

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

Assets		December 31, 2018		December 31, 2017	
		Amount	%	Amount	%
Current assets					
1100	Cash and cash equivalents	\$ 336,335	49	\$ 280,741	47
1125	Available-for-sale financial assets - current	-	-	25,163	4
1150	Notes receivable, net	-	-	214	-
1170	Accounts receivable, net	89,894	13	68,458	11
1200	Other receivables	1,446	-	2,375	-
130X	Inventories, net	121,834	18	80,700	14
1410	Prepayments	6,200	1	4,538	1
1470	Other current assets	99	-	30	-
11XX	Total current assets	555,808	81	462,219	77
Non-current assets					
1600	Property, plant and equipment, net	118,533	17	125,034	21
1780	Intangible assets	1,603	-	1,449	-
1840	Deferred income tax assets	9,892	2	8,557	2
1920	Refundable Deposits	8	-	8	-
15XX	Total non-current assets	130,036	19	135,048	23
1XXX	Total assets	\$ 685,844	100	\$ 597,267	100

(Continued)

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

Liabilities and Equity		December 31, 2018		December 31, 2017	
		Amount	%	Amount	%
Liabilities					
Current liabilities					
2130	Contract liabilities - current	\$ 4,993	1	\$ -	-
2170	Accounts payable	67,996	10	61,395	10
2200	Other payables	32,487	5	32,307	6
2230	Current income tax liabilities	21,675	3	10,385	2
2250	Provisions - current	3,497	-	921	-
2310	Receipts in advance	-	-	11,259	2
2399	Other current liabilities	1,243	-	812	-
21XX	Total current liabilities	<u>131,891</u>	<u>19</u>	<u>117,079</u>	<u>20</u>
Non-current liabilities					
2550	Provisions - non-current	1,974	-	2,736	-
2570	Deferred tax liabilities	49	-	-	-
2600	Other non-current liabilities	3,377	1	3,244	1
25XX	Total non-current liabilities	<u>5,400</u>	<u>1</u>	<u>5,980</u>	<u>1</u>
2XXX	Total liabilities	<u>137,291</u>	<u>20</u>	<u>123,059</u>	<u>21</u>
Equity					
Share capital					
3110	Ordinary shares	316,267	46	316,267	53
Capital surplus					
3200	Capital surplus	56,553	8	56,553	9
Retained earnings					
3310	Legal reserve	19,405	3	13,609	2
3350	Unappropriated retained earnings	156,328	23	87,616	15
Other equity interest					
3400	Other equity interest	-	-	163	-
3XXX	Total equity	<u>548,553</u>	<u>80</u>	<u>474,208</u>	<u>79</u>
3X2X	Total liabilities and equity	<u>\$ 685,844</u>	<u>100</u>	<u>\$ 597,267</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			
		2018		2017	
		Amount	%	Amount	%
4000	Operating revenue	\$ 470,900	100	\$ 365,130	100
5000	Operating costs	(291,590)	(62)	(236,453)	(65)
5900	Gross profit	179,310	38	128,677	35
	Operating expenses				
6100	Selling expenses	(13,966)	(3)	(14,270)	(4)
6200	General and administrative expenses	(31,459)	(7)	(25,467)	(7)
6300	Research and development expenses	(10,445)	(2)	(11,190)	(3)
6450	Expected credit impairment gains	59	-	-	-
6000	Total operating expenses	(55,811)	(12)	(50,927)	(14)
6900	Operating profit	123,499	26	77,750	21
	Non-operating income and expenses				
7010	Other income	3,662	1	2,085	1
7020	Other gains and losses	9,839	2	(9,720)	(3)
7050	Finance costs	(49)	-	(100)	-
7000	Total non-operating income and expenses	13,452	3	(7,735)	(2)
7900	Profit before income tax	136,951	29	70,015	19
7950	Income tax expense	(27,597)	(6)	(12,054)	(3)
8200	Profit for the year	\$ 109,354	23	\$ 57,961	16
	Other comprehensive income (loss)				
	Items that will not be reclassified to profit or loss				
8311	Remeasurements of defined benefit plans	(\$ 275)	-	(\$ 473)	-
8349	Income tax benefit related to items that will not be reclassified subsequently	55	-	80	-
	Items that may be subsequently reclassified to profit or loss				
8362	Unrealized gain on available-for-sale financial assets	-	-	97	-
8300	Total other comprehensive income (loss), net of tax	(\$ 220)	-	(\$ 296)	-
8500	Total comprehensive income (loss) for the year	\$ 109,134	23	\$ 57,665	16
	Earnings per share				
9750	Basic earnings per share	\$ 3.46		\$ 1.84	
9850	Diluted earnings per share	\$ 3.43		\$ 1.83	

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

			Retained Earnings		Unrealized Gain		
	Ordinary	Capital	Legal	Unappropriated	on Available-	Treasury	Total
	Shares	Surplus	Reserve	Retained	For-sale	Stock	
				Earnings	Financial Assets		
Years ended December 31, 2017							
Balance at January 1, 2017	\$ 316,267	\$ 56,531	\$ 10,284	\$ 58,481	\$ 66	(\$ 5,719)	\$ 435,910
Profit for the year	-	-	-	57,961	-	-	57,961
Other comprehensive income (loss) for the year	-	-	-	(393)	97	-	(296)
Total comprehensive income (loss)	-	-	-	57,568	97	-	57,665
Distribution of retained earnings of 2016:							
Legal reserve appropriated	-	-	3,325	(3,325)	-	-	-
Cash dividends	-	-	-	(25,108)	-	-	(25,108)
Share-based payment	-	40	-	-	-	-	40
Proceeds from transferring treasury stocks to employees	-	(18)	-	-	-	5,719	5,701
Balance at December 31, 2017	\$ 316,267	\$ 56,553	\$ 13,609	\$ 87,616	\$ 163	\$ -	\$ 474,208
Years ended December 31, 2018							
Balance at January 1, 2018	\$ 316,267	\$ 56,553	\$ 13,609	\$ 87,616	\$ 163	\$ -	\$ 474,208
Effect on retrospective application and restatement	-	-	-	163	(163)	-	-
Balance after restatement on January 1, 2018	316,267	56,553	13,609	87,779	-	-	474,208
Profit for the year	-	-	-	109,354	-	-	109,354
Other comprehensive income (loss) for the year	-	-	-	(220)	-	-	(220)
Total comprehensive income (loss)	-	-	-	109,134	-	-	109,134
Distribution of retained earnings of 2017:							
Legal reserve appropriated	-	-	5,796	(5,796)	-	-	-
Cash dividends	-	-	-	(34,789)	-	-	(34,789)
Balance at December 31, 2018	\$ 316,267	\$ 56,553	\$ 19,405	\$ 156,328	\$ -	\$ -	\$ 548,553

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

	Years Ended December 31	
	2018	2017
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before tax for the year	\$ 136,951	\$ 70,015
Adjustments to reconcile profit before tax to net cash		
Income and expenses having no effect on cash flows		
Depreciation	13,427	12,410
Amortisation of intangible assets	472	709
Net gain on financial assets at fair value through profit or loss	(80)	-
Reversal for doubtful accounts	-	(396)
Expected credit impairment gains	(59)	-
Interest income	(3,300)	(1,459)
Interest expense	49	100
Gain on disposal of property, plant and equipment	(135)	(226)
Compensation cost of share-based payments	-	40
Changes in assets/ liabilities relating to operating activities		
Net changes in assets relating to operating activities		
Financial assets at fair value through profit or loss	25,243	-
Notes receivable	214	262
Accounts receivable	(21,377)	4,170
Other receivables	1,117	(1,183)
Inventories	(41,134)	(26,694)
Prepayments	(1,662)	(2,275)
Other current assets	(69)	(10)
Net changes in liabilities relating to operating activities		
Contract liabilities	(6,266)	-
Accounts payable	6,601	12,028
Other payables	7,793	5,281
Provisions - current	2,576	107
Receipts in advance	-	5,646
Other current liabilities	431	139
Provisions - non-current	(762)	439
Other non-current liabilities	(142)	(151)
Cash generated from operations	119,888	78,952
Interest received	3,112	1,382
Interest paid	(49)	(100)
Income tax paid	(17,538)	(8,743)
Net cash provided by operating activities	105,413	71,491
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of property, plant and equipment	(15,973)	(18,312)
Proceeds from disposal of property, plant and equipment	1,569	226
Acquisition of intangible assets	(626)	(1,235)
Decrease in refundable deposits	-	500
Net cash used in investing activities	(15,030)	(18,821)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Increase in short-term loans	40,000	70,000
Repayments of short-term loans	(40,000)	(70,000)
Cash dividends paid	(34,789)	(25,108)
Proceeds from transferring treasury stocks to employees	-	5,701
Net cash used in financing activities	(34,789)	(19,407)
Increase in cash and cash equivalents	55,594	33,263
Cash and cash equivalents at beginning of year	280,741	247,478
Cash and cash equivalents at end of year	\$ 336,335	\$ 280,741