CDIB Capital Group and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2017 and 2016 and Independent Auditors’ Report

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" for the year ended December 31, 2017 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 "Consolidated Financial Statements". Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we have not prepared a separate set of consolidated financial statements of affiliates.

Very truly yours,

CDIB CAPITAL GROUP

By

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March 26, 2018

Deloitte.

勤業眾信

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
CDIB Capital Group

Opinion

We have audited the accompanying consolidated financial statements of CDIB Capital Group (the "Corporation") and subsidiaries, which comprise the consolidated balance sheets as of December 31, 2017 and 2016, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of CDIB Capital Group and subsidiaries as of December 31, 2017, and its consolidated financial performance and its consolidated cash flows for the year ended December 31, 2017, and the consolidated financial performance and the consolidated cash flows for the year then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China; and the consolidated financial position as of December 31, 2016, and the consolidated financial performance and the consolidated cash flows for the year then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks and the IFRSs endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Certain reclassification of accounts were made in the 2016 consolidated financial statements to conform with the presentation in 2017.

Basis for Opinion

We conducted our audits of the accompanying consolidated financial statements: As of and for the year ended December 31, 2017 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China; and as of and for the year ended December 31, 2016 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements of Financial Institutions by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Corporation and subsidiaries in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2017. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Impairment of Financial Assets Measured at Cost</u>

When objective evidence indicates that financial assets measured at cost are impaired, the amount of the loss has to be recognized. The Corporation and subsidiaries determines occurrence of the impairment by the calculation of the valuation models. The valuation models apply assumptions and critical judgments and estimates of the management; therefore, the impairment of financial assets measured at cost is identified as a key audit matter for the year ended December 31, 2017.

Refer to Notes 4, 5 and 39 for the relevant accounting policy, critical accounting judgments and estimation uncertainty and related disclosure of the impairment of financial assets measured at cost.

We understood and assessed Corporation's internal control related to the impairment of financial assets measured at cost and its operation effectiveness. We entrusted our firm's internal valuation specialist with the task of sampling from the financial assets measured at cost then valuating the appropriateness of the parameters used in the valuation models of the sample by re-performing the selection of comparable companies and testing the reasonability of the multiplier. Finally, we assessed the reasonability of the impairment loss recognized resulting from the existence of objective evidence.

Other Matter

We have also audited the parent company only financial statements of the Corporation as of and for the years ended December 31, 2017 and 2016 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation and subsidiaries' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation and subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Corporation and subsidiaries' financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

When we conducted our audits in consolidated financial statements of the Corporation and subsidiaries, which comprise the consolidated balance sheets as of December 31, 2017, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year ended December 31, 2017 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China; when we conducted our audits in consolidated financial statements of the Corporation and subsidiaries, which comprise the consolidated balance sheets as of December 31, 2016, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year ended December 31, 2016 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements of Financial Institutions by Certified Public Accountants and auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation and subsidiaries' internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation and subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation and subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within CDIB Capital Group and subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2017 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Wu, Mei-Hui and Kuo, Cheng-Hung.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 26, 2018

<u>*Notice to Readers*</u>

The accompanying consolidated financial statements are intended only to present the consolidated financial position, performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

CDIB CAPITAL GROUP AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2017 AND 2016
(In Thousands of New Taiwan Dollars)

	2017		2016	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 31)	$ 12,783,198	23	$ 29,371,443	40
Other receivables (Notes 4, 7 and 31)	548,790	1	565,822	1
Current tax assets (Notes 4, 28 and 31)	347,209	1	468,929	1
Other current assets	60,106	-	35,919	-
Total current assets	13,739,303	25	30,442,113	42
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4, 8 and 12)	971,150	2	292,829	-
Available-for-sale financial assets - non-current (Notes 4, 9 and 31)	10,927,200	20	9,370,050	13
Financial assets measured at cost - non-current (Notes 4, 10 and 12)	14,339,022	26	17,065,739	23
Debt investments with no active market - non-current (Note 4)	1,276,165	2	1,502,481	2
Investments accounted for using the equity method (Notes 4, 11 and 12)	12,118,599	22	9,757,081	13
Property and equipment (Notes 4 and 13)	951,448	2	1,248,457	2
Investment properties (Notes 4 and 14)	767,221	1	1,752,669	2
Deferred tax assets (Notes 4 and 28)	-	-	100,835	-
Acquired loans (Note 7)	-	-	1,117,672	2
Other non-current assets (Note 15)	214,264	-	552,685	1
Total non-current assets	41,565,069	75	42,760,498	58
TOTAL	$ 55,304,372	100	$ 73,202,611	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	$ -	-	$ 100,000	-
Short-term bills payable (Note 17)	-	-	699,681	1
Other payables (Notes 18 and 31)	881,365	1	860,519	1
Current tax liabilities (Notes 4, 28 and 31)	332,580	1	394,821	1
Other current liabilities	103,310	-	75,634	-
Total current liabilities	1,317,255	2	2,130,655	3
NON-CURRENT LIABILITIES				
Provisions - non-current (Notes 4, 19 and 20)	164,374	-	184,359	-
Deferred tax liabilities (Notes 4 and 28)	242,065	1	241,601	-
Other non-current liabilities (Notes 21, 31 and 34)	516,973	1	536,156	1
Total non-current liabilities	923,412	2	962,116	1
Total liabilities	2,240,667	4	3,092,771	4
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT (Note 22)				
Capital	20,411,159	37	20,603,994	28
Capital surplus	4,688,261	8	24,703,001	34
Retained earnings				
Legal reserve	22,425,309	41	22,425,309	31
Special reserve	2,823,507	5	3,709,959	5
Unappropriated earnings	3,336,823	6	1,456,785	2
Other equity				
Exchange differences on translation of foreign financial statements	(1,669,657)	(3)	(98,320)	-
Unrealized gain (loss) on available-for-sale financial assets	959,824	2	(2,767,586)	(4)
Total equity attributable to owners of the parent	52,975,226	96	70,033,142	96
NON-CONTROLLING INTERESTS	88,479	-	76,698	-
Total equity	53,063,705	96	70,109,840	96
TOTAL	$ 55,304,372	100	$ 73,202,611	100

The accompanying notes are an integral part of the consolidated financial statements.

CDIB CAPITAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2017		2016		Percentage Increase (Decrease)
	Amount	**%**	**Amount**	**%**	**%**
OPERATING REVENUE					
Net profit of selling financial assets (Notes 4 and 23)	$ 3,851,277	67	$ 2,371,323	59	62
Dividend income (Note 4)	790,823	14	920,722	23	(14)
Share of the profit of associates and joint ventures (Note 4)	465,397	8	56,468	2	724
Gains (losses) on financial assets or liabilities measured at fair value through profit or loss (Note 4)	54,647	1	(32,307)	(1)	269
Consulting service revenue (Note 31)	568,760	10	520,067	13	9
Other operating revenue	36,175	-	172,907	4	(79)
Total operating revenue	5,767,079	100	4,009,180	100	44
OPERATING COSTS					
Impairment loss on assets (Notes 4 and 24)	937,402	17	1,206,819	30	(22)
GROSS PROFIT	4,829,677	83	2,802,361	70	72
OPERATING EXPENSES (Notes 4, 25, 26 and 31)	1,397,682	24	1,559,293	39	(10)
PROFIT FROM OPERATIONS	3,431,995	59	1,243,068	31	176
NON-OPERATING INCOME AND EXPENSES					
Foreign exchange loss, net (Note 4)	(153,430)	(3)	(6,765)	-	2,168
Interest revenues (Notes 4 and 31)	163,574	3	166,118	4	(2)
Interest expenses	(1,501)	-	(7,641)	-	(80)
Other gains and losses (Notes 27 and 31)	55,844	1	209,434	5	(73)
Total non-operating income and expenses	64,487	1	361,146	9	(82)

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CDIB CAPITAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2017		2016		Percentage Increase (Decrease)
	Amount	**%**	**Amount**	**%**	**%**
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	$ 3,496,482	60	$ 1,604,214	40	118
INCOME TAX EXPENSE (Notes 4 and 28)	(131,689)	(2)	(125,488)	(3)	5
NET PROFIT FOR THE YEAR	3,364,793	58	1,478,726	37	128
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will not be reclassified subsequently to profit or loss:					
Share of the other comprehensive income (loss) of associates and joint ventures	(84)	-	189	-	(144)
Remeasurement of defined benefit plans	(15,628)	-	(11,299)	-	38
Items reclassified subsequently to profit or loss, net of income tax:					
Exchange differences on translating foreign operations	(1,326,538)	(23)	(690,011)	(17)	92
Unrealized gain on available-for-sale financial assets	2,660,587	46	1,154,638	29	130
Share of the other comprehensive income of associates and joint ventures	821,032	14	216,707	5	279
Other comprehensive income for the year, net of income tax	2,139,369	37	670,224	17	219
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 5,504,162	95	$ 2,148,950	54	156
NET PROFIT ATTRIBUTABLE TO:					
Shareholders of parent company	$ 3,352,535	58	$ 1,467,895	37	128
Non-controlling interests	12,258	-	10,831	-	13
	$ 3,364,793	58	$ 1,478,726	37	128

(Continued)

CDIB CAPITAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2017		2016		Percentage Increase (Decrease)
	Amount	**%**	**Amount**	**%**	**%**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Shareholders of parent company	$ 5,492,896	95	$ 2,143,237	54	156
Non-controlling interests	11,266	-	5,713	-	97
	$ 5,504,162	95	$ 2,148,950	54	156
EARNINGS PER SHARE (Note 29)					
Basic	$1.63		$0.71		

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

CDIB CAPITAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(In Thousands of New Taiwan Dollars Except Per Share Amount)

	Equity Attributable to Owners of Parent									
			Retained Earnings			Other Equity				
	Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating of Foreign Financial Statements	Unrealized Gain (Loss) on Available-for-sale Financial Assets	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2016	$ 20,603,994	$ 24,700,436	$ 22,425,309	$ 672,736	$ 4,702,128	$ 657,557	$ (4,209,915)	$ 69,552,245	$ 63,460	$ 69,615,705
Appropriation of the 2015 earnings										
Special reserve	-	-	-	3,037,223	(3,037,223)	-	-	-	-	-
Cash dividends - NT$0.81 per share	-	-	-	-	(1,664,905)	-	-	(1,664,905)	-	(1,664,905)
	-	-	-	3,037,223	(4,702,128)	-	-	(1,664,905)	-	(1,664,905)
Net profit for the year ended December 31, 2016	-	-	-	-	1,467,895	-	-	1,467,895	10,831	1,478,726
Other comprehensive income (loss) for the year ended December 31, 2016, net income tax	-	-	-	-	(11,110)	(755,877)	1,442,329	675,342	(5,118)	670,224
Total comprehensive income (loss) for the year ended December 31, 2016	-	-	-	-	1,456,785	(755,877)	1,442,329	2,143,237	5,713	2,148,950
Share-based payment	-	2,565	-	-	-	-	-	2,565	-	2,565
Changes in non-controlling interests	-	-	-	-	-	-	-	-	7,525	7,525
BALANCE AT DECEMBER 31, 2016	20,603,994	24,703,001	22,425,309	3,709,959	1,456,785	(98,320)	(2,767,586)	70,033,142	76,698	70,109,840
Appropriation of the 2016 earnings										
Special reserve reversed	-	-	-	(886,452)	886,452	-	-	-	-	-
Cash dividends - NT$1.14 per share	-	-	-	-	(2,343,237)	-	-	(2,343,237)	-	(2,343,237)
	-	-	-	(886,452)	(1,456,785)	-	-	(2,343,237)	-	(2,343,237)
Cash dividend from capital surplus	-	(20,000,000)	-	-	-	-	-	(20,000,000)	-	(20,000,000)
Net profit for the year ended December 31, 2017	-	-	-	-	3,352,535	-	-	3,352,535	12,258	3,364,793
Other comprehensive income (loss) for the year ended December 31, 2017, net income tax	-	-	-	-	(15,712)	(1,571,337)	3,727,410	2,140,361	(992)	2,139,369
Total comprehensive income (loss) for the year ended December 31, 2017	-	-	-	-	3,336,823	(1,571,337)	3,727,410	5,492,896	11,266	5,504,162
Capital reduction	(192,835)	(16,723)	-	-	-	-	-	(209,558)	-	(209,558)
Share-based payment	-	1,983	-	-	-	-	-	1,983	-	1,983
Changes in non-controlling interests	-	-	-	-	-	-	-	-	515	515
BALANCE AT DECEMBER 31, 2017	$ 20,411,159	$ 4,688,261	$ 22,425,309	$ 2,823,507	$ 3,336,823	$ (1,669,657)	$ 959,824	$ 52,975,226	$ 88,479	$ 53,063,705

The accompanying notes are an integral part of the consolidated financial statements.

CDIB CAPITAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(In Thousands of New Taiwan Dollars)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 3,496,482	$ 1,604,214
Adjustments to reconcile net profit		
Depreciation expenses	58,029	63,822
Amortization expenses	16,993	17,364
Net (gain) loss on financial assets and liabilities at fair value through profit or loss	(54,647)	32,307
Interest expense	1,501	7,641
Interest income	(163,574)	(166,118)
Dividend income	(790,823)	(920,722)
Share of profit of associates accounted for using equity method	(465,397)	(56,468)
Gain on disposal of investments	(3,851,277)	(2,371,323)
Loss on financial asset impairment	937,402	1,207,876
Others	(46,726)	94,872
Changes in operating assets and liabilities		
Other receivables	130,735	3,405
Other current assets	(5,980)	-
Other operating assets	(251,812)	(24,825)
Other payables	135,544	(130,883)
Other current liabilities	(12,045)	3,246
Other operating liabilities	(11,959)	84,746
Cash used in operations	(877,554)	(550,846)
Interest received	117,222	133,309
Dividend received	802,362	1,529,753
Interest paid	(2,401)	(7,273)
Income tax received	108,835	78,335
Net cash generated from operating activities	148,464	1,183,278
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets designated as at FVTPL	(476,054)	-
Acquisition of available-for-sale financial assets	(312,714)	(563,477)
Proceeds from the sale of available-for-sale financial assets	1,631,652	1,657,848
Purchase of debt investments with no active market	-	(358,350)
Proceeds on sale of debt investments with no active market	-	941,171
Acquisition of financial assets measured at cost	(975,041)	(1,955,050)
Proceeds from the sale of financial assets measured at cost	4,630,694	3,508,178
Proceeds from capital return on financial assets measured at cost	105,288	576,535
Acquisition of associates	(1,449,619)	(1,934,003)
Proceeds from disposal of associates	1,063,663	36,282
Proceeds from disposal of subsidiaries	1,676,374	-
Others	109,906	85,373
Net cash generated from investing activities	6,004,149	1,994,507

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CDIB CAPITAL GROUP AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(In Thousands of New Taiwan Dollars)

	2017	2016
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	$ -	$ 100,000
Increase (decrease) in short-term bills payable	10,128	(129,641)
Cash dividend paid	(2,343,237)	(1,664,905)
Others	(20,000,000)	10,715
Net cash used in financing activities	(22,333,109)	(1,683,831)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENT	(407,749)	(315,872)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(16,588,245)	1,178,082
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	29,371,443	28,193,361
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 12,783,198	$ 29,371,443

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

1. GENERAL INFORMATION

CDIB Capital Group (the Corporation) was incorporated under the Company Act and relevant regulations and started operations on May 14, 1959. Effective January 1999, the Corporation was converted from a trust corporation into an industrial bank under government approval. On December 28, 2001, the Corporation's shareholders exchanged their Bank holdings of shares in China Development Financial Holding Corporation (CDFH; the Corporation's parent company) at a 1:1 ratio, which was approved by the Ministry of Finance (MOF). As required by the Financial Holding Company Act, CDFH's shares were listed on the Taiwan Stock Exchange after the exchange and the Corporation became a wholly owned subsidiary of CDFH.

On May 1, 2015, the Corporation's board of the directors approved the transfer to KGI Bank of (a) all assets and liabilities associated with the commercial banking business of the Corporation and (b) the Corporation's holdings of shares in the Corporation's leasing subsidiaries and in the Taiwan Financial Asset Service Corporation.

On January 19, 2017, under the approval of the board of directors who had been authorized to exercise the rights on behalf of the shareholders' meeting, the Corporation had its banking license revoked and was renamed CDIB Capital Group. The date of conversion was March 15, 2017, and the Corporation will continue to expand its assets management business. The FSC approved the conversion on March 10, 2017 with Official Letter No. 1600025880.

The Corporation's main operations include securities investment, investment, financial related business, venture capital, and other activities approved by the authorities.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to the Corpration's board of directors and authorized for issue on March 26, 2018.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the FSC

   The related amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed and issued into effect by the FSC did not have any material impact on the Corporation and subsidiaries' accounting policies, except for the following:

   1) Amendment to IAS 36 "Recoverable Amount Disclosures for Non-financial Assets"

      The amendment clarifies that the recoverable amount of an asset or a cash-generating unit is disclosed only when an impairment loss has been recognized or reversed during the period. Furthermore, if the recoverable amount of an item of property and equipment for which impairment loss has been recognized or reversed is fair value less costs of disposal, the Corporation and subsidiaries are required to disclose the fair value hierarchy. If the fair value measurements are categorized within Level 2 or Level 3, the valuation technique and key assumptions used to measure the fair value are disclosed. The discount rate used is disclosed if such fair value less costs of disposal is measured by using present value technique.

2) Annual Improvements to IFRSs: 2011-2013 Cycle

IAS 40 "Investment Property" was amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive and application of both standards may be required to determine whether the investment property acquired is acquisition of an asset or a business combination.

3) Amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers

The amendments include additions of several accounting items and requirements for disclosures of impairment of non-financial assets as a consequence of the IFRSs endorsed by the FSC for application starting from 2017. In addition, as a result of the post implementation review of IFRSs in Taiwan, the amendments also include emphasis on certain recognition and measurement considerations and add requirements for disclosures of related party transactions and goodwill.

The amendments stipulate that other companies or institutions of which the chairman of the board of directors or president serves as the chairman of the board of directors or the president, or is the spouse or second immediate family of the chairman of the board of directors or president of the Corporation are deemed to have a substantive related party relationship, unless it can be demonstrated that no control, joint control, or significant influence exists. Furthermore, the amendments require the disclosure of the names of the related parties and the relationship with whom the Corporation and subsidiaries has significant transaction. If the transaction or balance with a specific related party is 10% or more of the Corporation and subsidiaries' respective total transaction or balance, such transaction should be separately disclosed by the name of each related party.

The amendments also require additional disclosure if there is a significant difference between the actual operation after business combination and the expected benefit on acquisition date.

The disclosures of related party transactions will be enhanced when the above amendments are retrospectively applied in 2017, please refer to Note 31.

b. The Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed by the FSC for application starting from 2018

New IFRSs	Effective Date Announced by IASB (Note 1)
Annual Improvements to IFRSs 2014-2016 Cycle	Note 2
Amendment to IFRS 2 "Classification and Measurement of Share-based Payment Transactions"	January 1, 2018
Amendments to IFRS 4 "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts"	January 1, 2018
IFRS 9 "Financial Instruments"	January 1, 2018
Amendments to IFRS 9 and IFRS 7 "Mandatory Effective Date of IFRS 9 and Transition Disclosures"	January 1, 2018
IFRS 15 "Revenue from Contracts with Customers"	January 1, 2018

(Continued)

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 15 “Clarifications to IFRS 15 Revenue from Contracts with Customers”	January 1, 2018
Amendment to IAS 7 “Disclosure Initiative”	January 1, 2017
Amendments to IAS 12 “Recognition of Deferred Tax Assets for Unrealized Losses”	January 1, 2017
Amendments to IAS 40 “Transfers of Investment Property”	January 1, 2018
IFRIC 22 “Foreign Currency Transactions and Advance Consideration”	January 1, 2018

(Concluded)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual periods beginning on or after their respective effective dates.

Note 2: The amendment to IFRS 12 is retrospectively applied for annual periods beginning on or after January 1, 2017; the amendment to IAS 28 is retrospectively applied for annual periods beginning on or after January 1, 2018.

1) Annual Improvements to IFRSs 2014-2016 Cycle

Several standards, including IFRS 12 “Disclosure of Interests in Other Entities” and IAS 28 “Investments in Associates and Joint Ventures,” were amended in this annual improvement.

The amendment to IFRS 12 clarified that when the Corporation and subsidiaries’ interest in a subsidiary, a joint venture or an associate is classified as held for sale or is included in a disposal group that is classified as held for sale, the entity is not required to disclose summarized financial information of that subsidiary, joint venture or associate in accordance with IFRS 12. However, all other requirements in IFRS 12 apply to interests in entities classified as held for sale in accordance with IFRS 5. The Corporation and subsidiaries will apply the aforementioned amendment retrospectively.

The amendment to IAS 28 clarified that when an investment in an associate or a joint venture is held by, or is held indirectly through, The Corporation and subsidiaries that is a venture capital organization, or a mutual fund, or a unit trust or similar entities (including investment-linked insurance funds), the Corporation and subsidiaries may elect to measure that investment at fair value through profit or loss. The Corporation and subsidiaries shall make this election separately for each associate or joint venture at the initial recognition of the associate or joint venture.

Furthermore, the amendment to IAS 28 clarified that when the Corporation and subsidiaries (non-investment entity) apply the equity method to account for investment in an associate or a joint venture that is an investment entity, the Corporation and subsidiaries may elect to retain the fair value of the investment in subsidiaries of the investment entity associate or joint venture. The election should be made separately for each investment entity associate or joint venture, at the later of the date (a) the investment entity associate or joint venture is initially recognized, (b) the associate or joint venture becomes an investment entity, or (c) the investment entity associate or joint venture first becomes a parent.

2) IFRS 9 “Financial Instruments”

Classification, measurement and impairment of financial assets

With regards to financial assets, all recognized financial assets that are within the scope of IAS 39 “Financial Instruments: Recognition and Measurement” are subsequently measured at amortized cost or fair value. Under IFRS 9, the requirement for the classification of financial assets is stated below.

For the Corporation and subsidiaries’ debt instruments that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, their classification and measurement are as follows:

a) For debt instruments, if they are held within a business model whose objective is to collect the contractual cash flows, the financial assets are measured at amortized cost and are assessed for impairment continuously with impairment loss if any recognized in profit or loss. Interest revenue is recognized in profit or loss by using the effective interest method;

b) For debt instruments, if they are held within a business model whose objective is achieved by both the collecting contractual cash flows and the selling financial assets, the financial assets are measured at fair value through other comprehensive income (FVTOCI) and are assessed for impairment. Interest revenue is recognized in profit or loss by using the effective interest method, and other gain or loss is recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses. When the debt instruments are derecognized or reclassified the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

Except for the above measurments, all other financial assets are measured at fair value through profit or loss. However, the Corporation and subsidiaries may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss. No subsequent impairment assessment is required, and the cumulative gain or loss previously recognized in other comprehensive income cannot be reclassified from equity to profit or loss.

The Corporation and subsidiaries analyzed the facts and circumstances of its financial assets that exist at December 31, 2017 and performed the assessment of the impact of IFRS 9 on the classification and measurement of financial assets. Under IFRS 9:

a) Equity investments classified as available-for-sale will be classified as at fair value through profit or loss. Besides this, equity investments measured at cost will be measured at fair value instead;

b) Debt investments classified as available-for-sale financial assets and debt investments with no active market will be classified as at fair value through other comprehensive income under IFRS 9, if, on initial recognition, the contractual cash flows are solely payments of principal and interest on the principal outstanding and these investments are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets or as at fair value through profit or loss, if, on initial recognition, the contractual cash flows are not solely payments of principal and interest on the principal outstanding.

IFRS 9 requires impairment loss on financial assets to be recognized by using the “Expected Credit Losses Model”. A loss allowance is required for financial assets measured at amortized cost and investments in debt instruments measured at FVTOCI. A loss allowance for 12-month expected credit losses is required for a financial asset if its credit risk has not increased significantly since initial recognition. A loss allowance for full-lifetime expected credit losses is required for a financial asset if its credit risk has increased significantly since initial recognition and is not low.

The Corporation and subsidiaries elect not to restate prior reporting periods when applying the requirements for the classification, measurement and impairment of financial assets under IFRS 9 with the cumulative effect of the initial application recognized at the date of initial application and will provide the disclosures related to the classification and the adjustment information upon initial application of IFRS 9.

For the Corporation and subsidiaries, application of the requirements for the classification, measurement and impairment of financial assets under IFRS 9 would have the following impact on assets, liabilities and equity as of January 1, 2018: Increase assets by $2,764,019 thousand, increase liabilities by $304,359 thousand, increase retained earnings $1,741,762 thousand, and increase other equity by $717,898 thousan.

3) IFRS 15 "Revenue from Contracts with Customers" and its amendments

IFRS 15 establishes principles for recognizing revenue that apply to all contracts with customers, and will supersede IAS 18 "Revenue", IAS 11 "Construction Contracts" and a number of revenue-related interpretations.

When applying IFRS 15, the Corporation and subsidiaries shall recognize revenue by applying the following steps:

a) Identify the contract with the customer;
b) Identify the performance obligations in the contract;
c) Determine the transaction price;
d) Allocate the transaction price to the performance obligations in the contract; and
e) Recognize revenue when the entity satisfies a performance obligation.

The Corporation and subsidiaries' revenue from contracts with customers is bundled into one component under current standard and IFRS 15. Therefore, the Corporation and subsidiaries assessed that the application of IFRS 15 will not affect the assets, liabilities and equity as of December 31, 2017, and the comprehensive income and cash flows for the year then ended.

4) Amendments to IAS 12 "Recognition of Deferred Tax Assets for Unrealized Losses"

The amendment clarifies that the difference between the carrying amount of the debt instrument measured at fair value and its tax base gives rise to a temporary difference, even though there are unrealized losses on that asset, irrespective of whether the Corporation and subsidiaries expect to recover the carrying amount of the debt instrument by sale or by holding it and collecting contractual cash flows.

In addition, in determining whether to recognize a deferred tax asset, the Corporation and subsidiaries should assess a deductible temporary difference in combination with all of its other deductible temporary differences, unless the tax law restricts the utilization of losses to deduction against income of a specific type, in which case, a deductible temporary difference is assessed in combination only with other deductible temporary differences of the appropriate type. The amendment also stipulates that, when determining whether to recognize a deferred tax asset, the estimate of probable future taxable profit may include some of the Corporation and subsidiaries' assets for more than their carrying amount if there is sufficient evidence that the Corporation and subsidiaries will achieve this, and that the estimate for future taxable profit should exclude tax deductions resulting from the reversal of deductible temporary differences.

5) Amendments to IAS 40 "Transfers of Investment Property"

The amendments clarify that the Corporation and subsidiaries should transfer to, or from, investment property when, and only when, the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments also clarify that the evidence of the change in use is not limited to those illustrated in IAS 40.

6) IFRIC 22 "Foreign Currency Transactions and Advance Consideration"

IAS 21 stipulated that a foreign currency transaction shall be recorded on initial recognition in the functional currency by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. IFRIC 22 further explains that the date of the transaction is the date on which an entity recognizes a non-monetary asset or non-monetary liability from payment or receipt of advance consideration. If there are multiple payments or receipts in advance, the entity shall determine the date of the transaction for each payment or receipt of advance consideration.

The Corporation and subsidiaries will apply IFRIC 22 prospectively to all assets, expenses and income recognized on or after January 1, 2018 within the scope of the Interpretation.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Corporation and subsidiaries is continuously assessing the possible impact that the application of other standards and interpretations will have on the Corporation and subsidiaries' financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
Annual Improvements to IFRSs 2015-2017 Cycle	January 1, 2019
Amendments to IFRS 9 "Prepayment Features with Negative Compensation"	January 1, 2019 (Note 2)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB (Note 3)
IFRS 16 "Leases"	January 1, 2019 (Note 4)
IFRS 17 "Insurance Contracts"	January 1, 2021
Amendments to IAS 19 "Plan Amendment, Curtailment or Settlement"	January 1, 2019 (Note 5)
Amendments to IAS 28 "Long-term Interests in Associates and Joint Ventures"	January 1, 2019
IFRIC 23 "Uncertainty Over Income Tax Treatments"	January 1, 2019

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual periods beginning on or after their respective effective dates.

Note 2: The FSC permits the election for early adoption of the amendments starting from 2018.

Note 3: In June 2015, IASB has decided to postpone the application of IFRS 10 and IAS 28 which issued in September 2014. Early application is permitted.

Note 4: On December 19, 2017, the FSC announced that IFRS 16 will take effect starting from January 1, 2019.

Note 5: The Corporation and subsidiaries shall apply these amendments to plan amendments, curtailments or settlements occurring on or after January 1, 2019.

1) Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

   The amendments stipulated that, when the Corporation and subsidiaries sell or contributes assets that constitute a business (as defined in IFRS 3) to an associate, the gain or loss resulting from the transaction is recognized in full. Also, when the Corporation and subsidiaries lose control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

   Conversely, when the Corporation and subsidiaries sell or contributes assets that do not constitute a business to an associate, the gain or loss resulting from the transaction is recognized only to the extent of the unrelated investors' interest in the associate, i.e. the Corporation and subsidiaries' share of the gain or loss is eliminated. Also, when the Corporation and subsidiaries lose control of a subsidiary that does not contain a business but retains significant influence control in an associate, the gain or loss resulting from the transaction is recognized only to the extent of the unrelated investors' interest in the associate, i.e. the Corporation and subsidiaries' share of the gain or loss is eliminated.

2) IFRS 16 "Leases"

   IFRS 16 sets out the accounting standards for leases that will supersede IAS 17 and a number of related interpretations.

   Under IFRS 16, if the Corporation and subsidiaries are lessees, they shall recognize right-of-use assets and lease liabilities for all leases on the consolidated balance sheets except for low-value and short-term leases. The Corporation and subsidiaries may elect to apply the accounting method similar to the accounting for operating lease under IAS 17 to the low-value and short-term leases. On the consolidated statements of comprehensive income, the Corporation and subsidiaries should present the depreciation expense charged on the right-of-use asset separately from interest expense accrued on the lease liability; interest is computed by using effective interest method. On the consolidated statements of cash flows, cash payments for the principal portion of the lease liability are classified within financing activities; cash payments for interest portion are classified within operating activities.

   The application of IFRS 16 is not expected to have a material impact on the accounting of the Corporation and subsidiaries as lessor.

   When IFRS 16 becomes effective, the Corporation and subsidiaries may elect to apply this Standard either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of the initial application of this Standard recognized at the date of initial application.

3) Amendments to IAS 19 "Plan Amendment, Curtailment or Settlement"

   The amendments stipulate that, if a plan amendment, curtailment or settlement occurs, the current service cost and the net interest for the remainder of the annual reporting period are determined using the actuarial assumptions used for the remeasurement of the net defined benefit liabilities (assets). In addition, the amendments clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The amendment shall be applied prospectively.

4) Amendments to IAS 28 "Long-term Interests in Associates and Joint Ventures"

The amendments clarified that IFRS 9 shall be applied to account for other financial instruments in an associate or joint venture to which the equity method is not applied. These included long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture.

When the amendments become effective, the Corporation and subsidiaries shall apply the amendments retrospectively. However, the Corporation and subsidiaries may elect to recognize the cumulative effect of the initial application of the amendments in the opening carrying amount at the date of initial application, or to restate prior periods if, and only if, it is possible without the use of hindsight.

5) IFRIC 23 "Uncertainty Over Income Tax Treatments"

IFRIC 23 clarifies that when there is uncertainty over income tax treatments, the Corporation and subsidiaries should assume that the taxation authority will have full knowledge of all related information when making related examinations. If the Corporation and subsidiaries conclude that it is probable that the taxation authority will accept an uncertain tax treatment, the Corporation and subsidiaries should determine the taxable profit, tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatments used or planned to be used in their income tax filings. If it is not probable that the taxation authority will accept an uncertain tax treatment, the Corporation and subsidiaries should make estimates using either the most likely amount or the expected value of the tax treatment, depending on which method the entity expects to better predict the resolution of the uncertainty. The Corporation and subsidiaries have to reassess their judgments and estimates if facts and circumstances change.

The Corporation and subsidiaries may elect to apply IFRIC 23 either retrospectively to each prior reporting period presented, if this is possible without the use of hindsight, or retrospectively with the cumulative effect of the initial application of IFRIC 23 recognized at the date of initial application.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Corporation and subsidiaries are continuously assessing the possible impact that the application of other standards and interpretations will have on the Corporation and subsidiaries' financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The accompanying consolidated financial statements have been prepared in conformity with Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed and issued into effect by the FSC.

Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Principles for Preparing Consolidated Financial Statements

The Corporation and its subsidiaries have been included in the consolidated financial statements. All significant intra-group transactions, balances, income and expenses have been eliminated in full upon consolidation.

The subsidiaries' accounting policies are the same as those used by the Corporation.

The functional currency of the Corporation is the New Taiwan dollars, and the consolidated financial statements are presented in New Taiwan dollars.

As of December 31, 2017 and 2016, the consolidated entities included in the consolidated financial statements included 19 and 23 companies, respectively (please refer to the attached Table 6 for details).

Classification of Current and Non-current Assets and Liabilities

Current assets include:

a. Assets held primarily for the purpose of trading;

b. Assets expected to be realized within 12 months after the reporting period; and

c. Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

a. Liabilities held primarily for the purpose of trading;

b. Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and

c. Liabilities for which the Corporation and subsidiaries do not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

Foreign Currencies

The Corporation recognizes foreign-currency transactions in the respective currencies in which they are denominated, while the subsidiaries recognize at the rates of exchange prevailing at the dates of the transactions. Foreign-currency gains or losses of the Corporation are recorded in New Taiwan dollars using rates in effect at the time of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period occurred.

Nonmonetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising are recognized in profit or loss in the period occurred. Except for exchange differences arising on the retranslation of nonmonetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Corporation's foreign operations are translated into New Taiwan dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are recognized in other comprehensive income (attributed to the shareholders of the parent company and noncontrolling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Corporation and subsidiaries' entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Corporation and subsidiaries losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to noncontrolling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Cash and Cash Equivalents

Cash and cash equivalents include time deposits that can be terminate on demand, which would not cause losses to principals and highly liquid investments that can be converted to fixed amount of cash at any time and risk of change in value is minor.

Investments in Associates

An associate is an entity over which the Corporation and subsidiaries have significant influence and that is not a subsidiary.

The Corporation and subsidiaries use the equity method or measure at fair value through profit or loss to account for their investments in associates.

Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Corporation and subsidiaries' share of the profit or loss and other comprehensive income of the associate. The Corporation and subsidiaries also recognize the changes in the Corporation and subsidiaries' share of equity of associates.

Any excess of the cost of acquisition over the Corporation and subsidiaries' share of the net fair value of the identifiable assets and liabilities of an associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Corporation and subsidiaries' share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Corporation and subsidiaries subscribe for additional new shares of the associate and joint venture at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Corporation and subsidiaries' proportionate interest in the associate and joint venture. The Corporation and subsidiaries record such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in the Corporation and subsidiaries' share of equity of associates and joint ventures. If the Corporation and subsidiaries' ownership interest is reduced due to the additional subscription of the new shares of associate and joint venture, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate and joint venture is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for by the equity method is insufficient, the shortage is debited to retained earnings.

When the Corporation's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for by the equity method and long-term interests that, in substance, form part of the Corporation's net investment in the associate), the Corporation discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Corporation has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of the investment is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is deducted from the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Corporation and subsidiaries discontinue the use of the equity method from the date on which it ceases to have significant influence over the associate. Any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Corporation and subsidiaries account for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When the Corporation and subsidiaries transact with its associate, profits and losses resulting from the transactions with the associate are recognized in the Corporation and subsidiaries' consolidated financial statements only to the extent of interests in the associate that are not related to the Corporation and subsidiaries.

Investments in associates measured at fair value through profit or loss are recognized as financial assets at fair value through profit or loss and the change in fair value is recognized in profit or loss.

Financial Instruments

Financial assets and financial liabilities are recognized when the Corporation and subsidiaries become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

a. Financial assets and liabilities

All regular way purchases or sales of financial assets and liabilities are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

1) Measurement category

a) Financial assets or liabilities at fair value through profit or loss

Financial assets or liabilities are classified as at fair value through profit or loss when the financial asset or liability is either held for trading or it is designated as at fair value through profit or loss.

A financial asset or liability other than a financial asset or liability held for trading may be designated as at fair value through profit or loss upon initial recognition when doing so results in more relevant information and if:

i. Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

ii. The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Corporation and subsidiaries' documented risk management or investment strategy, and information about the Corporation and subsidiaries is provided internally on that basis; or

iii. The contract contains one or more embedded derivatives so that the entire hybrid (combined) contract can be designated as at fair value through profit or loss.

Financial assets or liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset other financial liabilities are measured at amortized cost using the effective interest method. Fair value is determined in the manner described in Note 33.

Investments in equity instruments under financial assets at fair value through profit or loss that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are subsequently measured at cost less any identified impairment loss at the end of each reporting period and are recognized in a separate line item as financial assets measured at cost. If, in a subsequent period, the fair value of the financial assets cannot be reliably measured, the financial assets are remeasured at fair value. The difference between the carrying amount and the fair value is recognized in profit or loss.

b) Available-for-sale financial assets

Available-for-sale financial assets are nonderivatives that are either designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

Available-for-sale financial assets are measured at fair value. Changes in the carrying amount of available-for-sale monetary financial assets relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and dividends on available-for-sale equity investments are recognized in profit or loss. Other changes in the carrying amount of available-for-sale financial assets are recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss that previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognized in profit or loss when the Corporation and subsidiaries' right to receive the dividends is established.

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment loss at the end of each reporting period and are recognized in a separate line item as financial assets measured at cost. If, in a subsequent period, the fair value of the financial assets can be reliably measured, the financial assets are remeasured at fair value. The difference between carrying amount and fair value is recognized in profit or loss or other comprehensive income on financial assets.

c) Loans and receivables

Loans and receivables (include accounts receivable and debt investments with no active market, and etc.) shall be measured at effective interest method less impairment loss, except for the interest of short-term receivables which is insignificant.

2) Impairment of financial assets

a) Financial assets measured at amortized cost

The Corporation and subsidiaries' accounts receivable, interest receivable, and other receivables are assessed for impairment at each balance sheet date and considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the above credit losses, the estimated future cash flows of the asset have been reduced, the financial assets have impaired.

For financial assets measured at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

b) Available-for-sale financial asset

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss in the period.

In respect of available-for-sale equity securities, impairment loss previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

c) Financial assets measured at cost

When objective evidences indicate that financial assets measured at cost are impaired, the amount of the loss is recognized as "loss on asset impairment' and cannot be reversed.

3) Derecognition of financial assets or liabilities

The Corporation and subsidiaries derecognize a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party; and derecognize a financial liability when obligations are discharged, cancelled or they expire.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss; and the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss when it is probable that future economic benefits associated with the item will flow to the Corporation and subsidiaries and the cost of the item can be measured reliably.

Depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On derecognition of an item of property and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

Nonfinancial Asset Impairment

The Corporation and subsidiaries evaluate the possibility of impairment loss on nonfinancial assets as of the balance sheet date. If there is sufficient objective evidence of asset impairment, the Corporation and subsidiaries recognizes an impairment whenever the recoverable amount of the asset or the cash-generating unit is below the carrying amount of an asset, and this impairment loss either is charged to accumulated impairment or reduces the carrying amount of an asset directly. After the recognition of an impairment loss, the depreciation (amortization) charged to the assets should be adjusted in future years at the revised asset carrying amount (net of accumulated impairment), less its salvage value, on a systematic basis over its remaining service life. If asset impairment loss (excluding goodwill) is reversed, the increase in the carrying amount resulting from reversal is credited to current income and debited to accumulated impairment or is used to increase the carrying amount of the asset. However, loss reversal should not be more than the carrying amount (net of depreciation) had the impairment not been recognized.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Corporation and subsidiaries have a present obligation (legal or constructive) as a result of a past event, it is probable that the Corporation and subsidiaries will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the entity, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or because the amount of the obligation cannot be measured with sufficient reliability. The Corporation and subsidiaries do not recognize contingent liabilities but disclose them in accordance with related rules instead.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the entity. The Corporation and subsidiaries do not recognize contingent assets but disclose them in accordance with related rules when the inflow of economic benefits is probable.

Employee Benefits

a. Short-term employee benefits

   Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

b. Retirement benefits

   Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability (asset) represents the actual deficit (surplus) in the Corporation and Subsidiaries' defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current tax

According to the Income Tax Law, an additional tax at 10% of unappropriated earnings is provided for as income tax in the year the shareholders approve to retain the earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

Since 2003, CDFH and its qualified subsidiaries, including the Corporation, have used the linked-tax system for income tax filings. Under this system, the Corporation adjusts the deferred tax assets (liabilities), income tax payable (receivable) and income tax expense (profit) on a systematic and consistent basis.

Based on the "Basic Income Tax Act," if the basic income tax is greater than the amount of regular income tax, the income tax payable should be the basic income tax. The incremental tax payable is recorded as current income tax expense.

b. Deferred tax

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carry forward and unused tax credits acquisition to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Corporation and subsidiaries are able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Corporation and subsidiaries expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c. Current and deferred tax for the period

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity respectively.

Revenue Recognition

Dividend income from investments is recognized when a shareholder's right to receive payment has been established and provided that it is probable that the economic benefits will flow to the Corporation and the subsidiaries and that the amount of income can be measured reliably.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Corporation and the subsidiaries and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the applicable effective interest rate.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Corporation and subsidiaries' accounting policies, which are described in Note 4, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Impairment of Financial Assets Measured at Cost

Financial assets with no active market and financial assets measured at cost are measured by valuation model to assess whether the indication of impairment occurs. The valuation model and the assumption used by the corporate is observable data and appropriate assumption, in the meantime, the management considers related market and industry situation to determine the reasonability of the assumption.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2017	2016
Cash on hand	$ 119	$ 151
Checking accounts and demand deposits	2,384,233	4,297,961
Cash equivalent		
Short-term notes	2,102,970	970,904
Time deposits	8,295,876	24,102,427
	$ 12,783,198	$ 29,371,443

7. OTHERS RECEIVABLES AND ACQUIRED LOANS

	December 31	
	2017	2016
Receivable from securities sold	$ 263,930	$ 231,214
Accrued incomes	187,221	221,702
Interest receivable	120,017	363,961
Others	22,197	28,998
	593,365	845,875
Less: Allowance for bad debts	(44,575)	(280,053)
	$ 548,790	$ 565,822
Acquired loans	$ -	$ 1,951,151
Less: Allowance for bad debts	-	(833,479)
	$ -	$ 1,117,672

The Corporation and subsidiaries' changes in allowance for bad debts of other receivables and acquired loans were as follows:

	Individually Assessed for Impairment	Collectively Assessed for Impairment	Total
Balance at January 1, 2016	$ 194,780	$ 968,605	$ 1,163,385
Impairment losses recognized (written off) on receivables	(70,846)	20,993	(49,853)
Balance at December 31, 2016	$ 123,934	$ 989,598	$ 1,113,532
Balance at January 1, 2017	$ 123,934	$ 989,598	$ 1,113,532
Impairment losses recognized on receivables	44,575	-	44,575
Change in consolidated subsidiaries	(123,934)	(989,598)	(1,113,532)
Balance at December 31, 2017	$ 44,575	$ -	$ 44,575

The Corporation and subsidiaries had not pledged any others receivables and acquired loans as collateral.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - NON-CURRENT

	December 31	
	2017	**2016**
Financial assets held for trading		
Nonderivative financial assets		
Listed and OTC stocks	$ -	$ 108,740
Derivative financial instruments		
Options	-	9,824
Financial assets designated as FVTPL		
Associates	457,036	-
Convertible (exchangeable) corporate bonds	265,609	158,126
Convertible (exchangeable) preferred stock	248,505	16,139
Financial assets at FVTPL	$ 971,150	$ 292,829

The Corporation and subsidiaries signed a trust contract with China Trust Commercial Bank (CTBC) in August 2015. The Capital Securities Corporation (CSC) shares held by the Corporation and subsidiaries trust to the CTBC. The trustee in accordance with the contract agreed disposition within the contract period, which has been fully disposed in August 2017.

9. AVAILABLE-FOR-SALE FINANCIAL ASSETS - NON-CURRENT

	December 31	
	2017	**2016**
Listed, OTC and emerging market stocks	$ 10,203,443	$ 8,759,455
Government bonds	160,548	158,798
Others	563,209	451,797
	$ 10,927,200	$ 9,370,050

10. FINANCIAL ASSETS MEASURED AT COST - NON-CURRENT

	December 31	
	2017	**2016**
Unlisted overseas partnership fund	$ 5,616,943	$ 6,135,403
Unlisted stocks - common stock	4,663,683	6,483,600
Others	4,058,396	4,446,736
	$ 14,339,022	$ 17,065,739
Classified according to financial asset measurement categories		
Available-for-sale financial assets	$ 13,997,653	$ 16,708,198
Financial assets at FVTPL	341,369	357,541
	$ 14,339,022	$ 17,065,739

For the years ended December 31, 2017 and 2016, the Corporation and subsidiaries disposed of certain financial assets measured at cost with carrying amounts of $1,754,216 thousand and $2,107,720 thousand, respectively, and recognized gains of $2,699,637 thousand and $1,659,162 thousand, respectively.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Associates That Are Not Individually Material

	December 31			
	2017		2016	
	Carrying Amount	%	Carrying Amount	%
Unlisted companies				
CDIB & Partners Investment Holding Corporation	$ 5,152,133	29	$ 4,254,892	29
CDIB Capital Asia Partners L.P.	2,749,478	-	2,109,639	-
CDIB Private Equity Management (Fujian) Enterprise (Limited Partnership)	1,674,714	-	1,165,320	-
CDIB Yida Private Management (Kushan) Enterprise (Limited Partnership)	1,369,820	-	960,603	-
CDIB Biomedical Venture Capital Corporation	575,284	34	585,893	34
CDIB CME Fund Ltd.	544,517	40	568,380	40
Others	52,653		112,354	
	$ 12,118,599		$ 9,757,081	

Summary of Associate That Are Not Individually Material

	December 31	
	2017	2016
Share of the Corporation and subsidiaries		
Net income	$ 465,397	$ 56,468
Other comprehensive income	820,608	216,782
Total comprehensive income	$ 1,286,005	$ 273,250

Investments accounted for using equity method and the Corporation and subsidiaries' share of earnings and other comprehensive income is calculated based on audited financial statements.

The Corporation and subsidiaries had not pledged any investments accounted for using the equity method as collateral.

12. INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

a. Private equity investment

The Corporation and subsidiaries have the equities of structured entities which the Corporation and subsidiaries do not have significant influence and have rights and obligations in accordance to the contract.

	December 31	
	2017	**2016**
Private equity investment		
Financial assets measured at cost	$ 5,616,943	$ 6,135,403
Maximum exposure	$ 5,616,943	$ 6,135,403

b. Private equity management

The Corporation and subsidiaries have the equities of structured entities as well as the obligations to their investment and management. The Corporation and subsidiaries have significant influence over the above investments.

The funds of unconsolidated structured entities are from the Corporation and subsidiaries and external third parties.

	December 31	
	2017	**2016**
Private equity management		
Total assets	$ 21,713,595	$ 15,250,696
Total liabilities	127,922	17,840
Investments accounted for using equity method	5,794,012	4,235,562
Financial assets at FVTPL	312,781	-
Maximum exposure	6,106,793	4,235,562

13. PROPERTY AND EQUIPMENT

	December 31	
	2017	**2016**
Land	$ 595,391	$ 785,555
Buildings and facilities	324,315	424,540
Computer equipment	11,345	14,467
Transportation equipment	34	47
Other equipment	9,987	10,904
Leasehold improvements	10,376	12,380
	951,448	1,247,893
Prepayments for acquisition of properties	-	564
	$ 951,448	$ 1,248,457

	Land	Buildings and Facilities	Computer Equipment	Transportation Equipment	Other Equipment	Leasehold Improvement	Prepayments for Acquisition of Properties	Total
Cost								
Balance at January 1, 2016	$ 744,866	$ 863,410	$ 43,380	$ 68	$ 57,807	$ 26,451	$ 564	$ 1,736,546
Additions	-	398	2,083	-	1,966	13,543	-	17,990
Disposal	-	(63,569)	(7,509)	-	(4,127)	(8,944)	-	(84,149)
Reclassification	42,523	44,687	-	-	-	-	-	87,210
Effect of exchange rate changes	-	-	(469)	-	(493)	(1,273)	-	(2,235)
Balance at December 31, 2016	787,389	844,926	37,485	68	55,153	29,777	564	1,755,362
Accumulated depreciation and impairment								
Balance at January 1, 2016	-	(433,584)	(23,887)	(7)	(43,668)	(20,925)	-	(522,071)
Impairment	(1,834)	-	-	-	-	-	-	(1,834)
Additions	-	(43,648)	(6,761)	(14)	(4,989)	(6,129)	-	(61,541)
Disposal	-	63,486	7,339	-	4,066	8,944	-	83,835
Reclassification	-	(6,640)	-	-	-	-	-	(6,640)
Effect of exchange rate changes	-	-	291	-	342	713	-	1,346
Balance at December 31, 2016	(1,834)	(420,386)	(23,018)	(21)	(44,249)	(17,397)	-	(506,905)
Balance at December 31, 2016, net	$ 785,555	$ 424,540	$ 14,467	$ 47	$ 10,904	$ 12,380	$ 564	$ 1,248,457
Cost								
Balance at January 1, 2017	$ 787,389	$ 844,926	$ 37,485	$ 68	$ 55,153	$ 29,777	$ 564	$ 1,755,362
Additions	-	2,183	2,931	-	3,631	5,012	4,096	17,853
Disposal	-	(24,355)	(7,597)	-	(8,288)	-	-	(40,240)
Reclassification	(141,686)	(119,538)	-	-	-	24	(4,660)	(265,860)
Effect of changes on consolidated subsidiary	-	-	(941)	-	(1,789)	(5,267)	-	(7,997)
Effect of exchange rate changes	-	-	(281)	-	(600)	(551)	-	(1,432)
Balance at December 31, 2017	645,703	703,216	31,597	68	48,107	28,995	-	1,457,686
Accumulated depreciation and impairment								
Balance at January 1, 2017	(1,834)	(420,386)	(23,018)	(21)	(44,249)	(17,397)	-	(506,905)
Impairment	(48,478)	-	-	-	-	-	-	(48,478)
Additions	-	(22,937)	(5,797)	(13)	(4,352)	(6,559)	-	(39,658)
Disposal	-	24,343	7,595	-	8,278	-	-	40,216
Reclassification	-	40,079	-	-	-	-	-	40,079
Effect of changes on consolidated subsidiary	-	-	703	-	1,781	5,267	-	7,731
Effect of exchange rate changes		-	265	-	422	70	-	757
Balance at December 31, 2017	(50,312)	(378,901)	(20,252)	(34)	(38,120)	(18,619)	-	(506,238)
Balance at December 31, 2017, net	$ 595,391	$ 324,315	$ 11,345	$ 34	$ 9,987	$ 10,376	$ -	$ 951,448

The above items of property and equipment are depreciated on a straight-line basis over the estimated economic lives as follows:

Buildings and facilities	
Main building and parking spaces	50 years
Lifting equipment	15 years
Air-conditioning and electrical equipment	5-10 years
Fire and monitoring equipment	5 years
Computer equipment	3-8 years
Transportation equipment	5 years
Other equipment	
Office furniture and equipment	5-8 years
Others	5 years
Leasehold improvements	1-3 years

The Corporation and subsidiaries had not pledged any property and equipment as collateral.

14. INVESTMENT PROPERTIES

	December 31	
	2017	2016
Land	$ 560,208	$ 1,528,061
Buildings and facilities	207,013	224,608
	$ 767,221	$ 1,752,669

	For the Years Ended December 31	
	2017	2016
Cost		
Beginning balance	$ 2,324,282	$ 2,384,203
Additions	1,652	31,152
Disposal	-	(3,863)
Reclassification	265,321	(87,210)
Effects of changes on consolidated subsidiaries	(1,578,828)	-
Ending balance	1,012,427	2,324,282
Accumulated depreciation		
Beginning balance	(205,408)	(210,182)
Additions	(18,371)	(2,281)
Disposal	203	415
Reclassification	(40,079)	6,640
Effects of changes on consolidated subsidiaries	18,449	-
Ending balance	(245,206)	(205,408)
Accumulated impairment		
Beginning balance	(366,205)	(367,952)
Reversal	32	1,747
Effects of changes on consolidated subsidiaries	366,173	-
Ending balance	-	(366,205)
Balance, net	$ 767,221	$ 1,752,669

The above items of investment properties are depreciated on a straight-line basis over the following estimated useful lives:

Buildings and facilities	
Main building and parking spaces	50 years
Lifting equipment	15 years
Air-conditioning and electrical equipment	5-10 years
Fire and monitoring equipment	5 years

The fair values of the Corporation and subsidiaries' investment property as of December 31, 2017 and 2016 were $4,196,710 thousand and $5,466,433 thousand, respectively.

The fair value of the Corporation's investment properties had been performed by independent qualified professional appraise. The valuation was measured using the sales comparison approach and income approach. The former compares a subject property's characteristics with those of comparable properties which have recently sold in similar transaction; the latter is computed by taking the net operating income of the rent collected and dividing it by the capitalization rate.

The investment property held by the Corporation and subsidiaries are all owner's equity and have not pledged.

15. OTHER NON-CURRENT ASSETS

	December 31	
	2017	2016
Restricted assets	$ 114,908	$ 304,111
Guarantee deposits paid	59,687	78,144
Computer software	30,460	45,300
Collaterals assumed	-	115,449
Others	9,209	9,681
	$ 214,264	$ 552,685

After the filing of a certain complaint against Morgan Stanley & Co. International PLC (Morgan Stanley) (Note 34), the Corporation could not access the following funds in connection with transactions made with Morgan Stanley because of its unauthorized disposition: Accounts receivable, deposits, and cash security on CDS contracts. Because of the inaccessibility of these funds, these financial assets reclassified as "restricted assets."

As of December 31, 2016, the above collaterals were net of accumulated impairment losses of $13,107 thousand.

16. SHORT-TERM BORROWINGS

	December 31	
	2017	2016
Unsecured loans - credit borrowings	$ -	$ 100,000

The weighted average effective interest rate on the bank loans was 0.9% for the years ended December 31, 2016.

17. SHOT-TERM BILLS PAYABLE

	December 31	
	2017	2016
Commercial paper payable	$ -	$ 700,000
Less: Unamortized discount	-	(319)
	$ -	$ 699,681
Rate	-	0.91%-0.94%
Last maturity date	-	February 2017

18. OTHER PAYABLES

	December 31	
	2017	2016
Accrued expenses	$ 823,645	$ 737,532
Others	57,720	122,987
	$ 881,365	$ 860,519

19. PROVISIONS - NON-CURRENT

	December 31	
	2017	2016
Provisions for employee benefits	$ 161,900	$ 181,378
Others	2,474	2,981
	$ 164,374	$ 184,359

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Corporation and domestic subsidiaries adopted a pension plan under the Labor Pension Act (the LPA), which is a defined contribution plan. Based on the LPA, the Corporation makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages. The total expenses recognized in profit or loss for the years ended December 31, 2017 and 2016 were $10,034 thousand and $11,994 thousand, respectively.

The Corporation's foreign subsidiaries adopted the defined contribution pension plans, and they recognized their contributions as pension expenses amounting to $2,726 thousand and $7,547 thousand for the years ended December 31, 2017 and 2016, respectively.

b. Defined benefit plans

The Corporation and domestic subsidiaries adopted a defined benefit pension plan for all formal employees based on the Labor Standards Act. Benefit payments are based on service periods and basic salaries and wages at the time of retirement.

Under the defined benefit plan, the Corporation has made monthly contributions at 13% of salaries and wages to a pension fund. In February 2006, the Corporation changed the contribution rate from 13% to 4.5% and then further adjusted the contribution rate from 4.5% to 3.14% in November 2008. The fund is managed by the Employees' Pension Reserve Supervisory Committee and deposited in the Corporation of Taiwan in the committee's name. Before the end of each year, The Corporation assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Corporation is required to fund the difference in one appropriation that should be made before the end of March of the next year.

The amounts included in the consolidated balance sheets in respect of the Corporation and subsidiaries' defined benefit plans were as follows:

	December 31	
	2017	**2016**
Present value of defined benefit obligation	$ 487,924	$ 508,519
Fair value of plan assets	(329,347)	(329,506)
Net defined benefit liability	$ 158,577	$ 179,013

Movements in net defined benefit liability were as follows:

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit Liabilities (Assets)**
Balance at January 1, 2016	$ 502,062	$ (326,532)	$ 175,530
Current service cost	4,577	-	4,577
Net interest expense (income)	5,863	(3,834)	2,029
Recognized in profit or loss	10,440	(3,834)	6,606
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	1,526	1,526
Actuarial gain - changes in financial assumptions	(6,701)	-	(6,701)
Actuarial loss - experience adjustments	16,474	-	16,474
Recognized in other comprehensive income	9,773	1,526	11,299
Contributions from the employer	-	(14,422)	(14,422)
Benefits paid	(13,756)	13,756	-
Balance at December 31, 2016	508,519	(329,506)	179,013
Business combinations	(414)	2,779	2,365
Current service cost	2,544	-	2,544
Net interest expense (income)	6,499	(4,285)	2,214
Recognized in profit or loss	9,043	(4,285)	4,758
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	1,103	1,103
Actuarial loss - changes in financial assumptions	15,874	-	15,874
Actuarial gain - experience adjustments	(1,349)	-	(1,349)
Recognized in other comprehensive income	14,525	1,103	15,628
Contributions from the employer	-	(43,187)	(43,187)
Benefits paid	(43,749)	43,749	-
Balance at December 31, 2017	$ 487,924	$ (329,347)	$ 158,577

Through the defined benefit plans under the Labor Standards Law, the Corporation and subsidiaries is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government and corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2017	**2016**
Discount rate(s)	0.95%	1.35%
Expected rate(s) of salary increase	2.50%	2.50%

If possible reasonable change in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31	
	2017	**2016**
Discount rate(s)		
0.25% increase	$ (10,016)	$ (10,882)
0.25% decrease	$ 10,341	$ 11,244
Expected rate(s) of salary increase		
0.25% increase	$ 9,031	$ 9,910
0.25% decrease	$ (8,794)	$ (9,642)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2017	**2016**
Expected contributions to the plans for the next year	$ 11,590	$ 34,968
Average duration of the defined benefit obligation	8.36-11.38 years	6.89-20.7 years

21. OTHER NON-CURRENT LIABILITIES

	December 31	
	2017	**2016**
Other financial liabilities	$ 370,737	$ 386,632
Guarantee deposits received	28,162	25,083
Others	118,074	124,441
	$ 516,973	$ 536,156

22. EQUITY

a. Capital

Common stock

	December 31	
	2017	2016
Number of shares authorized (in thousands)	9,266,851	9,266,851
Shares authorized	$ 92,668,510	$ 92,668,510
Number of shares issued and fully paid (in thousands)	2,041,116	2,060,400
Shares issued	$ 20,411,159	$ 20,603,994

On September 25, 2017, the Corporation's board of the directors exercised its authority to perform shareholders' meeting functions and approved the reduction of the Corporation's capital by $192,835 thousand, representing 20,646 thousand of China Development Financial Holding Corporations shares of held by the Corporation. The reduction approved by the authority was effective on December 29, 2017.

b. Capital surplus

	December 31	
	2017	2016
Arising from issuance of common shares	$ 4,577,409	$ 24,593,957
Difference between consideration and carrying amount adjusted arising from changes in percentage of ownership in subsidiaries	98,845	98,845
Arising from share of changes in capital surplus of associates	3,169	3,169
Share-based payments awards	8,818	7,010
Arising from donations	20	20
	$ 4,688,261	$ 24,703,001

The premium from shares issued in excess of par (share premium from issuance of common shares, treasury share transactions, and excess of the consideration received over the carrying amount of the subsidiaries' net assets during disposal or acquisition) and donations may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital limited to a certain percentage of the Corporation's capital surplus and once a year.

On April 24, 2017 and March 27, 2016, the Corporation's board of the directors was entitled to execute shareholders' meeting functions, respectively. Also, according to the Article 241 of Company Act, the board of the directors approved the distribution of cash dividend of $12,000,000 thousand and $8,000,000 thousand to shareholders from capital surplus arising from issuance of common shares, respectively.

The capital surplus from long-term investments may not be used for any purpose.

c. Special reserve

Under a directive issued by the SFB, whenever the components of shareholders' equity which includes unrealized gains or losses on financial instruments and cumulative translation adjustment but not treasury stock have debit balances, a special reserve equal to the total debit balance should be appropriated from the current year's earnings and unappropriated earnings generated in the prior years. Any special reserve appropriated may be reversed to the extent of the decrease in the net debit balance.

Under Order No. 1010012865 issued by the FSC on April 6, 2012 and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", the Corporation appropriate or reverse special reserves.

d. Appropriation of earnings

In response to the conversion of the Corporation, the Corporation made consequential amendments to the Corporation's Articles of Incorporation approved in March 2017 by the board of directors which was authorized to assume the function of the shareholders' meeting. To expand the Corporation's operations and increase its profitability as well as to comply with the relevant regulations, the Corporation applied the residual dividend policy. In principle, the Corporation should pay dividends in the form of cash, and the cash paid should not be less than 10% of the total amount of dividends paid.

The current year's earnings will be first used to settle all taxes payable as well as to cover losses of the past years. The balance will then be used to appropriate legal reserve and special reserve and to reverse a special reserve in accordance with relevant laws and regulations and the corporate charter. The remainder will then be used to pay for the accrued dividends of the past years and dividend of the current year.

When the Corporation's legal reserve equals its paid-in capital, the Corporation is no longer subject to the requirement for legal reserve appropriation.

In accordance with the Corporation's Articles of Incorporation before modified, to expand the Corporation's operations and increase its profitability as well as comply with the Banking Act and relevant regulations, the Corporation applies the residual dividend policy. That is, the Corporation decides the time and amount of dividend allocation on the basis of relevant government regulations and the Corporation's Articles of Incorporation. In principle, the Corporation pays dividends in the form of cash. The cash dividends should not be more than 15% of paid-in capital when legal reserve is less than paid-in capital.

The current year's earnings will be first used to settle all taxes payable as well as cover losses of the past years. The balance will then be used to appropriate legal reserve and special reserve and to reverse a special reserve in accordance with relevant laws and regulations and the corporate charter. The remainder will then be used to pay the accrued dividends of the past years and dividend of the current year.

When the Corporation's legal reserve equals its paid-in capital, or when the Corporation has complied with the FSC's financial soundness requirements and has provided a legal reserve based on the Company Act, the Corporation is no longer subject to the requirement for legal reserve appropriation and to the 15% of paid-in capital limit on cash dividend distribution.

The appropriation of earnings should be presented for approval at the shareholders' meeting in the year following, and given effect to in the financial statements of the year following the year of earnings generation.

Under the Financial Holding Company Act, because the Corporation has only one shareholder, CDFH, the Company Act provisions on shareholders' meetings do not apply to the Corporation and the board of directors is thus entitled to exercise shareholders' meeting functions.

Appropriation of the 2016 and 2015 earnings were approved by the board of directors under its authority to execute shareholders' meeting functions on May 22, 2017 and by shareholders' meeting on April 25, 2016, respectively, as follows:

	2016	2015
Special reserve (reversal of special reserve)	$ (886,452)	$ 3,037,223
Cash dividends (NT$1.14 and NT$0.81 per share)	2,343,237	1,664,905

The earnings appropriation of 2017 has not been approved by the board of directors as of the issuance date of auditors' report.

Related information can be accessed at the Market Observation Post System (M.O.P.S.) website of the Taiwan Stock Exchange (http://emops.tse.com.tw).

23. NET PROFIT OF SELLING FINANCIAL ASSETS

	For the Years Ended December 31	
	2017	2016
Gain (loss) on disposal of investments accounted for using the equity method, net	$ 1,013,662	$ (6,737)
Gain on disposal of financial assets measured at cost, net	2,699,637	1,659,162
Gain on disposal of available-for-sale financial assets, net	137,978	312,264
Gain on disposal of investments with no active market, net	-	406,634
	$ 3,851,277	$ 2,371,323

24. IMPAIRMENT LOSS ON ASSETS

	For the Years Ended December 31	
	2017	2016
Impairment loss on financial assets measured at cost	$ 776,759	$ 559,205
Impairment loss on available-for-sale financial assets	102,841	646,561
Others	57,802	1,053
	$ 937,402	$ 1,206,819

25. DEPRECIATION AND AMORTIZATION

	For the Years Ended December 31	
	2017	2016
Property and equipment	$ 39,658	$ 50,633
Investment property	18,371	13,189
Other non-current assets	16,993	17,364
	$ 75,022	$ 81,186
An analysis of depreciation by function		
Operating expenses	$ 40,044	$ 52,914
Non-operating expenses	17,985	10,908
	$ 58,029	$ 63,822
An analysis of amortization by function		
Operating expenses	$ 16,993	$ 17,364

26. EMPLOYEE BENEFITS

	For the Years Ended December 31	
	2017	2016
Employee benefit expense		
Salaries and wages	$ 846,961	$ 778,762
Employee insurance	33,984	37,523
Pension	17,512	26,147
Others	64,457	51,717
	$ 962,914	$ 894,149
An analysis by function		
Operating expense	$ 962,914	$ 894,149

To comply with the Company Act, the Corporation made consequential amendments to the Corporation's Articles of Incorporation approved by the board of directors which was authorized to assume the function of the shareholders' meeting to distribute the compensation of employees at the rates no less than 1% of net profit before paying income tax and the compensation of employees. However, if the Corporation had incurred cumulative losses, the profit should be used to offset the losses. For the years ended December 31, 2017 and 2016, the compensation of employees was $35,000 thousand and $16,000 thousand approved by the board of directors on March 26, 2018 and March 27, 2017, respectively.

There was no difference between the amounts recognized in the financial statements for the years ended December 31, 2017 and 2016.

If there is a change in the proposed amounts after the annual consolidated financial statements were authorized for issue, the differences will be recorded as a change in accounting estimate.

Related information can be accessed throughat the Market Observation Post System (M.O.P.S.) on the Wweb site of the Taiwan Stock Exchange (http://emops.tse.com.tw)

27. OTHER GAINS AND LOSSES

	For the Years Ended December 31	
	2017	2016
Rent revenue	$ 108,638	$ 98,348
Other revenue	14,900	81,931
Other loss	(67,694)	(13,602)
Gain on reversal of allowance for bad debts	-	42,757
	$ 55,844	$ 209,434

28. INCOME TAX

a. Income tax expense

	For the Years Ended December 31	
	2017	2016
Current income tax		
Current period	$ (170,701)	$ (236,508)
Prior periods	39,012	111,412
	(131,689)	(125,096)
Deferred income tax	-	(392)
Income tax expense	$ (131,689)	$ (125,488)

The reconciliation of accounting income and current income tax expense adjustments were as follows:

	For the Years Ended December 31	
	2017	2016
Income tax expenses at the statutory rate	$ (628,953)	$ (325,422)
Permanent differences	551,052	167,098
Prior year's adjustments	39,012	111,412
Additional income tax under the Alternative Minimum Tax Act	(46,764)	(44,238)
Unrecognized temporary differences	(46,289)	(34,338)
Tax on unappropriated earnings	253	-
Income tax expenses	$ (131,689)	$ (125,488)

The applicable tax rate used above is the corporate tax rate of 17% payable by the Corporation and subsidiaries in ROC, while the applicable tax rate used by subsidiaries in China is 25%. Tax rates used by other group entities operating in other jurisdictions are based on the tax laws in those jurisdictions.

In February 2018, it was announced by the President that the Income Tax Act in the ROC was amended and, starting from 2018, the corporate income tax rate will be adjusted from 17% to 20%. In addition, the rate of the corporate surtax applicable to 2018 unappropriated earnings will be reduced from 10% to 5%.

As the status of 2018 appropriations of earnings is uncertain, the potential income tax consequences of 10% of 2017 unappropriated earnings are not reliably determinable.

b. The estimated receivables/payables resulting from the use of the linked-tax system on the Corporation's consolidated tax returns were as follows:

	December 31	
	2017	2016
Tax charged to the parent company	$ 339,279	$ 461,986
Tax paid to the parent company	$ 323,549	$ 386,864

c. Deferred tax assets and liabilities

	December 31	
	2017	2016
Deferred tax assets		
Collaterals assumed	$ -	$ 64,134
Loss carryforwards	-	36,701
	$ -	$ 100,835
Deferred tax liabilities		
Land value increment tax	$ 241,555	$ 241,555
Other	510	46
	$ 242,065	$ 241,601

d. Unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

	December 31	
	2017	2016
Loss carryforwards		
Expiry in 2019	$ -	$ 46,525
Expiry in 2021	380,488	422,212
	$ 380,488	$ 468,737

e. Integrated income tax

	December 31, 2016
Imputation credits accounts - the Corporation	$ 134,818

The Corporation's creditable tax ratios for the distribution of earnings of 2016 was 7.00%.

Since the amended Income Tax Act announced in February 2018 abolished the imputation tax system, related information for 2017 is not applicable for the distribution of earnings of the Corporation.

The Corporation had no unappropriated earnings generated before January 1, 1998.

f. Income tax assessments

The Corporation used the linked-tax system in filing of the income tax and unappropriated earnings returns of its parent company and eligible subsidiaries.

The Corporation's income tax returns through 2012 had been examined by the tax authorities.

Income tax returns of CDIB Capital Management Corp., formerly named ROC Strategic Company Ltd., formerly named CDIB Strategic Venture Fund Ltd. and formerly named China Venture Management Inc. through 2015 had been examined by the tax authorities. Income tax returns of CDIB venture Capital Corporation through 2013 had been examined by the tax authorities.

29. EARNINGS PER SHARE

	Amounts (Numerator)	Weighted Average Outstanding Common Shares Denominator (Shares in Thousands)	EPS (In Dollars)
For the year ended December 31, 2017			
Net profit attributable to shareholders of parent company	$ 3,352,535	2,060,241	$ 1.63
For the year ended December 31, 2016			
Net profit attributable to shareholders of parent company	$ 1,467,895	2,060,400	$ 0.71

30. DISPOSAL OF SUBSIDIARIES

On March 13, 2017, the Parent company holds China Development Asset Management Corporation which was held by the Corporation directly.

a. Consideration received from the disposal is cash $2,321,887 thousand.

b. Analysis of assets and liabilities on the data control was lost.

Current assets (including cash and cash equivalents $645,513)	$ 1,765,413
Non-current assets	1,465,310
Current liabilities	(908,150)
Non-current liabilities	(686)
Net assets disposed of investment	$ 2,321,887

31. RELATED-PARTY TRANSACTIONS

The significant transactions and relationship with related parties (in addition to those disclosed in other notes) are summarized below:

Related Party	Relationship with the Corporation and subsidiaries
China Development Financial Holding Corporation	Parent company
KGI Securities Co., Ltd. and it's subsidiaries	Subsidiary of the parent company
KGI Commercial Bank Co., Ltd. and it's subsidiaries	Subsidiary of the parent company
China Life Insurance Co., Ltd.	Subsidiary of the parent company (Note 1)
China Development Asset Management Corp.	Subsidiary of the parent company (Note 2)
CDIB Capital Asia Partners L.P	Associate
CDIB Private Equity (Fujian) Enterprise (Limited Partnership)	Associate
CDIB Yida Private Equity (Kunshan) Enterprise (Limited Partnership)	Associate
Others	Other related parties

Note 1: Since the public tender offer of the parent company, it became the related party.

Note 2: Formerly the subsidiary of the Corporation, which has been directly held by parent company since 2017. It became the subsidiary of the parent company.

a. Cash in bank (recognized as cash and cash equivalents)

	Amount	%
December 31, 2017		
KGI Commercial Bank Co., Ltd.	$ 5,181,112	41
Subsidiary of the parent company	21,632	-
December 31, 2016		
KGI Commercial Bank Co., Ltd.	21,683,873	74
Subsidiary of the parent company	33,327	-
Other related parties	6,292	-

For the years ended December 31, 2017 and 2016, the interest revenues from cash in bank were $55,543 thousand and $97,247 thousand, respectively.

b. Accrued income (recognized as other receivables)

	Amount	%
December 31, 2017		
CDIB Capital Asia Partners L.P	$ 118,497	22
December 31, 2016		
CDIB Capital Asia Partners L.P	128,793	23

c. Other receivables - other

	Amount	%
December 31, 2017	$ 5,760	1
December 31, 2016	12,965	2

d. Receivables from parent (recognized as current tax assets)

	December 31			
	2017		2016	
	Amount	%	Amount	%
Parent company	$ 339,279	98	$ 461,986	99

The receivables resulted from CDFH and its eligible subsidiaries' adopting the linked-tax system in the filing of tax returns since 2003.

e. Stock holdings (recognized as available-for-sale financial assets - non-current)

	Amount	%
December 31, 2016	$ 166,408	2

f. Purchase and sale of securities

	Sale of Securities
For the year ended December 31, 2017	
Subsidiary of the parent company	$ 112,345

g. Payables (recognized as other payables)

	Amount	%
December 31, 2017	$ 9,691	1
December 31, 2016	17,884	2

h. Payables to parent (recognized as current tax liabilities)

	December 31			
	2017		2016	
	Amount	%	Amount	%
Parent company	$ 323,549	97	$ 386,864	98

The payables resulted from CDFH and its eligible subsidiaries adopting the linked-tax system in the tiling of tax returns since 2003.

i. Guarantee deposits received (recognized as other non-current liabilities)

	Amount	%
December 31, 2017	$ 26,533	5
December 31, 2016	22,211	4

j. Consulting service revenues

	Amount	%
For the year ended December 31, 2017		
CDIB Capital Asia Partners L.P	$ 242,153	43
CDIB Private Equity (Fujian) Enterprise (Limited Partnership)	85,089	15
CDIB Yida Private Equity (Kunshan) Enterprise (Limited Partnership)	63,854	11
Other related parties	92,539	16
For the year ended December 31, 2016		
CDIB Capital Asia Partners L.P	257,763	50
CDIB Private Equity (Fujian) Enterprise (Limited Partnership)	93,724	18
CDIB Yida Private Equity (Kunshan) Enterprise (Limited Partnership)	71,445	14
Other related parties	63,632	12

k. Rental revenue (recognized as non-operating income and expenses)

	Amount	%
For the year ended December 31, 2017		
KGI Commercial Bank Co., Ltd.	$ 77,416	71
Parent company	16,025	15
Subsidiary of the parent company	4,583	4
Other related parties	7,657	7
For the year ended December 31, 2016		
KGI Commercial Bank Co., Ltd.	73,553	75
Parent company	9,117	9
Subsidiary of the parent company	84	-
Other related parties	7,656	8

The rent was based on market prices and receivable quarterly.

l. Donation (recognized as operating expenses)

	Amount	%
For the year ended December 31, 2017	$ 30,000	2
For the year ended December 31, 2016	30,000	2

m. Compensation of key management personnel

	For the Years Ended December 31	
	2017	2016
Salary and short-term benefits	$ 143,154	$ 89,495
Share-based payment	1,593	492
Post-employment benefits	905	768
	$ 145,652	$ 90,755

32. RISK OF CAPITAL MANAGEMENT

The main objective of the Corporation and subsidiaries in capital management is to maintain a healthy credit rating and financial structure to support the Corporation's operation and maximize shareholders' interests. The Corporation and subsidiaries will manage and adjust the capital structure based on the economic situation, possibly by adjusting business scale of investments in principal investment and dividends, and issuing or repurchasing new shares.

33. FINANCIAL INSTRUMENTS

a. Fair value hierarchy of financial instruments

1) The definitions of each hierarchy are as follows:

a) Level I fair values are quoted prices in active markets for financial instruments.

b) Level II fair values are those directly or indirectly observable inputs other than Level I quoted prices, such as the quoted prices of similar financial instruments in less active markets or price estimates arrived at through pricing models that use inputs such as interest rates, which are derived from or can be corroborated by observable market data.

c) Level III refers to inputs that are not based on observable market data.

2) Fair value hierarchy of financial instruments

The fair value hierarchy of financial instruments were as follows:

December 31, 2017

(In Thousands of New Taiwan Dollars)

	Level I	Level II	Level III	Total
Measured at fair value used by repetitive basis				
Nonderivative financial instruments				
Financial assets				
Financial assets at FVTPL				
Financial assets designated as at FVTPL	$ -	$ -	$ 971,150	$ 971,150
Available-for-sale financial assets				
Stock investments	10,203,443	127,973	435,236	10,766,652
Bond investments	-	160,548	-	160,548

December 31, 2016

(In Thousands of New Taiwan Dollars)

	Level I	Level II	Level III	Total
Measured at fair value used by repetitive basis				
Nonderivative financial instruments				
Financial assets				
Financial assets at FVTPL				
Financial assets held for trading				
Stock investments	$ 108,740	$ -	$ -	$ 108,740
Financial assets designated as at FVTPL	-	-	174,265	174,265
Available-for-sale financial assets				
Stock investments	8,759,455	143,902	307,895	9,211,252
Bond investments	50,597	108,201	-	158,798
Derivative financial instruments				
Financial assets				
Financial assets at FVTPL	-	-	9,824	9,824

3) Financial instruments measured at fair value

For financial assets and liabilities at fair value through profit or loss and available-for-sale financial assets, fair value is determined at quoted market prices. When market prices of the Corporation and subsidiaries' various financial instruments are not readily available, fair values are estimated by using appropriate valuation models or other banks' transaction prices. The information the Corporation and subsidiaries use for fair value estimation is consistent with that generally used in the market.

4) Movement of financial instrument hierarchy between Level I and Level II

The main reason for hierarchy transfer of financial instrument is due to changes of market liquidity for the year ended December 31, 2017 affected partly valuation sources of some holding government bond.

	For the Year Ended December 31, 2017	
	From Level I to Level II	**From Level II to Level I**
Available-for-sale financial assets - bond investments	$ 50,663	$ -

The main reason for hierarchy transfer of financial instrument is due to quotation of market in 2016.

	For the Year Ended December 31, 2016	
	From Level I to Level II	**From Level II to Level I**
Available-for-sale financial assets - stock investments	$ -	$ 394,954
Available-for-sale financial assets - bond investments	-	50,597

5) Reconciliation of Level III items of financial instruments

The movements of financial assets with Level III fair value were as follows:

For the Year Ended December 31, 2017

(In Thousands of New Taiwan Dollars)

Items	Beginning Balance	Valuation Gains (Losses) Recognized as Current Income (Loss) or Other Comprehensive Income	Amount of Increase		Amount of Decrease		Ending Balance
			Purchase, Issue or Added	Transfer to Level III	Sale, Disposal, Settlement or Derecognition	Transfer from Level III	
Financial assets at FVTPL							
Financial assets held for trading	$ 9,824	$ -	$ -	$ -	$ 9,824	$ -	$ -
Financial assets designated as FVTPL	174,265	111,143	685,742	-	-	-	971,150
Available-for-sale financial assets	307,895	18,929	108,412	-	-	-	435,236

For the Year Ended December 31, 2016

(In Thousands of New Taiwan Dollars)

Items	Beginning Balance	Valuation Gains (Losses) Recognized as Current Income (Loss) or Other Comprehensive Income	Amount of Increase		Amount of Decrease		Ending Balance
			Purchase, Issue or Added	Transfer to Level III	Sale, Disposal, Settlement or Derecognition	Transfer from Level III	
Financial assets at FVTPL							
Financial assets held for trading	$ -	$ -	$ 9,824	$ -	$ -	$ -	$ 9,824
Financial assets designated as FVTPL	188,401	(29,838)	15,702	-	-	-	174,265
Available-for-sale financial assets	-	27,509	280,386	-	-	-	307,895

The total gains or losses for the years ended December 31, 2017 and 2016 included gain of $111,143 thousand and loss of $29,838 thousand relating to assets and liabilities measured at fair value on Level III fair value measurement and held at the end of reporting date.

6) Quantitative information about significant unobservable inputs (Level 3)

The explanation of quantitative information about Level 3 security investments of the Corporation and subsidiaries were as follows:

	Fair Value at December 31, 2017	Valuation Techniques	Significant Unobservable Inputs	Range (Average Weighted)	The Relationship Between Inputs and Fair Value
Measured at fair value used by repetitive basis					
Non-derivative instruments					
Financial assets at FVTPL					
Convertible (exchangeable) corporate bonds	$ 265,609	Market approach	P/B Lack of liquidity discount	2.34 26%	When the higher income multiplier, the higher of fair value; when the higher lack of liquidity discount, the lower of fair value; when the higher WACC, the lower of fair value; when the higher growth rate, the higher of fair value
		Discounted cash-flow method	Lack of liquidity discount WACC Growth rate	26% 11.44% 3.0%	
		Recent strike price	-	-	-
Associates	457,036	Net asset method	-	-	-
Convertible (exchangeable) preferred stock	248,505	Recent strike price	-	-	-
Available-for-sale financial assets	435,236	Discounted cash-flow method	Lack of liquidity discount WACC Growth rate	20% 12.1%-15.4% 2.5%-7.0%	When the higher lack of liquidity discount, the lower of fair value; when the higher WACC, the lower of fair value; when the higher growth rate, the higher of fair value
		Recent strike price	-	-	-

	Fair Value at December 31, 2016	Valuation Techniques	Significant Unobservable Inputs	Range (Average Weighted)	The Relationship Between Inputs and Fair Value
Measured at fair value used by repetitive basis					
Non-derivative instruments					
Financial assets at FVTPL					
Convertible (exchangeable) corporate bonds	$ 158,126	Recent strike price	-	-	-
Convertible (exchangeable) preferred stock	16,139	Recent strike price	-	-	-
Available-for-sale financial assets	307,895	Discounted cash-flow method	Lack of liquidity discount WACC Growth rate	20% 11.7% 2.5%-7.2%	When the higher lack of liquidity discount, the lower of fair value; when the higher WACC, the lower of fair value; when the higher growth rate, the higher of fair value
		Recent strike price	-	-	-
Derivative instruments					
Others	9,824	Recent strike price	-	-	-

7) Pricing process of level III fair value

The Corporation and subsidiaries' pricing models and condition assumptions conform to those generally used in the market and are commonly recognized by the industry as bases for measuring fair value. Further, the Corporation and subsidiaries verifies whether the sources of the information are independent or whether the information itself reasonably reflects prices in normal circumstances, and also examines and adjusts fair value periodically to insure that valuation results are reasonable. Investment Property is valued by the Corporation and subsidiaries based on FSC's declaration of valuation method and parameters or committed to appraisers to make valuation.

b. Fair value information - financial instruments not carried at fair value

1) Fair value information of financial instruments

Financial instruments measured at cost, excluding investment properties, investments accounted for using equity method - unlisted stocks, and financial assets measured at cost, have carrying amounts that are reasonably close to their fair value; thus, their fair values are not disclosed.

2) Fair value hierarchy of financial instruments

December 31, 2017

(In Thousands of New Taiwan Dollars)

	Level I	Level II	Level III	Total
Non-financial assets				
Investment properties	$ -	$ -	$ 4,196,710	$ 4,196,710

December 31, 2016

(In Thousands of New Taiwan Dollars)

	Level I	Level II	Level III	Total
Non-financial assets				
Investment properties	$ -	$ -	$ 5,466,433	$ 5,466,433

3) Measurement technique

a) The carrying amounts of financial instruments such as cash and cash equivalents, receivables, restricted assets, other financial assets, payables and other financial liabilities approximate their fair values because of the short maturities of these instruments.

b) Investments accounted for using the equity method - unlisted stocks and financial assets measured at cost both are unlisted financial assets, which have no quoted market prices in an active market and their fair value cannot be reliably measured owing to that the variation interval of the estimate of the fair value is not quite small and the estimates adopted in the interval thereof cannot be assessed reasonably, thus the Corporation and subsidiaries does not disclose their fair value.

c) For fair value measurement of investment property, please refer to Note 14.

c. Categories of financial instruments

	December 31	
	2017	2016
Financial assets		
Fair value through profit or loss (FVTPL)		
Held for trading	$ 341,369	$ 476,105
Designated as at FVTPL	971,150	174,265
	$ 1,312,519	$ 650,370
Loans and receivables		
Cash and cash equivalent	$ 12,783,198	$ 29,371,443
Other receivables	548,790	565,822
Acquired loans	-	1,117,672
Others	59,687	78,144
	$ 13,391,675	$ 31,133,081
Available-for-sale financial assets		
Available-for-sale financial assets	$ 10,927,200	$ 9,370,050
Financial assets measured at cost	13,997,653	16,708,198
	$ 24,924,853	$ 26,078,248
Financial liabilities		
Amortized cost		
Short-term loans	$ -	$ 100,000
Short-term bills payable	-	699,681
Other payables	881,365	860,519
Others	398,899	411,715
	$ 1,280,264	$ 2,071,915

d. Risk management policies and objectives

The Corporation has established its risk management policies, which combine business management and risk management to form a corporate culture and business strategies that place a fundamental importance on risk management. The results of quantitative and qualitative risk management measures serve as a reference for formulating business strategies. The board of directors has approved the documentation of both overall and specific risk management policies.

The Corporation has established a risk management committee supervising the implementation of risk management policies, inspecting risk control reports and dealing with related issues. The Corporation also has a risk management department to plan and manage the risk management system, supervise the implementation of risk management of subsidiaries and provide related information to the management and the board of directors.

1) Market risk

Market risk is defined as an unfavorable change in macroeconomic and financial market variables, (such as interest rates, exchange rates, stock prices and commodity prices) which may cause a potential loss on financial assets held for trading. Market risk as explained as follows:

a) Foreign currency rate risk information

The financial assets and liabilities denominated in foreign currency and with material influence on the Corporation and subsidiaries were as follows:

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	December 31, 2017		
	Foreign Currencies	**Exchange Rate**	**New Taiwan Dollars**
Financial assets			
Monetary items			
USD	$ 268,954	29.848	$ 8,027,743
HKD	125,165	3.819	478,007
RMB	70,069	4.579	320,838
KRW	6,938,074	0.028	194,162
JPY	429,684	0.265	113,823
Investment accounted for using the equity method			
RMB	664,905	4.579	3,044,534
USD	92,247	29.848	2,753,391
Financial liabilities			
Monetary items			
USD	40,011	29.848	1,194,258

	December 31, 2016		
	Foreign Currencies	**Exchange Rate**	**New Taiwan Dollars**
Financial assets			
Monetary items			
USD	$ 245,665	32.279	$ 7,929,817
HKD	114,029	4.162	474,611
RMB	60,969	4.622	281,794
KRW	7,363,850	0.027	197,506
JPY	429,029	0.276	118,283
Investment accounted for using the equity method			
RMB	459,967	4.622	2,125,923
USD	65,502	32.279	2,114,355
Financial liabilities			
Monetary items			
USD	18,733	32.279	604,671

Sensitivity analysis

The following table details the Corporation and subsidiaries' sensitivity to a 1% increase and decrease in New Taiwan dollars (the functional currency) against the relevant foreign currencies.

	Impact to Profit or Loss For the Years Ended December 31	
	2017	**2016**
Monetary items		
USD	$ 68,335	$ 73,251
HKD	4,780	4,746
RMB	3,208	2,818
KRW	1,942	1,975
JPY	1,138	1,183

b) Interest rate risk

The primary financial assets of the Corporation and subsidiaries with exposure to interest rates as of December 31, 2017 and 2016 were cash in banks. Management believes that interest rate changes would have been no significant effect on the Corporation and subsidiaries.

c) Other price risk

The Corporation and subsidiaries were exposed to equity price risk through its investments in principal investment business. The Corporation manages this exposure by setting risk acceptance limitation concerning industry, country, affiliated groups, and the same group.

If equity prices had been 1% higher/lower, the post-tax other comprehensive income for the years ended December 31, 2017 and 2016 would increase/decrease by $107,667 thousand and $92,113 thousand, respectively, as a result of the changes in fair value of available-for-sale shares.

2) Credit risk

The Corporation and subsidiaries are exposed to credit risk due to default on contracts by borrowers, debtors or counter-parties and changes in credit quality. The maximum exposure to credit risk is equal to the book value.

The Corporation and subsidiaries have all kinds of financial instruments of which the maximum exposure to credit risk is equal to the book value.

3) Liquidity risk

The management of liquidity risk is aimed to deal with financing the Corporation's operations and mitigate the effects of fluctuations in cash flows by monitoring and maintaining a level of cash and cash equivalents.

The Corporation's Management policies of liquidity risk are as follows:

a) Dispose of surplus capital should consider possible future capital requirements, deconcentration of capital sources and reasonable liquidity of liability Structure.

b) Pursuant to liquidity risk control, the Corporation use performance index of financial structure and dispatching of funds to set up a system to monitor daily funding gap.

As of December 31, 2017 and 2016, other financial liabilities are $370,737 thousand and $386,632 thousand, respectively, and will be paid by financial assets and the rest of nonderivative financial liabilities are $909,527 thousand and $1,685,283 thousand, respectively, and are mainly all current liabilities.

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

Commitments and contingencies of the Corporation and subsidiaries, except for those disclosed in other Notes were summarized as follows:

a. In April 2007, the Corporation and Morgan Stanley entered into a CDS contract that was tied to a synthetic collateralized debt obligation on residential mortgage-backed securities. The representations made to the Corporation by Morgan Stanley during the solicitation process were materially false and misleading and therefore caused significant losses to the Corporation. On July 15, 2010, the Corporation initiated action against Morgan Stanley & Co. International PLC ("Morgan Stanley") et al. to recover losses the Corporation suffered as a result of its investment in a Morgan Stanley's credit default swap (CDS) product that had been tied to a synthetic collateralized debt obligation on residential mortgage-backed securities; the representations made to the Corporation by Morgan Stanley during the solicitation process were materially false and misleading and therefore caused significant financial losses to the Corporation. As of December 31, 2010, the underlying asset pools on the CDS had been liquidated, and the Corporation had recognized all gains and losses from the transaction. The balance of US$11,978 thousand (NT$370,737 thousand based on the exchange rate of December 31, 2017) was reclassified to "other financial liabilities". The litigation had not yet been concluded as of June 30, 2017. In addition, Morgan Stanley overlooked the Corporation's efforts and terminated interest rate swap (IRS) contracts (nominal principal amount: KRW24,000,000 thousand) and CDS contracts (nominal principal amount: JPY586,510 thousand) in August 2010, the Corporation reserves the right of legal proceedings.

b. Securities and Futures Investors Protection Center sued CDIB Capital Management Corporation and claimed that due to the fact that CDIB Capital Management Corporation is the corporate director of Powercom Ltd., CDIB Capital Management Corporation have but not performed sufficient audits on the contents disclosed in the financial statements which failed to comply the obligation of being a good administrator. Therefore, the plaintiff demanded compensation of $592,648 thousand and related interests from CDIB Capital Management Corporation and Powercom Ltd. CDIB Capital Management Corporation and Powercom Ltd. could not estimate the related possible loss because the case was currently pending in the Taipei District Court and the final outcome of the court is uncertain.

35. ADDITIONAL DISCLOSURES

a. Following are the additional disclosures required by the Securities and Futures Bureau for the Corporation and subsidiaries:

   1) Financing provided: The Corporation: Not applicable. For information on other subsidiaries: None.

   2) Collaterals/guarantees provided: The Corporation: Not applicable. For information on other subsidiaries: None.

3) Marketable securities held: The Corporation: Not applicable. For information on other subsidiaries, please refer to Table 1 (attached).

4) Subsidiaries are acquired and disposed of, at cost or price of at least NT$300 million or 20% of the issued capital (subsidiaries acquired and disposed of marketable securities, at cost or price of at least NT$300 million or 20% of the issued capital): Please refer to Table 2 (attached).

5) Acquisition of individual real estate at cost of at least NT$300 million or 20% of the issued capital: For the Corporation and subsidiaries' information: None.

6) Disposal of individual real estate at price of at least NT$300 million or 20% of the issued capital: For the Corporation and subsidiaries' information: None.

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: For the Corporation and subsidiaries' information: None.

8) Receivables from related parties amounting to NT$100 million or 20% of the issued capital: Please refer to Note 31 to the consolidated financial statements and Table 3 (attached).

9) Derivative transactions: Please refer to Notes 8 and 33.

10) Information on investees: Please refer to Table 4 (attached).

b. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Please refer to Table 5 (attached).

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: None.

c. Intercompany relationship and significant intercompany transactions: Please refer to Table 7 (attached).

36. SEGMENT INFORMATION

The Corporation and subsidiaries' main operations included securities investment, investment and transaction in financial instruments linked to the equity securities, and management of private equity fund. The chief operating decision-maker design the capital allocation from overall corporation perspective, so overall corporation is a single operating segment.

Geographical Information

The Corporation and subsidiaries' revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	For the Years Ended December 31	
	2017	2016
Taiwan	$ 2,500,884	$ 1,946,657
British Virgin Islands	1,823,821	761,952
Malaysia	751,259	478,167
Hong Kong	288,972	292,153
Others	402,143	530,251
	$ 5,767,079	$ 4,009,180

TABLE 1

CDIB CAPITAL GROUP AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2017
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	December 31, 2017				Note
				Shares/Face Value/Units	Carrying Value (Note 2)	Percentage of Ownership	Market Value or Net Asset Value (Note 3)	
The Corporation	Stocks							
	China Metal Products Co., Ltd.	-	Available-for-sale financial assets	12,381,003	$ 351,620	3.21	$ 351,620	
	Tong Hsing Electronic Industries, Ltd.	-	Available-for-sale financial assets	1,400,248	189,003	0.85	189,003	
	ATEN International Co., Ltd.	-	Available-for-sale financial assets	1,541,211	129,462	1.29	129,462	
	Qisda Corporation	-	Available-for-sale financial assets	148,867,816	3,148,554	7.57	3,148,554	
	Powertech Industrial Co., Ltd.	-	Available-for-sale financial assets	3,712,596	58,102	3.78	58,102	
	Innolux Corporation	-	Available-for-sale financial assets	7,932,740	98,366	0.08	98,366	
	Darfon Electronics Corp.	-	Available-for-sale financial assets	986,000	29,235	0.35	29,235	
	Chipbond Technology Corporation	-	Available-for-sale financial assets	7,971,229	449,577	1.22	449,577	
	Chime Ball Technology Co., Ltd.	-	Available-for-sale financial assets	584,393	36,408	1.25	36,408	
	Copartner Technology Corporation	-	Available-for-sale financial assets	11,024,340	254,662	12.97	254,662	
	King Yuan Electronics Co., Ltd.	-	Available-for-sale financial assets	6,671,695	201,819	0.55	201,819	
	Dynamic Electronics Co., Ltd.	-	Available-for-sale financial assets	5,449,006	64,298	1.94	64,298	
	Formosa Taffeta Co., Ltd.	-	Available-for-sale financial assets	2,017,000	63,435	0.46	63,435	
	Green Energy Technology Inc.	-	Available-for-sale financial assets	371,561	6,539	0.09	6,539	
	Aspeed Technology Inc.	-	Available-for-sale financial assets	104,276	74,870	0.31	74,870	
	Solartech Energy Corp.	-	Available-for-sale financial assets	7,857,266	117,073	2.09	117,073	
	Neo Solar Power Corp.	-	Available-for-sale financial assets	14,012,424	186,151	1.37	186,151	
	FocalTech Systems Co., Ltd.	-	Available-for-sale financial assets	3,568,061	110,967	1.20	110,967	
	Lextar Electronics Corp.	-	Available-for-sale financial assets	11,040,065	294,770	2.16	294,770	
	Globalwafers. Co., Ltd.	-	Available-for-sale financial assets	1,758,072	698,834	0.40	698,834	
	Gallant Precision Machining Co., Ltd.	-	Available-for-sale financial assets	8,709,358	185,074	5.27	185,074	
	Kuangli Photoelectric Technology Co., Ltd.	-	Available-for-sale financial assets	5,224,326	78,626	11.45	78,626	
	Sino-American Silicon Products Inc.	-	Available-for-sale financial assets	3,423,956	261,248	0.58	261,248	
	Topview Optromics Corporation	-	Available-for-sale financial assets	1,569,000	57,190	6.82	57,190	
	Sunko Ink Co., Ltd.	-	Available-for-sale financial assets	11,381,788	161,052	5.12	161,052	
	EPISTAR Corporation	-	Available-for-sale financial assets	2,442,607	110,284	0.22	110,284	
	Utechzone Co., Ltd.	-	Available-for-sale financial assets	2,778,496	140,314	4.52	140,314	
	Donpon Precision Inc.	-	Available-for-sale financial assets	6,793,493	103,601	6.82	103,601	
	Topoint Technology Co., Ltd.	-	Available-for-sale financial assets	1,492,910	32,098	0.94	32,098	
	Pili International Multimedia Co., Ltd.	-	Available-for-sale financial assets	1,233,000	74,966	2.57	74,966	
	Aces Electronics Co., Ltd.	-	Available-for-sale financial assets	1,134,483	28,589	0.93	28,589	
	Coland Holdings Limited	-	Available-for-sale financial assets	561,402	19,425	0.72	19,425	
	Entery Industrial Co., Ltd.	-	Available-for-sale financial assets	8,364,000	59,804	11.22	59,804	
	Taiwan Stock Exchange	-	Financial assets measured at cost	48,604,914	8,400	7.00	3,505,195	
	Logitech Inc.	-	Financial assets measured at cost	2,965,248	23,862	10.69	36,413	
	Solar Fine Chemical Co., Ltd.	-	Financial assets measured at cost	4,828,064	61,960	10.83	50,679	
	Gold Peak Industries (Taiwan) Ltd.	-	Financial assets measured at cost	30,616,980	24,494	15.04	17,842	
	Dee Van Enterprise Co., Ltd.	-	Financial assets measured at cost	4,225,979	120,761	6.04	75,730	
	National Glory Development Corp.	-	Financial assets measured at cost	646,884	4,993	6.47	7,523	
	TopGreen Technology Co., Ltd.	-	Financial assets measured at cost	633,377	17,499	1.17	7,271	
	Everest Display Inc.	-	Financial assets measured at cost	408,760	4,297	2.49	1,975	
	Insrea Game Center Corporation	-	Financial assets measured at cost	3,000,000	8,610	17.65	2,565	
	Hair O’right International Corp.	-	Financial assets measured at cost	1,835,837	89,120	9.02	93,189	
	DaBomb Protein Corp.	-	Financial assets measured at cost	3,284,568	83,032	12.86	92,953	
	Power Venture Co.	-	Financial assets measured at cost	769,597	7,696	5.68	7,395	
	Ori Vita Bio Application Inc.	-	Financial assets measured at cost	858,690	8,587	0.42	4,465	
	Echem Hightech Co., Ltd.	-	Financial assets measured at cost	1,535,934	22,600	11.69	19,743	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	December 31, 2017				Note
				Shares/Face Value/Units	Carrying Value (Note 2)	Percentage of Ownership	Market Value or Net Asset Value (Note 3)	
The Corporation	Yenyo Technology Co., Ltd.	-	Financial assets measured at cost	4,000,000	$ 42,000	9.91	$ 29,502	
	E-one Moli Energy Corp.	-	Financial assets measured at cost	6,035,000	63,360	2.40	9,292	
	Jouge Technology Co., Ltd.	-	Financial assets measured at cost	1,568,700	32,625	9.68	1,221	
	HealthStream Taiwan Inc.	-	Financial assets measured at cost	4,774,523	59,980	13.96	56,213	
	Subtron Technology Co., Ltd.	-	Financial assets measured at cost	12,316,000	193,819	4.31	87,320	
	Orgchem Technologies, Inc.	-	Financial assets measured at cost	1,067,220	49,000	1.86	17,653	
	General Life Biotechnology Co., Ltd.	-	Financial assets measured at cost	2,520,000	54,000	8.40	21,623	
	Mec Imex Inc.	-	Financial assets measured at cost	4,802,000	107,853	10.52	84,835	
	Chain Yarn Corporation	-	Financial assets measured at cost	15,828,324	222,642	10.30	146,729	
	Yieh United Steel Corp.	-	Financial assets measured at cost	11,506,622	94,021	0.44	77,900	
	Hua-jie (Taiwan) Corp.	-	Financial assets measured at cost	1,300,403	13,395	6.45	13,997	
	AMIA Co.	-	Financial assets measured at cost	6,000,000	210,000	9.54	130,140	
	Up Scientech Materials Corp.	-	Financial assets measured at cost	4,651,344	252,200	6.85	114,136	
	PlexBio Co., Ltd.	-	Financial assets measured at cost	3,526,000	88,150	6.93	72,142	
	Riselink Restructuring Fund Corporation	-	Financial assets measured at cost	5,771,370	57,714	12.50	63,746	
	5V Technologies, Ltd.	-	Financial assets measured at cost	159,435	10,172	0.99	1,594	
	Top Green Energy Technologies, Inc.	-	Financial assets measured at cost	16,240,740	292,333	12.99	16,676	
	Lager Network Technologies Inc.	-	Financial assets measured at cost	1,500,000	30,000	5.00	(1,439)	
	Awise Fiber Technology Co., Ltd.	-	Financial assets measured at cost	3,500,000	43,750	18.15	2,621	
	Biodenta Corporation	-	Financial assets measured at cost	150,000	3,750	3.58	1,500	
	Orient Pharma Co., Ltd.	-	Financial assets measured at cost	2,857,800	55,307	2.19	52,183	
	Wai-Gin Industrial Co., Ltd.	-	Financial assets measured at cost	1,170,000	11,106	3.44	9,734	
	ARCOA Communication Co., Ltd.	-	Financial assets measured at cost	7,567,424	101,207	5.64	96,443	
	Eastern Electronic Co., Ltd.	-	Financial assets measured at cost	4,348,680	46,598	6.47	61,091	
	HCT Logistics Co., Ltd.	-	Financial assets measured at cost	4,920,876	113,705	1.97	240,307	
	Vita Genomics, Inc.	-	Financial assets measured at cost	77,720	777	0.13	630	
	Foresee Pharmaceuticals Co., Ltd.	-	Financial assets measured at cost	3,224,867	139,899	4.03	209,616	
	Beyond Innovation Technology Co., Ltd.	-	Financial assets measured at cost	2,118,764	41,289	6.27	5,176	
	Jochu Technology Co., Ltd.	-	Financial assets measured at cost	4,746,720	145,462	5.83	84,634	
	Kaohsiung Rapid Transit Corporation.	-	Financial assets measured at cost	3,845,330	39,703	1.38	41,975	
	STL Technology Co., Ltd.	-	Financial assets measured at cost	5,455,881	191,968	7.83	65,743	
	Nan Pao Resins Chemical Co., Ltd.	-	Financial assets measured at cost	1,293,232	105,000	1.19	179,837	
	DragonJet Corporation	-	Financial assets measured at cost	4,300,000	178,450	4.77	77,015	
	Vactronics Technologies Inc.	-	Financial assets measured at cost	2,494,309	48,060	5.28	38,652	
	Chipsip Technology Co., Ltd.	-	Financial assets measured at cost	1,915,288	7,853	4.56	4,018	
	Terawins, Inc.	-	Financial assets measured at cost	1,913,996	27,173	6.30	26,483	
	Feature Integration Technology Inc.	-	Financial assets measured at cost	1,341,803	52,585	4.03	13,163	
	Mosart Semiconductor Corp.	-	Financial assets measured at cost	2,731,098	60,056	10.57	25,997	
	EVA Technologies Co., Ltd.	-	Financial assets measured at cost	2,150,536	39,176	10.43	13,376	
	Luxaltek Corporation	-	Financial assets measured at cost	1,535,188	27,094	2.47	6,690	
	Overseas Investment & Development Corp.	-	Financial assets measured at cost	2,600,000	26,000	2.89	25,976	
	Microprogram Co., Ltd.	-	Financial assets measured at cost	2,550,000	68,000	7.95	32,390	
	Lefram Technology Corporation	-	Financial assets measured at cost	7,484,454	54,757	17.48	47,152	
	Core Pacific City Co., Ltd.	-	Financial assets measured at cost	2,500,000	15,625	0.16	21,750	
	TAK Technology Co., Ltd.	-	Financial assets measured at cost	2,467,706	2,665	4.14	12,894	
	Luminous Town Electric Co., Ltd.	-	Financial assets measured at cost	4,609,749	43,594	6.90	42,066	
	Engineering & IP Advanced Technologies Ltd.	-	Financial assets measured at cost	4,216	2	-	3	
	Excelsior Medical Co., Ltd.	-	Financial assets measured at cost	33,000	147,857	4.81	120,769	
	JHL. Biotech, Inc.	-	Financial assets measured at cost	8,382,844	144,842	3.81	503,054	
	Easten Power and Electric Company Limited	-	Financial assets measured at cost	3,201,019	295,572	12.00	324,770	
	Beauty Essentials International Ltd.	-	Financial assets measured at cost	86,503,067	179,045	8.79	48,746	
	Engineering & IP Advanced Technologies Ltd. - preferred stock	-	Financial assets measured at cost	6,392,765	2,354	0.35	4,864	
	Lightel Technologies, Inc. - preferred stock	-	Financial assets measured at cost	3,000,000	89,700	43.44	63,342	
	Apexigen, Inc. - preferred stock	-	Financial assets measured at cost	4,970,588	75,847	9.59	8,181	
	Leyou, Inc. - preferred stock D	-	Financial assets measured at cost	663,958,732	450,150	75.00	120,775	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	December 31, 2017				Note
				Shares/Face Value/Units	Carrying Value (Note 2)	Percentage of Ownership	Market Value or Net Asset Value (Note 3)	
The Corporation	Government bonds							
	A00109	-	Available-for-sale financial assets	7,000,000	$ 7,161	-	$ 7,161	
	A01105	-	Available-for-sale financial assets	100,000,000	102,724	-	102,724	
	A03115	-	Available-for-sale financial assets	50,000,000	50,663	-	50,663	
	Corporate bond							
	Belta (Cayman) Holding Limited	-	Debt instruments with no active markets	11,959,916	358,439	-	36,403	
	Fund							
	CommLaunch	-	Financial assets measured at cost	-	40,092	-	41,214	
	ARCH Venture Fund V, L.P.	-	Financial assets measured at cost	-	25,951	-	6,278	
	Forward Venture IV, L.P.	-	Financial assets measured at cost	-	15,719	-	11,767	
	Forward Venture V	-	Financial assets measured at cost	-	64,388	-	34,491	
	MPM Bioventures III L.P.	-	Financial assets measured at cost	-	61,506	-	15,949	
	Sanderling	-	Financial assets measured at cost	-	31,839	-	13,549	
	Samara Capital Partners Fund I Limited	-	Financial assets measured at cost	-	193,164	-	138,370	
	THL Equity Fund VI Investors (Ceridan) L.P.	-	Financial assets measured at cost	-	228,510	-	269,829	
CDIB Capital Management Inc.	Stocks							
	Tong Hsing Electronic Industries, Ltd.	-	Available-for-sale financial assets	260,000	35,100	0.16	35,100	
	ATEN International Co., Ltd.	-	Available-for-sale financial assets	65,660	5,515	0.05	5,515	
	Pili International Multimedia Co., Ltd.	-	Available-for-sale financial assets	300,000	18,240	0.63	18,240	
	Kwan's International Co., Ltd.	-	Available-for-sale financial assets	101,240	4,075	0.13	4,075	
	MCM Stamping Co., Ltd.	-	Financial assets measured at cost	70,000	2,100	0.22	660	
	ARCOA Communication Co., Ltd.	-	Financial assets measured at cost	783,000	7,493	0.58	9,979	
	Beyond Innovation Technology Co., Ltd.	-	Financial assets measured at cost	235,474	4,485	0.70	575	
	EVA Technologies Co., Ltd.	-	Financial assets measured at cost	297,623	4,824	1.44	1,851	
	Luminous Town Electric Co., Ltd.	-	Financial assets measured at cost	719,883	6,808	1.08	6,569	
CDIB Venture Capital Corporation	Stocks							
	Viscovery (Cayman) Holding Company Limited - preferred stock	-	Financial asset at fair value through profit or loss	304,878	14,924	8.20	14,924	
	ATEN International Co., Ltd.	-	Available-for-sale financial assets	2,283,567	191,820	1.91	191,820	
	Anpec Electronics Corporation	-	Available-for-sale financial assets	3,709,011	167,091	3.61	167,091	
	HIM International Music Inc.	-	Available-for-sale financial assets	997,656	101,262	2.12	101,262	
	Macroblock, Inc.	-	Available-for-sale financial assets	262,500	17,036	0.75	17,036	
	Dynamic Electronics Co., Ltd.	-	Available-for-sale financial assets	3,285,131	38,765	1.17	38,765	
	Dyaco Co., Ltd.	-	Available-for-sale financial assets	5,575,500	249,782	6.00	249,782	
	Solartech Energy Corp.	-	Available-for-sale financial assets	5,215,328	65,072	1.39	65,072	
	Neo Solar Power Corp.	-	Available-for-sale financial assets	4,555,307	60,028	0.45	60,028	
	FocalTech Systems Co., Ltd.	-	Available-for-sale financial assets	495,352	15,405	0.17	15,405	
	Lextar Electronics Corp.	-	Available-for-sale financial assets	2,608,065	69,635	0.51	69,635	
	Gallant Precision Machining Co., Ltd.	-	Available-for-sale financial assets	1,247,499	26,509	0.76	26,509	
	Shin Zu Shing Co., Ltd.	-	Available-for-sale financial assets	613,462	46,010	0.34	46,010	
	Enterex International Limited	-	Available-for-sale financial assets	1,751,000	58,659	1.74	58,659	
	Sum Max Tech. Limited	-	Available-for-sale financial assets	2,875,481	258,793	12.13	258,793	
	Regal Holding Co., Ltd.	-	Available-for-sale financial assets	2,200,000	112,200	5.77	112,200	
	Sino-American Silicon Products Inc.	-	Available-for-sale financial assets	5,708,562	435,563	0.96	435,563	
	Sunfun Info Co., Ltd.	-	Available-for-sale financial assets	810,000	35,033	5.68	35,033	
	ASRock Inc.	-	Available-for-sale financial assets	424,462	29,118	0.35	29,118	
	Share Hope Medicine Co., Ltd.	-	Available-for-sale financial assets	234,846	8,701	0.30	8,701	
	Topoint Technology Co., Ltd.	-	Available-for-sale financial assets	2,513,383	54,038	1.58	54,038	
	Aces Electronics Co., Ltd.	-	Available-for-sale financial assets	2,850,421	71,831	2.33	71,831	
	Shane Global Holding Inc.	-	Available-for-sale financial assets	1,715,700	174,115	1.72	174,115	
	Kwan's International Co., Ltd.	-	Available-for-sale financial assets	202,480	17,575	0.25	17,575	
	4Gamers Entertainment Inc. - preferred stock	-	Available-for-sale financial assets	24,000	11,939	20.00	11,939	
	Citiesocial Holding Cayman Co., Ltd. - preferred stock	-	Available-for-sale financial assets	479,635	14,925	18.18	14,925	
	Uimbo CV Inc. - preferred stock	-	Available-for-sale financial assets	1,394,145	20,894	10.29	20,894	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	December 31, 2017				Note
				Shares/Face Value/Units	Carrying Value (Note 2)	Percentage of Ownership	Market Value or Net Asset Value (Note 3)	
CDIB Venture Capital Corporation	CCMODA Corp. - preferred stock	-	Available-for-sale financial assets	666,666	$ 14,924	20.00	$ 14,924	
	Kneron, Inc.	-	Available-for-sale financial assets	1,546,391	44,772	10.00	44,772	
	Achieve Made International Limited - preferred stock	-	Available-for-sale financial assets	168,138	12,898	6.67	12,898	
	Dee Van Enterprise Co., Ltd.	-	Financial assets measured at cost	1,408,659	35,751	2.01	25,243	
	AMPAK Technology Inc.	-	Financial assets measured at cost	1,208,650	24,795	1.44	21,429	
	Azotek Co., Ltd.	-	Financial assets measured at cost	824,500	27,645	1.65	9,990	
	Yenyo Technology Co., Ltd.	-	Financial assets measured at cost	500,000	5,250	1.24	3,688	
	Pai Lung Machinery Mill Co., Ltd.	-	Financial assets measured at cost	1,500,000	33,000	4.22	5,583	
	Fukuta Co., Ltd.	-	Financial assets measured at cost	1,608,600	139,860	4.80	39,354	
	Chain Yarn Corporation	-	Financial assets measured at cost	843,653	11,504	0.55	7,821	
	Handa Pharmaceuticals Inc.	-	Financial assets measured at cost	2,809,000	89,888	2.69	101,714	
	Top Green Energy Technologies, Inc.	-	Financial assets measured at cost	1,111,111	16,667	0.89	51	
	DL-tek Co., Ltd.	-	Financial assets measured at cost	3,772,331	51,100	1.03	28,485	
	Biodenta Corporation	-	Financial assets measured at cost	129,999	3,250	3.10	(1,386)	
	Fusheng Precision Co., Ltd.	-	Financial assets measured at cost	800,000	98,000	0.68	98,000	
	M2Communication, Inc.	-	Financial assets measured at cost	6,477,527	96,810	16.73	26,695	
	Cvie Therapeutics Limited	-	Financial assets measured at cost	846,351	40,262	4.15	4,407	
	GSD Technologies Co., Ltd.	-	Financial assets measured at cost	5,841,702	108,946	19.47	128,940	
	Beyond Innovation Technology Co., Ltd.	-	Financial assets measured at cost	630,518	8,995	1.87	1,540	
	Jochu Technology Co., Ltd.	-	Financial assets measured at cost	3,725,007	107,176	4.57	66,417	
	Trea Xtal Technology Corp.	-	Financial assets measured at cost	2,781,000	1,669	1.46	(11,513)	
	STL Technology Co., Ltd.	-	Financial assets measured at cost	7,002,053	255,605	10.05	84,375	
	Chipsip Technology Co., Ltd.	-	Financial assets measured at cost	428,928	1,759	1.02	900	
	Greatland Electronics Taiwan Ltd.	-	Financial assets measured at cost	1,920,000	6,720	5.50	11,925	
	Luxtaltek Corporation	-	Financial assets measured at cost	124,474	2,197	0.20	542	
	Shengzhuang Holding Limited	-	Financial assets measured at cost	610,590	151,150	6.11	14,386	
	Excelsior Medical Co., Ltd.	-	Financial assets measured at cost	33,000	146,075	4.81	130,865	
	CBA Sports International Ltd.	-	Financial assets measured at cost	514,821	78,046	-	94,286	
	Cvie Therapeutics Company Limited	-	Financial assets measured at cost	560,000	21,708	4.15	(564)	
	Hartec Asia Pte. Ltd.	-	Financial assets measured at cost	2,800,000	99,603	10.23	74,566	
	iCHEF Co., Ltd. - preferred stock	-	Financial assets measured at cost	11,167,513	73,874	40.74	(1,848)	
	Zentera System, Inc. - preferred stock	-	Financial assets measured at cost	1,324,503	61,900	39.35	115,685	
	FUNP Co., Ltd. - preferred stock	-	Financial assets measured at cost	400,000	48,283	20.00	7,615	
	Derbysoft Holdings Limited - preferred stock A	-	Financial assets measured at cost	28,000,000	91,938	5.90	47,705	
	Derbysoft Holdings Limited - preferred stock B	-	Financial assets measured at cost	4,643,469	15,297	0.98	7,911	
	<u>Option</u>							
	CBA Sports International Ltd.	-	Financial assets measured at cost	-	142,819	-	24,281	
	<u>Convertible (exchangeable) corporate bond</u>							
	Capital Excel Investment Limited	-	Financial assets at fair value through profit or loss	2,000	146,217	-	146,217	
CDIB Capital Investment I Limited	<u>Stocks</u>							
	Mestay Cayman Islands Limited - preferred stock	-	Financial assets at fair value through profit or loss	13,722,047	US$ 7,826	3.40	US$ 7,826	
	DaChan Food (Asia) Ltd.	-	Available-for-sale financial assets	37,142,000	US$ 2,661	3.66	US$ 2,661	
	Global Sweeteners Holdings Ltd.	-	Available-for-sale financial assets	22,428,000	US$ 597	1.47	US$ 597	
	CCAP Best Logistics Holdings Limited	-	Available-for-sale financial assets	1,000	US$ 4,716	11.11	US$ 4,716	
	Casper Sleep, Inc.	-	Financial assets measured at cost	266,690	US$ 7,500	20.05	US$ 7,500	
	Great Team Backend Foundry Inc. - preferred stock	-	Financial assets measured at cost	1,636,800	US$ 818	1.91	US$ 796	
	Rock Mobile (Cayman) Co. - preferred stock C	-	Financial assets measured at cost	840,336	US$ 1,000	3.26	US$ 180	
	<u>Fund</u>							
	Carlyle Asia Partners II, L.P.	-	Financial assets measured at cost	-	US$ 2,819	-	US$ 444	
	MSD Sports Partners, L. P.	-	Financial assets measured at cost	-	US$ 8,144	-	US$ 9,148	
	<u>Option</u>							
	Garden Fresh (HK) Fruit & Vegetable Beverage Co., Ltd.	-	Financial assets measured at cost	-	US$ 1,785	-	US$ 7,904	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	December 31, 2017				Note
				Shares/Face Value/Units	Carrying Value (Note 2)	Percentage of Ownership	Market Value or Net Asset Value (Note 3)	
CDIB Capital Investment I Limited	Corporate bonds							
	Garden Fresh (HK) Fruit & Vegetable Beverage Co., Ltd.	-	Debt instruments with no active markets	41,875,000	US$ 6,398	-	US$ 6,519	
	Convertible (exchange) corporate bond							
	Mestay Cayman Islands Limited	-	Financial assets at fair value through profit or loss	7,013,490	US$ 4,000	-	US$ 4,000	
	Garden Fresh (HK) Fruit & Vegetable Beverage Co., Ltd.	-	Debt instruments with no active markets	28,094,510	US$ 4,368	-	US$ 4,310	
Subicvest, Inc.	Stocks							
	SPEC Protertices, Inc.	-	Financial assets measured at cost	242,683	PHP 2,590	3.44	PHP 2,590	
CDIB Capital Investment II Limited	Stocks							
	Neo-neon Holdings Ltd.	-	Available-for-sale financial assets	14,000,000	US$ 1,487	0.66	US$ 1,487	
	Great Rich Technologies Limited	-	Available-for-sale financial assets	1,660,000	US$ 5,191	2.46	US$ 5,191	
	CBA Sports International Ltd.	-	Financial assets measured at cost	508,929	US$ 2,733	0.89	US$ 3,123	
	Indostar Capital	-	Financial assets measured at cost	992,674	US$ 9,927	4.53	US$ 13,294	
	Indostar Everstone - preferred stock	-	Financial assets measured at cost	992,332	US$ 9,923	9.37	US$ 12,656	
	Option							
	CBA Sports International Ltd.	-	Financial assets measured at cost	-	US$ 4,867	-	US$ 804	
CDIB Global Markets Limited	Stocks							
	Facebook Inc.	-	Available-for-sale financial assets	575	US$ 101	-	US$ 101	
	GoPro, Inc.	-	Available-for-sale financial assets	51,878	US$ 392	0.04	US$ 392	
	Light Sciences Oncology, Inc.	-	Financial assets measured at cost	250,000	US$ 6	0.28	US$ (1)	
	Optoplex Corporation	-	Financial assets measured at cost	55	US$ -	-	US$ -	
	Optoplex Corporation - preferred stock A	-	Financial assets measured at cost	7,956	US$ 23	0.42	US$ 2	
	Optoplex Corporation - preferred stock B	-	Financial assets measured at cost	20,602	US$ 31	0.75	US$ 6	
	Sonics, Inc. - preferred stock B	-	Financial assets measured at cost	114,359	US$ 333	14.74	US$ 10	
	Microfabrica, Inc. - preferred stock B	-	Financial assets measured at cost	13,091	US$ 27	0.12	US$ 10	
	Microfabrica, Inc. - preferred stock AC	-	Financial assets measured at cost	7,749	US$ 13	0.48	US$ 6	
	Flemingo International (BVI) Ltd. - preferred stock	-	Debt instruments with no active markets	1,048	US$ 19,980	50.19	US$ 38,060	
	Fund							
	Huaxing Capital Partners II LP	-	Financial assets measured at cost	-	US$ 6,444	-	US$ 6,601	
	GS TDN Investors Offshore, L.P.	-	Financial assets measured at cost	-	US$ 21,000	-	US$ 1,050	
	CX Partners Fund Alpha Limited	-	Financial assets measured at cost	-	US$ 7,252	-	US$ 9,346	
	Carlyle Asia Partners III, L.P.	-	Financial assets measured at cost	-	US$ 5,970	-	US$ 5,660	
	Riverwood Capital Partners L.P.	-	Financial assets measured at cost	-	US$ 5,462	-	US$ 5,508	
	ECP II (Cayman) Ltd. A	-	Financial assets measured at cost	-	US$ 6,178	-	US$ 8,533	
	Sino-Century China Private Equity II L. P.	-	Financial assets measured at cost	-	US$ 520	-	US$ 384	
	KKR Asian Fund II L.P.	-	Financial assets measured at cost	-	US$ 6,492	-	US$ 8,264	
	Carlyle Asia Partners IV, L.P.	-	Financial assets measured at cost	-	US$ 11,559	-	US$ 15,540	
	Carlyle Giovanna Partners, L.P.	-	Financial assets measured at cost	-	US$ 12,858	-	US$ 52,369	
	Tenaya Capital V, L.P.	-	Financial assets measured at cost	-	US$ 5,597	-	US$ 4,722	
	THL EQUITY FUND VI INVESTORS (CERIDIAN), L.P.	-	Financial assets measured at cost	-	US$ 3,523	-	US$ 4,520	
	Platinum Equity Capital Partners II, L.P.	-	Financial assets measured at cost	-	US$ 7,294	-	US$ 3,835	
	THL Equity Fund VI Investors (Clear Channel), L.P.	-	Financial assets measured at cost	-	US$ 12,477	-	US$ 625	
	Industry Ventures Fund VI, L.P.	-	Financial assets measured at cost	-	US$ 3,811	-	US$ 4,369	
	Platinum Equity Capital Partners III, L.P.	-	Financial assets measured at cost	-	US$ 5,753	-	US$ 8,291	
	Tenaya Capital VI, LP	-	Financial assets measured at cost	-	US$ 6,807	-	US$ 6,753	
	Formation8 Partners Fund I, L.P.	-	Financial assets measured at cost	-	US$ 2,365	-	US$ 7,915	
	Blue Point Capital Partners III, L.P.	-	Financial assets measured at cost	-	US$ 6,898	-	US$ 5,581	
	Riverwood Capital Partners II L.P.	-	Financial assets measured at cost	-	US$ 11,806	-	US$ 10,973	
	THL Equity Fund VI Investors (Ceridian) VI, L.P.	-	Financial assets measured at cost	-	US$ 5,006	-	US$ 8,951	

Note 1: The Group recognized the related income or loss of investees as required by regulations. For decline in value that was other than temporary, investment loss was recognized.

Note 2: The amounts were net of allowance for losses.

(Continued)

Note 3: Market prices of listed and OTC stocks were calculated at the closing prices of December 31, 2017. The net assets values of unlisted stocks, on which the Bank recognized its investment were calculated on the basis of the net assets values of the investees, market values of emerging stocks, the cost of acquiring an investee's newly issued shares or book value of the investees. However, the net asset values of investees do not represent the value of unlisted stocks on the balance sheet date.

Note 4: The market value or net worth of preferred stock is equal to the ratio of preferred shares held to the number of preferred shares outstanding multiplied by the total market value or total net worth of all of investee's common and preferred shares.

Note 5: No securities were treated as collaterals or warrants.

(Concluded)

CDIB CAPITAL GROUP AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
(THE CORPORATION'S SUBSIDIARIES AMOUNTING TO NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL)
FOR THE YEAR ENDED DECEMBER 31, 2017
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Face Value/Units	Amount	Shares/Face Value/Units	Amount	Shares/Face Value/Units	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/Face Value/Units	Amount
The Corporation	Stock													
	CDIB Venture Capital Corporation	Investment accounted for using the equity method	-	-	922,790,915	$ 8,864,695	100,000,000	$ 1,380,563 (Note 1)	-	$ -	$ -	$ -	1,022,790,915	$ 10,245,258
	China Development Asset Management Corp.	Investment accounted for using the equity method	China Development Financial Holding Corp.	Parent	200,000,000	2,396,955	-	-	200,000,000	2,321,887	2,396,955 (Note 2)	-	-	-
	Tuntex Gas Corporation	Investment accounted for using the equity method	-	-	104,066,400	50,000	-	-	104,066,400	1,063,662	50,000	1,013,662	-	-
	CDIB Capital Investment II Limited	Investment accounted for using the equity method	-	-	80,000,000	2,582,414	-	-	35,000,000	-	1,300,281 (Note 3)	-	45,000,000	1,282,133
	JHL. Biotech, Inc	Financial assets measured at cost	-	-	12,894,844	222,803	-	-	4,512,000	301,243	77,961	223,282	8,382,844	144,842
CDIB Venture Capital Corporation	Stock													
	CDIB Venture Capital (Hong Kong) Corporation Limited	Investment accounted for using the equity method	-	-	650,000,000	2,435,332	220,000,000	863,302 (Note 4)	-	-	-	-	870,000,000	3,298,634
CDIB Capital Investment I Limited	Stock													
	CDIB Capital Asia Partner Fund	Investment accounted for using the equity method	-	-	-	US$ 65,356	-	US$ 26,760 (Note 5)	-	-	-	-	-	US$ 92,116
	BP SCI LLC	Financial assets measured at cost	-	-	42,000	US$ 15,000	-	-	42,000	US$ 41,946	US$ 15,000	US$ 26,946	-	-
	Chewy, Inc.	Financial assets measured at cost	-	-	12,368	US$ 11,699	-	-	12,368	US$ 28,873	US$ 11,699	US$ 17,174	-	-
CDIB Global Markets Limited	Fund													
	Carlyle Giovanna Partners, L.P.	Financial assets measured at cost	-	-	-	US$ 14,773	-	-	-	US$ 14,737	US$ 1,915	US$ 12,802	-	US$ 12,858
CDIB Venture Capital (Hong Kong) Corporation Limited	Fund													
	CPEC Huachuang Private Equity (Fujian) Enterprise (Limited Partnership)	Investment accounted for using the equity method	-	-	-	HK$ 272,045	-	HK$ 154,054 (Note 6)	-	-	-	-	-	HK$ 426,099
	CPEC Huachuang Private Equity (Kushan) Enterprise (Limited Partnership)	Investment accounted for using the equity method	-	-	-	HK$ 226,654	-	HK$ 123,991 (Note 7)	-	-	-	-	-	HK$ 350,645

Note 1: Consists of cash dividends of $131,150 thousand, $1,000,000 thousand from new issue, exchange loss on translating foreign operations of $13,826 thousand, investment gain $63,438 thousand, unrealized gain on available-for-sale financial assets of $480,915 thousand and reduction of retained earnings $18,814 thousand about adjustment of organizational structure.

Note 2: Consists of cash dividends of $76,488 thousand, investment gain $1,416 thousand, additional paid-in capital increase $4 thousand and cost of selling $2,321,887 thousand.

Note 3: Consists of reduction of the Corporation's capital of $1,058,750 thousand, investment loss $13,658 thousand, exchange loss on translating foreign operations of $180,160 thousand and unrealized loss on available-for-sale financial assets of $47,713 thousand.

Note 4: Consists of $860,420 thousand from new issue, exchange loss on translating foreign operations of $13,825 thousand and investment gain $35,521 thousand and reduction of retained earnings $18,814 thousand about adjustment of organization structure.

Note 5: Consists of US$19,014 thousand from new issue, and investment gain US$7,746 thousand.

Note 6: Consists of HK$116,586 thousand from new issue, exchange gain on translating foreign operations of HK$28,813 thousand and investment gain HK$8,655 thousand.

Note 7: Consists of HK$99,827 thousand from new issue, exchange gain on translating foreign operations of HK$23,829 thousand and investment gain HK$335 thousand.

Note 8: The above companies which are the subsidiaries of the Corporation were eliminated from the consolidated financial statements.

CDIB CAPITAL GROUP AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2017
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Year	Allowance for Bad Debts
					Amount	Action Taken		
The Corporation	China Development Financial Holding Corporation	Parent company	$ 339,279	-	$ -	-	$ -	$ -
	CDIB Global Markets Limited	Subsidiary	598,900	-	-	-	-	-
CDIB Capital International Corporation	CDIB Capital Asia Partners L.P.	Associate	118,497	-	-	-	-	-

Note: The above companies which are the subsidiaries of the Corporation were eliminated from the consolidated financial statements.

CDIB CAPITAL GROUP AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2017
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2017			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2017	December 31, 2016	Shares (In Thousands)	%	Carrying Amount			
The Corporation	CDIB Venture Capital Corporation	Taiwan	Venture fund	$ 8,036,942	$ 7,036,942	1,022,791	100.00	$ 10,245,258 (Note 1)	$ 64,083	$ 64,438	Subsidiary
	CDIB Capital Management Inc.	Taiwan	Management and consulting	-	-	33,094	100.00	649,945 (Note 1)	91,809	91,809	Subsidiary
	CDIB Global Markets Limited	Malaysia	Venture fund	5,835,154	5,835,154	339	100.00	6,513,181 (Note 1)	US$ 20,745	631,101	Subsidiary
	CDIB Capital Investment I Limited	British Virgin Islands	Venture fund	4,156,297	4,156,297	132,800	100.00	7,377,674 (Note 1)	US$ 55,691	1,694,192	Subsidiary
	CDIB Capital Investment II Limited	British Virgin Islands	Venture fund	1,417,214	2,519,492	45,000	100.00	1,282,133 (Note 1)	US$ (449)	(13,658)	Subsidiary
	CDIB Capital International Corporation	Cayman Islands	Management company of venture fund	193,164	156,951	4,700	100.00	601,196 (Note 1)	US$ 1,405	42,739	Subsidiary
	CDIB & Partners Investment Holding Corporation	Taiwan	Investment	3,250,000	3,250,000	313,200	28.71	5,152,133	471,374	135,339	Associate
	CDIB Biomedical Venture Capital Corporation	Taiwan	Venture fund	582,500	582,500	58,250	33.29	558,505	(28,539)	(9,500)	Associate
	CDIB CME Fund Ltd.	Taiwan	Venture fund	582,000	582,000	58,200	38.80	530,836	(8,157)	(3,165)	Associate
	CDIB Bioscience Ventures I, Inc.	Taiwan	Venture fund	46,167	53,519	5,352	20.00	46,363	(41,416)	(8,283)	Associate
	CDIB Bioscience Venture Management (BVI), Inc.	British Virgin Islands	Management of fund	4,292	4,292	113	30.00	3,913	US$ (91)	(827)	Associate
	CDIB Capital Innovation Accelerator Ltd.	Taiwan	Venture fund	150,000	-	15,000	40.00	144,255	16,087	Not applicable	Associate
CDIB Venture Capital Corporation	CDIB Venture Capital (Hong Kong) Corporation Limited	Hong Kong	Venture fund	3,465,800	2,605,380	870,000	100.00	3,298,634 (Note 1)	HK$ 9,100	Not applicable	Subsidiary
	CDIB Capital Growth Partners L.P	Taiwan	Venture fund	318,194	-	-	30.99	303,004	(49,013)	Not applicable	Associate
CDIB Capital Management Inc.	CDIB Private Equity (Hong Kong) Corporation Limited	Hong Kong	Management and consulting	204,486	204,486	51,900	100.00	276,238 (Note 1)	HK$ 6,290	Not applicable	Subsidiary
	CDIB Capital Innovation Advisors Corporation	Taiwan	Management company of venture fund and consulting	12,000	12,000	1,200	60.00	13,129 (Note 1)	3,372	Not applicable	Subsidiary
	CDIB Biomedical Venture Capital Corporation	Taiwan	Venture fund	17,500	17,500	1,750	1.00	16,779	(28,539)	Not applicable	Associate
	CDIB CME Fund Ltd.	Taiwan	Venture fund	15,000	15,000	1,500	1.00	13,681	(8,157)	Not applicable	Associate
	CDIB Capital Growth Partners L.P	Taiwan	Venture fund	10,267	-	-	1.00	9,777	(49,013)	Not applicable	Associate
CDIB Capital Investment I Limited	Subicvest Inc.	Philippines	Leasing	US$ 90	US$ 90	200	100.00	US$ 80	PHP (62)	Not applicable	Subsidiary
	CDIB Capital Asia Partners L.P.	Cayman Islands	Venture fund	US$ 86,231	US$ 67,218	-	-	US$ 92,116	US$ 42,238	Not applicable	Associate
CDIB Capital International Corporation	CDIB Capital International (Hong Kong) Corporation Limited	Hong Kong	Management company of venture fund	US$ 2,059	US$ 2,059	15,400	100.00	US$ 6,799 (Note 1)	HK$ 5,419	Not applicable	Subsidiary
	CDIB Capital International (Korea) Corporation	Korea	Management company of venture fund	US$ 5,270	US$ 5,270	1,848	100.00	US$ 6,039 (Note 1)	KRW (17,003)	Not applicable	Subsidiary
	CDIB Capital International (USA) Corporation	United States of America	Management company of venture fund	US$ 1,166	US$ 1,166	8,000	100.00	US$ 1,719 (Note 1)	US$ 140	Not applicable	Subsidiary
	CDIB Capital Asia Partners Limited	Cayman Islands	Management of private equity fund	-	-	-	100.00	US$ (61) (Note 1)	US$ (16)	Not applicable	Subsidiary

Note: The above companies which are the subsidiaries of the Corporation were eliminated from the consolidated financial statements.

CDIB CAPITAL GROUP AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
DECEMBER 31, 2017
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Name	Main Businesses and Products	Total Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2017	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2017 (Note 4)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain	Carrying Value as of December 31, 2017	Accumulated Inward Remittance of Earnings as of December 31, 2017
					Outflow	Inflow						
CDIB Private Equity (China) Corporation	Management and consulting	US$ 7,000 thousand	Note 1,b,1)	US$ 7,000 thousand	$ -	$ -	US$ 7,000 thousand	$ 23,787	100.00	$ 23,787	$ 206,073	$ -
CDIB Private Equity (Fujian) Co. Ltd.	Management and consulting	RMB 10,000 thousand	Note 4	RMB 7,000 thousand	-	RMB 7,000 thousand	-	21,377	70.00	14,964	86,378	-
CDIB Private Equity Management (Fujian) Enterprise (Limited Partnership)	Management and consulting	RMB 12,000 thousand	Note 1,b,1)	RMB 6,686 thousand	-	-	RMB 6,686 thousand	695	70.00	487	39,918	-
CDIB Private Equity (Fujian) Enterprise (Limited Partnership)	Equity investment	RMB 1,000,000 thousand	Note 1,b,1),2)	RMB 247,100 thousand	RMB 102,900 thousand	-	RMB 350,000 thousand	98,512	-	34,479	1,674,714	-
CDIB Yida Private Equity (Kunshan) Co. Ltd.	Management and consulting	RMB 7,000 thousand	Note 5	RMB 4,550 thousand	-	RMB 4,550 thousand	-	12,357	65.00	8,032	39,263	-
CDIB Yida Private Equity Management (Kushan) Enterprise (Limited Partnership)	Management and consulting	RMB 12,000 thousand	Note 1,b,1)	RMB 3,250 thousand	-	-	RMB 3,250 thousand	13	65.00	8	35,106	-
CDIB Yida Private Equity (Kushan) Enterprise (Limited Partnership)	Equity investment	RMB 1,000,000 thousand	Note 1,b,1),2)	RMB 212,450 thousand	RMB 87,550 thousand	-	RMB 300,000 thousand	4,457	-	1,337	1,369,820	-

Accumulated Investment in Mainland China as of December 31, 2017	Investment Amounts Authorized by Investment Commission, MOEA	Limit on Investment
$5,659,978	US316,861 thousand	$47,426,437

Note 1: The investment types are as follows:

a. Direct investments.

b. Reinvested through a third place by:

1) CDIB Private Equity (Hong Kong) Corporation Limited.
2) CDIB Venture Capital (Hong Kong) Corporation Limited.

c. Other.

Note 2: The column “Investment Gain” should state clearly, and the recognition was based on the:

a. Financial statements reviewed by an international CPA firm having a cooperative relation with CPA firms in the Republic of China;
b. Financial statements reviewed by the CPA firm of the parent company in Taiwan;
c. Other.

Note 3: Investment amount authorized or soon authorized by Investment Commission, MOEA.

Note 4: Invested by CDIB Private Equity (China) Corporation, which was formerly reinvested by CDIB Venture Capital (Hong Kong) Corporation Limited.

Note 5: Invested by CDIB Private Equity (China) Corporation, which was formerly reinvested by CDIB Private Equity (Hong Kong) Corporation Limited.

CDIB CAPITAL GROUP AND SUBSIDIARIES

SUBSIDIARIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017

Consolidated entities

Investor Company	Subsidiaries	Main Business and Products	Percentage of Ownership		Note
			December 31, 2017	December 31, 2016	
The Corporation	CDIB Capital Management Corporation	Management company of venture fund	100.00	100.00	
	CDIB Venture Capital Corporation	Venture fund	100.00	100.00	
	China Development Asset Management Corp.	Trading and management of nonperforming loans of financial institutions	-	100.00	
	CDIB Global Markets Limited	Venture fund	100.00	100.00	
	CDIB Capital Investment I Limited	Venture fund	100.00	100.00	
	CDIB Capital Investment II Limited	Venture fund	100.00	100.00	
	CDIB Capital International Corporation	Management company of venture fund	100.00	100.00	
China Development Asset Management Corp.	Development Industrial Bank Asset Management Corp.	Trading and management of nonperforming loans of financial institutions	-	100.00	(Note 1)
	Chung Hwa Growth 3 Asset Management Corp.	Trading and management of nonperforming loans of financial institutions	-	100.00	(Note 1)
	Chung Hwa Growth 4 Asset Management Corp.	Trading and management of nonperforming loans of financial institutions	-	100.00	(Note 1)
CDIB Capital International Corporation	CDIB Capital International (Hong Kong) Corporation Limited	Management company of venture fund	100.00	100.00	
	CDIB Capital International (USA) Corporation	Management company of venture fund	100.00	100.00	
	CDIB Capital International (Korea) Corporation	Management company of venture fund	100.00	100.00	
	CDIB Capital Asia Partners Limited	Management of private equity fund	100.00	100.00	(Note 2)
CDIB Venture Capital Corporation	CDIB Venture Capital (Hong Kong) Corporation Limited	Venture fund	100.00	100.00	
CDIB Venture Capital (Hong Kong) Corporation Limited	CDIB Private Equity (Fujian) Co. Ltd.	Management and consulting	-	70.00	
CDIB Private Equity (Fujian) Co., Ltd.	CDIB Private Equity Management (Fujian) Enterprise (Limited Partnership)	Management and consulting	20.00	20.00	
CDIB Capital Management Corporation	CDIB Private Equity (Hong Kong) Corporation Limited	Management and consulting	100.00	100.00	
	CDIB Capital Innovative Advisors Corporation	Management and consulting	60.00	60.00	

(Continued)

Investor Company	Subsidiaries	Main Business and Products	Percentage of Ownership		Note
			December 31, 2017	December 31, 2016	
CDIB Private Equity (Hong Kong) Corporation Limited	CDIB Yida Private Equity Management (Kunshan) Enterprise (Limited Partnership)	Management and consulting	27.08	27.08	
	CDIB Private Equity (China) Corporation	Management and consulting	100.00	100.00	
	CDIB Private Equity Management (Fujian) Enterprise (Limited Partnership)	Management and consulting	56.00	56.00	
CDIB Private Equity (China) Corporation	CDIB Yida Private Equity (Kunshan) Co. Ltd.	Management and consulting	65.00	65.00	
	CDIB Private Equity (Fujian) Co. Ltd.	Management and consulting	70.00	-	
CDIB Yida Private Equity (Kunshan) Co. Ltd.	CDIB Yida Private Equity Management (Kunshan) Enterprise (Limited Partnership)	Management and consulting	58.34	58.34	

Note 1: The Corporation has already disposed of China Development Asset Management Corp. on March 2017, since the disposal date, China Development Asset Management Corp. and its subsidiaries were not included in the consolidated financial statement.

Note 2: CDIB Capital Asia Partners Limited conducted registration of establishment on March 21, 2014, however, CDIB Capital International Corporation had not invested any capital as of December 31, 2017.

Unconsolidated subsidiaries

Investor Company	Subsidiaries	Main Business and Products	Percentage of Ownership		Note
			December 31, 2017	December 31, 2016	
The Corporation	CDIB Biotech USA Investment Co., Ltd.	Venture fund	50.00	50.00	As of December 31, 2017, CDIB Capital Group's investment in CDIB Biotech USA Investment Co., Ltd. of CDIB Capital Group had amounted to $0 thousand; CDIB Biotech USA Investment Co., Ltd. was approbated to liquidate by the Board of Director on April 20, 2008, therefore, CDIB Biotech USA Investment Co., Ltd. was not included in the consolidated financial statement.
CDIB Capital Investment I Limited	Subicvest Inc.	Leasing	100.00	100.00	As of December 31, 2017, CDIB Capital Investment I Limited's investment in Subicvest Inc. of CDIB Capital Investment I Limited had amounted to US$80 thousand; Subicvest Inc. was approbated to liquidate by the Board of Director on May 24, 2016, therefore, Subicvest was not included in the consolidated financial statement.

(Concluded)

TABLE 7

CDIB CAPITAL GROUP AND SUBSIDIARIES

BUSINESS RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2017
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Trader Company	Related Party	Flow of Transactions (Note 2)	Financial Statement Accounts	Amounts	Trading Terms	Transaction Amount/Total Consolidated Revenue or Total Consolidated Assets (Note 3)
0	The Corporation	CDIB Global Markets Limited	1	Other receivables	$ 598,900	Note 4	1.08%
1	CDIB Global Markets Limited	The Corporation	2	Other payables	598,900	Note 4	1.08%
2	CDIB Capital International Corporation	CDIB Global Markets Limited	3	Consulting service revenues	147,558	Note 4	4.40%
1	CDIB Global Markets Limited	CDIB Capital International Corporation	3	Operating expenses	147,558	Note 4	4.40%
2	CDIB Capital International Corporation	CDIB Capital International (Hong Kong) Corporation Limited	3	Operating expenses	256,877	Note 4	7.66%
3	CDIB Capital International (Hong Kong) Corporation Limited	CDIB Capital International Corporation	3	Consulting service revenues	256,877	Note 4	7.66%
4	CDIB Venture Capital Corporation	CDIB Capital Management Inc.	3	Operating expenses	100,672	Note 4	3.00%
5	CDIB Capital Management Inc.	CDIB Venture Capital Corporation	3	Consulting service revenues	100,672	Note 4	3.00%

Note 1: The consolidated entities are identified in the No. column as follows: Parent company - 0; subsidiaries - numbered from 1 by company.

Note 2: Transaction flows are as follows: (1) from parent to subsidiary; (2) from subsidiary to parent; and (3) between subsidiaries.

Note 3: The ratio is calculated as follows: For asset and liability accounts - Transaction amount in the ending period/Total consolidated assets; for income and expense accounts - Transaction amount in the midterm/Total consolidated net profit.

Note 4: The transaction criteria for related parties are similar to those for third parties.

Note 5: Transactions each amounted to at least NT$100 million.