

Provided by: CHI MEI MATERIALS TECHNOLOGY CORP.

2017 Q3 Report GDRs USE OF PROCEEDS

Code of listed company	4960			
Approval date	March 30,2017			
Date of board resolution, Project change	NIL			
Type	GDRs			
Project series NO.	1			
Estimate completion date	July, 20, 2017			
Year	2017			
Quarter	3			
Date of declaration	October, 11, 2017			
Use of unexpended balance	NTD\$1,822,127 thousand. Bank savings.			
Use of proceeds				
Anticipated spend amount	1,950,000,000	Cumulative anticipated spend amount	1,950,000,000	100.00%
Actual spend amount	127,873,000	cumulative actual spend amount	127,873,000	6.55%
Reasons of ahead or delayed; improvement plan	N/A			
Progress				
Anticipated progress	100.00 %	Cumulative anticipated progress	100.00 %	

Actual progress	6.56 %	Cumulative actual progress	6.56 %
Reasons of ahead or delayed; improvement plan	N/A ◦		
Anticipated Benefit			
Anticipated benefit and actual achievement	The use of proceeds is for procurement of raw materials overseas. However the fundraising has not been accomplished in 3 rd quarter, because the fundraising was accomplished by September, 12, 2017. The unexpended proceeds will be used completely in fourth quarter, 2017. In order to enhance company's flexibility of fund using, and to preserve stable funds for the needs of future operation. The benefit of the project has been appeared gradually when fund has been vesting in accordingly.		
Anticipated benefit and actual achievement	Difference: ◯yes● no		
Have underwriter or CPA issued any opinion?			
OPINION from Underwriter: Fubon Securities Co., Ltd. Offshore Securities Unit OR CPA: Deloitte &	1. progress of use of proceeds ● normal ◯ abnormal opinion(please state if there is any progress ahead or delayed): The issuance of capital increase through new shares to sponsor the issuance of GDRs, total fundraising is USD\$64,913 (thousand) (approx. NTD\$ 1,950,000 (thousand)). The proceeds will be used for the procurement of raw materials overseas. As of September 30, 2017. Actual spend amount is NTD\$127,873 thousand, which the progress is 6.56%. The use of proceeds is for procurement of raw materials overseas and is expected consummation on		

Touche	the 3rd Quarter of 2017. However, The fundraising was accomplished by September 12, 2017. After evaluation, the progress is reasonable, and the rest of fund will be used completely by fourth quarter, 2017. 2. Anticipated benefit and achievement: ● normal ○abnormal Opinion: The issuance of capital increases though new shares to sponsor GDRs have been accomplished by September 12, 2017. The benefit of this project has been appearing gradually with the fund has been vested in accordingly. Therefore, there is no significant difference of anticipated benefit and achievement. 3. Use of unexpended proceeds: ● normal ○abnormal Use: Bank savings. Opinion: As of September 30, 2017, unexpended proceeds are NTD\$1,822,127 thousand and are currently deposited in the bank not pledged. Company is planning to finish the proceeds by the fourth quarter, 2017, which the use of unexpended proceeds is reasonable. 4. Project change: ○ yes ●no Opinion: The motion for the company in capital increase though an issuance of new shares by sponsoring an issuance of GDRs has been approved by Financial Supervisory Commission via its approval letter under Jin-Guan-Zhen-Fa-Zi No. 1060008354 dated March 30, 2017, and fundraising was accomplished by September 12, 2017. After evaluation, the progress of proceeds use and unexpended proceeds are reasonable. Therefore, there is not required for project change.
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