

Axiomtek Co., Ltd. And Subsidiaries  
Consolidated Balance Sheets  
(In Thousands of New Taiwan Dollars)

Accounting Title	2018/9/30	2017/12/31	2017/9/30
<b>Assets</b>			
Current assets			
Cash and cash equivalents	868,558	843,239	644,514
Current financial assets at fair value through profit or loss	0	35,006	57,655
Notes receivable, net	21,511	4,014	10,371
Accounts receivable, net	760,435	456,376	609,091
Accounts receivable due from related parties, net	84	6	59
Other receivables	25,216	21,059	21,263
Current inventories	771,550	730,264	682,629
Prepayments	28,345	20,782	23,870
Other current assets	4,380	150,028	4,918
Total current assets	2,480,079	2,260,774	2,054,370
Non-current assets			
Non-current financial assets at cost	0	923	923
Property, plant and equipment	1,208,545	1,335,402	1,280,860
Investment property, net	140,182	22,858	0
Intangible assets	98,592	104,642	108,757
Deferred tax assets	42,910	39,571	35,121
Other non-current assets	7,809	6,680	63,820
Other non-current assets, others	7,809	6,680	63,820
Total non-current assets	1,498,038	1,510,076	1,489,481
Total assets	3,978,117	3,770,850	3,543,851
<b>Liabilities and equity</b>			
Liabilities			
Current liabilities			
Current borrowings	190,000	0	0
Current financial liabilities at fair value through profit or loss	1,380	4,998	0
Current contract liabilities	32,452	0	0
Notes payable	0	1,473	103
Accounts payable	519,800	476,730	363,546
Accounts payable to related parties	11,679	12,466	10,498
Other payables	271,649	252,053	203,269
Current tax liabilities	123,887	59,395	58,593
Current provisions	774	774	1,018
Other current liabilities	413,992	432,515	29,417
Long-term liabilities, current portion	401,745	398,286	5,620
Other current liabilities, others	12,247	34,229	23,797
Total current liabilities	1,565,613	1,240,404	666,444
Non-current liabilities			
Non-current financial liabilities at fair value through profit or loss	0	0	6,090
Bonds payable	0	0	391,099
Non-current portion of non-current borrowings	61,338	63,729	66,120
Deferred tax liabilities	68,444	58,178	49,341
Other non-current liabilities	37,591	38,342	32,131
Total non-current liabilities	167,373	160,249	544,781
Total liabilities	1,732,986	1,400,653	1,211,225

Equity			
Equity attributable to owners of parent			
Share capital			
Ordinary share	794,180	793,130	790,310
Advance receipts for share capital	4,596	1,379	4,937
Total capital stock	798,776	794,509	795,247
Capital surplus			
Total capital surplus	208,477	198,563	192,915
Retained earnings			
Legal reserve	459,789	367,165	367,165
Special reserve	12,914	0	0
Unappropriated retained earnings (accumulated deficit)	770,413	1,022,874	984,165
Total retained earnings	1,243,116	1,390,039	1,351,330
Other equity interest			
Total other equity interest	(5,238)	(12,914)	(6,866)
Total equity attributable to owners of parent	2,245,131	2,370,197	2,332,626
Non-controlling interests	0	0	0
Total equity	2,245,131	2,370,197	2,332,626
Total liabilities and equity	3,978,117	3,770,850	3,543,851
Number of share capital awaiting retirement	0	0	0
Equivalent issue shares of advance receipts for ordinary share	160,615	57,000	204,000
Number of shares in entity held by entity and by its subsidiaries	0	0	0

Accounting Title	2018/3rd	2017/3rd	2018/01/01 To2018/09/30	2017/01/01 To2017/09/30
Operating revenue				
Total operating revenue	1,211,077	1,033,935	3,740,189	3,036,592
Operating costs				
Total operating costs	803,501	695,548	2,519,734	2,000,216
Gross profit (loss) from operations	407,576	338,387	1,220,455	1,036,376
Gross profit (loss) from operations	407,576	338,387	1,220,455	1,036,376
Operating expenses				
Selling expenses	144,031	122,872	426,378	419,895
Administrative expenses	26,079	18,690	83,472	74,988
Research and development expenses	106,284	87,413	300,166	306,977
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	5,347	0	4,482	0
Total operating expenses	281,741	228,975	814,498	801,860
Net operating income (loss)	125,835	109,412	405,957	234,516
Non-operating income and expenses				
Other income				
Total other income	9,673	3,909	20,883	13,413
Other gains and losses				
Other gains and losses, net	(334)	514	25,870	730,092
Finance costs				
Finance costs, net	2,662	2,252	7,374	6,903
Total non-operating income and expenses	6,677	2,171	39,379	736,602
Profit (loss) from continuing operations before tax	132,512	111,583	445,336	971,118
Tax expense (income)				
Total tax expense (income)	34,639	20,203	154,424	85,681
Profit (loss) from continuing operations	97,873	91,380	290,912	885,437
Profit (loss)	97,873	91,380	290,912	885,437
Other comprehensive income				
Components of other comprehensive income that will not be reclassified to profit or loss				
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehen	0	0	707	0
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	0	0	(462)	0
Components of other comprehensive income that will not be reclassified to profit or loss	0	0	1,169	0
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translation	39	2,807	9,012	(26,137)
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	9	478	1,336	(4,443)
Components of other comprehensive income that will be reclassified to profit or loss	30	2,329	7,676	(21,694)
Other comprehensive income, net	30	2,329	8,845	(21,694)
Total comprehensive income	97,903	93,709	299,757	863,743
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	97,873	91,380	290,912	882,762
Profit (loss), attributable to non-controlling interests	0	0	0	2,675
Comprehensive income attributable to:				
Comprehensive income, attributable to owners of parent	97,903	93,709	299,757	862,117
Comprehensive income, attributable to non-controlling interests	0	0	0	1,626
Basic earnings per share				
Total basic earnings per share	1.23	1.16	3.66	11.17
Diluted earnings per share				
Total diluted earnings per share	1.12	1.06	3.31	10.09

## Consolidated Statements of Comprehensive Income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Accounting Title	2018/01/01 To2018/09/30	2017/01/01 To2017/09/30
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	445,336	971,118
Profit (loss) before tax	445,336	971,118
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	42,376	36,278
Amortization expense	9,704	11,712
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	4,482	1,313
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(3,607)	62
Interest expense	7,374	6,903
Interest income	(6,491)	(4,387)
Share-based payments	8,528	9,171
Loss (gain) on disposal of property, plan and equipment	54	(2)
Loss (gain) on disposal of investments	(393)	(766,532)
Total adjustments to reconcile profit (loss)	62,027	(705,482)
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in financial assets held for trading	35,393	186,791
Decrease (increase) in notes receivable	(17,497)	(4,492)
Decrease (increase) in accounts receivable	(308,789)	(130,901)
Decrease (increase) in other receivable	(4,324)	(4,388)
Decrease (increase) in inventories	(41,273)	(110,732)
Decrease (increase) in prepayments	(7,563)	(3,658)
Decrease (increase) in other current assets	(3,152)	(5,065)
Decrease (increase) in other financial assets	148,800	0
Total changes in operating assets	(198,405)	(72,445)
Changes in operating liabilities		
Increase (decrease) in contract liabilities	1,058	0
Increase (decrease) in notes payable	(1,472)	190
Increase (decrease) in accounts payable	42,282	(11,994)
Increase (decrease) in other payable	23,166	(53,158)
Increase (decrease) in other current liabilities	9,412	(1,344)
Total changes in operating liabilities	74,446	(66,306)
Total changes in operating assets and liabilities	(123,959)	(138,751)
Total adjustments	(61,932)	(844,233)
Cash inflow (outflow) generated from operations	383,404	126,885
Interest received	6,658	4,387
Interest paid	(2,304)	(1,965)
Income taxes refund (paid)	(83,441)	(48,764)
Net cash flows from (used in) operating activities	304,317	80,543
Cash flows from (used in) investing activities		
Proceeds from disposal of financial assets at fair value through other comprehensive	1,630	0
Proceeds from disposal of subsidiaries	0	801,680
Acquisition of property, plant and equipment	(33,465)	(991,491)
Proceeds from disposal of property, plant and equipment	66	2

Acquisition of intangible assets	(2,922)	(12,437)
Increase in other non-current assets	(1,129)	(667)
Increase in prepayments for business facilities	0	(55,320)
Net cash flows from (used in) investing activities	(35,820)	(258,233)
Cash flows from (used in) financing activities		
Increase in short-term loans	393,000	125,000
Decrease in short-term loans	(203,000)	0
Proceeds from long-term debt	0	18,156
Repayments of long-term debt	(4,030)	(3,807)
Decrease in other non-current liabilities	(751)	(358)
Cash dividends paid	(439,004)	(288,464)
Exercise of employee share options	3,946	4,937
Change in non-controlling interests	0	(40,368)
Net cash flows from (used in) financing activities	(249,839)	(184,904)
Effect of exchange rate changes on cash and cash equivalents	6,661	11,511
Net increase (decrease) in cash and cash equivalents	25,319	(351,083)
Cash and cash equivalents at beginning of period	843,239	995,597
Cash and cash equivalents at end of period	868,558	644,514
Cash and cash equivalents reported in the statement of financial position	868,558	644,514

Provided by: AXIOMTEK CO., LTD.  
 Financial year: Yearly  
 Unit: NT\$ thousand

2018/09/30 Statement of Stockholders' Equity

	Ordinary share	Advance receipts for share capital	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive	Total other equity interest	Total equity attributable to owners of parent	Total equity
Equity at beginning of period	793,130	1,379	794,509	198,563	367,165	0	1,022,874	1,390,039	(12,914)	0	(12,914)	2,370,197	2,370,197
Effects of retrospective application and retrospective restatement	0	0	0	0	0	0	900	900	0	(900)	(900)	0	0
Equity at beginning of period after adjustments	793,130	1,379	794,509	198,563	367,165	0	1,023,774	1,390,939	(12,914)	(900)	(13,814)	2,370,197	2,370,197
Legal reserve appropriated					92,624		(92,624)	0				0	0
Special reserve appropriated						12,914		0				0	0
Cash dividends of ordinary share					0	0	(439,004)	(439,004)				(439,004)	(439,004)
Profit (loss)							290,912	290,912				290,912	290,912
Other comprehensive income							462	462	7,676	707	8,383	8,845	8,845
Total comprehensive income							291,374	291,374	7,676	707	8,383	299,757	299,757
Conversion of convertible bonds	0	1,812	1,812	(105)			0	0				1,707	1,707
Conversion of preference share	0		0	0			0	0				0	0
Share-based payments	1,050	1,405	2,455	10,019								12,474	12,474
Disposal of investments in equity instruments designated at fair value through other comprehensive income	0	0	0	0	0	0	(193)	(193)	0	193	193	0	0
Increase (decrease) in equity	1,050	3,217	4,267	9,914	92,624	12,914	(253,361)	(147,823)	7,676	900	8,576	(125,066)	(125,066)
Equity at end of period	794,180	4,596	798,776	208,477	459,789	12,914	770,413	1,243,116	(5,238)	0	(5,238)	2,245,131	2,245,131

2017/09/30 Statement of Stockholders' Equity

	Ordinary share	Advance receipts for share capital	Total share capital	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	790,310		790,310	183,745	331,163	425,869	757,032	13,779	13,779	1,744,866	38,742	1,783,608
Legal reserve appropriated					36,002	(36,002)	0			0		0
Cash dividends of ordinary share					0	(288,464)	(288,464)			(288,464)		(288,464)
Profit (loss)						882,762	882,762			882,762	2,675	885,437
Other comprehensive income						0	0	(20,645)	(20,645)	(20,645)	(1,049)	(21,694)
Total comprehensive income						882,762	882,762	(20,645)	(20,645)	862,117	1,626	863,743
Difference between consideration and carrying amount of subsidiaries acquired or disposed				0		0	0	0	0	0	0	0
Share-based payments	0	4,937	4,937	9,171						14,108		14,108
Changes in non-controlling interests				(1)						(1)	(40,368)	(40,369)
Increase (decrease) in equity	0	4,937	4,937	9,170	36,002	558,296	594,298	(20,645)	(20,645)	587,760	(38,742)	549,018
Equity at end of period	790,310	4,937	795,247	192,915	367,165	984,165	1,351,330	(6,866)	(6,866)	2,332,626	0	2,332,626