MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

MARCH 31, 2016 AND 2015

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

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REVIEW REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of
Marketech International Corp.

We have reviewed the accompanying consolidated balance sheets of Marketech International Corp. and subsidiaries as of March 31, 2016 and 2015, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months 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 reviews.

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 36 "Engagements to Review Financial Statements" in the Republic of China. A review consists primarily of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in the Republic of China, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

As explained in Notes 4(3) and 6(9), we did not review the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method, which statements reflect total assets of $470,298 thousand and $347,609 thousand, constituting 3.79% and 3.07% of the consolidated total assets, and total liabilities of $137,924 thousand and $141,353 thousand, constituting 1.76% and 2.04% of the consolidated total liabilities as of March 31, 2016 and 2015, respectively, and total comprehensive income (loss) of ($9,183) thousand and ($33,432) thousand, constituting (6.79%) and 2,809.41% of the consolidated total comprehensive income for the three months then ended, respectively, and the investments accounted for using equity method amounted to $75,831 thousand and $43,656 thousand representing 0.61% and 0.39% of the consolidated total assets as of March 31, 2016 and 2015, and total comprehensive income (loss) (including share of profit (loss) of associates and joint ventures accounted for using the equity method and share of other comprehensive income of associates and joint ventures accounted for using the equity method) of $117 thousand and $78

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thousand, constituting 0.09% and (6.55%) of the consolidated total comprehensive income for the three-month periods then ended. These amounts and the information disclosed in Note 13 were based solely on the unreviewed financial statements of these companies as of March 31, 2016 and 2015.

Based on our reviews and the review reports of other independent accountants, except for the effect of such adjustments if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries, investments accounted for using the equity method and the information disclosed in Note 13 been reviewed by independent accountants, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission.

PricewaterhouseCoopers, Taiwan

May 4, 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.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)
(The consolidated balance sheets as of March 31, 2016 and 2015 are reviewed, not audited)

	Assets	Notes	March 31, 2016 AMOUNT	%	December 31, 2015 AMOUNT	%	March 31, 2015 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 1,460,947	12	$ 1,404,874	12	$ 1,358,155	12
1110	Financial assets at fair value through profit or loss - current	6(2)	6,541	-	5,719	-	12,403	-
1150	Notes receivable, net	6(3)	204,359	2	106,392	1	90,059	1
1170	Accounts receivable, net	6(4)(7)	3,270,113	26	3,072,747	26	2,674,409	24
1180	Accounts receivable - related parties, net	7	1,507	-	23,341	-	13,700	-
1190	Construction contracts receivable	6(7) and 7	2,705,246	22	2,485,012	21	2,175,384	19
1200	Other receivables		14,966	-	20,910	-	18,415	-
130X	Inventories, net	6(5)	2,087,919	17	2,248,268	19	2,082,741	18
1410	Prepayments	6(6)	498,421	4	398,626	3	655,176	6
1470	Other current assets	8	201,527	1	165,065	1	169,863	2
11XX	**Total current assets**		10,451,546	84	9,930,954	83	9,250,305	82
	Non-current assets							
1543	Financial assets at cost - non-current	6(8)	286,186	2	287,714	2	293,027	3
1550	Investments accounted for using equity method	6(9)	75,831	1	76,004	1	43,656	-
1600	Property, plant and equipment, net	6(10), 7 and 8	1,397,965	11	1,419,554	12	1,466,396	13
1780	Intangible assets	7	20,094	-	23,045	-	27,773	-
1840	Deferred tax assets		105,483	1	108,037	1	119,845	1
1900	Other non-current assets	6(8)	83,045	1	80,918	1	123,220	1
15XX	**Total non-current assets**		1,968,604	16	1,995,272	17	2,073,917	18
1XXX	**Total Assets**		$ 12,420,150	100	$ 11,926,226	100	$ 11,324,222	100

(Continued)

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)
(The consolidated balance sheets as of March 31, 2016 and 2015 are reviewed, not audited)

			March 31, 2016		December 31, 2015		March 31, 2015	
	Liabilities and Equity	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(11) and 8	$ 2,124,117	17	$ 1,370,748	11	$ 1,153,618	10
2150	Notes payable		663,181	6	806,991	7	730,314	6
2170	Accounts payable		2,513,810	20	2,740,764	23	2,629,610	23
2180	Accounts payable - related parties	7	18,975	-	20,610	-	11,959	-
2190	Construction contracts payable	6(7)	1,258,891	10	1,236,940	10	1,128,663	10
2200	Other payables	6(12)	327,383	3	421,292	4	279,382	3
2230	Current tax liabilities		109,522	1	81,271	1	104,962	1
2310	Advance receipts	6(13)	614,023	5	598,114	5	731,610	7
2399	Other current liabilities, others	6(14)	27,734	-	23,447	-	21,293	-
21XX	**Total current liabilities**		7,657,636	62	7,300,177	61	6,791,411	60
	Non-current liabilities							
2540	Long-term borrowings	6(14) and 8	-	-	-	-	2,430	-
2570	Deferred tax liabilities		30,446	-	30,644	1	37,509	-
2600	Other non-current liabilities		130,076	1	130,607	1	114,510	1
25XX	**Total non-current liabilities**		160,522	1	161,251	2	154,449	1
2XXX	**Total Liabilities**		7,818,158	63	7,461,428	63	6,945,860	61
	Equity							
	Share capital	6(17)						
3110	Ordinary shares		1,650,698	13	1,650,698	14	1,650,698	15
	Capital surplus	6(18)						
3200	Capital surplus		620,749	5	618,773	5	616,354	6
	Retained earnings	6(19)						
3310	Legal reserve		529,385	4	529,385	4	490,931	4
3320	Special reserve		92,239	1	92,239	1	92,239	1
3350	Unappropriated retained earnings	6(23)	1,683,751	14	1,542,603	13	1,482,729	13
	Other equity interest							
3400	Other equity interest		21,741	-	25,898	-	41,792	-
31XX	**Total equity attributable to owners of parent**		4,598,563	37	4,459,596	37	4,374,743	39
36XX	**Non-controlling interests**		3,429	-	5,202	-	3,619	-
3XXX	**Total Equity**		4,601,992	37	4,464,798	37	4,378,362	39
	Significant contingent liabilities and unrecognised contract commitments	9						
3X2X	**Total Liabilities and Equity**		$ 12,420,150	100	$ 11,926,226	100	$ 11,324,222	100

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 4, 2016.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings per share)
(REVIEWED, NOT AUDITED)

			Three months ended March 31			
			2016		2015	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	**Operating Revenue**	6(20) and 7	$ 4,242,246	100	$ 3,695,656	100
5000	**Operating Costs**	6(5)(22) and 7	(3,714,080)	(88)	(3,292,110)	(89)
5900	**Gross Profit**		528,166	12	403,546	11
	Operating Expenses	6(22)				
6100	Sales and marketing expenses		(118,432)	(3)	(114,109)	(3)
6200	General and administrative expenses		(176,789)	(4)	(196,974)	(6)
6300	Research and development expenses		(40,397)	(1)	(32,940)	(1)
6000	**Total operating expenses**		(335,618)	(8)	(344,023)	(10)
6900	**Operating Profit**		192,548	4	59,523	1
	Non-operating Income and Expenses					
7010	Other income		6,454	-	7,563	-
7020	Other gains and losses	6(2)(21)	(12,988)	-	(37,356)	(1)
7050	Finance costs		(10,798)	-	(7,537)	-
7060	Share of gain of associates and joint ventures accounted for using equity method		174	-	199	-
7000	**Total non-operating income and expenses**		(17,158)	-	(37,131)	(1)
7900	**Profit before Income Tax**		175,390	4	22,392	-
7950	Income tax expense	6(23)	(36,037)	(1)	(7,372)	-
8200	**Net Income**		$ 139,353	3	$ 15,020	-
	Other Comprehensive Income					
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		($ 4,929)	-	($ 19,407)	-
8370	Share of other comprehensive loss of associates and joint ventures accounted for using equity method		(57)	-	(121)	-
8399	Income tax relating to components of other comprehensive income	6(23)	851	-	3,318	-
8300	**Other comprehensive loss, net of tax**		($ 4,135)	-	($ 16,210)	-
8500	**Total comprehensive income (loss)**		$ 135,218	3	($ 1,190)	-
	Profit (loss) attributable to:					
8610	Owners of the parent		$ 141,148	3	$ 15,456	-
8620	Non-controlling interests		($ 1,795)	-	($ 436)	-
	Comprehensive income (loss) attributable to:					
8710	Owners of the parent		$ 136,991	3	($ 715)	-
8720	Non-controlling interests		($ 1,773)	-	($ 475)	-
	Basic earnings per share	6(24)				
9750	**Basic earnings per share**		$	0.86	$	0.09
	Diluted earnings per share	6(24)				
9850	**Diluted earnings per share**		$	0.84	$	0.09

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 4, 2016.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2016 AND 2015
(Expressed in thousands of New Taiwan dollars)
(REVIEWED, NOT AUDITED)

		Equity attributable to owners of the parent									
			Capital Reserves		Retained Earnings			Other Equity Interest			
	Notes	Share capital - ordinary shares	Capital surplus - share premium	Capital surplus - others	Legal reserve	Special reserve	Unappropriated retained earnings	Currency translation differences of foreign operations	Total	Non-controlling interests	Total equity
Three months ended March 31, 2015											
Balance at January 1, 2015		$ 1,650,698	$ 616,003	$ 351	$ 490,931	$92,239	$ 1,467,273	$ 57,963	$ 4,375,458	$ 4,094	$ 4,379,552
Profit (loss) for the period		-	-	-	-	-	15,456	-	15,456	(436)	15,020
Other comprehensive loss for the period		-	-	-	-	-	-	(16,171)	(16,171)	(39)	(16,210)
Balance at March 31, 2015		$ 1,650,698	$ 616,003	$ 351	$ 490,931	$92,239	$ 1,482,729	$ 41,792	$ 4,374,743	$ 3,619	$ 4,378,362
Three months ended March 31, 2016											
Balance at January 1, 2016		$ 1,650,698	$ 616,003	$ 2,770	$ 529,385	$92,239	$ 1,542,603	$ 25,898	$ 4,459,596	$ 5,202	$ 4,464,798
Share-based payment	6(16)(18)	-	-	1,976	-	-	-	-	1,976	-	1,976
Profit (loss) for the period		-	-	-	-	-	141,148	-	141,148	(1,795)	139,353
Other comprehensive income (loss) for the period		-	-	-	-	-	-	(4,157)	(4,157)	22	(4,135)
Balance at March 31, 2016		$ 1,650,698	$ 616,003	$ 4,746	$ 529,385	$92,239	$ 1,683,751	$ 21,741	$ 4,598,563	$ 3,429	$ 4,601,992

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 4, 2016.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(REVIEWED, NOT AUDITED)

	Notes	Three months ended March 31 2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 175,390	$ 22,392
Adjustments			
Adjustments to reconcile profit (loss)			
Net gain on financial assets at fair value through profit or loss	6(2)(21)	(822)	(707)
(Gain on reversal of bad debts) Provision for bad debt expense	12	(1,170)	40,617
Share of gain of associates and joint ventures accounted for using equity method		(174)	(199)
Gain on disposal of investments	6(21)	(2,018)	(349)
Depreciation	6(10)(22)	25,112	25,946
Amortisation	6(22)	5,189	5,642
Loss on disposal of property, plant and equipment		26	9
Compensation cost of share-based payments	6(16)(18)	1,976	-
Interest income		(901)	(1,474)
Interest expense		10,798	7,537
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		(97,967)	(52,384)
Accounts receivable, net		(199,894)	367,058
Accounts receivable – related parties, net		22,267	(4,291)
Construction contracts receivable		(220,235)	179,230
Other receivables		5,908	(8,815)
Inventories		160,097	(235,488)
Prepayments		(99,795)	(79,026)
Other current assets		(38,746)	(19,248)
Changes in operating liabilities			
Notes payable		(143,810)	(77,334)
Accounts payable		(225,799)	(723,082)
Accounts payable – related parties		(1,636)	(11,877)
Construction contracts payable		21,951	110,159
Other payables		(95,517)	(116,143)
Advance receipts		15,909	142,328
Other current liabilities, others		4,287	5,598
Other non-current liabilities		(531)	(607)
Cash outflow generated from operations		(680,105)	(424,508)
Interest received		901	1,547
Interest paid		(9,872)	(7,523)
Income tax paid		(4,553)	(1,104)
Net cash flows used in operating activities		(693,629)	(431,588)

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MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(REVIEWED, NOT AUDITED)

	Notes	Three months ended March 31 2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) decrease in other financial assets – current		($ 1,266)	$ 34,980
Acquisition of financial assets measured at cost – non-current		(8,700)	-
Proceeds from disposal of financial assets measured at cost – non-current		3,312	-
Proceeds from capital reduction of financial assets measured at cost – non-current		8,926	-
Net cash flow from acquisition of subsidiaries		-	(10,694)
Acquisition of property, plant and equipment	6(10)	(6,549)	(4,664)
Proceeds from disposal of property, plant and equipment		4	232
Acquisition of intangible assets		(2,221)	-
Decrease (increase) in refundable deposits		3,329	(4,415)
Increase in other non-current assets		(1,904)	-
Increase in prepayments for investments		-	(45,224)
Net cash flows used in investing activities		(5,069)	(29,785)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings		760,150	212,057
Repayment of long-term borrowings		-	(393)
Decrease in guarantee deposits received		(1)	-
Net cash flows provided by financing activities		760,149	211,664
Effect of exchange rate changes on cash and cash equivalents		(5,378)	(20,307)
Net increase (decrease) in cash and cash equivalents		56,073	(270,016)
Cash and cash equivalents at beginning of period	6(1)	1,404,874	1,628,171
Cash and cash equivalents at end of period	6(1)	$ 1,460,947	$ 1,358,155

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 4, 2016.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2015 AND 2014
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)
(REVIEWED, NOT AUDITED)

1. ORGANIZATION AND OPERATIONS

Marketech International Corp. (the “Company”) was incorporated in the Republic of China (ROC) on December 27, 1988. On October 17, 2002, the Company’s common shares were officially listed on the Taiwan Over-The-Counter Securities Exchange and on May 24, 2004, the shares were transferred to be listed on the Taiwan Stock Exchange. The Company and its subsidiaries (collectively referred herein as the “Group”) are mainly engaged in (i) import and trade of various integrated circuits, semiconductors, electrical and computer equipment and materials, chemicals, gas, components; (ii) factory affair and mechatronic system including clean room, automatic supply system of (specialty) gas and chemicals, monitor system, Turn-key and Hook-up Project and (iii) design and manufacturing of customized equipment.

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

The consolidated financial statements were approved and authorized for issuance by the Board of Directors on May 4, 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”)

None.

(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 IFRS as endorsed by the FSC:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board (Note 1)
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
Clarifications to IFRS 15, 'Revenue from contracts with customers' (amendments to IFRS 15)	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
Improvements to IFRSs 2010-2012	July 1, 2014
Improvements to IFRSs 2011-2013	July 1, 2014
Improvements to IFRSs 2012-2014	January 1, 2016 (Note 2)

Note 1: The aforementioned new, revised or amended standards or interpretations are effective after fiscal year beginning on or after the effective dates, unless specified otherwise.

Note 2: The amendment to IFRS 5 applies prospectively to changes in a method of disposal that occur in annual periods beginning on or after January 1, 2016; the remaining amendments are effective for annual periods beginning on or after January 1, 2016.

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and operating result based on the Group's assessment.

A. IFRS 9, ‘Financial instruments’

(a) Classification of debt instruments is driven by the entity’s business model and the contractual cash flow characteristics of the financial assets, which would be classified as financial asset at fair value through profit or loss, financial asset measured at fair value through other comprehensive income or financial asset measured at amortised cost. Equity instruments would be classified as financial asset at fair value through profit or loss, unless an entity makes an irrevocable election at inception to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading.

(b) The impairment losses of debt instruments are assessed using an ‘expected credit loss’ approach. An entity assesses at each balance sheet date whether there has been a significant increase in credit risk on that instrument since initial recognition to recognise 12-month expected credit losses (‘ECL’) or lifetime ECL (interest revenue would be calculated on the gross carrying amount of the asset before impairment losses occurred); or if the instrument that has objective evidence of impairment, interest revenue after the impairment would be calculated on the book value of net carrying amount (i.e. net of credit allowance).

(c) The amended general hedge accounting requirements align hedge accounting more closely with an entity’s risk management strategy. Risk components of non-financial items and a group of items can be designated as hedged items. The standard relaxes the requirements for hedge effectiveness, removing the 80-125% bright line, and introduces the concept of ‘rebalancing’; while its risk management objective remains unchanged, an entity shall rebalance the hedged item or the hedging instrument for the purpose of maintaining the hedge ratio.

B. IFRS 15 "Revenue from contracts with customers"

IFRS 15 "Revenue from contracts with customers" replaces IAS 11 "Construction Contracts", IAS 18 "Revenue" and relevant interpretations. According to IFRS 15, revenue is recognised when a customer obtains control of promised goods or services. A customer obtains control of goods or services when a customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset.

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

Step1: Identify contracts with customer

Step 2: Identify separate performance obligations in the contract(s)

Step 3: Determine the transaction price

Step 4: Allocate the transaction price.

Step 5: Recognise revenue when the performance obligation is satisfied.

Further, IFRS 15 includes a set of comprehensive disclosure requirements that requires an entity to disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

C. Amendments to IFRS 15, 'Revenue from Contracts with Customers'

The amendments clarify how to identify a performance obligation (the promise to transfer a good or a service to a customer) in a contract; determine whether a company is a principal (the provider of a good or service) or an agent (responsible for arranging for the good or service to be provided); and determine whether the revenue from granting a licence should be recognised at a point in time or over time. In addition to the clarifications, the amendments include two additional reliefs to reduce cost and complexity for a company when it first applies the new Standard.

D. IFRS 16, 'Leases'

IFRS 16, 'Leases', replaces IAS 17, 'Leases' and related interpretations and SICs. The standard requires lessees to recognise a 'right-of-use asset' and a lease liability (except for those leases with terms of 12 months or less and leases of low-value assets). The accounting stays the same for lessors, which is to classify their leases as either finance leases or operating leases and account for those two types of leases differently. IFRS 16 only requires enhanced disclosures to be provided by lessors.

E. Amendments to IAS 1, ‘Disclosure initiative’

This amendment clarifies the presentation of materiality, aggregation and subtotals, the framework of financial report, and the guide for accounting disclosure.

F. Amendments to IAS 7, ‘Disclosure initiative’

This amendment requires that an entity shall provide more disclosures related to changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendment is effective from January 1, 2017.

G. Amendments to IAS 12, ‘Recognition of deferred tax assets for unrealised losses’

These amendments clarify the recognition of deferred tax assets for unrealised losses related to debt instruments measured at fair value, and they clarify several of the general principles underlying the accounting for deferred tax assets. The amendments clarify that a deductible temporary difference exists whenever an asset is measured at fair value and that fair value is below the asset’s tax base. When an entity assesses whether taxable profits will be available against which it can utilise a deductible temporary difference, it considers a deductible temporary difference in combination with all of its other deductible temporary differences unless there are tax law restrictions, and the tax deduction resulting from temporary differences is excluded from estimated future taxable profits. The amendments are effective from January 1, 2017.

H. Amendments to IAS 16 and IAS 38, ‘Clarification of acceptable methods of depreciation and amortisation’

The amendments clarify that a revenue-based method of depreciation or amortization is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset, such as other inputs and processes, selling activities and changes in sales volumes and prices.

I. Amendments to IAS 19 "Defined benefit plans: Employee contributions"

The amendment allows contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided. Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits.

J. Amendments to IAS 27, ‘Equity method in separate financial statements’

The amendment allows entities to account for investments in subsidiaries, joint ventures and associates in their separate financial statements either:

(a) at cost; or

(b) in accordance with IFRS 9; or

(c) using the equity method as described in IAS 28.

K. Amendments to IAS 36, ‘Recoverable amount disclosures for non-financial assets’

The amendments remove the requirement to disclose recoverable amount when a cash generating unit (CGU) contains goodwill or indefinite lived intangible assets but there has been no impairment. When a material impairment loss has been recognised or reversed for an individual asset, including goodwill, or a CGU, it is required to disclose the recoverable amount of the asset or CGU. If the recoverable amount is fair value less costs of disposal, it is required to disclose the level of the fair value hierarchy, the valuation techniques(s) used and key assumptions.

L. IFRIC 21,‘Levies’

This interpretation addresses the accounting for a liability to pay a levy (excluding income taxes) recognised in accordance with IAS 37, ‘Provisions’. An entity recognises the liability when the obligating event occurs. The fact that an entity is economically compelled to continue operating in a future period, or prepares its financial statements under the going concern principle, does not create an obligation to pay a levy that will arise from operating in the future. The interpretation also requires that an obligation to pay a levy triggered by a minimum threshold is recognised when the threshold is reached.

M. Annual improvements to IFRSs 2010-2012 cycle

(a) IFRS 2, ‘Share-based payment’

The amendment clarifies the definition of a ‘vesting condition’ includes only service condition and performance condition. The amendment revises the definition of ‘service condition’, ‘performance condition’ and ‘market condition’.

(b)IFRS 3, ‘Business combinations’

Except the contingent consideration classified as equity, all non-equity contingent consideration is measured at fair value with changes in fair value recognized in profit and loss.

(c) IFRS 8, ‘Operating segments’

The standard is amended to require disclosure of judgments made by management in aggregating operating segments. This amendment also clarifies that a reconciliation of the total of the reportable segments’ assets to the entity’s assets is required only when segment asset is provided to chief operating decision maker regularly.

(d) IFRS 13, ‘Fair value measurement’

When issuing IFRS 13 ‘fair value measurement’, the IASB removed the guidance that an entity could measure short-term receivables and payables with no stated interest rate at invoice amounts without discounting, when the effect of not discounting is immaterial. The amendment clarifies the deletion was made by IASB noting that paragraph 8 of IAS 8 already permits entities not to apply accounting policies set out in accordance with IFRSs when the effect of applying them is immaterial. The IASB did not intend to change the aforementioned measurement requirements, thus, entities can still apply above standard.

(e) IAS 16, ‘Property, plant and equipment’

The standard is amended to clarify how the accumulated depreciation of property, plant and equipment are treated to where an entity uses the revaluation model.

(f) IAS 24, ‘Related party disclosures’

The standard is amended to include, as a related party, an entity (or any member of a group of which it is a part) that provides key management personnel services to the reporting entity or to the parent of the reporting entity (‘the management entity’).

(g) IAS 38, ‘intangible asset’

The standard is amended to clarify how the accumulated depreciation is treated where an intangible asset uses the revaluation model.

N. Annual improvements to IFRSs 2011-2013 cycle

(a) IFRS 1, ‘First-time adoption of International Financial Reporting Standards’

This amendment clarifies paragraph BC11 in IFRS 1 is not requiring an entity to apply a more recent version of an IFRS, but only illustrates the advantages of applying a more recent version of an IFRS.

(b) IFRS 3, ‘Business combinations’

The standard is amended to clarify that IFRS 3 does not apply to the accounting for the formation of any joint arrangement.

(c) IFRS 13, ‘Fair value measurement’

The amendment clarifies that the exception of measuring the fair value of a group of financial assets and financial liabilities (portfolio exception) applies to all financial assets, financial liabilities and other contracts within the scope of IFRS 9 or IAS 39.

O. Annual improvements to IFRSs 2012-2014 cycle

(a) IFRS 7, ‘Financial instruments: Disclosures’

The amendment provides additional guidance to determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and thus the disclosure requirement of transferred financial assets applies. And this amendment also clarifies that disclosure of offsetting is not required for all interim periods.

(b) IAS 19, ‘Employee benefits’

The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise. The assessment of whether there is a deep market in high-quality corporate bonds or not is based on corporate bonds in that currency, and not corporate bonds in a particular country. Similarly, where there is no deep market in high-quality corporate bonds in that currency, government bonds in the relevant currency should be used.

(c) IAS 34, ‘Interim financial reporting’

The amendment clarifies what is meant by the reference in the standard to “information disclosed elsewhere in the interim financial report”. The amendment further amends IAS 34 to require a cross-reference form the interim financial statements to the location of that information.

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

Except for the compliance statement, basis of preparation, basis of consolidation and additional portions of certain accounting policies, the significant accounting policies are in agreement with the policies summarized in Note 4 of the 2015 consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Statement of compliance

A. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and IAS 34, ‘Interim Financial Reporting’ as endorsed by the FSC.

B. These consolidated financial statements should be read along with the consolidated financial statements as of and for the year ended December 31, 2015.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Available-for-sale financial assets measured at fair value.

(c) Liabilities on cash-settled share-based payment arrangements measured at fair value.

(d) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "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:

The basis for preparation of these consolidated financial statements is the same as that for preparation of the consolidated financial statements as of and for the year ended December 31, 2015.

B. The subsidiaries included in the consolidated financial statements:

			Percentage of Ownership (%)			
Name of investor	Name of subsidiary	Main business activities	March 31, 2016	December 31, 2015	March 31, 2015	Note
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Contracting for semiconductor automatic supply system	100	100	100	Note 1
Marketech International Corp.	Headquarter International Ltd.	Investment holding and reinvestment	100	100	100	Note 1
Marketech International Corp.	Tiger United Finance Ltd.	Investment holding and reinvestment	100	100	100	Note 1
Marketech International Corp.	Market Go Profits Ltd.	Investment holding and reinvestment	100	100	100	-
Marketech International Corp.	MIC-Tech Global Corp.	International trade	100	100	100	Note 1

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%) March 31, 2016	December 31, 2015	March 31, 2015	Note
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Trading, installation and repair of various machinery equipment and its peripherals	100	100	100	Note 1
Marketech International Corp.	Marketech Engineering Pte. Ltd.	Contracting for electrical installing construction	100	100	100	Note 1
Marketech International Corp.	eZoom Information, Inc.	Research, trading and consulting of information system software and hardware appliance	100	100	100	Note 1
Marketech International Corp.	Marketech Co., Ltd. (Hoa Phong Marketech Co., Ltd.)	Specialized contracting and related repair services	100	100	100	Note 1 Note 3
Marketech International Corp.	Marketech Integrated Manufacturing Company Limited	Design, manufacturing, installation of automatic production equipment and its parts	100	100	-	Note 1
Marketech International Corp.	Marketech International Sdn. Bhd.	Specialized contracting and related repair services	51.2	34	-	Note 1 Note 7
Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Investment holding and reinvestment	100	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	Russky H.K. Limited	Investment holding and reinvestment	100	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	TPP-MIC Co., Limited	Investment holding and reinvestment	60	60	60	-
MIC-Tech Ventures Asia Pacific Inc.	MICT International Limited	Investment holding and reinvestment	100	100	100	Note 4
MIC-Tech Ventures Asia Pacific Inc.	Frontken MIC Co., Limited	Investment holdings and reinvestment	100	100	40	Note 6

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%) March 31, 2016	December 31, 2015	March 31, 2015	Note
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech (WuXi) Co., Ltd.	Design, manufacturing, installation and maintenance of semiconductor device, crystal dedicated device, electronic component device, environment pollution preventing equipment; assembling of wrapping device and cooling equipment; assembling of barbecue grill; wholesale, commission agency and import and export of the aforementioned products their components, textile, commodities, chemical products and cosmetics; lease of self-owned plants	100	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech (Shanghai) Corp. Ltd.	Wholesale, commission agency, import and export of semiconductor production, inspection equipment and its consumables and boilers that generate electricity; storage and allocation of mainly chemical and boiler products; international and entrepot trade; trading and trading agency among enterprises in customs bonded area; consulting services in customs bonded area	100	100	100	-

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%) March 31, 2016	December 31, 2015	March 31, 2015	Note
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech Electronics Engineering Corp.	General contracting for electrical installing construction; specialized contracting for electrical installing construction; specialized contracting for electronic engineering; specialized contracting for petroleum and chemical equipment installation; specialized contracting for channel and guarantee for post construction; consulting service for related construction technology	100	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	Fuzhou Jiwei System Integrated Co., Ltd.	Installation and complete services of clean room, mechanical system, street pipe system	100	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	SKMIC (WUXI) Corp.	Design and installation of semiconductor device, crystal dedicated device, electronic component device, environment pollution preventing equipment; wholesale, commission agency and import of chemical products, semiconductors, inspection equipment and its consumables, solar equipment consumables and boilers that generate electricity; international and entreport trade, trading and trading agency among enterprises in customs bonded area;consulting service for trading	49	49	49	Note 2

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%) March 31, 2016	December 31, 2015	March 31, 2015	Note
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech China Trading (Shanghai) Co., Ltd.	Wholesale, commission agency and import and export of chemical products, semiconductors, inspection equipment and its consumables, solar equipment consumables and boilers that generate electricity; international and entrepot trade, trading and trading agency among enterprises in customs bonded area; consulting service for trading	100	100	100	-
Russky H.K. Limited	Shanghai Puritic Co., Ltd.	Production of scrubber bins for semiconductor manufacturers; design, installation, debugging and technology services of tunnel system; equipment repair for semiconductor manufacturers; consulting service for electrical and medical equipment wholesale, commissioned distribution, export, import and related services of electronic products, machinery equipment, chemical products, communication equipment, metal products, plastic products	80	80	80	-

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%) March 31, 2016	December 31, 2015	March 31, 2015	Note
Russky H.K. Limited	ChenGao M&E Engineering (Shanghai） Co., Ltd.	Design of microelectronic products and display devices; consulting service for related technology and management	100	100	100	-
Frontken MIC Co. Limited	Frontken-MIC (Wuxi) Co., Ltd.	Research of specialized cleaning equipment of semiconductor device and integrated circuit, cleaning of special components of semiconductor device, integrated circuit and micromodule and cleaning technology for semiconductor	100	100	100	Note 6
TPP-MIC Co., Limited	TPP-MIC (WuXi) Co., Ltd.	Technology and repair service of semiconductor equipment; self-operation and agency of import and export of various goods and technology	-	-	100	Note 5
MICT International Limited	Integrated Manufacturing & Services Co., Ltd.	Development of special equipment for solar cell production, manufacture of optical engine, lighting source, projection screen, high definition projection cathode-ray tube and micro-display module, and production, cleaning and regeneration of new electrical device	100	100	100	Note 4

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%) March 31, 2016	December 31, 2015	March 31, 2015	Note
Marketech Integrated Pte. Ltd.	Marketech International Sdn. Bhd.	Specialized contracting and related repair services	48.88	66	100	Note 7
Marketech Engineering Pte. Ltd.	Marketech Integrated Construction Co., Ltd.	Specialized contracting for electrical installing construction	95	95	95	Note 1

Note 1: The financial statements of the entity as of and for the three-month periods ended March 31, 2016 and 2015 were not reviewed by the independent auditors as the entity did not meet the definition of significant subsidiary.

Note 2: The Company holds less than 50% share ownership in its subsidiary – SKMIC (WUXI) Corp., however, as the definition of control is met, the subsidiary is included in the consolidated entities.

Note 3: In January 2016, the Company's subsidiary, Hoa Phong Marketech Co., Ltd. has been renamed as Marketech Co., Ltd.

Note 4: The Group originally held 50% of share ownership of MICT International Limited (MICT) and obtained the remaining 50% of share ownership on March 3, 2015. As the Group holds all voting rights in MICT International Limited and its subsidiary (Integrated Manufacturing & Services Co., Ltd.), it and its subsidiary (Integrated Manufacturing & Services Co., Ltd.) have been included in the consolidated financial reports since March 2015.

Note 5: TPP-MIC (WuXi) Co., Ltd. has completed the liquidation process in November 2015.

Note 6: The Group originally held 40% of share ownership of Frontken MIC Co. Limited (Frontken MIC) and obtained the remaining 60% share ownership on September 30, 2015. As the Group holds all voting rights in Frontken MIC Co. Limited and its subsidiary (Frontken-MIC (Wuxi) Co., Ltd.), it and its subsidiary (Frontken-MIC (Wuxi) Co., Ltd.) have been included in the consolidated financial statements since September 30, 2015.

Note 7: The Company's subsidiary, Marketech Integrated Pte. Ltd. (MIPL) originally held 100% of share ownership of Marketech International Sdn. Bhd. (MISB). The Company acquired shares for MISB's capital increase in October 2015 and thus, the Company holds 34% of shares in MISB, while MIPL's share ownership of MISB is reduced to 66% as of December 31, 2015. Furthermore, the Company acquired shares for MISB's capital increase in February 2016 and thus, the Company holds 51.12% of shares in MISB, while MIPL's share ownership of MISB is reduced to 48.88% as of March 31, 2016.

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: As of March 31, 2016, December 31, 2015 and March 31, 2015, the non-controlling interests amounted to $3,429, $5,202 and $3,619, respectively. Subsidiaries that have non-controlling interests are not material to the Group.

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

There is no significant change during the period. Please refer to Note 5 of 2015 consolidated financial statements.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	March 31, 2016	December 31, 2015	March 31, 2015
Cash on hand	$ 12,759	$ 18,237	$ 19,201
Checking accounts and demand deposits	1,431,992	1,370,532	1,290,898
Time deposits	16,196	16,105	48,056
Total	$ 1,460,947	$ 1,404,874	$ 1,358,155

A. The Group transacts 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. Other than the cash and cash equivalents pledged to others as shown in Note 8 that was transferred to 'other current assets', the Group has no cash and cash equivalents pledged to others.

(2) Financial assets at fair value through profit or loss – current

	March 31, 2016	December 31, 2015	March 31, 2015
Financial assets held for trading -listed stocks	$ 7,592	$ 7,592	$ 14,192
Valuation adjustment of financial assets held for trading	(1,051)	(1,873)	(1,789)
Total	$ 6,541	$ 5,719	$ 12,403

A. The Group recognised net gain of $822 and $707 on financial assets held for trading for the three-month periods ended March 31, 2016 and 2015, respectively.

B. The Group has no financial assets at fair value through profit or loss pledged to others.

(3) Notes receivable

	March 31, 2016	December 31, 2015	March 31, 2015
Notes receivable	$ 205,584	$ 107,617	$ 90,059
Less: allowance for bad debts	(1,225)	(1,225)	-
Total	$ 204,359	$ 106,392	$ 90,059

The Group does not hold any collateral as security.

(4) Accounts receivable

	March 31, 2016	December 31, 2015	March 31, 2015
Accounts receivable	$ 3,623,906	$ 3,428,979	$ 3,015,933
Less: allowance for bad debts	(353,793)	(356,232)	(341,524)
Total	$ 3,270,113	$ 3,072,747	$ 2,674,409

The Group does not hold any collateral as security.

(5) Inventories

	March 31, 2016		
	Cost	Allowance for valuation loss and loss on obsolete and slow-moving inventories	Book value
Materials	$ 375,560	($ 22,672)	$ 352,888
Merchandise inventory	706,954	(44,208)	662,746
Raw materials	437,518	(13,797)	423,721
Supplies	23,141	(1,359)	21,782
Work in process	495,716	(9,129)	486,587
Semi-finished goods and finished goods	152,428	(12,233)	140,195
Total	$ 2,191,317	($ 103,398)	$ 2,087,919

	December 31, 2015		
	Cost	Allowance for valuation loss and loss on obsolete and slow-moving inventories	Book value
Materials	$ 503,641	($ 22,255)	$ 481,386
Merchandise inventory	727,151	(44,139)	683,012
Raw materials	352,303	(12,742)	339,561
Supplies	23,550	(1,465)	22,085
Work in process	520,862	(9,490)	511,372
Semi-finished goods and finished goods	225,253	(14,401)	210,852
Total	$ 2,352,760	($ 104,492)	$ 2,248,268

	March 31, 2015		
	Cost	Allowance for valuation loss and loss on obsolete and slow-moving inventories	Book value
Materials	$ 400,394	($ 17,870)	$ 382,524
Merchandise inventory	788,101	(52,300)	735,801
Raw materials	399,887	(13,667)	386,220
Supplies	23,374	(1,904)	21,470
Work in process	430,654	(11,065)	419,589
Semi-finished goods and finished goods	147,803	(10,666)	137,137
Total	$ 2,190,213	($ 107,472)	$ 2,082,741

Relevant expenses of inventories recognised as operating costs for the three months ended March 31, 2016 and 2015 are as follows:

	Three months ended March 31	
	2016	2015
Construction cost	$ 2,062,473	$ 1,935,817
Cost of sales	1,449,540	1,169,800
Other operating cost	203,225	183,685
Valuation loss and loss on market value decline and obsolete and slow-moving inventories gains on reversal (Note)	(1,158)	2,808
Total	$ 3,714,080	$ 3,292,110

Note: The gain on reversal was recognized when certain inventories which were previously provided with allowance were subsequently scrapped or sold.

The Group has no inventories pledged to others.

(6) Prepayments

	March 31, 2016	December 31, 2015	March 31, 2015
Prepayment for purchases	$ 461,712	$ 358,506	$ 615,329
Others	36,709	40,120	39,847
Total	$ 498,421	$ 398,626	$ 655,176

(7) Construction contracts receivable / payable

	March 31, 2016	December 31, 2015	March 31, 2015
Aggregate costs incurred plus recognised profits (less recognised losses)	$ 21,306,539	$ 19,621,107	$ 16,120,475
Less: progress billings	(19,860,184)	(18,373,035)	(15,073,754)
Net balance sheet position for construction	$ 1,446,355	$ 1,248,072	$ 1,046,721
Presented as:			
Receivables from customers on construction contracts	$ 2,705,246	$ 2,485,012	$ 2,175,384
Payables to customers on construction contracts	(1,258,891)	(1,236,940)	(1,128,663)
	$ 1,446,355	$ 1,248,072	$ 1,046,721
Retentions relating to construction	$ 44,893	$ 40,509	$ 39,782
Advances received before the related construction work is performed	$ 158,270	$ 246,893	$ 114,436

(8) Financial assets measured at cost - non-current/ prepayments to long-term investments

	March 31, 2016	December 31, 2015	March 31, 2015
Non-current items:			
Taiwan Intelligent Fiber Optic Network Co., Ltd.	$ 44,024	$ 44,024	$ 44,024
Ares Green Technology Corp.	43,481	43,481	43,481
Taiwan Puritic Corp.	39,287	39,287	39,287
Calitech Co., Ltd.	37,534	38,563	38,675
Civil Tech Pte. Ltd.	19,500	19,500	19,500
VEEV Interactive Pte. Ltd.	15,243	15,243	25,243
ProbeLeader Co., Ltd.	14,490	14,490	14,490
IP Fund Six Co., Ltd.	10,000	10,000	10,000
Innorich Venture Capital Corp.	10,000	10,000	-
H&D Venture Capital Investment Corp.	8,320	12,800	20,000
Others (companies individually not exceeding $10,000)	44,307	40,326	38,327
Total	$ 286,186	$ 287,714	$ 293,027
Prepayments to long-term investments (listed as 'other non-current assets')			
MIC-TECH (Beijing) Environment Co.	$ -	$ -	$ 1,917

A. According to the Group's investment purpose, the abovementioned stocks held by the Group shall be classified as 'available-for-sale financial assets'. However, as the stocks are not traded in an active market, and no sufficient industry information of companies similar to the abovementioned companies can be obtained, the fair value of the stocks cannot be measured reliably. Accordingly, the Group classified those stocks as 'financial assets at cost – non-current'.

B. The Group has no financial assets measured at cost pledged to others.

(9) Investments accounted for using equity method

A. Details of investments accounted for using the equity method:

	March 31, 2016		December 31, 2015	
	Carrying amount	% interest held	Carrying amount	% interest held
Solmark Advanced Materials Technology, Inc.	$ 41,261	30%	$ 41,274	30%
Glory Technology Service Inc.	28,257	40%	28,316	40%
Leader Fortune Enterprise Co., Ltd.	4,435	31.43%	4,243	31.43%
MIC Techno Co., Ltd.	1,878	20%	1,882	20%
True Victor International Limited	-	-	289	38.57%
Total	$ 75,831		$ 76,004	

	March 31, 2015	
	Carrying amount	% interest held
Glory Technology Service Inc.	$ 30,418	40%
Leader Fortune Enterprise Co., Ltd.	7,560	31.43%
Frontken MIC Co. Limited (Note)	3,462	40%
MIC Techno Co., Ltd.	1,905	20%
True Victor International Limited	311	38.57%
Total	$ 43,656	

Note : The Group originally held 40% share ownership of Frontken MIC Co. Limited (Frontken MIC) and obtained the remaining 60% share ownership on September 30, 2015. As the Group holds all voting rights in Frontken MIC Co. Limited and its subsidiary (Frontken-MIC (Wuxi) Co., Ltd.), it and its subsidiary (Frontken-MIC (Wuxi) Co., Ltd.) have been included in the consolidated financial statements since September 2015.

B. Associates

Associates using equity method are all individually immaterial and the Group's share of the operating results are summarized below:

	Three-month periods ended March 31,	
	2016	2015
Profit for the period from continuing operations	$ 584	$ 147
Other comprehensive loss - net of tax	(182)	(353)
Total comprehensive income (loss)	$ 402	($ 206)

(10) Property, plant and equipment

	Land	Buildings	Machinery and equipment	Office equipment	Others	Total
At January 1, 2016						
Cost	$ 205,438	$ 1,792,625	$ 658,274	$ 176,041	$ 24,695	$ 2,857,073
Accumulated depreciation	-	(754,842)	(533,520)	(133,877)	(15,280)	(1,437,519)
Book value	$ 205,438	$ 1,037,783	$ 124,754	$ 42,164	$ 9,415	$ 1,419,554
Three months ended March 31, 2016						
Opening net book amount	$ 205,438	$ 1,037,783	$ 124,754	$ 42,164	$ 9,415	$ 1,419,554
Additions	-	27	2,428	3,321	773	6,549
Disposals	-	-	-	(30)	-	(30)
Depreciation	-	(15,375)	(5,564)	(3,770)	(403)	(25,112)
Net exchange differences	-	(1,101)	(219)	108	(1,784)	(2,996)
Closing net book amount	$ 205,438	$ 1,021,334	$ 121,399	$ 41,793	$ 8,001	$ 1,397,965
At March 31, 2016						
Cost	$ 205,438	$ 1,790,856	$ 659,800	$ 177,796	$ 23,745	$ 2,857,635
Accumulated depreciation	-	(769,522)	(538,401)	(136,003)	(15,744)	(1,459,670)
Book value	$ 205,438	$ 1,021,334	$ 121,399	$ 41,793	$ 8,001	$ 1,397,965

	Land	Buildings	Machinery and equipment	Office equipment	Others	Total
At January 1, 2015						
Cost	$ 205,438	$ 1,780,749	$ 612,043	$ 169,741	$ 34,703	$ 2,802,674
Accumulated depreciation	-	(693,862)	(501,053)	(131,365)	(14,918)	(1,341,198)
Book value	$ 205,438	$ 1,086,887	$ 110,990	$ 38,376	$ 19,785	$ 1,461,476
Three months ended March 31, 2015						
Opening net book amount	$ 205,438	$ 1,086,887	$ 110,990	$ 38,376	$ 19,785	$ 1,461,476
Acquired from business combination	-	9,556	478	3,492	(8,862)	4,664
Additions	-	-	26,439	368	3,820	30,627
Disposals	-	-	(37)	(75)	(129)	(241)
Depreciation	-	(15,573)	(6,411)	(3,639)	(323)	(25,946)
Net exchange differences	-	(3,351)	(462)	(227)	(144)	(4,184)
Closing net book amount	$ 205,438	$ 1,077,519	$ 130,997	$ 38,295	$ 14,147	$ 1,466,396
At March 31, 2015						
Cost	$ 205,438	$ 1,785,563	$ 649,362	$ 171,332	$ 29,008	$ 2,840,703
Accumulated depreciation	-	(708,044)	(518,365)	(133,037)	(14,861)	(1,374,307)
Book value	$ 205,438	$ 1,077,519	$ 130,997	$ 38,295	$ 14,147	$ 1,466,396

A. The Group has no interest capitalised to property, plant and equipment.

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

(11) Short-term borrowings

	March 31, 2016	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowing	$ 1,998,444	1.02%~5.132%	None
Mortgage loan	125,673	2.93%~5.0025%	Buildings and time deposits
	$ 2,124,117		

	December 31, 2015	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowing	$ 1,349,823	1.05%~5.335%	None
Mortgage loan	20,925	1.8%~2.972%	Buildings and time deposits
	$ 1,370,748		

	March 31, 2015	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowing	$ 1,128,582	1.1%~6.16%	None
Mortgage loan	25,036	1.24%~3.07%	Buildings and time deposits
	$ 1,153,618		

Details of mortgage loan are provided in Note 8.

(12) Other payables

	March 31, 2016	December 31, 2015	March 31, 2015
Salaries and bonus payable	$ 176,449	$ 297,362	$ 182,903
Accrued employees' compensation (bonuses) and directors' and supervisors' remuneration	67,779	46,197	39,813
Others	83,155	77,733	56,666
Total	$ 327,383	$ 421,292	$ 279,382

(13) Advance receipts

	March 31, 2016	December 31, 2015	March 31, 2015
Sales revenue received in advance	$ 607,774	$ 590,997	$ 691,821
Others	6,249	7,117	39,789
Total	$ 614,023	$ 598,114	$ 731,610

(14) Long-term borrowings

	Borrowing period and repayment term	Interest rate range	Collateral	March 31, 2015
Bank borrowings				
Mortgage loan	Borrowing period is from August 20, 2007 to August 20, 2017; interest is payable monthly; principal is payable from January 2008	3.68%	Buildings	$ 3,966
Less: current portion (listed as other current liabilities)				(1,536)
				$ 2,430

A. The Group has no long-term bank borrowings as of March 31, 2016 and December 31, 2015.

B. The Group has no long-term bank borrowings with interest that was past due.

C. The Group has not signed any unsecured borrowing facility contract which requires the Group to meet specified levels for certain financial ratios as per financial statements.

D. The Group has the following undrawn borrowing facilities:

	March 31, 2016	December 31, 2015	March 31, 2015
Floating rate:			
Expiring beyond one year	$ 900,000	$ 900,000	$ 900,000
Fixed rate:			
Expiring beyond one year	14,787	14,415	10,145
	$ 914,787	$ 914,415	$ 910,145

E. Details of pledged assets are provided in Note 8.

(15) Pensions

A.(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 the end of December 31, every year. If the account balance is insufficent to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Company will make contributions to cover the deficit by next March.

(b) For the aforementioned pension plan, the Group recognised pension costs of $801 and $696 for the three-month periods ended March 31, 2016 and 2015, respectively.

(c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2017 amounts to $5,328.

B.(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) The Company’s Mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (PRC) are based on certain percentage of employees’ monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

(c) Certain overseas subsidiaries have a defined contribution plan. Contributions to an independent fund are based on certain percentage of employees’ monthly salaries and wages and are recognised as pension cost. Other than the monthly contributions, the Group has no further obligations.

(d) The pension costs under the defined contribution pension plans of the Company for the three-month periods ended March 31, 2016 and 2015 were $19,602 and $19,297, respectively.

(16) Share-based payment

A. For the three-month periods ended March 31, 2016 and 2015, the Company’s share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted (in thousands)	Contract period	Vesting conditions
Employee stock options	2015.9.11	3,956	6 years	2~4 years’ service

The share-based payment arrangements above are all settled by equity.

B. Details of the share-based payment arrangements are as follows:

	Three months ended March 31,			
	2016		2015	
	No. of options	Weighted-average exercise price (in dollars)	No. of options	Weighted-average exercise price (in dollars)
Options outstanding at beginning of the period	3,956	$ 19.60	-	$ -
Options granted	-	-	-	-
Options exercised	-	-	-	-
Options forfeited	-	-	-	-
Options outstanding at end of the period	3,956	19.60	-	
Options exercisable at end of the period	-		-	
Options approved but not yet issued at end of the period	44		-	

C. The expiry date and exercise price of stock options outstanding at balance sheet date are as follows:

		March 31, 2016	
Issue date approved	Expiry date	No. of shares (in thousands)	Exercise price (in dollars)
2015.9.11	2021.9.10	3,956	$ 19.60

D. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends	Risk-free interest rate
Employee stock options	2015.9.11	$ 19.60	$ 19.60	34.91%	4.375 years	0%	0.81%

E. Expenses incurred on share-based payment transactions are $1,976 and $0 for the three months ended March 31, 2016 and 2015, respectively.

(17) Share capital

As of March 31, 2016, the Company’s authorized capital was $2,500,000, consisting of 250 million shares of ordinary stock (including 9,800 thousand shares reserved for employee stock options), and the paid-in capital was $1,650,698 with a par value of $10 (in dollars) per share amounting to 165,069,756 shares. All proceeds from shares issued have been collected.

(18) 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.

Details of movements in capital surplus are as follows:

	Three months ended March 31, 2016			
	Share premium	Employee stock options	Expired stock options	Total
At January 1	$ 616,003	$ 2,419	$ 351	$ 618,773
Compensation cost of employee stock options	-	1,976	-	1,976
At March 31	$ 616,003	$ 4,395	$ 351	$ 620,749

	Three months ended March 31, 2015			
	Share premium	Employee stock options	Expired stock options	Total
At January 1	$ 616,003	$ -	$ 351	$ 616,354
At March 31	$ 616,003	$ -	$ 351	$ 616,354

(19) Retained earnings

A. Under the Company's 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 and special reserve. The remaining amount along with the prior years' unappropriated earnings are resolved by the Board of Directors and proposed to the stockholders for appropriation or reserve.

B. The Company's dividend policy is summarized below: in consideration of the overall environment development and industrial growth, fulfilling future operation development needs as priority and optimizing financial structure, distribution of dividends shall not exceed 50% of the stock dividend distributed.

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 amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Financial-Supervisory-Securities-Firms No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

E.(a) Details of 2015 earnings appropriation proposed by the Board of Directors on Feburary 22, 2016 and details of 2014 earnings appropriation resolved by the stockholders on May 28, 2015, respectively are as follows:

	2015		2014	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 45,872	$ -	$ 38,454	$ -
Cash dividends	330,140	2.0	330,140	2.0
Total	$ 376,012		$ 368,594	

The abovementioned distribution of earnings for the year of 2014 was in agreement with those amounts proposed by the Board of Directors on February 24, 2015. The distribution of earnings for the year of 2015 has not been resolved by the shareholders, thus, no dividends payable was accrued in these consolidated financial statements.

Information about the earnings distribution of 2014 as resolved by the Board of Directors and shareholders and the earnings distribution of 2015 as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

F. For the information relating to employees' compensation (bonuses) and directors' and supervisors' remuneration, please refer to Note 6(22).

(20) Operating revenue

	Three months ended March 31, 2016	Three months ended March 31, 2015
Construction revenue	$ 2,195,889	$ 2,046,331
Sales revenue	1,693,636	1,359,033
Other operating revenue	352,721	290,292
Total	$ 4,242,246	$ 3,695,656

(21) Other gains and losses

	Three months ended March 31, 2016	Three months ended March 31, 2015
Net gains on financial assets at fair value through profit or loss	$ 822	$ 707
Gain on disposal of investments	2,018	349
Exchange loss	(12,015)	(33,550)
Other losses	(3,813)	(4,862)
Total	($ 12,988)	($ 37,356)

(22) Employee benefit expense, depreciation and amortisation

A. Employee benefit expense, depreciation and amortisation

	Three months ended March 31, 2016		
	Operating costs	Operating expenses	Total
Employee benefit expense			
Wages and salaries	$ 155,877	$ 195,729	$ 351,606
Compensation cost of employee stock options	-	1,976	1,976
Labour and health insurance fees	12,920	12,893	25,813
Pension costs	9,938	10,465	20,403
Other employee benefit expense	4,154	7,241	11,395
Depreciation	13,636	11,476	25,112
Amortisation	1,292	3,897	5,189

	Three months ended March 31, 2015		
	Operating costs	Operating expenses	Total
Employee benefit expense			
Wages and salaries	$ 138,840	$ 173,713	$ 312,553
Labour and health insurance fees	14,459	13,872	28,331
Pension costs	10,151	9,842	19,993
Other employee benefit expense	3,873	6,310	10,183
Depreciation	17,342	8,604	25,946
Amortisation	1,267	4,375	5,642

B. Employees' compensation (bonuses) and directors' and supervisors' remuneration

(a) According to the Articles of Incorporation of the Company, when distributing earnings, 1%~15% shall be appropriated as employees' bonus and 1% shall be appropriated as directors' and supervisors' remuneration. However, in accordance with the revised Articles

235, 240 and newly added Article 235-1 of the Company Act, effective May 20, 2015, dividend and bonus (earnings distribution) are paid only for shareholders. Earnings are not distributed to employees. The Articles of Incorporation provides that profits for the year shall be distributed as compensation to employees at a certain ratio.

Due to the procedure restriction to revise the Articles of Incorporation, the procedure of appropriation of remuneration to directors and supervisors and compensation to employees was approved by the Board of Directors on August 3, 2015 but has not yet been resolved by the shareholders. If the Company has any profit for the current year, the Company shall first set not to be higher than 3% as directors' and supervisors' remuneration and then 1%~15% as employees' compensation in accordance with the Company Act. If a company has accumulated deficit, earnings shall be retained to cover losses. Therefore, the Company accrued the employees' compensation based on the current Articles of Incorporation which was approved by the Board of Directors but not yet resolved by stockholders. The Company expects to revise the Company's Articles of Incorporation in 2016 based on the amended Company Act.

(b) The employees' compensation and supervisors' and directors' remuneration were accrued based on the current profit before income tax for the three months ended March 31, 2016. The accrued employees' compensation and directors' and supervisors' remuneration were recognised in salary expense.

The employees' bonus and supervisors' and directors' remuneration for the three months ended March 31, 2015 were accrued based on the current post-tax profit and the percentage as prescribed by the Company's Articles of Incorporation, taking into account other factors such as legal reserve. The accrued employees' bonus and directors' and supervisors' remuneration were recognised in salary expense.

(c) For the three months ended March 31, 2016 and 2015, employees' compensation (bonuses) and directors' and supervisors' remuneration are accrued as follows:

	Three months ended March 31	
	2016	2015
Employees' remuneration (bonuses)	$ 19,601	$ 1,446
Directors' and supervisors' remuneration	1,980	146
	$ 21,581	$ 1,592

The Board of Directors has proposed that the Company distribute employees' compensation of $40,000 and directors' and supervisors' remuneration of $6,197 on February 22, 2016.

Abovementioned information about employees' compensation (bonuses) and directors' and supervisors' remuneration will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(23) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended March 31	
	2016	2015
Current tax		
Current tax on profits for the period	$ 32,841	$ 31,245
Adjustments in respect of prior years	(12)	738
Total current tax	32,829	31,983
Deferred tax		
Origination and reversal of temporary differences	3,208	(24,611)
Income tax expense	$ 36,037	$ 7,372

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

	Three months ended March 31	
	2016	2015
Currency translation differences of foreign operations	$ 851	$ 3,318

B. Assessment of the Company's and domestic subsidiary's income tax returns is as follows:

	Assessment
The Company	Through 2013
eZoom Information, Inc.	Through 2013

C. Unappropriated retained earnings:

	March 31, 2016	December 31, 2015	March 31, 2015
Earnings generated in and before 1997	$ -	$ -	$ -
Earnings generated in and after 1998	1,683,751	1,542,603	1,482,729
	$ 1,683,751	$ 1,542,603	$ 1,482,729

D. As of March 31, 2016, December 31, 2015 and March 31, 2015, the balance of the imputation tax credit account was $352,687, $354,821 and $322,956, respectively. The creditable tax rate was 27.15% for 2014 and is estimated to be 27.88% for 2015.

(24) Earnings per share

	Three months ended March 31, 2016		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 141,148	165,070	$ 0.86
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Employee stock option		51	
Employees' compensation		2,207	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 141,148	167,328	$ 0.84

	Three months ended March 31, 2015		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 15,456	165,070	$ 0.09
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonuses		1,234	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 15,456	166,304	$ 0.09

(25) Operating leases

Details are provided in Note 9(1).

(26) Business combinations

A. Acquired the share ownership of MICT International Limited

(a) The Group originally held 50% share ownership of MICT International Limited (MICT) and obtained the remaining 50% share ownership on March 3, 2015. As the Group holds all voting rights in MICT International Limited and its subsidiary (Integrated Manufacturing & Services Co., Ltd.), MICT and Integrated Manufacturing & Services Co., Ltd. are included in the consolidated entities since March 2015.

(b) The following table summarizes the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the fair value at the acquisition date of the non-controlling interests in MICT:

		March 3, 2015
Purchase consideration		
Cash	$	12,453
Fair value of interests in MICT on the acquisition date that had been owned prior to the acquisition		11,670
	$	24,123
Fair value of the identifiable assets acquired and liabilities assumed		
Investments accounted for using equity method	$	23,340
Total identifiable net assets	$	23,340
Goodwill	$	783

(c) The Group recognised a gain of $349 as a result of measuring at fair value its 50% equity interest in MICT held before the business combination.

(d) The operating revenue included in the consolidated statement of comprehensive income since March 2015 until March 31, 2015 contributed by MICT and its subsidiary was $847. MICT and its subsidiary also contributed profit before income tax of $712 over the same period. Had MICT and its subsidiary been consolidated starting from January 1, 2015, the consolidated statement of comprehensive income would show operating revenue of $3,697,147 and profit before income tax of $21,662 for the three months ended March 31, 2015.

7. RELATED PARTY TRANSACTIONS

(1) Significant related party transactions and balances

A. Sales of goods and services

	Three months ended March 31, 2016		Three months ended March 31, 2015	
Sales of goods				
Other related parties	$	17,135	$	-
Entities controlled by key management or entities with significant influence		-		12,139
Total	$	17,135	$	12,139

Prices to related parties and third parties are based on normal sales transactions and sales are collected 2 to 3 months after the completion of transactions.

B. Acquisition of goods and services

	Three months ended March 31, 2016		Three months ended March 31, 2015	
Outsourcing construction costs				
Other related parties	$	7,260	$	-
Entities controlled by key management or entities with significant influence		1,165		10,371
Total	$	8,425	$	10,371

The outsourcing construction costs paid to related parties and third parties are based on normal construction contracts or individual agreements. Furthermore, the payment terms to related parties are approximately the same to third parties, which is about 2 months after inspection of constructions depending on the construction contracts or individual agreements.

C. Receivables from related parties

Accounts receivable

	March 31, 2016		December 31, 2015		March 31, 2015	
Other related parties	$	1,422	$	12,591	$	-
Entities controlled by key management or entities with significant influence		75		11,211		12,830
Associates		38		-		998
Subtotal		1,535		23,802		13,828
Less: allowance for bad debts	(	28)	(	461)	(	128)
Total	$	1,507	$	23,341	$	13,700

The collection terms to related parties and third parties are about 2 to 3 months after the sales while terms for construction are about 2 to 3 months after inspection of construction depending on the construction contracts or individual agreements.

D. Payables to related parties

Accounts payable

	March 31, 2016	December 31, 2015	March 31, 2015
Entities controlled by key management or entities with significant influence	$ 11,928	$ 20,610	$ 11,806
Other related parties	7,047	-	153
Total	$ 18,975	$ 20,610	$ 11,959

The payment terms to related parties and third parties are about 2 to 3 months after inspection of purchases. The payment terms for outsourcing construction costs are about 2 months after inspection of construction, depending on normal construction contracts or individual agreements.

E. Construction contracts receivable

	March 31, 2016	December 31, 2015	March 31, 2015
Associates	$ 7,072	$ 7,044	$ 12,235
Entities controlled by key management or entities with significant influence	6,483	6,483	6,655
Other related parties	39	44	2,758
Total	$ 13,594	$ 13,571	$ 21,648

F. Property transactions

On March 31, 2016, December 31, 2015 and March 31, 2015, the Group has acquired computer equipment and related software from entities controlled by key management and the acquisition price was $4,424, $16,445 and $2,897 (recorded as ‘property, plant and equipment’ and ‘intangible assets’), respectively.

(2) Key management compensation

	Three months ended March 31, 2016	Three months ended March 31, 2015
Salaries and other short-term employee benefits	$ 9,944	$ 7,896

8. PLEDGED ASSETS

Details of the book value of the Group's assets pledged as collateral are as follows:

Pledged asset	Book value			Purpose
	March 31, 2016	December 31, 2015	March 31, 2015	
Time deposits (recorded as 'other current assets')	$ 19,035	$ 17,769	$ 55,118	Guarantee for bank's borrowing facility
Refundable deposits (recorded as 'other current assets')	41,471	45,022	23,916	Bid bond and performance guarantee
Buildings (recorded as 'property, plant and equipment')	164,352	167,820	178,776	Guarantee for bank's borrowing facility
	$ 224,858	$ 230,611	$ 257,810	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

Commitments

(1) Operating leases agreements

The Group leases buildings under non-cancellable operating lease agreements. The lease terms are under 10 years, and all these lease agreements are renewable at the end of the lease period. Rental is increased periodically to reflect market rental rates. The Group recognised rental costs and expenses of $28,109 and $26,618 for these leases in profit or loss for the three months ended March 31, 2016 and 2015, respectively. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	March 31, 2016	December 31, 2015	March 31, 2015
Not later than one year	$ 47,306	$ 49,740	$ 41,729
Later than one year but not later than five years	70,393	72,361	53,530
Later than five years	29,412	27,880	36,469
Total	$ 147,111	$ 149,981	$ 131,728

(2) As of March 31, 2016, the notes and letters of guarantee used for construction performance and custom security amounted to $1,781,178.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk management

There was no significant change during the period. Please refer to Note 12 of 2015 consolidated financial statements.

(2) Financial instruments

A. Fair value information of financial instruments

There was no significant change during the period. Please refer to Note 12 of 2015 consolidated financial statements.

B. Financial risk management policies

There was no significant change during the period. Please refer to Note 12 of 2015 consolidated financial statements.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, RMB and EUR. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.
- 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, SGD 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:

	March 31, 2016					
				Sensitivity analysis		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD：NTD	$ 36,560	32.185	$ 1,176,689	1%	$ 11,767	$ -
USD：RMB	12,808	6.4734	412,210	1%	4,122	-
EUR：NTD	4,003	36.51	146,133	1%	1,461	-
JPY：NTD	361,422	0.2863	103,475	1%	1,035	-
Financial liabilities						
Monetary items						
USD：NTD	$ 3,811	32.185	$ 122,658	1%	$ 1,227	$ -
USD：RMB	31,579	6.4734	1,016,386	1%	10,164	-
USD：SGD	1,636	1.3495	52,647	1%	526	-

	December 31, 2015					
				Sensitivity analysis		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD：NTD	$ 29,918	32.825	$ 982,063	1%	$ 9,821	$ -
USD：RMB	9,073	6.5717	297,827	1%	2,978	-
EUR：NTD	3,836	35.88	137,640	1%	1,376	-
EUR：USD	1,108	1.09	39,748	1%	397	-
JPY：NTD	213,944	0.2727	58,343	1%	583	-
Financial liabilities						
Monetary items						
USD：NTD	$ 3,990	32.825	$ 130,972	1%	$ 1,310	$ -
USD：RMB	22,133	6.5717	726,510	1%	7,265	-
USD：SGD	1,757	1.4118	57,670	1%	577	-
JPY：NTD	172,377	0.2727	47,007	1%	470	-

	March 31, 2015					
				Sensitivity analysis		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD：NTD	$ 23,680	31.30	$ 741,179	1%	$ 7,412	$ -
USD：RMB	7,911	6.2055	247,615	1%	2,476	-
EUR：NTD	5,679	33.65	191,095	1%	1,911	-
EUR：USD	2,226	1.08	74,920	1%	749	-
JPY：NTD	193,797	0.2604	50,465	1%	505	-
USD：SGD	1,777	1.3752	55,633	1%	556	-
Non-monetary items						
USD：SGD	2,000	31.30	62,600	1%	626	-
Financial liabilities						
Monetary items						
USD：NTD	$ 5,138	31.30	$ 160,834	1%	$ 1,608	$ -
USD：RMB	26,604	6.2055	832,693	1%	8,327	-
USD：SGD	1,945	1.3752	60,885	1%	609	-

- 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.

	Three months ended March 31, 2016		
	Exchange gain (loss)		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD：RMB	($ 315)	6.4734	($ 1,568)
USD：NTD	-	32.185	(17,198)
EUR：USD	(236)	1.130	(7,607)
Financial liabilities			
Monetary items			
USD：RMB	($ 4,107)	6.4734	($ 20,417)

	Three months ended March 31, 2015		
	Exchange gain (loss)		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
EUR：NTD	$ -	33.65	($ 9,912)
EUR：USD	(577)	1.08	(18,060)
Financial liabilities			
Monetary items			
USD：RMB	($ 1,188)	6.2055	($ 5,991)

Price risk

- The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet at fair value through profit or loss.
- The Company’s investments in equity securities comprise listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, profit for the three months ended March 31, 2016 and 2015 would have increased/decreased by $76 and $142, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

Interest rate risk

- The Group’s interest rate risk arises from bank borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Changes in market interest rate will change effective interest rates of bank borrowings and thus fluctuate future cash flow. As the Group’s operating capital is sufficient and risk is mostly offset by cash and cash equivalents held at variable rates, the Group has assessed there is no significant interest rate shift in cash flow risk.
- The Group analyses its interest rate exposure. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.
- Under the Group’s simulation analysis result of interest risk, if the interest rate had increased/decreased by 1% with all other variables held constant, profit for the three months ended March 31, 2016 and 2015 would have increased/ decreased by $17,630 and $9,608, respectively.

(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. Described as follows:

- The Group has assessed the credit status of counterparties when selling products and goods or services. So it expects that the probability of counterparty default is remote. The Group's maximum exposure to credit risk at balance sheet date is the carrying amount.
- 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 and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.
- For banks and financial institutions, only rated parties with good ratings are accepted.
- The endorsements and guarantees provided by the Group are all in accordance with "Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies". The Group knows the credit status of endorsees well and does not require any security. If there is any non-performance, the performance amount is the possible credit risk.

ii. 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 ageing analysis of notes and accounts receivable (including related parties) that were past due but not impaired is calculated from the invoice date as follows:

	March 31, 2016	December 31, 2015	March 31, 2015
Up to 90 days	$ 883,391	$ 661,497	$ 934,923

iv. Movement analysis of notes and accounts receivable (including related parties) that were impaired is as follows:

a. As of March 31, 2016, December 31, 2015 and March 31, 2015, the Group's accounts receivable that were impaired amounted to $2,526,881, $2,376,220 and $1,954,769, and allowance for bad debt was accrued as $355,046, $357,918 and $341,652, respectively.

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

	Three months ended March 31, 2016		
	Individual provision	Group provision	Total
At January 1	$ 191,893	$ 166,025	$ 357,918
Reversal of impairment during the period	-	(1,170)	(1,170)
Write-offs during the period	(924)	-	(924)
Transfer during the period	(1,421)	1,421	-
Effect of exchange rate	(415)	(363)	(778)
At March 31	$ 189,133	$ 165,913	$ 355,046

	Three months ended March 31, 2015		
	Individual provision	Group provision	Total
At January 1	$ 175,381	$ 135,094	$ 310,475
Provision of impairment during the period	36,905	3,712	40,617
Write-offs during the period	(8,095)	-	(8,095)
Transfer during the period	33,443	(33,443)	-
Effect of exchange rate	(737)	(608)	(1,345)
At March 31	$ 236,897	$ 104,755	$ 341,652

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

	March 31, 2016	December 31, 2015	March 31, 2015
Type A	$ 14	$ 4,387	$ 1,064
Type B	119,677	233,420	90,797
Type C	301,062	284,874	138,267
	$ 420,753	$ 522,681	$ 230,128

Type A: No credit limit. Clients include government institutions and government -owned corporations.

Type B: Credit limit is 130% of the average of transactions in the past year. Clients are counterparties whose average annual transactions reach NT$30,000 for the most recent 3 years and who have stable sales and optimal financials.

Type C: Credit limit is gained through assessment based on 'Client Credit Ranking Sheet'.

(c) Liquidity risk

i. The Group invests in financial assets measured at fair value through profit or loss in active markets, so it expects to sell the financial assets in markets with prices approximate to fair value. Financial assets at cost are not traded in active markets, thus, liquidity risk is expected. However, the Group's operating capital is sufficient to fulfill the Group's capital needs and it does not expect significant liquidity risk.

ii. The table below analyses the Group's non-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.

Non-derivative financial liabilities

March 31, 2016	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 2,124,117	$ -	$ -	$ -
Notes payable (including related parties)	663,181	-	-	-
Accounts payable (including related parties)	2,532,785	-	-	-
Other payables	327,383	-	-	-

Non-derivative financial liabilities

December 31, 2015	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 1,370,748	$ -	$ -	$ -
Notes payable (including related parties)	806,991	-	-	-
Accounts payable (including related parties)	2,761,374	-	-	-
Other payables	421,292	-	-	-

March 31, 2015	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 1,153,618	$ -	$ -	$ -
Notes payable (including related parties)	730,314	-	-	-
Accounts payable (including related parties)	2,641,569	-	-	-
Other payables	279,382	-	-	-
Long-term borrowings (including current portion)	1,536	1,593	837	-

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. Details of the fair value of the Group's financial assets and financial liabilities not measured at fair value are provided in Note 12(2)A.

B. 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. The fair value of the Group's investment in listed stocks is included in Level 1.

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.

C. 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 March 31, 2016, December 31, 2015 and March 31, 2015 is as follows:

March 31, 2016	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 6,541	$ -	$ -	$ 6,541

December 31, 2015	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 5,719	$ -	$ -	$ 5,719

March 31, 2015	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 12,403	$ -	$ -	$ 12,403

D. Instruments which use market quoted prices as their fair value (that is, Level 1), are using the closing prices of listed shares as market quoted prices based on characteristics of the instruments.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries and associates): Please refer to table 3.

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

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

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

G. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: None.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: None.

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

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: Please refer to table 6.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the Chief Operating Decision-Maker that are used to make strategic decisions.

The Group is divided into the following 4 segments:

A. Agency for equipment materials segment: mainly engaged in semiconductor, optoelectronics and other high-tech industrial processing and trading, distribution, after-sale service and technical support of factory equipment and its material, chemicals and parts.

B. Process system and mechatronic system service segment: mainly contracting electrical, clean room, peripheral system facilities and process, engaged in lump sum contracts, providing integrated services consisting of planning, design, construction, supervision, installation, testing, operational consulting, maintenance and repair for gas, automatic supply system of chemicals, special gas and factory monitor system. Services for general industries such as petrochemical plant, conventional industry plant, mechatronic system for intelligent buildings.

C. Customized equipment manufacturing segment: mainly engaged in research and development of customized automation equipment and process based on request of customers in semiconductor, optoelectronics and traditional industry.

D. Other segments: mainly providing repair, cleaning and renewal services to customers' equipment and device in semiconductor, optoelectronics and traditional industry.

(2) Measurement of segment information

Management evaluates the performance of the operating segments based on their operational efficiency. The Group's Chief Operating Decision-Maker allocates resources and assesses performance of the operating segments based on the measurement and it is measured in a manner consistent with operating income in the consolidated statement of comprehensive income. There is no material change in the operating segments' accounting policies and accounting estimates and assumptions.

(3) Segment profit information

The segment information provided to the Chief Operating Decision-Maker for the reportable segments for the three months ended March 31, 2016 and 2015 is as follows:

	Three months ended March 31, 2016				
	Sales and services for equipment materials segment	Facility system and mechanic & electric system service segment	Customized equipment manufacturing segment	Other segments	Total
Revenue from external customers	$ 808,694	$ 2,661,897	$ 758,178	$ 13,477	$ 4,242,246
Inter-segment revenue	37,940	16,391	1,094	1,481	56,906
Total segment revenue	$ 846,634	$ 2,678,288	$ 759,272	$ 14,958	$ 4,299,152
Segment profit	$ 85,620	$ 33,391	$ 73,906	($ 369)	$ 192,548

	Three months ended March 31, 2015				
	Sales and services for equipment materials segment	Facility system and mechanic & electric system service segment	Customized equipment manufacturing segment	Other segments	Total
Revenue from external customers	$ 671,581	$ 2,276,252	$ 733,694	$ 14,129	$ 3,695,656
Inter-segment revenue	11,633	10,214	5,976	1,379	29,202
Total segment revenue	$ 683,214	$ 2,286,466	$ 739,670	$ 15,508	$ 3,724,858
Segment profit (loss)	$ 73,605	($ 26,005)	$ 11,139	$ 784	$ 59,523

(4) Reconciliation for segment income (loss)

Sales and services between segments are carried out at arm's length. The revenue and financial information from external customers reported to the Chief Operating Decision-Maker is measured in a manner consistent with that in the statement of comprehensive income. A reconciliation of reportable segment income or loss to the income before tax from continuing operations for the three months ended March 31, 2016 and 2015 is provided as follows:

	Three months ended March 31	
	2016	2015
Reportable segments income	$ 192,917	$ 58,739
Other reportable segments (loss) income	(369)	784
Total segments	192,548	59,523
Other gains and losses	(19,176)	(37,480)
Gain on disposal of investments	2,018	349
Income before tax from continuing operations	$ 175,390	$ 22,392

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

Loans to others

Three months ended March 31, 2016

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No. （Note 1）	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31, 2016 （Note 2）	Balance at March 31, 2016 （Note 6）	Actual amount drawn down	Interest rate (%)	Nature of loan （Note 3）	Amount of transactions with the borrower	Reason for short-term financing	Allowance for bad debts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
0	Marketech International Corp.	Marketech International Sdn.Bhd.	Other receivables	Y	$ 25,748	$ 25,748	$ -	4.756	2	$ -	Operations	$ -	None	-	$ 1,839,425	$ 1,839,425	Note 4
1	MIC-Tech Electronics Engineering Corp.	Shanghai Puritic Co., Ltd.	Other receivables	Y	53,381	52,205	42,261	4.785-5.865	2	-	Operations	-	None	-	246,562	246,562	Note 5
1	MIC-Tech Electronics Engineering Corp.	ChenGao M&E Engineering (Shanghai) Co., Ltd.	Other receivables	Y	2,034	1,989	1,989	4.785	2	-	Operations	-	None	-	246,562	369,843	Note 4 Note 5
2	MIC-Tech (WuXi) Co., Ltd.	MIC-Tech Electronics Engineering Corp.	Other receivables	Y	50,839	-	-	-	2	-	Operations	-	None	-	55,814	83,720	Note 4 Note 5
2	MIC-Tech (WuXi) Co., Ltd.	Integrated Manufacturing & Services Co., Ltd.	Other receivables	Y	30,503	29,831	17,402	5.0025-6.5	2	-	Operations	-	None	-	55,814	83,720	Note 4 Note 5
3	MIC-Tech (Shanghai) Corp. Ltd.	MIC-Tech China Trading (Shanghai) Co. Ltd.	Other receivables	Y	57,441	14,916	14,916	4.785	2	-	Operations	-	None	-	141,200	211,799	Note 4 Note 5
4	MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech Electronics Engineering Corp.	Other receivables	Y	50,175	48,278	48,278	4.896	2	-	Operations	-	None	-	518,432	777,649	Note 4

Note 1:The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1)The Company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2:Fill in the maximum outstanding balance of loans to others during the three months ended March 31, 2015.

Note 3:Fill in the nature of the loan as follows:

(1)Fill in 1 for business transactions and the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

(2)Fill in 2 for short-term financing and the purpose of loan, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 4:Limit on the loans from the Company and MIC-Tech Ventures Asia Pacific Inc.:

(1)Limit on the accumulated balance of loans to others provided by the foreign companies whose voting rights are 100% owned directly and indirectly by the Company is 60% of the net assets based on the latest financial statements of subsidiaries who receive the loans.

(2)For business transactions, limit on loans granted for a single party is the amount of the transactions.

(3)For short-term borrowings, limit on loans granted for a single party is 40% of the Company’s net assets.

(4)Limit of the accumulated balance of loans from (2) and (3) is 40% of the net assets based on the latest financial statements of the Company.

Note 5:Limit on the loans provided by the Company’s mainland subsidiaries:

(1)Limit on the accumulated balance of loans to others provided by the foreign companies whose voting rights are 100% owned directly and indirectly by the Company’s mainland subsidiaries is 60% of the net assets based on the latest financial statements of the lending companies. The following (2) and (3) do not apply to the limit.

(2)For business transactions, limit on loans granted for a single party is the amount of the transactions.

(3)For short-term borrowings, limit on loans granted for a single party is 40% of the lending company’s net assets.

(4)Limit of the accumulated balance of loans from (2) and (3) is 40% of the net assets based on the latest financial statements of the lending company.

Note 6:The ending balance is the amount resolved by the Board of Directors.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
Provision of endorsements and guarantees to others
Three months ended March 31, 2016

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of March 31, 2016 (Note 5)	Outstanding endorsement/ guarantee amount at March 31, 2016 (Note 6)	Actual amount drawn down (Note 7)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
0	Marketech International Corp.	Marketech Integrated Pte. Ltd.	2	$ 2,299,282	$ 50,175	$ 48,278	$ 48,278	-	1.05	$ 4,598,563	Y	N	N	Note 3
0	Marketech International Corp.	MIC-Tech (Shanghai) Corp. Ltd.	3	2,299,282	692,041	675,059	427,742	-	14.68	4,598,563	Y	N	Y	Note 3
0	Marketech International Corp.	MIC-Tech (WuXi) Co., Ltd.	3	2,299,282	324,115	315,640	315,640	-	6.86	4,598,563	Y	N	Y	Note 3
0	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	3	2,299,282	1,259,031	1,231,602	958,067	-	26.78	4,598,563	Y	N	Y	Note 3
1	Marketech Co., Ltd. (Hoa Phong Marketech Co., Ltd.)	MIC-Tech Viet Nam Co., Ltd.	3	2,299,282	38,495	33,445	33,445	-	0.73	4,598,563	N	N	N	Note 4
2	MIC-Tech Electronics Engineering Corp.	MIC-Tech (Shanghai) Corp. Ltd.	3	2,299,282	67,082	65,604	65,604	-	1.43	4,598,563	N	N	Y	Note 4

Note 1:The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:
(1)The Company is '0'.
(2)The subsidiaries are numbered in order starting from '1'.

Note 2:Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to:
(1)Having business relationship.
(2)The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.
(3)The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.
(4)The endorsed/guaranteed parent company directly or indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.
(5)Mutual guarantee of the trade as required by the construction contract.
(6)Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

Note 3:Limit on endorsements and guarantees stated in"Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies":
(1)In accordance with mutual guarantee requirement in the same industry for contracting constructions, limit on the total amount is 5 times of the Company's net assets.
(2)Except for guarantees for contracting constructions, limit on the Company's accumulated endorsement/guarantee is the Company's net assets; limit on endorsement/guarantee to a single party is 50% of the Company's net assets. Limit on the total endorsement/guarantee of the Company and its subsidiaries as a whole is 1.5 times of the Company's net assets; limit on endorsement/guarantee to a single party is 75% of the Company's net assets.

Note 4:Limit on endorsements and guarantees of the Company's subsidiary - Marketech Co., Ltd. (Hoa Phong Marketech Co., Ltd.) and MIC-Tech Electronics Engineering Corp.:
(1)In accordance with mutual guarantee requirement in the same industry for contracting constructions, limit on the total amount is 5 times of the Company's net assets.
(2)Except for guarantees for contracting constructions, limit on the accumulated endorsements and guarantees is the endorser company's net assets; limit on endorsement/guarantee to a single party is 50% of the endorser company's net assets. Limit on the total endorsement/guarantee of the endorser company and its subsidiaries as a whole is 1.5 times of the endorser company's net assets; limit on endorsement/guarantee to a single party is 75% of the endorser company's net assets.
(3)Limit on endorsements and guarantees to a company of which the endorser company and the ultimate parent company directly or indirectly holds 90% or above of its share capital is 10 times of the endorser company's net assets and may not exceed 10% of the ultimate parent's net assets. However, the endorsements and guarantees of the ultimate parent to companies which it holds 100% of voting shares are not subject to the preceding and Note 4(2) limits. Nonetheless, limit is subject to paragraph 4.2 of "Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies": (see above Note 3(2) details of the Company's endorsement/guarantee).

Note 5:Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 6:As of the balance sheet date, companies which provide contracts or notes for endorsements/guarantees to banks bear the responsibility of endorsements/guarantees as credit limit of the contracts or notes are approved. Other related endorsements/guarantees should be included in the outstanding balance of endorsements/guarantees. The outstanding balance is the amount resolved by the Company's Board of Directors.

Note 7:Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

Three months ended March 31, 2016

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

					As of March 31, 2016					
Securities held by	Type of marketable securities	Name of marketable securities (Note 1)	Relationship with the securities issuer	General ledger account	Number of shares	Book value (Note 2)	Ownership (%)	Fair value	Collateral	Footnote
Marketech International Corp.	Ordinary shares	Lasertec Corporation	None	Financial assets measured at fair value through profit or loss - current	10,000	$ 4,541	-	$ 4,541	None	
〃	〃	Solar Applied Materials Technology Corp.	〃	〃	50,000	945	-	945	〃	
	〃	Aerospace Industrial Development Corp.	〃	〃	25,000	1,055	-	1,055	〃	
						$ 6,541		$ 6,541		
〃	Ordinary shares	Ares Green Technology Corp..	None	Financial assets measured at cost - non-current	2,711,261	$ 43,481	7.96%	$ -	None	
〃	〃	Taiwan Puritic Corp.	〃	〃	6,191,181	39,287	10.32%	-	〃	
〃	〃	Calitech Co., Ltd.	〃	〃	3,025,199	37,534	10.53%	-	〃	
〃	〃	SOPOWER Technology Corp.	Entities controlled by key management or entities with significant influence	〃	189,233	-	12.61%	-	〃	
〃	〃	VEEV Interactive Pte. Ltd.	None	〃	840,000	15,243	6.45%	-	〃	
〃	〃	Taiwan Intelligent Fiber Optic Network Co.,Ltd.	〃	〃	3,868,261	44,024	1.72%	-	〃	
〃	〃	H&D Venture Capital Investment Corp.	Entities controlled by key management or entities with significant influence	〃	832,000	8,320	6.67%	-	〃	
〃	〃	Civil Tech Pte. Ltd.	None	〃	450,000	19,500	0.90%	-	〃	
〃	〃	ProbeLeader Co., Ltd.	Entities controlled by key management or entities with significant influence	〃	966,000	14,490	3.46%	-	〃	
〃	〃	H&H Venture Capital Investment Corp.	None	〃	239,400	2,394	4.17%	-	〃	
〃	〃	Top Green Energy Technologies,Inc.	〃	〃	2,000,000	3,000	0.89%	-	〃	
〃	〃	IP Fund Six Co., Ltd.	〃	〃	1,000,000	10,000	1.79%	-	〃	
〃	〃	Innorich Venture Capital Corp.	〃	〃	1,000,000	10,000	1.87%	-	〃	
〃	〃	Taiwan Foresight Co., Ltd.	〃	〃	380,000	4,750	2.24%	-	〃	
〃	〃	Long Time Technology Corp.	〃	〃	346,000	6,516	0.99%	-	〃	
〃	〃	Paradigm Venture Capital Corp.	〃	〃	153,562	1,536	3.50%	-	〃	
〃	〃	Taiwan Special Chemicals Corp.	〃	〃	901,333	9,013	0.78%	-	〃	
〃	〃	BMR Technology Corp.	〃	〃	2,449,717	-	18.47%	-	〃	
〃	〃	Atech Totalsolution Co., Ltd.	〃	〃	128,000	-	0.23%	-	〃	
〃	〃	East Wind Life Science Systems	〃	〃	124,457	-	12.87%	-	〃	
〃	〃	EcoLand Corp.	〃	〃	310,715	8,700	13.51%	-	〃	
〃	Preferred stock	Engenuity System, Inc.	〃	〃	833,334	-	Note 3	-	〃	
〃	〃	ACM Research Inc.	〃	〃	266,667	-	〃	-	〃	
〃	〃	Applied Harmonics Corporation	〃	〃	237,179	-	〃	-	〃	
〃	〃	Adant Technologies Inc.	〃	〃	174,520	6,509	〃	-	〃	
MIC-Tech (Shanghai) Corp. Ltd.	Ordinary shares	MIC-Tech (Beijing) Environment Co.	Entities controlled by key management or entities with significant influence	〃	-	1,889	19.00%	-	〃	Note 4
		Total				$ 286,186				

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 3: Holding preferred stock.

Note 4: The initial investment in the investee, MIC-Tech (Beijing) Environment Co., is translated at the exchange rate at March 31, 2016.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
Significant inter-company transactions during the reporting period
Three months ended March 31, 2016

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Marketech International Corp.	MIC-Tech (Shanghai) Corp. Ltd.	1	Sales revenue	$ 6,809	Sales revenue: Prices and terms of sales of goods to related parties are approximately the same to third parties. A certain percentage of profit is negotiated for sale of services with related parties. Construction revenue: The price of construction charges to related parties and third parties are based on normal construction contracts or individual agreements. Furthermore, the collection terms to related parties are approximately the same to third parties, which is about 2 to 3 months after inspection of constructions depending on the construction contracts or individual agreements.	0.16%
0	Marketech International Corp.	MIC-Tech (Shanghai) Corp. Ltd.	1	Accounts receivable	10,237		0.08%
1	MIC-Tech Global Corp.	Marketech International Corp.	2	Sales revenue	13,855		0.33%
1	MIC-Tech Global Corp.	MIC-Tech (Shanghai) Corp. Ltd.	3	Sales revenue	15,443		0.36%
2	eZoom Information, Inc.	Marketech International Corp.	2	Services revenue	7,576		0.18%
3	MIC-Tech Electronics Engineering Corp.	Marketech International Corp.	2	Accounts payable	8,986		0.07%
3	MIC-Tech Electronics Engineering Corp.	Shanghai Puritic Co., Ltd.	3	Other receivables	42,261		0.34%
3	MIC-Tech Electronics Engineering Corp.	Shanghai Puritic Co., Ltd.	3	Accounts payable	5,050		0.04%
4	Shanghai Puritic Co., Ltd.	MIC-Tech Electronics Engineering Corp.	3	Construction revenue	6,384		0.15%
5	MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech Electronics Engineering Corp.	3	Other receivables	48,278		0.39%
6	MIC-Tech (WuXi) Co., Ltd.	Integrated Manufacturing & Services Co., Ltd.	3	Other receivables	17,402		0.14%
7	MIC-Tech (Shanghai) Corp. Ltd.	MIC-Tech China Trading (Shanghai) Co. Ltd.	3	Other receivables	19,689		0.16%

Note 1:The numbers filled in for the transaction company in respect of inter-company transactions are as follows:
(1)Parent company is '0'.
(2)The subsidiaries are numbered in order starting from '1'.

Note 2:Relationship between transaction company and counterparty is classified into the following three categories (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):
(1)Parent company to subsidiary.
(2)Subsidiary to parent company.
(3)Subsidiary to subsidiary.

Note 3:Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Individual amounts less than $5,000 are not disclosed.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

Information on investees

Three months ended March 31, 2016

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount (Note2)		Shares held as at March 31, 2016			Net profit (loss) of the investee for the three months ended March 31, 2016	Investment income (loss) recognised by the Company for the three months ended ended March 31, 2016 (Note 1)	Footnote
				Balance as at March 31, 2016	Balance as at December 31, 2015	Number of shares	Ownership (%)	Book value			
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Singapore	Contracting for semiconductor automatic supply system	$ 160,177	$ 160,177	6,725,040	100	$ 14,442	($ 8,226)	($ 8,226)	The Company's subsidiary
Marketech International Corp.	Market Go Profits Ltd.	Virgin Islands	Investment holding and reinvestment	1,209,166	1,209,166	37,169,104	100	1,298,181	(3,756)	(3,373)	The Company's subsidiary
Marketech International Corp.	MIC-Tech Global Corp.	South Korea	International trade	15,909	15,909	109,336	100	5,307	111	(445)	The Company's subsidiary
Marketech International Corp.	Headquarter International Ltd.	Virgin Islands	Investment holding and reinvestment	42,475	42,475	1,289,367	100	42,264	(19)	(19)	The Company's subsidiary
Marketech International Corp.	Tiger United Finance Ltd.	Virgin Islands	Investment holding and reinvestment	46,475	46,475	1,410,367	100	40,876	(55)	(55)	The Company's subsidiary
Marketech International Corp.	Marketech Engineering Pte. Ltd.	Singapore	Contracting for electrical installing construction	10,129	9,139	421,087	100	6,285	(1,445)	(1,445)	The Company's subsidiary
Marketech International Corp.	Marketech Integrated Manufacturing Company Limited	Myanmar	Design, manufacturing, installation of automatic production equipment and its parts	62,000	62,000	200,000	100	54,602	(1,462)	(1,462)	The Company's subsidiary
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Vietnam	Trading, installation and repair of various machinery equipment and its peripherals	39,345	39,345	-	100	39,299	36	36	The Company's subsidiary
Marketech International Corp.	Marketech Co., Ltd. (Hoa Phong Marketech Co., Ltd.)	Vietnam	Specialized contracting and related repair services	29,922	29,922	-	100	13,179	(808)	(808)	The Company's subsidiary (Note 4)
Marketech International Corp.	eZoom Information, Inc.	Taiwan	Research, trading and consulting of information system software and hardware appliance	57,737	57,737	6,200,000	100	23,195	(2,075)	(2,075)	The Company's subsidiary
Marketech International Corp.	Glory Technology Service Inc..	Taiwan	Sale and installation of information and communication equipment	20,000	20,000	2,000,000	40	28,257	(146)	(58)	The Company's investee accounted for using equity method
Marketech International Corp.	Solmark Advanced Materials Technology, Inc.	Taiwan	Manufacturing and sale of precursors for advanced process (process of atomic layer deposition)	42,000	42,000	4,200,000	30	41,261	(43)	(13)	The Company's investee accounted for using equity method

Investor	Investee	Location	Main business activities	Initial investment amount (Note2)		Shares held as at March 31, 2016			Net profit (loss) of the investee for the three months ended March 31, 2016	Investment income (loss) recognised by the Company for the three months ended ended March 31, 2016 (Note 1)	Footnote
				Balance as at March 31, 2016	Balance as at December 31, 2015	Number of shares	Ownership (%)	Book value			
Marketech International Corp.	MIC Techno Co., Ltd.	Taiwan	Sale of panels and its materials	$ 2,000	$ 2,000	200,000	20	$ 1,878	($ 19)	($ 4)	The Company's investee accounted for using equity method
Marketech International Corp.	Marketech International Sdn.Bhd.	Malaysia	Specialized contracting and related repair services	49,416	24,308	6,258,750	51.12	46,672	480	173	The investor's subsidiary (Note3)
Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Cayman Islands	Investment holding and reinvestment	1,203,669	1,203,669	37,066,604	100	1,296,081	(3,756)	NA	The investor's subsidiary
Marketech Integrated Pte Ltd.	Marketech International Sdn. Bhd.	Malaysia	Specialized contracting and related repair services	47,247	47,247	5,984,000	48.88	45,848	480	NA	The Company's investee accounted for using equity method
Marketech Engineering Pte Ltd.	Marketech Integrated Construction Co., Ltd.	Myanmar	Contracting for electrical installing construction	8,569	8,569	28,500	95	5,469	(1,462)	NA	The investor's subsidiary
MIC-Tech Ventures Asia Pacific Inc.	Russky H.K. Limited	Hong Kong	Investment holding and reinvestment	28,521	28,521	633,000	100	(28,567)	(4,869)	NA	The investor's subsidiary
MIC-Tech Ventures Asia Pacific Inc.	Frontken MIC Co. Limited	Hong Kong	Investment holding and reinvestment	31,422	31,422	2,337,608	100	8,010	(718)	NA	The investor's subsidiary
MIC-Tech Ventures Asia Pacific Inc.	TPP-MIC Co., Limited	Hong Kong	Investment holding and reinvestment	6,025	6,025	180,000	60	68	-	NA	The investor's subsidiary
MIC-Tech Ventures Asia Pacific Inc.	MICT International Limited	Hong Kong	Investment holding and reinvestment	58,887	58,887	3,000,000	100	10,938	(3,675)	NA	The investor's subsidiary
MIC-Tech Ventures Asia Pacific Inc.	Leader Fortune Enterprise Co., Ltd.	Samoa	Investment holding and reinvestment	8,990	8,990	303,000	31.43	4,435	792	NA	The investor's investee accounted for using equity method

Note 1: The amount of $0 means that the Company does not directly recognise gain or loss on investments.

Note 2: Except for subsidiaries in Malaysia are translated at the current rate as of March 31, 2016, the initial investment amounts of other investees are translated at the current rate as of the investment date.

Note 3: The Company’s subsidiary, Marketech Integrated Pte. Ltd. (MIPL) originally held 100% of share ownership of Marketech International Sdn. Bhd. (MISB). The Company acquired shares for MISB’s capital increase in October 2015 and thus, the Company holds 34% of shares in MISB, while MIPL’s share ownership of MISB is reduced to 66% as of December 31, 2015. Furthermore, the Company acquired shares for MISB’s capital increase in February 2016 and thus, the Company holds 51.12% of shares in MISB, while MIPL’s share ownership of MISB is reduced to 48.88% as of March 31, 2016.

Note 4: In January 2016, the Company’s subsidiary, Hoa Phong Marketech Co., Ltd. has been renamed as Marketech Co., Ltd.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES

Information on investments in Mainland China

Three months ended March 31, 2016

Table 6

Expressed in thousands of NTD

1. Basic information

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital (Note 3)	Investment method （Note 1）	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2016	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2016 (Note 3)		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2016 (Note 3)	Net income of investee for the three months ended March 31, 2016	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2016 （Note 2）	Book value of investments in Mainland China as of March 31, 2016	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2016	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
MIC-Tech (WuXi) Co., Ltd.	Design, manufacturing, installation and maintenance of semiconductor device, crystal dedicated device, electronic component device, environment pollution preventing equipment; assembling of wrapping device and cooling equipment; assembling of barbecue grill; wholesale, commission agency and import and export of the aforementioned products their components, textile, commodities, chemical products and cosmetics; lease of self-owned plants	$ 820,718	Note 1(2)	$ 659,793	$ -	$ -	$ 659,793	($ 7,101)	100	($ 6,946)	$ 134,898	$ -	Note 2 (2)B
MIC-Tech (Shanghai) Corp. Ltd.	Wholesale, commission agency, import and export of semiconductor production, inspection equipment and its consumables and boilers that generate electricity; storage and allocation of mainly chemical and boiler products; international and entrepot trade; trading and trading agency among enterprises in customs bonded area; consulting services in customs bonded area	265,237	Note 1(2)	16,093	-	-	16,093	7,541	100	7,541	352,999	-	Note 2 (2)B
Fuzhou Jiwei System Integrated Co., Ltd.	Installation and complete services of clean room, mechanical system, street pipe system	9,656	Note 1(2)	9,656	-	-	9,656	(253)	100	(253)	(670)	-	Note 2 (2)B
Shanghai Puritic Co., Ltd.	Production of scrubber bins for semiconductor manufacturers, design, installation, debugging and technology services of tunnel system, equipment repair for semiconductor manufacturers, consulting service for electrical and medical equipment; wholesale, commissioned distribution (exclude auction), export, import and related services of electronic products, machinery equipment, chemical products (exclude dangerous articles), communication equipment, metal products, plastic products	12,874	Note 1(2)	19,408	-	-	19,408	(5,998)	80	(4,799)	(29,094)	-	Note 2 (2)B

Investee in Mainland China	Main business activities	Paid-in capital (Note 3)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2016	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2016 (Note 3)		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2016 (Note 3)	Net income of investee for the three months ended March 31, 2016	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2016 (Note 2)	Book value of investments in Mainland China as of March 31, 2016	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2016	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
MIC-Tech Electronics Engineering Corp.	General contracting for electrical installing construction, specialized contracting for electrical installing construction, specialized contracting for electronic engineering, specialized contracting for petroleum and chemical equipment installation, specialized contracting for channel and guarantee for post construction and consulting service for related construction technology	$ 567,068	Note 1(2)	$ 274,216	$ -	$ -	$ 274,216	$ 6,110	100	$ 6,110	$ 616,404	$ -	Note 2 (2)B
SKMIC (WUXI) Corp.	Design, installation and maintenance of semiconductor device, crystal dedicated device, electronic component device, environment pollution preventing equipment; wholesale, commission agency, import and export of semiconductor production, inspection equipment and its consumables, solar equipment consumables and boilers that generate electricity; international and entrepot trade, trading and trading agency among enterprises in area, and consulting service for trading	9,816	Note 1(2)	1,577	-	-	1,577	(1,025)	49	(502)	9,962	-	Note 2 (2)B
ChenGao M&E Engineering (Shanghai) Co., Ltd.	Design of microelectronic products and display devices, consulting service for related technology and management	6,437	Note 1(2)	6,437	-	-	6,437	(32)	100	(32)	(2,636)	-	Note 2 (2)B
Frontken-MIC (Wuxi) Co., Ltd.	Research of specialized cleaning equipment of semiconductor device and integrated circuit, cleaning of special components of semiconductor device, integrated circuit and micromodule and cleaning technology for semiconductors	74,283	Note 1(2)	29,713	-	-	29,713	(680)	100	(680)	7,949	-	Note 2 (2)B
Integrated Manufacturing & Services Co., Ltd.	Development of special equipment for solar cell production, manufacture of optical engine, lighting source, projection screen, high definition projection cathode-ray tube and micro-display module, and production, cleaning and regeneration of new electrical device	96,555	Note 1(2)	48,278	-	-	48,278	(3,675)	100	(3,675)	10,135	-	Note 2 (2)B

Investee in Mainland China	Main business activities	Paid-in capital (Note 3)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2016	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2016 (Note 3)		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2016 (Note 3)	Net income of investee for the three months ended March 31, 2016	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2016 (Note 2)	Book value of investments in Mainland China as of March 31, 2016	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2016	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
MIC-Tech China Trading (Shanghai) Co., Ltd.	Wholesale, commission agency and import and export of chemical products (except for hazardous chemicals, chemicals used in production of narcotic drugs and psychotropic substances and special chemicals), semiconductors, inspection equipment and its consumables, solar equipment consumables and boilers that generate electricity, International and entrepot trade, trading and trading agency among enterprises in customs bonded area, and consulting service for trading	$ 48,278	Note 1(2)	$ 48,278	$ -	$ -	$ 48,278	($ 5,675)	100	($ 5,675)	$ 46,451	-	Note 2 (2)B
Macrotec Technology (Shanghai) Co., Ltd.	Wholesale, commission agency, import and export and other complementary service of electrical products, food, textile, commodities, cosmetics, valve switch, instrumentation, metal products, electrical equipment, International and entrepot trade, trading and trading agency among enterprises in customs bonded area, simple commercial processing in customs bonded area, and consulting service for trading in customs bonded area	30,798	Note 1(2)	9,679	-	-	9,679	792	31.43	249	4,406	$ -	Note 2 (2)C

Note 1: Investment methods are classified into the following four three categories:

(1)Directly invest in a company in Mainland China.

(2)Through investing in Market Go Profits Ltd., which then invested in the investee in Mainland China.

(3)Others.

Note 2: In the 'Investment income (loss) recognised by the Company for the three months ended March 31, 2016' column:

(1)It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.

(2)Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:

A.The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

B.The financial statements that are audited and attested by R.O.C. parent company's CPA.

C.Others - unaudited financial statements.

Note 3: Paid-in capital and investment amount were translated at the original currency times exchange rate at period end.

2. Limit on investees in Mainland China

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2016 (Note 1) (Note 2)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 1)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Marketech International Corp.	$ 1,135,641	$ 1,857,459	$ 2,759,138

Note 1: The amount was translated at the original currency times exchange rate at period end.

Note 2: The Company has sold WUXI Probeleader Electronics Co., Ltd. at the end of November 2011. As the accumulated investment was different from the investment collected back, the difference between accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2016 and accumulated amount of remittance from Taiwan to Mainland China registered at and approved by MOEA was US$186 thousand.