

**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	%
<b>Current assets</b>							
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	<b>Total current assets</b>	<u>329,571</u>	<u>72</u>	<u>319,215</u>	<u>67</u>	<u>254,485</u>	<u>61</u>
<b>Non-current assets</b>							
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	<b>Total non-current assets</b>	<u>130,286</u>	<u>28</u>	<u>156,229</u>	<u>33</u>	<u>164,531</u>	<u>39</u>
1XXX	<b>Total assets</b>	<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	%
<b>Current liabilities</b>							
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	<b>Total current liabilities</b>	<u>71,756</u>	<u>15</u>	<u>90,989</u>	<u>19</u>	<u>66,428</u>	<u>16</u>
<b>Non-current liabilities</b>							
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	<b>Total non-current liabilities</b>	<u>12,641</u>	<u>3</u>	<u>17,598</u>	<u>4</u>	<u>24,621</u>	<u>6</u>
2XXX	<b>Total liabilities</b>	<u>84,397</u>	<u>18</u>	<u>108,587</u>	<u>23</u>	<u>91,049</u>	<u>22</u>
<b>Equity attributable to owners of parent</b>							
<b>Share capital</b>							
3110	Ordinary shares	287,267	62	287,267	60	287,267	68
<b>Capital surplus</b>							
3200	Capital surplus	19,097	4	19,097	4	33,072	8
<b>Retained earnings</b>							
3310	Legal reserve	4,632	1	-	-	-	-
3350	Unappropriated retained earnings (Accumulated deficit)	71,241	16	42,840	9	( 16,734 )	( 4 )
<b>Other equity interest</b>							
3400	Other equity interest	-	-	5,104	1	6,626	2
<b>Treasury stock</b>							
3500	Treasury stock	( 6,777 )	( 1 )	-	-	-	-
31XX	<b>Total equity attributable to owners of the Company</b>	<u>375,460</u>	<u>82</u>	<u>354,308</u>	<u>74</u>	<u>310,231</u>	<u>74</u>
36XX	<b>Non-controlling interests</b>	<u>-</u>	<u>-</u>	<u>12,549</u>	<u>3</u>	<u>17,736</u>	<u>4</u>
3XXX	<b>Total equity</b>	<u>375,460</u>	<u>82</u>	<u>366,857</u>	<u>77</u>	<u>327,967</u>	<u>78</u>
3X2X	<b>Total liabilities and equity</b>	<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	<b>Operating revenue</b>	\$ 321,390	100	\$ 332,533	100
5000	<b>Operating costs</b>	( 225,219 )	( 70 )	( 240,917 )	( 73 )
5900	<b>Gross profit</b>	96,171	30	91,616	27
	<b>Operating expenses</b>				
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	<b>Total operating expenses</b>	( 52,083 )	( 16 )	( 50,305 )	( 15 )
6900	<b>Operating profit</b>	44,088	14	41,311	12
	<b>Non-operating income and expenses</b>				
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	<b>Total non-operating income and expenses</b>	15,797	5	8,975	3
7900	<b>Profit before income tax</b>	59,885	19	50,286	15
7950	Income tax expense	( 4,099 )	( 1 )	( 9,886 )	( 3 )
8200	<b>Net income</b>	\$ 55,786	18	\$ 40,400	12
	<b>Other comprehensive income</b>				
	<b>Items that will not be reclassified subsequently to profit or loss</b>				
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	-	-	-
	<b>Items that may be subsequently reclassified to profit or loss</b>				
8361	Cumulative translation differences of foreign operations	( 5,342 )	( 2 )	( 1,190 )	-
8300	<b>Total other comprehensive loss, net of tax</b>	( \$ 5,845 )	( 2 )	( \$ 1,510 )	-
8500	<b>Total comprehensive income for the period</b>	\$ 49,941	16	\$ 38,890	12
	<b>Profit attributable to:</b>				
8610	Owners of the parent	\$ 56,517	18	\$ 45,919	14
8620	Non-controlling interest	( \$ 731 )	-	( \$ 5,519 )	( 2 )
	<b>Comprehensive income attributable to:</b>				
8710	Owners of the parent	\$ 50,910	16	\$ 44,077	14
8720	Non-controlling interest	( \$ 969 )	-	( \$ 5,187 )	( 2 )
	<b>Earnings per share</b>				
9750	<b>Basic earnings per share</b>	\$ 1.97		\$ 1.60	
9850	<b>Diluted earnings per share</b>	\$ 1.96		\$ 1.59	

**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
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
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>