Stock Code：1108

Lucky Cement Corporation and Subsidiaries

Consolidated Financial Statements for the
Nine Months Ended September 30, 2017 and 2016 and
Independent Accountants' Review Report

Notice to readers

This English-version report is a summary translation of the Chinese version. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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Independent Accountants' Review Report

The Board of Directors and Shareholders
Lucky Cement Corporation

We have reviewed the accompanying consolidated balance sheets of Lucky Cement Corporation and subsidiaries as of September 30, 2017 and 2016 and the related consolidated statement of comprehensive income for the three months ended September 30, 2017 and 2016 and for the nine months ended September 30, 2017 and 2016, as well as the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 2017 and 2016. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our reviews.

We conducted our reviews in accordance with Statement of Auditing Standards No.36, "Review of Financial Statements." As the accountant only the implementation of analysis, comparison and query, not in accordance with generally accepted auditing standards, Accordingly, we do not express the financial report on the overall auditing opinion.

As stated in Note 10 to the consolidated financial statements, the financial statements of some of the non-significant subsidiaries of the consolidated financial statements are based on the statements in the same period without accounts' reviews. At the period nine months ended September 30, 2017 and 2016, total assets of the non-significant subsidiaries are NT$160,550,000 and NT$219,064,000, which are 2.21% and 2.81% of consolidated assets; total liabilities are NT$60,850,000 and NT$76,127,000, which are 2.24% and 2.51% of consolidated liabilities. The comprehensive loss is NT$3,583,000 and the comprehensive income is NT$6,626,000 for the three months ended September 30, 2017and 2016; the comprehensive loss is NT$20,783,000 and the comprehensive income is NT$2,405,000 for the nine months ended September 30, 2017 and 2016.

Based on our reviews, excluding the financial statements of some of the non-significant subsidiaries of the consolidated financial statements are based on the statements in the same period without our reviews. If there are any modifications after our reviews, the consolidated financial statements for the nine months ended September 30, 2017 and 2016 may affect. We are not aware any material modifications that should be made to the consolidated financial statements International Accounting Standards No. 34, "Interim Financial Reporting", which came into effect, to be amended.

Deloitte & Touche

Accountants Huang, Hai-Yue		Accountants Liu, Yong-Fu
The approval number of Securities and Futures Commission No. 0920131587 of Taiwan-Finance-Securities	&	The approval number of Securities and Futures Commission No. 0920123784 of Taiwan-Finance-Securities

November 9, 2017

Lucky Cement Corporation and Subsidiaries

Consolidated Balance Sheets
September 30, 2017 and 2016

In Thousands of New Taiwan Dollars

Code	Assets	September 30, 2017 (Reviewed) Amount	%	December 31, 2016 (Audited) Amount	%	September 30, 2016 (Reviewed) Amount	%
	Current Assets						
1100	Cash (Note 6)	$ 177,918	3	$ 213,090	3	$ 139,091	2
1125	Available-for-sale financial assets (Note 7)	175,654	2	169,905	2	175,531	2
1150	Notes receivable, net (Note 8 & 30)	359,600	5	440,532	6	415,615	5
1160	Notes receivable due from related parties, net (Note 8 & 29)	17,308	-	12,050	-	306	-
1170	Accounts receivable, net (Note 8)	223,844	3	303,758	4	361,232	5
1180	Accounts receivable due from related parties, net (Note 8 & 29)	4,958	-	23,360	-	504	-
1200	Other receivable (Note 29)	3,369	-	1,927	-	49,674	1
1220	Current tax assets	15,096	-	15,663	-	34,081	1
130X	Inventories (Note 9 & 30)	3,781,701	52	3,624,700	47	3,574,757	46
1410	Prepayments (Note 11)	193,085	3	168,666	2	250,823	3
1476	Other current financial assets (Note 12 & 30)	110,024	2	364,698	5	344,034	4
1479	Other current assets (Note 13)	23,624	-	22,413	-	22,322	-
11XX	Total Current Assets	5,086,181	70	5,360,762	69	5,367,970	69
	Non-Current Assets						
1523	Non-current available-for-sale financial assets (Note 7)	18,019	-	16,480	-	16,480	-
1543	Non-current financial assets at cost (Note 14)	23,216	-	37,666	-	37,666	1
1600	Property, plant, and equipment (Note15& 30)	1,708,370	24	1,899,736	25	1,960,320	25
1840	Deferred tax assets (Note 4)	131,139	2	122,317	2	108,643	1
1920	Guarantee deposits paid	88,840	1	88,752	1	93,841	1
1990	Other non-current assets (Note 16 & 30)	218,601	3	226,931	3	216,121	3
15XX	Total Non-Current Assets	2,188,185	30	2,391,882	31	2,433,071	31
1XXX	Total Assets	$ 7,274,366	100	$ 7,752,644	100	$ 7,801,041	100
Code	Liabilities and Equity						
	Current Liabilities						
2100	Short-term borrowings (Note 17 & 30)	$ 903,827	13	$ 1,185,829	16	$ 1,210,108	15
2110	Short-term notes and bills payable (Note 17 & 30)	229,745	3	229,443	3	229,809	3
2150	Notes payable (Note 18)	162,841	2	155,842	2	225,516	3
2160	Notes payable to related parties (Note18 & 29)	23,879	-	91,186	1	44,756	1
2170	Accounts payable (Note 18)	109,849	2	172,446	2	94,349	1
2180	Accounts payable to related parties (Note 18 & 29)	23,575	-	90,433	1	77,488	1
2219	Other payables (Note 19 & 29)	162,532	2	192,032	3	199,096	3
2230	Current tax liabilities	7,483	-	4,128	-	292	-
2310	Advance receipts	210,751	3	157,345	2	205,269	3
2320	Long-term liabilities, current portion (Note 17 & 30)	168,700	2	314,700	4	321,400	4
2399	Other current liabilities	2,732	-	11,513	-	3,595	-
21XX	Total Current Liabilities	2,005,914	27	2,604,897	34	2,611,678	34
	Non-Current Liabilities						
2540	Long-term borrowings (Note 17 & 30)	514,438	7	135,338	2	210,638	3
2570	Deferred tax liabilities (Note 4)	45,699	1	59,604	1	60,831	1
2640	Net defined benefit liability (Note 4)	72,936	1	72,236	1	68,105	1
2645	Guarantee deposits received	33,517	-	32,933	-	32,061	-
2655	Shareholder accounts (Note 29)	45,800	1	45,800	-	45,800	-
25XX	Total Non-Current Liabilities	712,390	10	345,911	4	417,435	5
2XXX	Total Liabilities	2,718,304	37	2,950,808	38	3,029,113	39
	Equity Attributable to the Owner Company (Note 21)						
3110	Ordinary share	4,047,380	56	4,047,380	52	4,047,380	52
3200	Capital surplus	8	-	8	-	8	-
	Retained earnings						
3310	Legal reserve	166,309	2	134,776	2	134,776	2
3320	Special reserve	14,135	-	14,135	-	14,135	-
3350	Unappropriated retained earnings	295,619	4	547,996	7	509,025	6
3300	Total Retained Earnings	476,063	6	696,907	9	657,936	8
3400	Other Equity	5,571	-	27,400	1	36,514	1
31XX	Total Equity Attributable to Owners of Parent	4,529,022	62	4,771,695	62	4,741,838	61
36XX	Non-Controlling Interests (Note 21)	27,040	1	30,141	-	30,090	-
3XXX	Total Equity	4,556,062	63	4,801,836	62	4,771,928	61
	Total Liabilities and Equity	$ 7,274,366	100	$ 7,752,644	100	$ 7,801,041	100

The accompanying notes are an integral of the consolidated financial statements
(Please refer to the November 9, 2017 Deloitte Taiwan Reviewed Report)

Lucky Cement Corporation and Subsidiaries

Consolidated Statements of Comprehensive Income

For the Three Months Ended September 30, 2017 and 2016; For the Nine Months Ended September 30, 2017 and 2016

(Reviewed, Not Audited)

In Thousands of New Taiwan Dollars, except Earnings (Loss) Per Share

Code		For the Three Months Ended September 30, 2017 Amount	%	For the Three Months Ended September 30, 2016 Amount	%	For the Nine Months Ended September 30, 2017 Amount	%	For the Nine Months Ended September 30, 2016 Amount	%
	Operating Revenue (Note 29)								
4110	Sales revenue	$ 830,926	100	$ 1,059,623	100	$ 2,595,875	100	$ 3,167,499	100
4190	Less: Sales discounts and allowances	517	-	4,115	-	3,008	-	7,022	-
4100	Net sales revenue	830,409	100	1,055,508	100	2,592,867	100	3,160,477	100
5000	Operating costs (Note 9, 22 & 29)	786,360	94	892,483	85	2,387,661	92	2,612,970	83
5900	Gross Profit from operations	44,049	6	163,025	15	205,206	8	547,507	17
	Operating expenses (Note 22 & 29)								
6100	Selling expense	25,637	3	26,355	2	76,384	3	80,069	3
6200	Administrative expenses	29,976	4	38,393	4	90,459	4	103,077	3
6000	Total Operating Expenses	55,613	7	64,748	6	166,843	7	183,146	6
6500	Net other income(expenses) (Note 22)	1,270	-	6	-	1,490	-	106	-
6900	Net operating income(loss)	(10,294)	(1)	98,283	9	39,853	1	364,467	11
	Non-Operating Income and Expense (Note 22 & 29)								
7100	Interest income	435	-	440	-	1,451	-	1,344	-
7110	Rent income	2,498	-	2,502	-	7,237	-	7,492	-
7190	Other income	7,045	1	5,861	1	12,202	1	11,039	1
7225	Gain or loss on disposals of investments	(308)	-	7,156	1	(575)	-	9,092	-
7230	Foreign exchange gains or loss	113	-	(700)	-	1,816	-	(1,182)	-
7590	Miscellaneous disbursements	(2,781)	-	(9,264)	(1)	(9,592)	-	(17,692)	-
7510	Interest Expense	(7,526)	(1)	(7,885)	(1)	(22,400)	(1)	(23,293)	(1)
7000	Total Non-Operating Income and Expenses	(524)	-	(1,890)	-	(9,861)	-	(13,200)	-
7900	Profit (loss) from continuing operations before tax	(10,818)	(1)	96,393	9	29,992	1	351,267	11
7950	Tax expense(income) (Note 4 & 23)	(3,239)	-	17,456	2	8,708	-	68,784	2
8000	Profit (loss) from continuing operations	(7,579)	(1)	78,937	7	21,284	1	282,483	9
8100	Profit (loss) from discontinued operations (Note 24)	(160)	-	(154)	-	(634)	-	(8,936)	-
8200	Profit (loss)	(7,739)	(1)	78,783	7	20,650	1	273,547	9
	Other comprehensive income								
8360	Components of other comprehensive income that will be reclassified to profit or loss:								
8361	Exchange differences on translation	(252)	-	(302)	-	(655)	-	3,324	-
8362	Unrealised gains (losses) on valuation of available-for-sale financial assets	(1,795)	-	(1,942)	-	(21,176)	(1)	(3,173)	-
8300	Other comprehensive income or loss, net	(2,047)	-	(2,244)	-	(21,831)	(1)	151	-
8500	Total comprehensive income	($ 9,786)	(1)	$ 76,539	7	($ 1,181)	-	$ 273,698	9
	Profit (loss), attributable to:								
8610	Attributable to owner of parent	($ 6,765)	(1)	$ 79,013	7	$ 21,999	1	$ 273,857	9
8620	Attributable to non-controlling interestst	(974)	-	(230)	-	(1,349)	-	(310)	-
8600		($ 7,739)	(1)	$ 78,783	7	$ 20,650	1	$ 273,547	9
	Comprehensive income attributable to:								
8710	Attributable to owner of parent	($ 8,812)	(1)	$ 76,773	7	$ 170	-	$ 274,015	9
8720	Attributable to non-controlling intereststs	(974)	-	(234)	-	(1,351)	-	(317)	-
8700		($ 9,786)	(1)	$ 76,539	7	($ 1,181)	-	$ 273,698	9

(to be continued)

(Continued)

Code		For the Three Months Ended September 30, 2017		For the Three Months Ended September 30, 2016		For the Nine Months Ended September 30, 2017		For the Nine Months Ended September 30, 2016	
		Amount	%	Amount	%	Amount	%	Amount	%
	Earnings (loss) per share（Note 25）								
	From continuing operations and discontinuing operations								
9750	Basic	($ 0.02)		$ 0.20		$ 0.05		$ 0.67	
9850	Diluted			$ 0.19		$ 0.05		$ 0.67	
	From continuing operations								
9710	Basic	($ 0.02)		$ 0.20		$ 0.06		$ 0.69	
9810	Diluted			$ 0.19		$ 0.06		$ 0.69	

The accompanying notes are an integral of the consolidated financial statements

(Please refer to the November 9, 2017 Deloitte Taiwan Reviewed Report)

Lucky Cement Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Nine months ended September 30, 2017 and 2016
(Reviewed , Not Audited)

In Thousands of New Taiwan Dollars , except Earnings (loss) Per Share

		Equity Attributable to Shareholders of the Parent									
				Retained Earnings			Others				
Code		Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for-sale financial assets	Total	Non-controlling Interestests	Total Equity
A1	Balance, January 1, 2016	$ 4,047,380	$ 8	$ 87,760	$ 14,135	$ 626,211	($ 6,793)	$ 43,149	$ 4,811,850	$ 33,814	$ 4,845,664
	2015 Appropriation and Distribution of Retained Earnings										
B1	Legal Reserve	-	-	47,016	-	(47,016)	-	-	-	-	-
B5	Cash Dividends－NT$ 0.85 Per Share	-	-	-	-	(344,027)	-	-	(344,027)	-	(344,027)
O1	Subsidiary Shareholers' Cash Dividends	-	-	-	-	-	-	-	-	(2,500)	(2,500)
	Subsidiary liquidation	-	-	-	-	-	-	-	-	(907)	(907)
D1	Net income for the nine months ended September 30, 2016	-	-	-	-	273,857	-	-	273,857	(310)	273,547
D3	Other comprehensive income (loss) for the nine months ended September 30, 2016	-	-	-	-	-	3,331	(3,173)	158	(7)	151
D5	Total comprehensive income (loss) for the nine months ended September 30, 2016	-	-	-	-	273,857	3,331	(3,173)	274,015	(317)	273,698
Z1	Balance, September 30, 2016	$ 4,047,380	$ 8	$ 134,776	$ 14,135	$ 509,025	($ 3,462)	$ 39,976	$ 4,741,838	$ 30,090	$ 4,771,928
A1	Balance, January 1, 2017	$ 4,047,380	$ 8	$ 134,776	$ 14,135	$ 547,996	($ 6,840)	$ 34,240	$ 4,771,695	$ 30,141	$ 4,801,836
	2016 Appropriation and Distribution of Retained Earnings`										
	Legal Reserve	-	-	31,533	-	(31,533)	-	-	-	-	-
	Cash Dividends－NT$ 0.6 Per Share	-	-	-	-	(242,843)	-	-	(242,843)	-	(242,843)
O1	Subsidiary Shareholers' Cash Dividends	-	-	-	-	-	-	-	-	(1,750)	(1,750)
D1	Net income for the nine months ended September 30, 2017	-	-	-	-	21,999	-	-	21,999	(1,349)	20,650
D3	Other comprehensive income (loss) for the nine months ended September 30, 2017	-	-	-	-	-	(653)	(21,176)	(21,829)	(2)	(21,831)
D5	Total comprehensive income (loss) for the nine months ended September 30, 2017	-	-	-	-	21,999	(653)	(21,176)	170	(1,351)	(1,181)
Z1	Balance, September 30, 2017	$ 4,047,380	$ 8	$ 166,309	$ 14,135	$ 295,619	($ 7,493)	$ 13,064	$ 4,529,022	$ 27,040	$ 4,556,062

The accompanying notes are an integral of the consolidated financial statements
(Please refer to the November 9, 2017 Deloitte Taiwan Reviewed Report)

Lucky Cement Corporation and Subsidiaries

Consolidated Statements of Cash Flows

For the nine months ended September 30, 2017 and 2016

(Reviewed，Not Audited)

In Thousands of New Taiwan Dollars

Code		Nine months ended September 30, 2017	Nine months ended September 30, 2016
	Cash Flow from Operating Activities		
A00010	Profit from continuing operations before tax	$ 29,992	$ 351,267
A00020	loss from discontinued operations before tax	(634)	(8,936)
A10000	Profit before Tax	29,358	342,331
A20000	Adjustments:		
A20300	Provision (reversal of provision) for bad debt expense	6,936	(60)
A20100	Depreciation expense	203,276	223,709
A20200	Amortization expense	6,744	6,715
A20900	Interest expense	22,400	23,293
A21200	Interest income	(1,451)	(1,344)
A21300	Dividend income	(4,194)	(5,054)
A22500	Loss (gain) on disposal of property, plan and equipment	(1,490)	(106)
A23100	Loss (gain) on disposal of investments	575	(9,092)
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	80,932	27,247
A31140	Notes receivable due from related parties	(5,258)	(107)
A31150	Accounts receivable	72,978	100,991
A31160	Accounts receivable due from related parties	18,402	(504)
A31180	Other receivable	(965)	(44,721)
A31200	Inventories	(157,001)	(65,440)
A31230	Prepayments	(24,164)	(40,920)
A31240	Other current assets	(811)	(38,507)
A32130	Notes payable	6,999	35,137
A32140	Notes payable to related parties	(67,307)	44,756
A32150	Accounts payable	(62,597)	(111,198)
A32160	Accounts payable to related parties	(66,858)	67,476
A32180	Other payable	(29,145)	(51,790)
A32210	Receipts in advance	53,406	10,454

(To be continued)

(Continued)

Code		Nine months ended September 30, 2017	Nine months ended September 30, 2016
A32230	Other current liabilities	($ 8,781)	($ 12,570)
A32240	Net defined benefit liability	700	(280,119)
A33000	Cash inflow (outflow) generated from operations	72,684	220,577
A33100	Interest received	1,461	1,440
A33300	Interest paid	(22,708)	(23,376)
A33500	Income taxes paid	(28,080)	(169,627)
AAAA	Net cash flows from (used in) operating activities	23,357	29,014
	Cash Flow from Investing Activities		
B00300	Acquisition of available-for-sale financial assets	(35,000)	(89,789)
B00400	Proceeds from disposal of available-for-sale financial asset	5,865	80,706
B01400	Proceeds from capital reduction of financial assets at cost	14,450	5,100
B02700	Acquisition of property, plant and equipment	(20,990)	(28,317)
B02800	Proceeds from disposal of property, plant and equipment	10,358	3,173
B03800	Increase in refundable deposits	(88)	(146)
B06600	Decrease (increase) in other financial assets	254,274	(172,455)
B06800	Decrease (increase) in other non-current assets	1,586	(24,929)
B07600	Dividends received	4,194	5,054
BBBB	Net cash flows from (used in) investing activities	234,649	(221,603)
	Cash flows from (used in) financing activities		
C00200	Increase (decrease) in short-term loans	(282,002)	845,387
C00500	Increase in short-term notes and bills payable	-	180,000
C01600	Proceeds from long-term debt	614,250	301,750
C01700	Repayments of long-term debt	(381,150)	(870,812)
C03000	Increase (decrease) in guarantee deposits received	584	4,110
C04500	Cash dividends paid	(242,843)	(344,027)

（To be continued）

(Continued)

Code		Nine months ended September 30, 2017	Nine months ended September 30, 2016
C05800	Change in non-controlling interests	-	($ 907)
C09900	Other financing activities	($ 1,750)	(2,500)
CCCC	Net cash flows from (used in) financing activities	(292,911)	113,001
DDDD	Effect of exchange rate changes on cash	(267)	(1,450)
EEEE	Net increase (decrease) in cash	(35,172)	(81,038)
E00100	Cash at beginning of period	213,090	220,129
E00200	Cash at end of period	$ 177,918	$ 139,091

The accompanying notes are an integral of the consolidated financial statements
(Please refer to the November 9, 2017 Deloitte Taiwan Reviewed Report)

Lucky Cement Corporation Limited and Subsidiaries

Notes to Consolidated Financial Statements

For the nine months ended September 30, 2017 and 2016

(Reviewed，Not Audited)

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

1. Company History

Lucky Cement Corporation (hereinafter referred to as the "Company", the Company and its subsidiaries hereinafter referred to as the"Group") established in 1974. The stocks of which are listed on the Taiwan Stock Exchange started from June, 1990, to produce and sell Portland cement as the main business.

The accompanying consolidated financial statements used New Taiwan Dollars (NT$) as the functional currency of the Company.

2. The Date and Procudure of Financial Report

The accompanying consolidated financial statements were reported to the Board of Directors and issued on November 9, 2017.

3. To Be Applicable for New Release, Revised Regulations, and Interpretation

(1) Criteria Governing the Preparation of Financial Reports by securities issuer but not yet effective and Financial Supervisory Commision (hereinafter referred to as "FSC") accepted the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations Committee (IFRIC), and Standing Interpretation Committee (SIC) (hereinafter referred to as "IFRSs")

Except for the following explanations, it applied the amendments to Criteria Governing the Preparation of Financial Reports by securities issuer and the IFRSs regulations will not effect the Group's accounting policy.

Amendment to Criteria Governing the Preparation of Financial Reports by securities issuer

The amendments comply not only with the IFRSs that added a few accounting items and the regulation of non-financial assets Impairment disclosure, but also the implementation of IFRSs that emphasize the regulations of recognition and measurement and added related party transaction and goodwill.

The amendments to the regulations, that other companies or constitutions has the same chairman or general manager as the Group or has a relationship of spouse or has a second degree of kinship, as substance-related parties except can prove that does not controlled or significant effect. In addition, the amendments to the regulations should disclose names and relationships of a significant trade with the Group. If the transaction amount or balance reached 10% of each trade of single related parties, the names of related parties should use separate column style.

Moreover, if the actual running and acquisition that has a disparity in forecast benefit of acquired company after consolidated reporting, the amendments to the regulations should note the disclosure.

The disclosure of trade of related parties will increase when in retrospect the previous applied amendments in 2017 (Note 29).

(2) The IFRSs issued by International Accounting Standards Board (IASB) and endorsed by FSC with effective date starting 2018

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB (Note 1)
Annual Improvements to IFRSs 2014-2016 Cycle	Note2
Amendment to IFRS 2 "Classification and Measurement of Share-based Payment Transactions"	January 1, 2018
Amendment to "under the IFRS 4 (Insurance Contract" that applied of the IFRS 9 (Financial Instruments) of IFRS 4	January 1, 2018
IFRS 9 "Financial Instruments	January 1, 2018
Amendments to "Mandatory Date and Transition Disclosures" of IFRS 9 and IFRS 7	January 1, 2018
IFRS 15 The Income of Customer Contract	January 1, 2018
Amendments to "Explanation of IFRS 15"	January 1, 2018
Amendments to "Disclosure Initiative" of IAS 7	January 1, 2017
Amendments to "Recognition of Deferred Tax Assets of Unrealized Loss" of IAS 12	January 1, 2017
Amendments to "Conversion of Investment Property" of IAS 40	January 1, 2018
IFRIC 22 Foreign Currency Transaction and Advance Consideration	January 1, 2018

Note 1： Except the notes, the above New Release／Amendments／Amendments Regulations or Explains will start from the year of the effective date.

Note 2： Amendments to IFRS 12 applied the period of the year beginning since January 1, 2017. Amendments to IAS 28 applied the period of the year beginning since January 1, 2018.

I. IFRS 9 "Financial Instruments"

Recognition and measurement of financial asset

All recognized financial assets currently in the scope of IAS 39, "Financial Instruments: Recognition and Measurement," will be subsequently measured at either the amortized cost or the fair value. The classification and measurement requirements in IFRS 9 are stated as follows:

For the debt instruments invested by the Group, if the contractual cash flows that are solely for payments of principal and interest on the principal amount outstanding, the classification and measurement requirements are stated as follows:

A. If the objective of the Group's business model is to hold the financial asset to collect the contractual cash flows such assets are measured at the amortized cost. Interest revenue should be recognized in profit or loss by using the effective interest method, continuously assessed for impairment and the impairment loss or reversal of impairment loss should be recognized in profit and loss.

B. If the objective of the Group's business model is to hold the financial asset both to collect the contractual cash flows and to sell the financial assets such assets are measured at fair value through other comprehensive income and are continuously assessed for impairment. Interest revenue should be recognized in profit or loss by using the effective interest method. A gain or loss on a financial asset measured at fair value through other comprehensive income should be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses. When such financial asset is derecognized or reclassified, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

The other financial assets which do not meet the aforementioned criteria should be measured at the fair value through profit or loss. However, the Group may irrevocably designate an investment in equity instruments that is not held for trading as measured at fair value through other comprehensive income. All relevant gains and losses shall be recognized in other comprehensive income, except for dividends which are 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 classification and measurement of the financial assets held by the Group for the financial assets held on September 30, 2017 and the actual existence of the following financial assets will be subject to the applicable IFRS 9:

A. Classified as listed for sale of financial assets listed in the (OTC) and emerging stock and not listed (OTC) stock investment, according to IFRS 9 selected by the other comprehensive gains and losses measured at fair value. Under this classification, the fair value of the other changes in the equity changes in the investment sanctions are not re-classified to the profit and loss, and will be directly transferred to the retained earnings.

B. Classified as a beneficiary certificate of the fund for the sale of financial assets, as the cash flow is not entirely interest in the principal amount of the principal amount of the principal and the non-equity interest, and IFRS 9 will be classified as profit or loss at fair value.

The IFRS 9 switch to use "Expected Credit Losses, ECL" to recognize the impairment of financial asset that financial assets of amortized cost measurement, fair value through other comprehensive income (FVTOCI), rents receivable, and IFRS 15 "the income of customer contract." That is produced the contract asset or loan commitment and financial guarantee contract that recognize as allowance account for credit losses. If the credit risk of previous financial asset did not increase obviously after recognized, the allowance account for credit losses will measure the ECL the next 12 months. If the credit risk of previous financial asset did increase obviously and non-lowed credit risk after recognized, the allowance account for credit losses will measure the ECL of remaining duration. However, the accounts receivable that did not include a major financial that ECL must by the duration to measure the allowance account for credit losses.

In addition, it has financial assets of credit impairment while initial recognition. The Group considered the ECL of initial recognition that counted as effective rate after credit adjustment. The subsequent allowance account for credit losses will measure as subsequent ECL accumulated changes in equity.

The Group initial assessment for accounts receivable, contractual assets and receivable lease payments will be applied to a simplified approach to measure the expected credit loss for the expected period of credit impairment. The Group assesses whether the credit risk of the debt instrument investment and the financial guarantee contract has increased significantly since the original mark to determine the expected loss of credit for the expected 12 months or expected period. The Group expects to apply IFRS 9 the expected credit loss model will make the credit losses of financial assets recognized earlier.

(3) The IFRSs issued by IASB but not yet endorsed and issued into effect by FSC

New Release／Amendments／Amendments Regulations and Explains	The Effective Date of IASB release(Note 1)
Amendments to IFRS 9 “Prepayment features with negative compensation”	January 1, 2019
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
IFRS 16 “Leases”	January 1, 2019
IFRS 17 ”Insurance contract”	January 1, 2021
Amended to IAS 28”Long-term Interests in Associates and Joint Ventures”	
IFRIC 23 “Uncertainty over Income Tax Treatments”	January 1, 2019

Note 1： The aforementioned new, revised or amended standards or interpretations are effective after fiscal year beginning on or after the effective dates, unless specified otherwise.

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 Group is a lessee, it 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 Group 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 Group 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 both the principal and interest portion of the lease liability are classified within financing activities.

When IFRS 16 becomes effective, the Group 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.

There is no significant impact on the accounting treatment of the Group for the lessor.

Except for the aforementioned impact, as of the date the accompanying consolidated financial statements were issued, the Group continues in evaluating the impact on its financial position and financial performance as a result of the initial adoption of the other standards or interpretations. The related impact will be disclosed when the Group completes the evaluation.

4. Summary of Significant Accounting Policies

(1) Statement of Compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, "Interim Financial Reporting," endorsed and issued into effect by the FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the IFRSs endorsed and issued into effect by the FSC (collectively, "Taiwan-IFRSs").

(2) Basis of Consolidation

I. Principles for the preparation of Consolidated Financial Statements

The consolidated financial statements are prepared in the same way as the consolidated financial statements for the year 2016.

II. Subsidiary details, shareholding ratio and operating items, please refer to Note10 & Schedule 6. 。

(3) Other significant accounting policies

In addition to the following instructions, please refer to the summary statement of the major accounting policies for the consolidated financial statements for the year 2016.

I. To determine welfare postprandial benefits

The pension costs during the interim period are based on the pension cost rate determined at the end of the previous year and are calculated on the basis of the beginning of the year to the end of the period and are subject to significant market volatility, major plan revision, pay off or other significant One-time matters to be adjusted.

II. Income tax

Income tax is the sum of current income tax and deferred income tax. The income tax for the interim period is assessed on an annual basis and is calculated at the rate applicable to the expected total annual surplus.

5. Significant Accounting Judgment, Estimation and Assumption of the Main Source of Uncertainty

The major accounting judgments, estimates and assumptions used in the consolidated financial statements are as same as those of the consolidated financial statements for the year 2016

6. Cash

	September 30, 2017	December 31, 2016	September 30, 2016
Cash on hand and revolving funds	$ 1,557	$ 1,544	$ 1,525
Checking and demand deposits	163,324	201,323	120,215
Bank foreign currency demand deposits	13,037	10,223	17,351
	$ 177,918	$ 213,090	$ 139,091

Market interest rate range for Cash in banks on the Date of the Balance Sheet is as follows:

	September 30, 2017	December 31, 2016	September 30, 2016
Cash in banks	0.05%~0.10%	0.12%~0.20%	0.05%~0.17%

7. Available-for-Sale Financial Assets

	September 30, 2017	December 31, 2016	September 30, 2016
Current			
Listed and OTC stocks	$ 77,785	$ 100,715	$ 106,453
Domestic mutual funds	91,983	56,758	56,771
Foreign mutual funds	$ -	$ 6,454	$ 6,431
Foreign corporate bonds	5,886	5,978	5,876
	$ 175,654	$ 169,905	$ 175,531
Non-current			
Foreign mutual funds	$ 18,019	$ 16,480	$ 16,480

The Group invested the private fund－TSG Phnom Penh Real Estate Development Fund in $505,000 USA dollars in July 2016 and a 3-year lock-up period without redemption, as Available-for-Sale Financial Assets- Non-current. See the Schedule 3 for reference.

8. Notes receivable and accounts receivable

	September 30, 2017	December 31, 2016	September 30, 2016
Notes receivable			
From operating activities			
Non-related parties	$ 359,600	$ 440,532	$ 415,615
Related parties	$ 17,308	$ 12,050	$ 306
Accounts receivable			
From operating activities			
Non-related parties	$ 264,983	$ 340,847	$ 400,046
Less: allowance for uncollectible accounts	(41,139)	(37,089)	(38,814)
	$ 223,844	$ 303,758	$ 361,232
Related parties	$ 4,958	$ 23,360	$ 504

The Group to the average credit period of sales goods is 90-150 days. When determined the notes receivable and accounts receivable recoverability, the Group considered any changes of notes receivable and accounts receivable from the original credit to the credit quality of balance sheet day. If the credit quality has been changed, credit judged in accordance with the change reason. When the Group assess the accounts receivable has an objective diminish evidence, separate assess the impairment amount. If there is no accounts receivable of objective diminish evidence, assess the overall impairment. The Group may assess the accounts receivable that the ratio for non-return recognize as allowance for bad debts in accordance with the experiences.

(1) Notes receivable

None of notes receivable was dued on September 30, 2017, December 31, 2016 and September 30, 2016.

The mortgage information of notes receivable, please see the Note 30 for reference.

(2) Accounts receivable

The analysis of accounts receivable is as below:

	September 30, 2017	December 31, 2016	September 30, 2016
30 days or less	$ 163,352	$ 148,900	$ 254,311
31 to 60 days	44,385	91,990	78,110
61 to 90 days	16,118	48,319	17,416
91 to 120 days	1,329	6,364	6,648
121 to 150days	806	3,200	3,853
Above 151 days	38,993	42,074	39,708
Total	$ 264,983	$ 340,847	$ 400,046

The above may base on the open amount day for aging.

For some Accounts Receivable that were past due at the end of the reporting period in the consolidated balance sheets, the Group did not recognize an allowance for impairment loss because there was no significant change in credit quality and the amounts were considered recoverable from the managerments' opinions in the Group. The Company to the accounts receivable did not hold any collateral or other credit enhancement.

The aging of overdue but not impairment accounts receivable is as the following:

	September 30, 2017	December 31, 2016	September 30, 2016
Above 151 days	$ 1,887	$ 9,018	$ 8,328

The aging will based on the days of overdue.

The changed information in allowance for the uncollectible accounts-accounts receivable is as below:

	Individual impairment loss	Group impairment loss	Total
Balance on January 1, 2016	$ 40,384	$ 2,135	$ 42,519
Less: reversal	-	(60)	(60)
Less: write-off	(3,645)	-	(3,645)
Balance on September 30, 2016	$ 36,739	$ 2,075	$ 38,814
Balance on January 1, 2017	$ 35,025	$ 2,064	$ 37,089
Add: impairment	6,954	-	6,954
Less: reversal	-	(18)	(18)
Less: write-off	(2,886)	-	(2,886)
Balance on September 30, 2017	$ 39,093	$ 2,046	$ 41,139

9. Inventories

	September 30, 2017	December 31, 2016	September 30, 2016
Developing property and property to be developed	$ 3,234,384	$ 3,178,244	$ 3,220,508
Raw materials	317,218	244,850	192,803
Work in progress	99,771	40,680	23,090
Finished goods	83,673	113,491	97,625
Repaired part and materials	38,484	39,611	32,659
Merchandise	8,171	7,824	8,072
	$ 3,781,701	$ 3,624,700	$ 3,574,757

The related cost of sales in nine months ended September 30, 2017 was NT$2,387,661,000 which included inventory valuation losses NT$5,907,000. The related cost of sales in nine months ended

September 30, 2016 was NT$2,612,970,000 which included loss for market price decline inventories NT$2,185,000.

As at September 30, 2017, December 31, 2016 and September 30, 2016, the estimated retrieved inventories over 12 months were NT$3,234,384,000, NT$3,178,244,000 and NT$3,220,508,000 respectively, most of them are developing property and property to be developed.

See the Note 30 for the information of inventory pledge.

10. Subsidiaries

The subsidiaries in the consolidated financial statements:

			Percentage of held stock			
Investment Business	Subsidiary Title	Business Type	September 30, 2017	December 31, 2016	September 30, 2016	Description
Lucky Cement Corp.	Dasheng Enterprise Co., Ltd.	Sale and rental national residential, commercial buildings, parking lots and industrial areas	99.99	99.99	99.99	1.
	Luckicon Ready-mixed Concrete Factory Co., Ltd	Production and sell concrete	99.99	99.99	99.99	1.
	Lucky Cement Corp., Japan	Buy and sell cement	100.00	100.00	100.00	
	Luckyship Marine Co., Ltd	Shipping agent	99.99	99.99	99.99	
	Just Bright Ltd.	Investment Business	100.00	100.00	100.00	
	ELUMINA Technology Inc.	Manufacture and sale light-emitting diode products	70.59	70.59	70.59	2.
Luckicon Ready-mixed Concrete Factory Co., Ltd	Fuyu Development Company	Mine gravel	75.00	75.00	75.00	
ELUMINA Technology Inc	Elumina Holding Limited	Holding company	100.00	100.00	100.00	2.
Elumina Holding Limited	ELUMINA(Xiamen) Technology Inc	Manufacture and sale light-emitting diode products	100.00	100.00	100.00	2.

Note：

1. Important subsidiaries are Luckicon Ready-mixed Concrete Factory Co., Ltd. and Dasheng Enterprise Co., Ltd.
2. The board of directors of the Company passed a resolution that was dissolution of Elumina Technology Inc. and its subsidiary in August 11, 2015. Please see Note 24 discounting operation.

3. Hojen Harbor Company was determined to be dissolution and liquidation by the Company board meeting in June 2016 and it had to complete it before September 2016.

The financial statements of Dasheng Enterprise Co., Ltd. and Luckicon Ready-mixed Concrete Factory Co., Ltd. for the nine months ended September 30, 2017 and 2016 have reviewed by accountants. The consolidated financial statements of other subsidiaries have not reviewed by accountants.

Total assets of the non-significant subsidiaries are NT$160,550,000 and NT$219,064,000, which are 2.21% and 2.81% of consolidated assets; total liabilities are NT$60,850,000 and NT$76,127,000, which are 2.24% and 2.51% of consolidated liabilities. The comprehensive loss is NT$3,583,000 and the comprehensive income is NT$6,626,000 for the three months ended September 30, 2017 and 2016; the comprehensive loss is NT$20,783,000 and the comprehensive income is NT$2,405,000 for nine months ended September 30, 2017 and 2016.

11. Prepayments

	September 30, 2017	December 31, 2016	September 30, 2016
Office supplies	$ 97,813	$ 95,269	$ 90,585
Prepaid expenses	89,857	67,809	152,631
Advanced payment for material	4,970	5,504	7,136
Others	445	84	471
	$ 193,085	$ 168,666	$ 250,823

12. Other financial assets

	September 30, 2017	December 31, 2016	September 30, 2016
Restricted assets	$ 110,024	$ 304,677	$ 284,034
Bond investment under repurchase agreement	-	60,021	60,000
	$ 110,024	$ 364,698	$ 344,034

The restricted assets are savings and certificate of deposit that are provided for bank loan guarantees, market interest rate range for other financial assets on the date of the Balance Sheet as follows：

	September 30, 2017	December 31, 2016	September 30, 2016
Restricted assets	0.13%~3.20%	0.13%~2.70%	0.13%~2.70%
Bond investment under repurchase agreement	-	0.33%~0.40%	0.32%~0.40%

Please see the Note 30 for the mortgage information of other financial assets for reference.

13. Other current assets

	September 30, 2017	December 31, 2016	September 30, 2016
Excess business tax paid	$ 19,063	$ 16,435	$ 16,342
Others	4,561	5,978	5,980
	$ 23,624	$ 22,413	$ 22,322

14. Financial assets at cost

	September 30, 2017	December 31, 2016	September 30, 2016
Domestic unlisted (OTC) ordinary shares	$ 23,216	$ 37,666	$ 37,666

The above stocks may distinguish as available-for-sale financial assets in accordance with the type of financial assets measurement.

The Group, which holds the above stock investment, may measure the cost impairment lost on the date of the balance sheet. Because the interval is significant of the fair value estimates and cannot assess reasonably each type of probability, managers in the Group think the fair value cannot be reliable measure.

15. Property, plant and equipment

	Land	Building	Machinery and equipment	Electrical equipment	Transportation equipment	Other equipment	Unfinished construction	Total
Cost								
Balance on January 1, 2016	$ 724,675	$ 2,238,761	$ 6,097,299	$ 1,187,107	$ 1,029,787	$ 497,100	$ 4,500	$11,779,229
Add	-	6,080	11,127	4,101	4,825	1,679	505	28,317
Disposal	-	(44,783)	(28,865)	-	(8,261)	(2,026)	-	(83,935)
Net exchange differences	-	12,036	1,671	-	42	75	-	13,824
Balance on September 30, 2016	$ 724,675	$ 2,212,094	$ 6,081,232	$ 1,191,208	$ 1,026,393	$ 496,828	$ 5,005	$11,737,435
Accumulated depreciation and impairment								
Balance on January 1, 2016	$ -	$ 1,701,280	$ 5,577,304	$ 1,146,483	$ 730,088	$ 466,726	$ -	$ 9,621,881
Depreciation	-	52,124	98,601	5,908	57,042	10,034	-	223,709
Disposal	-	(44,783)	(25,798)	-	(8,261)	(2,026)	-	(80,868)
Net exchange differences	-	10,914	1,350	-	19	110	-	12,393
Balance on September 30, 2016	$ -	$ 1,719,535	$ 5,651,457	$ 1,152,391	$ 778,888	$ 474,844	$ -	$ 9,777,115
Net on September 30, 2016	$ 724,675	$ 492,559	$ 429,775	$ 38,817	$ 247,505	$ 21,984	$ 5,005	$ 1,960,320
Cost								
Balance on January 1, 2017	$ 724,675	$ 2,200,972	$ 6,087,434	$ 1,191,208	$ 1,030,982	$ 493,456	$ -	$11,728,727
Add	-	3,137	1,922	-	13,017	2,914	-	20,990
Disposal	-	-	(8,620)	-	(4,862)	(1,349)	-	(14,831)
Net exchange differences	-	(2,048)	(265)	-	(6)	(10)	-	(2,329)
Balance on September 30, 2017	$ 724,675	$ 2,202,061	$ 6,080,471	$ 1,191,208	$ 1,039,131	$ 495,011	$ -	$11,732,557
Accumulated depreciation and impairment								
Balance on January 1, 2017	$ -	$ 1,727,589	$ 5,677,336	$ 1,154,397	$ 797,407	$ 472,262	$ -	$ 9,828,991
Depreciation	-	47,772	83,976	5,990	55,439	10,099	-	203,276
Disposal	-	-	-	-	(4,614)	(1,349)	-	(5,963)
Net exchange differences	-	(1,877)	(214)	-	(5)	(21)	-	(2,117)
Balance on September 30, 2017	$ -	$ 1,773,484	$ 5,761,098	$ 1,160,387	$ 848,227	$ 480,991	$ -	$10,024,187
Net on January 1, 2017 and December 31, 2016	$ 724,675	$ 473,383	$ 410,098	$ 36,811	$ 233,575	$ 21,194	$ -	$ 1,899,736
Net on September 30, 2017	$ 724,675	$ 428,577	$ 319,373	$ 30,821	$ 190,904	$ 14,020	$ -	$ 1,708,370

After the impairment assessment, there was no impairment loss of the Group for nine months ended September 30, 2017 and 2016.

Partial rights for land use were temporarily registered under the name of third party and trustee issued declaration and arranged land mortgage to the Company.

The Group's property, plant and equipment are depreciated on the straight-line method basis of the following durable years:

Buildings	
Main building of Plant	35 to 55 years
Electrical power equipment	10 to 15 years
Engineering system	3 to 5 years
Machinery and equipment	2 to 10 years
Electrical equipment	5 to 15 years
Transportation equipment	3 to 10 years
Other equipment	3 to 10 years

The mortgage information of Property, Plant and Equipment, please referr to Note 30.

16. Other non-current assets

	September 30, 2017	December 31, 2016	September 30, 2016
Prepayments	$ 101,215	$ 109,576	$ 98,769
Restricted assets	98,603	98,572	98,569
Net limestone mining rights	18,783	18,783	18,783
	$ 218,601	$ 226,931	$ 216,121

The restricted asset refers to certificate of deposit in the bank that is pledged as the security of milling right, which has the market interest rate range on the date of the Balance Sheet is as follows: :

	September 30, 2017	December 31, 2016	September 30, 2016
Restricted assets	0.10%~1.126%	0.10%~1.125%	0.10%~1.126%

Other information regarding to non-current asset collaterals, please refer to Note 30.

17. Loans

(1) Short-term borrowings

	September 30, 2017	December 31, 2016	September 30, 2016
Secured borrowings (Note 30)			
Bank loan	$ 271,000	$ 792,660	$ 504,439
Unsecured borrowings			
Credit loan	632,827	393,169	705,669
	$ 903,827	$ 1,185,829	$ 1,210,108

The interest rate of the bank loan is as follows：

	September 30, 2017	December 31, 2016	September 30, 2016
Secured borrowings	1.55%	1.35%~1.8464%	1.40%~1.685%
Unsecured borrowings	1.35%~2.027%	1.427%~2.484%	1.561%~1.956%

(2) Short-term notes and bills payable

	September 30, 2017	December 31, 2016	September 30, 2016
Commercial paper payable	$ 230,000	$ 230,000	$ 230,000
Less: Discount on short-term notes and bills payable	(255)	(557)	(191)
	$ 229,745	$ 229,443	$ 229,809

Short-term notes and bills payable that is not due as follows:

September 30, 2017

Guarantee / acceptance institution	Par Value	Discount Amounts	Carrying Amounts s	Rate range
Commercial paper payable				
Ta Ching Bills Finance Corporation	$ 110,000	$ 195	$ 109,805	1.58%~2.15%
Mega Bills Finance Corporation	60,000	29	59,971	1.588%
Grand Bills Finance Corporation	60,000	31	59,969	1.73%
	$ 230,000	$ 255	$ 229,745	

December 31, 2016

Guarantee / acceptance institution	Par Value	Discount Amounts	Carrying Amounts	Rate range
Commercial paper payable				
Ta Ching Bills Finance Corporation	$ 110,000	$ 286	$ 109,714	1.60%~2.15%
Mega Bills Finance Corporation	60,000	131	59,869	1.588%
Grand Bills Finance Corporation	60,000	140	59,860	1.70%
	$ 230,000	$ 557	$ 229,443	

September 30, 2016

Guarantee / acceptance institution	Par Value	Discount Amounts	Carrying Amounts	Rate range
Commercial paper payable				
Ta Ching Bills Finance Corporation	$ 110,000	$ 97	$ 109,903	1.60%~2.15%
Mega Bills Finance Corporation	60,000	46	59,954	1.59%
Grand Bills Finance Corporation	60,000	48	59,952	1.70%
	$ 230,000	$ 191	$ 229,809	

The maturity of each guaranteed commercial paper is 180 days or less.

(3) Long-term borrowings

	September 30, 2017	December 31, 2016	September 30, 2016
Secured borrowings (Note 30)			
Bank loan	$ 663,138	$ 360,038	$ 432,038
Unsecured borrowings			
Bank loan	20,000	90,000	100,000
Less: Long-term borrowings have maturity of 1 year or less.	(168,700)	(314,700)	(321,400)
	$ 514,438	$ 135,338	$ 210,638

	Details	September 30, 2017	December 31, 2016	September 30, 2016
Secured borrowings				
Parent company				
Taiwan Cooperative Bank	The period is from November 21, 2011 to November 21, 2018,，the grace period is 2 years, every 6 months was served as an installment ， pay by 10 installments for the principle after the grace period. It has been repaid earlier in June of 2017.	$ -	$ 100,000	$ 150,000
Taiwan Cooperative Bank	The period is from July 13, 2014 to November 13, 2018, the principle will be repaid NT$ 12,000,000 every 3 months. It has been repaid earlier in February of 2017.	-	12,000	24,000
Mega International Commercial Bank Co., Ltd.	The period is from June 13, 2014 to June 13, 2017, the principle will be repaid NT$ 7,200,000 every 3 months. It has been repaid earlier in February of 2017.	-	14,000	21,200
O-Bank	The period is from November 22, 2015 to November 22, 2017, the principle will be repaid once in maturitity date.	100,000	-	-
Bank of Taiwan	The period is from February 25, 2016 to February 25, 2019,，the grace period is 1 years, the principle will be repaid NT$ 12,500,000 every 3 months after the ended of grace period.	37,500	100,000	100,000
The Export-Import Bank of the Republic of China	The period is from January 1, 2016 to January 31, 2017, the principle will be repaid once in maturitity date.	-	100,000	100,000
Dasheng Enterprise Co., Ltd.				
Mega International Commercial Bank Co., Ltd.	The period is from March 10, 2017 to March 10, 2019, the principle will be repaid once in maturitity date.	250,000	-	-
O-Bank	The period is from June 30, 2017 to November 17, 2022. ～ 111.6.30，the principle will be repaid once in maturitity date.	250,000	-	-

(To be continued)

(Continued)

	Details	September 30, 2017	December 31, 2016	September 30, 2016
Secured borrowings				
Luckyship Marine Co., Ltd.				
Mega International Commercial Bank Co., Ltd.	The period is from November 17, 2015 to November 17, 2019, every 3 months was served as an installment，pay by 16 installments for the principle.	21,263	28,350	30,713
Mega International Commercial Bank Co., Ltd.	The period is from February 15, 2016 to February 15, 2020, every 3 months was served as an installment，pay by 16 installments for the principle.	4,375	5,688	6,125
Unsecured borrowings				
Parent company				
The Shanghai Commercial & Savings Bank, Ltd.	The period is from July 15, 2016 to July 15, 2019, every 3 months was served as an installment，pay by 10 installments for the principle.	20,000	90,000	100,000
subtotal		683,138	450,038	532,038
Less: Long-term borrowings have maturities of 1 year or less.		(168,700)	(314,700)	(321,400)
Long-term borrowings		$ 514,438	$ 135,338	$ 210,638

The annual interest rate of long-term borrowings were 1.830%~2.553%, 1.7825%~2.20% and 1.73%~2.20% respectively for September 30, 2017, December 31, 2016 and September 30, 2016.

18. Notes and accounts payable

	September 30, 2017	December 31, 2016	September 30, 2016
Notes payable			
From operating activities			
Non-related parties	$ 162,841	$ 155,842	$ 225,516
Related parties	$ 23,879	$ 91,186	$ 44,756
Accounts payable			
From operating activities			
Non-related parties	$ 109,849	$ 172,446	$ 94,349
Related parties	$ 23,575	$ 90,433	$ 77,488

19. Other payables

	September 30, 2017	December 31, 2016	September 30, 2016
Wages and salaries payable	$ 54,484	$ 94,272	$ 97,038
Other payables – related parties	21,437	16,632	8,058
Taxes payable	18,531	24,271	25,069
Utilities expense payable	16,548	20,577	21,006
Maintenance fee payables	12,154	2,717	1,772
Payable on machinery and equipment	4,528	4,759	4,816
Other	34,850	28,804	41,337
	$ 162,532	$ 192,032	$ 199,096

20. Post-employment benefit plan

The pension expenses associated with defined benefit plan are based on the pension expenses determined by the actuarial decision of December 31, 2016 and 2015 respectively, for each of the following items:

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Operating costs	$ 839	$ 1,334	$ 2,508	$ 4,014
Selling expenses	142	323	434	963
Administrative expenses	217	589	648	1,765
	$ 1,198	$ 2,246	$ 3,590	$ 6,742

In accordance with the Labor Standards Act, which was amended on February 4, 2015, the employer shall estimate the balance of the special account of the Labor Retirement Reserve by the end of each year, and if the balance is less than the amount of the labor that provides for the retirement of the provisions of the amount of the pension, the employer shall make the difference before the end of March of the next year. The balance of the special account of the Labor Retirement Reserve for the Company, Luckicon Ready-mixed Concrete Factory Co., Ltd. and Dasheng Enterprise Co., Ltd. is NT$ 290,588,000 in nine months ended September 30, 2016.

21. Equity

(1) Share capital

Common Stock

	September 30, 2017	December 31, 2016	September 30, 2016
Authorized shares (in thousands)	498,646	498,646	498,646
Authorized capital	$ 4,986,460	$ 4,986,460	$ 4,986,460
Issued and paid shares (in thousands)	404,738	404,738	404,738
Issued capital	$ 4,047,380	$ 4,047,380	$ 4,047,380

A holder of issued common shares with par value of NT$10 per share is entitled to vote and to receive dividends.

(2) Capital surplus

	September 30, 2017	December 31, 2016	September 30, 2016
Only to make up for losses			
From share of changes in equities of subsidiaries	$ 8	$ 8	$ 8

Such capital surplus arises from the effect of changes in ownership interest in a subsidiary, with these changes treated as equity transactions instead of actual disposal or acquisition of ownership interests, or from changes in capital surplus of subsidiaries.

(3) Retained earnings and dividend policy

In accordance with the amendments to the Company Act in May 2015, the recipients of dividends and bonuses are limited to shareholders and do not include employees. The amendments to Articles of Incorporation on earnings distribution policy had been approved by the Company's shareholders in its meeting held on June 15, 2016 and also provided allocation policy of renumeration of employee and directors, supervisors.

The amendment of earning allocation policy in the Articles of Incorporation states that in case of earning upon settled annually, the Company shall appropriate its 10% as legal surplus reserve first and account equity deduction occurred in the current year as special surplus reserve, addition to legal payment of business tax and compensation of historical annual loss, wherein if the dividend per share from the sum of balance thereafter and 40%~80% of aggregated surplus yet allocated in the previous year has not reached NTD$0.1 with calculation of the upper limit, 80%, it shall be reserved, not for allocation and allocation case shall be proposed in the Board of Directors, further presented for acknowledgement in the Meeting of Shareholders. Please refer to (4) of Note 22, Employee Benefits for the revised remuneration allocation policy of employee and directors, supervisors before/after the versions of the Articles of Association. The appropraiton & allocation ratio of the preceding surplus and stock to cash ratio shall be paid in cash dividend or stock dividend subject to real profit and situation of fund in the current year, with consideration of fund for investment and diluated level of surplus per share in the Meeting of Board of Directors. However, the allocated stock dividend shall be limited to 20% of the issued stock; in case that the aggregated equity deduction or equity deduction that is insufficient to account as surplus w/tax in the current year, it shall account equivalent amount of special surplus reserve from the aggregated surplus yet be allocated in the previous year and deduct it prior to the appropriation and allocation earlier. Thereafter, whenever equity deduction is turned, the turned amount shall be allocated as surplus. The allocation of related surplus shall be passed and acknowledged in the General Meeting of Shareholders held in the next year and shall be accounted in the current year.

The Company shall account and turn special surplus reserve pursuant to the provisions set forth in the Letter, Letter No.

Jin-Kuang-Fa-Tzi No. 1010012865, Letter No. Jin-Kuang-Fa-Tzi No. 1010047490 and "Following the adoption of the International Financial Reporting Standards (IFRSs), the question and answer of the applicable special surplus reserve". Thereafter, whenever equity deduction is turned, the turned amount shall be allocated as surplus.

Legal surplus reserve shall be appropriated to its balance until it reaches the gross amount of paid-up capital of the Company. Legal surplus reserve shall be used to compensate the loss. In case of zero loss, its legal surplus reserve which goes beyond 25% of the total paid-up capital shall be allocated in cash after being appropriated as capital.

During allocating surplus yet be allocated, shareholders other than the residents within the territory of the Republic of China may acquire shareholder deductible that was calculated based on the tax deducitble ratio on the Day of Dividend Allocation.

The appropriations of 2016 and 2015 earnings have been approved by shareholders in its meeting held on June 7, 2017 and June 15, 2016, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividend per share (NT$1.00)	
	2016	2015	2016	2015
Legal reserve	$ 31,533	$ 47,016		
Cash dividends	242,843	344,027	$ 0.6	$ 0.85

(4) Special Reserve

The Company has adopted the IFRSs standards for the accounted special reserve that shows as follow:

	September 30, 2017	December 31, 2016	September 30, 2016
Special reserve	$ 14,135	$ 14,135	$ 14,135

The amount of the accumulated conversion of the Company is $ 14,135,000 transferred to the retained surplus, and the same amount of special reserve has been added.

(5) Non-controlling interests

	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Balance at the begin of the period	$ 30,141	$ 33,814
Number of share attributable to non-controlling equity		
Loss	(1,349)	(310)
Exchange differences on translation of foreign financial statements	($ 2)	($ 7)
Subsidiaries' Cash dividends	(1,750)	(2,500)
Subsidiary liquidation	-	(907)
Balance at the end of the period	$ 27,040	$ 30,090

22. Profit from continuing operations

(1) Net other income (expense)

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Gains on disposals of property, plant and equipment	$ 1,270	$ 6	$ 1,490	$ 106

(2) Depreciation and amortization

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Depreciations summary by functions:				
Operating costs	$ 61,419	$ 63,290	$ 186,588	$ 205,252
Operating expenses	3,399	3,520	10,413	10,619
Non-operating expenses	1,773	2,555	6,275	7,838
	$ 66,591	$ 69,365	$ 203,276	$ 223,709
Amortization summary by functions				
Operating costs	$ 1,587	$ 2,601	$ 5,343	$ 6,058
Operating expenses	717	219	1,401	657
	$ 2,304	$ 2,820	$ 6,744	$ 6,715

(3) Employee benefits

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Post-employment benefits				
Defined contribution plans	$ 3,280	$ 3,440	$ 9,973	$ 10,552
Defined benefit plans（Note20）	1,198	2,246	3,590	6,742
	4,478	5,686	13,563	17,294
Other employee benefits	86,290	107,733	271,788	329,944
	$ 90,768	$ 113,419	$ 285,351	$ 347,238
Summarized by function				
Operating costs	$ 64,952	$ 78,767	$ 205,654	$ 247,402
Operating expenses	25,816	34,652	79,697	99,836
	$ 90,768	$ 113,419	$ 285,351	$ 347,238

(4) Remuneration for employees, directors and supervisors

The Company shall appropriate 3% and not less than 5% of the profit before tax prior to the deduction of allocated remuneration for employee and directors, supervisors in the current year as the same. For three months ended September 30, 2017 and 2016, and nine months ended September 30, 2017 and 2016, remunerations for employees, directors and supervisors were estimated are as bellow：

Estimated %

	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Remuneration for employees	3%	3%
Remuneration for directors and supervisors	5%	5%

Amount

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Remuneration for employees	($ 247)	$ 3,087	$ 1,080	$ 10,864
Remuneration for directors and supervisors	($ 411)	$ 5,144	$ 1,800	$ 18,106

The 2016 and 2015 remuneration for the employees, directors and supervisors were approved individually at the board meeting on March 20, 2017 and March 28, 2016 as follow:

	2016	2015
	Cash	Cash
Remuneration for employees	$ 12,447	$ 18,636
Remuneration for directors and supervisors	20,745	31,060

Annual consolidated financial report with any changes with the numbers of the amount after the released date will be handled according to the Accounting Estimate and be adjusted accordingly next year.

Amounts recognised in the 2016 and 2015 consolidated financial report had no difference than the 2016 and 2015 amounts that were actually allocated to the employees, directors and superviors of the company.

Any information is related to the 2016 and 2017 remuneration that was approved by ther board of directorsof for employees, directors and superviors of the Company. Please check it on the Market Observation Post System of Taiwan Stock Exchange.

(5) Gains on disposals of investments

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Gains on Disposals of Available-for-Sale financial assets	$ -	$ 7,161	$ -	$ 9,103
Losses on Disposals of Available-for-Sale financial assets	(308)	(5)	(575)	(11)
Net profit(loss)	($ 308)	$ 7,156	($ 575)	$ 9,092

(6) Foreign exchange gains or losses

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Total foreign exchange gains	$ 293	$ 319	$ 3,969	$ 1,774
Total foreign exchange losses	(180)	(1,019)	(2,153)	(2,956)
Net profit (loss)	$ 113	($ 700)	$ 1,816	($ 1,182)

23. Income Tax from Continuing Operations

(1) Income tax recognized as profit or loss

The main components of the income tax expense (income) are as follows:

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Current income tax				
Created in current period	($ 77)	$ 19,371	$ 25,903	$ 23,653
Tax on Unappropriated retained earnings	-	-	3,845	8,618
Adjustment of previous years	-	-	1,687	1,572
	(77)	19,371	31,435	33,843
Deferred income tax				
Created in current period	(3,162)	(1,915)	(22,727)	34,941
Income tax expenses(income) of recognised in profit or loss	($ 3,239)	$ 17,456	$ 8,708	$ 68,784

(2) The related information of Imputation System

	September 30, 2017	December 31, 2016	September 30, 2016
Unappropriated retained earnings After 1998	$ 295,619	$ 547,996	$ 509,025
Balance in shareholders' imputation tax credit account	$ 53,273	$ 106,679	$ 52,769

The Tax Creditable Ratios which are applicable for disposition of net income in 2016 and 2015 are respectively 19.47% and 22.37%.

According to the Income Tax Act, when the Company distributes the surplus after 1998, the shareholders can follow the tax creditable ratio to calculate their acquired Imputation Tax Credit.

For the individual shareholder who is resident of Taiwan, the deductible tax amount of the allotted net dividends is 50% of the original deductible tax amount from January 1, 2015.

(3) Income Tax approval

As of the end of 2014, income tax declaration cases of the Company and Luckicon Ready-mixed Concrete Factory Co., Ltd. approved by the tax collection authorities. The numbers of approved and declared are no significant difference.

As of the end of 2015, income tax declaration cases of Hojen Harbor Development Corp., Dasheng Enterprise Co., Ltd., Luckyship Marine Co., Ltd., Fuyu Development Company and ELUMINA Technology Inc. approved by the tax collection authorities. The numbers of approved and declared are no significant difference.

24. Discontinuing Operations

The board of directors of the Company decided to dissolve ELUMINA technology Inc., its subsidiaries - Elumina Holding Limited and Elumina (Xiamen) Company on August 11, 2015, and had the dissolution of liquidation; the Group classified the cash-generating units into the discounting operation in 2015. As the end of September 30, 2017, ELUMINA technology, Inc. and its subsidiaries have still in the processing of dissolution of liquidation.

The loss of discontinuing operations in current period is as bellow:

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Current loss	($ 160)	($ 154)	($ 634)	($ 8,936)
Disposal of loss	-	-	-	-
	($ 160)	($ 154)	($ 634)	($ 8,936)

Information regarding to the Profit/Loss and Cash Flow of Business Suspension Unit is as bellow:

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Operating expenses	(193)	(349)	(631)	(8,871)
Non-operating income and expenses	33	195	(3)	(65)
Pre-tax loss of business suspension units	(160)	(154)	(634)	(8,936)
Tax expense	-	-	-	-
Current loss	($ 160)	($ 154)	($ 634)	($ 8,936)
Loss of business suspension unit belongs to:				
Owners of the Company	($ 113)	($ 108)	($ 447)	($ 6,307)
Non-controlling interests	(47)	(46)	(187)	(2,629)
	($ 160)	($ 154)	($ 634)	($ 8,936)
Net cash outflow generated from operations			($ 1,469)	($ 2,313)
Net cash flows from investing activities			1,300	-
Net cash flows outflow			($ 169)	($ 2,313)

25. Earnings (loss) per share

Unit : NTD 1.00 per share

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Basic earnings(loss) per share				
From continuing operations	($ 0.02)	$ 0.20	$ 0.06	$ 0.69
From discontinued operations	-	-	(0.01)	(0.02)
Total basic earnings (loss) per share	($ 0.02)	$ 0.20	$ 0.05	$ 0.67
Diluted earnings per share				
From continuing operations		$ 0.19	$ 0.06	$ 0.69
From discontinued operations		-	(0.01)	(0.02)
Total diluted earnings per share		$ 0.19	$ 0.05	$ 0.67

Due to the loss incurred from July 1 to September 30, 2017, there is no need to calculate the potential dilutive effect of ordinary shares.

To calculate the net profit or loss of earnings (loss) per share and the weighted average shares of ordinary stock which is belonging to continuing business units is as follows:

Profit (loss)

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Profit (loss) attributable to owners of parent	($ 6,765)	$ 79,013	$ 21,999	$ 273,857
Plus: used to calculate the basic unit of the loss of business units per unit loss of net loss	113	108	447	6,307
To calculate the net profit (loss) of the continuing business unit's basic and diluted earnings (loss) per share	($ 6,652)	$ 79,121	$ 22,446	$ 280,164

Number of share

unit：1,000 shares

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
The weighted average shares of ordinary stock which is used to calculate the basic earnings(loss) per share	404,738	404,738	404,738	404,738
Dilution Effect of potential ordinary stock:				
Compensation for employee		1,295	494	2,183
To calculate the weighted average shares of ordinary stock for diluted earnings per share		406,033	405,232	406,921

If the Company chooses to pay employee remuneration or bonus in stocks or cash, the calculation of diluted earnings per share assumes that employee remuneration or bonus will be paid by shares, and when the potential ordinary shares have a dilution effect, they are included the weighted average number of ordinary shares outstanding to calculate diluted earnings per share. The dilution effect of these potential ordinary shares will also continue to be taken into account when the next annual shareholders' meeting resolves employee remuneration or bonus to issue shares before the calculation of diluted earnings per share.

26. Agreement of Operating Lease

(1) The Group is the tenant

Operating lease includes lease of land, plant, storage land, etc.; the lease period is 1 to 5 years. And as the end of lease, if there is any addition or modification of rented production equipment for ready-mixeded concrete factory and related equipment in Keelung factory rented by Luckicon Ready-mixed Concrete Factory Co., Ltd. should be transferred to the lessor free.

The total amount of future minimum lease payments for non-cancelable operating lease is as follows:

	September 30, 2017	December 31, 2016	September 30, 2016
Within 1 year	$ 34,821	$ 38,413	$ 32,289
More than 1 year but no more than 5 years	90,658	67,339	67,948
	$ 125,479	$ 105,752	$ 100,237

Recognized expense of Lease payment as below:

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Lease payment	$ 12,868	$ 12,766	$ 40,531	$ 38,693

(2) The Group is the lessor

Operating lease includes lease of property, plant and equipment; the lease period is 1 to 5 years.

The total amount of future minimum lease payments for non-cancelable operating lease is as follows:

	September 30, 2017	December 31, 2016	September 30, 2016
Within 1 year	$ 7,051	$ 30,741	$ 8,095
More than 1 year but not more than 5 years	4,434	5,714	3,180
	$ 11,485	$ 36,455	$ 11,275

27. Financial Risk Management

The Group manages capital risk to ensure that maximizing the remuneration of shareholders by optimizing the debt and equity balances under the premise of keeping operating of each corporation in group.

28. Financial Instrument

(1) Fair value information - financial instrument which is not measured at fair value

For financial assets and liabilities that are not measured at fair value, there are no significant differences between the carrying amount and the fair value.

(2) Information of fair value－financial instruments measured at fair value on a repeatable basis

I. Fair value hierarchy

September 30, 2017

	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Domestic listed (OTC) stock	$ 77,785	$ -	$ -	$ 77,785
Domestic Fund Benefit Certificate	91,983	-	-	91,983
Foreign Fund Benefit Certificate	-	-	18,019	18,019
Foreign corporate bonds	5,886	-	-	5,886
Total	$ 175,654	$ -	$ 18,019	$ 193,673

December 31, 2016

	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Domestic listed (OTC) stock	$ 100,715	$ -	$ -	$ 100,715
Domestic Fund Benefit Certificate	56,758	-	-	56,758
Foreign Fund Benefit Certificate	6,454	-	16,480	22,934
Foreign corporate bonds	5,978	-	-	5,978
Total	$ 169,905	$ -	$ 16,480	$ 186,385

September 30, 2016

	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Domestic listed (OTC) stock	$ 106,453	$ -	$ -	$ 106,453
Domestic Fund Benefit Certificate	56,771	-	-	56,771
Foreign Fund Benefit Certificate	6,431	-	16,480	22,911
Foreign corporate bonds	5,876	-	-	5,876
Total	$ 175,531	$ -	$ 16,480	$ 192,011

There is no transfer between level 1 and level 2 of fair value measurement in nine months ended September 30, 2017 and 2016.

II. The evaluation technique and assumption used for measuring fair value

The fair value of financial instrument traded at active market is determined by the reference to market quotation.

III. Evaluation technology and inputs of Level 3 measurement of fair value

The fair value of the beneficiary certificate of a private overseas equity fund is determined by refrring to the net value of the fund provided by the fund company.

(3) Type of Finance Instruments

	September 30, 2017	December 31, 2016	September 30, 2016
Financial assets			
Loans and receivables （Note 1）	$ 995,624	$ 1,457,987	$ 1,409,025
Available-for-sale financial assets（Note 2 ）	216,889	224,051	229,677
Financial liabilities			
Measured at amortised cost (Note 3)	2,244,902	2,472,977	2,516,122

Note1: The balance includes loans and receivables measured at amortized cost such as cash, notess receivable, accounts receivable, other receivables and other financial assets.

Note2: Balance includes classified as balance of financial assets in available-for-sale measured by cost.

Note3: The balance includes financial liabilities masured at amortised cost such as short-term borrowings, short-term notes and bills payable, notes payable, accounts payable, partical other payables and long-term borrowings.

(4) Objective and Policy of Financial Risk Management

The main financial instruments of the Group include receivables, payables and loans. The Financial Department of the Group supervises and manages the related financial risk of operation of the Group in accordance with the internal risk report for risk degree and extensive analysis of exposure. The risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

I. Market risk

The main financial risk for operation of the Group is foreign currency exchange risk (please see A as follows) and interest rate risk (please see B as follows).

The exposure of related market risk of financial instrument of the Group and the management and measurement of the exposure don't change.

A Currency risk

The monetary asset in non-functional currency and carrying amount of monetary liabilities on balance sheet date of the Group (included the monetary items calculated in write-off non-functional currency in consolidated financial statement); please see Note 31.

Sensitivity Analysis

The Group is mainly impacted by the foreign exchange rate fluctuation of USD and RMB.

The following table shows sensitivity analysis of the Group when individual functional currency increases or decreases 5% for each relevance currency rate. 5% is as sensitivity ratio used for reporting currency risk to key management personnel of the group, and also represented assessment of reasonably possible range of fluctuation of foreign currency rate by the management personnel. The following table shows when the individual functional currency increases 5% relative to each relevant currency, it will make pre-tax income or amount of change in equity; and when the individual functional currency decreases 5 % relative to each relevant currency, it will have impact of pre-tax income or equity in negative for same amount.

	Effect of US dollars		Effect of RMB	
	Nine months ended September 30, 2017	Nine months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Profit(loss)	$ 4,599	($ 859)	($ 341)	($ 343)

The above is mainly originated from the outstanding cash in banks, receivables, other financial assets, other short-term borrowings and payables, calculated in USD and RMB which are not in cash flow hedge on balance sheet date of the Group.

B Interest rate risk

The financial assets in interest rate exposure and the carrying amount of financial liability on balance sheet date of the Group are as follows:

	September 30, 2017	December 31, 2016	September 30, 2016
Interest rate risk with fair value			
-Financial assets	$ 170,820	$ 264,823	$ 141,479
-Financial liabilities	350,000	624,000	553,800
Interest rate risk with cash flow			
-Financial assets	304,565	500,289	474,056
-Financial liabilities	1,466,710	1,241,310	1,418,155

Sensitivity Analysis

The following sensitivity analysis is determined by rate exposure of non-derivatives on balance sheet date. The internal of the Group reports to key management personnel about rate of change in interest rate which means that increase rate increases or decreases 25 basic points; this also represents the assessment of reasonably possible change range for interest rate from key management personnel.

If interest rate decreases/increases 25 basic points, the pre-tax income in nine months ended September 30, 2017 and 2016 separately increases/decreases NT$2,179,000 and NT$1,770,000 with all other variables held constant; the main reasons are floating rate loan, demand deposit and exposure in restricted asset interest rate risk of the Group.

II. Credit risk

Credit risk means that the counterparty arrears contract obligation and cause group financial loss risk. As end of balance sheet date, the Group may be caused exposure of maximum credit risk by the counterparty not doing contract obligation, which is mainly from the carrying amount of financial assets recognized on consolidated balance sheet.

The policy adopted by the Group is only having trade with the counterparty who has high reputation, and getting sufficient guarantee to reduce the financial loss risk arising from arrears under the necessary situation.

In addition to the analysis of the following table, the maximum credit exposure amount (excluded fair value of borrowing cost) of each financial instrument of the Group is same as the carrying amount:

	September 30, 2017		December 31, 2016		September 30, 2016	
	Book Value	Largest credit risk exposed amount	Book Value	Largest credit risk exposed amount	Book Value	Largest credit risk exposed amount
Off-balance sheet commitments and guarantee						
Endoresement for subsidiary	$ -	$ 748,455	$ -	$ 517,250	$ -	$ 516,360

The credit risk of the Group is mainly concentered on the key account (KA) of the Group; as the end of September 30, 2017, December 31, 2016 and September 30, 2016, the receivables should exceed 5% of total receivables, which are separately 37.20%, 52.93% and 41.93% of total receivables.

III. Liquidity risk

The Group can operate and reduce the impact of fluctuations in cash flows by managing and maintaining enough cash in place. The management personnel in the Group supervises using situation of bank finance to ensure following the loan borrowing clause.

Bank loan is an important source of liquidity for the Group. As the end of September 30, 2017, December 31, 2016 and September 30, 2016, the unused long-term and short-term bank loan commitments of the Group are separately NT$1,871,816,000, NT$1,706,491,000 and NT$1,866,273,000.

The following table is the contractual maturity analysis of non-derivative balance of financial liabilities during maturity time in agreement, in accordance with the maturity date which may be the first date asking the Group, which is written by undiscounted cash flows of financial liabilities.

September 30, 2017

	Weighted average valid rate (%)	Requirement: Pay at once or less than one month	1 month to 3 months	3 months to 12 months	1 year to 5 years	Above 5 years
Non - derivative financial liabilities						
No debt-bearing liability	-	$ 215,904	$ 217,321	$ 56,394	$ 16,164	$ 63,693
Floating interest rate tool	1.75%	281,000	75,300	595,972	514,438	-
Fixed interest rate tool	1.46%	100,000	-	250,000	-	-
		$ 596,904	$ 292,621	$ 902,366	$ 530,602	$ 63,693

December 31, 2016

	Weighted average valid rate (%)	Requirement: Pay at once or less than one month	1 month to 3 months	3 months to 12 months	1 year to 5 years	Above 5 years
Non - derivative financial liabilities						
No debt-bearing liability	-	$ 231,116	$ 403,687	$ 38,162	$ 47,843	$ 63,992
Floating interest rate tool	1.56%	122,000	292,808	691,164	135,338	-
Fixed interest rate tool	1.54%	100,000	200,000	324,000	-	-
		$ 453,116	$ 896,495	$ 1,053,326	$ 183,181	$ 63,992

September 30, 2016

	Weighted average valid rate (%)	Requirement: Pay at once or less than one month	1 month to 3 months	3 months to 12 months	1 year to 5 years	Above 5 years
Non - derivative financial liabilities						
No debt-bearing liability	-	$ 242,233	$ 274,884	$ 100,489	$ 38,802	$ 62,950
Floating interest rate tool	1.73	54,400	282,402	870,715	210,638	-
Fixed interest rate tool	1.55	50,000	200,000	303,800	-	-
		$ 346,633	$ 757,286	$ 1,275,004	$ 249,440	$ 62,950

29. Related Party Transactions

The transaction, account balance, income and losses between the Company and subsidiaries will be completely eliminated after consolidated reporting, so they are not disclosed in the notes. In addition to the discourse of other notes, the transaction between related party and the Group is as follows:

(1) Related party and Relations

Related party	Relations
Other related party	
Yungsheng Development Industrial Co., Ltd. (Yungsheng Development Co.)	The chairman of the company is the same as the chairman of the parent company
LIANG-CHUAN Cultural and Educational Foundation (LIANG-CHUAN Foundation)	The chairman of the foundation is the same as the chairman of the parent company
Fudong Freight Co., Ltd (Fudong Freight Co.)	The directors of the company are the same as the major shareholders of the parent company
Changjun Water Resources biotechnology Co., Ltd (Changjun Water Resources Co.)	The chairman of the company is one of the parent company chairman's first-degree relatives
Jia Fu Entertainment Co., Ltd (Jia Fu Entertainment Co.)	The chairman of the company is one of the parent company chairman's first-degree relatives
Wantong Product Insurance Brokerage Co., Ltd (Wantong Product Insurance Co.)	The chairman of the company is one of the parent company chairman's first-degree relatives
Lucky construction Co., Ltd (Lucky construction Co.)	The chairman of the company is one of the parent company chairman's first-degree relatives
Kuochuan Development Co., Ltd. (Kuochuan Development Co.)	The chairman of the company is one of the parent company chairman's first-degree relatives
Changheng Investment Co., (Changheng Investment Co.)	The major shareholder of the parent company
Jinli Investment Co., Ltd. (Jinli Co.)	The major shareholder of the parent company
Cheng Haibin	The parent company chairman's third-degree relatives
Fuan Mining Co., Ltd. (Fuan Mining Co.)	The manger is the spouse of the parent company chairman's first-degree relatives from July, 2016

(2) Business transaction

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Sales				
Other related parties	$ 16,731	$ 31,176	$ 75,160	$ 31,483
Purchase				
Fuan Mining Co.	$ 59,861	$ 108,666	$ 264,685	$ 108,666
Other related parties	7,391	3,994	23,285	22,049
	$ 67,252	$ 112,660	$ 287,970	$ 130,715
Operating costs - transportation expenses				
Other related parties	$ 3,831	$ 4,069	$ 9,436	$ 10,084
Operating expenses				
Other related parties	$ 320	$ 209	$ 2,741	$ 2,265
Non-operating income				
Other related parties	$ 610	$ 518	$ 1,829	$ 1,554
Non-operating expenses				
Other related parties	$ 91	$ -	$ 274	$ -

The purchasing and sales price is negotiated respectively between the Group and related parties. The payment period depends on the needs of the funds.

Non-operating income is rental revenue between the Group and related parties; the determination and collection method of rent are same as general leasing transactions.

Non-operating expenses are rent expense between the Group and related parties; the determination and collection method of rent are same as general leasing transactions.

(3) Balance of receivables from related parties on balance sheet date is as follows：

	September 30, 2017	December 31, 2016	September 30, 2016
Notes receivable			
Other related parties	$ 17,308	$ 12,050	$ 306
Accounts receivable			
Other related parties	$ 4,958	$ 23,360	$ 504
Other receivable			
Other related parties	$ 252	$ 468	$ 46,531

No guarantee received for receivables- related parties. No expense on doubtful debts in receivables- related parties recognized for nine months ended September 30, 2017 and 2016.

(4) Balance of payables from related parties on balance sheet date is as follows:

	September 30, 2017	December 31, 2016	September 30, 2016
Notes payable			
Fuan Mining Co.	$ 23,877	$ 89,899	$ 44,736
Other related parties	2	1,287	20
	$ 23,879	$ 91,186	$ 44,756
Accounts payable			
Fuan Mining Co.	$ 18,074	$ 84,099	$ 77,216
Other related parties	5,501	6,334	272
	$ 23,575	$ 90,433	$ 77,488
Other payable（exclude financial）			
Other related parties	$ 3,137	$ 1,604	$ 8,058

No guarantee provided for the balance of the payables - related parties.

(5) Loans from related parties

	September 30, 2017	December 31, 2016	September 30, 2016
Other payable			
Other related parties	$ 18,300	$ 15,028	$ -
Shareholder accounts			
Cheng Haibin	$ 45,800	$ 45,800	$ 45,800

Shareholder accounts of the Group are interestless borrowing from stockholders.

(6) Remunerations of key management personnel

The remunerations of the Directors and other key management personnel for the three months and nine months ended September 30, 2017 and 2016 were as follows:

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Short-term employee benefits	$ 3,481	$ 9,810	$ 15,838	$ 37,344
Benefit after retirement	235	176	533	591
	$ 3,716	$ 9,986	$ 16,371	$ 37,935

Remunerations of key management personnel will be decided by remuneration committee with personal performance and market trend.

30. Pledged Assets

The Group uses the pledged assets as collateral for long-term and short-term bank loans, short-term notes and bills payable, debt litigation and other credit accommodation:

	September 30, 2017	December 31, 2016	September 30, 2016
Notes receivable	$ 44,780	$ 57,220	$ 55,065
Repurchase bond investment (Other financial assets)	-	60,021	60,000
Developing property and property to be developed (Inventory)	3,234,384	2,933,569	2,954,238
Restricted assets（Other financial assets and other non-current assets）	208,627	403,249	382,603
Property, plant and equipment	827,875	1,062,645	1,072,964
	$ 4,315,666	$ 4,516,704	$ 4,524,870

31. Significant Information of Foreign Currency Assets and Liabilities

The following information is expressed in accordance with the total currency without functional currency of the Group; the disclosed exchange rate refers to the exchange rate of foreign currency to functional currency. There are foreign currency assets and liabilities without important impact as follow:

Unit： Thousands of NT$ and foreign currency

September 30, 2017

	Foreign curreny	Exchange rate	Carrying amount
Financial assets			
Monetary items			
US dollars	$ 643	30.26（USD：NT$）	$ 19,449
US dollars	7	6.6369（USD：RMB）	226
RMB	1,497	4.551（RMB：NT$）	6,813
Financial liabilities			
Monetary items			
US dollars	3,690	30.26（USD：NT$）	111,652

December 31, 2016

	Foreign curreny	Exchange rate	Carrying amount
Financial assets			
Monetary items			
US dollars	$ 1,292	32.25 （USD：NT$）	$ 41,639
US dollars	7	6.937 （USD：RMB）	241
RMB	1,649	4.601 （RMB：NT$）	7,585
Financial liabilities			
Monetary items			
US dollars	1,965	32.25 （USD：NT$）	63,357

September 30, 2016

	Foreign curreny	Exchange rate	Carrying amount
Financial assets			
Monetary items			
US dollars	$ 1,042	31.36 （USD：NT$）	$ 32,649
US dollars	7	6.6778 （USD：RMB）	234
RMB	1,474	4.677 （RMB：NT$）	6,869
Financial liabilities			
Monetary items			
US dollars	501	31.36 （USD：NT$）	15,708

Foreign exchange gains/losses (realized or unrealized) of the Group for three months ended September 30, 2017 and 2016 are respectively grain NT$113,000 and loss NT$700,000; for nine months ended September 30, 2017 and 2016 are respectively gain NT$1,816,000 and loss NT$1,182,000. Because there is variety of foreign currency transactions, it cannot disclose exchange gains and losses in accordance with foreign currency of each important impact.

32. Additional Disclosures

(1) Significant Transactions and (2) The Related Information of transferring to investment:

1) Financings provided: Schedule 1.
2) Endorsement/guarantee provided: Schedule 2.
3) Marketable securities held (excluding investments in subsidiaries and associates): Schedule 3.
4) Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None.
5) Acquisition of individual real estate properties at costs of at least NT$300 million or 20% of the paid-in capital: None.
6) Disposal of individual real estate properties at prices of at least NT$300 million or 20% of the paid-in capital: None.
7) Total purchases from or sales to related parties of at least NT$100 million or 20% of the paid-in capital: Schedule 4.
8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Schedule 5.
9) Information about the derivative financial instruments transaction: None.
10) Others: The business relationship between the parent and the subsidiaries and significant transactions between them: Please Schedule 8.
11) Information of the investees: Schedule 6.

(3) Investment Information in mainland China:

1) The name of the investee in mainland China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits/losses of investee, ending balance, amount received as dividends from the investee, and the limitation on investee: Schedule 7.

2) Significant direct or indirect transactions with the investee, its prices and terms of payment and unrealized gains or losses: there are no significant transactions and unrealized gains or losses between the parent company and the investee company in mainland China.

   A. The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None.

   B. The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None.

   C. The amount of property transactions and the amount of the resultant gains or losses: None.

   D. The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purpose: None.

   E. The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: None.

   F. Other transactions that have material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None.

33. Segment Information

The Group defined its reportable segments as follows: ：

Cement segment: producing and selling business for products related to cement.

Other segment: Other operations of non-cement business。The main business of ELUMINA Technology Inc. and its subsidiary Elumina Holding Ltd. and ELUMINA (Xiamen) company are producing and selling light-emitting Diode, and the unit of cash is transferred to discontinued operation on August, 2015; please see Note 24 related instruction.

(1) Revenue of segments and operating results

The Group revenues and operating results analyzed by the operating segments were as follows:

	Income of Department		Profit/Loss of Department	
	Nine months ended September 30, 2017	Nine months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Cement segment	$ 2,561,989	$ 3,129,071	$ 57,339	$ 370,849
Other segmentt	30,878	31,406	(17,486)	(6,382)
Gross amount of business unit	$ 2,592,867	$ 3,160,477	39,853	364,467
Interest revenue			1,451	1,344
Rent income			7,237	7,492
Other Income			12,202	11,039
Gains (losses) on disposals of investments			(575)	9,092
Foreign exchange gains(losses)			1,816	(1,182)
Other expenses			(9,592)	(17,692)
Interest expense			(22,400)	(23,293)
Profit from continuing operations before tax			29,992	351,267
Loss from discontinued operations before tax			(634)	(8,936)
Profit (loss) before tax			$ 29,358	$ 342,331

The revenue of segments reported above is generated with external client exchanges. There is no selling between segments in nine months ended in September 30, 2017 and 2016.

The revenue of segments means the profits earned by each segment, excluded interest revenue which shall be apportioned, rent income, other income, grains (losses) on disposals of investments, foreign exchange gains(losses), other expense and interest expense.

(2) Total assets and liabilities of segments

	September 30, 2017	December 31, 2016	September 30, 2016
Segment assets			
Continuing operating segment			
Cement segment	$ 3,851,872	$ 4,349,220	$ 4,347,542
Other segment t	3,420,607	3,401,208	3,451,116
Total of segment assets	7,272,479	7,750,428	7,798,658
Assets related discontinued operations	1,887	2,216	2,383
Total assets	$ 7,274,366	$ 7,752,644	$ 7,801,041
Segment liabilities			
Continuing operating segment			
Cement segment	$ 1,990,588	$ 2,464,910	$ 2,426,692
Other segment	719,801	478,292	594,813
Total of segment liabilities	2,710,389	2,943,202	3,021,505
Liabilities related discontinued operations	7,915	7,606	7,608
Toatl liabilities	$ 2,718,304	$ 2,950,808	$ 3,029,113

Lucky Cement Corporation and Subsidiaries

Financings Provided

For nine months ended September 30, 2017

Schedule 1 Unit: NT$1,000

No.	Company of Lending Funds	Borrower	Relation Account	Mmaximum Balance in Current Period	Where is the related party	Balance, end of the period (Note 4)	Amonut of real dealing (Note 5)	Interest rate collar (%)	Character on loan of funds (Note 1)	Amount between business	Necessary reasons for short term financial assets	Amount of allowance for uncollectible be submitted	Collateral		Limitation of loan of funds to individual party (Note 2)	Total limitation of loan of funds (Note 3)
													Name	Value		
0	Lucky Cement Corporation	Dasheng Enterprise Co., Ltd	Receivables of Affiliated Enterprise－Financing	$ 390,000	Yes	$ 390,000	$ 147,000	1.885~1.988	(2)	$ -	Operating Turnover	$ -	－	－	$ 452,902	$ 1,811,609
0	Lucky Cement Corporation	Luckyship Marine Co., Ltd	Receivables of Affiliated Enterprise－Financing	30,000	Yes	30,000	24,900	1.885~1.988	(2)	-	Operating Turnover	-	－	－	452,902	1,811,609
0	Lucky Cement Corporation	Lucky Cement Corp., Japan	Receivables of Affiliated Enterprise－Financing	10,000	Yes	10,000	-	-	(2)	-	Operating Turnover	-	－	－	452,902	1,811,609
1	Luckicon Ready-mixed Concrete Factory Co., Ltd.	Dasheng Enterprise Co., Ltd	Receivables of Affiliated Enterprise－Financing	40,000	Yes	40,000	20,000	1.95~2.05	(2)	-	Operating Turnover	-	－	－	61,623	123,245
						$ 470,000										

Note 1： The expressions for nature of fund loan is as follows: ：

(1) Party with business.

(2) Party with short-term financing need.

Note 2： The subject whom Lucky Cement Corporation made loans is the shareholder of 50% above of subsidiary shall be kept less than 10% of end-of-year net value; the subject whom a loan was made is a shareholder of more than 20%, yet less than 50% shall be kept less than 5% of end-of-year net value; the rest shall be subject to 2% of end-of-year net value; Luckicon Ready-mixed Concrete Factory Co., Ltd. shall be subject to 20% of end-of-year net value.

Note 3： It is subject to 40% of end-of-year net value of companies making loans.

Note 4： It refers to the line of loan approved by the Board of Directors.

Note 5： The trade between headquarter and subsidiary has been written off in the prepared financial statement.

Lucky Cement Corporation and Subsidiaries

Endorsement/Guarantee Provided

For nine months ended September 30, 2017

Schedule 2

Unit: NT$1,000, unless otherwise noted

No.	Company Name of endorser	The party for enforcement and guarantee		Limitation amount of enforcement and guarantee for single enterprise (Note 1)	Maximun balance of enforcement and guarantee in current period	Balance of enforcement and guarantee, end of the periodr	Amonut of real dealing	Amount of enforcement and guarantee by property guarantee	Ratio of accumulated amount of enforcement and guarantee to net value of financial statement of lastest period (%)	Maximun limitation on enforcement and guarantee (Note 2)	Enforcement and guarantee belong to parent vs. subsidiary company	Enforcement and guarantee belong to subsidiary vs. parent company	Enforcement and guarantee belong to Mainland China	Remark
		Company	Relations											
0	Lucky Cement Corporation	Dasheng Enterprise Co., Ltd	Subsidiary	$ 1,811,609	$ 620,000	$ 620,000	$ 620,000	$ 120,000 (Note 3)	13.69%	$ 2,264,511	Y	—	—	
		Luckicon Ready-mixed Concrete Factory Co., Ltd.	Subsidiary	1,811,609	70,000	70,000	-	-	1.55%	2,264,511	Y	—	—	
		Luckyship Marine Co., Ltd	Subsidiary	1,811,609	45,000	45,000	25,638	-	0.99%	2,264,511	Y	—	—	
		Lucky Cement Corp., Japan	Subsidiary	1,811,609	31,345 (USD1,000,000)	13,455	-	-	0.30%	2,264,511	Y	—	—	
						$ 748,455								

Note 1：The upper limit that Lucky Cement Corporation endorses for single company shall not go beyond 10% of the net value, except for limit of 40% accounting for the net value of subsidiary.

Note 2：The gross line of endorsement approved by the Meeting of Shareholder shall be subject to 50% of the net value.

Note 3：Other finance asset – restricted asset NT$120,000,000 is provided as collateral.

Lucky Cement Corporation and Subsidiaries

Marketable Securities Held

September 30, 2017

Schedule 3 Unit: NT$1,000

Company	Type and Name of Securities	Relationship with the Issuer of Securities	Account	End of period				Remarks
				Shares	Carrying Amount	(%)	Fair Value (Note 1)	
Lucky Cement Corporation	Non-listed (OTC) Company Common Stock							
	CANDO CORPORATION	—	Non-current financial assets at cost	398,889	$ -	0.1	$ -	Note 2
	Jonfeng Mining Co., Ltd	—	Non-current financial assets at cost	1,071,428	12,094	10.58	14,184	
	Redwood Group Ltd	—	Non-current financial assets at cost	700,837	5,433	0.18	7,625	
	WK TECHNOLOGY FUND	—	Non-current financial assets at cost	1,445,000	4,450	2.22	16,068	
	Listed (OTC) Company Common Stock							
	Medigen Biotechnology Corporation	—	Current available-for-sale financial assets	28,628	1,280	-	1,280	
	United Microelectronics Corporation	—	Current available-for-sale financial assets	72,351	1,085	-	1,085	
	Winbond Electronics Corp	—	Current available-for-sale financial assets	119,500	3,227	-	3,227	
	First Financial Holding Co. Ltd.	—	Current available-for-sale financial assets	875	17	-	17	
	Capital Securities Corp.	—	Current available-for-sale financial assets	818	8	-	8	
	Hua Nan Financial Holdings Co., Ltd.	—	Current available-for-sale financial assets	385	6	-	6	
	China Development Financial	—	Current available-for-sale financial assets	13,496	123	-	123	
	Taiwan Cement Corp	—	Current available-for-sale financial assets	400,000	13,521	-	13,521	
	Asia Cement Corporation	—	Current available-for-sale financial assets	500,000	13,425	-	13,425	
	Fund beneficiary certificate							
	Future Asset Asia Pacific Real Estate Security Fund- Stock A, free of interest allocation	—	Current available-for-sale financial assets	100,000	966	-	966	

(To be continued)

(Continued)

Company	Type and Name of Securities	Relationship with the Issuer of Securities	Account	End of period				Remarks
				Shares	Carrying Amount	(%)	Fair Value (Note 1)	
Luckyship Marine Co., Ltd	<u>Non-listed (OTC) Company Common Stock</u>							
	Jonfeng Mining Co., Ltd.	—	Non-current financial assets at cost	35,129	1,239	0.35	469	
	<u>Listed (OTC) Company Common Stock</u>							
	Medigen Biotechnology Corporation	—	Current available-for-sale financial assets	242	11	-	11	
Just Bright Ltd.	<u>Listed Company Common Stock</u>							
	Global Lighting Technologies Inc.	—	Current available-for-sale financial assets	991,908	$ 45,082	-	$ 45,082	
Luckicon Ready-mixed Concrete Factory Co., Ltd.	<u>Fund Beneficiary Certificate</u>							
	Huanan Bank Yungchang Kirin Monetary Market Fund	—	Current available-for-sale financial assets	440,966	5,245	-	5,245	
	UPAMC James Bond Money Market	—	Current available-for-sale financial assets	1,210,311	20,091	-	20,091	
	MEGA BAOJUAN Money Market Fund	—	Current available-for-sale financial assets	4,834,653	60,200	-	60,200	
	Capital Golden Choice Balance	—	Current available-for-sale financial assets	50,000	501	-	501	
	Shin Kong Emerging ASEAN Bond Fund	—	Current available-for-sale financial assets	500,015	4,980	-	4,980	
	TSG Phnom Penh Real Estate Development Fund	—	Non-current available-for-sale financial assets	500	18,019	-	18,019	
	<u>Marketable Security - Corporate Bond</u>							
	The Cathay United Jenai EMC USD Fixed Interest Allocation Bond	—	Current available-for-sale financial assets	-	5,886	-	5,886	

Note 1: Reference of fair value: If there is no market price of non-current financial assets at cost for reference then according to the latest net equity; the stock of available-for-sale of financial assets is the closed price at end of September 2017; its fund beneficiary certificate of available-for-sale financial assets is net value at the end of September 2017; the marketable security - corporate bond of available-for-sale financial assets is the market price at the end of September 2017.

Note 2: It has been recognized as loss of impairments.

Note 3: Please refer to Schedule 6 and 7 for info regarding to subsidiary investment.

Lucky Cement Corporation and Subsidiaries

Total Purchases from or Sales to Related Parties of at least NT$100 Million or 20% of the Paid-in Capital

For nine months ended September 30, 2017

Schedule 4

Unit: NT$1,000

Company Name	Transaction Counterpart	Relations	Transaction Status				Status and Reasons of Difference between Transaction Condition and General Transaction		Accounts, Notes Receivable (Payable)		Remarks
			Purchase (Sale)	Amount	Account for Purchase (Sale) Percentage to Total （%）	Credit Period	Unit Price	Credit Period	Balance	Accounts, Notes Receivable (Payable) Percentage to Total（%）	
Lucky Cement Corporation	Luckicon Ready-mixed Concrete Factory Co., Ltd.	Subsidiary	Sales	($ 170,778)	(7.64)	About 90 days	Quite	Quite	Accounts receivable $ 24,156 Notes receivable 15,257	5.43 3.43	Note
Lucky Cement Corporation	Fuan Mining Co., Ltd.	Other related parties	Purchase	264,685	24.68	About 90 days	Agreed	Agreed	Accounts payable (18,074) Notes payable (23,877)	(7.51) (9.92)	

Note：It has been written off in the prepared financial statement.

Lucky Cement Corporation and Subsidiaries

Receivables from Related Parties Amounting to at least NT$100 Million or 20% of the Paid-in Capital

For nine months ended September 30, 2017

Schedule 5 Unit: NT$1,000

Company of Accounts Receivable	Transaction Counterpart	Relations	Balance of Accounts Receivable due from Related Parties (Note)	Turnover Rate	Accounts Receivable past-due from Related Parties		Balance of Accounts Receivable due from Related Parties, Receive Amount after end of the period	Address Amount of Allowance for Bad Debts
					Amount	Disposal Method		
Lucky Cement Corporation	Dasheng Enterprise Co., Ltd	Subsidiary	Financing $ 147,181	—	$ -	—	$ 190	$ -

Note ：It has been written off in the prepared financial statement.

Lucky Cement Corporation and Subsidiaries

Names, Locations, and Related Information of Investees

For nine months ended September 30, 2017

Schedule 6

Unit: NT$1,000

Investment company	Invested company	Address	Main business items	Original investment amount (Note 9)		Holding at the end of the period			Current (loss) profit of invested company	Investment (loss) profit accounted this Period (Note 1)	Remarks
				At the end of the period	End of last year	Number of shares	Rate	Carrying Amount			
Lucky Cement Corporation	Dasheng Enterprise Co., Ltd	14F., No.237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Real Estate Sales & Lease	$ 1,877,473	$ 1,877,473	158,294,180	99.99	$ 2,285,109	($ 19,356)	($ 19,355)	Note 1 & 5
	Luckicon Ready-mixed Concrete Factory Co., Ltd.	No.191, Sec. 1, Meishi Rd., Yangmei Dist., Taoyuan City 326, Taiwan (R.O.C.)	Ready-mixed Concrete Manufacture & Trades	99,998	99,998	21,999,868	99.99	308,113	(6,685)	(6,685)	Note 1 & 5
	Just Bright Ltd.	Tropic Isle Building, PO Box 438, Road Town, Tortola, British Virgin Islands	Investment Business	1,566	1,566	50,000	100.00	45,145	-	-	Note 4 & 5
	Luckyship Marine Co., Ltd	13F., No.237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Shipping Agent	8,615	8,615	5,499,929	99.99	10,134	(24,256)	(24,256)	Note 2, 4 & 5
	Lucky Cement Corp., Japan	Aichi, Japan hekinan Yu Jin-Pu-cho 12 gu	Cement Trading	84,959	84,959	200	100.00	27,410	1,085	1,085	Note 4, 5 & 8
	ELUMINA Technology Inc.	12F., No.237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Manufacture and Sale Light-emitting Diode Products	93,384	93,384	9,338,400	70.59	-	(634)	(447)	Note 3, 4 & 6
Luckicon Ready-mixed Concrete Factory Co., Ltd.	Fuyu Development Company	13F., No.237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Mine Gravel	7,500	7,500	750,000	75.00	16,787	(4,836)	(3,627)	Note 4 & 5
ELUMINA Technology Inc.	ELUMINA HOLDING LIMITED	Beaufort House, P. O. Box 438, Road Town, Tortola, British Virgin Islands	Holding Company	45,563	45,563	1,282,000	100.00	325	(15)	(15)	Note 4 & 5

Note 1：It has been calucated pursuant to the Accountant’s reviewed financial statement.。

Note 2：Deducted countercurrent unrealized losses NT$1,900,000

Note 3：The carrying amount aggregates to (minus) NT$27,339,000 as of September 30, 2017 recognized as other liability

Note 4：It has been calucated pursuant Without the Accountant’s reviewed financial statement.

Note 5：The carrying amount of long-term equity investment accounted investment profit/loss and net equity of the invested company have been written off in the prepared financial statement.

Note 6：：The long-term equity investment with accumulated negative carrying amount, the recognized investment loss and the net equity of the company being invested are all written off in the prepared financial statement

Note 7：Please refer to Shcedule 7 for the information regarding to the invested company in China.

Note 8：Original investment amount that the Company invested in Lucky Cement Corp., Japan and did not finish equity registration is 340,884,000 Japanese Yen in September 30, 2017.

Note 9：Original investment amoun is including capital reduction in order to make up for the loss reduction that happened in previous year

Lucky Cement Corporation and Subsidiaries

Investment Information in Mainland China

For nine months ended September 30, 2017

Schedule 7

Unit：NT$1,000, unless otherwise noted

Invested company in China	Major business	Paid-up capital	Inventory type (Note 1)	The amount of accumulated investment remitted from Taiwan at the beginning of the period（Note 4）	Remittance or recovery of investment amount in this period		The amount of accumulated investment remitted from Taiwan at the end of the period	Current profit and loss of invested company（Note 2 & 5）	The proportion of shares held by the Company directly or indirectly	Investmend (Loss) profit accounted of this period（Note 2 & 5）	Book value of end-of-period investment（Note 2 & 5）	Investment income has been remitted as of this period
					Remittance	Recovered						
ELUMINA (Xiamen) Technology Inc.	Manufacture and sale light-emitting diode products	$ 80,631	(2)	$ 80,631	$ -	$ -	$ 80,631	($ 15)	70.59%	($ 15)	$ 249	$ -

Cumulative amount of investment from Taiwan investing China at end of this period	Investment Review Committee of the Ministry of Economic Affairs approved amount of investment	Upper limit of investment to China pursuant to regulation of Investment Review Committee of the Ministry of Economic Affairs（Note 3）
USD2,522,000	USD1,286,000	$ 4,529,022x60%=$ 2,717,413

Note 1：Investment mode has the following three kinds, wherein types are presented hereof:

(1) Direct investment in China.

(2) Invest in China companies through companies in the third area（investment company of the third area is ELUMINA HOLDING LIMITED）.

(3) Others

Note 2：Calculation of financial statement without Review by Taiwan Headquarter’s Certified Accountant.。

Note 3：Calculated by the limits set forth in the “China Investment or Technic Cooperation & Review Principle” issued by Investment & Review Committee, Augest 29,2008

Note 4：The dismissal has passed in the Headquarter’s Board of Directors on August 11, 2015 and liquidation & dismissal process was remains pending as of September 30, 2017.

Note 5：It has been written off in the preparation of consolidated financial statement.

Lucky Cement Corporation and Subsidiary

Intercompany Relationships and Significant Intercompany Transactions

For nine months ended September 30, 2017

Schedule 8 Unit：NT$1,000

No.	Name of Trader	Subject in Trade	Relations with trader (Note 1)	State of Trade			
				Account	Amount	Condition of Trade	The ratio of total revenue or total assets (%)
0	Lucky Cement Corporation	Luckicon Ready-mixed Concrete Factory Co., Ltd.	1	Notes receivable	$ 15,257	About 90 days	0.21
	Lucky Cement Corporation	Luckicon Ready-mixed Concrete Factory Co., Ltd.	1	Accounts receivable	24,156	About 90 days	0.33
	Lucky Cement Corporation	Luckicon Ready-mixed Concrete Factory Co., Ltd.	1	Other receivables	104	About 90 days	-
	Lucky Cement Corporation	Luckicon Ready-mixed Concrete Factory Co., Ltd.	1	Cement pending in delivery and advance sales receipts	4,638	About 90 days	0.06
	Lucky Cement Corporation	Luckicon Ready-mixed Concrete Factory Co., Ltd.	1	Sales revenue	170,778	About 90 days	6.95
	Lucky Cement Corporation	Luckicon Ready-mixed Concrete Factory Co., Ltd.	1	Rent income	1,143	30 days	0.04
	Lucky Cement Corporation	Fuyu Development Company	1	Other receivables	1	About 90 days	-
	Lucky Cement Corporation	Fuyu Development Company	1	Other payables	294	About 90 days	-
	Lucky Cement Corporation	Fuyu Development Company	1	Cost of sales	1,128	About 90 days	0.04
	Lucky Cement Corporation	Fuyu Development Company	1	Rent income	14,910	About 90 days	0.58
	Lucky Cement Corporation	Fuyu Development Company	1	Other income	900	30 天	0.03
	Lucky Cement Corporation	Luckyship Marine Co., Ltd	1	Other financial assets - Financing Payment	24,900	Financing, did not express the repayment period	0.34
	Lucky Cement Corporation	Luckyship Marine Co., Ltd	1	Other receivables	39	About 90 days	-
	Lucky Cement Corporation	Luckyship Marine Co., Ltd	1	Rent income	192	30 days	0.01
	Lucky Cement Corporation	Luckyship Marine Co., Ltd	1	Interest income	174	30 days	0.01
	Lucky Cement Corporation	Dasheng Enterprise Co., Ltd	1	Other financial assets - Financing Payment	147,000	Financing, did not express the repayment period	2.02
	Lucky Cement Corporation	Dasheng Enterprise Co., Ltd	1	Notes receivable	7	About 90 days	-
	Lucky Cement Corporation	Dasheng Enterprise Co., Ltd	1	Other receivables	183	About 90 days	-
	Lucky Cement Corporation	Dasheng Enterprise Co., Ltd	1	Rent income	60	30 days	-
	Lucky Cement Corporation	Dasheng Enterprise Co., Ltd	1	Interest income	3,681	30 days	0.14
1	Luckicon Ready-mixed Concrete Factory Co., Ltd.	Fuyu Development Company	1	Rent income	6,750	30 days	0.26
	Luckicon Ready-mixed Concrete Factory Co., Ltd.	Dasheng Enterprise Co., Ltd	3	Notes receivable	1,676	30 days	0.02
	Luckicon Ready-mixed Concrete Factory Co., Ltd.	Dasheng Enterprise Co., Ltd	3	Accounts receivable	9,367	About 90 days	0.13
	Luckicon Ready-mixed Concrete Factory Co., Ltd.	Dasheng Enterprise Co., Ltd	3	Other financial assets - Financing Payment	20,000	Financing, did not express the repayment period	0.27
	Luckicon Ready-mixed Concrete Factory Co., Ltd.	Dasheng Enterprise Co., Ltd	3	Other receivables	63	About 90 days	-
	Luckicon Ready-mixed Concrete Factory Co., Ltd.	Dasheng Enterprise Co., Ltd 公司	3	Sales revenue	14,695	About 90 days	0.57
	Luckicon Ready-mixed Concrete Factory Co., Ltd.	Dasheng Enterprise Co., Ltd 公司	3	Interest income	594	30 days	0.02

Note 1： The relationships among the transaction parties are as follows:

1. The Company to the subsidiary
2. The subsidiary to the Company
3. Between subsidiaries