



HOTUNG GROUP

HOTUNG INVESTMENT HOLDINGS LIMITED

Full Year Financial Statement for the Period Ended 31/12/2014

**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
YEAR ENDED DECEMBER 31, 2014

	Group		
	2014 NT\$'000	2013 NT\$'000	Change %
Revenue			
Interest income	5,155	5,441	(5)
Dividend income/ distribution income	179,531	183,461	(2)
Gains on sale of held-for-trading investments	1,061	23,983	(96)
Gains on sale of available-for-sale investments	284,257	528,635	(46)
(Losses)/Gains on sale of other financial assets at fair value through profit or loss	(18,256)	33,106	nm
Changes in fair value of held-for-trading investments	(34,693)	24,872	nm
Changes in fair value of other financial assets at fair value through profit or loss	105,980	(97,759)	nm
Foreign exchange gains	7,846	11,572	(32)
Others	3,247	1,382	135
Total Revenue	<u>534,128</u>	<u>714,693</u>	(25)
Impairment losses			
Impairment losses on available-for-sale investments	(94,751)	(149,030)	(36)
Impairment loss on other financial assets at fair value through profit or loss	(10,055)	(30,164)	(67)
Total impairment losses	<u>(104,806)</u>	<u>(179,194)</u>	(42)
Operating expenses			
General and administrative expenses	(177,071)	(192,802)	(8)
Total operating expenses	<u>(177,071)</u>	<u>(192,802)</u>	(8)
Share of profits of associates	18,150	19,397	(6)
Profit before tax	270,401	362,094	(25)
Tax expense	(8,259)	(31,582)	(74)
Profit after tax	<u>262,142</u>	<u>330,512</u>	(21)
Other comprehensive income/(losses):			
Items that are or may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	149,190	62,307	139
Financial Assets - available-for-sale (AFS):			
- Net change in fair value	309,142	126,560	144
- Reclassification adjustments for impairment losses taken to profit before tax	(5,058)	(6,693)	(24)
- Reclassification adjustments for gains taken to profit before tax from sales of AFS financial assets	(233,623)	(260,008)	(10)
Share of other comprehensive income of associates	195	81	141
Tax relating to components of other comprehensive gains/ (losses)	15,100	(22,405)	nm
Other comprehensive income/(losses) for the year, net of tax	<u>234,946</u>	<u>(100,158)</u>	nm
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>497,088</u>	<u>230,354</u>	116
Profit attributable to:			
Owners of the Company	262,136	330,492	(21)
Non-controlling interests	6	20	(70)
	<u>262,142</u>	<u>330,512</u>	(21)
Total comprehensive income for the year attributable to:			
Owners of the Company	497,082	230,334	116
Non-controlling interests	6	20	(70)
	<u>497,088</u>	<u>230,354</u>	116

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 DECEMBER 31, 2014

	Group			Company		
	31/12/2014 NTS'000	31/12/2013 NTS'000	Change %	31/12/2014 NTS'000	31/12/2013 NTS'000	Change %
Assets						
Non-current assets:						
Investments in subsidiaries	-	-	-	5,544,252	5,740,951	(3)
Investments in associates	67,350	67,129	-	8,260	8,260	-
Available-for-sale investments	4,919,263	4,511,114	9	-	-	-
Other financial assets at fair value through profit or loss	1,095,463	650,449	68	-	-	-
	<u>6,082,076</u>	<u>5,228,692</u>	16	<u>5,552,512</u>	<u>5,749,211</u>	(3)
Current assets:						
Held-for-trading investments	135,896	195,649	(31)	-	-	-
Trade and other receivables	13,001	33,313	(61)	1,429	712	101
Cash and cash equivalents	1,067,658	1,780,996	(40)	93,932	158,427	(41)
	<u>1,216,555</u>	<u>2,009,958</u>	(39)	<u>95,361</u>	<u>159,139</u>	(40)
Total assets	<u>7,298,631</u>	<u>7,238,650</u>	1	<u>5,647,873</u>	<u>5,908,350</u>	(4)
Equity						
Share capital	5,233,034	5,233,034	-	5,233,034	5,233,034	-
Share premium	1,347,887	1,347,887	-	1,347,887	1,347,887	-
Contributed surplus reserve	406,116	406,116	-	406,116	406,116	-
Currency translation reserve	6,721	(142,664)	nm	-	-	-
Legal reserve	437,112	405,641	8	-	-	-
Special reserve	19,801	19,801	-	-	-	-
Capital surplus - net assets from merger	126,667	126,667	-	-	-	-
Fair value reserve	719,213	633,652	14	-	-	-
Treasury shares reserve	(123,885)	(83,117)	49	(123,885)	(83,117)	49
Accumulated losses	(1,033,718)	(950,532)	9	(1,233,285)	(1,012,462)	22
Equity attributable to owners of the Company	<u>7,138,948</u>	<u>6,996,485</u>	2	<u>5,629,867</u>	<u>5,891,458</u>	(4)
Non-controlling interests	408	411	(1)	-	-	-
Total equity	<u>7,139,356</u>	<u>6,996,896</u>	2	<u>5,629,867</u>	<u>5,891,458</u>	(4)
Liabilities						
Non-current liabilities:						
Advance receipts	13,243	-	nm	-	-	-
Deferred tax liability	36,286	51,386	(29)	-	-	-
	<u>49,529</u>	<u>51,386</u>	(4)	<u>-</u>	<u>-</u>	-
Current liabilities:						
Trade and other payables	44,156	100,996	(56)	18,006	16,892	7
Income tax payable	65,590	89,372	(27)	-	-	-
	<u>109,746</u>	<u>190,368</u>	(42)	<u>18,006</u>	<u>16,892</u>	7
Total liabilities	<u>159,275</u>	<u>241,754</u>	(34)	<u>18,006</u>	<u>16,892</u>	7
Total equity and liabilities	<u>7,298,631</u>	<u>7,238,650</u>	1	<u>5,647,873</u>	<u>5,908,350</u>	(4)

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 31/12/2014		As at 31/12/2013	
Secured	Unsecured	Secured	Unsecured
None	None	None	None

Amount repayable after one year

As at 31/12/2014		As at 31/12/2013	
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
YEAR ENDED DECEMBER 31, 2014

	GROUP	
	2014 NTS'000	2013 NTS'000
Cash flows from operating activities		
Profit before tax	270,401	362,094
Adjustments for:		
Changes in fair value of held-for-trading investments	34,693	(24,872)
Changes in fair value of other financial assets at fair value through profit or loss	(105,980)	97,759
Dividend income/distribution income	(179,531)	(183,461)
Gains on sale of available-for-sale investments	(284,257)	(528,635)
Losses/(Gains) on sale of other financial assets at fair value through profit or loss	18,256	(33,106)
Impairment losses on available-for-sale investments	94,751	149,030
Impairment loss on other financial assets at fair value through profit or loss	10,055	30,164
Interest income	(5,155)	(5,441)
Foreign exchange gains	(7,846)	(11,572)
Gains on sale of held-for-trading investments	(1,061)	(23,983)
Share of profits of associates	(18,150)	(19,397)
Operating loss before working capital changes	(173,824)	(191,420)
Acquisition of held-for-trading investments	(303,287)	(309,386)
Proceeds from disposal of held-for-trading investments	287,443	320,575
Trade and other receivables	267	(1,363)
Trade and other payables	(14,875)	9,947
Advance receipts	13,243	-
Cash used in operations	(191,033)	(171,647)
Interest received	4,995	5,358
Dividend/distribution received	204,889	221,494
Tax paid	(32,041)	(23,998)
Net cash (used in)/from operating activities	(13,190)	31,207
Cash flows from investing activities:		
Dividend received from associates	16,541	16,541
Acquisition of available-for-sale investments	(986,207)	(1,324,935)
Acquisition of other financial assets at fair value through profit or loss	(363,189)	-
Proceeds from disposal of available-for-sale investments	897,311	1,093,128
Proceeds from disposal of other financial assets at fair value through profit or loss	53,486	208,236
Capital reduction of available-for-sale investee entities	6,060	9,385
Distribution received from associates	1,583	-
Net cash (used in)/from investing activities	(374,415)	2,355
Financing activities:		
Capital reduction in subsidiaries	(9)	(15)
Purchase of treasury shares	(40,768)	(3,998)
Dividend paid to Shareholders of the Company	(313,851)	(317,438)
Net cash used in financing activities	(354,628)	(321,451)
Net decrease in cash and cash equivalents	(742,233)	(287,889)
Cash and cash equivalents at January 1	1,774,456	2,030,574
Effect of exchange rate on cash and cash equivalents	25,859	31,771
Cash and cash equivalents at December 31	1,058,082	1,774,456
Supplemental disclosure of cash flow information		
Cash and cash equivalent in the statement of cash flows	1,058,082	1,774,456
Cash held by trustee	9,576	6,540
Cash and cash equivalent in the statement of financial position	1,067,658	1,780,996

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
YEAR ENDED DECEMBER 31, 2014

	Attributable to owners of the Company												Non-controlling interests	Total
	Share capital	Share premium	Contributed surplus reserve	Currency translation reserve	Legal reserve	Special reserve	Capital surplus - net assets from merger	Fair value reserve	Treasury shares reserve	Accumulated losses	Sub-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		
At January 1, 2014	5,233,034	1,347,887	406,116	(142,664)	405,641	19,801	126,667	633,652	(83,117)	(950,532)	6,996,485	411	6,996,896	
Total comprehensive income for the year														
Profit for the year	-	-	-	-	-	-	-	-	-	262,136	262,136	6	262,142	
Total other comprehensive income for the year	-	-	-	149,385	-	-	-	85,561	-	-	234,946	-	234,946	
Total comprehensive income for the year	-	-	-	149,385	-	-	-	85,561	-	262,136	497,082	6	497,088	
Transactions with owners, recognised directly in equity														
Contributions by and distributions to owners														
Shares bought back as treasury shares	-	-	-	-	-	-	-	-	(40,768)	-	(40,768)	-	(40,768)	
Capital reduction in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(9)	(9)	
Transfer from accumulated losses to legal reserves	-	-	-	-	31,471	-	-	-	-	(31,471)	-	-	-	
Dividend paid to shareholders of the Company	-	-	-	-	-	-	-	-	-	(313,851)	(313,851)	-	(313,851)	
Total transactions with owner	-	-	-	-	31,471	-	-	-	(40,768)	(345,322)	(354,619)	(9)	(354,628)	
At December 31, 2014	5,233,034	1,347,887	406,116	6,721	437,112	19,801	126,667	719,213	(123,885)	(1,033,718)	7,138,948	408	7,139,356	

GROUP STATEMENT OF CHANGES IN EQUITY
YEAR ENDED DECEMBER 31, 2013

	Attributable to owners of the Company												
	Share capital	Share premium	Contributed surplus reserve	Currency translation reserve	Legal reserve	Special reserve	Capital surplus - net assets from merger	Fair value reserve	Treasury shares reserve	Accumulated losses	Sub-total	Non-controlling 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, 2013	5,233,034	1,347,887	406,116	(205,052)	388,361	19,801	126,667	796,198	(79,119)	(946,306)	7,087,587	406	7,087,993
Total comprehensive income/(losses) for the year													
Profit for the year	-	-	-	-	-	-	-	-	-	330,492	330,492	20	330,512
Total other comprehensive income/ (losses) for the year	-	-	-	62,388	-	-	-	(162,546)	-	-	(100,158)	-	(100,158)
Total comprehensive income/(losses) for the year	-	-	-	62,388	-	-	-	(162,546)	-	330,492	230,334	20	230,354
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners													
Shares bought back as treasury shares	-	-	-	-	-	-	-	-	(3,998)	-	(3,998)	-	(3,998)
Capital reduction in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(15)	(15)
Transfer from accumulated losses to legal reserves	-	-	-	-	17,280	-	-	-	-	(17,280)	-	-	-
Dividend paid to shareholders of the Company	-	-	-	-	-	-	-	-	-	(317,438)	(317,438)	-	(317,438)
Total transactions with owner	-	-	-	-	17,280	-	-	-	(3,998)	(334,718)	(321,436)	(15)	(321,451)
At December 31, 2013	5,233,034	1,347,887	406,116	(142,664)	405,641	19,801	126,667	633,652	(83,117)	(950,532)	6,996,485	411	6,996,896

COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED DECEMBER 31, 2014

	Share capital	Share premium	Contributed surplus reserve	Treasury shares reserve	Accumulated losses	Total
	NTS'000	NTS'000	NTS'000	NTS'000	NTS'000	NTS'000
At January 1, 2014	5,233,034	1,347,887	406,116	(83,117)	(1,012,462)	5,891,458
Total comprehensive income for the year						
Profit for the year	-	-	-	-	93,028	93,028
Total other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	93,028	93,028
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Shares bought back as treasury shares	-	-	-	(40,768)	-	(40,768)
Dividend paid to shareholders of the Company	-	-	-	-	(313,851)	(313,851)
Total transactions with owner	-	-	-	(40,768)	(313,851)	(354,619)
At December 31, 2014	5,233,034	1,347,887	406,116	(123,885)	(1,233,285)	5,629,867

COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED DECEMBER 31, 2013

	Share capital	Share premium	Contributed surplus reserve	Treasury shares reserve	Accumulated losses	Total
	NTS'000	NTS'000	NTS'000	NTS'000	NTS'000	NTS'000
At January 1, 2013	5,233,034	1,347,887	406,116	(79,119)	(1,331,774)	5,576,144
Total comprehensive income for the year						
Profit for the year	-	-	-	-	636,750	636,750
Total other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	636,750	636,750
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Shares bought back as treasury shares	-	-	-	(3,998)	-	(3,998)
Dividend paid to shareholders of the Company	-	-	-	-	(317,438)	(317,438)
Total transactions with owner	-	-	-	(3,998)	(317,438)	(321,436)
At December 31, 2013	5,233,034	1,347,887	406,116	(83,117)	(1,012,462)	5,891,458

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 24, 2013, the Company continued with its share buy-back exercise. During the period from January 1, 2014 to April 28, 2014, the number of shares purchased by way of market acquisition was 10,433,000 (in total representing 1.02 % 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\$ 40,767,365. Pursuant to the Bye-laws of the Company, the shares purchased are treated as treasury shares.

Pursuant to the general mandate obtained from the General Meeting held on April 29, 2014, the Company did not repurchase any shares between April 29, 2014 and December 31, 2014.

As at December 31, 2014, the issued share capital less treasury shares of the Company was 1,012,422,783 shares (1,046,606,783 issued shares less 34,184,000 treasury shares) and the issued capital amounted to NT\$5,233,033,915.

As at December 31, 2013, the issued share capital less treasury shares of the Company was 1,022,855,783 shares (1,046,606,783 issued shares less 23,751,000 treasury shares) and the issued capital amounted to NT\$5,233,033,915.

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.

	<u>31/12/2014</u>	<u>31/12/2013</u>
Total number of issued shares, excluding treasury shares	<u>1,012,422,783</u>	<u>1,022,855,783</u>

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 shares is as follows:

	<u>Number of Shares</u>
At January 1, 2014	23,751,000
Shares bought back as treasury shares	<u>10,433,000</u>
At December 31, 2014	<u>34,184,000</u>

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 FY2014 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\$	
	2014	2013
Earnings per ordinary share after deducting any provisions for preference dividends :		
(a) Based on weighted average number of ordinary shares on issue; and	0.26	0.32
(b) On a fully diluted basis	0.26	0.32
Earnings per ordinary share has been computed on the following weighted average number of shares :		
(a) Basic	1,015,529,260	1,023,407,835
(b) Diluted	1,015,529,260	1,023,407,835

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	
		31/12/2014	31/12/2013	31/12/2014	31/12/2013
Net asset value (attributable to owners of the Company)	NT\$	7.05	6.84	5.56	5.76
per share based on issued share capital at end of the year	S\$	0.294	0.290	0.232	0.244

Note : Exchange rate of S\$1: NT\$23.94 for 2014.12.31 and S\$1:NT\$23.58 for 2013.12.31

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.**

(a)

1. The Group's revenue of NT\$534.1 million came primarily from divestment and revaluation of its investments as follows:
 - i. Gains of NT\$284.3 million (2013: NT\$528.6 million) on sales of available-for-sale investments;
 - ii. Gains of NT\$1.1 million (2013: NT\$24.0 million) on sales of held-for-trading investments;
 - iii. Losses of NT\$18.3 million (2013: gains of NT\$33.1 million) on sales of other financial assets at fair value through profit or loss (FVTPL) mainly from a quoted investment sold in 2014;
 - iv. Dividend income/distribution income of NT\$179.5 million (2013: NT\$183.5 million) received including distribution proceeds from fund investments of NT\$104.3 million;
 - v. Losses of NT\$34.7 million (2013: gains of NT\$24.9 million) arose from the unfavorable mark to market result on short term trading ; and
 - vi. Revaluation gains of NT\$106.0 million (2013: losses of NT\$97.8 million) on other financial assets at fair value through profit or loss, of which the revaluation gains arose mainly due to the following (a) the significant increase in the price of a quoted security; and (b) the increase in fair value of two unquoted securities based on recent transaction prices during the year.
2. The Group identified impairment provision of NT\$104.8 million for 2014 (2013: NT\$179.2 million) as follows:
 - i. Certain quoted investments were impaired by NT\$66.8 million due to market prices being significantly lower than investment costs. The remaining impairment amount of NT\$27.9 million was due to certain available-for-sale investments as the investee companies were loss-making for prolonged periods without any sign of improvement or changes to operational strategies that would turn around the companies; and
 - ii. The impairment losses on the other financial assets at fair value through profit or loss of NT\$10.1 million resulted from one investee company which had suffered prolonged period of losses without any sign of improvement in operation.
3. The decrease of tax expense of NT\$23.3 million was mainly due to the reversal of NT\$20.0 million for 2010 income tax liabilities on finalization of the tax return from the Tax Bureau in 2014.

4. The Group's other comprehensive income of NT\$234.9 million (2013: losses of NT\$100.2 million) came mainly from the following items:
- i. The net gains of NT\$309.1 million in fair value of available-for-sale assets (2013: gains of NT\$126.6 million);
 - ii. The reclassification adjustments for gains on sales taken to the income statement of NT\$233.6 million (2013: gains of NT\$260.0 million); and
 - iii. Gains on the exchange difference on translation of foreign operations of NT\$149.2 million due to the appreciation of US dollar against NT dollar during 2014 (2013: gains of NT\$62.3 million).

(b)

1. The Group cash balance decreased from NT\$1,781.0 million to NT\$1,067.7 million due to the increase of investments during 2014. At the end of 2014 the long term investments balances increased by NT\$408.1 million and NT\$445.0 million on Available-for-sale and FVTPL investments respectively.
2. The increase in the Group's FVTPL investments from NT\$650.4 million to NT\$1,095.5 million was mainly due to acquisitions in December.
3. The decrease in the Group's held-for-trading investments from NT\$195.6 million to NT\$135.9 million was mainly due to divestments during the year.
4. Trade receivables decreased from NT\$33.3 million to NT\$13.0 million. The decrease was due to divestment proceeds of NT\$29.5 million received in 2Q2014 from fair value through profit or loss securities.
5. The decrease in the Group's trade and other payables from NT\$101.0 million to NT\$44.2 million was mainly due to purchases of quoted equities made at the end of 2013 which were settled in January 2014.
6. The decrease in the Group's deferred tax liabilities from NT\$51.4 million to NT\$36.3 million was mainly due to decreased in fair value of Taiwan's available-for-sale investments in 2014.
7. Income tax payables decreased from NT\$89.4 million to NT\$65.6 million due to the reversal of NT\$20.0 million for 2010 income tax liabilities on finalization of the tax return from the Tax Bureau in 2Q2014.

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 full year 2014 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.**

Global growth in 2014, continuing the disappointing trend of the past several years, was lower than expected. 2015 will remain challenging. The Greater China region continued its gradual adjustment to a more balanced growth. But its structural reforms, gradual withdrawal of fiscal stimulus, and continued prudential measures to slow credit expansion will slow growth. This momentum, a stalled global recovery, financial market volatility and tightening of global financing conditions represent key risks to the regional outlook. However the group will through thorough assessment and careful selection of divestment/investment opportunities position itself for stable performance in 2015.

- 11. Dividend**

(a) Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend : Final

Dividend Type : Cash

Dividend Amount Per Share : NT\$0.258per share (tax not applicable)

(b)Corresponding Period of the Immediately Preceding Financial Year

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend : Final

Dividend Type : Cash

Dividend Amount Per Share : NT\$0.31 per share (tax not applicable)

(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

N.A.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR

ANNOUNCEMENTS (This part is not applicable to Q1, Q2 & Q3 or Half Year Results)

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

The Group adopted IFRS 8, Operating Segments, and identified the operating segments based on internal reporting that the Group's chief decision makers regularly review, as follows:

1. Venture Capital Investment – the Group's core business segment conducted through its three subsidiaries: Hotung Venture Capital Corp. (Taiwan), Daitung Development and Investment Corp. (Taiwan) and Huitung Investments (BVI) Ltd., with the objective of achieving significant long-term capital appreciation by investing in a balanced and well-diversified portfolio, and assisting and adding value to the portfolio of companies.
2. Others –relates to the Group's investment in a liquid portfolio of market-traded equity securities through one of the Taiwanese subsidiaries, Daitung Development and Investment Corp. and fund management activities conducted through an associate company.

There were no inter-segment transaction during the period except for the management and incentive fees paid from entities within the "venture capital investment" business segment to the associate company in the "others" segment, which are not eliminated as the associate has been equity accounted for.

The accounting policies of the reportable segments are the same as those in the audited financial statements for the year ended December 31, 2014.

	Venture capital investment business		Others		Group	
	NTS'000		NTS'000		NTS'000	
	2014	2013	2014	2013	2014	2013
Revenue from external parties						
Interest income	5,055	5,346	100	95	5,155	5,441
Dividend income/distribution income	174,642	180,932	4,889	2,529	179,531	183,461
Gains on sale of held-for-trading investments	-	-	1,061	23,983	1,061	23,983
Gains on sale of available-for-sale investments	284,257	528,635	-	-	284,257	528,635
(Losses)/Gains on sale of other financial assets at fair value through profit or loss	(18,256)	33,106	-	-	(18,256)	33,106
Changes in fair value of held-for-trading investments	-	-	(34,693)	24,872	(34,693)	24,872
Changes in fair value of other financial assets at fair value through profit or loss	105,980	(97,759)	-	-	105,980	(97,759)
Foreign exchange gains/(losses)	8,024	11,340	(178)	232	7,846	11,572
Others	3,241	1,376	6	6	3,247	1,382
	562,943	662,976	(28,815)	51,717	534,128	714,693
Impairment losses						
Impairment loss on available-for-sale investments	(94,751)	(149,030)	-	-	(94,751)	(149,030)
Impairment loss on other financial assets at fair value through profit or loss	(10,055)	(30,164)	-	-	(10,055)	(30,164)
	(104,806)	(179,194)	-	-	(104,806)	(179,194)
Operating expenses						
General and administrative expenses	(158,077)	(176,158)	(18,994)	(16,644)	(177,071)	(192,802)
	(158,077)	(176,158)	(18,994)	(16,644)	(177,071)	(192,802)
Share of profits of associates	-	-	18,150	19,397	18,150	19,397
Profit/(Losses) before tax	300,060	307,624	(29,659)	54,470	270,401	362,094
Tax expense	(7,811)	(31,136)	(448)	(446)	(8,259)	(31,582)
Profit/(Losses) after tax	292,249	276,488	(30,107)	54,024	262,142	330,512
Segment assets	7,058,156	6,942,390	173,125	229,131	7,231,281	7,171,521
Investments in associates	1,765	3,153	65,585	63,976	67,350	67,129
Consolidated total assets	7,059,921	6,945,543	238,710	293,107	7,298,631	7,238,650
Segment liabilities	57,399	59,031	-	41,965	57,399	100,996
Tax liabilities	101,876	140,758	-	-	101,876	140,758
Consolidated total liabilities	159,275	199,789	-	41,965	159,275	241,754

Information about geographical areas

	Revenue	
	NTS'000	
	2014	2013
Greater China	539,470	563,986
United States	(36,989)	150,285
Other countries	31,647	422
Total	534,128	714,693

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

None.

17. A breakdown of sales.

	Group		
	NT\$'000		Change %
	2014	2013	
Revenue reported for first half year	298,689	335,083	(11)
Operating profit after tax before non-controlling interests reported for first half year	168,321	160,072	5
Revenue reported for second half year	235,439	379,610	(38)
Operating profit after tax before non-controlling interests reported for second half year	93,821	170,440	(45)

18. A breakdown of the total annual dividend (in dollar value) for the issuer latest full year and its previous full year.

	2014	2013
	NT\$'000	NT\$'000
Ordinary (tax exempt one-tier)		
- final	-	313,851
Ordinary (tax exempt one-tier)		
- final (proposed)	261,205	-
Total :	261,205	313,851

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year 2014
Ms. Tsui-Hui Huang	51	Daughter of Mr. Cheng-Wang Huang (non-executive Director) Wife of Mr. Andy C.W. Chen (non-executive Director)	Managing Director - Hotung Investment Holdings Ltd. since August 1, 2006. Executive Director - Hotung Investment Holdings Ltd. since June 20, 2005.	nil

BY ORDER OF THE BOARD

Shu-Hui Lo
Company Secretary
17/02/2015