[Appendix III]

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

(15) PWCR15003355
To the Board of Directors of Chenbro Micom Co., Ltd.

We have audited the accompanying consolidated balance sheets of Chenbro Micom Co., Ltd. and its subsidiaries as of December 31, 2015 and 2014, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. As disclosed in Note 4(3), we did not audit the financial statements of certain subsidiaries, whose statements reflect total assets of NT$331,281 thousand and NT$909,716 thousand, constituting 7% and 20% of the consolidated total assets as of December 31, 2015 and 2014, respectively, and net operating revenues of NT$143,228 thousand and NT$1,777,815 thousand, constituting 3% and 40% of the consolidated total net operating revenue for the years ended December 31, 2015 and 2014, respectively. Those financial statements and the information disclosed in Note 13 were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein is based solely on the audit reports of the other independent accountants.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of other independent accountants provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other independent accountants, the consolidated financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Chenbro Micom Co., Ltd. and its subsidiaries as of December 31, 2015 and 2014, and their financial performance and cash flows for the years then ended in conformity with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

We have also audited the parent company only financial statements of Chenbro Micom Co., Ltd. as of and for the years ended December 31, 2015 and 2014, and have expressed a modified unqualified opinion on such financial statements.

March 22, 2016

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.
As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

			2015		2014	
	Assets	Notes	AMOUNT	%	AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,434,077	31	$ 1,597,947	35
1125	Available-for-sale financial assets - current	6(2)	-	-	63,625	2
1150	Notes receivable, net		3,670	-	455	-
1170	Accounts receivable, net	6(3)	1,012,935	22	744,903	16
1180	Accounts receivable - related parties, net	7	1,517	-	3,252	-
1200	Other receivables, net	6(4) and 7	43,743	1	62,281	1
1220	Current income tax assets		1,858	-	1,456	-
130X	Inventories	6(5)	519,745	11	599,103	13
1410	Prepayments		61,322	2	52,261	1
1470	Other current assets	8	7,645	-	1,281	-
11XX	**Total current assets**		3,086,512	67	3,126,564	68
	Non-current assets					
1600	Property, plant and equipment	6(6) and 8	1,209,024	26	1,243,760	27
1780	Intangible assets	6(7)	10,662	-	12,719	1
1840	Deferred income tax assets	6(20)	76,287	2	90,413	2
1900	Other non-current assets	6(6)(8) and 8	244,103	5	103,853	2
15XX	**Total non-current assets**		1,540,076	33	1,450,745	32
1XXX	**Total assets**		$ 4,626,588	100	$ 4,577,309	100

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Liabilities and Equity	Notes	2015 AMOUNT	2015 %	2014 AMOUNT	2014 %
	Current liabilities					
2100	Short-term borrowings	6(9)	$ 131,350	3	$ 221,550	5
2150	Notes payable		656	-	492	-
2170	Accounts payable		951,512	20	877,210	19
2180	Accounts payable - related parties	7	12,877	-	20,320	-
2200	Other payables	6(11) and 7	474,650	10	452,131	10
2230	Current income tax liabilities		31,523	1	122,810	3
2300	Other current liabilities	6(10)	47,556	1	21,043	-
21XX	**Total current liabilities**		1,650,124	35	1,715,556	37
	Non-current liabilities					
2540	Long-term borrowings	6(10)	159,948	3	160,613	4
2570	Deferred income tax liabilities	6(20)	69,531	2	66,948	1
2600	Other non-current liabilities	6(12)	38,970	1	35,240	1
25XX	**Total non-current liabilities**		268,449	6	262,801	6
2XXX	**Total liabilities**		1,918,573	41	1,978,357	43
	Share capital	6(13)				
3110	Share capital - common stock		1,201,260	26	1,201,260	26
	Capital surplus	6(14)				
3200	Capital surplus		56,749	1	56,749	1
	Retained earnings	6(15)				
3310	Legal reserve		408,404	9	354,277	8
3320	Special reserve		65,573	2	65,573	1
3350	Unappropriated retained earnings		933,712	20	844,851	19
	Other equity interest	6(16)				
3400	Other equity interest		54,857	1	88,782	2
3500	**Treasury stocks**	6(13)	(12,540)	-	(12,540)	-
3XXX	**Total equity**		2,708,015	59	2,598,952	57
	Significant contingent liabilities and unrecorded contract commitments	9				
	Significant events after the balance sheet date	6(15) and 11				
3X2X	**Total liabilities and equity**		$ 4,626,588	100	$ 4,577,309	100

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 22, 2016.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Items	Notes	2015 AMOUNT	2015 %	2014 AMOUNT	2014 %
4000	**Operating revenue**	7	$ 4,439,229	100	$ 4,472,988	100
5000	**Operating costs**	6(5)(19) and 7	(3,148,434)	(71)	(3,109,808)	(69)
5950	**Net operating margin**		1,290,795	29	1,363,180	31
	Operating expenses	6(19) and 7				
6100	Selling expenses		(256,324)	(6)	(276,960)	(6)
6200	General and administrative expenses		(279,071)	(6)	(282,677)	(6)
6300	Research and development expenses		(162,191)	(4)	(151,167)	(4)
6000	**Total operating expenses**		(697,586)	(16)	(710,804)	(16)
6900	**Operating profit**		593,209	13	652,376	15
	Non-operating income and expenses					
7010	Other income	6(17) and 7	30,395	1	43,338	1
7020	Other gains and losses	6(18)	50,403	1	24,310	-
7050	Finance costs		(9,100)	-	(10,130)	-
7000	**Total non-operating income and expenses**		71,698	2	57,518	1
7900	**Profit before income tax**		664,907	15	709,894	16
7950	Income tax expense	6(20)	(160,073)	(3)	(168,622)	(4)
8200	**Profit for the year**		$ 504,834	12	$ 541,272	12
	Other comprehensive (loss) income					
	Components of other comprehensive (loss) income that will not be reclassified to profit or loss					
8311	(Loss) gain on remeasurement of defined benefit plans	6(12)	($ 3,215)	-	$ 80	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(20)	547	-	(14)	-
8310	**Components of other comprehensive (loss) income that will not be reclassified to profit or loss**		(2,668)	-	66	-
	Components of other comprehensive (loss) income that will be reclassified to profit or loss					
8361	Exchange differences on translation	6(16)	(41,287)	(1)	58,631	1
8399	Income tax relating to the components of other comprehensive income	6(16)(20)	7,362	-	(9,076)	-
8360	**Components of other comprehensive (loss) income that will be reclassified to profit or loss**		(33,925)	(1)	49,555	1
8300	**Other comprehensive (loss) income for the year, net of tax**		($ 36,593)	(1)	$ 49,621	1
8500	**Total comprehensive income for the year**		$ 468,241	11	$ 590,893	13
	Profit attributable to:					
8610	Owners of the parent		$ 504,834	12	$ 541,272	12
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 468,241	11	$ 590,893	13
	Earnings per share (in dollars)	6(21)				
9750	**Basic earnings per share**		$ 4.22		$ 4.52	
9850	**Diluted earnings per share**		$ 4.15		$ 4.47	

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 22, 2016.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent								
			Capital Reserves		Retained Earnings					
	Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Treasury stock transactions	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Treasury stocks	Total equity
2014										
Balance at January 1, 2014		$1,201,260	$ 42,127	$ 14,622	$ 320,094	$ 65,573	$ 637,011	$ 39,227	($ 12,540)	$2,307,374
Distribution of 2013 earnings										
Provision for legal reserve	6(15)	-	-	-	34,183	-	(34,183)	-	-	-
Distribution of cash dividends	6(15)	-	-	-	-	-	(299,315)	-	-	(299,315)
Consolidated net income after tax for 2014		-	-	-	-	-	541,272	-	-	541,272
Other comprehensive income for 2014	6(16)	-	-	-	-	-	66	49,555	-	49,621
Balance at December 31, 2014		$1,201,260	$ 42,127	$ 14,622	$ 354,277	$ 65,573	$ 844,851	$ 88,782	($ 12,540)	$2,598,952
2015										
Balance at January 1, 2015		$1,201,260	$ 42,127	$ 14,622	$ 354,277	$ 65,573	$ 844,851	$ 88,782	($ 12,540)	$2,598,952
Distribution of 2014 earnings										
Provision for legal reserve	6(15)	-	-	-	54,127	-	(54,127)	-	-	-
Distribution of cash dividends	6(15)	-	-	-	-	-	(359,178)	-	-	(359,178)
Consolidated net income after tax for 2015		-	-	-	-	-	504,834	-	-	504,834
Other comprehensive loss for 2015	6(16)	-	-	-	-	-	(2,668)	(33,925)	-	(36,593)
Balance at December 31, 2015		$1,201,260	$ 42,127	$ 14,622	$ 408,404	$ 65,573	$ 933,712	$ 54,857	($ 12,540)	$2,708,015

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 22, 2016.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

	Notes	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 664,907	$ 709,894
Adjustments			
Adjustments to reconcile profit (loss)			
Reversal of allowance for doubtful accounts	6(3)	(3,624)	(2,828)
Depreciation	6(6)(19)	130,717	129,116
Amortisation	6(7)(19)	6,518	5,757
Interest expense		9,100	10,130
Interest income	6(17)	(22,518)	(33,216)
(Gain) loss on disposal of property, plant and equipment	6(18)	(18)	1,091
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		(3,215)	(455)
Accounts receivable		(264,393)	(185,419)
Accounts receivable - related parties, net		1,735	(1,263)
Other receivables		24,504	7,638
Inventories		79,358	(221,827)
Prepayments		(9,061)	(13,710)
Other current assets		(6,364)	1,659
Other non-current assets		183	(796)
Changes in operating liabilities			
Notes payable		164	492
Accounts payable		74,302	228,368
Accounts payable - related parties		(7,443)	4,666
Other payables (including related parties)		19,695	92,856
Other current liabilities		11,124	(998)
Other non-current liabilities		515	(83)
Cash inflow generated from operations		706,186	731,072
Interest received		16,552	44,227
Interest paid		(9,123)	(9,803)
Income tax paid		(240,433)	(116,931)
Net cash flows from operating activities		473,182	648,565

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

	Notes	2015	2014
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in available-for-sale financial assets – non-current		$ 63,625	($ 63,625)
Acquisition of property, plant and equipment	6(22)	(241,309)	(114,122)
Proceeds from disposal of property, plant and equipment	6(6)	757	575
Acquisition of intangible assets	6(7)	(3,997)	(9,744)
Increase in other non-current assets	6(6)	-	(186)
Net cash flows used in investing activities		(180,924)	(187,102)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in short-term borrowings		(90,200)	21,823
Increase in guarantee deposits		14,910	-
Repayment of long-term borrowings (including current portion)		(6,199)	(5,964)
Payment of cash dividends	6(15)	(359,178)	(299,315)
Net cash flows used in financing activities		(440,667)	(283,456)
Effect on foreign exchange difference		(15,461)	7,725
Net (decrease) increase in cash and cash equivalents		(163,870)	185,732
Cash and cash equivalents at beginning of year	6(1)	1,597,947	1,412,215
Cash and cash equivalents at end of year	6(1)	$ 1,434,077	$ 1,597,947

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 22, 2016.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(Expressed in thousands of New Taiwan dollars, expect as otherwise indicated)

1. HISTORY AND ORGANIZATION

Chenbro Micom Co., Ltd. was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) in December 1983. The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in computer software design, export and import of computer products and peripherals, and design, manufacturing, processing and trading of computer peripherals and system of expendables.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on March 22, 2016.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") as endorsed by the Financial Supervisory Commission ("FSC")

According to Financial-Supervisory-Securities-Auditing No. 1030010325 issued by FSC on April 3, 2014, commencing 2015, companies with shares listed on the TWSE or traded on the Taipei Exchange or Emerging Stock Market shall adopt the 2013 version of IFRS (not including IFRS 9, 'Financial instruments') as endorsed by the FSC and Regulations Governing the Preparation of Financial Reports by Securities Issuers effective January 1, 2015 (collectively referred herein as "the 2013 version of IFRS") in preparing the consolidated financial statements. The impact of adopting the 2013 version of IFRS is listed below:

A. IAS 19 (revised), 'Employee benefits'

The revised standard makes amendments that net interest amount, calculated by applying the discount rate to the net defined benefit asset or liability, replaces the finance charge and expected return on plan assets. Additional disclosures are required for defined benefit plans.

B. IAS 1, 'Presentation of financial statements'

The amendment requires entities to separate items presented in OCI classified by nature into two groups on the basis of whether they are potentially reclassifiable to profit or loss subsequently when specific conditions are met. If the items are presented before tax then the tax related to each of the two groups of OCI items (those that might be reclassified and those that will not be reclassified) must be shown separately. Accordingly, the Group will adjust its presentation of the statement of comprehensive income.

C. IFRS 12, 'Disclosure of interests in other entities'

The standard integrates the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. Also, the Group will disclose additional information about its interests in consolidated entities and unconsolidated entities accordingly.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the 2013 version of IFRSs as endorsed by the FSC:

New Standards, Interpretations and Amendments	Effective Date by International Accounting
IFRS 9, 'Financial instruments'	January 1, 2018
Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	To be determined by International Accounting Standards Board
Investment entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)	January 1, 2016
Accounting for acquisition of interests in joint operations (amendments to IFRS 11)	January 1, 2016
IFRS 14, 'Regulatory deferral accounts'	January 1, 2016
IFRS 15, 'Revenue from contracts with customers'	January 1, 2018
IFRS 16, 'Leases'	January 1, 2019
Disclosure initiative (amendments to IAS 1)	January 1, 2016
Disclosure initiative (amendments to IAS 7)	January 1, 2017
Recognition of deferred tax assets for unrealised losses (amendments to IAS 12)	January 1, 2017
Clarification of acceptable methods of depreciation and amortisation (amendments to IAS 16 and IAS 38)	January 1, 2016
Agriculture: bearer plants (amendments to IAS 16 and IAS 41)	January 1, 2016
Defined benefit plans: employee contributions (amendments to IAS 19R)	July 1, 2014
Equity method in separate financial statements (amendments to IAS 27)	January 1, 2016
Recoverable amount disclosures for non-financial assets (amendments to IAS 36)	January 1, 2014
Novation of derivatives and continuation of hedge accounting (amendments to IAS 39)	January 1, 2014
IFRIC 21, 'Levies'	January 1, 2014

New Standards, Interpretations and Amendments	Effective Date by International Accounting
Improvements to IFRSs 2010-2012	July 1, 2014
Improvements to IFRSs 2011-2013	July 1, 2014
Improvements to IFRSs 2012-2014	January 1, 2016

The Group is assessing the potential impact of the new standards, interpretations and amendments above. The impact will be disclosed when the assessment is complete.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for the defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation, the consolidated financial statements have been prepared under the historical cost convention.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2015	Ownership (%) December 31, 2014	Description
Chenbro Micom Co., Ltd.	Micom Source Holding Company	Holding company	100	100	
Chenbro Micom Co., Ltd.	Chenbro Micom (USA) Incorporation	General trading company	100	100	Note 2
Chenbro Micom Co., Ltd.	Chenbro Europe B.V.	General trading company	100	100	Note 2
Chenbro Micom Co., Ltd.	CLOUDWELL HOLDINGS, LLC.	Real estate leasing company	100	100	Note 2
Chenbro Micom Co., Ltd.	Chenbro GmbH	Marketing Services	100	-	Note 1
Micom Source Holding Company	Cloud International Company Limited	Holding company	100	100	
Micom Source Holding Company	AMAC International Company	Holding company	100	100	
Micom Source Holding Company	AMBER International Company	Holding company	100	100	
Micom Source Holding Company	ADEPT International Company	Holding company	100	100	
Chenbro Europe B.V.	Chenbro UK Limited	General trading company	100	100	Note 2
Cloud International Company Limited	Chenbro Micom (Shenzhen) Co., Ltd.	Trading / Order taking company	100	100	
AMBER International Company	Chenbro Technology (Kunshan) Co., Ltd.	Manufacturing of computer cases	100	100	
Chenbro Technology (Kunshan) Co., Ltd.	Chenbro Micom (Beijing) Co., Ltd.	Research and development of technical skills	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2015	Ownership (%) December 31, 2014	Description
ADEPT International Company	PROCASE & MOREX Corporation	Trading / Order taking company	100	100	
PROCASE & MOREX Corporation	Dongguan Procase Electronic Co., Ltd.	Manufacturing of computer cases	88	88	
AMAC International Company	Dongguan Procase Electronic Co., Ltd.	Manufacturing of computer cases	12	12	

Note 1: The subsidiary was established on February 12, 2015.

Note 2: The financial statements of certain immaterial subsidiaries, Chenbro Europe B.V., Chenbro UK Limited and CLOUDWELL HOLDINGS, LLC. for the years ended December 31, 2015 and 2014 and the financial statements of Chenbro Micom (USA) Incorporation for the year ended December 31, 2015 were audited by other independent accountants. The immaterial subsidiaries whose statements reflect total assets of $331,281 and $909,716, constituting 7% and 20% of the consolidated total assets as of December 31, 2015 and 2014, respectively, and net operating revenues of $143,228 and $1,777,815, constituting 3% and 40% of the consolidated total net operating revenue for the years ended December 31, 2015 and 2014, respectively.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) <u>Foreign currency translation</u>

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in New Taiwan Dollars., which is the Company’s functional and the Group’s presentation currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'

B. Translation of foreign operations

(a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even the Group still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) <u>Classification of current and non-current items</u>

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be paid off within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be paid off within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Available-for-sale financial assets

A. Available-for-sale financial assets are non-derivatives that are not classified in any of the other categories.

B. On a regular way purchase or sale basis, available-for-sale financial assets are recognised and derecognised using trade date accounting.

C. Available-for-sale financial assets are initially recognised at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in other comprehensive income.

(8) Accounts receivable

Accounts receivable are accounts receivable originated by the entity. They are created by the entity by selling goods or providing services to customers in the ordinary course of business. Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. However, short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

A. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

B. The criteria that the Group uses to determine whether there is objective evidence of an impairment loss is as follows:

   (a) Significant financial difficulty of the debtor;

   (b) The Group, for economic or legal reasons relating to the borrower's financial difficulty, granted the borrower a concession that a lender would not otherwise consider;

   (c) It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;

   (d) Observable data indicating the there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial asset in the group, including adverse changes in the payment status of borrowers in the group or national or local economic conditions that correlate with defaults on the assets in the group.

C. When the Group assesses that financial assets measured at amortised cost has been objective evidence of impairment and an impairment loss has occurred, 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 discounted at the financial asset's original effective interest rate, and is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortised cost that would have been at the date of reversal had the impairment loss not been recognised previously. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(10) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

A. The contractual rights to receive the cash flows from the financial asset expire.

B. The contractual rights to receive cash flows of the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Company has not retained control of the financial asset.

(11) Inventories

Inventories are stated at the lower of cost and net realisable value. Inventories are recorded at standard cost and variances are allocated to inventories and cost of goods sold at the balance sheet date. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads allocated based on normal operating capacity. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(12) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. 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 must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	5～50 years
Machinery and equipment	3～12 years
Mold equipment	2～ 5 years
Computer communication equipment	3～ 5 years
Testing equipment	2～10 years
Transportation equipment	5～ 7 years
Office equipment	3～10 years
Other equipment	3～ 5 years

(13) Intangible assets

A. Trademarks

Separately acquired trademarks are stated at historical cost. Trademarks have a finite useful life and are amortised on a straight-line basis over their estimated useful life of 10 years.

B. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 1 to 5 years.

(14) Impairment of non-financial assets

The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(15) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(16) Notes and accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. However, short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(17) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(18) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(19) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date).

ii. Remeasurement arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees', directors' and supervisors' remuneration

Employees' remuneration and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(20) <u>Income tax</u>

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

(21) Share capital

A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company’s equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company’s equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company’s equity holders.

(22) Dividends

Dividends are recorded in the Company’s financial statements in the period in which they are approved by the Company’s shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(23) Revenue recognition

The Group manufactures and sells computer cases and related products. Revenue is measured at the fair value of the consideration received or receivable taking into account business tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Group’s activities. Revenue arising from the sales of goods is recognised when the Group has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

(24) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements does not require management to make critical judgements in applying the Group's accounting policies. The management makes critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; critical accounting estimates are mainly about the evaluation of inventories, and the related information is addressed below:

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of December 31, 2015, the carrying amount of inventories was $519,745.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2015	December 31, 2014
Petty cash and cash on hand	$ 1,111	$ 603
Demand deposits	53,309	93,029
Checking accounts	11,546	31,836
Time deposits (including foreign currencies)	602,721	1,035,232
Foreign currency deposits	765,390	437,247
Total	$ 1,434,077	$ 1,597,947

A. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Company has reclassified cash and cash equivalents pledged to 'other current assets' and 'other non-current assets'. Details are provided in Note 8.

(2) Available-for-sale financial assets

Items	December 31, 2015	December 31, 2014
Current items:		
Financial instruments that are principal guaranteed but not profit guaranteed	$ -	$ 63,625

A. There were no changes in available-for-sale financial assets for the years ended December 31, 2015 and 2014.

B. The Group has no available-for-sale financial assets pledged to others.

(3) Accounts receivable

	December 31, 2015	December 31, 2014
Accounts receivable	$ 1,031,553	$ 767,160
Less: allowance for bad debts	(18,618)	(22,257)
	$ 1,012,935	$ 744,903

A. The Group has insured most of its accounts receivable from primary clients and is entitled for 90% of compensation if bad debts incur.

B. The credit quality of accounts receivable that were neither past due nor impaired was in the following categories based on the Group's Credit Quality Control Policy:

	December 31, 2015	December 31, 2014
Level 1	$ -	$ 4,610
Level 2	880,966	397,346
Level 3	12,256	257,353
	$ 893,222	$ 659,309

Level 1: Accounts receivable factored and yet to be sold at the balance sheet date.

Level 2: Accounts receivable are insured so that the Group only bears 10% of the risk of default and insurance companies bear the remaining 90%. Because of the financial transparency, the domestic and foreign listed customers are listed in level 2 under approval of the chairman starting from January 30, 2015.

Level 3: Accounts receivable that are neither insured nor factored. The Group bears all risks.

C. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	December 31, 2015	December 31, 2014
Up to 30 days	$ 95,558	$ 69,674
31 to 90 days	16,348	22,850
91 to 180 days	7,999	617
Over 181 days	3,909	15
	$ 123,814	$ 93,156

The above ageing analysis was based on past due date.

D. Movement analysis of accounts receivable that were impaired is as follows:

(a) As of December 31, 2015 and 2014, the Group's accounts receivable that were individually determined to be impaired amounted to $14,517 and $14,695, respectively.

(b) Movements on the Group's provision for impairment of accounts receivable are as follows:

	2015		
	Individual provision	Group provision	Total
At January 1	$ 14,695	$ 7,562	$ 22,257
Reversal of impairment	(178)	(3,446)	(3,624)
Effects of foreign exchange	-	(15)	(15)
December 31	$ 14,517	$ 4,101	$ 18,618

	2014		
	Individual provision	Group provision	Total
At January 1	$ 17,352	$ 7,704	$ 25,056
Reversal of impairment	(2,657)	(171)	(2,828)
Effects of foreign exchange	-	29	29
December 31	$ 14,695	$ 7,562	$ 22,257

E. The Company does not hold any collateral as security.

(4) Transfer of financial assets

The Group entered into a factoring agreement with banks to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. The financial assets meet the condition of derecognition. The Group decreased the estimated amount of business dispute and derecognised the transferred accounts receivable. As of December 31, 2015 and 2014, the related information is as follows:

December 31, 2015						
Purchaser of accounts receivable	Accounts receivable transferred (Note 1)	Amount derecognised	Facilities	Amount advanced	Interest rate of amount advanced	Footnote
Chang Hwa Bank	$ 12,868	$ 12,868	$ 30,000	$ -		

December 31, 2014						
Purchaser of accounts receivable	Accounts receivable transferred (Note 1)	Amount derecognised	Facilities	Amount advanced	Interest rate of amount advanced	Footnote
Chang Hwa Bank	$ 8,548	$ 8,548	$ 30,000	$ -		
Yuanta Bank	27,036	27,036	94,950	-		Note 2

Note 1: Shown as 'other receivables'.

Note 2: Accounts receivable factored are USD 854 thousand and the credit line is USD 3,000 thousand.

(5) Inventories

	December 31, 2015		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 203,797	($ 42,104)	$ 161,693
Semi-finished goods	9,983	-	9,983
Work in process	66,090	(279)	65,811
Finished goods	385,531	(103,273)	282,258
Total	$ 665,401	($ 145,656)	$ 519,745

	December 31, 2014		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 162,203	($ 32,080)	$ 130,123
Semi-finished goods	10,203	-	10,203
Work in process	42,990	(17)	42,973
Finished goods	528,748	(112,944)	415,804
Total	$ 744,144	($ 145,041)	$ 599,103

The cost of inventories recognised as expense for the year:

	Years ended December 31, 2015	2014
Cost of goods sold	$ 3,145,599	$ 3,072,154
Sale of scraps	(7,224)	(13,383)
Loss on decline in market value	11,693	54,692
Gain on physical inventory	(1,634)	(3,655)
	$ 3,148,434	$ 3,109,808

(6) Property, plant and equipment

	Land	Buildings	Machinery and equipment	Mold equipment	Computer communication equipment	Testing equipment	Transportation equipment	Office equipment	Others	Unfinished construction and equipment under acceptance	Total	Prepayments for business facilities (Note1)
At January 1, 2015												
Cost	$ 214,570	$1,098,799	$ 531,882	$ 228,679	$ 30,391	$ 23,601	$ 21,055	$ 47,756	$ 33,579	$ -	$2,230,312	$ 19,168
Accumulated depreciation and impairment	-	(367,292)	(312,098)	(199,618)	(17,248)	(19,763)	(14,874)	(29,839)	(25,820)	-	(986,552)	-
	$ 214,570	$ 731,507	$ 219,784	$ 29,061	$ 13,143	$ 3,838	$ 6,181	$ 17,917	$ 7,759	$ -	$1,243,760	$ 19,168
2015												
Opening net book amount	$ 214,570	$ 731,507	$ 219,784	$ 29,061	$ 13,143	$ 3,838	$ 6,181	$ 17,917	$ 7,759	$ -	$1,243,760	$ 19,168
Additions	-	2,339	4,614	31,095	2,928	1,897	-	4,493	655	36,648	84,669	159,487
Disposals	-	-	(437)	-	-	(2)	(40)	(105)	(155)	-	(739)	-
Transfers (Note 2)	-	-	16,689	668	-	-	-	-	-	(1,061)	16,296	(17,541)
Effects of foreign exchange	2,753	(1,970)	(4,840)	(34)	195	(78)	63	191	(108)	(417)	(4,245)	(2,258)
Depreciation charge	-	(50,030)	(41,855)	(25,709)	(4,295)	(1,174)	(958)	(4,190)	(2,506)	-	(130,717)	-
Closing net book amount	$ 217,323	$ 681,846	$ 193,955	$ 35,081	$ 11,971	$ 4,481	$ 5,246	$ 18,306	$ 5,645	$ 35,170	$1,209,024	$ 158,856
At December 31, 2015												
Cost	$ 217,323	$1,092,251	$ 537,637	$ 253,656	$ 32,266	$ 25,285	$ 20,070	$ 51,829	$ 33,523	$ 35,170	$2,299,010	$ 158,856
Accumulated depreciation and impairment	-	(410,405)	(343,682)	(218,575)	(20,295)	(20,804)	(14,824)	(33,523)	(27,878)	-	(1,089,986)	-
	$ 217,323	$ 681,846	$ 193,955	$ 35,081	$ 11,971	$ 4,481	$ 5,246	$ 18,306	$ 5,645	$ 35,170	$1,209,024	$ 158,856

Note 1: Prepayments for business facilities are shown as 'other non-current assets'. Details are provided in Note 6(8).

Note 2: The current transfers of $1,245 are prepayments for business facilities that were transferred to intangible assets and other non-current assets amounting to $500 and $745, respectively.

A. The significant components of the buildings include buildings and accessory equipment of buildings, which are depreciated over 10~50 years and 5~11 years, respectively.

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

	Land	Buildings	Machinery and equipment	Mold equipment	Computer communication equipment	Testing equipment	Transportation equipment	Office equipment	Others	Total	Prepayments for business facilities (Note)
At January 1, 2014											
Cost	$ 210,278	$ 945,642	$ 449,042	$ 239,657	$ 21,127	$ 24,273	$ 14,467	$ 36,020	$ 30,689	$ 1,971,195	$ 133,919
Accumulated depreciation and impairment	-	(311,974)	(263,892)	(188,642)	(15,903)	(20,953)	(12,486)	(26,819)	(23,418)	(864,087)	-
	$ 210,278	$ 633,668	$ 185,150	$ 51,015	$ 5,224	$ 3,320	$ 1,981	$ 9,201	$ 7,271	$ 1,107,108	$ 133,919
2014											
Opening net book amount	$ 210,278	$ 633,668	$ 185,150	$ 51,015	$ 5,224	$ 3,320	$ 1,981	$ 9,201	$ 7,271	$ 1,107,108	$ 133,919
Additions	-	17,556	30,362	10,755	7,253	1,336	5,156	10,276	3,262	85,956	28,551
Disposals	-	-	(119)	(920)	(1)	(299)	(168)	(153)	(6)	(1,666)	-
Transfers	-	101,188	36,515	620	3,167	898	-	1,296	-	143,684	(143,684)
Effects of foreign exchange	4,292	24,811	7,011	192	271	92	237	724	164	37,794	382
Depreciation charge	-	(45,716)	(39,135)	(32,601)	(2,771)	(1,509)	(1,025)	(3,427)	(2,932)	(129,116)	-
Closing net book amount	$ 214,570	$ 731,507	$ 219,784	$ 29,061	$ 13,143	$ 3,838	$ 6,181	$ 17,917	$ 7,759	$ 1,243,760	$ 19,168
At December 31, 2014											
Cost	$ 214,570	$ 1,098,799	$ 531,882	$ 228,679	$ 30,391	$ 23,601	$ 21,055	$ 47,756	$ 33,579	$ 2,230,312	$ 19,168
Accumulated depreciation and impairment	-	(367,292)	(312,098)	(199,618)	(17,248)	(19,763)	(14,874)	(29,839)	(25,820)	(986,552)	-
	$ 214,570	$ 731,507	$ 219,784	$ 29,061	$ 13,143	$ 3,838	$ 6,181	$ 17,917	$ 7,759	$ 1,243,760	$ 19,168

Note: Prepayments for business facilities are shown as ‘other non-current assets’. Details are provided in Note 6(8)

A. The significant components of the buildings include buildings and accessory equipment of buildings, which are depreciated over 10~50 years and 5~11 years, respectively.

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(7) Intangible assets

	Trademarks	Computer software	Others	Total
At January 1, 2015				
Cost	$ 501	$ 24,041	$ 821	$ 25,363
Accumulated amortisation	(149)	(11,677)	(818)	(12,644)
	$ 352	$ 12,364	$ 3	$ 12,719
2015				
At January 1	$ 352	$ 12,364	$ 3	$ 12,719
Additions	-	3,738	259	3,997
Transfers	-	500	-	500
Amortisation charge	(40)	(6,417)	(61)	(6,518)
Effects of foreign exchange	-	(36)	-	(36)
At December 31	$ 312	$ 10,149	$ 201	$ 10,662
December 31, 2015				
Cost	$ 501	$ 26,942	$ 460	$ 27,903
Accumulated amortisation	(189)	(16,793)	(259)	(17,241)
	$ 312	$ 10,149	$ 201	$ 10,662

	Trademarks	Computer Software	Others	Total
At January 1, 2014				
Cost	$ 210	$ 14,530	$ 821	$ 15,561
Accumulated amortisation	(72)	(6,015)	(787)	(6,874)
	$ 138	$ 8,515	$ 34	$ 8,687
2014				
At January 1	$ 138	$ 8,515	$ 34	$ 8,687
Additions	291	9,453	-	9,744
Transfers	-	58	1	59
Amortisation charge	(77)	(5,648)	(32)	(5,757)
Effects of foreign exchange	-	(14)	-	(14)
At December 31	$ 352	$ 12,364	$ 3	$ 12,719
December 31, 2014				
Cost	$ 501	$ 24,041	$ 821	$ 25,363
Accumulated amortisation	(149)	(11,677)	(818)	(12,644)
	$ 352	$ 12,364	$ 3	$ 12,719

Details of amortisation on intangible assets are as follows:

	Years ended December 31,			
	2015		2014	
Operating costs	$	704	$	689
Selling expenses		384		322
Administrative expenses		3,284		2,955
Research and development expenses		2,146		1,791
Total	$	6,518	$	5,757

(8) Other non-current assets

	December 31, 2015		December 31, 2014	
Long-term prepaid rents - land use right (Note)	$	66,112	$	69,084
Prepayments for business facilities		158,856		19,168
Others		19,135		15,601
	$	244,103	$	103,853

Note: On December 23, 1997, the Group’s subsidiary, Dongguan Procase Electronic Co., Ltd. signed a land use right contract with People's Republic of China for industrial use of the land in Hungyeh Industrial Zone, Tanghsia Town, Dongguan City, Guangdong Provice with term of 50 years; and in June 2004 and November 2006, the subsidiary, Chenbro Technology (Kunshan) Co., Ltd. signed a land use right contract with People’s Republic of China for use of the land in Yushan Town, Kunshan City with both terms of 50 years. The Group recognised rental expenses of $1,111 and $1,081 for the years ended December 31, 2015 and 2014, respectively.

(9) Short-term borrowings

Type of borrowings	December 31, 2015		Interest rate range	Collateral
Short-term borrowings	$	131,350	0.82%~2.75%	A promissory note of the same amount was issued as collateral.

Type of borrowings	December 31, 2014		Interest rate range	Collateral
Short-term borrowings	$	221,550	0.90%~2.50%	A promissory note of the same amount was issued as collateral.

As of December 31, 2015 and 2014, the joint credit line of the Company and its indirect subsidiary, PROCASE & MOREX Corporation (“Procase”) was USD 3 million, and as of that date, the Company nor Procase has not yet made a drawdown.

(10) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2015
Installment payment for secured foreign currency borrowings	USD 5,530 thousand, borrowing period is from September 2013 to August 2033, principal and interest are repayable monthly from October 2013	Fixed rate 3.75%	Bank deposits and real estate in USA	$ 166,707
Less: current portion (shown as 'other current liabilities')				(6,759)
				$ 159,948

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2014
Installment payment for secured foreign currency borrowings	USD 5,530 thousand, borrowing period is from September 2013 to August 2033, principal and interest are repayable monthly from October 2013	Fixed rate 3.75%	Bank deposits and real estate in USA	$ 166,894
Less: current portion (shown as 'other current liabilities')				(6,281)
				$ 160,613

The secured borrowing contract of the subsidiary, CLOUDWELL HOLDINGS, LLC., requires that the interest coverage ratio for each year not be lower than 1.2. If the requirement is not met, the subsidiary shall prepare to repay or provide bank deposits as collateral. As of December 31, 2015, the subsidiary, CLOUDWELL HOLDINGS, LLC., has not violated the requirements of the abovementioned secured borrowing contract.

(11) Other payables

	December 31, 2015	December 31, 2014
Wages and bonus payable	$ 117,462	$ 107,009
Compensation due to directors and supervisors and employee bonus payable	59,171	73,135
Payables for investment	86,179	83,081
Payables for mold	43,562	25,244
Payables for export freight and customs clearance charges	27,296	27,195
Payables for service fees	11,228	8,014
Payables for consumable goods	8,212	2,862
Payables for machinery and equipment	5,221	2,374
Others	116,319	123,217
	$ 474,650	$ 452,131

(12) Pensions

A. Defined benefit plan

(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2015	December 31, 2014
Present value of defined benefit obligations	$ 41,496	$ 37,132
Fair value of plan assets	(2,676)	(1,994)
Net liability recognised in the balance sheet (shown as 'other non-current liabilities')	$ 38,820	$ 35,138

(c) Movements in present value of defined benefit obligations are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2015			
Balance at January 1	$ 37,132	($ 1,994)	$ 35,138
Current service cost	316	-	316
Interest expense (income)	743	(40)	703
	38,191	(2,034)	36,157
Remeasurements:			
Return on plan assets	-	(90)	(90)
Change in financial assumptions	1,304	-	1,304
Experience adjustments	2,001	-	2,001
	3,305	(90)	3,215
Pension fund contribution	-	(552)	(552)
Balance at December 31	$ 41,496	($ 2,676)	$ 38,820

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2014			
Balance at January 1	$ 39,383	($ 4,581)	$ 34,802
Current service cost	301	-	301
Interest expense (income)	788	(92)	696
	40,472	(4,673)	35,799
Remeasurements:			
Return on plan assets	-	(10)	(10)
Experience adjustments	(71)	-	(71)
	(71)	(10)	(81)
Pension fund contribution	-	(580)	(580)
Paid pension	(3,269)	3,269	-
Balance at December 31	$ 37,132	($ 1,994)	$ 35,138

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earning is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2015 and 2014 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Years ended December 31,	
	2015	2014
Discount rate	1.70%	2.00%
Future salary increases	3.00%	3.00%

Assumptions regarding future mortality experience for the years ended December 31, 2015 and 2014 are set based on the 5th Taiwan Standard Ordinary Experience Mortality Table.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
December 31, 2015				
Effect on present value of defined benefit obligation	($ 4,131)	$ 4,797	$ 4,239	($ 3,754)

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

(f) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2016 are $23,333.

B. Defined contribution plan

(a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) Other overseas companies have a defined contribution plan in accordance with the local regulations, and contributions to endowment insurance and pension reserve are based on employees' salaries and wages. Other than the periodic contribution, the overseas companies have no further obligations.

(c) The pension costs under the defined contribution pension plans of the Company for the years ended December 31, 2015 and 2014 were $6,937 and $6,909, respectively.

(d) The pension costs under the defined contribution pension plans of CHENBRO MICOM (USA) INCORPORATION, CHENBRO EUROPE B.V., Chenbro GmbH, Chenbro Technology (Kunshan) Co., Ltd., Dongguan Procase Electronic Co., Ltd. and CHENBRO MICOM（ShenZhen）Co., Ltd. for the years ended December 31, 2015 and 2014 were $18,074 and $13,466, respectively.

(13) Ordinary share

A. As of December 31, 2015, the Company's authorized capital was $1,500,000, consisting of 150 million shares of ordinary stock (including 1 million shares reserved for employee stock options), and the paid-in capital was $1,201,260 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

B. Treasury shares

(a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

		December 31, 2015	
Name of company holding the shares	Reason for reacquisition	Number of shares (in thousands)	Carrying amount
The Company	To be reissued to employees	400	$ 12,540

		December 31, 2014	
Name of company holding the shares	Reason for reacquisition	Number of shares (in thousands)	Carrying amount
The Company	To be reissued to employees	400	$ 12,540

(b) Pursuant to the R.O.C. Securities and Exchange Law, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.

(c) Pursuant to the R.O.C. Securities and Exchange Law, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.

(d) Pursuant to the R.O.C. Securities and Exchange Law, treasury shares should be reissued to the employees within three years from the reacquisition date and shares not reissued within the three-year period are to be retired.

(14) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(15) Retained earnings

A. Under the Company's original Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. The remaining shall be distributed as employees' compensation that account for at least 6% and directors' and supervisors' remuneration that account for no less than 2%, taking into account item D below for the related regulations of setting aside special reserve. The appropriation of the remaining earnings along with the unappropriated earnings of prior years is based on the shareholding ratio and shall be proposed by the Board of Directors and approved by the shareholders.

B. The Company's dividend policy is based on the current profit and consideration of the Company's growth in the future, capital budget plan and capital needs as well as consideration of shareholders' interest and long-term financial plan, etc. Earnings can be distributed to shareholders as cash dividends or stock dividends. Cash dividends shall account for at least 10% of the total dividends distributed. If cash dividends are lower than $0.20 (in dollars) per share, stock dividends will be issued instead.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amount of $65,573 previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

E. On June 11, 2015 and June 20, 2014, the shareholders proposed the appropriations of 2014 and 2013 earnings as follows:

	Year ended December 31, 2014		Year ended December 31, 2013	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	$ 54,127	$ -	$ 34,183	$ -
Cash dividends to shareholders	359,178	3.0	299,315	2.5
Total	$ 413,305	$ 3.0	$ 333,498	$ 2.5

The cash dividend was originally proposed at $2 per share by the Board of Directors on March 24, 2014 and was changed to $2.5 per share based on the appropriation of 2013 earnings resolved by shareholders subsequently. The distribution amounts as resolved by the shareholders are reflected in these financial statements.

F. On March 22, 2016, the Board of Directors has proposed the appropriation of 2015 earnings as follows:

	Year ended December 31, 2015	
	Amount	Dividend per share (in dollars)
Legal reserve	$ 50,483	$ -
Cash dividends to shareholders	311,287	2.60
Total	$ 361,770	$ 2.60

As of March 22, 2016, the abovementioned appropriation of 2015 earnings has not yet been resolved by the shareholders.

G. For the information relating to employees' remuneration (bonuses) and directors' and supervisors' remuneration, please refer to Note 6(19).

(16) Other equity items

	Year ended December 31,	
	2015	2014
At January 1	$ 88,782	$ 39,227
Currency translation differences:		
–Group	(41,287)	58,631
–Tax on Group	7,362	(9,076)
At December 31	$ 54,857	$ 88,782

(17) Other income

	Years ended December 31,	
	2015	2014
Interest income	$ 22,518	$ 33,216
Other income	7,877	9,470
Rental revenue	-	652
Total	$ 30,395	$ 43,338

(18) Other gains and losses

	Years ended December 31,	
	2015	2014
Net currency exchange gains	$ 59,296	$ 28,079
Gains (losses) on disposal of property, plant and equipment	18	(1,091)
Other expenses	(8,911)	(2,678)
Total	$ 50,403	$ 24,310

(19) Employee benefit, depreciation and amortisation expense

	Years ended December 31,	
	2015	2014
Wages and salaries	$ 578,656	$ 597,102
Labour and health insurance fees	29,575	28,576
Pension costs	26,030	21,372
Other personnel expenses	29,951	55,899
Employee benefit expense	$ 664,212	$ 702,949
Depreciation charges on property, plant and equipment	$ 130,717	$ 129,116
Amortisation charges on intangible assets	$ 6,518	$ 5,757

A. According to the original Articles of Incorporation of the Company, the Company shall distribute bonus to employees and pay remuneration to the directors and supervisors that account for at least 6% and 2%, respectively, of the remaining earnings, taking into account income tax, accumulated deficit, legal reserve and special reserve.

However, in accordance with the Company Act amended on May 20, 2015, a company shall distribute employee compensation, based on the profit of the current year distributable, in a fixed amount or a ratio of profits. If a company has accumulated deficit, earnings should be channelled to cover losses. A company may, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation distributed in the form of shares or in cash; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. Qualification requirements of employees, including the employees of subsidiaries of the company meeting certain specific requirements, entitled to receive aforementioned stock or cash may be specified in the Articles of Incorporation. The Board of Directors of the Company has approved the amended Articles of Incorporation of the Company on January 21, 2016. According to the amended articles, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be lower than 6% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration. The amended articles will be resolved in the shareholders' meeting in 2016.

B. For the years ended December 31, 2015 and 2014, employees' compensation (bonus) was accrued at $45,723 and $58,508, respectively; while directors' and supervisors' remuneration was accrued at $13,448 and $14,627, respectively. The aforementioned amounts were recognised in salary expenses.

The expenses recognised for 2015 were accrued based on the profit of current year distributable. For the year ended December 31, 2015, employees' bonus and directors' and supervisors' remuneration amounted to $44,231 and $13,009 as resolved by the shareholders, respectively, the differences with the amounts recognized in the current year's financial statements amounted to $1,492 and $439, respectively. Where the accrued amounts for employees' bonus and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the stockholders at the stockholders' meeting subsequently, the differences are accounted for as changes in estimates.

The expenses recognised for 2014 were accrued based on the net income of 2014 and fixed ratio for employees and directors/supervisors, taking into account other factors such as legal reserve. For the year ended December 31, 2014, employees' bonus and directors' and supervisors' remuneration amounted to $58,508 and $14,627 as resolved by the shareholders, respectively, which were in agreement with those amounts recognised in the current year's financial statements. The earnings for 2014 have been distributed on July 21, 2015. Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(20) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31, 2015	2014
Current tax:		
Current tax on profits for the year	$ 137,234	$ 219,040
Adjustments in respect of prior years	(1,779)	2,022
Total current tax	135,455	221,062
Deferred tax:		
Origination and reversal of temporary differences	24,618	(52,440)
Income tax expense	$ 160,073	$ 168,622

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Years ended December 31, 2015	2014
Currency translation differences	$ 7,362	($ 9,076)
Remeasurement of defined benefit obligations	$ 547	($ 14)

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31, 2015	2014
Tax calculated based on profit before tax and statutory tax rate	$ 164,526	$ 214,056
Effect from expenses disallowed by tax regulation	(15,471)	(48,289)
10% tax on undistributed earnings	12,797	833
Prior year income tax (over) underestimate	(1,779)	2,022
Tax expenses	$ 160,073	$ 168,622

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	2015			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
-Deferred tax assets:				
Allowance for inventory valuation loss and loss on obsolete and slow-moving inventories	$ 27,192	($ 1,402)	$ -	$ 25,790
Unrealised loss on inter-affiliate accounts	52,758	(13,878)	-	38,880
Amount of allowance for bad debts that exceed the limit for tax purpose	3,488	(241)	-	3,247
Unused compensated absences	980	(7)	-	973
Pension expense payable	2,668	-	547	3,215
Pension expense that exceeds the limit for tax purpose	1,326	79	-	1,405
Capitalised repairs and maintenance expense	23	(8)	-	15
Capitalised deed tax	54	(1)	-	53
Unrealised warranty provision	-	1,020	-	1,020
Others	1,924	(235)	-	1,689
	90,413	(14,673)	547	76,287
-Deferred tax liabilities:				
Investment income	(61,241)	(11,440)	7,362	(65,319)
Unrealised exchange gain	(1,933)	1,216	-	(717)
Book-tax difference of depreciation charges on fixed assets	(3,774)	304	-	(3,470)
Others	-	(25)	-	(25)
	(66,948)	(9,945)	7,362	(69,531)
Total	$ 23,465	($ 24,618)	$ 7,909	$ 6,756

	2014			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
-Deferred tax assets:				
Allowance for inventory valuation loss and loss on obsolete and slow-moving inventories	$ 12,021	$ 15,171	$ -	$ 27,192
Unrealised loss on inter-affiliate accounts	21,661	31,097	-	52,758
Amount of allowance for bad debts that exceed the limit for tax purpose	3,642	(154)	-	3,488
Unused compensated absences	970	10	-	980
Pension expense payable	2,682	-	(14)	2,668
Pension expense that exceeds the limit for tax purpose	1,255	71	-	1,326
Capitalised repairs and maintenance expense	30	(7)	-	23
Capitalised deed tax	-	54	-	54
Unrealised exchange loss	111	(111)	-	-
Others	1,573	351	-	1,924
	43,945	46,482	(14)	90,413
-Deferred tax liabilities:				
Investment income	(61,917)	9,752	(9,076)	(61,241)
Unrealised exchange gain	-	(1,933)	-	(1,933)
Book-tax difference of depreciation charges on fixed assets	(1,913)	(1,861)	-	(3,774)
	(63,830)	5,958	(9,076)	(66,948)
Total	($ 19,885)	$ 52,440	($ 9,090)	$ 23,465

D. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2015 and 2014, the amounts of temporary differences unrecognised as deferred tax liabilities were $194,090 and $152,220, respectively.

E. The Company's income tax returns through 2012 have been assessed and approved by the Tax Authority.

F. Unappropriated retained earnings:

	December 31, 2015	December 31, 2014
Earnings generated in and before 1997	$ 12,886	$ 12,886
Earnings generated in and after 1998	920,826	831,965
	$ 933,712	$ 844,851

G. The balance of the imputation tax credit account and estimated creditable tax rate are as follows:

	December 31, 2015	December 31, 2014
Balance of the imputation tax credit account	$ 156,076	$ 72,797

	2015 (estimated)	2014 (actual)
Creditable tax rate	16.99%	19.57%

(21) Earnings per share

	Year ended December 31, 2015		
	Amount after tax	Weighted average shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the Company	$ 504,834	119,726	$ 4.22
Diluted earnings per share			
Profit attributable to ordinary shareholders of the Company	$ 504,834		
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	1,853	
Profit attributable to ordinary shareholders of the Company plus assumed conversion of all dilutive potential ordinary shares	$ 504,834	121,579	$ 4.15

	Year ended December 31, 2014		
	Amount after tax	Weighted average shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the Company	$ 541,272	119,726	$ 4.52
Diluted earnings per share			
Profit attributable to ordinary shareholders of the Company	$ 541,272		
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	1,448	
Profit attributable to ordinary shareholders of the Company plus assumed conversion of all dilutive potential ordinary shares	$ 541,272	121,174	$ 4.47

(22) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Years ended December 31,	
	2015	2014
Purchase of property, plant and equipment	$ 244,156	$ 114,507
Add: opening balance of payable on equipment	2,374	1,989
Less: ending balance of payable on equipment	(5,221)	(2,374)
Cash paid during the year	$ 241,309	$ 114,122

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company's shares are held by the public, thus, there is no parent company or ultimate parent.

(2) Significant related party transactions

A. Operating revenue and other income

	Years ended December 31,	
	2015	2014
Sales of goods - Other related parties	$ 5,367	$ 7,684
Other income - Other related parties (rent revenue)	-	652
	$ 5,367	$ 8,336

(a) Sales of goods: Goods are sold based on normal prices and terms. Payment term is 60 days after monthly billings.

(b) Rent revenue: Rent revenue arises from leasing certain plants in Kunshan, Mainland China to other related parties. Rents are collected quarterly. The lease terms are from January 1 to June 30, 2014.

B. Purchases and other expenses

	Years ended December 31,	
	2015	2014
Purchases of goods - Other related parties	$ 53,215	$ 76,136

Purchases of goods: No similar transaction can be compared with. Prices and terms are determined based on mutual agreements and payment term is 60 days after monthly billings.

C. Receivables from related parties

	December 31,	
	2015	2014
Accounts receivable - Other related parties	$ 1,517	$ 3,252

The receivables from related parties are unsecured in nature and bear no interest.

D. Payables to related parties

	December 31,	
	2015	2014
Accounts payable - Other related parties	$ 12,877	$ 20,320

Accounts payable bear no interest.

(3) Key management compensation

	Years ended December 31,	
	2015	2014
Short-term employee benefits	$ 32,733	$ 53,211
Post-employment benefits	255	592
Other long-term benefits	1,227	910
Total	$ 34,215	$ 54,713

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value December 31, 2015	Book value December 31, 2014	Purpose
Time deposits (shown as 'other current assets')	$ 1,341	$ 1,000	Customs duty guarantee
Cash in banks (shown as 'other non-current assets')	$ 3,296	$ 3,169	Long-term borrowings (Note)
Land and buildings	$ 249,984	$ 245,437	Long-term borrowings (Note)

Note: In August 2013, the subsidiary, CLOUDWELL HOLDINGS, LLC., signed a long-term borrowing contract of a credit line of USD 5.53 million with banks. The contract requires the subsidiary to pledge land and buildings as mortgage and USD 100 thousand as collateral.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) The present values of estimated future lease payments for land use contracts signed by subsidiaries are as follows:

	December 31, 2015	December 31, 2014
Not later than one year	$ 2,645	$ 2,709
Later than one year but not later than three years	5,208	5,238
Over three years	88,902	92,986
Total	$ 96,755	$ 100,933

(2) The Group entered into equipment agreement, lease agreement and ERP maintenance agreement. Future lease payments and their present values are as follows:

	December 31, 2015	December 31, 2014
Not later than one year	$ 107,706	$ 4,337
Later than one year but not later than three years	2,191	3,717
Over three years	1,133	1,440
Total	$ 111,030	$ 9,494

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Aside from Note 6(15) F. on the appropriation of earnings, in order to establish the China operation center and research and development center, the board of directors of the Company has approved on March 22, 2016, to invest USD 1 million in China to establish a Shanghai Foreign Trading Company through the Company's sub-subsidiary company, Amber International Company.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to maintain an optimal financial structure and capital ratio in order to support operations and to maximize interests for shareholders.

(2) Financial instruments

A. Fair value information of financial instruments

The carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), short-term loans, notes payable, accounts payable (including related parties) and other payables (including related parties)) approximate to their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(3).

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Company treasury, and primarily hedge using natural hedge.

iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2015		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 45,753	32.83	$ 1,502,071
USD:RMB	27,326	6.60	896,347
Non-monetary items			
USD:NTD	3,981	32.83	130,688
RMB:NTD	403,840	4.97	2,007,082
EUR:NTD	1,789	35.88	64,187
Financial liabilities			
Monetary items			
USD:NTD	$ 34,943	32.83	$ 1,147,179
RMB:NTD	3,000	4.97	14,910
USD:RMB	10,972	6.60	359,904

	December 31, 2014		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 42,623	31.65	$ 1,349,018
RMB:NTD	55,625	5.09	283,131
USD:RMB	29,424	6.20	928,563
Non-monetary items			
USD:NTD	2,386	31.65	75,506
RMB:NTD	325,205	5.09	1,655,291
EUR:NTD	1,588	38.47	61,083
Financial liabilities			
Monetary items			
USD:NTD	$ 36,058	31.65	$ 1,141,236
RMB:NTD	3,600	5.09	18,324
USD:RMB	16,962	6.20	535,287

iv. Please refer to the following table for the details of unrealised exchange gain (loss) arising from significant foreign exchange variation on the monetary items held by the Group:

	Year ended December 31, 2015		
	Exchange gain (loss)		
	Foreign currency amount (In thousands)	Exchange rate	Book value
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ -	32.83	$ 31,442
USD:RMB	3,800	6.60	18,886
Financial liabilities			
Monetary items			
USD:RMB	($ 2,376)	6.60	($ 11,809)

	Year ended December 31, 2014		
	Exchange gain (loss)		
	Foreign currency amount (In thousands)	Exchange rate	Book value
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ -	31.65	$ 40,479
USD:RMB	2,229	6.20	11,346
Financial liabilities			
Monetary items			
USD:NTD	$ -	31.65	($ 30,918)
USD:RMB	203	6.20	1,033

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2015		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 15,021	-
USD:RMB	1%	8,963	-
Financial liabilities			
Monetary items			
USD:NTD	1%	11,472	-
RMB:NTD	1%	149	-
USD:RMB	1%	3,599	-

	Year ended December 31, 2014		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 13,490	-
RMB:NTD	1%	2,831	-
USD:RMB	1%	9,286	-
Financial liabilities			
Monetary items			
USD:NTD	1%	11,412	-
RMB:NTD	1%	183	-
USD:RMB	1%	5,353	-

Interest rate risk

The Group's interest rate risk arises from short-term borrowings and long-term borrowings (including current portion). Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings are issued at fixed rates. During the years ended December 31, 2015 and 2014, the Group's borrowings were denominated in the USD.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilisation of credit limits is regularly monitored. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. For banks and financial institutions, only parties with optimal ratings are accepted.

ii. For the years ended December 31, 2015 and 2014, no credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

iii. The credit quality information of significant financial assets that are neither past due nor impaired is provided in Note 6(3) B.

iv. The ageing analysis of financial assets that were past due is provided in Note 6(3) C.

v. The group analysis of financial assets that had been impaired is provided in Note 6(3) D.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The analysis is as follows:

Non-derivative financial liabilities:

December 31, 2015	Less than 1 year	Between 1 and 3 years	Between 3 to 5 years	Over 5 years
Short-term borrowings	$ 131,773	$ -	$ -	$ -
Notes payable	656	-	-	-
Accounts payable	951,512	-	-	-
Accounts payable - related party	12,877	-	-	-
Other payables	474,650	-	-	-
Other current liabilities	40,797	-	-	-
Long-term borrowings (including current portion)	12,895	25,791	25,791	164,416
Guarantee deposits received	-	150	-	-

December 31, 2014	Less than 1 year	Between 1 and 3 years	Between 3 to 5 years	Over 5 years
Short-term borrowings	$ 222,523	$ -	$ -	$ -
Notes payable	492	-	-	-
Accounts payable	877,210	-	-	-
Accounts payable - related party	20,320	-	-	-
Other payables	452,131	-	-	-
Other current liabilities	14,762	-	-	-
Long-term borrowings (including current portion)	12,432	24,864	24,864	170,938
Guarantee deposits received	-	102	-	-

iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. The related information of financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2014 is as follows, and there is no financial instruments measured at fair value as of December 31, 2015:

December 31, 2014	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Available-for-sale financial assets	$ -	$ 63,625	$ -	$ 63,625

C. The methods and assumptions the Group used to measure fair value are as follows:

The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

D. For the years ended December 31, 2015 and 2014, there was no transfer between Level 1 and Level 3.

E. The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: Please refer to table 1.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): None.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 2.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 3.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Please refer to table 4.

(2) Information on investees

The information of certain subsidiaries were disclosed from the financial statements those audited by other independent accountant. The investment transactions with subsidiaries were eliminated when preparing the consolidated financial statement, the information disclosed below is for reference. Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 5.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 6.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area:

The Company purchased through the third-tier subsidiary, PROCASE & MOREX Corporation (Procase). For the year ended December 31, 2015, Procase purchased raw materials of iron pieces amounting to $1,013,102, for manufacturing computer cases, from the Company's fourth-tier subsidiary in Mainland China, Dongguan Procase Electronic Co., Ltd.. Balance of accounts payable amounted to $195,096, comprising 46% of the accounts payable of Procase. For the year ended December 31, 2015, Procase sold finished goods of computer cases to the Company, amounting to $1,111,812, comprising 65% of Procase's sales in 2015. Balance of accounts payable to Dongguan Procase Electronic Co., Ltd. amounted to $258,871, comprising 39% of the accounts payable of the Company.

For the year ended December 31, 2015, the Company provided research and development technical skills to Dongguan Procase Electronic Co., Ltd., and received royalty of $11,322. Other receivables from Dongguan Procase Electronic Co., Ltd. amounted to $11,322, comprising 8% of other receivables of the Company.

14. OPERATING SEGMENT INFORMATION

(1) General information

Because each plant possesses similar economic characteristics, produces similar products under similar production process, uses the same machinery equipment, also, selling methods and customer categories are alike, the Company's and subsidiaries' chief operating decision-maker aggregates that the Company and its subsidiaries only have one reportable operating segment. Furthermore, the measurement basis for the Company is in agreement with the basis stated in the reports reviewed by the chief operating decision-maker.

(2) Measurement of segment information

The accounting policies of the operating segments are in agreement with the significant accounting policies summarised in Note 4. The Group's segment profit (loss) is measured with the operating income (loss), which is used as a basis for the Group in assessing the performance of the operating segments.

(3) Information about segment profit or loss, assets and liabilities

The Company and subsidiaries have only one reportable operating segment, thus, the reportable information is in agreement with those in the consolidated financial statements.

(4) Reconciliation for segment income (loss)

The segment reports provided to the chief operating decision-maker are measured in a manner consistent with that used for the statement of comprehensive income. Amounts of total assets and total liabilities of segments are not provided to the chief operating decision–maker to make strategic decisions. There is no difference between the presentation of segment report and income statement and accordingly, no reconciliation is required to be disclosed.

(5) Information on product

Detail of revenue balance is as follows:

	Years ended December 31, 2015	Years ended December 31, 2014
Computer server cases	$ 2,496,706	$ 2,600,098
Peripheral products and components	1,447,190	1,001,314
Personal computer cases	346,958	589,475
Molds	148,375	282,101
Total	$ 4,439,229	$ 4,472,988

(6) Geographical information

Geographical information for the years ended December 31, 2015 and 2014 is as follows:

	2015		2014	
	Sales revenue	Non-current assets	Sales revenue	Non-current assets
US	$ 1,695,673	$ 301,758	$ 1,554,342	$ 299,079
China	1,428,601	871,446	1,077,658	773,653
Taiwan	664,560	287,033	890,241	284,231
Others	650,395	256	950,747	200
Total	$ 4,439,229	$ 1,460,493	$ 4,472,988	$ 1,357,163

(7) Major customer information

Major customer information of the Group for the years ended December 31, 2015 and 2014 is as follows:

	2015		2014	
	Sales revenue	Percentage in the consolidated net operating income	Net sales revenue	Percentage in the consolidated net operating income
Company A	$ 1,254,169	28%	$ 1,053,220	24%
Company B	859,652	19%	948,198	21%