

CALITECH TECHNOLOGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED 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	\$ 157,563	33	\$ 116,795	28
1110	Financial assets at fair value through profit or loss - current	-	-	-	-	95	-
1150	Notes receivable, net	134	-	518	-	1,209	-
1170	Accounts receivable, net	50,424	11	69,214	15	64,875	15
1180	Accounts receivable from related parties, net	-	-	1,136	-	2,184	1
1200	Other receivables	156	-	2,832	1	2,055	1
130X	Inventories, net	52,619	11	81,547	17	65,012	16
1410	Prepayments	2,309	1	5,374	1	1,986	-
1470	Other current assets	23	-	1,031	-	274	-
11XX	Total current assets	<u>329,571</u>	<u>72</u>	<u>319,215</u>	<u>67</u>	<u>254,485</u>	<u>61</u>
Non-current assets							
1600	Property, plant and equipment, net	121,589	27	153,575	32	161,887	39
1780	Intangible assets	1,841	-	2,111	1	2,113	-
1840	Deferred income tax assets	6,325	1	-	-	-	-
1900	Other non-current assets	531	-	543	-	531	-
15XX	Total non-current assets	<u>130,286</u>	<u>28</u>	<u>156,229</u>	<u>33</u>	<u>164,531</u>	<u>39</u>
1XXX	Total assets	<u>\$ 459,857</u>	<u>100</u>	<u>\$ 475,444</u>	<u>100</u>	<u>\$ 419,016</u>	<u>100</u>

(Continued)

CALITECH TECHNOLOGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED 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	38,846	8	33,930	8
2200	Other payables	23,317	5	35,809	7	20,819	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	8,004	2	7,954	2
21XX	Total current liabilities	<u>71,756</u>	<u>15</u>	<u>90,989</u>	<u>19</u>	<u>66,428</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	1,766	-
25XX	Total non-current liabilities	<u>12,641</u>	<u>3</u>	<u>17,598</u>	<u>4</u>	<u>24,621</u>	<u>6</u>
2XXX	Total liabilities	<u>84,397</u>	<u>18</u>	<u>108,587</u>	<u>23</u>	<u>91,049</u>	<u>22</u>
Equity attributable to owners of parent							
Share capital							
3110	Ordinary shares	287,267	62	287,267	60	287,267	68
Capital surplus							
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	9	(16,734)	(4)
Other equity interest							
3400	Other equity interest	-	-	5,104	1	6,626	2
Treasury stock							
3500	Treasury stock	(6,777)	(1)	-	-	-	-
31XX	Total equity attributable to owners of the Company	<u>375,460</u>	<u>82</u>	<u>354,308</u>	<u>74</u>	<u>310,231</u>	<u>74</u>
36XX	Non-controlling interests	<u>-</u>	<u>-</u>	<u>12,549</u>	<u>3</u>	<u>17,736</u>	<u>4</u>
3XXX	Total equity	<u>375,460</u>	<u>82</u>	<u>366,857</u>	<u>77</u>	<u>327,967</u>	<u>78</u>
3X2X	Total liabilities and equity	<u>\$ 459,857</u>	<u>100</u>	<u>\$ 475,444</u>	<u>100</u>	<u>\$ 419,016</u>	<u>100</u>

CALITECH TECHNOLOGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED 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	\$ 332,533	100
5000 Operating costs	(225,219)	(70)	(240,917)	(73)
5900 Gross profit	<u>96,171</u>	<u>30</u>	<u>91,616</u>	<u>27</u>
Operating expenses				
6100 Selling expenses	(14,522)	(5)	(15,027)	(5)
6200 General and administrative expenses	(30,019)	(9)	(28,181)	(8)
6300 Research and development expenses	(7,542)	(2)	(7,097)	(2)
6000 Total operating expenses	<u>(52,083)</u>	<u>(16)</u>	<u>(50,305)</u>	<u>(15)</u>
6900 Operating profit	<u>44,088</u>	<u>14</u>	<u>41,311</u>	<u>12</u>
Non-operating income and expenses				
7010 Other income	1,146	-	2,624	1
7020 Other gains and losses	15,103	5	6,841	2
7050 Finance costs	(452)	-	(490)	-
7000 Total non-operating income and expenses	<u>15,797</u>	<u>5</u>	<u>8,975</u>	<u>3</u>
7900 Profit before income tax	59,885	19	50,286	15
7950 Income tax expense	(4,099)	(1)	(9,886)	(3)
8200 Net income	<u>\$ 55,786</u>	<u>18</u>	<u>\$ 40,400</u>	<u>12</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	(5,342)	(2)	(1,190)	-
8300 Total other comprehensive loss, net of tax	<u>(\$ 5,845)</u>	<u>(2)</u>	<u>(\$ 1,510)</u>	<u>-</u>
8500 Total comprehensive income for the period	<u>\$ 49,941</u>	<u>16</u>	<u>\$ 38,890</u>	<u>12</u>
Profit attributable to:				
8610 Owners of the parent	<u>\$ 56,517</u>	<u>18</u>	<u>\$ 45,919</u>	<u>14</u>
8620 Non-controlling interest	<u>(\$ 731)</u>	<u>-</u>	<u>(\$ 5,519)</u>	<u>(2)</u>
Comprehensive income attributable to:				
8710 Owners of the parent	<u>\$ 50,910</u>	<u>16</u>	<u>\$ 44,077</u>	<u>14</u>
8720 Non-controlling interest	<u>(\$ 969)</u>	<u>-</u>	<u>(\$ 5,187)</u>	<u>(2)</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 AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Equity attributable to owners of parent								
	Retained earnings				Other equity interest				
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings (Accumulated deficit)	Cumulative translation differences of foreign operations	Treasury stock	Total	Non-controlling interests	Total equity
2014									
Balance at January 1, 2014	\$ 287,267	\$ 33,072	\$ -	\$ (16,734)	\$ 6,626	\$ -	\$ 310,231	\$ 17,736	\$ 327,967
Offset accumulated deficits from capital surplus	-	(13,975)	-	13,975	-	-	-	-	-
Net income	-	-	-	45,919	-	-	45,919	(5,519)	40,400
Other comprehensive income (loss)	-	-	-	(320)	(1,522)	-	(1,842)	332	(1,510)
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>	<u>\$ 12,549</u>	<u>\$ 366,857</u>
2015									
Balance at January 1, 2015	\$ 287,267	\$ 19,097	\$ -	\$ 42,840	\$ 5,104	\$ -	\$ 354,308	\$ 12,549	\$ 366,857
Appropriation of 2014 earnings									
Legal reserve	-	-	4,632	(4,632)	-	-	-	-	-
Cash dividends	-	-	-	(22,981)	-	-	(22,981)	-	(22,981)
Buy-back of ordinary shares	-	-	-	-	-	(6,777)	(6,777)	-	(6,777)
Net income	-	-	-	56,517	-	-	56,517	(731)	55,786
Other comprehensive income (loss)	-	-	-	(503)	(5,104)	-	(5,607)	(238)	(5,845)
Disposal of subsidiaries	-	-	-	-	-	-	-	(11,580)	(11,580)
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>	<u>\$ -</u>	<u>\$ 375,460</u>

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

	YEARS ENDED DECEMBER 31	
	2015	2014
	Amount	Amount
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Consolidated profit before tax for the year	\$ 59,885	\$ 50,286
Adjustments to reconcile profit before tax to net cash provided by operating activities		
Income and expenses having no effect on cash flows		
Depreciation	12,743	17,046
Amortization of intangible assets	1,628	1,241
Allowance (reversal) for doubtful accounts	2,795	(861)
Net loss on financial assets at fair value through profit or loss	-	95
Interest income	(492)	(170)
Interest expense	452	490
Gain on disposal of property, plant and equipment	(98)	(178)
Property, plant and equipment transferred to expenses	151	386
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	691
Accounts receivable	17,131	(3,644)
Accounts receivable from related parties	-	1,214
Other receivables	1,232	(777)
Inventories	26,929	(16,592)
Prepayments	2,869	(3,388)
Other current assets	1,008	(757)
Net changes in liabilities relating to operating activities		
Notes payable	(1)	(3)
Accounts payable	(2,804)	4,916
Other payables	(8,954)	14,994
Provisions - current	886	(1,084)
Other current liabilities	2,894	1,300
Provisions - noncurrent	273	1,714
Other non-current liabilities	5,756	148
Cash generated from operations	122,307	67,067
Interest received	492	170
Interest paid	(453)	(494)
Income tax paid	(14,513)	(3,454)
Net cash provided by operating activities	107,833	63,289

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

	<u>YEARS ENDED DECEMBER 31</u>	
	<u>2015</u>	<u>2014</u>
	<u>Amount</u>	<u>Amount</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of property, plant and equipment	(14,344)	(9,131)
Proceeds from disposal of property, plant and equipment	1,819	1,585
Acquisition of intangible assets	(1,358)	(1,239)
Net cash inflow on disposal of subsidiaries	10,625	-
Decrease in refundable deposits	(21)	(12)
Net cash used in investing activities	(3,279)	(8,797)
<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)
Net effect of changes in foreign currency exchange rates	(3,203)	(2,849)
Increase in cash and cash equivalents	66,343	40,768
Cash and cash equivalents at beginning of year	157,563	116,795
Cash and cash equivalents at end of year	<u>\$ 223,906</u>	<u>\$ 157,563</u>