

CALITECH TECHNOLOGY CORPORATION
BALANCE SHEETS
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets		December 31, 2015		December 31, 2014		January 1, 2014	
		Amount	%	Amount	%	Amount	%
Current assets							
1100	Cash and cash equivalents	\$ 223,906	49	\$ 132,146	29	\$ 92,695	23
1110	Financial assets at fair value through profit or loss - current	-	-	-	-	95	-
1150	Notes receivable, net	134	-	518	-	224	-
1170	Accounts receivable, net	50,424	11	69,214	15	56,865	14
1180	Accounts receivable from related parties, net	-	-	1,136	-	2,632	1
1200	Other receivables	156	-	2,810	1	1,839	1
1210	Other receivables-- related parties	-	-	-	-	4,945	1
130X	Inventories, net	52,619	11	80,189	18	63,451	16
1410	Prepayments	2,309	1	7,542	2	1,653	-
1470	Other current assets	23	-	1,031	-	273	-
11XX	Total current assets	<u>329,571</u>	<u>72</u>	<u>294,586</u>	<u>65</u>	<u>224,672</u>	<u>56</u>
Non-current assets							
1550	Investments accounted for using the equity method	-	-	32,595	7	41,881	11
1600	Property, plant and equipment, net	121,589	27	121,224	27	128,695	32
1780	Intangible assets	1,841	-	2,111	1	2,113	1
1840	Deferred income tax assets	6,325	1	-	-	-	-
1900	Other non-current assets	531	-	509	-	508	-
15XX	Total non-current assets	<u>130,286</u>	<u>28</u>	<u>156,439</u>	<u>35</u>	<u>173,197</u>	<u>44</u>
1XXX	Total assets	<u>\$ 459,857</u>	<u>100</u>	<u>\$ 451,025</u>	<u>100</u>	<u>\$ 397,869</u>	<u>100</u>

(Continued)

CALITECH TECHNOLOGY CORPORATION
BALANCE SHEETS
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Liabilities and Equity		December 31, 2015		December 31, 2014		January 1, 2014	
		Amount	%	Amount	%	Amount	%
Current liabilities							
2150	Notes payable	\$ -	-	\$ 1	-	\$ 4	-
2170	Accounts payable	32,098	7	38,108	8	30,370	8
2180	Accounts payable– related parties	-	-	-	-	356	-
2200	Other payables	23,317	5	24,724	5	20,614	5
2230	Current income tax liabilities	3,855	1	7,627	2	1,935	1
2250	Provisions - current	1,588	-	702	-	1,786	-
2300	Other current liabilities	10,898	2	7,957	3	7,952	2
21XX	Total current liabilities	<u>71,756</u>	<u>15</u>	<u>79,119</u>	<u>18</u>	<u>63,017</u>	<u>16</u>
Non-current liabilities							
2540	Long-term loans	7,875	2	13,125	3	22,750	6
2550	Provisions - non-current	1,987	-	1,714	-	-	-
2570	Deferred tax liabilities	356	-	845	-	105	-
2600	Other non-current liabilities	2,423	1	1,914	-	1,766	-
25XX	Total non-current liabilities	<u>12,641</u>	<u>3</u>	<u>17,598</u>	<u>3</u>	<u>24,621</u>	<u>6</u>
2XXX	Total liabilities	<u>84,397</u>	<u>18</u>	<u>96,717</u>	<u>21</u>	<u>87,638</u>	<u>22</u>
Equity							
Share capital							
3110	Ordinary shares	287,267	62	287,267	64	287,267	72
3200	Capital surplus	19,097	4	19,097	4	33,072	8
Retained earnings							
3310	Legal reserve	4,632	1	-	-	-	-
3350	Unappropriated retained earnings (Accumulated deficit)	71,241	16	42,840	10	(16,734)	(4
3400	Other equity interest	-	-	5,104	1	6,626	2
Treasury stock							
3500	Treasury stock	(6,777)	(1)	-	-	-	-
3XXX	Total equity	<u>375,460</u>	<u>82</u>	<u>354,308</u>	<u>79</u>	<u>310,231</u>	<u>78</u>
3X2X	Total liabilities and equity	<u>\$ 459,857</u>	<u>100</u>	<u>\$ 451,025</u>	<u>100</u>	<u>\$ 397,869</u>	<u>100</u>

CALITECH TECHNOLOGY CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME

EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA

		YEARS ENDED DECEMBER 31			
		2015		2014	
		Amount	%	Amount	%
4000	Operating revenue	\$ 321,390	100	\$ 331,599	100
5000	Operating costs	(225,673)	(70)	(233,671)	(71)
5900	Gross profit	<u>95,717</u>	<u>30</u>	<u>97,928</u>	<u>29</u>
	Operating expenses				
6100	Selling expenses	(14,233)	(5)	(13,179)	(4)
6200	General and administrative expenses	(28,366)	(9)	(24,286)	(7)
6300	Research and development expenses	(7,542)	(2)	(7,096)	(2)
6000	Total operating expenses	<u>(50,141)</u>	<u>(16)</u>	<u>(44,561)</u>	<u>(13)</u>
6900	Operating profit	<u>45,576</u>	<u>14</u>	<u>53,367</u>	<u>16</u>
	Non-operating income and expenses				
7010	Other income	1,132	-	2,123	1
7020	Other gains and losses	8,342	3	8,569	2
7050	Finance costs	(452)	-	(490)	-
7070	Subsidiaries, associates and joint ventures accounted for using equity method	<u>6,018</u>	<u>2</u>	<u>(7,764)</u>	<u>(2)</u>
7000	Total non-operating income and expenses	<u>15,040</u>	<u>5</u>	<u>2,438</u>	<u>1</u>
7900	Profit before income tax	<u>60,616</u>	<u>19</u>	<u>55,805</u>	<u>17</u>
7950	Income tax expense	(4,099)	(1)	(9,886)	(3)
8200	Net income	<u>\$ 56,517</u>	<u>18</u>	<u>\$ 45,919</u>	<u>14</u>
	Other comprehensive income				
	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit plans	(\$ 672)	-	(\$ 320)	-
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	169	-	-	-
	Items that may be subsequently reclassified to profit or loss				
8361	Cumulative translation differences of foreign operations	(5,104)	(2)	(1,522)	(1)
8300	Total other comprehensive loss, net of tax	<u>(\$ 5,607)</u>	<u>(2)</u>	<u>(\$ 1,842)</u>	<u>(1)</u>
8500	Total comprehensive income for the period	<u>\$ 50,910</u>	<u>16</u>	<u>\$ 44,077</u>	<u>13</u>
	Earnings per share				
9750	Basic earnings per share	<u>\$ 1.97</u>		<u>\$ 1.60</u>	
9850	Diluted earnings per share	<u>\$ 1.96</u>		<u>\$ 1.59</u>	

CALITECH TECHNOLOGY CORPORATION
STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

			Retained earnings		Other equity interest		
			Unappropriated		Cumulative translation		
			retained earnings		differences of foreign		
			(Accumulated		operations		
			deficit)		Treasury stock		Total
	Ordinary shares	Capital surplus	Legal reserve				
2014							
Balance at January 1, 2014	\$ 287,267	\$ 33,072	\$ -	(\$ 16,734)	\$ 6,626	\$ -	\$ 310,231
Offset accumulated deficits from capital surplus	-	(13,975)	-	13,975	-	-	-
Net income	-	-	-	45,919	-	-	45,919
Other comprehensive income (loss)	-	-	-	(320)	(1,522)	-	(1,842)
Balance at December 31, 2014	<u>\$ 287,267</u>	<u>\$ 19,097</u>	<u>\$ -</u>	<u>\$ 42,840</u>	<u>\$ 5,104</u>	<u>\$ -</u>	<u>\$ 354,308</u>
2015							
Balance at January 1, 2015	\$ 287,267	\$ 19,097	\$ -	\$ 42,840	\$ 5,104	\$ -	\$ 354,308
Appropriation of 2014 earnings							
Legal reserve	-	-	4,632	(4,632)	-	-	-
Cash dividends	-	-	-	(22,981)	-	-	(22,981)
Buy-back of ordinary shares	-	-	-	-	(6,777)	(6,777)	(6,777)
Net income	-	-	-	56,517	-	-	56,517
Other comprehensive income (loss)	-	-	-	(503)	(5,104)	-	(5,607)
Disposal of subsidiaries	-	-	-	-	-	-	-
Balance at December 31, 2015	<u>\$ 287,267</u>	<u>\$ 19,097</u>	<u>\$ 4,632</u>	<u>\$ 71,241</u>	<u>\$ -</u>	<u>(\$ 6,777)</u>	<u>\$ 375,460</u>

CALITECH TECHNOLOGY CORPORATION
STATEMENTS OF CASH FLOWS
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	YEARS ENDED DECEMBER	
	2015	2014
	Amount	Amount
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax for the year	\$ 60,616	\$ 50,805
Adjustments to reconcile profit before tax to net cash provided by operating activities		
Income and expenses having no effect on cash flows		
Depreciation	12,107	13,048
Amortization of intangible assets	1,628	1,241
Allowance (reversal) for doubtful accounts	(2,487)	(455)
Net loss on financial assets at fair value through profit or loss	-	95
Interest income	(478)	(154)
Interest expense	452	490
Share of gain on subsidiaries and associates accounted for using equity method	(6,018)	7,764
Gain on disposal of property, plant and equipment	(98)	(984)
Property, plant and equipment transferred to expenses	151	-
Gain on disposal of subsidiaries	(2,360)	-
Changes in assets/liabilities relating to operating activities		
Net changes in assets relating to operating activities		
Notes receivable	384	(294)
Accounts receivable	21,277	(12,060)
Accounts receivable from related parties	1,136	1,662
Other receivables	2,654	(971)
Other receivables– related parties	-	4,945
Inventories	27,570	(16,738)
Prepayments	5,231	(5,889)
Other current assets	1,008	(758)
Net changes in liabilities relating to operating activities		
Notes payable	(1)	(3)
Accounts payable	(6,010)	7,738
Accounts payable– related parties	-	(356)
Other payables	(1,406)	4,114
Provisions - current	886	(1,084)
Other current liabilities	2,941	1,255
Provisions - noncurrent	273	1,714
Other non-current liabilities	(163)	(172)
Cash generated from operations	119,293	59,953
Interest received	478	154
Interest paid	(453)	(494)
Income tax paid	(14,513)	(3,454)
Cash dividends received from investments accounted for by equity method	18,478	-
Net cash provided by operating activities	123,283	56,159

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CALITECH TECHNOLOGY CORPORATION
STATEMENTS OF CASH FLOWS
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	<u>YEARS ENDED DECEMBER</u>	
	<u>2015</u>	<u>2014</u>
	<u>Amount</u>	<u>Amount</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from disposal of investments accounted for by equity method	17,390	-
Acquisition of property, plant and equipment	(14,344)	(6,178)
Proceeds from disposal of property, plant and equipment	1,819	1,585
Acquisition of intangible assets	(1,358)	(1,239)
Decrease in refundable deposits	(22)	(1)
Net cash used in investing activities	(3,485)	(5,883)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Repayments of long-term loans	(5,250)	(10,875)
Payments for buy-back of ordinary shares	(6,777)	-
Cash dividends	(22,981)	-
Net cash used in financing activities	(35,008)	(10,875)
Increase in cash and cash equivalents	91,760	39,451
Cash and cash equivalents at beginning of year	132,146	92,695
Cash and cash equivalents at end of year	<u>\$ 223,906</u>	<u>\$ 132,146</u>