Stock Code:3679

(English Translation of FINANCIAL STATEMENTS and Report Originally Issued in Chinese)

NISHOKU TECHNOLOGY INC.

FINANCIAL STATEMENTS

December 31, 2016 and 2015
(With Independent Auditors' Report Thereon)

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Independent Auditors' Report

To the Board of Directors of Nishoku Technology Inc.:

Opinion

We have audited the financial statements of Nishoku Technology Inc. ("the Company"), which comprise the statement of financial position as of December 31, 2016 and 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended December 31, 2016 and 2015, and notes in the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2016 and 2015, and its financial performance and its cash flows for the year ended December 31, 2016 and 2015 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters for the Company financial statements are stated as follows:

1. Impairment assessment of accounts receivable

   Please refer to Note 4(g) " Financial instruments", Note 5(a) " Significant accounting assumptions and judgments, and major sources of estimation uncertainty" of the financial statements.

   Description of key audit matter

   The Company do business primarily with customers who are involved in the manufacture of mold and electronic parts with credit transactions, which make the Company vulnerable to credit risk. The default of the client may lead to impairment loss of the receivables. The assessment of impairment loss requires subjective judgments of the management, which is the major source of estimation uncertainty. Therefore, this whole matter needed to be taken into serious consideration.

How the matter was addressed in our audit

Our principal audit procedures included: assessing whether the Company's impairment of accounts receivable has been set aside in accordance with the Company's policy, including inquiring from the management if they had identified the debtors who have financial difficulties ; selecting a moderate number of samples from the account aging statements to ensure the accuracy of the statements, and understanding the reason on overdue accounts; assessing the uncollectable accounts receivable for the appropriateness of impairment assessment of accounts receivable ; assssessing the appropriateness and adequacy for doubtful accounts made by the management based on the subsequent collection of accounts receivable.

2. Investments accounted for using equity method

   Please refer to Note 4(h) "Investments in subsidiaries", and Note 5 "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" of the financial statements.

   Description of key audit matter:

   The Company's investments accounted for using equity method are all subsidiaries of the Company. Based on the scope and nature of their businesses which may influence the outcome of their operations, the impairment assessment of accounts receivable, and net realizable value of inventories in certain subsidiaries required the managements to make subjective judgments, which is the major source of estimation uncertainty. Therefore, the impairment assessment of accounts receivable, and valuation of inventories of the investments accounted for using equity method are the key audit matters for our audit.

   How the matter was addressed in our audit:

   For the principal audit procedures on the impairment assessment of accounts receivable of the investments accounted for using equity method, please refer to key audit matters 1 "Impairment assessment of accounts receivable". And about the evaluation of inventories, our principal audit procedures included: to understand whether the accounting policy for inventory evaluation is consistency with the Company; examine the accuracy of the aging of inventories by sampling and analyse the changes of the aging of inventories by comparison; retroactively inspecting the reasonability for allowance provided on inventory valuation in the past and compare it to the current year to ensure that the measurements and assumptions are reasonable; sampling the inventories sold in the subsequent period to assess whether the allowance for inventories are reasonable.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company' s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investments in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Cheng-Chien Chen and Yung-Hua Huang.

KPMG

Taipei, Taiwan (Republic of China)
February 24, 2017

Notes to Readers

The accompanying financial statements are intended only to present the statement of financial position, financial performance and its cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

The auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements and Report Originally Issued in Chinese)

NISHOKU TECHNOLOGY INC.

Balance Sheets

December 31, 2016 and 2015

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2016 Amount	%	December 31, 2015 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 202,756	3	319,335	5
1110	Financial assets at fair value through profit or loss (note 6(b))	-	-	15,458	-
1170	Accounts receivable, net (notes 6(c) and 7)	59,980	1	150,517	3
130X	Inventories (note 6(d))	6,325	-	10,971	-
1470	Other current assets	24,236	-	20,968	-
1476	Other current financial assets (notes 6(c) and 7)	2,419	-	2,652	-
		295,716	4	519,901	8
	Non-current assets:				
1551	Investments accounted for using equity method (note 6(e))	5,851,475	90	5,665,176	86
1600	Property, plant and equipment (note 6(f))	343,782	5	359,999	6
1840	Deferred tax assets (note 6(j))	35,998	1	22,402	-
1990	Other non-current assets	5,852	-	7,515	-
		6,237,107	96	6,055,092	92
	Total assets	$ 6,532,823	100	6,574,993	100

	Liabilities and Equity	December 31, 2016 Amount	%	December 31, 2015 Amount	%
	Current liabilities:				
2100	Short-term borrowings (note 6(g))	$ 150,000	2	230,500	4
2170	Notes and Accounts payable	19,855	-	5,239	-
2180	Accounts payable to related parties (note 7)	16,818	-	125,721	2
2300	Other current liabilities	133,823	3	109,156	2
2320	Long-term liabilities, current portion (note 6(h))	150,000	2	-	-
		470,496	7	470,616	8
	Non-Current liabilities:				
2540	Long-term borrowings (note 6(h))	600,000	10	650,000	10
2570	Deferred tax liabilities and others (note 6(j))	678,961	10	645,881	10
		1,278,961	20	1,295,881	20
	Total liabilities	1,749,457	27	1,766,497	28
	Equity attributable to owners of parent (note 6(k))				
3100	Ordinary share	793,033	12	802,653	12
3200	Capital surplus	1,363,943	21	1,396,350	21
	Retained earnings:				
3310	Legal reserve	376,396	6	342,453	5
3350	Unappropriated retained earnings	2,288,348	35	2,052,035	31
		2,664,744	41	2,394,488	36
3400	Other equity interest	(38,354)	(1)	271,639	4
3500	Treasury shares	-	-	(56,634)	(1)
	Total equity	4,783,366	73	4,808,496	72
	Total liabilities and equity	$ 6,532,823	100	6,574,993	100

See accompanying notes to financial statements.

(English Translation of Financial Statements and Report Originally Issued in Chinese)

NISHOKU TECHNOLOGY INC.

Statements of Comprehensive Income

For the years ended December 31, 2016 and 2015

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2016		2015	
		Amount	%	Amount	%
4110	**Operation Revenues (note 7)**	$ 445,679	100	1,071,189	102
4170	Less: Sales returns and allowance	1,150	-	16,884	2
	Net operating revenue	444,529	100	1,054,305	100
5000	**Operating costs (notes 6(d), (i), 7 and 12)**	309,440	70	929,854	88
	Gross profit from operations	135,089	30	124,451	12
	Operating expenses (notes 6(c), (i) and 12):				
6100	Selling expenses	14,317	3	8,955	1
6200	Administrative expenses	120,644	27	97,682	9
6300	Research and development expenses	9,112	2	11,589	1
		144,073	32	118,226	11
	Net operating income (expense)	(8,984)	(2)	6,225	1
	Non-operating income and expense:				
7010	Other income (note 6(n))	2,393	1	3,699	-
7020	Other gains and losses, net (notes 6(n) and (o))	2,280	1	12,624	1
7050	Finance costs, net	(11,745)	(3)	(12,917)	(1)
7070	Share of profit of subsidiaries accounted for using equity method, net	726,699	163	437,946	42
	Total non-operating income and expenses	719,627	162	441,352	42
7900	**Profit from continuing operations before tax**	710,643	160	447,577	43
7950	Less: Tax expense (note 6(j))	108,567	24	108,151	10
	Profit	602,076	136	339,426	33
8300	**Other comprehensive income:**				
8360	**Components of other comprehensive income that will be reclassified to profit or loss**				
8361	Exchange differences on translation	(373,486)	(84)	(57,225)	(5)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(j))	63,493	14	9,728	1
8300	**Other comprehensive income, net**	(309,993)	(70)	(47,497)	(4)
	Total comprehensive income	$ 292,083	66	291,929	29
9750	**Basic earnings per share (NT dollars) (note 6(l))**	$	7.59		4.28
9850	**Diluted earnings per share (NT dollars) (note 6(l))**	$	7.54		4.24

See accompanying notes to financial statements.

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NISHOKU TECHNOLOGY INC.

Statements of Changes in Equity

For the years ended December 31, 2016 and 2015

(Expressed in Thousands of New Taiwan Dollars)

	Share capital		Retained earnings		Total other equity interest		
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Treasury shares	Total equity
Balance at January 1, 2015	$ 802,653	1,436,002	313,331	1,979,641	319,136	(56,634)	4,794,129
Profit	-	-	-	339,426	-	-	339,426
Other comprehensive income (loss)	-	-	-	-	(47,497)	-	(47,497)
Total comprehensive income	-	-	-	339,426	(47,497)	-	291,929
Appropriation and distribution of retained earnings:							
Legal reserve appropriated	-	-	29,122	(29,122)	-	-	-
Cash dividends of ordinary share	-	-	-	(237,910)	-	-	(237,910)
Capital surplus at cash dividends	-	(39,652)	-	-	-	-	(39,652)
Balance at December 31, 2015	802,653	1,396,350	342,453	2,052,035	271,639	(56,634)	4,808,496
Profit	-	-	-	602,076	-	-	602,076
Other comprehensive income (loss)	-	-	-	-	(309,993)	-	(309,993)
Total comprehensive loss	-	-	-	602,076	(309,993)	-	292,083
Appropriation and distribution of retained earnings:							
Legal reserve appropriated	-	-	33,943	(33,943)	-	-	-
Cash dividends of ordinary share	-	-	-	(301,352)	-	-	(301,352)
Capital surplus at cash dividends	-	(15,861)	-	-	-	-	(15,861)
Retirement of treasury stock	(9,620)	(16,546)	-	(30,468)	-	56,634	-
Balance at December 31, 2016	$ 793,033	1,363,943	376,396	2,288,348	(38,354)	-	4,783,366

Note1：For the years ended December 31, 2016 and 2015, the Directors' remuneration amounted to 8,720 and 6,600, and the employee remuneration amounted to 32,710 and 25,000, respectively. The amounts were deducted from the statements of comprehensive income in 2016 and 2015, respectively.

See accompanying notes to financial statements.

(English Translation of Financial Statements and Report Originally Issued in Chinese)

NISHOKU TECHNOLOGY INC.

Statements of Cash Flows

For the years ended December 31, 2016 and 2015

(Expressed in Thousands of New Taiwan Dollars)

		2016	2015
Cash flows from (used in) operating activities:			
Profit before tax	$	710,643	447,577
Adjustments:			
Adjustments to reconcile profit (loss):			
Depreciate and amortization		17,680	22,411
Provision for bad debt expense		8,572	58
Reversal of inventory valuation and obsolescence		(547)	(157)
Interest expense		11,745	12,917
Interest revenue		(1,602)	(2,611)
Share of profit of subsidiaries accounted for using equity method		(726,699)	(437,946)
Divided Income from subsidiaries		166,914	26,710
Gain on disposal on property, plan and equipment		(424)	(59)
Total adjustments to reconcile profit (loss)		(524,361)	(378,677)
Changes in operating assets and liabilities:			
Changes in operating assets:			
Financial assets at fair value through profit or loss		15,458	(15,458)
Accounts receivable		81,965	184,877
Inventories		5,193	3,008
Other current assets and other financial assets		(2,074)	1,568
		100,542	173,995
Changes in operating liabilities:			
Accounts payable		(94,287)	(222,025)
Other current liabilities		(930)	9,817
		(95,217)	(212,208)
Total changes in operating assets and liabilities		5,325	(38,213)
Total adjustments		(519,036)	(416,890)
Cash inflow generated from operations		191,607	30,687
Interest received		1,602	2,611
Interest paid		(11,745)	(12,917)
Income taxes paid		(954)	(6,410)
Net cash flows from operating activities		180,510	13,971
Cash flows from (used in) investing activities:			
Proceeds from capital reduction of investments accounted for using equity method		-	306,200
Acquisition from disposal of property, plant and equipment		(394)	(470)
Proceeds from disposal of property, plant and equipment		1,907	407
Increase in refundable deposits		-	(4,200)
Increase in other non-current assets		(889)	(998)
Net cash flows from investing activities		624	300,939
Cash flows from (used in) financing activities:			
Increase (decrease) in short-term loans		(80,500)	130,500
Increase (decrease) in long-term debt		100,000	(49,578)
Cash dividends paid		(317,213)	(277,562)
Net cash flows used in financing activities		(297,713)	(196,640)
Net increase (decrease) in cash and cash equivalents		(116,579)	118,270
Cash and cash equivalents at beginning of period		319,335	201,065
Cash and cash equivalents at end of period	$	202,756	319,335

See accompanying notes to financial statements.

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

NISHOKU TECHNOLOGY INC. (the "Company") was incorporated in year 1980, as a company limited by shares and registered under the Ministry of Economic Affairs, ROC. The Company conducted an IPO on the Taiwan Stock Exchange (TWSE) on October 5, 2011. The Company primarily is involved in the manufacture and sale of plastic injection mold, tooling manufacturing and general import and export Trade.

(2) Approval date and procedures of the financial statements:

These financial statements were authorized for issuance by the board of directors on February 24, 2017.

(3) New standards, amendments and interpretations adopted:

(a) Impact of the International Financial Reporting Standards (" IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. ("FSC") but not yet in effect

According to Ruling No. 1050026834 issued on July 18, 2016, by the FSC, public entities are required to conform to the IFRSs which were issued by the International Accounting Standards Board (IASB) before January 1, 2016, and were endorsed by the FSC on January 1, 2017 in preparing their financial statements. The related new standards, interpretations and amendments are as follows:

New, Revised or Amended Standards and Interpretations	Effective date per IASB
Amendments to IFRS 10, IFRS 12 and IAS 28 "Investment Entities: Applying the Consolidation Exception"	January 1, 2016
Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations"	January 1, 2016
IFRS 14 "Regulatory Deferral Accounts"	January 1, 2016
Amendment to IAS 1 "Disclosure Initiative"	January 1, 2016
Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortization"	January 1, 2016
Amendments to IAS 16 and IAS 41 "Agriculture: Bearer Plants"	January 1, 2016
Amendments to IAS 19 "Defined Benefit Plans: Employee Contributions"	July 1, 2014
Amendment to IAS 27 "Equity Method in Separate Financial Statements"	January 1, 2016
Amendments to IAS 36 "Recoverable Amount Disclosures for Non-Financial Assets"	January 1, 2014

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NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

New, Revised or Amended Standards and Interpretations	Effective date per IASB
Amendments to IAS 39 "Novation of Derivatives and Continuation of Hedge Accounting"	January 1, 2014
Annual improvements cycles 2010-2012 and 2011-2013	July 1, 2014
Annual improvements cycle 2012-2014	January 1, 2016
IFRIC 21 "Levies"	January 1, 2014

The Company assessed that the initial application of the above IFRSs would not have any material impact on the financial statements.

(b) Newly released or amended standards and interpretations not yet endorsed by the FSC

A summary of the new standards and amendments issued by the IASB but not yet endorsed by the FSC. The FSC announced that the Company should apply IFRS 9 and IFRS 15 starting January 1, 2018. As of the date the Company's financial statements were issued, the FSC has yet to announce the effective dates of the other IFRSs. As of the end of reporting date is as follows:

New, Revised or Amended Standards and Interpretations	Effective date per IASB
IFRS 9 "Financial Instruments"	January 1, 2018
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	Effective date to be determined by IASB
IFRS 15 "Revenue from Contracts with Customers"	January 1, 2018
IFRS 16 "Leases"	January 1, 2019
Amendment to IFRS 2 "Clarifications of Classification and Measurement of Share-based Payment Transactions"	January 1, 2018
Amendment to IFRS 15 "Clarifications of IFRS 15"	January 1, 2018
Amendment to IAS 7 "Disclosure Initiative"	January 1, 2017
Amendment to IAS 12 "Recognition of Deferred Tax Assets for Unrealized Losses"	January 1, 2017
Amendments to IFRS 4 "Insurance Contracts" (Applicable for IFRS 9 "Financial Instruments" and IFRS 4 "Insurance Contracts")	January 1, 2018
Annual Improvements to IFRS Standards 2014-2016 Cycle:	
IFRS 12 "Disclosure of Interests in Other Entities"	January 1, 2017
IFRS 1 "First-time Adoption of International Financial Reporting Standards" and IAS 28 "Investments in Associates and Joint Ventures"	January 1, 2018
IFRIC 22 "Foreign Currency Transactions and Advance Consideration"	January 1, 2018
IAS 40 "Transfers of Investment Property"	January 1, 2018

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NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

The Company is still currently determining the potential impact of the standards listed below:

Issuance / Release Dates	Standards or Interpretations	Content of amendment
May 28, 2014 April 12, 2016	IFRS 15 "Revenue from Contracts with Customers"	IFRS 15 establishes a five-step model for recognizing revenue that applies to all contracts with customers, and will supersede IAS 18 "Revenue," IAS 11 "Construction Contracts," and a number of revenue-related interpretations. Final amendments issued on April 12, 2016, clarify how to (i) identify performance obligations in a contract; (ii) determine whether a company is a principal or an agent; (iii) account for a license for intellectual property (IP); and (iv) apply transition requirements.
November 19, 2013 July 24, 2014	IFRS 9 "Financial Instruments"	The standard will replace IAS 39 "Financial Instruments: Recognition and Measurement", and the main amendments are as follows: • Classification and measurement: Financial assets are measured at amortized cost, fair value through profit or loss, or fair value through other comprehensive income, based on both the entity's business model for managing the financial assets and the financial assets' contractual cash flow characteristics. Financial liabilities are measured at amortized cost or fair value through profit or loss. Furthermore, there is a requirement that "own credit risk" adjustments be measured at fair value through other comprehensive income. • Impairment: The expected credit loss model is used to evaluate impairment. • Hedge accounting: Hedge accounting is more closely aligned with risk management activities, and hedge effectiveness is measured based on the hedge ratio.

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NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

Issuance / Release Dates	Standards or Interpretations	Content of amendment
January 13, 2016	IFRS 16 "Leases"	The new standard of accounting for lease is amended as follows: • For a contract that is, or contains, a lease, the lessee shall recognize a right-of-use asset and a lease liability in the balance sheet. In the statement of profit or loss and other comprehensive income, a lessee shall present interest expense on the lease liability separately from the depreciation charge for the right-of use asset during the lease term. • A lessor classifies a lease as either a finance lease or an operating lease, and therefore, the accounting remains similar to IAS 17.

The Company is evaluating the impact on its financial position and financial performance of the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Company completes its evaluation.

(4) Summary of significant accounting policies:

The significant accounting policies presented in the financial statements are summarized below. Except for those specifically mentioned, The following accounting policies are applied consistently to the periods presented in the financial statements.

(a) Statement of compliance

These annual financial statements have been prepared in accordance with the " Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter, referred to as "the Regulations").

(b) Basis of preparation

(i) Basis of measurement

Except for the financial instruments measured at fair value through profit or loss, the financial statements have been prepared on a historical cost basis.

(ii) Functional and presentation currency

The functional currency is determined based on the primary economic environment in which the Company operates. The Company's financial statements are presented in New Taiwan dollars, which is the Company's functional currency. All financial information presented in New Taiwan dollars has been rounded to the nearest thousand.

(c) Foreign currencies

(i) Foreign currency transaction

Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortized cost in the functional currency at the beginning of the year adjusted for the effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of translation.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the Company' s functional currency at the exchange rates at the reporting date. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to the Company' s functional currency at the average rate. Foreign currency differences are recognized in other comprehensive income, and presented in the foreign currency translation reserve in equity.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Company disposes of any part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interest. When the Company disposes of only part of its investment in an associate or a joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(d) Classification of current and non-current assets and liabilities

An entity shall classify an asset as current when any of the criteria below is met:

(i) It expects to realize the asset, or intends to sell or consumit, in its normal operating cycle;

(ii) It holds the asset primarily for the purpose of trading;

(iii) It expects to realize the asset within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent, unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

An entity shall classify a liability as current when any of the criteria below is met:

(i) It expects to settle liability in its normal operating cycle;

(ii) It holds the liability primarily for the purpose of trading;

(iii) The liability is due to be settled within twelve months after the reporting period; or

(iv) It does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not impact its classification.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash, cash in bank, and short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(f) Financial instruments

Financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instruments.

(i) Financial assets

The Company classifies financial assets into the following categories: financial assets at fair value through profit or loss and loans and receivables.

1) Financial assets measured at fair value through profit or loss

A financial asset is classified in this category if it is classified as held for trading or is designated as such on initial recognition. Financial assets are classified as held for trading if they are acquired principally for the purpose of selling in the short term. The Company designates financial assets, other than those classified as held for trading, as at fair value through profit or loss at initial recognition under one of the following situations:

a) Designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

b) Performance of the financial asset is evaluated on a fair value basis;

c) A hybrid instrument contains one or more embedded derivatives.

Financial assets in this category are measured at fair value at initial recognition. Attributable transaction costs are recognized in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein, which take into account any dividend and interest income, are recognized in profit or loss, and are included in non-operating income and expenses. A regular way purchase or sale of financial assets shall be recognized and derecognized as applicable using trade-date accounting.

2) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables comprise trade receivables and other receivables. Such assets are recognized initially at fair value, plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables other than insignificant interest on short-term receivables are measured at amortized cost using the effective interest method, less any impairment losses. A regular way purchase or sale of financial assets shall be recognized and derecognized as applicable using trade-date accounting.

3) Impairment of financial assets

Except for financial assets at fair value through profit or loss, financial assets are assessed for impairment at each reporting date. A financial asset is impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is considered objective evidence of impairment.

All individually significant receivables are assessed for specific impairment. Receivables that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics. In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of recoveries, and the amount of loss incurred adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than those suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

An impairment loss in respect of a financial asset is deducted from the carrying amount except for trade receivables, for which an impairment loss is reflected in an allowance account against the receivables. When it is determined a receivable is uncollectible, it is written off from the allowance account. Any subsequent recovery of a receivable written off is recorded in the allowance account. Changes in the amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss on a financial asset measured at amortized cost decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the decrease in impairment loss is reversed through profit or loss to the extent that the carrying value of the asset does not exceed its amortized cost before impairment was recognized at the reversal date.

Impairment losses and recoveries of accounts receivable are recognized in profit or loss; impairment losses and recoveries of other financial assets are recognized in non-operating income and expense.

4) Derecognition of financial assets

The Company derecognizes financial assets when the contractual rights of the cash inflow from the asset are terminated or when the Company transfers substantially all the risks and rewards of ownership of the financial assets.

The Company separates the part that continues to be recognized and the part that is derecognized, based on the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part derecognized and the sum of the consideration received for the part derecognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income shall be recognized in profit or loss.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

Debt or equity instruments issued by the Company are classified as financial liabilities or equity in accordance with the substance of the contractual agreement.

Equity instruments refer to surplus equities of the assets after the deduction of all the debts for any contracts. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

2) Other financial liabilities

Financial liabilities not classified as held for trading or designated as at fair value through profit or loss, which comprise loans and borrowings, and trade and other payables, are measured at fair value, plus any directly attributable transaction costs at the time of initial recognition. Subsequent to initial recognition, they are measured at amortized cost calculated using the effective interest method. Interest expense not capitalized as capital cost is recognized in profit or loss, and is included in finance costs under non-operating income or expense.

3) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligation has been discharged or cancelled, or has expired. The difference between the carrying amount of a financial liability removed and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss, and is included in other gains and losses under non-operating income or expenses.

4) Offsetting of financial assets and liabilities

The Company presents financial assets and liabilities on a net basis when the Company has the legally enforceable right to offset and intends to settle such financial assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

(iii) Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency and interest rate exposures. Derivatives are recognized initially at fair value, and attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss, and are included in other gains and losses under non-operating income and expenses. When the fair value of a derivative instrument is positive, it is classified as a financial asset; when the fair value is negative, it is classified as a financial liability.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted-average method and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(Continued)

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(h) Investment in subsidiaries

Investments in subsidiaries are accounted for using the equity method. There is no difference between net income and comprehensive income in the Company' s financial statements and net income and comprehensive income attributable to stockholders of the parent. The equity in the Company' s financial statements and the equity attributable to stockholders of the parent in the Company' s consolidated financial statements are also the same. Changes in the Company' s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. When the Company loses control over its subsidiaries, the Company derecognizes the investment by the book value on the date of loss of control and remeasures the rest of the investments at fair value on the same date.

(i) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributed to the acquisition of the asset. The cost of a self-constructed asset comprises material, labor, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and any borrowing cost that is eligible for capitalization.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately unless the useful life and the depreciation method of a significant part of an item of property, plant and equipment are the same as the useful life and depreciation method of another significant part of that same item.

The gain or loss arising from the derecognition of an item of property, plant and equipment shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, and it shall be recognized in profit or loss, under net other income and expenses.

(ii) Subsequent cost

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. The carrying amount of those parts that are replaced is derecognized. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

The depreciable amount of an asset is determined after deducting its residual amount, and the depreciable amount shall be allocated on a systematic basis over the asset's useful life. Items of property, plant and equipment with the same useful life may be grouped in determining the depreciation charge. The remainder of the items may be depreciated separately. The depreciation charge for each period shall be recognized in profit or loss.

Land has an unlimited useful life and therefore is not depreciated.

The estimated useful lives, for the current and comparative years, of significant items of property, plant and equipment are as follows:

1) Buildings: 50 years

2) Accessory equipment of buildings: 8~10 years

3) Machinery and equipment: 3~8 years

4) Office and other equipment: 3~8 years

Depreciation methods, useful lives, and residual values are reviewed at each reporting date. If expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

(j) Research & development

During the research phase, activities are carried out to obtain and understand new scientific or technical knowledge. Expenditures during this phase are recognized in profit or loss as incurred.

Expenditures arising from the development phase shall be recognized as an intangible asset if all the conditions described below can be demonstrated; otherwise, they will be recognized in profit or loss as incurred.

(i) The technical feasibility of completing the intangible asset so that it will be available for use or sale.

(ii) The intention to complete the intangible asset and use or sell it.

(iii) The ability to use or sell the intangible asset.

(iv) How the intangible asset will generate probable future economic benefits.

(v) The availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset.

(vi) The ability to measure reliably the expenditure attributable to the intangible asset during its development.

(k) Impairment – non-financial assets

Non-financial assets, except for inventories and deferred tax assets' are reviewed at each reporting date to determine whether there is any indication of impairement. If any such indication exists, the Company shall estimate the recoverable amount of the asset. If it is not possible to determine the recoverable amount for the individual asset, then the Company will have to determine the recoverable amount for the asset's cash-generating unit.

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The recoverable amount for an individual asset or a cash-generating unit is the higher of its fair value, less costs to sell, or its value in use. If the recoverable amount of an individual asset or a cash-generating unit is less than its carrying amount, the carrying amount of the individual asset or cash-generating unit shall be reduced to its recoverable amount; and that reduction is accounted for as an impairment loss. An impairment loss shall be recognized immediately in profit or loss.

The Company assesses at the end of each reporting period whether there is any indication that an impairment loss recognized in prior periods for an asset may no longer exist or may have decreased. An impairment loss recognized in prior periods for an individual asset or a cash-generating unit shall be reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset shall be increased to its recoverable amount but should not exceed the depreciated or amortized balance of the assets assuming no impairment loss was recognized in prior periods.

(l) Treasury stock

Repurchased shares are recognized under treasury shares (a contra-equity account) based on their repurchase price (including all directly accountable costs), net of tax. Gains on disposal of treasury shares should be recognized under "capital reserve – treasury share transactions". Losses on disposal of treasury shares should be offset against existing capital reserves arising from similar types of treasury shares. If there are insufficient capital reserves to be offset against, then such losses should be accounted for under retained earnings. The carrying amount of treasury shares should be calculated using the weighted average of different types of repurchase.

During the cancellation of treasury shares, "capital reserve – share premiums" and "share capital" should be debited proportionately. Gains on cancellation of treasury shares should be recognized under existing capital reserves arising from similar types of treasury shares; losses on cancellation of treasury shares should be offset against existing capital reserves arising from similar types of treasury shares. If there are insufficient capital reserves to be offset against, then such losses should be accounted for under retained earnings.

(m) Revenue

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts, and volume rebates. Revenue is recognized when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that a discount will be granted and the amount can be measured reliably, then the discount is recognized as a reduction of revenue as the sales are recognized.

The timing of the transfers of risks and rewards varies depending on the individual terms of the sales agreement. For international shipments, transfer occurs upon loading the goods onto the relevant carrier at the client's designated location. Generally for such products, the customer has no right of return.

(n) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(o) Share-based payment

The grant-date fair value of share-based payment awards granted to employees is recognized as employee expenses, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards whose related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

Regarding to non-vesting conditions, the measurement on the fair value of share-based payment on grant date has been considered to reflect such conditions, and there is no need for any adjustment for differences between expected and actual outcomes.

(p) Income taxes

Income tax expenses include both current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes shall be recognized in profit or loss.

Current taxes include tax payables and tax deduction receivables on taxable gains (losses) for the year calculated using the statutory tax rate on the reporting date or the actual legislative tax rate, as well as tax adjustments related to prior years.

Deferred taxes arise due to the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes shall not be recognized for the following exceptions:

(i) Assets and liabilities that are initially recognized but are not related to a business combination and have no effect on net income or taxable gains (losses) at the time of the transaction.

(ii) Temporary differences arising from equity investments in subsidiaries or joint ventures where there is a high probability that such temporary differences will not reverse.

(iii) Initial recognition of goodwill.

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities may be offset against each other if the following criteria are met:

(i) The entity has the legal right to settle tax assets and liabilities on a net basis; and

(ii) The taxing of deferred tax assets and liabilities fulfills one of the scenarios below:

1) levied by the same taxing authority; or

2) levied by different taxing authorities, but where each such authority intends to settle tax assets and liabilities (where such amounts are significant) on a net basis every year of the period of the expected asset realization or debt liquidation, or where the timing of asset realization and debt liquidation is matched.

A deferred tax asset should be recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences, to the extent that it is probable that future taxable profit will be available against which the unused tax losses, unused tax credits, and deductible temporary differences can be utilized. Such unused tax losses, unused tax credits, and deductible temporary differences shall also be re-evaluated every year on the financial reporting date, and they shall be adjusted based on the probability that future taxable profit will be available against which the unused tax losses, unused tax credits, and deductible temporary differences can be utilized.

(q) Earnings per share

The Company discloses the basic and diluted earnings per share attributable to ordinary shareholders of the Company. The calculation of basic earnings per share is the profit attributable to the ordinary shareholders of the Company divided by the weighted-average number of ordinary shares outstanding. The calculation of diluted earnings per share is the profit attributable to ordinary shareholders of the Company divided by the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. Dilutive potential ordinary shares comprise convertible bonds, employee stock options, and employee bonuses not yet resolved by the shareholders.

(r) Operating segments

Please refer to Company's consolidated financial statements for the years ended December 31, 2016 and 2015, for further details.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the financial statements in conformity with the Regulations requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the next period.

There are no critical judgment made in applying the accounting policies that have significant effects on amounts recognized in consolidated financial statements.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is as follows:

(a) Impairment assessment of accounts receivable

When there is objective evidence of impairment loss, the Company takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding possible future credit losses) discounted at the financial asset's original effective interest rate. When the actual future cash flows are less than expected, a impairment loss may arise.

(b) Valuation of inventories of investments using equity method

As inventories are stated at the lower of cost or net realizable value, the Company' s certain subsidiaries estimate the net realizable value of inventories for obsolescence and unmarketable items at the end of the reporting period and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions as to future demand within a specific time horizon. Due to the rapid industrial transformation, there may be significant changes in the net realizable value of inventories.

The Company's accounting policies include measuring financial and non-financial assets and liabilities at fair value through profit or loss.

The Company' s financial instrument valuation group conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. This financial instrument valuation group also periodically adjusts valuation models, conducts back-testing, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value. The Company strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

(a) Level 1: quoted prices (unadjusted) in active markets for identifiable assets or liabilities.

(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).

(c) Level 3: inputs for the assets or liability that are not based on observable market data.

For any transfer within the fair value hierarchy, the impact of the transfer is recognized on the reporting date.

(6) Explanation of significant accounts:

(a) Cash and cash Equivalents

		December 31, 2016	December 31, 2015
Cash, and demand deposits	$	76,151	193,735
Time deposits		30,000	125,600
Bond acquired under repurchase agreement		96,605	-
Cash and cash equivalents in the consolidated statement of cash flows	$	202,756	319,335

Please refer to note 6(p) for the exchange rate risk, the interest rate risk, and the fair value sensitivity analysis of the financial assets and liabilities of the Company.

(b) Financial assets

		December 31, 2016	December 31, 2015
Financial assets at fair value through profit or loss			
Bond of oversea	$	-	15,484

As of December 31, 2016 and 2015, the financial assets of the Company had not been pledged as collateral.

(c) Notes and receivable, and other receivables

		December 31, 2016	December 31, 2015
Notes and accounts receivable	$	68,982	150,947
Other receivables		2,419	2,652
Less：allowance for impairment		(9,002)	(430)
	$	62,399	153,169

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(i) The aging analysis of accounts receivable and other receivables which were past due but not impaired was as follows:

	December 31, 2016	December 31, 2015
Past due 0~120 days	$ 19,108	53,403
Past due 121~270 days	2,087	-
	$ 21,195	53,403

Based on the historical payment behavior, the Company believed that the overdue receivables, for which no allowances for uncollectible amounts were provided, are still collectible.

(ii) The Company recognized impairment loss on notes and accounts receivable using individual and collective assessment methods. The movement in the allowance for notes and accounts receivable and other receivables was as follows:

	December 31, 2016	December 31, 2015
Balance on January 1, 2016	$ 430	656
Recognized of impairment loss	8,572	58
Amounts written off	-	(284)
Balance on December 31, 2016	$ 9,002	430

(d) Inventories

	December 31, 2016	December 31, 2015
Raw materials	$ 3,236	3,069
Work in process	390	5,653
Finished goods	2,699	2,249
	$ 6,325	10,971

For the years ended December 31, 2016 and 2015, raw material, consumables, and changes in the finished goods and work in progress recognized as cost of sale amounted to $309,440 and $929,854, respectively. For the years ended December 31, 2016 and 2015, the Company recognized the gains on inventory valuation and obsolescence as cost of goods sold amounting to $547 and $157, respectively.

As of December 31, 2016 and 2015, the Company did not provide any inventories as collateral for its loans.

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(e) Investment accounted for using equity method

The Company's investments accounted for using the equity method at the reporting dates comprise:

	December 31, 2016	December 31, 2015
Subsidiaries	$ 5,851,475	5,665,176

(i) Please refer to the Company's consolidated financial statements for the years ended December 31, 2016, for details of subsidiaries.

(ii) The Company did not provide investments accounted for using the equity method as collateral.

(f) Property, plant and equipment

The cost, depreciation and impairment loss of the property, plant and equipment of the Company for the years ended December 31, 2016 and 2015, were as follows:

	Land	Building	Machinery and equipment	Office and other equipment	Total
Cost or deemed cost:					
Balance on January 1, 2016	$ 179,672	218,637	31,504	7,293	437,106
Additions	-	-	207	187	394
Disposals	-	-	(12,082)	(1,367)	(13,449)
Balance on December 31, 2016	$ 179,672	218,637	19,629	6,113	424,051
Balance on January 1, 2015	$ 179,672	218,637	54,458	9,359	462,126
Additions	-	-	380	90	470
Disposals	-	-	(23,334)	(2,156)	(25,490)
Balance on December 31, 2015	$ 179,672	218,637	31,504	7,293	437,106
Depreciation and impairments loss:					
Balance on January 1, 2016	$ -	50,664	20,970	5,473	77,107
Depreciation	-	11,019	2,947	1,162	15,128
Disposals	-	-	(10,600)	(1,366)	(11,966)
Balance on January 1, 2016	$ -	61,683	13,317	5,269	80,269
Balance on January 1, 2015	$ -	39,645	37,579	6,199	83,423
Depreciation	-	11,019	6,377	1,430	18,826
Disposals	-	-	(22,986)	(2,156)	(25,142)
Balance on December 31, 2015	$ -	50,664	20,970	5,473	77,107
Carrying amounts:					
Balance on December 31, 2016	$ 179,672	156,954	6,312	844	343,782
Balance on December 31, 2015	$ 179,672	167,973	10,534	1,820	359,999

As of December 31, 2016 and 2015, the property, plant and equipment of the Company had not been pledged as collateral.

(Continued)

(g) Short-term borrowings

The detail were as follows:

	December 31, 2016	December 31, 2015
Credit loans, no pledge	$ 150,000	230,500
Interest rate range	1.20%	1.00%~1.45%

(h) Long-term borrowings

The detail were as follows:

	December 31, 2016			
	Currency	Interest rate range	Maturity year	Amount
Unsecured loans	NTD	1.15%~1.435%	2017~2019	$ 750,000
Less: current portion	〃			(150,000)
Total				$ 600,000

	December 31, 2015			
	Currency	Interest rate range	Maturity year	Amount
Unsecured loans	NTD	1.53157%~1.61%	2017~2018	$ 650,000

Please refer to note 6(p) for the exchange rate risk, the interest rate risk, and the fair value sensitivity analysis of the financial assets and liabilities of the Company.

(i) Employee benefits

The Company allocates 6% of each employee' s monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Company allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The pension costs incurred from the contributions to the Labor Insurance amounted to $2,300 and $2,979 for the years ended December 31, 2016 and 2015, respectively.

(j) Income tax

(i) The Company of income tax in years 2016 and 2015 were as follows:

	2016	2015
Current tax expense	$ 25,590	19,161
Deferred tax expense	82,977	88,990
	$ 108,567	108,151

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(ii) The amounts of income tax profit under other comprehensive income or loss in years 2016 and 2015 were as follows:

	2016	2015
Foreign currency translation differences for foreign operations	$ (63,493)	(9,728)

(iii) Reconciliation of income tax and profit before tax for 2016 and 2015 was as follows:

	2016	2015
Profit excluding income tax	$ 710,643	447,577
Income tax using the Company's domestic tax rate	120,809	76,088
Effect of exchange rate changes on overseas investment gains (losses)	(10,634)	20,149
10% surtax on unappropriated earnings	413	2,419
Other	(2,021)	9,495
	$ 108,567	108,151

(iv) Deferred tax assets and liabilities

1) Recognized deferred tax liabilities

There is no unrecognized deferred tax assets and liabilities of the Company, and the changes in the amount of deferred tax assets and liabilities for the years ended December 31, 2016 and 2015, were as of follows:

	Investment income recognized under the equity method	Foreign currency translation differences for foreign operations	Other	Total
Deferred tax liabilities				
Balance on January 1, 2016	$ 589,755	55,905	221	645,881
Recognized in profit or loss	88,589	-	(210)	88,379
Recognized in other comprehensive income or loss	-	(55,299)	-	(55,299)
Balance on December 31, 2016	$ 678,344	606	11	678,961
Balance on January 1, 2015	487,316	65,633	355	553,304
Recognized in profit or loss	102,439	-	(134)	102,305
Recognized in other comprehensive income or loss	-	(9,728)	-	(9,728)
Balance on December 31, 2015	$ 589,755	55,905	221	645,881

(Continued)

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2) Recognized deferred tax assets

The Company recognized deferred tax assets for 2016 and 2015 was as follows:

	Investment income recognized under the equity method	Loss on inventory valuation	Foreign currency translation differences for foreign operations	Bed debt in excess of tax limit and others	Total
Deferred tax assets					
Balance on January 1, 2016	$ (21,472)	(623)	-	(307)	(22,402)
Recognized in profit or loss	(4,101)	93	-	(1,394)	(5,402)
Recognized in other comprehensive income or loss	-	-	(8,194)	-	(8,194)
Balance on December 31, 2016	$ (25,573)	(530)	(8,194)	(1,701)	(35,998)
Balance on January 1, 2015	(8,133)	(650)	-	(304)	(9,087)
Recognized in profit or loss	(13,339)	27	-	(3)	(13,315)
Balance on December 31, 2015	$ (21,472)	(623)	-	(307)	(22,402)

(v) The Company income tax returns have been examined by the tax authority through the years up to 2014. However, the Company's 2013 income tax return is still reviewed by the tax authority; and the Company disagreed with the examination of the income tax return for 2011 and requested an administrative remedy. The tax effect of administrative remedy has been recognized by the Company.

(vi) Information related to the unappropriated earnings and tax deduction ratio is summarized as follow:

	December 31, 2016	December 31, 2015
Unappropriated earnings of 1998 and after	$ 2,288,348	2,052,035
Balance of imputation credit account	$ 209,967	244,937
	2016 (estimated)	**2015 (actual)**
Creditable ratio for earnings distribution to ROC residents stockholders	10.49 %	12.17 %

The above stated information was prepared in accordance with information letter No. 10204562810 issued by the Ministry of Finance of the ROC on October 17, 2013.

NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

(k) Capital and other equity

(i) Ordinary shares

Reconciliation of shares outstanding for the years ended December 31, 2016 and 2015, were as follows (in thousands of shares):

	Ordinary shares	
	2016	**2015**
Balance on January 1	80,265	80,265
Retirement of treasury stock	(962)	-
Balance on December 31	79,303	80,265

The Company had canceled treasury stock $9,620 (962 thousand shares) in 2016. The related registration procedure were also completed.

(ii) Capital surplus

The balances of capital surplus as of December 31, 2016 and 2015, were as follows:

	December 31, 2016	**December 31, 2015**
Additional paid-capital	$ 1,363,943	1,396,350

According to the ROC Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring paid-in capital in excess of par value should not exceed 10% of the total common stock outstanding.

The change of the Company' s capital surplus, except for retirement of treasure stock that in proportion to write off capital surplus $16,546; in addition, the Company' s appropriations of capital surplus had been approved in the shareholders' meeting held on June 7, 2016 and June 10, 2015, respectively. The appropriations were $0.2 and $0.5 per share and the total amounts were $15,861 and $39,652, respectively.

(iii) Retained earnings

According to the articles of incorporation , current—period earnings should be distributed as follow:

1) Settle all outstanding tax payables;

2) Offset the prior years' deficits;

3) After the recognition or reversal of special earnings reserves according to statutory requirements, 10% of statutory earning reserves;

4) Amount paid to directors and supervisors is less than 5%;

5) Employee benefits is not less than 2%, if the prior employee benefit are paid in stocks, the target group must include employees of the affiliate companies who satisfied certain qualification.

6) Of the remaining balance may be reserved or distributed by the stockholders' meeting for approval

The Company's stockholder benefits and employee benefits can be distributed in cash or stock, directors' remuneration be distributed in cash, the Company shall first take into consideration its investing environment in current or future, cash demand, and long-term interest of stockholders, as well as its programs to maintain operating efficiency and meet its capital expenditure budget and financial goals in determining the stock or cash dividends to be paid. After above appropriations, current and prior-period earnings that remain undistributed will be proposed for distribution by the board of directors, and a meeting of shareholders will be held to decide on this matter. The cash dividends shall not be more than 30% of total dividends.

The Company had modified it' s article of incorporation that had been approved in the stockholders' meeting held on June 7, 2016. According to the Company' s new article of incorporation stipulate that Company's net profit should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, and then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

Before the distribution of dividends, the Company shall first take into consideration its operating environment, industry developments, and the long-term interests of stockholders, as well as its programs to maintain operating efficiency and meet its capital expenditure budget and financial goals in determining the stock or cash dividends to be paid. After the above appropriations, current and prior-period earnings that remain undistributed will be proposed for distribution by the board of directors, and a meeting of shareholders will be held to decide on this matter. The cash dividends shall not be more than 10% of total dividends.

1) Legal reserve

   According to the amendment of the ROC Company Act in January 2012, the Company must retain 10% of its after-tax annual earnings as legal reserve until such retention equals the amount of total capital. When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

2) Special reserve

In accordance with Ruling No. 1010012865 issued by the FSC on April 6, 2012, a portion of current-period earnings and undistributed prior-period earnings shall be set aside as special earnings reserve during earnings distribution. The amount to beset aside should equal the current-period total net reduction of other shareholders' equity. Similarly, a portion of undistributed prior-period earnings shall be set aside as special earnings reserve (and can not be distributed) to account for cumulative changes to other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

Earnings distribution for 2015 and 2014 were decided via the general meeting of shareholders held on June 7, 2016, and June 10, 2015, respectively. The relevant dividend distributions to shareholders were as follow:

	2015		2014	
	Payout per share	**Amount**	**Payout per share**	**Amount**
Dividend to shareholders				
Cash	$ 3.8	301,352	3.00	237,910

(ii) Treasury shares

Be applying section 28(2) of the Securities and Exchange Act, the Company had been implemented treasury stock policy, the change of treasury stock were as follows:

	2016		2015	
	Transfer shares to employees	**Total (thousand shares)**	**Transfer shares to employees**	**Total (thousand shares)**
Purchase shares at beginning	962	962	962	962
Retirement of treasury stock	(962)	(962)	-	-
Purchase shares at end	-	-	962	962

In accordance with Securities and Exchange Act, treasury shares held by the Company should not be pledged, and do not hold any shareholder rights before their transfer.

The Company had canceled the Company's shares that for the purpose of transfer to employees in 2013, was decided by the board of directors on July 4, 2016, and decided the canceled dated was on July 15, 2016.

(l) Earnings per share

(i) Basic earnings per share

The calculation of basic earnings per share for the years ended December 31, 2016 and 2015, was based on the profit attributable to ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding, calculated as follows:

	2016	2015
Profit attributable to ordinary shareholders of the Company	$ 602,076	339,426
Weighted-average number of ordinary shares (thousand shares)	79,303	79,303

(ii) Diluted earnings per share

The calculation of diluted earnings per share for the year ended December 31, 2015, was based on the profit attributable to the ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	2016	2015
Profit attributable to ordinary shareholders of the Company (diluted)	$ 602,076	339,426

Weighted-average number of ordinary shares (diluted) (thousand shares)

	2016	2015
Weighted-average number of ordinary shares (basic)	79,303	79,303
Effect of employee stock bonuses	574	808
Weighted-average number of ordinary shares (diluted)	79,877	80,111

(m) Empoyee, board of directors', and supervisors' compensation

In accordance with the Articles of incorporation the Company should contribute no less than 1% of the profit as employee compensation and not exceed 5% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The amount of remuneration of each director and supervisor and of compensation for employees entitled to receive the abovementioned employee compensation is approved by the board of directors. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

For the year ended December 31, 2016 and 2015, the Company estimated its employee remuneration amounting to $32,710 and $25,000, and directors' and supervisors' remuneration amounting to $8,720 and $6,600, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. These remunerations were expensed under operating costs or operating. Related information would be available at the Market Observation Post System website. The amounts, as stated in the consolidated financial statements, are identical to those of the actual distributions for 2016 and 2015.

(n) Non-operating income and expense

(i) Other revenue

The other revenue for the years ended December 31, 2016 and 2015, were as follows:

		2016	2015
Interest income	$	1,602	2,611
Others		791	1,088
	$	2,393	3,699

(ii) Other gains and losses

The other gains and losses for the years ended December 31, 2016 and 2015, were as follows:

		2016	2015
Foreign currency exchange gain (loss), net	$	(1,599)	12,016
Gain on valuation of financial assets		3,465	549
Gain on disposal of property, plant and equipment and other		414	59
	$	2,280	12,624

(o) Financial Instruments

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, which arises from the Company's accounts receivable and investments.

1) Accounts receivable and others receivables

The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, when available, and in some cases bank references. These criterias are reviewed periodically.

2) Investment

The credit risk exposure in bank deposits, fixed-income investment, and other financial instruments is measured and monitored by the Company's finance department. As the Company deals with banks and other external parties with good credit standing and with financial institutions, corporate organizations, and government agencies which are graded above investment level, the management believes that the Company does not have any compliance issues, and therefore, there is no significant credit risk.

3) Credit risk exposure

As of December 31, 2016 and 2015, the Company's maximum exposure to credit risk was mainly from the carrying amount of financial assets recognized in the statements of financial position and amounted to \$265,155 and \$487,962, respectively. The Company had deposited these bank deposits in different financial institutions, and the management believes their counterparts do not have significant default risk, therefore, the credit risk is insignificant.

4) Disclosures of concentration of credit risk

Sales to individual customers constituting over 10% of net revenue for the years ended December 31, 2016 and 2015, totaled 45% and 65%, respectively. As of December 31, 2016 and 2015, 44% and 42%, respectively, of the Consolidated Company's accounts receivable (including related parties) arose from the top 10 customers. Although there is a potential for concentration of credit risk, the Consolidated Company routinely assesses the collectability of the accounts receivable and provides a corresponding allowance for doubtful accounts.

NISHOKU TECHNOLOGY INC.
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(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Carrying amount	Contractual cash flows	with in 1 year	1-2 years	2-5 years
December 31, 2016					
Non-derivative financial liabilities					
Short-term borrowings	$ 150,000	150,210	150,210	-	-
Long-term liabilities, current portion	150,000	150,927	150,927	-	-
Long-term borrowings	600,000	616,376	7,780	407,203	201,393
Notes and accounts payable	36,673	36,673	36,673	-	-
Other financial liabilities	7,646	7,646	7,646	-	-
	$ 944,319	961,832	353,236	407,203	201,393
December 31, 2015					
Non-derivative financial liabilities					
Short-term borrowings	$ 230,500	230,749	230,749	-	-
Long-term borrowings	650,000	671,455	10,211	407,891	253,354
Notes and accounts payable	130,960	130,960	130,960	-	-
Other financial liabilities	9,649	9,649	9,649	-	-
	$ 1,021,109	1,042,813	381,569	407,891	253,354

The Company does not expect that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(iii) Currency risk

1) Exchange rate risk

The Company significant exposure to foreign currency risk on financial assets and liabilities was as follows:

	December 31, 2016			December 31, 2015		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
Financial assets						
Monetary Items						
USD	$ 5,706	32.250	183,880	8,921	32.825	292,822
CNY	421	4.617	1,933	10,654	4.995	53,217
Financial liabilities						
Monetary Items						
USD	522	32.250	16,818	3,895	32.825	127,842

The Company' s exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade and other receivables, and trade and other payables that are denominated in foreign currency.

A weakening (strengthening) of 1% of the NTD against the USD and CNY at December 31, 2016 and 2015, would have increased or decreased the net profit before tax by $1,690 and $2,182, respectively. The analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases. The analysis is performed on the same basis for both periods.

The Company' s exchange gains and losses on monetary items (including realized and unrealized) translated to the Company's functional currency were as follows:

	2016		2015	
	Exchange gains and losses	**Average exchange rate**	**Exchange gains and losses**	**Average exchange rate**
NTD	$ (1,599)	1	12,016	1

2) Interest rate analysis

The details of financial assets and liabilities exposed to interest rate risk were as follows:

	Carrying amount	
	December 31, 2016	**December 31, 2015**
Fixed-rate instruments:		
Financial assets	$ 126,605	125,600
Financial liabilities	(150,000)	(230,500)
	$ (23,395)	(104,900)
Variable-rate instruments:		
Financial assets	$ 76,051	193,635
Financial liabilities	(750,000)	(650,000)
	$ (673,949)	(456,365)

The following sensitivity analysis is based on the exposure to interest rate risk of the derivative and non-derivative financial instruments on the reporting date. If the interest rate had increased or decreased by 0.25%, the net profit before tax would have decreased or increased by $1,685 and $1,141 for the years ended December 31, 2016 and 2015, respectively, assuming all other variable factors were constant. This mainly resulted from borrowings and bank deposits at variable interest rates.

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Notes to the Financial Statements

(iv) Fair value of financial instruments

1) Fair value of financial instruments

The carrying amount and fair value of the Company' s financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and for equity investments that has no quoted prices in the active markets and whose fair value cannot be reliably measured, disclosure of fair value information is not required:

	December 31, 2016				
		Fair Value			
	Carrying amounts	Level 1	Level 2	Level 3	Total
Loans and receivables					
Cash and cash equivalents	$ 202,756				
Accounts receivable, net	59,980				
Other receivables	2,419				
	$ 265,155				
Financial liabilities carried at amortized cost					
Long and short term borrowings	$ 900,000				
Accounts payable	36,673				
Other payables	122,209				
	$ 1,058,882				

	December 31, 2015				
		Fair Value			
	Carrying amounts	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Held-for-trading financial assets	$ 15,458	-	15,458	-	15,458
Loans and receivables					
Cash and cash equivalents	$ 319,335				
Accounts receivable, net	150,517				
Other receivables	2,652				
	$ 472,504				
Financial liabilities carried at amortized cost					
Long and short term borrowings	$ 880,500				
Accounts payable	130,960				
Other payables	89,552				
	$ 1,101,012				

(Continued)

NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

2) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm' s-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

Measurements of fair value of financial instruments without an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique including a model using observable market data at the consolidated balance sheet date.

b) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models. Fair value of forward currency is usually determined by the forward currency exchange rate.

3) Reconciliation of Level 3 fair values

The following table shows a reconciliation of the beginning balances to the ending balances for the fair value measurements in Level 3 of the fair value hierarchy:

	At fair value through profit or loss
	Foreign exchange
Balance on January 1, 2016	$ -
Recognized in profit or loss	2,871
Purchase	94,026
Disposal	(96,897)
Balance on December 31, 2016	$ -

The aforementioned total gains and losses were recognized in "other gains and losses".

Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Company' s financial instruments that use Level 3 inputs to measure fair value include "financial assets measured at fair value through profit or loss – debt investments" and "available-for-sale financial assets – equity investments".

(p) Financial risk management

(i) Structure of risk management

The Company' s risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect any changes in market conditions and the Company' s activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The board of directors monitors the management to ensure compliance with the Company' s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The board of directors is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the board of directors.

(ii) Overview

The Company is exposed to the following risks arising from financial instruments:

1) Credit risk

2) Liquidity risk

3) Market risk

Note 6(p) presents detailed information on exposure to each of the above risks and on the objectives, policies, and processes for measuring and managing risk.

NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

(q) Capital management

The Company manages capital to safeguard the capacity to continue to operate and to safeguard the certainly and stability of its financial resources. The management uses the asset-liability ratio to manage capital. As of December 31, 2016 and 2015, the Company's asset-liability ratios were 73% and 72%, respectively.

As of December 31, 2016, there were no changes in the Company's approach to capital management.

(r) Investing and financing activities not affecting current cash flow

The Company's investing and financing activities, which do not affect the current cash flow, in the years ended December 31, 2016 was as follows:

(i) For retirement of treasury stock, please refer to note 6(q).

(7) Related-party transactions:

(a) The Company and its subsidiaries

Name of investor	Name of subsidiaries	Location	Percentage of shareholding December 31, 2016	Percentage of shareholding December 31, 2015
The Company	NISHOKU BOUEKI CO., LTD. (NISHOKU BOUEKI)	Taiwan	100%	100%
〃	NISHOKU TECHNOLOGY VIETNAM CO., LTD. (NISHOKU VIETNAM)	Vietnam	100%	100%
〃	SUN NICE LIMITED (SAMOA) (SUN NICE (SAMOA))	SAMOA	100%	100%
SUN NICE (SAMOA)	SAME START LIMITED (Anguilla) (SAME START Anguilla)	Anguilla	100%	100%
〃	NISHOKU HONG KONG HOLDING LIMITED (NISHOKU HK) (Note 2)	Hong Kong	100%	100%
〃	SUN NICE LIMITED (BVI) (SUN NICE (BVI))	Virgin Island	100%	100%
NISHOKU (HK)	NISHOKU PLASTIC MOLD (SHENZHEN) CO., LTD. (NOSHOKU (SHENZHEN))	Mainland China	100%	100%
〃	KUNSHAN NISHOKU PLASTIC ELECTRONIC CO., LTD. (NISHOKU KUNSHAN PLASTIC) (Note 1)	Mainland China	71.49%	71.49%
〃	KUNSHAN NISHOKU MOLD INDUSTRY CO., LTD (NISHOKU KUNSHAN MOLD) (Note 1)	Mainland China	-	-
SUN NICE (BVI)	KUNSHAN NISHOKU ELECTRONIC TECHNOLOGY CO., LTD (NISHOKU KUNSHAN ELECTRONIC) (Note 1)	Mainland China	-	-
〃	KUNSHAN NISHOKU PLASTIC ELECTRONIC CO., LTD. (NISHOKU KUNSHAN) (Note 1)	Mainland China	28.51%	28.51%

(Continued)

NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

Note 1 : NISHOKU KUNSHAN MOLD and NISHOKU KUNSHAN ELECTRONIC had been merged with NISHOKU KUNSHAN on April 8, 2015 . NISHOKU KUNSHAN is the surviving company.

Note 2: Original name was SUPERIOR GOLDEN BRIGHT HOLDING LIMITED have been renamed to NISHOKU HONG KONG HOLDING LIMITED by the board of directors in September 2016.

(b) Parent company and ultimate controlling company

The Company is the ultimate controlling party of the Group and its subsidiaries.

(c)

(i) Sales

The amounts of sales by the Company to related parties and the outstanding balance were as follows:

	Sales		Accounts receivable-related parties	
	2016	**2015**	**December 31, 2016**	**December 31, 2015**
Subsidiaries	$ 180	643	111	365

The credit terms were 90 days for related parties. The general credit terms were 45 to 120 days for non-related parties. The product sale to related parties was different from other clients, the sales prices can not be compared to other clients.

(ii) Purchases

The amounts of purchase by the Company to related parties and the outstanding balance were as follows:

	Purchases		Accounts payable-related parties	
	2016	**2015**	**December 31, 2016**	**December 31, 2015**
Subsidiaries	$ 240,789	854,199	16,818	125,721

The payment terms were 90 days for related parties. The general credit terms for customers other than related parties are 60 to 120 days. The Company do not purchase the same product from other customers, the purchase prices can not be compared to other customers.

NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

(iii) Guarantees and endorsements

The amounts of guarantees notes issued as collateral for bank loans were as follows:

	December 31, 2016	December 31, 2015
Guarantees notes issued	$ 1,945,000	1,986,500
Actual usage amount	$ 193,500	213,363

(iv) Other

SAME START (Anguilla) paid the salaries, labor and health insurances, and pension expenses are $28,270, and $35,386; besides that, there are some receivables not recovery (under the other current financial assets.)

	December 31, 2016	December 31, 2015
SAME START (Anguilla)	$ 2,419	2,652

(d) Key management personnel compensation

Key management personnel compensation comprised:

	2016	2015
Short-term employee benefits	$ 36,296	32,319
Post-employment benefits	216	297
Termination benefits	-	-
Other long-term benefits	-	-
Share-based payments	-	-
	$ 36,512	32,616

(8) Pledged assets: None

(9) Commitments and contingencies: Please refer note 7 for gurantees and endorsements provide to subsidiaries.

(10) Losses Due to Major Disasters:None

(11) Subsequent Events:None None

(12) Other:

A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

By function / By item	2016 Operating cost	2016 Operating expenses	2016 Total	2015 Operating cost	2015 Operating expenses	2015 Total
Employee benefit expenses						
Salaries	19,983	80,709	100,692	22,181	67,784	89,965
Labor and health insurance	1,662	2,996	4,658	2,722	3,153	5,875
Pension	918	1,382	2,300	1,516	1,463	2,979
Others	1,004	8,044	9,048	1,350	5,280	6,630
Depreciation	10,147	4,981	15,128	13,465	5,361	18,826
Amortization	294	2,258	2,552	670	2,915	3,585

The average number of the Company's employees for the years ended December 31, 2016 and 2015, was 70 and 79, respectively.

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Company:

(i) Loans to other parties:

No.	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance (Note 3)	Actual usage amount during the period	Interest rate	Nature of financing	Transaction amounts	Reason for short-term financing	Allowance for bad debt	Collateral Item	Collateral Value	Financing limit for each borrowing company	Maximum financing limit for the lender
1	SAME START (Anguilla)	NISHOKU VIETNAM	Other accounts receivable	Yes	315,600	161,250	80,625	1.86%	Necessary to loan other parties	-	Operating capital	-	-	-	1,159,147 (Note 1)	1,159,147 (Note 1)

Note 1: The individual amount and the total amount for lending to a company shall not exceed 10% and 40% of the lending company's net worth in the latest financial statement, respectively. The Company for lending to the Company directly or indirectly holds 100% of their shares, with the loan amount not limited and the total amounts not exceeding the lending company's net worth in the last financial statement.

Note 2: Related transaction have been elimated during the preparation of the consolidated financial statements.

Note 3: Amount actually draw in foreign currencies were translated based on the exchange rate at the reporting date.

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(ii) Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period (Note 3)	Balance of guarantees and endorsements as of reporting date (Note 3)	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 2)										
0	The Company	SAME START (Anquilla)	3	1,435,010 (Note 1)	969,000	909,700	-	-	19.02 %	4,783,366	Y	N	N
〃	〃	NISHOKU VIETNAM	2	〃	1,035,300	1,035,300	193,500	-	21.64 %	〃	〃	〃	〃
〃	〃	NISHOKU BOUEKI	2	〃	30,000	-	-	-	- %	〃	〃	〃	〃
1	NISHOKU KUNSHAN PLASTIC	SAME START (Anquilla)	1	806,974	16,125	16,125	16,125	-	0.60 %	2,689,913	N	〃	〃

Note 1: The amount and the total amount of the guarantee to a company shall not exceed 30% and 100%, respectively, of the Company net worth in the latest financial statements. The total amount of the guarantee that the Company and its subsidiaries to a company shall not exceed 100%, of the Company's net worth in the latest financial statement. The Company directly or indirectly holds 100% of their shares, the guarantee amounts not limited by the Company's net worth in the latest financial statement.

Note 2: The relationship of guarantor and endorsements to related parties were as follows:

1) Business relationship between the Company

2) The Company directly or indirectly holds over 50% of subsidiaries' shares;

3) The parent company and its subsidiaries holds over 50% of investees' shares

Note 3: Amount actually draw in foreign currencies were translated based on the exchange rate at the reporting date.

(iii) Securities held as of December 31, 2016 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Nature and name of securities	Relationship with the securities issuer	Account name	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
SAME START (Anguilla)	Bond of oversea	None	Financial assets at fair value through profit or loss	-	6,197	- %	6,197	
NISHOKU SHENZHEN	Money market fund	〃	〃	-	184,728	- %	184,728	
〃	Principal guranteed financial product	〃	〃	-	161,637	- %	161,637	

NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock:

Name of company	Category and name of security	Account name	Name of counter-party	Relationship with the company	Beginning Balance		Purchases		Sales				Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Price	Cost	Gain (loss) on disposal	Shares	Amount
NISHOKU KUNSHAN PLASTIC	Principal guranteed financial product	Financial assets at fair value through profit or loss	China Citic Bank	None	-	-	-	1,246,914	-	1,255,584	1,246,914	8,670	-	-
〃	〃	〃	Agricltural Bank of China	〃	-	-	-	323,274	-	324,995	323,274	1,721	-	-
〃	Money market fund	〃	CR Yuanta Fund	〃	-	-	-	230,910	-	231,425	230,910	515	-	-
〃	Principal no guaranteed financial product	〃	Agricltural Bank of China		-	-	-	254,001	-	255,928	254,001	1,927	-	-
NISHOKU SHENZHEN	Money market fund	〃	CR Yuanta Fund	〃	-	199,839	-	184,728	-	205,366	199,839	5,527	-	184,728
〃	Principal guranteed financial product	〃	〃	〃	-	174,859	-	-	-	181,696	174,859	6,837	-	-
〃	〃	〃	GF Asset Management (Guangdong) Co., Ltd	〃	-	-	-	161,637	-	-	-	-	-	161,637

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock:None

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock:None

(Continued)

NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$300 million or 20% of the capital stock:

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance (Note 1)	Percentage of total notes/accounts receivable (payable)	
The Company	SAME START (Anguilla)	The Company indirectly invest through SUNNICE (SAMOA)	Purchase	240,789	92 %	Note 1	Note 1	Note 1	(16,818)	(46)%	
SAME START (Anguilla)	The Company	〃	Sale	(240,789)	(21) %	Net 90 days	Note 2	Note 2	16,818	8%	
〃	NISHOKU SHENZHEN	Associate	Purchase	202,832	25 %	〃	〃	〃	(42,150)	(32)%	
〃	〃	〃	Sales	(143,286)	(13) %	〃	〃	〃	19,602	9%	
〃	NISHOKU KUNSHAN PLASTIC	〃	Purchase	105,885	13 %	〃	〃	〃	(9,148)	(7)%	
〃	〃	〃	Sales	(676,832)	(59) %	〃	〃	〃	169,932	76%	
〃	NISHOKU BOUEKI	〃	Purchase	136,957	17 %	〃	〃	〃	(44,901)	(32)%	
NISHOKU SHENZHEN	SAME START (Anguilla)	〃	Sales	(202,832)	(18) %	〃	〃	〃	42,150	9%	
〃	〃	〃	Purchase	143,286	32 %	〃	〃	〃	(19,602)	(12)%	
NISHOKU KUNSHAN PLASTIC	SAME START (Anguilla)	〃	Sales	(105,885)	(4) %	〃	〃	〃	9,148	1%	
〃	〃	〃	Purchase	676,832	55 %	〃	〃	〃	(169,932)	(34)%	
NISHOKU BOUEKI	SAME START (Anguilla)	〃	Sales	(136,957)	(84) %	〃	〃	〃	44,901	100%	

Note 1: Payment term given to related parties and third parties were 90 days and 60 to 120 days, respectively. In addition, the Company did not buy same product from third part, so the purchase price can not be compared.

Note 2: The subsidiaries did not purchase or sale same product from third parties, so the purchase (sale) price can not be compared. In addition, the receipt terms of related parties were not significant different to third parties.

Note 3: Amount actually draw in foreign currencies were translated based on the exchange rate at the reporting date.

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period (Note 1)	Allowance for bad debts
					Amount	Action taken		
SAME START (Anguilla)	NISHOKU KUNSHAN PLASTIC	The Company indirectly invest through SUNNICE (SAMOA)	169,932	3.37	-		20,792	-

Note 1: Until February 20, 2017.

Note 2: Transactions within the Group were eliminated in the consolidated financial statements

(ix) Trading in derivative instruments:Please refer to notes 6(s).

NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2016 (excluding information on investees in Mainland China):

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2016			Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2016	December 31, 2015	Shares (thousands)	Percentage of ownership	Carrying value			
The Company	SUN NICE (SOMOA)	SAMOA	Holding	1,774,490	1,774,490	56,282	100.00 %	5,604,942	723,520	723,520	
〃	NISHOKU BOUEKI	Taiwan	Purchase and sale of plastic raws and parts	1,000	1,000	6,300	100.00 %	122,992	31,330	29,523	
〃	NISHOKU VIETNAM	Vietnam	Manufacture and sale of tooling and plastic products	267,314 USD 8,500 thousands)	267,314 (USD 8,500 thousands)	-	100.00 %	123,541	(26,344)	(26,344)	
SUN NICE (SAMOA)	SAME START (Anguilla)	Aquilla	Purchase and sale of mold and plastic products	634,278	634,278	21,814	100.00 %	1,159,147	299,467	299,467	
〃	NISHOKU HK	HK	Holding	1,800,361 USD 57,915 thousands)	1,800,361 (USD 57,915 thousands)	62,298	100.00 %	3,677,029	323,534	323,534	
〃	SUN NICE (BVI)	BVI	〃	585,292 USD 17,948 thousands)	585,292 (USD 17,948 thousands)	15,697	100.00 %	770,012	98,593	98,593	

(c) Information on investment in mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2015	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2016	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Book value	Accumu-lated remittance of earnings in current period
					Outflow	Inflow						
NISHOKU SHENZHEN	Manufacture and sale of mold and plastic products	USD 23,288 thousands	Indirect investment through third eara	703,870 (USD 22,939 thousands)	-	-	703,870 (USD 22,939 thousands)	75,407	100.00%	75,407	1,724,899	41,864
NISHOKU KUNSHAN PLASTIC	Manufacture and sale of mold and plastic products	USD 53,310 thousands	〃	1,674,270 (USD 52,524 thousands)	-	-	1,674,270 (USD 52,524 thousands)	346,051	100.00%	346,051	2,689,913	95,767

(Continued)

NISHOKU TECHNOLOGY INC.
Notes to the Financial Statements

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of December 31, 2016	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
2,378,140	2,378,140	(Note 2)

Note 1: The above investment income (loss) in mainland China were based on financial statements audited by the Company's auditors.

Note 2: The Company has received the certificate issue by the Industrial Development Bureau, Ministry of Economic Affairs, allowing it to start operating of its headquarters.

Note 3: Amount actually draw in foreign currencies were translated based on the exchange rate at the reporting date.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in " Information on significant transactions".

(14) Segment information:

Please refer to the Company's consolidated financial statements for the years ended December 31, 2016 and 2015, for details.

NISHOKU TECHNOLOGY INC.

Statement of cash and cash equivalents

December 31, 2016

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount
Cash on hand		$ 100
Cash in bank		
Demand deposit		48,903
Foreign currency demand deposits	USD833 thousands; Exchange rate 32.250	26,878
	HKD62 thousands; Exchange rate 4.158	259
	CNY 2 thousands; Exchange rate 4.617	11
Time deposits		30,000
Bond acquired under repurchase agreement	USD3,000 thousands; Exchange rate 32.250	96,605
Total		$ 202,756

Statement of notes and accounts receivable

Item	Description	Amount
Corporation A	Operating revenue	$ 25,445
Corporation B	〃	6,936
Corporation C	〃	6,236
Corporation D	〃	3,436
Other (individual amount not exceeding 5%)	〃	26,929
		68,982
Less: Allowance for doubtful accounts		(9,002)
Net accounts receivable		$ 59,980

NISHOKU TECHNOLOGY INC.

Statement of inventories

December 31, 2016

(Expressed in thousands of New Taiwan Dollars)

Item	Amount	
	Cost	Net realizable value
Raw materials	$ 5,852	5,816
Work in process	506	606
Finished goods	3,087	3,498
	9,445	9,920
Less: Provision for inventories	(3,120)	
	$ 6,325	

NISHOKU TECHNOLOGY INC.

Statement of changes in investment accounted for using equity method

For the year ended December 31, 2016

(Expressed in thousands of New Taiwan Dollars)

	Beginning Balance		Additions		Disposal		Other adjustments		Ending Balance				
Name of investee	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Percentage of holding shares	Amount	Market value or book value	Pledged or guaranteed
SUN NICE LIMITED (SAMOA)	56,282	$ 5,389,877	-	-	-	-	-	215,065 (Note 1)	56,282	100.00 %	5,604,942	5,604,942	None
NISHOKU BOUEKI	6,300	122,752	-	-	-	-	-	240 (Note 2)	6,300	100.00 %	122,992	126,250	〃
NISHOKU VIETNAM	(Note 4)	152,547	-	-	-	-	-	(29,006)(Note 3)	(Note 4)	100.00 %	123,541	123,541	〃
Total		$ 5,665,176		-		-		186,299			5,851,475	5,854,733	

(Note 1): Other adjustments are share of profit of subsidiaries accounted for using equity method $723,520, exchange difference on translation $(370,824), and gained cash dividend $137,631 (under the investments accounted for using equity method minus item)

(Note 2): Other adjustments are share of profit of subsidiaries accounted for using equity method $29,523 and gained cash dividend $29,823 (under the investments accounted for using equity method minus item)

(Note 3): Other adjustments are share of loss of subsidiaries accounted for using equity method $26,344, and exchange difference on translation $(2,662).

(Note 4): No issue stock.

NISHOKU TECHNOLOGY INC.

Statements of changes in property, plant and equipment

For the year ended December 31, 2016

(Expressed in thousands of New Taiwan Dollars)

Please refer to note 6(f) for Property, plant and quipment.

Statement of other current assets

Item	Amount
Refundable deposits	$ 4,230
Long-term prepaid rents	1,622
Total	$ 5,852

NISHOKU TECHNOLOGY INC.

Statement of short-term borrowings

December 31, 2016

(Expressed in thousands of New Taiwan Dollars)

Creditor	Description	Amount	Term of contract	Interest rate	Credit lines	Pledged on guaranteed
Citi Bank	Unsecured loan	$ 50,000	within one year	1.20%	249,938	None
First Bank	〃	50,000	〃	1.20%	200,000	〃
Mega Internation Commercial Bank	〃	50,000	〃	1.20%	64,500	〃
CTBC Bank	〃	-	-	-	100,000	〃
		$ 150,000			614,438	

NISHOKU TECHNOLOGY INC.

Statement of notes and accounts payables

December 31, 2016

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount
Otsuka Information Technology Corp.	Operating cost	$ 9,363
ACER INCORPORATED	〃	3,780
Zhan Xin Steel Mold Ltd.	〃	1,288
NAGASE WAH LEE PLASTICS CORP.	〃	1,285
Hong Yu Precision Industry Ltd.	〃	1,141
Other (individual amount not exceeding 5%)		2,998
Total		$ 19,855

Statement of other current liabilities

Item	Amount
Employee and director remuneration	$ 41,430
Salary payable	40,749
Income tax payable	30,143
Advance sales receipts	8,032
Other expense payable	7,591
Other (individual amount not exceeding 5%)	5,878
Total	$ 133,823

NISHOKU TECHNOLOGY INC.

Statement of long-term borrowing

December 31, 2016

(Expressed in thousands of New Taiwan Dollars)

Creditor	Nature	Amount	Term of contract	Interest rate	Pledged on guaranteed
Mega International commercial Bank	Unsecured Loans	$ 200,000	Paid the principal at 2018.12.15	1.31%	None
CTBC Bank	〃	200,000	Paid the principal at 2018.11.03	1.43%	〃
〃	〃	200,000	Paid the principal at 2019.08.09	1.15%	〃
First Bank	〃	100,000	Paid the principal at 2017.03.25	1.42%	〃
〃	〃	50,000	Paid the principal at 2017.10.30	1.435%	〃
Less: Current portion		(150,000)			
Total		$ 600,000			

Statement of operating revenue

Item	Quantity	Amount
Sale of plastic injection mold	Note 1	$ 273,472
Sale of tooling mold	Note 1	159,486
Other (Note 2)		11,571
Net operating revenue		$ 444,529

Note 1: The product item are diversify, in order not to let the information users misunderstanding, the Company decided net to disclose.

Note 2: Individual amount not exceeding 5%.

NISHOKU TECHNOLOGY INC.

Statement of operating cost

For the year ended December 31, 2016

(Expressed in thousands of New Taiwan Dollars)

Item	Amount
Cost of self-produced goods	
Raw material on January 1, 2016	$ 5,870
Add: Purchases	16,117
Less: Raw material on December 31, 2016	(5,852)
Sale of raw material	(2,585)
Internal use and others	(467)
Raw material used	13,083
Direct lab our	11,209
Manufacturing overhead	31,617
Manufacturing cost	55,909
Add: Work-in-Precess on January 1, 2016	6,218
Purchases	11
Less: Work-in-Process on December 31, 2016	(506)
Cost of Finished goods	61,632
Add: Finished goods on January 1, 2016	2,550
Purchases	5,746
Less: Finished goods on December 31, 2016	(3,087)
Cost of finish goods	66,841
Cost of Raw materials sold	2,585
Less: Revenue from sale of scraps and others	(775)
Subtotal	68,651
Cost of purchases	240,789
Operating Cost	$ 309,440

NISHOKU TECHNOLOGY INC.

Statement of selling, administration, research and development expenses

For the year ended December 31, 2016

(Expressed in thousands of New Taiwan Dollars)

Item		Selling expenses	Administration expenses	Research and development expenses
Salaries	$	2,294	75,010	3,405
Depreciation expense		535	3,664	782
Bad debt expense		8,572	-	-
Import and export expense		1,281	-	-
Research and development consumptive material		-	-	467
Service expense		-	5,438	-
Various amortization		173	830	1,255
Miscellaneous purchase		3	5,594	53
Miscellaneous expense		107	13,860	2,163
Other expense (note)		1,352	16,248	987
Total	$	14,317	120,644	9,112

Note: Individual amount not exceeding 5%