### ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED FINANCIAL STATEMENTS AND

NOTES

**SEPTEMBER 30, 2015 AND 2014** 

# ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS SEPTEMBER 30,2015, DECEMBER 31, 2014 AND SEPTEMBER 30,2014 (Expressed in thousands of New Taiwan dollars) (The consolidated balance sheets as of September 30, 2015 and 2014 are reviewed, not audited)

		September 30, 20		 December 31, 20		September 30, 20	
ASSETS	<u> </u>	AMOUNT	%	 AMOUNT	%	AMOUNT	%
Current assets							
Cash and cash equivalents	\$	299,204	11	\$ 493,007	17	\$ 399,378	15
Notes receivable, net		16,032	1	22,120	1	13,639	1
Accounts receivable, net		576,484	20	575,365	20	558,359	21
Accounts receivable due from							
related parties, net		216	-	159	-	133	-
Other receivables, net		12,847	-	27,788	1	8,203	-
Inventories		952,838	34	918,231	31	844,224	32
Prepayments		27,782	1	29,578	1	36,126	1
Other current assets		194		 194			
Total current assets		1,885,597	67	 2,066,442	71	1,860,062	70
Non-current assets							
Property, plant and equipment		827,145	29	749,190	26	720,413	27
Intangible assets		45,603	2	43,920	1	44,161	1
Deferred income tax assets		28,673	1	26,821	1	24,438	1
Other non-current assets		17,929	1	 22,059	1	26,523	1
Total non-current assets		919,350	33	 841,990	29	815,535	30
Total assets	\$	2,804,947	100	\$ 2,908,432	100	\$ 2,675,597	100

(Continued)

# ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS SEPTEMBER 30,2015, DECEMBER 31, 2014 AND SEPTEMBER 30,2014 (Expressed in thousands of New Taiwan dollars) (The consolidated balance sheets as of September 30, 2015 and 2014 are reviewed, not audited)

LIADILITIES AND FOLITY		eptember 30, 20			December 31, 20		September 30, 20	
LIABILITIES AND EQUITY Current liabilities		AMOUNT	%		AMOUNT	%	AMOUNT	%
Short-term borrowings	\$	247,663	9	\$	123,384	4	\$ 106,663	4
Notes payable	φ	8,231		φ	1,558	4	<sup>5</sup> 100,003 7,745	
Accounts payable		416,650	- 15		556,247	19	483,502	- 18
Other payables		103,489	4		121,105	4	483,302 99,965	4
Current tax liabilities		29,038	1		31,175	1	22,677	1
Provisions - current		56,579	2		54,322	2	53,718	2
Other current liabilities		145,620	5		189,444	7	151,819	6
Total current liabilities		1,007,270	36		1,077,235	37	926,089	35
Non-current liabilities		1,007,270			1,077,235		,007	
Deferred income tax liabilities		77,171	2		74,462	2	69,291	2
Other non-current liabilities		23,381	1		23,373	1	15,769	1
Total non-current liabilities		100,552	3		97,835	3	85,060	3
Total liabilities		1,107,822	39		1,175,070	40	1,011,149	38
Equity attributable to owners of		1,107,022			1,175,070		1,011,119	
parent								
Share capital								
Common stock		450,000	16		450,000	15	450,000	17
Capital surplus		,			,		,	
Capital surplus		819,878	29		819,878	28	819,878	31
Retained earnings		,			,			
Legal reserve		166,549	6		145,346	5	145,346	5
Unappropriated retained earnings		210,435	8		278,629	10	226,562	8
Other equity interest								
Other equity interest		40,895	1		30,415	1	13,463	1
Total equity attributable to								
owners of parent		1,687,757	60		1,724,268	59	1,655,249	62
Non-controlling interests		9,368	1		9,094	1	9,199	
Total equity		1,697,125	61		1,733,362	60	1,664,448	62
Significant commitments and		·			·		·	
contingent liabilities								
Significant event after the balance								
sheet date								
Total liabilities and equity	\$	2,804,947	100	\$	2,908,432	100	\$ 2,675,597	100

#### ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2015 AND 2014 (Expressed in thousands of New Taiwan dollars, except for earning per share amount) (Unaudited)

		Three mo 2015	nths end		eptember 30 2014 (adjusted	1)		Nine mor 2015	ths ende	ed So	eptember 30 2014 (adjuste	<u>d)</u>
Items	A	MOUNT	%	-	MOUNT	%	A	MOUNT	%	-	MOUNT	%
Sales revenue	\$	595,661	100	\$	782,482	100		2,037,755	100		2,076,333	100
Operating costs	(	475,507)	( 80)	(	598,694)(	76)		1,571,322)			1,584,564)(	( 76)
Gross profit from operations	· <u> </u>	120,154	20	-	183,788	24		466,433	23		491,769	24
Operating expenses		<u> </u>			<u> </u>			<u> </u>			<u> </u>	
Selling expenses	(	47,815)	( 8)	(	51,367)(	7)	(	151,204)	(7)	(	156,056)(	(7
General and administrative expenses	(	29,087)			26,644) (	3)		85,697)			74,100) (	
Research and development expenses	(	30,359)	(5)		31,479) (	4)		92,861)			89,103) (	
Total operating expenses	(	107,261)			109,490) (	14)		329,762)			319,259) (	
Net operating income	· <u> </u>	12,893	2	-	74,298	10		136,671	7		172,510	9
Non-operating income and expenses					<u>/</u>			,				
Other income		2,104	1		3,365	-		11,094	-		8,922	-
Other gains and losses		23,825	4		7,570	1		20,996	1		15,619	1
Finance costs	(	479)	-	(	415)	-	(	1,949)	- (	(	896)	-
Total non-operating income and												
expenses		25,450	5		10,520	1		30,141	1		23,645	1
Profit before income tax		38,343	7		84,818	11		166,812	8		196,155	10
Income tax expense	(	9,318)	(2)	(	15,330) (	2)	(	33,656)	(1)(	(	42,897) (	( 2
Profit for the period	\$	29,025	5	\$	69,488	9	\$	133,156	7	\$	153,258	8
Other comprehensive income	<u> </u>						-	<u> </u>		<u> </u>		
Financial statements translation												
differences of foreign operations	\$	30,364	5	\$	17,271	2	\$	12,754	-	\$	5,555	-
Income tax relating to the components of		,			,			,			- ,	
other comprehensive income	(	5,067)	(1)	(	2,912)	-	(	2,147)	- (	(	934)	-
Other comprehensive income, net		25,297	4		14,359	2		10,607	-		4,621	-
Total comprehensive income	\$	54,322	9	\$	83,847	11	\$	143,763	7	\$	157,879	8
Profit (loss) attributable to:	<u> </u>	<u> </u>		<u> </u>	,		<u> </u>	,		<u> </u>	,	
Owners of the parent	\$	29,379	5	\$	69,615	9	\$	133,009	7	\$	153,055	8
Non-controlling interest	(	354)	-	(	127)	-	Ŧ	147	-	+	203	-
	\$	29,025	5	` <u></u>	69,488	9	\$	133,156	7	\$	153,258	8
Comprehensive income attributable to:	Ψ	27,025		Ψ	0,100		Ψ	100,100		Ψ	100,200	
Owners of the parent	\$	54,323	9	\$	83,709	11	\$	143,489	7	\$	157,617	8
Non-controlling interest	φ (	1)	-	Ψ	138	-	Ψ	274	-	Ψ	262	-
	\$	54,322	9	\$	83,847	11	\$	143,763	7	\$	157,879	8
Earnings per share (in dollars)												
Basic earnings per share	\$		0.65	\$		1.55	\$		2.96	\$		3.40
Diluted earnings per share	\$		0.65	\$		1.54	\$		2.94	\$		3.38

#### ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2015 AND 2014 (Expressed in thousands of New Taiwan dollars) (Unaudited)

				Equi			rs of the parent							
	Con	nmon Stock	ital surplus, tional paid-in capital	Le	Retain egal reserve	ed Earnin Una retai	ngs appropriated ned earnings	st tr diff	Financial atements anslation ferences of gn operations		Total	ontrolling erests		Total equity
2014														
Balance at January 1, 2014	\$	450,000	\$ 819,878	\$	130,958	\$	200,395	\$	8,901	\$	1,610,132	\$ 8,937	\$	1,619,069
Appropriation and distribution of retained earnings:														
Legal reserve		-	-		14,388	(	14,388)		-		-	-		-
Cash dividends to shareholders		-	-		-	(	112,500)		-	(	112,500)	-	(	112,500)
Profit for the period		-	-		-		153,055		-		153,055	203		153,258
Other comprehensive income for the period		<u>-</u>	-		-		-		4,562		4,562	 59		4,621
Balance at September 30, 2014	\$	450,000	\$ 819,878	\$	145,346	\$	226,562	\$	13,463	\$	1,655,249	\$ 9,199	\$	1,664,448
<u>2015</u>												 		
Balance at January 1, 2015	\$	450,000	\$ 819,878	\$	145,346	\$	278,629	\$	30,415	\$	1,724,268	\$ 9,094	\$	1,733,362
Appropriation and distribution of retained earnings:														
Legal reserve		-	-		21,203	(	21,203)		-		-	-		-
Cash dividends to shareholders		-	-		-	(	180,000)		-	(	180,000)	-	(	180,000)
Profit for the period		-	-		-		133,009		-		133,009	147		133,156
Other comprehensive income for the period			 -				<u>-</u>		10,480		10,480	 127		10,607
Balance at September 30, 2015	\$	450,000	\$ 819,878	\$	166,549	\$	210,435	\$	40,895	\$	1,687,757	\$ 9,368	\$	1,697,125

## ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2015 AND 2014 (Expressed in thousands of New Taiwan dollars)

(Unaudited)

		2015		2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Consolidated profit before tax for the period	\$	166,812	\$	196,155
Adjustments to reconcile net income to net cash provided				
by operating activities				
Income and expenses having no effect on cash flows				
Provision for bad debts		3,104		1,221
Net loss on financial liabilities at fair value through				
profit or loss		-		49
Depreciation expense		41,078		38,889
Amortisation expense (including amortisation charges				
on long-term prepaid rent)		4,951		5,668
Loss on disposal of property, plant and equipment		2,272		474
Interest income	(	2,142)	(	2,756)
Financial costs		1,949		896
Unrealised foreign exchange loss (gain)		716	(	554)
Changes in assets/liabilities relating to operating activities				
Net changes in assets relating to operating activities				
Notes receivable, net		6,088		10,746
Accounts receivable	(	4,099)	(	113,523)
Accounts receivable due from related parties, net	(	57)	(	133)
Inventories	(	35,431)	(	142,178)
Other receivables		14,841	(	2,094)
Prepayments		1,796	(	20,090)
Net changes in liabilities relating to operating activities				
Financial liabilities at fair value through profit or loss				
- current		-	(	49)
Notes payable		6,673		5,552
Accounts payable	(	139,597)		56,977
Other payables	(	16,690)	(	12,569)
Provisions - current		2,257		4,042
Other current liabilities	(	43,824)	(	16,403)
Other non-current liabilities		8	(	2)
Cash generated from operations		10,705	-	10,318
Interest received		2,242		2,729
Interest paid	(	2,875)	(	2,206)
Income tax paid	Ì	39,877)	(	44,085)
Net cash used in operating activities	(	29,805)	(	33,244)
	\		`	

(Continued)

#### ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2015 AND 2014 (Expressed in thousands of New Taiwan dollars) (Unaudited)

		2015		2014
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from disposal of property, plant and equipment	\$	523	\$	1,036
Acquisition of property, plant and equipment	(	115,405)	(	50,732)
Acquisition of intangible assets	(	1,694)		-
(Increase) decrease in other non-current assets	(	1,169)		18,233
Net cash used in investing activities	(	117,745)	(	31,463)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in short-term borrowings		1,112,141		629,014
Repayment of short-term borrowings	(	987,862)	(	576,638)
Cash dividends paid	(	180,000)	(	112,500)
Net cash used in financing activities	(	55,721)	(	60,124)
Effect of exchange rate changes on cash and cash equivalents		9,468		4,253
Decrease in cash and cash equivalents	(	193,803)	(	120,578)
Cash and cash equivalents at beginning of period		493,007		519,956
Cash and cash equivalents at end of period	\$	299,204	\$	399,378

### ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

(Reviewed, not audited)

#### SUPPLEMENTARY DISCLOSURES

(1)Significant transaction information

The Group discloses related information of the following for the nine-month periods ended September 30, 2015:

Ablerex Electronics Co., Ltd. (The Company)

Ablerex Electronics (Samoa) Co., Ltd. (Ablerex-Samoa)

Joint Rewards Trading Corp. (Joint)

Ablerex Corporation (Ablerex-USA)

Ablerex International Co., Ltd. (Ablerex-HK)

Ablerex Electronics (Suzhou) Co., Ltd. (Ablerex-SZ)

Ablerex Overseas Co., Ltd. (Ablerex-Overseas)

Ablerex Electronics (S) Pte Limited (Ablerex-SG)

Ablerex Electronics (Beijing) Corporation Limited (Ablerex-BJ)

Ablerex Electronics U.K. Limited (Ablerex-UK)

Ablerex Electronics Italy S.R.L. (Ablerex-IT)

Excluding the presentation and disclosures of Ablerex-Samoa, Ablerex-Overseas and Ablerex-SZ concurrently reviewed by the Certified Public Accountant, the above-listed related parties disclosed below are presentations and disclosures on investees that were not concurrently reviewed by the Certified Public Accountant. For consolidated reporting purposes, all individuals disclosed below have eliminated all inter-group transactions. The disclosed information below is prepared for reference:

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, associates and joint ventures): None.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: None.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 3.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 4.
- I. Derivative financial instruments undertaken during the reporting periods: None.
- J. Significant inter-company transactions during the reporting periods: Please refer to table 5.

(2)Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China) : Please refer to table 6.

- (3)Information on investments in Mainland China
  - A. Basic information: Please refer to table 7.
  - B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area:
    - (a) Purchasing amount and percentage and related receivables' percentage and balance at September 30, 2015: Please see Note 13(1) G.
    - (b) Selling amount and percentage and related receivables' percentage and balance at September 30, 2015: Please refer to table 8.
    - (c) Property transaction amounts and gains and loss arising from them: None.
    - (d) Balance and purpose of provision of endorsements/guarantees or collaterals at September 30, 2015: None.
    - (e) Maximum balance, ending balance, interest rate range and interest for financing during the year ended and at September 30, 2015: Please see Note 13(1) A.
    - (f) Other significant transactions that affected the gains and losses or financial status for the period, i.e. rendering/receiving of service: Please refer to table 8.

#### Loans to others

#### For the nine-month period ended September 30, 2015

Table 1

#### Expressed in thousands of NTD

(Except as otherwise indicated)

			General ledger	Is a related	Maximum outstanding balance during the nine- month period ended September 30,	Balance at September	Actual amount		Nature of	Amount of transactions with the	Reason for short-term	Allowance for doubtful	Colla	ateral	Limit on loans granted to	Ceiling on total loans	
No.	Creditor The	Borrower	Other	party	2015	30, 2015	drawn down	rate	loan Short-term	borrower	financing Turnover of	accounts	Item	Value	a single party	granted	Footnote Note 1
0	Company	Ablerex-IT	recivables	Y	\$ 6,574	\$ 6,574	\$ 6,574	1.75%	financing	\$-	operation	\$ -	None	\$ -	\$ 337,551	\$ 675,103	Note 3
1	Ablerex-HK	Ablerex-SZ	Business transaction	Y	98,610	98,610	98,610	3.25%	Short-term financing	-	Turnover of operation	-	None	-	337,551	675,103	Note 1 Note 2 Note 4

Note 1: In accordance with the Company's "Procedures for Provision of Loans", limit on total loans to others is 40% of the Company's net assets. Limit on loans to a single party with business transactions is the higher value of purchases or sales during current year on the year of financing. Limit on loans to a single party with short-term financing is 20% of the Company's net assets; but limit on total loans to subsidiaries is 40% of the parent company's current net assets. Furthermore, for the foreign companies which the Group holds 100% of the voting rights directly or indirectly, limit on loans is not restricted.

Note 2: In accordance with the Ablerex-HK's "Procedures for Provision of Loans", limit on total loans to others is 40% of the parent company's net assets. Limit on loans to a single party with business transactions is the higher value of purchases or sales during current year. Limit on loans to a single party with short-term financing is 20% of the parent company's net assets; but limit on total loans to subsidiaries is 40% of the parent company's net assets.

assets. Furthermore, for the foreign companies which the Group holds 100% of the voting rights directly or indirectly, limit on loans is not restricted. The deadline of each loan is 1 year from the lending day.

Note 3: The maximum loan grant allowed resolved by the Board of Directors is US \$200 thousand. As of September 30, 2015, loan grant allowed of US \$200 thousand is equivalent to the actual loans granted.

Note 4: The maximum loan grant allowed resolved by the Board of Directors is US \$3 million. As of September 30, 2015, loan grant allowed of US \$3 million is equivalent to the actual loans granted.

#### Provision of endorsements and guarantees to others

For the nine-month period ended September 30, 2015

Expressed in thousands of NTD (Except as otherwise indicated)

	1													<i>,</i>
									Ratio of					
		Party be	ina											
		5	e						accumulated					
		endorsed/gua	ranteed		Maximum				endorsement/					1 1
					outstanding	Outstanding			guarantee		Provision of	Provision of	Provision of	1
				Limit on	endorsement/	endorsement/		Amount of	amount to net	Ceiling on	endorsements/	endorsements/	endorsements/	1
			Relationship	endorsements/	guarantee	guarantee		endorsements/	asset value of	total amount of	guarantees by	guarantees by	guarantees to	
			with the	guarantees	amount as of	amount at		guarantees	the endorser/	endorsements/	parent	subsidiary to	the party in	
	Endorser/		endorser/	provided for a	September 30,	September 30,	Actual amount	secured with	guarantor	guarantees	company to	parent	Mainland	
Number	guarantor	Company name	guarantor	single party	2015	2015	drawn down	collateral	company	provided	subsidiary	company	China	Footnote
0	The Company	Ablerex-HK	Subsidiary	\$ 337,551	\$ 295,830	\$ 295,830	\$ 76,916	\$ -	18%	\$ 843,879	Y	N	Ν	Note

Note: In accordance with the Company's "Procedures for Provision of Endorsements and Guarantees", limit on the Company endorsements/guarantees to others is 50% of the Company's net assets, and limit on the Company's endorsements/guarantees to a single party is 20% of the Company's net assets. Limit on endorsements/guarantees for companies with business relations is the higher value of purchases or sales during current year.

Table 2

#### Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

#### For the nine-month period ended September 30, 2015

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

					Transaction	1		terms comp	in transaction pared to third insactions	Ν	Notes/accounts receiv	vable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)		Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term		Balance	Percentage of total notes/accounts receivable (payable)	
The Company	Ablerex-SG	Subsidiary	(Sales)	(\$	116,078)	(6%)	Note 3	Note 3	Note 3	\$	64,454	13%	-
Ablerex-SG	The Company	Subsidiary	Purchases	USD	3,735 thousand	93%	Note 3	Note 3	Note 3	(USD	1,957 thousand)	(98%)	-
The Company	Ablerex-HK	Subsidiary	(Sales)	(\$	91,948)	(5%)	Note 1	Note 1	Note 1	\$	-	-	-
Ablerex-HK	The Company	Subsidiary	Purchases	USD	2,948 thousand	7%	Note 1	Note 1	Note 1	\$	-	-	-
The Company	Ablerex-HK	Subsidiary	Purchases	\$	1,168,487	75%	Note 2	Note 2	Note 2	(\$	199,879)	(56%)	-
Ablerex-HK	The Company	Subsidiary	(Sales)	(USD	37,161 thousand)	(93%)	Note 2	Note 2	Note 2	USD	6,081 thousand	99%	-
Ablerex-HK	Ablerex-SZ	An indirectly-owned Subsidiary	Purchases	USD	37,161 thousand	93%	Note 3	Note 3	Note 3	(USD	7,354 thousand)	(99%)	-
Ablerex-SZ	Ablerex-HK	An indirectly-owned Subsidiary	(Sales)	(RMB	230,332 thousand)	(89%)	Note 3	Note 3	Note 3	RMB	46,775 thousand	71%	-

Note 1:Transaction prices are determined according to the agreements between the parties; the receivable (payable) policy is Net 120 days E.O.M.

Note 2: The transaction price is commensurate with the purchase price from Ablerex-SZ; the receivable (payable) policy is Net 60 E.O.M.

Note 3: The transaction price is the Ablerex-SZ production cost plus an agreed gross margin; the receivable (payable) policy is Net 60 E.O.M.

#### Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more

#### September 30, 2015

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2015	Turnover rate	Overdue re Amount	cceivables Action taken	Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
Ablerex-HK	The Company	Subsidiary	USD 6,081 thousand	6.21	\$ -	-	USD 3,427 thousand	\$ -
Ablerex-SZ	Ablerex-HK	Affiliate	RMB 46,775 thousand	5.52	-	-	RMB 21,801 thousand	-

#### Significant inter-company transactions during the reporting periods

#### For the nine-month period ended September 30, 2015

#### Table 5

Individual transactions not exceeding \$10,000 and their corresponding transactions are not disclosed.

Expressed in thousands of NTD

(Except as otherwise indicated)

						Transaction	
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	The Company	Ablerex-HK	1	Purchases	\$ 1,168,487	Note 4	57%
		Ablerex-HK	1	Sales	91,948	Note 5	5%
		Ablerex-HK	1	Account payable	199,879		7%
		Ablerex-USA	1	Sales	69,177	Note 6	3%
		Ablerex-SG	1	Sales	116,078	Note 7	6%
		Ablerex-SG	1	Account receivable	64,454		2%
		Ablerex-IT	1	Sales	24,092	Note 7	1%
		Ablerex-IT	1	Account receivable	19,176		1%
1	Ablerex-HK	Ablerex-SZ	3	Purchases	1,159,133	Note 4	57%
		Ablerex-SZ	3	Sales	89,051	Note 5	4%
		Ablerex-SZ	3	Account receivable	22,201		1%
		Ablerex-SZ	3	Account payable	241,856		9%
		Ablerex-SZ	3	Other receivables	122,445	Note 9	4%
2	Ablerex-SZ	Ablerex-BJ	3	Purchases	24,460	Note 8	1%
		Ablerex-BJ	3	Sales	74,467	Note 8	4%
		Ablerex-BJ	3	Account receivable	27,758		1%
		Ablerex-BJ	3	Account payable	21,733		1%

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:

(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: Ablerex-HK conducted purchases from Ablerex-SZ, whereby the prices were based on Ablerex-SZ's production costs. The purchases were then resold to Ablerex with a zero contribution margin; the term for receivables and payables is Net 60 days E.O.M.

Note 5: Ablerex conducted sales to Ablerex-HK with a zero contribution margin. The sales were then resold to Ablerex-SZ with a zero contribution margin; the terms for receivables are coherent with general customers.

Note 6: Commensurate with general sale terms; the term for receivables is Net 120 days E.O.M.

Note 7: Transaction prices are determined according to the agreements between the parties; the credit term is Net 120 days E.O.M.

Note 8: Transaction prices are determined according to the agreements between the parties; the credit term is coherent with general customers.

Note 9: Ablerex-HK's loan to Ablerex-SZ, in accordance with their agreement, carries an annual interest rate of 3.25%.

#### Information on investees

#### For the nine-month period ended September 30, 2015

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor The Company	Investee Ablerex-Samoa	Location Samoa	Main business activities Holding company	Initial invest Balance as at September 30, 2015 \$ 217,445	ment amount Balance as at December 31, 2014 \$ 217,445	Shares he Number of shares 6,635,000	ld as at September Ownership (%) 100	30, 2015 Book value \$ 565,608	Net profit (loss) of the investee for the nine-month period ended September 30, 2015 \$ 14,289	Investment income(loss) recognised by the Company for the nine- month period ended September 30, 2015 \$ 16,566	Footnote Subsidiary
The Company	Joint	BVI	Providing management service	104	104	3,000	100	62	( 34)	( 35)	Subsidiary
The Company	Ablerex-USA	U.S.	Sales of uninterruptible power supply, solar energy products, and related systems	8,303	8,303	250,000	100	49,649	4,012	4,037	Subsidiary
The Company	Ablerex-HK	Hong Kong	Sales of uninterruptible power supply, solar energy products, and related systems	43	43	10,000	100	30,453	1,875	1,875	Subsidiary
The Company	Ablerex-SG	Singapore	Sales of uninterruptible power supply, solar energy products, and related systems	48,008	48,008	2,140,763	100	70,334	1,774	1,990	Subsidiary
The Company	Ablerex-UK	UK	Holding company	4,674	4,674	100,000	100	2,528	( 2,562)	( 2,456)	Subsidiary
Ablerex-Samoa	Ablerex -Overseas	Hong Kong	Holding company	217,445	217,445	6,635,000	100	577,241	14,322	-	Indirect subsidiary
Ablerex-UK	Ablerex-IT	Italy	Sales of uninterruptible power supply, solar energy products, and related systems	4,674	4,674	100,000	100	2,528	( 2,562)	-	Indirect subsidiary

Note: Excluding the presentation and disclosures of Ablerex-Samoa and Ablerex-Overseas concurrently reviewed by the Certified Public Accountant, the above-listed related parties disclosed below are presentations and disclosures on investees that were not concurrently reviewed by the Certified Public Accountant. For consolidated reporting purposes, all individuals disclosed below have eliminated all inter-group transactions.

#### Information on investments in Mainland China

For the nine-month period ended September 30, 2015

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

				Accumulated amount of remittance from Taiwan to Mainland China	period ended S	d China/ nitted back he nine-month September 30,	Accumulated amount of remittance from Taiwan to Mainland China		Ownership held by the Company	Investment income (loss) recognised by the Company for the nine-month	Book value of investments in Mainland China as of	Accumulated amount of investment income remitted back to Taiwan as of	
Investee in	Main business		Investment	as of January 1,	Remitted to		as of September	-	(direct or	period ended	September 30,	September 30,	_
Mainland China	activities	Paid-in capital	method	2015	Mainland China	to Taiwan	30, 2015	30, 2015	indirect)	September 30, 2015	2015	2015	Footnote
Ablerex-SZ	Manufacturing and sales of uninterruptible power supply, solar energy products, and related systems	\$ 179,470	Note 1	\$ 179,470	\$-	\$-	\$ 179,470	\$ 13,774	100	\$ 13,774	\$ 539,746	\$-	Note 2
Ablerex-BJ	Manufacturing and sales of uninterruptible power supply, solar energy products, and related systems	51,706	Note 1	38,622	-	-	38,622	734	80	587	37,472	-	Note 2

		Investment	Ceiling on	
	Accumulated amount	amount approved	investments in	
	of remittance from	by the Investment	Mainland China	
	Taiwan to Mainland	Commission of	imposed by the	
	China	the Ministry of	Investment	
	as of September 30,	Economic Affairs	Commission of	
Company name	2015	(MOEA)	MOEA	
ABLEREX				
ELECTRONICS	\$ 218,092	\$ 218,092	\$ 1,012,654	
CO., LTD.				

Note 1: Invested in cash through the third region's subsidiary, Ablerex-Samoa which invested in Ablerex-Overseas and then reinvested in Ablerex-BJ. The investments were approved by the Investment Commission of the Ministry of Economic Affairs.

Note 2: Excluding the presentation and disclosures of Ablerex-SZ concurrently reviewed by the Certified Public Accountant, the above-listed related parties disclosed below are presentations and disclosures on investees that were not concurrently reviewed by the Certified Public Accountant. For consolidated reporting purposes, all individuals disclosed below have eliminated all inter-group transactions.

#### Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas

For the nine-month period ended September 30, 2015

Table 8

(2) Selling amount and percentage and related receivables' percentage and balance at September 30, 2015:

For the nine-month period ended September 30, 2015							
Company	name	General ledger amount		Amount	%		Footnote
Ablerex-HK		Sales	\$	91,948	5	5%	Resold to Ablerex-SZ through Ablerex-HK

(6) Other significant transactions that affected the gains and losses or financial status for the period, i.e. rendering/receiving of service:

		For the nine-month pe	iod ended September 30, 2015		
Company name	General ledger amount	Amount	%	Footnote	
Ablerex-HK	Miscellaneous income	<u>\$ 1,</u>	90 29%	The Company purchased the critical raw materials of \$14,242 on behalf of Ablerex-SZ, and collectd revenue through Ablerex-HK's transshipment.	
	Deduction from			Provide management service to Ablerex-SZ and collectd payment	
Ablerex-SZ	management fee	\$ 6,	579 19%	_ through Joint.	
		Septe	nber 30, 2015	_	
Company name	General ledger amount	Amount	%	Footnote	
Ablerex-HK	Other receivables	<u>\$</u> 7,	32%	_	
Ablerex-SZ	Other receivables	\$	986 4%	_	