ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2020 Reviewed		December 31, 2019 Audited		March 31, 2019 Reviewed	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents	$ 1,636,418	43	$ 1,421,959	42	$ 1,001,697	32
Financial assets at fair value through profit or loss - current	317,578	8	162,941	5	111,311	3
Financial assets at amortized cost - current	-	-	-	-	430,000	14
Trade receivable, net	564,688	15	627,829	18	429,979	14
Receivables from related parties, net	1,160	-	1,018	-	2,862	-
Inventories	151,845	4	82,078	2	116,948	4
Prepayments and other current assets	24,072	1	20,409	1	18,723	1
Total current assets	2,695,761	71	2,316,234	68	2,111,520	68
NON-CURRENT ASSETS						
Property, plant and equipment	171,128	4	123,198	4	75,658	3
Right-of-use assets	109,729	3	110,675	3	7,169	-
Goodwill	369,040	10	369,040	11	369,040	12
Other Intangible assets, net	413,890	11	442,045	13	450,898	15
Deferred tax assets	44,378	1	42,919	1	37,584	1
Refundable deposits	10,984	-	11,938	-	7,244	-
Other non-current assets	-	-	2,845	-	43,742	1
Total non-current assets	1,119,149	29	1,102,660	32	991,335	32
TOTAL	$ 3,814,910	100	$ 3,418,894	100	$ 3,102,855	100

	March 31, 2020 Reviewed		December 31, 2019 Audited		March 31, 2019 Reviewed	
LIABILITIES AND EQUITY	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT LIABILITIES						
Trade payables	$ 186,538	5	$ 140,791	4	$ 61,318	2
Payables to related parties	39,900	1	14,990	1	-	-
Accrued employees' compensation and remuneration of directors	45,518	1	103,501	3	32,111	1
Cash dividends payables	752,946	20	-	-	-	-
Other payables	42,065	1	43,397	1	34,256	1
Current tax liabilities	201,763	5	141,092	4	163,373	5
Provisions - current	28,041	1	26,571	1	22,771	1
Lease liabilities - current	23,951	-	23,886	1	3,690	-
Other current liabilities	147,642	4	142,037	4	114,965	4
Total current liabilities	1,468,364	38	636,265	19	432,484	14
NON-CURRENT LIABILITIES						
Deferred tax liabilities	62,838	2	62,135	2	75,139	3
Lease liabilities - non-current	80,129	2	86,090	2	3,498	-
Other non-current liabilities	-	-	108	-	1,399	-
Provisions - non-current	6,447	-	910	-	-	-
Total non-current liabilities	149,414	4	149,243	4	80,036	3
Total liabilities	1,617,778	42	785,508	23	512,520	17
SHAREHOLDERS' EQUITY						
Capital						
Capital stock	342,248	9	341,848	10	340,584	11
Stock dividend to be distributed	92,361	3	-	-	74,991	2
Total capital	434,609	12	341,848	10	415,575	13
Capital surplus	1,183,201	31	1,145,044	33	1,051,575	34
Retained earnings						
Legal reserve	286,740	7	286,740	9	218,148	7
Special reserve	31,499	1	31,499	1	10,166	-
Unappropriated earnings	328,108	9	862,848	25	919,429	30
Total retained earnings	646,347	17	1,181,087	35	1,147,743	37
Other equity	(67,025)	(2)	(34,593)	(1)	(24,558)	(1)
Total equity	2,197,132	58	2,633,386	77	2,590,335	83
TOTAL	$ 3,814,910	100	$ 3,418,894	100	$ 3,102,855	100

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUE				
Sale	$ 732,219	100	$ 550,971	100
Other operating revenue	149	-	154	-
Total operating revenue	732,368	100	551,125	100
OPERATING COSTS	275,315	38	200,876	36
GROSS PROFIT	457,053	62	350,249	64
OPERATING EXPENSES				
Selling and marketing expenses	18,687	3	16,489	3
General and administrative expenses	32,338	4	27,425	5
Research and development expenses	113,384	15	86,886	16
Total operating expenses	164,409	22	130,800	24
PROFIT FROM OPERATIONS	292,644	40	219,449	40
NON-OPERATING INCOME AND EXPENSES				
Other income	3,706	-	4,521	1
Other gains and losses	(17,486)	(2)	6,666	1
Finance costs	(542)	-	(42)	-
Total non-operating income and expenses, net	(14,322)	(2)	11,145	2
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	278,322	38	230,594	42
INCOME TAX EXPENSE	60,116	8	45,804	8
NET PROFIT FOR THE PERIOD	218,206	30	184,790	34
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statements of foreign operations	(339)	-	155	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 217,867	30	$ 184,945	34

(Continued)

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2020		2019	
	Amount	%	Amount	%
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 218,206	30	$ 184,790	34
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 217,867	30	$ 184,945	34
EARNINGS PER SHARE				
Basic	$ 6.39		$ 5.43	
Diluted	$ 6.36		$ 5.41	

(Concluded)

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Share Capital				Retained Earnings			Other		
	Shares (In Thousands)	Amount	Stock Bonus to be Distributed	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Employee Unearned Compensation	Exchange Differences on Translating Foreign Operations	Total Equity
BALANCE AT JANUARY 1, 2019	34,065	$ 340,656	$ -	$ 1,056,831	$ 218,148	$ 10,166	$ 734,639	$ (30,375)	$ (1,125)	$ 2,328,940
Net income for the three months ended March 31, 2019	-	-	-	-	-	-	184,790	-	-	184,790
Other comprehensive income after tax	-	-	-	-	-	-	-	-	155	155
Comprehensive income for the three months ended March 31, 2019	-	-	-	-	-	-	184,790	-	155	184,945
Cancellation of restricted stock under employees share options on March 11, 2019	(7)	(72)	-	(5,256)	-	-	-	5,328	-	-
Employee stock bonus	-	-	74,991	-	-	-	-	-	-	74,991
Compensation cost of restricted shares for employees	-	-	-	-	-	-	-	1,459	-	1,459
BALANCE AT March 31, 2019	34,058	$ 340,584	$ 74,991	$ 1,051,575	$ 218,148	$ 10,166	$ 919,429	$ (23,588)	$ (970)	$ 2,590,335
BALANCE AT JANUARY 1, 2020	34,184	$ 341,848	-	$ 1,145,044	$ 286,740	$ 31,499	$ 862,848	$ (32,371)	$ (2,222)	$ 2,633,386
Appropriations of prior year's earnings Cash dividends to shareholders - NT$22.00 per share	-	-	-	-	-	-	(752,946)	-	-	(752,946)
Net income for the three months ended March 31, 2020	-	-	-	-	-	-	218,206	-	-	218,206
Other comprehensive loss after tax	-	-	-	-	-	-	-	-	(339)	(339)
Comprehensive income (loss) for the three months ended March 31, 2020	-	-	-	-	-	-	218,206	-	(339)	217,867
Employee stock bonus	-	-	92,361	-	-	-	-	-	-	92,361
Issuance of restricted stock under employees share options on March 2, 2020	40	400	-	38,157	-	-	-	(38,557)	-	-
Compensation cost of restricted shares for employees	-	-	-	-	-	-	-	6,464	-	6,464
BALANCE AT March 31, 2020	34,224	$ 342,248	$ 92,361	$ 1,183,201	$ 286,740	$ 31,499	$ 328,108	$ (64,464)	$ (2,561)	$ 2,197,132

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 278,322	$ 230,594
Adjustments for:		
Depreciation expense	22,865	10,263
Amortization expense	28,155	24,343
Net loss (gain) on fair value changes of financial assets designated as at fair value through profit or loss	21,574	(4,332)
Finance costs	542	42
Interest income	(3,311)	(3,989)
Compensation cost of employee restricted shares	6,464	1,459
Loss on disposal of Property, plant and equipment	64	-
Write-down of inventories	545	2,980
Net gain on foreign currency exchange	(20,908)	(3,871)
Recognition of provisions	1,470	1,101
Changes in operating assets and liabilities:		
Trade receivables (include related parties)	77,482	(30,223)
Other receivables	-	(241)
Inventories	(70,312)	18,913
Other current assets	(3,749)	(1,410)
Trade payables (include related parties)	67,739	7,712
Other payables	(4,546)	(2,237)
Other current liabilities	3,921	5,723
Accrued employees' compensation and remuneration of directors	34,378	22,737
Other non-current liabilities	(108)	(210)
Cash generated from operations	440,587	279,354
Interest paid	(542)	-
Income taxes paid	(201)	(814)
Net cash generated from operating activities	439,844	278,540
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	-	(350,000)
Purchase of financial assets at fair value through profit or loss	(176,211)	(17,949)
Payments for Property, plant and equipment	(58,365)	(63)
Proceeds from disposal of property, plant and equipment	102	-
Increase (decrease) in refundable deposits	954	(11)
Payments for intangible assets	-	(8,243)
Interest received	3,405	4,027
Net cash used in investing activities	(230,115)	(372,239)

(Continued)

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2020	**2019**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of the principal portion of lease liabilities	$ (5,995)	$ (952)
Net cash used in financing activities	(5,995)	(952)
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	10,725	3,002
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	214,459	(91,649)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	1,421,959	1,093,346
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	$ 1,636,418	$ 1,001,697

(Concluded)