434)</u>
<b>Net cash flows from (used in) financing activities</b>	<u>(211,571)</u>	<u>(293,565)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>(1,290)</u>	<u>(1,111)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(223,075)</u>	<u>(134,707)</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>796,854</u>	<u>812,644</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 573,779</u>	<u>\$ 677,937</u>