

**HOTUNG GROUP** 

#### **First Quarter Financial Statement for the Period Ended 31/3/2017**

### PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED MARCH 31, 2017

|  |                    | Group              |        |
|--|--------------------|--------------------|--------|
|  | 1Q                 | 1Q                 |        |
|  | 2017               | 2016               | Change |
|  | NT\$'000           | NT\$'000           | %      |
| Revenue  |                    |                    |        |
| Interest income  | 1,507              | 1,490              | 1      |
| Dividend/distribution income   | 496                | 51,369             | (99)   |
| Gains on sale of held-for-trading investments  | 452                | 373                | 21     |
| Gains on sale of available-for-sale investments                                      | 189,696            | 58,749             | 223    |
| Gains on sale of other financial assets at fair value through profit or loss         | -                  | 64,731             | nm     |
| Changes in fair value of held-for-trading investments                                | 8,044              | (2,072)            | nm     |
| Changes in fair value of other financial assets at fair value through profit or loss | (41,840)           | 6,440              | nm     |
| Foreign exchange losses  | (30,068)           | (15,713)           | 91     |
| Others   | 2,083              | 2,623              | (21)   |
| Total revenue  | 130,370            | 167,990            | (22)   |
|  |                    |                    |        |
| Impairment losses  | (1 ( = ( ))        | (0= 000)           | ()     |
| Impairment losses on available-for-sale investments                                  | (16,760)           | (37,090)           | (55)   |
| Total impairment losses  | (16,760)           | (37,090)           | (55)   |
| Operating expenses   |                    |                    |        |
| General and administrative expenses  | (31,806)           | (40,279)           | (21)   |
|  | (31,806)           | (40,279)           |        |
| Total operating expenses   | (31,800)           | (40,279)           | (21)   |
| Profit before tax  | 81,804             | 90,621             | (10)   |
| Tax expense  | (8,728)            | (15,508)           | (44)   |
| Profit after tax   | 73,076             | 75,113             | (3)    |
| Other comprehencive losses   |                    |                    |        |
| Other comprehensive losses:  |                    |                    |        |
| Items that are or may be reclassified subsequently to profit or loss:                | (171 027)          | (50 076)           | 192    |
| Exchange differences on translation of foreign operations and others                 | (171,837)          | (58,826)           | 192    |
| Financial Assets - available-for-sale (AFS):<br>- Net change in fair value           | (20.271)           | (226.056)          | (02)   |
| - Reclassification adjustments for impairment losses taken to profit before tax      | (39,371)           | (236,956)<br>4,361 | (83)   |
| - Reclassification adjustments for gains taken to profit before tax from sale        | -                  | 4,301              | nm     |
| of AFS financial assets  | (176,405)          | (12,406)           | 1322   |
| Tax relating to components of other comprehensive income                             | (170,403)<br>1,956 | 29,243             | (93)   |
|  |                    |                    |        |
| Other comprehensive losses for the period, net of tax                                | (385,657)          | (274,584)          | 40     |
| TOTAL COMPREHENSIVE LOSSES FOR THE PERIOD  | (312,581)          | (199,471)          | 57     |
|  |                    |                    |        |
| Profit attributable to:  |                    |                    |        |
| Owners of the Company  | 71,261             | 69,166             | 3      |
| Non-controlling interests  | 1,815              | 5,947              | (69)   |
|  | 73,076             | 75,113             | (3)    |
| Total comprehensive losses for the period attributable to                            |                    |                    |        |
| Total comprehensive losses for the period attributable to:                           | (014.000)          | (DOF 410)          | 50     |
| Owners of the Company  | (314,396)          | (205,418)          | 53     |
| Non-controlling interests  | 1,815              | 5,947              | (69)   |
|  | (312,581)          | (199,471)          | 57     |
|  |                    |                    |        |

nm: Not Meaningful

# 1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

#### STATEMENTS OF FINANCIAL POSITION AS AT MARCH 31, 2017

|  |           | Group      |        |             | Company     |        |
|--|-----------|------------|--------|-------------|-------------|--------|
|  | 31/3/2017 | 31/12/2016 | Change | 31/3/2017   | 31/12/2016  | Change |
|  | NT\$'000  | NT\$'000   | %      | NT\$'000    | NT\$'000    | %      |
| Assets                                       |           |            |        |             |             |        |
| Non-current assets:                          |           |            |        |             |             |        |
| Investments in subsidiaries                  | -         | -          | -      | 5,255,069   | 5,255,069   | -      |
| Available-for-sale investments               | 3,771,012 | 4,214,758  | (11)   | -           | -           | -      |
| Other financial assets at fair value         |           |            |        |             |             |        |
| through profit or loss                       | 1,198,515 | 1,144,159  | 5      | -           | -           | -      |
| Property, plant and equipment                | 950       | 1,016      | (6)    | -           | -           | -      |
| Trade and other receivables                  | 4,549     | 4,837      | (6)    | -           | -           | -      |
|  | 4,975,026 | 5,364,770  | (7)    | 5,255,069   | 5,255,069   | -      |
| Current assets:                              | -         |            |        |             |             |        |
| Held-for-trading investments                 | 50,274    | 46,578     | 8      | -           | -           | -      |
| Trade and other receivables                  | 58,795    | 12,686     | 363    | 781         | 42          | 1,760  |
| Cash and cash equivalents                    | 2,141,257 | 2,079,545  | 3      | 88,995      | 114,293     | (22)   |
|  | 2,250,326 | 2,138,809  | 5      | 89,776      | 114,335     | (21)   |
|  | -         |            |        |             |             |        |
| Total assets                                 | 7,225,352 | 7,503,579  | (4)    | 5,344,845   | 5,369,404   | -      |
| Equity                                       |           |            |        |             |             |        |
| Share capital                                | 5,233,033 | 5,233,033  | -      | 5,233,033   | 5,233,033   |        |
| Share premium                                | 1,347,887 | 1,347,887  | -      | 1,347,887   | 1,347,887   | -      |
| Reserves                                     | 1,214,440 | 1,547,807  | (24)   | 144,803     | 152,054     | (5)    |
| Accumulated losses                           | (932,578) | (994,400)  | (24)   | (1,404,510) | (1,393,374) | (5)    |
| Equity attributable to owners of the Company | 6,862,782 | 7,184,429  | (0)    | 5,321,213   | 5,339,600   | -      |
| Non-controlling interests                    | 115,482   | 113,667    | 2      | 0,021,210   | 0,000,000   |        |
| Total equity                                 | 6,978,264 | 7,298,096  | (4)    | 5,321,213   | 5,339,600   | -      |
|  |           |            |        |             |             |        |
| Liabilities                                  |           |            |        |             |             |        |
| Non-current liability:                       |           |            |        |             |             |        |
| Deferred tax liability                       | 38,448    | 40,404     | (5)    |             |             | -      |
|  | 38,448    | 40,404     | (5)    |             | -           | -      |
| Current liabilities:                         |           |            |        |             |             |        |
| Advance receipts                             | 55,788    | -          | nm     | -           | -           | -      |
| Trade and other payables                     | 82,431    | 103,237    | (20)   | 23,632      | 29,804      | (21)   |
| Income tax payables                          | 70,421    | 61,842     | 14     |             | -           | -      |
|  | 208,640   | 165,079    | 26     | 23,632      | 29,804      | (21)   |
| Total liabilities                            | 247,088   | 205,483    | 20     | 23,632      | 29,804      | (21)   |
| Total equity and liabilities                 | 7,225,352 | 7,503,579  | (4)    | 5,344,845   | 5,369,404   | -      |
|  |           |            |        |             |             |        |

nm: Not Meaningful

### 1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

| As at 3 | 1/3/2017  | As at 3 | 1/12/2016 |
|---------|-----------|---------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| None    | None      | None    | None      |

Amount repayable after one year

| As at 3 | 1/3/2017  | As at 3 | 1/12/2016 |
|---------|-----------|---------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| None    | None      | None    | None      |

**Details of any collateral** None

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED MARCH 31, 2017

| 10     10       2017     2016       Profit after tax     73,076       Adjustments for:     73,076       Changes in fair value of other financial assets at fair value through profit or loss     41,840       Dividend/distribution income     (496)       Gains on sale of thed-for-sale investments     (452)       Gains on sale of valiable-for-sale investments     (453)       Depreciation copenes     66       14     14       Interest income     (6,711)       Tax expenses     (6,721)       Changes to:     (10,601)       Hidd-for-taiding investments     (8,728)       Disperciation copense     (6,711)       Tax expenses     (10,601)       Cash no other receivables     (7954)       Take and other payables     (7954)       Advance receivats     (11,020)       Cash used in operating activities:     (11,020)       Cash used in operating activities:     (11,020)       Acquisition of available-for-sale investments     (12,688)       Advance receivat     1,817       Take and used in operating activities:     (12,688)       Acquisition of available-for-sale investments     (12,688)       Advance receivat     1,817       Advance receivat     1,817       Advance receivat     1,817 <th></th> <th>GRO</th> <th colspan="3">UP</th>  |  | GRO       | UP        |  |  |
|--|--|-----------|-----------|--|--|
| NIS000NIS000Cash flows from operating activities73,076Profit after tax73,076Adjustments for:73,076Changes in fair value of other financial assets at fair value through profit or loss41,840Dividend/distribution income(4466)Gains on sale of held-for-sale investments(452)Gains on sale of available-for-sale investments(159,696)Gains on sale of other financial assets at fair value through profit or loss- (64,731)Impairment losses on available-for-sale investments16,760Depreciation expense6614(1,507)Interest income(1,507)(1,400)73,284Tax expenses(61,681)Interest income(1,507)(1,400)(1,5422)Changes to:(8,771)Held-for-tading investments(1,571)Trade and other payables(7,954)1,248Advance receiptsCash used in operations(1,2688)Interest received1,817Payed(149)Cash used in operating activities:Acquisition of available-for-sale investments(140,599)Proceeds from disposal of available-for-sale investments(140,599)Proceeds from disposal of other financial assets at fair value through profit or loss(140,599)Proceeds from disposal of available-for-sale investments(140,599)Proceeds from disposal of other financial assets at fair value through profit or loss(48,371)Proceeds from disposal of other financial assets at fair value thr  |  | 1Q        | 1Q        |  |  |
| NIS000NIS000Cash flows from operating activities73,076Profit after tax73,076Adjustments for:73,076Changes in fair value of other financial assets at fair value through profit or loss41,840Dividend/distribution income(4466)Gains on sale of held-for-sale investments(452)Gains on sale of available-for-sale investments(159,696)Gains on sale of other financial assets at fair value through profit or loss- (64,731)Impairment losses on available-for-sale investments16,760Depreciation expense6614(1,507)Interest income(1,507)(1,400)73,284Tax expenses(61,681)Interest income(1,507)(1,400)(1,5422)Changes to:(8,771)Held-for-tading investments(1,571)Trade and other payables(7,954)1,248Advance receiptsCash used in operations(1,2688)Interest received1,817Payed(149)Cash used in operating activities:Acquisition of available-for-sale investments(140,599)Proceeds from disposal of available-for-sale investments(140,599)Proceeds from disposal of other financial assets at fair value through profit or loss(140,599)Proceeds from disposal of available-for-sale investments(140,599)Proceeds from disposal of other financial assets at fair value through profit or loss(48,371)Proceeds from disposal of other financial assets at fair value thr  |  | 2017      | 2016      |  |  |
| Profit after tax73,07675,113Adjustments for:Changes in fair value of the financial assets at fair value through profit or loss41,840(6,440)Dividend/distribution income(496)(51,269)(53,279)Gains on sale of avalable-for-sale investments(189,696)(58,749)Gains on sale of other financial assets at fair value through profit or loss-(64,731)Impairment losses on available-for-sale investments16,66037,090Deprectation expense6614Interest income(1,572)(1,508)(Pade Social Control of the payables(51,681)(55,427)Changes to:(1,627)(1,508)(1,6481)IPded-for-tading investments(8,771)35,377Trade and other payables(70)2,384Advance receipts575,784Cash used in operations(12,688)(16,418)1417948Interest received1,817948Acquisition of available-for-sale investments(14,269)Acquisition of available-for-sale investments(14,059)Acquisition of available-for-sale investments(14,059)Acquisit   |  |           |           |  |  |
| Adjustments for:       Changes in fair value of other financial assets at fair value through profit or loss       41,840       (6,440)         Dividend/distribution income       (496)       (51,369)         Gains on sale of held-for-trading investments       (19,69)       (58,749)         Gains on sale of other financial assets at fair value through profit or loss       (1,670)       37,090         Depreciation expense       66       14         Interest income       (1,507)       (1,490)         Tax expenses       8,728       15,508         Changes to:       (1,671)       35,377         Trade and other payables       (7,954)       1,248         Advance receipts       55,788       -         Cash used in operations       (16,648)       (16,418)         Interest received       1,817       948         Tax paid       (1499)       (156)         Net cash used in operating activities:       (11,020)       (15,626)         Cash disposal of other financial assets at fair value through profit or loss       (14,059)       -         Proceeds from investing activities:       (11,020)       (15,626)       -         Cash disposal of other financial assets at fair value through profit or loss       (140,599)       -         Proceeds from disposal  | Cash flows from operating activities   |           |           |  |  |
|  | Profit after tax   | 73,076    | 75,113    |  |  |
| Dividend/distribution income         (496)         (51,369)           Gains on sale of held-for-trading investments         (182)         (373)           Gains on sale of available-for-sale investments         (189,696)         (58,749)           Gains on sale of available-for-sale investments         16,760         37,090           Depreciation expense         66         14           Interest income         (1,507)         (1,490)           Tax expenses         8,728         15,508           (51,681)         (54,721)         (53,427)           Changes to:         (1,507)         (1,490)           Trade and other receivables         (7,954)         1,248           Advance receipts         (2,5788)         -           Cash used in operating activities:         (1,268)         (16,418)           Interest received         1,817         948         (149)         (156)           Net cash used in operating activities:         (10,000)         (15,626)         (66,694)           Acquisition of available-for-sale investments         (31,688         127,456           Proceeds from disposal of other financial assets at fair value through profit or loss         (140,599)         -           Acquisition of poperty, plant and equipment         (143,566)         - <th>Adjustments for:</th> <th></th> <th></th> | Adjustments for:   |           |           |  |  |
| Gains on sale of held-for-trading investments(#52)(\$73)Gains on sale of available-for-sale investments(#89,96)(\$8,749)Gains on sale of other financial assets at fair value through profit or loss.(64,731)Impairment losses on available-for-sale investments16,76037,090Depreciation expenseInterest income(1,507)(1,490)Tax expensesHeld-for-trading investmentsTrade and other receivables(70)2,384Trade and other receivablesCash used in operationsInterset received1,817Tax paidNet cash used in operating activities:Acquisition of available-for-sale investmentsAcquisition of other financial assets at fair value through profit or lossAcquisition of other financial assets at fair value through profit or lossAcquisition of other financial assets at fair value through profit or lossAcquisition of other financial assets at fair value through profit or lossAcquisition of other financial assets at fair value through profit or lossAcquisitio   | Changes in fair value of other financial assets at fair value through profit or loss | 41,840    | (6,440)   |  |  |
| Gains on sale of available-for-sale investments(189,696)(58,749)Gains on sale of other financial assets at fair value through profit or loss-(64,731)Impairment losses on available-for-sale investments16,76037,090Depreciation expense6614Interest income(1,507)(1,490)Tax expenses8,72815,508Changes to:(51,681)(55,427)Held-for-trading investments(8,771)35,377Trade and other payables(7,954)1,248Advance receipts(7,954)1,248Cash used in operations(12,688)(16,418)Interest received1,817948Tax paid(149)(156)Net cash used in operating activities(1,020)(1,5626)Cash flows from investing activities:(1,020)(1,5626)Acquisition of available-for-sale investments(313,688127,456Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of available-for-sale investments313,688120,136Dividend/distribution income received from investments120,136586,178Cash flows from financing activities:120,136586,178Cash flow from investing activities(14,576)-Net cash from investing activities94,540570,552Cash and cash equivalents(32,783)(12,642)Cash and cash equivalents(32,783)(12,642)Cash and cash equivalents(32,783)(12,642) <th>Dividend/distribution income</th> <th>(496)</th> <th>(51,369)</th>   | Dividend/distribution income   | (496)     | (51,369)  |  |  |
| Gains on sale of other financial assets at fair value through profit or loss-(64,731)Impairment losses on available-for-sale investments16,76037,090Depreciation expense6614Interest income(1,507)(1,490)Tax expenses8,72815,508Changes to:11,60735,377Trade and other payables(7,954)1,248Advance receipts55,788-Cash used in operations(11,220)(15,626)Interest received1,817948Tax paid(149)(156)Net cash used in operating activities:(11,020)(15,626)Cash flows from investing activities:(140,599)-Acquisition of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments313,688122,7456Proceeds from disposal of available-for-sale investments313,688122,7456Proceeds from financing activities:-(14576)-Net cash from financing activities:120,136556,178Cash flows from financing activities:2,078,7781,766,626Net cash used in financing activities(14,576)-Net cash used in financing activities(14,576)-Cash and cash equivalents(32,783)(12,422)   | Gains on sale of held-for-trading investments  | (452)     | (373)     |  |  |
| Impairment losses on available-for-sale investments16,76037,090Depreciation expense6614Interest income(1,507)(1,490)Tax expenses8,72815,508Changes to:(51,681)(55,427)Pield-for-trading investments(8,771)35,377Trade and other payables(70)2,384Advance receipts(70)2,384Cash used in operations(12,688)(16,418)Interest received1,817948Tax paid(149)(156)Net cash used in operating activities:(11,020)(15,626)Cash flows from investing activities:(11,020)(15,626)Cash flows from investing activities:(140,599)-Acquisition of other financial assets at fair value through profit or loss(140,599)Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Net cash from investing activities:120,136586,178Cash flows from financing activities:(14,576)-Net cash used in financing activities:(14,576)-Net cash stop financing activities:(14,576)-Purchase of treasury shares(14,576)-Net cash stop financing activities(14,576)-Net cash used in financing activities(12,62,783)(12,642)Cas  | Gains on sale of available-for-sale investments                                      | (189,696) | (58,749)  |  |  |
| Depreciation expense6614Interest income(1,507)(1,490)Tax expenses8,72815,508(51,681)(55,427)(55,427)Changes to:(8,771)35,377Field-for-trading investments(7,954)1,248Advance receipts55,788-Cash used in operations(12,688)(16,418)Interest received1,817948Tax paid(149)(156)Net cash used in operating activities:(11,020)(15,626)Cash tused in operating activities:(11,020)(15,626)Cash from investing activities:(140,599)-Acquisition of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/ distribution income received from investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/ distribution income received from investments40683,619Acquisition of property, plant and equipment-(18,576)-Net cash from financing activities:120,136586,178120,136Cash and cash equivalents(32,783)(12,642)570,552Cash and cash equivalents(32,783)(12,642)-Net cash used in financing activities(32,783)(12,642)-Net cash used in financing activities(32,783)(12,642)-Ca   | Gains on sale of other financial assets at fair value through profit or loss         | -         | (64,731)  |  |  |
| Interest income(1.507)(1.490)Tax expenses8,72815,508Changes to:(51,681)(55,427)Held-for-trading investments(8,771)35,377Trade and other peavables(70)2,384Advance receipts55,788-Cash used in operations(12,688)(16,418)Interest received1,817948Cash used in operations(11,020)(15,626)Net cash used in operating activities:(11,020)(15,626)Cash flows from investing activities:(140,599)-Acquisition of available-for-sale investments(140,599)-Proceeds from disposal of other financial assets at fair value through profit or loss(140,599)-Dividend/distribution in come received from investments49683,619Acquisition of poperty, plant and equipment-(189)Net cash flows from financial assets at fair value through profit or loss(14,576)-Net cash flow from financial activities:120,136586,178Cash flows from financing activities:120,136586,178Cash flow from financing activities:(14,576)-Net cash sequivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(12,642)2,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalents at March 312,140,5352,324,536Cash and cash equivalent in the statement of cash flows2,140,5352,   | Impairment losses on available-for-sale investments                                  | 16,760    | 37,090    |  |  |
| Tax expenses8.72815,508Changes to:(51,681)(55,427)Ideld-for-trading investments(8,771)35,377Trade and other receivables(70)2,384Trade and other receivables(70)2,384Advance receipts55,788-Cash used in operations(12,688)(16,418)Interest received1,817948Tax paid(149)(156)Net cash used in operating activities(11,020)(15,626)Cash flows from investing activities:(11,020)(15,626)Cash flows from investing activities:(140,599)-Acquisition of other financial assets at fair value through profit or loss(140,599)-Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments120,136586,178Cash flows from financing activities:120,136586,178Cash flows from financing activities:120,136586,178Cash flows from financing activities94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents2,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalents at March 312,140,5352,324,536Cash and cash equivalents of cash flows2,140,5352,324,536   | Depreciation expense   | 66        | 14        |  |  |
| Changes to:(51,681)(55,427)Held-for-trading investments(8,771)35,377Trade and other receivables(70)2,384Trade and other payables(7,954)1,248Advance receipts55,788-Cash used in operations(12,688)(16,418)Interest received1,817948Tax paid(149)(156)Net cash used in operating activities:(11,020)(15,626)Cash flows from investing activities:(14,0299)-Acquisition of available-for-sale investments(14,0599)-Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(14,576)-Net cash flows from financing activities:120,136586,178Cash nuces form disposal of availables94,540570,5522,324,536Cash and cash equivalents2,078,7781,766,6261,766,626Effect of exchange rate on cash and cash equivalents2,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flows information2,1442   | Interest income  | (1,507)   | (1,490)   |  |  |
| Changes to:Held-for-trading investments(8,771)35,377Trade and other receivables(70)2,384Trade and other payables(7,954)1,248Advance receipts55,788-Cash used in operations(12,688)(16,418)Interest received1,817948Tax paid(149)(156)Net cash used in operating activities(11,020)(15,626)Cash flows from investing activities:(11,020)(15,626)Acquisition of available-for-sale investments(140,599)-Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(14,576)Net cash from investing activities:(14,576)-Purchase of treasury shares(14,576)-Net cash used in financing activities:94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalents in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442  | Tax expenses   | 8,728     | 15,508    |  |  |
| Held-for-trading investments(8,771)35,377Trade and other recivables(70)2.384Trade and other payables(7,954)1.248Advance receipts55,788-Cash used in operations(12,688)(16,418)Interest received1.817948Tax paid(149)(156)Net cash used in operating activities:(11,020)(15,626)Cash disc from investing activities:(11,020)(15,626)Cash disc from disposal of available-for-sale investments(14,0599)-Acquisition of available-for-sale investments313,688127,456Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from financing activities:120,136586,178Cash flows from financing activities:94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at January 12,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flows2,140,5352,324,536Cash and cash equi   |  | (51,681)  | (55,427)  |  |  |
| Trade and other receivables(70)2,384Trade and other payables(7,954)1,248Advance receipts55,788-Cash used in operations(12,688)(16,418)Interest received1,817948Tax paid(149)(156)Net cash used in operating activities(11,020)(15,626)Cash flows from investing activities:(11,020)(15,626)Acquisition of available-for-sale investments(58,286)(66,694)Acquisition of other financial assets at fair value through profit or loss(140,599)-Proceeds from disposal of available-for-sale investments313,688127,456Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from investing activities:120,136586,178Cash nuces in cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalent in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442   |  |           |           |  |  |
| Trade and other payables(7,954)1,248Advance receipts55,788-Cash used in operations(12,688)(16,418)Interest received1,817948Tax paid(149)(155)Net cash used in operating activities(11,020)(15,626)Cash flows from investing activities:(140,599)-Acquisition of available-for-sale investments(58,286)(66,694)Acquisition of other financial assets at fair value through profit or loss(140,599)-Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(14,576)Net cash from investing activities:120,136586,178Purchase of treasury shares(14,576)-Net increase in cash and cash equivalents2,078,7781,766,626Effect of exchange rate on cash and cash equivalents(2,2783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash nel cash equivalent in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442  |  |           |           |  |  |
| Advance receipts55,788-Cash used in operations(12,688)(16,418)Interest received1,817948Tax paid(149)(156)Net cash used in operating activities:(11,020)(15,626)Cash flows from investing activities:(11,020)(15,626)Acquisition of available-for-sale investments(58,286)(66,694)Acquisition of other financial assets at fair value through profit or loss(140,599)-Proceeds from disposal of other financial assets at fair value through profit or loss313,688127,456Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from financing activities:120,136586,178Purchase of treasury shares(14,576)-Net increase in cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flows informationCash and cash equivalent in the statement of cash flows2,140,5352,324,536Cash and cash equivalent in the statement of cash flows2,140,5352,324,5362,324,536  |  |           |           |  |  |
| Cash used in operations(12,688)(16,418)Interest received1,817948Tax paid(149)(156)Net cash used in operating activities(11,020)(15,626)Cash flows from investing activities:(11,020)(15,626)Acquisition of available-for-sale investments(58,286)(66,694)Acquisition of other financial assets at fair value through profit or loss(140,599)-Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash flows from financing activities:120,136586,178Purchase of treasury shares(14,576)-Net increase in cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalent in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442   |  |           | 1,248     |  |  |
| Interest received1,817948Tax paid(149)(156)Net cash used in operating activities(11,020)(15,626)Cash flows from investing activities:(11,020)(15,626)Acquisition of available-for-sale investments(58,286)(66,694)Acquisition of other financial assets at fair value through profit or loss(140,599)-Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from financing activities:120,136586,178Purchase of treasury shares(14,576)-Net cash used in financing activities:94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash held by trustee7221,442  | -  |           | -         |  |  |
| Tax paid(149)(156)Net cash used in operating activities(11,020)(15,626)Cash flows from investing activities:(11,020)(15,626)Acquisition of available-for-sale investments(58,286)(66,694)Acquisition of other financial assets at fair value through profit or loss(140,599)-Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/ distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from investing activities:120,136586,178Purchase of treasury shares(14,576)-Net cash used in financing activities94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information7221,442   | -  |           |           |  |  |
| Net cash used in operating activities(11,020)(15,626)Cash flows from investing activities:Acquisition of available-for-sale investments(58,286)(66,694)Acquisition of other financial assets at fair value through profit or loss(140,599)-Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from investing activities120,136586,178Cash flows from financing activities:120,136586,178Purchase of treasury shares(14,576)-Net cash used in financing activities94,540570,552Cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at January 12,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalents at March 312,140,5352,324,536Cash held by trustee7221,442   |  |           |           |  |  |
| Cash flows from investing activities:Acquisition of available-for-sale investments(58,286)Acquisition of other financial assets at fair value through profit or loss(140,599)Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from investing activities120,136586,178Cash flows from financing activities:120,136586,178Purchase of treasury shares(14,576)-Net cash used in financing activities94,540570,552Cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at January 12,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalents at March 312,140,5352,324,536Cash held by trustee7221,442   | -  |           |           |  |  |
| Acquisition of available-for-sale investments(58,286)(66,694)Acquisition of other financial assets at fair value through profit or loss(140,599)-Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from financing activities120,136586,178Cash flows from financing activities(14,576)-Purchase of treasury shares(14,576)-Net increase in cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash held by trustee7221,442  | Net cash used in operating activities  | (11,020)  | (15,626)  |  |  |
| Acquisition of available-for-sale investments(58,286)(66,694)Acquisition of other financial assets at fair value through profit or loss(140,599)-Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from financing activities120,136586,178Cash flows from financing activities(14,576)-Purchase of treasury shares(14,576)-Net increase in cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash held by trustee7221,442  | Cash flows from investing activities:  |           |           |  |  |
| Acquisition of other financial assets at fair value through profit or loss(140,599)Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from investing activities120,136586,178Cash flows from financing activities:(14,576)-Purchase of treasury shares(14,576)-Net cash used in financing activities94,540570,552Cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash held by trustee7221,442   | 0  | (58-286)  | (66 694)  |  |  |
| Proceeds from disposal of available-for-sale investments313,688127,456Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from investing activities120,136586,178Cash flows from financing activities:-(14,576)-Purchase of treasury shares(14,576)Net cash used in financing activities94,540570,552-Cash and cash equivalents94,540570,552-Cash and cash equivalents at January 12,078,7781,766,626-Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash held by trustee7221,442   | -  |           | (00,074)  |  |  |
| Proceeds from disposal of other financial assets at fair value through profit or loss4,837441,986Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from investing activities120,136586,178Cash flows from financing activities:Purchase of treasury shares(14,576)-Net cash used in financing activities(14,576)-Net cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash held by trustee7221,442   |  |           | 107 456   |  |  |
| Dividend/distribution income received from investments49683,619Acquisition of property, plant and equipment-(189)Net cash from investing activities120,136586,178Cash flows from financing activities:Purchase of treasury shares(14,576)-Net cash used in financing activities(14,576)-Net cash used in financing activities94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash held by trustee7221,442  |  |           |           |  |  |
| Acquisition of property, plant and equipment. (189)Net cash from investing activities120,136586,178Cash flows from financing activities:120,136-Purchase of treasury shares(14,576)-Net cash used in financing activities(14,576)-Net increase in cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash held by trustee7221,442  |  |           |           |  |  |
| Net cash from investing activities120,136586,178Cash flows from financing activities:  |  | 496       |           |  |  |
| Cash flows from financing activities:Purchase of treasury shares(14,576)Net cash used in financing activities(14,576)Net increase in cash and cash equivalents94,540Supplemental disclosure of cash flow information2,140,535Cash and cash equivalent in the statement of cash flows2,140,535Cash and cash equivalent in the statement of cash flows2,140,535Cash and cash equivalent in the statement of cash flows2,140,535Cash and cash equivalent in the statement of cash flows2,140,535Cash and cash equivalent in the statement of cash flows2,140,535Cash held by trustee7221,442  |  | 120 126   |           |  |  |
| Purchase of treasury shares(14,576)-Net cash used in financing activities(14,576)-Net increase in cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalent in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442   | Net cash from investing activities   | 120,136   | 586,178   |  |  |
| Purchase of treasury shares(14,576)-Net cash used in financing activities(14,576)-Net increase in cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalent in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442   | Cash flows from financing activities:  |           |           |  |  |
| Net cash used in financing activities(14,576)Net increase in cash and cash equivalents94,540Cash and cash equivalents at January 12,078,778Effect of exchange rate on cash and cash equivalents(32,783)Cash and cash equivalents at March 312,140,535Supplemental disclosure of cash flow information2,140,535Cash and cash equivalent in the statement of cash flows2,140,535Cash held by trustee7221,442   | -  | (14,576)  | -         |  |  |
| Net increase in cash and cash equivalents94,540570,552Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalent in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442   |  |           |           |  |  |
| Cash and cash equivalents at January 12,078,7781,766,626Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow informationCash and cash equivalent in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442   |  | (,)       |           |  |  |
| Effect of exchange rate on cash and cash equivalents(32,783)(12,642)Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information2,140,5352,324,536Cash and cash equivalent in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442   | Net increase in cash and cash equivalents  | 94,540    | 570,552   |  |  |
| Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information<br>Cash and cash equivalent in the statement of cash flows<br>Cash held by trustee2,140,5352,324,536Cash held by trustee7221,442   | Cash and cash equivalents at January 1   | 2,078,778 | 1,766,626 |  |  |
| Cash and cash equivalents at March 312,140,5352,324,536Supplemental disclosure of cash flow information<br>Cash and cash equivalent in the statement of cash flows<br>Cash held by trustee2,140,5352,324,536Cash held by trustee7221,442   | Effect of exchange rate on cash and cash equivalents                                 | (32,783)  | (12,642)  |  |  |
| Cash and cash equivalent in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442  | -  | 2,140,535 | 2,324,536 |  |  |
| Cash and cash equivalent in the statement of cash flows2,140,5352,324,536Cash held by trustee7221,442  |  |           |           |  |  |
| Cash held by trustee 722 1,442   |  |           |           |  |  |
|  | •  |           | 2,324,536 |  |  |
| Cash and cash equivalent in the statement of financial position2,141,2572,325,978  |  |           |           |  |  |
|  | Cash and cash equivalent in the statement of financial position                      | 2,141,257 | 2,325,978 |  |  |

# 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED MARCH 31, 2017

|  |           |           |             |                   | Attributable | to owners of t | the Company     |            |           |             |           |                |           |
|--|-----------|-----------|-------------|-------------------|--------------|----------------|-----------------|------------|-----------|-------------|-----------|----------------|-----------|
|  |           |           | Contributed | Currency          |              |                | Capital surplus |            | Treasury  |             |           |                |           |
|  | Share     | Share     | surplus     | translation       | Legal        | Special        | - net assets    | Fair value | shares    | Accumulated | 1         | Non-controllir | g         |
|  | capital   | premium   | reserve     | and other reserve | reserve      | reserve        | from merger     | reserve    | reserve   | losses      | Sub-total | interests      | Total     |
|  | NT\$'000  | NT\$'000  | NT\$'000    | NT\$'000          | NT\$'000     | NT\$'000       | NT\$'000        | NT\$'000   | NT\$'000  | NT\$'000    | NT\$'000  | NT\$'000       | NT\$'000  |
| At January 1, 2017   | 5,233,033 | 1,347,887 | 406,116     | 62,408            | 477,508      | 19,801         | 126,667         | 759,471    | (254,062) | (994,400)   | 7,184,429 | 113,667        | 7,298,096 |
| Total comprehensive income/(losses) for the period                   |           |           |             |                   |              |                |                 |            |           |             |           |                |           |
| Profit for the period  | -         | -         | -           | -                 | -            | -              | -               | -          | -         | 71,261      | 71,261    | 1,815          | 73,076    |
| Exchange differences on translation of foreign operations and others | -         | -         | -           | (171,837)         | -            | -              | -               | -          | -         | -           | (171,837) | -              | (171,837) |
| Financial Assets - available-for-sale (AFS)                          | -         | -         | -           | -                 | -            | -              | -               | (213,820)  | -         | -           | (213,820) | -              | (213,820) |
| Total other comprehensive losses                                     | -         | -         | -           | (171,837)         | -            | -              | -               | (213,820)  | -         | -           | (385,657) | -              | (385,657) |
| Total comprehensive income/(losses) for the period                   | -         | -         | -           | (171,837)         | -            | -              | -               | (213,820)  | -         | 71,261      | (314,396) | 1,815          | (312,581) |
| Transactions with owners, recognised directly                        |           |           |             |                   |              |                |                 |            |           |             |           |                |           |
| in equity  |           |           |             |                   |              |                |                 |            |           |             |           |                |           |
| Contributions by and distributions to owners                         |           |           |             |                   |              |                |                 |            |           |             |           |                |           |
| Shares bought back as treasury shares                                | -         | -         | -           | -                 | -            | -              | -               | -          | (7,251)   | -           | (7,251)   | -              | (7,251)   |
| Transfer to legal reserve of certain subsidiaries                    | -         | -         | -           | -                 | 9,439        | -              | -               | -          | -         | (9,439)     | -         | -              | -         |
| Total transactions with owner  | -         | -         | -           | -                 | 9,439        | -              | -               | -          | (7,251)   | (9,439)     | (7,251)   | -              | (7,251)   |
| At March 31, 2017  | 5,233,033 | 1,347,887 | 406,116     | (109,429)         | 486,947      | 19,801         | 126,667         | 545,651    | (261,313) | (932,578)   | 6,862,782 | 115,482        | 6,978,264 |

#### GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE FIRST QUARTER ENDED MARCH 31, 2016

|   |           |           |             |                   | Attributable | to owners of t | he Company      |            |           |             |           |                 |           |
|---|-----------|-----------|-------------|-------------------|--------------|----------------|-----------------|------------|-----------|-------------|-----------|-----------------|-----------|
|   |           |           | Contributed | Currency          |              |                | Capital surplus |            | Treasury  |             |           |                 |           |
|   | Share     | Share     | surplus     | translation       | Legal        | Special        | - net assets    | Fair value | shares    | Accumulated | Ν         | Jon-controlling | g         |
|   | capital   | premium   | reserve     | and other reserve | reserve      | reserve        | from merger     | reserve    | reserve   | losses      | Sub-total | interests       | Total     |
|   | NT\$'000  | NT\$'000  | NT\$'000    | NT\$'000          | NT\$'000     | NT\$'000       | NT\$'000        | NT\$'000   | NT\$'000  | NT\$'000    | NT\$'000  | NT\$'000        | NT\$'000  |
| At January 1, 2016  | 5,233,033 | 1,347,887 | 406,116     | 112,293           | 457,504      | 19,801         | 126,667         | 1,108,544  | (188,777) | (892,274)   | 7,730,794 | 96,551          | 7,827,345 |
| Total comprehensive income/(losses) for the period        |           |           |             |                   |              |                |                 |            |           |             |           |                 |           |
| Profit for the period                                     | -         | -         | -           | -                 | -            | -              | -               | -          | -         | 69,166      | 69,166    | 5,947           | 75,113    |
| Exchange differences on translation of foreign operations | -         | -         | -           | (58,826)          | -            | -              | -               | -          | -         | -           | (58,826)  | -               | (58,826)  |
| Financial Assets - available-for-sale (AFS)               | -         | -         | -           | -                 | -            | -              | -               | (215,758)  | -         | -           | (215,758) | -               | (215,758) |
| Total other comprehensive losses                          | -         | -         | -           | (58,826)          | -            | -              | -               | (215,758)  | -         | -           | (274,584) | -               | (274,584) |
| Total comprehensive income/(losses) for the period        | -         | -         | -           | (58,826)          | -            | -              | -               | (215,758)  | -         | 69,166      | (205,418) | 5,947           | (199,471) |
| Transactions with owners, recognised directly             |           |           |             |                   |              |                |                 |            |           |             |           |                 |           |
| in equity   |           |           |             |                   |              |                |                 |            |           |             |           |                 |           |
| Contributions by and distributions to owners              |           |           |             |                   |              |                |                 |            |           |             |           |                 |           |
| Total transactions with owner                             | -         | -         | -           | -                 | -            | -              | -               | -          | -         | -           | -         | -               | -         |
| At March 31, 2016   | 5,233,033 | 1,347,887 | 406,116     | 53,467            | 457,504      | 19,801         | 126,667         | 892,786    | (188,777) | (823,108)   | 7,525,376 | 102,498         | 7,627,874 |

#### COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED MARCH 31, 2017

| At January 1, 2017   | Share<br>capital<br>NT\$'000<br>5,233,033 | Share<br>premium<br>NT\$'000<br>1,347,887 | Contributed<br>surplus reserve<br>NT\$'000<br>406,116 | Treasury shares<br>reserve<br>NT\$'000<br>(254,062) | Accumulated<br>losses<br>NT\$'000<br>(1,393,374) | Total<br>NT\$'000<br>5,339,600 |
|--|---|---|---|---|--|--------------------------------|
| Total comprehensive losses for the period<br>Losses for the period   |   |   |   |   | (11,136)   | (11,136)                       |
| Total other comprehensive losses for the period  | -   | -   | -   | -   |  | -                              |
| Total comprehensive losses for the period  |   | -   | -   | -   | (11,136)   | (11,136)                       |
| Transactions with owners, recognised directly<br>in equity<br>Contributions by and distributions to owners |   |   |   |   |  |                                |
| Shares bought back as treasury shares  | -   | -   | -   | (7,251)   | -  | (7,251)                        |
| Total transactions with owner  | -   | -   | -   | (7,251)   | -  | (7,251)                        |
| At March 31, 2017  | 5,233,033                                 | 1,347,887                                 | 406,116   | (261,313)   | (1,404,510)                                      | 5,321,213                      |

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED MARCH 31, 2016

|   | Share<br>capital | Share<br>premium | Contributed<br>surplus reserve | Treasury shares<br>reserve | Accumulated<br>losses | Total     |
|---|------------------|------------------|--------------------------------|----------------------------|-----------------------|-----------|
|   | NT\$'000         | NT\$'000         | NT\$'000                       | NT\$'000                   | NT\$'000              | NT\$'000  |
| At January 1, 2016                              | 5,233,033        | 1,347,887        | 406,116                        | (188,777)                  | (1,507,229)           | 5,291,030 |
| Total comprehensive losses for the period       |                  |                  |                                |                            |                       |           |
| Losses for the period                           | -                | -                | -                              | -                          | (6,808)               | (6,808)   |
| Total other comprehensive losses for the period | -                | -                | -                              | -                          | -                     | -         |
| Total comprehensive losses for the period       | -                | -                | -                              | -                          | (6,808)               | (6,808)   |
| Transactions with owners, recognised directly   |                  |                  |                                |                            |                       |           |
| in equity                                       |                  |                  |                                |                            |                       |           |
| Contributions by and distributions to owners    |                  |                  |                                |                            |                       |           |
| Total transactions with owner                   | -                | -                | -                              | -                          | -                     | -         |
| At March 31, 2016                               | 5,233,033        | 1,347,887        | 406,116                        | (188,777)                  | (1,514,037)           | 5,284,222 |

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Pursuant to the general mandate obtained from the General Meeting held on April 21, 2016, the Company continued with its share buy-back exercise. During the period from January 1, 2017 to March 31, 2017, the number of shares purchased by way of market acquisition was 216,600 (in total representing 0.22% of the Company's issued share capital as at the date of the share buy-back mandate was obtained), for an aggregated consideration of NT\$7,251,317. Pursuant to the Bye-laws of the Company, the shares purchased are treated as treasury shares.

As at March 31, 2017, the issued share capital less treasury shares of the Company was 97,203,782 shares (104,660,662 issued shares less 7,456,880 treasury shares) and the issued capital amounted to NT\$5,233,033,100.

As at December 31, 2016, the issued share capital less treasury shares of the Company was 97,420,382 shares (104,660,662 issued shares less 7,240,280 treasury shares) and the issued capital amounted to NT\$5,233,033,100.

## 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

|  | 31/3/2017  | 31/12/2016 |
|--|------------|------------|
| Total number of issued shares, excluding treasury shares | 97,203,782 | 97,420,382 |

# 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The movement of treasury share is as follows:

|                                       | Number of Shares |
|---------------------------------------|------------------|
| At January 1, 2017                    | 7,240,280        |
| Shares bought back as treasury shares | 216,600          |
| At March 31, 2017                     | 7,456,880        |

# 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

Figures have not been audited or reviewed.

**3.** Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter.)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer most recently audited annual financial statements have been applied.

The revised and/or new International Financial Reporting Standards (IFRS) effective in FY2017 have no significant impact on the Group.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

| Group  |            |            |
|--|------------|------------|
|  | NT         | \$         |
|  | 1Q         | 1Q         |
|  | 2017       | 2016       |
| Earnings per ordinary share after deducting<br>any provisions for preference dividends :           |            |            |
| <ul> <li>(a) Based on weighted average number<br/>of ordinary shares on issue; and</li> </ul>      | 0.73       | 0.70       |
| (b) On a fully diluted basis   | 0.73       | 0.70       |
| Earnings per ordinary share has been computed on the following weighted average number of shares : |            |            |
| (a) Basic  | 97,219,698 | 99,382,882 |
| (b) Diluted  | 97,219,698 | 99,382,882 |

- 7. Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the:
  - (a) current financial period reported on; and

### (b)immediately preceding financial year.

|   |      | Group     |            | Company   |            |
|---|------|-----------|------------|-----------|------------|
|   |      | 31/3/2017 | 31/12/2016 | 31/3/2017 | 31/12/2016 |
| Net asset value (attributable to owners of the Company)           | NT\$ | 70.60     | 73.75      | 54.74     | 54.81      |
| per share based on issued share capital at end of the period/year | S\$  | 3.25      | 3.31       | 2.52      | 2.46       |

Note : Exchange rate of S\$1: NT\$21.71 for 2017.3.31 and S\$1:NT\$22.29 for 2016.12.31

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group business. It must include a discussion of the following:-
  - (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

- 1. The Group's revenue of NT\$130.4 million came primarily from divestment income as follows:
  - i. Gains of NT\$189.7 million (1Q2016: gains of NT\$58.7 million) on sales of available-for-sale investments;
  - ii. The revaluation result with losses of NT\$41.8 million (1Q2016: gains of NT\$6.4 million) on other financial assets at fair value through profit or loss arose from unfavourable mark to market; and
  - iii. Foreign exchange losses of NT\$30.1 million (1Q2016: losses of NT\$15.7 million) was mainly due to the depreciation of US dollar against NT dollar during 1Q2017.
- 2. The Group identified provision of NT\$16.8 million (1Q2016: NT\$37.1 million) for impairment as follows:
  - i. Certain quoted investment was impaired by NT\$1.6 million due to market prices being further lower than investment costs; and
  - ii. NT\$15.2 million of impairment loss was recognized for unquoted investments since certain investee companies were in loss-making position for prolonged periods without any sign of improvement or changes to operational strategies that would turn around the companies.
- 3. The Group's other comprehensive losses of NT\$385.7 million (1Q2016: losses of NT\$274.6 million) arose mainly from the following items:
  - i. The net losses of NT\$39.4 million was due to unfavorable change in fair value of available-for-sale investments (1Q2016: losses of NT\$237.0 million);
  - ii. The reclassification adjustments for gains on sales taken to profit or loss amounted to NT\$176.4 million (1Q2016: NT\$12.4 million); and
  - iii.Losses on translation of foreign operations amounted to NT\$171.8 million was a result of depreciation of US dollar against NT dollar during 1Q2017 (1Q2016: losses of NT\$58.8 million).

### (b)

- 1. The decrease in the Group's available-for-sale investments from NT\$4,214.8 million to NT\$3,771.0 million was mainly due to divestments of NT\$351.6 million during 1Q2017.
- 2. The Group's trade and other receivables of NT\$58.8 million was mainly due to the unsettled proceeds for sold trades as at the end of 1Q2017.
- 3. The Group's reserves decreased from NT\$1,597.9 million to NT\$1,214.4 million

was mainly due to losses on translation of foreign operations amounted to NT\$171.8 million, reclassification adjustments for gains on sales taken to profit or loss amounted to NT\$176.4 million during 1Q2017 and unfavorable fair value changes of NT\$39.4 million on the existing investments at the end of 1Q2017.

- 4. The Group's advance receipts of NT\$55.8 million was mainly due to an installment proceeds received.
- 9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast was previously disclosed in relation to first quarter 2017 results.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The equity market carried tremendous momentum going into 2017. However due to policy uncertainties in the US, financial market volatilities and disruptions can be expected to persist. We will stay focused on leveraging resources based on sound risks management for investments and divestments.

### 11. Dividend

### (a) Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? None

### (b)Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

#### (c) Date payable

N.A.

### (d)Books closure date

N.A.

### 12. If no dividend has been declared (recommended), a statement to that effect.

N.A.

# 13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a shareholder's mandate pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

#### 14. Negative confirmation pursuant to rule 705(5) of the listing manual

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the unaudited interim financial results of the Group, comprising the statements of financial position (Group and Company), consolidated statement of comprehensive income, statements of changes in equity (Group and Company) and consolidated statement of cash flows, together with the accompanying information required by Appendix 7.2 of Listing Manual of the Singapore Exchange Securities Trading Limited, for the first quarter ended March 31, 2017, to be false or misleading in any material respect.

## 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1) of the listing manual.

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the listing manual.

#### **BY ORDER OF THE BOARD** Hsin-Chieh Chung

Company Secretary May 11, 2017