

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

Assets		March 31, 2016		December 31, 2015		March 31, 2015	
		Amount	%	Amount	%	Amount	%
Current assets							
1100	Cash and cash equivalents	\$ 199,485	43	\$ 223,906	49	\$ 184,762	39
1110	Financial assets at fair value through profit or loss - current	-	-	-	-	6	-
1125	Available-for-sale financial assets - current	25,008	5	-	-	-	-
1150	Notes receivable, net	578	-	134	-	227	-
1170	Accounts receivable, net	53,505	12	50,424	11	71,729	15
1200	Other receivables	2,018	1	156	-	931	-
130X	Inventories, net	55,494	12	52,619	11	79,368	17
1410	Prepayments	2,025	-	2,309	1	5,770	1
1470	Other current assets	4	-	23	-	494	-
11XX	Total current assets	<u>338,117</u>	<u>73</u>	<u>329,571</u>	<u>72</u>	<u>343,287</u>	<u>72</u>
Non-current assets							
1600	Property, plant and equipment, net	118,797	26	121,589	27	121,538	26
1780	Intangible assets	1,464	-	1,841	-	1,822	-
1840	Deferred income tax assets	6,689	1	6,325	1	8,258	2
1900	Other non-current assets	568	-	531	-	523	-
15XX	Total non-current assets	<u>127,518</u>	<u>27</u>	<u>130,286</u>	<u>28</u>	<u>132,141</u>	<u>28</u>
1XXX	Total assets	<u>\$ 465,635</u>	<u>100</u>	<u>\$ 459,857</u>	<u>100</u>	<u>\$ 475,428</u>	<u>100</u>

(Continued)

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

Liabilities and Equity		March 31, 2016		December 31, 2015		March 31, 2015	
		Amount	%	Amount	%	Amount	%
Current liabilities							
2100	Short-term borrowings	\$ -	-	\$ -	-	\$ 10,000	2
2170	Accounts payable	37,693	8	32,098	7	33,115	7
2200	Other payables	19,730	4	23,317	5	22,840	5
2230	Current income tax liabilities	5,322	1	3,855	1	10,665	2
2250	Provisions - current	1,182	1	1,588	-	931	-
2300	Other current liabilities	10,030	2	10,898	2	6,596	2
21XX	Total current liabilities	<u>73,957</u>	<u>16</u>	<u>71,756</u>	<u>15</u>	<u>84,147</u>	<u>18</u>
Non-current liabilities							
2540	Long-term loans	3,785	1	7,875	2	11,812	3
2550	Provisions - non-current	1,996	-	1,987	-	2,028	-
2570	Deferred tax liabilities	398	-	356	-	991	-
2600	Other non-current liabilities	2,395	1	2,423	1	1,914	-
25XX	Total non-current liabilities	<u>8,574</u>	<u>2</u>	<u>12,641</u>	<u>3</u>	<u>16,745</u>	<u>3</u>
2XXX	Total liabilities	<u>82,531</u>	<u>18</u>	<u>84,397</u>	<u>18</u>	<u>100,892</u>	<u>21</u>
Equity attributable to owners of parent							
Share capital							
3110	Ordinary shares	287,267	62	287,267	62	287,267	61
Capital surplus							
3200	Capital surplus	19,908	4	19,097	4	19,097	4
Retained earnings							
3310	Legal reserve	4,632	1	4,632	1	-	-
3350	Unappropriated retained earnings	77,008	16	71,241	16	63,424	13
Other equity interest							
3400	Other equity interest	8	-	-	-	4,748	1
Treasury stock							
3500	Treasury stock	(5,719)	(1)	(6,777)	(1)	-	-
3XXX	Total equity	<u>383,104</u>	<u>82</u>	<u>375,460</u>	<u>82</u>	<u>374,536</u>	<u>79</u>
3X2X	Total liabilities and equity	<u>\$ 465,635</u>	<u>100</u>	<u>\$ 459,857</u>	<u>100</u>	<u>\$ 475,428</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)

		Three-Month Periods Ended March 31			
		2016		2015	
		Amount	%	Amount	%
4000	Operating revenue	\$ 66,242	100	\$ 86,961	100
5000	Operating costs	(44,745)	(67)	(58,940)	(68)
5900	Gross profit	21,497	33	28,021	32
	Operating expenses				
6100	Selling expenses	(3,989)	(6)	(4,089)	(5)
6200	General and administrative expenses	(8,027)	(12)	(10,059)	(11)
6300	Research and development expenses	(2,976)	(5)	(1,822)	(2)
6000	Total operating expenses	(14,992)	(23)	(15,970)	(18)
6900	Operating profit	6,505	10	12,051	14
	Non-operating income and expenses				
7010	Other income	248	-	187	-
7020	Other gains and losses	(626)	(1)	1,684	2
7050	Finance costs	(47)	-	(116)	-
7000	Total non-operating income and expenses	(425)	(1)	1,755	2
7900	Profit before income tax	6,080	9	13,806	16
7950	Income tax (expense) benefit	(313)	-	6,047	7
8200	Net income	\$ 5,767	9	\$ 19,853	23
	Other comprehensive income				
	Items that may be subsequently reclassified to profit or loss				
8361	Cumulative translation differences of foreign operations	\$ -	-	\$ 378	-
8362	Unrealized gain on available-for-sale financial assets	8	-	-	-
8399	Income tax relating to items that may be reclassified to profit or loss	-	-	(972)	(1)
8300	Total other comprehensive loss, net of tax	\$ 8	-	(\$ 594)	(1)
8500	Total comprehensive income for the period	\$ 5,775	9	\$ 19,259	22
	Profit attributable to:				
8610	Owners of the parent	\$ 5,767	9	\$ 20,584	24
8620	Non-controlling interest	\$ -	-	(\$ 731)	(1)
	Comprehensive income attributable to:				
8710	Owners of the parent	\$ 5,775	9	\$ 20,228	23
8720	Non-controlling interest	\$ -	-	(\$ 969)	(1)
	Earnings per share				
9750	Basic earnings per share	\$ 0.2		\$ 0.72	
9850	Diluted earnings per share	\$ 0.2		\$ 0.71	

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

	Equity attributable to owners of parent										Non-controlling interests	Total equity
	Retained earnings				Other equity interest		Treasury stock	Total				
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Cumulative translation differences of foreign operations	Unrealized gain (loss) on available-for-sale financial assets						
2015												
Balance at January 1, 2015	\$ 287,267	\$ 19,097	\$ -	\$ 42,840	\$ 5,104	\$ -	\$ -	\$ 354,308	\$ 12,549	\$ 366,857		
Net income	-	-	-	20,584	-	-	-	20,584	(731)	19,853		
Other comprehensive income (loss)	-	-	-	-	(356)	-	-	(356)	(238)	(594)		
Disposal of subsidiaries	-	-	-	-	-	-	-	-	(11,580)	(11,580)		
Balance at March 31, 2015	<u>\$ 287,267</u>	<u>\$ 19,097</u>	<u>\$ -</u>	<u>\$ 63,424</u>	<u>\$ 4,748</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,536</u>	<u>\$ -</u>	<u>\$ 374,536</u>		
2016												
Balance at January 1, 2016	\$ 287,267	19,097	4,632	71,241	\$ -	\$ -	(\$ 6,777)	\$ 375,460	\$ -	\$ 375,460		
Share-based compensation	-	824	-	-	-	-	-	824	-	824		
Treasury stocks repurchase	-	-	-	-	-	-	(3,166)	(3,166)	-	(3,166)		
Proceeds from transferring treasury stocks to employees	- (13)	-	-	-	-	-	4,224	4,211	-	4,211		
Net income	-	-	-	5,767	-	-	-	5,767	-	5,767		
Other comprehensive income	-	-	-	-	-	8	-	8	-	8		
Balance at March 31, 2016	<u>\$ 287,267</u>	<u>\$ 19,908</u>	<u>\$ 4,632</u>	<u>\$ 77,008</u>	<u>\$ -</u>	<u>\$ 8</u>	<u>(\$ 5,719)</u>	<u>\$ 383,104</u>	<u>\$ -</u>	<u>\$ 383,104</u>		

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

	Three-Month Periods Ended	
	2016	2015
	Amount	Amount
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated profit before tax for the period	\$ 6,080	\$ 13,806
Adjustments to reconcile profit before tax to net cash provided by operating activities		
Income and expenses having no effect on cash flows		
Depreciation	3,172	3,743
Amortization of intangible assets	377	346
Allowance (reversal) for doubtful accounts	(419)	635
Net gain on financial assets at fair value through profit or loss	- (6)
Interest income	(150)	(68)
Interest expense	47	116
Property, plant and equipment transferred to expenses	-	151
Compensation cost of share-based payments	824	-
Gain on disposal of subsidiaries	- (3,130)
Changes in assets/liabilities relating to operating activities		
Net changes in assets relating to operating activities		
Notes receivable	(444)	291
Accounts receivable	(2,662)	(2,014)
Other receivables	(993)	518
Inventories	(2,875)	180
Prepayments	284 (589)
Other current assets	19	537
Other non-current assets	(37)	(33)
Net changes in liabilities relating to operating activities		
Notes payable	- (1)
Accounts payable	5,595 (1,787)
Other payables	(3,586)	(9,433)
Provisions - current	(406)	229
Other current liabilities	1,354 (1,408)
Provisions - non-current	9	314
Other non-current liabilities	(28)	5,919
Cash generated from operations	6,161	8,316
Interest received	115	7
Interest paid	(48)	(115)
Income tax paid	(2)	-
Net cash provided by operating activities	6,226	8,208

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

	<u>Three-Month Periods Ended</u>	
	<u>2016</u>	<u>2015</u>
	<u>Amount</u>	<u>Amount</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of Available-for-sale financial assets		
- current	(25,000)	-
Acquisition of property, plant and equipment	(380)	(3,572)
Acquisition of intangible assets	-	(57)
Decrease in refundable deposits	-	20
Net cash inflow on disposal of subsidiaries	-	10,625
Net cash provided by (used in) investing activities	(25,380)	7,016
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Increase in short-term loans	-	10,000
Repayments of long-term loans	(6,312)	(1,313)
Payments for buy-back of ordinary shares	(3,166)	-
Proceeds from transferring treasury stocks to employees	4,211	-
Net cash provided by (used in) financing activities	(5,267)	8,687
Net effect of changes in foreign currency exchange rates	-	3,288
Increase (decrease) in cash and cash equivalents	(24,421)	27,199
Cash and cash equivalents at beginning of period	223,906	157,563
Cash and cash equivalents at end of period	<u>\$ 199,485</u>	<u>\$ 184,762</u>