

# 2017

## Annual Report

UNI-PRESIDENT ENTERPRISES CORP.



### Notice to Readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese version, the Chinese version shall prevail.

Annual Report is available at <http://www.uni-president.com.tw>

Taiwan Stock Exchange Market Observation Post System: <http://mops.twse.com.tw>

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# UNI

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NA

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LETTER TO OUR  
SHAREHOLDERS





**Chih-Hsien Lo**  
Chairman

## **Dear Shareholders,**

2017 was an exciting and emotional year for us, as we celebrated 50th anniversary since establishment, and reached another profit record milestone, thanks to the support of our employees, families, consumers, partners, and most importantly, shareholders and board members. Looking forward, we will remain humble and keep in mind of the founder's entrepreneurial spirit of fearless to challenges and forward moving, as well as the principle of "honest and industrious, innovative and progressive", in hope of marking another golden 50 years in the company's history.

In 2017, we have managed to optimize operational structure and lower market systematic risk under experienced management team, stabilized profitable model and risk control mechanism. As a result, we have reported net sales of NT\$39.3 billion, 0.9% increase over last year, after taxes net profits of NT\$39.8 billion, 174.3% increase over last year, and consolidated net sales of NT\$399.9 billion.

## **Guarding Food Safety, Never Compromise**

"Food safety" remains the most concerned topic for consumers and for us. Neither compromises nor tolerance to any issues related to food safety are allowed. In 2017, we commenced operation of "Food Safety Building" that cost NT\$1 billion, which aimed to strengthen risk control in the production value chain, from the aspects of suppliers, raw material, to final products.

We are always alert to potential food safety crises that we integrate it as part of our working habit and attitude. We will continue to input capital to pursue upgrade on food safety mechanism, and enhance employees' examination skills, for matching the world class standard.

## **Policy of "Morality, Branding, and Taste"**

"Morality" is the basic rule for interaction among individuals, "branding" is about creating a unique and lovable image for customers, and "taste" is the elegant way to deliver unique morality and outstanding branding. Without the society's support and trust, our effort will be meaningless. Uni-President operates to serve the society, as a result, we will continue to extract knowledge from production and transform it to the forms of "morality, branding, and taste", also internalize and cultivate into our service and lifestyle, in hopes to deliver the message of honesty, lifestyle, harmony and historical inheritance.

## Implement the principle of “follow the trend, think through, and excel” for continuous progression

In 2017, the company's market capitalization ranked among top 20 companies and remained in NT\$300 billion club in Taiwan Stock Exchange. Established in Taiwan, we continue our international expansion in Asia, and integrate products and service into consumers' daily lives. In 2018, we will continue to adhere the policy of “adjust product structure, stabilize growth, and enhance value marketing”, to correspond the challenges of the new retail era and to correlate the pricing stabilization strategy and the freshly made policy. “Progression” is the most important key performance index, and “value creation” is the only way to it, which both contribute to “continuous succession” and “eternal progression”.

Given the current economic circumstance, we not only have to pay attention to the social changes, laws and regulations adjustments, consumers' perceptions, but also discover and integrate resources within the business group to create synergy. Every dollar comes from careful production, marketing, human resource, R&D, financing engagement, that adhere to the management policies and tools, which are evaluated by profitability and cash flow, for the sake of increasing stakeholder's equity. Only through demanding excellence and continuous progression will allow us to strengthen our market position and competence, and look forward to our next 50-year milestone.

## Prospect in 2018

Looking forward to 2018, we will follow the discipline of “Concentrated and Simple Operation”. Projected domestic sales are as the followings: 224 thousand tons of provision goods, 18.32 million boxes of instant noodle, 51.72 million boxes of beverages, 290 thousand tons of dairy products, 27 thousand tons of soy sauce, 201 million bags of baking products, and 73 thousand tons of frozen foods, meat products, and supplements. We are grateful for the supports from all shareholders, and will strive to optimize return on investment for all interested parties.



# 2

## CORPORATE OVERVIEW

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## 2.1 Date of Incorporation : August 25, 1967.

## 2.2 Corporate Profile

From a humble flour mill to today's international corporation, Uni-President Enterprises Corp. not only continues to grow with time, we also seek innovation and strive to stay ahead of the latest trends. By investing in the right products or businesses at the right time, we are able to integrate available resources for optimal utilization, in turn fostering social prosperity and economic growth.

### Stage 1 | The Pioneering Period (1967~1973)

#### Grasp the pulse of the market to seize the initiative

Taiwan started out as an agricultural society and gradually advanced to industrialization. Uni-President Enterprises Corp. was the first to adopt “high-efficiency” automated modern manufacturing facilities to expand our economies of scale and set a goal of opening a new plant every year. Expansion of our products relies mainly on the vertical integration of upstream and downstream partners. This is not only consistent with our goal to satisfy the consumers' basic needs for food but also solidified our business foundation.

### Stage 2 | Growth period (1974~1982)

#### Enhance added values and reinforce competitive advantage

With the rapid growth of Taiwan's economy came a surge in consumer purchasing power. Uni-President Enterprises Corp. recognized the opportunity to shift from a production oriented company to one geared towards sales while increasing value-added products and services in

order to cater to the needs of the consumers. In addition, we have imported outstanding equipment and technologies from abroad to strive toward our operations strategy of “high quality and high value” and enhance our competitive advantage.

### Stage 3 | Conglomeration period (1983~1989)

#### Diversification from the inside out

Taiwan's economy continued to show steady growth during this period and the society heralded the era of commercialization and diversification. At the same time, it also marked the beginning of Uni-President Enterprises Corp.'s involvement in distribution channels. Furthermore, high quality products were developed and imported to cater to diverse social trends. As a result, Uni-President Enterprises Corp. was able to fuel its growth and establish a leading position in the domestic food manufacturing industry. At the same time, the company responded to new business opportunities and began developing diversified new businesses, thereby creating a group management model and unleashing synergistic advantages.

### Stage 4 | Internationalization period (1990~1998)

#### Reaching out to the world from Taiwan

With the average GDP in Taiwan surpassing the US\$10,000 mark, Uni-President Enterprises Corp. has grown into a conglomerate with diversified operations in logistics and retailing. Having adopted “social marketing” as our core operating model, we have fulfilled our obligations as a corporate citizen with the mission of providing a healthy and happy lifestyle. Uni-President

Enterprises Corp.

has also realized that globalization is the crux to overcoming the constraints of an island economy, therefore we have proactively constructed new plants in emerging markets throughout Asia Pacific, including China, Indonesia, Thailand, Vietnam and the Philippines.

## Stage 5 | Global village period (1999~present)

### Promoting concepts of “A Touch of the Millennium Love”, health and LOHAS

In the new era of increased transformations, speed, competition, complexity, globalization, virtualization and blurred boundaries, Uni-President Enterprises Corp. will shift its competitive focus from a quantity orientation to a quality orientation.

By upholding the four central pillars of “A Touch of the Millennium Love”, the firm strives to place more emphasis on consumer health and welfare related industries in order to let them enjoy a LOHAS lifestyle. Moreover, our aim is to create the most competitive food services group in the country.

UPEC currently has over 240 affiliates covering wide-ranging consumer products and services, and becomes a multifaceted conglomerate. Under the strategy of internationalization and concentration, UPEC will continue to joint with world leading companies and absorb their management skills. Also, UPEC will leverage forces in China and Asian market to expand presences into the globe. Our aim is to offer consumers a healthy and happy life value and become one of the world's largest marketing companies.

## 2.3 Major affiliates information

1. Ton Yi Industrial Corporation was founded in 1969. In 1974, it established a factory combining tinplate printing & tin can making. In 1991, the Company was listed on the Taiwan Stock Exchange. In 1994, the Company built two packing companies in China for tinplate printing and for the production and sale of empty cans. In 2011, the Company set up respectively an all-in-one plant producing pet cap, preform, bottle and filling beverage.
2. President Chain Store Corporation (PCSC), formerly part of Uni-President, was established as an independent entity in 1987. In 1995, the 1000th store opened. In 1997, PCSC listed on the Taiwan Stock Exchange and established President Coffee Corp. (Starbucks Taiwan). In 2000, PCSC acquired Philippine Seven Corp., extending convenience store business overseas. The 4,000th store was opened in 2005 and the 5,000th store was opened in July 2014.
3. The Group expanded into China in 1992. In order to facilitate further growth and development, Uni-President China Holdings Ltd. was listed on Hong Kong Stock Exchange in 2007.

## 2.4 Business Highlights

### 2.4.1 Overall Performance

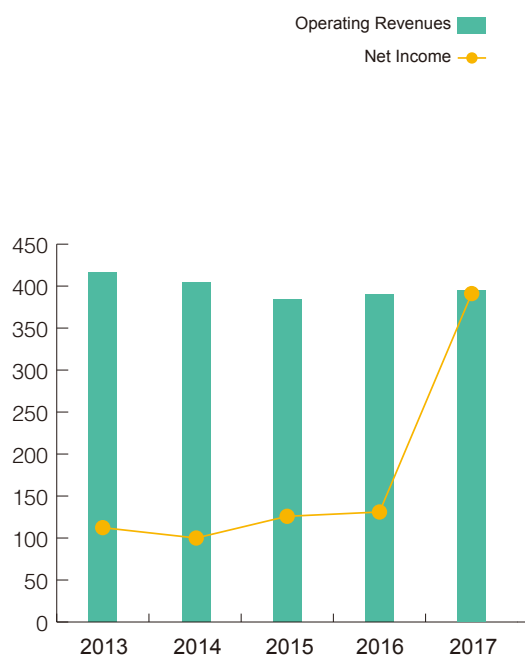
Unit: NT\$ Millions

	2017	2016	YOY%
1. Operating Revenues (Consolidated)	399,861	413,364	(3.27%)
2. Net Income (Consolidated)	59,965	23,675	153.28%
3. Operating Revenues (Non-Consolidated)	39,283	38,919	0.94%
4. Gross Profit (Non-Consolidated)	11,566	11,533	0.29%
5. Income before Income Tax (Non-Consolidated)	40,122	15,173	164.43%
6. Net Income (Non-Consolidated)	39,845	14,527	174.28%
7. EPS (NT\$) (Non-Consolidated)	7.01	2.56	173.83%

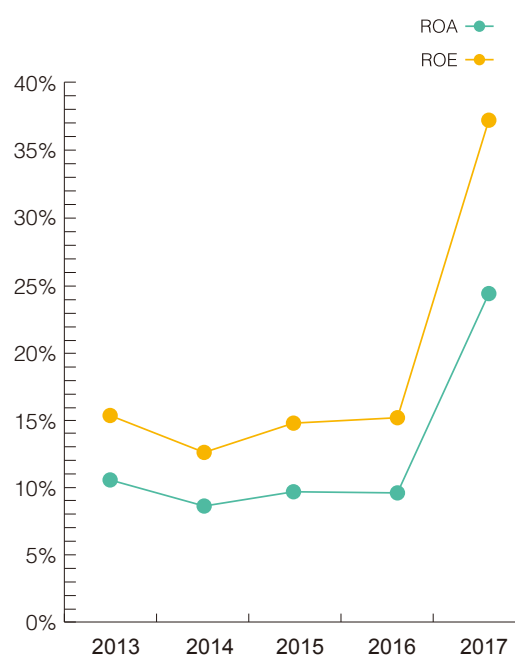
### 2.4.2 Financial Ratios (Non-Consolidated)

	2017	2016	Variance (%) /Amount
1. Gross Margin	29.44%	29.63%	-0.19%
2. Operating Expense Ratio	26.75%	24.45%	2.30%
3. Operating Profit	2.69%	5.18%	-2.49%
4. Profit for the year	101.43%	37.33%	64.10%
5. ROA	24.30%	9.77%	14.53%
6. ROE	37.15%	15.23%	21.92%
7. Operating Revenues/Number of Employees (NT\$ thousands)	\$7,207.90	\$7,108.51	\$99.40
8. Net Income/Number of Employees (NT\$ thousands)	\$7,310.98	\$2,653.28	\$4,657.70

#### Operating Revenues & Net Income Unit : NTD 0.1 billion



#### ROE & ROA







# 3

## CORPORATE GOVERNANCE REPORT

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### 3.1 Corporate Organization

#### 3.1.1 Organization Chart

As of 4/30/2018



### 3.1.2 Function of Each Division

Division	Function
<b>Board of Directors</b>	
Compensation Committee	Regulate and periodically review the policies, regulations, systems, standards and structures of performance appraisal and salary remuneration of the directors, supervisors and managers, and assess and regulate salary compensation of the directors, supervisors and managers on a regular basis.
Auditing Committee	Assist the Board and supervise the implementation of the operations of the company in accordance with the Company Act and the Securities and Exchange Act.
Secretariat to the Board of Directors	Organize and implement contacts in pertinent to the general shareholders meetings, board meetings, auditing committee, and investment management committee.
Audit Division	Ensure the effectiveness of internal control system, strengthen corporate governance, and set up corporate risk assessment and risk management mechanism.
Ethical Corporate Management Practice Team	Auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating
<b>Secretariat to the chairman of the Board</b>	Assist Chairman to fulfill the responsibilities listed in Corporate Law, and contact the Secretary of the Board to convene board meetings regularly to discuss the company's major motions and strategies in order to implement the Board's resolution and be accountable to all shareholders.
<b>President's Office</b>	
Corporate Resources Integration Group	Undertake national and international investments, merger & acquisition, joint ventures (including international law affairs) projects, and follow up the necessary asset management, business integration and capital market operation.
Strategic Marketing Group	Management of market and product information, CSR, operational analysis, market survey, consumer behavior analysis, promotion, advertising planning project and customer service.
Corporate Planning Group	In charge of strategy development, business process reengineering, and employee training.
Information Division	Planning, promotion, and management of information technology.
Secretariat Office	Secretarial services to the president; liaison to affiliates.
Food Safety Center	Plan and manage the food safety of the entire company.
Privacy & Data Protection Management Center	Plan and manage the privacy & data protection of the entire company.
Food Safety Audit Team	Responsible for conducting food safety audits of suppliers, production factories, contract manufacturers, and affiliated companies
Production efficiency Team	Be responsible for establishing productive efficiency mechanisms, and developing plan for rationalizing production costs and improvement of performance efficiency.
CSR Committee	Preview, monitor and promote the CSR activities
Food Service Team	Responsible for all food service channels
<b>New Business Development Division</b>	Plan and develop the strategic and potential products.
<b>Industrial Safety Office</b>	Plan and manage the safety and health of the entire company.
<b>Central R&amp;D Institute</b>	
ODM Team	Planning and developing B to B dairy, beverage and bioscience OEM products.



Division	Function
Technology R&D Division	<ol style="list-style-type: none"> <li>1. Set up company's new packaging specifications, and adjust production packaging strength and suitability.</li> <li>2. Spices and additives development and application.</li> <li>3. Analysis of technology development and application (health food certification components stability, adulteration analysis).</li> <li>4. Regulatory research, labeling integration and intellectual property management.</li> </ol>
Dairy, Tea, Beverage, Noodle, Prepared Foods and Baking R&D Division	Products planning development and research management.
Nutrition and Healthcare center	<ol style="list-style-type: none"> <li>1. Formulate company's nutrition policy.</li> <li>2. Develop nutrition and health product development.</li> <li>3. Research on extraction technology and functions of various functional components of food.</li> </ol>
<b>Technical Group</b>	
Technology Planning Division	In charge of the production technology at each production site including the tasks of planning, counseling, auditing, functional management and e-applications.
Yungkang, Shinshih, Taichung, Yangmei, Jungli and Hukou Main Plants	Arrange production schedule, control production engineering, improve production process, and maintain safety and health during production.
Engineering Division	Design the production lines and equipment; maintain the electrical, plumbing, and machinery operation.
PL Business Development Division	Private label product development and production
OEM & ODM Management Team	OEM plant inspection and management
Environmental Protection Team	Develop environmental protection policies, risk management and pollution prevention management
<b>Provisions Group</b>	
Flour Division	Flour product development, production, marketing and sales.
Aquatic Business Division	Aquatic feed development, marketing and sales.
Animal Feed Division	Animal feed Development, production, marketing and sales.
Animal Production Technical Division	Develop livestock formula and technology; provide counseling to manage farm.
Foodstuff Division	Foodstuff import, processing, marketing and sales.
Aquatic Feeds Technology and Raw Materials Purchasing	Coordinate and integrate R&D, sales for raw material of aquatic feeds.
<b>Logistic Group</b>	
Cha-Nan, Kaohsiung, Taichung, and Taipei Sales Division	Management of ordinary channels, product promotion, communication coordination and service.
Key Account Division	Manage key account, product promotion, and communication/coordination.
Channel Planning Service Division	Manage and expand retail channels; provide full coverage service to retailers.
Logistics Division	Distribution of all normal-temperature products.
Channel Marketing Team	Plan and execute BTL activities such as giving free product tryout/sampling, exhibiting product layout and conducting market research.
Logistics Development Team	Construct new dealers, manage general channels, market & sell products, and communicate and negotiate with clients.
Project Channel Marketing Team	The headquartered logistical project team is a phase/task/goal-oriented organization specially formed to market product regionally and explore new business channels.
<b>Instant Food Group</b>	
Instant Noodle Division	Instant noodle development, production, marketing and sales.
Edible Oil Division	Oil product development, production, marketing and sales.

Division	Function
<b>General Foods Group</b>	
Frozen Prepared Foods Division	Frozen food development, production, marketing and sales.
Meat Division	Meat product development, production, marketing and sales.
Ice Cream Division	Ice cream development, production, marketing and sales.
International Division	International markets development and operation.
Sauce & Seasoning Division	Soy sauce and seasoning development, production, marketing and sales.
<b>Dairy &amp; Beverage Group</b>	
Dairy Product Division	Dairy product development, production, marketing and sales.
Tea Beverage Division	Tea beverage development, production, marketing and sales.
Water Business Division	Battled water product development, production, marketing and sales.
Beverage Division	Beverage development, production, marketing and sales.
Coffee Division	Coffee drink development, production, marketing and sales.
KA & Chilled General Channel Team	Manage Chilled dairy food channel, product promotion, and communication/ coordination.
Ambient General Channel Team	Manage ambient dairy food channel, product promotion, and communication/ coordination.
Agency Team	Agency product development, production, marketing and sales.
<b>Baking Business Group</b>	
Bread Division	Bread product development, production, marketing and sales.
Fresh Bakery Team	Fresh Bakery
PL Baking Business Team	OEM baking product development, production, marketing and sales.
Cake Division	Cake product food development, production, marketing and sales.
Frozen Paste Division	Frozen paste product development, production, marketing and sales.
<b>Finance Group</b>	
Finance Division	Fund planning and dispatch.
Treasury Division	Undertake financing planning for the companies, subsidiaries and affiliates; derivatives development; hedging for interest and foreign exchanges; establishment of institutional investor relations.
<b>Accounting Group</b>	
Accounting Division	Accounting, taxes, property management, cost calculation and financial information providing.
Financial Planning Division	Investment and budget planning; investment management and counseling, and establishment of investor relations.
<b>Management Group</b>	
Purchasing Division	Purchasing, planning, cost forecasting, inventory management and control.
Human Resources Division	Recruiting, hiring, training, and development of our human forces.
Administrative Service Division	Management of daily affairs and entrance guard.
Legal Affairs Office	Dealing with the issues of litigation incidents and legal affairs.
Hukou Park Management Center	Factory planning, introduction, using and management in Hukou Park.
<b>Taipei Branch</b>	
Taipei Management Division	Management of human resources, administrative affairs and entry guard in Taipei office.
Public Relation Office	In charge of public relations and internet service matters.
	In charge of internal communication, resource integration, and tasks supervision in Taichung office, and external consumer satisfaction and public relationship in Taichung city.
<b>Taichung Branch</b>	

## 3.2 Directors', Supervisors' and Managers' Information

### 3.2.1 Directors and Supervisors

#### A. Information Regarding Directors (I)

Title	Nationality	Name	Gender	Date Elected	Term (Yr.)	Date (First Elected)	Shareholding when Elected	
							Shares	%
Director and Institutional Shareholder	Taiwan, R.O.C.	Kao Chyuan Inv. Co., Ltd.	-	2016.06.22	3	1987.4.25	266,466,536	4.69
Chairman (Representative)	Taiwan, R.O.C.	Chih-Hsien Lo (Note 2)	M	2016.06.22	3	2007.6.28	4,059,095	0.07
Director (Representative)	Taiwan, R.O.C.	Shiow-Ling Kao (Note 2)	F	2016.06.22	3	2013.06.25	93,182,918	1.64
Director (Representative)	Taiwan, R.O.C.	Jui-Tang, Chen	M	2016.06.22	3	2016.04.06	6,056	0.00
Director and Institutional Shareholder	Taiwan, R.O.C.	Taipo Investment Corp.	-	2016.06.22	3	1986.8.15	30,582,348	0.54
Director (Representative)	Taiwan, R.O.C.	Ping-Chih Wu (Note 4)	M	2016.06.22	3	1992.6.1	44,207,532	0.78
Director and Institutional Shareholder	Taiwan, R.O.C.	Young Yun Inv. Co., Ltd.	-	2016.06.22	3	2004.6.25	7,374,628	0.13
Director (Representative)	Taiwan, R.O.C.	Chung-Ho Wu (Note 5)	M	2016.06.22	3	1999.6.1	36,772,086	0.65
Director and Institutional Shareholder	Taiwan, R.O.C.	Joyful Inv. Co., Ltd.	-	2016.06.22	3	1986.6.1	24,305,030	0.43
Director (Representative)	Taiwan, R.O.C.	Li-Ling Cheng (Note 3)	F	2016.06.22	3	2017.08.22	341,491	0.01
Director	Taiwan, R.O.C.	Po-Ming Hou	M	2016.06.22	3	1992.6.1	147,751,414	2.60
Director	Taiwan, R.O.C.	Po-Yu Hou	M	2016.06.22	3	2010.6.23	128,917,063	2.27
Director	Taiwan, R.O.C.	Chang-Sheng Lin	M	2016.06.22	3	1980.6.1	49,916,266	0.88
Director	Taiwan, R.O.C.	Hsiu-Jen Liu	F	2016.06.22	3	1983.6.1	88,218,206	1.55
Independent Director	Taiwan, R.O.C.	Yun Lin	F	2016.06.22	3	2013.06.25	0	0.00
Independent Director	Taiwan, R.O.C.	Chao-Tang Yue	M	2016.06.22	3	2013.06.25	0	0.00
Independent Director	Taiwan, R.O.C.	Hong-Te Lu	M	2016.06.22	1	2015.06.26	0	0.00

Note 1 : Directors who have ever hold positions in the auditor's agency or its affiliated companies : None.

Note 2 : Representative of Kao Chyuan Inv. Co., Ltd.

Note 3 : Representative of Joyful Inv. Co., Ltd.

As of 12/31/2017

Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Education	Current Position with UPEC and Other Company	Managers, Directors and Supervisors are Spouse or within 2 Degrees of Consanguinity Each Other		
Shares	%	Shares	%	Shares	%			Title	Name	Relation
278,736,536	4.91	0	0.00	0	0.00	-	(Note 7)	NA	NA	NA
4,059,095	0.07	93,182,918	1.64	0	0.00	Executive Vice President and President of Uni-President Enterprises Corp. ; MBA, UCLA, USA	(Note 7)	Director	Shiow-Ling Kao	Spouse
93,182,918	1.64	4,059,095	0.07	0	0.00	Chairman of Kao Chyuan Inv. Co., Ltd.; Marymount College	(Note 7)	Chairman & CEO	Chih-Hsien Lo	Spouse
6,056	0.00	0	0.00	0	0.00	Chairman of President Drugstore Business Corp. and Senior Vice President of President Chain Store Corp. ; BA, Dept. of Economics, National Taiwan University	(Note 7)	NA	NA	NA
30,582,348	0.54	0	0.00	0	0.00	-	(Note 7)	NA	NA	NA
44,207,532	0.78	3,191,480	0.06	0	0.00	Director of General Bank and President Baking Company INC. ; MS of Chemical Engineering and MS of Industrial Management, U.S.C., USA	(Note 7)	NA	NA	NA
7,372,628	0.13	0	0.00	0	0.00	-	(Note 7)	NA	NA	NA
36,672,086	0.65	117,760	0.00	0	0.00	Supervisor of Grand Bills Finance Corp. ; Chemistry, Fu Jen Catholic University	(Note 7)	NA	NA	NA
24,305,030	0.43	0	0.00	0	0.00	-	(Note 7)	NA	NA	NA
341,491	0.01	0	0.00	0	0.00	BS, Dept. of Agriculture Economics, National Taiwan University	(Note 7)	NA	NA	NA
147,751,414	2.60	0	0.00	24,188	0.00	C.E.O and Vice Chairman of Tainan Spinning Co., Ltd. ; Tourism management, Chinese Culture Univ.	(Note 7)	Director	Po-Yu Hou	Brother
128,917,063	2.27	0	0.00	0	0.00	Managing Director of Tainan Spinning Co., Ltd.; Department of Radio, Television and Film, Shih Hsin Univ.	Director of Tainan Spinning Co., Ltd.	Director	Po-Ming Hou	Brother
49,916,266	0.88	3,100,499	0.05	0	0.00	C.E.O and President of Uni-President Enterprises Corp. ; Electrical Engineering, Nat'l Cheng Kung Univ.	NA	NA	NA	NA
45,218,206	0.80	0	0.00	0	0.00	Chairman of So An Co., Ltd and Ping Zech Corp.; Honorary Ph. D. of Lincoln Univ., U.S.A.	NA	NA	NA	NA
0	0.00	0	0.00	0	0.00	(Note 6)	(Note 7)	NA	NA	NA
0	0.00	0	0.00	0	0.00	(Note 6)	(Note 7)	NA	NA	NA
0	0.00	0	0.00	0	0.00	(Note 6)	(Note 7)	NA	NA	NA

Note 4 : Representative of Taipo Investment Corp.

Note 5 : Representative of Young Yun Inv. Co., Ltd.

Note 6 : Education& Experience of Independent Directors

Name	Education& Experience
Yun Lin	<p>Experience : Managing Director, Hua Nan Commercial Bank, Ltd.; Director, Hua Nan Financial Holdings Co., Ltd; Director, Taiwan Power Company; Director, Securities and Futures Investors Protection Center; Managing Supervisor, Public Television Service Foundation; Commissioner, the Security Listing Review Committee of Taiwan Stock Exchange Corporation; Chairman of Finance Dept., National Taiwan University;</p> <p>Education : Ph.D., University of Illinois, Urbana-Champaign, USA</p>
Chao-Tang Yue	<p>Experience : President, Ernst &amp; Young Accounting Firm ; Director, Taiwan Corporate Governance Association</p> <p>Education : EMBA, China Europe International Business School; Master, Dept. of Accounting, National Cheng-Chi University</p>
Hong-Te Lu	<p>Experience : Director of Center for Global Taiwanese Business Studies, chief secretary of secretariat, Instructor, Associate Professor, Professor, Dept. of Business Administration, Chung Yuan Christian University; Teacher Chang for Taiwanese Businessmen , Mainland Affairs Council</p> <p>Education : Ph.D., National Taiwan University College of Management</p>

Note 7 : Current position with other company

Name	Current Position with Other Company
Kao Chyuan Inv. Co., Ltd.	<p>Managing Director : Grand Bills Finance Corp.</p> <p>Director : Uni-President Enterprises corp., Ton Yi Industrial Corp., President Chain Store Corp., President International Development Corp., Scino Pharm Taiwan Ltd., Prince Housing &amp; Development Corp.</p>
Chih-Hsien Lo	<p>Chairman : Uni-President Enterprises corp., President Chain Store Corp., President Natural Industrial Corp., Ton Yi Industrial Corp., TTET Union Corp., Prince Housing &amp; Development Corp., Don-Fung Corp., Cheng-Shi Investment Holding Co., Time Square International Co., Ltd., Prince Property Management Consulting Co., Prince Real Estate Co., Ltd., Kai Yu Investment Co., President Packaging Corp., President International Development Corp., President Property Corporation, Tong Yu Investment Corp., Scino Pharm Taiwan Ltd., Uni-President Cold Chain Corp., Presco Netmarketing Inc., Uni-President Dream Parks Corp., Uni-OAO Travel Service Corp., Kai Nan Investment Co., Ltd., President Century Corp., Ltd., Changjiagang President Nisshin Food Co., Ltd., Uni-President (Vietnam) Co., Ltd., Uni-President (Thailand) Ltd., Uni-President (Philippines) Corp., Uni-President China Holdings Ltd. (Cayman), President Enterprises (China) Investment Co., Ltd., Tong Ren Corp.</p> <p>Vice Chairman : President Nisshin Corp.</p> <p>Director : President Baseball Team Corp., Nanlien International Corp., Tone Sang Construction Corp., Retail Support International Corp., Presicarre Corp., President Fair Development Corp., President Starbucks Coffee Corp., Uni-President Organics Corp., PK Venture Capital Corp., Uni-President Glass Industrial Co., Ltd., Kuang Chuan Dairy Co., Ltd., Kuang Chuan Foods Co., Ltd., Uni-President Development Corp., Tait Marketing &amp; Distribution Co., Ltd., Weilih Food Corp., Keng Ting Enterprises Co., Ltd., Prince Property Management Consulting Co., Kao Chyuan Inv. Corp., PCS (BVI) Holdings Ltd., PCS (Labuan) Holdings Ltd., Cayman President Holdings Ltd., Kai Yu (BVI) Investment Co., Ltd., President Packing Holdings Ltd., Uni-President Southeast Asia Holdings Ltd., PT. ABC President Indonesia, President Energy</p>



Name	Current Position with Other Company
Chih-Hsien Lo	<p>Development (Cayman Islands) Ltd., Uni-President Asia Holdings Ltd., Uni-President International (HK) Co., Ltd., Champ Green Capital Limited, Champ Green (Shanghai) Consulting Co. Ltd., Guiyang President Enterprises Co., Ltd., President Enterprises (Shanghai) Co., Ltd., Taizhou President Enterprises Co., Ltd., Fuzhou President Enterprises Co., Ltd., Hefei President Enterprises Co., Ltd., Ningxia President Enterprises Co., Ltd., Xuzhou President Enterprises Co., Ltd., Hangzhou President Enterprises Co., Ltd., Jinan President Enterprises Co., Ltd., Guangzhou President Enterprises Co., Ltd., Hainan President Enterprises Co., Ltd., Nanchang President Enterprises Co., Ltd., Nanning President Enterprises Co., Ltd., Zhanjiang President Enterprises Co., Ltd., Changsha President Enterprises Co., Ltd., Zhenzhou President Enterprises Co., Ltd., Chongqing President Enterprises Co., Ltd., Jiangsu President Enterprises Co., Ltd., Hunan President Enterprises Co., Ltd., Uni-President Enterprises (Tianjin) Co., Ltd., Shanxi President Enterprises Co., Ltd., Shenyang President Enterprises Co., Ltd., Changchun President Enterprises Co., Ltd., Shaanxi President Enterprises Co., Ltd., Henan President Enterprises Co., Ltd., Baiyin President Enterprises Co., Ltd., Akesu President Enterprises Co., Ltd., Shijiazhuang President Enterprises Co., Ltd., Harbin President Enterprises Co., Ltd., President Enterprises (Inner Mongolia) Co., Ltd., Xinjiang President Enterprises Food Co., Ltd., Wuhan President Enterprises Food Co., Ltd., Chengdu President Enterprises Food Co., Ltd., Kunming President Enterprises Food Co., Ltd., Kunshan President Enterprises Food Co., Ltd., Bama President Mineral Water Co., Ltd., Wuyuan President Enterprises Mineral Water Co., Ltd., Wuxue Uni Mineral Water Co., Ltd., Changbaishan Mountain President Enterprises (Jilin) Mineral Water Co., Ltd., President (Kunshan) Trading Co.,Ltd., Uni-President Trading (Hubei) Co., Ltd., President (Shanghai) Trading Co., Ltd.,Uni-Preodent Enterprises (Kunshan) Food Technology Co., Ltd., Beijing President Enterprise Drink&amp;Food Co., Ltd., Beijing President Enterprises Drinks Co., Ltd.,Uni-President Enterprises (Shanghai) Drink &amp; Food Co., Ltd., Uni-President Enterprise (Hutubi) Tomato Products Technology Co., Ltd., Yantai Tongli Beverage Industries Co., Ltd.,President Enterprises (Kunshan) Real Estate Development Co., Ltd., Uni-President (Shanghai) Pearly Century Co., Ltd., Uni-President Shanghai Management Consulting Co., Ltd.</p> <p>President : Presco Netmarketing Inc.</p>
Shiow-Ling Kao	<p>Chairman : Kao Chyuan Inv. Corp., President Being Corp., President Fair Development Corp., Uni-President Department Store Corp. › President Pharmaceutical Corp., President Drugstore Business Corp., Afternoon Tea Taiwan Co., Ltd.</p> <p>Director : Uni-President Enterprises Corp., President Chain Store Corp., Ton Yi Industrial Corp., Scino Pharm Taiwan Ltd., President International Development Corp., Uni-President Development Corp., Prince Housing &amp;Development Corp., President Securities Corp., Time Square International Co., Ltd., President (Sanghai) Health Product Trading Company Ltd., President Starbucks Coffee Corp.</p> <p>President : Kao Chyuan Inv. Corp.</p>
Jui-Tang Chen	<p>Chairman : President Yilan Art and Culture Corp., President Transnet Corp., President Collect Services Co., Ltd., President Starbucks Coffee Corp., Retail Support International Corp., President Musashino Corp., Ren-Hui Investment Corp., President Chain Store (Shanghai) Ltd., Uni-President Superior Commissary Corp., President (Shanghai) Health Product Trading Company Ltd., President Chain Store (Zhejiang) Ltd.</p>

Name	Current Position with Other Company
Jui-Tang Chen	<p>Director : Uni-President Enterprises Corp., President Chain Store Corp., President Drugstore Business Corp., President Being Corp., President Pharmaceutical Corp., Uni-President Department Store Corp., 21 Century Enterprise Co., Ltd., Wisdom Distribution Service Corp., Uni-President Cold-Chain Corp., President Development Corp., President International Development Corp., Philippine Seven Corp., Shan Dong President Yinzuo Commercial Limited, President Chain Store (BVI) Holdings Ltd., PCSC (China) Drugstore Limited, President Chain Store (Labuan) Holdings Ltd., President Chain Store (Hong Kong) Holdings Limited, Uni-President Logistics (BVI) Holdings Limited., Nanlien International Corp., President Fair Development Corp.</p> <p>President : President Chain Store Corp., Ren-Hui Investment Corp.</p>
Taipo Investment Corp.	<p>Director : Uni-President Enterprises Corp., Tainan Spinning Co., Ltd., Prince Housing Development Corp., President Pharmaceutical Corp., Ton Yi Pharmaceutical Corp.</p>
Ping-Chih Wu	<p>Director : Uni-President Enterprises Corp., Kung Ching International Development Co. Ltd., Prince Housing Development Corp., President Pharmaceutical Corp., Ton Yi Pharmaceutical Corp., President Global Corp., Ameripecc Inc.</p> <p>President : President Global Corp., Ameripecc Inc.</p>
Young Yun Inv. Co., Ltd.	<p>Director : Uni-President Enterprises Corp., Tainan Spinning Co., Ltd., Prince Housing Development Corp., Nantex Industry Co., Ltd., Grand Bills Finance Corp.</p>
Chung-Ho Wu	<p>Chairman : San Shing Spinning Co., Ltd.</p> <p>Director : Uni-President Enterprises Corp., Tainan Spinning Co., Ltd., Prince Housing Development Corp., Nantex Industry Co., Ltd., Grand Bills Finance Corp., President Pharmaceutical Corp., President International Development Corp., Kung Ching International Development Co. Ltd., Southern Taiwan University of Tech.</p> <p>Supervisor : Nanmat Technology Co., Ltd.</p> <p>President : San Shing Spinning Co., Ltd.</p>
Joyful Inv. Co., Ltd.	<p>Director : Uni-President Enterprises Corp., Tainan Spinning Co., Ltd., Nantex Industry Co., Ltd., Prince Housing Development Corp., Konten Networks Inc., Grand Bills Finance Corp.,</p>
Li-Ling Cheng	<p>Chairman : Joyful Inv. Co., Ltd., Lillian Investment Co., Ltd., CKH Social Welfare Foundation.</p> <p>Managing Director : Nantex Industry Co., Ltd.</p> <p>Director : Tainan Spinning Co., Ltd., Nan Fan Housing Development Co., Ltd., Prince Housing Development Corp., Prince Corp., Prince Real Estate Co., Ltd., Prince Property Management Consulting Co., Time Square International Co., Ltd., Uni-President Asset Management Corporation, Nanmat Technology Co., Ltd., Jun Dow Co., Ltd., eten Technologies Inc., Konten Networks Inc., Tainan Spinning Cultural &amp; Educational Foundation °</p> <p>Supervisor : Shin Lin Investment Co., Ltd.</p>
Po-Ming Hou	<p>Chairman : Tainan Spinning Co., Ltd., Nan Fan Housing Development Co., Ltd., Tainan Spinning Retail &amp; Distribution Co., Ltd.</p> <p>Managing Director : Nantex Industry Co., Ltd.</p> <p>Director : Uni-President Enterprises Corp., Prince Housing Development Corp., Scino Pharm Taiwan Ltd., President International Development Corp., President Entertainment Corp., Qware System &amp; Services Corp.</p>
Yun Lin	<p>Independent Director (the remuneration committee chairman), Uni-President Enterprises Corp.; Director, Hua Nan Commercial Bank, Ltd.; Independent Director, Microelectronics Technology Inc.; Supervisor, The Eslite Spectrum Corporation; Supervisor, Chinese television System; Adjunct Professor, Dept. of Finance, National Taiwan University.; Professor, Dept. of Business Administration, Shih- Hsin University</p>

Name	Current Position with Other Company
Chao-Tang Yue	Independent Director & the audit committee chairman, Uni-President Enterprises Corp.; President, Tien-Yeh Accounting Firm; Director, Tien-Yeh Consulting Limited; Independent Director & the audit committee chairman, O-Bank; Independent Director, Johnson Health Tech. Co., Ltd.; Independent Director, Feng Hsin Steel Co., Ltd; Supervisor, An-Shin Food Services Co., Ltd.; Supervisor, Depo Auto Parts Ind. Co., Ltd.; Supervisor, Great Eastern Resins Industrial Co., Ltd.; Supervisor, Century Development Corporation, Inc.; Adjunct Professor, National Chung Cheng Univ.; Visiting Professor, National Chung Hsing Univ.; Visiting Professor, Asia University
Hong-Te Lu	Independent Director, Uni-President Enterprises Corp. ; Professor, Dept. of Business Administration, Chung Yuan Christian University ; Independent Director, Lanner Electronics Inc.; Independent Director, Firich Enterprises Co., Ltd.; Consultant, Mainland Affairs Council, Taiwan Electrical and Electronic Manufacturers' Association; Consultant, Straits Exchange Foundation

## B. List of Major Shareholders of UPEC's Institutional Shareholders

As of 12/31/2017

UPEC's Institutional Shareholders	Major Shareholders of UPEC's Institutional Shareholders (Holding Percentage)
Kao Chyuan Inv. Co., Ltd.	Hsiu-Ling Kao (62.2%), Chih-Hsien Lo (20.71%), Han-Di Kao(5.70%), Tze-Yi Kao (5.26%), Shi-Ai Lo (5.16%) Chin-Yen Kao (0.97%)
Taipo Investments Corp.	Ping-Chih Wu (20.84%), Ping-Yuan Wu (20.84%), Chien-Te Wu (18.95%), Wei-Te Wu (18.95%), Su-Mei Huang (8.88%), Chao-Mei Wu Tseng (8.48%), Chang Ta Inv. Co., Ltd. (1.41%), Ching-Mei Wu (0.31%), Ju-Yu Chiang Wu (0.31%), Chuan Chiang Wu (0.31%)
Young Yun Inv. Co., Ltd.	Chung-Ho Wu (24.52%), Wu Chun Chieh Charity Foundation (24.65%), Man-Hui Wu (8.50%), Pao-Hui Wu (8.5%), Mei-Hsiang Chen (3.40%), Ai-Kuei Huang (13.84%)
Joyful Inv. Corp.	Chao-Yuan Chen (50.00%), Miaw-Yu Cheng Horng (24.50%), Li-Ling Chen (5.90%), Hung-I Chen (5.00%), Kuo-Bi Chen (3.50%), Huei-Yi Chen (3.50%), Bi-Huei Chen (3.50%), Pi-Ying Chen (3.00%), Kao-Huei Chen (0.50%), Yu-Cheng Chen (0.50%)

## C. List of Institutional Shareholders of the Major Shareholders

As of 12/31/2017

Institutional Shareholders	Major Shareholders of the Institutional Shareholders (Holding Percentage)
Chang Ta Inv. Co., Ltd.	Ping-Chih Wu (22.83%), Ping-Yuan Wu (22.83%), Wei-Te Wu (22.83%), Chien-Te Wu (22.83%), Chao-Mei Wu Tseng (1.11%), Shu-Nu Wu (1.11%), Su-Mei Huang (1.01%), Chonz-Hwei Honz (1.01%), Ching-Mei Wu (0.61%), Ju-Yu Chiang Wu (0.61%)
Wu Chun Chieh Charity Foundation	NA

**D. Information Regarding Directors (II)**

Terms Name	Five or More Years Experience or Professional Qualification			Criteria (Note 1)										Number of Companies Also Serves as Independent Director for
	Lecturer or above in Business, Law, Finance, Accounting or Corporate Business Related Fields	Qualification of Justice, Procurator, Attorney, CPA, Specialist or technician of National Examination in Corporate Business Related Fields	Experience in Business, Law, Finance, Accounting, or Corporate Business Related Fields	1	2	3	4	5	6	7	8	9	10	
Chih-Hsien Lo (Representative of Kao Chyuan Inv. Co., Ltd.)			✓								✓	✓		0
Shiow-Ling Kao (Representative of Kao Chyuan Inv. Co., Ltd.)			✓	✓							✓	✓		0
Jui-Tang Chen (Representative of Kao Chyuan Inv. Co., Ltd.)			✓			✓					✓	✓	✓	0
Ping-Chih Wu (Representative of Taipo Investment Corp.)			✓				✓	✓			✓	✓	✓	0
Chung-Ho Wu (Representative of Young Yun Inv. Co., Ltd.)			✓	✓		✓	✓	✓			✓	✓	✓	0
Li-Ling Cheng (Representative of Joyful Inv. Co., Ltd.)			✓	✓		✓	✓	✓	✓		✓	✓	✓	0
Po-Ming Hou			✓	✓							✓	✓	✓	0
Po-Yu Hou			✓	✓							✓	✓	✓	0
Chang-Sheng Lin			✓				✓	✓			✓	✓	✓	0
Hsiu-Jen Liu			✓	✓			✓	✓			✓	✓	✓	0
Jun Lin	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1
Chao-Tang Yue	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	3
Hong-Te Lu	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	2

Note :

Directors or supervisors, during the two years before being elected or during the term of office, have been or be any of the following, please tick the appropriate corresponding boxes :

1. Not an employee of the company or any of its affiliates ;
2. Not a director or supervisor of the company or any of its affiliates. The same does not apply, however, in cases where the person is an independent director of the company, its parent company or any subsidiary in which the company holds, directly or indirectly, more than 50% of the voting shares ;
3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of issued shares of the company or ranking in the top10 in holdings ;
4. Not a spouse, relative within the second degree of kinship, or lineal relative within the fifth degree of kinship, of any of the persons in the preceding three subparagraphs ;
5. Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the company or that holds shares ranking in the top five in holdings ;
6. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the company
7. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliated of the company, or a spouse thereof ;
8. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the company ;
9. Not been a person of any conditions defined in Article30 of the Company Law ; and
10. Not a governmental, juridical person or its representative as defined in Article27 of the Company Law.

### 3.2.2 Information of Management Team

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding	
					Shares	%	Shares	%
Group Chief Strategy Officer	Taiwan, R.O.C.	Chih-Hsien Lo	Male	2007.06.28	4,059,095	0.07	93,182,918	1.64
President	Taiwan, R.O.C.	Jung-Lung Hou	Male	2016.06.22	0	0.00	0	0.00
Senior Vice President	Taiwan, R.O.C.	Wen-Lung Yang	Male	2005.01.01	0	0.00	0	0.00
Senior Vice President	Taiwan, R.O.C.	Chien-Li Yin	Male	2008.05.01	0	0.00	263,285	0.00
Senior Vice President	Taiwan, R.O.C.	Tsung-Ming Su	Male	2008.05.01	0	0.00	0	0.00
Senior Vice President	Taiwan, R.O.C.	Chung-Sung Wu	Male	2011.07.01	0	0.00	0	0.00
Senior Vice President	Taiwan, R.O.C.	Jau-Kai Hwang	Male	2011.07.01	0	0.00	0	0.00
Senior Vice President	Taiwan, R.O.C.	Liang-Feng Wu	Male	2013.09.01	319	0.00	1,982	0.00
Vice President	Taiwan, R.O.C.	Ying-Thung Yu	Male	2005.01.01	0	0.00	58,963	0.00
Vice President	Taiwan, R.O.C.	Jui-Sheng Wang	Male	2005.01.01	0	0.00	2,201	0.00
Vice President	Taiwan, R.O.C.	Tsung-Yi Liu	Male	2008.05.01	0	0.00	0	0.00
Vice President	Taiwan, R.O.C.	Chia-Chuan Wang	Male	2009.03.01	8,819	0.00	1,454	0.00
Vice President	Taiwan, R.O.C.	Fu-Jung La	Male	2010.05.01	0	0.00	0	0.00
Vice President	Taiwan, R.O.C.	Chia-Ming Chai	Female	2011.07.01	0	0.00	0	0.00
Director of Accounting Group & Vice President	Taiwan, R.O.C.	Tsung-Pin Wu	Male	2013.08.16	0	0.00	2,374	0.00
Vice President	Taiwan, R.O.C.	Chih-Ming Hsu	Male	2014.04.15	0	0.00	0	0.00
Vice President	Taiwan, R.O.C.	Kun-Lin Wu	Male	2017.04.01	2,388	0.00	0	0.00
Director of Finance Group & Vice President	Taiwan, R.O.C.	Kuo-Hui Chen	Male	2017.07.01	0	0.00	0	0.00

Note 1: Managers who have ever hold positions in the auditor's agency or its affiliated companies : None.

As of 12/31/ 2017

Shareholding by Nominee Arrangement (Note 1)		Education & Experience (Note2)	Current Position with Other Company	Managers are Spouse or within 2 Degrees of Consanguinity Each Other		
Shares	%			Title	Name	Relation
0	0.00	Executive Vice President of Uni-President Enterprises Corp. ; MBA, UCLA, U.S.A.	(Note2)	NA	NA	NA
0	0.00	EMBA, Tsinghua Univ., Beijing	(Note2)	NA	NA	NA
0	0.00	BA in Sociology, Nat'l Chung Hsing Univ., R.O.C.	(Note2)	NA	NA	NA
0	0.00	BBA in Accounting, Nat'l Chung Hsing Univ., R.O.C.	(Note2)	NA	NA	NA
0	0.00	MBA, Iowa State Univ., U.S.A.	(Note2)	NA	NA	NA
0	0.00	MBA, Oklahoma State Univ., U.S.A.	(Note2)	NA	NA	NA
0	0.00	Associate Degree in Accounting, Shih Chien College, R.O.C.	(Note2)	NA	NA	NA
0	0.00	BA in Japanese, Tamkang Univ., R.O.C.	(Note2)	NA	NA	NA
0	0.00	BBA in Business Administration, Tamkang Univ., R.O.C.	(Note2)	NA	NA	NA
0	0.00	BBA in Business Administration, Soochow Univ., R.O.C.	(Note2)	NA	NA	NA
0	0.00	MBA, National Taiwan Univ., R.O.C.	(Note2)	NA	NA	NA
0	0.00	Associate Degree in Veterinary Medicine, National Pingtung Institute of Agriculture, R.O.C.	(Note2)	NA	NA	NA
0	0.00	MBA, Kun Shan Univ., R.O.C.	NA	NA	NA	NA
0	0.00	L.L.M., University of Washington, U.S.A.	(Note2)	NA	NA	NA
0	0.00	BBA in Accounting, Chung Yuan Christian Univ., R.O.C.	(Note2)	NA	NA	NA
0	0.00	Ph.D., Institute of China and Asia-Pacific Studies, National Sun Yat-Sen Univ., R.O.C.	NA	NA	NA	NA
0	0.00	BBA, Nat'l Cheng Kung Univ., R.O.C.	(Note2)	NA	NA	NA
0	0.00	MBA, Univ. of Strathclyde, UK	(Note2)	NA	NA	NA



Note 2: Current position with other company

Name	Current Position with Other Company
Chih-Hsien Lo	<p>Chairman : Uni-President Enterprises corp., President Chain Store Corp., President Natural Industrial Corp., Ton Yi Industrial Corp., TTET Union Corp., Prince Housing &amp; Development Corp., Don-Fung Corp., Cheng-Shi Investment Holding Co., Time Square International Co., Ltd., Prince Property Management Consulting Co., Prince Real Estate Co., Ltd., Kai Yu Investment Co., President Packaging Corp., President International Development Corp., President Property Corporation, Tong Yu Investment Corp., Scino Pharm Taiwan Ltd., Uni-President Cold Chain Corp., Presco Netmarketing Inc., Uni-President Dream Parks Corp., Uni-OAO Travel Service Corp., Kai Nan Investment Co., Ltd., President Century Corp., Ltd., Changjiagang President Nisshin Food Co., Ltd., Uni-President (Vietnam) Co., Ltd., Uni-President (Thailand) Ltd., Uni-President (Philippines) Corp., Uni-President China Holdings Ltd. (Cayman), President Enterprises (China) Investment Co., Ltd., Tong Ren Corp.</p> <p>Vice Chairman : President Nisshin Corp.</p> <p>Director : President Baseball Team Corp., Nanlien International Corp., Tone Sang Construction Corp., Retail Support International Corp., Presicarre Corp., President Fair Development Corp., President Starbucks Coffee Corp., Uni-President Organics Corp., PK Venture Capital Corp., Uni-President Glass Industrial Co., Ltd., Kuang Chuan Dairy Co., Ltd., Kuang Chuan Foods Co., Ltd., Uni-President Development Corp., Tait Marketing &amp; Distribution Co., Ltd., Weilih Food Corp., Keng Ting Enterprises Co., Ltd., Prince Property Management Consulting Co., Kao Chyuan Inv. Corp., PCS (BVI) Holdings Ltd., PCS (Labuan) Holdings Ltd., Cayman President Holdings Ltd., Kai Yu (BVI) Investment Co., Ltd., President Packing Holdings Ltd., Uni-President Southeast Asia Holdings Ltd., PT. ABC President Indonesia, President Energy Development (Cayman Islands) Ltd. , Uni-President Asia Holdings Ltd., Uni-President International (HK) Co., Ltd., Champ Green Capital Limited, Champ Green (Shanghai) Consulting Co. Ltd., Guiyang President Enterprises Co., Ltd. , President Enterprises (Shanghai) Co., Ltd., Taizhou President Enterprises Co., Ltd., Fuzhou President Enterprises Co., Ltd., Hefei President Enterprises Co., Ltd., Ningxia President Enterprises Co., Ltd., Xuzhou President Enterprises Co., Ltd., Hangzhou President Enterprises Co., Ltd., Jinan President Enterprises Co., Ltd., Guangzhou President Enterprises Co., Ltd., Hainan President Enterprises Co., Ltd., Nanchang President Enterprises Co., Ltd., Nanning President Enterprises Co., Ltd., Zhanjiang President Enterprises Co., Ltd., Changsha President Enterprises Co., Ltd., Zhenzhou President Enterprises Co., Ltd., Chongqing President Enterprises Co., Ltd., Jiangsu President Enterprises Co., Ltd., Hunan President Enterprises Co., Ltd., Uni-President Enterprises (Tianjin) Co., Ltd., Shanxi President Enterprises Co., Ltd., Shenyang President Enterprises Co., Ltd., Changchun President Enterprises Co., Ltd., Shaanxi President Enterprises Co., Ltd., Henan President Enterprises Co., Ltd., Baiyin President Enterprises Co., Ltd., Akesu President Enterprises Co., Ltd., Shijiazhuang President Enterprises Co., Ltd., Harbin President Enterprises Co., Ltd., President Enterprises (Inner Mongolia) Co., Ltd., Xinjiang President Enterprises Food Co., Ltd., Wuhan President Enterprises Food Co., Ltd., Chengdu President Enterprises Food Co., Ltd., Kunming President Enterprises Food Co., Ltd., Kunshan President Enterprises Food Co., Ltd., Bama President Mineral Water Co., Ltd., Wuyuan President Enterprises Mineral Water Co., Ltd., Wuxue Uni Mineral Water Co., Ltd., Changbaishan Mountain President Enterprises (Jilin) Mineral Water Co., Ltd., President (Kunshan) Trading Co.,Ltd., Uni-President Trading (Hubei) Co., Ltd., President (Shanghai) Trading Co., Ltd.,</p>



Name	Current Position with Other Company
	<p>Uni-Presodent Enterprises (Kunshan) Food Technology Co., Ltd., Beijing President Enterprise Drink&amp;Food Co., Ltd., Beijing President Enterprises Drinks Co., Ltd., Uni-President Enterprises (Shanghai) Drink &amp; Food Co., Ltd., Uni-President Enterprise (Hutubi) Tomato Products Technology Co., Ltd., Yantai Tongli Beverage Industries Co., Ltd., President Enterprises (Kunshan) Real Estate Development Co., Ltd., Uni-President (Shanghai) Pearly Century Co., Ltd., Uni-President Shanghai Management Consulting Co., Ltd.</p> <p>President : Presco Netmarketing Inc.</p>
<b>Jung-Lung Hou</b>	<p>Chairman : Hefei President Enterprises Co., Ltd., Beijing President Enterprises Drinks Co., Ltd., Guangzhou President Enterprises Co., Ltd., Uni-President Enterprises (Shanghai) Management Consulting Co., Ltd., Fuzhou President Enterprises Co., Ltd., Harbin President Enterprises Co., Ltd., Wuhan Zijiang President Enterprises Co., Ltd., Kunshan President Enterprises Food Co., Ltd., Kunming President Enterprises Food Co., Ltd., Xinjiang President Enterprises Food Co., Ltd., Yichang Ziquan Beverage Industries Co., Ltd., Guilin Ziquan Beverage Industries Co., Ltd., Uni-President Trading (Kunshan) Co., Ltd., Uni-President Enterprises (Kunshan) Food Technology Co., Ltd., President Enterprises (Kunshan) Real Estate Development Co., Ltd., Uni-President Shanghai Pearly Century Co., Ltd.</p> <p>Director : President International Development Corp., Tong Ren Corp Limited., Taizhou President Enterprises Co., Ltd., Hangzhou President Enterprises Co., Ltd., Ningxia President Enterprises Co., Ltd., Uni-President Enterprise (Hutubi) Tomato Products Technology Co., Ltd., Jinan President Enterprises Co., Ltd., Nanning President Enterprises Co., Ltd., Zhanjiang President Enterprises Co., Ltd., Chongqing President Enterprises Co., Ltd., Shanxi President Enterprises Co., Ltd., Changchun President Enterprises Co., Ltd., Baiyin President Enterprises Co., Ltd., Shaanxi President Enterprises Co., Ltd., President Enterprises (Inner Mongolia) Co., Ltd., Shijiazhuang President Enterprises Co., Ltd., Bama President Mineral Water Co., Ltd., Wuxue Uni Mineral Water Co., Ltd., Changbaishan Mountain President Enterprises (Jilin) Mineral Water Co., Ltd., Yantai Tongli Beverage Industries Co., Ltd., Beijing President Enterprise Drink&amp;Food Co., Ltd., Uni-President Enterprises (China) Investment Co., Ltd.</p>
<b>Wen-Lung Yang</b>	<p>Chairman : Tung Chu Enterprises Corp., Uni-President Vendor Corp., President Global Corp., PT. ABC President Enterprises Indonesia</p> <p>Director : President Chain Store Corp., Tung-Xiang Corp., Uni-President Marketing Co., Ltd. , PT. ABC President Indonesia</p>
<b>Chien-Li Yin</b>	<p>Chairman : Uni-President Glass Industrial Co., Ltd., Ton Yi Pharmaceutical Corp.</p> <p>Director : President Entertainment Corp., Tone Sang Construction Corp., President Nisshin Corp., Kai Yu Investment Co., Ltd., Tung Ho Development Corp., Grand Bills Finance Corp., President Century Corp., President International Development Corp., President Tokyo Corp., President Tokyo Auto Leasing Corp., Uni-President Tc-Lease(Cayman) Corporation, Uni-President Organics Corp., Kai Nan Investment Co., Ltd., Uni-President International (HK) Co., Ltd., President Packaging Holdings Ltd., Tong-Sheng (Suzhou) Car Rental Co., Ltd.</p> <p>Supervisor : Nanlien International Corp. , President Natural Industrial Corp., President Packaging Corp., Uni-President Dream Parks Corp., Uni-OAO Travel Service Corp., Uni-President Vendor Corp., Ming Da Enterprises Co., Ltd., President Life Sciences Co., Ltd., President Assets Management Co., Ltd., Kunshan President Kikkoman Biotechnology Co., Ltd.</p>

Name	Current Position with Other Company
<b>Tsung-Ming Su</b>	<p>Chairman : Uni-President Development Corp., President Life Sciences Co., Ltd., AndroSciences Corp.</p> <p>Director : President Chain Store Corp., Kai Yu Investment Co., Ltd., Grand Bills Finance Corp., President Fair Development Corp., Scino Pharm Taiwan Inc., President Tokyo Corp., President Tokyo Auto Leasing Corp., Uni-President Tc-Lease(Cayman) Corporation , Kai Nan Investment Co., Ltd., President International Development Corp., Tong Yu Investment Corp., CDIB &amp; Partners Investment Holding Corp., President Property Corporation, Uni-President China Holdings Ltd., Uni-President Hong Kong Holdings Limited, Xiang Lu Industrial Ltd., Tanvex Biologics, Inc., President Life Sciences Cayman Co., Ltd., President (BVI) International Investment Holdings Ltd., President Energy Development (Cayman Islands) Ltd., Tong- Sheng (Suzhou) Car Rental Co., Ltd.</p> <p>Independent Director : Senao International Co., Ltd.</p> <p>Supervisor : Presco Netmarketing Inc., Presicarre Corp., President Enterprises (China) Investment Co., Ltd.</p> <p>President : President International Development Corp., President Life Sciences Co., Ltd., President Property Corporation</p>
<b>Chung-Sung Wu</b>	<p>Chairman : Uni-President Organics Corp.</p> <p>Director : President International Development Corp., Han Lin Publishing Co., Ltd.</p>
<b>Jau-Kai Hwang</b>	<p>Chairman : Tung Ang Enterprises Corp.</p> <p>Director : President Chain Store Corporation, Yi Industrial Corp., Mech-President Corp., Uni-President Cold Chain Corp., Tung-You International Corp., President Pharmaceutical Corp., Uni-President (Vietnam) Co., Ltd.</p>
<b>Liang-Feng Wu</b>	<p>Chairman : President Entertainment Corp., Master channels corporation, Tianjiang President Enterprises Food Co., Ltd., Zhongshan President Enterprises Co., Ltd., Qingdao President Feed &amp; Livestock Co., Ltd.</p> <p>Director : President Nisshin Corp., TTET Union Corp., Changjiagang President Nisshin Food Co., Ltd., Uni-President (Vietnam) Co., Ltd.</p> <p>President : Changjiagang President Nisshin Food Co., President Entertainment Corp.</p>
<b>Ying-Thung Yu</b>	<p>Chairman : Wei Tung Corp., Chang Tung Enterprises Corp., Cheng-Fa Enterprises Corp., President Kikkoman Zhenji Foods Co., Ltd.</p>
<b>Jui-Sheng Wang</b>	<p>Chairman : Tung-You International Corp., Tung-Xiang Corp.</p> <p>Vice Chairman of : Kunshan President Kikkoman Biotechnology Co., Ltd., President Kikkoman Inc.</p> <p>Director : Ton Yi Industrial Corp., President Packaging Corp.</p>
<b>Tsung-Yi Liu</b>	<p>Director : President Securities Corp. , President International Development Corp., Presco Netmarketing Inc., Kuang Chuan Dairy Co., td., Kuang Chuan Foods Co., Ltd., Tait Marketing &amp; Distribution Co., Ltd., Yantai North Andre Juice Co., Ltd., United Advisor Venture Management Ltd., Shanghai Liuhe Shunfeng Dining Co., Ltd., Champ Green Capital limited., SMS Private Equity Fund Management Company Limited, Huasui Tomato Investment Company, SMS Capital Co., Ltd., SMS Partners Limited, SMS Investment Management Co., Ltd., Heilongjiang Wondersundairy Co., Ltd.</p> <p>Supervisor : Sanshui jianlibao Commerce Co., Ltd.</p> <p>President : Champ Green (Shanghai) Consulting Co. Ltd., SMS Capital (Shanghai) Limited</p>
<b>Chia-Chuan Wang</b>	<p>Chairman : Tung Guan Enterprises Co., Ltd., Tung-Xiang Xin Yeh Corp.</p> <p>Director : Zhongshan President Enterprises Co., Ltd., Shanghai Songjiang President Enterprises Co., Ltd.</p> <p>Supervisor : TTET Union Corp.</p>

Name	Current Position with Other Company
<b>Chia-Ming Chai</b>	Director : President International Development Corp., Champ Green Capital Limited., Tait Marketing & Distribution Co., Ltd., SMS Capital (Shanghai) Limited, Greater China F&B Capital Partners Limited, Greater China F&B Investment Holding Limited, Greater China F&B (Hong Kong) Private Limited, SMS Capital Co., Ltd., SMS Investment Management Co., Ltd., Grand Bills Finance Corp., Independent Director : Generalplus Technology Inc. Supervisor : Icash Payment Systems Ltd.
<b>Tsung-Pin Wu</b>	Chairman : Uni-President Assets Management Co., Ltd. Director : President International Trade & Investment Corp., President Chain Store Corp., Prince Housing & Development Corp., Prince Real Estate Co., Ltd., Time Square International Co., Ltd., Ton Yi Pharmaceutical Corp., Scino Pharm Taiwan Inc., Kuang Chuan Dairy Co., Ltd., Kuang Chuan Foods Co., Ltd., Tong Yu Investment Corp., Uni-President Hong Kong Holdings Limited, Uni-President (Vietnam) Co., Ltd. Supervisor : President Baseball Team Corp., President Entertainment Corp., Tone Sang Construction Corp., President Kikkoman Inc., Kai Yu Investment Co., Ltd., President International Development Corp., President Property Corporation, Uni-President Assets Management Co., Ltd., Kai Nan Investment Co., Ltd., President Kikkoman Zhenji Foods Co., Ltd.
<b>Kun-Lin Wu</b>	Director : President Chain Store Corp, President Nisshin Corp., Changjiagang President Nisshin Food Co., Ltd., Uni-President Oven Bakery Corp, PT. ABC President Indonesia, PT. Uni President Indonesia.
<b>Kuo-Hui Chen</b>	Director : President Securities Corp., Uni-President China Holdings Ltd. (Cayman), President Enterprises (China) Investment Co., Ltd., Heilongjiang Wondersundairy Co., Ltd. Supervisor : Jinan President Enterprises Co., Ltd., Kunming President Enterprises Food Co., Ltd., Nanning President Enterprises Co., Ltd., Fuzhou President Enterprises Co., Ltd., Chongqing President Enterprises Co., Ltd., Ningxia President Enterprises Co., Ltd., Harbin President Enterprises Co., Ltd., Kunshan President Enterprises Food Co., Ltd., Uni-President Trading (Kunshan) Co., Ltd., Uni-President Enterprises (Kunshan) Food Technology Co., Ltd., President Enterprises (Kunshan) Real Estate Development Co., Ltd, Baiyin President Enterprises Co., Ltd., Shanxi President Enterprises Co., Ltd., Taizhou President Enterprises Co., Ltd., Zhanjiang President Enterprises Co., Ltd., Changbaishan Mountain President Enterprises (Jilin) Mineral Water Co., Ltd., Guangzhou President Enterprises Co., Ltd., Xinjiang President Enterprises Food Co., Ltd., Bama President Mineral Water Co., Ltd., Uni-President Enterprise (Hutubi) Tomato Products Technology Co., Ltd., Shaanxi President Enterprises Co., Ltd., Hefei President Enterprises Co., Ltd., Hangzhou President Enterprises Co., Ltd., Shijiazhuang President Enterprises Co., Ltd., Uni-President (Shanghai) Pearly Century Co., Ltd., Zhenzhou President Enterprises Co., Ltd., Beijing President Enterprises Drinks Co., Ltd., Uni-President Shanghai Management Consulting Co., Ltd., Hainan President Enterprises Co., Ltd., Wuxue Uni Mineral Water Co., Ltd., Yantai Tongli Beverage Industries Co., Ltd., Changchun President Enterprises Co., Ltd., President Enterprises (Inner Mongolia) Co., Ltd., Tong Ren Corp., SMS Capital (Shanghai) Limited, Beijing President Enterprise Drink&Food Co., Ltd., Champ Green (Shanghai) Consulting Co., Ltd.

### 3.2.3 Remuneration paid to Company directors, supervisors, president, and senior vice presidents over the past year

#### A. a. Remuneration paid to each individual director and supervisor

Title	Name	Total Director Remuneration							
		Remuneration (A)		Pensions (B) (Note 8)		Earnings Distribution (C)		Business Expenses (D)	
		UPEC	All consolidated companies	UPEC	All consolidated companies	UPEC	All consolidated companies	UPEC	All consolidated companies
Independent Director	Yun Lin	0	0	0	0	0	0	480	480
Independent Director	Chao-Tang Yue	0	0	0	0	0	0	480	480
Independent Director	Hong-Te Lu	0	0	0	0	0	0	480	480

December 31, 2017 / Unit: NT\$1,000

Summation of A, B, C, and D as a % of After-Tax Income		Compensation to Directors Also Serving as Company Employees								Summation of A,B,C, D, E, F and G as a % of After-Tax Income		Compensation from Affiliates Other than Subsidiaries
		Salary, Bonuses, and Special Allowance (E) (Note 5)		Pensions (F)		Earnings Distribution (G)						
UPEC	All consolidated companies	UPEC	All consolidated companies	UPEC	All consolidated companies	UPEC		All consolidated companies		UPEC	All consolidated companies	
						Cash Bonuses	Stock Bonuses	Cash Bonuses	Stock Bonuses			
0.00%	0.00%	0	0	0	0	0	0	0	0	0.00%	0.00%	0
0.00%	0.00%	0	0	0	0	0	0	0	0	0.00%	0.00%	0
0.00%	0.00%	0	0	0	0	0	0	0	0	0.00%	0.00%	0

**A. b. Aggregate remuneration information**

Title	Name	Total Director Remuneration							
		Remuneration (A)		Pensions (B) (Note 8)		Earnings Distribution (C)		Business Expenses (D) (Note 5)	
		UPEC	All consolidated companies	UPEC	All consolidated companies	UPEC	All consolidated companies	UPEC	All consolidated companies
Director and Institutional Shareholder	Kao Chyuan Inv. Co., Ltd.								
Chairman and Group Chief Strategy Officer	Chih-Hsien Lo (Note 1)								
Director	Shiow-Ling Kao (Note 1)								
Director	Jui-Tang Chen (Note 1)								
Director and Institutional Shareholder	Taiipo Investment Corp.								
Director	Ping-Chih Wu (Note 3)								
Director and Institutional Shareholder	Young Yun Inv. Co., Ltd.	0	4,956	0	0	362,774	413,454	5,401	16,231
Director	Chung-Ho Wu (Note 4)								
Director and Institutional Shareholder	Joyful Holding Company								
Director	Kao-Huei Cheng (Note 2)								
Director	Li-Ling Cheng (Note 2)								
Director	Po-Ming Hou								
Director	Po-Yu Hou								
Director	Chang-Sheng Lin								
Director	Hsiu-Jen Liu								

December 31, 2017 / Unit: NT\$1,000

Summation of A, B, C, and D as a % of After-Tax Income		Compensation to Directors Also Serving as Company Employees								Summation of A,B,C, D, E, F and G as a % of After-Tax Income		Compensation from Affiliates Other than Subsidiaries
		Salary, Bonuses, and Special Allowance (E) (Note 6)		Pensions (F)		Earnings Distribution (G)						
UPEC	All consolidated companies	UPEC	All consolidated companies	UPEC	All consolidated companies	UPEC		All consolidated companies		UPEC	All consolidated companies	
						Cash Bonuses	Stock Bonuses	Cash Bonuses	Stock Bonuses			
0.92%	1.09%	394,964	476,844	235	548	3,035	0	4,763	0	1.92%	2.30%	54,370

**A. c. Range of remuneration for directors**

Compensation Level	Names of Directors			
	A+B+C+D		A+B+C+D+E+F+G	
	UPEC	All consolidated companies	UPEC	All consolidated companies
Less than NT\$2,000,000	Chih-Hsien Lo (Note 1), Shio-Ling Kao (Note 1), Jui-Tang Chen (Note 1), Chung-Ho Wu (Note 2), Ping-Chih Wu (Note1), Kao-Huei Cheng (Note 2),Li-Ling Cheng (Note 2)	Shio-Ling Kao (Note 1), Jui-Tang Chen (Note 1), Chung-Ho Wu (Note 4), Ping-Chih Wu (Note3), Kao-Huei Cheng (Note 2),Li-Ling Cheng (Note 2)	Shio-Ling Kao (Note 1), Jui-Tang Chen (Note 1), Chung-Ho Wu (Note 4), Ping-Chih Wu (Note3), Kao-Huei Cheng (Note 2),Li-Ling Cheng (Note 2)	Chung-Ho Wu (Note 4), Li-Ling Cheng (Note 2)
NT\$ 2,000,000 (incl.) – NT\$ 5,000,000	NA	NA	NA	Shio-Ling Kao (Note1)
NT\$ 5,000,000 (incl.) – NT\$10,000,000	NA	NA	NA	NA
NT\$10,000,000 (incl.) – NT\$15,000,000	NA	Chih-Hsien Lo (Note 1),	NA	NA
NT\$15,000,000 (incl.) – NT\$30,000,000	NA	NA	NA	Kao-Huei Cheng (Note 2) ,Ping-Chih Wu(Note 3)
NT\$30,000,000 (incl.) – NT\$50,000,000	Joyful Holding Company, Taipo Investment Corp., Young Yun Inv. Co., Ltd., Po-Ming Hou, Po-Yu Hou, Chang-Sheng Lin, Hsiu-Jen Liu	Joyful Holding Company, Taipo Investment Corp., Young Yun Inv. Co., Ltd., Po-Ming Hou, Po-Yu Hou, Chang-Sheng Lin, Hsiu-Jen Liu	Joyful Holding Company, Taipo Investment Corp., Young Yun Inv. Co., Ltd., Po-Ming Hou, Po-Yu Hou, Chang-Sheng Lin, Hsiu-Jen Liu	Jui-Tang Chen (Note 1), Joyful Holding Company, Taipo Investment Corp., Young Yun Inv. Co., Ltd., Po-Ming Hou, Po-Yu Hou, Chang-Sheng Lin, Hsiu-Jen Liu
NT\$50,000,000 (incl.) – NT\$100,000,000	NA	NA	NA	NA
NT\$100,000,000 and above	Kao Chyuan Inv. Co., Ltd.	Kao Chyuan Inv. Co., Ltd.	Kao Chyuan Inv. Co., Ltd., Chih-Hsien Lo (Note 1)	Kao Chyuan Inv. Co., Ltd., Chih-Hsien Lo (Note 1)
Total (person)	15	15	15	15

Note 1: Representative of Kao Chyuan Inv. Co., Ltd.

Note 2: Representative of Joyful Inv. Co., Ltd.

Note 3: Representative of Taipo Investment Corp.

Note 4: Representative of Young Yun Inv. Co., Ltd.

Note 5: Includes car leasing expense of NTD 3,509,000 for Chairman, Chih-Hsien Lo. Compensation paid to his driver totaled NTD 1,513,000.

Note 6: Earnings distribution for 2017 has not yet been approved by shareholders at the general meeting. These figures are based on the proposal approved by the Board.

Note 7: After-tax income used non-consolidated profit of 2017: NTD 39,844,853,000.



**B. a. President and senior vice president remuneration**

December 31, 2017 / Unit: NT\$1,000

Title	Name	Salary (A)		Pensions (B)		Bonus and Special Allowance (C) (Note 1)		Company Earnings Distribution to Employees (D)				Summation of A, B, C, and D as a % of After-Tax Income		Compensation from Affiliates Other than Subsidiaries
		UPEC	All consolidated companies	UPEC	All consolidated companies	UPEC	All consolidated companies	UPEC		All consolidated companies		UPEC	All consolidated companies	
								Cash Bonuses	Stock Bonuses	Cash Bonuses	Stock Bonuses			
Group Chief Strategy Officer	Chih-Hsien Lo													
CEO	Jung-Lung Hou													
Senior Vice President	Wen-Lung Yang													
Senior Vice President	Chien-Li Yin													
Senior Vice President	Tsung-Ming Su	30,193	50,730	1,829	1,829	123,404	125,790	13,398	0	13,398	0	0.42%	0.48%	8,207
Senior Vice President	Long-Hong Lu													
Senior Vice President	Chung-Sung Wu													
Senior Vice President	Jau-Kai Hwang													
Senior Vice President	Liang-Feng Wu													

**B. b. Range of remuneration for Group chief strategy officer, president and senior vice presidents**

Compensation Level	Names of the President and Senior Vice Presidents	
	UPEC	All consolidated companies
Less than NT\$2,000,000	NA	NA
NT\$2,000,000 (incl.) – NT\$5,000,000	NA	NA
NT\$5,000,000 (incl.) – NT\$10,000,000	Long-Hong Lu, Chung-Sung Wu, Wen-Lung Yang	Long-Hong Lu, Chung-Sung Wu, Wen-Lung Yang
NT\$10,000,000 (incl.) – NT\$15,000,000	Chien-Li Yin, Jau-Kai Hwang, Liang-Feng Wu	Chien-Li Yin, Jau-Kai Hwang, Liang-Feng Wu
NT\$15,000,000 (incl.) – NT\$30,000,000	Tsung-Ming Su	Tsung-Ming Su
NT\$30,000,000 (incl.) – NT\$50,000,000	Jung-Lung Hou	Jung-Lung Hou
NT\$50,000,000 (incl.) – NT\$100,000,000	NA	NA
NT\$100,000,000 and above	Chih-Hsien Lo	Chih-Hsien Lo
Total (person)	9	9

Note 1: Includes car leasing expense of NTD 3,509,000 for Group Chief Strategy Officer, Chih-Hsien Lo. Compensation paid to his driver totaled NTD 1,513,000. The Company also pays President Tokyo Corp. NTD 1,257,000 dollars to rent sedans for CEO, Jung-Lung Hou. Compensation paid to his driver totaled NTD 1,206,000. The Company also pays President Tokyo Corp. NTD 4,000 thousand dollars to rent sedans for the use of 7 Vice Presidents.

Note 2: Earnings distribution for 2017 has not yet been approved by shareholders at the general meeting. These figures are based on the proposal approved by the Board.

Note 3: After-tax income used non-consolidated profit of 2017: NTD 39,844,853,000.

**C. Distribution of bonuses to Company management during 2017**

Unit: NT\$1,000

Title	Name	Stock Bonus	Cash Bonus	Total	Total as a % of After-Tax Income
Group Chief Strategy Officer	Chih-Hsien Lo				
CEO	Jung-Lung Hou				
Senior Vice President	Wen-Lung Yang				
Senior Vice President	Chien-Li Yin				
Senior Vice President	Tsung-Ming Su				
Senior Vice President	Long-Hong Lu (Note)				
Senior Vice President	Chung-Sung Wu				
Senior Vice President	Jau-Kai Hwang				
Senior Vice President	Liang-Feng Wu				
Vice President	Ying-Thung Yu	0	23,994	23,994	0.06
Vice President	Jui-Sheng Wang				
Vice President	Zong-Yi Liu				
Vice President	Chia-Chuan Wang				
Vice President	Fu-Jung La				
Vice President	Chia-Ming Chai				
Vice President (Director of Accounting Group)	Tsung-Pin Wu				
Vice President	Chih-Ming Hsu				
Vice President	Kun-Lin Wu				
Vice President (Director of Financing Group)	Kuo-Hui Chen				

Note : Resigned during 2017.

### 3.2.4 Comparison of Compensation for Directors, Supervisors and Managers in the Past Two Years and Compensation Policy for Directors, Supervisors and Managers

#### A. Comparison of Compensation for Directors, Supervisors and Managers in the Past Two Years

Year	UPEC		Consolidated subsidiaries of UPEC	
	2017	2016	2017	2016
Remuneration Paid to Directors (NTD \$1,000)	767,852	510,423	918,236	621,285
Total Compensation Paid to Directors as % Net Income	1.93%	3.51%	2.30%	4.28%
Compensation Paid to President and Senior Vice Presidents (NTD \$1,000)	168,824	140,389	191,747	174,643
Total Compensation Paid to President and Senior Vice Presidents as % Net Income	0.42%	0.97%	0.48%	1.20%

#### B. Compensation Policy for Directors, Supervisors and Managers

- (1) Directors and supervisors must be paid remuneration for the corporate business activities they performed. The remuneration is measured according to the level of importance and value of contribution from directors and supervisors to the company, usually with an average level. Also, if the company has earnings, according to the rules outlined in Article 35, the company can distribute maximum 2% of earnings to remunerate the directors. The Board of Directors' evaluation will be conducted based on the proposal to be made by the remuneration committees. For the independent directors, the remuneration is a fixed monthly fee approved in BOD meeting and not involved in distribution of earnings.
- (2) President and vice president take the order from the board of directors to manage business operation, and their appointment, dispatch and remuneration are governed by the board of directors according to the rules in Article 31. The reward which company offers to the employees for the services rendered is measured based on the employee's personal achievements, contribution made to the business operation, and the market averages.
- (3) We have established a remuneration committee under the Act and "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter" to review and evaluate the remuneration policy, system, standards, structure and the remuneration for directors, supervisors and managerial officers.
- (4) The reward which company offers to the employees for the services rendered is measured based on the level of employees' contribution and value to the company, and the market averages. It has a positive correlation with the performance of the company's business. It mainly includes basic salary, bonus and fringe benefits. Basic salary is assessed by taking into account of the market averages and issued to the employees; the bonus is considered with each individual and divisional achievement or entire company's performance; the fringe benefits is planned in accordance with the law to meet the needs of employees.

## 3.3 Corporate Governance Practices

### 3.3.1 Information of Board Meeting Operation

**A. As of publication of the Annual Report, there had been a total of 9 (A) meetings of the Board of Directors over the past fiscal year. Director attendance is detailed below:**

Title	Name	Attendance in Person(B)	Proxy Attendance	Attendance Rate (B/A)	Remark
Chairman	Chih-Hsien Lo (Representative of Kao Chyuan Inv. Co., Ltd.)	9	0	100.00	
Director	Shiow-Ling Kao (Representative of Kao Chyuan Inv. Co., Ltd.)	8	1	88.89	
Director	Jui-Tang Chen (Representative of Kao Chyuan Inv. Co., Ltd.)	9	0	100.00	
Director	Chung-Ho Wu (Representative of Young Yun Inv. Co., Ltd.)	8	1	88.89	
Director	Ping-Chih Wu (Representative of Taipo Investment Corp.)	7	2	77.78	
Director	Kao-Huei Cheng (Representative of Joyful Inv. Co., Ltd.)	2	3	40.00	Former director (representative) whose term ended on Aug. 14, 2017
Director	Li-Ling Cheng (Representative of Joyful Inv. Co., Ltd.)	3	1	75.00	New Replacement (representative) whose term began on Aug. 22, 2017 and ended on Jun.21, 2019
Director	Po-Ming Hou	7	2	77.78	
Director	Po-Yu Hou	8	1	88.89	
Director	Chang-Sheng Lin	8	1	88.89	
Director	Hsiu-Jen Liu	6	3	66.67	
Independent director	Yun Lin	9	0	100.00	
Independent director	Chao-Tang Yue	9	0	100.00	
Independent director	Hong-Te Lu	8	1	88.89	

Other issues to be noted:

- For matters listed in Article 14-5 of the Securities and Exchange Act and other matters not passed by the independent directors, the Board Meeting date, session, content of the resolution, result of the Audit Committee vote and the Company's response to the independent director's opinion shall be properly recorded.  
UPEC held 9 board meetings over the past fiscal year and did not have any matters listed in Article 14-5 of the Securities and Exchange Act or other matters not passed by the independent directors.
- Should a director recuse him or herself from a decision about which he or she has a conflict of interest, the name of the director, contents of the resolution, reasons for recusal, and the results of the vote should be noted.
  - In the Board Meeting notice and Board Meeting report, all provisions of the Director's Avoidance of Conflict of Interest in Article 16 of Rules and Procedures of Board of Directors' Meetings shall be specified.
  - Prior to the approval and discussion of matters at the Board Meeting, the master of ceremony routinely read the Director's Avoidance of Conflict of Interest, Article 16 of the Rules and Procedure of the Board of Directors Meetings, to remind directors, independence, managers and other attendances or stakeholders to avoid conflict of interests.
  - If there's any matter in Board Meeting related to directors' avoidance of conflict of interest, before the matter is read, the master of ceremonies will remind the related party (The director, the independence, the manager and other attendance, attendance, etc.) to depart from the field to avoid conflict of interest.

3. During this and recent past fiscal years, UPEC has worked to strengthen the function of the Board and evaluate the implementation of such measures.
- The matters, adopted pursuant to the Company Act, Article 14-3, 14-5 of the Securities and Exchange Act were submitted to the board of directors for approval unless approval has been obtained from the audit committee members or were submitted to the board of directors for a resolution during the recent past fiscal years.
  - The company followed the letter sent by TSE on September 28, 2017 on revision of "Rules of Procedures for Board Meeting by Listed Companies" and amended the article 7 of "Rules of Procedures for Board Meeting" during the 17th session of the 10th Board meetings on November 8, 2017 and approve the amendment of provisions in "Best Practice Principle of Corporate Governance".
  - In compliance with the announced amendment of "Rule Governing the Scope of Powers of Audit Committee by Listed Companies" on July 28, 2017 and with Security Trading Act, the company amended "Audit Committee Charter" section of the provisions during 17th session of the 10th Board meetings on November 8, 2017, and 11th Board meetings on December 20, 2017.
  - The company followed the letter sent by TSE on September 27, 2017 on revision of "Rules Governing the Scope of Powers of Independent Directors" and amended article 3 of the company's "Rules Governing the Scope of Powers of Independent Directors" during 17th session of the 11th Board meetings on December 20, 2017.
  - On Mar.26, 2015, the Company established an exclusively dedicated unit "ethical management initiative team" supervised by the Board to be in charge of corporate ethical management and report to the board on a regular basis.

**B. As of publication of the Annual Report, there had been a total of 9 (A) meetings of the Board of Directors over the past fiscal year. Independent director attendance is detailed below:**

Attendance in Person : ✓ ; Proxy Attendance : ☆ ; Absence : ✕

Name	Board meetings								
	20170329	20170510	20170621	20170727	20170809	20171108	20171220	20171229	20180328
Yun Lin	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chao-Tang Yue	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hong-Te Lu	✓	✓	✓	✓	✓	☆	✓	✓	✓

### 3.3.2 Operations of the Audit Committee

**As of publication of the Annual Report, there had been a total of 9 (A) meetings of the Audit Committee over the past fiscal year. Independent director attendance is detailed below:**

Title	Name	Attendance in Person(B)	Proxy Attendance	Attendance Rate (B/A)	Remark
Independent Director	Chao-Tang Yue	9	0	100.00	
Independent Director	Yun Lin	9	0	100.00	
Independent Director	Hong-Te Lu	8	1	88.88	

Other issues to be noted:

- For matters listed in Article 14-5 of the Securities and Exchange Act and other matters not passed by the Audit Committee, but which have been approved by two-thirds of the Board of Directors, the Board Meeting date, session, content of the resolution, result of the Audit Committee vote and the Company's response to the Audit Committee's opinion shall be properly recorded.  
UPEC held 9 meetings over the past fiscal year (Note 1) and did not have any matters listed in Article 14-5 of the Securities and Exchange Act or other matters not passed by the Audit Committee, which were then agreed upon by two-thirds of the entire membership of the Board of Directors.
- If an independent director has any conflict of interest regarding issues discussed during the meeting that could result in harm to the Company's interests said director shall recuse him or herself. If this prevents the Committee from coming to a decision, then the situation shall be reported to the Board of Directors and the Board will make the final decision on said resolution.  
The Company did not have this situation.
- Communication between independent directors and internal audit managers and external auditors (regarding issues such as Company financial and operational status):
  - The Company's internal audit manager provides the Audit Committee members with regular updates on audit report results and report additional findings, during the quarterly Audit Committee Meeting. The communication links between internal auditors and the Audit Committee were strong.
  - The Company retains external auditors who report their findings after auditing the quarterly financial statement to the Audit Committee and discuss any additional matters as required by law. The Audit Committee and the external auditors retained by the Company maintain strong communication.

Note 1. Major Resolutions during the Auditing Meetings in 2017 and to the Publish Date of the Annual Report

#### **2017.03.27 (3rd Board Meeting in 2nd Session)**

- Accepted the financial statements of year 2016.
- Accepted the appointment of CPA and approved the evaluation of external auditor's independence.
- Approved the capital increase of NTD 557.07 million into Tung Ho development Co., Ltd.
- Approved to amend the regulations governing the acquisition or disposal of assets.
- Approved the statement of internal control system for year 2016.

#### **2017.03.29 (4th Board Meeting in 2nd Session)**

- Approved the business report, financial statements and the statement of surplus allocation for year 2016.

#### **2017.05.08 (5th Board Meeting in 2nd Session)**

- Approved the consolidated financial statements for first quarter of year 2017.
- Approved to withdraw the lending and guarantee limit of USD 2 million for Kunshan President Kikkoman

Biotechnology Co., Ltd.

3. Approved the loan of USD 10.32 million to Uni-President Southeast Asia Holdings Ltd. through Kai Yu (BVI) Investment Co., Ltd.

**2017.06.21 (6th Board Meeting in 2nd Session)**

1. Appoint Kuo-Hui Chen as our Vice President of Finance Group.

**2017.07.27 (7th Board Meeting in 2nd Session)**

1. Approved the disposition of 20% shares of President Coffee (Cayman) Holdings Ltd. from Kai Yu (BVI) Investment Co., Ltd. through Kai Yu Investment Co., Ltd.
2. Approved acquisition of 20% shares of President Coffee Corp.
3. Approved to provide the guarantee for share trading of President Coffee (Cayman) Holdings Ltd. for Kai Yu (BVI) Investment Co., Ltd.

**2017.08.07 (8th Board Meeting in 2nd Session)**

1. Approved the financial statements for first half year of 2017.
2. Approved the auditing fee of year 2017.

**2017.11.06 (9th Board Meeting in 2nd Session)**

1. Approved the consolidated financial statements for third quarter of year 2017.
2. Approved internal auditing proposal of year 2018.
3. Approved the loans for Cayman President Holdings Ltd., Kai-Yu(BVI) Investment Co., Ltd and President International Trade and Investment Corp.
4. Approved the loan of NTD 150 million to Tone Sang Construction Corp. through Presco Netmarketing Inc.

**2017.12.29 (10th Board Meeting in 2nd Session)**

1. Approved that Kai Yu (BVI) Investment Co., Ltd. signed an "Agreement for the Sale and Purchase of Shares in President Coffee (Cayman) Holdings Ltd." with Starbucks Coffee International Inc. (herewith referred to as SCI) on 27 July 2017. Of which SCI would transfer the rights and obligations in the Agreement to Starbucks EMEA Holdings Ltd.
2. Approved to change the guarantor to Starbucks EMEA in above trading.

**2018.03.26 (11th Board Meeting in 2nd Session)**

1. Accepted the financial statements of year 2017.
2. Accepted the appointment of CPA and approved the evaluation of external auditor's independence.
3. Approved the statement of internal control system for year 2017.
4. Approved the loan of NTD 55 million to Uni-President Glass Industrial Co., Ltd. through Kai Nan Investment Co., Ltd.
5. Approved to revise the procedures for lending funds to other parties.
6. Approved to revise "Procedures for Endorsement and Guarantee" and "Procedure Governing the Lending of Capital to Others" .



Note 2. The communications between the independent directors and the internal auditors are listed in the table below.

Meeting Dates	Communications between the Independent Directors and the Internal Auditors
2017/03/27	1. Reviewing the Internal Auditor's report for Oct.2016-Jan. 2017 2. Reviewing and approving 2016 Statement of Internal Control System 3. Passed by the Audit Committee
2017/05/08	Reviewing the Internal Auditor's report for Apr.-Jun. 2017 Passed by the Audit Committee
2017/08/07	Reviewing the Internal Auditor's report for Apr.-Jun. 2017 Passed by the Audit Committee
2017/11/06	Reviewing the Internal Auditor's report for Jul.-Sep. 2017 Passed by the Audit Committee
2018/03/26	Reviewing the Internal Auditor's report for Oct.2017-Jan. 2018 Reviewing and approving 2017 Statement of Internal Control System Passed by the Audit Committee

Note 3. The communications between the independent directors and the independent auditor are listed in the table below.

Meeting Dates	Communications between the Independent Directors and the Independent Auditors
2017/03/27	Reviewing any audit problems or difficulties and management's response in connection with 2016 annual financial statements. Passed by the Audit Committee
2017/05/08	Reviewing any audit problems or difficulties and management's response in connection with 2017 Q1 financial statements. Passed by the Audit Committee
2017/08/07	Reviewing any audit problems or difficulties and management's response in connection with 2017 Q2 financial statements. Passed by the Audit Committee
2017/11/06	Reviewing any audit problems or difficulties and management's response in connection with 2017 Q3 financial statements. Passed by the Audit Committee
2018/03/26	Reviewing any audit problems or difficulties and management's response in connection with 2017 annual financial statements. Passed by the Audit Committee

### 3.3.3 Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		On Aug.11 2014, the Company has established Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”. The principle is approved by the Board of Directors and disclosed on MOP and Company’s website. Our subsidiaries are also required to operate in accordance with the company’s corporate governance and implemented it in the internal control system.	None
2. Shareholding structure & shareholders’ rights				
(1) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		(1) The Company has established an internal operating procedure to handle shareholders’ suggestions, doubts, disputes and litigation.	
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		(2) The Company possesses the list of major shareholders and ultimate owners from stock registrar shareholders’ list and periodically reports the changes of internal shareholdings.	
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		(3) Rules are made to strictly regulate the activities of trading, endorsement and loans between the Company and its affiliates. In addition, the “Criteria of Internal Control Mechanism for a Public Company”, outlined by the Financial Supervisory Commission when drafting the guidelines for the “Supervision and Governance of the subsidiaries” in order to implement total risk control with respect to subsidiaries.	None
(4) Does the company establish internal rules against insiders trading with undisclosed information?	✓		(4) The Company has declared in “Corporate Ethical Management and Guidelines for Conduct” that the company personnel shall follow the security law for not make insiders trading with undisclosed information nor expose undisclosed information to others in order to prevent others from using such information to engage in insider trading.	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
<p>3. Composition and Responsibilities of the Board of Directors</p> <p>(1) Does the Board develop and implement a diversified policy for the composition of its members?</p>	✓		<p>(1) The Company's Corporate Governance Principle has stated the abilities of the board and developed a diversified policy for the composition of the board members and the directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated. There are a total of 13 directors (including 3 independent directors).</p> <p>1. Four members of the Board of Directors (including 1 independent director) are female with an average age of 64.4. The average age of male directors is 64.86. The average age of all directors is 64.72.</p> <p>2. The board consists of not only Taiwanese directors, but also one director residing in the United States and one in Japan. Overall the board is filled with nationalities and cultures from Chinese, Japanese, and US.</p> <p>3. The directors with education background including MBA, UCLA, USA, Marymount College, finance, economics, accounting, food manufacturing, electrical engineering, chemical engineering, agriculture economics, industrial engineering, Tourism management and television &amp; film.</p> <p>4. The independent directors' academic background, experience and relevant information are attached hereto as Note 6, please refer to page .</p> <p>5. To achieve the ideal goal of corporate governance, our board of directors possess the following abilities (note 1)</p>	(1) None
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?		✓	(2) The Company has not yet established other functional committee besides remuneration committee and audit committee.	(2) Inconsistent with the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Company.
(3) Does the company establish a standard to measure the performance of the Board, and implement it annually?		✓	(3) Under evaluation.	(3) Inconsistent with the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Company.
(4) Does the company regularly evaluate the independence of CPAs?	✓		(4) Our accounting division annually evaluates the independence of CPA and reports the result to Audit Committee on 2018/03/26 and further receives approval by the Board of Directors on 2018/03/28. The accountants of PricewaterhouseCoopers through our evaluation has met the standard of independence and are qualified to be our company's CPA.	(4) None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
4. Does the Company established a full- (or part-) time corporate governance unit or personnel to be in charge of corporate governance affairs (including but not limited to furnish information required for business execution by directors, handle matters relating to board meetings and shareholders' meetings according to laws, handle corporate registration and amendment registration, produce (or record?) minutes of board meetings and shareholders meetings, etc.	✓		<p>The company set up a "Corporate Governance Appraisal and Best Practice Principles" ad hoc group which is comprised of convener served by senior manager from general manager's office and members from secretariat to board of directors, management group, technology group, financial group, accounting group, marketing planning group, and corporate planning group on concurrent basis. The main duties are as follows:</p> <ol style="list-style-type: none"> <li>1. Develop appropriate corporate mechanisms and organizational structures to promote the independence of the board of directors, and fulfillment of operating transparency, regulatory compliance, and internal audit of internal control.</li> <li>2. Consult directors' opinions before planning and formulating the board meeting agenda, and notify all directors to attend the meeting with sufficient meeting information provided at least seven days before the meeting held in order to help directors understand the content of relevant issues. If the content is related to the interested parties and should be avoided, they will be reminded beforehand.</li> <li>3. Register the date of annual shareholders' meeting before due date in accordance with law, and report meeting notice, meeting manual and meeting minute before deadline, as well as report the change of registration upon the amendment of articles and re-election of directors.</li> <li>4. Review the annual corporate governance appraisal index published by corporate governance center, and screen item-by-item to ensure the achievement.</li> </ol>	None
5. Does the company establish a communication channel and build a designated section on its website for stakeholders, as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		<p>Relevant departments, including labor union, customer service center, purchasing, financing and others are available to keep good communication with the employees, consumers, suppliers and creditors. We have created a Stakeholders Area section in corporate website to respond to our stakeholders' questions. Please refer to our CSR report about the aspects that all stakeholders concerned the most about and the communication method.</p>	None
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		<p>We have appointed President Securities Corp. as our registrar for our Shareholders' Meetings.</p>	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
7. Information Disclosure				
(1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		(1) UPEC discloses its financials and corporate governance status on company's website ( <a href="http://www.uni-president.com.tw">http://www.uni-president.com.tw</a> )	None
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		(2) 1. The Company has set up English website ( <a href="http://www.uni-president.com.tw">www.uni-president.com.tw</a> ) to disclose information. 2. The Company has assigned an appropriate person to handle information collection and disclosure 3. The Company has established a spokesman system. 4. Investor conference information is disclosed on the corporate website.	
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	✓		1. Employee rights and wellness: The company values greatly the harmonious labour relations, employee welfare and rights, and constantly enhance their food, clothing, housing, transportation, education, music software and hardware facilities, for example, we provide dormitories, affordable delicious meal, shuttle bus, health checkups, and fringe so that our employees can enjoy a comprehensive welfare system, and make contribution to the work without worries.	Except that the attended trainings hours do not meet the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed companies", other items are in compliance with the "Corporate Governance Best-Practice Principles".
	✓		2. Investor relations: The company continues to maintain good interactions with investors, including financial information disclosure, communication with investors regularly (for example, investor conference, road show, investors meeting at the brokerages) and give feedback to senior management and related department to make necessary adjustment. The company will continue to strengthen investor relations and maintain good communication and interaction with investors.	
	✓		3. Supplier relation: All suppliers must sign Sunshine Transparency Act to ensure ethical management, and concern environmental protection and energy-saving carbon reduction in supply chain for the best welfare of the society. In addition, the sales contract should contains the terms of corporate social responsibility and human rights matters, such as termination or cancellation of the contract at any time in the event of a policy that violates corporate social responsibility. Human rights matters stipulate that suppliers shall not have the employment of child labor, that there shall be no forced labor, and that there shall be no violation of the rights to freedom of association and collective bargaining.	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
	✓		4. Rights of the interested party: We offer multiple channels of communication and information disclosure, maintain a good dialogue and communication with stakeholders and gather interested parties concerned issues, and review the activities we perform to ensure they are in response to the interested party.	
		✓	5. Directors and corporate auditors training: In accordance with suggested training regimes for directors of publically-traded companies, in 2016 all directors all attended training courses hosted by the Taiwan Corporate Governance Association.	
	✓		6. Managers' learning: As part of the Company's continuing education program for managers, in 2014, President, Senior Vice Presidents and accounting managers attended 24 hour training courses.	
	✓		7. Implementation status for Risk Management Policy and Measurement: Any significant issues in regards to operating policy, investment, endorsement, loan and financing are evaluated by	
	✓		8. the designated parties and exercised the resolution that resulted from board meetings. Moreover, yearly auditing plan is drafted based on the result of risk assessed and executed in order to effectively carry out the supervision as well as control the risks.	
	✓		9. Customer policy: The Company has established a customer services center to deal with the consumer complaints and protect consumer rights.	
	✓		10. Purchase of liability insurance for directors and corporate auditors by the company: The Company has purchased D&O insurance for its directors (including independent directors) and supervisors.	

9. The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange

3.6	Did the company voluntarily appoint more independent directors than is required by laws?	pending
3.14	Did the directors and supervisors complete the number of hours of continuing education required by the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies ?	pending
3.31	Does the company regularly (at least once a year) carry out an evaluation of the performance of the board of directors and disclose the evaluation results on its website or in its annual report?	pending
4.14	Did the company voluntarily disclose the remuneration details of each director and supervisor in its annual report?	pending
2.6	Did the company hold the AGM before the end of May?	pending
3.13	Did the company have any functional committees other than statutorily required committees, and did such functional committees have not less than three members, with at least half of the members being independent directors, and did the company disclose the organization, functions, and operations of such committees?	pending

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
3.28			Did the rules or procedures adopted by the company for evaluating the performance of the board of directors expressly require that an external evaluation be carried out at least once every three years?	pending
3.35			Did directors of each gender account for at least one-third of all directors?	pending
4.4			Did the company file its annual financial reports within 2 months from the end of the fiscal year?	pending
4.8			Did the company voluntarily disclose its financial forecast quarterly, without having any corrections ordered by the competent authority or having any demerits imposed by the TWSE or TPEX?	pending
C01			Did the company voluntarily participate in any other corporate governance related evaluation system and receive certification?	pending

Note 1 :

The board of directors possess the following abilities:

Item Name	Gender	1	2	3	4	5	6	7	8	9	10
		professional background	Ability to make operational judgments.	Ability to conduct management administration.	Ability to perform accounting and financial analysis	Ability to perform business and economics	Ability to conduct crisis management.	Knowledge of the industry	An international market perspective.	Ability to lead.	Ability to make policy decisions.
Chih-Hsien Lo	Male	Business Administration	✓	✓	✓	✓	✓	✓	✓	✓	✓
Shiow-Ling Kao	Female	Business	✓	✓		✓	✓	✓	✓	✓	✓
Jui-Tang, Chen	Male	Economics	✓	✓	✓	✓	✓	✓	✓	✓	✓
Po-Ming Hou	Male	Tourism management	✓	✓	✓	✓	✓	✓	✓	✓	✓
Po-Yu Hou	Male	Radio, Television and Film	✓	✓			✓	✓	✓	✓	✓
Ping-Chih Wu	Male	Chemical Engineering & Industrial Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chung-Ho Wu	Male	Chemistry	✓	✓							
Chang-Sheng Lin	Male	Electrical Engineering	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hsiu-Jen Liu	Female	Business	✓	✓		✓	✓	✓	✓	✓	✓
Li -Ling Cheng	Female	Agriculture Economics	✓	✓	✓	✓	✓	✓	✓	✓	✓
Yun Lin	Female	Finance		✓	✓						
Chao-Tang Yue	Male	CPA		✓	✓	✓	✓			✓	✓
Hong-Te Lu	Male	Marketing	✓	✓		✓			✓		✓



### 3.3.4 Composition, responsibilities, and operation of the Remuneration Committee

#### 1. Information Regarding Remuneration Committee

Position	Item Name	Has over 5 years of work experience and the below professional qualifications			Criteria (Note 1)								Number of Remuneration Committee memberships held in other public companies	Remark
		Holds the position of lecturer (or higher) at public or private college or university in business, law, finance, accounting or company operations	Holds a license, obtained through national examination, for the position of judge, district attorney, lawyer, accountant, or similar	Work experience in business, law, finance, accounting or company operations	1	2	3	4	5	6	7	8		
Independent Director	Yun Lin	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	1	
Independent Director	Chao-Tang Yue	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	6	
Independent Director	Hong-Te Lu	✓			✓	✓	✓	✓	✓	✓	✓	✓	3	

Note 1 :

For the two years prior to becoming committee members and during their term, members met the following criteria indicated with a “✓”

1. Not an employee of the company or any of its affiliates ;
2. Not a director or supervisor of the company or any of its affiliates. The same does not apply, however, in cases where the person is an independent director of the company, its parent company, or any subsidiary, as appointed in accordance with the laws of Taiwan or with the laws of the country of the parent company or subsidiary;
3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of issued shares of the company or ranking in the top10 in holdings ;
4. Not a spouse, relative within the second degree of kinship, or lineal relative within the fifth degree of kinship, of any of the persons in the preceding three subparagraphs ;
5. Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the company or that holds shares ranking in the top five in holdings ;
6. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the company
7. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliated of the company, or a spouse thereof ;
8. Not been a person of any conditions defined in Article30 of the Company Law.



## 2. Operations of the Remuneration Committee

(1) UPEC's Remuneration Committee is composed of three members.

(2) The term of office for current members runs from 22 June 2016 through 21 June 2019.

As of publication of the Annual Report, there had been a total of four (A) meetings of the Remuneration Committee over the past fiscal year. Member attendance is detailed below:

Title	Name	Meetings Attended Personally (B)	Meetings Attended by Proxy	Personal Attendance Rate (B/A)	Remark
Convener	Yun Lin	4	0	100%	
Committee Member	Chao-Tang Yue	4	0	100%	
Committee Member	Hong-Te Lu	3	1	75%	

Other issues to be noted:

1. There has not been any instance of the Board rejecting or amending a Remuneration Committee proposal. Also, there have not been any recorded instances of Remuneration Committee members opposing or reserving opinion on any decision by the Board.
2. UPEC did not have a case in which a member of the Remuneration Committee recorded or submitted a written statement in opposition or reserving opinion on a resolution decided upon by the committee

### 3.3.5 Corporate Social Responsibility (CSR)

Evaluation Item	Implementation Status			Deviations from "Corporate Social Responsibility(CSR) Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
<b>1. Corporate Governance Implementation</b>				
(1) Does the company declare its corporate social responsibility policy and examine the results of the implementation?	✓		1. The Board of Director set up CSR policy in 2008, and approved the CSR principle on 2010/4/26. The context was amended on 2015/03/26 subject to the new version of stock exchange notices. Please refer to the PEC CSR Report for a detailed description of CSR policy effectiveness.	None
(2) Does the company provide educational training on corporate social responsibility on a regular basis?	✓		2. The Company held 14 relevant training courses with 180,434 hours training hours. in 2017.	
(3) Does the company establish exclusive (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the board?	✓		3. Our CSR committee and CSR team under the strategic marketing group at President's office are responsible for proposing and implementing concrete plans related to CSR policies, systems, or relevant management guidelines and reporting the status on a regular basis to the Board of Directors	
(4) Does the company declare a reasonable salary remuneration policy and integrate the employee performance appraisal system with its corporate social responsibility policy, as well as establish an effective reward and disciplinary system?	✓		4. The reward which company offers to the employees for the services rendered is measured based on the level of employees' contribution and value to the company, and the market averages. It has a positive correlation with the performance of the company's business. It mainly includes basic salary, bonus and fringe benefits. Basic salary is assessed by taking into account of the market averages and issued to the employees; the bonus is considered with each individual and divisional achievement or entire company's performance; the fringe benefits is planned in accordance with the law to meet the needs of employees. The company advocates staff to comply with the company's provisions through bulletins and within internal meetings. Also the company sets reward and disciplinary committee to deal with cases of reward and punishment in a fairly way. The employee ethic is always required and abided by the Company and used as the basic performance evaluator to appraise employees' performance.	
<b>2. Sustainable Environment Development</b>				
(1) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		1. The company recognizes "sustainable development" as a challenge to face in 21st century. While seeking growth, we act responsible for corporate social responsibility, commit to protect the environment, and promote energy savings and carbon. We endeavor to reduce greenhouse gas emissions, examine Carbon footprint, introduce environmental accounting, involve CDP and our Wheat Fragrance Tetra Aseptic Paper Package series certified by the FSC.Group Savings Energy.	None
(2) Does the company establish proper environmental management systems based on the characteristics of their industries?	✓		2. The company continues to create a premium occupational health and safety culture in order to pursue a nice and safe workplace. In 2003, we set up an Environmental Safety Center to	

Evaluation Item	Implementation Status			Deviations from "Corporate Social Responsibility(CSR) Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons												
	Yes	No	Abstract Explanation													
(3) Does the company monitor the impact of climate change on its operations and conduct greenhouse gas inspections, as well as establish company strategies for energy conservation and carbon reduction?	✓		<p>reach a consensus of zero accidents and pollution among all employees. The company also received many approvals, such as Occupational Health and Safety Management System (OHSAS 18001), Environmental Management System (ISO14001), Taiwan Occupational Health and Safety Management System (TOSHMS). Each year we would update the environmental reports, and disclose the content on the company's website. In 2017, we set up Industrial Safety Office.</p> <p>3. In 2007, we established a cross-department group to handle environmental protection and energy saving and constantly promote, trace and follow 8 major KPI of environmental protection. Internally, Uni-President has established energy conservation management systems, optimized production efficiency and organization, raised boiler and chiller efficiency, purchased and installed more efficient lighting and motors, improved the efficiency of air compressor systems, and lessened leakage on shrink-wrapping.</p> <p>In order to better understand the emissions levels of the company as a whole, we established the Greenhouse Gas Management Committee. This committee has teams in each plant that draft standard operating practices for greenhouse gas management and internal auditing, in accordance with ISO 14064-1 standards, quantifying the company's overall greenhouse gas emissions. .We have now committed to an annual, as well as mid and long-term carbon reduction goals.</p> <ul style="list-style-type: none"> <li>• Annual reduction goal: Reduce carbon emissions by at least 2% compared to the previous year (approximately 3780 tons of CO<sub>2e</sub>)</li> <li>• Mid and long-term reduction targets: Drop down to 80% of the 2005 emissions by 2020. (Approximately 189,200 tons of CO<sub>2e</sub>)</li> </ul> <p>Direct and Indirect Greenhouse Gas Emissions Units: tCO<sub>2e</sub></p> <table border="1"> <thead> <tr> <th></th> <th>2017</th> <th>2016</th> <th>YOY%</th> </tr> </thead> <tbody> <tr> <td>Scope 1</td> <td>56,544</td> <td>59,419</td> <td>-4.84%</td> </tr> <tr> <td>Scope 2</td> <td>95,894</td> <td>96,075</td> <td>-0.19%</td> </tr> </tbody> </table>		2017	2016	YOY%	Scope 1	56,544	59,419	-4.84%	Scope 2	95,894	96,075	-0.19%	None
	2017	2016	YOY%													
Scope 1	56,544	59,419	-4.84%													
Scope 2	95,894	96,075	-0.19%													
<b>3. Preserving Public Welfare</b>																
(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		<p>1. The company insists on the harmonious relationship with its workers, and extremely concern about the employee's welfare and career planning. So far, no employer and labor conflicts had occurred, and no losses of this kind are expected to come. The company set up the Human Rights Policy of Uni-President Enterprise in accordance with the spirit of International Bill of Human Rights,</p>	None												
(2) Has the company set up an employee hotline or grievance mechanism to handle complaints with appropriate solutions?	✓		<p>2. The company has set up various communication channels according to government regulations, such as unity magazine, and e-mail that allow employees to make complaints directly and ensure employees be able to make complaints or suggestion with the most appropriate channel to make complaints or suggestions. When any claim is received, we will thoroughly investigate complaints, and actively implement improvement plans and protection measures.</p>													

Evaluation Item	Implementation Status			Deviations from "Corporate Social Responsibility(CSR) Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		3. The company provides a healthy and safe workplace for the labors, and organizes regular health checkup, safety education and onsite operating manual, and devises rules for retirement with respect to the Labor Standards Law and new Labor Pension Act.	None
(4) Does the company setup a communication channel with employees on a regular basis, as well as reasonably inform employees of any significant changes in operations that may have an impact on them?	✓		4. The company publishes monthly internal publication, fully discloses the dynamics of the Uni-President Group so that all employees are informed about the company's business profile, and invites director of the corporate labor union to attend the corporate business meeting to enable employees to catch every latest business developments.	
(5) Does the company provide its employees with career development and training sessions?	✓		5. In our pursuit of professionalism, we outline the blueprint for talent cultivation from the perspective of practicality and long-term operation. Moreover, we construct a complete career cultivation system from the corporate vision, mission and task to strategy deployment. We plan the study roadmap for each level in terms of the core management competency, as well as the physical and mental demands and organizational development demands. In the meantime, we provide abundant learning resources and talent-oriented work plan for the employees, who are expected to pursue growth and give full play to their talents. The company places emphasis on the cultivation of key talents, who are assigned with critical positions and challenges through job rotation and overseas training. Moreover, the company expands its plans and vision, expecting to cultivate professionals and leaders internally. By doing so, we wish to achieve individual career development alongside enterprise development.	
(6) Does the company establish any consumer protection mechanisms and appealing procedures regarding research development, purchasing, producing, operating and service?	✓		6. We set up a consumer service center to response to customer complaints, serve at the interests of consumers in a fast and timely manner to maintain a good corporate image.	
(7) Does the company advertise and label its goods and services according to relevant regulations and international standards?	✓		7. The Company shall embrace product responsibility and value marketing ethics. In the process of research and development, procurement, production, operation, and service, the Company shall ensure the transparency and safety of product labeling and service information. The Company shall also define and disclose our policy on consumer rights and benefits and enforce it in business activities, so as to prevent our products or services from harming the rights, benefits, health, or safety of consumers.	
(8) Does the company evaluate the records of suppliers' impact on the environment and society before taking on business partnerships?	✓		8. Prior to conduct with suppliers, the pollution control, waste removal treatment, energy saving and carbon reduction management, poisoning control, sanitation, staff health shall be listed in Supplier Evaluation standards. Only those qualified can be traded. Also, to reduce the impact on environment, the company aggressively reaches on lightweight packaging materials to develop environmental friendly packages.	

Evaluation Item	Implementation Status			Deviations from "Corporate Social Responsibility(CSR) Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
(9) Do the contracts between the company and its major suppliers include termination clauses which come into force once the suppliers breach the corporate social responsibility policy and cause appreciable impact on the environment and society?	✓		9. The procurement department shall abide the "Procurement Operation management Standard". After the transaction is established with the supplier, the parties shall sign the sales contract, which stipulates the terms of CSR. Both parties shall comply with the policy of corporate social responsibility and the standards of ethics, law and public requirements for the business operation. Consideration should be given to the impact on society and natural environment, if any party's concern violates the policy of corporate social responsibility, the other party can terminate or rescind the contract at any time.	None
<b>4. Enhancing Information Disclosure</b> (1) Does the company disclose relevant and reliable information regarding its corporate social responsibility on its website and the Market Observation Post System (MOPS)?	✓		1. Our CSR reports are posted on corporate and marketing (PECOS) official website and updated periodically. 2. We have published the CSR report every two year. The structure of the report was based on the framework set out in the "Corporate Social Responsibility Report Authoring and Reporting Guidelines for TWSE/GTSM-listed Companies" and Global Reporting Initiative (GRI)'s GRI Version 4.0, as well as supplementary indicators from the food processing industry. UPEC has commissioned PwC Taiwan to conduct independent limited assurance on this report in accordance with the Assurance Standard No. 1 "Assurance Engagement of Examinations or Audits of Non-historical Financial Information" issued by the Accounting Research and Development Foundation. The content can be downloading from corporate website.	None
<b>5. If the Company has established the corporate social responsibility principles based on "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the Principles and their implementation:</b>				
No material difference exists in our "Corporate Social Responsibility Best Practice Principles" and their implementation.				
<b>6. Other important information to facilitate better understanding of the Company's corporate social responsibility practices :</b>				
(1) Environment: In 2017, Xinshih General Plant was awarded "Energy Saving Standard Award" by the Ministry of Economy Affairs. Product: 1. Perform third party inspection yearly. 169 third party inspections were performed in 2017. 2. All production lines have been certified by ISO 22000. 3. Input NT\$350.7 billion in food safety control and NT\$77.6 million in R&D in 2017. 4. 176 suppliers have achieved ISO 22000 by the end of 2017. Employee: 1. Signed up collective agreement 2. Invested NT\$48.10 million in labor safety and health.				
(2) In 2017, we won the award of "Named a Top 20 International Brand in Taiwan", one of the top 5% of all TWSE/GTSM listed companies from the 4th Corporate Governance Evaluation, "2017 traditional manufacturing and realty industry Awards of TCSA", "2017 Social Inclusion Awards of TCSA", E-sport industry certificate by MOE and " 2017 Top 20 of most popular employers among the new generation" by Cheers Magazine.				
<b>7. A clear statement shall be made below if the corporate social responsibility reports were verified by external certification institutions:</b>				
Uni-President has commissioned PwC Taiwan to conduct independent limited assurance on this report in accordance with the Assurance Standard No. 1 "Assurance Engagement of Examinations or Audits of Non-historical Financial Information" issued by the Accounting Research and Development Foundation. The assurance report can be found in pages 85 and 86 of this report. We have published the CSR report on Nov. 2017. The report can be downloading from corporate website (www.uni-president.com.tw/CSR/).				

### 3.3.6. Ethical Corporate Management

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practices Principles for TWSE listed companies and reasons
	Yes	No	Abstract Illustration	
<b>1. Establishment of ethical corporate management policies and programs</b>				
(1) Does the company declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its board to implement the policies?	✓		(1) The "UPEC Ethical Corporate Management Best Practice Principles" (established on June 24, 2014 and revised on March 26, 2015, were disclosed on MOPS and UPEC website) and the Company's policies, principle and guidelines declare corporate management policies and procedures, and the board's commitment to implement it.	None
(2) Does the company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, rules of appeal, and the commitment to implement the policies?	✓		(2) The Company established "UPEC Procedures and Guidelines of Conduct for Ethical Management" on March 26, 2015 to regulate the procedures, guidelines, and punishment for violation, rules of appeal, and commitment to put them into practice. The Company establishes an exclusively dedicated unit supervised by the Board to be in charge of corporate ethical management and report to the board on a regular basis.	None
(3) Does the company establish appropriate precautions against high-potential unethical conduct or listed activities stated in Article 2, Paragraph 7 of the ethical corporate management best-practice principles for TWSE listed companies?	✓		(3) The company has established precautions against high-potential unethical conducts or listed activities stated in Paragraph 7 of Article 2 of the Ethical Corporate Management Best Practice Principles for TWSE listed companies, and required the company's related units to commit to the implementation. Also, due to the highly correlation of the business operation with food safety, the company has treated with greater cautions to prevent the risks to consumers or interested parties' rights, health and safety directly or indirectly during the process of research and development, procurement, manufacturing, or selling of the products and services. Summaries of precautions and performance in 2017 were as follows: <ul style="list-style-type: none"> <li>■ Regulatory compliance: The food safety center assigns individuals to collect related information, identify and check inventory through regulatory identifying system, review counter-measures and confirm through auditing. Total regulatory changes identified were 83 cases, and activations of regulatory identification were 37 cases.</li> <li>■ Food safety advocates: The food safety center issues "Food Safety Week" to publicize regulatory changes and related global incidents of food safety. 52 issues were published in 2017.</li> </ul>	None

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practices Principles for TWSE listed companies and reasons
	Yes	No	Abstract Illustration	
			<ul style="list-style-type: none"> <li>■ Food safety control costs: In 2017, the company's inspection fees, laboratory-related costs such as wages and depreciation of fixed assets and other food safety control costs totaled 350.7 million.</li> <li>■ R&amp;D and inspection equipment investment: In 2017, R&amp;D and equipment investment from research institutes, food safety center and technology unit totaled 77.6 million.</li> <li>■ Food track, retrospective data, and compulsory data: In May 2015, the company started to upload data of "Edible Fats" to public database cloud services automatically. Until 2017, data including production, input and selling process for 205 products were uploaded completely.</li> <li>■ Assessed internal and foreign suppliers: 169 suppliers have been assessed, among which 1 was unqualified. The unqualified will be excluded from the eligible suppliers list.</li> <li>■ Minimized food safety risks: Every production plant has developed its own counters, books and individuals to manage the uses of food additives according to each product characteristic and all were verified by agencies such as the Ministry of Health and Welfare and TQF in 2017.</li> <li>■ Clean Label: Reduction of food additives is the guiding principal for R&amp;D. Starting from product design, less food additives have been used through integration, elimination or replacement.</li> <li>■ Food safety committee: Committee members consist of directors from food safety Center, purchasing department, R&amp;D, Technical group, customer service center and business sales units. The committee held meeting weekly to report, review and resolve food safety and quality management matters, and held group meeting in 2018. A total of 34 food safety meetings were held in 2017.</li> <li>■ ISO22000 / FSSC22000 Food factory: By the end of 2017, all plants were approved by ISO22000 / FSSC22000 food safety management system certification.</li> </ul>	None
<b>2. Fulfill ethical management</b>				



Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practices Principles for TWSE listed companies and reasons
	Yes	No	Abstract Illustration	
(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		(1) The Company evaluates business partners' ethical records and includes ethics-related clauses in business contracts. Prohibit bribery and accepting bribes: The company requires all suppliers, construction companies advertising and design business, information hardware and software companies, and logistics distributors to sign the sun clause (that is, no one shall directly or indirectly offer/ accept any form of improper benefits). The contracts will be reviewed by the legal office if these are violated our ethical spirit.	None
(2) Does the company establish an exclusively dedicated unit supervised by the Board to be in charge of corporate ethical management and report to the board on a regular basis?	✓		(2) The Company an exclusively dedicated unit supervised by the Board to be in charge of corporate ethical management and report to the board on a regular basis.	None
(3) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels for complaints and implement it?	✓		(3) The Company establishes "UPEC Ethical Corporate Management Best Practice Principles" and "UPEC Procedures and Guidelines of Conduct for Ethical Management" to state clearly the policies in order to prevent conflicts of interest and provide appropriate communication channels for complaints and actively implement it. In 2015, the Board followed the regulation of "Interest Avoidance" in Paragraph 19 of Ethical Corporate Management Best-practice Principles to make revision on "Regulations Governing Procedure for Board of Directors Meetings" in order to implement the policy of "Interest Avoidance" better. To avoid conflict of interest of directors, managers and other interested parties attending the board of directors, we adopted the following: <ul style="list-style-type: none"> <li>■ In the Board Meeting notice and Board Meeting report, all provisions of the Director's Avoidance of Conflict of Interest in Article 16 of Rules and Procedures of Board of Directors' Meetings are specified.</li> <li>■ Prior to the approval and discussion of matters at the Board Meeting, the master of ceremony would routinely read the Director's Avoidance of Conflict of Interest set out in Article 16 of the Rules and Procedure of the Board of Directors Meetings.</li> <li>■ If there's any matter in Board Meeting related to directors' avoidance of conflict of interest, before the matter is read, the master of ceremonies will again remind the related party to depart from the field.</li> </ul>	None



Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practices Principles for TWSE listed companies and reasons
	Yes	No	Abstract Illustration	
			<p>■ In 2017, total 8 Board Meetings were held and all were conducted in accordance with the rules and procedures of the board of directors meeting.</p>	
(4) Has the company established effective systems for both accounting and internal control to facilitate ethical corporate management, and are they audited by either internal auditors or CPAs on a regular basis?	✓		(4) The company has established effective accounting and internal control systems to fulfill ethical management and assigned internal auditors to audit regularly and irregularly. In 2017, we had 96 ethical management related auditing reports. Based on the auditing recommendations, the examined units have proposed improvements which were tracked regularly by the Auditing Office for the implementation. Also the company followed the standards of "Company law" and "Securities Exchange Act" and asked accountant to audit and certify relevant accounting lists and forms.	None
(5) Does the company regularly hold internal and external educational trainings on ethical management?	✓		(5) To ensure ethical management, the Company held training classes, with 64,154 staffs being trained for a total of 180,434 hours.	None
<b>3. Whistle-blowing system</b>				
(1) Does the company establish a clear whistle-blowing and reward system and set up a convenient channel for reporting unethical activities and reward system? Can the accused be reached by an appropriate person for follow-up?	✓		The Company establishes "UPEC Ethical Corporate Management Best Practice Principles" and "UPEC Procedures and Guidelines of Conduct for Ethical Management". (1) The Company establishes concrete whistle-blowing and reward system, and dedicated personnel or unit to follow-up the accusation.	None
(2) Does the company establish standard operating procedures for confidential reporting on investigating accusation cases?	✓		(2) The Company establishes standard operating procedures for confidential reporting on investigating accusation cases	None
(3) Does the company provide proper whistleblower protection?	✓		(3) The Company provides proper whistleblower protection. In 2017, there was 1 case regarding labeling processing by the Audit Office. Those cases were concluded.	None
<b>4. Strengthening information disclosure</b>				
(1) Does the company disclose its ethical corporate management policies and results of its implementation on the company's website and MOPS?	✓		The Company discloses its ethical corporate management policies and results of its implementation on the company's website and MOPS.	None

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practices Principles for TWSE listed companies and reasons
	Yes	No	Abstract Illustration	
<b>5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE listed companies, please describe any discrepancy between the policies and their implementation.</b>			The Company has established "UPEC Ethical Corporate Management Principle" based on the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies. Our subsidiaries are also required to set up their codes to comply with our ethical management principles and implement day-to-day operations. Therefore, there have been no differences. The Company and subsidiaries follow the ethical principle to implement the corporate ethics in internal control system and relevant mechanism.	
<b>6. Other important information to facilitate a better understanding of the company's ethical corporate management practices (e.g., review and amend its policies)</b>			Ever since its foundation, Uni-President Enterprise Corp. has faithfully followed the management philosophy of "Three Good and One Fairness" and the entrepreneurial spirit of "honest and industrious, innovative and progressive", and adopted the "Millenary Love- A Touch of the Millennium Love" as the central focus of the corporation's cultural projects. The company carries out commercial activities adhering to the honest, trustworthy, transparent, and Sunlight principles to preserve the interests of related parties (including investors, consumers, employees, partners, and neighboring communities...etc), and roots the ethical corporate management principle deeply into the corporate ethics and culture in the pursuit of better corporate goodwill and sustainable development. Meanwhile the company responds quickly to the changes of management environment, and amends ethical management principle, operating procedures and practice guidelines to meet the regulation and stakeholders' expectations will be fulfilled. It is our commitment to become Everyone's All-time Favorite Symphony of Food.	

### 3.3.7 If the company has adopted corporate governance best-practice principles or related bylaws, disclose how these are to be searched

UPEC has defined a corporate governance code of practice in 2014. Besides, the Company has already formulated the Rules of Procedure for Shareholder Meetings, Regulations Governing the Election of Directors, Board of Directors Meeting Procedures, Operational Procedures for Acquisition and Disposal of Assets, Operational Procedures for Endorsements and Guarantees, Operational Procedures for Loaning of Company Funds, Rules for the Practice of Corporate Social Responsibility, Organizational Rules Governing the Remuneration Committee, Organizational Rules Governing the Audit Committee, Ethical Corporate Management Best Practice Principles, Rules Governing the Scope of Obligations of the Independent Directors, Collective Agreement and the whistle-blowing system. The Company has also established a corporate website at <http://www.uni-president.com.tw>, which discloses sales, financial, and corporate governance information.

### 3.3.8 Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed : Please refer to Page 48.

### 3.3.9 Implementation Status of Internal Control System

#### A. Internal Control Declaration (translated from Chinese)

##### Statement of Internal Control System

Date: March 28, 2018

The internal control system from January 1 to December 31, 2017, according to the result of self-assessment is thus stated as follows :

1. The Company acknowledges that the implementation and maintenance of internal control system is the responsibility of Board of Directors and management, and the Company has established such system. The internal capital system is aimed to reasonably assure that the goals such as the effectiveness and the efficiency of operations (including profitability, performance and protection of assets), the reliability of financial reporting and the compliance of applicable law and regulations are achieved.
2. The internal control system has its innate restriction. An effective internal control system can only ensure the foregoing three goals are achieved; nevertheless, due to the change of environment and conditions, the effectiveness of internal control system will be changed accordingly. However, the internal control system of the Company has self-monitoring function and the Company will take corrective action once any defect is identified.
3. According to the effective judgment items for the internal control system specified in “Highlights for Implementation of Establishing Internal control System by Listed Companies” (hereinafter referred to as “Highlights”) promulgated by Securities and Futures Commission, Ministry of Finance R.O.C., the Company has made judgment whether or not the design and execution of internal control system is effective. The judgment items for internal control adopted by “Highlights” are, based on the process of management control, for classifying the internal control into five elements: 1.Control environment; 2.Risk assessments; 3.Control activities; 4.Information and communication; and 5.Monitoring. Each element also includes a certain number of items. For the foregoing items, refer to “Highlights”.
4. The Company has adopted the aforesaid judgment items for internal control to evaluate the effectiveness of design and execution of internal control system.
5. Based on the above-mentioned result of evaluation, the Company suggests that the internal control system, including the design and execution of internal control relating to the effectiveness and efficiency of operation, the reliability of financial reporting, the compliance of applicable law and regulations has been effective and they can reasonably assure the aforesaid goals have been achieved.
6. This statement will be the main content for annual report and prospectus and will be disclosed publicly. If the above contents have any falsehood and concealment, it will involve in the liability as mentioned in Article 20, 32, 171 and 174 of Securities and Exchange Law.
7. This statement has been approved by the meeting of Board of Directors on March 28, 2018, and those 13 directors in presence all agree at the contents of this statement.

Uni-President Enterprise Corporation  
Chairman : Chih-Hsien Lo

President : Jung-Lung Hou

**B. If the company has commissioned external auditors to review the company's internal control system, the external auditor's report should be disclosed: Not applicable.**

3.3.10 Conviction of corporate or employees' wrongdoings, Company's punishment on employee for violation of internal control, major faults and improvements during recent fiscal period and to the publish date of the annual report: None.

**3.3.11 Major Resolutions of Shareholders Meeting and Board of Directors Meeting**

**A. Major resolutions of 2017 General Shareholders Meeting**

One general shareholders meeting was convened in the fiscal year 2017 and to the publish date of the annual report. The 2017 General Shareholders Meeting was held on June 21, 2017 and the resolutions were summarized as follows.

- (1) Accepted the business report and financial statements of year 2016.
- (2) Approved the distribution of retained earnings of year 2016.  
The available retained earnings for distribution in 2016 were NTD 14,877 million. The distribution of cash dividend was NT\$2.1 per share.
- (3) Approval of "regulations Governing Procedure for Shareholders' Meetings".
- (4) Approval of the regulations governing the acquisition or disposal of assets.
- (5) Approved the deletion of non-competition promise on company's directors in compliance with article 209 of the company law.

**B. Executions of the Resolutions of the 2017 General Shareholders Meeting**

- (1) Accepted the business reports and financial statements of year 2016: In accordance with the company law, all related financial information has been submitted to the government agency for review.
- (2) Approved the distribution of retained earnings for 2016 Cash dividend of NT\$ 2.1 per share was distributed on September 8, 2017. The recorded date is set on August 11, 2017.
- (3) Approval of "regulations Governing Procedure for Shareholders' Meetings": Effective on the resolutions at general shareholders meeting.
- (4) Approval of the regulations governing the acquisition or disposal of assets : Effective on the resolutions at general shareholders meeting.
- (5) Approved the deletion of non-competition promise on company's directors in compliance with article 209 of the company law: Effective on the resolutions at general shareholders meeting.

**C. Major Resolutions during the Board of Directors Meetings in 2017 and to the Publish Date of the Annual Report**

Nine board meetings were convened in fiscal year 2017 and to the publish date of the annual report. The major resolutions were summarized below.

**2017.03.29 (5th Board Meeting in Seventeenth Session)**

1. Ethical Corporate Management Practice Team reported the implementation of ethical corporate management policies.

2. Report the total amount of endorsements/guarantees for others.
3. Approved to dissolve SMS Consumer Fund L.P.
4. Approved the capital decrease of RMB 50 million of United Advisor Venture Management Ltd.
5. Approved the disposition of 11,776,710 shares of EAGLE cold storage Enterprise co., Ltd.
6. Approved the distribution of directors' remuneration.
7. Approved to distribute the remuneration and bonus paid to directors and employees.
8. Accepted the financial statements of year 2016.
9. Accepted the appointment of CPA and approved the evaluation of external auditor's independence.
10. Approved the capital increase of NTD 557.07 million into Tung Ho development Co., Ltd.
11. Approved to amend the regulations governing the acquisition or disposal of assets.
12. Approved the statement of internal control system for year 2016.
13. Accepted the business plan and business report for year 2016.
14. Approved the distribution of retained earnings for year 2016: cash dividend of NT\$ 2.1 per share (proposal will be submitted to general shareholders meeting for approval).
15. Approved the capital decrease of RMB 8 million of Champ Green Capital Limited.
16. Approved the time of 2017 general shareholders meetings on June 21, 2017.
17. Approved the related operating procedures for any shareholder holding 1% or more shares to write a roster for independent director by-election candidates. The period for shareholders to submit a proposal is from April 14, 2017 to April 24, 2017.
18. Approved the proposal of the deletion of non-competition promise on company's directors in compliance with article 209 of the company law.
19. Approved to amend the "regulations Governing Procedure for Shareholders' Meetings".
20. Approved the issuance of unsecured convertible bonds.
21. Approved the proposal of the deletion of non-competition promise on company's managers in compliance with article 32 of the company law.
22. Approved to support the special issue for 50th anniversary of Economic Daily News.
23. Approved the short-term guarantee loan renewal of NTD 600million to Kai Yu investment Co., Ltd. from Mega Bills Corp.
24. Approved loan renewals of NTD 5.995 billion and USD 100 million from five banks including Land Bank of Taiwan.
25. Approved new loans of NTD 3.4 billion and USD 48.8 million from four banks including DBS Bank (Taiwan) Ltd.
26. Approved the appointment of Jau-Kai Hwang and Liang-Feng Wu as the senior vice presidents and Kun-Lin Wu as the vice president.

**2017.05.10 (6th Board Meeting in Seventeenth Session)**

1. Approved the consolidated financial statements for first quarter of year 2017.
2. Approved the loan of USD 10.32 million to Uni-President Southeast Asia Holdings Ltd. through Kai Yu (BVI) Investment Co., Ltd.
3. Accepted the change of the person in custody of the use of the official seals.
4. Approved the payment for some membership fee and admission fee.
5. Approved bank loans renewal of NTD 9,000 million, USD 82 million and EURO 3 million and from six banks including BNP Paribas Euronext.
6. Approved loan renewals of NTD 500 million and USD 16 million from E-Sun Bank.
7. Approved the guarantee loan renewal from Dah Chung Bills Finance Corp. to Kai Yu investment Co., Ltd.

**2017.06.21 (7th Board Meeting in Seventeenth Session)**

1. Appoint Kuo-Hui Chen as our Vice President of Finance Group to supervise the operation of the Finance Group and Taipei Branch.
2. Authorized the chairman the full power to set the record date of distribution of cash dividend.
3. Approved the proposal of the deletion of non-competition promise on company's key managers in compliance with article 32 of the company law.
4. Approved the renewal of D&O Insurance for directors, supervisors and key managers.
5. Approved new loans of NTD 2 billion and USD 120 million from two banks including Bank of Communications.
6. Approved loan renewals of NTD 5.6 billion from two banks including CTBC Bank.

**2017.07.27 (8th Board Meeting in Seventeenth Session)**

1. Approved the disposition of 20% shares of President Coffee (Cayman) Holdings Ltd. from Kai Yu (BVI) Investment Co., Ltd. through Kai Yu Investment Co., Ltd.
2. Approved acquisition of 20% shares of President Coffee Corp.
3. Approved to provide the guarantee for share trading of President Coffee (Cayman) Holdings Ltd. for Kai Yu (BVI) Investment Co., Ltd.

**2017.08.09 (9th Board Meeting in Seventeenth Session)**

1. Accepted the acquisition of 1.10% shares of Tait Marketing & Distribution Co., Ltd.
2. Approved the financial statements for first half year of 2017.
3. Approved the auditing fee of year 2017.
4. Approved the dismissal of position in other companies for Mr. Lung-Hong Lu.
5. Approved the proposal of the deletion of non-competition promise on company's key managers in compliance with article 32 of the company law.
6. Approved the guarantee loan renewal of USD 20 million from HSBC Bank (Taiwan) Limited.
7. Approved new loans of USD 75 million and NTD 600 million from three banks including SANTANDER CENTRAL HISPANO S.A.
8. Approved loan renewals of USD 454 million and NTD 1,050 million from six banks including Mizuho Bank.

**2017.11.08 (10th Board Meeting in Seventeenth Session)**

1. Approved the capital decrease of RMB 40 million of United Advisor Venture Management Ltd.
2. Approved the 2018 KPIs for managers.
3. Approved the 2018 meeting schedule of the compensation committee.
4. Approved the consolidated financial statements for third quarter of year 2017.
5. Approved internal auditing proposal of year 2018.
6. Approved the loans for Cayman President Holdings Ltd., Kai-Yu(BVI) Investment Co., Ltd and President International Tarde and Investment Corp.
7. Approved the loan of NTD 150 million to Tone Sang Construction Corp. through Presco Netmarketing Inc.
8. Approved the proposal of the deletion of non-competition promise on company's managers in compliance with article 32 of the company law.
9. Approved to amend the "regulations Governing Procedure for Board Meetings".
10. Approved the amendments to the "Corporate Governance Best Practice Principles".

11. Approved to revise “Auditing Committee Charter”.
12. Approved to sign the Collective Agreement with the labor union of Uni-President Enterprises Corp.
13. Approved the liquidation for Wuyuan President Enterprises Mineral Water Co., Ltd.
14. Approved loan renewals of NTD 1.5 billion and USD 66.8 million from three banks including DBS Bank (Taiwan) Ltd.
15. Approved new loans of NTD 8.65 billion and USD 160 million from eight banks including ANZ Bank (Taiwan) Limited.

**2017.12.20 (11th Board Meeting in Seventeenth Session)**

1. Reported the implementation of corporate social responsibility in 2017.
2. Accepted the business plan of 2018.
3. Approved to amend the “Rules Governing the Scope of Powers of Independent Directors” and “Audit Committee Charter”.
4. Approved the managerial dismissal for Wen-Lung Yang, vice president.
5. Approved renewal of the appointment of three legal advisors.
6. Approved the payment of totaling NTD 0.51 million for some membership fee and admission fee.
7. Approved to donate NTD 15 million to Millennium Health Foundation.
8. Approved the proposal of the deletion of non-competition promise on company's managers in compliance with article 32 of the company law.
9. Approved new loans of NTD 2.5 billion from Taiwan Finance Corporation.
10. Approved bank loans renewal of NTD 5,900 million, and USD 20 million from four banks including Taiwan Cooperative Bills Finance Corporation.
11. Approved the guarantee renewal of limit up to NTD 200 million from Mega International Commercial Bank.

**2017.12.29 (12th Board Meeting in Seventeenth Session)**

1. Approved that Kai Yu (BVI) Investment Co., Ltd. signed an “Agreement for the Sale and Purchase of Shares in President Coffee (Cayman) Holdings Ltd.” with Starbucks Coffee International Inc. (herewith referred to as SCI) on 27 July 2017. Of which SCI would transfer the rights and obligations in the Agreement to Starbucks EMEA Holdings Ltd.
2. Approved to change the guarantor to Starbucks EMEA in above trading.

**2018.03.28 (13th Board Meeting in Seventeenth Session)**

1. Ethical Corporate Management Practice Team reported the implementation of ethical corporate management policies.
2. Accepted acquisition of 1,324,970 shares of TTET Union Corporation.
3. Accepted the change of the person in custody of the use of the official seals in Taipei office.
4. Accepted to donate NTD 5 million to Hualien County Social assistance Account.
5. Approved the distribution of directors' remuneration.
6. Approved to distribute the remuneration and bonus paid to directors and employees.
7. Accepted the financial statements of year 2017.
8. Accepted the appointment of CPA and approved the evaluation of external auditor's independence.
9. Approved the statement of internal control system for year 2017.
10. Approved the loan of NTD 55 million to Uni-President Glass Industrial Co., Ltd. through Kai Nan Investment Co., Ltd.



11. Approved to revise the procedures for lending funds to other parties.
12. Approved to revise “Procedures for Endorsement and Guarantee” and “Procedure Governing the Lending of Capital to Others” .
13. Accepted the business plan and business report for year 2017.
14. Approved the distribution of retained earnings for year 2017: cash dividend of NT\$ 5.5 per share (proposal will be submitted to general shareholders meeting for approval).
15. Approved the financing option to issue CB no more than limit of USD 10,000 million to meet the future capital needed.
16. Approved the time of 2018 general shareholders meetings on June 20, 2018.
17. Approved the related operating procedures for shareholders to write a roster for directors and independent directors. The period for shareholders to submit their proposals is from April 13, 2018 to April 23 2018.
18. Approved the proposal of the deletion of non-competition promise on company's directors in compliance with article 209 of the company law.
19. Approved the proposal of the deletion of non-competition promise on company's managers in compliance with article 32 of the company law.
20. Approved the short-term guarantee loan renewal of NTD 600million to Kai Yu investment Co., Ltd. from Mega Bills Corp
21. Approved new loans of NTD 11.33 billion and USD 95 million from 7 banks including Mega International Commercial Bank.
22. Approved loan renewals of NTD 6.53 billion, USD 391million and EURO 3 million from 8 banks including Land Bank of Taiwan.

3.3.12 Document or written statement that states different opinions by board members or supervisors against the approved major resolutions by the board meeting in recent fiscal period and to the publish date of the annual report: None.

### 3.3.13 Resignation or Dismissal of Personnel Involved in Preparation of Financial Reports

As of 4/30/2018

TITLE	NAME	DATE OF APPOINTED	DATE OF TERMINATION	REASONS FOR RESIGNATION OR DISMISSAL
Director of Finance Group	Tsung-Ming Su	2002.08.01	2017.07.01	Position Adjustment
Director of Central R&D Institute	Kr-Lien Chen	2016.01.25	2018.01.25	Position Adjustment



### 3.4 Auditing Notes

#### 3.4.1 Disclosure of Auditing Fee

Auditing Firm	Audit Period	Remark
PRICEWATERHOUSECOOPERS	Fiscal Year 2017	-

Unit: NT\$1,000

Expense Scale		Fee Category	Audit Fees	Non-Audit Related Fees	Total
1	Less than NT\$2 million				
2	NT\$2 million - NT\$4 million				
3	NT\$4 million - NT\$6 million				
4	NT\$6 million - NT\$8 million				
5	NT\$8 million - NT\$10 million				
6	NT\$10 million (incl.) and above		✓	✓	✓

3.4.2 The amount of non-auditing relevant fees charged by the appointed independent auditors and the related parties reaches 78.92 % of the Company's annual auditing expenses.

Unit: NT\$1,000

Auditing Firm	Audit Fees	Non-Audit Related Fees					Audit Period	Remark
		System design	Company Registration	Human Resource	Others (Note 1)	Subtotal		
PRICEWATERHOUSECOOPERS	14,000	-	780	570	9,699	11,049	2017.1.1~ 2017.12.31	CSR report and consulting service

3.4.3 If there is any change in the appointed independent auditors and the Company's annual auditing expenses decreased simultaneously, information regarding the amount, percentage and reasons for the decrease in auditing expenses shall be disclosed : Not Applicable.

3.4.4 Auditing expenses decreased by 15% in comparison to the previous year, information regarding the amount, percentage and reason for the decrease in auditing expenses shall be disclosed : Not Applicable.

3.5 Changing of auditors: Not Applicable.

3.6 If the Company's Chairman, President, or managers responsible for financial and accounting affairs have held any position in the accounting firm or its affiliates during the past year, all relevant information should be disclosed: None.

### 3.7 Net Change in shareholdings and in shares pledged by directors, supervisors, management, and shareholders holding more than a 10% share in the Company.

#### 3.7.1 Recent changes:

Unit: Share

Title	Name	2017		As of Apr.30, 2018	
		Net increase (decrease) in shares held	Net increase (decrease) in shares pledged	Net increase (decrease) in shares held	Net increase (decrease) in shares pledged
Director (Juridical Person Shareholders)	Kao Chyuan Inv. Co., Ltd.	6,430,000	-	-	-
Chairman and Group Chief Strategy Officer (Representative)	Chih-Hsien Lo (Note1)	-	-	-	-
Director (Representative)	Shiow-Ling Kao (Note1)	-	-	128,626	-
Director (Representative)	Jui-Tang Chen (Note1)	-	-	-	-
Director	Po-Ming Hou	-	-	-	-
Director	Po-Yu Hou	-	-	-	-
Director	Chang-Sheng Lin	-	-	-	-
Director	Hsiu-Jen Liu	(43,000,000)	(2,500,000)	-	-
Director (Juridical Person Shareholders)	Taiipo Inv. Corp.	-	-	-	-
Director (Representative)	Ping-Chih Wu (Note 3)	-	-	-	-
Director (Juridical Person Shareholders)	Joyful Investment Co., Ltd.	-	-	-	-
Director (Representative)	Kao-Huei Cheng (Note 4) (Note 5)	-	-	-	-
Director (Representative)	Li-Ling Cheng (Note 4) (Note 6)	-	-	-	-
Director (Juridical Person Shareholders)	Young Yun Inv. Co., Ltd.	(2,000)	-	-	-
Director (Representative)	Chung-Ho Wu (Note2)	(100,000)	-	-	-
Independent Director	Yun Lin	-	-	-	-
Independent Director	Chao-Tang Yue	-	-	-	-
Independent Director	Hong-Te Lu	-	-	-	-
President	Jung-Lung Hou	-	-	-	-

Title	Name	2017		As of Apr.30, 2018	
		Net increase (decrease) in shares held	Net increase (decrease) in shares pledged	Net increase (decrease) in shares held	Net increase (decrease) in shares pledged
Senior Vice President	Wen-Lung Yang (Note7)	-	-	-	-
Senior Vice President	Chien-Li Yin	-	-	-	-
Senior Vice President	Tsung-Ming Su	-	-	-	-
Senior Vice President	Long-Hong Lu (Note8)	-	-	-	-
Senior Vice President	Chung-Sung Wu	-	-	-	-
Senior Vice President	Jau Kai Hwang	-	-	-	-
Senior Vice President	Liang-Feng Wu	-	-	-	-
Vice President	Ying-Thung Yu	-	-	-	-
Vice President	Jui-Sheng Wang	-	-	-	-
Vice President	Tsung-Yi Liu	-	-	-	-
Vice President	Chia-Chuan Wang	-	-	-	-
Vice President	Fu-Jung La	-	-	-	-
Vice President	Chia-Ming Chai	-	-	-	-
Director of Accounting Group & Vice President	Tsung-Pin Wu	-	-	-	-
Vice President	Chih-Ming Hsu	-	-	-	-
Vice President	Kun-Lin Wu (Note 9)	-	-	-	-
Director of Finance Group & Vice President	Kuo-Hui Chen (Note 10)	-	-	-	-

Note 1: Representative of Kao Chyuan Investment Co. Ltd.

Note 2: Representative of Young Yun Inv. Co., Ltd.

Note 3: Representative of Taipo Investment Corp.

Note 4: Representative of Joyful Investment Co., Ltd.

Note 5: Director Kao-Huei Cheng was relieved of this position on Aug.14, 2017.

Note 6: Director Li-Ling Cheng assumed the position on Aug.22, 2017.

Note 7: Senior Vice President Wen-Lung Yang was relieved of this position on Feb.23, 2018.

Note 8: Senior Vice President Long-Hong Lu was relieved of this position on Nov.01, 2017.

Note 9: Vice President Kun-Lin Wu assumed the position on Apr.01, 2017.

Note 10: Vice President Kuo-Hui Chen assumed the position on July 01, 2017.

### 3.7.2 Shares Trade with Related Party

Name	Reason of Transfer	Date of Transaction	Transferee	Relationship between Transferee and Directors, Supervisors, Managers and Major Shareholders	Shares	Price of Transaction (NTD)
Chung-Ho Wu	Grant	20170728	Wu Chun Chieh Charity Foundation	Director	100,000	53

### 3.7.3 Shares Pledge with Related Party : None.

### 3.8 Information Disclosing the Relationship between any of the Company's Top Ten Shareholders

As of 12/31/2017

Name	Shareholding		Spouse & Minor		Shareholding by Nominee Arrangement		The relationship between any of the Company's Top Ten Share holders		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
Kao Chyuan Inv. Co., Ltd.	278,736,536	4.91	0	0.00	0	0.00	Shiow-Ling Kao	Chairman	
Chih-Hsien Lo (Representative of Chyuan Inv. Co., Ltd.)	4,059,095	0.07	93,182,918	1.64	0	0.00	Shiow-Ling Kao	Spouse	
							Shiow-Ling Kao (Representative of Chyuan Inv. Co., Ltd.)	Spouse	
Shiow-Ling Kao (Representative of Chyuan Inv. Co., Ltd.)	93,182,918	1.64	4,059,095	0.07	0	0.00	Chih-Hsien Lo (Representative of Chyuan Inv. Co., Ltd.)	Spouse	
Jui-Tang Chen	6,056	0.00	0	0.00	0	0.00	NA	NA	
BNP Paribas Wealth Management Singapore Branch	172,771,178	3.04	0	0.00	0	0.00	NA	NA	
Po-Ming Hou	147,751,414	2.60	0	0.00	24,188	0.00	Po-Yu Hou	Brother	
JPMorgan Chase Bank N.A. Taipei Branch in custody for Saudi Arabian Monetary Agency	134,008,120	2.36	0	0.00	0	0.00	NA	NA	
Po-Yu Hou	128,917,063	2.27	0	0.00	0	0.00	Po-Ming Hou	Brother	
Government of Singapore	105,961,820	1.86	0	0.00	0	0.00	NA	NA	
Shiow-Ling Kao	93,182,918	1.64	4,059,095	0.07	0	0.00	Chih-Hsien Lo (Representative of Chyuan Inv. Co., Ltd.)	Spouse	
First State Investments ICVC - Stewart Investors Global Emerging Markets Leaders Fund	88,329,338	1.55	0	0.00	0	0.00	NA	NA	
Cathay Life Insurance Co., Ltd.	88,006,160	1.55	0	0.00	0	0.00	NA	NA	
Vanguard Emerging Markets Stock Index Fund	83,186,698	1.46	0	0.00	0	0.00	NA	NA	

### 3.9 Total Percentage of Ownership of Investees

As of 12/31/2017

Investees accounted for under the equity method	Investments by the Company		Investments from Directors, Supervisors, Managers, and Directly or Indirectly Controlled Businesses		Total Investments	
	Shares	%	Shares	%	Shares	%
President Global Corp.	500,000	100.00%	0	0.00%	500,000	100.00%
President International Trade & Investment Corp.	10,700	100.00%	0	0.00%	10,700	100.00%
President Baseball Team Corp.	30,000	100.00%	0	0.00%	30,000	100.00%
Tone Sang Construction Corp.	34,020,000	100.00%	0	0.00%	34,020,000	100.00%
Kai Yu Investment Co., Ltd.	127,008,780	100.00%	0	0.00%	127,008,780	100.00%
Cayman President Holdings Ltd.	406,136,000	100.00%	0	0.00%	406,136,000	100.00%
Presco Netmarketing Inc.	6,500,000	100.00%	0	0.00%	6,500,000	100.00%
Uni-President Dream Parks Corp.	6,100,000	100.00%	0	0.00%	6,100,000	100.00%
Kai Nan Investment Co., Ltd.	213,500,000	100.00%	0	0.00%	213,500,000	100.00%
Uni-President Glass Industrial Co., Ltd.	36,000,000	100.00%	0	0.00%	36,000,000	100.00%
Uni-President Vendor Corp.	15,000,000	100.00%	0	0.00%	15,000,000	100.00%
Nanlien International Corp.	99,999,184	100.00%	196	0.00%	99,999,380	100.00%
President Natural Industrial Corp.	11,999,000	99.99%	1,000	0.01%	12,000,000	100.00%
Tung Ho Development Co., Ltd.	127,827,000	79.89%	32,173,000	20.11%	160,000,000	100.00%
President Entertainment Corp.	98,885,255	61.80%	61,114,745	38.20%	160,000,000	100.00%
Uni-President Organics Corp.	2,833,333	56.67%	2,166,667	43.33%	5,000,000	100.00%
President Fair Development Corp.	405,000,000	40.50%	595,000,000	59.50%	1,000,000,000	100.00%
Uni-President Department Store Corp.	12,000,000	30.00%	28,000,000	70.00%	40,000,000	100.00%
President Starbucks Coffee Corp.	14,255,116	40.00%	21,382,674	60.00%	35,637,790	100.00%
Uni-President Cold Chain Corp.	7,868,347	20.00%	31,473,390	80.00%	39,341,737	100.00%
Mech-President Corp.	13,046,358	18.89%	55,858,816	80.87%	68,905,174	99.76%
President Transnet Corp.	29,570,400	20.00%	103,496,400	70.00%	133,066,800	90.00%

Investees accounted for under the equity method	Investments by the Company		Investments from Directors, Supervisors, Managers, and Directly or Indirectly Controlled Businesses		Total Investments	
	Shares	%	Shares	%	Shares	%
President International Development Corp	917,734,230	69.37%	121,716,000	9.20%	1,039,450,230	78.57%
Uni-President Development Corp.	108,000,000	30.00%	144,000,000	40.00%	252,000,000	70.00%
Tait Marketing & Distribution Co., Ltd.	60,735,047	64.27%	1,064,245	1.13%	61,799,292	65.40%
Retail Support International Corp.	5,144,000	20.00%	11,574,000	45.00%	16,718,000	65.00%
Ton Yi Pharmaceutical Corp.	51,000	51.00%	10,000	10.00%	61,000	61.00%
President Nisshin Corp.	6,119,999	51.00%	600,001	5.00%	6,720,000	56.00%
President Tokyo Corp.	29,986,824	51.00%	1,176	0.00%	29,988,000	51.00%
President Packaging Corp.	31,767,030	50.58%	1,560	0.00%	31,768,590	50.58%
President Kikkoman Inc.	5,999,999	50.00%	1	0.00%	6,000,000	50.00%
Ton Yi Industrial Corp.	719,357,425	45.55%	68,686,790	4.35%	788,044,215	49.90%
ScinoPharm Taiwan Ltd.	299,968,639	37.94%	87,974,644	11.13%	387,943,283	49.07%
President Chain Store Corp.	471,996,430	45.40%	11,486,949	1.10%	483,483,379	46.50%
TTET Union Corp.	61,594,201	38.50%	12,231,402	7.65%	73,825,603	46.15%
Presicarre Corp.	137,511,893	20.50%	130,801,027	19.50%	268,312,920	40.00%
President Securities Corp.	393,586,559	28.31%	124,990,620	8.99%	518,577,179	37.30%
Weilih Food Corp.	6,660,000	33.30%	0	0.00%	6,660,000	33.30%
Kuang Chuan Dairy Co., Ltd.	31,252,839	31.25%	0	0.00%	31,252,839	31.25%
Prince Housing Development Corp.	162,743,264	10.03%	242,537,583	14.94%	405,280,847	24.97%
Grand Bills Corp.	78,209,035	14.46%	20,211,955	3.74%	98,420,990	18.20%
Kuang Chuan Foods Co., Ltd.	1,069,200	3.96%	0	0.00%	1,069,200	3.96%

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## CAPITAL OVERVIEW



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## 4.1 Capital and Shares

### 4.1.1 Source of Capital

#### A. Issued Shares

As of 04/30/2018

Month/ Year	Par Value (NTD)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NTD)	Shares	Amount (NT\$)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
1987.10	10	289,951,740	2,899,517,400	289,951,740	2,899,517,400	Capitalization of Profits: NT\$371,733,000 and Capital Surplus: NT\$49,564,400	NA	1987/10/14(76) Tai Tsai Cheng (1) No.01031
1988.09	10	347,942,100	3,479,421,000	347,942,100	3,479,421,000	Capitalization of Profits: NT\$492,918,000 and Capital Surplus: NT\$86,985,600	NA	1988/08/14(77) Tai Tsai Cheng (1) No.08806
1989.10	10	416,390,849	4,163,908,490	416,390,849	4,163,908,490	Capitalization of Profits: NT\$614,899,070 and Capital Surplus: NT\$69,588,420	NA	1989/09/21(78) Tai Tsai Cheng (1) No.01951
1990.08	10	549,636,000	5,496,360,000	549,636,000	5,496,360,000	Capitalization of Profits: NT\$1,249,173,340 and Capital Surplus: NT\$83,278,170	NA	1990/07/26 (79) Tai Tsai Cheng (1) No.01715
1991.09	10	643,100,000	6,431,000,000	643,100,000	6,431,000,000	Capitalization of Profits: NT\$879,676,400 and Capital Surplus: NT\$54,963,600	NA	1991/08/23(80) Tai Tsai Cheng (1) No.02399
1992.10	10	771,800,000	7,718,000,000	771,800,000	7,718,000,000	Capitalization of Profits: NT\$1,222,690,000 and Capital Surplus: NT\$64,310,000	NA	1992/10/15(81) Tai Tsai Cheng (1) No.02665
1992.11	10	821,800,000	8,218,000,000	821,800,000	8,218,000,000	Cash Offering: NT\$500,000,000	NA	1992/09/04(81) Tai Tsai Cheng (1) No.02290
1993.08	10	986,160,000	9,861,600,000	986,160,000	9,861,600,000	Capitalization of Profits: NT\$1,479,240,000 and Capital Surplus: NT\$164,360,000	NA	1993/07/09(82) Tai Tsai Cheng (1) No.28647
1994.07	10	1,183,400,000	11,834,000,000	1,183,400,000	11,834,000,000	Capitalization of Profits: NT\$591,776,000 and Capital Surplus: NT\$1,380,624,000	NA	1994/07/01(83) Tai Tsai Cheng (1) No.29932
1995.07	10	1,538,420,000	15,834,200,000	1,583,420,000	15,384,200,000	Capitalization of Profits: NT\$2,603,480,000 and Capital Surplus: NT\$946,720,000	NA	1995/06/29(84) Tai Tsai Cheng (1) No.37779
1996.08	10	1,846,104,000	18,461,040,000	1,846,104,000	18,461,040,000	Capitalization of Profits: NT\$2,846,077,000 and Capital Surplus: NT\$230,763,000	NA	1996/07/06(85) Tai Tsai Cheng (1) No.41130

Month/ Year	Par Value (NTD)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NTD)	Shares	Amount (NT\$)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
1997.08	10	2,215,324,800	22,153,248,000	2,215,324,800	22,153,248,000	Capitalization of Profits: NT\$3,415,292,400 and Capital Surplus: NT\$276,915,600	NA	1997/06/30(86) Tai Tsai Cheng (1) No.51660
1998.07	10	2,658,389,760	26,583,897,600	2,658,389,760	26,583,897,600	Capitalization of Profits: NT\$4,098,350,880 and Capital Surplus: NT\$332,298,720	NA	1998/06/23(87) Tai Tsai Cheng (1) No.54840
1999.08	10	2,924,228,800	29,242,288,000	2,924,228,800	29,242,288,000	Capitalization of Profits: NT\$2,525,470,910 and Capital Surplus: NT\$132,919,490	NA	1999/06/23(88) Tai Tsai Cheng (1) No.57435
2000.08	10	3,158,167,110	31,581,671,100	3,158,167,110	31,581,671,100	Capitalization of Profits: NT\$2,222,413,940 and Capital Surplus: NT\$116,969,160	NA	2000/07/13(89) Tai Tsai Cheng (1) No.60239
2001.08	10	3,347,657,200	33,476,572,000	3,347,657,200	33,476,572,000	Capitalization of Profits: NT\$1,831,737,550 and Capital Surplus: NT\$63,163,350	NA	2001/06/20 (90) Tai Tsai Cheng (3) No.139435
2002.04	10	3,341,986,200	33,419,862,000	3,341,986,200	33,419,862,000	Capital Reduction and Cancellation of Treasury Shares: NT\$56,710,000	NA	2002 /01/07 (90) Tai Tsai Cheng (3) No.179198
2002.08	10	3,442,245,800	34,422,458,000	3,442,245,800	34,422,458,000	Capitalization of Profits: NT\$1,002,596,000	NA	2002/07/11 Tai Tsai Cheng 3 Tzu No. 0910138403 2002/09/13 Jin So Sun Tzu No.09101374790
2003.03	10	3,424,386,800	34,243,868,000	3,424,386,800	34,243,868,000	Capital Reduction and Cancellation of Treasury Shares: NT\$ 178,590,000	NA	2003/03/31 Jin So Sun Tzu No.09201091780
2003.10	10	3,424,386,800	34,243,868,000	3,395,097,800	33,950,978,000	Capital Reduction and Cancellation of Treasury Shares: NT\$ 292,890,000	NA	2003/05/09 Tai Tsai Cheng 3 Tzu No.0920121101 2003/07/08 Tai Tsai Cheng 3 Tzu No.0920131839 2003/10/20 Jin So Sun Tzu No.09201293960
2004.03	10	3,424,386,800	34,243,868,000	3,375,384,800	33,753,848,000	Capital Reduction and Cancellation of Treasury Shares: NT\$ 197,130,000	NA	2003/12/19 Tai Tsai Cheng 3 Tzu No.0920160217 2004/03/22 Jin So Sun Tzu No.09301045320
2005.12	10	3,424,386,800	34,243,868,000	3,354,125,800	33,541,258,000	Capital Reduction and Cancellation of Treasury Shares: NT\$ 212,590,000	NA	2005/11/21 Jin Kuan Cheng 3 Tzu No.09401522992 2006/01/05 Jin So Sun Tzu No.09501001530
2007.08	10	4,800,000,000	48,000,000,000	3,555,373,348	35,553,733,480	Capitalization of Profits: NT\$2,012,475,480	NA	2007/07/16 Jin Kuan Cheng1 Tzu No.0960036627 2007/09/12 Jin So Sun Tzu No.09601220080

Month/ Year	Par Value (NTD)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NTD)	Shares	Amount (NT\$)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
2008.08	10	4,800,000,000	48,000,000,000	3,733,142,015	37,331,420,150	Capitalization of Profits: NT\$1,777,686,670	NA	2008/07/09 Jin Kuan Cheng1 Tzu No.0970034224 2008/09/17 Jin So Sun Tzu No.09701237960
2009.08	10	4,800,000,000	48,000,000,000	3,897,400,264	38,974,002,640	Capitalization of Profits: NT\$1,642,582,490	NA	2009/07/09 Jin Kuan Cheng1 Tzu No.098034094 2009/09/14 Jin So Sun Tzu No.09801201120
2010.08	10	4,800,000,000	48,000,000,000	4,287,140,290	42,871,402,900	Capitalization of Profits: NT\$3,897,400,260	NA	2010/07/05 Jin Kuan Cheng1 Tzu No.0990034474 2010/09/03 Jin So Sun Tzu No.09901201530
2011.08	10	4,800,000,000	48,000,000,000	4,544,368,707	45,443,687,070	Capitalization of Profits: NT\$2,572,284,170	NA	2011/07/06 Jin Kuan Cheng1 Tzu No.1000031177 2011/09/02 Jin So Sun Tzu No.10001204390
2012.08	10	6,000,000,000	60,000,000,000	4,862,474,516	48,624,745,160	Capitalization of Profits: NT\$3,181,058,090	NA	2012/07/05 Jin Kuan Cheng1 Tzu No. 1010029784 2012/08/31 Jin So Sun Tzu No. 10101179020
2013.08	10	6,000,000,000	60,000,000,000	5,154,222,987	51,542,229,870	Capitalization of Profits: NT\$2,917,484,710	NA	2013/07/08 Jin Kuan Cheng1 Tzu No. 1020026306 2013/08/29 Jin So Sun Tzu No. 10201177110
2014.08	10	6,000,000,000	60,000,000,000	5,463,476,366	54,634,763,660	Capitalization of Profits: NT\$3,092,533,790	NA	2014/07/07 Jin Kuan Cheng1 Tzu No. 1030025539 2014/08/25 Jin So Sun Tzu No. 10301176800
2015.08	10	6,000,000,000	60,000,000,000	5,682,015,421	56,820,154,210	Capitalization of Profits: NT\$2,185,390,550	NA	2015/07/13 Jin Kuan Cheng1 Tzu No. 1040026046 2015/09/02 Jin So Sun Tzu No. 10401181620

## B. Type of Stock

Share Type	Authorized Capital			Remark
	Issued Shares	Un-issued Shares	Total Shares	
Common Stock	5,682,015,421	317,984,579	6,000,000,000	Listed on TSE in Dec. 1987

## C. Shelf Registration : None.

### 4.1.2 Status of Shareholders

As of 12/31/2017

Item	Government Agencies	Financial Institutions	Other Juridical Person	Domestic Natural Persons	Foreign Institutions & Natural Persons	Total
Number of Shareholders	23	20	458	126,452	1,299	128,252
Shareholding (shares)	204,936,361	142,328,398	737,356,647	1,757,529,751	2,839,864,264	5,682,015,421
Percentage	3.61%	2.50%	12.98%	30.93%	49.98%	100.00%

### 4.1.3 Status of Shareholding Distributed

#### A. Common Shares (The par value for each share is \$10 NTD)

As of 12/31/2017

Class of Shareholding (Unit : Share)	Number of Shareholders	Shareholding (Shares)	Percentage
1~999	59,522	15,971,654	0.28%
1,000~5,000	47,625	100,811,751	1.77%
5,001~10,000	9,607	69,183,160	1.22%
10,001~15,000	3,558	43,956,617	0.77%
15,001~20,000	2,076	35,988,703	0.63%
20,001~30,000	1,709	42,263,314	0.74%
30,001~50,000	1,466	56,221,367	0.99%
50,001~100,000	1,027	71,453,534	1.26%
100,001~200,000	491	68,313,334	1.20%
200,001~400,000	329	93,631,659	1.65%
400,001~600,000	158	77,303,563	1.36%
600,001~800,000	113	78,379,141	1.38%
800,001~1,000,000	85	75,841,425	1.34%
Over1,000,001	486	4,852,696,199	85.41%
Total	128,252	5,682,015,421	100%

#### B. Preferred Shares: None.

#### 4.1.4 List of Major Shareholders

As of 12/31/ 2017

Shareholder's Name	Shareholding	
	Shares	Percentage
Kao Chyuan Inv. Co., Ltd.	278,736,536	4.91%
BNP Paribas Wealth Management Singapore Branch	172,771,178	3.04%
Po-Ming Hou	147,751,414	2.60%
J.P.Morgan Chase Bank N.A. Taipei Branch in custody for Saudi Arabian Monetary Agency	134,008,120	2.36%
Po-Yu Hou	128,917,063	2.27%
Government of Singapore	105,961,820	1.86%
Shiow-Ling Kao	93,182,918	1.64%
First State Investments ICVC - Stewart Investors Global Emerging Markets Leaders Fund	88,329,338	1.55%
Cathay Life Insurance Co., Ltd.	88,006,160	1.55%
Vanguard Emerging Markets Stock Index Fund	83,186,698	1.46%

#### 4.1.5 Share prices, net value, earnings, dividends, and other relevant information for the last two years

Unit: NT\$

Item	2016	2017	As of March 31, 2018
<b>Market Price per Share</b>			
Highest	67.40	66.90	70.30
Lowest	50.30	52.40	64.60
Average	58.54	59.44	67.35
<b>Net Worth per Share</b>			
Before Distribution	16.61	21.13	21.93
After Distribution	16.61	21.13	21.93
<b>Earnings per Share</b>			
Weighted Average Shares (thousand shares)	5,682,015	5,682,015	5,682,015
Earnings Per Share (Undiluted)	2.56	7.01	0.75
Earnings Per Share (Diluted)	2.56	7.01	0.75
<b>Dividends per Share</b>			
Cash Dividends	2.1	(Note 4)	-
Stock Dividends			
• Dividends from Retained Earnings	0	(Note 4)	-
• Dividends from Capital Reserve	-	(Note 4)	-
Accumulated Undistributed Dividends	-	-	-
<b>Return on Investment</b>			
Price / Earning Ratio (Note 1)	22.87	8.48	-
Price / Dividend Ratio (Note 2)	27.88	(Note 4)	-
Cash Dividend Yield Rate (Note 3)	3.59%	(Note 4)	-

Note 1: Price / Earning Ratio = Average Market Price / Earnings per Share

Note 2: Price / Dividend Ratio = Average Market Price / Cash Dividends per Share

Note 3: Cash Dividend Yield Rate = Cash Dividends per Share / Average Market Price

Note 4: Pending Shareholders' Meeting Resolution.

#### 4.1.6 Dividend Policy and Implementation Status

##### A. Dividend Policy

Since the business environment has been changing enormously, and Uni-President is experiencing the steadily growth, the annual earnings distribution should be considered in terms of future capital budget, long-term investment, and business funding needs, etc. in order to determine the amount to be retained or distributed as stock dividend or cash dividend.

If there are earnings for distribution at the end of each fiscal year, after offsetting any loss of prior year(s) and paying all taxes and dues, 10% of the remaining net earnings shall be set aside as legal reserve, then would be appropriated as special reserve in accordance with Securities Exchange Law. The remaining net earnings can be distributed together with prior accumulated unappropriated retained earnings. The Board of Directors will consider the factors that were mentioned above to make the dividend distribution proposal. The dividend should be set in the range from 50% to 100% of the accumulated unappropriated retained earnings and the amount of cash dividend shall exceed 30% of the total amount of dividends distribution. The dividends could be distributed in accordance with the resolution that is approved by the Board of Directors and the Annual Shareholders' Meeting.

##### B. Proposed Distribution of Dividend

The proposal for distribution of 2017 profits was passed at the Meeting of the Board of Directors. This proposal, a cash dividend of NTD 5.5 per share, will be discussed at annual shareholders' meeting.

#### 4.1.7 Impacts of Stock Dividends on Operation Results and EPS : Not Applicable.

#### 4.1.8 Employee Bonus and Directors' Remuneration

##### A. Information of Employee Bonus and Directors' Remuneration in the Articles of Incorporation

A ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' remuneration shall not be higher than 2%.

##### B. Estimate Foundation of Employee Bonus and Directors' Remuneration

The basis of estimates is based on a certain percentage of 2017 net income after taking into account the legal reserve and other factors, as prescribed under the Company's Articles of Incorporation.

##### C. Profit Distribution of Year 2017 Approved in Board of Directors Meeting for Employee Bonus and Directors' Remuneration

(1) Recommended Distribution of Employee Bonus and Directors' Remuneration: (NT\$ thousands)

Employee Bonus – in Cash	\$1,472,369
Directors' Remuneration	362,774
Total	<u>\$ 1,835,143</u>

(2) Ratio of Recommended Employee Stock Bonus to Capitalization of Earnings : NA.

(3) Recounted EPS after Recommended Distribution of Employee Bonus and Directors' Remuneration:

(NT\$ thousands)

Net Income (NT\$ thousands)	\$39,844,853
Weighted Average Shares in 2017 (thousand shares)	5,682,015
Recounted EPS (NT\$)	\$ 7.01

##### D. Information of 2016 Earnings Set Aside to Employee Bonus and Directors' Remuneration:

Distribution of 2016 Earnings (NT\$ thousands)

Directors' Remuneration	\$1,274,417
Employee Bonus-in Cash	\$250,841

#### 4.1.9 Buyback of Treasury Stock : None.



## 4.2 Issuance of Corporate Bonds

Issuance		1 <sup>st</sup> domestic unsecured corporate bond for 2012
Issuing Date		2012/6/18
Denomination		NT\$ 1 million
Issuance and Transaction Location		GreTai Securities Market
Offering Price		Par
Total Amount		NTD 5 billion
Coupon Rate		1.35%
Maturity		5-year bond: 2017/6/18
Guarantor		None
Trustee		Trust Department of Taipei Fubon Bank
Underwriter		None
Legal Counsel		None
Auditor		PricewaterhouseCoopers
Repayment		The Company will redeem the bond in 50% of the face value, respectively, at the end of the fourth and fifth year.
Outstanding (As of 2018/4/30)		None
Redemption or Early Repayment Clause		None
Covenants		None
Credit Rating		Taiwan Ratings Corp. Date: 2012.5.4 Rating: twA+
Other Rights of Bondholders	Conversion Right	None
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	None
Dilution Effect and Other Adverse Effects on Existing Shareholders		None
Custodian		None

Issuance		2 <sup>nd</sup> domestic unsecured corporate bond for 2012
Issuing Date		2012/10/29
Denomination		NT\$ 1 million
Issuance and Transaction Location		GreTai Securities Market
Offering Price		Par
Total Amount		Total Amount NTD 3.6 billion; 5-year bond: NTD 1.8 billion; 7-year bond: NTD 1.8 billion
Coupon Rate		5-year bond: 1.28%; 7-year bond: 1.39%
Maturity		5-year bond: 2017/10/29 7-year bond: 2019/10/29
Guarantor		None
Trustee		Trust Department of Taipei Fubon Bank
Underwriter		None
Legal Counsel		None
Auditor		PricewaterhouseCoopers
Repayment		5-year bond: Bullet 7-year bond: the Company will redeem the bond in 50% of the face value, respectively, at the end of the sixth and seventh year.
Outstanding (As of 2018/4/30)		NTD 1.8 billion
Redemption or Early Repayment Clause		None
Covenants		None
Credit Rating		Taiwan Ratings Corp. Date: 2012.9.17 Rating: twA+
Other Rights of Bondholders	Conversion Right	None
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	None
Dilution Effect and Other Adverse Effects on Existing Shareholders		None
Custodian		None

Issuance		3 <sup>rd</sup> domestic unsecured corporate bond for 2012
Issuing Date		2013/2/26
Denomination		NT\$ 1 million
Issuance and Transaction Location		GreTai Securities Market
Offering Price		Par
Total Amount		NTD 2.0 billion
Coupon Rate		1.22%
Maturity		5-year bond: 2018/02/26
Guarantor		None
Trustee		Trust Department of Taipei Fubon Bank
Underwriter		None
Legal Counsel		None
Auditor		PricewaterhouseCoopers
Repayment		Bullet
Outstanding (As of 2018/4/30)		None
Redemption or Early Repayment Clause		None
Covenants		None
Credit Rating		Taiwan Ratings Corp. Date: 2012.12.14 Rating: twA+
Other Rights of Bondholders	Conversion Right	None
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	None
Dilution Effect and Other Adverse Effects on Existing Shareholders		None
Custodian		None

Issuance		1 <sup>st</sup> domestic unsecured corporate bond for 2014
Issuing Date		2014/2/18
Denomination		NT\$ 1 million
Issuance and Transaction Location		GreTai Securities Market
Offering Price		Par
Total Amount		NTD 3.6 billion
Coupon Rate		1.39%
Maturity		5-year bond:2019/02/18
Guarantor		None
Trustee		Trust Department of Taipei Fubon Bank
Underwriter		None
Legal Counsel		None
Auditor		PricewaterhouseCoopers
Repayment		Bullet
Outstanding (As of 2018/4/30)		NTD 3.6 billion
Redemption or Early Repayment Clause		None
Covenants		None
Credit Rating		Taiwan Ratings Corp. Date: 2013.12.25 Rating: twAA-
Other Rights of Bondholders	Conversion Right	None
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	None
Dilution Effect and Other Adverse Effects on Existing Shareholders		None
Custodian		None

Issuance		2 <sup>nd</sup> domestic unsecured corporate bond for 2014
Issuing Date		2014/6/23
Denomination		NT\$ 1 million
Issuance and Transaction Location		GreTai Securities Market
Offering Price		Par
Total Amount		NT\$ 5.8 billion;
Coupon Rate		5-year bond: 1.29%; 7-year bond: 1.62%; 10-year bond: 1.78%
Maturity		5-year bond: 2019/6/23 7-year bond: 2021/6/23 10-year bond: 2024/6/23
Guarantor		None
Trustee		Trust Department of Taipei Fubon Bank
Underwriter		None
Legal Counsel		None
Auditor		PricewaterhouseCoopers
Repayment		the Company will redeem 50% of the principal at one year before maturity and redeem the rest 50% at maturity for each tenor.
Outstanding (As of 2018/4/30)		NTD 5.8 billion
Redemption or Early Repayment Clause		None
Covenants		None
Credit Rating		Taiwan Ratings Corp. Date: 2014.4.21 Rating: twAA- (Issuer rating)
Other Rights of Bondholders	Conversion Right	None
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	None
Dilution Effect and Other Adverse Effects on Existing Shareholders		None
Custodian		None

Issuance		1 <sup>st</sup> domestic unsecured corporate bond for 2017
Issuing Date		2017/5/22
Denomination		NT\$ 1 million
Issuance and Transaction Location		GreTai Securities Market
Offering Price		Par
Total Amount		NT\$ 5.0 billion;
Coupon Rate		1.05%
Maturity		5-year bond: 2022/5/22
Guarantor		None
Trustee		Trust Department of Taipei Fubon Bank
Underwriter		None
Legal Counsel		None
Auditor		PricewaterhouseCoopers
Repayment		Bullet
Outstanding (As of 2018/4/30)		NTD 5.0 billion
Redemption or Early Repayment Clause		None
Covenants		None
Credit Rating		Taiwan Ratings Corp. Date: 2016.7.22 Rating: twAA- (Issuer rating)
Other Rights of Bondholders	Conversion Right	None
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	None
Dilution Effect and Other Adverse Effects on Existing Shareholders		None
Custodian		None

#### 4.2.1 Information on Shelf Offering of Corporation Bond: None.

4.3 Issuance of preferred shares : None.

4.4 Issuance of global depository receipts : None.

4.5 Issuance of employee stock option plan : None.

4.6 Issuance of new shares to merge with or acquire other companies :  
None.

#### 4.7 Status of capital utilization plan

Any incomplete share issuance or private placement or any completed share issuance or private placement over the past three years from which benefits have not yet been reported as of Apr. 30, 2018: None.

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# OPERATION HIGHLIGHTS



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## 5.1 Business Activities

### 5.1.1 Business Scope

#### A. Major Business of UPEC

Group	Range of Business	Division	% of overall business
Provisions Group	Manufacturing and marketing of foodstuff, animal feeds, aquatic feeds and flour	Foodstuff Division	0.00
		Animal Feed Division	3.55
		Aquatic Business Division	1.06
		Flour Division	2.57
Instant Food Group	Manufacturing and marketing of instant noodle, rice noodle, and edible oils	Instant Noodle Division	11.87
		Edible Oil Division	0.16
Dairy & Beverage Group	Manufacturing and marketing of soft drinks, tea drink, dairy products, coffee drink and chilled beverage	Beverage Division	0.59
		Tea Beverage Division	17.61
		Water Business Division	1.97
		Dairy Product Division	30.71
		Coffee Division	7.45
		Agency Team	0.69
General Foods Group	Manufacturing and marketing of meat products, canned pickles & seasoning products, frozen prepared foods and ice cream products	Meat Division	1.14
		Sauce & Seasoning Division	3.07
		Frozen Prepared Foods Division	0.81
		Ice Cream Division	0.66
		International Division	1.27
Baking Business Group	Manufacturing and marketing of bakery products.	Bread Division, Cake Division and Frozen Paste Division	7.24
		PL Baking Business Team	2.01
Technical Group	Development and production of private label products	PL Business Development Division	4.76
Others			0.81

## B. Information of the Group Segments

Segment	Product Category	Revenue Ratio(%)
Foods	Edible oils, instant noodle, noodle, dairy products, tea beverage, coffee drink, baking products, ice cream products, seasoning products, frozen prepared foods, meat products, health products, sauce & seasoning, flour, animal feeds, aquatic feeds	28.55
Chain stores	Convenience store	35.28
Circulation	Selling of drugs and cosmetics, Delivering and selling of food and merchandise	13.79
Packaging and Containers	Tinplate and cans, PET bottles, containers, glass products	5.53
Feeds	Manufacturing and marketing animal feeds, aquatic feeds and flour	4.02
Fuel and Oil	Gas station	2.52
Pharmaceuticals	Research, manufacturing and sales of pharmaceuticals	0.88
Leisure Business Development	Professional baseball team, shopping mall, hotel and restaurant	0.73
Distribution	Delivery of room-temperature and low-temperature foods and goods	0.47
General investments	Professional investments, etc.	0.01
Others		8.22

## C. New products Development

47 new products were launched in 2017. Over the years, we has successfully created some innovative and breakthrough products that are lead in the market.

## 5.1.2 Industry Overview

### 1. Macroeconomic Environment

According to Taiwan Directorate General of Budget, Accounting and Statistics, Executive Yuan, in 2017, Taiwan GDP Taiwan increased by 2.84% from previous year, in which domestic demand increased by 0.76%, including consumption increased by 1.25%, government spending decreased by 0.15%, capital growth decreased by 0.34%. Demand of the Rest of the World increased by 2.08%, including output increased by 4.49%, input increased by 3.80%. CPI increased by 0.62%, WPI increased by 0.90%, export decreased by 1.48%, import increased by 1.36%.

The global economy in 2017 was affected by numerous political and economic incidents, for examples, US FED rate rise, US abandoning TPP and Paris Agreement, fighting of international leadership between US and China, and intensive relationship between US and North Korea. Yet, the actual impacts were less than anticipated, as a result, the global economy recovered steadily. According to IMF, the global economic growth rate was 3.6%, 0.4% rise from the previous year, and the US will continue to perform the world economic engine, as China took a greater part after its 19th National Congress of the Communist Party of China. In 2018, we shall pay attention to US FED rate rise, petrol price rise, liquidity contraction, arrangements of central banks governors of different countries, and monetary policy changes.

### 2. Specialized professional subsidiaries

Faced with the challenges of a globalized economy and the strategic need to make a foray into the Pan-Asian and international market, Uni-President Enterprises Corp. has established different subsidiaries according to their respective industry position, characteristics and relevance, where those with similar functions are grouped together to form a subsidiary. In addition, through the division of labor and optimal resource distribution, the firm has extended the scope of its core businesses to the international market. The purpose of subsidiary development is to implement the group's long-term development strategy and expand its core competencies. The subsidiaries of Uni-President Enterprises Corp. include "Food Manufacturing", "Retail, Distribution & Logistics Subsidiary (PCSC)", "Business Distribution & Trade" and "Investment".

#### (a) Uni-President Food Manufacturing Subsidiary: Establishing a solid central policy by implementing key strategies

Led by Uni-President Enterprises Corp., the Food Manufacturing Subsidiary has adopted a virtual group operational strategy and integration mechanism to integrate the development strategies and organizational deployments of its food production businesses at home and abroad. Its scope of operation covers provisions, instant food, dairy & beverages, general foods, baked goods and distribution businesses with production and sales bases in Taiwan, China, Vietnam, Thailand, Indonesia, Philippines, and Malaysia. The subsidiaries offer diverse bulk products such as animal feed, aquatic feed, flour, as well as non-alcoholic beverages including dairy product, tea, water, juice and coffee. Other products include instant noodles, edible oil, ice creams, frozen foods, meat products, seasonings/sauces and baked goods such as bread and pastries. The Food Manufacturing Subsidiary focuses on brand management and the four main development directions of "Manufacturing and R&D", "Trade and Distribution", "Channel management", "Strategic alliance and Merger & Acquisition". The company strives to deepen deployments in the Pan-Asia region and achieve

the management goal of “Creating the greatest management value for the firm”. Furthermore, the objective of Uni-President Enterprises Corp. is to become a global paradigm for food marketing.

**(b) Uni-President Logistic Subsidiary: A lifestyle revolution**

President Chain Store Corporation (PCSC) of Uni-president Group comprises mainly 7-ELEVEN and roughly 40 other vertically and horizontally affiliated chain businesses with over 30,000 employees. It is a constantly growing, dynamic organization aimed at shaping and revolutionizing lifestyles in Taiwan. The vitality of PCSC comes from Uni-President Enterprises Corp.'s corporate culture of “HONEST AND INDUSTRIOUS, INNOVATIVE AND PROGRESSIVE”, where we strive to satisfy consumers' needs 24 hours a day. In order to continue generating growth peaks, PCSC is eager to reach out to establish international connections and branch out operations to other industries to collaborate with prominent international labels. As a result, international business models are successfully localized, in turn introducing more abundant lifestyle for consumers in Taiwan. At the same time, PCSC has also replicated its retail, distribution & logistics expertise overseas, such as Starbucks in Shanghai and 7-ELEVEN in the Philippines, thereby continually expanding its international business empire. Today, PCSC's business empire now spans across Taiwan, China, and the Philippines, fully integrating Uni-president Group's retail, drugstore, logistics, recreation and department store related businesses. Looking ahead into the future, PCSC will become more proactive in fostering the expansion of its logistics empire. By venturing into more diversified, international chain businesses and by developing the overseas market with an international perspective, it will shape a more splendid future outlook.

**(c) Uni-President Business Distribution and Trade Subsidiary: Develop an all-encompassing channel Pushing new frontiers**

Nanlien International Corp. was founded in April 1979, and it transformed into a distributor of well-known international brands in 1990 with product categories including beer, wine, beverage, seasoning, sauce, personal hygiene and healthcare products. Furthermore, it is proactively developing new products that cater to the trends of the modern lifestyle. Based on existing distributorships, Nanlien International Corp. has created an intricate nation-wide sales network, and it will continue to develop various channels in order to offer comprehensive service. In response to the popularization of the Internet, the company will continue expanding online opportunities and strive to build an effective marketing platform in order to satisfy the needs of the consumers. This generates maximum profit for the company's shareholders and employees.

**(d) Uni-President Investment Sub-Conglomerates: Being value-oriented, forward-looking and responsible to generate synergy**

Uni-President Investment Subsidiary consists of mainly Uni-President International Development Corp. (PIDC), which was founded in 1997 by combining the group's resources to make strategic investments. As a result, it has generated new opportunities for the group's business investments. Its main areas of investment include biopharmaceuticals, real estate and consumer goods in Taiwan, China and the US. PIDC's involvement in realty business includes (1) Dream Mall shopping center in Kaohsiung – A commercial complex and a shopping center boasting the largest floor space in Taiwan. (2) Taipei City Hall Bus Station – Combined management and operation of W Hotel, commercial business (Uni-President Taipei) and the transfer station. (3) The Uni-President International Tower – Market, office building complex.

PIDC's diversity in healthcare includes (1) ScinoPharm: a leading process R&D and API

manufacturing service provider to the global pharmaceutical industry. (2) Other disruptive technology: first-in-class new drug candidates, next generation sequencing (NGS) for precision medicine, and in-vitro diagnostic (IVD) devices. Looking ahead, PIDC will utilize the business model of “Value Identification, Innovative Service and Sustainable Profit” will be employed to reinforce the group's competitiveness, create values and synergy for shareholders and the Group.

### 3. The Food Industry and Its Development

According to Industry and Technology Intelligence Services, Taiwan production value of food industry in 2017 was estimated at NT\$ 638.94 billion, increased by 2.1% over previous year. Significant events included: enhancement of raw material quality and source control, amendment of food additives and packing laws, increases of food companies' self-control and responsibilities. The future industry trend included: mindful choices, lighter enjoyment, positively processed, going full circle, beyond the coffeehouse, say it with color, dinging out & in, from snacks to mini meals, ocean garden, bountiful choices. As a result, the industry should focus on: (1) awareness and adoption of the international law and ecosphere changes; (2) deepening food safety control mechanism and operation; (3) strategy development to the southern-east Asian countries; (4) strengthening connection and layout between electric commerce and food industry.

### 4. Relevance of up-, middle- and downstream

Limited by location, resources constraints, temperature conditions, expiry dates and other factors, the food industry is domestically oriented. Yet, the low entry barriers allow new competitors to join the industry thus making it highly competitive. The control of retail price and operational cost are becoming more difficult, as regulations become stiffer, food safety concerns from consumer increases, production cost increase, and labor shortage, that together increase costs of food safety and control of supply chain. Thus, manufacturers have to strengthen product safety, product upgrade, service upgrade and integration of supply chain to enhance market flexibility, in order to decrease cost impact and reinforce competitive advantage. Besides counting on the government to stabilize raw material prices and ease the overall effect of increased product prices, companies also need to form strategic cooperation alliances and joint-procurement, to further observe consumer insights and market trend, or apply R&D and manufacturing advantage to assist retailers developing private label brands, in order to strengthen vertical integration.

### 5. Product Trend and Competition

#### Product Development Trend

There were about 6,000 food companies in Taiwan, in which 90% were small to medium-sized companies, but majority of production value rely on publicly listed companies. The industry is driven by consumers' demand, thus increasing product safety through R&D to increase brand value were keys to the companies. In addition, companies continue to create expansion and development strategies in the south-eastern Asian countries, by launching new products to meet the local demand. In addition, companies would adjust the product structure, form alliances, introduce new technology, and integrate electric commerce panels that serves as another growth engine. The overall industry trend include: diversified development to cope with market trend, adjust product structure and seek for new opportunities, enhance food safety control mechanism, deepen electric commerce panel connection and layout, adhere law requirement to simplify product label for increasing product safety, innovation to increase brand value, analysis through big data and AI for increasing efficiency in production and service.

## Product Competition

### a. Commercial Feed

Commercial feed mainly sells domestically, in which poultry and aquatic feed are pre-mixed, and pig feed is self-mixed. Pet feed is one of the high-end products, and as owners' perception change, they are more concerned about feed quality and ingredients, in return to increased spending. Thus, organic, functional supplements and ready-to-eat pet feed are becoming the attention of the new products and service.

### b. Edible Oil

Taiwan's edible oil is mainly vegetable oil, in which the most commonly consumed oils are "olive oil" and "canola oil". Domestically produced oil is mainly soybean oil, and imported oil is mainly palm oil. In consequence of the edible oil crisis, the manufacturers are required by law to implement food safety guardian plan and extend the range of electronic application.

### c. Instant Noodle

The market is fairly mature and stable, yet the competition increases as substitution, such as ready-to-eat, prepared food, imported instant noodle take place in the market in the post-affection era of edible oil crisis, which forces locally made instant noodle to launch more delicate and delicious high-end new products.

### d. Frozen Food

Frozen food accounts for 10% of the production value in the food industry, and is ranked top in the food international trade. As the population structure changes, the demand for frozen food also increases. The whole industry can be divided into raw material, production processing, branding and channels. Thus, upgrading brand and products become more important, in which enhancing R&D skills, export competitiveness, and improving cross-category management, business model are the keys.

### e. Ready-to-eat food

Due to popularity and competition among convenient stores, the development and supply chain for the ready-to-eat food already reached a mature stage. The key factors to sales are channel density, product choices, and marketing diversity, which cause the companies to launch more new products and increase investment in production lines.

### f. Supplement

Taiwan's supplement market is roughly divided into "food" and "healthcare food" categories, in which the top three marketing benefits are: adjust blood lipid, adjust digestion, and adjust immune system. The raw material is mostly microorganism, and the companies continue to apply for the healthcare food certification to enhance product value.

### 5.1.3 Research and Development

#### A. Research and Development Expenses by Central Research Institute (CRI) in Past Two Years

Year	2016	2017	2018(As of April 30)
Total Expenses (thousand NTD)	480,772	493,423	138,544

#### B. Achievements of Research and Development by CRI in Past Two Years

Year	2016	2017	2018(As of April 30)
New Products Launched	47	43	5
Research Reports	220	156	52
Patents Approved	8	28	9

#### C. Achievements of Research and Development in recent years

##### 1. Continue on innovation and quality improvement

Uni-President has been committed to increasing food's tastiness and delivering a healthier dietary by continuously providing diverse nutritional and healthier products following the guidelines of function, health and nature. More and more technological platforms have established to carry out tasks of functional sources selection, formula design, production technology, ingredient analysis, clinical trials and certificate application. As a result, we are capable to develop healthy foods to prevent lifestyle diseases. To date, we have received twenty health food certificates covering the categories of yogurt drink, soymilk, Japanese Green Tea, Oolong Tea, chicken essence and capsules Metamin 3D.

CRI continues to improve the flavors and healthiness for all our popular products. For instance, we reduce salt uses in instant noodle, and develop low-sugar and non-sugar beverages.

##### 2. Enhance invention to bring out breakthrough products

Uni-President has been striving for product improvement over the years and develops many well-known brands covering the categories from dairy products, beverages, instant noodles, meat products, frozen foods, ice cream products, flour to edible oil. CRI continues to enhance its food-processing technology and core competencies to retain or seek market leadership. Many innovative and breakthrough products with higher popularity like Non-Fried Noodles, Meat Retort Pouch (Imperial Meals), Chilled Tea, Single Cell Extraction Tea Series (Chai Li Won), Gastro-intestinal regulated drinks (AB Yogurt Drink), and 72°C low temperature sterilized full nutrient milk (Rie Shue) are successfully created.

##### 3. Effective utilization of raw material and technology to upgrade product quality

To decrease the risk of discontinued supply of raw material and reduction of raw material costs, CRI continues to enhance technology to master material uses and search qualified second suppliers. Also, CRI trades with the premium global suppliers to prevent food safety risk. CRI sets up an innovative material scientific team to master the uses of raw materials and additives in order to reduce uses of additives by natural ingredient. Also, package team analyzes packing materials and discovers optimal carton condition to provide Eco-friendly packaging material.



#### 4. Monitor raw material to ensure products' quality

We establish raw material traceability measures to effectively evaluate raw material supplies' safeness and analyze hazard factors of every ingredient to make ensure the materials and additives fulfill the requirement by food health regulation. Moreover, in respect to agricultural commodities like raw milk and tealeaves, CRI sets measure to detect risks factors and trace down to the origin-farm. Meanwhile, we establish analytic methods to detect counterfeit materials and off-flavor in order to preserve the quality and retain nutrients of our products.

#### D. Planned investment

R&D will invest NT\$ 400 million into the following projects:

- (1) Develop dairy products, beverages, instant noodles, prepared meal and bread products.
- (2) Improve product quality.
- (3) Search better products' flavors and functions.
- (4) Improve nutritional and functional technology products.
- (5) Improve technology to analyze raw material, and to prevent counterfeit and unusual smell.
- (6) Optimize the use of environmental packaging materials
- (7) Introduction and application of safe additives and functional ingredients.

#### E. On-going projects

- (1) Develop most wanted innovative products
- (2) Reduce additives in food processing, and utilize state-of-art food technology (i.e. low-temp sterilization).
- (3) Increase quality assurance of raw materials, such as setting up tracing system for tealeaves and dairy ingredients.
- (4) Promote ODM service and expand the benefit of intellectual property.

#### F. Production time expected to be completed: According to the product launch plan.

#### G. Key success factors

As guided by the right strategy and solid technology base, our research team can develop innovative, unique and premium products that warrant the successful launches of the products. Whether it is product design or technical research, our R&D team always follows the strict management procedures to control the process and quality of any giving project. Also, every project is consistently reviewed to ensure reasonable budget for any given expected goal. All described above are the factors from which the Central Research Institute of Uni-President achieves the team's duty and goes on the road to success.

## 5.1.4 Long-term and Short-term Development

### A. Long-term Development Plan

We apply “one core and four pillars” strategic management model, which centers on “brand management” along with the 4 pillars: trade & distribution, retail operation, manufacturing and R&D, strategic acquisitions and alliances. We aim to expand our presence in Asia and “maximize the corporate value” in long run through the application of such model.

#### **Brand management**

In addition to extending the advantageous brand operating abilities, we also attempt to deep-root mega-brands on the organizational level, observe consumer purchasing behaviors and trends, and devote to increase the accuracy of product structure and marketing investments, as well as strengthen brand core values and consumer identification in order to promote and propel the mega-brands' market competitive position.

#### **Trade and Distribution**

Our operating sites are distributed over Taiwan, China, Indonesia, Vietnam, Thailand and the Philippines. These sites are not only part of our marketing network but will formulate a purchasing platform for global procurement, and become a gateway for European and American food companies to enter Asia.

#### **Retail Operation**

We continue to reinforce team merchandizing with channel partners and satisfy broader consumers with convenient and variable products. We are also committed to enhancing distributional efficiency, spotting business potentials, and exploring new channels and markets. By integrating the high value-added distribution to the procurement, manufacturing, marketing and retail network, we will have greater chance to be one of the strategic suppliers or agents of key retail chains and well-known global brands.

#### **Manufacturing and R&D**

We dedicate to apply manufacturing and R&D strengths in branding development and take advantage of China, the world's factory, in building a fleet-alike manufacturing disposition. Meanwhile, we continuously and constantly improve our skills by introducing new technology and strengthening fundamental skills for higher added value.

#### **Strategic Acquisitions and Alliances**

We aim to gain and sustain our dominance in each major product category, obtain an unshakable market position, and complete the macro layout in greater Asia.

### B. Short-term Development Plan

“Premium growth” is the goal we pursue. Internally, we strengthen our management; externally, we initiate market attacks strategies, proactively explore new territories, leverage economies of scale, expand regionally, improve organizational and marketing capabilities. In addition, we enhance strategic alliance with global giants to sustain our leading position. Keys to management include:

- (1) Increase brand value: Penetrate mega-brands and SKUs to create higher value and pursue industrial dominance for greater market share.
- (2) Improve profitability: Build solid fundamental skills, and adjust to the optimum production efficiency and added value of product mix with well-distributed marketing resources.

- (3) Engage in market mechanism: Gain pricing power in the market, stabilize costs, and enhance management and sensitivity to the interested parties.
- (4) Demonstrate discipline and execution: Meet management integrity and fulfill global operational discipline and strategies.
- (5) Participate in social responsibility: Contribution to corporate governance, food safety, employee welfare, and work safety/environmental protection.

## 5.2 Market and Sales Overview

### 5.2.1 Market Analysis

**A. Sales (Service) Region: 99.60% of our products are sold domestically. Globally we keep our eyes on Mainland China and Southeast Asia to seize the rising Asian potentials.**

**B. Market Share (%) of Major Product Categories in Last Two Years (data provided by ACNielsen)**

Category	2017	2016	Category	2017	2016
Animal Feed	2.6	2.3	Fresh Milk	34.5	33.8
Flour	8.9	9.3	Yogurt Drink	72.9	68.6
Edible oil	2.1	2.5	Flavored Milk	44.7	48.4
Instant Noodle	42.6	44.3	Flavored Soybean Milk	44.4	45.0
Soy Sauce	36.9	35.6	Pudding	69.7	72.8
Coffee Drink (Note)	19.7	21.2	Meat Product	35.5	38.6
Fruit Juice (Note)	10.3	11.5	Frozen Food	14.5	12.6
Packaged Water	18.0	18.9	Ice Cream Product	4.9	3.71
Tea Drink (Note)	42.4	45.6			

Note: Chilled and Ambient

### C. Market Analysis of Major Product Categories

#### Animal Feed

##### 1. Major Products and Sales Regions

(1) Major products are feeds for hogs, poultry, and cattle, and pet foods.

(2) Sales Regions: Taiwan

##### 2. Market Demand and Supply

Risks and opportunities will keep stirring the supply-demand of animal feed industry in the future. After Taiwan entered the WTO, the livestock market has been challenged. The imported material raises volatilities of feed price, and the imported meat and economic recycle of livestock products lead to uncertain market price. Affected by volatile global grain prices and devaluated NT dollar, we faced higher difficulties in controlling raw material cost.

However, there are chances in front of us. Pet foods along with economic growth continued to develop steadily, cattle feed and TMR with high added value still has space for development.

##### 3. Advantages and Disadvantages, and Strategies

###### (1) Competitive Advantages

To maximize the profit of Animal Feed Division, we have integrated the operation from material suppliers to the sales channels, combined TMR technology and professional service team to create value-added distinct products, and segment markets. Also our brand "Petlife still is the NO.1 market position and will continue to extend with other lines to present premium pet foods image.

## (2) Disadvantages and Strategies

Due to the great maize and soybean imports required, we will face higher difficulties from volatile market condition, climbing costs and financial risks.

Being aware of relatively higher operating risks, we will increase our profit through efficient raw material control, and minimize loan risks by monitoring clients' credit lines and account receivables.

## Flour

### 1. Major Products and Sales Regions

(1) Major products are flour.

(2) Sales regions: Besides the products are used in our instant noodle and bread production, they are also supplied to other companies in Taiwan.

### 2. Market Demand and Supply

With the increasing demand for delicacies and varieties of bakery products, the volume consumption had a minor decrease in 2017. Also due to the lower costs of wheat from appreciated NT dollar and enhanced strategic management, we were able to flee from dull market and gradually recover the sales volumes and profitability. We continue to carry out refined management and aggressively strengthen brand power to compete against jumbo and niche market players.

### 3. Advantages and Disadvantages, and Strategies

#### (1) Competitive Advantages

We have broad sales network, skilled R&D experts, high-tech milling ability, flexible operational system, high quality products and efficient after-service center.

#### (2) Disadvantages and Strategies

Market saturation and overcapacity are our challenges. To overcome these barriers, we will improve our sales network, value-added products, product portfolio, and raw material differentiation to raise our margin.

## Edible Oil

### 1. Major Products and Sales Regions

(1) Major products are pure oil (canola oil, soybean oil), and functional oil (Healthy Resetta Diet Oil) for family-uses.

(2) Sales region: Taiwan.

### 2. Market Demand and Supply

In 2017, total market value of domestic home edible oil grew 7.2%. By impact of oil scandal, consumer concerns food safety on top of price and the oil consumer behavior switched to imported non-blend and high price packaged oil. The distinctness functional oil, high nutritive value and high quality Edible Oil will have the potential for sustained growth.

### 3. Advantages and Disadvantages, and Strategies

#### (1) Competitive Advantages

Focus on the development of functional oil and pure oil, and strengthen brand's value to expand market shares and industrial status. Adjust best production efficiency and the highest added value product portfolio. Input the appropriate marketing resource allocation to improve profitability.

#### (2) Disadvantages and Strategies

Affected by the limited market scope, low entry barrier, vast private label products, more eat-outs and lesser oil uses from increasing health issues, home edible oil market becomes highly competitive. To overcome these difficulties, we will focus on market trend of key raw materials, source safety

and product freshness management, and gain into consumer insight, for optimal product items and operating efficiency.

### **Instant Noodle**

#### 1. Major Products and Sales Regions

(1) Major products are instant noodle, snack noodle, stick noodles, and noodle for Fresh food. Leading brands are Tung-I, A-Q, Ke-Shiue-Mian, Imperial, and One More Cup in Taiwan; Lao Tan and Soup Daren in China, Unif Noodle in Vietnam and Ho-Mi Noodle in the Philippines.

(2) Sales regions: Mainly are sold in Taiwan and in Mainland China, some are exported to HK.

#### 2. Market Demand and Supply

After several food-safety scandals in Taiwan in 2014, the instant noodle market recovered for the consecutive years. Due to the growth of high-priced instant noodles, overall market value in 2017 reached NT\$10.9 billion, and grew by 4.99%.

The changes in market structure, the growth of Ready-to-Cook noodle and Fresh food in CVS affected the industry significantly. In response to the above issues, we concentrate on the brand development and deliver high value-added products to meet consumer's need. Furthermore, to seize the business opportunity of Fresh food in CVS, we launch the operations to deliver noodles to the Fresh food supply chain, completely utilizing the technology that has developed from the past 40 years. Our goal is to maintain growth through continuous innovation of our business model.

#### 3. Advantages and Disadvantages, and Strategies

##### (1) Competitive Advantages

We have first-rate innovative R&D technology, experienced marketing team, strong selling structure and efficient production and marketing flow.

##### (2) Disadvantages and Strategies

Risks and costs of operations increase due to the price fluctuation of international commodities and the high standard food safety laws. Also, the booming development of Ready-to-eat food in CVS erodes the instant noodle market.

To resolve these challenges, we keep improving our supply chain management, intensifying our R&D to create innovative and unique products, and stepping into Ready-to-eat market.

### **Dairy Products**

#### 1. Major Products and Sales Regions

(1) Major products are fresh milk, flavored milk, drinking yogurt/probiotic drinks, health foods, soy beverages, flavored milk, desserts, and other leading brands. We are now ranked first in fresh milk, flavored milk, drinking yogurt, soy beverage, and pudding markets; second in rice beverage market; third in probiotic drinks, functional milk, and oat beverage markets.

(2) Sales region: Taiwan

#### 2. Market Demand and Supply

Taiwan dairying industry is facing a long-term output decline due to hotter climate, farm talents outflow, and tighter environmental regulations. But demand for milk is still growing steadily, so imbalance of supply and demand will be more apparent in coming future. As the bright side, domestic milk is no longer a commodity, but goods with brand glamour, premium quality and local caring. Therefore we continue to invest heavily on innovating formula and taste, and provide consumers with nutritious and delicious drinks. refresh and delicious lactic acid bacteria flavor to meet the demands of target consumers and bring consumers fresh ideas of funny experiences.

### 3. Advantages and Disadvantages, and Strategies

#### (1) Competitive Advantages

We run the nation's top refrigerated supply chain for dairy operation with top operating efficiency and quality stability. We are excelsior in brand development, and constantly promote our pricing power and product addiction. The dairy business contributes greatly to the sales and profits of the company, with leading brands and attractive product lines surpassing all categories we have been involved. All our brands are at top three places in every dairy category.

#### (2) Disadvantages and Strategies

Long-term shortage of raw milk limits the growth potentials of fresh milk. We expand our sources of raw milk by raising productivity of cows, eliminating possibilities of cow diseases, and introducing new cows and milk farmers. Also we seek to offer outstanding brands and products to attract customers and uphold the price in severe price competition.

### Tea Beverage

#### 1. Major Products and Sales Regions

(1) Major brands are MineShine, Cha Li Won, Pure Tea, Literature Tea Collection and Beaux Arts covering seven categories of green tea, milk tea, black tea, oolong tea, lemon tea, herbal tea and fruit tea in Taiwan; in China, major brands are “Uni Ice Tea” and “Uni Green Tea” in China ; in Thailand , major brand is “unif”.

(2) Sales region: Products are mainly sold in Taiwan and Mainland China; few products are exported to Hong Kong, the Philippines and other Southeast Asia.

#### 2. Market Demand and Supply

Uni-President held the largest market share in RTD tea market. MineShine ranked first, Cha Li Won ranked second, Pure Tea ranked third, and Literature Tea Collection ranked first in chilled milk tea market. In China, the group has discovered a growth potential from consumption upgrade and transformation, and successfully launched the “ Classmate Xiaoming” as a pioneer of tea drink industrial revolution. In recent two years, tea drinks with over RMB 5.0 price tag rapidly occupied the market. In the field of milk tea, the

### 3. Advantages and Disadvantages, and Strategies

#### (1) Competitive Advantages

We have leading aseptic production base and ally strategically with OEM partners to increase production efficiency. Also we cooperate with sales channels to carry out innovative campaigns. Strict new product launch flow, brand building focused and integration of procurement resources are our advantages.

#### (2) Disadvantages and Strategies

International raw material price keeps climbing and compresses gross margin. In order to reduce those influences, we redesign bottle and label to inhibit the systematic cost increases. Through the integration of procurement, we grasp the cost advantages of raw material. Also, we deliver product differentiation and segmentation, and innovative marketing communications to substitute price promotions.

### Coffee drinks

#### 1. Major Products and Sales Regions

(1) Major products are coffee drinks and coffee beans. Major brands are “La gauche de La Seine”, “Café Plaza” and “Cophi” in Taiwan; “A-HA” and “Lento” in Mainland China; “A-HA” in Thailand.

(2) Sales regions: Taiwan, Mainland China and Thailand.

## 2. Market Demand and Supply

Overall RTD coffee market slightly grew 2.1% in 2017. In terms of channel structure, CVS is still the main sales channel. On the user behavior, latte coffee ranks first, black coffee shows massive growth in both brewed coffee and RTD coffee categories, and specialty coffee also shows increasing acceptance from consumers.

## 3. Advantages and Disadvantages, and Strategies

### (1) Competitive Advantages

Our company runs business in both RTD coffee and brewed coffee markets which appeal to two different types of consumer needs. We own an exclusive R&D team who is professional in appraising the quality of coffee beans and has obtained several international certificates on coffee bean quality identification. The team has developed a complete education and training system for coffee category as well. In addition, our multiple brands with diverse packaging and pricing strategy can satisfy different consumer needs.

### (2) Disadvantages and Strategies

The trend of media is becoming more and more diversified, resulting in the need to invest more budgets to assure the brand communication result. To against this unfavorable factor, we have sought for the best media combination to maximize the benefit, and aligned with trade marketing activities simultaneously to pursue the integrated marketing communication efficiency and effectiveness.

## **Other Beverages (Juice and Bottled Water)**

### 1. Major Products and Sales Regions

(1) Main product lines include juice, bottled Water and sports drink. Well known brands are Juicymart, 5°C, Fruit Garden, Uni-Water, Mineral water, and PH 9.0 in Taiwan, Tomato Juice, Pear Drink, and Haizhiyan water in China, and Unif juice in Thailand.

(2) Sales regions: Taiwan and Mainland China.

### 2. Market Demand and Supply

In 2017, domestic market value of juice increased slightly by 0.44%. To adapt to the trend of food safety issues, suppliers seek to introduce high-priced premium juice instead of enlarging volume pack. Juice consumption in Taiwan is tiny as fruit is easier to reach, but the increasing eating-out habit in metropolitan area and healthy consciousness still show rooms for market extension.

Overall market value of bottled water in Taiwan grew to NT\$96.22 billion in 2017, increased by 9.65% from last year. Our bottled water sales excluding OEM PL brand had a market share loss of 1.13% over last year but still dominate the market with shares of 18.26%. To sustain our leadership, we put more efforts into striving for brand marketing excellence.

### 3. Advantages and Disadvantages, and Strategies

#### (1) Competitive Advantages

We set up a food safety center to guard the quality of product. Also we seek to optimize operational scale through models of self production and ODM, work closely with retail channels, launch successful new product, focus on brand building and effectively control the cost through co-procurement process.

#### (2) Disadvantages and Strategies

We focus on product quality and brand power, maintain effective co-procurement platform to limit negligence cost, and adjust to the optimal productivity to decrease production cost.



## Baking Product

### 1. Major Products and Sales Regions

- (1) Main products are toast, bread, cake, pastry, dessert, frozen dough and others. Main sales channels are CVS, bakery, coffee chains, hypermarket and supermarket.
- (2) Sales region: Taiwan

### 2. Market Demand and Supply

There is a shift in consumer's preference from demand for product with cheaper price in larger size into demand for product with premium quality in smaller size. As the leader in the industry of packaged-bread, our company operates with the latest equipment and conforms to high-level food safety standards in supervising the procedure of production with the objective to satisfy consumer's expectation for high-quality bakery products.

Confectionary cakes are consumers' favorite. To meet with consumers cares on value than on price, we increase product add-on-value. Overall product value of frozen dough arouse from the increase of B-to-B sales.

### 3. Advantages and Disadvantages, and Strategies

#### (1) Competitive Advantages

We manage brand effectively and team up internal R&D, production, marketing team with external technicians and equipment manufacturers to create value-added products. We operate under a comprehensive sales network, construct production platform, utilize Group advantages, and integrate upstream and downstream. Also we leverage mass production of our large baking factory and effectively use nationwide regional plants to flexibly deploy our capacity. Through our logistic system, Group's shared resource and purchase platforms, we obtain high-quality raw materials at lower cost. We continue to enhance research on ambient cake, and input investment on advertising and brand. Frozen dough has received ISO9001 and ISO22000 certification, and the quality has been stabilized since the safeguard of raw material by food safety center.

#### (2) Disadvantages and Strategies

The public is very concerned about food safety issues, if any product has the slightest doubt, after being one-sided media coverage, it is possible to be misunderstood by consumers and refuse to buy. But the crisis is the turning point. We have set up the industry's highest food security control system that can detect every process from raw material to the production. As long as we can comprehend consumers' concern on food safety, we can make our products become more popular.

## Frozen Food

### 1. Major Products and Sales Regions

- (1) Our frozen food products are dumplings, buns, chicken and squid nuggets.
- (2) Sales Regions: Taiwan

### 2. Market Demand and Supply

Total market sales of dumplings in Taiwan kept stable in 2017. However with the increasing eat-outs, the consumption has shifted from B to C to B to B businesses. Not only we continue to focus on the existing products, we also develop microwavable meal in CVS channels and promote direct selling. In 2017, we can avoid trapping into the price war by premium unique marketing strategies to win consumers recognition.

### 3. Advantages and Disadvantages, and Strategies

#### (1) Competitive and Advantages

We can outperform others with backups from our professional research team, inclusive marketing and distribution network, and solid team-merchandising platform.

#### (2) Disadvantages and Strategies

It's not easy to invest or renew fix assets due to the slow dumpling market volume. We would actively engage in exploring microwavable products and upgrade product quality, and restructure our production to increase production volume. Meanwhile, we will strengthen our channel merchandising at supermarket chains and convenient stores to slow down the impact of price setting

## Ice Cream

### 1. Major Products and Sales Regions

(1) Major products are frozen yogurt, smoothie, ice cube, and ice cream.

(2) Sales region: Taiwan

### 2. Market Demand and Supply

We operate with concentration, product differentiation, and profit maximization. By merging marketing and R&D, we create products that are highly differentiated and inventive to the market. Through the innovative business model, we can discover the blue ocean market. We can ensure our sustainable business operation with high standard of food safety that exceeds the regulations from society and expectation of consumers.

### 3. Advantages and Disadvantages, and Strategies

#### (1) Competitive Advantages

By keeping simple operation and optimal resource allocation will enable us to response faster to market changes.

#### (2) Disadvantages and Strategies

Although high food safety standards will increase investment in operating costs, but also use technology to create low-alternative and high-differentiated products will avoid price war and sustain long-term profitability.

## Soy Sauce & Seasoning

### 1. Major Products and Sales Regions

(1) Major products are soy sauce and seasonings, and brands are Tung-I Four Season and Kikkoman.

(2) Sales Regions: Taiwan

### 2. Market Demand and Supply

The increasing eat-out has shifted the soy sauce market to commercial processing channels. In order to retain our leading position in soy sauce market, we have worked very hard at our existing channel, and reinforced inclusive selling network and successful marketing tactics to ensure a room for growth. Confronted by the increasing material prices and stern competitions, the product will be marketed with premium and uniqueness to gain consumers confidence and avoid trapping into price war. Some special seasonings were imported and some corporate products were exported to take our stand in the globe. Total market share of retail channel in 2017 is 36.87%.

### 3. Advantages and Disadvantages, and Strategies s

#### (1) Competitive Advantages

Our extensive retail network increases our product accessibility and consistent research and development ensures a long-lasting operation.

## (2) Disadvantages and Strategies

Soy sauce sales still grew slowly, which is unfavorable to the capital investment and for renovation. Also, higher raw material cost raised operating costs. Therefore, we will aggressively explore food/service channels and develop new categories at minimal cost at each process, and leverage distinct and superior strategies to reduce the impacts of price competitions.

## Meat Product

### 1. Major Products and Sales Regions

(1) Our meat business offers a wide range of products, ranging from Chinese-style processed meat product (sausage, dried meat) to western-style processed meat product (hot dog, ham and bacon). Imperial is the chief brand in Chinese-style meat category while Proker is the major brand in western-style meat category.

(2) Sales Regions: Domestic market.

### 2. Market Demand and Supply

Total market sales of meat processing is about NT\$6 billion, among them, 80% is for business use. Packaged sausage and western-style meat occupy market value of NT\$1.45billion. As more eat-out occurred, exploring business use potentials will be the main market in the future.

### 3. Advantages and Disadvantages, and Strategies

#### (1) Competitive Advantages

We have absolute advantages over others as our research and development ability are skillful enough to create many higher quality and better taste leading products, and our products are accessible nationwide with the inclusive distribution and selling network.

#### (2) Disadvantages and Strategies

Price of hogs is susceptible to the epidemic diseases and international trading, cost are hard to maintain. Also, products tended to be homogeneous that created a fierce price competition and increased concern on the safety and quality of processed meat products reduced consumption. For the upcoming years, we will seek to adopt clean and certified raw materials into our production and offer consumers a broader variety of healthy, delicious and easy prepared premium products in small-sized pack. Meanwhile, in order to seize the opportunities from eat-outs, we will develop more apt products for food service operations.

## Health Food

### 1. Major Products and Sales Regions

(1) Main product is Metamin 3D”, “Yubei Bao Ling Huo” and “PowerMate Malted Milk with Cocoa”.

(2) Sales region: Taiwan

### 2. Market Demand and Supply

Taiwan has entered an aging society, the demand to Nutrition and health product became bigger and bigger. “Metamin 3D” has received the National Health Food Permit on functions of regulating blood lipids and blood sugar levels. There is a stable consumer demand for health food associated with managing high blood lipids, blood sugar and blood pressure, and there is a considerable growth potential. “Yubei Bao Ling Huo” contain Undennatured Collagen Type II (UC-II), which can help to protect joints and help to move quickly & smoothly. PowerMate Malted Milk with Cocoa” is kind of nutritional drinks with above 50% milk, Vitamin B group and minerals, which can quickly replenish nutrients that are lacking, maintain health and physical strength.

### 3. Advantages and Disadvantages, and Strategies

#### (1) Competitive Advantages

The National Health Research Institutes have licensed technology for this product, which is used by our outstanding R&D team—a proprietary luminescence-based screening platform combining highly active PPAR materials. Several animal studies have been conducted by the Taipei Medical University and National Taiwan Ocean University to confirm the efficacy of this formula. A clinical trial conducted by the Taichung Veterans General Hospital was published in the famous Journal of Nutrition Research. With the strict manufacturing process, Metamin Health 3D is proven as a highly technical and safe product.

#### (2) Disadvantages and Strategies

Since products of similar concept i.e. red yeast rice supplement has NT\$1 billion market, or of similar function i.e. Nattokinase supplement has NT\$0.4 billion market, we need to invest more marketing resources to differentiate Metamin Health 3D's specialty and efficacy in order to escape from the competition from low-price supplements.

### **Convenience Store**

#### 1. Major Products & Sales Regions:

PCSC not only provides consumers with products and services to meet their basic needs, we also work to bring them a convenient, high-quality lifestyle. To this aim, PCSC keeps on top of changes in consumer trends to develop high-quality products and innovative services that fulfill all our customers' needs. In order to reach our goal of becoming a convenient, safe, and enjoyable community service center, we serve not only every corner of Taiwan's main island, but also the outlying islands of Penghu, Kinmen, Matsu, and Green Island creating a comprehensive store network. Wherever customers need us, 7-ELEVEN will be there. We actively work to overcome logistics difficulties involved in locating in remote areas, so that all of Taiwan's residents can enjoy this high-quality, convenient lifestyle.

#### 2. Current and Future Market Supply & Demand:

As of the end of 2014 PCSC held a 49.8 share in the convenience store market in terms of store locations, which made us once again the industry leader and the number one brand in the minds of consumers. In recent years, the Company has made ceaseless efforts to strengthen the operational capacity of individual stores, develop innovative products, and better integrate virtual business opportunities thereby growing both revenue and profits. In the future, in an environment of fierce competition, operations in all business sectors will inevitably face difficult challenges. The market, with its ever expanding product offerings, has reinforced consumers' quest for innovation and newness. By taking advantage of the resulting business opportunities, Taiwan's convenience store industry still has the potential for significant future growth.

#### 3. Competitiveness, Advantages and Disadvantages of our Operation, and Strategies

The convenience store industry in Taiwan is highly competitive. However, by capitalizing on its advantages and understanding customer needs, a company can emerge at the head of the pack. PCSC's major competitive advantages are:

- (1) Positive corporate image and good brand reputation.
- (2) The capacity to develop new products (services) to meet customers' changing needs and use innovative integrated marketing techniques to promote them.
- (3) Comprehensive channels favorable to successful product development, price negotiation, and sales.
- (4) A comprehensive logistics support system and an ever more seamless supply chain.
- (5) Strong IT platform and infrastructure with high potential for further development to meet the needs of consumers and effectively create new business opportunities.

(6) Strong franchise system.

(7) The Group has significant resources that can be integrated and shared between members.

4. Positive and negative factors for future growth and strategic responses:

(1) Positive factors:

- The market for ready-to-eat food continues to grow as has demand for natural, organic food and beverage options. Taiwan's society is aging, while young people are delaying marriage and having fewer children, so there are growing businesses opportunities from seniors and singles.
- With the rise of smartphones and other Internet technologies, information has become highly transparent. As online shopping has become ever more popular, shoppers have become savvier and are searching for an entertaining, timely shopping experience. Regulations governing Mainland Chinese tourists' movements in Taiwan have been relaxed, so more people from China will likely visit the island.

(2) Negative factors:

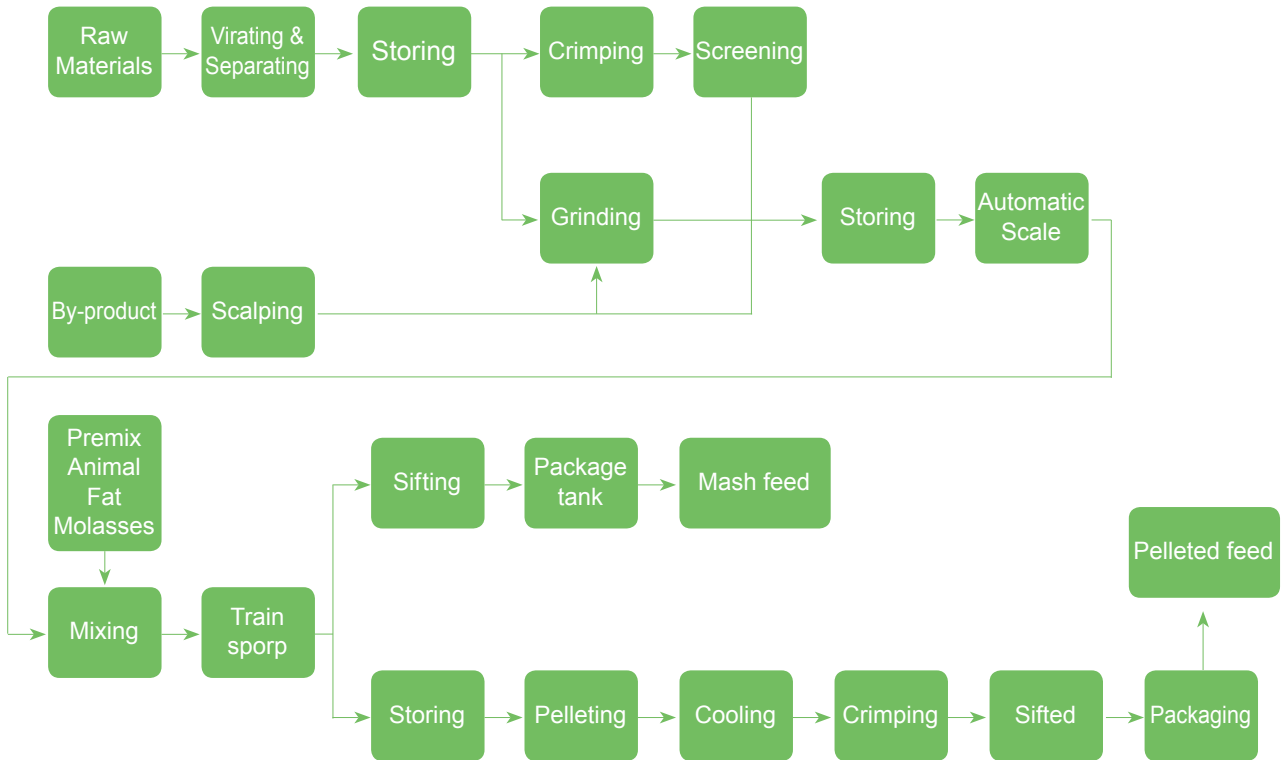
- The convenience store market is saturated, while discount supermarkets have sprung up, blurring the line between the two, resulting in increasingly fierce competition. Rising raw material prices and utility costs result in higher operating costs. Increasing inflation results in a decrease in real income, so consumers will remain cautious with their purchases.

(3) Strategic responses:

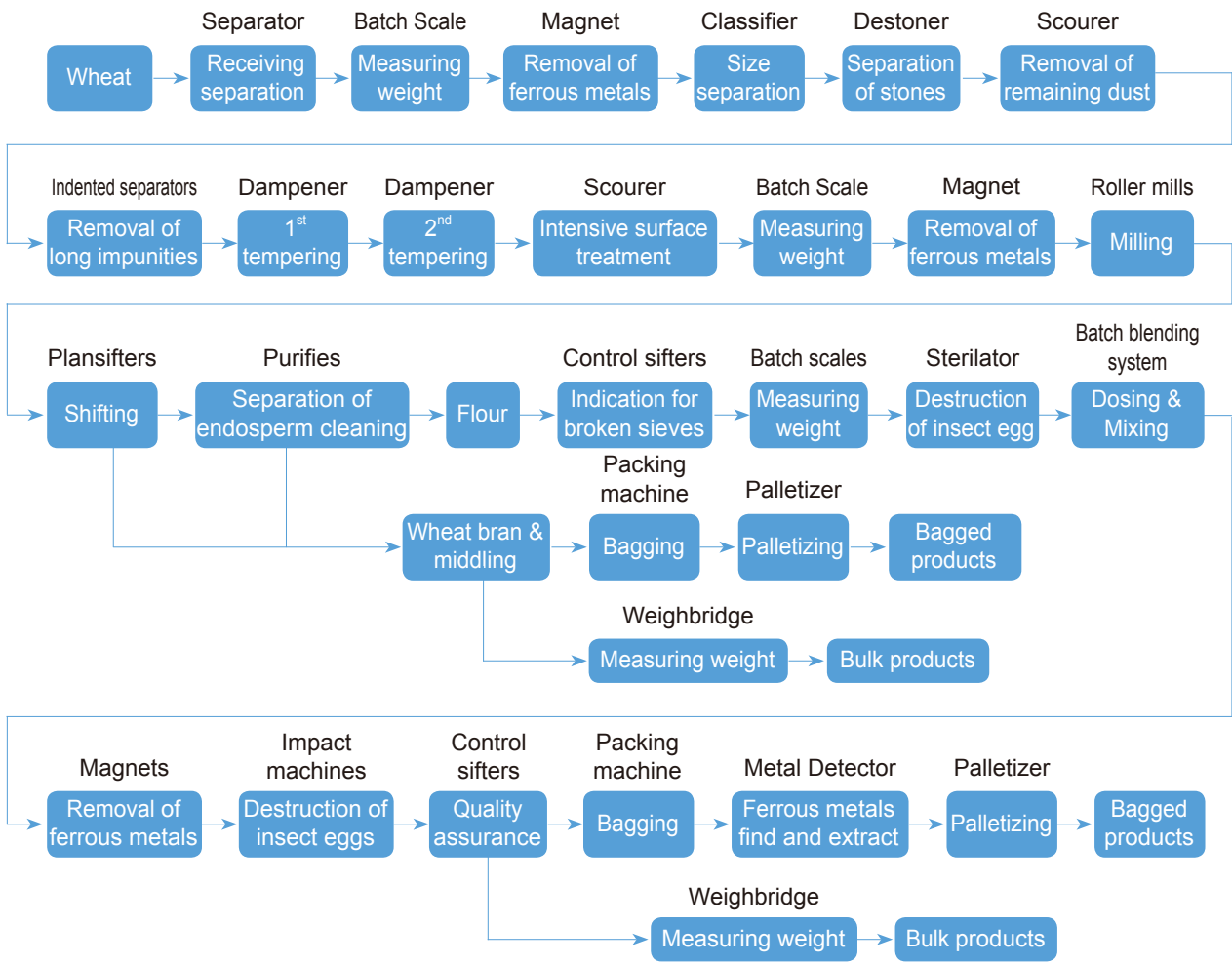
- To keep up with the ever-changing consumer marketplace and new purchasing trends, PCSC is committed to innovation. We launch differentiated products and services to meet consumers' needs and further build our competitive advantages. Our mission is to provide a wide variety of high quality, trustworthy products with a smile. Through stringent quality controls and outstanding customer service, we work continually improve ourselves to ensure 7-ELEVEn is perceived to be the nation's best convenience store.

### 5.2.2 Production Process of Main Products

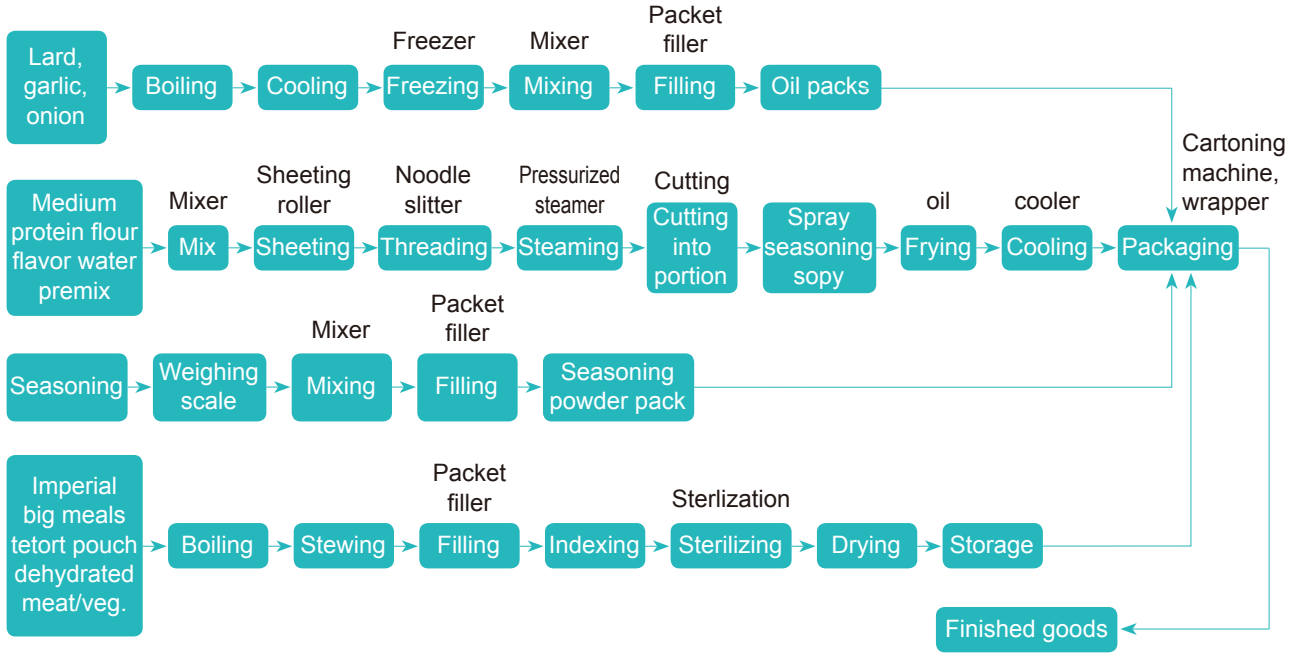
#### (1) Animal Feed



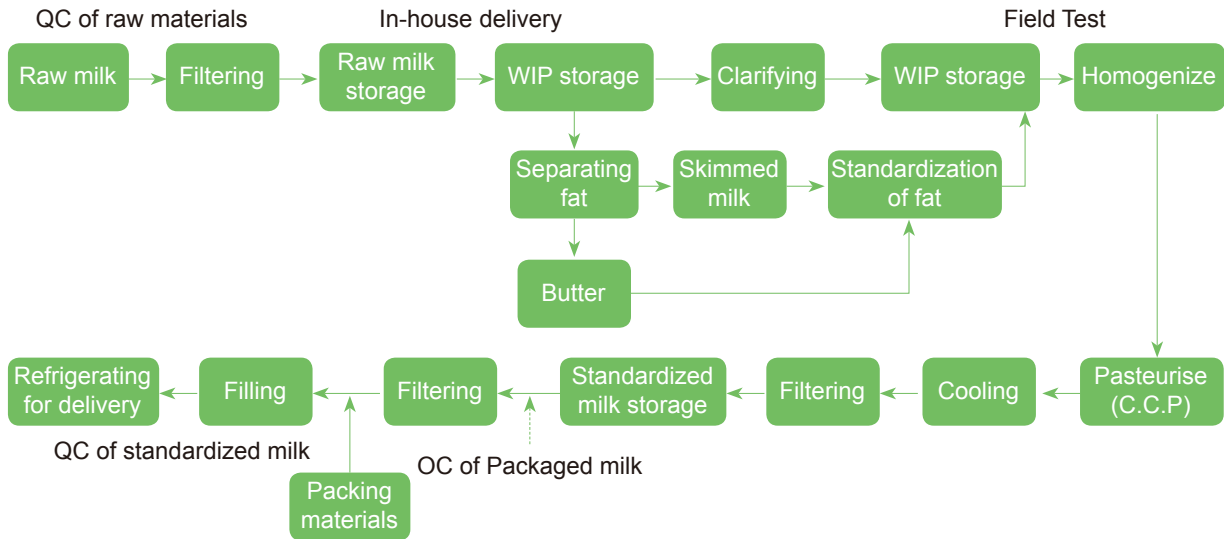
**(2) Flour**



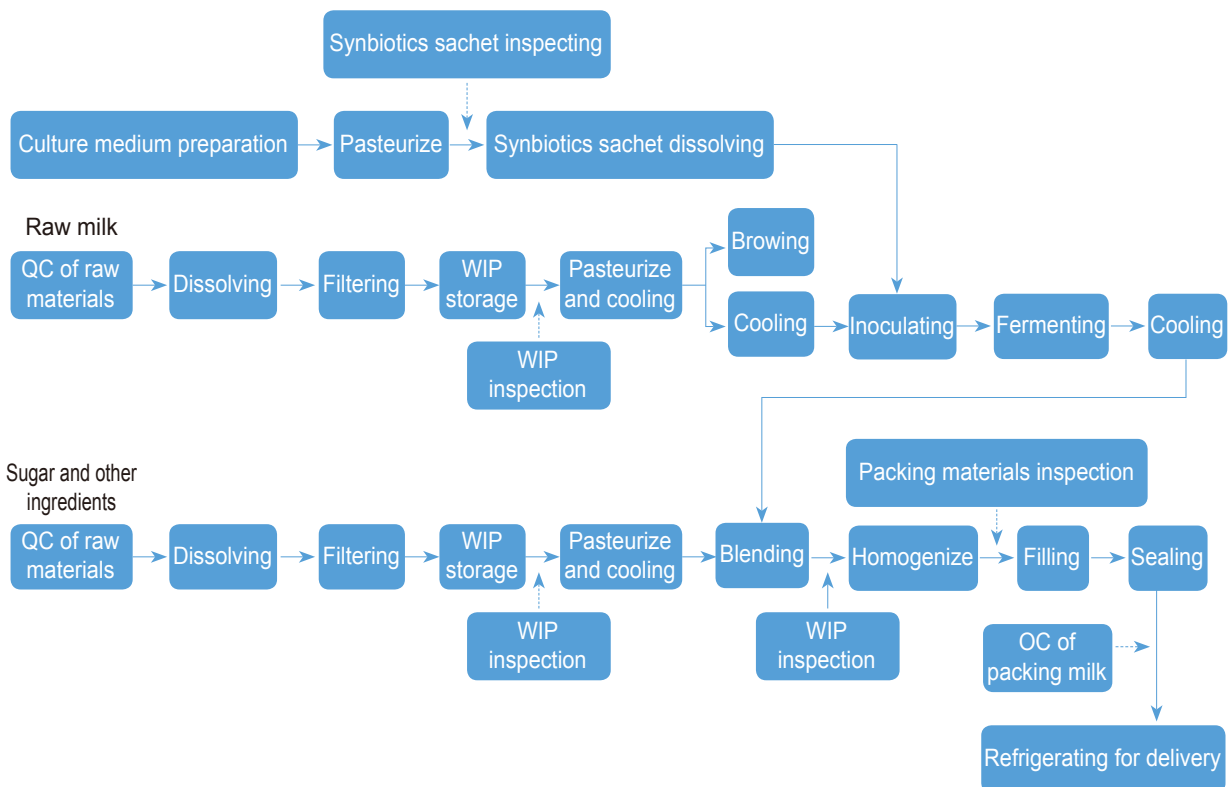
**(3) Instant Noodle**



**(4) Fresh Milk**

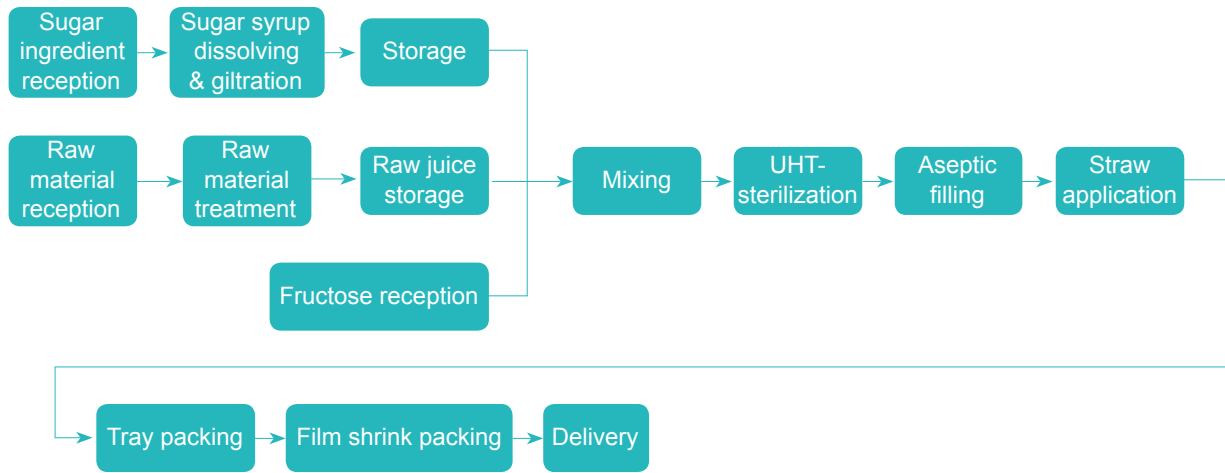


**(5) Fermented milk**

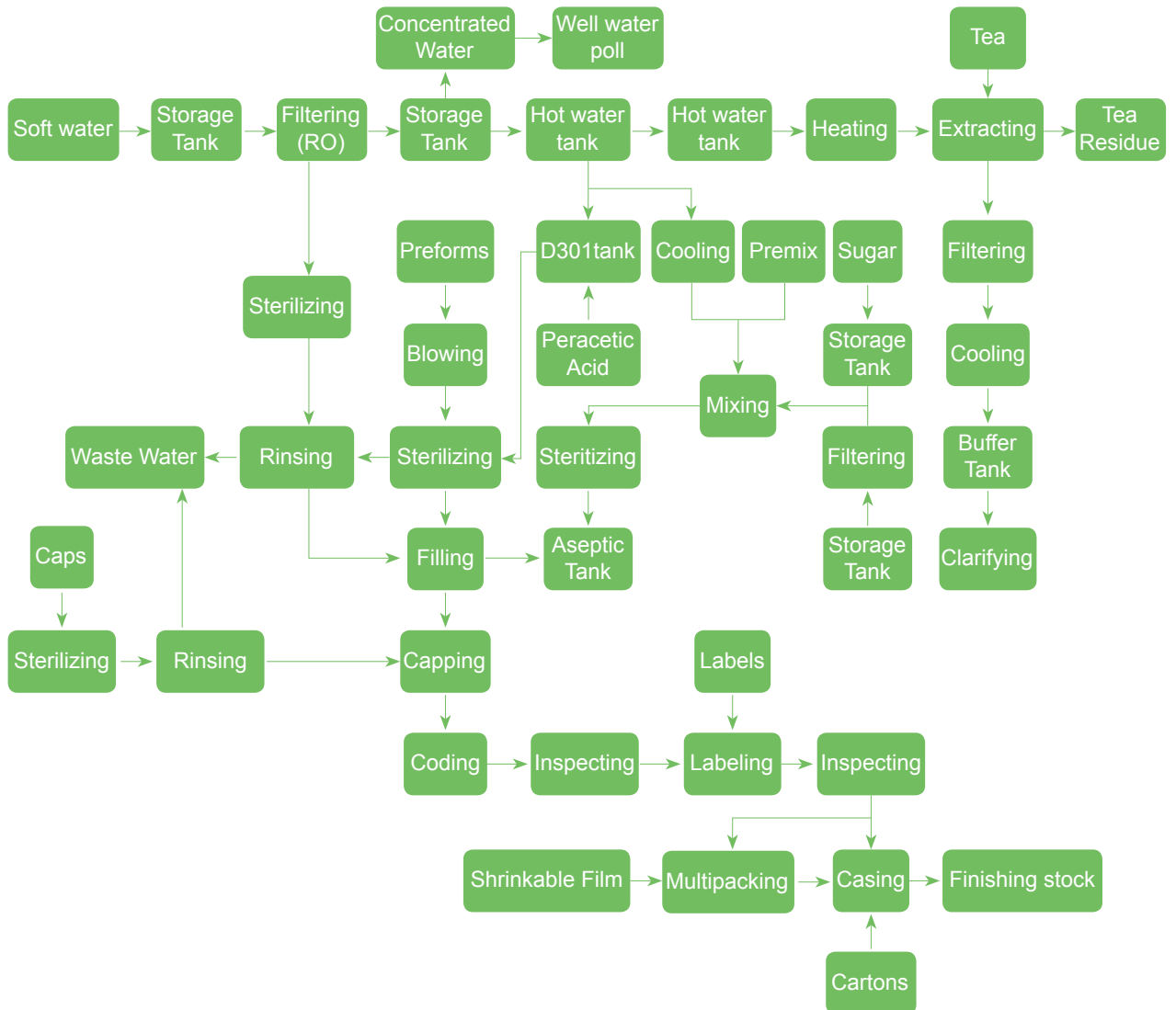




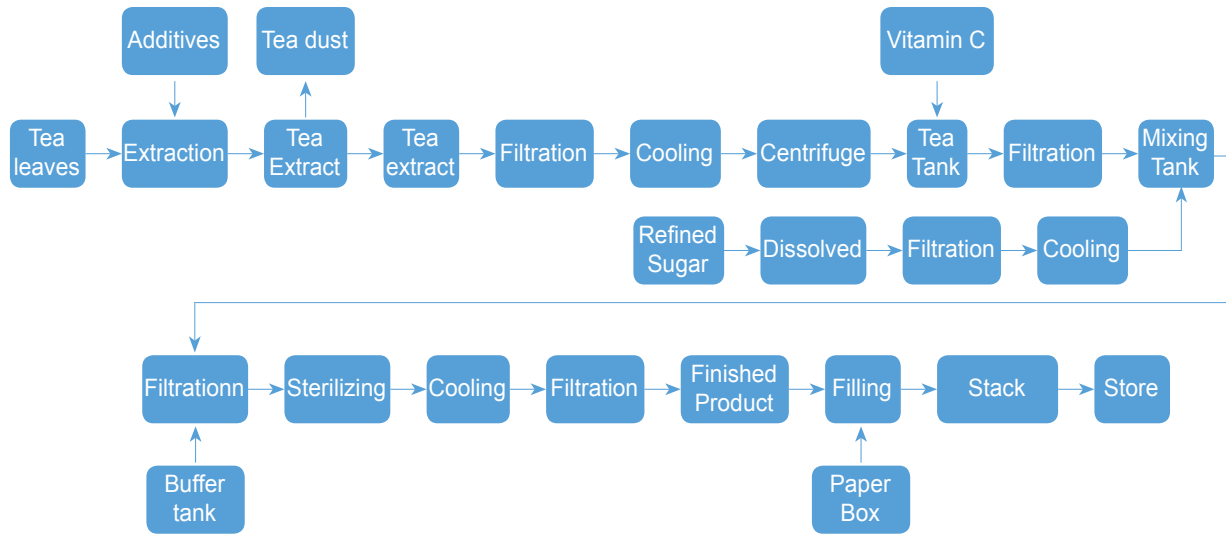
**(6) Aseptic Brink Juice**



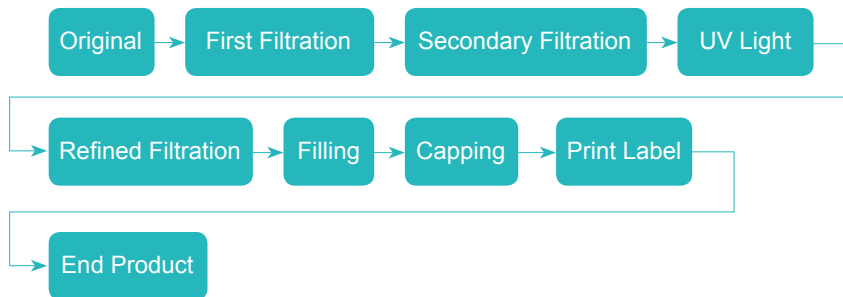
**(7) Aseptic PET Drink**



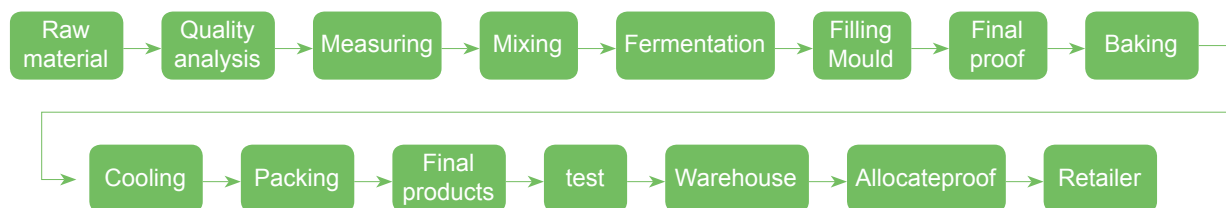
**(8) TP Chilled Tea**



**(9) Packaged Water**



**(10) Bread**



### 5.2.3 Supply Status of Main Materials

Product	Raw Material	Source	Supply Status
Feed	Corn, Soybean	U.S.A., South America	Stable
Wheat Flour	Wheat	U.S.A., Australia	Stable
Instant Noodle	Wheat flour	Self-Produced, Domestic	Stable
	Palm oil	Malaysia	
Beverage & Juice	Sugar	Domestic	Stable
	Orange juice	Brazil	
	Apple juice	China	
	Tea leaves	Domestic, Southeast Asia, South Asia	
	Coffee powder	Asia, Latin America, Africa	
Dairy Products	Raw milk	Domestic	Stable
	Milk powder	Oceania	Stable
Meat Products	Pork	Domestic	Stable
	Beef shank	Oceania	

5.2.4 Information on major suppliers/clients who have accounted for at least 10% of sales/procurement in either of the past two years

A. List of suppliers that have accounted for at least 10% of procurement over the past two years: NA.

B. List of clients that have accounted for at least 10% of sales over the past two years:

Unit : NT\$ thousands

Rank	2016				2017			
	Company Name	Amount	Percent of Annual Net Sales	Affiliation to the Issuer	Company Name	Amount	Percent of Annual Net Sales	Affiliation to the Issuer
1	Uni-President Cold Chain Corp.	5,641,936	14.50	Subsidiary	Uni-President Cold Chain Corp.	7,553,210	19.23	Subsidiary
2	Tung Ang Enterprises Corp.	4,483,190	11.52	Subsidiary	Tung Ang Enterprises Corp.	5,736,204	14.60	Subsidiary
	Others	28,793,950	73.98		Others	25,993,663	66.17	
	Net Sales	38,919,076	100.00		Net Sales	39,283,077	100.00	

## 5.2.5 Production over the Last Two Years

Unit : NT\$ millions

Product		2017			2016		
Name	Unit	Capacity	Quantity	Amount (factory price)	Capacity	Quantity	Amount (factory price)
Healthy Foods	***	0	0	\$0	0	0	\$0
Soy Sauce	*	0	0	0	0	0	0
Pickles	*	0	0	0	0	0	0
Meat Products	*	7,000	3,216	646	7,000	3,227	648
Beverages	***	85,501,560	33,265,919	6,681	85,501,560	36,129,186	7,068
PP Juice	***	5,901,840	435,224	214	5,901,840	521,886	260
Coffee beans	*	0	0	0	0	0	0
Dairy Products	*	220,000	196,835	10,678	200,000	194,140	10,142
Yogurts Drink	*	20,000	11,484	453	20,000	11,251	452
Soy Bean Milk	*	70,000	54,428	1,304	65,000	58,247	1,402
Puddings	*	10,000	6,117	434	9,000	6,172	453
Soybean oil	*	6,664	208	20	6,664	242	23
Sunflower oil	*	0	337	25	0	442	34
Feeds	*	210,399	131,500	1,502	155,641	126,075	1,434
Breads	**	181	139	2,241	168	140	2,253
Cakes	**	57	40	747	51	46	821
Frozen Paste	**	1	0.2	92	1	0.3	88
Frozen Foods	*	3,058	3,058	333	2,851	2,851	311
Ice Cream Products	*	55,802	30,304	771	53,506	27,093	679
Flours	*	77,902	79,439	1,505	77,902	85,454	1,608
Wheat Bran	*	25,443	26,483	174	25,443	29,411	188
Barley Cereal	*	4,800	3,426	46	4,800	3,888	52
Instant Noodle	***	22,308,517	16,935,819	4,654	22,308,517	18,659,023	5,187
Rice Noodle	***	817,760	308,607	90	817,760	341,934	99
Noodle	*	4,390	2,110	143	4,390	2,447	165
Milk Powders	*	0	0	0	0	0	0

\* 1 ton; \*\*1,000,000 packs; \*\*\* 1 case

Note: OEM products are not included in calculating capacity and quantity.

## 5.2.6 Net Sales over the Last Two Years

Unit: NT\$ millions

Product		2017				2016			
		Local		Export		Local		Export	
Name	Unit	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Healthy Foods	***	13,989	\$52	0	\$0	2,618	\$48	0	\$0
Soy Sauce	*	23,344	980	0	0	24,878	949	0	0
Pickles	*	1,915	222	0	0	2,317	272	0	0
Meat Products	*	3,662	734	0	0	3,698	735	0	0
Beverages	***	50,682,572	9,847	279,276	73	53,149,215	10,110	234,837	64
PP Juice	***	465,314	169	0	0	521,548	193	0	0
Coffee beans	*	4,874	1,375	0	0	4,489	1,231	0	0
Dairy Products	*	196,183	9,974	0	0	194,169	9,378	0	0
Yogurts Drink	*	14,699	493	0	0	14,835	484	0	0
Soy Bean Milk	*	55,015	1,165	0	0	57,639	1,157	0	0
Puddings	*	9,449	580	0	0	9,814	593	0	0
Soybean oil	*	241	18	0	0	242	17	0	0
Sunflower oil	*	468	44	0	0	570	50	0	0
Feeds	*	140,044	1,808	0	0	139,778	1,776	0	0
Breads	**	167	2,705	0	0	166	2,606	0	0
Cakes	**	40	762	0	0	46	831	0	0
Frozen Paste	**	0.2	89	0	0	0.3	86	0	0
Frozen Foods	*	3,634	379	0	0	3,752	404	0	0
Ice Cream Products	*	30,277	740	0	0	27,114	654	0	0
Flours	*	41,087	751	0	0	43,613	784	0	0
Wheat Bran	*	25,087	149	0	0	27,745	156	0	0
Barley Cereal	*	3,467	40	0	0	3,879	47	0	0
Instant Noodle	***	17,497,923	4,254	283,202	83	17,935,593	4,385	277,617	72
Rice Noodle	***	324,008	88	0	0	335,518	89	0	0
Noodle	*	2,228	131	0	0	2,392	138	0	0
Milk Powders	*	667	409	0	0	756	418	0	0
Others		—	1,169	—	0	—	1,192	—	0
Total			39,127		156		38,783		136

\* 1 ton; \*\*1,000,000 packs; \*\*\* 1 case

## 5.3. Human Resources

### 5.3.1 An Analysis of UPEC Employees

Year	2016	2017	As of April 30,2018
Number of Employees	5,475	5,450	5,395
Average of Age	43.8	44.5	44.8
Average Years of Service	18.2	18.7	19.00
<b>Level of Education (%)</b>			
Ph. D.	0.22	0.16	0.22
MS / MA	11.27	11.81	11.88
College	42.69	42.37	42.41
High School	39.56	39.26	39.08
Others	6.26	6.40	6.41

Note : Total staffs (Group) of 2016 : 111,093 ; Total staffs(Group) of 2017 : 90,575

### 5.3.2 Employee Training

Capable staffs are the keystone of corporate growth. Throughout its history, this company has adhered strongly to the educational concepts of lifelong education, career development, and full-staff education in order to raise the level of trained staff in the company, cultivate future managers, shape a positive corporate culture, and create even greater performance for the company as a whole. Staff cultivation is a long-term, systematic, specialist task, and as such we have developed a strategic roadmap that is cohesive with the company's developmental direction based on our vision, mission, and strategy. We have also drafted a systematic plan for education that addresses the need for the development of core competencies, occupational skills, management skills, and physical, intellectual, and emotional growth, with this plan to be implemented according to the particular needs of employee position. At the same time, we strive to create an environment in which all staff members can exercise their particular talents, with outstanding administrative or executive staff being assigned to important positions within the company at home or abroad to help them develop their potential and integrate their personal career development with the goals of the company to create win-win situations.

To facilitate this staff training and cultivation, on June 1, 1982, the company established its Occupational Training Section, which was tasked with promoting and implementing education and training efforts. On November 13, 1996, upon receipt of government licensure (license number: Laozhixu No. 115) the company formally established the Uni-President Enterprises Corporation Affiliated Education and Training Center, which employs eight occupational training specialists and is responsible for drafting education and training strategy, training key staff and management at all levels, and establishing mechanisms for and providing guidance in the promotion and implementation of education and training efforts. In addition, some 195 staff members across departments (including 69 members of departmental senior management) have been made responsible for planning and holding occupational skills courses. All courses held by the company are standardized and computer-based, and have received ISO 9001:2008 certification.

**The overall performance of employee training in 2017 is stated as below:**

In-House Training (Number of hours)	Outside Training (Number of hours)	Training Expense (NT\$ thousands)
163,344	19,945	23,734

Since the Education and Training Center became fully operational in 1997, it has been acknowledged by several professional organizations, including the Bureau of Employment and Vocational Training of the Council of Labor Affairs, the Chinese National Federation of Industries (CNFI), and the General Chamber of Commerce of the Republic of China (ROCCOC), as an outstanding training unit—In 1997, the CNFI presented the center with an award for excellence in HR education and training; in 1999, the ROCCOC recognized the center as an outstanding occupational training unit; in 2001, Bureau of Employment and Vocational Training assessment classified the center as providing excellent service as an enterprise vocational training liaison net; and in 2002, the Bureau again recognized the center for its excellence in occupational skills training .Between 2009 and 2011, the center received the Training Quality System Silver Medal from the Bureau, and in 2012 and 2016, it moved up the extra step and received a TTQS Gold Medal. This recognition of the efforts we have put into developing and training our staff has been a tremendous motivator to Uni-President Enterprises, and we will continue to take seriously our belief that skilled employees are the most important asset to any company, actively seeking to further cultivate our staff and cement these keystones of our corporate development.

### 5.3.3 The Regulations for Employee's Behavior and Morality

#### A. Value of Integrity and Morale

Uni-President has always been appreciative for customers' support and faith and intending to payback to customers, employees, and stockholders whenever possible. In addition, the BOD meeting approved “UPEC Ethical Corporate Management Best Practice Principles” and “UPEC Procedures and Guidelines of Conduct for Ethical Management” since June, 2014. The Company also established an exclusively dedicated unit supervised by the Board to be in charge of corporate ethical management and report to the board on a regular basis. Uni-President is committed in making contribution to the society and building up a sense of duty of high business morality. Our recruitment values more on the employees' integrity and morality than his capabilities.

#### B. Employee codes of conduct include the followings:

1. Management staffs at all levels shall be strictly disciplined and require colleagues to comply with government regulations, and set examples to meet all corporate policies.
2. The company is committed to creating a friendly working environment for equal gender rights, forbidding sexual harassment and inappropriate love affairs, and strictly prohibiting illegal acts that threatening the staff and the company.
3. All levels of associates shall handle the confidential document in great care, not reveal to others, and away from “insider trading” regulated by Stock Trading Committee.
4. When the company releases important issues or being interviewed by media, spokesman shall abide by the corporate rule, or require assistance from public affairs department.
5. External social activities are subjected to actual needs, and prohibited to conduct in inappropriate place. Drunk driving is a serious violation of discipline and is strictly prohibited by the company.
6. Drinking and driving is strictly prohibited by the Company.
7. All employees shall follow “UPEC Ethical Corporate Management Best Practice Principles” and “UPEC Procedures and Guidelines of Conduct for Ethical Management” .
8. Expatriates other than the legal representative are prohibited to uphold individual shares for other companies.
9. Associates shall not involve in profit-making activities (such as stock, futures trading and direct) at work hours and avoid violation of the company's interest.
10. Practitioners shall comply with the company's prescribed “Working rules”.



## 5.4 Expenditure of Environmental Protection

The company, since setting up the factory, has been focusing on the planning and the execution of the environmental protection. In addition to the establishment of environmental management system, implementation of environmental checkup and the vast investment in environmental protection facilities, we have established a task team to take on the operation, maintenance and improvement of the preventive equipment in wastewater, offal and waste gas. To reduce global warming, the company takes aggressive actions to save energy and carbon, reduce the greenhouse gas emissions and proceed on ISO 14064.

### 5.4.1 Losses from Environmental Pollution in Recent Two Years

Year	2016	2017	As of April 30, 2018
Pollution Status (type, level)	At the boundary of Liuying material biotech plant, the odor value exceeded regulatory standard.	The water discharged from waste gas scrubber in Xinshih plant has not been applied to include in wastewater treatment item.	None
Division that execute punishment	Environmental Protection Bureau of Tainan City Government	Environmental Protection Bureau of Tainan City Government	None
Amount of compensation	280,000	105,000	None
Corrective action	The outgoing air outlets in operating zone are sealed and wastewater effluent in storage tanks is exhausted to scrubber for treatment. Also people are arranged to perform daily checks around the boundary.	1. The waste gas scrubber has been removed. 2. Promote the auditing project of environmental protection to avoid violation.	None

### 5.4.2 The relevant operational cost of environmental protection

	2017
Planned purchase of pollution control facility or other facilities for building up a healthy environment	(1) Investment in environment protection equipment (2) Maintenance fees for the prevention equipment and wastewater treatment systems (3) Air pollution fee and water pollution fee (4) Costs of operational maintenance and, waste removal (5) Cost on storage vessels, recycling and transportation
Expense	NT\$ 501,790 thousand dollars

### 5.4.3 Reaction to the RoHS (Restriction of Hazardous Substances) Regulation

The Company's all products don't contain any material listed on the RoHS list. There's no effects caused to the Company's operation.

## 5.5 Labor Relation

### 5.5.1 The implementation of a complete set of employee welfare, education, training, retirement, as well as the conducts, rights and obligations established between the employer and worker

#### A. Labor Relation Operation

Over forty years of operation, Uni-President has believed in harmonious labor- employer relation as well as agreed on a mutual benefit for employer and workers.

The Company would like to practice the followings:

##### 1. Improve the rationalization of personnel system

To strongly support the organization unification, rational disposition of human resources, attraction and retention of talents with good pay, promotion scheme and cultivation of international talents for higher personnel productivity.

##### 2. Carry out employee career enrichment plan

To assist employee in planning his career life, and to carry out the plan in the course of working experiences, work requirements, educational training and performance evaluation, making sure the worker's expectation is in line with organizational needs.

##### 3. Provide better employee welfare

To make food, clothes, accommodations, transportation, education and entertainment easier to reach in workers' daily lives, including the supplies of dormitories, delicious but inexpensive meals, health check-ups, and employee fringe. We hope to create a safe and nice working environment for the employees and to offer them the best welfare we can.

##### 4. Better communication with labor union

The Company would maintain good communications within all channels in order to reach a common consensus and effectively build up workers' commitments to work. For example, we arrange regular meetings for workers and employers, so the employer can understand worker's needs and try to satisfy them as possible. On the other hand, representatives of labor unions are invited to attend business meetings and this provides opportunity for workers to be fully understood about corporate operation as well as express their opinions.

##### 5. Concrete measures to improve employee welfare compared to previous year.

The Company has given the employee raise for five consecutive years. (In 2014, UPEC was listed as the component of Taiwan HC 100 Index) and established various regulations to provide full protection of employees' benefits in accordance with the Occupational Safety and Health Act.

#### B. The Retirement Program

Abided by the Labor Standards Law and new Labor Pension Act, Uni-president has made rules for retirement and set up a supervisory committee of retirement fund to oversee the allocation and payment of retirement fund.

### C. Labor Relation Condition

The Company has insisted on the harmonious relationship with its workers, and is very concern about the employee's welfare and career planning. So far, no employer and labor conflicts ever occurred, and no losses of this kind are expected to come. Employer keeps a friendly relationship with his workers now and intends to carry on this attitude in the future.

### D. Protection of Workplace and Labor Safety

The principle of our occupational management is to construct a comfortable, safe and hygienic workplace for the labors, protect their safety, and adhere to the occupational environmental policy of “respecting lives, being disciplined by safety, undertake risk management, pollution prevention, audit & assistance, performance management, safety culture, and continuous improvement” in the attainment of “Zero Occupational Accident”.

Our company pays much attention to the employees' safety and health, from the traffic safety during rush hour, pre-employed health check-up, periodic health examinations, safety propaganda, maintenance of machine and equipment, to the operational manual of employees in workplace, all are rigidly ruled and carried out. In the aspect of fire prevention and emergency exit, we would check the fire evacuation monthly, and carry out various emergency-response practices yearly. In addition, we would conduct the personnel first aid training to completely prevent the occurrences of the accidents. The management of labor safety and health would perform unscheduled safety and health checks, and supervisors of environmental health would audit and propagate environmental health and safety. Recently, we have introduced the concept of detriment identification/risk management/safety checks, expecting to manage the employee safety effectively. In the aspect of contractors, all of the contractor's workers who work in the factory site of Uni-President Enterprises Corp. are regarded as Uni-President's employees and are demanded to obey the same safety and health rules to avoid possible loopholes in safety. Every year each main plant will conduct a contractor meeting to communicate and interact with each other. Environmental safety department, engineering department, and industrial unit would conduct safety check during the weekday and weekend and provide guidance and audit to avoid the occurrence of occupational incidents.

In the meantime, on 1 December 2004, Uni-President Enterprises Corp. launched Occupational Health and Safety Assessment Systems 18001(OHSAS 18001) in Xinshih Main Plant to avoid endangerment of employees' lives, and reduce the rate of occupational accident. On 2005, 2006, and 2007, Xinshih Main Plant, Yangmei Main Plant and Chungli Main Plant have acquired the certification from BSMI of ROC respectively. By 2009, each Main Plant commenced OHSAS 18001 and TOSHMS system and acquired certificate from BSMI of ROC. In June 2014, we joined the project of Institute of Labor, Occupational Safety And Health, Ministry of Labor, to undergone cultural safety assessment.

To correct unsafe behavior, we set up security supervision rules. We require team head and health/safety administrator to observe its members at least twice per month and unit leader once a month or more to supervise unsafe behavior to avoid personal injury. In 2008, we edit a teaching material of “Cases of occupational disaster and traffic safety” to strengthen the consciousness of employees and traffic safety in the workplace. To continue optimizing working environment and employees' safety management, in 2011, we advocate safety observation of non-recurring operations and identify call of on-site non-recurring operations, track unusual health checkup results, stationed on-site physician, and propose recommendation for improvement.

In 2012, we established a “Enhanced Industrial Safety Team” to promote the project/equipment intrinsic safety management, optimize audit system, encourage management by walk around, organize health management and promotion courses and amend “normalization management on fire operation”. We also assign person to manage fire operation via web, and confirm the safety before, during and after the operation. In 2013, we promote subject-based safety checkup conforming to four industrial safety requirements (no smolders, no cutting, no drop, and no hit), identify danger, assess risk, and manage equipment of frozen (HID) storage, switchboard and boiler. In 2014, we focused on training employees to eliminate operating defects and abnormalities, and ensure safety operating standard. To encourage colleagues' attention to labor safety and hygiene to prevent occupational accidents, we set up “incentives for non-occupational phase on an accumulative basis”. In 2015, we have finished lesson plans for industrial safety including 15 related subjects.

Although we are demonstrated with slight improvement in employee protection, we are not self-contented with up-to-date achievement. We still believe in continuous enhancement and pursue the progress through effective management system and advanced occupational safety techniques and tools. It is our plan to take advantage of “Three Principles of Industrial Safety Precaution” - supervisory-protection, self-protection and cooperative-protection to attain to the final objective of “zero occupational accident”.

In 2017, we received “National occupational safety and health award” by OSHA for Yung Kang Main Plant and Chungli Main Plant and “Taiwan Top 50 Taiwan Corporate Sustainability Report Award”.

#### 5.5.2 Estimated Losses from Labor Relation Conflicts during the Past Two years and the Future and our planned reaction: None.

## 5.6 Important Contracts

As of Apr. 30, 2018

Agreement	Counter party	Period	Major Contents	Restriction
OEM	Taiwan Hon Chuan Enterprise Co., Ltd.	2007.01.01~ 2018.12.31	PET Tea Beverage Manufacture for UPEC	<ol style="list-style-type: none"> <li>When there are changes in costs of water, electricity, fuel, wages, or other factors, both parties agree to reconcile the OEM expense accordingly.</li> <li>UPEC guarantees an annual PET order of 6 million cases, an annual TR order of 70 million packs, and forms a ten-year partnership with Hon Chuan company after mass production. Hon Chuan will serve as UPEC's exclusive OEM factory. If UPEC does not meet the order of average annual quantity, Hon Chuan can seek approval from UPEC to OEM for other companies' brands. However UPEC's order must be given top priority, making sure there's no shortage. Hon Chuan's OEM volumes are included in the sum of UPEC's annual volume.</li> </ol>
OEM	Sun Ford Mfg. Inc.	2017.07.01~ 2018.06.30	Pudding manufacturing	<ol style="list-style-type: none"> <li>The use of trademark is restricted on the packing label of OEM product.</li> <li>Protect the trade secrets.</li> </ol>
OEM	TTET Union Corp.	2018.01.01~ 2018.12.31	OEM Contract	<ol style="list-style-type: none"> <li>The use of trademark is restricted on the packing label of OEM product.</li> <li>Protect the trade secrets.</li> </ol>
Cooperation Agreement	Nissin Food Products Co., Ltd.	2018.01.01~ 2018.12.31	Technical Cooperation Agreement	Authorization
Term Loan	International Bills Finance Corporation	2016.09.21~ 2019.09.20	FRCP amount NT\$ 1,000 million	None
Term Loan	Mega Bills	2016.06.23~ 2019.06.22	FRCP amount NT\$ 1,000 million	None
Term Loan	China Bills Finance Corporation	2016.03.27~ 2019.03.26	FRCP amount NT\$ 1,000 million	None
Term Loan	Taiwan Finance Corporation	2018.02.23~ 2021.02.22	FRCP amount NT\$ 500 million	None
Term Loan	Ta Ching Bills Finance Corporation	2017.11.24~ 2020.11.24	FRCP amount NT\$ 500 million	None

Agreement	Counter party	Period	Major Contents	Restriction
Term Loan	Taiwan Cooperative Bank	2018.03.02~ 2020.02.26	Facility amount NT\$ 1,000 million	None
Term Loan	First Commercial Bank	2018.04.09~ 2020.04.09	Facility amount NT\$ 1,000 million	None
Term Loan	Taipei Fubon Bank	2017.11.09~ 2019.11.09	Facility amount NT\$ 500 million	None
Term Loan	Cathy United Bank	2016.08.31~ 2019.08.31	Facility amount NT\$ 800 million	None
Term Loan	KGI Bank	2018.04.18~ 2020.04.18	Facility amount NT\$ 1000 million	None
Term Loan	Bank SinoPac	2017.06.30~ 2019.06.30	Facility amount NT\$ 600 million	None
Term Loan	Bank of China	2017.07.04~ 2019.07.04	Facility amount NT\$ 5,000 million	None
Term Loan	Bank of Communications	2017.05.15~ 2019.05.15	Facility amount USD\$ 120 million	None
Term Loan	China Construction Bank Corporation	2018.04.26~ 2020.04.26	Facility amount NT\$ 100 million	None
Term Loan	Mizuho Bank, Ltd.	2017.08.31~ 2019.08.31	Facility amount NT\$ 100 million	None
Term Loan	Bangkok Bank Public Company Limited	2017.11.17~ 2020.11.17	Facility amount NT\$ 500 million	None
Term Loan	Sumitomo Mitsui Banking Corporation	2017.11.10~ 2019.11.102	Facility amount NT\$ 4,000 million	None
Term Loan	Banco Bilbao Vizcaya Argentaria	2017.07.31~ 2019.07.31	Facility amount USD\$ 40 million	None
Term Loan	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2015.07.14~ 2020.07.14	Facility amount NT\$ 2,000 million	<ol style="list-style-type: none"> <li>1. Current ratio should be above 75%. (based on non-consolidated annual financial statement)</li> <li>2. (Debt + contingent liability) to net worth shall be below 200%. (based on non-consolidated annual financial statement)</li> <li>3. Interest coverage ratio shall be above 2.0 times. (based on non-consolidated annual financial statement)</li> <li>4. Tangible net worth shall be above NT\$90 billion. (based on non-consolidated annual financial statement)</li> </ol>

## 5.7 Supplier Management

All suppliers are required to comply with the requirements of Uni-President's procurement policy. The key supplier management policies include:

1. Raw materials must be approved by the evaluation team (including representatives from procurement, R&D, production and Food Safety Center) before they are purchased from suppliers.
2. All suppliers must be registered in the government's "Food Merchant Registration System"
3. All suppliers of raw and packaging materials that come in direct contact with food are required to implement the ISO 22000 food safety management system.

Our business contracts with suppliers will include CSR provisions, requiring all business practices to be conducted in a moral and legal manner, as well as meet public expectations, while also taking into account their impact on society and the natural environment. The contract may be terminated or cancelled at any time if any CSR policies have been violated.

# 6

## FINANCIAL INFORMATION



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## 6.1 Five-Year Financial Summary

### 6.1.1 Financial information-IFRS

#### A. Condensed non-consolidated balance sheet- IFRS

Unit: NT\$1,000

Item	Year	Financial information for the most recent five years				
		2013	2014	2015	2016	2017
Current assets		\$10,715,231	\$11,806,625	\$13,308,024	\$12,581,586	\$7,021,621
Fixed assets machinery and equipment (Note 1)		17,549,473	18,879,408	20,860,940	21,326,609	21,543,133
Intangible assets		-	-	-	-	-
Other assets		100,426,474	112,779,263	118,514,413	119,959,745	149,380,310
Total assets		128,691,178	143,465,296	152,683,377	153,867,940	177,945,064
Current liabilities	Before distribution	9,726,309	10,484,643	12,711,549	11,789,769	15,375,995
	After distribution	17,457,643	18,133,510	24,075,580	23,722,001	15,375,995
Non-current Liabilities		32,757,545	40,968,713	43,635,582	47,672,324	42,493,792
Total liabilities	Before distribution	42,483,854	51,453,356	56,347,131	59,462,093	57,869,787
	After distribution	50,215,188	59,102,223	67,711,162	71,394,325	57,869,787
Capital		51,542,229	54,634,763	56,820,154	56,820,154	56,820,154
Capital reserve		3,875,672	3,848,490	3,957,172	3,900,138	3,916,160
Retained earnings	Before distribution	28,689,882	28,951,457	32,878,661	35,508,754	63,046,237
	After distribution	20,958,548	21,302,590	21,514,630	23,576,522	63,046,237
Other equity		2,099,541	4,577,230	2,680,259	(1,823,199)	(3,707,274)
Treasury stock		-	-	-	-	-
Total equity	Before distribution	86,207,324	92,011,940	96,336,246	94,405,847	120,075,277
	After distribution	\$78,475,990	\$84,363,073	\$84,972,215	\$82,473,615	\$120,075,277

Note 1: Fixed assets machinery and equipment consists of property, plant and equipment, investment property and prepayments for business facilities.

Note 2: Interest expense capitalized for non-consolidated statements of 2013: NTD 12,105,000; 2014: NTD18,163,000; 2015:NTD29,879,000; 2016:NTD15,170,000;2017:NTD 7,598,000.

**B. Condensed consolidated balance sheet- IFRS**

Unit: NT\$1,000

Item	Year	Financial information for the most recent five years					As of March 31, 2018 (Note 1)
		2013	2014	2015	2016	2017	
Current assets		\$129,913,360	\$137,311,309	\$138,480,338	\$139,819,001	\$174,909,878	\$173,005,734
Fixed assets machinery and equipment (Note 2)		169,834,757	184,513,651	181,022,031	167,248,173	162,416,785	161,193,913
Intangible assets		2,828,190	2,866,712	2,769,998	2,569,940	12,026,147	11,904,701
Other assets		67,627,142	75,052,047	76,676,122	68,948,351	65,302,644	65,934,799
Total assets		370,203,449	399,743,719	398,948,489	378,585,465	414,655,454	412,039,147
Current liabilities	Before distribution	130,363,565	143,379,331	150,426,162	140,997,934	140,208,164	143,869,775
	After distribution	138,094,899	151,028,198	161,790,193	152,930,166	140,208,164	143,869,775
Non current liabilities		101,773,273	106,762,845	92,832,590	84,887,265	83,147,096	69,759,413
Total liabilities	Before distribution	232,136,838	250,142,176	243,258,752	225,885,199	223,355,260	213,629,188
	After distribution	239,868,172	257,791,043	254,622,783	237,817,431	223,355,260	213,629,188
Capital		51,542,229	54,634,763	56,820,154	56,820,154	56,820,154	56,820,154
Capital reserve		3,875,672	3,875,672	3,848,490	3,957,172	3,900,138	3,916,160
Retained Earnings	Before distribution	28,689,882	28,951,457	32,878,661	35,508,754	63,046,237	67,763,401
	After distribution	20,958,548	21,302,590	21,514,630	23,576,522	63,046,237	67,763,401
Other equity		2,099,541	4,577,230	2,680,259	-1,823,199	-3,707,274	-3,891,506
Treasury stock		-	-	-	-	-	0
Equity attributable to owners of the parent		86,207,324	92,011,940	96,336,246	94,405,847	120,075,277	124,609,269
Non-controlling interest		51,859,287	57,589,603	59,353,491	58,294,419	71,224,917	73,800,690
Total equity	Before distribution	138,066,611	149,601,543	155,689,737	152,700,266	191,300,194	198,409,959
	After distribution	\$130,335,277	\$141,952,676	\$144,325,706	\$140,768,034	\$191,300,194	\$198,409,959

Note 1: Financial information regarding the first quarter of 2018 has been verified by independent auditors.

Note 2: Fixed assets machinery and equipment consists of property, plant and equipment, investment property and prepayments for business facilities.

Note 3: Interest expense capitalized for consolidated statements of 2013: NTD 109,414,000; 2014: NTD 272,586,000; 2015: NTD 632,381,000 ; 2016: NTD 219,141,000; 2017: NTD 90,280,000; 2018Q1: NTD 10,151,000.

**C. Condensed non-consolidated income statement-IFRS**

Unit: NT\$1,000

Item	Year	Financial information for the most recent five years				
		2013	2014	2015	2016	2017
Revenue		\$42,344,016	\$40,225,384	\$38,286,883	\$38,919,076	\$39,283,077
Gross Profit		10,557,274	10,326,994	11,106,697	11,532,739	11,565,665
Operating Profit		1,393,577	1,533,542	1,749,854	2,016,406	1,057,046
Non-Operating Income (Expenses)		11,749,250	10,001,585	12,791,318	13,156,824	39,064,632
Net Income Before Tax		13,142,827	11,535,127	14,541,172	15,173,230	40,121,678
Net Income from Continuing Operations		12,764,241	11,122,830	14,107,839	14,526,719	39,844,853
Income (or Loss) from Discontinued Operations		-	-	-	-	-
Net Income (Loss)		12,764,241	11,122,830	14,107,839	14,526,719	39,844,853
Other Comprehensive Income (Loss) (After-Tax)		1,836,959	2,440,302	(2,241,761)	(5,036,053)	(2,259,213)
Total Comprehensive Income (Losses)		14,601,200	13,563,132	11,866,078	9,490,666	37,585,640
Earnings per Share (NT\$)(Note )		\$2.34	\$1.96	\$2.48	\$2.56	\$7.01

Note : Based on weighted average number of outstanding shares during each year.

**D. Condensed consolidated income statement-IFRS**

Unit: NT\$1,000

Item \ Year	Financial information for the most recent five years					As of March 31, 2018 (Note 1)
	2013	2014	2015	2016	2017	
Revenue	\$423,056,211	\$425,187,182	\$416,151,323	\$413,364,315	\$399,860,953	\$104,288,097
Gross Profit	130,857,472	131,998,998	137,922,296	137,650,097	132,740,671	35,429,055
Operating Profit	18,087,585	17,775,203	21,637,732	21,091,066	22,357,075	7,013,366
Non-Operating Income (Expenses)	7,194,576	4,486,611	5,611,628	9,411,276	54,130,550	1,512,322
Net Income Before Tax	25,282,161	22,261,814	27,249,360	30,502,342	76,487,625	8,525,688
Net Income from Continuing Operations	20,739,962	17,713,181	21,593,165	23,675,436	59,965,087	6,531,262
Income (or Loss) from Discontinued Operations	-	-	-	-	-	-
Net Income (Loss)	20,739,962	17,713,181	21,593,165	23,675,436	59,965,087	6,531,262
Other Comprehensive Income (Loss) (After-Tax)	2,865,308	2,798,736	(4,169,052)	(7,487,603)	(1,947,715)	308,921
Total Comprehensive Income (Losses)	23,605,270	20,511,917	17,424,113	16,187,833	58,017,372	6,840,183
Net Income Attributable to the Parent	12,764,241	11,122,830	14,107,839	14,526,719	39,844,853	4,286,995
Net Income Attributable to Non-Controlling Interests	7,975,721	6,590,351	7,485,326	9,148,717	20,120,234	2,244,267
Total Comprehensive Income Attributable to the Parent	14,601,200	13,563,132	11,866,078	9,490,666	37,585,640	4,226,556
Total Comprehensive Income Attributable to Non-Controlling Interests	9,004,070	6,948,785	5,558,035	6,697,167	20,431,732	2,613,627
Earnings per Share (NT\$) (Note 2)	\$2.34	\$1.96	\$2.48	\$2.56	\$7.01	\$0.75

Note 1: Financial information regarding the first quarter of 2018 follows IFRS and has been verified by independent auditors.

Note 2: Based on weighted average number of outstanding shares during each year.

**6.1.2 Auditors' Opinions from 2013 to 2017**

Item \ Year	2013	2014	2015	2016	2017
Auditing Firm	Pricewaterhouse Coopers	Pricewaterhouse Coopers	Pricewaterhouse Coopers	Pricewaterhouse Coopers	Pricewaterhouse Coopers
Auditors' Opinion	Modified Unqualified	Modified Unqualified	Modified Unqualified	Unqualified	Unqualified

## 6.2 Five-Year Financial Analysis

### (1) Financial Analysis-IFRS (non-consolidated)

Item ( Note 2 )		Year ( Note 1 )		Financial information for the most recent five years (Note 1)				
		2013	2014	2015	2016	2017		
Financial Structure	Debt to Assets Ratio(%)	33.01	35.86	36.90	38.64	32.52		
	Long-Term Capital to Fixed Assets, Machinery and equipment Ratio (%)	677.88	704.37	670.98	666.20	754.62		
Liquidity	Current Ratio (%)	110.17	112.61	104.69	106.72	45.67		
	Quick Ratio (%)	83.89	89.84	86.72	86.91	32.91		
	Interest Coverage	40.29	34.90	30.56	30.57	86.65		
Operating Performance	Accounts Receivable Turnover (times)	7.83	8.88	8.84	8.58	8.78		
	Average Collection Days	46.62	41.10	41.29	42.54	41.57		
	Inventory Turnover (times)	11.80	12.63	12.19	12.46	13.52		
	Accounts Payable Turnover (times)	18.52	20.79	18.45	18.77	20.73		
	Average Inventory Turnover Days	30.93	28.90	29.94	29.29	27.00		
	Fixed Assets, Machinery and equipment Turnover (times)	2.47	2.21	1.93	1.85	1.83		
	Total Assets Turnover (times)	0.34	0.30	0.26	0.25	0.24		
Profitability	ROA (%)	10.56	8.46	9.82	9.77	24.30		
	ROE (%)	15.50	12.48	14.98	15.23	37.15		
	Pre-tax profit to Paid-in Capital Ratio (%)	25.50	21.11	25.59	26.70	70.61		
	Net Margin (%)	30.14	27.65	36.85	37.33	101.43		
	EPS (NT\$)	2.34	1.96	2.48	2.56	7.01		
Cash Flow	Cash Flow Ratio (%)	55.85	70.39	70.91	102.74	76.73		
	Cash Flow Adequacy (%)	10.56	8.46	9.82	9.77	24.30		
	Cash Flow Reinvestment Ratio (%)	98.83	88.63	87.63	88.94	82.31		
Leverage	Operating Leverage	(1.01)	(0.23)	0.87	0.47	(0.07)		
	Financial Leverage	15.92	14.27	12.48	11.14	21.36		
		1.32	1.36	1.34	1.30	1.81		

Please explain the reasons for changes in financial ratios over the past two years:

- Current Ratio and Quick Ratio (%): Increase in accounts payable for acquisition of investments and decrease in certificate of deposit.
- Interest Coverage, ROA, ROE, Pre-tax profit to paid-in capital, Net Margin and EPS : Net income of 2017 increased for trading shares of Shanghai President Starbucks Coffee Corp.
- Cash Flow Ratio (%): Increase in cash paid for acquisition of investments.
- Cash Flow Reinvestment Ratio (%): Increase in cash paid for acquisition of investments accounted for under the equity method.
- Operating leverage and Financial Leverage: Increase in operating expenses.

## (1) Financial Analysis-IFRS (consolidated)

Item ( Note 2 )		Year ( Note 1 )		Financial information for the most recent five years (Note 1)					As of Mar 31, 2018 (Note 1)
		2013	2014	2015	2016	2017			
Financial Structure	Debt to Assets Ratio(%)	62.71	62.58	60.97	59.67	53.87		51.85	
	Long-Term Capital to Fixed Assets, Machinery and equipment Ratio (%)	162.4	138.94	137.29	142.06	168.98		166.36	
Liquidity	Current Ratio (%)	99.65	95.77	92.06	99.16	124.75		120.25	
	Quick Ratio (%)	62.55	62.36	61.53	74.42	99.25		95.69	
	Interest Coverage	12.48	10.56	9.97	12.86	41.39		20.70	
Operating Performance	Accounts Receivable Turnover (times)	21.04	21.28	21.90	23	23.14		6.00	
	Average Collection Days	17.35	17.15	16.67	15.87	15.77		15.00	
	Inventory Turnover (times)	8.18	8.13	7.98	8.24	8.29		2.13	
	Accounts Payable Turnover (times)	9.02	9.06	8.85	8.87	8.34		2.06	
	Average Inventory Turnover Days	44.62	44.89	45.73	44.29	44.02		42.25	
	Fixed Assets, Machinery and equipment Turnover (times)	3.08	2.40	2.28	2.37	2.43		0.64	
	Total Assets Turnover (times)	1.19	1.10	1.04	1.06	1.01		0.25	
Profitability	ROA (%)	5.94	5.09	5.89	6.54	15.44		1.65	
	ROE (%)	15.75	12.32	14.10	15.35	34.86		3.35	
	Pre-tax profit to Paid-in Capital Ratio(%)	49.05	40.75	47.96	53.68	134.61		15.00	
	Net Margin (%)	4.9	4.17	5.19	5.73	15		6.26	
	EPS (NT\$)	2.34	1.96	2.48	2.56	7.01		0.75	
Cash Flow	Cash Flow Ratio(%)	23.28	23.05	33.82	39.38	33.14		0.05	
	Cash Flow Adequacy (%)	108.03	89.53	107.86	122.45	129.78		148.42	
	Cash Flow Reinvestment Ratio (%)	12.11	6.64	11.23	11.69	8.23		0.02	
Leverage	Operating Leverage	19.15	16.76	14.32	14.88	13.62		11.67	
	Financial Leverage	1.13	1.15	1.13	1.12	1.08		1.06	

Please explain the reasons for changes in financial ratios over the past two years:

- Current Ratio & Quick Ratio: Increase in accounts receivable for trading shares of Shanghai President Starbucks Coffee Corp.
- Interest Coverage, ROA, ROE, Pre-tax profit to paid-in capital, Net Margin and EPS : Net income of 2017 increased for trading shares of Shanghai President Starbucks Coffee Corp.
- Cash Flow Reinvestment Ratio: Increase in current assets for trading shares of Shanghai President Starbucks Coffee Corp.

Note 1: All financial information above was audited by CPA.

Note 2: The calculation formula of financial analysis:

1. Capital Structure Analysis

(1) Debt ratio = Total Liabilities / Total Assets

(2) Long-term fund to fixed assets ratio = (Shareholders' Equity + Long-term Liabilities) / Net Properties

2. Liquidity Analysis

(1) Current ratio = Current Assets / Current Liabilities

(2) Quick ratio = (Current Assets – Inventories - Prepaid Expenses) / Current Liabilities

(3) Times interest earned = Earnings before Interest and Taxes / Interest Expenses

3. Operating Performance Analysis

(1) Average collection turnover = Net Sales / Average Trade Receivables

(2) Average collection days = 365 / Receivables Turnover rate

(3) Average inventory turnover = Cost of Sales / Average inventory

(4) Average inventory turnover days = 365 / Inventory Turnover rate

(5) Average payment turnover = Cost of Sales / Average Trade Payables

(6) Fixed assets turnover = Net Sales / Average Net Properties

(7) Total assets turnover = Net Sales / Average Total Assets

4. Profitability Analysis

(1) Return on total assets = {Net Income + Interest Expenses \* (1 - Effective tax rate)} / Average Total Assets

(2) Return ratio on stockholders' equity = Net Income / Average Shareholders' Equity

(3) Operating income to paid-in capital = Operating Income / Capital

(4) Pre-tax income to paid-in capital = Income before tax / Capital

(5) Net income to net sales = Net Income / Net Sales

(6) Earnings per share = (Net Income – Preferred Stock Dividend) / Weighted Average Number of Share Outstanding

5. Cash Flow

(1) Cash flow ratio = Net Cash Provided by Operating Activities / Current Liabilities

(2) Cash Flow Adequacy Ratio = Five-year sum of cash from operations / Five-year sum of capital expenditures, inventory additions, and cash dividends.

(3) Cash flow reinvestment ratio = (Cash Provided by Operating Activities - Cash Dividends) / (Gross Plant + Investment + Other Assets + Working Capital)

6. Leverage

(1) Operating leverage = (Net Sales - Variable Cost) / Income from Operations

(2) Financial leverage = Income from Operations / (Income from Operations - Interest Expenses)



## 6.3 Audit Committee's Review Report

### **Audit Committee's Review Report (Translated from Chinese)**

I hereby state as following:

This proposal is the presentation by the Board of Directors of the Company's 2017 Business Report, Financial Statements, and the Profit Allocation Proposal. Of these items, the Financial Statements have been audited by external auditors Lin, Tzu-Yu and Lin, Yung-Chih of PRICEWATERHOUSECOOPERS Taiwan, and an opinion and report have been issued on the Financial Statements. The aforementioned proposal regarding Business Report, Financial Statements, and the Profit Allocation Proposal have been reviewed and determined to be correct and accurate by the Audit Committee. Per the regulations in Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To:

2018 General Shareholders' Meeting of Uni-President Enterprises Corporation.

Uni-President Enterprises Corporation

Chairman of the Audit Committee: Chao-Tang Yue

May 7, 2018

6.4 Non-consolidated financial statements and report of independent accountants: Please refer to Page 239.

6.5 Consolidated financial statements and report of independent accountants: Please refer to Page 309.

#### 6.6 Financial Difficulties

The Company should disclose the financial impact to the Company and its affiliated companies have incurred any financial or cash flow difficulties from Jan. 1, 2017 through until Apr. 30, 2018 : None.



# 7

## REVIEW OF FINANCIAL CONDITIONS, OPERATING RESULTS, AND RISK MANAGEMENT

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## 7.1 Analysis of Financial Status

### 7.1.1 Financial position analysis using “Non-Consolidated” financial statements

Unit: NT\$ thousands

Item	Year	2017	2016	Difference	
				Amount	%
Current Assets		\$7,021,621	\$12,581,586	(\$5,559,965)	(44.19)
Funds and Investments		147,762,570	118,484,702	29,277,868	24.71
Fixed Assets		21,543,133	21,326,609	216,524	1.02
Intangible Assets		-	-	-	-
Other Assets		1,617,740	1,475,043	142,697	9.67
<b>Total Assets</b>		<b>177,945,064</b>	<b>153,867,940</b>	<b>24,077,124</b>	<b>15.65</b>
Current Liabilities		15,375,995	11,789,769	3,586,226	30.42
Long-term Liabilities		36,599,317	41,598,662	(4,999,345)	(12.02)
Other Liabilities		5,894,475	6,073,662	(179,187)	(2.95)
<b>Total Liabilities</b>		<b>57,869,787</b>	<b>59,462,093</b>	<b>(1,592,306)</b>	<b>(2.68)</b>
Capital		56,820,154	56,820,154	-	-
Capital Reserve		3,916,160	3,900,138	16,022	0.41
Retained Earnings		63,046,237	35,508,754	27,537,483	77.55
Other Equity		(3,707,274)	(1,823,199)	(1,884,075)	103.34
<b>Total Stockholders' Equity</b>		<b>\$120,075,277</b>	<b>\$94,405,847</b>	<b>\$25,669,430</b>	<b>27.19</b>

- A. Explanation for variance (if the variation is 20 % or more):
- Decrease in current assets is mainly due to the decrease in time deposit.
  - Increase in fund and investment is mainly due to the acquisition of shares of President Starbucks Coffee Corp.
  - Increase in current liabilities is mainly due to the increase in other accounts payable for the acquisition of shares of President Starbucks Coffee Corp.
  - Increase in retained earnings and shareholders' equity is due to the disposition of shares of Shanghai President Starbucks Coffee Corp.
  - Decrease in other equity is due to the decrease in cumulative translation adjustment.
- B. Effect of said changes on the Company: The aforementioned changes did not affect the Company significantly.
- C. Future response plans: Not applicable.

## 7.1.1 Financial position analysis using “Consolidated” financial statements

Unit: NT\$ thousands

Item	Year	2017	2016	Difference	
				Amount	%
Current Assets		\$174,909,878	\$139,819,001	\$35,090,877	25.10
Funds and Investments		39,018,615	42,492,641	(3,474,026)	(8.18)
Fixed Assets		162,416,785	167,248,173	(4,831,388)	(2.89)
Intangible Assets		12,026,147	2,569,940	9,456,207	367.95
Other Assets		26,284,029	26,455,710	(171,681)	(0.65)
<b>Total Assets</b>		<b>414,655,454</b>	<b>378,585,465</b>	<b>36,069,989</b>	<b>9.53</b>
Current Liabilities		140,208,164	140,997,934	(789,770)	(0.56)
Long-term Liabilities		52,896,000	60,665,368	(7,769,368)	(12.81)
Other Liabilities		30,251,096	24,221,897	6,029,199	24.89
<b>Total Liabilities</b>		<b>223,355,260</b>	<b>225,885,199</b>	<b>(2,529,939)</b>	<b>(1.12)</b>
Capital		56,820,154	56,820,154	0	0.00
Capital Reserve		3,916,160	3,900,138	16,022	0.41
Retained Earnings		63,046,237	35,508,754	27,537,483	77.55
Other Equity interest		(3,707,274)	(1,823,199)	(1,884,075)	103.34
Non-controlling interest		71,224,917	58,294,419	12,930,498	22.18
<b>Total Stockholders' Equity</b>		<b>\$191,300,194</b>	<b>\$152,700,266</b>	<b>\$38,599,928</b>	<b>25.28</b>

- A. Explanation for variance (if the variation is 20 % or more):
- Increase in current assets is mainly due to the increase in other accounts receivable for the disposition of shares of Shanghai President Starbucks Coffee Corp.
  - Increase in intangible assets is mainly due to the acquisition of shares of President Starbucks Coffee Corp.
  - Increase in other liabilities is mainly due to the increase in deferred tax for the disposition of shares of Shanghai President Starbucks Coffee Corp.
  - Increase in retained earnings and shareholders' equity is due to the increase in net income for the disposition of shares of Shanghai President Starbucks Coffee Corp.
  - Decrease in other equity is due to the decrease in cumulative translation adjustment.
  - Increase in non-controlling interest is mainly due to the increase in equity of subsidiaries.
- B. Effect of said changes on the Company: The aforementioned changes did not affect the Company significantly.
- C. Future response plans: Not applicable.

## 7.2 Analysis of Operation Results

### A. Operating results analysis (non- consolidated)

Unit: NT\$ thousands

Item	Year	2017	2016	Difference	
				Amount	%
Net Sales		\$39,283,077	\$38,919,076	\$364,001	0.94
Cost of Sales		(27,717,412)	(27,386,337)	331,075	1.21
Gross Profit		11,565,665	11,532,739	32,926	0.29
Operating Expenses		(10,508,619)	(9,516,333)	992,286	10.43
Operating Income		1,057,046	2,016,406	(959,360)	(47.58)
Non-operating Income and Gains		39,064,632	13,156,824	25,907,808	196.92
Income before income tax		40,121,678	15,173,230	24,948,448	164.42
Income tax benefit (expense)		(276,825)	(646,511)	(369,686)	(57.18)
Net income		\$39,844,853	\$14,526,719	\$25,318,134	174.29

#### a. Explanation for variance (if the variation is 20 % or more):

- Decrease in operating income: primarily due to the increase in the provision for remuneration and bonus.
- Increase in income before income tax, non-operating income and gains and net income: primarily due to the disposition of shares of Shanghai President Starbucks Coffee Corp.
- Decreases in income tax expense: primarily due to the loss on investing company for its capital reduction for cover accumulated deficits.

#### b. Estimated Sales Quantities :

The target volumes by product categories in 2018 are as follows: foodstuff 224 kilotons, instant noodle 18.32million packs, beverage 51,722 thousand cartons, dairy products 290 thousand tons, soy sauce 27 thousand cartons, bread 201 million packs and others such as frozen food, meat products and health products 73 thousand cartoons.



## B. Operating results analysis (consolidated)

Unit: NT\$ thousands

Item	Year	2017	2016	Difference	
				Amount	%
Net Sales		\$399,860,953	\$413,364,315	(\$13,503,362)	(3.27)
Cost of Sales		(267,120,282)	(275,714,218)	(8,593,936)	(3.12)
Gross Profit		132,740,671	137,650,097	(4,909,426)	(3.57)
Operating Expenses		(110,383,596)	(116,559,031)	(6,175,435)	(5.30)
Operating Income		22,357,075	21,091,066	1,266,009	6.00
Non-operating Expenses and Losses		54,130,550	9,411,276	44,719,274	475.17
Income before income tax		76,487,625	30,502,342	45,985,283	150.76
Income tax benefit (expense)		(16,522,538)	(6,826,906)	9,695,632	142.02
Net income		\$59,965,087	\$23,675,436	\$36,289,651	153.28

## a. Explanation for variance (if the variation is 20 % or more)

Increases in income before income tax, non-operating income and gains, income tax expense, net income: primarily due to the disposition of shares of Shanghai President Starbucks Coffee Corp.

## 7.3 Analysis of Cash Flow

### 7.3.1 Cash Flow Analysis for the Current Year

Unit: NT\$ thousands

Cash and Cash Equivalents, Beginning of Year (1)	Net Cash Flow from Operating Activities (2)	Cash Outflow (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Deficit	
				Investment Plans	Financing Plans
4,976,270	11,798,453	16,576,886	197,837	NA	NA

- a. Operating activities: Operating cash inflow decreased for the reason that net income was added back both the depreciation and profit from the investment and increase (decrease) the changes in operating assets and liabilities.**
- b. Investment activities: The net cash inflow from investment activities was due to decrease in return of capital from investments accounted for under the equity method-subsidiaries.**
- c. Financing activities: The net cash outflow from financing activities was due to decrease in long-term borrowings.**

7.3.2 Remedy for Cash Deficit and Liquidity Analysis : Not applicable to UPEC.

### 7.3.3 Cash Flow Analysis for the Coming Year

Estimated Cash and Cash Equivalents, Beginning of Year (1)	Estimated Net Cash Flow from Operating Activities (2)	Estimated Cash Outflow (Inflow) (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Financing Plans
197,837	18,974,605	42,028,565	(22,856,123)	NA	Loan or Issuing corporate bond

It is expected that in year 2018, profits will grow steadily and cash dividend in subsidiaries will be distributed as planned. However there will be increasing payout of cash dividends and payment for syndicated loans that lead to a cash deficit in the next year.

## 7.4 Major Capital Expenditure

### 7.4.1 Major Capital Expenditure and its Source of Capital

Unit: NT\$ thousands

Project	Actual or Planned Source of Capital	Actual or Planned Date of Completion	Total Capital	Actual or Expected Capital Expenditure			
				2016	2017	2018	2019
External facilities and grading of Huko plant, 2012	Retained earnings	2017/08	361,040	341,040	20,000		
Improve the industrial safety on sterilization area at second floor of Xinshi 1st Dairy factory, 2015	Retained earnings	2018/08	183,060	46,816	52,365	83,879	
The purchase of Dazhong Land, 2016	Retained earnings	2017/12	166,000	-	166,000		
The purchase of land in back the dormitory and restaurant, 2014	Retained earnings	2017/04	164,428	-	164,428		
Public works of Huko, 2013	Retained earnings	2017/06	158,323	154,960	3,363		
Water waste system of Huko, 2013	Retained earnings	2018/10	116,910	112,682	2,728	1,500	
Peripheral equipment outside the dormitories of Huko, 2013	Retained earnings	2018/12	113,060	112,565	495		
The improvement for wastewater treatment facility, 2017	Retained earnings	2019/06	108,000	-		54,000	54,000
The producing line for Tetra Pak-375 ml, 2018	Retained earnings	2018/12	103,090	-		103,090	

## 7.4.2 Expected Benefits

### A. Estimated Increase of Production, Sales, and Gross Profits

Unit: NT\$ thousands

Year	Item	Quantity of Production (thousand pieces)	Quantity of Sales(thousand pieces)	Amount of Sales	Gross Profit
Yearly	The producing line for Tetra Pak-375 ml, 2018	1,400 thousand cases	1,400 thousand cases	420,000	105,360

### B. Other Benefits (e.g. Product Quality, Anti-Pollution, Cost Reduction and etc.)

- (1) To meet the operation and safety maintenance of newly established Huko plant, the company constructed safety room, retaining wall, fence, gate, weigh station, dormitories, employee cafeteria and other related facilities to provide employees stable quality of life. Also the water treatment is built to preserve stable water supply for production.
- (2) Improve the industrial safety on sterilization area at second floor of Xinshi 1st Dairy factory. As system automation can reduce the conveying losses of mixed milk, and enhanced storage barrels capacity can reduce the expected time of raw milk material for filling process.
- (3) The purchase of Dazhong Land not only saves future rental expenses, frees from sewage water treatment and ensures the safety of staff dining routes, but also increases land value of the whole plant.
- (4) Improve the efficiency of wastewater treatment system in Xinshih general plant after its long-term use.

## 7.5 Latest investment policy, major causes of profits and losses, and improvement of future plan for upcoming year.

### (1) Investment policy and Operating Profits

The company's investment policy is to invest in food-related industries as the core. We operate by the corporate policy of “adjust product structure, stabilize growth, enhance value marketing” through in-depth brand management and product enhancement, which link to enhancing pricing ability and increasing added value. We always pursue improvement and endeavor to become a company that fulfills “morality, branding, and taste”. China market is still the main emphasis of the group; therefore, we refine internal organization, conduct and discipline management to form a virtuous cycle with logistics' rhythm and pace. Since Southeast Asian market relatively positioned self-sufficient, we actively seek out potential local management teams to collaborate with for market expansion in Southeast Asia, as well as to stand upright against the cross-strait market. Overall, we will seize the continued growth of the Asian market, and become one of the dominant enterprises among food companies throughout Asian food industry.

In 2017, net income of subsidiaries, affiliates, and joint ventures recognized under the equity method was NT\$37,245 million, an increase of NT\$24,650 million from NT\$12,595 million in 2016. This was mainly due to the profit gain from cross-strait Starbucks equity trading, and from increased sales revenue of Mainland China's operation by 1.5% to RMB 21,296 million in 2017. Among them, sales of instant noodle industry dropped slightly by 0.7% to RMB 8,163 million, while sales of beverage up by 2.3% from last year to RMB 12,466 million. In 2017, economy recovers mildly and raw materials price increases. The China operation carried out focused management strategy that brought on an accelerated two-digit growth of brand “Soup Daren”, which further enhanced instant noodle product portfolio. We continued to adjust sale pace and ensure reasonable retail stock inventory to maintain foods freshness. Profit reported RMB 878 million in 2017, increased by 44.6% from last year as we benefited from the increasing popularity of “Soup Daren” and continue to expand market size. On beverage business, we operated with strict control of market inventory and mainly focused on core brand in every category with simplicity that leads to better organization efficiency. In addition, we benefited from rebound growth of Assam milk tea as it shows two-digit growth as well as green tea and iced tea also performed well that led to profit increases. For 7-ELEVEN in Taiwan, due to the dynamic growth of CITY CAFE, launch of high value-added and popular products with uniqueness, and improvement on single shop service instead of shops expansion in the past has brought on solid sales growth. Overall revenue from convenient store reported an increase of 3.09% to NT\$4.33billion. Profits of President Chain Store Corp. were NT\$21.18 billion, a growth rate of 215.31%, the majority is contributed by the one-time cross-strait Starbucks equity trading together with Taiwan 7-ELEVEN solid operation and profitable growth of investment. As for the overall revenue growth of Southeast Asian investment companies, the increase was mainly due to the increase in revenue from aquatic feed. As for profitability, profitability continued to improve due to product optimization and focus on operations.

### (2) Next Year's Investment Plans

Presently there is no clear investment plan.

## 7.6 Analysis of Risk Management

### 7.6.1 Risk management policy and organizational structure

The responsibility of our risk control is to recognize, identify, analyze, and evaluate potential risks in each division and further adopt appropriate methods to control and handle these risks. In addition, it supervises the risk management planning by managing the risks centrally and categorizing them in according to their characteristics and effects, such that we can act properly and control the hazard in time. The organization and parties relevant to the implementation of risk management are stated as follows:

- 1. Financial, liquidity, credit, and legal risks : Please refer to Page 304.**
- 2. Market risks :** Other than the sales and supporting units determine their own strategies and take on the necessary risk management from the changes in legal, policy and market, the head of Management Group organize a risk management committee with members from officials of Public Affairs Office and relevant business groups to control and manage market risks.
- 3. Strategy and operational risks :** Our Corporate Planning Group would evaluate operating risk with each business unit on a yearly basis, and track KPI on a monthly, quarterly, and yearly basis, based on market competition and changes in consumer behavior, to adjust strategic direction and lower operating risk, so that the corporate strategy would match to the company vision and operational goals. Factors affecting operating risks are managed in following areas:
  - A. Food safety and policy adherence: food safety research, examination and execution, procedure policy establishment, control, and crisis management.
  - B. Brand management: brand core value sustention, branding reinforcement, brand identify protection and marketing campaign promotion.
  - C. Raw material costs: procurement risks assessment and control, supplier risk management.
  - D. Distribution costs: inventory costs, order procedure costs, shipping costs, collection costs, post-sales costs analysis and management.
  - E. Account receivable: collection risk management.
  - F. Business units: adjust strategic direction accordingly.
- 4. Auditing division :** It follows the direction from the board of directors. It establishes company risk assessment and control procedures to assist the completion of overall risk management planning. In addition, it seeks to identify significant risks within the company and affiliates based on risk assessment model, and analyze the completeness and effectiveness of the relevant internal control system in order to enhance organizational value and improve operational and management risk.

### 7.6.2 Effects of changes of interest rate, foreign exchange and inflation on corporate finance and our reaction

#### (1) Interest rate

Item	Year 2017 (TWD in thousand ; %)
Interest Expenses	471,678
Interest Expenses to net Sales	1.20%
Interest Expenses to Pre-tax Income	1.18%

Benefiting from rising global demand and steady recovery in prices of commodities, global economy has expanded simultaneously. The U.S. Federal Reserve has hiked Fed Fund rates three times as expected. A few countries started tightening monetary policy. As for Taiwan, the domestic economic growth is likely to pick up moderately, while the output gap remains negative. Both current inflationary pressures and future inflation expectations are anchored. The financial conditions have experienced some strains, while Taiwan's real interest rate stands at an appropriate level among major economies. In light of the above developments, the Central Bank of Taiwan maintained the policy rates unchanged in 2017. For the economic outlook, since major economies continue to recover steadily, the interest rates are expected to rise gradually. However, tight monetary policy, which results from inflation, and a dramatic rise in US protectionism create risks for global economic growth. The company will observe the influence in all aspects and adopt multiple financing instruments to control the financing cost within a relatively reasonable range.

## (2) Foreign exchange

Item	Year 2017 (TWD in thousand ; %)
Net Foreign exchange gain/loss	11,858
Net Foreign exchange gain/loss to net sales	0.03%
Net Foreign exchange gain/loss to net income	0.03%

In 2017, US dollar remained weak while the New Taiwan dollar appreciated driven by the market forces in foreign exchange market. During this year, US President Trump failed to achieve most of his campaign promises and continued to make the conflicts. The market is still worried about the looming trade war and geopolitical problems. Some central banks may stop the QE, alert to the neutral, or even tighten monetary policy. Therefore, the exchange rate will have increasing and dramatic fluctuation.

Most of the company's imported materials are required to pay in USD. If the exchange rate of USD/TWD fluctuates dramatically, the company's purchasing costs will suffer from the exchange rate risk. Under the proper hedging policy, the company used forward contracts to successfully minimize the native impact of the FX rate volatility during the whole year of 2017. For the USD denominated procurement, the company will continue to observe the currency trend and operate conservatively by adopting proper hedging instruments to lock-in material cost and lower exchange rate risks.

## (3) Inflation

CPI of 2017 in Taiwan increased by 0.62%, and WPI decreased by 0.9%. These two indexes are affected by the oil price, economic recession and the price of raw materials. However, we are able to lessen the impacts of costs pressure on the strength of our well-managed inventory control. The inflation of material costs will always be a concern to the company. To lower the cost pressures from inflation, we will optimize the operation of our product portfolio, marketing strategy, channel management and increase pricing power. We will continue to control the inventory volume of raw material to lower the effect of the material price fluctuation on the company's operation. To manage their foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, entities in the Group use forward foreign exchange contracts.

## (4) Hedge accounting is not applied as transactions did not meet all criteria of hedge accounting.

### 7.6.3 Policies, Main Causes of Gain/loss and Action Plans with Respect to High-risk, High-leveraged Investment, Lending or Endorsement Guarantee, and Derivatives Transaction

#### (1) High-risk and high-leveraged investments

Our operation is based on food sales and never engages in high-risk and high-leveraged investments.

#### (2) Lending or Endorsement Guarantee

- a. The actions of lending and endorsement guarantee are all in compliance with “Procedure Governing the Lending of Capital to Others” and “Procedures for Endorsement and Guarantee”, and assessed and controlled by designated unit internally. Meanwhile, the auditing division of our company also establishes “Regulation Governing the Internal Control for Public Listing Company” according to the requirement of Financial Supervisory Committee and announces relevant policies for risk management and assessment.
- b. Up to December 31, 2017, the upper limit of our endorsement was NTD 120,075,277 thousand dollars; announced remaining endorsement guarantee was NTD 47,260,000 thousand dollars. Actual amount used was NTD 2,404,000 thousand dollars, which is NTD 383,000 thousand dollars more than NTD 2,021,000 thousand dollars in 2016. Apparently, it is a significant improvement. In the future, we will continue to control the actual amount used and keep it from increasing in the future.
- c. No lending to others in 2017.

#### (3) Derivative Transaction

- a. The actions of derivative transaction follow the “Procedures for Acquisition and Disposal of Assets”
- b. The Company would enter into USD forward and interest rate swap contracts to hedge the risks for our demands of USD currency and bank loans with floating interest rate.

### 7.6.4 Future Research & Development Projects and Corresponding Budget

Our product categories include dairy, beverage, instant foods, frozen foods, meat products, ice products, flour, edible oil and feed. Over the years, we have been devoted to the innovation and the introduction of the advanced technologies to our product development. These consistent efforts gradually build up our core food technology and the competitiveness and help to retain our leading position in Taiwan food industry. (Please refer to Research and Development Section for detail information.)

We continue to develop natural, fresh, healthy, and functional products and to increase consumer's awareness for a healthy diet. Moreover, to deal with the rapidly changing food market and short product life cycle, we have discovered and created many premium and innovative products through a set of product planning, research development, trial tests and marketing approaches. The estimated CRI budget is approximately NTD 400 million in 2018.

### 7.6.5 Effects of Changes in Policies and Regulations on Corporate Finance and Sales and our Reaction

We closely monitor and response to any government policies and laws changes, and adjust internal policies and operation accordingly. Major regulations changes in 2017 included but not limited to: Arrow Guidelines



on Good Labelling Practice for Pesticides, and Establish Food Tracing System. We hold the attitude of “Good better best, never let it rest”, and sincerely protect food safety. Besides established “Food Safety Committee”, and “Food Safety Center”, we also invest in high-standard “Food Safety Examination Building”, to take part in supplier, raw material, production and food safety management.

#### 7.6.6 Effects of Technology and Industrial Changes on Corporate Finance and Sales and our Reaction

The Company attaches great importance to the relationship between technology improvement and market trend, and endeavors to promote the application of information technology, including the initiation of Oracle Enterprise Resource Planning system (Oracle ERP) and development of online selling and billing system that are utilized by each regional distributor to grasp sales trends of products, improve customer satisfaction, response to customers' credit line and inventory on time. Through information-shared services, domestic and foreign enterprises improve their operational efficiency and reduce information hardware and software investment. Our collection of payment is streamlined through the application of money flow system and therefore reduces bad debt. Moreover, a data warehouse was constructed to gather company-wide data, information and knowledge for decision analysis and experience inheritance. Also, we establish information security system to strengthen security protection in order to ensure the confidentiality of company information and personal data. On March 2013, the information was approved with ISO/IEC 27001 certification, and continuously gets approval of the latest version of the certification. Moreover, we assisted manufacturing department to set up Manufacturing Executive System (MES) to assure correct feeding, and develop food traceability system to quickly trace food safety problems and prevent the impact of food safety incidents on consumers and the company. Food records are uploaded to public cloud to meet consumers' inquiries. Meanwhile, we set up video conferencing system, constructed nationwide Internet phone network, and built Internet VPN. Through effective utilization of human resources and information technology, we were able to deliver lower costs and enhance operating competitiveness.

Affected by food safety crisis, Taiwan food companies are more or less affected and shuffle the entire industry. Due to stricter laws and higher standards, companies have to abandon cost-oriented management model to a high standard and food safety-oriented management model, in order to regain consumers' confidence. As a result, we continued to implement the policies of “adjust structure, stable growth, and value-added marketing” to strengthen pricing control and freshly made principles.

#### 7.6.7 The Impact of the Changes of Corporate Image on Corporate Risk Management and our Action Plan

In addition to a developed corporate control system of food safety, industrial safety, environmental safety and informational security, principal of crisis management and contingency measures for prevention of typhoons, earthquakes, fires, casualties, and other natural or man-made disasters are clearly and completely detailed; especially for food safety crisis, handling for various crisis are draw up. When a crisis occurs, the mechanism shall be activated according to the powers and responsibilities. Meanwhile a “Reporting Center” is set up to coordinate the handling of major crises. Maintaining and enhancing a corporate image is a corporate mission as well as the cornerstone of sustainable development of the enterprises.

#### 7.6.8 Anticipated Results and Risks of Acquisition

Only through continuous innovation, transformation and growth can sustain the market leadership and achieve remarkable results. Uni-President at present is already the top food conglomerate in Greater China, and will constantly expand market presence by channel expansion. The company strategic allies and merges with companies as well as integrates marketing and production resources to improve operating efficiency and expand sales scale. Enabled by local management experiences, and concentration on improved management, organization, and integration ability as well as consolidation of production resources, and supplemented by strategic alliances, and acquisition and merger with major food companies, we will be able to step forward to become “Asia Top 1” in the future.

#### 7.6.9 Anticipated Results and Risks of Expansion of Factory Buildings: None.

#### 7.6.10 Risks during Concentrated Stock Replenishment and Sell

The stock sources and selling channels are stable, and no risks of excessive concentration incurred.

#### 7.6.11 Effects and Risks of the Large Amount of Shares Transfer or Changes by Directors, Supervisors, or Major Shareholders

The shares transfers or exchanges are legal conduct of shareholders and do not affect our business operation.

#### 7.6.12 Effects and Risks of Change in Operating Right

The structure of our principal shareholders is solid, and we have a strong professional group, therefore the change in operating right will not diminish corporate and management advantage.

#### 7.6.13 Litigation or Non-litigation Matters

##### **(1) Major ongoing lawsuits, non-lawsuit or administrative lawsuit**

Due to the plasticizer food scandal, the Consumers' Foundation, Chinese Taipei (CFCT) filed a lawsuit against the Company with the Banciao District Court and claimed \$1,573,775 thousand dollars for punitive and damage penalty in March, 2012. The New Taipei District Court had rendered a judgment on this case on October 17, 2013, whereby the Company should pay \$88 thousand dollars to the plaintiff for damage penalty, The CFCT had filed an appeal with the Taiwan Highest Court. The Taiwan High Court had rendered a judgment on this case on August 24, 2016, whereby the Company should pay \$685 thousand dollars to the plaintiff for damage penalty. Under the law, if conviction is affirmed, the Company cannot file an appeal to the Supreme Court. However, CFCT has appealed to the Supreme Court in regard to the result of the second hearing. Thus, this case is waiting for the judgment of the Supreme Court.

##### **(2) Major ongoing lawsuits, non-lawsuit or administrative lawsuit caused by directors, supervisors or major stockholders with holdings over 10%: None.**

#### 7.6.14 Other Major Risks : None.

### 7.7 Other Important Matters : None.



**SPECIAL  
DISCLOSURES**



**SPECIAL  
DISCLOSURES**

<b>164</b> /	8.1 Summary of Affiliated Enterprises
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<b>235</b> /	8.3 Acquisition or Disposal of UPEC Shares by Subsidiaries
<b>235</b> /	8.4 Other Necessary Supplement
<b>235</b> /	8.5 Other Supplementary Disclosure

## 8.1 Summary of Affiliated Companies

### 8.1.1 UPEC Affiliated Companies Chart

(As of 12/31/2017)

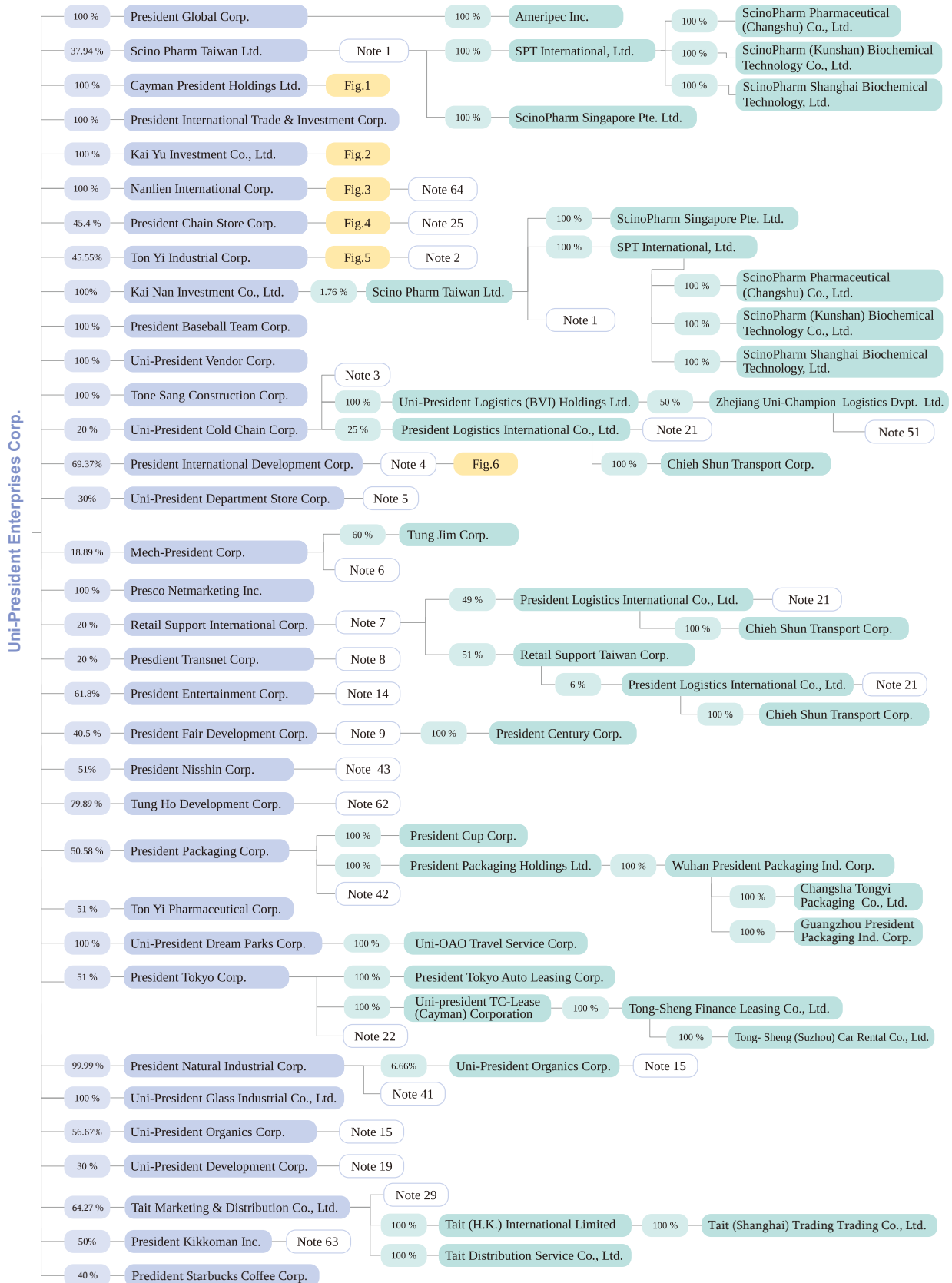


Figure 1

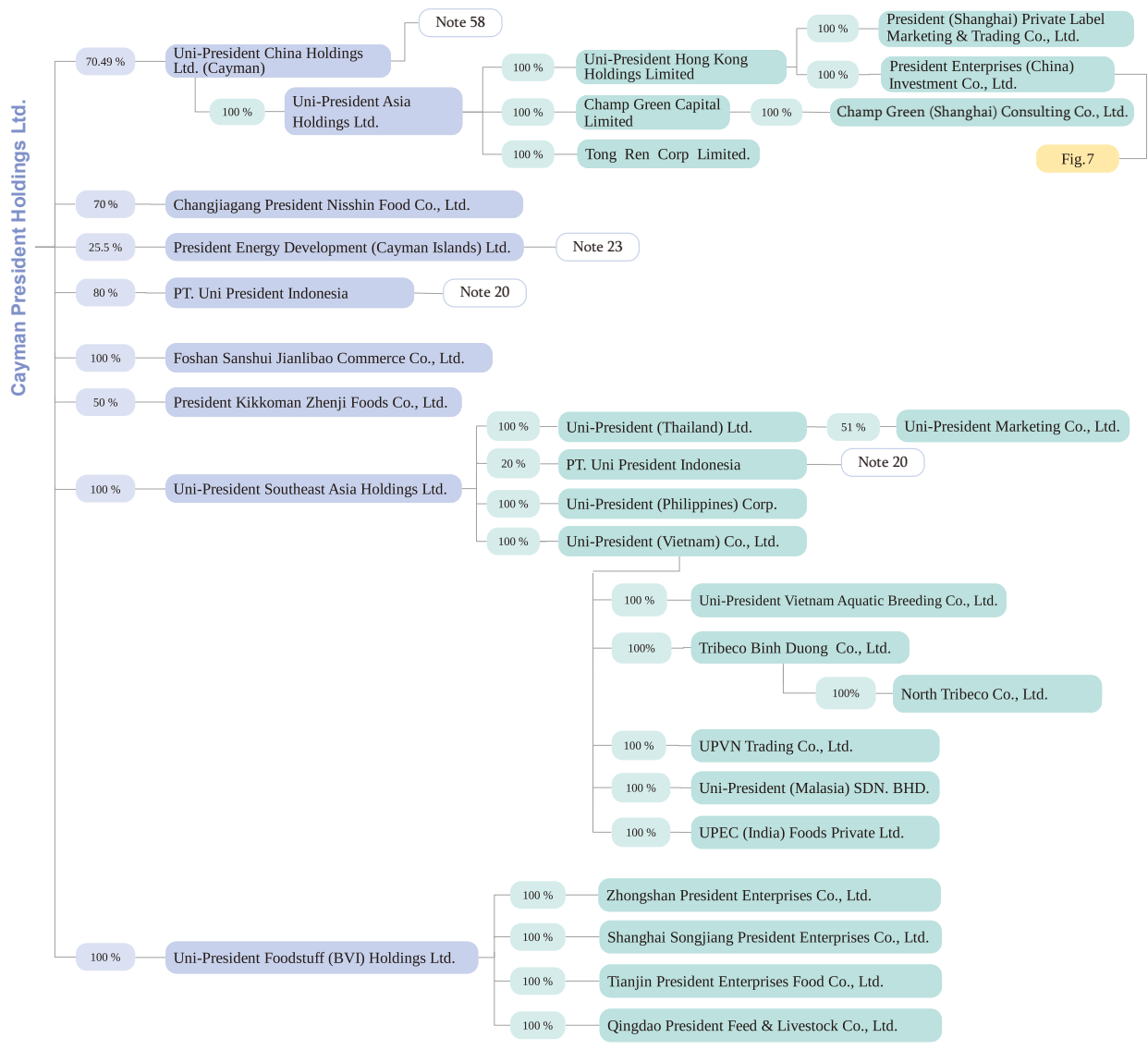


Figure 2

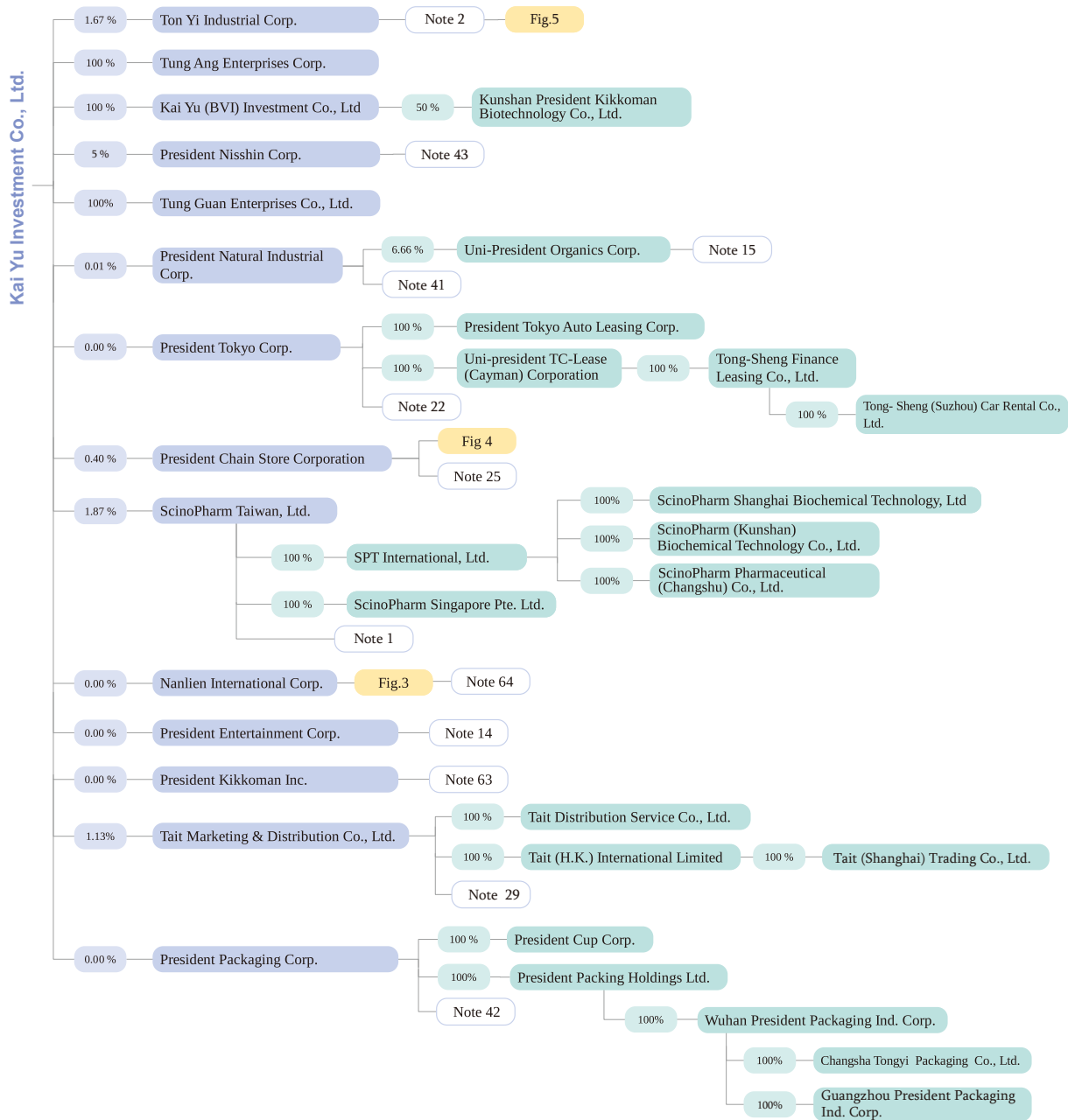




Figure 3

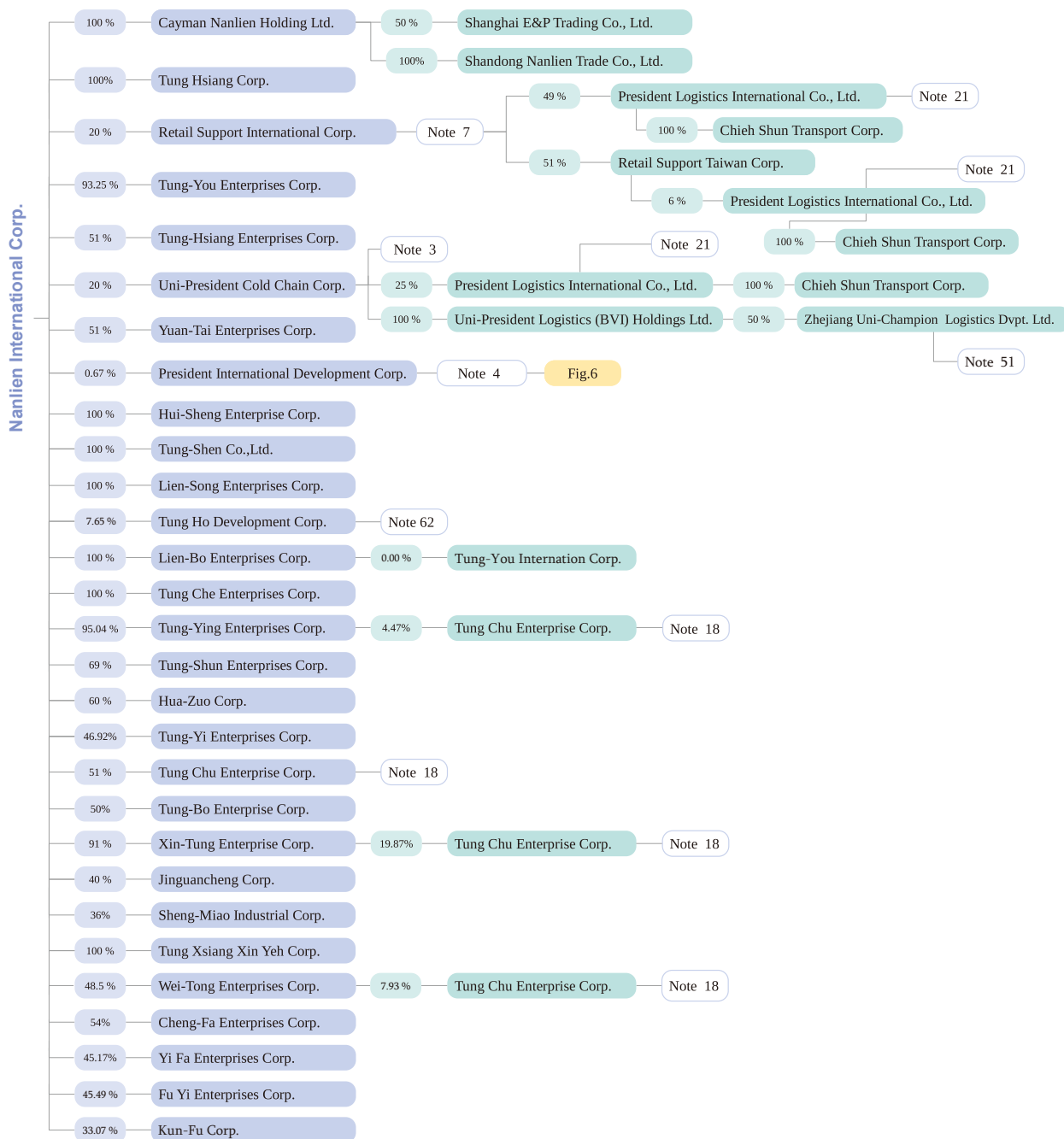


Figure 4

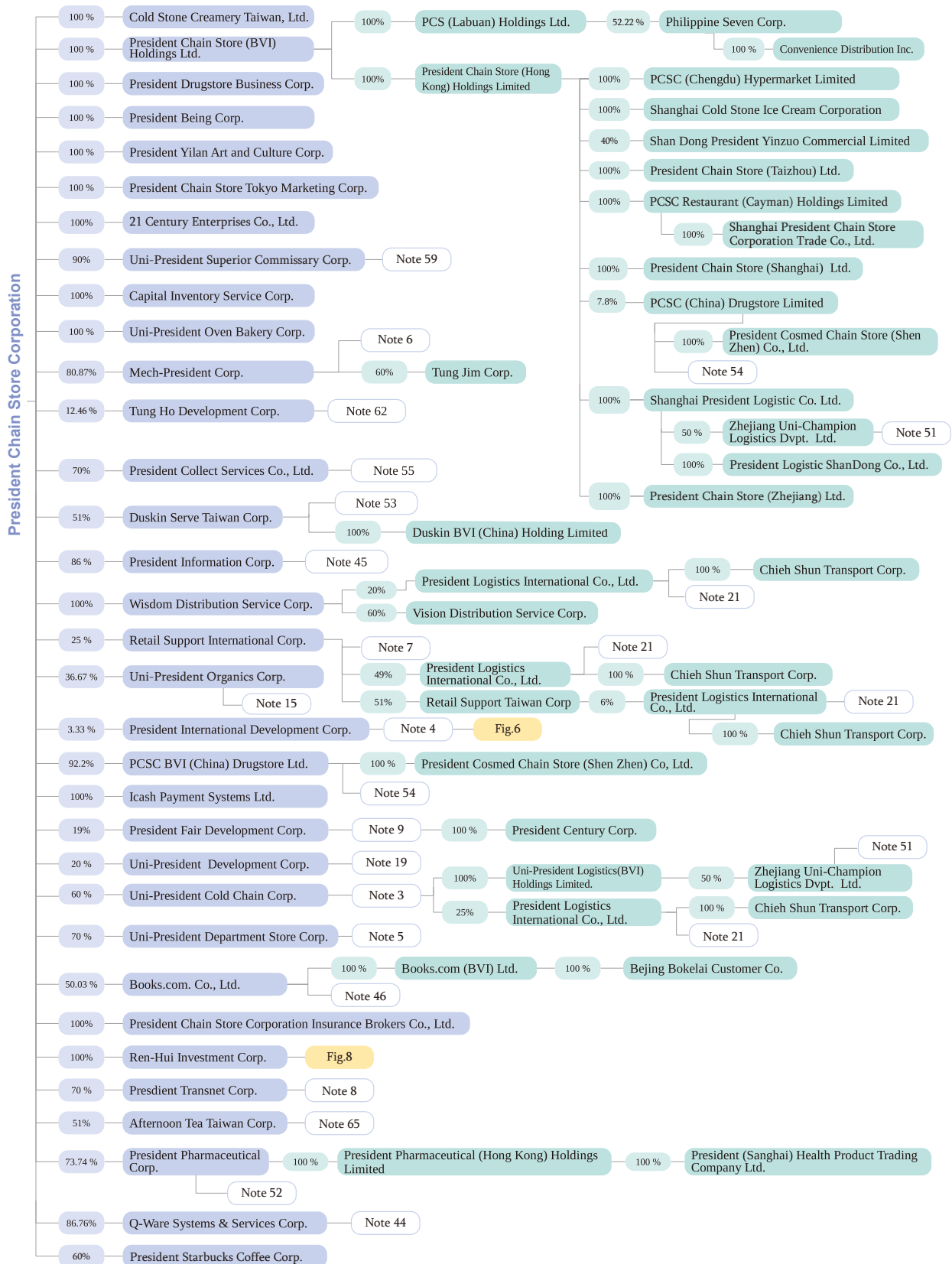


Figure 5

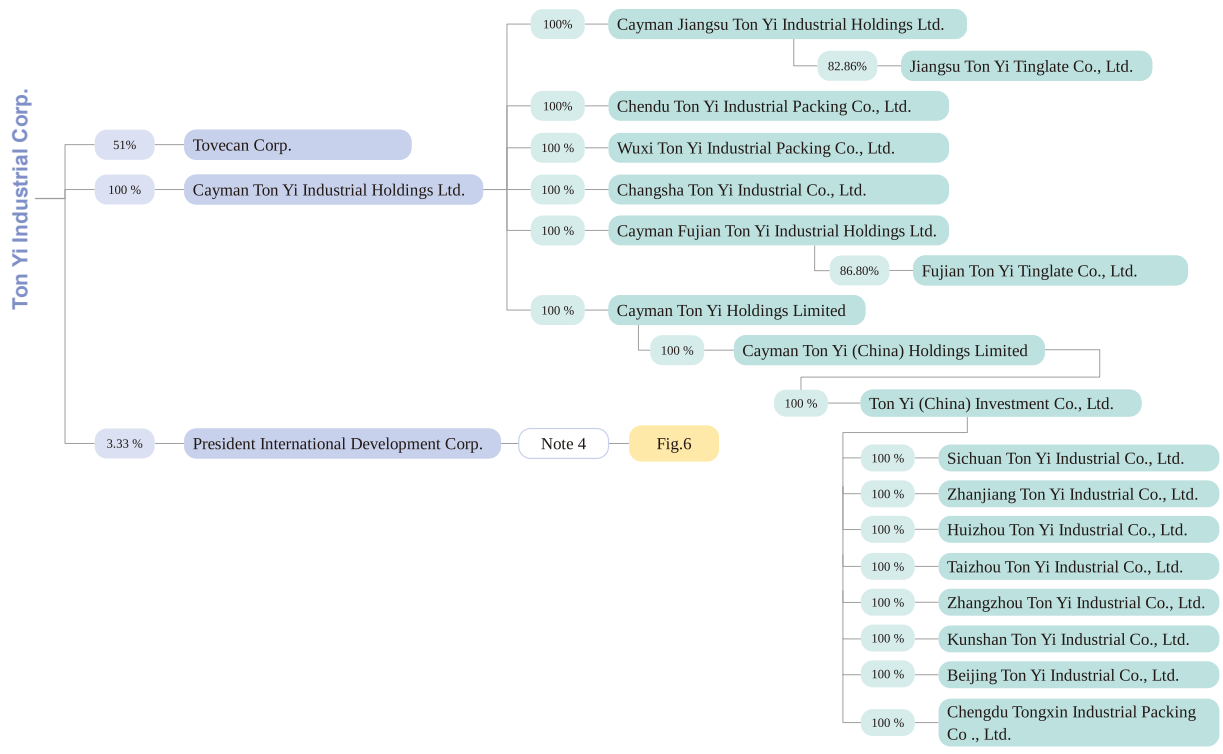


Figure 6

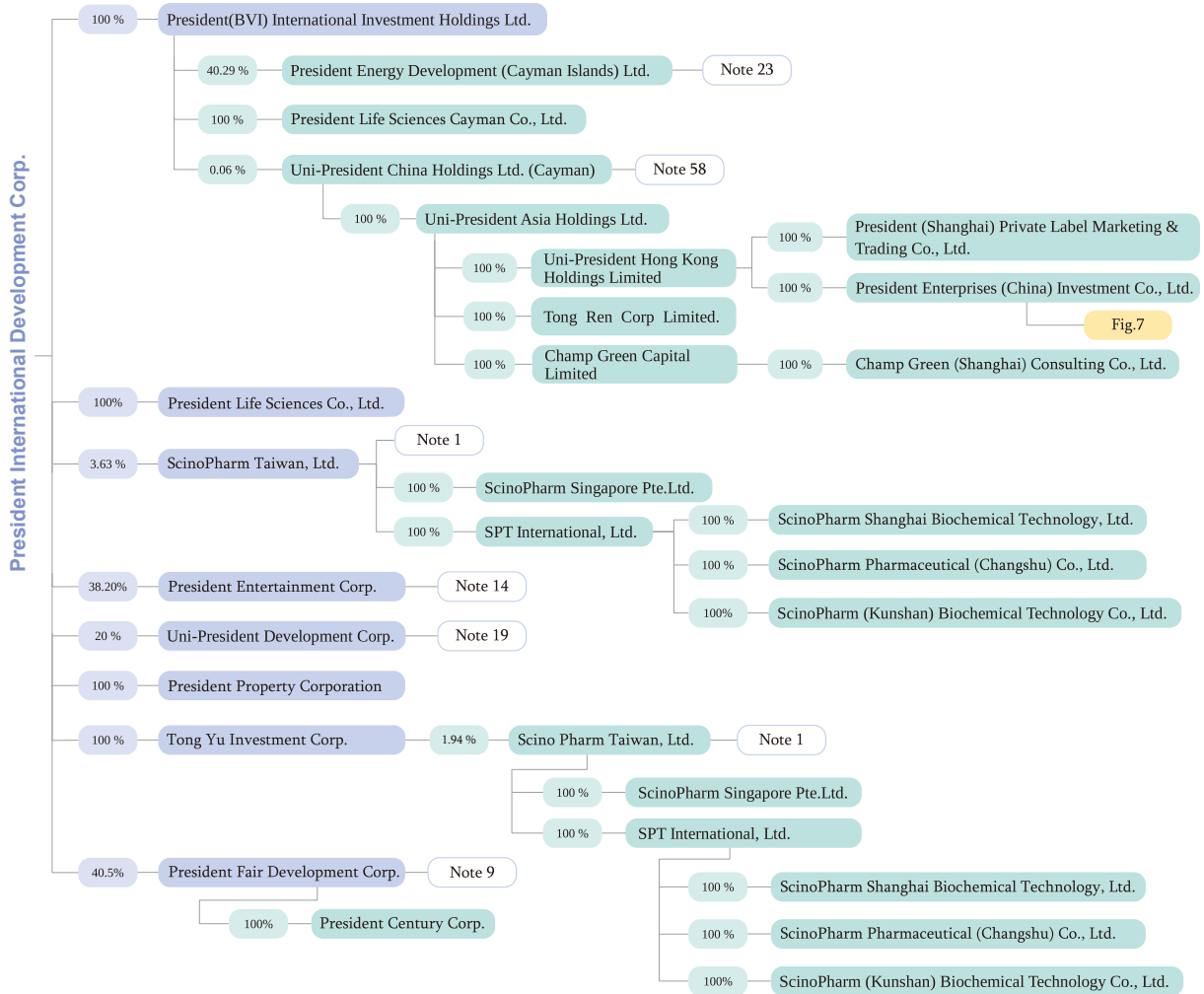


Figure 7

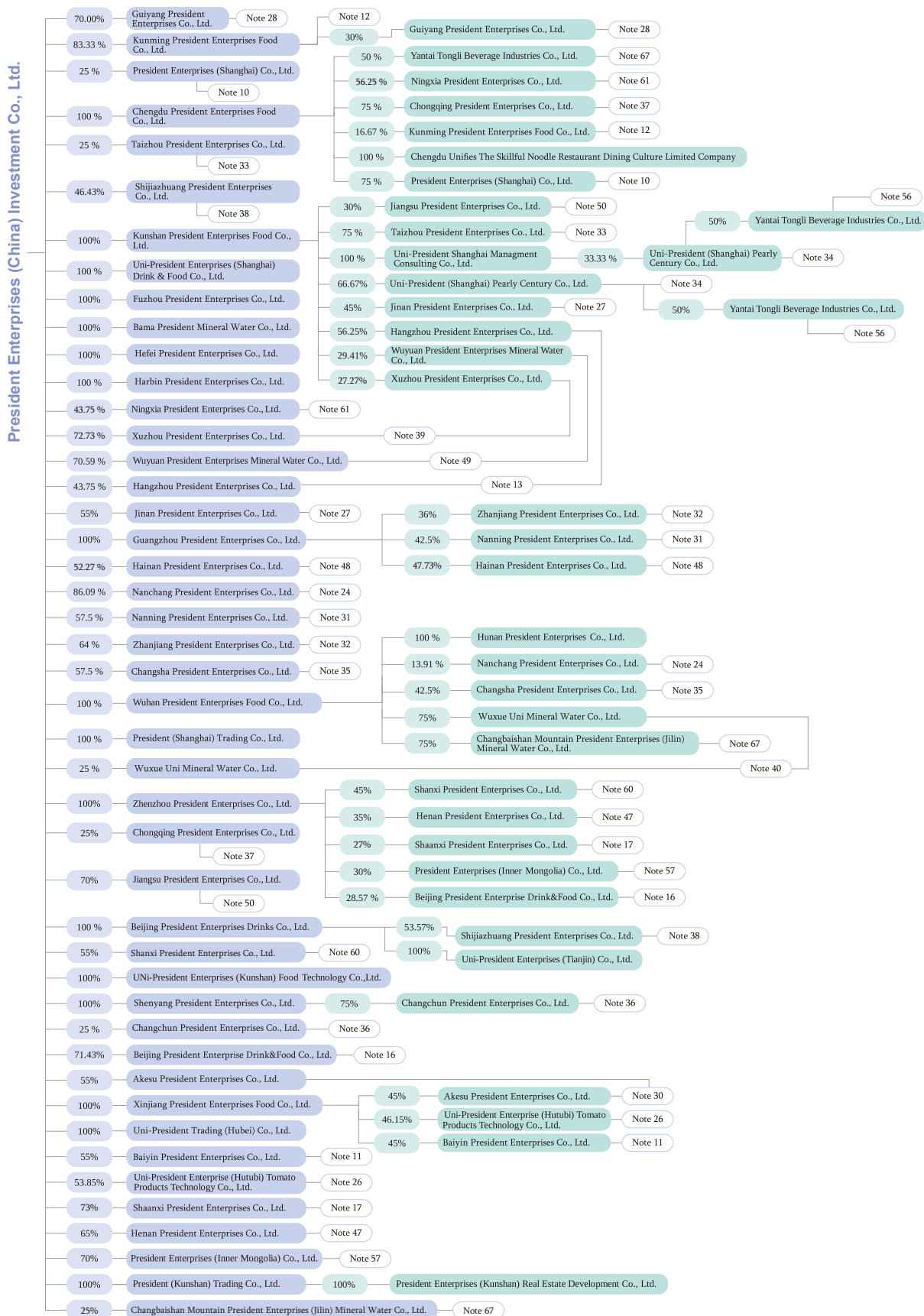


Figure 8



- Note 1 • Uni-President Enterprises Corp. holds 37.94%, President International Development Corp. holds 3.63%, Tong Yu Investment Corp. holds 1.94%, Kai Yu Investment Co., Ltd. holds 1.87%, Kai Nan Investment Co., Ltd. holds 1.76% and consolidated holding is 47.14%.
- Note 2 • Uni-President Enterprises Corp. holds 45.55%, Kai Yu Investment Co., Ltd. holds 1.67% and consolidated holding is 47.22%.
- Note 3 • Uni-President Enterprises Corp. holds 20%, President Chain Store Corp. holds 60%, Nanlien International Corp. holds 20%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 100%.
- Note 4 • Uni-President Enterprises Corp. holds 69.37%, President Chain Store Corp. holds 3.33%, Nanlien International Corp. holds 0.67%, Ton Yi Industrial Corp. holds 3.33% and consolidated holding is 76.70%.
- Note 5 • Uni-President Enterprises Corp. holds 30%, President Chain Store Corp. holds 70%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 100.00%.
- Note 6 • Uni-President Enterprises Corp. holds 18.89%, President Chain Store Corp. holds 80.87%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 99.76%.
- Note 7 • Uni-President Enterprises Corp. holds 20%, President Chain Store Corp. holds 25%, Nanlien International Corp. holds 20%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 65%.
- Note 8 • Uni-President Enterprises Corp. holds 20%, President Chain Store Corp. holds 70%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 90%.
- Note 9 • Uni-President Enterprises Corp. holds 40.5%, President International Development Corp. holds 40.5%, President Chain Store Corp. holds 19% and consolidated holding is 100%.
- Note 10 • Chengdu President Enterprises Food Co., Ltd. holds 75%, President Enterprises (China) Investment Co., Ltd. holds 25% and consolidated holding is 100%.
- Note 11 • Xinjiang President Enterprises Food Co., Ltd. holds 45%, President Enterprises (China) Investment Co., Ltd. holds 55% and consolidated holding is 100%.
- Note 12 • Chengdu President Enterprises Food Co., Ltd. holds 16.67%, President Enterprises (China) Investment Co., Ltd. holds 83.33% and consolidated holding is 100%.
- Note 13 • Kunshan President Enterprises Food Co., Ltd. holds 56.25%, President Enterprises (China) Investment Co., Ltd. holds 43.75% and consolidated holding is 100%.
- Note 14 • Uni-President Enterprises Corp. holds 61.8%, President International Development Corp. holds 38.2%, Kai Yu Investment Co., Ltd. holds 0.00% and consolidated holding is 100.00%.
- Note 15 • Uni-President Enterprises Corp. holds 56.67%, President Chain Store Corp. holds 36.67%, President Natural Industrial Corp. holds 6.66% and consolidated holding is 100%.
- Note 16 • Zhengzhou President Enterprises Co., Ltd. holds 28.57%, President Enterprises (China) Investment Co., Ltd. holds 71.43% and consolidated holding is 100.00%.
- Note 17 • Zhengzhou President Enterprises Co., Ltd. holds 27%, President Enterprises (China) Investment Co., Ltd. holds 73% and consolidated holding is 100.00%.
- Note 18 • Nanlien International Corp. holds 51%, Xin Tung Enterprises Corp. holds 19.87%, Tung-Ying Enterprises Corp. holds 4.47%, Wei-Tong Enterprises Corp. holds 7.93% and consolidated holding is 83.27%.
- Note 19 • Uni-President Enterprises Corp. holds 30%, President Chain Store Corp. holds 20%, President International Development Corp. holds 20% and consolidated holding is 70%.
- Note 20 • Cayman President Holdings Ltd. holds 80.00%, Uni-President Southeast Asia Holdings Ltd. holds 20.00% and consolidated holding is 100%.
- Note 21 • Retail Support International Corp. holds 49%, Wisdom Distribution Service Corp. holds 20%, Uni-President Cold Chain Corp. holds 25%, Retail Support Taiwan Corp. holds 6% and consolidated holding is 100%.

- Note 22 • Uni-President Enterprises Corp. holds 51%, Kai Yu Investment Co., Ltd. holds 0.00% and consolidated holding is 51.00%
- Note 23 • Cayman President Holdings Ltd. holds 25.5%, President (BVI) International Investment Holdings Ltd. holds 40.29% and consolidated holding is 65.79%.
- Note 24 • Wuhan President Enterprises Food Co., Ltd. holds 13.91%, President Enterprises (China) Investment Co., Ltd. holds 86.09% and consolidated holding is 100%.
- Note 25 • Uni-President Enterprises Corp. holds 45.4%, Kai Yu Investment Co., Ltd. holds 0.40% and consolidated holding is 45.80%
- Note 26 • Xinjiang President Enterprises Food Co., Ltd. holds 46.15%, President Enterprises (China) Investment Co., Ltd. holds 53.85 % and consolidated holding is 100%.
- Note 27 • Kunshan President Enterprises Food Co., Ltd. holds 45.00%, President Enterprises (China) Investment Co., Ltd. Holds 55.00% and consolidated holding is 100%.
- Note 28 • Kunming President Enterprises Corp. holds 30%, President Enterprises (China) Investment Co., Ltd. holds 70.00%, and consolidated holding is 100%.
- Note 29 • Uni-President Enterprises Corp. holds 64.27%, Kai Yu Investment Co., Ltd. holds 1.13% and consolidated holding is 65.4%.
- Note 30 • Xinjiang President Enterprises Food Co., Ltd. holds 45%, President Enterprises (China) Investment Co., Ltd. holds 55 % and consolidated holding is 100%.
- Note 31 • Guangzhou President Enterprises Co., Ltd. holds 42.5%, President Enterprises (China) Investment Co., Ltd. holds 57.5% and consolidated holding is 100%.
- Note 32 • Guangzhou President Enterprises Co., Ltd. holds 36%, President Enterprises (China) Investment Co., Ltd. holds 64% and consolidated holding is 100%.
- Note 33 • Kunshan President Enterprises Food Co., Ltd. holds 75%, President Enterprises (China) Investment Co., Ltd. holds 25% and consolidated holding is 100%.
- Note 34 • Kunshan President Enterprises Food Co., Ltd. holds 66.67%, Uni-President Shanghai Managment Consulting Co., Ltd. holds 33.33% and consolidated holding is 100%.
- Note 35 • Wuhan President Enterprises Food Co., Ltd. holds 42.5%, President Enterprises (China) Investment Co., Ltd. holds 57.5%, and consolidated holding is 100%.
- Note 36 • Shenyang President Enterprises Co., Ltd. holds 75%, President Enterprises (China) Investment Co., Ltd. holds 25%, and consolidated holding is 100%.
- Note 37 • Chengdu President Enterprises Food Co., Ltd. holds 75%, President Enterprises (China) Investment Co., Ltd. holds 25% and consolidated holding is 100%.
- Note 38 • Beijing President Enterprises Drinks & Food Co., Ltd. holds 53.57%, President Enterprises (China) Investment Co., Ltd. Holds 46.43% and consolidated holding is 100%.
- Note 39 • Kunshan President Enterprises Food Co., Ltd. holds 27.27%, President Enterprises (China) Investment Co., Ltd. holds 72.73% and consolidated holding is 100%.
- Note 40 • Wuhan President Enterprises Food Co., Ltd. holds 75%, President Enterprises (China) Investment Co., Ltd. holds 25% and consolidated holding is 100%.
- Note 41 • Uni-President Enterprises Corp. holds 99.99%, Kai Yu Investment Co., Ltd. holds 0.01% and consolidated holding is 100.00%.
- Note 42 • Uni-President Enterprises Corp. holds 50.58%, Kai Yu Investment Co., Ltd. holds 0.00% and consolidated holding is 50.58%.
- Note 43 • Uni-President Enterprises Corp. holds 51.00%, Kai Yu Investment Co., Ltd. holds 5.00% and consolidated holding is 56.00%.
- Note 44 • President Chain Store Corp. holds 86.76%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 86.76%.
- Note 45 • President Chain Store Corp. holds 86%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 86%.



- Note 46 • President Chain Store Corp. holds 50.03%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 50.03%.
- Note 47 • Zhengzhou President Enterprises Co., Ltd. holds 35%, President Enterprises (China) Investment Co., Ltd. holds 65% and consolidated holding is 100%.
- Note 48 • Guangzhou President Enterprises Co., Ltd. holds 47.73%, President Enterprises (China) Investment Co., Ltd. holds 52.27% and consolidated holding is 100%.
- Note 49 • Kunshan President Enterprises Food Co., Ltd. holds 29.41%, President Enterprises (China) Investment Co., Ltd. holds 70.59% and consolidated holding is 100%.
- Note 50 • Kunshan President Enterprises Food Co., Ltd. holds 30%, President Enterprises (China) Investment Co., Ltd. holds 70% and consolidated holding is 100%.
- Note 51 • Uni-President Logistics (BVI) Holdings Limited holds 50.00%, Shanghai President Logistic Co. Ltd. holds 50.00% and consolidated holding is 100.00%.
- Note 52 • President Chain Store Corp. holds 73.74%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 73.74%.
- Note 53 • President Chain Store Corp. holds 51.00%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 51.00%.
- Note 54 • President Chain Store Corp. holds 92.20%, President Chain Store (Hong Kong) Holdings Limited holds 7.80%, and consolidated holding is 100.00%.
- Note 55 • President Chain Store Corp. holds 70.00%, Ren-Hui Investment Corp. holds 0.00%, and consolidated holding is 70.00%.
- Note 56 • Chengdu President Enterprises Food Co., Ltd. holds 50.00%, Uni-President (Shanghai) Pearly Century Co., Ltd. holds 50.00% and consolidated holding is 100.00%.
- Note 57 • Zhengzhou President Enterprises Co., Ltd. holds 30%, President Enterprises (China) Investment Co., Ltd. holds 70% and consolidated holding is 100.00%.
- Note 58 • Cayman President Holdings Ltd. holds 70.49%, President (BVI) International Investment Holdings Ltd. holds 0.06% and consolidated holding is 70.55%.
- Note 59 • President Chain Store Corp. holds 90.00%, Ren-Hui Investment Corp. holds 0.00%, and consolidated holding is 90.00%.
- Note 60 • Zhengzhou President Enterprises Co., Ltd. holds 45%, President Enterprises (China) Investment Co., Ltd. holds 55% and consolidated holding is 100.00%.
- Note 61 • Chengdu President Enterprises Food Co., Ltd. holds 56.25%, President Enterprises (China) Investment Co., Ltd. Holds 43.75% and consolidated holding is 100%.
- Note 62 • Uni-President Enterprises Corp. holds 79.89%, Nanlien International Corp. holds 7.65%, President Chain Store Corp. holds 12.46% and consolidated holding is 100.00%.
- Note 63 • Uni-President Enterprises Corp. holds 50.00%, Kai Yu Investment Co., Ltd. holds 0.00% and consolidated holding is 50%.
- Note 64 • Uni-President Enterprises Corp. holds 100.00%, Kai Yu Investment Co., Ltd. holds 0.00% and consolidated holding is 100.00%.
- Note 65 • President Chain Store Corp. holds 51.00%, Ren-Hui Investment Corp. holds 0.00% and consolidated holding is 51.00%.
- Note 66 • Nanlien International Corp. holds 93.25%, Lien-Bo Enterprises Corp. holds 0.00% and consolidated holding is 93.25%.
- Note 67 • Wuhan President Enterprises Food Co., Ltd. holds 75.00%, President Enterprises (China) Investment Co., Ltd. holds 25.00%, and consolidated holding is 100%.
- Note 68 • President Chain Store (Hong Kong) Holdings Limited holds 40.00%, Ren Hui Holding Co., Ltd. holds 15.00% and consolidated holding is 55.00%.
- Note 69 • President Chain Store Corp. holds 60.00%, Uni-President Enterprises Corp. holds 40.00% and consolidated holding is 100.00%.

## 8.1.2 UPEC Affiliated Companies

As of Dec. 31, 2017  
Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
Uni-President Enterprises Corp.	1967.08.25	No.301, Zhongzheng Rd., Yongkang Dist., Tainan City, Taiwan R.O.C.	56,820,154	Manufacture, processing and sales of various soft drinks, foods, animal feeds and flour...etc.
President Global Corp.	1988.10.01	6965 Aragon Circle, Buena Park, California 90620, USA.	USD 5,000,000	Instant noodles and juice can importation
Ameripecc Inc.	2000.06.15	6965 Aragon Circle, Buena Park, California 90620, USA.	USD 2,601,000	Manufacture of soft drinks
Cayman President Holdings Ltd.	1994.01.06	Willow House, Cricket Square, George Town, P.O. Box 709, Grand Cayman KY1-1107, Cayman Islands	USD 406,136,000	Professional investments
Uni-President Southeast Asia Holdings Ltd.	2003.01.14	Scotia Centre,4th Floor,P.O.Box 2804,George Town,Grand Cayman,Cayman Islands.	USD 75,000,000	Professional investments
Uni-President (Thailand) Ltd.	1994.05.17	253 Tower,18th Floor, Soi Asoke, Sukhumvit 21 Road, North Klong Toey, Khet Wattana, Bangkok 10110,Thailand	THB 1,830,000,000	Manufacturing and sales of food
Uni-President Marketing Co., Ltd.	2004.01.01	253 Tower,19th Floor, Soi Asoke, Sukhumvit 21 Road, North Klong Toey, Khet Wattana, Bangkok 10110,Thailand	THB 12,000,000	Marketing of beverage and food
Uni-President (Vietnam) Co., Ltd.	1999.02.06	No.16-18, DT 743 Road, Song Than 2 Industrial Zone, Di An County, Binh Duong Province, Vietnam	VNP 1,780,948,854,000	Manufacturing and selling of beverage, flour, feeds and instant noodle
Uni-President Vietnam Aquatic Breeding Co., Ltd.	2007.03.13	An Hai Manufacturing and Inspection Aquatic Product Zone, Ninh Phuoc District, Ninh Thuan Province, Vietnam	VNP 262,650,000,000	Aquatic breeding and selling
Tribeco Binh Doung Co., Ltd.	2006.08.17	So 8. Duong So 11. KCN Viet Nam-Singapore, Huyen Thuan An-Tinh Binh Duong	VNP 907,000,000,000	Manufacturing and selling of beverage and food
North Tribeco Co., Ltd.	2007.10.08	Km22, Ban Yen Nhan town,My Hao distric,Hung Yen, Vietnam	VNP 100,000,000,000	Manufacturing and selling of beverage and food
UPEC (India) Foods Private Ltd.	2010.04.12	Flat no.3-D, Sapthamalika Apartments, Front Block, 188, Poonamallee High Road, Kilpauk Chennai TamilNadu-TN 60010 INDIA	INR 277,770,000	Manufacturing and selling of beverage and food
Uni-President (Malaysia) SDN.BHD	2011.05.10	3A-13,Damansara Intan E-Business Park, No 1, Jalan SS20/27, 47400, Petaling Jaya, Selangor, Malaysia	MYR 1,000,000	Aquatic feed & related, Probiotics, Aerater, Seafoods & Raw material exports, Hatchery
UPVN Trading Co., Ltd.	2013.03.18	No1, No 34 Road, Quarter 5, An Phuù Ward, District 2, HCM city, Vietnam	VNP5,000,000,000	Trading
Uni-President (Philippines) Corp.	2001.04.24	Ground Floor, Tony's Bldg., Economia Corner Industrial St., Bagumbayan, Libis, Quezon City, 1110 Philippines	PHP 600,000,000	Manufacturing and selling of instant noodle
PT. Uni President Indonesia	2014.02.28	Rukan Artha Gading Niaga Blok A No. 32-34,Kelapa Gading Barat Jakarta Utara 14241	IDR 5,992,500,000	Selling

## 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
President Energy Development (Cayman Islands) Ltd.	1995.09.11	Regatta office Park West Bay Road, P.O.Box 31106 ,Grand Cayman KY1-1205,Cayman Islands, British West Indies	USD 10,500,000	Professional investments
Uni-President China Holdings Ltd. (Cayman) (Note 1)	2007.07.04	Unit No.703A, 7/F,Golden Centre, 190 Des Voeux Road Central, Hong Kong	HKD 43,193,000	Professional investments
Uni-President Asia Holdings Ltd.	2006.06.29	PO Box 309GT,Ugland House South Church Street, George Town, Grand Cayman, Cayman Islands	USD 899,580,000	Professional investments
Uni-President Hong Kong Holdings Limited	2009.04.30	Unit No.703A, 7/F,Golden Centre, 190 Des Voeux Road Central, Hong Kong	HKD 4,881,356,000	Professional investments
Tong Ren Corp Limited.	2006.12.28	No.301, Zhongzheng Rd., Yongkang Dist., Tainan City, Taiwan R.O.C.	1,000	Staffing services
Uni-President Enterprises (China) Investment Co., Ltd.	1998.03.10	No. 131, Linhong Rd., Shanghai Hongqiao Linkong Economic Zone, Changning District, Shanghai, China	USD 1,080,170,000	Professional investments
Fuzhou President Enterprises Co., Ltd.	2001.07.19	NO.13, Kuaian Extended Area of Fuzhou Economic & Technical Zone, Fujian, China	USD 20,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Xinjiang President Enterprises Food Co., Ltd.	1992.01.13	No.483, Yingbin Road, Economical & Technological Development Zone ,Urumqi, Xinjiang, China	USD 37,500,000	Tomato products, instant noodles, soft drinks
Chengdu President Enterprises Food Co., Ltd.	1993.04.14	Chengdu Industrial Park for Taiwan and Foreign Investment, Tianfu Town, Wenjiang County, Chengdu, Sichuan, China	USD 65,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Chengdu Unifies The Skillful Noodle Restaurant Dining Culture Limited Company	2000.08.24	Chengdu Industrial Park for Taiwan and Foreign Investment, Tianfu Town, Wenjiang County, Chengdu, Sichuan, China	RMB 1,000,000	Catering service industry
Guangzhou President Enterprises Co., Ltd.	1994.12.05	No.788, Kangnan Rd., Nan Gang Town, Huang Pu, GuangZhou, Guangdong, China	USD 75,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Nanning President Enterprises Co., Ltd.	2000.11.16	NO.29, Wuhua Road, Nanning-Asean Economic Development Zone, Nanning, Guangxi, China	USD 30,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Beijing President Enterprises Drinks Co., Ltd.	2001.02.20	C Building, Dazhongfile Village Industrial Zone, Huirou Country, Beijing, China	USD 52,900,000	Manufacturing and sales of instant noodles, soft drinks, food
President (Shanghai) Trading Co., Ltd.	2005.10.17	NO. 131, Linhong Rd., Shanghai Hongqiao Linkong Economic Zone, Changning District, Shanghai, China	USD 8,600,000	Wholesale and retailing
Wuhan President Enterprises Food Co., Ltd.	1993.07.07	NO.6007, Dongxihu Avenue, Wujiashan Street, Dongxihu Distric, Wuhan, China	USD 59,600,000	Manufacturing and sales of instant noodles, soft drinks, food
Nanchang President Enterprises Co., Ltd.	2001.05.18	No.1288,Jingkai Boulevard, Nanchang Economic and Technology Development Area, Jiangxi Province, China	USD 44,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Kunshan President Enterprises Food Co., Ltd.	1993.05.14	No.301, Qin Yang Rd. (South), Kunshan, Jiangsu, China	USD 96,000,000	Manufacturing and sales of instant noodles, soft drinks, food

## 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
Shenyang President Enterprises Co., Ltd.	1995.06.15	No.15, 6St., Economical & Technical Development Zone, Shengyang, China	USD 39,900,000	Manufacturing and sales of instant noodles, soft drinks, food
Hefei President Enterprises Co., Ltd.	1998.04.23	182 Jinxiu Rd., Economy & Tech. Development Zone, Hefei, Anhui, China	USD 60,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Harbin President Enterprises Co., Ltd.	1998.02.26	Qingdao Rd., Comprehensive Industrial Development Section, Harbin Economic & Technological Development Zone, China	USD 29,200,000	Manufacturing and sales of instant noodles, soft drinks, food
Zhenzhou President Enterprises Co., Ltd.	2002.06.25	Xinzheng Taiwan Businessmen Investment Zone East of the Xingang Main Rd., Henan, China	USD 37,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Kunming President Enterprises Food Co., Ltd.	2007.11.08	The Singapore Industrial Park of Dachong District, Chenggong county, Kunming City, China	USD 30,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Champ Green Capital Co., Limited	2008.06.05	Unit 701, 7/F., Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong	USD 1,762,000	Professional investments
Champ Green (Shanghai) Consulting Co., Ltd.	2009.05.12	Room 106, No. 2, 2310 Tang Lugong Road, Pudong, Shanghai, China	USD 150,000	Consulting
Bama President Mineral Water Co., Ltd.	2009.02.20	Cifu Village, Bama Town, Bama County, Heci Province, Guangxi, China	USD 4,150,000	Manufacturing and selling of natural water, mineral water
Changsha President Enterprises Co., Ltd.	2010.09.01	NO.1301, Zhongong Rd, Jinxia Economy And Technical Development, Kaifu District, Changsha, Hunan, China	USD 30,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Zhanjiang President Enterprises Co., Ltd.	2010.10.28	NO.1, Henger Rd, Linbei Industrial Bases, Suixi Country, Zhanjiang, Guangdong Province, China	USD 25,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Akesu President Enterprises Co., Ltd.	2010.12.15	Characteristic Industrial Park NO.15 Fuda Road, Akesu	USD 20,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Baiyin President Enterprises Co., Ltd.	2011.02.24	Small and medium-sized enterprises business base, Baiyin District, Baiyin City, Gansu Province, China	USD 20,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Changchun President Enterprises Co., Ltd.	2010.12.02	East to Bing Twelve Street and North to Yi Two Road Economy, Technology Developing Zone, Changchun, Jilin Province, China	USD 20,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Uni-President (Shanghai) Pearly Century Co., Ltd.	2003.08.01	6/f, No.2 building, No. 568, Tianshan Rd.(west), Changning District, Shanghai, China	RMB 60,000,000	Leasing business
Chongqing President Enterprises Co., Ltd.	2011.02.16	Tangfang Area, Qinggang Group, BiShan Industrial Park, ChongQing, China	USD 33,600,000	Manufacturing and sales of instant noodles, soft drinks, food
Taizhou President Enterprises Co., Ltd.	2011.01.28	No.301, Zhenxing Road, Technology Park, Gaogang District, Taizhou, Jiangsu Province, China	USD 30,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Uni-President Shanghai Management Consulting Co., Ltd.	2003.07.18	8/f, No.2 building, No. 568, Tianshan Rd.(west), Changning District, Shanghai, China	RMB 20,000,000	Wholesale leather products, clothing

## 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
Hainan President Enterprises Co., Ltd.	2011.03.08	NO.301 · Beiyihuan Road, Laocheng Economic Development Zone, Chengmai County, Hainan, China	USD 14,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Shijiazhuang President Enterprises Co., Ltd.	2010.11.15	NO.153, Xingan Street, High Tech Industrial Development Area, Shijiazhuang, Hebei Province, China	USD 35,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Jinan President Enterprises Co., Ltd.	2011.04.18	No.301, Tong Yi Street, Ji Bei Development Zone, Ji Yang County, Jinan ,Shandong Province, China	USD30,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Guiyang President Enterprises Co., Ltd.	2011.07.06	The Medicine and food estate field of XiuWen in GuiYang	USD30,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Wuxue Uni Mineral Water Co., Ltd.	2011.07.06	Lvlin village, Meichuan Town, Wuxue, Hubei Province, China	USD 4,800,000	Manufacturing mineral water
President (Shanghai) Private Label Marketing & Trading Co., Ltd.	2011.06.28	No. 131, Linhong Rd., Shanghai Hongqiao Linkong Economic Zone, Changning District, Shanghai, China	USD 950,000	Wholesale of pre-packaged food and dairy products/
Hangzhou President Enterprises Co., Ltd.	2011.06.21	No. 301, Sanfeng Rd, Qianjin Sub-district, Ziaoshan District, Hangzhou, Zhejiang Province, P.R.C	USD 40,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Xuzhou President Enterprises Co., Ltd.	2011.09.02	The North Third Ring Road South, And G104 National Highway East Xuzhou Economic Zone, China	USD 33,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Henan President Enterprises Co., Ltd.	2012.03.09	Luohe National Economic And Technological Development Zone East Road West, Henan, China	USD 30,000,000	Manufacturing and sales of instant noodles, soft drinks, food
President (Kunshan) Trading Co., Ltd.	2012.03.28	NO.301, Qin Yang Rd. (South), Kunshan, Jiangsu, China	USD 10,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Shaanxi President Enterprises Co., Ltd.	2012.07.06	NO.1 Tongyi Avenue, Chengdong Huan Road, Liquan County, Xianyang, China	USD 50,000,000	Manufacturing and sales of instant noodles, soft drinks
Wuyuan President Enterprises Mineral Water Co., Ltd.	2012.05.30	Luyuan Village, Jiangwan County ,Wuyuan, Jiangxi, China	USD 1,700,000	Manufacturing mineral water
Jiangsu President Enterprises Co., Ltd.	2012.11.05	NO.301 Gutan Avenue, Gaochun Economic Development Zone, Nanjing, China	USD 30,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Changbaishan Mountain President Enterprises (Jilin) Mineral Water Co., Ltd.	2013.03.15	Hongfeng village, Erdao baihe Town, Antu county, Jilin China	RMB 180,000,000	Manufacturing mineral water
President Enterprises (Kunshan) Real Estate Development Co., Ltd.	2013.04.09	NO.301, Qin Yang Rd. (South), Kunshan, Jiangsu, China	RMB 60,000,000	Real estate development
Ningxia President Enterprises Co., Ltd.	2013.04.22	No.129, Guihua Second Road, West of Zone, Yinchuan E.D.A., Ningxia, China	USD 16,000,000	Manufacturing and sales of instant noodles, soft drinks, food



## 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
President Enterprises (Inner Mongolia) Co., Ltd.	2013.05.09	No.1 Shi Yuan Street, Shengle Economic Park, Horinger County Hohhot, Inner Mongolia China	USD 30,000,000	Manufacturing and sales of instant noodles, soft drinks, food
Beijing President Enterprise Drink&Food Co., Ltd.	2013.06.03	Area A M2-10, 12, 13, Beijing pinggu district valley, zhongguancun science park, Valley park, Beijing China	-	Manufacturing and sales of instant noodles, soft drinks, food
Shanxi President Enterprises Co., Ltd.	2013.09.05	Zhang Bei Cun, Jinzhong City, Qixian Economic Development Zone, Shanxi, China	USD 30,000,000	Manufacturing and sales of drinks
President Enterprises (Shanghai) Co., Ltd.	2001.10.14	NO.2185 · Lotus South Road, Minhang Distric, Shanghai, China	USD 40,000,000	Manufacturing and sales of drinks
Uni-President Enterprise (Hutubi) Tomato Products Technology Co., Ltd.	2013.11.01	Floor 3, China Merchants Bureau, No. 40, DongFeng Road, HuTuBi County, Changji Hui Autonomous Prefecture, Xinjiang Uyghur Autonomous Region, China	USD 19,500,000	Tomato products
Uni-President Enterprises (Shanghai) Drink & Food Co., Ltd.	2014.05.15	Area 22, Building No. 4, No.888, YueGong Road, JinShan Industrial Zone, Shanghai China	USD 35,000,000	Manufacturing and sales of drinks
Uni-President Trading (Hubei) Co., Ltd.	2004.09.23	NO.6007, Dongxihu Avenue, Wujiashan Street, Dongxihu Distric, Wuhan, China	RMB 96,000,000	Manufacturing and sales of drinks
Uni-President Enterprises (Tianjin) Co., Ltd.	2014.08.15	645EE30 room, Aviation Industry Support Center, Paul route 1, Airport Economic Zone, Tianjin, China	USD 12,000,000	Manufacturing and sales of drinks
Hunan President Enyerpises Co., Ltd.	2015.03.10	3F, Shaoyang Avenue Middle, Small and Medium Enterprise Business Center, Shaoyang City, Hunan, China	USD 6,000,000	Manufacturing and sales of instant noodles, soft drinks and dairy food
Uni-Presodent Enterprises (Kunshan) Food Technology Co., Ltd.	1995.12.27	No. 255, Middle Qingyang Road, Kunshan, Jiangsu, P.R.C.	USD 1,200,000	R&D
Yantai Tongli Beverage Industries Co., Ltd.	1999.06.09	No. 889, Xingcheng Street, Muping District, Yantai, Shandong, China	RMB 100,000,000	Manufacturing and sales of drinks
Kunshan President Kikkoman Biotechnology Co., Ltd.	2000.05.16	NO.301, QingYang Road, Kunshan, JiangSu Province, China	USD 11,000,000	Produceing soy sauce and selling self-produced products
President Kikkoman Zhenji Foods Co., Ltd.	2008.10.24	6F, NO.34 Guangan Street, Shijia Zhuang, Hebei, China 34 days of business building China Hebei city of Shijiazhuang province Changan District Guang'an Avenue	RMB 300,000,000	Produceing soy sauce and selling self-produced products
Uni-President Foodstuff (BVI) Holdings Ltd.	2004.08.11	Offshore Incorporations Limited of P.O.Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	USD 18,550,000	Professional investments
Tianjiang President Enterprises Food Co., Ltd.	1992.06.17	F601 Yangguang Park Suite, No.2 Mingyuan Road, Economic & Technical Development Zone, Tianjin, China	RMB 98,000,000	Manufacturing and selling of flour
Zhongshan President Enterprises Co., Ltd.	1995.06.14	NO.83 Industrial Area, Fusa County, Zhongshan, Guangdong, China	USD 19,400,000	Manufacturing and selling of aquatic products, and pet feeds.
Changjiagang President Nisshin Food Co., Ltd.	1996.03.22	NO.9, Baodao Rd., Changjiagang Freetrade Zone, Jiangsu, China	USD 17,000,000	Edible oil

## 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
Qingdao President Feed & Livestock Co., Ltd.	1998.04.10	NO.5 Cui Leng Rd. Bai Sha He Town Ping Du Qing Dao China	USD15,000,000	Animal feed business & Manufacturing and distribution of feeds
Shanghai Songjiang President Enterprises Co., Ltd.	2001.05.11	No.22, Xin qiao town, Min yi Rd., Song Jiang District, Shanghai, China	USD19,000,000	Manufacturing and selling of feeds
President International Trade & Investment Corp.	1990.12.27	Citco B.V.I. Limited of P.O. Box 662, Citco Building, Wickhams Cay, Road Town, Tortola, British Virgin Islands	USD10,700,000	Professional investments
Kai Yu Investment Co., Ltd.	1993.05.27	1F., No.340, Ziqiang Rd., Yongkang Dist., Tainan City, Taiwan R.O.C.	1,270,087	Professional investments
Kai Yu (BVI) Investment Co., Ltd.	1999.05.06	Commonwealth Trust Limited, Sealight House, Tortola, British Virgin Islands	USD6,200,000	Professional investments
Tung Ang Enterprises Corp.	1999.07.02	No.340, Ziqiang Rd., Yongkang Dist., Tainan City, Taiwan R.O.C.	30,000	Wholesale and retailing of beverage and tea drink
Tung Guan Enterprises Co., Ltd.	1997.12.31	No.7, Sec. 3, Zhongshan Rd., Wuri Dist., Taichung City, Taiwan R.O.C.	20,000	Wholesale of egg product
Nanlien International Corp.	1979.04.04	12 F., No.560, sec.4, Jungshiau E.Rd., Taipei, Taiwan R.O.C.	1,000,000	Trading
Cayman Nanlien Holding Ltd.	1996.09.06	P.O.Box 31106 SMB, Grand Cayman, Cayman Islands	USD2,710,000	Investments
Lien-Song Enterprises Corp.	1998.01.07	Rm.4,4F., No.8, Ln.609, Sec.5, Chongxin Rd., Sanchong Dist., New Taipei City 24160, Taiwan, R.O.C.	65,000	Selling
Hua-Zuo Corp.	1998.05.14	No.127, Guochiang 11th St., Taoyuan City, Taoyuan, Taiwan R.O.C.	8,000	Selling
Hui-Sheng Enterprise Corp.	2000.05.09	1F., No.482, Sec.6, Nanjing E. Rd., Neihu Dist., Taipei City 114, Taiwan, R.O.C.	9,000	Selling
Tung-Shen Co., Ltd.	1996.02.08	No.8, Gongyequ 13th Rd., Xitun Dist., Taichung City 407, Taiwan, R.O.C.	16,000	Selling
Sheng-Miao Industrial Corp.	1989.10.30	1F., No.6-76, Donggang Rd., Yilan City, Yilan County 260, Taiwan R.O.C.	10,000	Selling
Jin-Guan-Cheng Corp.	1993.09.27	No.13, Taishan 3rd St., West Dist., Chiayi City 600, Taiwan R.O.C.	4,000	Selling
Tung-You International Corp.	2001.10.02	2F., No.415, Zhongzheng N Rd., Sanchong Dist, New Taipei City 241, Taiwan R.O.C.	40,000	Selling
Tung-Bo Enterprise Corp.	1998.01.26	10F., No.618, Jingguo Rd., Taoyuan Dist., Taoyuan City 330, Taiwan R.O.C.	15,000	Selling
Tung-Shun Enterprises Corp.	2000.05.23	No.14, Wugong 6th Rd., Wugu Dist., New Taipei City 248, Taiwan R.O.C.	45,000	Selling
Tung-Hsiang Enterprises Corp.	2000.05.29	2F., No.482, Sec.6, Nanjing E Rd., Neihu Dist, Taipei City 114, Taiwan, R.O.C.	45,000	Selling
Yuan-Tai Enterprises Corp.	1992.12.08	1F., No. 311, Yunhua 3rd St., Anping Chiu, Tainan, Taiwan 708, R.O.C.	5,500	Selling
Tung-Yi Enterprises Corp.	1993.10.21	1F., No.106, Fengnan 1st Rd., Fengshan Dist, Kaohsiung City 830, Taiwan (R.O.C.)	26,000	Selling

### 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
Tung-Che Enterprises Corp.	2000.05.04	2F., No.482, Sec.6, Nanjing E Rd.,Neihu Dist, Taipei City 114, Taiwan, R.O.C.	20,000	Selling
Tung-Xiang Corp.	2000.05.20	2F., No.482, Sec.6, Nanjing E Rd.,Neihu Dist, Taipei City 114, Taiwan, R.O.C.	80,000	Selling
Tung-Ju Enterprise Corp.	1992.05.07	Rm. 1, 3F., No.301, Qixian 1st Rd., Xinxing Dist., Kaohsiung City 800, Taiwan R.O.C.	30,000	Selling
Xin-Tung Enterprise Corp.	2001.09.24	Rm. 1, 3F., No.301, Qixian 1st Rd., Xinxing Dist., Kaohsiung City 800, Taiwan R.O.C.	35,000	Selling
Lien-Bo Enterprises Corp.	1997.07.11	Rm.4,4F.,No.8,Ln.609,Sec.5, Chongxin Rd., Sanchong Dist., New Taipei City 24160,Taiwan, R.O.C.	200,000	Selling
Tunnel International Marketing Corp.	2000.02.22	P.O.Box957, Offshore Incorporations Centre,Road Town,Tortola,B.V.I.	USD 20,000	Trading & Selling
Shanghai E & P Trading Co., Ltd.	2005.08.11	4F. No. 777 Ning Xia Lu. Pu Tuo Qu, Shanghai, China, 200062	RMB 10,000,000	Trading & Selling
Tung-Xiang Xin Yeh Corp.	2011.05.04	No.83, Wenxue 4th St., Renwu Dist., Kaohsiung City 814, Taiwan R.O.C.	12,000	Selling
Tung-Ying Enterprises Corp.	2005.11.17	No.89, Xinmin St., Changzhi Township, Pingtung County908, Taiwan R.O.C.	22,280	Selling
Wei-Tong Enterprise Corp.	2005.07.12	No.1 Xinmin Rd., west Dist., chiayi City 600,Taiwan, R.O.C.	25,000	Selling
Cheng-Fa Enterprises Corp.	2015.08.25	No.1, Xinmin Rd., West Dist., Chiayi City 600, Taiwan R.O.C.	10,000	Selling
Yi Fa Enterprises Corp.	2015.11.10	No.55, Xiangzhong Rd., Dongshan Township, Yilan County 269, Taiwan R.O.C.	18,000	Selling
Fu Yi Enterprises Corp.	2015.11.10	No.329,Sec.1, Meishi Rd., Yangmei Dist, Taoyuan City 326, Taiwan R.O.C.	45,000	Selling
Kun-Fu Corp.	1994.01.07	No.296,Sec. 1, Fuxing E.Rd., Zhubei City, Hsinchu County 302, Taiwan R.O.C.	15,000	Selling
President Chain Store Corporation	1987.06.10	8F, No.8, Tung Hsing Rd., Songshan Dist.,Taipei City, Taiwan R.O.C.	10,396,223	Chain stores
President Chain Store (BVI) Holdings Ltd.	1998.07.09	Tropical Isle Building, P.O. Box 438,Road Town, Tortola, British Virgin Islands	USD 171,590,000	Professional investments
Ren-Hui Investment Corp.	1996.12.20	8F, No.8, Tung Hsing Rd.,Songshan Dist., Taipei City, Taiwan R.O.C.	65,000	Professional investments
Ren Hui Holding Co., Ltd.	2017.4.12	4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, British Virgin Islands	USD 2,000,000	Professional investments
Capital Inventory Services Corp.	1998.04.13	8F, No.8, Tung Hsing Rd.,Songshan Dist., Taipei City, Taiwan R.O.C.	25,000	Management consulting
President Drugstore Business Corp.	1995.07.27	7F, No.8, Tung Hsing Rd.,Songshan Dist., Taipei City, Taiwan R.O.C.	785,200	Selling of drugs, cosmetics
21 Century Enterprise Co., Ltd.	1995.11.18	B2, No.8, Tung Hsing Rd.,Songshan Dist., Taipei City, Taiwan R.O.C.	100,000	Restaurant and sales of goods
Wisdom Distribution Service Corp.	1999.01.11	No.70-1, Sec. 2, Jiayuan Rd., Shulin Dist., New Taipei City, Taiwan	108,474	Logistic and storage of publication and e-commerce



## 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
President Being Corp.	2003.04.08	B1, No.149, Sec.5, Minsheng E. Rd., Songshan Dist., Taipei City, Taiwan R.O.C.	15,000	Sports and beauty business
President Chain Store Corporation Insurance Brokers Co., Ltd.	2006.10.05	6F.-3, No.197, Sec. 4, Nanjing E. Rd., Songshan Dist., Taipei City 105, Taiwan R.O.C.	15,000	Insurance brokers
Cold Stone Creamery Taiwan, Ltd.	2006.12.26	8F, No.8, Tung Hsing Rd., Songshan Dist., Taipei City, Taiwan R.O.C.	122,444	Selling of ice cream
Uni-President Oven Bakery Corp.	2000.11.20	12F, No.8, Tung Hsing Rd., Songshan Dist., Taipei City, Taiwan R.O.C.	65,120	Bread and pastry retailer
President Yilan Art and Culture Corp.	2004.06.07	No.201, Sec. 2, Wubin Rd., Wujie Township, Yilan County, Taiwan R.O.C.	200,000	Art and cultural exhibition
President Chain Store Tokyo Marketing Corporation	2009.01.07	SOYIC bldg. 4F 3-11 Nihonbashi koami-cho, Chuo-ku, Tokyo 103-0016, Japan	JPY 98,000,000	Trade and management consulting
ICASH Corporation	2013.11.19	3F., No.101, Ruihu St., Neihu Dist., Taipei City 114, Taiwan R.O.C.	500,000	Electronic ticketing services
Uni-President Superior Commissary Corp.	1999.03.11	No.16, Zhongxing Rd., Tucheng Dist., New Taipei City, Taiwan R.O.C.	539,110	Fresh food manufacture
President Pharmaceutical Corp.	1993.09.03	7F, No.8, Tung Hsing Rd., Songshan Dist., Taipei City, Taiwan R.O.C.	300,000	Selling and trade of cosmetics and health care products
President Transnet Corp.	2000.01.24	2F., No.8, Sec. 3, Shuangshi Rd., Banqiao Dist., New Taipei City, Taiwan R.O.C.	1,478,520	Delivering and trucking
President Collect Services Co., Ltd.	2002.06.24	8F, No.8, Tung Hsing Rd., Songshan Dist., Taipei City, Taiwan R.O.C.	15,000	Bill collection service
Uni-President Department Store Corp.	2006.02.24	No.8, Sec. 5, Zhong Xiao E. Rd., Xinyi Dist., Taipei City, Taiwan R.O.C.	400,000	Department stores
Mech-President Corp.	1991.12.09	No. 67, Huan Gong Rd., Yung Kang Dist., Tainan City, Taiwan R.O.C.	690,713	Gas station, installment and maintenance of elevators
Q-ware Systems & Services Corp.	1963.06.26	9F., No.81, Zhouzi St., Neihu Dist., Taipei City, Taiwan R.O.C.	281,042	IT & software Services
Uni-President Cold Chain Corp.	1999.01.22	No.340, Tzu Chiang Rd., Yung Kang Dist., Tainan City, Taiwan R.O.C.	393,417	Logistic and storage of cold temperature
President Information Corp.	1997.08.27	6F, No. 246, Yang Guang St., Neihu Dist., Taipei City, Taiwan R.O.C.	299,006	Information consulting services
Duskin Serve Taiwan Co.	1994.10.28	8F, No. 8, Tung Hsing Rd., Songshan Dist., Taipei City, Taiwan	200,000	Selling and rent of cleaning instruments
Afternoon Tea Taiwan Co., Ltd.	2008.02.14	8F, No. 8, Tung Hsing Rd., Songshan Dist., Taipei City, Taiwan	290,000	Restaurants and selling of daily necessities
Books.com. Co., Ltd.	1995.12.27	12F., No.560, Sec. 4, Zhongxiao E. Rd., Xinyi Dist., Taipei City, Taiwan	199,900	Online retailer
Retail Support International Corp.	1990.08.13	7F, No.560, Sec.4, Zhong Xiao E. Rd., Xinyi Dist., Taipei City, Taiwan	257,200	Logistic and storage of room temperature
President Chain Store (Labuan) Holdings Ltd.	2000.10.24	Level 15(A2), Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Labuan FT, Malaysia	USD 29,163,000	Professional investments

### 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
Philippine Seven Corp.	1982.11.24	7/F The Columbia Tower, Ortigas Avenue Mandaluyong City, Manila,Philippine	PHP 757,105,000	Convenience store
Convenience Distribution Inc.	1998.09.17	800 1F ,Lagaspi St. Maybunga,Pasig City, Manila, Philippine	PHP 45,000,000	Logistic and storage
President Chain Store (Hong Kong) Holdings Limited	2008.08.13	Unit 1405-1406, Dominion Centre, 43-59 Queen's Road East, Wan Chai, Hong Kong	USD134,603,000	Professional investments
Shanghai President Logistic Co., Ltd.	2009.04.15	Unit1801 , Building 18, No.22, Min Yi Rd., Songjiang Dist., Shanghai City, China	USD2,000,000	Logistic and storage
President Logistic ShanDong Co., Ltd.	2016.11.12	No.301, Tong Yi Street, JiBei Development Zone, JiYang County, JiNan City, ShanDong Province, China	RMB 50,000,000	Logistic and storage
President Chain Store (Shanghai) Ltd.	2009.02.03	No.45-47,Mengzi Rd,Luwan Dist.,Shanghai City, China	RMB 500,000,000	Convenience store
PCSC Restaurant (Cayman) Holdings Limited	2008.03.18	P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman ,KY1-1205 Cayman Islands	USD 8,954,000	Professional investments
Shanghai President Chain Store Corporation Trade Co., Ltd.	2008.12.02	Block E, Room 209, No.103, Nantangbang Road, Huangpu Dist, Shanghai, China	USD 8,880,000	Selling of food and goods
PCSC (Chengdu) Hypermarket Limited	2006.10.12	Room 701, B Block, Red Star Macalline, No. 6, Two Road 1 West Section, Wuhou District, Chengdu City, Sichuan Province, China	RMB 132,000,000	Wholesaling and retailing of goods
Shan Dong President Yinzu Commercial Limited	1997.09.23	Floor 5/6/7, Zhonghe Business Building, No.146-1, Lishan Road, Lixia Zone, Jinan City, Shandong Province, China	RMB 60,000,000	Supermarket
President Chain Store (Taizhou) Ltd.	2015.11.27	South of Innovation Dadao, Gaoxin Technology Industries Park, Gaogang Dist, Taizhou City, China	RMB 60,000,000	Logistic and storage
President Chain Store (Zhejiang) Ltd.	2017.05.08	Room B102-103-1,Building 3, Qianjiang International Time Square, Jianggan Dist., Hangzhou City, Zhejiang Province, China	RMB 60,000,000	Convenience store
PCSC (China) Drugstore Limited	2004.02.16	Vistra Corporate Services Center, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	USD 9,486,000	Professional investments
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	2004.12.13	No.3, Floor 7, Main Tower, Xinxing Plaza, Jiefang Road, Guiyuan Sub-District, Luohu District, Shenzhen, Guangdong, China	RMB 100,000,000	Wholesaling and retailing of goods
President Pharmaceutical (Hong Kong) Holdings Limited	2009.02.25	703A, 7/F, Golden Centre, 188 Des Voeux Road Central, Hong Kong	USD 3,000,000	Selling of health care products, drugs and cosmetics
President (Shanghai) Health Product Trading Company Ltd	2009.11.19	Room 203, 2F, No.131 , Lin Hong Road, Chang Ning District, Shanghai, China	USD 3,000,000	Selling of health care products, drugs and cosmetics
Shanghai Cold Stone Ice Cream Corporation	2007.05.28	Block A, Room 337, Building 1, No.103, Nantangbang Road, Huangpu Dist, Shanghai, China	USD 222,544,000	Selling of ice cream
Vision Distribution Service Corp.	2005.06.27	8F, No. 8, Tung Hsing Rd., Songshan Dist., Taipei City, Taiwan	100,000	Publishing

## 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
Tung Jim Corp.	2003.07.04	No.138, 37th Neighborhood, Huandao N. Rd., Ximen Vil., Jincheng Township, Kinmen County, Taiwan	16,000	Gas station
Uni-President Logistics(BVI) Holdings Limited	2007.03.14	Vistra Corporate Services Center, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	USD 2,991,000	Professional investments
Zhejiang Uni-Champion Logistics Development Co., Ltd.	2007.12.26	No.377, Jichang Rd., Jianggan Dist., Hangzhou city, Zhejiang Province, China	RMB 40,000,000	Logistic and storage
Duskin China (BVI) Holdings Limited	2006.06.30	Vistra Corporate Services Center, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	-	Professional investments
Books.com (BVI) Ltd	2009.05.22	Vistra Corporate Services Center, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	USD 50,000	Professional investments
Beijing Bokelai Customer Co.	2006.05.10	Room 1014, 10/F, Building 3, Courtyard 7, Ronghua Middle Road, Economic and Technology Development Area of Beijing, China	USD 15,000	Business consulting, network technology development and service
Retail Support Taiwan Corp.	1997.04.16	No.63-1, Jijin 3rd Rd., Anle Dist., Keelung City, Taiwan	56,300	Logistic and storage of room temperature
President Logistics International Co., Ltd.	1998.02.11	1F., No.242-1, Minzu Rd., Zhongli City, Taoyuan County, Taiwan	193,500	Trucking
Chieh Shun Transport Corp.	2003.08.01	2F., No.242-1, Minzu Rd., Zhongli City, Taoyuan County, Taiwan	266,700	Trucking
President Starbucks Coffee Corp.	1997.11.03	8F, No. 8, Tung Hsing Rd., Songshan Dist., Taipei City, Taiwan	356,378	Retailer of coffee, beverage, and food
Ton Yi Industrial Corp.	1969.04.14	No.837, Chung Cheng N. Rd., YungKang District, Tainan City, Taiwan, R.O.C.	15,791,453	Manufacturing of tinplates
Tovecan Corporation Ltd.	1993.01.28	Lot A60/I-A61/II, No. 7 Street · Vinh Loc Industrial Park, Binh Hung Hoa B Ward, Binh Tan District, Hochiminh City, Vietnam	USD 4,576,000	Manufacturing of cans
Cayman Ton Yi Industrial Holdings Ltd.	1997.01.31	Floor 4, Willow House, Cricket Square, P.O. Box 2804, Grand Cayman KY1-1112, Cayman Islands.	USD 330,000,000	Professional investments
Cayman Jiangsu Ton Yi Holdings Ltd.	1998.10.29	Floor 4, Willow House, Cricket Square, P O Box 2804, Grand Cayman KY1-1112, Cayman Islands.	USD 50,000	Investments
Jiangsu Ton Yi Tinplate Co., Ltd.	1994.07.28	No.1 Tai Shan Road, New District, Wuxi, Jiangsu, China	USD 40,000,000	Manufacture and sale of tinplate
Cayman Fujian Ton Yi Holdings Ltd.	1998.10.29	Floor 4, Willow House, Cricket Square, P O Box 2804, Grand Cayman KY1-1112, Cayman Islands.	USD 87,000	Investments
Fujian Ton Yi Tinplate Co., Ltd.	1995.03.31	Nanbei No.2 Road Jiaomei Industry General Developing District, Longhai, Fujian, China	USD 86,500,000	Manufacture and sale of tinplate
Chengdu Ton Yi Industrial Packing Co., Ltd.	1994.02.06	East Section South 2nd Road, Xindu Industrial Zone of Chengdu Satellite-down, China	USD 7,500,000	Manufacturing of cans
Wuxi Ton Yi Industrial Packing Co., Ltd.	1994.02.24	No.3 Tai Shan Road, New District, Wuxi, Jiangsu, China	USD 9,720,000	Manufacturing of cans
Changsha Ton Yi Industrial Co., Ltd.	2012.11.12	No. 188 Chigang Road, Wangcheng Economic Development Zone, Changsha, Hunan, China.	USD7,000,000	Manufacturing of cans

### 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
Cayman Ton Yi Holdings Limited	2012.07.03	Floor 4, Willow House, Cricket Square, P O Box 2804, Grand Cayman KY1-1112, Cayman Islands.	USD 230,000,000	Investments
Cayman Ton Yi (China) Holdings Limited	2012.07.04	Floor 4, Willow House, Cricket Square, P O Box 2804, Grand Cayman KY1-1112, Cayman Islands.	USD 230,000,000	Investments
Ton Yi (China) Investment Co., Ltd	2014.09.15	301 QingYang South RD.KunShan, JiangSu, China	USD 230,000,000	Investments
Zhangzhou Ton Yi Industrial Co., Ltd.	2011.04.28	Fengshan Industrial Park, Zhangzhou Taiwanese Investment Zone, Fujian , China	USD 30,000,000	Manufacture and sale of cans
Taizhou Ton Yi Industrial Co., Ltd.	2012.03.07	No. 301, Yongping Road, Hi-tech Industrial Parks, Gaogang District, Taizhou City, Jiangsu, China	USD 30,000,000	Manufacture and sale of cans
Chengdu Ton Yi Industrial Co., Ltd.	2012.07.04	Qingbai Avenue, Pickles (Food) Industrial Park, Xinfan Town, Xindu District, Chengdu City , China	USD 30,000,000	Manufacture and sale of cans
Huizhou Ton Yi Industrial Co., Ltd.	2012.10.12	Banqiao Industry Industrial Park, Taimei Town, Boluo County, Huizhou City , Guangzhou , China	USD 30,000,000	Manufacture and sale of cans
Kunshan Ton Yi Industrial Co., Ltd	2013.04.25	301 QingYang South RD.KunShan ,JiangSu,China	USD 30,000,000	Manufacture and sale of cans
Beijing Ton Yi Industrial Co., Ltd	2013.05.08	C Building, Fule Industrial Zone,Huairou District,Beijing City, China	USD 30,000,000	Manufacture and sale of cans
Sichuan Ton Yi Industrial Co., Ltd	2014.10.21	No.18 North section Rongtai Avenue, cross-strait science and Technology Industrial Park, wenjiang district, Chengdu city, Sichuan.	USD 30,000,000	Manufacture and sale of cans
Zhanjiang Ton Yi Industrial Co., Ltd	2014.10.28	1, Henger Rd., Lingbei Industrial Bases, Suixi county, Zhanjiang, Guangdsong Province.	USD 20,000,000	Manufacture and sale of cans
President International Development Corp.	1997.10.08	10F., No.11, Songgao Rd., Sinyi District, Taipei City, Taiwan R.O.C	13,230,000	Professional investments
President Property Corporation	2014.05.22	11F., No.11, Songgao Rd., Sinyi District, Taipei City, Taiwan R.O.C	630,000	Real estate development
President (BVI) International Investment Holdings Ltd.	1998.07.07	Tropic Isle Building, P.O.Box 438, Road Town, Tortola, British Virgin Islands.	USD 173,975,000	Professional investments
Tong Yu Investment Corp.	2002.08.26	10F., No.11, Songgao Rd., Sinyi District, Taipei City, Taiwan R.O.C	454,600	Professional investments
President Life Sciences Co., Ltd.	2000.03.14	10F., No.11, Songgao Rd., Sinyi District, Taipei City, Taiwan R.O.C	1,000	Manufacturing of sophisticated chemical instruments
President Life Sciences Cayman Co.,Ltd.	2000.08.24	Huntlaw Building, P.O.BOX 2804,George Town, Grand Cayman, Cayman Islands.	USD 1,125,000	Professional investments
Uni-President Organics Corp.	1999.0 1 .25	1F,No.15, Dingning Rd., Zhongli City, Taoyuan County, Taiwan R.O.C.	50,000	Selling of health food
President Natural Industrial Corp.	1985.03.28	7F., No.560, Sec. 4, Zhongxiao E. Rd., Xinyi Dist., Taipei City, Taiwan R.O.C.	120,000	Selling of organic food
Uni-President Vendor Corp.	2000.10.27	No.59, Ln. 74, Niaosong 1st St., Yongkang Dist., Tainan City, Taiwan R.O.C.	150,000	Wholesale of retailing of drink and food
President Baseball Team Corp.	1990.01.03	No.340, Zhengqiang St., Yongkang Dist., Tainan City , Taiwan R.O.C.	30,000	Professional baseball team
Tone Sang Construction Corp.	1992.01.30	No.340, Zhengqiang St., Yongkang Dist., Tainan City , Taiwan R.O.C.	340,200	Commissioned to build house, commercial buildings and other rental business

## 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
President Entertainment Corp.	1988.11.03	No.132-7, Cenglin, Yujing Dist., Tainan City, Taiwan R.O.C.	1,600,000	Entertainment business
Tung Ho Development Corp.	1994.02.22	2F., No.6, Sec. 3, Shuangshi Rd., Banqiao Dist., New Taipei City, Taiwan R.O.C.	1,600,000	Entertainment business
President Kikkoman Inc.	1990.02.23	No.7, Daying, Xinshi Dist., Tainan City, Taiwan R.O.C.	120,000	Manufacture of Soybean sauce
President Fair Development Corp.	1996.05.22	No.789, Zhonghua 5th Rd., Qianzhen Dist., Kaohsiung City, Taiwan R.O.C.	10,000,000	Land Levy and delimit
President Century Corp.	1955.06.16	B2F., No.789, Zhonghua 5th Rd., Qianzhen Dist., Kaohsiung City, Taiwan R.O.C.	720,000	Land Levy and delimit
President Nisshin Corp.	1990.10.23	No.301-3, Zhongzheng Rd., Yongkang Dist., Tainan City, Taiwan R.O.C.	120,000	Manufacturing and selling of oil products
President Packaging Corp.	1994.07.20	No.1-31, Madoukou, Madou Dist., Tainan City, Taiwan R.O.C.	628,013	Packing
President Cup Corp.	2014.07.23	No. 17870 Castlenton Street, Suite 306 City of Industry, CA 91748 , U.S.A.	USD 1,000,000	Packing
President Packaging Holdings Ltd.	2011.10.31	P.O.BOX 957, Offshore Incorporations Centre, Road Town, Tortola,BVI	USD 3,750,000	Professional investments
Wuhan President Packaging Ind. Corp.	2012.05.17	NO.6007 East Lake Avenue, Wujiashan St., East Lake District, Wuhan, China	USD 3,700,000	Food paper packing and material selling and manufacture
Changsha Tongyi Packaging Co. Ltd.	2015.03.18	1301, Zhongqing Rd., Kaifu District, Changsha,China	RMB 12,000,000	Food paper packing and material selling and manufacture
Guangzhou President packaing Ind. Corp.	2017.05.15	788 Guangzhou city road, Huangpu district, Nangang town, Guangzhou, China	RMB 10,000,000	Food paper packing and material selling and manufacture
Ton Yi Pharmaceutical Corp.	1995.07.21	7F, No.8, Tung Hsing Rd., Songshan Dist., Taipei City, Taiwan	1,000	Distribution of pharmaceutical products
Uni-President Dream Parks Corp.	2000.04.15	No.301, Zhongzheng Rd., Yongkang Dist., Tainan City, Taiwan R.O.C.	61000	Food, Beverage and Healthcare products broking, General advertising services
Uni-OAO Travel Service Corp.	2003.03.03	2F., No.301, Zhongzheng Rd., Yongkang Dist., Tainan City, Taiwan R.O.C.	6,000	Travel agency
Uni-President Glass Industrial Co., Ltd.	1999.10.27	No.36, Xingong Rd., Xinying Dist., Tainan City, Taiwan R.O.C.	360,000	Manufacture and selling of glass products
Kai Nan Investment Co., Ltd.	2000.04.17	1F, No.340, Zhengqiang St., Yongkang Dist., Tainan City, Taiwan R.O.C.	2,135,000	Professional investments
President Tokyo Corp.	1997.11.06	12F., No.8, Dongxing Rd., Songshan Dist., Taipei City, Taiwan R.O.C.	588,000	Auto leasing
Uni-president TC-Lease (Cayman) Corporation	2013.12.12.	The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands.	USD 10,000,000	Investment
Tong-Sheng Finance Leasing Co., Ltd.	2014.04.28	Room 1602, Building 1, Harmony Xingzuo Business Plaza, No.269, Wangdun Road, Industrial Park, Suzhou, Jiangsu, China	USD 10,000,000	Equipment leasing



## 8.1.2 UPEC Affiliated Companies (Continued)

Unit: NT\$ thousands

Name of Corporation	Date of Establishment	Address	Paid-in Capital	Major Business/ Production Items
Tong- Sheng (Suzhou) Car Rental Co., Ltd.	2015.07.30	Room 1602, Building 1, Harmony Xingzuo Business Plaza, No.269, Wangdun Road, Industrial Park, Suzhou, Jiangsu, China	RMB 5,000,000	Auto leasing
President Tokyo Auto Leasing Corp.	2003.09.23	12F., No.8, Dongxing Rd., Songshan Dist., Taipei City, Taiwan R.O.C.	100,000	Auto leasing
Presco Netmarketing Inc.	2000.04.01	2F., No.27, Sec. 1, Anhe Rd., Da'an Dist., Taipei City, Taiwan R.O.C.	65,000	E-commerce business
Uni-President Development Corp.	2004.06.24	No.6, Sec. 5, Zhongxiao E. Rd., Xinyi Dist., Taipei City, Taiwan R.O.C.	3,600,000	Real estate lease
Tait Marketing & Distribution Co., Ltd.	1987.02.05	No.301, Zhongzheng Rd., Yongkang Dist., Tainan City, Taiwan R.O.C.	945,000	Product marketing agents and logistics
Tait (H.K.) Interntional Limited	2012.11.16	Unit 703A, 7/F., Golden Centre, 188 Des Voeux Road Central, Hong Kong	HKD 1,170,000	Professional investments
Tait Distribution Service Co., Ltd.	1999.01.11	No.340, Zhengqiang St., Yongkang Dist., Tainan City, Taiwan R.O.C.	2,500	Distribution
Tait (Shanghai) Trading Co., Ltd.	2014.07.18	Room 861, 8 / F, Building 2, No. 115, Fu Te Xi 1st Road, Shanghai Free Trade Zone, China	USD 350,000	Distribution of food, articles, whisky and wine
Scino Pharm Taiwan Ltd.	1997.11.11	No.1, Nan-Ke 8th Road Tainan Science Industrial Park Shan-Hua, Tainan, Taiwan R.O.C.	7,907,392	Manufacture and sale of active pharmaceutical ingredients
SPT International, Ltd.	1998.10.22	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands.	USD 66,525,000	Investment
ScinoPharm Singapore Pte Ltd.	1999.11.13	50 Raffles Place #06- 00 Singapore Land Tower, Singapore 068808	SGD 2	Investment
ScinoPharm (Kunshan) Biochemical Technology Co., Ltd.	2001.02.13	No.88 Weiye Road Business Incubator For Overseas Chinese Scholars Kungshan, Jiangsu China	USD 4,000,000	Research, manufacture and sale of active pharmaceutical ingredients & intermediates
ScinoPharm Pharmaceutical (Changshu) Co., Ltd.	2009.08.18	No.16 Tong Zhou Road Changshu Economic Development Zone Changshu, Jiangsu China	USD 60,500,000	Research, manufacture and sale of formulation, active pharmaceutical ingredients & intermediates
ScinoPharm Shanghai Biochemical Technology, Ltd.	2011.11.15	Room B209, Uni-president building, NO.568 Tianshan west road, Changning borough, Shanghai City, China	USD 1,200,000	Consulting service for pharmaceutical research and registration; wholesales, importing and exporting service of pharmaceutical ingredients & intermediates

### 8.1.3 Data of Common Shareholders of Treated-as Controlled Companies and Affiliates: None.

### 8.1.4 Business of Uni-President and its Affiliated Enterprises

The business of Uni-President and its affiliated enterprises covers: food manufacturing, feeds manufacturing, general investments, chain stores, circulation, distribution, packing and containers, fuel and oil, leisure business development, pharmaceuticals, and so on. Business range of subsidiaries is mainly in food manufacturing & sales. Uni-President is creating best value for shareholders and customers through vertical integration and strong logistic support in manufacturing, distribution and sales channels.

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (As of Dec.31, 2017)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Uni-President Enterprises Corp.	Chairman	Chih-Hsien Lo (Representative of Kao Chyuan Inv. Co., Ltd.)	278,736,536	4.91%
		Shiow-Ling Kao, Jui-Tang Chen (Representative of Kao Chyuan Inv. Co., Ltd.)	278,736,536	4.91%
	Director	Ping-Chih Wu (Representative of Taipo Investment Corp.)	30,582,348	0.54%
		Chung-Ho Wu (Representative of Young Yun Inv. Co., Ltd.)	7,372,628	0.13%
		Li-Ling Cheng (Representative of Joyful Holding Company)	24,305,030	0.43%
		Po-Ming Hou	147,751,414	2.60%
		Po-Yu Hou	128,917,063	2.27%
		Chang-Sheng Lin	49,916,266	0.88%
		Hsiu-Jen Liu	45,218,206	0.80%
	Independent Director	Yun Lin	-	-
		Chao-Tang Yue	-	-
		Hong-Te Lu	-	-
	President	Jung-Lung Hou	-	-
President Global Corp.	Chairman	Wen-Lung Yang (Representative of Uni-President Enterprises Corp.)	500,000	100.00%
	Director	Ping-Chih Wu, Norma S Wu (Representative of Uni-President Enterprises Corp.)	500,000	100.00%
	President	Ping-Chih Wu	-	-
Ameripecc Inc.	Director	Ping-Chih Wu, Norma S Wu (Representative of President Global Corp.)	USD 2,601,000	100.00%
	President	Ping-Chih Wu	-	-
Cayman President Holdings Ltd.	Director	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	406,136,000	100.00%
Uni-President Southeast Asia Holdings Ltd.	Director	Chih-Hsien Lo (Representative of Cayman President Holdings Ltd.)	75,000,000	100.00%
Uni-President (Thailand) Ltd.	Chairman	Chih-Hsien Lo (Representative of Uni-President Southeast Asia Holdings Ltd.)	THB 1,830,000,000	100.00%
	Director	Kuo-Peng Chen, Min-Hung Hsu (Representative of Uni-President Southeast Asia Holdings Ltd.)	THB 1,830,000,000	100.00%
	President	Kuo-Peng Chen	-	-
Uni-President Marketing Co., Ltd.	Chairman	Mr. Dhanavat Voravetvudhikun (Representative of Mass Marketing Co., Ltd)	THB 5,880,000	49.00%
	Director	Wen-Lung Yang, Kuo-Peng Chen, Min-Hung Hsu, Yin-Xi Li, Hung-Ming Shen (Representative of Uni-president (Thailand) Ltd.)	THB 6,120,000	51.00%
		Mr. Youngyuth Chaiyaporn, Ms Duangporn Voravetvudhikun, Mr. Arnop Rattanavijitchai (Representative of Mass Marketing Co., Ltd)	THB 5,880,000	49.00%
	President	Kuo-Peng Chen	-	-
Uni-President (Vietnam) Co., Ltd.	Chairman	Chih-Hsien Lo (Representative of Uni-President Southeast Asia Holdings Ltd.)	VND 1,780,948,854,000	100.00%
	Director	Liang-Feng Wu, Tsung-Pin Wu, Jau Kai Hwang, Ching-Tien Li (Representative of Uni-President Southeast Asia Holdings Ltd.)	VND 1,780,948,854,000	100.00%
	President	Yi-Shen Chen	-	-



## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Uni-President Vietnam Aquatic Breeding Co., Ltd.	Chairman	Yi-Shen Chen (Representative of Uni-President (Vietnam) Co., Ltd.)	VND 262,650,000,000	100.00%
	Director	Su-Hao Chen (Representative of Uni-President (Vietnam) Co., Ltd.)	VND 262,650,000,000	100.00%
Tribeco Binh Doung Co., Ltd.	Chairman	Yi-Shen Chen (Representative of Uni-President (Vietnam) Co., Ltd.)	VND 907,000,000,000	100.00%
	Director	Su-Hao Chen, Kuo-Peng Chen (Representative of Uni-President (Vietnam) Co., Ltd.)	VND 907,000,000,000	100.00%
	President	Jung-Te Wu	-	-
North Tribeco Co., Ltd.	Chairman	Yi-Shen Chen (Representative of Tribeco Binh Doung Co., Ltd.)	VND 100,000,000,000	100.00%
	President	Jung-Te Wu	-	-
UPEC (India) Foods Private Ltd.	Director	Ching-Tien Li, Su-Hao Chen, Shu-Lin Su, Lavanya Sekar (Representative of Uni-President (Vietnam) Co., Ltd.)	INR 277,770,000	100.00%
Uni-President (Malaysia) SDN.BHD	Director	Ching-Tien Li, Su-Hao Chen (Representative of Uni-President (Vietnam) Co., Ltd.)	MYR 1,000,000	100.00%
		Tan Han Nee, Shao-Tsai Kuo, Chung-Chia Li	-	-
UPVN Trading Co., Ltd.	Chairman	Yi-Shen Chen (Representative of Uni-President (Vietnam) Co., Ltd.)	VND 5,000,000,000	100.00%
	Director	Su-Hao Chen (Representative of Uni-President (Vietnam) Co., Ltd.)	VND 5,000,000,000	100.00%
Uni-President (Philippines) Corp.	Chairman	Chih-Hsien Lo (Representative of Uni-President Southeast Asia Holdings Ltd.)	PHP 600,000,000	100.00%
	Director	Chun-Sheng Lin, Yi-Shen Chen, Yu-Tsen Wu, Lorna Patajo-Kapunon (Representative of Uni-President Southeast Asia Holdings Ltd.)	PHP 600,000,000	100.00%
	President	Chun-Sheng Lin	-	-
PT. Uni President Indonesia	Chairman	Wen-Lung Yang (Representative of Cayman President Holdings Ltd.)	400,000	80.00%
	Director	Kun-Lin Wu, Chun-Ming Wu (Representative of Cayman President Holdings Ltd.)	400,000	80.00%
	Supervisor	Hong-Jen Su (Representative of Uni-President Southeast Asia Holdings Ltd.)	100,000	20.00%
President Energy Development (Cayman Islands) Ltd.	Director	Long-Hong Lu, I-Chung Su, Chih-Hsien Lo, Chun-Huang Huang (Representative of President (BVI) International Investment Holdings Ltd.)	4,230,765	40.29%
		Tsung-Ming Su (Representative of Cayman President Holdings Ltd.)	2,677,500	25.50%
		Kun-Huang Tseng (Representative of Tainan Spinning Holdings (Cayman Islands) Ltd.)	743,610	7.08%
		A-Hua Deng (Representative of Kingland Overseas Development Inc.)	630,000	6.00%
		Ming-Fan Hsieh (Representative of Prince Housing & Development Corp.)	630,000	6.00%
	President	Chun-Huang Huang	-	-

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Uni-President China Holdings Ltd. (Cayman)	Chairman	Chih-Hsien Lo (Representative of Cayman President Holdings Ltd.)	3,044,508,000	70.49%
	Director	Xin-Hua Liu, Kuo-Hui Chen, Tsung-Ming Su (Representative of Cayman President Holdings Ltd.)	3,044,508,000	70.49%
	Independent Director	Sun-Te Chen, Ren-Da Fan, Chih-Hong Chen, Peter Lo	-	-
	President	Xin-Hua Liu	-	-
Uni-President Asia Holdings Ltd.	Director	Chih-Hsien Lo (Representative of Uni-President China Holdings Ltd. (Cayman))	USD 899,580,000	100.00%
Uni-President Hong Kong Holdings Limited	Director	Chih-Hsien Lo, Tsung-Ming Su, Chien-Hsiu Huang, Shou-Cheng Yang, Chi-Tai Liu, Tsung-Ping Wu, Chia-Heng Chen, Andrew Cho, Chien-Li Yin (Representative of Uni-President Asia Holdings Ltd.)	HKD 4,881,356,000	100.00%
Tong Ren Corp Limited.	Chairman	Chih-Hsien Lo (Representative of Uni-President Asia Holdings Ltd.)	100,000	100.00%
	Director	Jung-Lung Hou, Shou-Cheng Yang (Representative of Uni-President Asia Holdings Ltd.)	100,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of Uni-President Asia Holdings Ltd.)	100,000	100.00%
Uni-President Enterprises (China) Investment Co., Ltd.	Chairman	Chih-Hsien Lo (Representative of Uni-President Hong Kong Holdings Limited)	USD1,080,170,000	100.00%
	Director	Jung-Lung Hou, Kuo-Hui Chen (Representative of Uni-President Hong Kong Holdings Limited)	USD1,080,170,000	100.00%
	Supervisor	Tsung-Ming Su (Representative of Uni-President Hong Kong Holdings Limited)	USD1,080,170,000	100.00%
	President	Xin-hua Liu	-	-
Fuzhou President Enterprises Co., Ltd.	Chairman	Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 20,000,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 20,000,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 20,000,000	100.00%
Xinjiang President Enterprises Food Co., Ltd.	Chairman	Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 37,500,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 37,500,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 37,500,000	100.00%
Chengdu President Enterprises Food Co., Ltd.	Chairman	Chien-Hsiu Huang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 65,000,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 65,000,000	100.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 65,000,000	100.00%

## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Chengdu Unifies The Skillful Noodle Restaurant Dining Culture Limited Company	Chairman	Shou-Cheng Yang (Representative of Chengdu President Enterprises Food Co., Ltd.)	RMB 1,000,000	100.00%
	Director	Chien-Hsiu Huang, Xin-Hua Liu (Representative of Chengdu President Enterprises Food Co., Ltd.)	RMB 1,000,000	100.00%
	Supervisor	Tzu-Chiang Liu (Representative of Chengdu President Enterprises Food Co., Ltd.)	RMB 1,000,000	100.00%
Guangzhou President Enterprises Co., Ltd.	Chairman	Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 75,000,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 75,000,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 75,000,000	100.00%
Nanning President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representatives of Guangzhou President Enterprises Co., Ltd.)	USD 12,750,000	42.50%
	Director	Chih-Hsien Lo (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 17,250,000	57.50%
		Jung-Lung Hou (Representatives of Guangzhou President Enterprises Co., Ltd.)	USD 12,750,000	42.50%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 17,250,000	57.50%
Beijing President Enterprises Drinks Co., Ltd.	Chairman	Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 52,900,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 52,900,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 52,900,000	100.00%
President (Shanghai) Tranding Co., Ltd.	Chairman	Chien-Hsiu Huang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 8,600,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 8,600,000	100.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 8,600,000	100.00%
Wuhan President Enterprises Food Co., Ltd.	Chairman	Chien-Hsiu Huang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 59,600,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 59,600,000	100.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 59,600,000	100.00%
Nanchang President Enterprises Co., Ltd.	Chairman	Chien-Hsiu Huang (Representatives of Wuhan President Enterprises Food Co., Ltd.)	USD 6,120,000	86.09%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 37,880,000	86.09%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 37,880,000	86.09%

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Kunshan President Enterprises Food Co., Ltd.	Chairman	Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 96,000,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 96,000,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 96,000,000	100.00%
Shenyang President Enterprises Co., Ltd.	Chairman	Chien-Hsiu Huang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 39,900,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 39,900,000	100.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 39,900,000	100.00%
Hefei President Enterprises Co., Ltd.	Chairman	Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 60,000,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 60,000,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 60,000,000	100.00%
Harbin President Enterprises Co., Ltd.	Chairman	Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 29,200,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 29,200,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 29,200,000	100.00%
Zhenzhou President Enterprises Co., Ltd.	Chairman	Chien-Hsiu Huang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 37,000,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 37,000,000	100.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 37,000,000	100.00%
Kunming President Enterprises Food Co., Ltd.	Chairman	Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 25,000,000	83.33%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of Chengdu President Enterprises Food Co., Ltd.)	USD 5,000,000	16.67%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 25,000,000	83.33%
Champ Green Capital Co., Limited	Director	Chih-Hsien Lo, Chia-Ming Chai, Tzong-Yi Liou (Representative of Uni-President Asia Holdings Ltd.)	USD1,762,000	100.00%
Champ Green (Shanghai) Consulting Co., Ltd.	Director	Chih-Hsien Lo (Representative of Champ Green Capital Co., Limited)	USD 150,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of Champ Green Capital Co., Limited)	USD 150,000	100.00%
	President	Tzong-Yi Liou	-	-

## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Bama President Mineral Water Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 4,150,000	100.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou, (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 4,150,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 4,150,000	100.00%
Changsha President Enterprises Co., Ltd.	Chairman	Chien-Hsiu Huang (Representative of Wuhan President Enterprises Food Co., Ltd.)	USD 12,750,000	42.50%
	Director	Chih-Hsien Lo (Representative of Wuhan President Enterprises Food Co., Ltd.)	USD 12,750,000	42.50%
		Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 17,250,000	57.50%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 17,250,000	57.50%
Zhanjiang President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 16,000,000	64.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representatives of Guangzhou President Enterprises Co., Ltd.)	USD 9,000,000	36.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 16,000,000	64.00%
Akesu President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 11,000,000	55.00%
	Director	Chih-Hsien Lo, Tzu-Chiang Liu (Representative of Xinjiang President Enterprises Food Co., Ltd.)	USD 9,000,000	45.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 11,000,000	55.00%
Baiyin President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 11,000,000	55.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representative of Xinjiang President Enterprises Food Co., Ltd.)	USD 9,000,000	45.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 11,000,000	55.00%
Changchun President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 5,000,000	25.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representatives of Shenyang President Enterprises Co., Ltd.)	USD 15,000,000	75.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 5,000,000	25.00%
Uni-President (Shanghai) Pearly Century Co., Ltd.	Chairman	Jung-Lung Hou (Representative of Kunshan President Enterprises Food Co., Ltd.)	RMB 40,002,000	66.67%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of Uni-President Shanghai Management Consulting Co., Ltd.)	RMB 19,998,000	33.33%
	Supervisor	Kuo-Hui Chen (Representative of Kunshan President Enterprises Food Co., Ltd.)	RMB 40,002,000	66.67%
Chongqing President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of Chengdu President Enterprises Food Co., Ltd.)	USD 25,200,000	25.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 8,400,000	25.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 8,400,000	25.00%



### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Taizhou President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 7,500,000	25.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou, (Representative of Kunshan President Enterprises Food Co., Ltd.)	USD 22,500,000	75.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 7,500,000	25.00%
Uni-President Shanghai Managment Consulting Co., Ltd.	Chairman	Jung-Lung Hou (Representative of Kunshan President Enterprises Food Co., Ltd.)	RMB 20,000,000	100.00%
	Director	Chih-Hsien Lo (Representative of Kunshan President Enterprises Food Co., Ltd.)	RMB 20,000,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of Kunshan President Enterprises Food Co., Ltd.)	RMB 20,000,000	100.00%
Hainan President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 11,500,000	52.27%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representatives of Guangzhou President Enterprises Co., Ltd.)	USD 10,500,000	47.73%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 11,500,000	52.27%
Shijiazhuang President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 16,250,000	46.43%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representatives of Beijing President Enterprises Drinks & Food Co., Ltd.)	USD 18,750,000	53.57%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 16,250,000	46.43%
Jinan President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of Kunshan President Enterprises Food Co., Ltd.)	USD 13,500,000	55.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 16,500,000	55.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 16,500,000	55.00%
Guiyang President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 21,000,000	70.00%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representatives of Kunming President Enterprises Co., Ltd.)	USD 9,000,000	30.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 21,000,000	70.00%
Wuxue Uni Mineral Water Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 1,200,000	25.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representatives of Wuhan President Enterprises Food Co., Ltd.)	USD 3,600,000	75.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 1,200,000	25.00%
President (Shanghai) Private Label Marketing & Trading Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of Uni-President Hong Kong Holdings Limited)	USD 950,000	100.00%
	Director	Chien-Hsiu Huang, Chih-Chung Wei (Representative of Uni-President Hong Kong Holdings Limited)	USD 950,000	100.00%
	Supervisor	Kuo-Yao Hsu (Representative of Uni-President Hong Kong Holdings Limited)	USD 950,000	100.00%
	President	Chih-Chung Wei	-	-

## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Hangzhou President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 17,500,000	43.75%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representative of Kunshan President Enterprises Food Co., Ltd.)	USD 22,500,000	56.25%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 17,500,000	25.00%
Xuzhou President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 24,000,000	72.73%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representative of Kunshan President Enterprises Food Co., Ltd.)	USD 9,000,000	27.27%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 24,000,000	72.73%
Henan President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 19,500,000	65.00%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representative of Zhenzhou President Enterprises Co., Ltd.)	USD 10,500,000	35.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 19,500,000	65.00%
President (Kunshan) Trading Co., Ltd.	Chairman	Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 10,000,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 10,000,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 10,000,000	100.00%
Shaanxi President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 36,500,000	73.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representative of Zhenzhou President Enterprises Co., Ltd.)	USD 13,500,000	27.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 36,500,000	73.00%
Wuyuan President Enterprises Mineral Water Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 1,200,000	70.59%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representative of Kunshan President Enterprises Food Co., Ltd.)	USD 500,000	29.41%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 1,200,000	70.59%
Jiangsu President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 21,000,000	70.00%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representative of Kunshan President Enterprises Food Co., Ltd.)	USD 9,000,000	30.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 21,000,000	70.00%
Changbaishan Mountain President Enterprises (Jilin) Mineral Water Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	RMB 45,000,000	100.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representatives of Whuhan President Enterprises Co., Ltd.)	RMB 135,000,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	RMB 45,000,000	100.00%

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President Enterprises (Kunshan) Real Estate Development Co., Ltd.	Chairman	Jung-Lung Hou (Representative of President (Kunshan) Trading President Enterprises Co., Ltd.)	RMB 60,000,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President (Kunshan) Trading President Enterprises Co., Ltd.)	RMB 60,000,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President (Kunshan) Trading President Enterprises Co., Ltd.)	RMB 60,000,000	100.00%
Ningxia President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 7,000,000	43.75%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representative of Chengdu President Enterprises Food Co., Ltd)	USD 9,000,000	56.25%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 7,000,000	43.75%
President Enterprises (Inner Mongolia) Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 21,000,000	70.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representative of Chengdu President Enterprises Food Co., Ltd)	USD 9,000,000	30.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 21,000,000	70.00%
Beijing President Enterprise Drink&Food Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	-	-
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representative of Chengdu President Enterprises Food Co., Ltd)	-	-
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	-	-
Shanxi President Enterprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of Zhenzhou President Enterprises Co., Ltd.)	USD 13,500,000	55.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 16,500,000	55.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 16,500,000	55.00%
President Enterprises (Shanghai) Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of Chengdu President Enterprises Food Co., Ltd.)	USD 30,000,000	75.00%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 10,000,000	25.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 10,000,000	25.00%
Uni-President Enterprise (Hutubi) Tomato Products Technology Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 10,500,000	53.85%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representative of Xinjiang President Enterprises Food Co., Ltd.)	USD 9,000,000	46.15%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 10,500,000	53.85%
Uni-President Enterprises (Shanghai) Drink & Food Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD35,000,000	100.00%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD35,000,000	100.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	USD35,000,000	100.00%



## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Uni-President Trading (Hubei) Co., Ltd.	Chairman	Chien-Hsiu Huang (Representative of President Enterprises (China) Investment Co., Ltd.)	RMB 96,000,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	RMB 96,000,000	100.00%
	Supervisor	Tzu-Chiang Liu (Representative of President Enterprises (China) Investment Co., Ltd.)	RMB 96,000,000	100.00%
Uni-President Enterprises (Tianjin) Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of Beijing President Enterprises Drinks Co., Ltd.)	USD 12,000,000	100.00%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representative of Beijing President Enterprises Drinks Co., Ltd.)	USD 12,000,000	100.00%
	Supervisor	Tzu-Chiang Liu (Representative of Beijing President Enterprises Drinks Co., Ltd.)	USD 12,000,000	100.00%
Hunan President Enyerprises Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of Wuhan President Enterprises Food Co., Ltd.)	USD 6,000,000	100.00%
	Director	Chih-Hsien Lo, Chien-Hsiu Huang (Representative of Wuhan President Enterprises Food Co., Ltd.)	USD 6,000,000	100.00%
	Supervisor	Tzu-Chiang Liu (Representative of Wuhan President Enterprises Food Co., Ltd.)	USD 6,000,000	100.00%
Uni-Presodent Enterprises (Kunshan) Food Technology Co., Ltd.	Chairman	Jung-Lung Houg (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 12,000,000	100.00%
	Director	Chih-Hsien Lo, Shou-Cheng Yang (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 12,000,000	100.00%
	Supervisor	Kuo-Hui Chen (Representative of President Enterprises (China) Investment Co., Ltd.)	USD 12,000,000	100.00%
Yantai Tongli Beverage Industries Co., Ltd.	Chairman	Shou-Cheng Yang (Representative of Chengdu President Enterprises Food Co., Ltd.)	RMB 5,000,000	50.00%
	Director	Chih-Hsien Lo, Jung-Lung Hou (Representative of Uni-President (Shanghai) Pearly Century Co., Ltd.)	RMB 5,000,000	50.00%
	Supervisor	Kuo-Hui Chen (Representative of Chengdu President Enterprises Food Co., Ltd.)	RMB 5,000,000	50.00%
Kunshan President Kikkoman Biotechnology Co., Ltd.	Chairman	Mogi Osamu (Representative of Kikkoman Corporation )	USD 5,500,000	50.00%
	Vice Chairman	Jui-Shen Wang (Representative of Kai Yu(BVI) Investment Co.,Ltd)	USD 5,500,000	50.00%
	Director	Nakamura Mitsunobu, Mogi Osamu, Ikemizu Jo (Representatives of Kikkoman Corporation )	USD 5,500,000	50.00%
		Shih-Shi She, Chiu-Tien Lo, Jui-Hung Shao (Representatives of Kai Yu(BVI) Investment Co.,Ltd.)	USD 5,500,000	50.00%
	Supervisor	Chien-Li Yin (Representative of Kai Yu(BVI) Investment Co.,Ltd)	USD 5,500,000	50.00%
		Kawamata Satoshi (Representative of Kikkoman Corporation )	USD 5,500,000	50.00%
	President	Jui-Hung Shao	-	-

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President Kikkoman Zhenji Foods Co., Ltd.	Chairman	Mogi Osamu (Representative of Kikkoman Corporation)	RMB 150,000,000	50.00%
	Vice Chairman	Jui-Shen Wang (Representative of Cayman President Holdings Ltd.)	RMB 150,000,000	50.00%
	Director	Isobe Takashi, Nakamura Mitsunobu, Tsuda Masahiko (Representative of Kikkoman Corporation)	RMB 150,000,000	50.00%
		Chiu-Tien Lo, Shih-Shi She, Kun-Fu Tsai (Representative of Cayman President Holdings Ltd.)	RMB 150,000,000	50.00%
	Supervisor	Tsung-Pin Wu (Representative of Cayman President Holdings Ltd.)	RMB 150,000,000	50.00%
		Kawamata So (Representative of Kikkoman Corporation )	RMB 150,000,000	50.00%
President	Kun-Fu Tsai	-	-	
Uni-President Foodstuff (BVI) Holdings Ltd.	Director	Jui-Tien Huang (Representative of Cayman President Holdings Ltd.)	3	100.00%
Tianjiang President Enterprises Food Co., Ltd.	Chairman	Liang-Feng Wu (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	RMB 98,000,000	100.00%
	Director	Ching-Tien Lee, Ching-Sheng Cheng (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	RMB 98,000,000	100.00%
	Supervisor	Ming-Li Tsai (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	RMB 98,000,000	100.00%
	President	Chia-Hsiang Chang	-	-
Zhongshan President Enterprises Co., Ltd.	Chairman	Liang-Feng Wu (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	USD 19,400,000	100.00%
	Director	Jui-Tien Huang, Chia-Chuan Wang (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	USD 19,400,000	100.00%
	Supervisor	Ching-Sheng Cheng (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	USD 19,400,000	100.00%
	President	Chin-Hsiang Chiu	-	-
Changjiagang President Nisshin Food Co., Ltd.	Chairman	Chih-Hsien Lo (Representative of Cayman President Holdings Ltd.)	USD 11,900,000	70.00%
	Vice Chairman	Imamura Takao (Representative of the Nisshin Oillio Group, Ltd.)	USD 3,400,000	20.00%
	Director	Jui-Tien Huang, Ko-Wei Huang, Liang-Feng Wu, Yan-Liang Kuo, Liang-Feng Wu, Kun-lin Wu, Chen-Jui Lin (Representatives of Cayman President Holdings Ltd.)	USD 11,900,000	70.00%
		Kuno Takahisa (Representative of the Nisshin Oillio Group, Ltd.)	USD 3,400,000	20.00%
		Nashinoki Hiroshi (Representative of the Nisshin Oillio(China)Investment co., Ltd.)	USD 1,700,000	10.00%
	Supervisor	Ming-Hui Cheng (Representative of Cayman President Holdings Ltd.)	USD 11,900,000	70.00%
	President	Liang-Feng Wu	-	-

## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Qingdao President Feed & Livestock Co., Ltd.	Chairman	Liang-Feng Wu (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	USD 15,000,000	100.00%
	Director	Ching-Tien Lee, Ching-Sheng Cheng (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	USD 15,000,000	100.00%
	Supervisor	Ming-Li Tsai (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	USD 15,000,000	100.00%
	President	Chun-Chang Chen	-	-
Shanghai Songjiang President Enterprises Co., Ltd.	Chairman	Jui-Tien Huang (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	USD 19,000,000	100.00%
	Director	Ching-Sheng Cheng, Chia-Chuan Wang (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	USD 19,000,000	100.00%
	Supervisor	Shao-Tuan Chu (Representative of Uni-President Foodstuff (BVI) Holdings Ltd.)	USD 19,000,000	100.00%
	President	Ching-Sheng Cheng	-	-
President International Trade & Investment Corp.	Director	Tsung-Pin Wu (Representative of Uni-President Enterprises Corp.)	10,700	100.00%
Kai Yu Investment Co., Ltd.	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	127,008,780	100.00%
	Director	Chien-Li Yin, Tsung-Ming Su (Representative of Uni-President Enterprises Corp.)	127,008,780	100.00%
	Supervisor	Tsung-Pin Wu (Representative of Uni-President Enterprises Corp.)	127,008,780	100.00%
Kai Yu (BVI) Investment Co., Ltd.	Director	Chih-Hsien Lo (Representative of Kai Yu Investment Co., Ltd.)	1	100.00%
Tung Ang Enterprises Corp.	Chairman	Jau-Kai Hwang (Representative of Kai Yu Investment Co., Ltd.)	3,000,000	100.00%
	Director	Chwan-Kae Lin, Chin-Chou Cheng (Representative of Kai Yu Investment Co., Ltd.)	3,000,000	100.00%
	Supervisor	Ming-Hui Cheng (Representative of Kai Yu Investment Co., Ltd.)	3,000,000	100.00%
	President	Ying-Chun Cheng	-	-
Tung Guan Enterprises Co., Ltd.	Chairman	Chia-Chuan Wang (Representative of Kai Yu Investment Co., Ltd.)	2,000,000	100.00%
	Director	Kou-Lung Ho, Ching-Tien Lee (Representative of Kai Yu Investment Co., Ltd.)	2,000,000	100.00%
	Supervisor	Li-An Lu (Representative of Kai Yu Investment Co., Ltd.)	2,000,000	100.00%
	President	San-Lang Shen	-	-
Nanlien International Corp.	Chairman	Tong-Liang Lee (Representative of Uni-President Enterprises Corp.)	99,999,184	99.99%
	Director	Chih-Hsien Lo, Mao-Yuan Wu, Jui-Tang Chen, Qi-Zhao Lu, Zhuan-Kai Lin, Guo-Ren Liang (Representative of Uni-President Enterprises Corp.)	99,999,184	99.99%
	Supervisor	Chien-Li Yin (Representative of Kai Yu Investment Co., Ltd.)	196	0.00%
	President	Mao-Yuan Wu	-	-
Cayman Nanlien Holding Ltd.	Director	Tong-Liang Lee, Mao-Yuan Wu (Representative of Nanlien International Corp.)	USD 2,710,000	100.00%

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Lien-Song Enterprises Corp.	Chairman	Jin-Ming Feng (Representative of Nanlien International Corp.)	6,500,000	100.00%
	Director	Wen-Bin Liao, Fu-Yuan Yu, Hong-Liang Li, Meng-Zong Guo, Qing-Rong Yang (Representative of Nanlien International Corp.)	6,500,000	100.00%
	Supervisor	Zhi-Zhong Lin(Representative of Nanlien International Corp.)	6,500,000	100.00%
	President	Hong-Liang Li	-	-
Hua-Zuo Corp.	Chairman	Jun-Wei Xiao (Representative of Nanlien International Corp.)	480,000	60.00%
	Director	Shi-Ming Li (Representative of Nanlien International Corp.)	480,000	60.00%
		Qin-He Huang	320,000	40.00%
	Supervisor	Zhu Huang	-	-
President	Yao-Cong Cheng	-	-	
Hui-Sheng Enterprise Corp.	Chairman	Qiu-Tian Luo (Representative of Nanlien International Corp.)	900,000	100.00%
	Director	Jin-Ming Feng, Yi-Qi Xie (Representative of Nanlien International Corp.)	900,000	100.00%
	Supervisor	Qiu-Mei Lin (Representative of Nanlien International Corp.)	900,000	100.00%
	President	Guo-Long Wang	-	-
Tung-Shen Co., Ltd.	Chairman	Wen-Bin Chen (Representative of Nanlien International Corp.)	1,600,000	100.00%
	Director	Chiu-Tien Lo, Shi-Qi She (Representative of Nanlien International Corp.)	1,600,000	100.00%
	Supervisor	Zhi-Zhong Lin(Representative of Nanlien International Corp.)	1,600,000	100.00%
	President	Song-Tian Huang	-	-
Sheng-Miao Industrial Corp.	Chairman	Jin-Zhang Wei (Representative of Nanlien International Corp.)	360,000	36.00%
	Director	Jun-Tai Chen (Representative of Nanlien International Corp.)	360,000	36.00%
		Chun-Shiung Tsai	230,000	23.00%
	Supervisor	Lian-Huo Xie	130,000	13.00%
	President	Yi Xue	-	-
Jin-Guan-Cheng Corp.	Chairman	Yao-Tian Ke (Representative of Nanlien International Corp.)	160,000	40.00%
	Director	Tong-Hong Su (Representative of Nanlien International Corp.)	160,000	40.00%
		Yue-Tian Zheng	144,000	36.00%
	Supervisor	Xu-Wen Guo	96,000	24.00%
	President	Hong-Syu Yan	-	-
Tung-You Internation Corp.	Chairman	Rui-Sheng Wang (Representative of Nanlien International Corp.)	3,729,900	93.25%
	Director	Zhao-Kai Huang, Mao-Yuan Wu (Representative of Nanlien International Corp.)	3,729,900	93.25%
	Supervisor	Xong-Ru Chen (Representative of Lien-Bo Enterprises Corp.)	100	0.00%
	President	Chuang-Cheng Qiu	-	-

## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Tung-Bo Enterprise Corp.	Chairman	Qi-Zhao Lu (Representative of Nanlien International Corp.)	750,000	50.00%
	Director	Jin-Zhang Wei (Representative of Nanlien International Corp.)	750,000	50.00%
		Guo-Shun Zhou	450,000	30.00%
	Supervisor	Chou-Mei Chen	300,000	20.00%
	President	Xin-Bei Shi	-	-
Tung-Shun Enterprises Corp.	Chairman	Guo-Hong Lai (Representative of Nanlien International Corp.)	3,105,000	69.00%
	Director	Zong-Han Lin (Representative of Nanlien International Corp.)	3,105,000	69.00%
		Bor-Chin Zhang	20,000	0.44%
	Supervisor	Zheng-Chun Huang	405,000	9.00%
	President	Mao-Lin Gao	-	-
Tung-Hsiang Enterprises Corp.	Chairman	Sheng-Fu Liu(Representative of Nanlien International Corp.)	2,295,000	51.00%
	Director	Ying-Jun Zhang (Representative of Nanlien International Corp.)	2,295,000	51.00%
		Tong-Liang Lee (Representative of Huei Tung Investment Corp.)	1,000,000	22.22%
		Rui-Cheng Xu (Representative of Huei Tung Enterprise Corp.)	440,000	9.78%
	Supervisor	Jun-Xiang Xu	90,000	2.00%
	President	Hong-Ming Xu	-	-
Yuan-Tai Enterprises Corp.	Chairman	Sheng-Fu Liu(Representative of Nanlien International Corp.)	280,500	51.00%
	Director	Jun-Jie Xie (Representative of Nanlien International Corp.)	280,500	51.00%
		Jian-Ting Chen	87,250	15.86%
		Qin-Min Liao	55,000	10.00%
	Supervisor	Zheng-Han Gao	10,000	1.82%
	President	Yuan-Jin Lin	-	-
Tung-Yi Enterprises Corp.	Chairman	Yao-Tian Ke (Representative of Nanlien International Corp.)	1,220,000	46.92%
	Director	Xin-Guo Deng (Representative of Nanlien International Corp.)	1,220,000	46.92%
		Shi-Jie Wang	215,000	8.27%
	Supervisor	Rui-Fang Fu	-	-
	President	Qiu-Xiang Yang	-	-
Tung-Che Enterprises Corp.	Chairman	Chiu-Tien Lo (Representative of Nanlien International Corp.)	2,000,000	100.00%
	Director	Mao-Yuan Wu, Shi-Qi She (Representative of Nanlien International Corp.)	2,000,000	100.00%
	Supervisor	Zhi-Zhong Lin (Representative of Nanlien International Corp.)	2,000,000	100.00%
	President	Zheng-An Li	-	-

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Tung-Xiang Corp.	Chairman	Rui-Sheng Wang (Representative of Nanlien International Corp.)	8,000,000	100.00%
	Director	Wen-Lung Yang, Mao-Yuan Wu (Representative of Nanlien International Corp.)	8,000,000	100.00%
	Supervisor	Qiu-Mei Lin (Representative of Nanlien International Corp.)	8,000,000	100.00%
	President	Wei-Hong Weng	-	-
Tung-Ju Enterprise Corp.	Chairman	Wen-Lung Yang (Representative of Nanlien International Corp.)	1,530,000	51.00%
	Director	Qi-Zhao Lu, Kuan-Yu Tseng (Representative of Nanlien International Corp.)	1,530,000	51.00%
	Supervisor	Sen-Tai Lai (Representative of Chang-Tung Enterprise Corp.)	411,300	13.71%
	President	Zhong-Yong Li	-	-
Xin-Tung Enterprise Corp.	Chairman	Qi-Zhao Lu (Representative of Nanlien International Corp.)	3,185,000	91.00%
	Director	Szu-Tuan Chou, Hong-Jen Su (Representative of Nanlien International Corp.)	3,185,000	91.00%
	Supervisor	Jin-Quan Guo	315,000	9.00%
	President	Jun-Lin Fu	-	-
Lien-Bo Enterprises Corp.	Chairman	Wen-Bin Liao (Representative of Nanlien International Corp.)	20,000,000	100.00%
	Director	Meng-Zong Guo, Fu-Yuan Yu, Qing-Rong Yang, Zhi-Hao Pang Zhao-Zhi Huang (Representatives of Nanlien International Corp.)	20,000,000	100.00%
	Supervisor	Zhi-Zhong Lin (Representative of Nanlien International Corp.)	20,000,000	100.00%
	President	Fu-Yuan Yu	-	-
Tunnel International Marketing Corp.	Director	Tong-Liang Lee, Mao-Yuan Wu (Representative of Cayman Nanlien Holding Ltd.)	USD 20,000	100.00%
Shanghai E & P Trading Co., Ltd.	Chairman	Xin Wang (Representative of Oriental Pioneering Sugar & Wine Co., Ltd.)	RMB 5,000,000	50.00%
	Director	Jia-Bin Yao, Xiao-Po Chen (Representative of Oriental Pioneering Sugar & Wine Co., Ltd.)	RMB 5,000,000	50.00%
		Mao-Yuan Wu, Rui-Min Chen (Representatives of Cayman Nanlien Holding Ltd.)	RMB 5,000,000	50.00%
		Jing-Sheng Zheng (Representatives of Cayman Nanlien Holding Ltd.)	RMB 5,000,000	50.00%
	Supervisor	Zhan-Hong Mao (Representative of Oriental Pioneering Sugar & Wine Co., Ltd.)	RMB 5,000,000	50.00%
		Rui-Mi Chen	-	-
Tung-Xiang Xin Yeh Corp.	Chairman	Chia-Chuan Wang (Representative of Nanlien International Corp.)	1,200,000	100.00%
	Director	Tsai-Fa Chuang, Rong-Zhe Li (Representative of Nanlien International Corp.)	1,200,000	100.00%
	Supervisor	Yi-Zhi Liu (Representative of Nanlien International Corp.)	1,200,000	100.00%
	President	Jiu-Qing Lin	-	-



## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Tung-Ying Enterprises Corp.	Chairman	Ci-Duan Zhou (Representative of Nanlien International Corp.)	2,117,491	95.04%
	Director	Chuan-Kai Lin, Wen-Xu Chen (Representative of Nanlien International Corp.)	2,117,491	95.04%
	Supervisor	Ji-Mao Hong	110,509	4.96%
	President	Wen-Yi Su	-	-
Wei-Tong Enterprise Coporation	Chairman	Ying-Thung Yu (Representative of Nanlien International Corp. )	1,212,500	48.50%
	Director	Chuan-Kai Lin(Representative of Nanlien International Corp. )	1,212,500	48.50%
	Director	Su-E Li	20,000	0.80%
	Supervisor	Si-Liang Chen	62,500	2.50%
	President	Yao-De Wang	-	-
Cheng-Fa Enterprises Corp.	Chairman	Ying-Thung Yu (Representative of Nanlien International Corp. )	540,000	54.00%
	Director	Chuan-Kai Lin (Representative of Nanlien International Corp. )	540,000	54.00%
	Director	Si-Liang Chen	30,000	3.00%
	Supervisor	Jing-Yao Su	80,000	8.00%
	President	Qing-Ji Zhang	-	-
Yi Fa Enterprises Corp.	Chairman	Zai-Fa Zhuang (Representative of Nanlien International Corp. )	813,000	45.17%
	Director	Qi-Ming Chen (Representative of Nanlien International Corp. )	813,000	45.17%
		Wen-Zhong You	170,000	9.40%
	Supervisor	Mei-Jin Lin	414,000	23.00%
	President	Wun-Qin Wu	-	-
Fu Yi Enterprises Corp.	Chairman	Shi-Ming Li(Representative of Nanlien International Corp. )	2,047,000	45.49%
	Director	Jian-Yi Li (Representative of Nanlien International Corp. )	2,047,000	45.49%
		Guo-Shun Zhou	228,200	5.07%
	Supervisor	Gin-Yu Liu	422,000	9.38%
	President	Xun-Nan Guo	-	-
Kun Fu Corp.	Chairman	Zhen-Ming Luo (Representative of Nanlien International Corp. )	150,000	10.00%
	Director	Zhong-Zheng Tu, Li-Xian Jiang (Representative of Nanlien International Corp. )	496,000	33.07%
	Supervisor	Qing-Biao Chen	106,000	7.07%
	President	Zhen-Yin Fan	-	-
President Chain Store Corporation	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	471,996,430	45.40%
	Director	Tsung-Ming Su, Wen-Long Yang, Jui-Tang Chen, Kun-Lin Wu, Jui-Tien Huang, Jau-Kai Hwang, Chung-Pin Wu, Wen-Chi Wu (Representative of Uni-President Enterprises Corp.)	471,996,430	45.40%
		Shiow-Ling Kao (Representative of Chyuan Inv. Co., Ltd.)	4,876,775	0.47%
	Independent Director	Wen-Yeu Wang, M.David Chen, Pei-Gi Shu	-	-
	President	Jui-Tang Chen	13,652	0.00%

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President Chain Store (BVI) Holdings Ltd.	Director	Chih-Hsien Lo, Jui-Tang Chen (Representative of President Chain Store Corp.)	USD 171,950,000	100.00%
	Chairman	Jui-Tang Chen (Representative of President Chain Store Corp.)	6,500,000	100.00%
Ren-Hui Investment Corp.	Director	Kuo-Hsuan Wu, Lien-Tang Hsieh (Representative of President Chain Store Corp.)	6,500,000	100.00%
	Supervisor	Wen-Chi Wu (Representative of President Chain Store Corp.)	6,500,000	100.00%
	President	Jui-Tang Chen	-	-
	Director	Jui-Tien Huang, Lien-Tang Hsieh (Representative of Ren-Hui Investment Corp.)	USD 2,000,000	100.00%
Ren Hui Holding Co., Ltd.	Chairman	Jui-Tien Huang (Representative of President Chain Store Corp.)	2,500,000	100.00%
	Director	Chi-Chang Lin, Kuo-Jen Liang (Representative of President Chain Store Corp.)	2,500,000	100.00%
	Supervisor	Yi-Shiung Hsiu (Representative of President Chain Store Corp.)	2,500,000	100.00%
	President	Hong-Chang Chiu	-	-
	Chairman	Shiow-Ling Kao (Representative of President Chain Store Corp.)	78,520,000	100.00%
Capital Inventory Services Corp.	Director	Jui-Tang Chen, Yu-Chen Huang (Representative of President Chain Store Corp.)	78,520,000	100.00%
	Supervisor	Ying-Chih Kuo (Representative of President Chain Store Corp.)	78,520,000	100.00%
	President	Yu-Chen Huang	-	-
	Chairman	Pao-Ming Wang (Representative of President Chain Store Corp.)	10,000,000	100.00%
President Drugstore Business Corp.	Director	Jui-Tang Chen, Ching-Feng Kuo (Representative of President Chain Store Corp.)	10,000,000	100.00%
	Supervisor	Li-Ling Chang (Representative of President Chain Store Corp.)	10,000,000	100.00%
	President	Pao-Ming Wang	-	-
	Chairman	Kuo-Hsuan Wu (Representative of President Chain Store Corp.)	10,847,421	100.00%
21 Century Enterprise Co., Ltd.	Director	Jui-Tang Chen, Cheng-Hsin Chiang (Representative of President Chain Store Corp.)	10,847,421	100.00%
	Supervisor	Hsin-Ti Lai (Representative of President Chain Store Corp.)	10,847,421	100.00%
	President	Cheng-Nan Chen	-	-
	Chairman	Shiow-Ling Kao (Representative of President Chain Store Corp.)	1,500,000	100.00%
Wisdom Distribution Service Corp.	Director	Jui-Tang Chen, Pei-Jung Chen (Representative of President Chain Store Corp.)	1,500,000	100.00%
	Supervisor	Kuo-Jen Liang (Representative of President Chain Store Corp.)	1,500,000	100.00%
	President	Pei-Jung Chen	-	-
	Chairman	Shiow-Ling Kao (Representative of President Chain Store Corp.)	1,500,000	100.00%
President Being Corp.	Director	Jui-Tang Chen, Pei-Jung Chen (Representative of President Chain Store Corp.)	1,500,000	100.00%
	Supervisor	Kuo-Jen Liang (Representative of President Chain Store Corp.)	1,500,000	100.00%
	President	Pei-Jung Chen	-	-
	Chairman	Shiow-Ling Kao (Representative of President Chain Store Corp.)	1,500,000	100.00%



## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President Chain Store Corporation Insurance Brokers Co., Ltd.	Chairman	Chi-Chang Lin (Representative of President Chain Store Corp.)	1,500,000	100.00%
	Director	Ching-Hsun Hsieh, Wen-Ji Lua (Representative of President Chain Store Corp.)	1,500,000	100.00%
	Supervisor	Li-Ling Chang (Representative of President Chain Store Corp.)	1,500,000	100.00%
	President	Wen-Ji Lua	-	-
Cold Stone Creamery Taiwan, Ltd.	Chairman	Chi-Chang Lin (Representative of President Chain Store Corp.)	12,244,390	100.00%
	Director	Yao-Te Wang, Hsing-Jou Chen (Representative of President Chain Store Corp.)	12,244,390	100.00%
	Supervisor	Li-Ling Chang (Representative of President Chain Store Corp.)	12,244,390	100.00%
	President	Chia-Chi Su	-	-
Uni-President Oven Bakery Corp.	Chairman	Kun-Shun Tsai (Representative of President Chain Store Corp.)	6,511,963	100.00%
	Director	Guang-Yu Hsu, Kun-Lin Wu (Representative of President Chain Store Corp.)	6,511,963	100.00%
	Supervisor	Li-Ling Chang (Representative of President Chain Store Corp.)	6,511,963	100.00%
	Vice President	Hsiao-Ching Yeh	-	-
President Yilan Art and Culture Corp.	Chairman	Jui-Tang Chen (Representative of President Chain Store Corp.)	20,000,000	100.00%
	Director	Wen-Ji Lua, Pao-Ming Wang (Representative of President Chain Store Corp.)	20,000,000	100.00%
	Supervisor	Li-Ling Chang (Representative of President Chain Store Corp.)	20,000,000	100.00%
	President	Wen-Ji Lua	-	-
President Chain Store Tokyo Marketing Corporation	Chairman	Kuo-Hsuan Wu (Representative of President Chain Store Corp.)	9,800	100.00%
	Director	Lien-Tang Hsieh, Chin-Fu Wu (Representative of President Chain Store Corp.)	9,800	100.00%
	Supervisor	Hsi-Yung Tsung (Representative of President Chain Store Corp.)	9,800	100.00%
	President	Wen-Ji Lua	-	-
ICASH Corporation	Chairman	Jui-Tien Huang (Representative of President Chain Store Corp.)	50,000,000	100.00%
	Director	Lien-Tang Haieh, Chi-Chang Lin, Chia-Hua Chang, Huang-Chi Chang (Representative of President Chain Store Corp.)	50,000,000	100.00%
	Supervisor	Chia-Ming Chai (Representative of President Chain Store Corp.)	50,000,000	100.00%
	President	Yu-Lin Liang	-	-
Uni-President Superior Commissary Corp.	Chairman	Jui-Tang Chen (Representative of President Chain Store Corp.)	48,519,890	90.00%
	Director	Min-Chien Lee, Po-Wen Yeh, Lien-Tang Hsieh (Representative of President Chain Store Corp.)	48,519,890	90.00%
		Chang-Chi Lin (Representatives of Asia Frozen Food Corp.)	5,391,099	10.00%
	Supervisor	Ching-Feng Kuo (Representative of Ren-Hui Investment Corp.)	1	-
	President	Kai-Jung Chen	-	-

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President Pharmaceutical Corp.	Chairman	Shiow-Ling Kao (Representative of President Chain Store Corp.)	22,121,962	73.74%
	Director	Jui-Tang Chen, Jui-TienHuang, Jau-Kai Hwang, Huang, Yu-Chen Huang, Chia-Feng Chai (Representative of President Chain Store Corp.)	22,121,962	73.74%
		Ping-Chih Wu (Representative of Taipo Investment Corp.)	3,000,000	10.00%
		Tian-Mao Lin, Chung-Ho Wu (Representatives of Tung-Ren Investment Corp.)	579,091	1.93%
	Supervisor	Ying-Chih Kuo (Representative of Ren-Hui Investment Corp.)	1	0.00%
	President	Jui-Tien Huang	-	-
President Transnet Corp.	Chairman	Jui-Tang Chen (Representative of President Chain Store Corp.)	103,496,399	70.00%
	Director	Li-An Lu (Representative of Uni-President Enterprises Corp.)	29,570,400	20.00%
		Kuo-Hsuan Wu, Lien-Tang Hsieh, Chao-Sai Huang (Representative of President Chain Store Corp.)	103,496,399	70.00%
		Masaki Yamauchi (Representatives of Yamato Holdings Co., Ltd.)	14,785,200	10.00%
	Supervisor	Wen-Chi Wu (Representative of Ren-Hui Investment Corp.)	1	-
	President	Hui-Chen Wu	-	-
President Collect Services Co., Ltd.	Chairman	Jui-Tang Chen (Representative of President Chain Store Corp.)	1,049,999	70.00%
	Director	Kuo-Hsuan Wu, Lien-Tang Hsieh, Li-An Lu, Chao-Sai Huang (Representative of President Chain Store Corp.)	1,049,999	70.00%
		Masaki Yamauchi; Ogata Naomi (Representatives of Yamato Holdings Co., Ltd.)	450,000	30.00%
	Supervisor	Wen-Chi Wu (Representative of Ren-Hui Investment Corp.)	1	0.00%
		Sadatomo Hiroki	-	-
	President	Hui-Chen Wu	-	-
Uni-President Department Store Corp.	Chairman	Shiow-Ling Kao (Representative of President Chain Store Corp.)	27,999,999	70.00%
	Director	Jui-Tang Chen, Pao-Ming Wang (Representative of President Chain Store Corp.)	27,999,999	70.00%
		Kuo-Kuang Chang (Representative of Uni-President Enterprises Corp.)	12,000,000	30.00%
	Supervisor	Wen-Chi Wu (Representative of Ren-Hui Investment Corp.)	1	0.00%
	President	Pao-Ming Wang	-	-

## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Mech-President Corp.	Chairman	Kuo-Hsuan Wu (Representative of President Chain Store Corp.)	55,858,815	80.87%
	Director	Chin-Yi Liao, Wen-Sheng Kuo (Representative of President Chain Store Corp.)	55,858,815	80.87%
		Jau-Kai Hwang, Ming-Hsiu Yen (Representative of Uni-President Enterprises Corp.)	13,046,358	18.89%
	Supervisor	Yung-Yu Wang (Representative of Ren-Hui Investment Corp.)	1	0.00%
	President	Chin-Yi Liao	-	-
Q-ware Systems & Services Corp.	Chairman	Chia-Hua Chang (Representative of President Chain Store Corp.)	24,382,921	86.76%
	Director	Cheng-Hsin Chiang, Huang-Chi Chang (Representative of President Chain Store Corp.)	24,382,921	86.76%
		Po-Ming Hou (Representative of Taiwan Spinning Co., Ltd.)	172,347	0.61%
		Kuan-Chen Lin (Representative of Fonmau Cereal Industrial Co., Ltd.)	243,898	0.87%
	Supervisor	Ying-Chih Kuo (Representative of Ren-Hui Investment Corp.)	1	0.00%
		Yuan-Hung Peng (Representative of Nan Fan Housing Development Co., Ltd.)	699,071	2.49%
	President	Jung-Wei Fang	-	-
Uni-President Cold Chain Corp.	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	7,868,347	20.00%
	Director	Jui-Tien Huang, Chao-Kai Huang (Representative of Uni-President Enterprises Corp.)	7,868,347	20.00%
		Jui-Tang Chen, Kuo-Hsuan Wu, Lien-Tang Hsieh, Tsai-Yuan Chang (Representative of President Chain Store Corp.)	23,605,042	60.00%
		Mao-Yuan Wu (Representative of Nanlien International Corp.)	7,868,347	20.00%
	Supervisor	Chi-Chang Lin (Representative of Ren-Hui Investment Corp.)	1	0.00%
	President	Tsai-Yuan Chang	-	-
President Information Corp.	Chairman	Chia-Hua Chang (Representative of President Chain Store Corp.)	25,714,475	86.00%
	Director	Ching-Hsun Hsieh, Jui-Tien Huang, Huang-Chi Chang, Ching-Hsin Chen (Representative of President Chain Store Corp.)	25,714,475	86.00%
		Fukami Yasuo (Representative of Nomura Research Institute Ltd.)	4,186,074	14.00%
	Supervisor	Ying-Chi Kuo (Representative of Ren-Hui Investment Corp.)	1	0.00%
	President	Chia-Hua Chang	-	-

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Duskin Serve Taiwan Co.	Chairman	Lien-Tang Hsieh (Representative of President Chain Store Corp.)	10,199,999	51.00%
	Director	Hsin-Mei Lee, Hsing-Jou Chen, Chin-Ming Shu (Representative of President Chain Store Corp.)	10,199,999	51.00%
		Asano Takahito; Enomoto Masakazu; Okai Kazuo; Kusano Shigeki (Representatives of Duskin Co., Ltd.)	9,800,000	49.00%
	Supervisor	Ying-Chih Kuo (Representative of Ren-Hui Investment Corp.)	1	0.00%
	President	Shigeyoshi Yasuto	-	-
		Ta-Cheng Lai	-	-
Afternoon Tea Taiwan Co., Ltd.	Chairman	Ying-Chi Kuo	-	-
	Supervisor	Li-Ling Chang (Representative of Ren-Hui Investment Corp.)	1	0.00%
		Masao Muto	-	-
Books.com. Co., Ltd.	Chairman	Pi-Jung Lin	1,900,000	9.50%
	Director	Lien-Tang Hsieh, Cheng-Nan Chen, Pao-Ming Wang, Hsing-Jou Chen (Representative of President Chain Store Corp.)	9,999,999	50.03%
		Yu-Chun Chen, Ya-Ju Chang (Representatives of Clever Investment Co., Ltd.)	200,000	1.00%
	Supervisor	Wen-Chi Wu (Representative of Ren-Hui Investment Corp.)	1	0.00%
		Ya-Ling Chang	143,000	0.72%
	President	Ming-Yih Kao	-	-
Retail Support International Corp.	Chairman	Jui-Tang Chen (Representative of President Chain Store Corp.)	6,429,999	25.00%
	Director	Kuo-Hsuan Wu (Representative of President Chain Store Corp.)	6,429,999	25.00%
		Chih-Hsien Lo, Jui-Tien Huang (Representative of Uni-President Enterprises Corp.)	5,144,000	20.00%
		Yutaka Komori (Representatives of Mitsubishi Corp.)	9,002,000	35.00%
		Mao-Yuan Wu (Representative of Nanlien International Corp.)	5,144,000	20.00%
	Supervisor	Chung-Chin Yang (Representative of Ren-Hui Investment Corp.)	1	-
	President	Chao-Sai Huang	-	-
President Chain Store (Labuan) Holdings Ltd.	Director	Chih-Hsien Lo, Jui-Tang Chen (Representatives of President Chain Store (BVI) Holdings Ltd.)	USD 29,163,000	100.00%

## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Philippine Seven Corp.	Chairman	Jose T. Pardo	2	-
	Vice Chairman	Wen-Chi Wu (Representative of President Chain Store (Labuan) Holdings Ltd.)	394,970,516	52.22%
	Director	Jui-Tang Chen, Chi-Chang Lin, Lien-Tang Hsieh, Jose Victor P. Paterno, Jui-Tien Huang (Representative of President Chain Store (Labuan) Holdings Ltd.)	394,970,516	52.22%
		Ma. Cristina P. Paterno	13,200,074	1.75%
		Jorge L. Araneta ( Representative of Progressive Development Corp.)	17,342,411	2.29%
	Independent Director	Antonio Jose U.Periouet Jr., Michael B. Zalamea	2	-
	President	Jose Victor P. Paterno	-	-
Convenience Distribution Inc.	Chairman	Jose Victor P. Paterno (Representative of Philippine Seven Corp.)	4,500,000	100.00%
	Director	Chao-Shun Tseng, Ying-Jung Lee, Liwayway T. Fernandez, Eduardo P. Bataclan (Representative of Philippine Seven Corp.)	4,500,000	100.00%
	President	Jose Victor P. Paterno	-	-
President Chain Store (Hong Kong) Holdings Limited	Director	Jui-Tang Chen (Representatives of President Chain Store (BVI) Holdings Ltd.)	USD 134,603,000	100.00%
		Kuo-Hsuan Wu	-	-
Shanghai President Logistic Co., Ltd.	Chairman	Hung-Chun Lin (Representative of President Chain Store (Hong Kong) Holdings Limited)	USD 2,000,000	100.00%
	Director	Kuan-Hung Hsieh, Yi-Lung Wu (Representative of President Chain Store (Hong Kong) Holdings Limited)	USD 2,000,000	100.00%
	Supervisor	Hsi-Yung Tsung (Representative of President Chain Store (Hong Kong) Holdings Limited)	USD 2,000,000	100.00%
	President	Sung-Hong Chang	-	-
President Logistic ShanDong Co., Ltd.	Chairman	Hung-Chun Lin (Representative of Shanghai President Logistic Co., Ltd.)	RMB 50,000,000	100.00%
	Director	Sung-Hong Chang, Ming-Hui Hsu (Representative of Shanghai President Logistic Co., Ltd.)	RMB 50,000,000	100.00%
	Supervisor	Hsi-Yung Tsung (Representative of Shanghai President Logistic Co., Ltd.)	RMB 50,000,000	100.00%
	President	Ming-Hui Hsu	-	-
President Chain Store (Shanghai) Ltd.	Chairman	Jui-Tang Chen (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 500,000,000	100.00%
	Director	Lien-Tang Hsieh, Hung-Chun Lin (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 500,000,000	100.00%
	Supervisor	Wen-Chi Wu (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 500,000,000	100.00%
	President	Hung-Chun Lin	-	-
PCSC Restaurant (Cayman) Holdings Limited	Director	Lien-Tang Hsieh, Wen-Chi Wu (Representative of President Chain Store (Hong Kong) Holdings Limited)	USD 8,954,000	100.00%

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Shanghai President Chain Store Corporation Trade Co., Ltd.	Chairman	Hung-Chun Lin (Representative of PCSC Restaurant (Cayman) Holdings Limited)	USD 8,880,000	100.00%
	Director	Sung-Hong Chang, Kuan-Hung Hsieh (Representative of PCSC Restaurant (Cayman) Holdings Limited)	USD 8,880,000	100.00%
	Supervisor	Tai-Yi Sung (Representative of PCSC Restaurant (Cayman) Holdings Limited)	USD 8,880,000	100.00%
	President	Hung-Chun Lin	-	-
PCSC (Chengdu) Hypermarket Limited	Chairman	Hung-Chun Lin (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 132,000,000	100.00%
	Director	Yi-Lung Wu, Sung-Hong Chang (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 132,000,000	100.00%
	Supervisor	Ming-Wei Mo (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 132,000,000	100.00%
	President	Hung-Chun Lin	-	-
Shan Dong President Yinzuo Commercial Limited	Chairman	Zhi-Sheng Wang (Representative of Shandong Silver Plaza Co., Ltd.)	RMB 27,000,000	45.00%
	Director	Jui-Tang Chen, Hung-Chun Lin (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 24,000,000	40.00%
		Jui-Tien Huang (Representative of Ren Hui Holding Co., Ltd.)	RMB 9,000,000	15.00%
		Wei Zhang (Representative of Shandong Silver Plaza Co., Ltd.)	RMB 27,000,000	45.00%
		Yea-Yun Cheng (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 24,000,000	40.00%
	Supervisor	Jian-Jun Zhang (Representative of Shandong Silver Plaza Co., Ltd.)	RMB 27,000,000	45.00%
		President	Hung-Chun Lin	-
President Chain Store (Taizhou) Ltd.	Chairman	Hung-Chun Lin (Representative of President Pharmaceutical (Hong Kong) Holdings Limited)	RMB 60,000,000	100.00%
	Director	Kuan-Hung Hsieh, Yi-Lung Wu (Representative of President Pharmaceutical (Hong Kong) Holdings Limited)	RMB 60,000,000	100.00%
	Supervisor	Hsi-Yung Tsung (Representative of President Pharmaceutical (Hong Kong) Holdings Limited)	RMB 60,000,000	100.00%
	President	Yao-Ming Wu	-	-
President Chain Store (Zhejiang) Ltd.	Chairman	Jui-Tang Chen (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 60,000,000	100.00%
	Director	Lien-Tang Hsieh, Hung-Chun Lin (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 60,000,000	100.00%
	Supervisor	Ying-Chih Kuo (Representative of President Chain Store (Hong Kong) Holdings Limited)	RMB 60,000,000	100.00%
	President	Hung-Chun Lin	-	-
PCSC (China) Drugstore Limited	Director	Jui-Tang Chen, Kuo-Hsuan Wu (Representative of President Chain Store Corp.)	USD 8,746,000	92.20%



## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	Chairman	Hung-Chun Lin (Representative of PCSC (China) Drugstore Limited)	RMB 100,000,000	100.00%
	Director	Kuan-Hung Hsieh, Ming-Hui Hsu (Representative of PCSC (China) Drugstore Limited)	RMB 100,000,000	100.00%
	Supervisor	Yea-Yun Cheng (Representative of PCSC (China) Drugstore Limited)	RMB 100,000,000	100.00%
	President	Sung-Hong Chang	-	-
President Pharmaceutical (Hong Kong) Holdings Limited	Director	Mao-Chia Chung, Shih-Hsien Yu (Representatives of President Pharmaceutical Corp.)	USD 3,000,000	100.00%
		Jui-Tien Huang	-	-
	President	Jui-Tien Huang	-	-
President (Shanghai) Health Product Trading Company Ltd	Chairman	Jui-Tang Chen (Representative of President Pharmaceutical (Hong Kong) Holdings Limited)	USD 3,000,000	100.00%
	Director	Shiow-Ling Kao, Kuo-Kuang Chang (Representative of President Pharmaceutical (Hong Kong) Holdings Limited)	USD 3,000,000	100.00%
	Supervisor	Ying-Chih Kuo (Representative of President Pharmaceutical (Hong Kong) Holdings Limited)	USD 3,000,000	100.00%
	President	Chia-Feng Chai	-	-
Shanghai Cold Stone Ice Cream Corporation	Chairman	Hung-Chun Lin (Representative of President Chain Store (Hong Kong) Holdings Limited)	USD 222,544,000	100.00%
	Director	Kuan-Hung Hsieh, Sung-Hong Chang (Representative of President Chain Store (Hong Kong) Holdings Limited)	USD 222,544,000	100.00%
	Supervisor	Tai-Yi Sung (Representative of President Chain Store (Hong Kong) Holdings Limited)	USD 222,544,000	100.00%
	President	Hung-Chun Lin	-	-
Vision Distribution Service Corp.	Chairman	Chia-Nan Chen (Representative of Formosan Magazine Press, Inc.)	4,000,000	40.00%
	Director	Te-Jen Chen (Representative of Formosan Magazine Press, Inc.)	4,000,000	40.00%
		Cheng-Nan Chen, Hsing-Jou Chen, Hui-Ming Kuo (Representatives of Wisdom Distribution Service Corp.)	6,000,000	60.00%
	Supervisor	Yu-Jen Chen	-	-
	President	Cheng-Nan Chen	-	-
Tung Jim Corp.	Chairman	Kuo-Hsuan Wu (Representatives of Mech-President Corp.)	960,000	60.00%
	Director	Chin-Yi Liao, Ping-Chang Chang, Cheng-Wu Feng (Representatives of Mech-President Corp.)	960,000	60.00%
		Ya-Tung Tsai	80,000	5.00%
	Supervisor	Shui-Qian Lin	240,000	15.00%
	President	Ting-Song Tsai	-	-
Uni-President Logistics(BVI) Holdings Limited	Director	Jui-Tang Chen (Representative Uni-President Cold-Chain Corp.)	USD 2,991,000	100.00%

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Zhejiang Uni-Champion Logistics Development Co., Ltd.	Chairman	Hung-Chun Lin (Representative of Zhejiang Youcan Foods Group Co., Ltd.)	RMB 20,000,000	50.00%
	Director	Kuan-Hung Hsieh, Tsai-Yuan Chang (Representative of Uni-President Logistics (BVI) Holdings Limited)	RMB 20,000,000	50.00%
		Fei-Fei Le, Sung-Hong Chang, Fan Zhang (Representatives of Zhejiang Youcan Foods Group Co., Ltd.)	RMB 20,000,000	50.00%
	Supervisor	Yea-Yun Cheng (Representative of Uni-President Logistics (BVI) Holdings Limited)	RMB 20,000,000	50.00%
		Xiao-Wen Lu (Representative of Zhejiang Youcan Foods Group Co., Ltd.)	RMB 20,000,000	50.00%
President	Kuang-Wen Tsai	-	-	
Duskin China (BVI) Holdings Limited	Director	Tzu-Ying Yang	-	-
Books.com (BVI) Ltd	Director	Pi-Jung Lin, Ching-Chun Wu (Representatives of Books.com Co., Ltd.)	USD 50,000	100.00%
Beijing Bokelai Customer Co.	Chairman	Ching-Chun Wu (Representative of Books.com (BVI) Ltd.)	USD 15,000	100.00%
	Supervisor	Pei-Wen Yu (Representative of Books.com (BVI) Ltd)	USD 15,000	100.00%
Retail Support Taiwan Corp.	Chairman	Kuo-Hsuan Wu (Representative of Retail Support International Corp.)	2,871,300	51.00%
	Director	Chao-Sai Huang, Hsin-Chia Ho (Representative of Retail Support International Corp.)	2,871,300	51.00%
		Ming-Fang Lin, Wei-Yu Huang (Representatives of FSG Co.)	1,655,220	29.40%
	Supervisor	Yueh-Kuei Cheng, Hsin-Ti Lai (Representatives of Grand Fountain Co., Ltd)	1,103,480	19.60%
President	Shou-Chung Yuan	-	-	
President Logistics International Co., Ltd.	Chairman	Kuo-Hsuan Wu (Representative of Retail Support International Corp.)	9,481,500	49.00%
	Director	Chao-Sai Huang (Representative of Retail Support International Corp.)	9,481,500	49.00%
		Tsai-Yuan Chang (Representative of Uni-President Cold-Chain Corp.)	4,837,500	25.00%
	Supervisor	Cheng-Nan Chen (Representative of Wisdom Distribution Service Corp.)	3,870,000	20.00%
President	Chieh-Hsiang Yao	-	-	
Chieh Shun Transport Corp.	Chairman	Kuo-Hsuan Wu (Representative of President Logistics International Corp.)	26,670,000	100.00%
	Director	Chao-Sai Huang, Tsai-Yuan Chang (Representative of President Logistics International Corp.)	26,670,000	100.00%
	Supervisor	Cheng-Nan Chen (Representative of President Logistics International Corp.)	26,670,000	100.00%
	President	Chieh-Hsiang Yao	-	-



## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President Starbucks Coffee Corp.	Chairman	Jui-Tang Chen (Representative of Uni-President Enterprises Corp.)	14,255,116	40.00%
	Director	Chih-Hsien Lo, Shioh-Ling Kao (Representatives of Uni-President Enterprises Corp.)	14,255,116	40.00%
	Supervisor	Wen-Chi Wu (Representative of President Chain Store Corp.)	21,382,674	60.00%
	President	Guang-Yu Hsu	-	-
Ton Yi Industrial Corp.	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	719,357,425	45.55%
	Director	Jui-Sheng Wang, Jau-Kai Hwang, Chih-Chung Chen (Representative of Uni-President Enterprises Corp.)	719,357,425	45.55%
		Shing-Chi Liang	5,920,028	0.38%
		Guo-Geng Chen	7,859,222	0.50%
		Shioh-Ling Kao (Representative of Chyuan Inv. Co., Ltd.)	25,700,700	1.63%
	Independent Director	Ming-Long Wang, Jin-Cheng Jian, Bing-En Wu	-	-
President	Feng-Fu Chen	211,935	0.01%	
Tovecan Corporation Ltd.	Chairman	Shing-Chi Liang (Representative of Ton Yi Industrial Corp.)	USD 2,334,000	51.00%
	Supervisor	Ming-Song Wu (Representative of Ton Yi Industrial Corp.)	USD 2,334,000	51.00%
		Shizuka Hayashi (Representative of Toyota Tsusho Corp.)	USD 1,206,000	26.36%
		Pham Duy Hung (Representative of Vietnam National Vegetable And Fruit Corporation)	USD 1,036,000	22.64%
	President	Nguyen Van Lai	-	-
Cayman Ton Yi Industrial Holdings Ltd.	Chairman	Shing-Chi Liang (Representative of Ton Yi Industrial Corp.)	33,000,000	100.00%
	Director	Chih-Chung Chen, Feng-Fu Chen (Representative of Ton Yi Industrial Corp.)	33,000,000	100.00%
Cayman Jiangsu Ton Yi Holdings Ltd.	Chairman	Shing-Chi Liang (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	50,000	100.00%
	Director	Chih-Chung Chen (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	50,000	100.00%
Jiangsu Ton Yi Tinplate Co., Ltd.	Chairman	Shing-Chi Liang (Representative of Cayman Jiangsu Ton Yi Holdings, Ltd.)	USD 33,143,000	82.86%
	Director	Ming-Song Wu, Pi-Chien Lai, Keng-Hua Lin (Representative of Cayman Jiangsu Ton Yi Holdings Ltd.)	USD 33,143,000	82.86%
		Soichiro Oda (Representative of JFE Steel Corp.)	USD 2,286,000	5.71%
	Supervisor	Feng-Fu Chen (Representative of Cayman Jiangsu Ton Yi Holdings Ltd.)	USD 33,143,000	82.86%
	President	Keng-Hua Lin	-	-
Cayman Fujian Ton Yi Holdings Ltd.	Chairman	Shing-Chi Liang (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	87,270	100.00%
	Director	Chih-Chung Chen (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	87,270	100.00%

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Fujian Ton Yi Tinplate Co., Ltd.	Chairman	Shing-Chi Liang (Representative of Cayman Fujian Ton Yi Holdings Ltd.)	USD 75,086,000	86.80%
	Director	Chin-Chen Hsu, Feng-Jen Huang (Representative of Cayman Fujian Ton Yi Holdings, Ltd.)	USD 75,086,000	86.80%
		Shizuka Hayashi (Representative of Toyota Tsusho Corp.)	USD 6,621,000	7.65%
	Supervisor	Feng-Fu Chen (Representative of Cayman Fujian Ton Yi Holdings Ltd.)	USD 75,086,000	86.80%
	President	Feng-Jen Huang	-	-
Chengdu Ton Yi Industrial Packing Co., Ltd.	Chairman	Shing-Chi Liang (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	USD 7,500,000	100.00%
	Director	Chih-Chung Chen, Yu-Hsing Chang, Feng-Fu Chen, Ming-Hwa Lin (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	USD 7,500,000	100.00%
	President	Ming-Hwa Lin	-	-
Wuxi Ton Yi Industrial Packing Co., Ltd.	Chairman	Shing-Chi Liang (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	USD 9,720,000	100.00%
	Director	Chih-Chung Chen, Chih-Kang Hsu, Yu-Hsing Chang, Feng-Fu Chen (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	USD 9,720,000	100.00%
	President	Chih-Kang Hsu	-	-
Changsha Ton Yi Industrial Co., Ltd.	Chairman	Shing-Chi Liang (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	USD 7,000,000	100.00%
	Director	Feng-Fu Chen, Ming-Song Wu (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	USD 7,000,000	100.00%
	Supervisor	Feng-Jen Huang (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	USD 7,000,000	100.00%
	President	Chih-Kang Hsu	-	-
Cayman Ton Yi Holdings Limited	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	230,000,000	100.00%
	Director	Chin-Chen Hsu, Jhao-Bin Chen (Representative of Cayman Ton Yi Industrial Holdings Ltd.)	230,000,000	100.00%
Cayman Ton Yi (China) Holdings Limited	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi Holdings Limited.)	230,000,000	100.00%
	Director	Chin-Chen Hsu, Jhao-Bin Chen (Representative of Cayman Ton Yi Holdings Limited.)	230,000,000	100.00%
Ton Yi (China) Investment Co., Ltd	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 230,000,000	100.00%
	Director	Chin-Chen Hsu, Jhao-Bin Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 230,000,000	100.00%
	Supervisor	Yu-Hsing Chang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 230,000,000	100.00%
	President	Jhao-Bin Chen	-	-
Zhangzhou Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Director	Chin-Chen Hsu, Jhao-Bin Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Supervisor	Yu-Hsing Chang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	President	Jhao-Bin Chen	-	-

## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Taizhou Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Director	Chin-Chen Hsu, Jhao-Bin Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Supervisor	Yu-Hsing Chang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	President	Jhao-Bin Chen	-	-
Chengdu Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Director	Chin-Chen Hsu, Jhao-Bin Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Supervisor	Yu-Hsing Chang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	President	Jhao-Bin Chen	USD 30,000,000	100.00%
Huizhou Ton Yi Industrial Co., Ltd.	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Director	Chin-Chen Hsu, Jhao-Bin Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Supervisor	Yu-Hsing Chang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	President	Jhao-Bin Chen	-	-
Kunshan Ton Yi Industrial Co., Ltd	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Director	Jhao-Bin Chen, Yu-Hsing Chang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Supervisor	Feng-Jen Huang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	President	Jhao-Bin Chen	-	-
Beijing Ton Yi Industrial Co., Ltd	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Director	Jhao-Bin Chen, Yu-Hsing Chang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Supervisor	Feng-Jen Huang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	President	Jhao-Bin Chen	-	-
Sichuan Ton Yi Industrial Co., Ltd	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Director	Jhao-Bin Chen, Yu-Hsing Chang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	Supervisor	Chin-Chen Hsu (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 30,000,000	100.00%
	President	Jhao-Bin Chen	-	-
Zhanjiang Ton Yi Industrial Co., Ltd	Chairman	Feng-Fu Chen (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 20,000,000	100.00%
	Director	Jhao-Bin Chen, Yu-Hsing Chang (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 20,000,000	100.00%
	Supervisor	Chin-Chen Hsu (Representative of Cayman Ton Yi (China) Holdings Limited)	USD 20,000,000	100.00%
	President	Jhao-Bin Chen	-	-

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President International Development Corp.	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	917,734,230	69.37%
	Director	Tong-Liang Lee, Tsung-Ming Su, Siang-Ji Liang, Chien-Li Yin, Rui-Dian Huang, Jin-Song Wu, Jung-Lung Hou, Zong-Yi Liu, Chia-Ming Chaz (Representative of Uni-President Enterprises Corp.)	917,734,230	69.37%
		Li-Fan Wang, Po-Ming Hou (Representatives of Tainan Spinning Corp.)	119,070,000	9.00%
		Ming-Fan Hsieh(Representative of Prince Housing & Development Corp.)	87,745,770	6.63%
		Jui-Tang Chen (Representative of President Chain Store Corp.)	44,100,000	3.33%
		Shiow-Ling Kao (Representative of Chyuan Inv. Co., Ltd.)	24,696,000	1.87%
	Supervisor	Tsung-Pin Wu, Tsai-Fa Chuang (Representative of Nanlien International Corp.)	8,820,000	0.67%
President	Tsung-Ming Su	-	-	
President Property Corporation	Chairman	Chih-Hsien Lo(Representative of President International Development Corp.)	63,000,000	100.00%
	Director	Tsung-Ming Su, Wen-Shang Kuo (Representative of President International Development Corp.)	63,000,000	100.00%
	Supervisor	Tsung-Pin Wu (Representative of President International Development Corp.)	63,000,000	100.00%
	President	Tsung-Ming Su	-	-
President (BVI) International Investment Holdings Ltd.	Director	Tsung-Ming Su (Representative of President International Development Corp.)	USD 173,975,000	100.00%
Tong Yu Investment Corp.	Chairman	Chih-Hsien Lo (Representative of President International Development Corp.)	45,460,000	100.00%
	Director	Tsung-Ming Su, Tsung-Pin Wu(Representative of President International Development Corp.)	45,460,000	100.00%
	Supervisor	Wei-Chao Wang (Representative of President International Development Corp.)	45,460,000	100.00%
President Life Sciences Co., Ltd.	Chairman	Tsung-Ming Su (Representative of President International Development Corp.)	100,000	100.00%
	Director	Ciou-Ru Shih, Wei-Chao Wang (Representative of President International Development Corp.)	100,000	100.00%
	Supervisor	Chien-Li Yin (Representative of President International Development Corp.)	100,000	100.00%
	President	Tsung-Ming Su	-	-
President Life Sciences Cayman Co.,Ltd.	Director	Tsung-Ming Su ( Representative of President (BVI) International Investment Holdings Ltd.)	USD 1,125,000	100.00%
Uni-President Organics Corp.	Chairman	Chung-Sung Wu (Representative of Uni-President Enterprises Corp.)	2,833,333	56.67%
	Director	Chih-Hsien Lo, Ying-Chang Chen, Ching-Song Wu, Dang-Neng Liao (Representatives of Uni-President Enterprises Corp.)	2,833,333	56.67%
		Hsin-mei Lee (Representative of President Chain Store Corp.)	1,833,333	36.67%
	Supervisor	Yao-Tien Ko (Representative of President Natural Industrial Corp.)	333,334	6.66%
	President	Der-Shiang Wu	-	-

## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President Natural Industrial Corp.	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	11,999,000	99.99%
	Director	Kou-Shan Wu, Dang-Neng Liao (Representatives of Uni-President Enterprises Corp.)	11,999,000	99.99%
	Supervisor	Chien-Li Yin (Representative of Kai Yu Investment Co., Ltd.)	1,000	0.01%
	President	Dang-Neng Liao	-	-
Uni-President Vendor Corp.	Chairman	Wen-Lung Yang (Representative of Uni-President Enterprises Corp.)	15,000,000	100.00%
	Director	Li-Hsien Chiang, Shuo-Chieh Wang (Representative of Uni-President Enterprises Corp.)	15,000,000	100.00%
	Supervisor	Chien-Li Yin (Representative of Uni-President Enterprises Corp.)	15,000,000	100.00%
	President	Shuo-Chieh Wang	-	-
President Baseball Team Corp.	Chairman	Chung-Cheng Tu (Representative of Uni-President Enterprises Corp.)	30,000	100.00%
	Director	Chih-Hsien Lo, Tong-Liang Lee, Yu-Chen Huang, Wen-Yunn Liang, Wen-Hsu Chen (Representative of Uni-President Enterprises Corp.)	30,000	100.00%
	Supervisor	Tsung-Pin Wu (Representative of Uni-President Enterprises Corp.)	30,000	100.00%
	President	Tai-An Su	-	-
Tone Sang Construction Corp.	Chairman	Chun-Huang Huang (Representative of Uni-President Enterprises Corp.)	34,020,000	100.00%
	Director	Chien-Li Yin, Tong-Liang Lee, Jeng-Yang Lin, Mu-Tsuen Hou (Representative of Uni-President Enterprises Corp.)	34,020,000	100.00%
	Supervisor	Tsung-Pin Wu (Representative of Uni-President Enterprises Corp.)	34,020,000	100.00%
	President	Jeng-Yang Lin	-	-
President Entertainment Corp.	Chairman	Liang-Feng Wu (Representative of Uni-President Enterprises Corp.)	98,885,255	61.80%
	Director	Tong-Liang Lee, Chien-Li Yin (Representative of Uni-President Enterprises Corp.)	98,885,255	61.80%
		Ming-Fan Hsieh, Po-Ming Hou (Representative of President International Development Corp.)	61,114,744	38.20%
	Supervisor	Tsung-Pin Wu (Representative of Kai Yu Investment Co., Ltd.)	1	0.00%
	President	Liang-Feng Wu	-	-
Tung Ho Development Corp.	Chairman	Chun-Huang Huang (Representative of Uni-President Enterprises Corp.)	127,827,000	79.89%
	Director	Chien-Li Yin, Tong-Liang Lee, Jeng-Yang Lin, Mao-Yuan Wu, Shu-Chieh Huang (Representative of Uni-President Enterprises Corp.)	127,827,000	79.89%
		Ching-Shiun Hsieh (Representative of President Chain Store Corp.)	19,930,000	12.46%
	Supervisor	Ying-Chih Kuo (Representative of Nanlien International Corp.)	12,243,000	7.65%
	President	Hsiu-Lien Tan	-	-



### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President Kikkoman Inc.	Chairman	Mogi Osamu (Representative of Kikkoman Corp.)	6,000,000	50.00%
	Vice Chairman	Jui-Shen Wang (Representative of Uni-President Enterprises Corp.)	5,999,999	50.00%
	Director	Nakamura Mitsunobu, Tsuda Masahiko, Hachisu Sumito (Representative of Kikkoman Corp.)	6,000,000	50.00%
		Chiu-Tien Lo, Bo-Wen Yeh, Chun-Ying Kuo (Representative of Uni-President Enterprises Corp.)	5,999,999	50.00%
	Supervisor	Kawamata Satoshi	-	-
		Tsung-Pin Wu (Representative of Kai Yu Investment Co., Ltd.)	1	0.00%
	President	Chun-Ying Kuo	-	-
President Fair Development Corp.	Chairman	Shiow-Ling Kao (Representative of Uni-President Enterprises Corp.)	405,000,000	40.50%
	Director	Tsung-Ming Su, Rui-Tang Chen, Chih-Hsien Lo, Kuo-Kuang Chang (Representative of Uni-President Enterprises Corp.)	405,000,000	40.50%
		Ying-Chih Kuo, Ming-Fan Hsieh, Po-Ming Hou, Bao-Ming Wang (Representative of President International Development Corp.)	405,000,000	40.50%
	Supervisor	Ming-Hui Cheng (Representative of President Chain Store Corp.)	190,000,000	19.00%
	President	Kuo-Kuang Chang	-	-
President Century Corp.	Chairman	Chih-Hsien Lo (Representative of President Fair Development Corp.)	72,000,000	100.00%
	Director	Chien-Li Yin, Kuo-Kuang Chang ((Representative of President Fair Development Corp.)	72,000,000	100.00%
	Supervisor	I-Chun Su (Representative of President Fair Development Corp.)	72,000,000	100.00%
President Nisshin Corp.	Chairman	Imamura Takao (Representative of Nisshin Oil Mills, Ltd.)	5,280,000	44.00%
	Vice Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	6,119,999	51.00%
	Director	Someya Kazunari, Nashinoki Hiroshi, Morino Toru, Kuno Takahisa (Representatives of Nisshin Oil Mills, Ltd.)	5,280,000	44.00%
		Liang-Feng Wu ,Chien-Li Yin,Jui-Tien Huang, Kun-lin Wu (Representative of Uni-President Enterprises Corp.)	6,119,999	51.00%
	Supervisor	Ootara Takeshi	-	-
		Yao-Tien Ko (Representative of Kai Yu Investment Co., Ltd.)	600,001	5.00%
	President	Cheng-Jui Lin	-	-

## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
President Packing Holdings Ltd.	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	31,767,030	50.58%
	Director	Long-Hong Lu, Hong-Jen Su (Representative of Uni-President Enterprises Corp.)	31,767,030	50.58%
		Ruei-Chin Lee (Representatives of Kaiyang Investment Corp.)	2,277,626	3.63%
		Ruei-Che Lee (Representatives of Kuang Mao Investment Corp.)	2,390,958	3.81%
		Jun-Hsiao Lee (Representatives of Chang Hung Hsing Investment Corp.)	2,175,156	3.46%
		Chien-Li Yin (Representative of Kai Yu Investment Co., Ltd.)	1,560	0.01%
	Supervisor	Chien-Li Yin (Representative of Kai Yu Investment Co., Ltd.)	1,560	0.01%
President	Ruei-Chin Lee	-	-	
President Cup Corp.	Chairman	Ruei-Chin Lee (Representatives of President Packing Holdings Ltd.)	100	100.00%
	Director	Chun-Yuan Chen (Representatives of President Packing Holdings Ltd.)	100	100.00%
	President	Chun-Yuan Chen	-	-
President Packaging Holdings Ltd.	Director	Chih-Hsien Lo, Ruei-Chin Lee, Chien-Li Yin (Representatives of President Packaging Corp.)	USD 3,750,000	100.00%
Wuhan President Packaging Ind. Corp.	Chairman	Ruei-Chin Lee (Representatives of President Packing Holdings Ltd.)	USD 3,700,000	100.00%
	Director	Ruei-Che Lee, Chung-Che Wu (Representatives of President Packing Holdings Ltd.)	USD 3,700,000	100.00%
	Supervisor	Cheng-Hau Fang (Representatives of President Packing Holdings Ltd.)	-	-
	President	Chung-Che Wu	-	-
Changsha Tongyi Packaging Co. Ltd.	Chairman	Ruei-Chin Lee (Representatives of Wuhan President Packaging Ind. Corp.)	RMB 12,000,000	100.00%
	Director	Ruei-Che Lee, Chung-Che Wu (Representatives of Wuhan President Packaging Ind. Corp.)	RMB 12,000,000	100.00%
	Supervisor	Cheng-Hau Fang (Representatives of Wuhan President Packaging Ind. Corp.)	RMB 12,000,000	100.00%
	President	Chung-Che Wu	-	-
Guangzhou President Packaging Ind. Corp.	Chairman	Ruei-Chin Lee (Representatives of Wuhan President Packaging Ind. Corp.)	RMB 10,000,000	100.00%
	Director	Ruei-Che Lee, Chung-Che Wu (Representatives of Wuhan President Packaging Ind. Corp.)	RMB 10,000,000	100.00%
	Supervisor	Cheng-Hau Fang (Representatives of Wuhan President Packaging Ind. Corp.)	RMB 10,000,000	100.00%
	President	Chung-Che Wu	-	-
Ton Yi Pharmaceutical Corp.	Chairman	Chien-Li Yin (Representative of Uni-President Enterprises Corp.)	51,000	51.00%
	Director	Hua-Yang Lee, Ming-Huei Cheng, Tsung-Pin Wu (Representative of Uni-President Enterprises Corp.)	51,000	51.00%
		Ping-Chih Wu (Representative of Taipo Investments Corp.)	10,000	10.00%
		Chung-Ho Wu, Tian-Mao Lin (Representative of Tung Rui Investment Corp.)	39,000	39.00%
		Supervisor	Pai-Ching Tsai	-
	President	Shih-Hsien Yu	-	-

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Uni-President Dream Parks Corp.	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	6,100,000	100.00%
	Director	Shih-Hsun Chang, Chiu-Tien Lo (Representative of Uni-President Enterprises Corp.)	6,100,000	100.00%
	Supervisor	Chien-Li Yin (Representative of Uni-President Enterprises Corp.)	6,100,000	100.00%
	President	Chiu-Tien Lo	-	-
Uni-OAO Travel Service Corp.	Chairman	Chih-Hsien Lo (Representative of Uni-President Dream Parks Corp.)	600,000	100.00%
	Director	Chung-Cheng Tu, Chiu-Tien Lo (Representative of Uni-President Dream Parks Corp.)	600,000	100.00%
	Supervisor	Chien-Li Yin (Representative of Uni-President Dream Parks Corp.)	600,000	100.00%
	President	Chiu-Tien Lo	-	-
Uni-President Glass Industrial Co., Ltd.	Chairman	Chien-Li Yin (Representative of Uni-President Enterprises Corp.)	36,000,000	100.00%
	Director	Chih-Hsien Lo, Chun-Fu Chen, Ying-Chieh Kao (Representative of Uni-President Enterprises Corp.)	36,000,000	100.00%
	Supervisor	I-Chun Su (Representative of Uni-President Enterprises Corp.)	36,000,000	100.00%
	President	Ying-Chieh Kao	-	-
Kai Nan Investment Co., Ltd.	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	213,500,000	100.00%
	Director	Chien-Li Yin, Tsung-Ming Su (Representative of Uni-President Enterprises Corp.)	213,500,000	100.00%
	Supervisor	Tsung-Pin Wu (Representative of Uni-President Enterprises Corp.)	213,500,000	100.00%
President Tokyo Corp.	Chairman	Matsumoto Yukio (Representative of Tokyo Leasing Co., Ltd.)	28,812,000	49.00%
	Director	Yoshino Yasushi, Saito Eisuke (Representative of Tokyo Leasing Co., Ltd.)	28,812,000	49.00%
		Chien-Li Yin, Chang-Sheng Lin, Tsung-Ming Su (Representative of Uni-President Enterprises Corp.)	29,986,824	51.00%
	Supervisor	Kuo-Ying Huang (Representative of Kai Yu Investment Co., Ltd.)	1,176	0.00%
	President	Chun-Bin Chen	-	-
Uni-president TC-Lease (Cayman) Corporation	Director	Matsumoto Yukio, Chang-Sheng Lin (Representative of President Tokyo Corp.)	10,000,000	100.00%
Tong-Sheng Finance Leasing Co., Ltd.	Chairman	Matsumoto Yukio (Representative of Uni-president TC-Lease (Cayman) Corporation)	10,000,000	100.00%
	Director	Yoshino Yasushi, Saito Eisuke, Chien-Li Yin, Chang-Sheng Lin, Tsung-Ming Su (Representative of Uni-president TC-Lease (Cayman) Corporation)	10,000,000	100.00%
	Supervisor	Kuo-Ying Huang (Representative of Uni-president TC-Lease (Cayman) Corporation)	10,000,000	100.00%
	President	Chun-Bin Chen	-	-



## 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Tong- Sheng (Suzhou) Car Rental Co., Ltd.	Chairman	Matsumoto Yukio (Representative of Tong-Sheng Finance Leasing Co., Ltd.)	5,000,000	100.00%
	Director	Yoshino Yasushi, Saito Eisuke, Chien-Li Yin, Chang-Sheng Lin, Tsung-Ming Su (Representative of Tong-Sheng Finance Leasing Co., Ltd.)	5,000,000	100.00%
	Supervisor	Kuo-Ying Huang (Representative of Tong-Sheng Finance Leasing Co., Ltd.)	5,000,000	100.00%
	President	Chun-Bin Chen	-	-
President Tokyo Auto Leasing Corp.	Chairman	Matsumoto Yukio (Representative of President Tokyo Corp.)	10,000,000	100.00%
	Director	Yoshino Yasushi, Saito Eisuke, Chien-Li Yin, Chang-Sheng Lin, Tsung-Ming Su (Representative of President Tokyo Corp.)	10,000,000	100.00%
	Supervisor	Kuo-Ying Huang (Representative of President Tokyo Corp.)	10,000,000	100.00%
	President	Chun-Bin Chen	-	-
Presco Netmarketing Inc.	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	6,500,000	100.00%
	Director	Tzong-Yi Liou, Chia-Hua Chang (Representative of Uni-President Enterprises Corp.)	6,500,000	100.00%
	Supervisor	Tsung-Ming Su (Representative of Uni-President Enterprises Corp.)	6,500,000	100.00%
	President	Chih-Hsien Lo	-	-
Uni-President Development Corp.	Chairman	Tsung-Ming Su (Representative of Uni-President Enterprises Corp.)	108,000,000	30.00%
	Director	Chih-Hsien Lo, Shioh-Ling Kao (Representative of Uni-President Enterprises Corp.)	108,000,000	30.00%
		Po-Ming Hou, Ming-Fan Hsieh ((Representative of Prince Housing & Development Corp.)	108,000,000	30.00%
		Paul Chang, Jui-Tang Chen (Representative of President Chain Store Corp.)	72,000,000	20.00%
	Supervisor	John-Yih Lee (Representative of President International Development Corp.)	72,000,000	20.00%
	President	Paul Chang	-	-
Tait Marketing & Distribution Co., Ltd.	Chairman	Jui-Tien Huang (Representative of Uni-President Enterprises Corp.)	60,735,047	64.27%
	Director	Chih-Hsien Lo, Tzong-Yi Liou, Chia-Ming Chai (Representative of Uni-President Enterprises Corp.)	60,735,047	63.17%
	Independent Director	Ying-Chih Liao, Chia-Siun Wu, Yin-Chieh Hsu	-	-
	President	Yung-Wei Lu	-	-
Tait (H.K.) International Limited	Director	Yung-Wei Lu (Representative of Tait Marketing & Distribution Co., Ltd.)	HKD1,170,000	100.00%
Tait Distribution Service Co., Ltd.	Chairman	Yung-Wei Lu (Representative of Tait Marketing & Distribution Co., Ltd.)	250,000	100.00%
	Director	Chih-Yang Shen, Huei-Ching Tsai (Representative of Tait Marketing & Distribution Co., Ltd.)	250,000	100.00%
	Supervisor	Chuan-Chuan Hsu (Representative of Tait Marketing & Distribution Co., Ltd.)	250,000	100.00%

### 8.1.5 Directors, Supervisors and Presidents of UPEC's Affiliated Companies (Continued)

Company	Title	Name or Representative	Shareholding	
			Shares / Amount	%
Tait Trading (Shanghai) Company Limited	Director	Yung-Wei Lu (Representative of Tait (H.K) Limited)	USD 350,000	100.00%
Scino Pharm Taiwan Ltd.	Chairman	Chih-Hsien Lo (Representative of Uni-President Enterprises Corp.)	299,968,639	37.94%
	Director	Tsung-Ming Su, Kun-Shun Tsai, Tsung Pin Wu, Yung-Fa Chen, Jia-Horng Guo (Representative of Uni-President Enterprises Corp.)	299,968,639	37.94%
		Shiow-Ling Kao (Representative of Chyuan Inv. Co., Ltd.)	14,832,733	1.88%
		Chiou-Ru Shih (Representative of President International Development Corp.)	28,673,421	3.63%
		Po-Wu Gean, Ming-shi Chang (Representatives of National Development Fund, Executive Yuan)	109,539,014	13.85%
		Kuo-His Wang (Representative of Taiwan Sugar Corporation)	32,581,963	4.12%
		Po-Ming Hou (Representative of Tainan Spinning Co., Ltd.)	23,605,921	2.99%
		Independent Director	Wei-Cheng Tian	102,141
	Independent Director	Ih-Jen Su, Wei-De He	-	-
	President	Yung-Fa Chen	7,170	0.001%
SPT International, Ltd.	Director	Yung-Fa Chen, Chih-Hui Lin, Jing-Wen Lin (Representative of ScinoPharm Taiwan, Ltd.)	66,524,644	100.00%
ScinoPharm Singapore Pte Ltd.	Director	Yung-Fa Chen, Chih-Hui Lin (Representative of ScinoPharm Taiwan, Ltd.)	2	100.00%
	Independent Director	Krishnaveni D/O Sandanam	-	-
ScinoPharm (Kunshan) Biochemical Technology Co., Ltd.	Chairman	Shou-Zheng Yang (Representative of SPT International, Ltd.)	USD 4,000,000	100.00%
	Director	Yung-Fa Chen, Jing Wen Lin (Representative of SPT International, Ltd.)	USD 4,000,000	100.00%
	Supervisor	Chih-Hui Lin (Representative of SPT International, Ltd.)	USD 4,000,000	100.00%
	President	Yung-Fa Chen	-	-
ScinoPharm Pharmaceutical (Changshu) Co., Ltd.	Chairman	Shou-Zheng Yang (Representative of SPT International, Ltd.)	USD 60,500,000	100.00%
	Director	Yung-Fa Chen, Jing-Wen Lin, Chih-Fang Chen (Representative of SPT International, Ltd.)	USD 60,500,000	100.00%
	Supervisor	Chih-Hui Lin, Shun-Yang Lin (Representative of SPT International, Ltd.)	USD 60,500,000	100.00%
	President	Yung-Fa Chen	-	-
ScinoPharm Shanghai Biochemical Technology, Ltd.	Chairman	Shou-Zheng Yang (Representative of SPT International, Ltd.)	USD 1,200,000	100.00%
	Director	Yung-Fa Chen, Jing-Wen Lin, Chih-Fang Chen (Representative of SPT International, Ltd.)	USD 1,200,000	100.00%
	Supervisor	Chih-Hui Lin (Representative of SPT International, Ltd.)	USD 1,200,000	100.00%
	President	Jing-Wen Lin	-	-

## 8.1.6 Summarized Operation Results of Affiliated Enterprises (Dec.31, 2017)

Unit: NT\$ thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
Uni-President Enterprises Corp.	56,820,154	177,945,064	57,869,787	120,075,277	39,283,077	1,057,046	39,844,853	7.01
President Global Corp.	148,800	1,567,549	460,952	1,106,597	962,285	285,915	176,131	352.26
Ameripecc Inc.	77,406	1,065,889	357,473	708,416	855,675	588,213	94	-
Cayman President Holdings Ltd.	12,086,607	108,257,434	38,792,021	69,465,413	114,755,835	5,672,431	5,729,975	-
Uni-President Southeast Asia Holdings Ltd.	2,232,000	7,305,344	4,670,063	2,635,281	13,700,925	1,040,980	829,982	-
Uni-President (Thailand) Ltd.	1,671,603	840,358	290,321	550,037	1,570,146	27,303	54,221	0.30
Uni-President Marketing Co., Ltd.	10,961	297,525	225,377	72,148	1,260,292	16,569	13,443	110.14
Uni-President (Vietnam) Co., Ltd.	2,335,053	5,241,520	1,836,761	3,404,759	10,465,887	905,749	753,938	-
Uni-President Vietnam Aquatic Breeding Co., Ltd.	344,368	70,999	295,155	(224,156)	26,387	(30,532)	(40,035)	-
Tribeco Binh Doung Co., Ltd.	1,189,194	474,103	861,351	(387,248)	503,492	(44,139)	(29,675)	-
North Tribeco Co., Ltd.	131,113	211,168	66,844	144,324	512,653	50,939	41,998	-
UPEC (India) Foods Private Ltd.	133,774	1,649	5,270	(3,621)	-	(252)	307	-
Uni-President (Malaysia) SDN.BHD	7,072	20,339	10,569	9,770	123,463	2,030	2,235	-
UPVN Trading Co., Ltd.	6,556	16,325	4,298	12,027	35,280	3,715	3,087	-
Uni-President (Philippines) Corp.	357,692	607,454	159,686	447,768	804,375	53,047	45,238	-
PT. Uni President Indonesia	13,144	3,920	740	3,180	3,611	(5,928)	(5,918)	-
President Energy Development (Cayman Islands) Ltd.	312,480	375,197	15,005	360,192	-	(3,709)	141,982	13.52
Uni-President China Holdings Ltd. (Cayman) (Note 1)	164,503	91,640,717	33,026,865	58,613,852	94,474,578	4,333,120	2,734,129	-
Uni-President Asia Holdings Ltd.	26,771,501	42,564,456	900,853	41,663,603	-	(5,222)	4,226,556	-
Uni-President Hong Kong Holdings Limited	18,590,884	42,468,751	964,164	41,504,587	160,572	(70,627)	4,233,493	-
Tong Ren Corp Limited.	1,000	38,912	45,757	(6,845)	66,028	3,051	2,435	24.35
Uni-President Enterprises (China) Investment Co., Ltd.	32,145,859	66,661,356	8,260,485	58,400,871	4,938,829	(745,705)	4,406,983	-
Fuzhou President Enterprises Co., Ltd.	595,200	2,286,845	1,324,441	962,404	4,278,437	102,165	76,808	-
Xinjiang President Enterprises Food Co., Ltd.	1,116,000	2,686,535	1,440,178	1,246,357	4,631,018	117,893	936	-
Chengdu President Enterprises Food Co., Ltd.	1,934,400	5,232,886	1,954,609	3,278,277	8,698,791	560,545	570,140	-
Chengdu Unifies The Skillful Noodle Restaurant Dining Culture Limited Company	4,574	4,380	9	4,371	0	29	26	-
Guangzhou President Enterprises Co., Ltd.	2,232,000	8,877,819	4,562,543	4,315,276	20,669,756	1,614,558	1,306,920	-

### 8.1.6 Summarized Operation Results of Affiliated Enterprises (Continued)

Unit: NT\$ thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
Nanning President Enterprises Co., Ltd.	892,800	1,519,864	414,688	1,105,176	1,735,146	214,956	164,680	-
Beijing President Enterprises Drinks Co., Ltd.	1,574,304	2,239,423	1,542,549	696,874	6,918,587	143,500	56,104	-
President (Shanghai) Trading Co., Ltd.	255,936	90,693	97,987	(7,294)	182,631	(28,819)	(18,061)	-
Wuhan President Enterprises Food Co., Ltd.	1,773,696	5,292,823	1,890,084	3,402,739	7,870,574	538,343	555,934	-
Nanchang President Enterprises Co., Ltd.	1,309,440	2,609,790	904,852	1,704,938	3,340,066	233,289	162,580	-
Kunshan President Enterprises Food Co., Ltd.	2,856,960	7,649,469	2,786,525	4,862,944	4,392,485	74,391	201,705	-
Shenyang President Enterprises Co., Ltd.	1,187,424	1,115,632	738,180	377,452	3,258,495	121,208	18,961	-
Hefei President Enterprises Co., Ltd.	1,785,600	4,500,462	2,296,686	2,203,776	4,801,030	411,047	320,647	-
Harbin President Enterprises Co., Ltd.	868,992	242,738	346,480	(103,742)	759,118	(31,589)	(35,077)	-
Zhenzhou President Enterprises Co., Ltd.	1,101,120	4,641,546	2,514,139	2,127,407	9,345,273	732,839	530,093	-
Kunming President Enterprises Food Co., Ltd.	892,800	1,939,442	935,276	1,004,166	3,352,930	51,926	21,867	-
Champ Green Capital Co., Limited	52,435	267,116	71	267,045	-	(5,888)	1,510	-
Champ Green (Shanghai) Consulting Co., Ltd.	4,464	116,743	192	116,551	-	2,494	4,411	-
Bama President Mineral Water Co., Ltd.	123,504	128,026	29,984	98,042	49,505	(7,681)	(7,876)	-
Changsha President Enterprises Co., Ltd.	892,800	2,695,049	1,378,948	1,316,101	5,282,454	409,562	288,892	-
Zhanjiang President Enterprises Co., Ltd.	744,000	873,273	54,440	818,833	839,211	42,205	50,054	-
Akesu President Enterprises Co., Ltd.	595,200	733,272	48,398	684,874	662,373	41,063	23,004	-
Baiyin President Enterprises Co., Ltd.	595,200	845,714	564,966	280,748	165,830	(99,719)	(118,930)	-
Changchun President Enterprises Co., Ltd.	595,200	872,710	783,710	89,000	218,705	(117,043)	(155,156)	-
Uni-President (Shanghai) Pearly Century Co., Ltd.	274,421	1,047,508	587,913	459,595	-	(65,669)	81,782	-
Chongqing President Enterprises Co., Ltd.	999,936	1,282,809	181,981	1,100,828	1,329,414	105,565	86,781	-

## 8.1.6 Summarized Operation Results of Affiliated Enterprises (Continued)

Unit: NT\$ thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
Taizhou President Enterprises Co., Ltd.	892,800	1,551,954	451,410	1,100,544	1,987,335	139,963	130,610	-
Uni-President Shanghai Managment Consulting Co., Ltd.	91,474	430,650	249,923	180,727	-	(45,546)	49,334	-
Hainan President Enterprises Co., Ltd.	654,720	847,401	291,761	555,640	-	(52,220)	91,707	-
Shijiazhuang President Enterprises Co., Ltd.	1,041,600	1,874,356	1,384,525	489,831	24,211	(272,336)	(284,911)	-
Jinan President Enterprises Co., Ltd.	892,800	2,536,705	1,412,673	1,124,032	2,248,471	23,583	26,138	-
Guiyang President Enterprises Co., Ltd.	892,800	1,195,147	582,652	612,495	523,512	(52,486)	(66,372)	-
Wuxue Uni Mineral Water Co., Ltd.	142,848	173,342	100,519	72,823	272	(26,282)	(26,301)	-
President (Shanghai) Private Label Marketing & Trading Co., Ltd.	28,272	112,522	24,485	88,037	198,786	20,212	15,309	-
Hangzhou President Enterprises Co., Ltd.	1,190,400	4,529,715	3,416,238	1,113,477	2,902,960	(73,720)	(41,714)	-
Xuzhou President Enterprises Co., Ltd.	982,080	1,401,675	692,914	708,761	4,218	(223,922)	(223,159)	-
Henan President Enterprises Co., Ltd.	892,800	2,137,281	819,283	1,317,998	1,667,239	123,694	99,409	-
President (Kunshan) Trading Co., Ltd.	297,600	4,583,282	5,138,393	(555,111)	15,415,479	256,432	519,729	-
Shaanxi President Enterprises Co., Ltd.	1,488,000	2,925,356	1,871,360	1,053,996	1,372,768	(135,572)	(167,691)	-
Wuyuan President Enterprises Mineral Water Co., Ltd.	50,592	22,856	6,897	15,959	-	(1,373)	(1,373)	-
Jiangsu President Enterprises Co., Ltd.	892,800	2,036,811	1,146,106	890,705	792,856	(50,461)	(37,173)	-
Changbaishan Mountain President Enterprises (Jilin) Mineral Water Co., Ltd.	823,262	2,250,335	1,408,462	841,873	572,654	51,135	34,648	-
President Enterprises (Kunshan) Real Estate Development Co., Ltd.	274,421	258,012	136	257,876	-	(3,397)	(585)	-
Ningxia President Enterprises Co., Ltd.	476,160	1,281,589	854,538	427,051	-	(8,445)	(8,445)	-
President Enterprises (Inner Mongolia) Co., Ltd.	892,800	863,395	154,531	708,864	-	(58,833)	(57,342)	-
Beijing President Enterprise Drink&Food Co., Ltd.	-	13,432	-	13,432	-	(2,972)	(2,970)	-
Shanxi President Enterprises Co., Ltd.	892,800	2,202,848	1,476,410	726,438	533,152	(72,587)	(72,785)	-

### 8.1.6 Summarized Operation Results of Affiliated Enterprises (Continued)

Unit: NT\$ thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
President Enterprises (Shanghai) Co., Ltd.	1,190,400	401,715	46,790	354,925	-	(15,489)	49,256	-
Uni-President Enterprise (Hutubi) Tomato Products Technology Co., Ltd.	580,320	1,221,959	958,054	263,905	231,054	(109,368)	(107,718)	-
Uni-President Enterprises (Shanghai) Drink & Food Co., Ltd.	1,041,600	2,657,098	1,719,881	937,217	-	(50,626)	(37,592)	-
Uni-President Trading (Hubei) Co., Ltd.	439,073	1,187,737	387,297	800,440	2,258,847	334,722	248,668	-
Uni-President Enterprises (Tianjin) Co., Ltd.	357,120	1,280,523	882,262	398,261	-	(19,712)	76,571	-
Hunan President Enyerprises Co., Ltd.	178,560	167,642	7,670	159,972	-	(9,260)	(61,748)	-
Uni-Presodent Enterprises (Kunshan) Food Technology Co., Ltd.	35,712	19,040	4,800	14,240	-	(5,168)	(344)	-
Yantai Tongli Beverage Industries Co., Ltd.	457,368	462,646	21,781	440,865	32,692	(59,965)	(61,974)	-
Kunshan President Kikkoman Biotechnology Co., Ltd.	327,360	256,745	56,250	200,495	163,407	(6,855)	(6,947)	-
President Kikkoman Zhenji Foods Co., Ltd.	1,372,103	1,608,753	184,174	1,424,579	1,071,135	62,481	52,836	-
Uni-President Foodstuff (BVI) Holdings Ltd.	552,048	2,448,849	873,461	1,575,388	2,840,862	183,588	139,383	-
Tianjiang President Enterprises Food Co., Ltd.	448,220	76,929	5,324	71,605	77,029	(1,389)	563	-
Zhongshan President Enterprises Co., Ltd.	577,344	1,518,665	223,245	1,295,420	2,298,344	248,087	196,242	-
Changjiagang President Nisshin Food Co., Ltd.	505,920	828,982	42,427	786,555	493,971	52,221	45,108	0.70
Qingdao President Feed & Livestock Co., Ltd.	446,400	540,752	47,318	493,434	407,831	(13,701)	(7,218)	-
Shanghai Songjiang President Enterprises Co., Ltd.	565,440	282,148	21,212	260,936	59,442	8,866	11,836	-
President International Trade & Investment Corp.	318,432	1,182,953	82	1,182,871	-	(2,581)	(4,292)	(401.09)
Kai Yu Investment Co., Ltd.	1,270,088	17,387,988	2,888,021	14,499,967	16,415,599	16,413,898	13,527,038	106.50
Kai Yu (BVI) Investment Co., Ltd.	184,512	18,082,846	5,027,862	13,054,984	163,406	(22,810)	16,091,142	-
Tung Ang Enterprises Corp.	30,000	545,130	404,292	140,838	6,196,890	96,082	80,877	26.96
Tung Guan Enterprises Co., Ltd.	20,000	33,421	6,085	27,336	79,502	5,300	5,372	2.69
Nanlien International Corp.	1,000,000	2,603,029	883,508	1,719,521	2,902,656	194,034	408,445	4.08



## 8.1.6 Summarized Operation Results of Affiliated Enterprises (Continued)

Unit: NT\$ thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
Cayman Nanlien Holding Ltd.	80,650	78,617	802	77,815	-	(2,677)	11,801	1.35
Lien-Song Enterprises Corp.	65,000	77,845	10,317	67,528	69,726	(1,809)	1,654	0.25
Hua-Zuo Corp.	8,000	29,846	17,832	12,014	110,385	2,109	1,901	2.38
Hui-Sheng Enterprise Corp.	9,000	21,255	12,156	9,099	78,100	653	1,001	1.11
Tung-Shen Co., Ltd.	16,000	57,379	36,226	21,153	140,678	3,510	3,094	1.93
Sheng-Miao Industrial Corp.	10,000	28,390	13,733	14,657	159,682	2,063	1,871	1.87
Jin-Guan-Cheng Corp.	4,000	14,905	8,261	6,644	46,581	1,898	1,593	3.98
Tung-You Internation Corp.	40,000	55,491	12,174	43,317	317,664	(1,451)	(1,270)	(0.32)
Tung-Bo Enterprise Corp.	15,000	47,292	23,706	23,586	271,415	4,422	3,645	2.43
Tung-Shun Enterprises Corp.	45,000	286,621	219,972	66,649	1,221,487	10,664	8,187	1.82
Tung-Hsiang Enterprises Corp.	45,000	162,552	102,140	60,412	695,137	7,168	6,637	1.48
Yuan-Tai Enterprises Corp.	5,500	29,654	20,404	9,250	126,269	224	1,394	2.54
Tung-Yi Enterprises Corp.	26,000	209,848	154,631	55,217	1,020,484	11,033	10,105	3.89
Tung-Che Enterprises Corp.	20,000	52,588	28,855	23,733	172,536	397	1,151	0.58
Tung-Xiang Corp.	80,000	552,145	397,366	154,779	2,481,614	33,978	29,749	3.72
Tung-Ju Enterprise Corp.	30,000	179,680	115,451	64,229	736,237	11,977	9,913	3.30
Xin-Tung Enterprise Corp.	35,000	77,904	28,718	49,186	410,075	4,158	5,355	1.53
Lien-Bo Enterprises Corp.	200,000	446,189	233,193	212,996	1,534,956	681	985	0.05
Tunnel International Marketing Corp.	595	205	30	175	-	(38)	(36)	(0.56)
Shanghai E & P Trading Co., Ltd.	45,737	531,812	426,246	105,566	3,026,107	31,200	28,443	6.13
Tung-Xiang Xin Yeh Corp.	12,000	31,036	19,441	11,595	110,080	692	921	0.77
Tung-Ying Enterprises Corp.	22,280	47,772	25,801	21,971	294,011	1,157	1,396	0.63
Wei-Tong Enterprise Corp.	25,000	41,675	8,209	33,466	268,409	4,515	4,503	1.80
Cheng-Fa Enterprises Corp.	10,000	46,793	32,811	13,982	233,471	3,490	3,612	3.61
Yi Fa Enterprises Corp.	18,000	53,097	30,259	22,838	262,770	5,254	4,515	2.51
Fu Yi Enterprises Corp.	45,000	127,934	73,188	54,746	567,406	11,310	8,929	1.98
Kun-Fu Corp.	15,000	82,481	50,201	32,280	376,016	9,330	8,107	5.41
President Chain Store Corporation	10,396,223	100,753,013	50,138,751	50,614,262	144,479,880	6,246,725	31,017,094	29.83
President Chain Store (BVI) Holdings Ltd.	5,106,506	29,651,629	5,043,724	24,607,905	-	(131,849)	24,256,863	-
Ren-Hui Investment Corp.	65,000	79,597	92	79,505	-	(360)	4,069	0.63
Ren Hui Holding Co., Ltd.	59,520	66,751	27	66,724	-	(297)	890	-
Capital Inventory Services Corp.	25,000	163,786	88,364	75,422	239,594	33,806	28,451	11.38

### 8.1.6 Summarized Operation Results of Affiliated Enterprises (Continued)

Unit: NT\$ thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
President Drugstore Business Corp.	785,200	4,090,712	2,671,650	1,419,062	10,696,160	326,055	349,196	4.45
21 Century Enterprise Co., Ltd.	100,000	224,464	214,964	9,500	771,588	(10,204)	(14,716)	(1.47)
Wisdom Distribution Service Corp.	108,474	1,710,004	1,276,992	433,012	2,467,013	236,999	220,300	20.31
President Being Corp.	15,000	318,474	378,661	(60,187)	514,406	(3,815)	(5,923)	(3.95)
President Chain Store Corporation Insurance Brokers Co., Ltd.	15,000	30,513	8,966	21,547	60,453	5,802	5,987	3.99
Cold Stone Creamery Taiwan, Ltd.	122,444	105,294	128,833	(23,539)	362,572	(10,895)	(13,646)	(1.11)
Uni-President Oven Bakery Corp.	65,120	99,190	108,659	(9,469)	361,080	3,520	7,941	1.22
President Yilan Art and Culture Corp.	200,000	234,491	2,585	231,906	-	(672)	1,349	0.07
President Chain Store Tokyo Marketing Corporation	25,892	146,161	76,685	69,476	587,947	11,665	10,606	1,082.27
ICASH Corporation	500,000	1,753,470	1,401,198	352,272	358,817	(22,243)	(16,049)	(0.32)
Uni-President Superior Commissary Corp.	539,110	1,781,096	1,273,386	507,710	3,321,287	14,205	26,896	0.50
President Pharmaceutical Corp.	300,000	1,195,742	423,549	772,193	1,903,112	288,256	210,992	7.03
President Transnet Corp.	1,478,520	5,543,908	3,516,229	2,027,679	11,640,328	415,126	392,408	2.65
President Collect Services Co., Ltd.	15,000	1,388,198	1,278,629	109,569	673,724	90,738	79,595	53.06
Uni-President Department Store Corp.	400,000	1,808,787	1,050,455	758,332	1,398,583	138,278	310,002	7.75
Mech-President Corp.	690,713	1,712,979	869,873	843,106	10,103,170	80,714	97,094	1.41
Q-ware Systems & Services Corp.	281,042	1,222,322	826,715	395,607	904,416	77,342	65,519	2.33
Uni-President Cold Chain Corp.	393,417	5,841,130	4,833,243	1,007,887	3,208,412	342,008	321,668	8.18
President Information Corp.	299,006	915,615	453,142	462,473	1,213,945	94,950	85,672	2.87
Duskin Serve Taiwan Co.	200,000	629,890	243,340	386,550	1,133,954	146,007	128,795	6.44
Afternoon Tea Taiwan Co., Ltd.	290,000	84,799	2,610	82,189	240,617	(22,136)	(40,856)	(1.41)
Books.com. Co., Ltd.	199,900	2,066,740	1,226,734	840,006	6,764,071	500,970	424,867	21.25
Retail Support International Corp.	257,200	10,480,730	9,734,576	746,154	2,940,932	168,379	209,996	8.16
President Chain Store (Labuan) Holdings Ltd.	867,901	1,921,718	30	1,921,688	-	(186)	392,487	-
Philippine Seven Corp.	451,348	8,503,668	4,909,819	3,593,849	22,105,951	988,623	795,567	1.05
Convenience Distribution Inc.	26,827	313,778	178,847	134,931	851,822	4,073	6,664	1.48
President Chain Store (Hong Kong) Holdings Limited	4,005,796	30,316,163	2,577,476	27,738,687	-	(24,048)	23,771,940	-
Shanghai President Logistic Co., Ltd.	59,520	579,202	225,795	353,407	701,243	90,603	50,901	-



## 8.1.6 Summarized Operation Results of Affiliated Enterprises (Continued)

Unit: NT\$ thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
President Logistic ShanDong Co., Ltd.	228,684	242,397	43,659	198,738	49,504	(26,684)	(29,442)	-
President Chain Store (Shanghai) Ltd.	2,286,840	609,586	383,684	225,902	1,764,947	(151,305)	(151,283)	-
PCSC Restaurant (Cayman) Holdings Limited	266,457	31,859	27	31,832	-	(66)	(1,385)	-
Shanghai President Chain Store Corporation Trade Co., Ltd.	264,269	31,788	208	31,580	7,016	(1,867)	(1,319)	-
PCSC (Chengdu) Hypermarket Limited	603,726	142,087	64,012	78,075	213,137	(90,471)	(122,031)	-
Shan Dong President Yinzuo Commercial Limited	274,421	1,247,478	903,138	344,340	3,873,580	44,464	36,987	-
President Chain Store (Taizhou) Ltd.	274,421	384,467	71,287	313,180	158,327	21,868	36,710	-
President Chain Store (Zhejiang) Ltd.	274,421	332,541	145,218	187,323	78,932	(85,193)	(85,730)	-
PCSC (China) Drugstore Limited	282,304	70,429	27	70,402	-	(105)	3,986	-
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	457,368	80,011	10,446	69,565	82,248	4,013	4,092	-
President Pharmaceutical (Hong Kong) Holdings Limited	89,280	39,961	27,199	12,762	109,254	(6,646)	(65,239)	-
President (Shanghai) Health Product Trading Company Ltd	89,280	70,023	92,061	(22,038)	124,189	(69,081)	(58,419)	-
Shanghai Cold Stone Ice Cream Corporation	1,017,843	103,608	50,484	53,124	111,622	(70,739)	(139,398)	-
Vision Distribution Service Corp.	100,000	580,090	470,206	109,884	1,172,319	492	1,440	0.14
Tung Jim Corp.	16,000	64,414	15,100	49,314	300,075	18,956	15,899	9.94
Uni-President Logistics(BVI) Holdings Limited	89,021	103,623	-	103,623	-	(106)	10,582	-
Zhejiang Uni-Champion Logistics Development Co., Ltd.	182,947	324,159	117,539	206,620	629,094	27,626	21,013	-
Duskin China (BVI) Holdings Limited								
Books.com (BVI) Ltd	1,488	610	-	610	-	-	(4)	-
Beijing Bokelai Customer Co.	446	31	2	29	-	(4)	(5)	-
Retail Support Taiwan Corp.	56,300	219,316	75,066	144,250	371,757	50,277	48,523	8.62
President Logistics International Co., Ltd.	193,500	1,305,097	986,603	318,494	2,943,933	36,310	71,000	3.67
Chieh Shun Transport Corp.	266,700	1,371,404	1,061,960	309,444	1,785,639	22,912	20,386	0.76
President Starbucks Coffee Corp.	356,378	4,002,017	2,392,100	1,609,917	10,251,760	903,435	799,374	22.43

### 8.1.6 Summarized Operation Results of Affiliated Enterprises (Continued)

Unit: NT\$ thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
Ton Yi Industrial Corp.	15,791,453	27,930,534	9,498,506	18,432,028	17,001,461	394,413	600,092	0.38
Tovecan Corporation Ltd.	136,182	175,399	17,588	157,811	189,146	4,036	5,657	-
Cayman Ton Yi Industrial Holdings Ltd.	9,820,800	15,220,109	3,034,678	12,185,431	-	(3,002)	373,052	-
Cayman Jiangsu Ton Yi Holdings Ltd.	1,488	1,897,729	-	1,897,729	-	-	(3,527)	-
Jiangsu Ton Yi Tinplate Co., Ltd.	1,190,400	2,874,823	711,523	2,163,300	2,916,059	(2,056)	(4,256)	-
Cayman Fujian Ton Yi Holdings Ltd.	2,597	3,414,531	-	3,414,531	-	-	4,970	-
Fujian Ton Yi Tinplate Co., Ltd.	2,574,240	5,643,359	1,723,207	3,920,152	4,476,854	31,936	5,725	-
Chengdu Ton Yi Industrial Packing Co., Ltd.	223,200	487,833	38,978	448,855	310,409	(59,271)	(58,888)	-
Wuxi Ton Yi Industrial Packing Co., Ltd.	289,267	802,049	161,470	640,579	990,073	22,932	21,188	-
Changsha Ton Yi Industrial Co., Ltd.	208,320	296,708	80,913	215,795	159,148	(895)	6,253	-
Cayman Ton Yi Holdings Limited	6,844,800	8,433,071	-	8,433,071	-	-	563,181	-
Cayman Ton Yi (China) Holdings Limited	6,844,800	8,433,071	-	8,433,071	-	-	563,181	-
Ton Yi (China) Investment Co., Ltd.	6,844,800	8,565,921	132,828	8,433,093	64,312	10,987	563,181	-
Zhangzhou Ton Yi Industrial Co., Ltd.	892,800	2,583,350	1,193,782	1,389,568	1,840,904	130,946	74,924	-
Taizhou Ton Yi Industrial Co., Ltd.	892,800	2,139,343	300,501	1,838,842	2,473,251	311,620	243,433	-
Chengdu Ton Yi Industrial Co., Ltd.	892,800	1,795,154	1,036,250	758,904	915,735	54,504	10,325	-
Huizhou Ton Yi Industrial Co., Ltd.	892,800	1,798,974	949,169	849,805	1,246,531	84,880	36,458	-
Kunshan Ton Yi Industrial Co., Ltd.	892,800	1,404,056	207,835	1,196,221	2,148,393	96,891	76,953	-
Beijing Ton Yi Industrial Co., Ltd.	892,800	1,247,585	445,728	801,857	2,172,580	65,434	46,699	-
Sichuan Ton Yi Industrial Co., Ltd.	892,800	1,597,472	753,456	844,016	1,560,470	38,174	17,803	-
Zhanjiang Ton Yi Industrial Co., Ltd.	595,200	1,149,397	433,621	715,776	993,359	48,705	34,047	-
President International Development Corp.	13,230,000	15,615,075	1,249,011	14,366,064	882,308	670,215	922,483	-
President Property Corporation	630,000	868,377	236,586	631,791	23,065	6,057	3,317	-
President (BVI) International Investment Holdings Ltd.	5,177,496	5,866,797	173	5,866,624	466,314	464,653	464,635	-
Tong Yu Investment Corp.	454,600	588,449	2,515	585,934	64,698	63,176	61,124	-
President Life Sciences Co., Ltd.	1,000	88,418	54,259	34,159	16,170	14,829	14,829	-
President Life Sciences Cayman Co., Ltd.	33,480	49,850	110	49,740	757	193	193	-
Uni-President Organics Corp.	50,000	202,241	83,315	118,926	501,096	45,340	38,456	7.69

## 8.1.6 Summarized Operation Results of Affiliated Enterprises (Continued)

Unit: NT\$ thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
President Natural Industrial Corp.	120,000	350,937	254,995	95,942	1,176,197	1,910	7,179	0.60
Uni-President Vendor Corp.	150,000	601,939	461,058	140,881	1,834,578	40,077	59,125	3.94
President Baseball Team Corp.	30,000	112,988	108,059	4,929	332,420	(2,859)	750	25.00
Tone Sang Construction Corp.	340,200	1,944,515	1,401,497	543,018	464,647	117,744	131,010	3.85
President Entertainment Corp.	1,600,000	1,158,498	1,601,974	(443,476)	-	(68,674)	(85,935)	(0.54)
Tung Ho Development Corp.	1,600,000	2,053,887	1,063,809	990,078	451,102	(33,846)	(50,795)	(0.32)
President Kikkoman Inc.	120,000	535,267	215,885	319,382	917,941	100,447	85,019	7.08
President Fair Development Corp.	10,000,000	13,583,682	4,207,071	9,376,611	1,847,738	(373,495)	8,743	0.01
President Century Corp.	720,000	2,455,899	894,191	1,561,708	-	(1,512)	1,477	0.02
President Nisshin Corp.	120,000	638,162	305,155	333,007	1,567,364	161,131	135,720	11.31
President Packaging Corp.	628,013	2,522,344	1,452,554	1,069,790	2,297,516	246,052	206,760	3.27
President Cup Corp.	29,760	18,032	1	18,031	1,971	(802)	(802)	0.00
President Packaging Holdings Ltd.	111,600	232,055	-	232,055	-	(26)	30,212	0.27
Wuhan President Packaging Ind. Corp.	110,112	300,501	69,850	230,651	380,208	21,976	31,218	0.16
Changsha Tongyi Packaging Co. Ltd.	54,884	101,987	31,914	70,073	193,355	17,115	12,870	0.24
Guangzhou President packaing Ind. Corp.	45,737	78,737	31,652	47,085	60,374	1,749	1,327	0.03
Ton Yi Pharmaceutical Corp.	1,000	1,021	-	1,021	-	-	8	0.08
Uni-President Dream Parks Corp.	61,000	232,730	106,159	126,571	609,617	38,242	39,389	6.46
Uni-OAO Travel Service Corp.	6,000	5,313	147	5,166	3,325	(433)	(371)	(0.62)
Uni-President Glass Industrial Co., Ltd.	360,000	736,262	608,919	127,343	548,448	(61,658)	(64,996)	(1.81)
Kai Nan Investment Co., Ltd.	2,135,000	973,849	293	973,556	92,073	90,950	100,151	0.47
President Tokyo Corp.	588,000	4,275,185	3,596,409	678,776	1,853,590	59,860	23,873	0.41
Uni-president TC-Lease (Cayman) Corporation	297,600	247,387	20,311	227,076	-	(5,637)	(6,351)	(0.64)
Tong-Sheng Finance Leasing Co., Ltd.	297,600	261,434	14,592	246,842	27,537	(2,180)	(258)	(0.03)
Tong- Sheng (Suzhou) Car Rental Co., Ltd.	22,868	19,966	499	19,467	6,759	(1,343)	(1,006)	(0.20)
President Tokyo Auto Leasing Corp.	100,000	821,937	728,143	93,794	382,451	(11,073)	(13,706)	(1.37)
Presco Netmarketing Inc.	65,000	2,440,523	1,877,086	563,437	3,270,521	498,902	416,423	64.07
Uni-President Development Corp.	3,600,000	8,911,307	5,157,439	3,753,868	949,102	196,709	111,834	0.31
Tait Marketing & Distribution Co., Ltd.	945,000	1,099,815	387,973	711,842	1,802,392	37,483	26,661	0.28

### 8.1.6 Summarized Operation Results of Affiliated Enterprises (Continued)

Unit: NT\$ thousands

Name of Corporation	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Net Operating Revenues	Operating Income	Net Income	Earning Per Share (NT\$)
Tait (H.K.) International Limited	4,456	(2,689)	0	(2,689)	0	0	(546)	-
Tait Distribution Service Co., Ltd.	2,500	5,649	2,735	2,914	14,780	111	88	0.35
Tait (Shanghai) Trading Co., Ltd.	8,928	4,262	6,997	(2,735)	23,158	(1,248)	(546)	-
Scino Pharm Taiwan Ltd.	7,907,392	10,984,813	567,588	10,417,225	3,449,175	801,318	422,367	0.53
SPT International, Ltd.	1,979,784	705,701	27	705,674	0	(124)	(322,302)	(4.84)
ScinoPharm Singapore Pte Ltd.	-	134	54	80	309	14	14	7,000.00
ScinoPharm (Kunshan) Biochemical Technology Co., Ltd.	119,040	421,958	0	421,958	0	(13,202)	(2,957)	-
ScinoPharm Pharmaceutical (Changshu) Co., Ltd.	1,800,480	2,267,126	2,006,196	260,930	309,288	(246,487)	(317,948)	-
ScinoPharm Shanghai Biochemical Technology, Ltd.	35,712	19,486	668	18,818	13,116	342	(936)	-

Note1 : Those are holding companies whose net operating revenues are consolidated.

Note2 : Balance sheet accounts of foreign subsidiaries are translated into New Taiwan dollars using the exchange rates at the balance sheet date. Profit and loss accounts are translated at average rates of the year 2017.

Note3 : Exchange rates are used as follows:

(A) Exchange rate on 12/31, 2017

USD:NTD=1:29.76 ; RMB:NTD=1:4.573677 ; HKD:NTD=1:3.808549 ;

NTD:VND=1:762.701613 ; NTD:IDR=1:455.913978 ; BHD:NTD=1:0.9132444 ;

PSO:NTD=1:0.596154

(B) Average exchange rate for 2017

USD:NTD=1:30.409879 ; RMB:NTD=1:4.501891 ; HKD:NTD=1:3.902412 ;

NTD:VND=1:747.059344 ; NTD:IDR=1:439.980890 ; BHD:NTD=1:0.896054 ;

PSO:NTD=1:0.603252

### 8.1.7 Independent Auditor's Uni-President and Affiliated Enterprises Consolidated Financial Statements : Please refer to Page 309.

### 8.1.8 Affiliation Report: None.

**8.2 Private Placement of Securities: None (in the most recent fiscal year and up to the issue date of this Annual Report)**

**8.3 UPEC Securities Acquired, Disposed of, or Held by Subsidiaries: None (in the most recent fiscal year and up to the issue date of this Annual Report)**

## **8.4 Other Necessary Supplement**

**8.4.1 Certificates earned by employees involved in information transparency**  
Number of employees who hold professional certificates:

**A. Certified public accountants: 7.**

**B. Qualified Internal Auditor : 4.**

**C. Certified Internal Auditors : 2.**

**8.4.2 Supplementary Disclosure**

**A. Key Indicators for Achievement : Please refer to Page 236.**

**B. Evaluation Standard for Provision on Valuation Account Associated with Assets and Liabilities : Please refer to Page 236.**

**C. Accounting for Impairment of Assets : Please refer to Page 238.**

**D. The procedure of processing material information : Please refer to Page 238.**

## **8.5 Other Supplementary Disclosure**

If any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report, such situations shall be listed : None.

## Supplementary Disclosure

### A. Key Indicators for Achievement

Considering the industry traits, the key performance indicator in our company is based on “gross profit margin”. Due to low entry barrier in the food industry, we strive to optimization of product mix and brand investment to enhance pricing power and overall added value.

We continued to optimize product mix, gross profit margin in 2018 has increased to 29.44%, and we will work on enhancing management structure and strength profitability of high profit margin products in brand manage

### B. Evaluation Standard for Provision on Valuation Account Associated with Assets and Liabilities

#### (1) Provision on allowance for doubtful accounts receivable and notes receivable

A. Objective: To evaluate the risks of accounts and notes receivable, classify and resemble clients with similar risk class to apply different aging analysis to determine their bad debt reserve ratios.

B. Provision:

a. Provision for bad debts :

(a) Provisions Groups would evaluate the possible bad-debt loss for those high-risk clients separately. Those low-risk clients would be evaluated by aging method. Other Groups would define their high risk clients on their business characteristic and evaluate if they should be evaluated separately, otherwise would consider the operating risks in the past and evaluated with the aging method. Please refer to Table 1.

(b) Clients are classified into following three types:

Regular client: Bad debt reserve ratios are determined by the ages of the accounts.

Special client: Any affiliates with over 20% shareholdings held by Uni-President Group are regarded as special clients and no bad-debt reserve ratios are considered.

Bad debt client: Evaluate the losses that could be recovered from the client's collateral, and re-determine the bad-debt reserve ratios.

(c) Accounting department will incorporate the bad debt reserves calculated above and make necessary adjustment to the amount in “Allowance for Bad Debt “ account.

Table 1 : Evaluation standard of provision and ratios for each group

Valuation Account	Method	Group	Evaluation Standard	Provision ratios	
				Collateral	Without collateral
Allowance for bad debts	Aging analysis method	Instant Food Group	A. Receivables overdue 1-90 days	0~10%	0~15%
			B. Receivables overdue 91-180 days	10~25%	30~70%
			C. Receivables overdue 181-360 days	20~25%	50~70%
			D. Receivables overdue > 361 days	25~50%	70~90%
		Dairy & Beverage Group	A. Receivables overdue 1-90 days	0~15%	0~15%
			B. Receivables overdue 91-180 days	15~15%	15~20%
			C. Receivables overdue 181-360 days	25~25%	25~70%
			D. Receivables overdue > 361 days	50~50%	50~100%
		Provisions Group	A. Receivables overdue 1-90 days	0~10%	0~15%
			B. Receivables overdue 91-180 days	12~15%	20~25%
			C. Receivables overdue 181-360 days	25~25%	70~80%
			D. Receivables overdue > 361 days	50~50%	90~100%
		General Foods Group	A. Receivables overdue 1-90 days	0~5%	0~10%
			B. Receivables overdue 91-180 days	10~15%	20~30%
			C. Receivables overdue 181-360 days	20~25%	50~70%
			D. Receivables overdue > 361 days	50~50%	90~100%
		Health Group	A. Receivables overdue 1-90 days	0~5%	0~10%
			B. Receivables overdue 91-180 days	2.5~15%	20~20%
			C. Receivables overdue 181-360 days	2.5~25%	20~70%
			D. Receivables overdue > 361 days	2.5~50%	20~100%

## b. To write-off allowance for bad debts:

- (a) Recognize bad debt: Bad debts are recognized when payments are un-collectible upon goods being sold by salesmen or when the expired notes are un-realizable.
- (b) Write-off :
  - Legal evidences should be provided to verify the actual losses of bad debts.
  - Bad debts should be write-off the same year as they occurred. If the allowances for bad debts are deficient, recognize them as the yearly write-off losses.
  - When clients wish to pay off the loans through real estates, legal department should help them establish an “Debt Pay-off by Collateral” contract, acquire and measure the declared current value and fair market value of the property.

**(2) Allowance for inventory obsolescence**

Inventories are stated at cost. Cost is determined using the weighted-average method. The cost of livestock is amortized over the actual breeding and production periods. At the end of period, inventories are evaluated at the lower of cost or net realizable value, and the individual item approach is used in the comparison of cost and net realizable value. The calculation of net realizable value is based on the estimated selling price in the normal course of business, net of estimated costs of completion and estimated selling expenses. When the cost of inventories exceeds the net realizable value, the amount of any write-down of inventories is recognized as cost of sales during the period; and the amount of any reversal of inventory write-down is recognized as a reduction in cost of sales during the period.

**(3) Fair values of financial instruments**

1. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:



- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market and investment property is included in Level 3.
2. The instruments that the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares	Open-end fund	Government bond	Convertible bond
Market quoted price	Closing price	Net asset value	Closing price	Closing price

3. Financial planning division is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

### C. Accounting for Impairment of Assets

- (1) The Company recognizes impairment loss when there is indication that the recoverable amount of an asset is less than its carrying amount. The recoverable amount is the higher of the fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of the asset in an arm's length transaction after deducting any direct incremental disposal costs. The value in use is the present value of estimated future cash flows to be derived from continuing use of the asset and from its disposal at the end of its useful life.
- (2) When the impairment no longer exists, the impairment loss recognized in prior years shall be recovered. However, impairment loss of goodwill is not recoverable.
- (3) The Company adopted the IAS No.36, "Accounting for impairment of assets.". After the reversal of impairment loss previously recognized, the total accumulated impairment as of Dec.31, 2017 was \$11,591 thousand dollars.

Item	Recognized in Profit or loss	Recognized in other comprehensive income
<b>Recorded as impairment loss :</b>		
Gain on reversal of impairment loss:		
Property, plant and equipment	\$ (12,084,000)	\$ -
Investment property	493,000	-
	<u>\$ (11,591,000)</u>	<u>-</u>

### D. The Procedure of Processing Material information

Complying with the Taiwan Stock Exchange Corporation (TSEC) regulations, the Company has established the procedure preventing the insider trading, while the documental procedure governing the processing of material information has not been established yet. The procedure for processing material information has been included in our internal control system.



**UNI-PRESIDENT ENTERPRISES CORP.**  
**PARENT COMPANY ONLY FINANCIAL**  
**STATEMENTS AND REPORT OF INDEPENDENT**  
**ACCOUNTANTS**  
**DECEMBER 31, 2017 AND 2016**

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

## REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Uni-President Enterprises Corp.

### ***Opinion***

We have audited the accompanying parent company only balance sheets of Uni-President Enterprises Corp. (the “Company”) as at December 31, 2017 and 2016, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2017 and 2016, and its financial performance and its cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”.

### ***Basis for opinion***

We conducted our audits in accordance with the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants” and generally accepted auditing standards in the Republic of China (ROC GAAS). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company’s parent company only financial statements of the year 2017. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the parent company only financial statements of the current period are stated as follows:

### **Evaluation of the ending balance of investments accounted for under the equity method**

Please refer to Notes 4(13) and 6(7) to the parent company only financial statements for the accounting policy and the details of investments accounted for using the equity method relating to this key audit matter.

Cayman President Holdings Ltd. and President Chain Store Corp., the Company's subsidiaries with related ending balance of investment accounted for under the equity method of \$49,537,752 thousand and \$21,655,545 thousand, respectively, constituting 40% of the Company's total assets collectively, and were considered significant to the parent company only financial statements. Accordingly, evaluation of the ending balances of these investments accounted for under the equity method has been identified one of the most significant matters in our audit, and hence the key audit matters reported in the financial statements of these subsidiaries are also included as key audit matters of in our audit of the Company's parent company only financial statements key audit matters from the abovementioned subsidiaries are summarized as follows:

1. Cayman President Holdings Ltd. and its subsidiaries — operating revenue — sales of goods in Mainland China

#### Description

Cayman President Holdings Ltd. and its subsidiaries are engaged in large volume of revenue transactions generated from sales to a large number of customers, including direct customers and distributors in many different areas in Mainland China. For customers and distributors with farther distance or located in remote areas, it needs more time for good transportation and customer reception, which involves complicated judgements in determining the timing of transferring the rights and obligations and risks and awards of goods to customers. As a result, it has been identified as one of the key audit matters of our annual audit of 2017.

#### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

- (1) We understood, evaluated and validated management's controls in respect of the Group's sales transactions. In addition, we understood and tested the general control environment of the Group's

information technology systems and the automatic controls that were related to sales of goods and revenue recognition.

- (2) We conducted testing of revenue recorded covering different locations and customers, using sampling techniques, by examining the relevant supporting documents including customer orders, goods delivery notes and customer's receipt notes. In addition, we confirmed customers' balances and transactions on a sampling basis, by considering the amount, nature and characteristics of those customers.
- (3) We tested sales transactions that took place shortly before and after the balance sheet date, by reconciling recognised revenue with the goods delivery notes and customers' receipt notes, to assess whether revenue was recognised in the correct reporting periods.

## 2. President Chain Store Corp. and its subsidiaries – Completeness and accuracy of retail sales revenue

### Description

Retail sales revenue is recorded by point-of-sale (POS) terminals, which collect the information of item names of merchandise, quantity, sales price and total sales amount of each transaction using pre-established merchandise master file data (which contains information such as item names of merchandise, cost of purchase, retail price, combination sales promotions, etc.). After the daily closing process, each store manager uploads their sales information to the Enterprise Resource Planning ("ERP") system, which summarizes all sales and automatically generates sales revenue journal entries. Each store manager also prepares a daily cash report, which summarizes amounts of sales and methods of collections (including cash, gift certificates, credit cards and electronic payment devices, etc.) and cash from daily sales is deposited to the bank.

As retail sales revenue comprises numerous small amount transactions and highly relies on the POS and ERP systems, the process of summarizing and recording sales revenue by these systems is important with regard to the completeness and accuracy of the retail sales revenue figures, and thus has been identified as one of the key audit matters of our annual audit of 2017.

### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

- (1) We inspected and checked whether additions and changes to the merchandise master file data had been properly approved and supported by relevant documents;
- (2) We inspected and checked whether approved additions and changes to the merchandise master file data had been correctly entered in the merchandise master file;

- (3) We inspected and checked whether merchandise master file data had been periodically transferred to POS terminals in stores;
- (4) We inspected and checked whether sales information in POS terminals had been periodically and completely transferred to the ERP system and sales revenue journal entries were automatically generated;
- (5) We inspected manual sales revenue journal entries and relevant documents;
- (6) We inspected daily cash reports and relevant documents;
- (7) We inspected cash deposit amounts recorded in daily cash reports and agreed them to bank remittance amounts.

### 3. President Chain Store Corp. and its subsidiaries – Cost-to-retail ratio of retail inventory method.

#### Description

As President Chain Store Corp. and its subsidiaries involves various kinds of merchandise, the retail inventory method is used to estimate the ending balance inventory and the cost of goods sold. The retail inventory method applies the ratio of costs over retail prices of goods purchased (known as cost-to-retail ratio) to come out with an estimate of the ending balance of inventory and the cost of goods sold. The determination of the cost-to-retail ratio highly relies on cost and retail price information recorded in the accounting system, and thus has been identified as one of the key audit matters of our annual audit of 2017.

#### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

- (1) We interviewed the management to understand the calculation process of the cost-to-retail ratio under the retail inventory method, and inspected whether it had been consistently applied in the comparative periods of the financial statements;
- (2) We inspected and checked whether additions and changes to the merchandise master file data (including item names of merchandise, cost of inventory, retail price, combination sales promotions, etc.) had been properly approved and the data had been correctly entered in the merchandise master file;
- (3) We inspected and checked whether costs and retail prices of inventory purchased as per delivery receipts were in agreement with POS purchase records after acceptance of the inventory;
- (4) We inspected and checked whether the POS records for costs and retail prices of inventory purchased were periodically and completely transferred to the ERP system and that the records

could not be changed manually.

(5) We recalculated the cost-to-retail ratio to verify its accuracy.

## **Significant acquisition**

### Description

Please refer to Notes 4(29) and 6(7) to the parent company only financial statements for accounting policy of business combinations and details of accounting relating to this key audit matter.

The Company originally invested 20% shares of President Starbucks Coffee Corp. a joint venture investment accounted for under the equity method. In December 2017, the Company acquired additional 20% shares of President Starbucks Coffee Corp. with total cash consideration amounted to \$2,151,204 thousand and obtained control over President Starbucks Coffee Corp.

The accounting treatment of the aforementioned acquisition of additional shares in President Starbucks Coffee Corp. was in accordance with International Financial Reporting Standards (“IFRS”) 3 “Business Combinations”. The recognition and measurement of identifiable intangible assets resulting from the acquisition was based on management’s expectations for future operations and prospects of President Starbucks Coffee Corp., which involved management’s subjective judgement and critical estimates, and thus has been identified as one of the key audit matters of our annual audit of 2017.

### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. We interviewed the Group’s management to understand the purpose of the acquisition, evaluation process, determination of the consideration, and we also reviewed the Board of Directors’ meeting minutes and the acquisition agreements to verify the related meeting resolutions were consistent with the acquisition agreement;
2. We assessed the competence and objectivity of the independent appraisers engaged by the management, and reviewed the reasonableness of major assumptions and original data used in recognizing and measuring the identifiable intangible assets in the Purchase Price Allocation report. Procedures performed by us and our internal specialists were as follows:
  - (1) We reviewed the valuation methods and the calculations formula used in the valuation by the independent appraisers.
  - (2) We reviewed and compared the expected growth rate as well as gross margin used in the valuation with historical data.

- (3) We reviewed the discount rate used in the valuation and compared with the rate of return from similar assets in the trade markets.
  - (4) We evaluated the basis used in assessing the useful lives of identifiable intangible assets.
3. We reviewed the accounting treatments and disclosures in the financial statements relating to this acquisition.

### **Implementation of New Enterprises Resource Planning (“ERP”) system**

#### Description

Uni-President Enterprises Corp. (the “Company”) replaced certain parts of its ERP system in 2017. The new ERP system is replacing the previous platform where the underlying business transactions across the Company were based upon. Considering the magnitude of the replacement and implementation of new ERP system and its impacts on internal control as well as financial and operating reporting process across the Company, it has been identified as one of the key audit matters of our annual audit of 2017.

#### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following :

1. We interviewed the Company’s management to understand the system, the new business processes related controls and control activities based on the new ERP system as well as the detailed implementation plan.
2. We obtained understanding of the extent of work performed by the Company’s management around the implementation and confirm the accuracy of the opening balance in the new ERP system.
3. We understood and tested the key internal controls over major business processes and the system environment which the Company’s financial reporting system relied upon.

#### ***Other matter – The report of other independent accountants***

We did not audit the financial statements of certain investments accounted for using the equity method that are included in the parent company only financial statements. Those financial statements were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the parent company only financial statements and the information disclosed in Note 13 relative to these investments, is based solely on the audit reports of other independent accountants. Total assets of these subsidiaries and investments amounted to \$2,708,795 thousand and \$6,821,574 thousand, representing 1.52% and 4.43%

of the related totals, as of December 31, 2017 and 2016, respectively, and total operating revenues of \$289,553 thousand and \$944,108 thousand, constituting 0.77% and 9.95% of the related totals for the years then ended, respectively.

***Responsibilities of management and those charged with governance for the parent company only financial statements***

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the “Regulations Governing the Preparations of Financial Reports by Securities Issuers”, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the Company’s financial reporting process.

***Auditor’s responsibilities for the audit of the parent company only financial statements***

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

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements,



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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Lin, Tzu-Shu

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan

Republic of China

March 28, 2018

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The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**UNI-PRESIDENT ENTERPRISES CORP.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2017 AMOUNT	December 31, 2016 AMOUNT
<b>Current assets</b>			
1100	Cash and cash equivalents	\$ 197,837	\$ 4,976,270
1150	Notes receivable, net	242,758	257,994
1170	Accounts receivable, net	694,239	567,736
1180	Accounts receivable - related parties	3,259,698	3,878,046
1200	Other receivables	176,937	183,071
1210	Other receivables - related parties	424,142	382,860
1220	Current income tax assets	64,774	-
130X	Inventory	1,875,713	2,222,635
1410	Prepayments	85,523	112,974
11XX	<b>Total current assets</b>	<b>7,021,621</b>	<b>12,581,586</b>
<b>Non-current assets</b>			
1523	Available-for-sale financial assets - non-current	6,150	6,150
1543	Financial assets carried at cost - non-current	322,814	329,615
1550	Investments accounted for using equity method	147,433,606	118,148,937
1600	Property, plant and equipment	16,489,996	16,255,665
1760	Investment property - net	4,613,302	4,662,894
1840	Deferred income tax assets	716,724	787,387
1915	Prepayments for equipment	439,835	408,050
1920	Guarantee deposits paid	178,489	150,642
1930	Long-term notes and accounts receivable, net	66,791	76,399
1990	Other non-current assets	655,736	460,615
15XX	<b>Total non-current assets</b>	<b>170,923,443</b>	<b>141,286,354</b>
1XXX	<b>Total assets</b>	<b>\$ 177,945,064</b>	<b>\$ 153,867,940</b>

(Continued)

**UNI-PRESIDENT ENTERPRISES CORP.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2017 AMOUNT	December 31, 2016 AMOUNT
<b>Current liabilities</b>			
2100	Short-term borrowings	\$ 204,933	\$ 10,680
2120	Financial liabilities at fair value through profit or loss - current	1,215	-
2150	Notes payable	9,368	-
2170	Accounts payable	1,155,276	1,228,598
2180	Accounts payable - related parties	119,504	160,924
2200	Other payables	8,705,452	5,279,868
2220	Other payables - related parties	551,170	528,087
2230	Current income tax liabilities	-	151,560
2310	Advance receipts	129,077	130,052
2320	Long-term liabilities, current portion	4,500,000	4,300,000
21XX	<b>Total current liabilities</b>	<u>15,375,995</u>	<u>11,789,769</u>
<b>Non-current liabilities</b>			
2530	Corporate bonds payable	14,700,000	13,200,000
2540	Long-term borrowings	21,899,317	28,398,662
2570	Deferred income tax liabilities	1,813,092	1,752,357
2640	Net defined benefit liabilities	3,727,398	4,016,038
2645	Guarantee deposits received	79,902	84,091
2670	Other non-current liabilities	274,083	221,176
25XX	<b>Total non-current liabilities</b>	<u>42,493,792</u>	<u>47,672,324</u>
2XXX	<b>Total Liabilities</b>	<u>57,869,787</u>	<u>59,462,093</u>
<b>Equity</b>			
<b>Share capital</b>			
3110	Share capital - common stock	56,820,154	56,820,154
<b>Capital reserve</b>			
3200	Capital surplus	3,916,160	3,900,138
<b>Retained earnings</b>			
3310	Legal reserve	16,588,870	15,136,198
3320	Special reserve	4,011,314	4,042,765
3350	Unappropriated retained earnings	42,446,053	16,329,791
<b>Other equity interest</b>			
3400	Other equity interest	( 3,707,274 )	( 1,823,199 )
3XXX	<b>Total equity</b>	<u>120,075,277</u>	<u>94,405,847</u>
<b>Contingent liabilities and commitments</b>			
3X2X	<b>Total liabilities and equity</b>	<u>\$ 177,945,064</u>	<u>\$ 153,867,940</u>

The accompanying notes are an integral part of these parent company only financial statements.

UNI-PRESIDENT ENTERPRISES CORP.  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31		
		2017	2016	
		AMOUNT	AMOUNT	
4000	<b>Sales revenue</b>	6(21) and 7	\$ 39,283,077	\$ 38,919,076
5000	<b>Operating costs</b>	6(4)(25)(26) and 7	( 27,717,412)	( 27,386,337)
5900	<b>Net operating margin</b>		11,565,665	11,532,739
	<b>Operating expenses</b>	6(25)(26) and 7		
6100	Selling expenses		( 5,432,321)	( 5,607,191)
6200	General and administrative expenses		( 4,582,875)	( 3,428,370)
6300	Research and development expenses		( 493,423)	( 480,772)
6000	<b>Total operating expenses</b>		( 10,508,619)	( 9,516,333)
6900	<b>Operating profit</b>		1,057,046	2,016,406
	<b>Non-operating income and expenses</b>			
7010	Other income	6(22) and 7	2,059,241	2,001,708
7020	Other gains and losses	6(6)(7)(8)(9)(10)(12)(23)	232,498	( 970,290)
7050	Finance costs	6(24)	( 471,678)	( 469,186)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(7)	37,244,571	12,594,592
7000	<b>Total non-operating income and expenses</b>		39,064,632	13,156,824
7900	<b>Profit before income tax</b>		40,121,678	15,173,230
7950	Income tax expense	6(27)	( 276,825)	( 646,511)
8200	<b>Profit for the year</b>		\$ 39,844,853	\$ 14,526,719
	<b>Other comprehensive income</b>			
	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>			
8311	Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plan	6(16)	( \$ 297,079)	( \$ 303,633)
8330	Share of other comprehensive loss of associates and joint ventures accounted for under equity method		( 128,562)	( 280,580)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(27)	50,503	51,618
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>			
8361	Other comprehensive income, before tax, exchange differences on translation	6(20)	( 817,129)	( 3,422,689)
8380	Share of other comprehensive loss of subsidiaries, associates and joint ventures accounted for using equity method	6(20)	( 1,063,626)	( 1,075,071)
8399	Income tax related to the components of other comprehensive income that will be reclassified to profit or loss	6(20)(27)	3,320	5,698
8300	<b>Other comprehensive loss for the year</b>		( \$ 2,259,213)	( \$ 5,036,053)
8500	<b>Total comprehensive income for the year</b>		\$ 37,585,640	\$ 9,490,666
	<b>Earnings per share</b>	6(28)		
9750	<b>Basic</b>		\$ 7.01	\$ 2.56
9850	<b>Diluted</b>		\$ 6.98	\$ 2.54

The accompanying notes are an integral part of these parent company only financial statements.

UNI-PRESIDENT ENTERPRISES CORP.  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016  
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings				Other equity interest		Total	
		Share capital - common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations		Unrealized gain or loss on available-for-sale financial assets
For the year ended December 31, 2016									
Balance at January 1, 2016		\$ 56,820,154	\$ 3,957,172	\$ 13,725,414	\$ 4,043,384	\$ 15,109,863	\$ 2,125,399	\$ 554,860	\$ 96,336,246
Distribution of 2015 net income (Note):		-	-	-	-	( 1,410,784 )	-	-	-
Legal reserve	6(19)	-	-	1,410,784	-	( 1,410,784 )	-	-	( 11,364,031 )
Cash dividends		-	-	-	-	( 11,364,031 )	-	-	-
Net income for the year ended December 31, 2016		-	-	-	-	14,526,719	-	-	14,526,719
Other comprehensive loss for the year ended December 31, 2016	6(20)	-	-	-	-	( 532,595 )	( 4,382,749 )	( 120,709 )	( 5,036,053 )
Adjustment for change in capital reserve of investee companies	6(18)	-	( 19,196 )	-	-	-	-	-	( 19,196 )
Difference between the acquisition or disposal price and carrying amounts of subsidiaries	6(18)	-	( 92,572 )	-	-	-	-	-	( 92,572 )
Adjustment of capital reserve due to change in interests in associate	6(18)	-	65,025	-	-	-	-	-	65,025
Disposal of subsidiaries	6(18)	-	( 10,291 )	-	-	-	-	-	( 10,291 )
Reversal of special reserve	6(19)	-	-	-	( 619 )	619	-	-	-
Balance at December 31, 2016		\$ 56,820,154	\$ 3,900,138	\$ 15,136,198	\$ 4,042,765	\$ 16,329,791	( \$ 2,257,350 )	\$ 434,151	\$ 94,405,847

(Continued)

UNI-PRESIDENT ENTERPRISES CORP.  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016  
(Expressed in thousands of New Taiwan dollars)

Notes	Share capital - common stock	Retained Earnings			Other equity interest			Total
		Capital reserve	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on available-for-sale financial assets	
	\$ 56,820,154	\$ 3,900,138	\$ 15,136,198	\$ 4,042,765	\$ 16,329,791	(\$ 2,257,350)	\$ 434,151	\$ 94,405,847
Balance at January 1, 2017								
Distribution of 2016 net income (Note):								
Legal reserve	-	-	1,452,672	-	( 1,452,672)	-	-	-
Cash dividends	-	-	-	-	( 11,932,232)	-	-	( 11,932,232)
Net income for the year ended December 31, 2017	-	-	-	-	39,844,853	-	-	39,844,853
Other comprehensive loss for the year ended December 31, 2017	-	-	-	-	( 375,138)	( 1,983,379)	99,304	( 2,259,213)
Adjustment for change in capital reserve of investee companies	-	15,273	-	-	-	-	-	15,273
Difference between the acquisition or disposal price and carrying amounts of subsidiaries	-	24,608	-	-	-	-	-	24,608
Adjustment of capital reserve due to change in interests in subsidiaries	-	( 24,823)	-	-	-	-	-	( 24,823)
Adjustment of capital reserve due to change in interests in associate	-	( 1,927)	-	-	-	-	-	( 1,927)
Non-payment of fractional cash dividends from previous years transferred to capital reserve	-	2,891	-	-	-	-	-	2,891
Reversal of special reserve	-	-	-	( 31,451)	31,451	-	-	-
Balance at December 31, 2017	\$ 56,820,154	\$ 3,916,160	\$ 16,588,870	\$ 4,011,314	\$ 42,446,053	(\$ 4,240,729)	\$ 533,455	\$ 120,075,277

For the year ended December 31, 2017

Balance at January 1, 2017  
Distribution of 2016 net income (Note):

Legal reserve  
Cash dividends  
Net income for the year ended December 31, 2017  
Other comprehensive loss for the year ended December 31, 2017  
Adjustment for change in capital reserve of investee companies  
Difference between the acquisition or disposal price and carrying amounts of subsidiaries  
Adjustment of capital reserve due to change in interests in subsidiaries  
Adjustment of capital reserve due to change in interests in associate  
Non-payment of fractional cash dividends from previous years transferred to capital reserve  
Reversal of special reserve  
Balance at December 31, 2017

(Note) The employees' bonuses were \$1,220,430 and \$1,274,417, and directors' and supervisors' remuneration were \$247,079 and \$250,841 in 2015 and 2016, respectively, which had been deducted from net income for the year.

The accompanying notes are an integral part of these parent company only financial statements.

**UNI-PRESIDENT ENTERPRISES CORP.**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 40,121,678	\$ 15,173,230
Adjustments			
Adjustments to reconcile profit (loss)			
Loss on financial assets and liabilities at fair value through profit or loss	6(12)(23)	8,172	1,860
Provision (reversal of allowance) for doubtful accounts	6(3)	660	( 6,978 )
Provision for inventory market price decline	6(4)	461	-
Gain on disposal of available-for-sale financial assets		-	( 1,440 )
Loss on disposal of financial assets carried at cost		-	452
Share of loss of subsidiaries, associates and joint ventures accounted for under equity method	6(7)	( 37,244,571 )	( 12,594,592 )
Gain on disposal of investments accounted for under the equity method	6(7)(23)	( 1,400,998 )	-
Depreciation on property, plant and equipment	6(8)	1,283,518	1,149,975
Loss (gain) on disposal of property, plant and equipment	6(23)	13,966	( 163,698 )
Depreciation on investment property	6(9)	50,921	49,653
Loss on disposal of investment property	6(23)	-	105
Impairment loss on financial assets	6(6)(23)	6,801	-
Impairment loss (gain on reversal of impairment loss) on non-financial assets	6(10)(23)	11,591	( 605 )
Amortization		4,211	9,896
Amortization of rent receivable		9,194	13,928
Interest income	6(22)	( 8,132 )	( 8,082 )
Dividend income	6(22)	( 9,940 )	( 14,672 )
Finance costs	6(24)	471,678	469,186
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		-	3,598,140
Notes receivable		18,936	26,422
Accounts receivable		( 130,863 )	( 21,057 )
Accounts receivable - related parties		618,348	( 389,932 )
Other receivables		6,548	46,195
Other receivables - related parties		( 41,282 )	( 27,805 )
Inventories		346,461	( 51,018 )
Prepayments		22,940	( 3,251 )
Changes in operating liabilities			
Financial liabilities at fair value through profit or loss		( 6,957 )	-
Notes payable		9,368	( 7,133 )
Accounts payable		( 73,322 )	( 146,923 )
Accounts payable - related parties		( 41,420 )	14,866
Other payables		1,297,309	19,965
Other payables - related parties		23,083	14,502
Advance receipts		( 975 )	1,042
Net defined benefit liabilities - non-current		( 585,719 )	( 644,628 )
Cash inflow generated from operations		4,781,665	6,507,603
Interest received		8,132	8,082
Dividends received		7,784,075	6,339,947
Interest paid		( 460,841 )	( 497,910 )
Income tax paid		( 314,578 )	( 245,120 )
Net cash flows from operating activities		<u>11,798,453</u>	<u>12,112,602</u>

(Continued)



UNI-PRESIDENT ENTERPRISES CORP.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2017	2016
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from sale of available-for-sale financial assets		\$ -	\$ 27,660
Return of capital from financial assets carried at cost		-	4,182
Cash paid for acquisition of investments accounted for under the equity method - subsidiaries	6(30)	( 574,677 )	-
Cash paid for acquisition of investments accounted for under the equity method - non-subidiaries		( 40,633 )	( 72,954 )
Return of capital from investments accounted for under the equity method	6(7)	2,410,000	-
Cash paid for acquisition of property, plant and equipment	6(30)	( 580,455 )	( 431,723 )
Interest paid for acquisition of property, plant and equipment	6(8)(30)	( 2,651 )	( 7,128 )
Proceeds from disposal of property, plant and equipment		5,884	230,723
(Increase) decrease in guarantee deposits paid		( 27,847 )	6,043
Increase in prepayments for equipment		( 1,020,715 )	( 1,306,975 )
Interest paid for prepayments for equipment	6(8)	( 4,947 )	( 8,042 )
Increase in other non-current assets		( 199,332 )	( 92,812 )
Net cash flows used in investing activities		( 35,373 )	( 1,651,026 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase (decrease) in short-term borrowings		194,253	( 41,895 )
Increase in corporate bonds payable		5,000,000	-
Decrease in corporate bonds payable		( 4,300,000 )	( 4,000,000 )
Increase in long-term borrowings		179,900,000	214,200,000
Decrease in long-term borrowings		( 185,399,345 )	( 206,800,124 )
Decrease in guarantee deposits received		( 4,189 )	( 3,436 )
Cash dividends paid	6(19)	( 11,932,232 )	( 11,364,031 )
Net cash flows used in financing activities		( 16,541,513 )	( 8,009,486 )
Net (decrease) increase in cash and cash equivalents		( 4,778,433 )	2,452,090
Cash and cash equivalents at beginning of year	6(1)	4,976,270	2,524,180
Cash and cash equivalents at end of year	6(1)	\$ 197,837	\$ 4,976,270

The accompanying notes are an integral part of these parent company only financial statements.

UNI-PRESIDENT ENTERPRISES CORP.  
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

(1) Uni-President Enterprises Corp. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) in August 1967. The Company is primarily engaged in the manufacture, processing and sales of various soft drinks, foods, animal feeds and flour.

(2) The common shares of the Company have been listed on the Taiwan Stock Exchange since December 1987.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These parent company only financial statements were authorized for issuance by the Board of Directors on March 28, 2018.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments as endorsed by the FSC effective from 2017 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10, IFRS 12 and IAS 28, 'Investment entities: applying the consolidation exception'	January 1, 2016
Amendments to IFRS 11, 'Accounting for acquisition of interests in joint operations'	January 1, 2016
IFRS 14, 'Regulatory deferral accounts'	January 1, 2016
Amendments to IAS 1, 'Disclosure initiative'	January 1, 2016
Amendments to IAS 16 and IAS 38, 'Clarification of acceptable methods of depreciation and amortisation'	January 1, 2016
Amendments to IAS 16 and IAS 41, 'Agriculture: bearer plants'	January 1, 2016
Amendments to IAS 19, 'Defined benefit plans: employee contributions'	July 1, 2014
Amendments to IAS 27, 'Equity method in separate financial statements'	January 1, 2016
Amendments to IAS 36, 'Recoverable amount disclosures for non-financial assets'	January 1, 2014
Amendments to IAS 39, 'Novation of derivatives and continuation of hedge accounting'	January 1, 2014
IFRIC 21, 'Levies'	January 1, 2014
Annual improvements to IFRSs 2010-2012 cycle	July 1, 2014
Annual improvements to IFRSs 2011-2013 cycle	July 1, 2014
Annual improvements to IFRSs 2012-2014 cycle	January 1, 2016

Except for the following, the above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

Amendments to IAS 36, 'Recoverable amount disclosures for non-financial assets'

The amendments remove the requirement to disclose recoverable amount when a cash generating unit (“CGU”) contains goodwill or indefinite lived intangible assets but there has been no impairment. When a material impairment loss has been recognized or reversed for an individual asset, including goodwill, or a CGU, it is required to disclose the recoverable amount of the asset or CGU. If the recoverable amount is fair value less costs of disposal, it is required to disclose the level of the fair value hierarchy, the valuation techniques used and key assumptions.

Based on the Company’s assessment, the amendments will result in an increase of disclosure information for asset impairment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC effective from 2018 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 2, ‘Classification and measurement of share-based payment transactions’	January 1, 2018
Amendments to IFRS 4, ‘Applying IFRS 9 Financial instruments with IFRS 4 Insurance contracts’	January 1, 2018
IFRS 9, ‘Financial instruments’	January 1, 2018
IFRS 15, ‘Revenue from contracts with customers’	January 1, 2018
Amendments to IFRS 15, ‘Clarifications to IFRS 15 Revenue from contracts with customers’	January 1, 2018
Amendments to IAS 7, ‘Disclosure initiative’	January 1, 2017
Amendments to IAS 12, ‘Recognition of deferred tax assets for unrealised losses’	January 1, 2017
Amendments to IAS 40, ‘Transfers of investment property’	January 1, 2018
IFRIC 22, ‘Foreign currency transactions and advance consideration’	January 1, 2018
Annual improvements to IFRSs 2014-2016 cycle - Amendments to IFRS 1, ‘First-time adoption of International Financial Reporting Standards’	January 1, 2018
Annual improvements to IFRSs 2014-2016 cycle - Amendments to IFRS 12, ‘Disclosure of interests in other entities’	January 1, 2017
Annual improvements to IFRSs 2014-2016 cycle - Amendments to IAS 28, ‘Investments in associates and joint ventures’	January 1, 2018

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by IASB
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 International Accounting Standards Board
IFRS 16, 'Leases'	January 1, 2019
IFRS 17, 'Insurance contracts'	January 1, 2021
Amendments to IAS 19, 'Plan amendment, curtailment or settlement'	January 1, 2019
Amendments to IAS 28, 'Long-term interests in associates and joint ventures'	January 1, 2019
IFRIC 23, 'Uncertainty over income tax treatments'	January 1, 2019
Annual improvements to IFRSs 2015-2017 cycle	January 1, 2019

Except for the following, the above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment. The quantitative impact will be disclosed when the assessment is complete.

IFRS 16, 'Leases'

IFRS 16, 'Leases', replaces IAS 17, 'Leases' and related interpretations and SICs. The standard requires lessees to recognize a 'right-of-use asset' and a lease liability (except for those leases with terms of 12 months or less and leases of low-value assets). The accounting stays the same for lessors, which is to classify their leases as either finance leases or operating leases and account for those two types of leases differently. IFRS 16 only requires enhanced disclosures to be provided by lessors.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### (1) Compliance statement

The parent company only financial statements of the Company have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

##### (2) Basis of preparation

A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:

- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
- (b) Available-for-sale financial assets measured at fair value.
- (c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of

applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of each Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan Dollars, which is the Company's functional and presentation currency.

- A. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
- B. Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- C. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- D. All foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within "Other gains and losses".

(4) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
  - (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
  - (a) Liabilities that are expected to be settled within the normal operating cycle;
  - (b) Liabilities arising mainly from trading activities;
  - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
  - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the

counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Cash equivalents

- A. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.
- B. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitment in operations are classified as cash equivalents.

(6) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets held for trading or financial assets designated as at fair value through profit or loss on initial recognition. Financial assets are classified in this category of held for trading if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges. Financial assets that meet one of the following criteria are designated as at fair value through profit or loss on initial recognition:

- (a) Hybrid (combined) contracts; or
- (b) They eliminate or significantly reduce a measurement or recognition inconsistency; or
- (c) They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
- C. Financial assets at fair value through profit or loss are initially recognized at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognized in profit or loss.

(7) Available-for-sale financial assets

- A. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.
- B. On a regular way purchase or sale basis, available-for-sale financial assets are recognized and derecognized using trade date accounting.
- C. Available-for-sale financial assets are initially recognized at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognized in other comprehensive income. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured or derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are presented in "Financial assets carried at cost".

(8) Loans and receivables

Accounts receivable are loans and receivables originated by the entity. They are created by the entity by selling goods or providing services to customers in the ordinary course of business. Accounts receivable are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

However, short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.



(9) Impairment of financial assets

A. The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

B. The criteria that the Company uses to determine whether there is objective evidence of an impairment loss is as follows:

- (a) Significant financial difficulty of the issuer or debtor;
- (b) The disappearance of an active market for that financial asset because of financial difficulties;
- (c) Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial asset in the group, including adverse changes in the payment status of borrowers in the group or national or local economic conditions that correlate with defaults on the assets in the group;
- (d) Information about significant changes with an adverse effect that have taken place in the technology, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered;
- (e) A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

C. When the Company assesses that there has been objective evidence of impairment and an impairment loss has occurred, accounting for impairment is made as follows according to the category of financial assets:

(a) Financial assets measured at amortized cost

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate, and is recognized in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortized cost that would have been at the date of reversal had the impairment loss not been recognized previously. Impairment loss is recognized and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(b) Financial assets carried at cost

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at current market return rate of similar financial asset, and is recognized in profit or loss. Impairment loss recognized for this category shall not be reversed subsequently. Impairment loss is recognized and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(c) Available-for-sale financial assets

The amount of the impairment loss is measured as the difference between the asset's acquisition cost (less any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognized in profit or loss, and is reclassified from

“Other comprehensive income” to “Profit or loss”. If, in a subsequent period, the fair value of an investment in a debt instrument increases, and the increase can be related objectively to an event occurring after the impairment loss was recognized, then such impairment loss is reversed through profit or loss. Impairment loss of an investment in an equity instrument recognized in profit or loss shall not be reversed through profit or loss. Impairment loss is recognized and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(10) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(11) Lease (lessor)

A. Based on the terms of a lease contract, a lease is classified as a finance lease if the lessee assumes substantially all the risks and rewards incidental to ownership of the leased asset.

B. An operating lease is a lease other than a financial lease. Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(12) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(13) Investments accounted for using equity method / subsidiaries and associates

A. A subsidiary is an entity where the Company has the right to dominate its finance and operating policies (including special purpose entities), normally the Company owns more than 50% of the voting rights directly or indirectly in that entity. Subsidiaries are accounted for under the equity method in the Company's parent company only financial statements.

B. Unrealized gains or losses resulting from inter-company transactions with subsidiaries are eliminated. Necessary adjustments are made to the accounting policies of subsidiaries, to be consistent with the accounting policies of the Company.

C. After acquisition of subsidiaries, the Company recognizes proportionately the share of profit and loss and other comprehensive income in the income statement as part of the Company's profit and loss and other comprehensive income, respectively. When the share of loss from a subsidiary exceeds the carrying amount of Company's interest in that subsidiary, the Company continues to recognize its share in the subsidiary's loss proportionately.

D. As long as the change in shareholding in the subsidiaries does not lead to loss of control, it is to be treated as equity transaction that is to be treated as transactions between the owners. The difference between non-controlling equity adjustment amount and the fair value of payment and receipt is to be recognized as equity.

E. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly



or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

- F. The Company's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- G. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- H. Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- I. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then "Capital surplus" and "Investments accounted for under the equity method" shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
- J. Upon loss of significant influence over an associate, the Company remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.
- K. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- L. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss proportionately.
- M. According to "Regulations Governing the Preparation of Financial Statements by Securities Issuers", "Profit for the year" and "Other comprehensive income for the year" reported in an

entity's parent company only statement of comprehensive income, shall equal to “profit for the year” and “Other comprehensive income” attributable to owners of the parent reported in that entity's consolidated statement of comprehensive income. Total equity reported in an entity's parent company only financial statements, shall equal to equity attributable to owners of parent reported in that entity's consolidated financial statements.

(14) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

<u>Asset</u>	<u>Useful lives</u>
Buildings	10~55 years
Machinery and equipment	2~ 15 years
Transportation equipment	5 years
Leasehold improvements	10 years
Other equipment	3~ 15 years

(15) Leased assets/ leases (lessee)

Payments made under an operating lease (net of any incentives received from the lessor) are recognized in profit or loss on a straight-line basis over the lease term.

(16) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 25 to 55 years.

(17) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist

or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(18) Borrowings

A. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

B. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

(19) Notes and accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. However, short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Financial liabilities at fair value through profit or loss

A. Financial liabilities at fair value through profit or loss are financial liabilities held for trading or financial liabilities designated as at fair value through profit or loss on initial recognition. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges. Financial liabilities that meet one of the following criteria are designated as at fair value through profit or loss on initial recognition:

(a) Hybrid (combined) contracts; or

(b) They eliminate or significantly reduce a measurement or recognition inconsistency; or

(c) They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management policy.

B. Financial liabilities at fair value through profit or loss are initially recognized at fair value. Related transaction costs are expensed in profit or loss. These financial liabilities are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial liabilities are recognized in profit or loss.

(21) Derecognition of financial liabilities

Financial liability is derecognized when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(22) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(23) Financial liabilities and equity instruments

Ordinary corporate bonds issued by the Company are initially recognized at fair value, net of transaction costs incurred. Ordinary corporate bonds are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is accounted for as the premium or discount on bonds payable and presented as an addition to or deduction from bonds payable, which is amortized in profit or loss as an adjustment to the 'finance costs' over the period of bond circulation using the effective interest method.

(24) Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Any changes in the fair value are recognized in profit or loss. Derivatives that are linked to unquoted equity instruments without reliably measured fair value and must be settled by delivery of such unquoted equity instruments are presented in "Financial assets or financial liabilities measured at cost".

(25) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plan

For defined contribution plan, the contributions are recognized as pension expense when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plan

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Company uses interest rates of government bonds (at the balance sheet date) instead.

ii. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognized immediately in profit or loss.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated.

(26) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.
- D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognized for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(27) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(28) Revenue recognition

The Company manufactures and sells various soft drinks, food, animal feeds, sauces, vegetable oil, and medicine, etc. Revenue is measured at the fair value of the consideration received or receivable taking into account business tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Company's activities. Revenue arising from the sales of goods is recognized when the Company has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

(29) Business combinations

- A. The Company uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Company measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.
- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognized directly in profit or loss on the acquisition date.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. The judgment and assumptions made by the Company in applying its accounting policies and concerning future events do not involve significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.



## 6. DETAILS OF SIGNIFICANT ACCOUNTS

### (1) Cash and cash equivalents

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Cash:		
Cash on hand	\$ 1,092	\$ 1,072
Checking deposits and demand deposits	<u>196,745</u>	<u>175,198</u>
	<u>197,837</u>	<u>176,270</u>
Cash equivalents:		
Time deposits	<u>–</u>	<u>4,800,000</u>
	<u>\$ 197,837</u>	<u>\$ 4,976,270</u>

A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Company has no cash and cash equivalents pledged to others as of December 31, 2017 and 2016.

### (2) Notes receivable, net

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Notes receivable	\$ 254,779	\$ 273,715
Less: Allowance for doubtful accounts	<u>(12,021)</u>	<u>(15,721)</u>
	<u>\$ 242,758</u>	<u>\$ 257,994</u>

Movements of the Company's allowance for doubtful accounts on notes receivable and accounts receivable are shown in Note 6(3).

### (3) Accounts receivable, net

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Accounts receivable	\$ 707,950	\$ 577,087
Less: Allowance for doubtful accounts	<u>(13,711)</u>	<u>(9,351)</u>
	<u>\$ 694,239</u>	<u>\$ 567,736</u>

A. The Company has no significant past due but unimpaired financial assets as of December 31, 2017 and 2016.

B. Movements of the Company's allowance for doubtful accounts on notes receivable and accounts receivable are as follows:

	<u>For the year ended December 31, 2017</u>		
	<u>Individual provision</u>	<u>Group provision</u>	<u>Total</u>
At January 1	\$ 12,285	\$ 12,787	\$ 25,072
Provision (reversal) of impairment	<u>5,824</u>	<u>(5,164)</u>	<u>660</u>
At December 31	<u>\$ 18,109</u>	<u>\$ 7,623</u>	<u>\$ 25,732</u>

For the year ended December 31, 2016

	<u>Individual provision</u>	<u>Group provision</u>	<u>Total</u>
At January 1	\$ 13,832	\$ 18,218	\$ 32,050
Reversal of impairment	( 1,547)	( 5,431)	( 6,978)
At December 31	<u>\$ 12,285</u>	<u>\$ 12,787</u>	<u>\$ 25,072</u>

C. Accounts receivable that were neither past due nor impaired were fully performing in line with the credit standards prescribed based on counterparties' industry characteristics, business scale and profitability.

(4) Inventories

	<u>December 31, 2017</u>		
	<u>Cost</u>	<u>Allowance</u>	<u>Book value</u>
Merchandise	\$ 122,104	\$ -	\$ 122,104
Raw materials	896,660	-	896,660
Raw materials in transit	322,114	-	322,114
Supplies	73,214	( 461)	72,753
Work in progress	215,021	-	215,021
Finished goods	246,587	-	246,587
By-products	474	-	474
	<u>\$ 1,876,174</u>	<u>(\$ 461)</u>	<u>\$ 1,875,713</u>

	<u>December 31, 2016</u>		
	<u>Cost</u>	<u>Allowance</u>	<u>Book value</u>
Merchandise	\$ 334,072	\$ -	\$ 334,072
Raw materials	654,447	-	654,447
Raw materials in transit	341,758	-	341,758
Supplies	84,365	-	84,365
Work in progress	175,128	-	175,128
Finished goods	632,201	-	632,201
By-products	664	-	664
	<u>\$ 2,222,635</u>	<u>\$ -</u>	<u>\$ 2,222,635</u>

Expenses and losses of inventories recognized:

	<u>2017</u>	<u>2016</u>
Cost of goods sold	\$ 26,691,337	\$ 26,310,727
Provision for inventory market value decline	461	-
Loss (gain) on physical inventory	104	( 2,469)
Loss on production stoppage	62,427	47,382
Loss on discarding inventory	5,217	10,952
Income from sale of scraps	( 12,644)	( 16,132)
Other operation costs	970,510	1,035,877
	<u>\$ 27,717,412</u>	<u>\$ 27,386,337</u>



(5) Available-for-sale financial assets - non-current

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Unlisted stocks	\$ 4,800	\$ 4,800
Adjustments of available-for-sale financial assets	<u>1,350</u>	<u>1,350</u>
	<u>\$ 6,150</u>	<u>\$ 6,150</u>

The Company has no available-for-sale financial assets pledged to others as of December 31, 2017 and 2016.

(6) Financial assets carried at cost - non-current

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Unlisted stocks	\$ 529,028	\$ 529,028
Less: Accumulated impairment	<u>(206,214)</u>	<u>(199,413)</u>
	<u>\$ 322,814</u>	<u>\$ 329,615</u>

A. The Company classified some of its equity investments as available-for-sale financial assets, based on its intention. However, as these stocks are not traded in active market, and there is no sufficient information of similar companies in the same industry, fair value of the investments cannot be measured reliably. Accordingly, the Company classified those stocks as “Financial assets carried at cost”.

B. The net value of the Company’s equity investments in Universal Venture Capital Investment Co., Ltd. declined significantly. Accordingly, the Company recognized an impairment loss of \$6,801 (listed as “other gains and losses”) for the year ended December 31, 2017.

C. The Company has no financial assets carried at cost pledged to others as of December 31, 2017 and 2016.

(7) Investments accounted for using equity method

A. Details of investments accounted for using equity method with debit balances are as follows:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Cayman President Holdings, Ltd.	\$ 49,537,752	\$ 45,610,374
President Chain Store Corp.	21,655,545	11,697,426
Kai Yu Investment Co., Ltd.	14,498,080	4,240,984
President International Development Corp.	10,018,164	9,991,470
Ton Yi Industrial Corp.	8,375,057	8,261,046
President Securities Corp.	7,196,590	6,544,196
ScinoPharm Taiwan, Ltd.	5,717,673	5,645,812
President Starbucks Coffee Corp.	3,872,856	299,357
President Fair Development Corp.	3,797,528	3,793,987
Others		
(individually less than 2%)	<u>22,897,526</u>	<u>22,197,450</u>
	147,566,771	118,282,102
Less: Accumulated impairment	<u>(133,165)</u>	<u>(133,165)</u>
	<u>\$ 147,433,606</u>	<u>\$ 118,148,937</u>

B. Details of investments accounted for under equity method with credit balances (listed as “other non-current liabilities” ) are as follows:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
President Entertainment Corp.	<u>\$ 274,083</u>	<u>\$ 221,176</u>

C. Subsidiaries

For more information regarding the subsidiaries of the Company, please refer to Note 4(3) “Basis of consolidation” of the Company and subsidiaries’ consolidated financial statements of 2017.

D. Associates

(a) As of December 31, 2017 and 2016, the carrying amount of the Company’s individually immaterial associates amounted to \$18,415,374 and \$17,595,421, respectively. The Company’s share of operating results of these associates are summarized below:

	<u>2017</u>	<u>2016</u>
Profit for the year from continuing operations	\$ 2,211,652	\$ 1,739,321
Other comprehensive income	( 197,419)	( 95,825)
Total comprehensive income	<u>\$ 2,014,233</u>	<u>\$ 1,643,496</u>

(b) The fair values of the Company’s material associates which have quoted market price are as follows:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
President Securities Corp.	\$ 5,647,967	\$ 4,461,404
TTET Union Corp.	5,555,797	5,141,978
Prince Housing Development Corp.	<u>1,961,056</u>	<u>1,708,804</u>
	<u>\$ 13,164,820</u>	<u>\$ 11,312,186</u>

E. Joint venture

As of December 31, 2017 and 2016, the carrying amount of the Company’s individually immaterial joint ventures amounted to \$— and \$299,357, respectively. The Company’s share of operating results of these joint ventures are summarized below:

	<u>2016</u>
Profit for the year from continuing operations	\$ 154,026
Other comprehensive income	( 2,194)
Total comprehensive income	<u>\$ 151,832</u>

The Company originally invested 20% shares of President Starbucks Coffee Corp., a joint venture investment accounted for using equity method. In December 2017, the Company acquired additional 20% shares of President Starbucks Coffee Corp. with total cash consideration amounting to NT\$2,151,204 (listed as “other payables”) and obtained control over President Starbucks Coffee Corp. The accounting treatment of the acquisition of additional shares in President Starbucks Coffee Corp. was in accordance with IFRS 3, “Business Combinations”. Under IFRS 3, the Company recognized a remeasured benefit of \$1,400,998 (listed as “other gains and losses - Gain on disposal of investments”). For more information, please refer to Note 6(35), “Business Combinations”, of the Company and subsidiaries’ consolidated financial statements.

F. As of December 31, 2017 and 2016, no investment accounted for using equity method was

pledged as collateral.

- G. For the years ended December 31, 2017 and 2016, the share of profit of subsidiaries, associates and joint ventures under equity method was \$37,244,571 and \$12,594,592, respectively.
- H. For the years ended December 31, 2017 and 2016, the cash dividends of subsidiaries, associates and joint ventures under equity method was \$7,774,135 and \$6,325,275, respectively.
- I. The subsidiary of the Company, Kai Yu investment Co., Ltd., reduced and returned its capital in November, 2017. The proceeds of \$2,410,000 from capital refunded had already been collected.

(8) Property, plant and equipment

2017

	Land	Buildings	Machinery and utilities equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress	Total
At January 1, 2017								
Cost	\$ 7,290,878	\$ 5,601,605	\$ 12,033,409	\$ 70,871	\$ 100,502	\$ 6,667,279	\$ 745,431	\$ 32,509,975
Accumulated depreciation	-	( 2,777,996)	( 8,649,809)	( 57,973)	( 93,628)	( 4,670,577)	-	( 16,249,983)
Accumulated impairment	-	( 4,327)	-	-	-	-	-	( 4,327)
	<u>\$ 7,290,878</u>	<u>\$ 2,819,282</u>	<u>\$ 3,383,600</u>	<u>\$ 12,898</u>	<u>\$ 6,874</u>	<u>\$ 1,996,702</u>	<u>\$ 745,431</u>	<u>\$ 16,255,665</u>
For the year ended								
December 31, 2017								
At January 1, 2017	\$ 7,290,878	\$ 2,819,282	\$ 3,383,600	\$ 12,898	\$ 6,874	\$ 1,996,702	\$ 745,431	\$ 16,255,665
Additions	-	-	-	-	-	-	552,231	552,231
Disposals	-	-	-	-	-	-	-	-
Cost	-	( 10,196)	( 330,959)	( 3,322)	( 54,503)	( 222,430)	-	( 621,410)
Accumulated depreciation	-	9,963	323,974	3,204	50,628	213,248	-	601,017
Accumulated impairment	-	-	451	-	-	92	-	543
Depreciation	-	( 163,163)	( 668,532)	( 6,523)	( 628)	( 444,672)	-	( 1,283,518)
Gain on reversal of impairment (loss)	-	309	( 10,648)	-	-	( 1,745)	-	( 12,084)
Reclassification (Note)	330,554	324,036	450,546	13,475	-	691,181	( 812,240)	997,552
At December 31, 2017	<u>\$ 7,621,432</u>	<u>\$ 2,980,231</u>	<u>\$ 3,148,432</u>	<u>\$ 19,732</u>	<u>\$ 2,371</u>	<u>\$ 2,232,376</u>	<u>\$ 485,422</u>	<u>\$ 16,489,996</u>
At December 31, 2017								
Cost	\$ 7,621,432	\$ 5,910,402	\$ 12,152,996	\$ 81,024	\$ 45,999	\$ 7,136,030	\$ 485,422	\$ 33,433,305
Accumulated depreciation	-	( 2,926,153)	( 8,994,367)	( 61,292)	( 43,628)	( 4,902,001)	-	( 16,927,441)
Accumulated impairment	-	( 4,018)	( 10,197)	-	-	( 1,653)	-	( 15,868)
	<u>\$ 7,621,432</u>	<u>\$ 2,980,231</u>	<u>\$ 3,148,432</u>	<u>\$ 19,732</u>	<u>\$ 2,371</u>	<u>\$ 2,232,376</u>	<u>\$ 485,422</u>	<u>\$ 16,489,996</u>

(Note) Reclassified from "Prepayments for equipment" and "Prepayments" and reclassified to "Investment property".

	Land	Buildings	Machinery and utilities equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress	Total
At January 1, 2016								
Cost	\$ 7,235,737	\$ 5,380,131	\$ 11,147,802	\$ 72,523	\$ 99,012	\$ 6,009,513	\$ 1,621,640	\$ 31,566,358
Accumulated depreciation	-	( 2,790,861)	( 8,426,082)	( 52,372)	( 91,776)	( 4,597,956)	-	( 15,959,047)
Accumulated impairment	-	( 5,993)	-	-	-	-	-	( 5,993)
	<u>\$ 7,235,737</u>	<u>\$ 2,583,277</u>	<u>\$ 2,721,720</u>	<u>\$ 20,151</u>	<u>\$ 7,236</u>	<u>\$ 1,411,557</u>	<u>\$ 1,621,640</u>	<u>\$ 15,601,318</u>
For the year ended December 31, 2016								
At January 1, 2016	\$ 7,235,737	\$ 2,583,277	\$ 2,721,720	\$ 20,151	\$ 7,236	\$ 1,411,557	\$ 1,621,640	\$ 15,601,318
Additions	-	-	-	-	-	-	412,948	412,948
Disposals	( 12,313)	( 174,700)	( 424,127)	( 2,603)	-	( 313,495)	-	( 927,238)
Cost	-	152,261	403,397	2,402	-	300,979	-	859,039
Accumulated depreciation	-	1,174	-	-	-	-	-	1,174
Depreciation	-	( 139,396)	( 627,124)	( 8,003)	( 1,852)	( 373,600)	-	( 1,149,975)
Reversal of impairment loss	-	492	-	-	-	-	-	492
Reclassification (Note)	67,454	396,174	1,309,734	951	1,490	971,261	( 1,289,157)	1,457,907
At December 31, 2016	<u>\$ 7,290,878</u>	<u>\$ 2,819,282</u>	<u>\$ 3,383,600</u>	<u>\$ 12,898</u>	<u>\$ 6,874</u>	<u>\$ 1,996,702</u>	<u>\$ 745,431</u>	<u>\$ 16,255,665</u>
At December 31, 2016								
Cost	\$ 7,290,878	\$ 5,601,605	\$ 12,033,409	\$ 70,871	\$ 100,502	\$ 6,667,279	\$ 745,431	\$ 32,509,975
Accumulated depreciation	-	( 2,777,996)	( 8,649,809)	( 57,973)	( 93,628)	( 4,670,577)	-	( 16,249,983)
Accumulated impairment	-	( 4,327)	-	-	-	-	-	( 4,327)

(Note) Reclassified from “Prepayments for equipment”, “Prepayments” and “Investment property” and reclassified to “Investment property”.

A. Amount of borrowing costs capitalized as part of property, plant and equipment and prepayment for equipment, and the range of the interest rates for such capitalization are as follows:

	<u>2017</u>	<u>2016</u>
Amount capitalized	\$ 7,598	\$ 15,170
Interest rate range	1.02%~1.12%	1.10%~1.22%

B. Impairment of property, plant and equipment is described in Note 6(10), "Impairment of non-financial assets".

C. The Company has no property, plant and equipment pledged to others as of December 31, 2017 and 2016.

(9) Investment property

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>January 1, 2017</u>			
Cost	\$ 3,085,697	\$ 2,201,527	\$ 5,287,224
Accumulated depreciation	-	( 620,664)	( 620,664)
Accumulated impairment	( 3,666)	-	( 3,666)
	<u>\$ 3,082,031</u>	<u>\$ 1,580,863</u>	<u>\$ 4,662,894</u>

For the year ended December 31, 2017

At January 1, 2017	\$ 3,082,031	\$ 1,580,863	\$ 4,662,894
Depreciation	-	( 50,921)	( 50,921)
Reversal of impairment loss	493	-	493
Reclassification (Note)	-	836	836
At December 31, 2017	<u>\$ 3,082,524</u>	<u>\$ 1,530,778</u>	<u>\$ 4,613,302</u>

December 31, 2017

Cost	\$ 3,085,697	\$ 2,202,363	\$ 5,288,060
Accumulated depreciation	-	( 671,585)	( 671,585)
Accumulated impairment	( 3,173)	-	( 3,173)
	<u>\$ 3,082,524</u>	<u>\$ 1,530,778</u>	<u>\$ 4,613,302</u>

(Note) Reclassified from "Property, plant, and equipment" and "Prepayments".

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>January 1, 2016</u>			
Cost	\$ 3,140,663	\$ 2,186,146	\$ 5,326,809
Accumulated depreciation	-	( 578,353)	( 578,353)
Accumulated impairment	( 3,779)	-	( 3,779)
	<u>\$ 3,136,884</u>	<u>\$ 1,607,793</u>	<u>\$ 4,744,677</u>

For the year ended December 31, 2016

At January 1, 2016	\$ 3,136,884	\$ 1,607,793	\$ 4,744,677
Disposals			
Cost	-	( 7,447)	( 7,447)
Accumulated depreciation	-	7,342	7,342
Depreciation	-	( 49,653)	( 49,653)
Reversal of impairment loss	113	-	113
Reclassification (Note)	( 54,966)	22,828	( 32,138)
At December 31, 2016	<u>\$ 3,082,031</u>	<u>\$ 1,580,863</u>	<u>\$ 4,662,894</u>

December 31, 2016

Cost	\$ 3,085,697	\$ 2,201,527	\$ 5,287,224
Accumulated depreciation	-	( 620,664)	( 620,664)
Accumulated impairment	( 3,666)	-	( 3,666)
	<u>\$ 3,082,031</u>	<u>\$ 1,580,863</u>	<u>\$ 4,662,894</u>

(Note) Reclassified from “Property, plant and equipment”, “Prepayments” and reclassified to “Property, plant and equipment”.

- A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Rental revenue from the lease of the investment	<u>\$ 254,492</u>	<u>\$ 246,660</u>
Direct operating expenses arising from the investment property that generated income during the year	<u>\$ 55,787</u>	<u>\$ 56,144</u>
Direct operating expenses arising from the investment property that did not generate income during the year	<u>\$ 806</u>	<u>\$ 784</u>

- B. The fair value of the investment property held by the Company as of December 31, 2017 and 2016 ranged from \$11,908,751 to \$11,342,826, which was assessed based on the reports of independent appraisers. Valuations were made based on most recent transaction prices of similar and comparable properties, considering factors such as location, transaction scale, purpose of use, etc.
- C. The Company purchased agricultural land under the names of own-cultivators for other uses in the future. The decision on the purpose of the land has not yet been decided, however, this was recognized as “Investment property”.
- D. For more information regarding the impairment of investment property, please refer to Note 6(10),

“Impairment of non-financial assets”.

E. The Company has no investment property pledged to others as of December 31, 2017 and 2016.

(10) Impairment of non-financial assets

A. The Company recognized (impairment loss) and gain on reversal of impairment loss for the years ended December 31, 2017 and 2016 of (\$11,591) and \$605, respectively (listed as “Other gains and losses”). Details are as follows:

Items	For the year ended December 31, 2017	
	Recognized in profit or loss	Recognized in other comprehensive income
(Impairment loss)/gain on reversal of impairment loss:		
Property, plant and equipment	(\$ 12,084)	\$ -
Investment property	493	-
	<u>(\$ 11,591)</u>	<u>\$ -</u>

Items	For the year ended December 31, 2016	
	Recognized in profit or loss	Recognized in other comprehensive income
Gain on reversal of impairment loss:		
Property, plant and equipment	\$ 492	-
Investment property	113	-
	<u>\$ 605</u>	<u>\$ -</u>

B. The gain on reversal of impairment loss and (impairment loss) reported by operating segments are as follows:

Segments	For the years ended December 31,			
	2017		2016	
	Recognized in profit or loss	Recognized in other comprehensive income	Recognized in profit or loss	Recognized in other comprehensive income
Company	\$ 355	\$ -	\$ 480	\$ -
Feeds segment	( 11,946)	-	125	-
	<u>(\$ 11,591)</u>	<u>\$ -</u>	<u>\$ 605</u>	<u>\$ -</u>



(11) Short-term borrowings

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Collateral or security</u>
Bank unsecured borrowings	<u>\$ 204,933</u>	<u>\$ 10,680</u>	None
Interest rate range	<u>1.1%~2.43%</u>	<u>1.1%~2.2%</u>	

(12) Financial liabilities at fair value through profit or loss

<u>Assets</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Current items:		
Financial liabilities held for trading		
Non-hedging derivatives	<u>\$ 1,215</u>	<u>\$ -</u>

A. The Company recognized net loss of \$8,172 and \$1,860 on financial assets and liabilities held for trading for the years ended December 31, 2017 and 2016, respectively (listed as “Other gains and losses”).

B. The non-hedging derivative instruments transaction and contract information are as follows:

	<u>December 31, 2017</u>	
<u>Derivative financial liabilities</u>	<u>Contract amount (Notional principal)</u>	<u>Contract period</u>
Current items:		
Forward foreign exchange contracts	USD 6,230 thousand	11.2017~5.2018

The Company entered into forward foreign exchange contracts to hedge exchange rate risk of operating activities. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

(13) Other payables

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Employees' compensation and directors' remuneration	\$ 1,835,143	\$ 1,525,258
Payables on investment (Note 6(7)E.)	2,151,204	-
Accrued salaries and bonuses	1,793,886	1,260,971
Accrued advertising and promotion expenses	358,885	364,542
Employees' accumulated paid leave payable	254,240	255,000
Bonus payable for outlet channel	238,545	256,745
Payables for equipment	177,324	208,199
Interest payable	159,980	149,512
Others	<u>1,736,245</u>	<u>1,259,641</u>
	<u>\$ 8,705,452</u>	<u>\$ 5,279,868</u>

(14) Corporate bonds payable

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Unsecured bonds payable	\$ 18,200,000	\$ 17,500,000
Less: Current portion of bonds payable	( 3,500,000)	( 4,300,000)
	<u>\$ 14,700,000</u>	<u>\$ 13,200,000</u>

A. The Company issued unsecured ordinary bonds payable in October 2012. The significant terms of the bonds are as follows:

(a) Total issue amount: \$3,600,000, including \$1,800,000 of A and \$1,800,000 of B

(b) Issue price: At par value of \$1,000 per bond

(c) Coupon rate:

(i) A Bond: the coupon rate is 1.28% per annum

(ii) B Bond: the coupon rate is 1.39% per annum

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting October 2012 based on the coupon rate.

(e) Repayment term:

(i) A Bond: the bonds are repayable in October 2017 upon the maturity of the bonds.

(ii) B Bond: the bonds are repayable starting October 2018 to October 2019 in two installments at the rate of 50% and 50%, respectively.

(f) Period:

(i) A Bond: 5 years, from October 29, 2012 to October 29, 2017

(ii) B Bond: 7 years, from October 29, 2012 to October 29, 2019

(g) Guarantee bank: The bonds are guaranteed by Taipei Fubon Commercial Bank.

B. The Company issued unsecured ordinary bonds payable in February 2013. The significant terms of the bonds are as follows:

(a) Total issue amount: \$2,000,000

(b) Issue price: At par value of \$1,000 per bond

(c) Coupon rate: 1.22%

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting February 2013 based on the coupon rate.

(e) Repayment term:

The bonds are repayable in February 2018 upon maturity.

(f) Period: 5 years, from February 26, 2013 to February 26, 2018

(g) Guarantee bank: The bonds are guaranteed by Taipei Fubon Commercial Bank

C. The Company issued unsecured ordinary bonds payable in February 2014. The significant terms of the bonds are as follows:

(a) Total issue amount: \$3,600,000

(b) Issue price: At par value of \$1,000 per bond

(c) Coupon rate: 1.39%

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting February 2014 based on the coupon rate.

(e) Repayment term:

The bonds are repayable in February 2019 upon maturity.

(f) Period: 5 years, from February 18, 2014 to February 18, 2019

(g) Guarantee bank: The bonds are guaranteed by Taipei Fubon Commercial Bank.

D. The Company issued unsecured ordinary bonds payable in June 2014. The significant terms of the bonds are as follows:

(a) Total issue amount: \$5,800,000, including \$1,200,000 of A, \$2,800,000 of B and \$1,800,000 of C

(b) Issue price: At par value of \$1,000 per bond

(c) Coupon rate:

(i) A Bond: the coupon rate is 1.29% per annum

(ii) B Bond: the coupon rate is 1.62% per annum

(iii) C Bond: the coupon rate is 1.78% per annum

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting June 2014 based on the coupon rate.

(e) Repayment term:

(i) A Bond: the bonds are repayable starting June 2018 to June 2019 in two installments at the rate of 50% and 50%, respectively.

(ii) B Bond: the bonds are repayable starting June 2020 to June 2021 in two installments at the rate of 50% and 50%, respectively.

(iii) C Bond: the bonds are repayable starting June 2023 to June 2024 in two installments at the rate of 50% and 50%, respectively.

(f) Period:

(i) A Bond: 5 years, from June 23, 2014 to June 23, 2019

(ii) B Bond: 7 years, from June 23, 2014 to June 23, 2021

(iii) C Bond: 10 years, from June 23, 2014 to June 23, 2024

(g) Guarantee bank: The bonds are guaranteed by Taipei Fubon Commercial Bank.

E. The Company issued unsecured ordinary bonds payable in May 2017. The significant terms of the bonds are as follows:

(a) Total issue amount: \$5,000,000

(b) Issue price: At par value of \$1,000 per bond

(c) Coupon rate: 1.05%

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting May 2017 based on the coupon rate.

(e) Repayment term:

The bonds are repayable in May 2022 upon maturity.

(f) Period: 5 years, from May 22, 2017 to May 22, 2022

(g) Guarantee bank: The bonds are guaranteed by Taipei Fubon Commercial Bank.

(15) Long-term borrowings

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Collateral</u>
Unsecured bank borrowings	\$ 20,200,000	\$ 24,100,000	None
Revolving credit facility	<u>2,700,000</u>	<u>4,300,000</u>	None
	22,900,000	28,400,000	
Less: Prepaid interest	( 683)	( 1,338)	
Within one year	<u>( 1,000,000)</u>	<u>-</u>	
	<u>\$ 21,899,317</u>	<u>\$ 28,398,662</u>	
Range of maturity dates	<u>9. 2018~11. 2020</u>	<u>2. 2018~7. 2020</u>	
Range of interest rates	<u>0. 75%~1. 35%</u>	<u>0. 75%~1. 35%</u>	

(16) Pensions

A. The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 15% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(a) The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Present value of defined benefit obligations	(\$ 10,336,318)	(\$ 10,131,838)
Fair value of plan assets	<u>6,608,920</u>	<u>6,115,800</u>
Net defined benefit liability	<u>(\$ 3,727,398)</u>	<u>(\$ 4,016,038)</u>

(b) Movements in present value of defined benefit obligations are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
<u>2017</u>			
At January 1	(\$ 10,131,838)	\$ 6,115,800	(\$ 4,016,038)
Current service cost	( 126,527)	-	( 126,527)
Interest (expense) income	( 124,135)	76,805	( 47,330)
	<u>( 10,382,500)</u>	<u>6,192,605</u>	<u>( 4,189,895)</u>
Remeasurements:			
Return on plan assets	-	( 15,513)	( 15,513)
Change in demographic assumptions	( 882)	-	( 882)
Change in financial assumptions	( 508,862)	-	( 508,862)
Experience adjustments	<u>228,178</u>	<u>-</u>	<u>228,178</u>
	<u>( 281,566)</u>	<u>( 15,513)</u>	<u>( 297,079)</u>
Pension fund contribution	<u>-</u>	<u>759,576</u>	<u>759,576</u>
Paid pensions	<u>327,748</u>	<u>( 327,748)</u>	<u>-</u>
At December 31	<u><u>(\$ 10,336,318)</u></u>	<u><u>\$ 6,608,920</u></u>	<u><u>(\$ 3,727,398)</u></u>
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
<u>2016</u>			
At January 1	(\$ 10,028,749)	\$ 5,671,716	(\$ 4,357,033)
Current service cost	( 130,200)	-	( 130,200)
Interest (expense) income	( 147,265)	85,385	( 61,880)
	<u>( 10,306,214)</u>	<u>5,757,101</u>	<u>( 4,549,113)</u>
Remeasurements:			
Return on plan assets	-	( 43,458)	( 43,458)
Change in demographic assumptions	( 1,827)	-	( 1,827)
Change in financial assumptions	( 261,783)	-	( 261,783)
Experience adjustments	<u>3,435</u>	<u>-</u>	<u>3,435</u>
	<u>( 260,175)</u>	<u>( 43,458)</u>	<u>( 303,633)</u>
Pension fund contribution	<u>-</u>	<u>836,708</u>	<u>836,708</u>
Paid pensions	<u>434,551</u>	<u>( 434,551)</u>	<u>-</u>
At December 31	<u><u>(\$ 10,131,838)</u></u>	<u><u>\$ 6,115,800</u></u>	<u><u>(\$ 4,016,038)</u></u>

(c) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilization plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund" (Article 6: The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilization of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. The composition of fair value of plan assets as of December 31, 2017 and 2016 is given in the Annual Labor Retirement Fund Utilization Report published by the government. Expected return on plan assets was a projection of overall return for the obligations period, which was estimated based on historical returns and by reference to the status of Labor Retirement Fund utilization by the Labor Pension Fund Supervisory Committee and taking into account the effect that the Fund's minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2017 and 2016 is given in the Annual Labor Retirement Fund Utilization Report announced by the government.

(d) The principal actuarial assumptions used were as follows:

	For the years ended December 31,	
	2017	2016
Discount rate	1.00%	1.25%
Future salary increases	3.00%	2.75%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience according to Taiwan Life Insurance Industry 5<sup>th</sup> Mortality Table for the years ended December 31, 2017 and 2016.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
<u>December 31, 2017</u>				
Effect on present value of defined benefit obligation	(\$ 260,964)	\$ 271,175	\$ 265,153	(\$ 256,602)
<u>December 31, 2016</u>				
Effect on present value of defined benefit obligation	(\$ 260,448)	\$ 270,862	\$ 266,170	(\$ 257,333)

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all

at once. The method of analyzing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

(e) Expected contributions to the defined benefit pension plan of the Company within one year from December 31, 2018 are \$446,459.

(f) As of December 31, 2017, the weighted average duration of the retirement plan is 10 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	\$ 436,229
2~5 years	2,090,780
Over 6 years	<u>8,743,328</u>
	<u>\$ 11,270,337</u>

B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2017 and 2016 were \$149,759 and \$143,181, respectively.

(17) Share capital

A. Movements in the number of the Company's ordinary shares outstanding are as follows (unit: thousand shares):

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Balance as at January 1 and December 31	<u>5,682,015</u>	<u>5,682,015</u>

B. As of December 31, 2017, the Company's authorized capital was \$60,000,000, and the paid-in capital was \$56,820,154, consisting of 5,682,015 thousand shares of ordinary stock, with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

(18) Capital reserves

A. Pursuant to the Company Law, capital reserves arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital reserves should not be used to cover accumulated deficit unless the legal reserve is insufficient.

B. Movements of the Company's capital reserves for the years ended December 31, 2017 and 2016 are as follows:

	Share premium	Difference between proceeds and carrying amount from acquisition or disposal of subsidiaries	Share of change in net equity of associates and joint ventures accounted for under the equity method	Others	Total
January 1, 2017	\$438,468	\$ 3,039,918	\$ 278,130	\$ 143,622	\$3,900,138
Adjustment for change in capital reserve of investee companies	-	-	9,323	5,950	15,273
Acquisition or disposal of subsidiaries	-	24,608	-	-	24,608
Adjustment of capital reserve due to change in interests in associates	-	-	( 1,927)	-	( 1,927)
Adjustment of capital reserve due to change in interests in subsidiaries	-	( 24,823)	-	-	( 24,823)
Non-payment of fractional cash dividends from previous years transferred to capital reserve	-	-	-	2,891	2,891
December 31, 2017	<u>\$438,468</u>	<u>\$ 3,039,703</u>	<u>\$ 285,526</u>	<u>\$ 152,463</u>	<u>\$3,916,160</u>



	Share premium	Difference between proceeds and carrying amount from acquisition or disposal of subsidiaries	Share of change in net equity of associates and joint ventures accounted for under the equity method	Others	Total
January 1, 2016	\$438, 468	\$ 3, 132, 490	\$ 236, 902	\$ 149, 312	\$3, 957, 172
Adjustment for change in capital reserve of investee companies	-	-	( 23, 797)	4, 601	( 19, 196)
Acquisition or disposal of subsidiaries	-	( 92, 572)	-	( 10, 291)	( 102, 863)
Adjustment of capital reserve due to change in interests in associates	-	-	65, 025	-	65, 025
December 31, 2016	<u>\$438, 468</u>	<u>\$ 3, 039, 918</u>	<u>\$ 278, 130</u>	<u>\$ 143, 622</u>	<u>\$3, 900, 138</u>

(a) Pursuant to the letter of the Business No. 10602420200 issued by Ministry of Economic Affairs in September 2017, the Company transferred the dividend of \$2,891, which was not received by the shareholders, to capital reserve in 2017.

(b) For the difference between proceeds and carrying amount from acquisition or disposal of subsidiaries, please refer to Note 6(34) of the Company and its subsidiaries' 2017 consolidated financial statements for the information on transactions with non-controlling interest.

(19) Retained earnings

- A. Pursuant to the amended Company Law, the current year's after-tax earnings should be used initially to cover any accumulated deficit; thereafter 10% of the remaining earnings should be set aside as legal reserve until the balance of legal reserve is equal to that of paid-in capital. The legal reserve shall be exclusively used to cover accumulated deficit, to issue new stocks or distribute cash to shareholders in proportion to their share ownership. The use of legal reserve for the issuance of stocks or cash dividends to shareholders in proportion to their share ownership is permitted provided that the balance of such reserve exceeds 25% of the Company's paid-in capital.
- B. Since the Company is in a changeable industry environment and the life cycle of the Company is in a stable growth, the appropriation of earnings should consider fund requirements and capital budgets to decide how much earnings will be kept or distributed and how much cash dividends

will be distributed. According to the Company's Articles of Incorporation, 10% of the annual net income, after offsetting any loss of prior years and paying all taxes and dues, shall be set aside as legal reserve. The remaining net income and the unappropriated retained earnings from prior years can be distributed in accordance with a resolution passed during a meeting of the Board of Directors and approved at the stockholders' meeting. Of the amount to be distributed by the Company, stockholders' bonuses shall comprise 50% to 100% of the unappropriated retained earnings, and the percentage of cash dividends shall not be less than 30% of dividends distributed.

- C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings. The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. The Company proportionately recognized the reversal of special reserve of \$31,451 and \$619 for the years ended December 31, 2017 and 2016, respectively.
- D. The Company recognized dividends distributed to owners amounting to \$11,932,232 (\$2.1 (in dollars) per share as cash dividend) and \$11,364,031 (\$2.0 (in dollars) per share as cash dividend) for the years ended December 31, 2016 and 2015, respectively. On March 28, 2018, the Board of Directors during its meeting proposed for the distribution of cash dividends from 2017 earnings of \$31,251,085, constituting \$5.5 (in dollars) per share.
- E. In accordance with relevant laws and regulations of R.O.C., the investment accounted for under the equity method – President Securities Corp. has set aside a special reserve for trading losses and default losses from the annual post tax profit. The special reserve shall not be used for any other purpose except for covering the losses of President Securities Corp. or, when the special reserve reaches 50% of the amount of paid-in capital, 50% of the special reserve may be used for capitalization. As of December 31, 2017, the Company recognized special reserve of \$105,429 in accordance with IAS 28, "Investments in Associates and Joint Ventures".

(20) Other equity items

	For the year ended December 31, 2017		
	Currency difference	Available-for-sale financial assets	Total
January 1, 2017	(\$ 2, 257, 350)	\$ 434, 151	(\$ 1, 823, 199)
Currency translation differences			
– Company	( 817, 129)	–	( 817, 129)
– Subsidiaries	( 1, 105, 755)	–	( 1, 105, 755)
– Associates	( 60, 495)	–	( 60, 495)
Fair value adjustment			
– Company	–	( 3, 320)	( 3, 320)
– Subsidiaries	–	178, 133	178, 133
– Associates	–	( 75, 509)	( 75, 509)
December 31, 2017	<u>(\$ 4, 240, 729)</u>	<u>\$ 533, 455</u>	<u>(\$ 3, 707, 274)</u>

For the year ended December 31, 2016

	Currency difference	Available-for-sale financial assets	Total
January 1, 2016	\$ 2,125,399	\$ 554,860	\$ 2,680,259
Currency translation differences			
— Company	( 3,422,689)	-	( 3,422,689)
— Subsidiaries	( 946,820)	-	( 946,820)
— Associates	( 13,240)	-	( 13,240)
Fair value adjustment			
— Company	-	( 5,698)	( 5,698)
— Subsidiaries	-	( 70,903)	( 70,903)
— Associates	-	( 44,108)	( 44,108)
December 31, 2016	<u>(\$ 2,257,350)</u>	<u>\$ 434,151</u>	<u>(\$ 1,823,199)</u>

(21) Operating revenue

	For the years ended December 31,	
	2017	2016
Sales revenue	\$ 40,124,113	\$ 39,913,623
Less: Sales returns	( 17,446)	( 30,289)
Sales allowance	( 1,943,534)	( 2,151,220)
Other operating revenues	<u>1,119,944</u>	<u>1,186,962</u>
	<u>\$ 39,283,077</u>	<u>\$ 38,919,076</u>

(22) Other income

	For the years ended December 31,	
	2017	2016
Interest income	\$ 8,132	\$ 8,082
Rental income	309,452	297,318
Dividend income	9,940	14,672
Other income	<u>1,731,717</u>	<u>1,681,636</u>
	<u>\$ 2,059,241</u>	<u>\$ 2,001,708</u>

(23) Other gains and losses

	For the years ended December 31,	
	2017	2016
Net loss on financial assets and liabilities at fair value through profit or loss	(\$ 8,172)	(\$ 1,860)
Gain on disposal of investments (Note 6(7)E.)	1,400,998	988
Net currency exchange gain	11,858	12,085
(Loss) gain on disposal of property, plant and equipment	(13,966)	163,698
Loss on disposal of investment property	-	(105)
(Impairment loss) gain on reversal of impairment loss	(18,392)	605
Other expenses	(1,139,828)	(1,145,701)
	<u>\$ 232,498</u>	<u>(\$ 970,290)</u>

(24) Finance costs

	For the years ended December 31,	
	2017	2016
Interest expense:		
Bank borrowings	\$ 479,276	\$ 484,356
Less: Capitalization of qualifying assets	(7,598)	(15,170)
	<u>\$ 471,678</u>	<u>\$ 469,186</u>

(25) Expenses by nature

	For the year ended December 31, 2017		
	Operating cost	Operating expense	Total
Employee benefit expenses	\$ 2,821,461	\$ 5,235,175	\$ 8,056,636
Depreciation	999,617	247,294	1,246,911
Amortization	250	1,453	1,703
	<u>\$ 3,821,328</u>	<u>\$ 5,483,922</u>	<u>\$ 9,305,250</u>
	For the year ended December 31, 2016		
	Operating cost	Operating expense	Total
Employee benefit expenses	\$ 2,790,673	\$ 4,451,216	\$ 7,241,889
Depreciation	918,577	185,543	1,104,120
Amortization	965	5,555	6,520
	<u>\$ 3,710,215</u>	<u>\$ 4,642,314</u>	<u>\$ 8,352,529</u>

(26) Employee benefit expense

	For the year ended December 31, 2017		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Wages and salaries	\$ 2,297,813	\$ 4,834,198	\$ 7,132,011
Labor and health insurance expenses	226,950	169,827	396,777
Pension costs	172,563	151,053	323,616
Other personnel expenses	124,135	80,097	204,232
	<u>\$ 2,821,461</u>	<u>\$ 5,235,175</u>	<u>\$ 8,056,636</u>

	For the year ended December 31, 2016		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Wages and salaries	\$ 2,283,141	\$ 4,050,974	\$ 6,334,115
Labor and health insurance expenses	210,320	162,851	373,171
Pension costs	177,028	158,233	335,261
Other personnel expenses	120,184	79,158	199,342
	<u>\$ 2,790,673</u>	<u>\$ 4,451,216</u>	<u>\$ 7,241,889</u>

- A. As of December 31, 2017 and 2016, the Company had 5,450 and 5,475 employees, respectively.
- B. According to the proposed amendment, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' remuneration.
- C. For the years ended December 31, 2017 and 2016, employees' compensation was accrued at \$1,472,369 and \$1,274,417 and directors' remuneration was accrued at \$362,774 and \$250,841, respectively. The aforementioned amounts were recognized in salary expenses. The expenses recognized for 2017 were accrued based on the earnings of current year. The employees' compensation and directors' remuneration resolved by the board of directors were \$1,472,369 and \$362,774 and the employees' compensation will be distributed in cash. The actual amount approved at the shareholders' meeting for employees' compensation and directors' remuneration for 2016 was \$1,525,258, which was the same amount recognized in the 2016 financial statements. Information about the appropriation of employees' bonus and directors' remuneration by the Company as proposed by the Board of Directors and resolved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(27) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the years ended December 31,	
	2017	2016
Current tax:		
Current tax on profits for the year	\$ 47,165	\$ 100,928
10% Tax on undistributed surplus earnings	60,922	98,823
(Over) under provision of prior year's income tax	(9,843)	23,792
Total current tax	<u>98,244</u>	<u>223,543</u>
Deferred tax:		
Origination and reversal of temporary differences	178,581	422,968
Income tax expense	<u>\$ 276,825</u>	<u>\$ 646,511</u>

(b) The income tax (charge)/ credit related to components of other comprehensive income is as follows:

	For the years ended December 31,	
	2017	2016
Remeasurement on defined benefit obligations	(\$ 50,503)	(\$ 51,618)
Fair value change on available-for-sale financial assets	3,320	5,698
Income tax expense	<u>(\$ 47,183)</u>	<u>(\$ 45,920)</u>

B. Reconciliation between income tax expense and accounting profit:

	For the years ended December 31,	
	2017	2016
Income tax at the statutory tax rate	\$ 6,820,685	\$ 2,579,449
Effect from items disallowed by tax laws	(6,592,383)	(1,846,640)
Effect from investment tax credits	-	(170,485)
Effect from five-year tax exemption projects	(2,556)	(2,931)
Effect from tax-exempt income	-	(35,497)
(Over) under provision of prior year's income tax	(9,843)	23,792
Additional 10% tax on undistributed earnings	60,922	98,823
Income tax expense	<u>\$ 276,825</u>	<u>\$ 646,511</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and investment tax credits are as follows:

	For the year ended December 31, 2017			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
<b>Deferred tax assets</b>				
<b>Temporary differences</b>				
Allowance for doubtful accounts	\$ 1,996	(\$ 629)	\$ -	\$ 1,367
Loss on inventories from market value decline	-	78	-	78
Pensions	682,726	( 99,572)	50,503	633,657
Impairment of assets	736	2,054	-	2,790
Employee benefits-unused compensated absences	43,350	14,174	-	57,524
Employee benefits	5,324	( 2,786)	-	2,538
Unrealized loss	19,025	( 255)	-	18,770
Investment loss	34,230	( 34,230)	-	-
	<u>\$ 787,387</u>	<u>(\$ 121,166)</u>	<u>\$ 50,503</u>	<u>\$ 716,724</u>
<b>Deferred tax liabilities</b>				
<b>Temporary differences</b>				
Unrealized gain on currency exchange	(\$ 38)	(\$ 227)	\$ -	(\$ 265)
Depreciation charge	( 375,913)	( 50,968)	-	( 426,881)
Rental income	( 15,411)	1,563	-	( 13,848)
Incremental tax on land revaluation	( 1,076,566)	-	-	( 1,076,566)
Foreign investment income	( 284,429)	( 7,783)	( 3,320)	( 295,532)
	<u>(\$ 1,752,357)</u>	<u>(\$ 57,415)</u>	<u>(\$ 3,320)</u>	<u>(\$ 1,813,092)</u>
	<u>(\$ 964,970)</u>	<u>(\$ 178,581)</u>	<u>\$ 47,183</u>	<u>(\$ 1,096,368)</u>

For the year ended December 31, 2016

	<u>January 1</u>	<u>Recognized in profit or loss</u>	<u>Recognized in other comprehensive income</u>	<u>December 31</u>
Deferred tax assets				
Temporary differences				
Allowance for				
doubtful accounts	\$ 3,139	(\$ 1,143)	\$ -	\$ 1,996
Pensions	771,522	( 140,414)	51,618	682,726
Impairment of assets	1,019	( 283)	-	736
Employee benefits-unused				
compensated absences	38,590	4,760	-	43,350
Employee benefits	9,192	( 3,868)	-	5,324
Unrealized loss	25,099	( 6,074)	-	19,025
Investment loss	62,828	( 28,598)	-	34,230
Investment tax credits	192,925	( 192,925)	-	-
	<u>\$ 1,104,314</u>	<u>(\$ 368,545)</u>	<u>\$ 51,618</u>	<u>\$ 787,387</u>
Deferred tax liabilities				
Temporary differences				
Unrealized gain on				
currency exchange	(\$ 3)	(\$ 35)	\$ -	(\$ 38)
Depreciation charge	( 320,995)	( 54,918)	-	( 375,913)
Rental income	( 17,367)	1,956	-	( 15,411)
Incremental tax on land				
revaluation	( 1,076,566)	-	-	( 1,076,566)
Foreign investment income	( 277,305)	( 1,426)	( 5,698)	( 284,429)
	<u>(\$ 1,692,236)</u>	<u>(\$ 54,423)</u>	<u>(\$ 5,698)</u>	<u>(\$ 1,752,357)</u>
	<u>(\$ 587,922)</u>	<u>(\$ 422,968)</u>	<u>\$ 45,920</u>	<u>(\$ 964,970)</u>



- D. For the years ended December 31, 2017 and 2016, due to the changes in the fair value of available-for-sale financial assets held by subsidiaries, the Company recognized the related income tax effect in other comprehensive income of (\$3,320) and (\$5,698), respectively.
- E. Under the Act for Industrial Innovation and Statute for Upgrading Industries (before its abolishment), the investment tax credits and unrecognized deferred tax assets have all expired as of December 31, 2016.
- F. Profits recognized by several overseas subsidiaries of the Company follow the associated rental tax policy and IAS 12. Due to the time reversal controlling ability the Company has over the taxable temporary differences, along with the Company's overall operation distribution, adjustment of fund and the plans of reinvestments, the Company considers this temporary difference as not reversible in the foreseeable future; therefore according to IAS 12, deferred tax liabilities caused by the related taxable difference is not recognized. The related temporary differences unrecognized were \$38,240,058 and \$33,669,645, and the deferred tax liabilities unrecognized were \$6,500,810 and \$5,723,840, as of December 31, 2017 and 2016, respectively.
- G. The Company's income tax returns through 2016 have been assessed and approved by the Tax Authority, and there were no disputes existing between the Company and the Authority as of March 28, 2018.
- H. With the abolishment of the imputation tax system under the amendments to the Income Tax Act promulgated by the President of the Republic of China in February, 2018, the information on unappropriated retained earnings and the balance of the imputation credit account as of December 31, 2017, as well as the estimated creditable tax rate for the year ended December 31, 2017 is no longer disclosed.

Unappropriated retained earnings on December 31, 2016:

	<u>December 31, 2016</u>
Earnings generated in and before 1997	\$ 36,165
Earnings generated in and after 1998	<u>16,293,626</u>
	<u>\$ 16,329,791</u>

- I. As of December 31, 2016, the balance of the imputation tax credit account was \$325,757. The creditable tax rate was 12.41% for the year ended December 31, 2016.

(28) Earnings per share

For the year ended December 31, 2017			
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to the ordinary shareholders	<u>\$ 39,844,853</u>	<u>5,682,015</u>	<u>\$ 7.01</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 39,844,853	5,682,015	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	<u>—</u>	<u>28,362</u>	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 39,844,853</u>	<u>5,710,377</u>	<u>\$ 6.98</u>

For the year ended December 31, 2016			
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to the ordinary shareholders	<u>\$ 14,526,719</u>	<u>5,682,015</u>	<u>\$ 2.56</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 14,526,719	5,682,015	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	<u>—</u>	<u>29,867</u>	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 14,526,719</u>	<u>5,711,882</u>	<u>\$ 2.54</u>

(29) Operating leases

A. The Company leases out some equipment, property investments, and some stores in shopping malls to others under non-cancellable operating lease agreements. Terms for the lease

agreements are 1 to 18 years, and the future aggregate minimum lease receivable under non-cancellable operating leases are as follows:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Within one year	\$ 299,291	\$ 281,838
More than one year but not exceeding five years	695,734	725,988
More than five years	<u>166,029</u>	<u>301,504</u>
	<u>\$ 1,161,054</u>	<u>\$ 1,309,330</u>

B. The Company rents property and equipment under non-cancellable operating lease agreements. The lease terms are 1 to 10 years, and some lease agreements are renewable at the end of the lease period. Rents are fixed and paid as agreed in the agreements. In some of the lease agreements, payments are adjusted following the change in consumer price index. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Within one year	\$ 105,223	\$ 82,213
More than one year but not exceeding five years	176,597	112,014
More than five years	<u>–</u>	<u>9,833</u>
	<u>\$ 281,820</u>	<u>\$ 204,060</u>

(30) Non-cash transactions

A. Investing activities with partial cash payments:

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
(a) Purchase of property, plant and equipment	\$ 552,231	\$ 412,948
Add: Opening balance of payables for equipment (shown as “other payables”)	208,199	234,102
Less: Ending balance of other payables for equipment (shown as “other payables”)	( 177,324)	( 208,199)
Capitalization of interest	<u>( 2,651)</u>	<u>( 7,128)</u>
Cash paid for acquisition of property, plant and equipment	<u>\$ 580,455</u>	<u>\$ 431,723</u>
	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
(b) Payments for acquisition of investments accounted for using equity method - subsidiaries	\$ 2,725,881	\$ –
Less: Payables on investment (shown as “other payables”)	<u>( 2,151,204)</u>	<u>–</u>
Cash paid for acquisition of investments accounted for using equity method - subsidiaries	<u>\$ 574,677</u>	<u>\$ –</u>

B. Investing activities with no cash flow effects:

	For the years ended December 31,	
	2017	2016
(a) Investments accounted for under the equity method reclassified to available-for-sale financial assets	\$ -	\$ -
(b) Property, plant and equipment reclassified to investment property	\$ 79	\$ 7,869
(c) Prepayments for equipment reclassified to property, plant and equipment	\$ 993,120	\$ 1,406,953
(d) Prepayments for equipment reclassified to investment property	\$ 757	\$ 14,959
(e) Investment property reclassified to property, plant and equipment	\$ -	\$ 54,966
(f) Prepayments reclassified to property, plant and equipment	\$ 4,511	\$ 3,857

7. RELATED PARTY TRANSACTIONS

(1) Names and relationships of the Company's subsidiaries

Information on investee companies and indirect investments in Mainland China are described in Notes 13(2) and 13(3).

(2) Significant transactions and balances with related parties

A. Sales:

	For the years ended December 31,	
	2017	2016
Sales of services:		
— Uni-President Cold Chain Corp.	\$ 7,553,210	\$ 7,500,408
— Tung Ang Enterprises Corp.	5,736,204	5,877,447
— President Chain Store Corp.	3,870,562	3,501,028
— Retail Support international Corp.	3,217,720	3,233,648
— Subsidiaries	7,786,848	7,505,966
— Associates	3,239,168	4,383,085
	<u>\$ 31,403,712</u>	<u>\$ 32,001,582</u>

The collection period for related parties was 2 weeks after sales of foods, 60~120 days after sales of foodstuff and animal feed products. The collection period for related parties was approximately one month after sales, except as follows: 2 months for sales to companies of outlet channel and 1 month for sales to companies that operate both in outlet channel and traditional channel; 2 weeks for sales to companies of traditional channel; Uni-President Vendor Corp. and Retail Support International Corp. closes its accounts 30~60 days after the end of each month; Tung Ang Enterprises Corp. closes its accounts 10 days and remit in 28 days after sales; President Chain Store Corp. closes its accounts 35 days after the end of each month. Except for the collection periods mentioned above, other terms of sales were the same for related and third parties.

## B. Purchases

	For the years ended December 31,	
	2017	2016
Purchases of goods:		
—Subsidiaries	\$ 1,847,155	\$ 1,878,489
—Associates	<u>158,582</u>	<u>158,910</u>
	<u>\$ 2,005,737</u>	<u>\$ 2,037,399</u>

The terms of purchases and payments (due within one month) to related parties were the same with third party suppliers except for the following companies:

The payment term for purchases from TTET Union Corp., Ton Yi Industrial Corp., President Nisshin Corp. and Uni-President (Vietnam) Co., Ltd. was 30 days after the end of each month.

## C. Other expenses

	For the years ended December 31,	
	2017	2016
Shipping expenses:		
—Subsidiaries	\$ 492,353	\$ 478,892
—Associates	<u>123,271</u>	<u>142,136</u>
	<u>\$ 615,624</u>	<u>\$ 621,028</u>
Advertising expenses:		
—Subsidiaries	\$ 806,578	\$ 798,092
—Associates	<u>2,677</u>	<u>32,727</u>
	<u>\$ 809,255</u>	<u>\$ 830,819</u>
Other expenses:		
—Subsidiaries	\$ 148,489	\$ 135,474
—Associates	<u>8,769</u>	<u>19,652</u>
	<u>\$ 157,258</u>	<u>\$ 155,126</u>

## D. Rental income

	For the years ended December 31,	
	2017	2016
—Subsidiaries	\$ 102,545	\$ 100,867
—Associates	<u>1,467</u>	<u>1,948</u>
	<u>\$ 104,012</u>	<u>\$ 102,815</u>

E. Other income

	For the years ended December 31,	
	<u>2017</u>	<u>2016</u>
Management and technical consultancy fees:		
— Subsidiaries	\$ 629,419	\$ 563,228
— Associates	50,104	57,287
	<u>\$ 679,523</u>	<u>\$ 620,515</u>
Others:		
— Subsidiaries	\$ 606,867	\$ 513,416
— Associates	16,465	13,956
	<u>\$ 623,332</u>	<u>\$ 527,372</u>

F. Accounts receivable

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Receivables from related parties:		
— Uni-President Cold Chain Corp.	\$ 847,842	\$ 913,727
— President Chain Store Corp.	381,020	354,457
— Retail Support International Corp.	328,404	352,495
— Subsidiaries	1,332,521	1,543,540
— Associates	369,911	713,827
	<u>\$ 3,259,698</u>	<u>\$ 3,878,046</u>

G. Other receivables

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Other receivables from related parties:		
— President Chain Store Corp.	\$ 245,786	\$ 160,488
— Uni-President Vendor Corp.	53,171	51,945
— Subsidiaries	112,907	157,103
— Associates	12,278	13,324
	<u>\$ 424,142</u>	<u>\$ 382,860</u>

H. Accounts payable

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Payables to related parties:		
— Subsidiaries	\$ 109,023	\$ 149,104
— Associates	10,481	11,820
	<u>\$ 119,504</u>	<u>\$ 160,924</u>

I. Other payables

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Other payables to related parties:		
— Subsidiaries	\$ 478,566	\$ 429,829
— Associates	<u>72,604</u>	<u>98,258</u>
	<u>\$ 551,170</u>	<u>\$ 528,087</u>

J. Property transactions

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Purchase of property, plant and equipment:		
— Subsidiaries	<u>\$ 9,726</u>	<u>\$ 24,824</u>

K. Endorsements and guarantees provided to related parties: The information provided is described in Note 13(1)-B.

(3) Key management compensation

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Salaries and other short-term employee benefits	\$ 483,749	\$ 300,417
Service allowance	15,606	17,996
Directors' and supervisors' remuneration and employees' bonus	<u>376,172</u>	<u>260,759</u>
	<u>\$ 875,527</u>	<u>\$ 579,172</u>

8. PLEGGED ASSETS

None.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) As of December 31, 2017, and 2016, the unused letters of credit amounted to \$220,938 and \$482,933, respectively.

(2) As of December 31, 2017, and 2016, the remaining balance due for construction in progress and prepayments for equipment was \$926,317, and \$1,457,228, respectively.

(3) The conditions of endorsement and guarantees provided by the Company to entities are described in Note 13(1)-B.

(4) In July 2000, President Chain Store Corp. signed a perpetual technical cooperation contract (the Contract) with Southland Corporation. The terms of the Contract are as follows:

A. The Company guarantees that President Chain Store Corp. will fulfill all payments or other obligations due under the Contract to Southland Corporation.

B. Without the written approval of Southland Corporation in advance, the Company may not sell, transfer, or pledge the ownership or the assets of President Chain Store Corp.

C. The Company should maintain no less than 40% ownership of President Chain Store Corp.

(5) The Company entered into credit facilities agreements with the Bank of Tokyo-Mitsubishi in September 2014 and July 2015, respectively, and terms of agreements were from September 9, 2014 to September 7, 2018 and July 14, 2015 to July 14, 2020, respectively. Under the terms of the agreements, the Company agreed that:

A. The current ratio computed from the year-end audited consolidated financial statements shall

not be below 75%.

B. The debt-to-equity ratio computed from the year-end audited consolidated financial statements shall not be above 200%.

C. The interest coverage ratio computed from the year-end audited consolidated financial statements shall not be below 200%.

D. The year-end audited consolidated tangible stockholders' equity shall not be less than \$90,000,000.

(6) Due to the plasticizer food scandal, the Consumers' Foundation, Chinese Taipei (CFCT) filed a lawsuit against the Company with the Banqiao District Court and claimed \$1,573,775 for punitive and damage penalty in March, 2012. The New Taipei District Court had rendered a judgment on this case on October 17, 2013, whereby the Company should pay \$88 to the plaintiff for damage penalty. The CFCT had filed an appeal with the Taiwan Highest Court. The Taiwan High Court had rendered a judgment on this case on August 24, 2016, whereby the Company should pay \$685 to the plaintiff for damage penalty. Under the law, if conviction is affirmed, the Company cannot file an appeal to the Supreme Court. However, CFCT has appealed with the Supreme Court in regard to the result of the second hearing. Thus, this case is waiting for the judgement of the Supreme Court.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE:

None.

12. OTHERS

(1) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders, maintain an optimal capital structure to both reduce the cost of capital and to meet the monetary needs of improving productivity. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Fair value information of financial instruments

Except for items disclosed in the table below, the financial instruments not measured at fair value (including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), guarantee deposits paid, long-term notes and accounts receivable, short-term borrowings, financial liabilities at fair value through profit or loss, notes payable, accounts payable (including related parties), other payables (including related parties), corporate bonds payables (including current portion), long-term borrowings (including current portion), and guarantee deposits received are based on their book value as book value approximates to fair value. The fair value information of financial instruments measured at fair value is provided in Note 12 (3), Fair value estimation

B. Financial risk management policies

(a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial position and financial performance.

(b) Risk management is carried out by a central treasury department (Company treasury) under policies approved by the board of directors. Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering



specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- (i) Because the Company is primarily operating in domestic markets, the foreign exchange risk from foreign different currency fluctuation is limited. The currency used for export trade is priced in US dollars. Any foreign exchange risk arises from the net investments in foreign operations.
- (ii) Some purchases and sales are valued in US dollars, therefore the fair value changes with market exchange rate. The Company holds equivalent assets and liabilities in foreign currencies, and the period of collection and payment is equivalent to offset the market risk, thus the risk is minimal; therefore, no major foreign exchange risk is expected.
- (iii) The net investments in foreign operations face risk arising from currency exchange rates. While these investments were strategically planned, the Company does not hedge against the risk incurred deliberately.
- (iv) The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2017			
Foreign currency			
	<u>amount (in thousands)</u>	<u>Exchange rate</u>	<u>Book value</u>
(foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 1,887	29.71	\$ 56,056
<u>Investment accounted for using equity method</u>			
USD : NTD	1,787,750	29.13	52,081,573
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	6,841	29.81	203,933

December 31, 2016

Foreign currency			
	<u>amount (in thousands)</u>	<u>Exchange rate</u>	<u>Book value</u>
(foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 753	32.20	\$ 24,247
<u>Investment accounted for using equity method</u>			
USD : NTD	1,536,144	31.46	48,319,861
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	300	32.30	9,680

(v) Total exchange (loss) gain including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2017 and 2016 amounted to \$11,858 and \$12,085, respectively.

(vi) The influence due to the fluctuations of the exchange rate between NTD and USD is primarily from cash and cash equivalents, accounts receivable, other receivables, financial assets accounted for under equity method, and borrowings denominated in USD. As of December 31, 2017 and 2016, if the NTD:USD exchange rate appreciates/depreciates by 1% with all other factors remaining constant, the Company's post-tax profit for the years ended December 31, 2017 and 2016 would increase/decrease by \$1,227 and \$121, respectively.

Price risk

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the parent company only balance sheet either as available-for-sale or at fair value through profit or loss. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company has carefully determined its investment portfolio and has set various stop loss points to ensure that stockholders are not exposed to significant risks.

The Company's investments in equity securities comprise domestic listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 2% with all other variables held constant, other components of equity for the years ended December 31, 2017 and 2016 would have increased/decreased by \$96 and \$96, respectively as a result of gains/losses on equity securities classified as available-for-sale.

Interest rate risk

The Company's interest rate risk arises from short-term borrowings, long-term borrowings and bonds payable. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rate. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. During the years ended December 31, 2017 and 2016, the Company's borrowings at variable rate were denominated in the NTD. If interest rates on borrowings had been 0.1% higher/lower with all other variables held constant, post-tax profit for the years ended December 31, 2017

and 2016 would have decreased/increased by \$19,177 and \$23,581, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

- (i) Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. According to the Company's credit policy, each local entity in the Company is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The utilization of credit limits is regularly monitored. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with good ratings are accepted.
- (ii) No credit limits were exceeded during the years ended December 31, 2017 and 2016, and management does not expect any significant losses from non-performance by these counterparties.
- (iii) For the credit ratings of the Company's financial assets, please refer to Note 6, "Financial assets".

(c) Liquidity risk

- (i) Cash flow forecasting is performed in Finance Division of the Company. Finance division monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.
- (ii) Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Company treasury. Company treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. For more information on the money market position held by the Company as of December 31, 2017, and 2016, please refer to Note(6).
- (iii) The table below analyzes the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2017	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities				
Short-term borrowings	\$ 204,933	\$ -	\$ -	\$ -
Notes payable	9,368	-	-	-
Accounts payable (Including related parties)	1,274,780	-	-	-
Other payables (Including related parties)	9,256,622	-	-	-
Bonds payable (Including current portion) (Note)	3,744,840	5,300,190	8,121,660	1,848,060
Long-term borrowings (Including current portion) (Note)	1,056,641	19,427,000	2,514,425	-
Derivative financial liabilities:				
Forward exchange contract	1,215	-	-	-
December 31, 2016	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities				
Short-term borrowings	\$ 10,680	\$ -	\$ -	\$ -
Accounts payable (Including related parties)	1,389,522	-	-	-
Other payables (Including related parties)	5,807,955	-	-	-
Bonds payable (Including current portion) (Note)	4,549,130	3,692,340	8,179,810	1,881,000
Long-term borrowings (Including current portion) (Note)	64,876	21,736,315	6,744,975	-

(Note) Including principal and interest.

(3) Fair value estimation

A. Details of the fair value of the Company's financial assets and financial liabilities not measured at fair value are provided in Note 12(2). Details of the fair value of the Company's investment

property measured at cost are provided in Note 6(9).

- B. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market and investment property is included in Level 3.

- C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2017 and 2016 is as follows:

<u>December 31, 2017</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets:				
Available-for-sale financial assets				
Equity securities	\$ -	\$ -	\$ 6,150	\$ 6,150
<u>December 31, 2016</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets:				
Available-for-sale financial assets				
Equity securities	\$ -	\$ -	\$ 6,150	\$ 6,150

- D. The methods and assumptions the Company used to measure fair value are as follows:  
The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-end fund</u>
Market quoted price	Closing Price	Net asset value

- E. For the years ended December 31, 2017 and 2016, there was no transfer between Level 1 and Level 2.
- F. For the years ended December 31, 2017 and 2016, there was no transfer into or out from Level 3.
- G. Financial planning division is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing,

updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

- H. The Group has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

	Fair Value		Valuation technique	Significant unobservable input	Relationship of inputs to fair value
	December 31, 2017	December 31, 2016			
Non-derivative equity					
Beneficiary certificate	\$ 6,150	\$ 6,150	Net asset value	Not applicable	Not applicable

### 13. SIGNIFICANT TRANSACTIONS INFORMATION

#### (1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 5.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 7.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(12) and table 8.
- J. Significant inter-company transactions during the reporting periods: Please refer to table 9.

#### (2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China) : Please refer to table 10.

#### (3) Information on investments in Mainland China

- A. Basic information: Please refer to table 11.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

### 14. SEGMENT INFORMATION

Not applicable.

**UNI-PRESIDENT ENTERPRISES CORP. AND  
SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
REPORT OF INDEPENDENT ACCOUNTANTS  
DECEMBER 31, 2017 AND 2016**

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

## REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Uni-President Enterprises Corp.

### ***Opinion***

We have audited the accompanying consolidated balance sheets of Uni-President Enterprises Corp. and its subsidiaries (the “Group”) as at December 31, 2017 and 2016, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and reports of other independent accountants (Please refer to *Other Matter* section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2017 and 2016, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

### ***Basis for opinion***

We conducted our audits in accordance with the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants” and generally accepted auditing standards in the Republic of China (“ROC GAAS”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and reports from independent accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Key audit matters***

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



Key audit matters for the Group's consolidated financial statements of the current period are stated as follows:

### **Operating revenue – Sales of goods in Mainland China**

#### Description

Please refer to Notes 4(33) and 6(26) to the consolidated financial statements for the accounting policy of operating revenue and the details of revenue items relating to this key audit matter.

The Group is engaged in large volume of revenue transactions generated from sales to a large number of customers, including direct customers and distributors in many different areas in Mainland China. For customers and distributors with farther distance or located in remote areas, it needs more time for good transportation and customer reception, which involves complicated judgements in determining the timing of transferring the rights and obligations and risks and awards of goods to customers. As a result, it has been identified as one of the key audit matters of our annual audit of 2017.

#### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. We understood, evaluated and validated management's controls in respect of the Group's sales transactions. In addition, we understood and tested the general control environment of the Group's information technology systems and the automatic controls that were related to sales of goods and revenue recognition.
2. We conducted testing of revenue recorded covering different locations and customers, using sampling techniques, by examining the relevant supporting documents including customer orders, goods delivery notes and customer's receipt notes. In addition, we confirmed customers' balances and transactions on a sampling basis, by considering the amount, nature and characteristics of those customers.
3. We tested sales transactions that took place shortly before and after the balance sheet date, by reconciling recognised revenue with the goods delivery notes and customers' receipt notes, to assess whether revenue was recognised in the correct reporting periods.

## **Completeness and accuracy of retail sales revenue**

### Description

Please refer to Notes 4(33) and 6(26) to the consolidated financial statements for the accounting policy of operating revenue and the details of revenue items relating to this key audit matter.

Retail sales revenue is recorded by point-of-sale (POS) terminals, which collect the information of item names of merchandise, quantity, sales price and total sales amount of each transaction using preestablished merchandise master file data (which contains information such as item names of merchandise, cost of purchase, retail price, combination sales promotions, etc.). After the daily closing process, each store manager uploads their sales information to the Enterprise Resource Planning (“ERP”) system, which summarizes all sales and automatically generates sales revenue journal entries. Each store manager also prepares a daily cash report, which summarizes amounts of sales and methods of collections (including cash, gift certificates, credit cards and electronic payment devices, etc.) and cash from daily sales is deposited to the bank.

As retail sales revenue comprises numerous small amount transactions and highly relies on the POS and ERP systems, the process of summarizing and recording sales revenue by these systems is important with regard to the completeness and accuracy of the retail sales revenue figures, and has thus been identified as one of the key audit matters of our annual audit of 2017.

### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. We inspected and checked whether additions and changes to the merchandise master file data had been properly approved and supported by relevant documents;
2. We inspected and checked whether approved additions and changes to the merchandise master file data had been correctly entered in the merchandise master file;
3. We inspected and checked whether merchandise master file data had been periodically transferred to POS terminals in stores;
4. We inspected and checked whether sales information in POS terminals had been periodically and completely transferred to the ERP system and sales revenue journal entries were automatically generated;
5. We inspected manual sales revenue journal entries and relevant documents;
6. We inspected daily cash reports and relevant documents;

7. We inspected cash deposit amounts recorded in daily cash reports and agreed them to bank remittance amounts.

### **Cost-to-retail ratio of retail inventory method**

#### Description

Please refer to Notes 4(13) and 6(6) to the consolidated financial statements for the accounting policy of inventories and cost of goods sold and the details of inventory items relating to this key audit matter.

As retailing business involves various kinds of merchandise, the retail inventory method is used to estimate the ending balance of inventory and the cost of goods sold. The retail inventory method applies a ratio of costs over retail prices of goods purchased (known as cost-to-retail ratio) to come out with an estimate of the ending balance of inventory and the cost of goods sold. The determination of the cost-to-retail ratio relies highly on costs and retail prices information recorded in the accounting system, and has thus been identified as one of the key audit matters of our annual audit of 2017.

#### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. We interviewed the management to understand the calculation process of the cost-to-retail ratio under the retail inventory method, and inspected whether it had been consistently applied in the comparative periods of the financial statements;
2. We inspected and checked whether additions and changes to the merchandise master file data (including item names of merchandise, cost of inventory, retail price, combination sales promotions, etc.) had been properly approved and the data had been correctly entered in the merchandise master file;
3. We inspected and checked whether costs and retail prices of inventory purchased as per delivery receipts were in agreement with POS purchase records after acceptance of the inventory;
4. We inspected and checked whether the POS records for costs and retail prices of inventory purchased were periodically and completely transferred to the ERP system and that the records could not be changed manually.
5. We recalculated the cost-to-retail ratio to verify its accuracy.

## **Significant acquisition**

### Description

Please refer to Notes 4(36) and 6(25) to the financial statements for accounting policy of business combinations and details of accounting relating to this key audit matter.

The Group originally invested 50% shares in President Starbucks Coffee Corp., a joint venture investment accounted for under the equity method. In December 2017, the Group acquired additional 50% shares of President Starbucks Coffee Corp. with total cash consideration amounted to \$5,378,010 thousand and obtained control over President Starbucks Coffee Corp.

The accounting treatment of the aforementioned acquisition of additional shares in President Starbucks Coffee Corp. was in accordance with International Financial Reporting Standards (“IFRS”) 3 “Business Combinations”. The recognition and measurement of identifiable intangible assets resulting from the acquisition was based on management’s expectations for future operations and prospects of President Starbucks Coffee Corp., which involved management’s subjective judgement and critical estimates, and thus has been identified as one of the key audit matters of our annual audit of 2017.

### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following :

1. We interviewed the Group’s management to understand the purpose of the acquisition, evaluation process, determination of the consideration, and we also reviewed the Board of Directors’ meeting minutes and the acquisition agreements to verify the related meeting resolutions were consistent with the acquisition agreement;
2. We assessed the competence and objectivity of the independent appraisers engaged by the management, and reviewed the reasonableness of major assumptions and original data used in recognizing and measuring the identifiable intangible assets in the Purchase Price Allocation report. Procedures performed by us and our internal specialists were as follows:
  - (1) We reviewed the valuation methods and the calculations formula used in the valuation by the independent appraisers.
  - (2) We reviewed and compared the expected growth rate as well as gross margin used in the valuation with historical data.
  - (3) We reviewed the discount rate used in the valuation and compared with the rate of return from similar assets in the trade markets.

- (4) We evaluated the basis used in assessing the useful lives of identifiable intangible assets.
3. We reviewed the accounting treatments and disclosures in the financial statements relating to this acquisition.

### **Implementation of New Enterprises Resource Planning (“ERP”) system**

#### Description

Uni-President Enterprises Corp. (the “Company”) replaced certain parts of its ERP system in 2017. The new ERP system is replacing the previous platform where the underlying business transactions across the Company were based upon. Considering the magnitude of the replacement and implementation of new ERP system and its impacts on internal control as well as financial and operating reporting process across the Company, it has been identified as one of the key audit matters of our annual audit of 2017.

#### How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following :

1. We interviewed the Company’s management to understand the system, the new business processes related controls and control activities based on the new ERP system as well as the detailed implementation plan.
2. We obtained understanding of the extent of work performed by the Company’s management around the implementation and confirm the accuracy of the opening balance in the new ERP system.
3. We understood and tested the key internal controls over major business processes and the system environment which the Company’s financial reporting system relied upon.

#### ***Other matter –The report of other independent accountants***

We did not audit the financial statements of certain consolidated subsidiaries and investments accounted for under the equity method that are included in the consolidated financial statements. Those financial statements were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements and the information disclosed in Note 13 relative to these investments, is based solely on the audit reports of other independent accountants. Total assets of these subsidiaries and investments amounted to \$13,649,876 thousand and \$21,114,131 thousand, representing 3.29% and 5.58% of the related consolidated totals, as of December 31, 2017 and 2016, respectively, and total operating revenues of \$26,200,625 thousand and \$26,410,816 thousand, constituting 6.55% and 6.39% of the related

consolidated totals for the years then ended, respectively. Related shares of profit of associates and joint ventures accounted for under the equity method in the aforementioned companies amounted to \$103,142 thousand and \$1,081,320 thousand, respectively, constituting 0.18% and 6.68% of the consolidated total other comprehensive income for the years then ended, respectively.

***Other matter – Parent company only financial reports***

We have audited and expressed an unmodified opinion with other matter section on the parent company only financial statements of Uni-President Enterprises Corp. as at and for the years ended December 31, 2017 and 2016.

***Responsibilities of management and those charged with governance for the consolidated financial statements***

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

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

Those charged with governance, including audit committee, are responsible for overseeing the Group’s financial reporting process.

***Auditor’s responsibilities for the audit of the consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee

that an audit conducted in accordance with ROC GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
  3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- We are responsible for the direction, supervision and performance of the group audit. We remain

solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Lin, Tzu-Shu

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan

Republic of China

March 28, 2018

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.



**UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2017		December 31, 2016		
		AMOUNT	%	AMOUNT	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 54,701,904	13	\$ 56,334,630	15
1110	Financial assets at fair value through profit or loss - current	6(2)	6,700,828	2	6,033,382	2
1150	Notes receivable, net	6(3)(4)	1,717,205	1	1,529,140	-
1160	Notes receivable - related parties	7	501	-	1,623	-
1170	Accounts receivable, net	6(4)	14,101,281	3	13,422,659	4
1180	Accounts receivable - related parties	7	976,737	-	1,923,453	-
1200	Other receivables	6(4)(5)(11)	50,892,490	12	7,125,917	2
1220	Current income tax assets	6(32)	264,493	-	236,496	-
130X	Inventory	6(6)(12) and 8	32,046,777	8	30,616,333	8
1410	Prepayments		3,706,655	1	4,271,619	1
1460	Non-current assets held for sale, net	6(7)(37)	-	-	7,854,383	2
1470	Other current assets	8	9,801,007	2	10,469,366	3
11XX	<b>Total current assets</b>		<u>174,909,878</u>	<u>42</u>	<u>139,819,001</u>	<u>37</u>
<b>Non-current assets</b>						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	616,568	-	-	-
1523	Available-for-sale financial assets - non-current	6(8)(9) and 8	4,929,254	1	5,833,607	2
1543	Financial assets carried at cost - non-current	6(9)	3,363,171	1	2,882,485	1
1546	Bond investments without active markets - non-current	6(10)	296,588	-	321,403	-
1550	Investments accounted for under equity method	6(7)(11)(35) and 8	29,813,034	7	33,455,146	9
1600	Property, plant and equipment	6(12)(15)(35) and 8	144,095,873	35	148,760,628	39
1760	Investment property, net	6(12)(13)(15) and 8	17,555,107	4	17,802,717	5
1780	Intangible assets	6(14)(15)(35)	12,026,147	3	2,569,940	1
1840	Deferred income tax assets	6(32)(35)	5,203,786	1	5,018,733	1
1915	Prepayments for equipment	6(12)	765,805	-	684,828	-
1920	Guarantee deposits paid	6(2) and 8	3,248,402	1	2,942,123	1
1985	Long-term prepaid rents	6(15)	12,366,470	3	13,129,124	3
1990	Other non-current assets	6(21), 7 and 8	5,465,371	2	5,365,730	1
15XX	<b>Total non-current assets</b>		<u>239,745,576</u>	<u>58</u>	<u>238,766,464</u>	<u>63</u>
1XXX	<b>Total assets</b>		<u>\$ 414,655,454</u>	<u>100</u>	<u>\$ 378,585,465</u>	<u>100</u>

(Continued)

**UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2017		December 31, 2016		
		AMOUNT	%	AMOUNT	%	
<b>Current liabilities</b>						
2100	Short-term borrowings	6(16) and 8	\$ 17,388,953	4	\$ 25,508,260	7
2110	Short-term notes and bills payable	6(17) and 8	7,305,380	2	8,039,804	2
2120	Financial liabilities at fair value through profit or loss - current	6(2)	994	-	323	-
2150	Notes payable		2,138,770	1	2,253,654	1
2160	Notes payable - related parties	7	11,932	-	21,773	-
2170	Accounts payable		30,558,991	7	28,043,593	7
2180	Accounts payable - related parties	7	478,207	-	564,956	-
2200	Other payables	6(11)(18)	55,101,600	13	43,346,808	11
2230	Current income tax liabilities	6(32)	7,633,319	2	2,931,106	1
2260	Liabilities directly associated with non-current assets held for sale	6(7)(37)	-	-	4,450,816	1
2310	Advance receipts		11,938,487	3	12,397,660	3
2320	Long-term liabilities, current portion	6(19)(20) and 8	7,417,467	2	13,187,752	4
2399	Other current liabilities		234,064	-	251,429	-
21XX	<b>Total current liabilities</b>		<u>140,208,164</u>	<u>34</u>	<u>140,997,934</u>	<u>37</u>
<b>Non-current liabilities</b>						
2530	Corporate bonds payable	6(19)	16,986,833	4	16,179,950	4
2540	Long-term borrowings	6(20) and 8	35,909,167	9	44,485,418	12
2570	Deferred income tax liabilities	6(32)(35)	11,381,579	3	4,695,750	1
2640	Net defined benefit liabilities - non-current	6(21)(35)	9,459,119	2	9,617,638	3
2645	Guarantee deposits received		6,791,077	2	6,446,913	2
2670	Other non-current liabilities		2,619,321	-	3,461,596	1
25XX	<b>Total non-current liabilities</b>		<u>83,147,096</u>	<u>20</u>	<u>84,887,265</u>	<u>23</u>
2XXX	<b>Total liabilities</b>		<u>223,355,260</u>	<u>54</u>	<u>225,885,199</u>	<u>60</u>
<b>Equity attributable to owners of parent</b>						
<b>Share capital</b>						
3110	Share capital - common stock	6(22)	56,820,154	14	56,820,154	15
<b>Capital reserves</b>						
3200	Capital surplus	6(23)(34)	3,916,160	1	3,900,138	1
<b>Retained earnings</b>						
3310	Legal reserve	6(24)(32)	16,588,870	4	15,136,198	4
3320	Special reserve		4,011,314	1	4,042,765	1
3350	Unappropriated retained earnings		42,446,053	10	16,329,791	4
<b>Other equity interest</b>						
3400	Other equity interest	6(25)	( 3,707,274)	( 1)	( 1,823,199)	-
31XX	<b>Equity attributable to owners of the parent</b>		<u>120,075,277</u>	<u>29</u>	<u>94,405,847</u>	<u>25</u>
36XX	<b>Non-controlling interest</b>	4(3) and 6(34)	<u>71,224,917</u>	<u>17</u>	<u>58,294,419</u>	<u>15</u>
3XXX	<b>Total equity</b>		<u>191,300,194</u>	<u>46</u>	<u>152,700,266</u>	<u>40</u>
<b>Contingent Liabilities and Commitments</b>						
<b>Subsequent Events</b>						
3X2X	<b>Total liabilities and equity</b>		<u>\$ 414,655,454</u>	<u>100</u>	<u>\$ 378,585,465</u>	<u>100</u>

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

**UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31				
		2017		2016		
		AMOUNT	%	AMOUNT	%	
4000	<b>Operating revenue</b>	6(26) and 7	\$ 399,860,953	100	\$ 413,364,315	100
5000	<b>Operating costs</b>	6(6)(14)(30)(31)				
		and 7	( 267,120,282)	( 67)	( 275,714,218)	( 67)
5900	<b>Net operating margin</b>		132,740,671	33	137,650,097	33
	<b>Operating expenses</b>	6(14)(30)(31)(36)				
		and 7				
6100	Selling expenses		( 88,011,936)	( 22)	( 94,013,752)	( 23)
6200	General and administrative expenses		( 21,398,149)	( 5)	( 21,555,416)	( 5)
6300	Research and development expenses		( 973,511)	-	( 989,863)	-
6000	<b>Total operating expenses</b>		( 110,383,596)	( 27)	( 116,559,031)	( 28)
6900	<b>Operating profit</b>		22,357,075	6	21,091,066	5
	<b>Non-operating income and expenses</b>					
7010	Other income	6(27) and 7	7,055,426	2	5,579,489	2
7020	Other gains and losses	4(3), 6(2)(7)(8)(9)(11)(1)				
		5)(28) and 12	43,462,005	11	1,221,784	-
7050	Finance costs	6(12)(29)	( 1,641,872)	( 1)	( 2,237,211)	-
7060	Share of profit of associates and joint ventures accounted for under equity method	6(11)	5,254,991	1	4,847,214	1
7000	<b>Total non-operating income and expenses</b>		54,130,550	13	9,411,276	3
7900	<b>Profit before income tax</b>		76,487,625	19	30,502,342	8
7950	Income tax expense	6(32)	( 16,522,538)	( 4)	( 6,826,906)	( 2)
8200	<b>Profit for the year</b>		\$ 59,965,087	15	\$ 23,675,436	6

(Continued)

**UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31			
		2017		2016	
		AMOUNT	%	AMOUNT	%
<b>Other comprehensive income (loss)</b>					
<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>					
8311 Remeasurement of defined benefit obligations	6(21)	(\$ 422,674)	-	(\$ 795,642)	-
8320 Share of other comprehensive loss of associates and joint ventures accounted for using equity method		( 98,459)	-	( 61,769)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(32)	71,800	-	135,166	-
<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>					
8361 Financial statements translation differences of foreign operations		( 1,734,664)	-	( 6,237,125)	( 2)
8362 Unrealized gain (loss) on valuation of available-for-sale financial assets	6(8)	287,838	-	244,505)	-
8370 Share of other comprehensive loss of associates and joint ventures accounted for under equity method	6(11)	( 43,023)	-	( 274,781)	-
8399 Aggregated income tax relating to components of other comprehensive income	6(8)(32)	( 8,533)	-	( 8,947)	-
8300 <b>Total other comprehensive loss for the year</b>		(\$ 1,947,715)	-	(\$ 7,487,603)	( 2)
8500 <b>Total comprehensive income for the year</b>		\$ 58,017,372	15	\$ 16,187,833	4
<b>Profit attributable to:</b>					
8610 Owners of the parent		\$ 39,844,853	10	\$ 14,526,719	4
8620 Non-controlling interest		20,120,234	5	9,148,717	2
<b>Net income</b>		\$ 59,965,087	15	\$ 23,675,436	6
<b>Comprehensive income attributable to:</b>					
8710 Owners of the parent		\$ 37,585,640	10	\$ 9,490,666	2
8720 Non-controlling interest		20,431,732	5	6,697,167	2
<b>Net comprehensive income</b>		\$ 58,017,372	15	\$ 16,187,833	4
<b>Earnings per share (in dollars)</b>	6(33)				
9750 <b>Basic</b>		\$ 7.01		\$ 2.56	
9850 <b>Diluted</b>		\$ 6.98		\$ 2.54	

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

**UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent							Total	Non-controlling interest	Total equity
	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Other equity interest				
						Currency translation differences	Unrealized gain or loss on available-for-sale financial assets			
	\$ 56,820,154	\$ 3,957,172	\$ 13,725,414	\$ 4,043,384	\$ 15,109,863	\$ 2,125,399	\$ 554,860	\$ 96,336,246	\$ 59,353,491	\$ 155,689,737
6(24)	-	-	1,410,784	-	( 1,410,784 )	-	-	-	-	-
6(25)	-	-	-	-	14,526,719	-	-	14,526,719	9,148,717	23,675,436
6(23)	-	-	-	-	( 532,595 )	( 4,382,749 )	( 120,709 )	( 5,036,053 )	( 2,451,550 )	( 7,487,603 )
6(23)(34)	-	( 19,196 )	-	-	-	-	-	( 19,196 )	-	( 19,196 )
6(23)	-	( 92,572 )	-	-	-	-	-	( 92,572 )	( 248,282 )	( 340,854 )
4(3) and 6(23)	-	65,025	-	-	-	-	-	65,025	-	65,025
6(24)	-	( 10,291 )	-	-	-	-	-	( 10,291 )	( 505,753 )	( 516,044 )
	-	-	( 619 )	619	-	-	-	-	( 7,002,204 )	( 7,002,204 )
Non-controlling interest	\$ 56,820,154	\$ 3,900,138	\$ 15,136,198	\$ 4,042,765	\$ 16,329,791	( \$ 2,257,350 )	\$ 434,151	\$ 94,405,847	\$ 58,294,419	\$ 152,700,266

(Continued)

For the year ended December 31, 2016

Balance at January 1, 2016

Distribution of 2015 consolidated net income:

Legal reserve

Cash dividends

Consolidated net income for the year ended December 31, 2016

Other comprehensive loss for the year ended December 31, 2016

Adjustment for change in capital reserve of investee companies

Difference between the acquisition or disposal price and carrying amounts of subsidiaries

Adjustment of capital reserve due to change in interests in associates

Disposal of subsidiaries

Reversal of special reserve

Non-controlling interest

Balance at December 31, 2016

**UNIPRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent										Total equity	
	Retained earnings					Other equity interest						
	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Currency translation differences	Unrealized gain or loss on available-for-sale financial assets	Total	Non-controlling interest			
For the year ended December 31, 2017												
Balance at January 1, 2017	\$ 56,820,154	\$ 3,900,138	\$ 15,136,198	\$ 4,042,765	\$ 16,329,791	(\$ 2,257,350)	\$ 434,151	\$ 94,405,847	\$ 58,294,419	\$ 152,700,266		
Distribution of 2016 consolidated net income:												
Legal reserve	-	-	1,452,672	-	(1,452,672)	-	-	(11,932,232)	-	(11,932,232)		
Cash dividends	-	-	-	-	(11,932,232)	-	-	-	-	-		
Consolidated net income for the year ended December 31, 2017	-	-	-	-	39,844,853	-	-	39,844,853	20,120,234	59,965,087		
Other comprehensive income (loss) for the year ended December 31, 2017	-	-	-	-	(375,138)	(1,983,379)	99,304	(2,259,213)	311,498	(1,947,715)		
Adjustment for change in capital reserve of investee companies	-	15,273	-	-	-	-	-	15,273	-	15,273		
Difference between the acquisition or disposal price and carrying amounts of subsidiaries	-	24,608	-	-	-	-	-	24,608	19,518	44,126		
Adjustment of capital reserve due to change in interests in subsidiaries	-	(24,823)	-	-	-	-	-	(24,823)	-	(24,823)		
Adjustment of capital reserve due to change in interests in associates	-	(1,927)	-	-	-	-	-	(1,927)	-	(1,927)		
Non-payment of expired cash dividends from previous year transferred to capital reserve	-	2,891	-	-	-	-	-	2,891	-	2,891		
Reversal of special reserve	-	-	-	(31,451)	31,451	-	-	-	-	-		
Non-controlling interest	-	-	-	-	-	-	-	-	(7,520,752)	(7,520,752)		
Balance at December 31, 2017	\$ 56,820,154	\$ 3,916,160	\$ 16,588,870	\$ 4,011,314	\$ 42,446,053	(\$ 4,240,729)	\$ 533,455	\$ 120,075,277	\$ 71,224,917	\$ 191,300,194		

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

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 76,487,625	\$ 30,502,342
Adjustments			
Adjustments to reconcile profit (loss)			
(Gain) loss on financial assets and liabilities at fair value through profit and loss	6(2)(28)	( 76,327 )	12,656
Provision for doubtful accounts	6(4)	51,995	134,630
Provision for inventory market price decline	6(6)	( 55,628 )	( 58,497 )
Gain on disposal of non-current assets held for sale	6(7)(28)	-	1,528,552
(Gain) loss on disposal of available-for-sale financial assets	6(28)	( 146,666 )	73,459
Gain on disposal of financial assets measured at cost	6(28)	( 84,232 )	( 1,175,952 )
Impairment loss on financial assets	6(8)(9)(28)	124,501	312,728
Gain on disposal of investments in subsidiaries	4(3), 6(28)(37)	( 740,492 )	( 2,536,835 )
Share of profit of associates and joint ventures accounted for under the equity method	6(11)	( 5,254,991 )	( 4,847,214 )
Gain on disposal of investments accounted for under the equity method	6(28)(35)	( 44,404,509 )	( 1,655 )
Depreciation on property, plant and equipment	6(12)(30)	17,962,596	18,951,650
Loss on disposal of property, plant and equipment	6(28)	128,268	146,122
Depreciation on investment properties	6(13)(30)	286,594	309,183
Gain on disposal of investment properties	6(28)	( 1,331 )	( 5,888 )
Amortization	6(14)(30)	356,458	393,377
Amortization of long-term prepaid rents		349,908	366,196
Loss on disposal of long-term prepaid rents		72,812	-
Impairment loss on non-financial assets	6(12)(13)(14)(15)(28)	23,722	1,956,485
Interest income	6(27)	( 963,720 )	( 927,112 )
Dividend income	6(27)	( 2,249,577 )	( 703,547 )
Finance costs	6(29)	1,641,872	2,237,211
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		( 457,016 )	9,144,040
Notes receivable		( 182,314 )	223,553
Notes receivable - related parties		1,122	( 363 )
Accounts receivable		( 402,446 )	( 685,398 )
Accounts receivable - related parties		946,716	( 227,159 )
Other receivables		( 474,355 )	247,179
Inventories		( 432,543 )	2,655,532
Prepayments		564,964	755,662
Other current assets		( 340,148 )	( 372,349 )
Changes in operating liabilities			
Notes payable		( 116,036 )	979,742
Notes payable - related parties		( 9,841 )	6,907
Accounts payable		2,082,293	657,260
Accounts payable - related parties		( 86,749 )	( 12,762 )
Other payables		5,878,698	1,864,935
Advance receipts		( 1,148,266 )	814,914
Other current liabilities		( 17,365 )	22,815
Net defined benefit liabilities - non-current		( 745,888 )	( 928,384 )
Cash inflow generated from operations		48,569,704	58,756,911
Interest received		1,165,520	793,009
Dividend received	6(37)	5,100,586	3,490,204
Interest paid		( 1,803,498 )	( 2,352,828 )
Income tax paid		( 6,569,861 )	( 5,161,148 )
Net cash flows from operating activities		46,462,451	55,526,148

(Continued)

**UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2017	2016
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Decrease (increase) in other receivables - bond reserve-repurchase		\$ 1,099,022	( \$ 4,643,613 )
Decrease in other receivables - related parties		2,464	3,062
Proceeds from disposal of non-current assets held for sale	6(7)	-	6,256,466
Decrease in other current assets - other financial assets		1,030,582	1,320,181
Increase in available-for-sale financial assets - non-current		( 679,899 )	( 736,388 )
Proceeds from disposal of available-for-sale financial assets		1,800,184	1,016,940
Return of capital from available-for-sale financial assets		4,710	1,577
Increase in financial assets measured at cost - non-current		( 1,019,833 )	( 806,239 )
Proceeds from disposal of financial assets measured at cost		380,944	1,465,244
Return of capital from financial assets measured at cost		1,773	4,182
Cash paid for acquisition of investments accounted for under the equity method		( 40,633 )	( 73,345 )
Proceeds from disposal of investments accounted for under the equity method	6(37)	213,970	52,984
Return of capital from investments accounted for under the equity method		168,106	222,755
Proceeds from disposal of subsidiaries	6(37)	3,380,567	1,844,539
Cash and cash equivalents flows from business combination	6(35)(37)	700,961	-
Cash paid for acquisition of property, plant and equipment	6(37)	( 14,539,349 )	( 13,152,913 )
Interest paid for acquisition of property, plant and equipment	6(37)	( 83,880 )	( 195,528 )
Proceeds from disposal of property, plant and equipment		441,458	599,536
Cash paid for acquisition of investment property	6(37)	( 90,447 )	( 903,516 )
Interest paid for acquisition of investment property	6(37)	-	( 14,626 )
Proceeds from disposal of investment properties		1,969	10,176
Increase in intangible assets	6(14)	( 491,698 )	( 334,502 )
Increase in prepayment for equipment		( 1,392,347 )	( 2,848,506 )
Interest paid for prepayment for equipment		( 6,400 )	( 8,987 )
(Increase) decrease in guarantee deposits paid		( 82,127 )	95,304
Increase in long-term prepaid rents		( 62,320 )	( 320,802 )
Proceeds from disposal of long-term prepaid rents		203,278	-
Decrease in other non-current assets - other financial assets		-	656,924
Increase in other non-current assets		( 70,883 )	( 79,994 )
Net cash flows used in investing activities		( 9,129,828 )	( 10,569,089 )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Decrease in short-term borrowings		( 8,119,307 )	( 4,573,957 )
(Decrease) increase in short-term notes and bills payable		( 734,424 )	735,029
Increase in corporate bonds payable		5,000,000	-
Decrease in corporate bonds payable		( 11,160,498 )	( 8,643,613 )
Increase in long-term borrowings		187,659,276	248,364,985
Decrease in long-term borrowings		( 194,417,362 )	( 249,727,196 )
Increase in guarantee deposit received		340,122	68,153
(Decrease) increase in other non-current liabilities		( 3,377 )	171,471
Proceeds from (cash paid for) transaction with non-controlling interests	6(34)	44,126	( 340,854 )
Payment of cash dividends	6(24)	( 11,932,232 )	( 11,364,031 )
Change in non-controlling interests		( 7,520,752 )	( 7,002,204 )
Net cash flows used in financing activities		( 40,844,428 )	( 32,312,217 )
Effect of foreign exchange rate changes on cash and cash equivalents		1,102,148	( 568,024 )
Non-current assets held for sale - cash and cash equivalents	6(7)(37)	776,931	( 776,931 )
Net (decrease) increase in cash and cash equivalents		( 1,632,726 )	11,299,887
Cash and cash equivalents at beginning of year	6(1)	56,334,630	45,034,743
Cash and cash equivalents at end of year	6(1)	\$ 54,701,904	\$ 56,334,630

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



UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

- (1) Uni-President Enterprises Corp. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) in August 1967. The Company is primarily engaged in the manufacture, processing and sales of various soft drinks, food, animal feeds and flour. For more information regarding the manufacturing and trading activities the Company and its subsidiaries (the “Group”) are engaged in, please refer to Note 4(3), ‘Basis of consolidation’.
- (2) The common shares of the Company have been listed on the Taiwan Stock Exchange since December 1987.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on March 28, 2018.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

- (1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments as endorsed by FSC effective from 2017 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board (“IASB”)
Amendments to IFRS 10, IFRS 12 and IAS 28, ‘Investment entities: applying the consolidation exception’	January 1, 2016
Amendments to IFRS 11, ‘Accounting for acquisition of interests in joint operations’	January 1, 2016
IFRS 14, ‘Regulatory deferral accounts’	January 1, 2016
Amendments to IAS 1, ‘Disclosure initiative’	January 1, 2016
Amendments to IAS 16 and IAS 38, ‘Clarification of acceptable methods of depreciation and amortisation’	January 1, 2016
Amendments to IAS 16 and IAS 41, ‘Agriculture: bearer plants’	January 1, 2016
Amendments to IAS 19, ‘Defined benefit plans: employee contributions’	July 1, 2014
Amendments to IAS 27, ‘Equity method in separate financial statements’	January 1, 2016

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board ("IASB")
Amendments to IAS 36, 'Recoverable amount disclosures for non-financial assets'	January 1, 2014
Amendments to IAS 39, 'Novation of derivatives and continuation of hedge accounting'	January 1, 2014
IFRIC 21, 'Levies'	January 1, 2014
Annual improvements to IFRSs 2010-2012 cycle	July 1, 2014
Annual improvements to IFRSs 2011-2013 cycle	July 1, 2014
Annual improvements to IFRSs 2012-2014 cycle	January 1, 2016

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

**A. Amendments to IAS 36, 'Recoverable amount disclosures for non-financial assets'**

The amendments remove the requirement to disclose recoverable amount when a cash generating unit ("CGU") contains goodwill or indefinite lived intangible assets but there has been no impairment. When a material impairment loss has been recognized or reversed for an individual asset, including goodwill, or a CGU, it is required to disclose the recoverable amount of the asset or CGU. If the recoverable amount is fair value less costs of disposal, it is required to disclose the level of the fair value hierarchy, the valuation techniques used and key assumptions.

Based on the Group's assessment, the amendments will result in an increase of disclosures information for asset impairment.

**B. Annual improvements to IFRSs 2010-2012 cycle**

**IFRS 8, 'Operating segments'**

The standard is amended to require disclosure of judgements made by management in aggregating operating segments. This amendment also clarifies that a reconciliation of the total of the reportable segments' assets to the entity's assets is required only when segment assets are provided to chief operating decision maker regularly.

Based on the Group's assessment, the amendment will result in an additional disclosure of judgements made by management in aggregating operating segments and a deletion of reconciliation information of segments' assets.

**(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group**

New standards, interpretations and amendments as endorsed by the FSC effective from 2018 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by IASB</u>
Amendments to IFRS 2, 'Classification and measurement of share-based payment transactions'	January 1, 2018
Amendments to IFRS 4, 'Applying IFRS 9 Financial instruments with IFRS 4 Insurance contracts'	January 1, 2018
IFRS 9, 'Financial instruments'	January 1, 2018
IFRS 15, 'Revenue from contracts with customers'	January 1, 2018
Amendments to IFRS 15, 'Clarifications to IFRS 15 Revenue from contracts with customers'	January 1, 2018
Amendments to IAS 7, 'Disclosure initiative'	January 1, 2017
Amendments to IAS 12, 'Recognition of deferred tax assets for unrealised losses'	January 1, 2017
Amendments to IAS 40, 'Transfers of investment property'	January 1, 2018
IFRIC 22, 'Foreign currency transactions and advance consideration'	January 1, 2018
Annual improvements to IFRSs 2014-2016 cycle - Amendments to IFRS 1, 'First-time adoption of International Financial Reporting Standards'	January 1, 2018
Annual improvements to IFRSs 2014-2016 cycle - Amendments to IFRS 12, 'Disclosure of interests in other entities'	January 1, 2017
Annual improvements to IFRSs 2014-2016 cycle - Amendments to IAS 28, 'Investments in associates and joint ventures'	January 1, 2018

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by IASB</u>
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 contracts'	January 1, 2021
Amendments to IAS 19, 'Plan amendment, curtailment or settlement'	January 1, 2019
Amendments to IAS 28, 'Long-term interests in associates and joint ventures'	January 1, 2019
IFRIC 23, 'Uncertainty over income tax treatments'	January 1, 2019
Annual improvements to IFRSs 2015-2017 cycle	January 1, 2019

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment. The quantitative impact will be disclosed when the assessment is complete.

IFRS 16, 'Leases'

IFRS 16, 'Leases', replaces IAS 17, 'Leases' and related interpretations and SICs. The standard requires lessees to recognize a 'right-of-use asset' and a lease liability (except for those leases with terms of 12 months or less and leases of low-value assets). The accounting stays the same for lessors, which is to classify their leases as either finance leases or operating leases and account for those two types of leases differently. IFRS 16 only requires enhanced disclosures to be provided by lessors.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### (1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs").

##### (2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
- (b) Available-for-sale financial assets measured at fair value.
- (c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5, 'Critical accounting judgements, estimates and key sources of assumption uncertainty'.

##### (3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
- (b) Inter-company transactions, balances and unrealized gains or losses on transactions between

companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

- (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
- (e) When the Group loses control of a subsidiary, the Group measures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss, on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group		Note
			December 31, 2017	December 31, 2016	
Uni-President Enterprises Corp.	Cayman President Holdings Ltd.	Professional investment	100.00	100.00	—
Uni-President Enterprises Corp.	Kai Yu Investment Co., Ltd.	Professional investment	100.00	100.00	—
Uni-President Enterprises Corp.	President International Trade and Investment Corp.	Professional investment	100.00	100.00	—
Uni-President Enterprises Corp.	Kai Nan Investment Co., Ltd.	Professional investment	100.00	100.00	—
Uni-President Enterprises Corp.	President Global Corp.	Instant noodle and juice can importation	100.00	100.00	—
Uni-President Enterprises Corp.	Tone Sang Construction Corp.	Construction of buildings	100.00	100.00	—
Uni-President Enterprises Corp.	Uni-President Glass Industrial Co., Ltd.	Manufacturing and sales of glass products, etc.	100.00	100.00	—
Uni-President Enterprises Corp.	Uni-President Vendor Corp.	Sales of soft drinks and food	100.00	100.00	—
Uni-President Enterprises Corp.	Presco Netmarketing Inc.	Information services	100.00	100.00	—
Uni-President Enterprises Corp.	Uni-President Dream Parks Corp.	Wholesale and retailing of food, advertising, etc.	100.00	100.00	—

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group		Note
			December 31, 2017	December 31, 2016	
Uni-President Enterprises Corp.	President Baseball Team Corp.	Management of professional baseball	100.00	100.00	—
Uni-President Enterprises Corp.	President Entertainment Corp.	Entertainment business	100.00	100.00	(Note 1)
Uni-President Enterprises Corp.	President Organics Corp.	Sales of rice, vegetable, tea and drinks, etc.	100.00	100.00	(Note 1)
Uni-President Enterprises Corp.	President Fair Development Corp.	Operation of shopping mall, department store, international trade, etc.	100.00	100.00	(Note 1)
Uni-President Enterprises Corp.	Tung Ho Development Corp.	Entertainment business	100.00	100.00	(Note 1)
Uni-President Enterprises Corp.	Nanlien International Corp.	Import and export trading, etc.	100.00	100.00	(Note 1)
Uni-President Enterprises Corp.	President Natural Industrial Corp.	Sales of health food	100.00	97.85	(Note 1)
Uni-President Enterprises Corp.	President International Development Corp.	Industry investment	76.70	76.70	(Note 1)
Uni-President Enterprises Corp.	Uni-President Development Corp.	Construction, development and operation of an MRT station	70.00	70.00	(Note 1)
Uni-President Enterprises Corp.	Tait Marketing & Distribution Co., Ltd.	Channel retailing and distribution centers, etc.	65.40	64.30	(Note 1)

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group		Note
			December 31, 2017	December 31, 2016	
Uni-President Enterprises Corp.	President Nissin Corp.	Processing, manufacturing and sales of vegetable oil	56.00	56.00	(Note 1)
Uni-President Enterprises Corp.	President Tokyo Corp.	Car rental	51.00	51.00	(Note 1)
Uni-President Enterprises Corp.	Ton Yi Pharmaceutical Corp.	Distribution of pharmaceuticals	51.00	51.00	—
Uni-President Enterprises Corp.	President Packaging Corp.	Package and container sales	50.58	50.58	(Note 1)
Uni-President Enterprises Corp.	President Kikkoman Inc.	Manufacturing and sales of soy sauce	50.00	50.00	(Note 1) (Note 5)
Uni-President Enterprises Corp.	ScinoPharm Taiwan Ltd.	Research, manufacturing and sales of materials for medicine, etc.	47.14	47.34	(Note 1) (Note 5)
Uni-President Enterprises Corp.	Ton Yi Industrial Corp.	Manufacturing of tinplates	47.22	47.22	(Note 1) (Note 5)
Uni-President Enterprises Corp.	President Chain Store Corp.	Operation of chain convenience stores	45.80	45.80	(Note 1) (Note 5)
Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd. and its subsidiaries	Professional investment, etc.	100.00	100.00	—
Cayman President Holdings Ltd.	Uni-President Foodstuff (BVI) Holdings Ltd. and its subsidiaries	Professional investment, etc.	100.00	100.00	—



Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group		Note
			December 31, 2017	December 31, 2016	
Cayman President Holdings Ltd.	Uni-President Enterprises China Holdings Ltd. and its subsidiaries	Investment in food industry, etc.	70.55	70.55	(Note 1)
Cayman President Holdings Ltd.	President Energy Development (Cayman Islands) Ltd.	Investment in energy resources	65.79	65.79	(Note 1)
Cayman President Holdings Ltd.	PT. Uni President Indonesia	Sales of drinks and cosmetics, etc.	100.00	100.00	(Note 1)
Cayman President Holdings Ltd.	Zhangjiagang President Nisshin Food Co., Ltd.	Manufacturing and sales of fats, feeds and flour	70.00	70.00	—
Cayman President Holdings Ltd.	President Kikkoman Zhenji Foods Co., Ltd.	Manufacturing and sales of soy sauce	50.00	50.00	(Note 5)
Cayman President Holdings Ltd.	Sanshui Jianlibao Commerce Co., Ltd.	Sales of soft drinks	—	100.00	(Note 3) (Note 6)
Kai Yu Investment Co., Ltd.	Kai Yu (BVI) Investment Co., Ltd. and its subsidiaries	Investment in manufacturing business, etc.	100.00	100.00	—
Kai Yu Investment Co., Ltd.	Tung Ang Enterprises Corp.	Sales of drinks, etc.	100.00	100.00	—
Kai Yu Investment Co., Ltd.	Tung Guan Enterprises Co., Ltd.	Sales of livestock products	100.00	100.00	—
President Global Corp.	Ameripecc Inc.	Manufacturing of food	100.00	100.00	—

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group		Note
			December 31, 2017	December 31, 2016	
Uni-President Dream Parks Corp.	Uni-Oao Travel Services Corp.	Tourist agency business	100.00	100.00	—
Uni-President Dream Parks Corp.	Shanghai Uni-President Dream Parks Trading Corp.	Trading	—	100.00	(Note 3)
President Fair Development Corp.	President Century Corp.	Development of specific professional area	100.00	100.00	—
Nanlien International Corp.	Cayman Nanlien Holding Ltd. and its subsidiaries	Professional investment, etc.	100.00	100.00	—
Nanlien International Corp.	Tun Hsiang Enterprises Corp., etc.	Trading, etc.	(Note2)	(Note2)	(Note 1) (Note 3) (Note 4) (Note 5)
President International Development Corp.	President (BVI) International Investment Holdings Ltd. and its subsidiaries	Investment in manufacturing business, etc.	100.00	100.00	—
President International Development Corp.	Ton Yu Investment Corp.	Professional investments	100.00	100.00	—
President International Development Corp.	President Life Sciences Co., Ltd.	Manufacture of chemical materials and instruments, etc.	100.00	100.00	—
President International Development Corp.	President Property Corp.	Sales and lease of real estate property	100.00	100.00	—

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group		Note
			December 31, 2017	December 31, 2016	
Tait Marketing & Distribution Co., Ltd.	Tait Distribution Service Co., Ltd.	Manufacture of various drinks	100.00	100.00	—
Tait Marketing & Distribution Co., Ltd.	Tait (H.K) International Ltd. and its subsidiaries	International trade	100.00	100.00	—
President Tokyo Corp.	President Tokyo Auto Leasing Corp.	Car rental	100.00	100.00	—
President Tokyo Corp.	Uni-President Tc-Lease (Cayman) Corporation and its subsidiaries	Professional investments	100.00	100.00	—
President Packaging Corp.	President Packing Holdings Ltd. and its subsidiaries	General investments, etc.	100.00	100.00	—
President Packaging Corp.	President Cup Corp.	Sales of paper containers	100.00	100.00	—
ScinoPharm Taiwan Ltd.	SPT International, Ltd. and its subsidiaries	General investments, etc.	100.00	100.00	—
ScinoPharm Taiwan Ltd.	ScinoPharm Singapore Pte. Ltd.	General investments	100.00	100.00	—
Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd. and its subsidiaries	Professional investments, etc.	100.00	100.00	—
Ton-Yi Industrial Corp.	Tovecan Corp. Ltd.	Manufacturing of cans, etc.	51.00	51.00	—

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group		Note
			December 31, 2017	December 31, 2016	
President Chain Store Corp.	President Chain Store (BVI) Holdings, Ltd. and its subsidiaries	Professional investments, etc.	100.00	100.00	—
President Chain Store Corp.	President Drugstore Business Corp.	Sales of cosmetics and medicine	100.00	100.00	—
President Chain Store Corp.	Ren-Hui Investment Corp.	Professional investments	100.00	100.00	—
President Chain Store Corp.	Capital Inventory Services Corp.	Enterprise management consultancy	100.00	100.00	—
President Chain Store Corp.	Wisdom Distribution Services Corp. and its subsidiaries	Delivery of magazines, etc.	100.00	100.00	—
President Chain Store Corp.	Uni-President Cold Chain Corp. and its subsidiaries	Low temperature distribution center, etc.	100.00	100.00	(Note 1)
President Chain Store Corp.	Uni-President Oven Bakery Corp.	Bread retailing, etc.	100.00	100.00	—
President Chain Store Corp.	Uni-President Department Store Corp.	Operation of department stores	100.00	100.00	(Note 1)
President Chain Store Corp.	President Insurance Brokers Co., Ltd.	Personal and property insurance	100.00	100.00	—
President Chain Store Corp.	Cold Stone Creamery Taiwan Ltd.	Operation of restaurant	100.00	100.00	—
President Chain Store Corp.	President Lanyang Art Center Co., Ltd.	Arts and culture	100.00	100.00	—

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group		Note
			December 31, 2017	December 31, 2016	
President Chain Store Corp.	President Being Corp.	Operation of gymnasium, spa	100.00	100.00	—
President Chain Store Corp.	Century Quick Services Restaurant Corp.	Operation of fastfood chain restaurant	100.00	100.00	—
President Chain Store Corp.	President Chain Store Tokyo Marketing Corp.	Enterprise management consultancy	100.00	100.00	—
President Chain Store Corp.	PCSC BVI (China) Drugstore Ltd. and its subsidiaries	Professional investments, etc.	100.00	100.00	(Note 1)
President Chain Store Corp.	Icash Payment Systems Ltd.	Operation of electronic tickets and electronic related business	100.00	100.00	—
President Chain Store Corp.	President Starbucks Coffee Corp.	Operation of chain coffee stores	100.00	50.00	(Note 7)
President Chain Store Corp.	Mech-President Co., Ltd. and its subsidiaries	Operation of gas stations and manufacture of elevators, etc.	99.76	99.76	(Note 1)
President Chain Store Corp.	President Transnet Corp.	Distribution business	90.00	90.00	(Note 1)
President Chain Store Corp.	Uni-President Superior Commissary Corp.	Sales of fresh foods	90.00	90.00	(Note 1)
President Chain Store Corp.	Qware Systems & Services Corp.	Information services	86.76	86.76	(Note 1)

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Group		Note
			December 31, 2017	December 31, 2016	
President Chain Store Corp.	President Information Corp.	Information services	86.00	86.00	(Note 1)
President Chain Store Corp.	President Pharmaceutical Corp. and its subsidiaries	Wholesale of medicines and medical appliances	73.74	73.74	(Note 1)
President Chain Store Corp.	President Collect Service Co., Ltd.	Collection agent for government institutions	70.00	70.00	(Note 1)
President Chain Store Corp.	Retail Support International Corp. and its subsidiaries	Distribution centers, etc.	65.00	65.00	(Note 1)
President Chain Store Corp.	Duskin Serve Taiwan Co., Ltd. and its subsidiaries	Sales of cleaning instruments, etc.	51.00	51.00	(Note 1)
President Chain Store Corp.	Afternoon Tea Taiwan Corp.	Operation of restaurant	51.00	51.00	(Note 1)
President Chain Store Corp.	Books. Com. Co., Ltd. and its subsidiaries	Network bookstore, etc.	50.03	50.03	(Note 1)

(Note 1) Jointly owned by the Company and the subsidiaries.

(Note 2) The percentage owned by the Group as of December 31, 2017 and 2016 was between 33.07% ~ 100%.

(Note 3) Liquidated in the current period or in the comparative reporting periods.

(Note 4) Newly established company in the comparative reporting periods.

(Note 5) After a comprehensive evaluation, the Group has the power to govern the financial and operating policies of the investee companies, hence, they are included in the consolidated financial statements.

(Note 6) In January 2017, the Group disposed all the shares of its subsidiary, Sanshui Jianlibao Commerce Co., Ltd., thus, the Group lost its control over the subsidiary. Proceeds from disposal of investments amounting to \$4,157,498 had been collected and the related gain on disposal of \$740,492 was recognized (listed as "Other gains and losses"). Please refer to Note 6(37)-D, 'Supplemental cash flow information'.

(Note 7) Newly acquired subsidiary in this current period. The Group originally invested 50% shares in President Starbucks Coffee Corp. In December 2017, the Group acquired additional 50% shares of President Starbucks Coffee Corp. and obtained control over President Starbucks Coffee Corp. Please refer to Note 6(35), ‘Business combinations’.

(Note 8) In November 2016, the Group disposed all its shares in the subsidiaries, Ever-Splendor Electrics (Shenzhen) Co., Ltd. and Uni-Home Tech Corp., thus, the Group lost control over the subsidiaries. Proceeds from disposal of investments amounting to \$5,539,002 had been collected and the related gain on disposal of investments amounting to \$2,412,332 was recognized (listed as “Other gains and losses”).

(Note 9) In January and February 2016, the Group disposed all its shares in the subsidiaries, Sato Restaurant System Co., Ltd. and Bank Pro E-Service Technology Co., Ltd.. It was determined that the Group has lost significant influence over these companies. The transactions resulted in reversal of capital reserve of \$10,291 which was previously recognized due to an organisational structure adjustment. Proceeds from disposal of investments amounting to \$238,031 had been collected while gain on disposal of investments amounting to \$124,503 was recognized (listed as “Other gains and losses”).

C. Subsidiaries not included in the consolidated financial statements:

None.

D. Adjustments for subsidiaries with different balance sheet dates:

None.

E. Significant restrictions:

None.

F. Subsidiaries with non-controlling interests that are material to the Group:

As of December 31, 2017 and 2016, the non-controlling interest of the Group amounted to \$71,224,917 and \$58,294,419, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal location of business	Non-controlling interest			
		December 31, 2017		December 31, 2016	
		Amount	Ownership (%)	Amount	Ownership (%)
President Chain Store Corp.	Taiwan	\$32,252,474	54.20%	\$18,027,424	54.20%
Uni-President Enterprises China Holdings Ltd.	China	16,990,801	29.45%	16,465,382	29.45%

Summarized financial information of the subsidiaries:

(a) President Chain Store Corp.

<u>Balance sheets</u>	<u>President Chain Store Corp. (Consolidated)</u>	
	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Current assets	\$ 88,404,260	\$ 54,322,992
Non-current assets	51,477,000	40,795,525
Current liabilities	( 65,619,920)	( 52,594,724)
Non-current liabilities	( 14,754,930)	( 9,262,863)
Total net assets	<u>\$ 59,506,410</u>	<u>\$ 33,260,930</u>
 <u>Statements of comprehensive income</u>	 <u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Revenue	\$ 221,132,082	\$ 215,359,089
Profit before income tax	\$ 41,381,688	\$ 13,361,858
Income tax expense	( 9,063,616)	( 2,223,289)
Profit for the year	32,318,072	11,138,569
Other comprehensive loss, net of tax	( 877,792)	( 734,950)
Total comprehensive income for the year	<u>\$ 31,440,280</u>	<u>\$ 10,403,619</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 1,168,035</u>	<u>\$ 1,168,598</u>
 <u>Statements of cash flows</u>	 <u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Net cash provided by operating activities	\$ 20,630,859	\$ 23,640,528
Net cash used in investing activities	( 6,634,410)	( 5,692,464)
Net cash used in financing activities	( 9,496,711)	( 8,539,191)
Effect of exchange rate changes on cash and cash equivalents	( 720,080)	( 395,554)
Increase in cash and cash equivalents	3,779,658	9,013,319
Cash and cash equivalents at beginning of the year	<u>32,003,633</u>	<u>22,990,314</u>
Cash and cash equivalents at end of the year	<u>\$ 35,783,291</u>	<u>\$ 32,003,633</u>



(b) Uni-President Enterprises China Holdings Ltd.

	Uni-President Enterprises China Holdings Ltd. (Consolidated)	
	December 31, 2017	December 31, 2016
<u>Balance sheets</u>		
Current assets	\$ 26,203,094	\$ 26,350,786
Non-current assets	63,999,029	69,797,204
Current liabilities	( 28,341,941)	( 35,025,078)
Non-current liabilities	( 4,166,462)	( 5,213,296)
Total net assets	<u>\$ 57,693,720</u>	<u>\$ 55,909,616</u>
<u>Statements of comprehensive income</u>	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Revenue	<u>\$ 97,403,225</u>	<u>\$ 101,779,802</u>
Profit before income tax	\$ 5,839,766	\$ 5,179,663
Income tax expense	( 1,823,100)	( 2,234,118)
Profit for the year	4,016,666	2,945,545
Other comprehensive income (loss), net of tax	<u>77,679</u>	<u>( 7,256)</u>
Total comprehensive income for the year	<u>\$ 4,094,345</u>	<u>\$ 2,938,289</u>
<u>Statements of cash flows</u>	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Net cash provided by operating activities	\$ 11,215,831	\$ 10,393,770
Net cash (used in) provided by investing activities	( 3,575,047)	1,320,349
Net cash used in financing activities	( 6,331,490)	( 8,842,430)
Effect of exchange rate changes on cash and cash equivalents	( 345,330)	( 586,890)
Increase in cash and cash equivalents	963,964	2,284,799
Cash and cash equivalents at beginning of the year	<u>9,644,037</u>	<u>7,359,238</u>
Cash and cash equivalents at end of the year	<u>\$ 10,608,001</u>	<u>\$ 9,644,037</u>

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan Dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign

exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within "Other gains and losses".

#### B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
  - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
  - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
  - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) When a foreign operation as an associate or joint arrangement is partially disposed of or sold, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former jointly controlled entity, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, if the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

#### (5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are

classified as non-current assets:

- (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- (a) Liabilities that are expected to be paid off within the normal operating cycle;
  - (b) Liabilities arising mainly from trading activities;
  - (c) Liabilities that are to be paid off within twelve months from the balance sheet date;
  - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

- A. Cash equivalents refer to short-term highly liquid investments that are readily convertible to known amount of cash and subject to an insignificant risk of changes in value.
- B. Time deposits, bills under repurchase agreements and commercial papers that meet the definition above and are held for the purpose of meeting short-term cash commitment in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets held for trading or financial assets designated as at fair value through profit or loss on initial recognition. Financial assets are classified in this category of held for trading if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges. Financial assets that meet one of the following criteria are designated as at fair value through profit or loss on initial recognition:
  - (a) Hybrid (combined) contracts; or
  - (b) They eliminate or significantly reduce a measurement or recognition inconsistency; or
  - (c) They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
- C. Financial assets at fair value through profit or loss are initially recognized at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently remeasured

and stated at fair value, and any changes in the fair value of these financial assets are recognized in profit or loss. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured or derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are presented in 'financial assets carried at cost'.

(8) Loans and receivables

A. Accounts receivable

Accounts receivable are loans and receivables originated by the entity. They are created by the entity by selling goods or providing services to customers in the ordinary course of business. Accounts receivable are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. However, short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

B. Investments in debt instrument without active market

(a) Investments in debt instrument without active market are loans and receivables not originated by the entity. They are bond investments with fixed or determinable payments that are not quoted in an active market, and also meet all of the following conditions:

- i. Not designated on initial recognition as at fair value through profit or loss;
- ii. Not designated on initial recognition as available-for-sale;
- iii. Not for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

(b) On a regular way purchase or sale basis, investments in debt instrument without active market are recognized and derecognized using trade date accounting.

(c) Investments in debt instrument without active market are initially recognized at fair value on the trade date plus transaction costs and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Amortization of a premium or a discount on such assets is recognized in profit or loss. Investments in bond reverse-repurchase in China with a short maturity period are measured at initial investment amount as the effect of discounting is immaterial.

(9) Available-for-sale financial assets

A. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

B. On a regular way purchase or sale basis, available-for-sale financial assets are recognized and derecognized using trade date accounting.

C. Available-for-sale financial assets are initially recognized at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognized in other comprehensive income. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value

cannot be reliably measured or derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are presented in 'financial assets carried at cost'.

(10) Impairment of financial assets

- A. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.
- B. The criteria that the Group uses to determine whether there is objective evidence of an impairment loss is as follows:
- (a) Significant financial difficulty of the issuer or debtor;
  - (b) The disappearance of an active market for that financial asset because of financial difficulties;
  - (c) Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial asset in the group, including adverse changes in the payment status of borrowers in the group or national or local economic conditions that correlate with defaults on the assets in the group;
  - (d) Information about significant changes with an adverse effect that have taken place in the technology, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered; or
  - (e) A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.
- C. When the Group assesses that there has been objective evidence of impairment and an impairment loss has occurred, accounting for impairment is made as follows according to the category of financial assets:
- (a) Financial assets measured at amortized cost  
The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate, and is recognized in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortized cost that would have been at the date of reversal had the impairment loss not been recognized previously. Impairment loss is recognized and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.
  - (b) Financial assets carried at cost  
The amount of the impairment loss is measured as the difference between the asset's carrying

amount and the present value of estimated future cash flows discounted at current market return rate of similar financial asset, and is recognized in profit or loss. Impairment loss recognized for this category shall not be reversed subsequently. Impairment loss is recognized by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(c) Available-for-sale financial assets

The amount of the impairment loss is measured as the difference between the asset's acquisition cost (less any principal repayment and amortization) and current fair value, less any impairment loss on that financial asset previously recognized in profit or loss, and is reclassified from 'other comprehensive income' to 'profit or loss'. If, in a subsequent period, the fair value of an investment in a debt instrument increases, and the increase can be related objectively to an event occurring after the impairment loss was recognized, then such impairment loss is reversed through profit or loss. Impairment loss of an investment in an equity instrument recognized in profit or loss shall not be reversed through profit or loss. Impairment loss is recognized and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(11) Derecognition of financial assets

The Group derecognizes a financial asset when one of the following conditions is met:

- A. The contractual rights to receive cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows from the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows from the financial asset have been transferred, and the Group has not retained control of the financial asset.

(12) Leases (lessor)

- A. Based on the terms of a lease contract, a lease is classified as a finance lease if the lessee assumes substantially all the risks and rewards incidental to ownership of the leased asset.
- B. An operating lease is a lease other than a finance lease. Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(13) Inventories

A. The Company

Cost is determined using the weighted-average method. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. Inventories are stated at the lower of cost and net realizable value. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses. When the cost of inventories exceeds the net realizable value, the amount of



any write-down of inventories is recognized as cost of sales during the period; and the amount of any reversal of inventory write-down is recognized as a reduction in cost of sales during the period.

#### B. Subsidiaries

Except for President Chain Store Corp., Philippine Seven Corporation, President Drugstore Business Corp. and Uni-President Oven Bakery Corp., which adopt the retail method and Tone Sang Construction Corp. which adopts construction accounting, the other subsidiaries adopt the same accounting principle for inventories as the Company.

#### (14) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

#### (15) Investments accounted for under the equity method - associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognizes the Group's share of change in equity of the associate in 'capital reserves' in proportion to its ownership.

D. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership

percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss or transferred directly to retained earnings, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it still retains significant influence over this associate, then the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss. If it still retains significant influence over this associate, then the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(16) Investment accounted for under the equity method - joint ventures

The Group accounts for its interest in a joint venture under the equity method. Unrealized profits and losses arising from the transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. However, when the transaction provides evidence of a reduction in the net realizable value of current assets or an impairment loss, all such losses shall be recognized immediately. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture together with any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

(17) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Except for land, other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If each component



of property, plant and equipment is significant, it is depreciated separately.

- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

<u>Asset</u>	<u>Useful lives</u>
Buildings	1 ~ 55 years
Machinery and utilities equipment	1 ~ 30 years
Transportation equipment	1 ~ 20 years
Leasehold improvements	1 ~ 20 years
Other equipment	1 ~ 40 years

(18) Leased assets/ leases (lessee)

- A. Based on the terms of a lease contract, a lease is classified as a finance lease if the Group assumes substantially all the risks and rewards incidental to ownership of the leased asset.
- B. An operating lease is a lease other than a finance lease. Payments made under an operating lease (net of any incentives received from the lessor) are recognized in profit or loss on a straight-line basis over the lease term.

(19) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 2 to 55 years.

(20) Intangible assets

A. Trademarks

Separately acquired trademarks are stated at historical cost. Trademarks have a finite useful life and are amortized on a straight-line basis over their estimated useful lives of 10 to 30 years.

B. Computer software

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 2 to 10 years.

C. Right of operation

Under IFRIC 12, "Service Concession Agreement," the Group has entered into a contract with the government whereby the Group shall provide infrastructure for public transportation services. Based on the contract, the government grants the Group the right to operate and provide transportation services to the public. Such right is measured using the fair value of the infrastructure, recognized as an intangible asset, and amortized over the contract period of 50 years.

#### D. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

#### E. License agreement, customer list and other intangible assets

License agreement and customer list acquired in business combination are recognized at fair value at the acquisition date. Other intangible assets are separately acquired patents and technology transfer royalties, etc. which are stated at historical cost. The latter have a finite useful life and are amortized on a straight-line basis over their estimated lives of 3 to 40 years.

#### (21) Impairment of non-financial assets

- A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.
- B. The recoverable amounts of goodwill are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.
- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

#### (22) Borrowings

- A. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.
- B. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

(23) Notes and accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. However, for short-term accounts payable without bearing interest, as the effect of discounting is insignificant, they are measured subsequently at original invoice amount.

(24) Financial liabilities at fair value through profit or loss

A. Financial liabilities at fair value through profit or loss are financial liabilities held for trading or financial liabilities designated as at fair value through profit or loss on initial recognition. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges. Financial liabilities that meet one of the following criteria are designated as at fair value through profit or loss on initial recognition:

(a) Hybrid (combined) contracts; or

(b) They eliminate or significantly reduce a measurement or recognition inconsistency; or

(c) They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management policy.

B. Financial liabilities at fair value through profit or loss are initially recognized at fair value. Related transaction costs are expensed in profit or loss. These financial liabilities are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial liabilities are recognized in profit or loss.

(25) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(26) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(27) Financial liabilities and equity instruments

Ordinary corporate bonds issued by the Group are initially recognized at fair value, net of transaction costs incurred. Ordinary corporate bonds are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is accounted for as the premium or discount on bonds payable and presented as an addition to or deduction from bonds payable, which is amortized in profit or loss as an adjustment to the 'finance costs' over the period of bond circulation using the effective interest method.

(28) Derivative financial instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Any changes in the fair value are recognized in

profit or loss.

(29) Provisions

Provisions (including decommissioning) are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense.

(30) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.
- ii. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognized immediately in profit or loss.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive

obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employees' compensation is distributed by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(31) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognized for unused tax credits resulting from acquisitions of

equipment or technology, research and development expenditures, employees' training costs and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(32) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(33) Revenue recognition

A. Sales of goods

(a) The Group manufactures and sells various soft drinks, food, animal feeds, sauces, vegetable oil, and medicines, etc. Revenue is measured at the fair value of the consideration received or receivable taking into account business tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Group's activities. Revenue arising from the sales of goods is recognized when the Group has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

(b) The Group offers customers volume discounts and right of return for defective products. The Group estimates such discounts and returns based on historical experience. Provisions for such liabilities are recorded when the sales are recognized. The volume discounts are estimated based on the anticipated annual sales quantities.

(c) The Group has customer loyalty programmes where the Group grants loyalty award credits (such as 'points'; the award credits can be used to exchange for free or discounted goods) to customers as part of a sales transaction. The fair value of the consideration received or receivable in respect of the initial sale shall be allocated between the initial sale of goods and the award credits. The amount of proceeds allocated to the award credits is measured by reference to the fair value of goods that can be redeemed by using the award credits and the proportion of award credits that are expected to be redeemed by customers. The Group recognizes the deferred portion of the proceeds allocated to the award credits as revenue only when it has fulfilled its obligations in respect of the award credits.

B. Sales of services

The Group provides services such as the operation of public transportation station, processing of packaging materials, establishing information system and management consulting, etc. Revenue



from rendering services is recognized under the percentage-of-completion method when the outcome of services provided can be estimated reliably. The stage of completion of a service contract is measured by the percentage of the actual services performed as of the financial reporting date to the total services to be performed by surveys of work performed. If the outcome of a service contract cannot be estimated reliably, contract revenue should be recognized only to the extent that contract costs incurred are likely to be recoverable.

C. A sale agreement comprising of multiple components

A sale agreement offered by the Group might comprise of multiple components, including sale of goods and subsequent repair services, etc. If a sale agreement comprises of multiple identifiable components, the fair value of the consideration received or receivable in respect of the sale agreement shall be allocated between those components based on the relative fair value of each component. The amount of proceeds allocated to each component is recognized as revenue in profit or loss following the revenue recognition criteria applied to each component.

The fair value of each component is determined by its market value when it is sold separately.

(34) Service concession arrangements

A. The Group contracted with the government (grantor) a service concession arrangement whereby the Group shall provide construction of the government's infrastructure assets for public services and operate those assets during the term of the arrangement. When the term of the operating period expires, the underlying infrastructure assets will be transferred to the government without consideration. The Group allocates the fair value of the consideration received or receivable in respect of the service concession arrangement between construction services and operating services provided based on their relative fair values, and recognizes such allocated amounts as revenues in accordance with IAS 11, 'Construction Contracts', and IAS 18, 'Revenue', respectively.

B. Costs incurred on provision of construction services or upgrading services under a service concession arrangement are accounted for in accordance with IAS 11, 'Construction Contracts'.

C. The consideration received or receivable from the grantor in respect of the service concession arrangement is recognized at its fair value. Such considerations are recognized as a financial asset or an intangible asset based on how the considerations from the grantor to the operator are made as specified in the arrangement. The Group recognizes a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services, and recognizes an intangible asset to the extent that it receives a right (a license) to charge users of the public service.

(35) Government grants

Government grants are recognized at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes expenses for the related costs for which the grants are intended to compensate.

(36) Business combinations

- A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.
- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognized directly in profit or loss on the acquisition date.

(37) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman that makes strategic decisions.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have no significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



## 6. DETAILS OF SIGNIFICANT ACCOUNTS

### (1) Cash and cash equivalents

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Cash:		
Cash on hand	\$ 2,264,927	\$ 2,061,671
Checking deposit and demand deposits	<u>25,614,014</u>	<u>18,926,897</u>
	<u>27,878,941</u>	<u>20,988,568</u>
Cash equivalents:		
Time deposits	17,136,183	26,084,453
Bills under repurchase agreement	8,292,316	8,219,640
Commercial papers	<u>1,394,464</u>	<u>1,041,969</u>
	<u>26,822,963</u>	<u>35,346,062</u>
	<u>\$ 54,701,904</u>	<u>\$ 56,334,630</u>

- A. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. Details of the Group's cash and cash equivalents pledged to others as collateral (listed as "other current assets" and "other non-current assets") as of December 31, 2017 and 2016 are described in Note 8, 'Pledged assets'.

### (2) Financial assets and liabilities at fair value through profit or loss

<u>Assets</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Current items:		
Financial assets held for trading		
Beneficiary certificates	\$ 6,624,948	\$ 5,786,269
Listed (TSE and OTC) stocks	148,009	94,825
Convertible bonds	-	53,563
Equity linked notes	-	161,250
	<u>6,772,957</u>	<u>6,095,907</u>
Adjustment of financial assets held for trading	( 72,129)	( 62,525)
	<u>\$ 6,700,828</u>	<u>\$ 6,033,382</u>
Non-current items:		
Financial assets held for trading		
Convertible bonds	595,200	-
Adjustment of financial assets held for trading	<u>21,368</u>	<u>-</u>
	<u>\$ 616,568</u>	<u>\$ -</u>
<u>Liabilities</u>		
Current items:		
Financial liabilities held for trading		
Forward foreign exchange contracts	<u>\$ 994</u>	<u>\$ 323</u>

- A. The Group recognized net gain (loss) on financial assets and liabilities held for trading amounting to \$76,327 and (\$12,656) for the years ended December 31, 2017 and 2016, respectively (listed

as “Other gains and losses”).

- B. The counterparties of the Group’s investments in debt instrument have good credit quality, and part of the investments have public credit rating information.
- C. The non-hedging derivative instruments transaction and contract information are as follows (Units in thousands of currencies indicated):

	December 31, 2017		December 31, 2016	
	Contract Amount	Contract Period	Contract Amount	Contract Period
Convertible bonds	USD 20,000	—	NTD 94,825	—
Forward foreign exchange buying contract	USD 11,383	2017.11~2018.5	USD 5,848	2016.10~2017.4
Forward foreign exchange selling contract	—	—	USD 5,940	2016.11~2017.2
Equity linked notes	—	—	USD 9,053	2015.6~2018.6

The Group entered into the derivative contracts mostly to earn the spread while entering into the forward foreign exchange contracts and foreign options transaction to manage exposures due to fluctuations of foreign exchange rates. However, the Group did not apply hedge accounting treatment but apply held for trading accounting treatment for the derivative contracts.

The Group entered into the futures contracts to earn the spread. As of December 31, 2017 and 2016, margin deposits for these contracts were \$24,892 and \$26,985 (listed as “Guarantee deposits paid”), respectively, including \$24,892 and \$26,985 of excess margin deposits (listed as “Guarantee deposits paid”), respectively.

- D. The Group has no financial assets at fair value through profit or loss pledged to others as of December 31, 2017 and 2016.

(3) Notes receivable, net

	December 31, 2017	December 31, 2016
Notes receivable	\$ 1,735,454	\$ 1,551,181
Less: Allowance for doubtful accounts	(18,249)	(22,041)
	<u>\$ 1,717,205</u>	<u>\$ 1,529,140</u>

- A. Movements of the Group’s allowance for doubtful accounts on notes receivable, accounts receivable and other receivables are shown in Note 6(4), ‘Accounts receivable, net’.
- B. The Group has no notes receivable pledged to others as collateral as of December 31, 2017 and 2016.

(4) Accounts receivable, net

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Accounts receivable	\$ 14,500,571	\$ 13,867,823
Less: Allowance for doubtful accounts	( 399,290)	( 445,164)
	<u>\$ 14,101,281</u>	<u>\$ 13,422,659</u>

A. The Group has no significant past due but unimpaired financial assets as of December 31, 2017 and 2016.

B. Movements of the Group's allowance for doubtful accounts on notes receivable, accounts receivable and other receivables are as follows:

	<u>For the year ended December 31, 2017</u>		
	<u>Individual provision</u>	<u>Group provision</u>	<u>Total</u>
At January 1, 2017	\$ 12,931	\$ 460,584	\$ 473,515
Provision for impairment	5,178	46,817	51,995
Write-offs	-	( 90,163)	( 90,163)
Effect of foreign exchange rate	-	( 9,552)	( 9,552)
At December 31, 2017	<u>\$ 18,109</u>	<u>\$ 407,686</u>	<u>\$ 425,795</u>
	<u>For the year ended December 31, 2016</u>		
	<u>Individual provision</u>	<u>Group provision</u>	<u>Total</u>
At January 1, 2016	\$ 13,884	\$ 799,645	\$ 813,529
(Reversal of) provision for impairment	( 953)	135,583	134,630
Write-offs	-	( 50,614)	( 50,614)
Effect of combination entity changes	-	( 397,208)	( 397,208)
Effect of foreign exchange rate	-	( 26,822)	( 26,822)
At December 31, 2016	<u>\$ 12,931</u>	<u>\$ 460,584</u>	<u>\$ 473,515</u>

C. Accounts receivable that were neither past due nor impaired were fully performing in line with the credit standards prescribed based on counterparties' industry characteristics, business scale and profitability.

D. The Group has no accounts receivable pledged to others as collateral as of December 31, 2017 and 2016.

(5) Other receivables

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Other receivables	\$ 2,794,728	\$ 2,488,614
Disposal proceeds receivable (Note)	42,737,881	-
Dividend receivables	1,823,546	-
Bond reverse-repurchases	<u>3,544,591</u>	<u>4,643,613</u>
	50,900,746	7,132,227
Less: Allowance for doubtful accounts	( 8,256)	( 6,310)
	<u>\$ 50,892,490</u>	<u>\$ 7,125,917</u>

(Note) Please refer to Note 6(11), 'Investment accounted under the equity method'.

A. Movements of the Group's allowance for doubtful accounts on notes receivable, accounts receivable and other receivables are shown in Note 6(4).

B. As of December 31, 2017 and 2016, the value of bond reverse-repurchases is \$3,544,591 (CNY 775,000 thousand) and \$4,643,613 (CNY 1,000,000 thousand), respectively. The range of maturity date is between January 2, 2018 to January 4, 2018 and January 2, 2017 to January 25, 2017, respectively, and range of interest rates is between 6.4%~13% and 4.51%~6.11%, respectively.

(6) Inventories

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Merchandise	\$ 14,588,446	\$ 13,547,994
Raw materials	6,315,160	6,741,983
Inventories in transit	992,932	692,132
Supplies	1,720,610	1,633,389
Work in process	2,414,296	2,218,940
Finished goods	5,306,680	5,543,069
By-products	474	664
Land held for construction	1,051,481	592,495
Construction in progress - land	89,257	88,243
Construction in progress - buildings	56,128	3,808
Buildings and land held for sale	354,872	458,151
Transportation equipment held for sale	36,474	33,783
	<u>32,926,810</u>	<u>31,554,651</u>
Less: Allowance for price decline of inventories	( 880,033)	( 938,318)
	<u>\$ 32,046,777</u>	<u>\$ 30,616,333</u>

The cost of inventories recognized as expense for the year:

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Cost of goods sold	\$ 260,240,786	267,912,954
Reversal of allowance for inventory market price decline (Note)	( 55,628)	( 58,497)
Loss on discarding of inventory	1,729,308	1,693,464
Loss on physical inventory	248,447	237,156
Loss on production stoppages	2,849,288	3,073,151
Income from sale of scraps	( 354,996)	( 284,774)
Other operating costs	2,463,077	3,140,764
	<u>\$ 267,120,282</u>	<u>\$ 275,714,218</u>

(Note) The reversal of net realizable value and the decrease of cost of goods sold were recognized due to disposal of certain inventories which were previously provided with allowance for price decline.

A. For more information regarding the capitalization of interest, please refer to Note 6(12), 'Property, plant and equipment'.

B. Details of the Group's inventories pledged to others as collateral as of December 31, 2017 and 2016 are described in Note 8, 'Pledged assets'.

(7) Non-current assets held for sale, net

A. On November 11, 2016, the Group entered into a share transfer agreement with a third-party buyer and agreed to sell all the shares of its subsidiary, Sanshui Jianlibao Commerce Co., Ltd., and reclassified related assets and liabilities as non-current assets held for sale. Details of the assets and liabilities as at December 31, 2016 are as follows:

(a) Assets that were classified as non-current assets held for sale:

	<u>December 31, 2016</u>
Cash and cash equivalents	\$ 776,931
Accounts receivable	5,570
Other receivables	79,910
Inventories	463,885
Prepayments	6,477,119
Property, plant and equipment	26,034
Other non-current assets	<u>24,934</u>
	<u>\$ 7,854,383</u>

(b) Liabilities directly associated with non-current assets held for sale:

	<u>December 31, 2016</u>
Short-term borrowings	\$ 928,723
Accounts payable	529,315
Other payables	1,451,548
Advance receipts	<u>1,541,230</u>
	<u>\$ 4,450,816</u>

(c) The disposal group is stated at the lower of carrying amount and fair value less costs to sell, and there is no indication of any impairment.

(d) The abovementioned transaction was settled in January 2017. For more information, please refer to Note 4(3) B, 'Subsidiaries included in the consolidated financial statements'. Proceeds from disposal of and the related gain on disposal of investments in subsidiaries are described in Note 6(37) D, 'Supplemental cash flow information'.

B. The Group has been approved by the board of directors to sell all the shares of its associate, Jinmailang Beverage Co., Ltd. in May 2016, and the corresponding investment accounted for under the equity method had been transferred to non-current assets held for sale.

The aforementioned non-current assets held for sale had been transferred in September 2016. The disposal price of \$6,256,466 had been collected and the related gain on disposal of \$1,528,552 was recognized (listed as "other gains and losses").

C. On August 8, 2016, the Group entered into a share transfer agreement with a third-party buyer and agreed to sell all the shares of its subsidiary, Ever-Splendor Electrics (Shenzhen) Co., Ltd., and reclassified related assets and liabilities as non-current assets held for sale. The transaction was

settled in November 2016. Please refer to Note 4(3) B, ‘Subsidiaries included in the consolidated financial statements’.

(8) Available-for-sale financial assets - non-current

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Listed (TSE and OTC) stocks	\$ 1,611,484	\$ 2,307,828
Unlisted stocks	1,332,060	1,651,344
Beneficiary certificates	1,348,586	1,402,641
Privately placed securities	328,029	622,452
Government bonds	<u>199,732</u>	<u>199,732</u>
	4,819,891	6,183,997
Adjustments of available-for-sale financial assets	<u>300,575</u>	<u>23,326</u>
	5,120,466	6,207,323
Less: Accumulated impairment	( <u>191,212</u> )	( <u>373,716</u> )
	<u>\$ 4,929,254</u>	<u>\$ 5,833,607</u>

- A. The Group recognized other comprehensive income (loss) of \$287,838 and (\$244,505) due to change in fair value for the years ended December 31, 2017 and 2016, respectively, and the income tax relating to the components of other comprehensive income (loss) were (\$9,603) and (\$8,835) for the years ended December 31, 2017 and 2016, respectively.
- B. There was a significant decline in the fair value of a part of the Group’s equity investments. Based on the assessment, the Group recognized impairment loss of \$91,925 and \$62,492 for the years ended December 31, 2017 and 2016 (listed as “other gains and losses”), respectively.
- C. For more information on available-for-sale financial assets pledged as collateral as of December 31, 2017 and 2016, please refer to Note 8, ‘Pledged assets’.

(9) Financial assets carried at cost - non-current

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Unlisted stocks	\$ 2,678,950	\$ 2,882,736
Privately placed securities	1,450,940	803,877
Emerging stocks	<u>201,911</u>	<u>229,907</u>
	4,331,801	3,916,520
Less: Accumulated impairment	( <u>968,630</u> )	( <u>1,034,035</u> )
	<u>\$ 3,363,171</u>	<u>\$ 2,882,485</u>

- A. The Group classified some of its equity investments as available-for-sale financial assets, based on its intention. However, as these stocks are not traded in active market, and there is no sufficient information of similar companies in the same industry, fair value of the investments cannot be measured reliably. Accordingly, the Group classified those stocks as ‘financial assets carried at cost’.
- B. Some of the Group’s investment in equity instruments had experienced prolonged decline in the fair value and the carrying amounts of investment were deemed not likely to be recovered. As a result, the Group recognized impairment loss of \$32,576 and \$250,236 for the years ended

December 31, 2017 and 2016 (listed as “other gains and losses”), respectively.

C. During the years ended December 31, 2017 and 2016, some of the Group’s investments accounted as financial assets carried at cost had completed their initial public offering (IPO) process and became listed in the TSE (or OTC) market. The carrying amount of these investments of \$109,144 and \$104,031 was reclassified as ‘available-for-sale financial assets - non-current’ for the years ended December 31, 2017 and 2016, respectively.

D. The Group has no financial assets carried at cost pledged to others as of December 31, 2017 and 2016.

(10) Investments in debt instrument without active markets - non-current

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Financial bonds	\$ 296, 588	\$ 321, 403

A. The counterparties of the Group’s investments have good credit quality.

B. The Group has no investments in debt instrument without active markets pledged to others as of December 31, 2017 and 2016.

(11) Investments accounted for under the equity method

<u>Company name</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Associates:		
President Securities Corp.	\$ 8, 620, 119	\$ 7, 838, 346
Presicarre Corp.	6, 489, 144	6, 374, 072
Prince Housing and Development Corp. (Note)	2, 643, 837	2, 692, 439
TTET Union Corp.	2, 243, 944	2, 197, 393
Kuang Chuan Dairy Co., Ltd.	1, 791, 874	1, 780, 036
Yantai North Andre Juice Co., Ltd. (Note)	1, 334, 508	1, 295, 417
Grand Bills Finance Corp. (Note)	1, 339, 504	1, 279, 647
Weilih Food Industrial Co., Ltd.	1, 339, 921	1, 308, 654
Others (individually less than 2%) (Note)	1, 955, 717	2, 420, 453
	<u>27, 758, 568</u>	<u>27, 186, 457</u>
Joint ventures:		
Wuhan Zijiang President Enterprise Co., Ltd.	864, 712	805, 438
China F&B Venture Investments	536, 490	672, 213
President Coffee (Cayman) Holdings Ltd. (Note 2)	-	3, 330, 739
President Starbucks Coffee Corp.	-	750, 016
Others (individually less than 2%)	653, 264	710, 283
	<u>2, 054, 466</u>	<u>6, 268, 689</u>
	<u>\$ 29, 813, 034</u>	<u>\$ 33, 455, 146</u>

(Note )The Group accounted for the investment in those companies under the equity method because the Group has the ability to exercise significant influence even though the Group’s ownership in these investee companies was less than 20%.



#### A. Associates

(a) As of December 31, 2017 and 2016, the Group's individually immaterial associates amounted to \$27,758,568 and \$27,186,457, respectively.

The Group's share of the financial performance are summarized below:

	For the years ended December 31,	
	2017	2016
Profit for the year from continuing operations	\$ 2,896,149	\$ 2,481,306
Other comprehensive loss, net of tax	(250,287)	(263,832)
Total comprehensive income	<u>\$ 2,645,862</u>	<u>\$ 2,217,474</u>

(b) The fair value of the Group's associates with quoted market prices is as follows:

	December 31, 2017	December 31, 2016
TTET Union Corp.	\$ 6,658,558	\$ 6,170,161
President Securities Corp.	6,746,422	5,346,151
Prince Housing and Development Corp.	2,160,122	1,882,264
Kang Na Hsiung Enterprise Co., Ltd.	514,384	438,859
	<u>\$ 16,079,486</u>	<u>\$ 13,837,435</u>

#### B. Joint venture

As of December 31, 2017 and 2016, the carrying amount of the Group's individually immaterial joint ventures amounted to \$2,054,466 and \$6,268,689, respectively. The Group's share of the financial performance is summarized below:

	For the years ended December 31,	
	2017	2016
Profit for the year from continuing operations	\$ 2,358,842	\$ 2,365,908
Other comprehensive income (loss), net of tax	108,805	(72,718)
Total comprehensive income	<u>\$ 2,467,647</u>	<u>\$ 2,293,190</u>

C. For more information on investments accounted for under the equity method pledged as collateral as of December 31, 2017 and 2016, please refer to Note 8, 'Pledged assets'.

D. For the years ended December 31, 2017 and 2016, the share of profit of associates and joint ventures under the equity method was \$5,254,991 and \$4,847,214, respectively.

E. For the years ended December 31, 2017 and 2016, the cash dividends under the equity method was \$4,674,555 and \$2,786,657, respectively.

F. In December 2017, the Group disposed 50% of its shares of President Coffee (Cayman) Holdings Ltd. to Starbucks EMEA Holdings Ltd. The related gain on disposal of investment amounting to \$40,896,577 was recognized (listed as "Other gains and losses"). Proceeds from disposal of investment amounting to \$42,737,881 (listed as "Other receivables") has been collected in February 2018.



G. The Group originally held 50% of shares of President Starbucks Coffee Corp. under equity method. In December 2017, the Group acquired additional 50% shares in cash of \$5,378,010 (listed as “Other payables”) and accordingly, the Group obtained control over the subsidiary. Related transactions are described in Note 6 (35), ‘Business combinations’.

(12) Property, plant and equipment

	Machinery and equipment							Total
	Land	Buildings	utilities equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress	
January 1, 2017								
Cost	\$ 14,826,745	\$ 71,570,966	\$ 109,792,402	\$ 6,657,830	\$ 13,173,102	\$ 64,473,690	\$ 7,026,461	\$287,521,196
Accumulated depreciation	-	( 22,883,913)	( 63,111,117)	( 4,359,260)	( 8,022,302)	( 39,857,071)	-	( 138,233,663)
Accumulated impairment	( 16,519)	( 171,946)	( 61,224)	( 25)	-	( 277,191)	-	( 526,905)
	<u>\$ 14,810,226</u>	<u>\$ 48,515,107</u>	<u>\$ 46,620,061</u>	<u>\$ 2,298,545</u>	<u>\$ 5,150,800</u>	<u>\$ 24,339,428</u>	<u>\$ 7,026,461</u>	<u>\$148,760,628</u>
For the year ended December 31, 2017								
At January 1	\$ 14,810,226	\$ 48,515,107	\$ 46,620,061	\$ 2,298,545	\$ 5,150,800	\$ 24,339,428	\$ 7,026,461	\$148,760,628
Additions	59,736	225,834	328,535	740,128	1,690,653	6,585,718	3,807,998	13,438,602
Depreciation charge	-	( 2,756,631)	( 6,086,409)	( 639,076)	( 1,230,636)	( 7,249,844)	-	( 17,962,596)
Disposals	-	-	-	-	-	-	-	-
Cost	( 115,780)	( 216,828)	( 749,597)	( 334,861)	( 926,118)	( 3,535,819)	-	( 5,879,003)
Accumulated depreciation	-	123,384	680,266	295,388	839,494	3,339,528	-	5,278,060
Accumulated impairment	-	30,551	574	-	-	92	-	31,217
Reversal (provision) of impairment loss	153	( 10,813)	( 7,119)	-	( 6,393)	3,770	-	( 20,402)
Reclassification (Note)	359,376	3,914,384	1,281,597	122,750	228,686	1,112,913	( 6,400,738)	618,968
Net currency exchange difference	( 5,860)	( 505,812)	( 616,482)	( 8,000)	( 97,832)	( 336,833)	( 94,668)	( 1,665,487)
Acquired from business combinations	-	-	-	-	1,120,999	357,510	17,377	1,495,886
At December 31	<u>\$ 15,107,851</u>	<u>\$ 49,319,176</u>	<u>\$ 41,451,426</u>	<u>\$ 2,474,874</u>	<u>\$ 6,769,653</u>	<u>\$ 24,616,463</u>	<u>\$ 4,356,430</u>	<u>\$144,095,873</u>
December 31, 2017								
Cost	\$ 15,124,217	\$ 74,803,132	\$ 109,545,294	\$ 7,164,670	\$ 17,537,235	\$ 68,197,496	\$ 4,356,430	\$296,728,474
Accumulated depreciation	-	( 25,341,826)	( 68,027,287)	( 4,689,773)	( 10,761,188)	( 43,308,686)	-	( 152,128,760)
Accumulated impairment	( 16,366)	( 142,130)	( 66,581)	( 23)	( 6,394)	( 272,347)	-	( 503,841)
	<u>\$ 15,107,851</u>	<u>\$ 49,319,176</u>	<u>\$ 41,451,426</u>	<u>\$ 2,474,874</u>	<u>\$ 6,769,653</u>	<u>\$ 24,616,463</u>	<u>\$ 4,356,430</u>	<u>\$144,095,873</u>

(Note) Transferred from "Prepayment for equipment" and "Investment property" and partially transferred to "Inventory".

	Land	Buildings	Machinery and utilities equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress	Total
<u>January 1, 2016</u>								
Cost	\$ 14,682,526	\$ 74,214,520	\$ 113,325,051	\$ 6,472,310	\$ 12,558,837	\$ 67,766,896	\$ 8,169,550	\$297,189,690
Accumulated depreciation	-	( 21,948,408)	( 61,352,048)	( 4,101,509)	( 6,994,803)	( 42,007,600)	-	( 136,404,368)
Accumulated impairment	-	( 36,497)	( 42,544)	-	( 264)	( 222,261)	-	( 301,566)
	<u>\$ 14,682,526</u>	<u>\$ 52,229,615</u>	<u>\$ 51,930,459</u>	<u>\$ 2,370,801</u>	<u>\$ 5,563,770</u>	<u>\$ 25,537,035</u>	<u>\$ 8,169,550</u>	<u>\$160,483,756</u>
<u>For the year ended December 31, 2016</u>								
At January 1	\$ 14,682,526	\$ 52,229,615	\$ 51,930,459	\$ 2,370,801	\$ 5,563,770	\$ 25,537,035	\$ 8,169,550	\$160,483,756
Additions	-	141,252	781,824	613,251	1,644,413	5,668,115	4,331,591	13,180,446
Depreciation charge	-	( 2,912,819)	( 6,424,685)	( 667,609)	( 1,294,509)	( 7,652,028)	-	( 18,951,650)
Disposals	( 12,313)	( 400,742)	( 1,381,050)	( 348,398)	( 849,727)	( 4,902,846)	( 21,804)	( 7,916,880)
Cost	-	342,511	1,189,215	285,823	764,015	4,588,484	-	7,170,048
Accumulated depreciation	-	1,174	-	-	-	-	-	1,174
Accumulated impairment	( 16,519)	( 139,009)	( 19,527)	( 25)	263	( 55,384)	-	( 230,201)
Reversal (provision) of impairment loss	161,538	2,493,924	3,453,538	83,556	( 572,301)	2,560,191	( 5,074,961)	3,105,485
Reclassification (Note)	( 5,006)	( 2,162,182)	( 2,479,595)	( 13,824)	( 105,080)	( 791,354)	( 357,468)	( 5,914,509)
Net currency exchange difference	-	( 1,078,617)	( 430,118)	( 25,030)	( 44)	( 612,785)	( 20,447)	( 2,167,041)
Effect of combination entity changes	<u>\$ 14,810,226</u>	<u>\$ 48,515,107</u>	<u>\$ 46,620,061</u>	<u>\$ 2,298,545</u>	<u>\$ 5,150,800</u>	<u>\$ 24,339,428</u>	<u>\$ 7,026,461</u>	<u>\$148,760,628</u>
At December 31	\$ 14,826,745	\$ 71,570,966	\$ 109,792,402	\$ 6,657,830	\$ 13,173,102	\$ 64,473,690	\$ 7,026,461	\$287,521,196
Cost	-	( 22,883,913)	( 63,111,117)	( 4,359,260)	( 8,022,302)	( 39,857,071)	-	( 138,233,663)
Accumulated depreciation	( 16,519)	( 171,946)	( 61,224)	( 25)	-	( 277,191)	-	( 526,905)
Accumulated impairment	<u>\$ 14,810,226</u>	<u>\$ 48,515,107</u>	<u>\$ 46,620,061</u>	<u>\$ 2,298,545</u>	<u>\$ 5,150,800</u>	<u>\$ 24,339,428</u>	<u>\$ 7,026,461</u>	<u>\$148,760,628</u>

(Note) Transferred from “Prepayments for equipment” and “Investment property” and partially transferred to “Inventory” and “Non-current assets held for sale”.

A. Amount of borrowing costs capitalized as part of certain inventory, property, plant and equipment, investment property and prepayment for equipment and the range of the interest rates for such capitalization are as follows:

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Amount capitalized	\$ 90,280	\$ 219,141
Interest rate range	0.85%~5.00%	0.89%~4.74%

B. Impairment of property and equipment is described in Note 6(15), 'Impairment on non-financial assets'.

C. Information on property, plant and equipment acquired from business combinations is described in Note 6(35), 'Business combinations'.

D. For more information regarding the Group's property, plant and equipment pledged to others as at December 31, 2017 and 2016, please refer to Note 8, 'Pledged assets'.

(13) Investment property, net

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>January 1, 2017</u>			
Cost	\$ 12,713,263	\$ 9,242,962	\$ 21,956,225
Accumulated depreciation	-	( 2,300,881)	( 2,300,881)
Accumulated impairment	( 1,803,543)	( 49,084)	( 1,852,627)
	<u>\$ 10,909,720</u>	<u>\$ 6,892,997</u>	<u>\$ 17,802,717</u>
<u>For the year ended December 31, 2017</u>			
At January 1	\$ 10,909,720	\$ 6,892,997	\$ 17,802,717
Additions	28,052	62,395	90,447
Depreciation charge	-	( 286,594)	( 286,594)
Disposals - Cost	( 638)	-	( 638)
Impairment loss	( 2,986)	( 334)	( 3,320)
Reclassification (Note)	-	( 31,677)	( 31,677)
Net currency exchange differences	-	( 15,828)	( 15,828)
At December 31	<u>\$ 10,934,148</u>	<u>\$ 6,620,959</u>	<u>\$ 17,555,107</u>
<u>December 31, 2017</u>			
Cost	\$ 12,740,677	\$ 9,270,283	\$ 22,010,960
Accumulated depreciation	-	( 2,599,906)	( 2,599,906)
Accumulated impairment	( 1,806,529)	( 49,418)	( 1,855,947)
	<u>\$ 10,934,148</u>	<u>\$ 6,620,959</u>	<u>\$ 17,555,107</u>

(Note) Transferred to "property, plant and equipment".

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>January 1, 2016</u>			
Cost	\$ 12,282,478	\$ 9,488,074	\$ 21,770,552
Accumulated depreciation	-	( 2,340,076)	( 2,340,076)
Accumulated impairment	( 152,719)	( 49,084)	( 201,803)
	<u>\$ 12,129,759</u>	<u>\$ 7,098,914</u>	<u>\$ 19,228,673</u>
For the year ended			
<u>December 31, 2016</u>			
At January 1	\$ 12,129,759	\$ 7,098,914	\$ 19,228,673
Additions	640,801	277,341	918,142
Depreciation charge	-	( 309,183)	( 309,183)
Disposals - Cost	( 14,746)	( 7,446)	( 22,192)
- Accumulated depreciation	-	7,342	7,342
- Accumulated impairment	10,562	-	10,562
Impairment loss	( 1,661,386)	-	( 1,661,386)
Reclassification (Note)	( 195,270)	( 123,505)	( 318,775)
Net currency exchange differences	-	( 50,466)	( 50,466)
At December 31	<u>\$ 10,909,720</u>	<u>\$ 6,892,997</u>	<u>\$ 17,802,717</u>
 <u>December 31, 2016</u>			
Cost	\$ 12,713,263	\$ 9,242,962	\$ 21,956,225
Accumulated depreciation	-	( 2,300,881)	( 2,300,881)
Accumulated impairment	( 1,803,543)	( 49,084)	( 1,852,627)
	<u>\$ 10,909,720</u>	<u>\$ 6,892,997</u>	<u>\$ 17,802,717</u>

(Note) Transferred to “property, plant and equipment”.

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Rental income from the lease of the investment property	<u>\$ 1,113,222</u>	<u>\$ 1,151,581</u>
Direct operating expenses arising from the investment property that generated income during the year	<u>\$ 653,194</u>	<u>\$ 716,497</u>
Direct operating expenses arising from the investment property that did not generate income during the year	<u>\$ 36,166</u>	<u>\$ 34,323</u>

B. The fair value of the investment property held by the Group as at December 31, 2017 and 2016 ranged from \$17,555,107 to \$43,557,692, which were assessed based on the reports of independent appraisers. Valuations were made based on most recent transaction prices of similar

and comparable properties, considering factors such as location, transaction scale, and purpose of use, etc.

- C. The Group purchased agricultural land under the names of own-cultivators for other uses in the future. The use of the land has not yet been determined, as a result, such land was recognized as 'Investment property.'
- D. For more information regarding the capitalization of interest, please refer to Note 6(12), 'Property, plant and equipment'.
- E. For more information regarding the impairment of investment property, please refer to Note 6(15), 'Impairment on non-financial assets'.
- F. For more information regarding investment property pledged to others as at December 31, 2017 and 2016, please refer to Note 8, 'Pledged assets'.

(14) Intangible assets

	Licenses	Trademarks	Software	Goodwill	License agreement and customer list	Others	Total
For the year ended							
December 31, 2017							
January 1	\$ 517,921	\$ 381,027	\$ 801,022	\$ 715,258	\$ -	\$ 154,712	\$ 2,569,940
Additions	-	1,990	230,704	-	-	259,004	491,698
Amortization	( 13,224)	( 13,832)	( 294,639)	-	-	( 34,763)	( 356,458)
Net exchange differences	-	( 358)	( 177)	( 28,707)	-	( 1,246)	( 30,488)
Acquired from business combinations	-	-	-	1,826,565	7,524,890	-	9,351,455
December 31	<u>\$ 504,697</u>	<u>\$ 368,827</u>	<u>\$ 736,910</u>	<u>\$ 2,513,116</u>	<u>\$ 7,524,890</u>	<u>\$ 377,707</u>	<u>\$ 12,026,147</u>
	Licenses	Trademarks	Software	Goodwill	License agreement and customer list	Others	Total
For the year ended							
December 31, 2016							
January 1	\$ 531,145	\$ 462,438	\$ 828,982	\$ 736,000	\$ -	\$ 211,433	\$ 2,769,998
Additions	-	-	289,968	-	-	44,534	334,502
Amortization	( 13,224)	( 14,717)	( 302,843)	-	-	( 62,593)	( 393,377)
Impairment loss	-	( 46,738)	( 162)	( 11,574)	-	-	( 58,474)
Net exchange differences	-	( 19,956)	( 14,923)	( 9,168)	-	( 38,662)	( 82,709)
December 31	<u>\$ 517,921</u>	<u>\$ 381,027</u>	<u>\$ 801,022</u>	<u>\$ 715,258</u>	<u>\$ -</u>	<u>\$ 154,712</u>	<u>\$ 2,569,940</u>

A. Details of amortization on intangible assets are as follows:

	For the years ended December 31,	
	2017	2016
Operating costs	\$ 114,060	\$ 130,594
Selling expenses	50,370	61,720
General and administrative expenses	191,678	199,879
Research and development expenses	350	1,184
	<u>\$ 356,458</u>	<u>\$ 393,377</u>

B. No borrowing costs were capitalized as part of intangible assets.

C. For more information regarding the impairment of intangible assets, please refer to Note 6(15), 'Impairment of non-financial assets'.

D. Information on intangible assets acquired from business combinations is described in Note 6(35), 'Business combinations'.

E. As of December 31, 2017 and 2016, no intangible assets were pledged as collateral.

(15) Impairment on non-financial assets

A. The Group recognized impairment loss for the years ended December 31, 2017 and 2016 of \$23,722 and \$1,956,485, respectively (listed as "Other gains and losses"). Details of such loss are as follows:

Items	For the years ended December 31,			
	2017		2016	
	Recognized in profit or loss	Recognized in other comprehensive income	Recognized in profit or loss	Recognized in other comprehensive income
Impairment loss:				
Property, plant and equipment	(\$ 20,402)	\$ -	(\$ 230,201)	\$ -
Investment property	( 3,320)	-	( 1,661,386)	-
Intangible assets	-	-	( 58,474)	-
Long-term prepaid rents	-	-	( 6,424)	-
	<u>(\$ 23,722)</u>	<u>\$ -</u>	<u>(\$ 1,956,485)</u>	<u>\$ -</u>



B. The (impairment loss) gain on reversal reported by operating segments is as follows:

Segments	For the years ended December 31,			
	2017		2016	
	Recognized in profit or loss	Recognized in other comprehensive income	Recognized in profit or loss	Recognized in other comprehensive income
Foods business	\$ 105	\$ -	\$ 481	\$ -
Feeds business	( 11,946)	-	( 177,481)	-
Convenience stores	( 15,666)	-	( 117,950)	-
Packaging and containers	44	-	852	-
Pharmaceuticals business	3,741	-	( 888)	-
Leisure development business	-	-	( 1,661,499)	-
	<u>(\$ 23,722)</u>	<u>\$ -</u>	<u>(\$1,956,485)</u>	<u>\$ -</u>

C. The recoverable amount of these non-financial assets is an asset's fair value less costs to sell. The fair value was estimated based on most recent transaction prices of similar properties and the assessed present value of land, considering factors such as location, transaction scale, and purpose of use, etc. The fair value is classified as a Level 3 fair value.

(16) Short-term borrowings

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Collateral</u>
Bank unsecured borrowings	\$ 17,105,786	\$ 24,631,711	None
Bank secured borrowings	<u>283,167</u>	<u>876,549</u>	(Note)
	<u>\$ 17,388,953</u>	<u>\$ 25,508,260</u>	
Interest rate range	<u>0.77%~5.35%</u>	<u>0.71%~6.00%</u>	

(Note) For more information about the collaterals for bank secured borrowings, please refer to Note 8, 'Pledged assets'.

(17) Short-term notes and bills payable

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Collateral</u>
Commercial papers payable	\$ 7,307,100	\$ 8,042,823	(Note)
Less: Unamortized discount	<u>( 1,720)</u>	<u>( 3,019)</u>	
	<u>\$ 7,305,380</u>	<u>\$ 8,039,804</u>	
Interest rate range	<u>0.53%~1.47%</u>	<u>0.50%~1.55%</u>	

(Note) For more information about the collateral for commercial papers, please refer to Note 8, 'Pledged assets'.

The above commercial papers were issued and secured by banks and bills finance corporations for short-term financing.

(18) Other payables

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Receipts under custody at convenience stores	\$ 10,557,150	\$ 8,448,960
Accrued salaries and bonuses	9,753,369	7,752,325
Employees' compensation and directors' and supervisors' remuneration payable	3,613,643	2,639,511
Equipment and construction payable	2,488,827	2,699,634
Advertising and promotion expenses payable	5,696,415	5,034,355
Payable for equity investments (Note)	5,378,010	-
Others	17,614,186	16,772,023
	<u>\$ 55,101,600</u>	<u>\$ 43,346,808</u>

(Note) Please refer to Note (6)11, 'Investment accounted under equity method'.

(19) Corporate bonds payable

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Collateral</u>
Unsecured bonds payable	\$ 21,137,520	\$ 27,445,369	None
Less: Current portion of bonds	( 4,150,687)	( 11,265,419)	
	<u>\$ 16,986,833</u>	<u>\$ 16,179,950</u>	

A. The Company issued unsecured ordinary bonds payable in October 2012. The significant terms of the bonds are as follows:

(a) Total issue amount: \$3,600,000, including \$1,800,000 of A and \$1,800,000 of B

(b) Issue price: At par value of \$1,000 per bond

(c) Coupon rate:

(i) A Bond: the coupon rate is 1.28% per annum

(ii) B Bond: the coupon rate is 1.39% per annum

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting October 2012 based on the coupon rate.

(e) Repayment term:

(i) A Bond: the bonds are repayable in October 2017 upon the maturity of the bonds.

(ii) B Bond: the bonds are repayable starting October 2018 to October 2019 in two installments at the rate of 50% and 50%, respectively.

(f) Period:

(i) A Bond: 5 years, from October 29, 2012 to October 29, 2017

(ii) B Bond: 7 years, from October 29, 2012 to October 29, 2019

(g) Guarantee bank: The bonds are guaranteed by Taipei Fubon Commercial Bank.

B. The Company issued unsecured ordinary bonds payable in February 2013. The significant terms of the bonds are as follows:

(a) Total issue amount: \$2,000,000

(b) Issue price: At par value of \$1,000 per bond

(c) Coupon rate: 1.22%

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting February 2013 based on the coupon rate.

(e) Repayment term:

The bonds are repayable in February 2018 upon maturity.

(f) Period: 5 years, from February 26, 2013 to February 26, 2018

(g) Guarantee bank: The bonds are guaranteed by Taipei Fubon Commercial Bank.

C. The Company issued unsecured ordinary bonds payable in February 2014. The significant terms of the bonds are as follows:

(a) Total issue amount: \$3,600,000

(b) Issue price: At par value of \$1,000 per bond

(c) Coupon rate: 1.39%

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting February 2014 based on the coupon rate.

(e) Repayment term:

The bonds are repayable in February 2019 upon maturity.

(f) Period: 5 years, from February 18, 2014 to February 18, 2019

(g) Guarantee bank: The bonds are guaranteed by Taipei Fubon Commercial Bank.

D. The Company issued unsecured ordinary bonds payable in June 2014. The significant terms of the bonds are as follows:

(a) Total issue amount: \$5,800,000, including \$1,200,000 of A, \$2,800,000 of B and \$1,800,000 of C

(b) Issue price: At par value of \$1,000 per bond

(c) Coupon rate:

(i) A Bond: the coupon rate is 1.29% per annum

(ii) B Bond: the coupon rate is 1.62% per annum

(iii) C Bond: the coupon rate is 1.78% per annum

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting June 2014 based on the coupon rate.

(e) Repayment term:

(i) A Bond: the bonds are repayable starting June 2018 to June 2019 in two installments at the rate of 50% and 50%, respectively.

(ii) B Bond: the bonds are repayable starting June 2020 to June 2021 in two installments at the rate of 50% and 50%, respectively.

(iii) C Bond: the bonds are repayable starting June 2023 to June 2024 in two installments at the

rate of 50% and 50%, respectively.

(f)Period:

(i)A Bond: 5 years, from June 23, 2014 to June 23, 2019

(ii)B Bond: 7 years, from June 23, 2014 to June 23, 2021

(iii)C Bond: 10 years, from June 23, 2014 to June 23, 2024

(g)Guarantee bank: The bonds are guaranteed by Taipei Fubon Commercial Bank.

E. The Company issued unsecured ordinary bonds payable in May 2017. The significant terms of the bonds are as follows:

(a)Total issue amount: \$5,000,000

(b)Issue price: At par value of \$1,000 per bond

(c)Coupon rate: 1.05%

(d)Term of interest repayment:

The bond interest is calculated on simple rate every year starting May 2017 based on the coupon rate.

(e)Repayment term:

The bonds are repayable in May 2022 upon maturity.

(f)Period: 5 years, from May 22, 2017 to May 22, 2022

(g)Guarantee bank: The bonds are guaranteed by Taipei Fubon Commercial Bank.

F. Uni-President China Holdings Ltd. issued long-term notes on August 28, 2014 through Taipei Exchange in the amount of CNY 1 billion ('Formosa Bond' F-02002 and F-02003). The significant terms of the bonds are as follows:

(a)Total issue amount: Approximately \$5,000,000 (CNY 1 billion) including \$2,500,000 (CNY 0.5 billion) of A and \$2,500,000 (CNY 0.5 billion) of B

(b)Issue price: At par value of \$5,000 per bond (CNY 1 million)

(c)Coupon rate:

(i)A Bond: the coupon rate is 3.5% per annum

(ii)B Bond: the coupon rate is 3.9% per annum

(d)Term of interest repayment: The bond interest is calculated on simple rate every year starting August 2014 based on the coupon rate.

(e)Repayment term:

(i)A Bond (F-02002): the bonds are repayable in August 2017 upon maturity.

(ii)B Bond (F-02003): the bonds are repayable in August 2019 upon maturity.

(f)Period:

(i)A Bond (F-02002): 3 years, from August 28, 2014 to August 28, 2017

(ii)B Bond (F-02003): 5 years, from August 28, 2014 to August 28, 2019

(g)Guarantee bank: The bonds are guaranteed by The Bank of New York Mellon, London Branch.

G. Cayman Ton Yi Industrial Holdings Ltd., issued long-term notes on February 3, 2015 through Taipei Exchange in the amount of CNY 142 million ('Formosa Bond' F-06301). The significant

terms of the bonds are as follows:

- (a) Total issue amount: Approximately \$717,242 (CNY 142 million)
- (b) Issue price: At par value of \$5,000 per bond (CNY 1 million)
- (c) Coupon rate: 4.20%
- (d) Term of interest repayment: The bond interest is calculated every year starting February 2015 based on the coupon rate.
- (e) Repayment term: The bonds are repayable in February 2018 upon maturity.
- (f) Period: 3 years, from February 3, 2015 to February 3, 2018
- (g) Guarantee bank: The bonds are guaranteed by CTBC Bank Co., Ltd.

(20) Long-term borrowings

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Collateral</u>
Unsecured bank borrowings	\$ 34,715,712	\$ 40,807,319	None
Secured bank borrowings	1,760,918	1,301,770	(Note)
Revolving credit facility	<u>2,700,000</u>	<u>4,300,000</u>	None
	39,176,630	46,409,089	
Less: Unamortised discount	( 683)	( 1,338)	
Current portion of long-term borrowings	( <u>3,266,780</u> )	( <u>1,922,333</u> )	
	<u>\$ 35,909,167</u>	<u>\$ 44,485,418</u>	
Range of maturity dates	<u>3.2018~11.2022</u>	<u>3.2017~11.2022</u>	
Range of interest rates	<u>0.41%~4.85%</u>	<u>0.41%~4.85%</u>	

(Note) For more information on collateral for long-term borrowings, please refer to Note 8, 'Pledged assets'.

(21) Pensions

A. The Company and domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and domestic subsidiaries contribute monthly an amount equal to 2%~15% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31 every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contribution for the deficit by end of

March next year.

(a) The amounts recognised in the balance sheet are as follows:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Present value of defined benefit obligations	(\$ 20,935,270)	(\$ 20,355,301)
Fair value of plan assets	<u>11,496,487</u>	<u>10,754,342</u>
	<u>(\$ 9,438,783)</u>	<u>(\$ 9,600,959)</u>
Net defined benefit liability	(\$ 9,459,119)	(\$ 9,617,638)
Net defined benefit asset (Note)	<u>20,336</u>	<u>16,679</u>
	<u>(\$ 9,438,783)</u>	<u>(\$ 9,600,959)</u>

(Note) listed as 'Other non-current assets'.

(b) Movements in net defined benefit liabilities are as follows:

<u>For the year ended December 31, 2017</u>	<u>Present value of defined benefit obligations</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit liability</u>
Balance at January 1	(\$ 20,355,301)	\$ 10,754,342	(\$ 9,600,959)
Current service cost	( 268,478)	-	( 268,478)
Interest (expense) income	( 275,880)	145,439	( 130,441)
Past service cost	9,175	-	9,175
Settlement profit or loss	<u>2,386</u>	<u>-</u>	<u>2,386</u>
	<u>( 20,888,098)</u>	<u>10,899,781</u>	<u>( 9,988,317)</u>
<b>Remeasurements:</b>			
Return on plan assets	-	( 37,794)	( 37,794)
Change in demographic assumptions	( 11,761)	-	( 11,761)
Change in financial assumptions	( 679,651)	-	( 679,651)
Experience adjustments	<u>306,532</u>	<u>-</u>	<u>306,532</u>
	<u>( 384,880)</u>	<u>( 37,794)</u>	<u>( 422,674)</u>
Pension fund contribution	<u>-</u>	<u>1,136,903</u>	<u>1,136,903</u>
Paid pension	<u>587,230</u>	<u>( 587,230)</u>	<u>-</u>
Effect of business combination	<u>( 249,522)</u>	<u>84,827</u>	<u>( 164,695)</u>
Balance at December 31	<u>(\$ 20,935,270)</u>	<u>\$ 11,496,487</u>	<u>(\$ 9,438,783)</u>

For the year ended December 31, 2016	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Balance at January 1	(\$ 19,769,605)	\$ 10,039,275	(\$ 9,730,330)
Current service cost	( 286,424)	-	( 286,424)
Interest (expense) income	( 301,602)	159,237	( 142,365)
Past service cost	9,914	-	9,914
Settlement profit or loss	167	-	167
	<u>( 20,347,550)</u>	<u>10,198,512</u>	<u>( 10,149,038)</u>
Remeasurements:			
Return on plan assets	-	( 80,244)	( 80,244)
Change in demographic assumptions	( 20,359)	-	( 20,359)
Change in financial assumptions	( 489,401)	-	( 489,401)
Experience adjustments	( 205,638)	-	( 205,638)
	<u>( 715,398)</u>	<u>( 80,244)</u>	<u>( 795,642)</u>
Pension fund contribution	-	1,343,721	1,343,721
Paid pension	707,647	( 707,647)	-
Balance at December 31	<u>(\$ 20,355,301)</u>	<u>\$ 10,754,342</u>	<u>(\$ 9,600,959)</u>

(c) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company and domestic subsidiaries have no right to participate in managing and operating that fund and hence the Company and domestic subsidiaries are unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2017 and 2016 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(d) The principal actuarial assumptions used were as follows:



	For the years ended December 31,	
	2017	2016
Discount rate	1%~5.05%	1.25%~5.41%
Future salary increases	1%~5.5%	1%~5.5%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
<u>December 31, 2017</u>	0.25%~1%	0.25%~1%	0.25%~1%	0.25%~1%
Effect on present value of defined benefit obligation	(\$ 593,632)	\$ 619,064	\$ 606,412	(\$ 584,064)
	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
<u>December 31, 2016</u>	0.25%~1%	0.25%~1%	0.25%~1%	0.25%~1%
Effect on present value of defined benefit obligation	(\$ 591,790)	\$ 617,703	\$ 606,886	(\$ 483,395)

(e) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2018 amount to \$757,083.

(f) As of December 31, 2017, the weighted average duration of the retirement plan is 7~24 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	\$ 642,033
2-5 years	3,398,550
Over 6 years	22,398,816
	<u>\$ 26,439,399</u>

B. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The Company's subsidiaries in mainland China are subject to the government sponsored defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. Other than



the monthly contributions, the Group has no further obligations. Some foreign subsidiaries are subject to local laws and defined contribution plan. Monthly contributions to an independent fund are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations. The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2017 and 2016 were \$2,642,034 and \$2,977,433, respectively.

(22) Share capital

A. Movements in the number of the Company's ordinary shares outstanding are as follows (unit: thousand shares):

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Balance as at January 1 and December 31	<u>5,682,015</u>	<u>5,682,015</u>

B. As of December 31, 2017, the Company's authorized capital was \$60,000,000, and the paid-in capital was \$56,820,154, consisting of 5,682,015 thousand shares of ordinary stock, with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

(23) Capital reserves

A. Pursuant to the R.O.C. Company Law, capital reserves arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital reserves should not be used to cover accumulated deficit unless the legal reserve is insufficient.

B. Movements of the Company's capital reserves for the years ended December 31, 2017 and 2016 are as follows:

	<u>Share premium</u>	<u>Difference between the acquisition or disposal price and carrying amount of subsidiaries</u>	<u>Share of change in net equity of associates and joint ventures accounted for under the method</u>	<u>Others</u>	<u>Total</u>
January 1, 2017	\$438,468	\$ 3,039,918	\$ 278,130	\$143,622	\$3,900,138
Adjustment for change in capital reserve of investee companies	-	-	9,323	5,950	15,273
Transactions with non- controlling interests of subsidiaries	-	24,608	-	-	24,608
Adjustment of capital reserve due to change in interests in associates	-	-	( 1,927)	-	( 1,927)
Adjustment of capital reserve due to change in interests in subsidiaries	-	( 24,823)	-	-	( 24,823)
Non-payment of expired cash dividend from previous year transferred to capital reserve	-	-	-	2,891	2,891
December 31, 2017	<u>\$438,468</u>	<u>\$ 3,039,703</u>	<u>\$ 285,526</u>	<u>\$152,463</u>	<u>\$3,916,160</u>

	Share premium	Difference between the acquisition or disposal price and carrying amount of subsidiaries	Share of change in net equity of associates and joint ventures accounted for under the method	Others	Total
January 1, 2016	\$438,468	\$ 3,132,490	\$ 236,902	\$149,312	\$3,957,172
Adjustment for change in capital reserve of investee companies	-	-	( 23,797)	4,601	( 19,196)
Transactions with non- controlling interests of subsidiaries	-	( 92,572)	-	( 10,291)	( 102,863)
Adjustment of capital reserve due to change in interests in associates	-	-	65,025	-	65,025
December 31, 2016	<u>\$438,468</u>	<u>\$ 3,039,918</u>	<u>\$ 278,130</u>	<u>\$143,622</u>	<u>\$3,900,138</u>

- A. Pursuant to the letter of the Business No. 10602420200 issued by the Ministry of Economic Affairs in September 2017, the Group transferred dividends of \$2,891, which was expired and not received by the shareholders, to capital reserve in the year of 2017.
- B. For more information regarding changes in difference between the acquisition or disposal price and carrying amount of subsidiaries, please refer to Note 6(34), 'Transactions with non-controlling interest'.

(24) Retained earnings

- A. Pursuant to the amended R.O.C. Company Law, the current year's after-tax earnings should be used initially to cover any accumulated deficit; thereafter 10% of the remaining earnings should be set aside as legal reserve until the balance of legal reserve is equal to that of paid-in capital. The legal reserve shall be exclusively used to cover accumulated deficit, to issue new stocks or distribute cash to shareholders in proportion to their share ownership. The use of legal reserve for the issuance of stocks or cash dividends to shareholders in proportion to their share ownership is permitted provided that the balance of such reserve exceeds 25% of the Company's paid-in capital.
- B. Since the Company is in a changeable industry environment and the life cycle of the Company is in a stable growth, the appropriation of earnings should consider fund requirements and capital

budgets to decide how much earnings will be kept or distributed and how much cash dividends will be distributed. According to the Company's Articles of Incorporation, 10% of the annual net income, after offsetting any loss of prior years and paying all taxes and dues, shall be set aside as legal reserve. The remaining net income and the unappropriated retained earnings from prior years can be distributed in accordance with a resolution passed during a meeting of the Board of Directors and approved at the stockholders' meeting. Of the amount to be distributed by the Company, stockholders' bonuses shall comprise 50% to 100% of the unappropriated retained earnings, and the percentage of cash dividends shall not be less than 30% of dividends distributed.

- C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings. The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. The Company reversed proportionately the special reserve previously set aside, due to use or disposal of relevant assets. When the aforementioned assets are classified as investment properties, the reversal of land will take place upon disposal or reclassification while properties, other than land, are to be reversed through the operating period. The Group proportionately recognised the reversal of special reserve of \$31,451 and \$619 for the years ended December 31, 2017 and 2016, respectively.
- D. The Company recognized dividends distributed to owners amounting to \$11,932,232, constituting \$2.1 (in dollars) per share as cash dividends and \$11,364,031, constituting \$2 (in dollars) per share as cash dividends for the years ended December 31, 2017 and 2016. On March 28, 2018, the Board of Directors proposed for the distribution of dividend from 2017 earnings in the amount of \$31,251,085, constituting \$5.5 (in dollars) per share as cash dividends.
- E. In accordance with relevant laws and regulations of R.O.C., the long-term equity investment accounted for using equity method - President Securities Corp. has set aside a special reserve for trading losses and default losses from the annual post tax profit. The special reserve shall not be used for any other purpose except for covering the losses of President Securities Corp. or, when the special reserve reaches 50% of the amount of paid-in capital, 50% of the special reserve may be used for capitalization. As of December 31, 2017, the Group recognized special reserve of \$105,429 in accordance with IAS 28, "Investments in Associates and Joint Ventures".

(25) Other equity items

	For the year ended December 31, 2017		
	Currency translation difference	Available-for-sale financial assets	Total
January 1, 2017	(\$ 2, 257, 350)	\$ 434, 151	(\$ 1, 823, 199)
Currency translation differences			
— Group	( 1, 922, 884)	-	( 1, 922, 884)
— Associates	( 60, 495)	-	( 60, 495)
Fair value adjustment			
— Group	-	174, 813	174, 813
— Associates	-	( 75, 509)	( 75, 509)
December 31, 2017	<u>(\$ 4, 240, 729)</u>	<u>\$ 533, 455</u>	<u>(\$ 3, 707, 274)</u>

	For the year ended December 31, 2016		
	Currency translation difference	Available-for-sale financial assets	Total
January 1, 2016	\$ 2, 125, 399	\$ 554, 860	\$ 2, 680, 259
Currency translation differences			
— Group	( 4, 369, 509)	-	( 4, 369, 509)
— Associates	( 13, 240)	-	( 13, 240)
Fair value adjustment			
— Group	-	( 76, 601)	( 76, 601)
— Associates	-	( 44, 108)	( 44, 108)
December 31, 2016	<u>(\$ 2, 257, 350)</u>	<u>\$ 434, 151</u>	<u>(\$ 1, 823, 199)</u>

(26) Operating revenue

	For the years ended December 31,	
	2017	2016
Sales revenue	\$ 382, 605, 238	\$ 400, 739, 401
Less: Sales returns	( 534, 940)	( 468, 037)
Sales allowance	( 8, 868, 161)	( 12, 031, 835)
Net sales revenue	373, 202, 137	388, 239, 529
Service revenue	13, 626, 876	12, 762, 964
Other operating revenue	13, 031, 940	12, 361, 822
	<u>\$ 399, 860, 953</u>	<u>\$ 413, 364, 315</u>

(27) Other income

	For the years ended December 31,	
	2017	2016
Interest income	\$ 963,720	\$ 927,112
Rental income	712,496	678,989
Dividend income	2,249,577	703,547
Government grants income	691,476	782,118
Other income	2,438,157	2,487,723
	<u>\$ 7,055,426</u>	<u>\$ 5,579,489</u>

(28) Other gains and losses

	For the years ended December 31,	
	2017	2016
Net gain (loss) on financial assets at fair value through profit or loss	\$ 76,327	(\$ 12,656)
Net currency exchange loss	( 57,500)	( 67,073)
Gain on disposal of non-current assets held for sale	-	1,528,552
Gain on disposal of investment	44,635,407	1,104,148
Gain on disposal of subsidiaries	740,492	2,536,835
Loss on disposal of property, plant and equipment	( 128,268)	( 146,122)
Gain on disposal of investment property	1,331	5,888
Impairment loss on financial assets	( 124,501)	( 312,728)
Impairment loss on non-financial assets	( 23,722)	( 1,956,485)
Other losses	( 1,657,561)	( 1,458,575)
	<u>\$ 43,462,005</u>	<u>\$ 1,221,784</u>

(29) Finance costs

	For the years ended December 31,	
	2017	2016
Interest expense:		
Bank borrowings	\$ 1,732,152	\$ 2,456,352
Less: Capitalization of qualifying assets	( 90,280)	( 219,141)
	<u>\$ 1,641,872</u>	<u>\$ 2,237,211</u>

(30) Expenses by nature

	For the year ended December 31, 2017		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Employee benefit expenses	\$ 18,496,537	\$ 33,847,310	\$ 52,343,847
Depreciation charges on property, plant and equipment	11,054,586	6,908,010	17,962,596
Depreciation charges on investment property	–	286,594	286,594
Amortization of intangible assets	114,060	242,398	356,458
	<u>\$ 29,665,183</u>	<u>\$ 41,284,312</u>	<u>\$ 70,949,495</u>

	For the year ended December 31, 2016		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Employee benefit expenses	\$ 19,064,791	\$ 35,506,989	\$ 54,571,780
Depreciation charges on property, plant and equipment	11,566,317	7,385,333	18,951,650
Depreciation charges on investment property	–	309,183	309,183
Amortization of intangible assets	130,594	262,783	393,377
	<u>\$ 30,761,702</u>	<u>\$ 43,464,288</u>	<u>\$ 74,225,990</u>

(31) Employee benefit expense

	For the year ended December 31, 2017		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Wages and salaries	\$ 14,576,680	\$ 27,815,632	\$ 42,392,312
Labor and health insurance expenses	1,379,088	2,051,908	3,430,996
Pension costs	1,215,423	1,813,969	3,029,392
Other personnel expenses	1,325,346	2,165,801	3,491,147
	<u>\$ 18,496,537</u>	<u>\$ 33,847,310</u>	<u>\$ 52,343,847</u>

	For the year ended December 31, 2016		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Wages and salaries	\$ 15,082,856	\$ 28,589,675	43,672,531
Labor and health insurance expenses	1,421,080	2,210,414	3,631,494
Pension costs	1,264,384	2,131,757	3,396,141
Other personnel expenses	1,296,471	2,575,143	3,871,614
	<u>\$ 19,064,791</u>	<u>\$ 35,506,989</u>	<u>\$ 54,571,780</u>

A. A ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors'

remuneration.

B. For the years ended December 31, 2017 and 2016, employees' compensation was accrued at \$1,472,369 and \$1,274,417, respectively, while directors' remuneration was accrued at \$362,774 and \$250,841, respectively. The aforementioned amounts were recognized in salary expenses. The expenses recognized for the year were accrued based on the earnings of current year and the percentage specified in the Articles of Incorporation of the Company.

The employees' compensation and directors' remuneration as resolved by the Board of Directors in the year of 2017 were \$1,472,369 and \$362,774, and the employees' compensation will be distributed in the form of cash.

The employees' compensation and directors' remuneration as resolved by the Board of Directors were the same as the estimated amount of \$1,525,258 recognized in the 2016 financial statements. Information about the appropriation of employees' compensation and directors' remuneration by the Company as proposed by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(32) Income tax

A. Income tax expense:

(a) Components of income tax expense:

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Current income tax:		
Income tax incurred in current year	\$ 11,067,472	\$ 6,051,836
10% tax on unappropriated earnings	102,453	106,290
(Over) under provision of prior year's income tax payable	(19,768)	75,531
Total current income tax	<u>11,150,157</u>	<u>6,233,657</u>
Deferred income tax:		
Origination and reversal of temporary differences	<u>5,372,381</u>	<u>593,249</u>
Income tax expense	<u>\$ 16,522,538</u>	<u>\$ 6,826,906</u>



(b) The income tax relating to components of other comprehensive income is as follows:

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Remeasurement of defined benefit obligations	(\$ 71,800)	(\$ 135,166)
Fair value losses on available-for-sale financial assets	9,603	8,835
Currency translation differences	(1,070)	112
	<u>(\$ 63,267)</u>	<u>(\$ 126,219)</u>

B.Reconciliation between income tax expense and accounting profit

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Income tax at the statutory tax rate	\$ 22,399,496	\$ 8,542,391
Effect of items disallowed by tax regulation	( 5,502,558)	( 1,723,376)
Effect from investment tax credits	( 433)	( 176,620)
Effect of five year tax exemption projects	( 2,556)	( 2,932)
Tax effect off loss carryforward	( 454,096)	5,622
(Over) under provision of prior year's income tax payable	( 19,768)	75,531
10% tax on unappropriated earnings	102,453	106,290
Income tax expense	<u>\$ 16,522,538</u>	<u>\$ 6,826,906</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits are as follows:

For the year ended December 31, 2017

	January 1	Recognized in profit or loss	Recognized in other comprehensive income	Business combination	December 31
Deferred tax assets					
Temporary differences					
Allowance for doubtful accounts	\$ 81,452	(\$ 8,228)	\$ -	\$ -	\$ 73,224
Loss on inventory market price decline	72,352	53,318	-	-	125,670
Unrealized expense	886,039	109,858	-	52,196	1,048,093
Investment loss	276,645	(17,847)	-	-	258,798
Impairment of assets	3,530	6,761	-	-	10,291
Pension	1,631,052	(101,113)	71,800	35,373	1,637,112
Others	441,507	34,509	13,584	-	489,600
Loss carryforward	1,618,479	(57,481)	-	-	1,560,998
Investment tax credits	<u>7,677</u>	<u>(7,677)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	\$ <u>5,018,733</u>	\$ <u>12,100</u>	\$ <u>85,384</u>	\$ <u>87,569</u>	\$ <u>5,203,786</u>
Deferred tax liabilities					
Temporary differences					
Depreciation	(\$ 828,106)	(\$ 50,016)	\$ -	\$ -	(\$ 878,122)
Foreign investment income	(284,429)	(5,692,904)	(3,320)	-	(5,980,653)
Increment tax on land revaluation	(2,167,608)	233	-	-	(2,167,375)
Intangible assets recognized by business combination	-	-	-	(1,279,231)	(1,279,231)
Others	<u>(1,415,607)</u>	<u>358,206</u>	<u>(18,797)</u>	<u>-</u>	<u>(1,076,198)</u>
	(\$ <u>4,695,750</u> )	(\$ <u>5,384,481</u> )	(\$ <u>22,117</u> )	(\$ <u>1,279,231</u> )	(\$ <u>11,381,579</u> )
	\$ <u>322,983</u>	(\$ <u>5,372,381</u> )	\$ <u>63,267</u>	(\$ <u>1,191,662</u> )	(\$ <u>6,177,793</u> )

For the year ended December 31, 2016

	January 1	Recognized in			December 31
		profit or loss	other comprehensive income	Business combination	
<b>Deferred tax assets</b>					
Temporary differences					
Allowance for doubtful accounts	\$ 87,227	(\$ 5,775)	\$ -	\$ -	\$ 81,452
Loss on inventory market price decline	109,714	( 37,362)	-	-	72,352
Unrealized expense	833,078	52,961	-	-	886,039
Investment loss	264,815	11,830	-	-	276,645
Impairment of assets	41,649	( 38,119)	-	-	3,530
Pension	1,653,986	( 158,100)	135,166	-	1,631,052
Others	507,710	( 63,066)	( 3,137)	-	441,507
Loss carryforward	1,545,558	72,921	-	-	1,618,479
Investment tax credits	201,183	( 193,506)	-	-	7,677
	<u>\$ 5,244,920</u>	<u>(\$ 358,216)</u>	<u>\$ 132,029</u>	<u>\$ -</u>	<u>\$ 5,018,733</u>
<b>Deferred tax liabilities</b>					
Temporary differences					
Depreciation	(\$ 718,312)	(\$ 109,794)	\$ -	\$ -	(\$ 828,106)
Foreign investment income	( 254,176)	( 24,555)	( 5,698)	-	( 284,429)
Increment tax on land revaluation	( 2,167,608)	-	-	-	( 2,167,608)
Others	( 1,314,811)	( 100,684)	( 112)	-	( 1,415,607)
	<u>(\$ 4,454,907)</u>	<u>(\$ 235,033)</u>	<u>(\$ 5,810)</u>	<u>\$ -</u>	<u>(\$ 4,695,750)</u>
	<u>\$ 790,013</u>	<u>(\$ 593,249)</u>	<u>\$ 126,219</u>	<u>\$ -</u>	<u>\$ 322,983</u>

- D. For details of the Group recognizing the deferred tax assets and deferred tax liabilities according to business combinations, please refer to Note 6(35), 'Business combinations'.
- E. According to "Act for Industrial Innovation" and "Statute for Upgrading Industries"(before its abolishment), details of investment tax credits and unrecognized deferred tax assets are as follows:

December 31, 2017			
Qualifying items	Unused tax credits	Unrecognized deferred tax assets	Expiry year
Research and development expenditures	\$ 7,677	\$ 7,677	2018

December 31, 2016			
Qualifying items	Unused tax credits	Unrecognized deferred tax assets	Expiry year
Research and development expenditures	\$ 7,677	\$ -	2018

- F. Expiration dates of unused tax losses and amounts of unrecognized deferred tax assets are as follows:

December 31, 2017				
Year incurred	Amount filed/assessed	Unused amount	Unrecognized deferred tax assets	Expiry year
2008~2017	\$ 4,720,541	\$ 4,658,055	\$ 3,097,057	2018~2027

December 31, 2016				
Year incurred	Amount filed/assessed	Unused amount	Unrecognized deferred tax assets	Expiry year
2007~2016	\$ 6,134,718	\$ 6,089,988	\$ 4,471,509	2017~2026

- G. The amounts of deductible temporary differences that were not recognised as deferred tax assets are as follows:

	December 31, 2017	December 31, 2016
Deductible temporary differences	\$ 681,236	\$ 291,312

- H. The Group estimates taxable temporary differences arising from gains on investment in overseas subsidiaries in accordance with tax regulations and IAS 12. As the Group has the ability to control the timing of the reversal of such temporary differences, and considering the overall operating arrangement, resource allocation and capital reinvestment, the Group believes that such temporary differences will possibly not be realized in the foreseeable future. As a result, it is permissible under IAS 12 that the Group does not recognize related deferred tax arising from

taxable temporary difference. As of December 31, 2017 and 2016, the related unrecognized temporary differences were \$64,735,862 and \$54,654,359, respectively, and unrecognized deferred tax liabilities were \$8,055,822 and \$6,984,254, respectively.

- I. The Company's income tax returns through 2016 have been assessed and approved by the Tax Authority and there were no disputes existing between the Company and the Authority as of March 28, 2018.
- J. With the abolishment of the imputation tax system under the amendments to the Income Tax Act promulgated by the President of the Republic of China in February, 2018, the information on unappropriated retained earnings and the balance of the imputation credit account as of December 31, 2017, as well as the estimated creditable tax rate for the year ended December 31, 2017 is no longer disclosed.

Unappropriated retained earnings on December 31, 2016:

	<u>December 31, 2016</u>
Earnings generated in and before 1997	\$ 36,165
Earnings generated in and after 1998	<u>16,293,626</u>
	<u>\$ 16,329,791</u>

- K. As of December 31, 2016, the balance of the imputation tax credit account was \$325,757. The creditable tax rate was 12.41% for the year ended December 31, 2016.

(33) Earnings per share

	<u>For the year ended December 31, 2017</u>		
	<u>Amount after tax</u>	<u>Weighted average number of shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 39,844,853</u>	<u>5,682,015</u>	<u>\$ 7.01</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 39,844,853	5,682,015	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>—</u>	<u>28,362</u>	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 39,844,853</u>	<u>5,710,377</u>	<u>\$ 6.98</u>

	For the year ended December 31, 2016		
	Amount after tax	Weighted average number of shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 14,526,719	5,682,015	\$ 2.56
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 14,526,719	5,682,015	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	29,867	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 14,526,719	5,711,882	\$ 2.54

(34) Transactions with non-controlling interest

- A. During the year ended December 31, 2017, the Group acquired additional shares of the subsidiary, Tait Marketing & Distribution Co., Ltd., through public market or mutually-agreed price negotiation for a total cash consideration of \$17,607. The carrying amount of non-controlling interest was \$9,594 at acquisition date. This transaction resulted in a decrease in the non-controlling interest by \$9,594 and a decrease in the equity attributable to owners of the parent by \$8,013.
- B. During the year ended December 31, 2017, the Group partially disposed some of its shares in its subsidiary, ScinoPharm Taiwan, Ltd., through public market for a total cash consideration of \$61,733. The carrying amount of non-controlling interest was \$29,112 on the disposal date. This transaction resulted in an increase in the non-controlling interest by \$29,112 and an increase in the equity attributable to owners of the parent by \$32,621.
- C. During the year ended December 31, 2016, the Group acquired additional shares of the subsidiary, President Nissin Corp., through mutually-agreed price negotiation for a total cash consideration of \$359,730. The carrying amount of non-controlling interest was \$257,273 at acquisition date. This transaction resulted in a decrease in the non-controlling interest by \$257,273 and a decrease in the equity attributable to owners of the parent by \$102,457.
- D. During the year ended December 31, 2016, the Group partially disposed some of its shares in its subsidiary, ScinoPharm Taiwan, Ltd., through public market for a total cash consideration of \$18,876. The carrying amount of non-controlling interest was \$8,991 on the disposal date. This transaction resulted in an increase in the non-controlling interest by \$8,991 and an increase in

the equity attributable to owners of the parent by \$9,885.

- E. Based on the above transactions, the details of changes in the Group's capital reserve due to transactions with non-controlling interest for the years ended December 31, 2017 and 2016 are as follows:

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Acquisition of non-controlling interest:		
Carrying amount of non-controlling interest acquired	\$ 9,594	\$ 257,273
Consideration paid to non-controlling interest	( 17,607)	( 359,730)
Disposal of non-controlling interest:		
Carrying amount of non-controlling interest disposed	( 29,112)	( 8,991)
Consideration received from disposal of non-controlling interest	<u>61,733</u>	<u>18,876</u>
Capital reserve - difference between proceeds and carrying amount from acquisition or disposal of subsidiaries	<u>\$ 24,608</u>	<u>(\$ 92,572)</u>

(35) Business combinations

- A. The Group originally held 50% of shares of President Starbucks Coffee Corp. under the equity method. In December 2017, the Group acquired additional 50% shares in cash of \$5,378,010 and accordingly, the Group obtained control over the subsidiary. The subsidiary is primarily engaged in the retail business of various foods, coffee beans, etc. and the operation of cafes and restaurants.
- B. The following table summarises the consideration paid for President Starbucks Coffee Corp. and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the fair value of the non-controlling interest at the acquisition date:

	<u>December 31, 2017</u>
Cash paid	\$ 5,378,010
Fair value of equity interest previously held on the acquisition date	<u>4,304,130</u>
	<u>9,682,140</u>
Fair value of the identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	700,961
Other current asset	1,462,227
Other non-current asset	1,838,829
Other identifiable intangible asset	7,524,890
Other current liabilities	( 2,088,442)
Other non-current liabilities	( 1,582,890)
Total identifiable net assets	<u>7,855,575</u>
Goodwill	<u>\$ 1,826,565</u>

- C. The Group recognised a gain of \$3,500,501 as a result of measuring at fair value its 50% equity interest in President Starbucks Coffee Corp. held before the business combination (listed as 'Other gains and losses - gain on disposal of investment').
- D. The fair value of the non-controlling interest of President Starbucks Coffee Corp. was estimated base on the purchase price of obtaining equity interest without the implied control premium.
- E. As President Starbucks Coffee Corp. was consolidated by the Group as of December 31, 2017, the Group did not recognize any operating revenue and profit before income tax in 2017. Had President Starbucks Coffee Corp. been consolidated from January 1, 2017, the consolidated statement of comprehensive income would show operating revenue of \$410,112,713 and profit before income tax of \$77,053,259.

(36) Operating leases

- A. The Group leases out some equipment, investment property, and some stores in shopping malls to others under non-cancellable operating lease agreements. Terms for the lease agreements range from 1 to 25 years, and the future aggregate minimum lease receivable under non-cancellable operating leases are as follows:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Within one year	\$ 2,487,975	\$ 2,787,673
More than one year but not exceeding five years	4,617,466	5,149,613
More than five years	<u>6,261,526</u>	<u>6,539,360</u>
	<u>\$ 13,366,967</u>	<u>\$ 14,476,646</u>

- B. The Group rents property, equipment and some retail stores under non-cancellable operating lease agreements. The lease terms range from 1 to 50 years, and some lease agreements are renewable at the end of the lease period. Rents are fixed and paid as agreed in the agreements. In some of the lease agreements, payments are adjusted following the change in consumer price index. The Group recognized rental expenses of \$11,812,864 and \$11,803,486 for the years ended



December 31, 2017 and 2016, respectively. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Within one year	\$ 9,696,641	\$ 8,701,442
More than one year but not exceeding five years	30,101,641	26,740,367
More than five years	<u>16,740,428</u>	<u>15,654,799</u>
	<u>\$ 56,538,710</u>	<u>\$ 51,096,608</u>

(37) Supplemental cash flow information

A. Operating activities with partial cash received

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Dividend income	\$ 2,249,577	\$ 703,547
Cash dividends under the equity method	4,674,555	2,786,657
Less: Ending balance of dividends receivable (listed as 'Other receivable')	( 1,823,546)	-
Dividends received	<u>\$ 5,100,586</u>	<u>\$ 3,490,204</u>

B. Investing activities with partial cash payments or received

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
(a) Disposal of investment accounted for under the equity method	\$ 42,951,851	\$ 52,984
Less: Ending balance of disposal proceeds receivable (listed as 'Other receivables')	( 42,737,881)	-
Proceeds from disposal of investment accounted for under the equity method	<u>\$ 213,970</u>	<u>\$ 52,984</u>
	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
(b) Acquired in a business combination	\$ 5,378,010	\$ -
Less: Ending balance of payable for equity investments (listed as 'Other receivables')	( 5,378,010)	-
Cash payment for business combination	-	-
Cash and cash equivalents held by the subsidiary	<u>700,961</u>	-
Cash and cash equivalents inflows from business combination	<u>\$ 700,961</u>	<u>\$ -</u>

	For the years ended December 31,	
	2017	2016
(c) Purchase of property, plant and equipment	\$ 13,438,602	\$ 13,180,446
Add: Opening balance of other payables	2,699,634	3,841,449
Opening balance of long-term other payables (listed as ‘other non-current liabilities’)	973,820	-
Less: Ending balance of other payables	( 2,488,827)	( 2,699,634)
Ending balance of long-term other payables (listed as ‘other non-current liabilities’)	-	( 973,820)
Capitalization of interest	( 83,880)	( 195,528)
Cash paid for acquisition of property, plant and equipment	<u>\$ 14,539,349</u>	<u>\$ 13,152,913</u>

	For the years ended December 31,	
	2017	2016
(d) Purchase of investment property	\$ 90,447	\$ 918,142
Less: Capitalization of interest	-	( 14,626)
Cash paid for acquisition of investment property	<u>\$ 90,447</u>	<u>\$ 903,516</u>

C. Operating activities with no cash flow effect

	For the years ended December 31,	
	2017	2016
Write-off of allowance for doubtful accounts	<u>\$ 90,163</u>	<u>\$ 50,614</u>

D. Investing activities with no cash flow effect

	For the years ended December 31,	
	2017	2016
(a) Financial assets carried at cost reclassified to available-for-sale financial assets	<u>\$ 109,144</u>	<u>\$ 104,031</u>
(b) Prepayments for equipment reclassified to property, plant and equipment	<u>\$ 1,192,738</u>	<u>\$ 3,293,239</u>
(c) Investment property reclassified to property, plant and equipment	<u>\$ 31,677</u>	<u>\$ 318,775</u>
(d) Property, plant and equipment reclassified to inventory	<u>\$ 605,447</u>	<u>\$ 480,495</u>
(e) Transferred to non-current assets held for sale: Please refer to Note 6(7), ‘Non-current assets held for sale’.		

E. The impact of disposal of subsidiary, Sanshui Jianlibao Commerce Co., Ltd. (listed as “non-current assets held for sale” and “liabilities directly associated with non-current assets held for

sale”) for the year ended December 31, 2017 is as follows:

	For the year ended December 31, 2017
Disposal of non-current assets held for sale	\$ 7,854,383
Disposal of liabilities directly associated with non-current assets held for sale	( 4,450,816)
Carrying amount of subsidiaries	3,403,567
Net currency exchange differences	13,439
Gain on disposal of subsidiaries	740,492
Total price of disposal of subsidiaries	4,157,498
Cash and cash equivalents held by the subsidiary	( 776,931)
Proceeds from disposal of subsidiaries	<u>\$ 3,380,567</u>

- F. The impact of disposal of the subsidiaries, Ever-Splendor Electrics (Shenzhen) Co., Ltd., Uni-Home Tech Corp., Sato Restaurant Systems Co., Ltd. and Bank Pro E-Service Technology Co., Ltd. for the year ended December 31, 2016 is as follows:

	For the year ended December 31, 2016
Cash and cash equivalents	\$ 3,932,494
Receivables	1,645,942
Inventories	1,163,188
Prepayments	75,774
Property, plant and equipment	2,167,041
Other non-current assets	1,867,637
Short-term borrowings	( 4,065,503)
Accounts payable	( 1,513,666)
Other payables	( 619,988)
Advance receipts	( 764,698)
Long-term liabilities, current portion	( 44,766)
Long-term borrowings	( 39,930)
Other non-current liabilities	( 57,574)
Non-controlling interest	( 505,753)
Carrying amount of subsidiaries	3,240,198
Gain on disposal of subsidiaries	2,536,835
Total price of disposal of subsidiaries	5,777,033
Cash and cash equivalents held by the subsidiaries	( 3,932,494)
Proceeds from disposal of subsidiaries	<u>\$ 1,844,539</u>

## 7. RELATED PARTY TRANSACTIONS

### (1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
PT.Uni-President Indonesia	Associate
Uni-President Land Corp.	Associate
Ta Chen Construction & Engineering Corp.	Associate
TTET Union Corp.	Associate
Koasa Yamako Corp.	Associate
Prince Security Co., Ltd.	Associate
Prince Housing Development Corp.	Associate
The Splendor Hotel Taichung	Associate
Carrefour Stores (Taiwan) Co., Ltd.	Associate
Baylite Enterprise Co.,	Associate
Kuang Chuan Dairy Co., Ltd.	Associate
Kuang Chuan Foods Co., Ltd.	Associate
Yichang Ziquan Beverage Industries Co., Ltd.	Associate
Mingqing Food Enterprise Co., Ltd.	Associate
Song Yi Marketing Co., Ltd.	Associate
Wuhan Zijiang President Enterprises Co., Ltd.	Associate
Ever Land Express Corp.	Associate
Sing Yi Marketing Co., Ltd.	Associate
Nanlien and Cow Btand International Co., Ltd.	Associate
Bo Sing Marketing Co., Ltd.	Associate
Master Channels Corporation	Associate
Presicarre Corp.	Associate
Carrefour Telecommunications Co., Ltd.	Associate
Time Square International Co., Ltd.	Associate
Guilin Ziquan Beverage Industried Co., Ltd.	Associate
Chang Tung Corporation Limited	Associate
Kang Na Hsiung Enterprises Co., Ltd.	Associate
K. JIE Water and Environmental Engineering Co., Ltd.	Associate
Mister Donut Taiwan Co., Ltd.	Associate
President Capital Management Corp.	Associate
President Futures Corporation	Associate
President Insurance Agency Co.Ltd.	Associate
President Securities Corp.	Associate
Ton Zhai Corp.	Associate
Tung Chan Enterprises Corp.	Associate
Ton Sheng Enterprise Co., Ltd.	Associate

Names of related parties	Relationship with the Group
President Technology Corp.	Associate
Tung Lien Enterprises Corp.	Associate
Lien Sheng Enterprises Corp.	Associate
Far-Tung Enterprises Corp.	Associate
Jin Hui Food Corp	Associate
Yantai North Andre Juice Co., Ltd.	Associate
Grand Bills Finance Co.	Associate
Cheng-Shi Construction Co., Ltd.	Associate
Weilih Food Industrial Co., Ltd.	Associate
Wei Tai Marketing Co., Ltd.	Associate
Wei Kuon Co., Ltd.	Associate
Synergy ScienTech Corp.	Associate
Lien Yu Enterprises Corp.	Associate
Feng Food Co., Ltd.	Associate
Kuan Chan Enterprises Corp.	Associate
Guan-Chan Wholesale and Logistics Corp.	Associate
Guan-Chan International Distribution Corp.	Associate
T.S.Retail & Distribution Co., Ltd.	Originally was an affiliate of the Group, and was sold in September 2017.
Shanghai President Coffee Co., Ltd.	Originally was a joint venture investment of the Group, and was sold in December 2017.
President Starbucks Coffee Corp.	Originally was a joint venture investment of the Group. The Group acquired additional 50% share in December 2017. It become a subsidiary of the Group.

(2) Significant transactions and balances with related parties

A. Sales

	For the years ended December 31,	
	2017	2016
Sales of goods:		
— Associates	\$ 10,266,253	\$ 12,365,777
Sales of services:		
— Associates	57,756	62,019
	<u>\$ 10,324,009</u>	<u>\$ 12,427,796</u>

- (a) The collection period for related parties was approximately one month after sales. The collection period for third parties was two weeks after sales for foodstuff and 60 to 120 days after sales for animal feed products. Except for the collection period mentioned above, other

terms of sales were the same for related and third parties.

(b) The sales terms of other subsidiaries to related parties were the same for third parties.

**B. Purchases**

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Purchases of goods:		
— Associates	<u>\$ 4,753,366</u>	<u>\$ 5,542,776</u>

(a) The terms of purchases and payments of the Company from related parties were the same with third party suppliers except for those that closes their accounts 30 days from the end of each month. Payment terms from regular suppliers is one month.

(b) The payment term of some purchases from related parties was 30 to 70 days. The payment term for third parties was 45 to 70 days or pays postdated checks due in 45 to 60 days.

(c) The purchase terms of other subsidiaries for purchases from related parties were the same for third parties.

**C. Notes and accounts receivable**

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Associates	<u>\$ 977,238</u>	<u>\$ 1,925,076</u>

**D. Long-term receivable (recognized as ‘Other non-current assets’)**

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Associates	<u>\$ 571,472</u>	<u>\$ 588,602</u>

**E. Notes and accounts payable**

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Associates	<u>\$ 490,139</u>	<u>\$ 586,729</u>

**F. Loans to related parties**

(a)Receivables from related parties (recognized as “Other non-current assets”)

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Associates	<u>\$ 27,214</u>	<u>\$ 29,678</u>

(b)Interest income (recognized as “Other income”)

	<u>For the years ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Associates	<u>\$ 1,905</u>	<u>\$ 2,077</u>

**G. Endorsements and guarantees provided to related parties**

The information on endorsement and guarantees provided to related parties is described in Note 13(1)-B.

(3) Key management compensation

	For the years ended December 31,	
	2017	2016
Salaries and other short-term employee benefits	\$ 609,971	\$ 422,802
Service allowance	24,906	27,176
Directors' remuneration and employees' compensation	947,217	455,722
	<u>\$ 1,582,094</u>	<u>\$ 905,700</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

<u>Assets pledged</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Purpose of collateral</u>
Demand deposits and time deposit (Note 1)	\$ 78,496	\$ 59,896	Performance guarantees and bank borrowings
Inventory	–	75,513	Notes and bills payable
Available-for-sale financial assets - non-current	47,858	52,178	Bank borrowings and notes and bills payable
Investments accounted for under the equity method	980,266	1,504,155	Bank borrowings and notes and bills payable
Land (Note 2)	10,069,024	10,503,870	Bank borrowings and notes and bills payable
Buildings-net (Note 2)	7,192,033	8,129,659	Bank borrowings and notes and bills payable
Transportation equipment-net (Note 3)	493,134	474,585	Bank borrowings
Guarantee deposits paid	<u>109,466</u>	<u>106,684</u>	Performance guarantees
	<u>\$ 18,970,277</u>	<u>\$ 20,906,540</u>	

(Note 1) Recognized as "Other current assets" and "Other non-current assets".

(Note 2) Recognized as "Property, plant, and equipment" and "Investment property".

(Note 3) Recognized as "Property, plant, and equipment".

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1)As of December 31, 2017 and 2016, the remaining balance due for construction in progress and prepayments for equipment was \$3,042,770 and \$3,623,279, respectively.

(2)As of December 31, 2017 and 2016, the unused letters of credit amounted to \$2,042,196 and \$3,267,411, respectively.

(3)The details of endorsement and guarantees provided to others are described in Note 13(1)-B.

(4)In July 2000, President Chain Store Corp. signed a perpetual technical cooperation contract ("the Contract") with Southland Corporation. The terms of the Contract are as follows:

- A. The Company guarantees that President Chain Store Corp. will fulfill all payments or other obligations due under the Contract to Southland Corporation.
  - B. Without the written approval of Southland Corporation in advance, the Company may not sell, transfer, or pledge the ownership or the assets of President Chain Store Corp.
  - C. The Company should maintain no less than 40% ownership of President Chain Store Corp.
- (5) The Company entered into credit facilities agreements with The Bank of Tokyo-Mitsubishi UFJ Ltd. in September 2014 and July 2015, and the terms of agreements were from September 9, 2014 to September 7, 2018 and July 14, 2015 to July 14, 2020, respectively. Under the terms of the agreements, the Company agreed that:
- A. The current ratio computed from the year-end audited consolidated financial statements shall not be below 75%.
  - B. The debt-to-equity ratio **【(Total liability - cash and cash equivalents/ Shareholders' Equity)】** computed from the year-end audited consolidated financial statements shall not be above 200%.
  - C. The interest coverage ratio **【(Earnings before tax+ Interest expense+ Depreciation+ Amortisation) / Interest Expense】** computed from the year-end audited consolidated financial statements shall not be below 200%.
  - D. The year-end audited consolidated tangible stockholders' equity (Shareholders' Equity- intangible assets') shall not be less than \$90,000,000.
- (6) Due to the plasticizer food scandal, the Consumers' Foundation, Chinese Taipei (CFCT) filed a lawsuit against the Company with the Banciao District Court and claimed \$1,573,775 for punitive damages in March 2012. The New Taipei District Court rendered its judgment on this case on October 17, 2013, whereby the Company is ordered to pay \$88 to the plaintiff for damage penalty. The Taiwan High Court rendered its judgment on this case on August 24, 2016 in the second instance, whereby the Company is ordered to pay \$685 to the plaintiff for non-property damages and punitive damage. As a final judgment had been given, the Company cannot file an appeal to a court in third instance. The CFCT has filed an appeal with the Supreme Court.
- (7) Uni-President Development Corp. signed a "Build-Operate-Transfer Contract for the Construction, Development and Operation of a Mass Rapid Transit (MRT) Station" with the Taipei City Government in August 2004. The main contents of the contract are as follows:
- A. The contract includes the construction, development and operation of an MRT Station including all auxiliary structures and facilities.
  - B. The Taipei City Government shall provide the right of use for the land located in Shin-Yi District Lot No. 3 to carry out the contract.
  - C. The development and operation period is 50 years starting from the time the right of land is registered (date registered - October 15, 2004). On December 31, 2007, the Taipei City Government agreed that the period shall be extended (for a total of 484 days) due to processing of building capacity compensation and changes in design.
  - D. Uni-President Development Corp. shall pay two kinds of royalty fees:



(a) Royalty fees for development

Total amount is \$2,500,000 and as of December 31, 2017, Uni-President Development Corp. has paid \$2,000,000. The remainder will be paid in accordance with the terms of the contract.

(b) Royalty fees for operations

Uni-President Development Corp. shall pay operation royalty fees to the Taipei City Government using the progressive increase method one year after the start of commercial operations.

E. Uni-President Development Corp. shall pay the rent to the Taipei City Government based on a fixed percentage of the proclamation land value one year after the start of commercial operations.

F. Uni-President Development Corp. shall transfer freely the operating right for the MRT Station to the Taipei City Government when the contract expires. Uni-President Development Corp. also agrees to enter into a new contract with the Taipei City Government to bring the MRT Station back into public ownership 5 years before the end of the contract. The new contract shall be finished within 6 months. In addition, Uni-President Development Corp. shall propose a detailed plan before entering into a new contract with regard to the rights and responsibilities of the transfer of the MRT Station. Uni-President Development Corp. has obtained the license described above.

(8) The subsidiary, Ton Yi Industrial Corp. has entered into a loan agreement with CTBC Bank Co., Ltd. in 2017. Based on the agreement, Ton Yi Industrial Corp. is required to meet certain consolidated financial ratios as follows: debt-to-equity ratio  $\left[ \frac{\text{Total liability less cash and cash equivalents}}{\text{consolidated tangible shareholders' equity}} \right]$  of 180% or less, interest coverage ratio of over 200%, and consolidated tangible stockholders' equity of not less than \$15,000,000. Under the terms of the loan agreement, if any of the financial ratios or regulations above had been violated, Ton Yi Industrial Corp. shall improve it within the given time. Otherwise, the banks have the right to suspend or reduce the amount of loan agreement, shorten the length of loan agreement period, or demand Ton Yi Industrial Corp. to pay off the loan balance immediately.

(9) Ton Yi Industrial Corp. has entered into a loan agreement with The Bank of Tokyo-Mitsubishi UFJ Ltd. in 2017. Based on the agreement, Ton Yi Industrial Corp. is required to meet certain consolidated financial ratios as follows: debt-to-equity ratio  $\left[ \frac{\text{Total liability less cash and cash equivalents}}{\text{consolidated tangible shareholders' equity}} \right]$  of 180% or less, interest coverage ratio of over 200%, and consolidated tangible stockholders' equity of not less than \$15,000,000. Otherwise, the banks have the right to demand Ton Yi Industrial Corp. to pay off the loan balance immediately.

(10) Ton Yi Industrial Corp. has entered into a loan agreement with KGI in 2016. Based on the agreement, Ton Yi Industrial Corp. is required to meet certain consolidated financial ratios as follows: debt-to-equity ratio  $\left[ \frac{\text{Total liability less cash and cash equivalents}}{\text{consolidated tangible shareholders' equity}} \right]$  of 180% or less, interest coverage ratio of over 200%, and consolidated tangible stockholders' equity of not less than \$15,000,000. Under the terms of the loan agreement, if any of the financial ratios or regulations above had been violated, Ton Yi Industrial Corp. shall improve it within four months after the issuance of financial reports. Otherwise, the banks have the right to demand Ton Yi

Industrial Corp. to pay off the loan balance immediately.

(11) Ton Yi Industrial Corp. decides to dispose land use right and buildings of its subsidiaries, Jiangsu Ton Yi Tinsplate Co., Ltd. and Wuxi Ton Yi Industrial Packing Co., Ltd., by a resolution of the Board of Directors on December 21, 2017.

(12) For more information about operating leases, please refer to Note 6(36), 'Operating leases.'

10. SIGNIFICANT DISASTER LOSS: None.

11. SIGNIFICANT EVENT AFTER THE BALANCE SHEET DATE

Under the amendments to the Income Tax Act which was promulgated by the President of the Republic of China in February, 2018, the Group's applicable income tax rate will be raised from 17% to 20% effective from January 1, 2018. This will increase the Group's deferred tax assets and deferred tax liabilities by \$564,019 and \$1,375,194, respectively, which will be adjusted in the first quarter of 2018.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, maintain an optimal capital structure to both reduce the cost of capital and to meet the monetary needs of improving productivity. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Fair value information of financial instruments

(a) The carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, notes receivable (including related parties), accounts receivable (including related parties), other receivables, guarantee deposits paid, short-term borrowings, short-term notes and bills payable, notes payable (including related parties), accounts payable (including related parties), other payables, corporate bonds payable, long-term borrowings and guarantee deposits received) are approximate to their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(3), 'Fair value estimation'.

(b) The methods and assumptions of fair value measurement are as follows:

Investments in debt instruments without active market: If recent transaction prices or market maker quotes are available, the fair value is based on such information. If there is no quoted market price available, the fair value is determined by using valuation techniques and calculated as the present value of the estimated cash flows.

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial position and financial

performance.

- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### C. Significant financial risks and degrees of financial risks

#### (a) Market risk

##### Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and JPY. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. To manage their foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, entities in the Group use forward foreign exchange contracts. However, hedge accounting is not applied as transactions did not meet all criteria of hedge accounting.
- iii. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, CYN and HKD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2017			
	Foreign currency amount (in thousands)	Exchange rate (Note 1)	Book value (Note 2)
(foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 81,687	29.76	\$ 2,431,005
USD : CNY	8,193	6.51	243,824
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	112,315	29.76	3,342,494
USD : CNY	55,440	6.51	1,649,894

December 31, 2016			
	Foreign currency amount (in thousands)	Exchange rate (Note 1)	Book value (Note 2)
(foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 70,760	32.25	\$ 2,282,010
USD : CNY	16,620	6.95	535,995
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	16,354	32.25	527,417
USD : CNY	26,829	6.95	865,235
CNY : USD	142,000	0.14	659,384

(Note 1) Foreign currency vs. Functional currency.

(Note 2) Foreign currencies translated to New Taiwan Dollars using the exchange rate at report date.

- v. Total exchange loss, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2017 and 2016 amounted to \$57,500 and \$67,073, respectively.
- vi. Foreign exchange risk with respect to USD arises from the exchange gain or loss resulting from foreign currency translation of cash and cash equivalents, accounts receivable, other receivables, borrowings, accounts payable and other payables denominated in USD. As of December 31, 2017 and 2016, if the NTD:USD exchange rate appreciates/depreciates by 5% with all other factors remaining constant, the Group's profit for the years ended

December 31, 2017 and 2016 would increase/decrease by \$45,574 and \$87,730, respectively. Foreign exchange risk with respect to USD:CNY primarily arises from the exchange gain or loss resulting from foreign currency translation of cash and cash equivalents, accounts receivable, accounts payable and borrowings denominated in USD. If the USD:CNY exchange rate appreciates/depreciates by 5%, with all other factors remaining constant, the Group's profit for the years ended December 31, 2017 and 2016 would increase/decrease by \$70,304 and \$16,462, respectively.

#### Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group has carefully determined its investment portfolio and has set various stop loss points to ensure that stockholders are not exposed to significant risks.

The sensitivity analysis for equity securities price risk is calculated on the basis of fair value at balance sheet date. If the prices of these equity securities had increased/decreased by 2% with all other variables held constant, profit for the years ended December 31, 2017 and 2016 would have increased/decreased by \$2,174 and \$774 as a result of gains/losses on equity securities classified as at fair value through profit or loss, respectively. Other components of equity would have increased/decreased by \$60,963 and \$72,260 as a result of gains/losses on equity securities classified as available-for-sale, respectively.

#### Interest rate risk

The Group's interest rate risk arises from short-term borrowings, long-term borrowings and bonds payable. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rate. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the years ended December 31, 2017 and 2016, the Group's borrowings at variable rate were denominated in NTD, USD and CNY. During the years ended December 31, 2017 and 2016, if interest rates on borrowings had been 0.1% higher/lower with all other variables held constant, profit for the years ended December 31, 2017 and 2016 would have decreased/increased by \$36,868 and \$44,223, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

#### (b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the

customers, taking into account their financial position, past experience and other factors. The utilisation of credit limits is regularly monitored. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with good ratings are accepted.

- ii. During the years ended December 31, 2017 and 2016, no credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.
- iii. For the credit ratings of the Group's financial assets, please refer to Note 6, 'Financial assets'.

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.
- ii. Surplus cash held by the Group treasury over and above the balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. As of December 31, 2017 and 2016, the position of money market held by the Group is shown in Note 6, 'Financial assets'.
- iii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2017	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities				
Short-term borrowings	\$17,388,953	\$ -	\$ -	\$ -
Short-term notes and bills payable	7,305,380	-	-	-
Notes payable (Including related party)	2,150,702	-	-	-
Accounts payable (Including related party)	31,037,198	-	-	-
Other payables	55,101,600	-	-	-
Bonds payable (Including current portion) (Note)	4,487,109	7,645,666	8,121,660	1,848,060
Long-term borrowings (Including current portion) (Note)	3,641,191	27,636,065	8,026,447	554,210
December 31, 2016	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Non-derivative financial liabilities				
Short-term borrowings	\$25,508,260	\$ -	\$ -	\$ -
Short-term notes and bills payable	8,039,804	-	-	-
Notes payable (Including related party)	2,275,427	-	-	-
Accounts payable (Including related party)	28,608,549	-	-	-
Other payables	43,346,808	-	-	-
Bonds payable (Including current portion) (Note)	11,696,709	4,443,491	10,561,157	1,880,100
Long-term borrowings (Including current portion) (Note)	2,350,140	36,309,284	8,688,907	160,000

(Note) Including principals and interests.



<u>December 31, 2017</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Derivative financial liabilities				
Forward foreign exchange	\$ 994	\$ -	\$ -	\$ -
<u>December 31, 2016</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>More than 5 years</u>
Derivative financial liabilities				
Forward foreign exchange	\$ 323	\$ -	\$ -	\$ -

(3) Fair value estimation

A. Details of the fair value of the Group's financial assets and financial liabilities not measured at fair value are provided in Note 12(2), 'Financial instruments'. Details of the fair value of the Group's investment property measured at cost are provided in Note 6(13), 'Investment property, net'.

B. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks, beneficiary certificates, on-the-run Taiwan central government bonds and derivative instruments with quoted market prices is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in forward exchange is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in certain derivative instruments and equity investment without active market is included in Level 3.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2017 and 2016 is as follows:



<u>December 31, 2017</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial assets at fair value				
through profit or loss				
Equity securities	\$ 137,970	\$ -	\$ -	\$ 137,970
Debt securities	-	-	616,568	616,568
Beneficiary certificates	2,549,800	-	4,013,058	6,562,858
Available-for-sale financial				
assets				
Equity securities	1,817,801	-	1,228,979	3,046,780
Debt securities	202,159	-	-	202,159
Privately placed securities	-	-	360,692	360,692
Beneficiary certificates	<u>1,319,623</u>	<u>-</u>	<u>-</u>	<u>1,319,623</u>
	<u>\$ 6,027,353</u>	<u>\$ -</u>	<u>\$ 6,219,297</u>	<u>\$12,246,650</u>
Liabilities				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial liabilities at fair				
value through profit or loss				
Forward foreign exchange				
contracts	<u>\$ -</u>	<u>\$ 949</u>	<u>\$ -</u>	<u>\$ 949</u>

<u>December 31, 2016</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 38,687	\$ -	\$ -	\$ 38,687
Debt securities	97,578	-	-	97,578
Beneficiary certificates	1,385,038	-	4,354,860	5,739,898
Equity linked notes	157,219	-	-	157,219
Available-for-sale financial assets				
Equity securities	2,228,583	-	1,384,433	3,613,016
Debt securities	202,985	-	-	202,985
Privately placed securities	-	-	676,135	676,135
Beneficiary certificates	<u>1,341,471</u>	<u>-</u>	<u>-</u>	<u>1,341,471</u>
	<u>\$ 5,451,561</u>	<u>\$ -</u>	<u>\$6,415,428</u>	<u>\$11,866,989</u>
Liabilities				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial liabilities at fair value through profit or loss				
Forward foreign exchange contracts	<u>\$ -</u>	<u>\$ 323</u>	<u>\$ -</u>	<u>\$ 323</u>

D. The methods and assumptions the Group used to measure fair value are as follows:

(a) The instruments that the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-end fund</u>	<u>Government bond</u>	<u>Convertible bond</u>
Market quoted price	Closing price	Net asset value	Closing price	Closing price

(b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

(c) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments

are normally observable in the market.

- (d) Forward exchange contracts are usually valued based on the current forward exchange rate.
- (e) The market approach is used by the Group to measure its assets held for disposal (Price-to-Sales Ratio, P/S ratio), which is calculated as the ratio of recent identical or similar transaction price to sales as an observable input to project the fair value of the disposal group.
- (f) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- (g) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

E. For the years ended December 31, 2017 and 2016, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of level 3 for the years ended December 31, 2017 and 2016:

For the year ended	Equity	Debt	Beneficiary	Privately	
<u>December 31, 2017</u>	<u>securities</u>	<u>securities</u>	<u>certificates</u>	<u>placed</u>	<u>Total</u>
				<u>securities</u>	
January 1, 2017	\$1,384,433	\$ -	\$4,354,860	\$ 676,135	\$6,415,428
Additions	-	608,400	-	-	608,400
Disposals	( 132,526)	-	-	( 252,056)	( 384,582)
Gains (losses) recognised in profit or loss	-	21,834	( 5,568)	-	16,266
Gains (losses) recognized in other comprehensive income (loss)	1,617	-	-	( 17,243)	( 15,626)
Net currency exchange difference	( 24,545)	( 13,666)	( 336,234)	( 46,144)	( 420,589)
December 31, 2017	<u>\$1,228,979</u>	<u>\$616,568</u>	<u>\$4,013,058</u>	<u>\$ 360,692</u>	<u>\$6,219,297</u>

For the year ended	Equity	Debt	Beneficiary	Privately placed	Total
December 31, 2016	<u>securities</u>	<u>securities</u>	<u>certificates</u>	<u>securities</u>	
January 1, 2016	\$1,463,135	\$ -	\$4,548,831	\$1,535,777	\$7,547,743
Disposals	-	-	( 110,068)	( 277,710)	( 387,778)
Capital reduction	( 1,577)	-	-	-	( 1,577)
Losses recognised in profit or loss	-	-	( 7,256)	-	( 7,256)
Losses recognized in other comprehensive income	( 84)	-	-	( 562,840)	( 562,924)
Net currency exchange difference	( 77,041)	-	( 76,647)	( 19,092)	( 172,780)
December 31, 2016	<u>\$1,384,433</u>	<u>\$ -</u>	<u>\$4,354,860</u>	<u>\$ 676,135</u>	<u>\$6,415,428</u>

G. Financial planning division is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value		Valuation technique	Significant unobservable input	Range (weighted average)		Relationship of inputs to fair value
	December 31, 2017	December 31, 2016			December 31, 2017	December 31, 2016	
Non-derivative equity instrument:							
Unlisted shares	\$ 1,228,979	\$ 1,384,433	Market comparable companies	Price to book ratio multiplier, enterprise value to EBITA multiplier, etc.	5.16~5.70	3.92~4.34	The higher the multiplier, the higher the fair value
			Discounted cash flow	Long-term revenue growth rate	4.5%~5.5%	4.5%~5.5%	The higher the long-term revenue growth rate, the higher the fair value
				Discount rate	12.6%~15.4%	12.6%~15.4%	The higher the discount rate, the lower the fair value
Beneficiary certificates	4,013,058		Net asset value	Not applicable			Not applicable
Privately placed securities	360,692	4,354,860	Net asset value	Not applicable			Not applicable
Hybrid Instrument: Convertible bonds	\$ 616,568	-	Jump-Diffusion model	Stock price volatility	27.36~30.24	-	The higher the stock price volatility, the higher the fair value
				Credit risk spread	720~1,120	-	The higher the credit risk spread, the lower the fair value



### 13. SUPPLEMENTARY DISCLOSURES

According to the current regulatory requirements, the Group is only required to disclose the information for the year ended December 31, 2017.

#### (1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 5.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 7.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2) and table 8.
- J. Significant inter-company transactions during the reporting periods: Please refer to table 9.

#### (2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 10.

#### (3) Information on investments in Mainland China

- A. Basic information: Please refer to table 11.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

### 14. SEGMENT INFORMATION

#### (1) General information

The management of the Group has identified the operating segments based on information provided to the Group's chief operating decision-maker in order to make strategic decisions. The chief operating decision-maker of the Group manages the business from a product perspective. Geographically, the Group focuses on its feeds, foods, convenience stores, logistics, distributions and packaging and containers business in Taiwan, China, and Southeast Asia.

(2) Measurement of segment information

The chief operating decision-maker evaluates the performance of the operating segments based on profit before income tax. This measurement basis excludes the effects of non-recurring expenditure from the operating segments. The principal accounting policies of the operating segments are consistent with Note 4, 'Summary of significant accounting policies' in the consolidated financial statement.



(3) Segment information

The segment information provided to the chief operating decision maker for the reportable segments is as follows:

	For the year ended December 31, 2017						
	Feeds	Foods	General Investments	Convenience Stores	Circulation	Distribution	Packaging and Containers
Revenue from external customers	\$ 16,061,992	\$ 114,181,797	\$ 16,587	\$ 141,075,349	\$ 55,129,195	\$ 1,871,898	\$ 22,114,974
Revenue from internal customers	750,417	31,991,755	141,702	3,404,531	2,234,611	13,647,201	20,825,524
Segment revenue	\$ 16,812,409	\$ 146,173,552	\$ 158,289	\$ 144,479,880	\$ 57,363,806	\$ 15,519,099	\$ 42,940,498
Segment income	\$ 1,192,501	\$ 6,314,585	(\$ 128,398)	\$ 6,246,658	\$ 2,832,791	\$ 885,002	\$ 1,454,809
Segment assets	\$ 9,440,123	\$ 101,756,528	\$ 23,932,964	\$ 51,692,666	\$ 25,943,954	\$ 20,945,454	\$ 38,728,948

	For the year ended December 31, 2017			
	Leisure Business		Adjustment and Consolidated	
	Fuel and Oil	Development	Pharmaceuticals	Others
Revenue from external customers	\$ 10,064,531	\$ 2,921,386	\$ 3,516,481	\$ 32,906,763
Revenue from internal customers	38,639	658,976	255,407	17,373,127
Segment revenue	\$ 10,103,170	\$ 3,580,362	\$ 3,771,888	\$ 50,279,890
Segment income	\$ 80,714	(\$ 282,164)	\$ 541,860	\$ 1,537,520
Segment assets	\$ 1,707,882	\$ 23,910,216	\$ 12,350,846	\$ 65,227,258
				\$ 399,860,953
				(\$ 91,321,890)
				\$ 399,860,953
				\$ 22,357,075
				\$ 375,636,839

For the year ended December 31, 2016

	Feeds	Foods	General Investments	Convenience Stores	Circulation	Distribution	Packaging and Containers
Revenue from external customers	\$ 16,554,680	\$ 127,372,010	\$ 3,374	\$ 137,807,770	\$ 54,278,483	\$ 2,138,043	\$ 22,151,734
Revenue from internal customers	868,331	32,457,872	164,624	2,339,365	2,569,875	12,385,657	25,587,608
Segment revenue	\$ 17,423,011	\$ 159,829,882	\$ 167,998	\$ 140,147,135	\$ 56,848,358	\$ 14,523,700	\$ 47,739,342
Segment income	\$ 1,148,305	\$ 5,872,869	(\$ 104,777)	\$ 6,673,576	\$ 2,788,026	\$ 813,500	\$ 2,219,256
Segment assets	\$ 10,188,217	\$ 107,072,034	\$ 6,550,805	\$ 43,976,414	\$ 25,708,847	\$ 20,362,038	\$ 41,384,363

For the year ended December 31, 2016

	Leisure Business			Adjustment and		
	Fuel and Oil	Development	Pharmaceuticals	Others	Elimination	Consolidated
Revenue from external customers	\$ 9,307,131	\$ 2,907,620	\$ 4,030,921	\$ 36,812,549	\$ -	\$ 413,364,315
Revenue from internal customers	39,867	668,044	205,683	17,770,870	(95,057,796)	-
Segment revenue	\$ 9,346,998	\$ 3,575,664	\$ 4,236,604	\$ 54,583,419	(\$ 95,057,796)	\$ 413,364,315
Segment income	\$ 92,631	(\$ 239,162)	\$ 868,276	(\$ 353,900)	\$ 1,312,466	\$ 21,091,066
Segment assets	\$ 1,619,093	\$ 24,918,589	\$ 12,465,534	\$ 33,992,507		\$ 328,238,441

When the chief operating decision-maker evaluates the performance of operating segments and makes decisions on resource distributions, the performance of individual entities is also taken into consideration, and the related information of the profit for the years ended December 31, 2017 and 2016, please refer to the parent company only financial report for the years ended December 31, 2017 and 2016.

(4) Reconciliation for segment income (loss) and segment assets

A. Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the consolidated statement of comprehensive income. A reconciliation of reportable segment income or loss to income before tax for the years ended December 31, 2017 and 2016 is provided as follows:

	For the years ended December 31,	
	2017	2016
Income of reportable segments	\$ 19,138,358	\$ 20,132,500
Income (loss) of other operating segments	1,537,520	( 353,900)
Elimination of intersegment transactions	1,681,197	1,312,466
Other income	7,055,426	5,579,489
Other gains and losses	43,462,005	1,221,784
Finance costs	( 1,641,872)	( 2,237,211)
Investment income	5,254,991	4,847,214
Income before income tax	<u>\$ 76,487,625</u>	<u>\$ 30,502,342</u>

B. The amount of total assets provided to the chief operating decision-maker adopts the same measurement for assets in the Group's financial statements. The reconciliations between reportable segments' assets and total assets is provided as follows:

	December 31, 2017	December 31, 2016
Assets of reportable segments	\$ 310,409,581	\$ 294,245,934
Assets of other operating segments	65,227,258	33,992,507
Non-current assets held for sale, net	-	7,854,383
Investments accounted for under the equity method	29,813,034	33,455,146
Unallocated items	9,205,581	9,037,495
Total assets	<u>\$ 414,655,454</u>	<u>\$ 378,585,465</u>

(5) Information on products and services

The Chief operating decision-maker of the Group conducts business from the perspective of product divisions. Details of products are described in Note 14(3), 'Segment information'.

(6) Geographical information

Geographical information for the years ended December 31, 2017 and 2016 is as follows:

	For the years ended December 31,			
	2017		2016	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	\$ 226,415,015	\$ 133,549,762	\$ 230,532,844	\$ 126,379,832
China	115,373,724	81,533,810	130,149,535	88,032,843
Others	58,072,214	5,780,065	52,681,936	6,087,327
	<u>\$ 399,860,953</u>	<u>\$ 220,863,637</u>	<u>\$ 413,364,315</u>	<u>\$ 220,500,002</u>

(7) Major customer information

Revenue from each customer did not reach more than 10% of the amount of revenue on consolidated statements of income.

UNI-PRESIDENT ENTERPRISES CORP.

Loans to others

For the year ended December 31, 2017

Table 1

Expressed in thousands of NTD

Number	Name	Name of counterparty	Account	Related parties	Maximum balance	Ending balance (Note 17)	Actual amount drawn down	Interest rate	Nature of financing activity (Note 1)	Total transaction amount	Reason for financing	Allowance for doubtful accounts	Assets pledged		Loan limit per entity	Maximum amount available for loan	Note
													Item	Value			
1	Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd.	Other receivables	Y	\$ 5,952,000	\$ 5,952,000	\$ 2,032,013	-	2	\$ -	Additional operating capital	\$ -	-	\$ -	76,370,964	\$ 76,370,964	(Note 2)
1	Cayman President Holdings Ltd.	Uni-President Foodstuff (BVI) Holdings Ltd.	Other receivables	Y	5,952,000	5,952,000	563,059	-	2	-	Additional operating capital	-	-	-	76,370,964	76,370,964	(Note 2)
1	Cayman President Holdings Ltd.	Kai Yu (BVI) Investment Co., Ltd.	Other receivables	Y	5,952,000	5,952,000	271,709	-	2	-	Additional operating capital	-	-	-	76,370,964	76,370,964	(Note 2)
1	Cayman President Holdings Ltd.	President International Trade And Investment Corp.	Other receivables	Y	297,600	297,600	-	-	2	-	Additional operating capital	-	-	-	76,370,964	76,370,964	(Note 2)
2	Kai Yu Investment Co., Ltd.	Kai Non Investment Co., Ltd.	Other receivables	Y	142,000	104,240	-	1.20	2	-	Additional operating capital	-	-	-	5,799,987	5,799,987	(Note 3)
3	President International Trade And Investment Corp.	Uni-President Southeast Asia Holdings Ltd.	Other receivables	Y	297,600	297,600	81,245	-	2	-	Additional operating capital	-	-	-	1,774,307	1,774,307	(Note 4)
3	President International Trade And Investment Corp.	Cayman President Holdings Ltd.	Other receivables	Y	297,600	297,600	-	-	2	-	Additional operating capital	-	-	-	1,774,307	1,774,307	(Note 4)
3	President International Trade And Investment Corp.	Uni-President Foodstuff (BVI) Holdings Ltd.	Other receivables	Y	297,600	297,600	-	-	2	-	Additional operating capital	-	-	-	1,774,307	1,774,307	(Note 4)
3	President International Trade And Investment Corp.	Kai Yu (BVI) Investment Co., Ltd.	Other receivables	Y	297,600	297,600	-	-	2	-	Additional operating capital	-	-	-	1,774,307	1,774,307	(Note 4)
4	Presco Netmarketing Inc.	Tone Sang Construction Corp.	Other receivables	Y	150,000	150,000	150,000	1.15~1.45	2	-	Additional operating capital	-	-	-	225,375	225,375	(Note 2)
5	President Natural Industrial Corp.	Hetian-Zuo Co. Ltd.	Other receivables	N	360	-	-	-	1	4,214	-	-	Real estates	2,000	4,214	38,377	(Note 5)
6	President International Development Corp.	President Property Corp.	Other receivables	Y	500,000	500,000	-	0.94~1.02	2	-	Additional operating capital	-	-	-	500,000	5,746,426	(Note 6)
6	President International Development Corp.	President Life Sciences Co., Ltd.	Other receivables	Y	170,000	170,000	54,000	0.95~1.02	2	-	Additional operating capital	-	-	-	500,000	5,746,426	(Note 6)
7	Ton Yu Investment Inc.	President Property Corp.	Other receivables	Y	200,000	200,000	133,000	1.04	2	-	Additional operating capital	-	-	-	500,000	384,988	(Note 7)
8	Tung Guan Enterprises Co., Ltd.	Tung-Xiang Xin Yeh Corp.	Other receivables	Y	3,500	3,500	3,500	0.86	2	-	Additional operating capital	-	-	-	4,100	10,934	(Note 8)
9	Scino Pharm (Kunshan) Biochemical Technology Co., Ltd.	ScinoPharm (Changshu) Pharmaceuticals, Ltd.	Other receivables	Y	359,112	228,684	228,684	2.00	2	-	Additional operating capital	-	-	-	421,960	421,960	(Note 9)

Number	Name	Name of counterparty	Account	Related parties	Maximum balance	Ending balance (Note 17)	Actual amount drawn down	Interest rate	Nature of financing activity (Note 1)	Total transaction amount	Reason for financing	Allowance for doubtful accounts	Assets pledged		Loan limit per entity	Maximum amount available for loan	Note
													Item	Value			
10	Uni-President Enterprises China Holdings Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	Other receivables	Y	4,316,522	4,004,633	\$ -	-	2	\$ -	-	\$ -	-	\$ -	5,861,384	\$ 23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Kunshan President Enterprises Food Co., Ltd.	Other receivables	Y	2,480,390	2,301,170	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	Other receivables	Y	1,900,558	1,763,234	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Chengdu President Enterprises Food Co., Ltd.	Other receivables	Y	1,900,558	1,763,234	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Uni-President Asia Holdings Ltd.	Other receivables	Y	1,810,362	1,679,555	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Hefei President Enterprises Co., Ltd.	Other receivables	Y	1,707,281	1,583,922	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Wuhan President Enterprises Food Co., Ltd.	Other receivables	Y	1,707,281	1,583,922	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Guangzhou President Enterprises Co., Ltd.	Other receivables	Y	1,385,153	1,285,069	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Zhengzhou President Enterprises Co., Ltd.	Other receivables	Y	1,095,237	1,016,101	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Xinjiang President Enterprises Food Co., Ltd.	Other receivables	Y	450,980	418,394	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Changshu President Enterprises Co., Ltd.	Other receivables	Y	450,980	418,394	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Harbin President Enterprises Co., Ltd.	Other receivables	Y	418,767	388,509	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Fuzhou President Enterprises Co., Ltd.	Other receivables	Y	322,129	298,853	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Changsha President Enterprises Co., Ltd.	Other receivables	Y	193,277	179,312	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Shenyang President Enterprises Co., Ltd.	Other receivables	Y	161,064	149,427	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Kunming President Enterprises Food Co., Ltd.	Other receivables	Y	161,064	149,427	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Nanchang President Enterprises Co., Ltd.	Other receivables	Y	128,851	119,541	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)
10	Uni-President Enterprises China Holdings Ltd.	Nanning President Enterprises Co., Ltd.	Other receivables	Y	96,639	89,656	-	-	2	-	-	-	-	-	5,861,384	23,445,538	(Note 10)

Table 1 Page 2

Number	Name	Name of counterparty	Account	Related parties	Maximum balance	Ending balance (Note 17)	Actual amount drawn down	Interest rate	Nature of financing activity (Note 1)	Total transaction amount	Reason for financing	Assets pledged		Loan limit per entity	Maximum amount available for loan
												Item	Value		
10	Uni-President Enterprises China Holdings Ltd.	Uni-President Hong Kong Holdings Ltd.	Other receivables	Y	\$ 56,372	\$ 52,299	\$ -	-	2	\$ -	Additional operating capital	-	\$ -	\$ 5,861,384	\$ 23,445,538 (Note 10)
11	Kai Yu (BVI) Investment Co., Ltd.	Uni-President Southeast Asia Holdings Ltd.	Other receivables	Y	1,190,400	1,190,400	-	-	2	-	Additional operating capital	-	19,432,106	19,432,106 (Note 11)	
11	Kai Yu (BVI) Investment Co., Ltd.	Cayman President Holdings Ltd.	Other receivables	Y	1,190,400	1,190,400	-	-	2	-	Additional operating capital	-	19,432,106	19,432,106 (Note 11)	
11	Kai Yu (BVI) Investment Co., Ltd.	Uni-President Foodstuff (BVI) Holdings Ltd.	Other receivables	Y	1,190,400	1,190,400	-	-	2	-	Additional operating capital	-	19,432,106	19,432,106 (Note 11)	
12	President Information Corp.	Uni-President Superior Commissary Corp.	Other receivables	Y	100,000	-	-	-	2	-	Additional operating capital	-	184,989	184,989 (Note 12)	
13	Uni-President Department Stores Corp.	Uni-President Superior Commissary Corp.	Other receivables	Y	150,000	-	-	-	2	-	Additional operating capital	-	303,333	303,333 (Note 12)	
14	President-Kikkoman Zhenji Foods Co., Ltd.	Kunshan President Kikkoman Biotechnology Co., Ltd.	Other receivables	Y	92,873	45,737	22,868	3.50	2	-	Additional operating capital	-	569,832	569,832 (Note 13)	
15	Uni-President Asia Holdings Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	Other receivables	Y	1,288,514	1,195,413	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	
15	Uni-President Asia Holdings Ltd.	Zhengzhou President Enterprises Co., Ltd.	Other receivables	Y	1,288,514	1,195,413	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	
15	Uni-President Asia Holdings Ltd.	Kunshan President Enterprises Food Co., Ltd.	Other receivables	Y	1,127,450	1,045,986	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	
15	Uni-President Asia Holdings Ltd.	Hefei President Enterprises Co., Ltd.	Other receivables	Y	1,127,450	1,045,986	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	
15	Uni-President Asia Holdings Ltd.	Guangzhou President Enterprises Co., Ltd.	Other receivables	Y	1,127,450	1,045,986	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	
15	Uni-President Asia Holdings Ltd.	Chenglu President Enterprises Food Co., Ltd.	Other receivables	Y	1,095,237	1,016,101	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	
15	Uni-President Asia Holdings Ltd.	Wuhan President Enterprises Food Co., Ltd.	Other receivables	Y	805,321	747,133	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	
15	Uni-President Asia Holdings Ltd.	Beijing President Enterprises Drinks Co., Ltd.	Other receivables	Y	773,109	717,248	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	
15	Uni-President Asia Holdings Ltd.	Nanchang President Enterprises Co., Ltd.	Other receivables	Y	740,896	687,362	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	
15	Uni-President Asia Holdings Ltd.	Changsha President Enterprises Co., Ltd.	Other receivables	Y	644,257	597,706	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	
15	Uni-President Asia Holdings Ltd.	Shenyang President Enterprises Co., Ltd.	Other receivables	Y	483,193	448,280	-	-	2	-	Additional operating capital	-	59,155,553	59,155,553 (Note 14)	

Number	Name	Name of counterparty	Account	Related parties	Maximum balance	Ending balance (Note 17)	Actual amount drawn down	Interest rate	Nature of financing activity (Note 1)	Total transaction amount	Reason for financing	Allowance for doubtful accounts	Assets pledged		Loan limit per entity	Maximum amount available for loan	Note
													Item	Value			
15	Uni-President Asia Holdings Ltd.	Xinjiang President Enterprises Food Co., Ltd.	Other receivables	Y	\$ 450,980	\$ 418,394	\$ -	-	2	\$ -	-	\$ -	-	\$ -	\$ 59,155,553	\$ 59,155,553	(Note 14)
15	Uni-President Asia Holdings Ltd.	Jinan President Enterprises Co., Ltd.	Other receivables	Y	450,980	418,394	-	-	2	-	-	-	-	-	59,155,553	59,155,553	(Note 14)
15	Uni-President Asia Holdings Ltd.	Kunming President Enterprises Food Co., Ltd.	Other receivables	Y	257,703	239,083	-	-	2	-	-	-	-	-	59,155,553	59,155,553	(Note 14)
15	Uni-President Asia Holdings Ltd.	Changchun President Enterprises Co., Ltd.	Other receivables	Y	225,490	209,197	-	-	2	-	-	-	-	-	59,155,553	59,155,553	(Note 14)
15	Uni-President Asia Holdings Ltd.	Shaanxi President Enterprises Co., Ltd.	Other receivables	Y	161,064	149,427	-	-	2	-	-	-	-	-	59,155,553	59,155,553	(Note 14)
15	Uni-President Asia Holdings Ltd.	Harbin President Enterprises Co., Ltd.	Other receivables	Y	128,851	119,541	-	-	2	-	-	-	-	-	59,155,553	59,155,553	(Note 14)
15	Uni-President Asia Holdings Ltd.	Baiyin President Enterprises Co., Ltd.	Other receivables	Y	96,639	89,656	-	-	2	-	-	-	-	-	59,155,553	59,155,553	(Note 14)
15	Uni-President Asia Holdings Ltd.	Henan President Enterprises Co., Ltd.	Other receivables	Y	96,639	89,656	-	-	2	-	-	-	-	-	59,155,553	59,155,553	(Note 14)
15	Uni-President Asia Holdings Ltd.	Uni-President Hong Kong Holdings Ltd.	Other receivables	Y	96,639	89,656	-	-	2	-	-	-	-	-	59,155,553	59,155,553	(Note 14)
16	Wuxi Ton Yi Industrial Packing Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Other receivables	Y	50,310	50,310	50,310	4.00	2	-	-	-	-	-	128,116	256,232	(Note 15)
16	Wuxi Ton Yi Industrial Packing Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	Other receivables	Y	50,310	50,310	36,589	4.00	2	-	-	-	-	-	128,116	256,232	(Note 15)
16	Wuxi Ton Yi Industrial Packing Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	27,442	-	-	4.00	2	-	-	-	-	-	640,579	640,579	(Note 15)
17	Chengdu Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	365,894	182,947	182,947	4.00	2	-	-	-	-	-	448,856	448,856	(Note 15)
17	Chengdu Ton Yi Industrial Packing Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	91,474	91,474	91,474	4.00	2	-	-	-	-	-	448,856	448,856	(Note 15)
17	Chengdu Ton Yi Industrial Packing Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Other receivables	Y	45,737	-	-	4.00	2	-	-	-	-	-	448,856	448,856	(Note 15)
18	Changsha Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	50,310	32,016	32,016	4.00	2	-	-	-	-	-	215,795	215,795	(Note 15)
19	Ton Yi (China) Investment Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	137,210	137,210	86,900	4.00	2	-	-	-	-	-	8,433,093	8,433,093	(Note 15)
19	Ton Yi (China) Investment Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	137,210	137,210	33,388	4.00	2	-	-	-	-	-	8,433,093	8,433,093	(Note 15)



Number	Name	Name of counterparty	Account	Related parties	Maximum balance	Ending balance (Note 17)	Actual amount drawn down	Interest rate	Nature of financing activity (Note 1)	Total transaction amount	Reason for financing	Assets pledged		Loan limit per entity	Maximum amount available for loan	Note
												Item	Value			
19	Ton Yi (China) Investment Co., Ltd.	Szechwan Ton Yi Industrial Co., Ltd.	Other receivables	Y	\$ 137,210	\$ 137,210	\$ 23,326	4.00	2	\$ -	Additional operating capital	-	\$ -	8,433,093	(Note 15)	
19	Ton Yi (China) Investment Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	137,210	137,210	21,422	4.00	2	-	Additional operating capital	-	-	8,433,093	(Note 15)	
19	Ton Yi (China) Investment Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	137,210	137,210	-	-	2	-	Additional operating capital	-	-	8,433,093	(Note 15)	
19	Ton Yi (China) Investment Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	Other receivables	Y	137,210	137,210	-	-	2	-	Additional operating capital	-	-	8,433,093	(Note 15)	
19	Ton Yi (China) Investment Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Other receivables	Y	137,210	137,210	-	-	2	-	Additional operating capital	-	-	8,433,093	(Note 15)	
19	Ton Yi (China) Investment Co., Ltd.	Zhanjiang Ton Yi Industrial Co., Ltd.	Other receivables	Y	137,210	137,210	-	-	2	-	Additional operating capital	-	-	8,433,093	(Note 15)	
20	Taizhou Ton Yi Industrial Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	182,947	182,947	182,947	4.00	2	-	Additional operating capital	-	-	1,838,842	(Note 15)	
20	Taizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	137,210	137,210	34,760	3.00	2	-	Additional operating capital	-	-	1,838,842	(Note 15)	
20	Taizhou Ton Yi Industrial Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	68,605	68,605	68,605	4.00	2	-	Additional operating capital	-	-	1,838,842	(Note 15)	
21	Zhangzhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	137,210	137,210	-	-	2	-	Additional operating capital	-	-	1,389,568	(Note 15)	
22	Kunshan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Template Co., Ltd.	Other receivables	Y	137,210	137,210	137,210	4.00	2	-	Additional operating capital	-	-	239,244	(Note 15)	
22	Kunshan Ton Yi Industrial Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Other receivables	Y	274,421	137,210	137,210	4.00	2	-	Additional operating capital	-	-	1,196,221	(Note 15)	
22	Kunshan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	137,210	137,210	64,488	3.00	2	-	Additional operating capital	-	-	1,196,221	(Note 15)	
22	Kunshan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	Other receivables	Y	137,210	-	-	-	2	-	Additional operating capital	-	-	1,196,221	(Note 15)	
23	Kunshan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	137,210	137,210	15,551	3.00	2	-	Additional operating capital	-	-	801,857	(Note 15)	
24	Huizhou Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	137,210	137,210	-	-	2	-	Additional operating capital	-	-	849,805	(Note 15)	
25	Chengdu Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	137,210	137,210	-	-	2	-	Additional operating capital	-	-	758,904	(Note 15)	
26	Szechwan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	320,157	228,684	228,684	4.00	2	-	Additional operating capital	-	-	844,016	(Note 15)	

Number	Name	Name of counterparty	Account	Related parties	Maximum balance	Ending balance (Note 17)	Actual amount drawn down	Interest rate	Nature of financing activity (Note 1)	Total transaction amount	Reason for financing	Allowance for doubtful accounts	Assets pledged		Loan limit per entity	Maximum amount available for loan	Note
													Item	Value			
26	Szechwan Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	\$ 137,210	\$ 137,210	\$ -	-	2	\$ -	- Additional operating capital	\$ -	\$ -	\$ -	\$ 844,016	(Note 15)	
26	Szechwan Ton Yi Industrial Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Other receivables	Y	182,947	91,474	22,868	4.00	2	-	- Additional operating capital	-	-	-	844,016	(Note 15)	
26	Szechwan Ton Yi Industrial Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	91,474	45,737	45,737	4.00	2	-	- Additional operating capital	-	-	-	844,016	(Note 15)	
27	Zhanjiang Ton Yi Industrial Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	Other receivables	Y	182,947	182,947	182,947	4.00	2	-	- Additional operating capital	-	-	-	715,776	(Note 15)	
27	Zhanjiang Ton Yi Industrial Co., Ltd.	Ton Yi (China) Investment Co., Ltd.	Other receivables	Y	137,210	137,210	6,861	3.00	2	-	- Additional operating capital	-	-	-	715,776	(Note 15)	
27	Zhanjiang Ton Yi Industrial Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	Other receivables	Y	137,210	68,605	68,605	4.00	2	-	- Additional operating capital	-	-	-	715,776	(Note 15)	
28	Uni-President Enterprises (China) Investment Corp.	Hangzhou President Enterprises Co., Ltd.	Other receivables	Y	3,250,540	2,744,206	1,316,062	3.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Shaanxi President Enterprises Co., Ltd.	Other receivables	Y	2,553,996	2,515,522	1,499,319	3.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Uui-President Enterprises (Shanghai) Drink & Food Co., Ltd.	Other receivables	Y	2,286,839	2,286,839	1,553,510	3.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Uni-President Trading (Kunshan) Co., Ltd.	Other receivables	Y	2,089,633	2,058,155	985,627	3.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (Tianjin) Co., Ltd.	Other receivables	Y	1,829,471	1,829,471	873,977	3.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Kunshan President Enterprises Food Co., Ltd.	Other receivables	Y	2,507,560	1,829,471	429,333	4.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Jiangsu President Enterprises Co., Ltd.	Other receivables	Y	1,811,015	1,783,734	961,122	3.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Shijiazhuang President Enterprises Co., Ltd.	Other receivables	Y	1,600,787	1,600,787	1,370,644	3.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Shanxi President Enterprises Co., Ltd.	Other receivables	Y	1,625,270	1,600,787	1,308,536	3.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Henan President Enterprises Co., Ltd.	Other receivables	Y	1,625,270	1,600,787	278,387	3.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Hefei President Enterprises Co., Ltd.	Other receivables	Y	2,321,815	1,372,103	817,921	4.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Xuzhou President Enterprises Co., Ltd.	Other receivables	Y	1,393,089	1,372,103	682,294	3.00	2	-	- Additional operating capital	-	-	-	58,143,033	(Note 2)	

Number	Name	Name of counterparty	Account	Related parties	Maximum balance	Ending balance (Note 17)	Actual amount drawn down	Interest rate	Nature of financing activity (Note 1)	Total transaction amount	Reason for financing	Assets pledged		Loan limit per entity	Maximum amount available for loan	Note
												Item	Value			
28	Uni-President Enterprises (China) Investment Corp.	Uni-President Shanghai Pearly Century Co., Ltd.	Other receivables	Y	\$ 1,857,452	\$ 1,372,103	\$ 379,900	3.00	2	\$ -	-	\$ -	\$ 58,143,033	\$ 58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Jinan President Enterprises Co., Ltd.	Other receivables	Y	1,393,089	1,372,103	220,794	3.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Beijing President Enterprises Drinks & Food Co., Ltd.	Other receivables	Y	1,857,452	1,372,103	-	4.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Uni-President Shanghai Management Consulting Co., Ltd.	Other receivables	Y	1,372,103	1,372,103	-	-	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Ningxia Uni-President Enterprises Co., Ltd.	Other receivables	Y	1,143,419	1,143,419	846,012	3.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Changbaishan President Enterprises (Jilin) Mineral Water Co., Ltd.	Other receivables	Y	1,625,270	1,143,419	333,784	3.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Hainan President Enterprises Co., Ltd.	Other receivables	Y	1,021,598	1,006,209	-	-	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (Hubei) Tomato Products Technology Co., Ltd.	Other receivables	Y	928,726	914,735	798,551	3.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Changchun President Enterprises Co., Ltd.	Other receivables	Y	928,726	914,735	731,246	3.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Baiyin President Enterprises Co., Ltd.	Other receivables	Y	928,726	914,735	552,308	3.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Shenyang President Enterprises Co., Ltd.	Other receivables	Y	928,726	914,735	138,372	3.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Chengdu President Enterprises Food Co., Ltd.	Other receivables	Y	1,393,089	914,735	-	4.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Wuhan President Enterprises Food Co., Ltd.	Other receivables	Y	1,625,270	914,735	-	4.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Zhengzhou President Enterprises Co., Ltd.	Other receivables	Y	1,625,270	914,735	-	-	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Guangzhou President Enterprises Co., Ltd.	Other receivables	Y	1,857,452	914,735	-	-	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Xinjiang President Enterprises Food Co., Ltd.	Other receivables	Y	928,726	914,735	-	-	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	
28	Uni-President Enterprises (China) Investment Corp.	Akesu President Enterprises Co., Ltd.	Other receivables	Y	835,853	823,262	-	3.00	2	-	Additional operating capital	-	58,143,033	58,143,033	(Note 2)	

Number	Name	Name of counterparty	Account	Related parties	Maximum balance	Ending balance (Note 17)	Actual amount drawn down	Interest rate	Nature of financing activity (Note 1)	Total transaction amount	Reason for financing	Allowance for doubtful accounts	Assets pledged	Loan limit per entity	Maximum amount available for loan	Note
				Y	\$	\$	\$			\$		\$	Item	Value	\$	
28	Uni-President Enterprises (China) Investment Corp.	Guiyang President Enterprises Co., Ltd.	Other receivables	Y	696,544	686,052	493,846	3.00	2	-	- Additional operating capital	-	-	\$	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Harbin President Enterprises Co., Ltd.	Other receivables	Y	464,363	457,368	156,057	3.00	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Hunan President Enterprises Co., Ltd.	Other receivables	Y	464,363	457,368	-	3.00	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Kunming President Enterprises Food Co., Ltd.	Other receivables	Y	464,363	457,368	-	3.00	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Fuzhou President Enterprises Co., Ltd.	Other receivables	Y	464,363	457,368	-	4.00	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (Inner Mongolia) Co., Ltd.	Other receivables	Y	371,490	365,894	151,995	3.00	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	President (Shanghai) Trading Co., Ltd.	Other receivables	Y	371,490	365,894	74,826	3.00	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (Shanghai) Co., Ltd.	Other receivables	Y	278,618	274,421	23,353	3.00	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Changsha President Enterprises Co., Ltd.	Other receivables	Y	232,181	228,684	-	3.00	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Chongqing President Enterprises Co., Ltd.	Other receivables	Y	232,181	228,684	-	3.00	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Nanchang President Enterprises Co., Ltd.	Other receivables	Y	232,181	228,684	-	-	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Uni-President Trading (Hubei) Co., Ltd.	Other receivables	Y	139,309	137,210	-	-	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Wuxue President Mineral Water Co., Ltd.	Other receivables	Y	92,873	91,474	93,582	3.00	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	President (Shanghai) Private Label Marketing and Trading Co., Ltd.	Other receivables	Y	91,474	91,474	-	-	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Zhanjiang President Enterprises Co., Ltd.	Other receivables	Y	46,436	45,737	-	-	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
28	Uni-President Enterprises (China) Investment Corp.	Nanning President Enterprises Co., Ltd.	Other receivables	Y	46,436	45,737	-	-	2	-	- Additional operating capital	-	-	58,143,033	58,143,033	(Note 2)
29	Uni-President (Vietnam) Co., Ltd.	Tribeco Binh Duong Co., Ltd.	Other receivables	Y	849,802	786,677	532,244	2.16~4.76	2	-	- Additional operating capital	-	-	786,677	1,361,904	(Note 16)
29	Uni-President (Vietnam) Co., Ltd.	Uni-President Vietnam Aquatic Breeding Co., Ltd.	Other receivables	Y	424,901	393,339	263,721	2.16~4.76	2	-	- Additional operating capital	-	-	786,677	1,361,904	(Note 16)

Number	Name	Name of counterparty	Account	Related parties	Maximum balance	Ending balance (Note 17)	Actual amount drawn down	Interest rate	Nature of financing activity (Note 1)	Total transaction amount	Reason for financing	Assets pledged		Loan limit per entity	Maximum amount available for loan	Note
												Item	Value			
29	Uni-President (Vietnam) Co., Ltd.	UPVN Trading Co., Ltd.	Other receivables	Y	\$ 25,494	\$ 23,600	\$ 2,360	2.16~4.76	2	\$ -	Additional operating capital	-	\$ -	786,677	\$ 1,361,904	(Note 16)
30	Uni-President (Philippines) Corp.	Uni-President Land Corp.	Long-term notes and accounts receivable	Y	29,678	27,214	27,214	7.00	2	-	Investment loan	-	-	29,808	29,808	(Note 2)
31	Shanghai Songjiang President Enterprises Co., Ltd.	Tait Trading (Shanghai) Co., Ltd.	Other receivables	Y	9,287	9,147	4,574	3.70	2	-	Additional operating capital	-	-	104,375	104,375	(Note 2)
32	Beijing President Enterprises Drinks Co., Ltd.	Shijiazhuang President Enterprises Co., Ltd.	Other receivables	Y	696,544	686,052	-	-	2	-	Additional operating capital	-	-	1,388,179	1,388,179	(Note 2)
32	Beijing President Enterprises Drinks Co., Ltd.	Beijing President Enterprises Food Co., Ltd.	Other receivables	Y	92,873	91,474	-	-	2	-	Additional operating capital	-	-	1,388,179	1,388,179	(Note 2)
33	Taizhou President Enterprises Co., Ltd.	Jinan President Enterprises Co., Ltd.	Other receivables	Y	366,847	361,320	361,320	3.00	2	-	Additional operating capital	-	-	2,202,784	2,202,784	(Note 2)
34	Fuzhou President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	Other receivables	Y	1,829,471	1,829,471	457,368	4.00	2	-	Additional operating capital	-	-	1,927,022	1,927,022	(Note 2)
35	Zhengzhou President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	Other receivables	Y	1,372,103	1,372,103	233,258	4.00	2	-	Additional operating capital	-	-	4,261,816	4,261,816	(Note 2)
35	Zhengzhou President Enterprises Co., Ltd.	Jinan President Enterprises Co., Ltd.	Other receivables	Y	742,981	731,788	-	-	2	-	Additional operating capital	-	-	4,261,816	4,261,816	(Note 2)
36	Nanchang President Enterprises Co., Ltd.	Changbaishan Mountain President Enterprises (Jilin) Mineral Water Co., Ltd.	Other receivables	Y	1,857,452	910,162	910,162	3.00	2	-	Additional operating capital	-	-	3,411,906	3,411,906	(Note 2)
37	Beijing President Enterprise Drink & Food Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	Other receivables	Y	1,127,450	1,045,986	-	-	2	-	Additional operating capital	-	-	3,044,102	3,044,102	(Note 2)
37	Beijing President Enterprise Drink & Food Co., Ltd.	Shijiazhuang President Enterprises Co., Ltd.	Other receivables	Y	464,363	457,368	-	-	2	-	Additional operating capital	-	-	3,044,102	3,044,102	(Note 2)
38	Guangzhou President Enterprises Co., Ltd.	Hangzhou President Enterprises Co., Ltd.	Other receivables	Y	464,363	457,368	457,368	3.00	2	-	Additional operating capital	-	-	8,624,852	8,624,852	(Note 2)
38	Guangzhou President Enterprises Co., Ltd.	Hefei President Enterprises Co., Ltd.	Other receivables	Y	464,363	457,368	388,763	3.00	2	-	Additional operating capital	-	-	8,624,852	8,624,852	(Note 2)
38	Guangzhou President Enterprises Co., Ltd.	Hainan President Enterprises Co., Ltd.	Other receivables	Y	464,363	457,368	114,342	3.00	2	-	Additional operating capital	-	-	8,624,852	8,624,852	(Note 2)
38	Guangzhou President Enterprises Co., Ltd.	Human President Enterprises Co., Ltd.	Other receivables	Y	464,363	-	-	-	2	-	Additional operating capital	-	-	8,624,852	8,624,852	(Note 2)
39	Zhanjiang President Enterprises Co., Ltd.	Hainan President Enterprises Co., Ltd.	Other receivables	Y	464,363	457,368	160,079	3.00	2	-	Additional operating capital	-	-	1,638,664	1,638,664	(Note 2)

Number	Name	Name of counterparty	Account	Related parties	Maximum balance	Ending balance (Note 17)	Actual amount drawn down	Interest rate	Nature of financing activity (Note 1)	Total transaction amount	Reason for financing	Allowance for doubtful accounts	Assets pledged	Loan limit per entity	Maximum amount available for loan	Note
					Y	\$	\$			\$		\$	Item	Value	\$	
40	Uni-President Trading (Hubei) Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	Other receivables	Y	\$ 399,352	\$ 228,684	\$ 228,684	3.00	2	\$ -	- Additional operating capital	\$ -	-	\$ 1,606,710	\$ 1,606,710	(Note 2)
41	Hunan President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	Other receivables	Y	182,947	182,947	123,489	4.00	2	-	- Additional operating capital	-	-	320,053	320,053	(Note 2)
41	Hunan President Enterprises Co., Ltd.	Hangzhou President Enterprises Co., Ltd.	Other receivables	Y	162,527	47,109	-	-	2	-	- Additional operating capital	-	-	320,053	320,053	(Note 2)
42	Yantai Tongji Beverage Industries Co., Ltd.	Jinan President Enterprises Co., Ltd.	Other receivables	Y	232,181	228,684	182,947	3.00	2	-	- Additional operating capital	-	-	908,605	908,605	(Note 2)

(Note 1) The code represents the nature of financing activities as follows:  
1. Trading Partner.

2. Short-term financing.

(Note 2) In accordance with related regulations, the loan requires the Board of Directors' approval and reported at the stockholders' meeting.

(Note 3) The maximum amount for total loan is 40% of its net worth; the maximum amount for individual enterprise is as follows: (1) Shall not exceed 40% of its net worth and amount of transaction total. (2) For short-term financing: shall not exceed 40% of its net worth.

(Note 4) The maximum amount for total loan is \$1,000,000, the maximum amount for individual enterprise is as follows: (1) For trading partner: shall not exceed US\$28,000 thousand and the amount of transaction total. (2) For short-term financing: shall not exceed US\$28,000 thousand; for 100% directly and indirectly owned foreign subsidiaries are not subject to such limitation, however, shall not exceed 150% of its net worth.

(Note 5) The maximum amount for total loan is 40% of its net worth; the maximum amount for individual enterprise is as follows: (1) For trading partner: shall not exceed \$10,000 and the amount of transaction total. (2) For short-term financing: shall not exceed \$50,000.

(Note 6) The maximum amount for total loan is 40% of its net worth; the maximum amount for individual enterprise is as follows: (1) For trading partner: shall not exceed \$1,000,000 and shall not be higher of the purchase or sales amount of the most recent year. (2) For short-term financing: shall not exceed \$500,000.

(Note 7) The maximum amount for total loan is 40% of its net worth; the maximum amount for individual enterprise is as follows: (1) For trading partner: shall not exceed \$500,000 and shall not be higher of the purchase or sales amount of the most recent year. (2) For short-term financing: shall not exceed \$500,000.

(Note 8) The maximum amount for total loan is 40% of its net worth; the maximum amount for individual enterprise is as follows: (1) For trading partner: shall not be higher of the purchase or sales amount of the most recent year. (2) For short-term financing: the maximum amount for total loan is 15% of its net worth.

(Note 9) (1) The maximum amount for individual trading partner: higher of the purchase or sales amount of the most recent year. The maximum amount for total loan is 20% of its net worth. (2) For short-term financing: the maximum amount for individual short-term financing is 20% of its net worth. The maximum amount for total loan is 40% of its net worth; for 100% directly and indirectly owned foreign subsidiaries are not subject to such limitation, however, shall not exceed 100% of its net worth.

(Note 10) The maximum amount for total loan is 40% of its net worth; the maximum amount for individual short-term financing is 10% of its net worth.

(Note 11) The maximum amount for total loan is \$1,000,000, the maximum amount for individual trading partner is US\$20,000 thousand and shall not exceed the amount of transaction total; for 100% directly or indirectly owned foreign subsidiaries, both the maximum amount for total loan and the maximum amount for individual enterprise are 150% of its net worth; the loan term is one year but can be extended.

(Note 12) The maximum amount for total loan and the maximum amount for individual enterprise is 40% of its net worth.

(Note 13) The maximum amount for total loan is 40% of its net worth; the maximum amount of individual enterprise is as follows: (1) For trading partner: shall not exceed CNY\$100,000 thousand and shall not be higher of the purchase or sales amount of the most recent year. (2) For short-term financing: the maximum amount for total loan is 10% of its net worth.

(Note 14) The maximum amount for total loan is 40% of its net worth; the maximum amount of individual enterprise is as follows: (1) For trading partner: shall not exceed CNY\$300,000 thousand and the amount of transaction total. (2) For short-term financing: the maximum amount for total loan is 10% of its net worth; for 100% directly and indirectly owned foreign subsidiaries are not subject to such limitation, however, shall not exceed 100% of its net worth.

(Note 15) The maximum amount for total loan is 40% of its net worth; the maximum amount of individual enterprise is as follows: (1) For trading partner: higher of the purchase or sales amount of the most recent year. (2) For short-term financing: the maximum amount for total loan is 20% of its net worth; for 100% directly and indirectly owned foreign subsidiaries are not subject to such limitation, however, shall not exceed 100% of its net worth.

(Note 16) The maximum amount for total loan is 40% of its net worth; the maximum amount for short-term financing is VND\$600,000,000 thousand.

(Note 17) The maximum amount was approved by the Board of Directors' meeting.

(Note 18) Foreign currencies are translated into New Taiwan Dollars. Exchange rates of foreign currencies indicated as of report date were as follows: USD:NTD 1:29.76; CNY:NTD 1:4.574; VND:NTD 1:0.001311 and PHP:NTD 1:0.5962.

UNI-PRESIDENT ENTERPRISES CORP.  
Provision of endorsements and guarantee to others  
For the year ended December 31, 2017

Expressed in thousands of NTD

Table 2

Number	Name of endorsees		Relationship (Note 1)	Endorsement limit for a single entity	Highest balance during the period	Outstanding balance at December 31, 2017	Actual amount drawn down	Balance secured by collateral	Ratio of accumulated amount to net worth of the company	Maximum amount of endorsement	Provision of endorsements by parent company to subsidiary	Provision of endorsements by subsidiary to parent company	Provision of endorsements to the party in Mainland China	Note
	Name of endorsees	Name of endorsees												
0	Uni-President Enterprises Corp.	Kai Yu (BVI) Investment Co., Ltd.	3	\$ 60,037,639	\$ 42,000,000	\$ 42,000,000	\$ -	-	35	\$ 120,075,277	Y	N	N	(Note 3)
0	Uni-President Enterprises Corp.	Tone Sang Construction Corp.	2	60,037,639	1,800,000	1,800,000	971,000	-	2	120,075,277	Y	N	N	(Note 3)
0	Uni-President Enterprises Corp.	Kai Yu Investment Co., Ltd.	2	60,037,639	1,700,000	1,700,000	-	-	1	120,075,277	Y	N	N	(Note 3)
0	Uni-President Enterprises Corp.	President Entertainment Corp.	2	60,037,639	1,500,000	1,500,000	1,433,000	-	1	120,075,277	Y	N	N	(Note 3)
0	Uni-President Enterprises Corp.	Kai Nan Investment Co., Ltd.	2	60,037,639	200,000	200,000	-	-	-	120,075,277	Y	N	N	(Note 3)
0	Uni-President Enterprises Corp.	President Baseball Team Corp.	2	60,037,639	60,000	60,000	-	-	-	120,075,277	Y	N	N	(Note 3)
1	Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd.	3	50,913,976	16,125,000	14,880,000	1,042,790	-	29	50,913,976	N	N	N	(Note 4)
1	Cayman President Holdings Ltd.	Uni-President Foodstuff (BVI) Holdings Ltd.	3	50,913,976	1,612,500	1,488,000	-	-	3	50,913,976	N	N	N	(Note 4)
2	Nanlian International Corp.	Cheng-Fa Enterprises Corp.	3	859,761	8,100	8,100	-	-	-	1,719,521	N	N	N	(Note 5)
2	Nanlian International Corp.	Tung Chan Enterprises Corp.	6	859,761	7,182	7,182	-	-	-	1,719,521	N	N	N	(Note 5)
2	Nanlian International Corp.	Sheng-Miao Industrial Corp.	1	859,761	3,600	3,600	-	-	-	1,719,521	N	N	N	(Note 5)
3	President International Development Corp.	President (BVI) International Investment Holdings Ltd.	3	2,873,213	1,725,375	1,592,160	-	-	11	7,183,032	N	N	N	(Note 6)
4	President Tokyo Corp.	Tong-Sheng Finance Leasing Co., Ltd.	3	1,500,000	322,500	297,600	-	-	44	1,500,000	N	N	Y	(Note 7)
4	President Tokyo Corp.	Uni-President Tc-Lease (Cayman) Corp.	3	1,500,000	96,750	89,280	18,749	-	13	1,500,000	N	N	N	(Note 7)
5	President Fair Development Corp.	President Century Corp.	3	4,688,306	200,000	-	-	-	0	9,376,612	N	N	N	(Note 8)
6	SciPharm Taiwan Ltd.	SciAnda (Changshu) Pharmaceuticals, Ltd.	3	10,417,225	2,543,275	2,543,275	1,317,219	-	24	10,417,225	N	N	Y	(Note 9)
7	President Century Corp.	President Fair Development Corp.	3	3,123,417	600,000	600,000	600,000	-	38	3,904,271	N	N	N	(Note 10)
8	Uni-President Enterprises (China) Investment Corp.	President (Shanghai) Trading Co., Ltd.	3	17,442,910	27,862	-	-	-	-	58,143,033	N	N	Y	(Note 11)
9	Uni-President (Vietnam) Co., Ltd.	Tribeco Binh Duong Co., Ltd.	3	1,702,380	849,916	849,916	105,199	-	25	3,404,759	N	N	N	(Note 12)
9	Uni-President (Vietnam) Co., Ltd.	North Tribeco Co., Ltd.	3	1,702,380	225,948	208,751	-	-	6	3,404,759	N	N	N	(Note 12)
9	Uni-President (Vietnam) Co., Ltd.	Uni-President Vietnam Aquatic breeding Co., Ltd.	3	1,702,380	60,600	59,643	656	-	2	3,404,759	N	N	N	(Note 12)

Number	Name of endorsee	Name of endorsee	Relationship (Note 1)	Endorsement limit for a single entity	Highest balance during the period	Outstanding balance at December 31, 2017	Actual amount drawn down	Balance secured by collateral	Ratio of accumulated amount to net worth of the company	Maximum amount of endorsement	Provision of endorsements		Note
											by parent company to subsidiary	by subsidiary to parent company	
9	Uni-President (Vietnam) Co., Ltd.	UPVN Trading Co., Ltd.	3	\$ 1,702,380	\$ 32,278	\$ -	\$ -	\$ -	0	\$ 3,404,759	N	N	(Note 12)

(Note 1) The following code represents the relationship with Company :

1. Trading partner;
2. Majority owned subsidiary.
3. The Company and subsidiary owns over 50% ownership of the investee company.
4. A subsidiary jointly owned over 50% by the Company and the Company's directly-owned subsidiary.
5. Guaranteed by the Company according to the construction contract.
6. An investee company. The guarantees were provided based on the Company's proportionate share in the investee company.

(Note 2) Foreign currencies are translated into New Taiwan Dollars. Exchange rates of foreign currencies indicated as of report date were as follows: USD:NTD 1:29.76, CNY:NTD 1:4.574, VND:NTD 1:0.001311 and PHP:NTD 1:0.5962.

(Note 3) The total amount of transactions of endorsement equals to 100% of the Company's net worth, the limit of endorsement for any single entity is 50% of the Company's net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.

(Note 4) The total amount of transactions of endorsement and the limit of endorsement for any single entity for Cayman President Holdings Ltd. is 100% of its net worth and all of the related transactions are to be submitted to the Board of Directors' meeting for reference.

(Note 5) The total amount of transactions of endorsement equals to 100% of its net worth for Namlien International Corp., the limit of endorsement for any single entity is 50% of its net worth and all of the related transactions are to be submitted to the stockholders' meeting for reference.

(Note 6) The total amount of transactions of endorsement equals to 50% of its net worth for President International Development Corp., the limit of endorsement for any single entity is 20% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.

(Note 7) The total amount of transactions of endorsement and the limit of endorsement for any single entity for President Tokyo Corp. is \$1,500,000, and all of the related transactions are to be submitted to the stockholders' meeting for reference.

(Note 8) The total amount of transactions of endorsement equals to 100% of its net worth for President Fair Development Corp., the limit of endorsement for any single entity is 50% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.

(Note 9) The total amount of transactions of endorsement equals to 100% of its net worth for ScinoPharm Taiwan Ltd., the limit of endorsement for any single entity is 50% of its net worth ; for 100% directly and indirectly owned foreign subsidiaries, the limit of endorsement for any single entity is 100% of its net worth.

(Note 10) The total amount of transactions of endorsement equals to 250% of its net worth for President Century Corp., the limit of endorsement for any single entity is 200% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.

(Note 11) The total amount of transactions of endorsement equals to 100% of its net worth for President Enterprises (China) Investment Co., Ltd. and the limit of endorsement for any single entity is 30% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.

(Note 12) The total amount of transactions of endorsement equals to 100% of its net worth for Uni-President (Vietnam) Co., Ltd. and the limit of endorsement for any single entity is 50% of its net worth.



UNI-PRESIDENT ENTERPRISES CORP.  
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)  
December 31, 2017

Table 3

Expressed in thousands of NTD

Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note 3)	Ending balance				
				Number of shares (in thousands)	Book value	Percentage of ownership	Fair value	Note
Uni-President Enterprises Corp.	Stock : President Investment Trust Corp. etc.	—	7	3,899 \$	6,150	-	\$ 6,150	—
Uni-President Enterprises Corp.	Development International Investment Corporation etc.	—	9	34,693	322,814	-	-	—
Cayman President Holdings Ltd.	Beneficiary Certificates : Asia Equity Fund	—	1	98	2,914,842	-	2,914,842	—
Cayman President Holdings Ltd.	Bonds : Gavin Investment Ltd.	—	10	-	296,588	-	296,588	—
President International Trade And Investment Corp.	Beneficiary Certificates : The Pacific (ABC) Equity Fund	—	1	39	1,098,215	-	1,098,215	—
Kai Yu Investment Co., Ltd.	UPAMC James Bond Money Market Fund	—	1	340	5,642	-	5,642	—
Kai Yu Investment Co., Ltd.	Stock : Tainan Agriculture Trading Co., Ltd. etc.	—	7	251	2,509	-	2,509	—
Nanlian International Corp.	Union Chinese Corp. etc	—	7	5,085	62,853	-	62,853	—
President International Development Corp.	Fossemicon Integrated Technology Inc. etc.	—	1	1,643	108,705	-	108,705	—
President International Development Corp.	Pharma Essentia Corporation. etc.	—	7	11,763	780,464	-	780,464	—
President International Development Corp.	Development International Investment Corporation etc.	—	9	57,464	627,856	-	-	—
Ton-Yi Industrial Corp.	JFE Holdings Inc.	—	7	250	178,731	0.04	178,731	—
Ton-Yi Industrial Corp.	President International Development Corp.	An investee company accounted for under the equity method	9	44,100	500,000	3.33	-	—
Ton-Yi Industrial Corp.	Grand Bills Finance Co.	—	9	108	1,050	0.02	-	—
President Chain Store Corp.	President Securities Corp. etc.	An investee company accounted for under the equity method. Etc	7	46,849	848,575	-	848,575	—
President Chain Store Corp.	KaoHsiung Rapid Transit Corp. etc.	—	9	2,893	25,721	-	-	—
ScinoPharm Taiwan Ltd.	Foresee Pharmaceuticals Co., Ltd. etc.	—	9	33,839	391,097	-	-	—
Uni-President Enterprises China Holdings Ltd.	Stock : China Huiheng Juice Holdings Co., Ltd.	—	7	37,800	47,690	2.99	47,690	—
President (B. V.I) International Investment Holdings Ltd.	Beneficiary Certificates : BB Global Marco Fund ect.	—	1	37	219,327	-	219,327	—
President (B. V.I) International Investment Holdings Ltd.	Stock : Cinda International Holdings Ltd.	—	1	2,689	29,265	-	29,265	—

		Ending balance						
Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note 3)	Number of shares (in thousands)	Book value	Percentage of ownership	Fair value	Note
	Convertible Bonds :							
President (B.V.I.) International Investment Holdings Ltd.	Sea Limit Convertible Promissory Note	—	6	-	\$ 616,568	-	\$ 616,568	—
	Beneficiary Certificates :							
President (B.V.I.) International Investment Holdings Ltd.	Robecco Bond Fund etc.	—	7	7,799	1,288,626	-	1,288,626	—
	Stock :							
President (B.V.I.) International Investment Holdings Ltd.	Alibaba Grp Shs Adr etc.	—	7	5,129	388,151	-	388,151	—
	Beneficiary Certificates :							
President (B.V.I.) International Investment Holdings Ltd.	EvenStar Sub-Fund 1 Segregated Portfolio ect.	—	9	12,882	1,450,940	-	-	—
	Stock :							
President (B.V.I.) International Investment Holdings Ltd.	Xiang Lu Industries Ltd. etc.	—	9	87,417	506,939	-	-	—
Kunshan President Enterprises Food Co., Ltd.	Heilongjiang Wondersun Dairy Co.	—	7	31,548	456,077	4.24	456,077	—
Chengdu President Enterprises Food Co., Ltd.	Heilongjiang Wondersun Dairy Co.	—	7	17,645	256,005	2.38	256,005	—
Wuhan President Enterprises Food Co., Ltd.	Heilongjiang Wondersun Dairy Co.	—	7	17,645	256,005	2.38	256,005	—
	Beneficiary Certificates :							
Qware Systems & Services Corp. etc.	Eastspring Investments Well Pool Money Market Fund. Etc.	—	1	120,345	1,807,683	-	1,807,683	—
	Stock :							
Ton Yu Investment Inc.	DaBomb Protein Corp. etc	—	4	2,211	37,806	-	-	—
Ton Yu Investment Inc. etc.	ScinoPharm Taiwan Ltd. etc.	—	7	26,113	1,453,988	-	1,453,988	(Note 1)

(Note 1) 1,350 thousand shares of outstanding common stock of ScinoPharm Taiwan Ltd. with book value of \$47,858 was used as collateral for loan.

(Note 2) Foreign currencies are translated into New Taiwan Dollars. Exchange rates of foreign currencies indicated as of report date were as follows: USD:NTD 1:29.76, CNY:NTD 1:4.574, VND:NTD 1:0.001311 and PHP:NTD 1:0.5962.

(Note 3) The code number explanation is as follows:

1. Financial assets at fair value through profit or loss - current
2. Available-for-sale financial assets - current
3. Held-to-maturity financial assets - current
4. Financial assets measured at cost - current
5. Investments in bonds without active markets - current
6. Financial assets at fair value through profit or loss - non-current
7. Available-for-sale financial assets - non-current
8. Held-to-maturity financial assets - non-current
9. Financial assets measured at cost - non-current
10. Investments in bonds without active markets - non-current
11. Investments accounted for under equity method
12. Cash equivalent

UNI-PRESIDENT ENTERPRISES CORP.

Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital

For the year ended December 31, 2017

Table 4

Expressed in thousands of NTD

Investor	Type and name of securities	General ledger account (Note 1)	Name of the counterparty	Relationship	Beginning balance		Addition		Disposal			Other increase (decrease)		Ending balance	
					Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Sale Price	Book value	Gain (loss) on disposal	Number of shares (in thousands)	Amount	Number of shares (in thousands)
	Stock :														
Uni-President Enterprises Corp.	Tung Ho Development Corp.	11	Capital increase	-	72,120	\$ 318,660	55,707	\$ 557,070	-	\$ -	-	-	(\$ 84,738)	127,827	\$ 790,992
Uni-President Enterprises Corp.	President Starbucks Coffee Corp.	11	(Note 3)	-	7,128	299,357	7,127	2,151,204	-	-	-	-	1,422,295	14,255	3,872,856
Uni-President Enterprises Corp.	Kai Yu Investment Co., Ltd.	11	Capital decrease	-	326,109	4,280,984	41,900	-	( 241,000)	2,410,000	( 2,410,000)	-	12,627,096	127,009	14,498,080
Cayman President Holdings Ltd.	Sanshui Jiantibao Commerce Co., Ltd.	11	-	-	-	3,326,960	-	-	-	4,079,365	( 3,369,818)	709,547	42,858	-	-
	Beneficiary Certificates:														
Kai Yu Investment Co., Ltd.	UPAMC James Bond Money Market Fund	1	-	-	873	14,453	23,143	383,700	( 23,676)	393,000	( 392,504)	496	( 7)	340	5,642
President Chain Store Corp.	Prudential Money Market Fund	1	-	-	-	-	31,871	500,000	( 31,871)	500,427	( 500,000)	427	-	-	-
President Chain Store Corp.	JFH Sun Money Market Fund	1	-	-	-	-	68,024	1,000,000	( 68,024)	1,000,456	( 1,000,000)	456	-	-	-
	Stock :														
President Chain Store Corp.	President Chain Store (BYD) Holdings Ltd.	11	Capital increase	-	140,384	5,053,883	31,206	939,333	-	-	-	-	18,614,689	171,590	24,607,905
President Chain Store Corp.	President Starbucks Coffee Corp.	11	(Note 3)	-	10,691	450,659	10,692	3,226,806	-	-	-	-	2,131,819	21,383	5,809,284
Uni-President Enterprises China Holdings Ltd.	Uni-President Asia Holdings Ltd.	11	Capital increase	-	88,338,000	61,625,200	1,620,000	510,525	-	-	-	-	( 2,986,209)	89,958,000	59,149,516
President Chain Store (BYD) Holdings Ltd.	President Chain Store Hong Kong Holdings Ltd.	11	Capital increase	-	103,398	3,319,112	31,205	928,669	-	-	-	-	23,456,961	134,603	27,704,742
President Chain Store Hong Kong Holdings Ltd.	President Coffee (Cayman) Holdings Ltd.	13	(Note 4)	-	1,800	1,998,443	-	-	( 1,800)	25,642,728	( 1,104,781)	24,537,947	( 893,662)	-	-
Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	11	Capital increase	Subsidiary	25,310	9,210,736	7,690	2,325,174	-	-	-	-	604,227	33,000	12,140,137
President International Development Corp.	Beneficiary Certificates: UPAMC James Bond Money Market Fund	1	-	-	-	-	18,643	309,000	( 18,643)	309,052	( 309,000)	52	-	-	-
President (B.V.) International Investment Holdings, Ltd.	Convertible Bonds : Sea Limit Convertible Promissory Note	6	-	-	-	-	-	595,200	-	-	-	-	21,368	-	616,568
Uni-President Vendor Corp.	Beneficiary Certificates: UPAMC James Bond Money Market Fund	1	-	-	3,624	60,015	27,724	460,000	( 26,532)	440,112	( 440,000)	112	-	4,816	80,028
President Kikkoman Inc.	UPAMC James Bond Money Market Fund	1	-	-	-	-	20,653	342,500	( 20,653)	342,549	( 342,500)	49	-	-	-

Investor	Type and name of securities	General ledger account (Note 1)	Name of the counterparty	Relationship	Beginning balance		Addition		Disposal			Other increase (decrease)		Ending balance		
					Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Sale Price	Book value	Gain (loss) on disposal	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
	Beneficiary Certificates:															
Qware Systems & Services Corp.	Yuanta Wan Tai Money Market Fund	1	-	-	8,194	\$ 123,000	50,675	\$ 761,500	( 58,869)	\$ 884,822	( \$ 884,500)	\$ 322	-	\$ -	-	\$ -
Qware Systems & Services Corp.	Eastspring Investments Well Pool Money Market Fund	1	-	-	7,720	104,000	83,661	1,129,500	( 73,931)	997,999	( 997,500)	499	-	-	17,450	236,000
President Information Corp.	JH Sun Money Market Fund	1	-	-	-	-	39,818	585,818	( 30,494)	448,718	( 448,500)	218	-	-	9,324	137,318
President Information Corp.	Prudential Money Market Fund	1	-	-	-	-	23,900	375,374	( 18,425)	289,574	( 289,300)	274	-	-	5,475	86,074
President Pharmaceutical Corp.	JH Sun Money Market Fund	1	-	-	15,426	226,299	39,162	575,500	( 48,620)	714,300	( 713,875)	425	-	( 26)	5,968	87,898
Books. Com. Co., Ltd.	JH Sun Money Market Fund	1	-	-	5,454	80,014	108,850	1,600,000	( 112,946)	1,660,570	( 1,660,000)	570	-	( 9)	1,358	20,005
Books. Com. Co., Ltd.	CTBC Hwa-win Money Market Fund	1	-	-	-	-	52,151	570,000	( 52,151)	570,098	( 570,000)	98	-	-	-	-
Chieh Shun Transport Corp.	Eastspring Investments Well Pool Money Market Fund	1	-	-	1,485	20,002	46,437	626,900	( 42,672)	576,056	( 575,900)	156	-	5	5,250	71,007
	Stock :															
Uni-President Asia Holdings Ltd.	Uni-President Hong Kong Holdings Ltd.	11	Capital increase	-	4,754,996	60,233,079	126,360	510,525	-	-	-	-	-	( 905,614)	4,881,356	59,837,990
Uni-President Hong Kong Holdings Ltd.	Uni-President Enterprises (China) Investment Corp.	11	Capital increase	-	-	57,629,836	-	511,250	-	-	-	-	-	( 4,090)	-	58,136,996
Kui Yu (BVI) Investment Co., Ltd.	President Coffee (Cayman) Holdings Ltd.	13	(Note 4)	-	1,200	1,332,295	-	-	( 1,200)	17,095,152	( 736,521)	16,358,631	-	( 595,774)	-	-
Uni-President Enterprises (China) Investment Corp.	Beijing President Enterprise Drink & Food Co., Ltd.	11	Capital decrease	-	-	1,545,331	-	-	-	-	( 983,299)	-	-	( 474,319)	-	87,713
Zhengzhou President Enterprises Co., Ltd.	Beijing President Enterprise Drink & Food Co., Ltd.	11	Capital decrease	-	-	446,013	-	-	-	-	( 395,522)	-	-	( 11,711)	-	38,780

(Note 1) The code number explanation is as follows:

1. Financial assets at fair value through profit or loss - current
2. Available-for-sale financial assets - current
3. Held-to-maturity financial assets - current
4. Financial assets measured at cost - current
5. Investments in bonds without active markets - current
6. Financial assets at fair value through profit or loss - non-current
7. Available-for-sale financial assets - non-current
8. Held-to-maturity financial assets - non-current
9. Financial assets measured at cost - non-current
10. Investments in bonds without active markets - non-current
11. Investments accounted for under equity method
12. Cash equivalent
13. Non-current assets held for sale

(Note 2) Non related party - Jianlibao Co., Ltd.

(Note 3) Purchased from non-related party - Starbucks Coffee International Inc.

(Note 4) Sold to non-related party - Starbucks EMEA Holdings Ltd.

(Note 5) Foreign currencies are translated into New Taiwan Dollars. Exchange rates of foreign currencies for beginning balance as at January 1, 2017 were as follows (USD/NTD 1:32.25, CYN/NTD 1:4.644) and ending balance as at December 31, 2017 (USD/NTD 1:29.76, CYN/NTD 1:4.574). Gains and losses on disposal are translated using average exchange rates for the year ended December 31, 2017 (USD/NTD 1:30.41, CYN/NTD 1:4.502).

UNI-PRESIDENT ENTERPRISES CORP.

Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more

For the year ended December 31, 2017

Table 5

Expressed in thousands of NTD

Corporation of acquisition	Name of Property	Date of acquisition	Trade amount	Status of payment of proceeds	Name of the counter-party	The last transfer data of related counter-party			Basis for price determination	Reason for acquisition	Other terms	
						Relationship (Note 1)	Owner	Relationship of sellers				Transfer Day
Tone Sang Construction Corp.	Land held for construction	July 28, 2017	\$ 434,351	\$ 434,351	Southern Science Joint Development Co., Ltd.	(Note 1)	Tainan County Government	-	July 16, 2010	Report issued by real estate appraiser	Land development	None

(Note 1) Tone Sang Construction Corp. is the director of board of Southern Science Joint Development Co., Ltd.

(Note 2) Southern Science Joint Development Co., Ltd. acquired the land, transferred from Tainan County Government, in July 16, 2010. In order to participate in land expropriation and readjustment project in the given area of Tainan Science Park.

The trade amount of the transfer was NTD\$3,000,000. Only part of the land of this given area was sold to Tone Sang Construction Corp. in the current period.

UNI-PRESIDENT ENTERPRISES CORP.

Purchase or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more  
For the year ended December 31, 2017

Table 6

Expressed in thousands of NTD

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction		Credit Period	Unit Price	Description and reasons for difference in transaction terms compared to non-related party	Amount	Notes or accounts receivable / (payable)	Note
			Purchases / (sales)	Percentage of net purchases/(sales)						
Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	An investee company accounted for under the equity method	(Sales)	\$ 7,553,210	(Note 1)	\$ -	(Note 1)	\$ 847,842	20	-
Uni-President Enterprises Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	(Sales)	( 5,736,204)	(Note 1)	-	(Note 1)	301,663	7	-
Uni-President Enterprises Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Sales)	( 3,870,562)	(Note 1)	-	(Note 1)	381,020	9	-
Uni-President Enterprises Corp.	Retail Support International Corp.	An investee company accounted for under the equity method	(Sales)	( 3,217,720)	(Note 1)	-	(Note 1)	328,404	8	-
Uni-President Enterprises Corp.	Tung Shun Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 1,147,239)	(Note 1)	-	(Note 1)	202,472	5	-
Uni-President Enterprises Corp.	Tun Hsiang Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 1,038,679)	(Note 1)	-	(Note 1)	185,997	4	-
Uni-President Enterprises Corp.	Tung Yi Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 882,368)	(Note 1)	-	(Note 1)	129,316	3	-
Uni-President Enterprises Corp.	Tung Chan Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 856,001)	(Note 1)	-	(Note 1)	92,628	2	-
Uni-President Enterprises Corp.	Kuan Chan Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 816,854)	(Note 1)	-	(Note 1)	117,954	3	-
Uni-President Enterprises Corp.	Uni-President Vendor Corp.	An investee company accounted for under the equity method	(Sales)	( 726,886)	(Note 1)	-	(Note 1)	61,398	1	-
Uni-President Enterprises Corp.	Tung-Hsiang Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 605,210)	(Note 1)	-	(Note 1)	90,898	2	-
Uni-President Enterprises Corp.	Fu Yi Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 472,502)	(Note 1)	-	(Note 1)	39,302	1	-
Uni-President Enterprises Corp.	Tong Chu Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 369,228)	(Note 1)	-	(Note 1)	60,470	1	-
Uni-President Enterprises Corp.	Jin Hui Food Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 348,439)	(Note 1)	-	(Note 1)	52,493	1	-
Uni-President Enterprises Corp.	Kun Fu Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 311,972)	(Note 1)	-	(Note 1)	38,474	1	-
Uni-President Enterprises Corp.	Far-Tung Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 296,857)	(Note 1)	-	(Note 1)	26,020	1	-
Uni-President Enterprises Corp.	President Starbucks Coffee Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	(Sales)	( 242,111)	(Note 1)	-	(Note 1)	28,147	1	-
Uni-President Enterprises Corp.	Yi Fa Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 218,451)	(Note 1)	-	(Note 1)	22,603	1	-
Uni-President Enterprises Corp.	Cheng-Fa Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 192,649)	(Note 1)	-	(Note 1)	24,819	1	-
Uni-President Enterprises Corp.	Hsin Tung Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 150,203)	(Note 1)	-	(Note 1)	5,208	-	-
Uni-President Enterprises Corp.	Chang Tung Corp. Ltd.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 148,314)	(Note 1)	-	(Note 1)	4,669	-	-
Uni-President Enterprises Corp.	Tung Che Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 146,110)	(Note 1)	-	(Note 1)	24,770	1	-
Uni-President Enterprises Corp.	Tong Sheng Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 142,639)	(Note 1)	-	(Note 1)	12,535	-	-
Uni-President Enterprises Corp.	Ming-Qing Food Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 130,282)	(Note 1)	-	(Note 1)	13,087	-	-
Uni-President Enterprises Corp.	Weilth Food Industrial Co., Ltd.	An investee company accounted for under the equity method	(Sales)	( 127,907)	(Note 1)	-	(Note 1)	31,158	1	-

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction			Description and reasons for difference in transaction terms compared to non-related party			Notes or accounts receivable / (payable)	
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes or accounts receivable/(payable)
Uni-President Enterprises Corp.	Yuan-Tai Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	(Sales)	( \$ 108,471)	-	(Note 1)	\$ -	(Note 1)	15,534	-
Uni-President Enterprises Corp.	Uni-President Superior Commissary Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	(Sales)	( 108,445)	-	(Note 1)	-	(Note 1)	17,669	-
Uni-President Enterprises Corp.	Tung Yu Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	(Sales)	( 106,238)	-	(Note 1)	-	(Note 1)	2,776	-
Uni-President Enterprises Corp.	Tung Xian Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	(Sales)	( 100,718)	-	(Note 1)	-	(Note 1)	11,907	-
Uni-President Enterprises Corp.	Tung-Bo Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	(Sales)	( 100,366)	-	(Note 1)	-	(Note 1)	1,756	-
Uni-President Enterprises Corp.	President Kikkoman Inc.	An investee company accounted for under the equity method	Purchases	917,244	4	(Note 1)	-	(Note 1)	( 43,383)	(3)
Uni-President Enterprises Corp.	President Nissin Corp.	An investee company accounted for under the equity method	Purchases	396,823	2	(Note 1)	-	(Note 1)	( 36,453)	(3)
Uni-President Enterprises Corp.	Uni-President (Vietnam) Co., Ltd.	An investee company of Uni-President Southeast Asia Holdings Ltd. accounted for under the equity method	Purchases	353,749	2	(Note 1)	-	(Note 1)	( 10,385)	(1)
Uni-President Enterprises Corp.	President Packaging Corp.	An investee company accounted for under the equity method	Purchases	139,320	1	(Note 1)	-	(Note 1)	( 13,249)	(1)
Uni-President Enterprises Corp.	TTET Union Corp.	An investee company accounted for under the equity method	Purchases	130,452	1	(Note 1)	-	-	( 7,918)	(1)
Nanlien International Corp.	Lien Bo Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	(Sales)	( 839,473)	(29)		Closes its accounts 35 days after the end of each month	-	49,830	47
Uni-President Vendor Corp.	Uni-President Enterprises Corp.	The Company	Purchases	726,886	71		Closes its accounts 30 days after the end of each month	-	( 61,398)	(74)
Uni-President Dream Parks Corp.	Uni-President Enterprises Corp.	The Company	(Service revenue)	( 368,130)	(60)		Closes its accounts 30 days after the end of each month	-	35,298	34
Uni-President Dream Parks Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	(Service revenue)	( 125,680)	(21)		Closes its accounts 45 days after the end of each month	-	11,317	11
Tait Marketing & Distribution Co., Ltd.	President Chain Store Corp.	An investee company accounted for under the equity method	(Sales)	( 420,219)	(23)		Closes its accounts 20-70 days after the end of each month	-	58,591	33
President Nissin Corp.	Uni-President Enterprises Corp.	The Company	(Sales)	( 396,823)	(25)		Closes its accounts 30 days after the end of each month	-	36,453	13
President Nissin Corp.	Weilih Food Industrial Co., Ltd.	An investee company accounted for under the equity method	(Sales)	( 177,343)	(11)		Closes its accounts 90 days after the end of each month	-	40,645	14
President Packaging Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Sales)	( 336,034)	(15)		Closes its accounts 15-60 days after the end of each month	-	63,925	20
President Packaging Corp.	Uni-President Enterprises Corp.	The Company	(Sales)	( 139,320)	(6)		Closes its accounts 30 days after the end of each month	-	13,249	4
President Kikkoman Inc.	Uni-President Enterprises Corp.	The Company	(Sales)	( 917,244)	(100)		One month	-	43,383	94
President Tokyo Corp.	President Transnet Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	(Service revenue)	( 117,826)	(6)		Closes its accounts 30 days after the end of each month	-	33,158	8
Ton-Yi Industrial Corp.	Fujian Ton Yi Timplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for under the equity method	(Sales)	( 3,242,129)	(19)		50 days after shipping	-	542,883	35
Ton-Yi Industrial Corp.	Jiangsu Ton Yi Timplate Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for under the equity method	(Sales)	( 2,239,105)	(13)		50 days after shipping	-	307,601	20
Ton-Yi Industrial Corp.	TTET Union Corp.	An investee company accounted for under the equity method	(Sales)	( 312,597)	(2)		Closes its accounts 30 days after the end of each month	-	58,251	4
Ton-Yi Industrial Corp.	Tovecan Corp.	An investee company of Ton-Yi Industrial Corp. accounted for under the equity method	(Sales)	( 111,900)	(1)		30 days after shipping	-	15,233	1
President Chain Store Corp.	Uni-President Enterprises Corp.	The Company	Purchases	14,641,492	16		Closes its accounts 30-40 days after the end of each month	-	( 1,557,266)	(11)

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party				Notes or accounts receivable / (payable)	
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes receivable/(payable)	or accounts receivable/(payable)	Note
President Chain Store Corp.	Uni-President Superior Commissary Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	Purchases	\$ 3,304,904	4	Closes its accounts 45 days after the end of each month	\$ -	-	(563,132)	(4)	-	
President Chain Store Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Purchases	1,934,415	2	Closes its accounts 30 days after the end of each month	-	-	(123,015)	(1)	-	
President Chain Store Corp.	Lien Bo Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	Purchases	637,880	1	Closes its accounts 10-54 days after the end of each month	-	-	(82,345)	(1)	-	
President Chain Store Corp.	Vision Distribution Service Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	Purchases	631,371	1	Closes its accounts 30-60 days after the end of each month	-	-	(36,838)	-	-	
President Chain Store Corp.	Qware Systems & Services Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	Purchases	620,659	1	Closes its accounts 40 days after the end of each month	-	-	(109,067)	(1)	-	
President Chain Store Corp.	Tait Marketing & Distribution Co., Ltd.	An investee company accounted for under the equity method	Purchases	420,219	-	Closes its accounts 20-70 days after the end of each month	-	-	(58,591)	-	-	
President Chain Store Corp.	President Packaging Corp.	An investee company accounted for under the equity method	Purchases	336,034	-	Closes its accounts 15-60 days after the end of each month	-	-	(63,925)	-	-	
President Chain Store Corp.	Kuang Chuan Diary Co., Ltd.	An investee company accounted for under the equity method	Purchases	267,425	-	Closes its accounts 30-65 days after the end of each month	-	-	(93,074)	(1)	-	
President Chain Store Corp.	President Transnet Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	Purchases	238,314	-	Closes its accounts 60 days after the end of each month	-	-	(22,795)	-	-	
President Chain Store Corp.	Weilth Food Industrial Co., Ltd.	An investee company accounted for under the equity method	Purchases	228,994	-	Closes its accounts 30-60 days after the end of each month	-	-	(56,183)	-	-	
President Chain Store Corp.	Century Quick Services Restaurant Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	Purchases	221,317	-	Closes its accounts 30-60 days after the end of each month	-	-	(82,235)	(1)	-	
President Chain Store Corp.	Mister Dount Taiwan Co., Ltd.	An investee company of President Chain Store Corp. accounted for under the equity method	Purchases	176,361	-	Closes its accounts 55-60 days after the end of each month	-	-	(28,730)	-	-	
SciAnda (Changshu) Pharmaceuticals, Ltd.	SciAnda (Changshu) Pharmaceuticals, Ltd.	An investee company of SPT International, Ltd. accounted for under the equity method	Purchases	226,163	27	After checking, closes its accounts 90 days after the end of each month	-	-	(53,928)	(42)	-	
SciAnda (Changshu) Pharmaceuticals, Ltd.	SciPharm Taiwan Ltd.	An investee company accounted for under the equity method	(Sales)	( 226,163)	(74)	After checking, closes its accounts 90 days after the end of each month	-	-	53,928	99	-	
Uni-President Development Corp.	Time Square Internation Co., Ltd.	An associates company of Prince Housing Development Corp. accounted for under the equity method	(Rental income)	( 439,893)	(46)	Monthly payment	-	-	68,043	44	-	
Uni-President Development Corp.	Uni-President Department Stores Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	(Rental income)	( 361,350)	(38)	Monthly payment	-	-	81,153	52	-	
Tung Ang Enterprises Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Sales)	( 1,934,415)	(31)	Closes its accounts 30 days after the end of each month	-	-	123,015	24	-	
Tung Ang Enterprises Corp.	Tun Hsiang Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 1,161,674)	(19)	Closes its accounts 60 days after the end of each month	-	-	174,566	34	-	
Tung Ang Enterprises Corp.	Far-Tung Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 484,800)	(8)	Closes its accounts 28 days after the end of each month	-	-	41,780	8	-	
Tung Ang Enterprises Corp.	Tong Chu Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 314,116)	(5)	Closes its accounts 56 days after the end of each week	-	-	47,801	9	-	
Tung Ang Enterprises Corp.	Tung Yu Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 173,080)	(3)	Closes its accounts 12 days after the end of each month	-	-	4,148	1	-	
Tung Ang Enterprises Corp.	Hsin Tung Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 152,869)	(2)	Closes its accounts 17 days after the end of each month	-	-	7,017	1	-	
Tung Ang Enterprises Corp.	Chang Tung Corp. Ltd.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 150,847)	(2)	Closes its accounts 12 days after the end of each month	-	-	3,794	1	-	
Tung Ang Enterprises Corp.	Wei-Tong Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 138,929)	(2)	Closes its accounts 12 days after the end of each month	-	-	1,531	-	-	
Tung Ang Enterprises Corp.	Lien Yu Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 127,703)	(2)	Closes its accounts 12 days after the end of each month	-	-	-	-	-	
Tung Ang Enterprises Corp.	Tung-Bo Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 125,475)	(2)	Closes its accounts 12 days after the end of each month	-	-	2,922	1	-	
Tung Ang Enterprises Corp.	Lien Sheng Enterprises Corp.	An investee company of Nantien International Corp. accounted for under the equity method	(Sales)	( 113,833)	(2)	Closes its accounts 12 days after the end of each month	-	-	707	-	-	



Purchases / sales company	Name of the counter-party	Relationship	Description of transaction			Description and reasons for difference in transaction terms compared to non-related party			Notes or accounts receivable / (payable)	
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes or accounts receivable/(payable)
Tung Ang Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	\$ 5,736,204	100	(Note 2)	\$ -	-	(100)	-
Wuhan President Packing Ind. Corp.	Wuhan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 196,126)	(52)	Closes its accounts 30 days after the end of each month	-	-	52	-
Changsha President Packaging Ind. Corp.	Changsha President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 188,689)	(98)	Closes its accounts 30 days after the end of each month	-	-	100	-
President Drugstore Business Corp.	President Pharmaceutical Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	Purchases	646,186	8	Closes its accounts 70 days after the end of each month	-	( 19,443)	(3)	-
Wisdom Distribution Services Corp.	Books. Com. Co., Ltd.	An investee company of President Chain Store Corp. accounted for under the equity method	(Service revenue)	( 292,289)	(12)	Closes its accounts 30 days after the end of each month	-	-	4	-
Wisdom Distribution Services Corp.	President Logistics International Co., Ltd.	An investee company of Retail Support International Corp. accounted for under the equity method	Service cost	841,630	32	Closes its accounts 20 days after the end of each month	-	( 116,412)	(45)	-
Uni-President Superior Commissary Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Sales)	( 3,304,904)	(100)	Closes its accounts 45 days after the end of each month	-	-	100	-
Uni-President Superior Commissary Corp.	Uni-President Enterprises Corp.	The Company	Purchases	108,445	5	Closes its accounts 60 days after the end of each month	-	( 17,669)	(3)	-
Qware Systems & Services Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Service revenue)	( 620,659)	(69)	Closes its accounts 40 days after the end of each month	-	-	73	-
President Information Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Service revenue)	( 764,669)	(63)	Closes its accounts 45 days after the end of each month	-	-	63	-
President Pharmaceutical Corp.	President Drugstore Business Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	(Sales)	( 646,186)	(29)	Closes its accounts 70 days after the end of each month	-	-	38	-
President Transnet Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Sales)	( 238,314)	(4)	Closes its accounts 60 days after the end of each month	-	-	1	-
President Transnet Corp.	Chieh Shun Transport Corp.	An investee company of President Logistics International Co., Ltd. accounted for under the equity method	Service cost	883,327	9	Closes its accounts 40 days after the end of each month	-	( 143,130)	(10)	-
Uni-President Cold Chain Corp.	President Logistics International Co., Ltd.	An investee company of Retail Support International Corp. accounted for under the equity method	Service cost	1,005,173	38	Closes its accounts 20 days after the end of each month	-	( 86,371)	(2)	-
Retail Support International Corp.	President Logistics International Co., Ltd.	An investee company of Retail Support International Corp. accounted for under the equity method	Service cost	731,275	42	Closes its accounts 20 days after the end of each month	-	( 63,779)	(29)	-
Retail Support International Corp.	Retail Support Taiwan Corp.	International Corp. accounted for under the equity method	Service cost	296,424	17	Closes its accounts 15-20 days after the end of each month	-	( 20,011)	(9)	-
Duskin Serve Taiwan Co., Ltd.	President Chain Store Corp.	An investee company accounted for under the equity method	(Service revenue)	( 241,016)	(21)	Closes its accounts 15-60 days after the end of each month	-	-	23	-
Vision Distribution Service Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Sales)	( 631,371)	(54)	Closes its accounts 30-60 days after the end of each month	-	-	24	-
Tung Che Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	146,110	95	Closes its accounts 46 days after the end of each week	-	( 24,770)	(99)	-
Yuan-Tai Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	108,471	99	Closes its accounts 52 days after the end of each week	-	( 15,534)	(98)	-
Retail Support Taiwan Corp.	Retail Support International Corp.	An investee company accounted for under the equity method	(Distribution revenue)	( 296,424)	(80)	Closes its accounts 15-60 days after the end of each month	-	-	64	-
Tung Xian Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	100,718	82	Closes its accounts 46 days after the end of each week	-	( 11,907)	(41)	-
Tung-Hsiang Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	605,210	90	Closes its accounts 49 days after the end of each week	-	( 90,898)	(100)	-
Tung Yi Enterprises Corp.	Presicarre Corp.	An investee company accounted for under the equity method	(Sales)	( 114,629)	(11)	Closes its accounts 90 days after the end of each month	-	-	16	-
Tung Yi Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	882,368	98	Closes its accounts 12 days after the end of each month	-	( 129,316)	(100)	-

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction			Description and reasons for difference in transaction terms compared to non-related party			Notes or accounts receivable / (payable)		
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes or accounts receivable/(payable)	Note
Lien Bo Enterprises Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Sales)	\$ 637,880	(42)	Closes its accounts 10-54 days after the end of each month	\$ -	-	\$ 82,345	29	-
Lien Bo Enterprises Corp.	Presicare Corp.	An investee company accounted for under the equity method	(Sales)	( 114,026)	(7)	Closes its accounts 80 days after the end of each month	-	-	30,185	11	-
Lien Bo Enterprises Corp.	Nanliten International Corp.	An investee company accounted for under the equity method	Purchases	839,473	57	Closes its accounts 35 days after the end of each month	-	-	( 49,830)	(25)	-
Tun Hsiang Enterprises Corp.	Presicare Corp.	An investee company accounted for under the equity method	(Sales)	( 561,865)	(23)	Closes its accounts 70 days after the end of each month	-	-	102,770	28	-
Tun Hsiang Enterprises Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Purchases	1,161,674	48	Closes its accounts 60 days after the end of each month	-	-	( 174,566)	(48)	-
Tun Hsiang Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	1,038,679	43	Closes its accounts 60 days after the end of each month	-	-	( 185,997)	(51)	-
Tung Shun Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	1,147,239	100	Closes its accounts 62 days after the end of each week	-	-	( 202,472)	(100)	-
Tung Yu Enterprises Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Purchases	173,080	60	Closes its accounts 12 days after the end of each month	-	-	( 4,148)	(56)	-
Tung Yu Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	106,238	37	Closes its accounts 12 days after the end of each month	-	-	( 2,776)	(37)	-
Tong Chu Enterprises Corp.	Presicare Corp.	An investee company accounted for under the equity method	(Sales)	( 295,120)	(40)	Closes its accounts 70 days after the end of each month	-	-	47,061	33	-
Tong Chu Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	369,228	51	Closes its accounts 65 days after the end of each week	-	-	( 60,470)	(56)	-
Tong Chu Enterprises Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Purchases	314,116	44	Closes its accounts 56 days after the end of each week	-	-	( 47,801)	(44)	-
Tung Bo Enterprises Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Purchases	125,475	50	Closes its accounts 12 days after the end of each week	-	-	( 2,922)	(43)	-
Tung Bo Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	100,366	40	Closes its accounts 12 days after the end of each week	-	-	( 1,756)	(26)	-
Hsin Tung Enterprises Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Purchases	152,869	39	Closes its accounts 17 days after the end of each month	-	-	( 7,107)	(41)	-
Hsin Tung Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	150,203	39	17 days after delivery	-	-	( 5,208)	(30)	-
Wei-Tong Enterprises Coporation	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Purchases	138,929	60	Closes its accounts 12 days after the end of each month	-	-	( 1,531)	(33)	-
Yi Fa Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	218,451	96	Closes its accounts 36 days after the end of each week	-	-	( 22,603)	(100)	-
Cheng-Fa Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	192,649	96	Closes its accounts 40 days after the end of each week	-	-	( 24,819)	(100)	-
Fu Yi Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	472,302	99	Closes its accounts 27 days after the end of each week	-	-	( 39,302)	(98)	-
Kun Fu Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	311,972	98	Closes its accounts 42 days after the end of each week	-	-	( 38,474)	(100)	-
President Logistics International Co., Ltd.	Uni-President Cold Chain Corp.	An investee company accounted for under the equity method	(Distribution revenue)	( 1,005,173)	(34)	Closes its accounts 20 days after the end of each month	-	-	86,371	29	-
President Logistics International Co., Ltd.	Wisdom Distribution Services Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	(Distribution revenue)	( 841,630)	(29)	Closes its accounts 20 days after the end of each month	-	-	116,412	39	-
President Logistics International Co., Ltd.	Retail Support International Corp.	An investee company accounted for under the equity method	(Distribution revenue)	( 731,275)	(25)	Closes its accounts 20 days after the end of each month	-	-	63,779	22	-
President Logistics International Co., Ltd.	Chieh Shun Transport Corp.	An investee company of President Logistics International Co., Ltd. accounted for under the equity method	Purchases	845,059	31	Closes its accounts 20 days after the end of each month	-	-	( 80,078)	(62)	-

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party				Notes or accounts receivable / (payable)	
			Purchases / (sales) (Distribution revenue) (\$)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes or accounts receivable/(payable)	Note	
												Amount
Chieh Shun Transport Corp.	President Transnet Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	(Distribution revenue) (\$ 883,327)	(49)	Closes its accounts 40 days after the end of each month	\$ -	-	\$ 143,130	63	-		
Chieh Shun Transport Corp.	President Logistics International Co., Ltd.	An investee company of Retail Support International Corp. accounted for under the equity method	(Distribution revenue) ( 845,059)	(47)	Closes its accounts 20 days after the end of each month	-	-	80,078	35	-		
Century Quick Services Restaurant Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Sales) ( 221,317)	(29)	Closes its accounts 30-60 days after the end of each month	-	-	82,235	53	-		
Capital Inventory Services Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	(Service revenue) ( 161,792)	(68)	Closes its accounts 60 days after the end of each month	-	-	31,249	61	-		
Zhejiang Uni-Champion Logistics Dvpt. Ltd.	Shanghai President Logistic Co. Ltd.	An investee company of President Chain Store Corp. accounted for under the equity method	(Distribution revenue) ( 174,487)	(38)	Closes its accounts 60 days after the end of each month	-	-	52,430	44	-		
Uni-President Enterprises (China) Investment Corp.	Chengdu President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases 1,182,421	31	Closes its accounts 30 days after the end of each month	-	-	( 73,208)	(5)	-		
Uni-President Enterprises (China) Investment Corp.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases 1,005,640	26	Closes its accounts 30 days after the end of each month	-	-	( 48,824)	(3)	-		
Uni-President Enterprises (China) Investment Corp.	Kunshan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases 518,626	14	Closes its accounts 30 days after the end of each month	-	-	( 33,549)	(2)	-		
Uni-President Enterprises (China) Investment Corp.	Taizhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases 375,481	10	Closes its accounts 30 days after the end of each month	-	-	( 17,736)	(1)	-		
Uni-President Enterprises (China) Investment Corp.	Chongqing President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases 257,647	7	Closes its accounts 30 days after the end of each month	-	-	( 3,592)	-	-		
Tovecan Corp.	Ton-Yi Industrial Corp.	An investee company accounted for under the equity method	Purchases 111,900	73	30 days after delivery	-	-	( 15,233)	(100)	-		
Uni-President (Thailand) Ltd.	Uni-President Marketing Co., Ltd.	An investee company of Uni-President (Thailand) Ltd. accounted for under the equity method	(Sales) ( 1,203,989)	(77)	Closes its accounts 60 days after the end of each month	-	-	166,022	77	-		
Uni-President Marketing Co., Ltd.	Uni-President (Thailand) Ltd.	An investee company of Uni-President Southeast Asia Holdings Ltd. accounted for under the equity method	Purchases 1,203,989	99	Closes its accounts 60 days after the end of each month	-	-	( 166,022)	(99)	-		
Uni-President (Vietnam) Co., Ltd.	Uni-President Enterprises Corp.	An investee company of Uni-President (Vietnam) Co., Ltd. accounted for under the equity method	(Sales) ( 353,749)	(3)	Closes its accounts 30 days after the end of each month	-	-	10,385	1	-		
Uni-President (Vietnam) Co., Ltd.	Tribeco Binh Duong Co., Ltd.	An investee company of Uni-President (Vietnam) Co., Ltd. accounted for under the equity method	(Sales) ( 151,179)	(1)	Closes its accounts 30 days after the end of each month	-	-	24,724	3	-		
Uni-President (Vietnam) Co., Ltd.	Uni-President (Malaysia) SDN. BHD.	An investee company of Uni-President (Vietnam) Co., Ltd. accounted for under the equity method	(Sales) ( 112,015)	(1)	Closes its accounts 90 days after the end of each month	-	-	9,749	1	-		
Uni-President (Vietnam) Co., Ltd.	Uni-President (Philippines) Corp.	An investee company of Uni-President Southeast Asia Holdings Ltd. accounted for under the equity method	(Sales) ( 104,470)	(1)	Closes its accounts 45 days after the end of each month	-	-	17,481	2	-		
Tribeco Binh Duong Co., Ltd.	Uni-President (Vietnam) Co., Ltd.	An investee company of Uni-President Southeast Asia Holdings Ltd. accounted for under the equity method	Purchases 151,179	48	Closes its accounts 30 days after the end of each month	-	-	( 24,724)	(24)	-		
Uni-President (Malaysia) SDN. BHD.	Uni-President (Vietnam) Co., Ltd.	An investee company of Uni-President Southeast Asia Holdings Ltd. accounted for under the equity method	Purchases 112,015	100	Closes its accounts 90 days after the end of each month	-	-	( 9,749)	(100)	-		
Uni-President (Philippines) Corp.	Uni-President (Vietnam) Co., Ltd.	An investee company of Uni-President Southeast Asia Holdings Ltd. accounted for under the equity method	Purchases 104,470	21	Closes its accounts 45 days after the end of each month	-	-	( 17,481)	(20)	-		
Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for under the equity method	(Sales) ( 358,958)	(12)	67 days after invoice date	-	-	43,871	8	-		

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party				Notes or accounts receivable / (payable)	
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes or accounts receivable/(payable)	Note	
												(\$)
Jiangsu Ton Yi Timpalte Co., Ltd.	Ton-Yi Industrial Corp.	An investee company accounted for under the equity method	Purchases	\$ 2,239,705	88	50 days after shipping	\$	-	-	(93)	-	
Fujian Ton Yi Timpalte Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for under the equity method	(Sales)	( 200,094)	(4)	67 days after invoice date	-	-	-	4	-	
Fujian Ton Yi Timpalte Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for under the equity method	(Sales)	( 139,767)	(3)	67 days after invoice date	-	-	-	1	-	
Fujian Ton Yi Timpalte Co., Ltd.	Ton-Yi Industrial Corp.	An investee company accounted for under the equity method	Purchases	3,242,129	90	50 days after shipping	-	-	-	(90)	-	
Chengdu Ton Yi Industrial Packing Co., Ltd.	Fujian Ton Yi Timpalte Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for under the equity method	Purchases	139,767	60	67 days after invoice date	-	-	-	(36)	-	
Wuxi Ton Yi Industrial Packing Co., Ltd.	Jiangsu Ton Yi Timpalte Co., Ltd.	An investee company of Cayman Jiangsu Ton Yi Holdings Ltd. accounted for under the equity method	Purchases	358,958	54	67 days after invoice date	-	-	-	(33)	-	
Wuxi Ton Yi Industrial Packing Co., Ltd.	Fujian Ton Yi Timpalte Co., Ltd.	An investee company of Cayman Fujian Ton Yi Holdings Ltd. accounted for under the equity method	Purchases	200,094	30	67 days after invoice date	-	-	-	(46)	-	
Taizhou Ton Yi Industrial Co., Ltd.	Taizhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 1,826,578)	(74)	Within 22 days of statements settled twice a month	-	-	-	82	-	
Taizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 129,499)	(5)	Within 22 days of statements settled twice a month	-	-	-	2	-	
Taizhou Ton Yi Industrial Co., Ltd.	Hefei President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 106,226)	(4)	Within 22 days of statements settled twice a month	-	-	-	2	-	
Taizhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of Cayman Nanhien Holding Ltd. accounted for under the equity method	Purchases	131,867	9	15 days after invoice date	-	-	-	(12)	-	
Zhangzhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 1,546,455)	(84)	Within 22 days of statements settled twice a month	-	-	-	81	-	
Kunshan Ton Yi Industrial Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 2,046,833)	(95)	Within 22 days of statements settled twice a month	-	-	-	87	-	
Kunshan Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of Cayman Nanhien Holding Ltd. accounted for under the equity method	Purchases	163,507	11	15 days after invoice date	-	-	-	(9)	-	
Beijing Ton Yi Industrial Co., Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 2,136,021)	(98)	Within 22 days of statements settled twice a month	-	-	-	97	-	
Beijing Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of Cayman Nanhien Holding Ltd. accounted for under the equity method	Purchases	176,286	12	15 days after invoice date	-	-	-	(11)	-	
Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 1,245,590)	(100)	Within 22 days of statements settled twice a month	-	-	-	100	-	
Huizhou Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of Cayman Nanhien Holding Ltd. accounted for under the equity method	Purchases	101,337	12	15 days after invoice date	-	-	-	(9)	-	
Chengdu Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 595,428)	(65)	Within 22 days of statements settled twice a month	-	-	-	74	-	

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party				Notes or accounts receivable / (payable)	
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes or accounts receivable/(payable)	Note	
												(\$)
Szechwan Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( \$ 1,446,405)	(93)	Within 22 days of statements settled twice a month	\$	-	-	141,772	99	-
Szechwan Ton Yi Industrial Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of Cayman Nantien Holding Ltd. accounted for under the equity method	Purchases	111,255	11	15 days after invoice date		-	-	( 22,118)	(16)	-
Zhanjiang Ton Yi Industrial Co., Ltd.	Zhanjiang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 769,222)	(77)	Within 22 days of statements settled twice a month		-	-	6,488	16	-
Zhanjiang Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 205,654)	(21)	Within 22 days of statements settled twice a month		-	-	31,996	81	-
Wuhan President Enterprises Food Co., Ltd.	Uni-President Trading (Hubei) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 1,557,173)	(20)	Closes its accounts 30 days after the end of each month		-	-	744	-	-
Wuhan President Enterprises Food Co., Ltd.	Changsha President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 551,617)	(7)	Closes its accounts 30 days after the end of each month		-	-	31,314	21	-
Wuhan President Enterprises Food Co., Ltd.	Changsha President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	111,920	2	Closes its accounts 30 days after the end of each month		-	-	( 799)	-	-
Wuhan President Enterprises Food Co., Ltd.	Nanchang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 288,161)	(4)	Closes its accounts 30 days after the end of each month		-	-	21,550	14	-
Wuhan President Enterprises Food Co., Ltd.	Nanchang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	173,785	4	Closes its accounts 30 days after the end of each month		-	-	-	-	-
Wuhan President Enterprises Food Co., Ltd.	Yichang Ziquan Beverage Industries Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	716,665	15	Closes its accounts 30 days after the end of each month		-	-	( 23,244)	(4)	-
Wuhan President Enterprises Food Co., Ltd.	Wuhan President Packing Ind. Corp.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	196,126	4	Closes its accounts 30 days after the end of each month		-	-	( 35,485)	(6)	-
Wuhan President Enterprises Food Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of Cayman Nantien Holding Ltd. accounted for under the equity method	Purchases	145,705	3	Closes its accounts 30 days after the end of each month		-	-	( 2,753)	-	-
Jiangsu President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 608,266)	(77)	Closes its accounts 30 days after the end of each month		-	-	28,207	87	-
Kunshan President Enterprises Food Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 2,581,880)	(59)	Closes its accounts 30 days after the end of each month		-	-	423,514	62	-
Kunshan President Enterprises Food Co., Ltd.	Shanghai President Coffee Co., Ltd.	An investee company of President Coffee (Cayman) Holdings Ltd. accounted for under the equity method	(Sales)	( 888,680)	(20)	Closes its accounts 30 days after the end of each month		-	-	150,562	22	(Note 3)
Kunshan President Enterprises Food Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	An investee company of Uni-President Hong Kong Holdings Ltd. accounted for under the equity method	(Sales)	( 518,626)	(12)	Closes its accounts 30 days after the end of each month		-	-	33,549	5	-
Kunming President Enterprises Food Co., Ltd.	Guiyang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	522,393	24	Closes its accounts 30 days after the end of each month		-	-	( 60,634)	(23)	-
Kunming President Enterprises Food Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	435,966	20	Closes its accounts 30 days after the end of each month		-	-	( 12,701)	(5)	-
Kunming President Enterprises Food Co., Ltd.	Chongqing President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	126,465	6	Closes its accounts 30 days after the end of each month		-	-	( 12,633)	(5)	-

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction			Description and reasons for difference in transaction terms compared to non-related party			Notes or accounts receivable / (payable)		
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Unit Price	Credit Period	Amount	Percentage of notes or accounts receivable/(payable)	Note	
Hefei President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	\$ 745,789	(16)	Closes its accounts 30 days after the end of each month	\$ -	-	\$ 89,976	55	-
Hefei President Enterprises Co., Ltd.	Guilin Ziquan Beverage Industried Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	345,793	12	Closes its accounts 30 days after the end of each month	-	-	( 2,604)	(1)	-
Hefei President Enterprises Co., Ltd.	Wuhan Zijiang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	132,599	5	Closes its accounts 30 days after the end of each month	-	-	( 4,164)	(1)	-
Hefei President Enterprises Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Purchases	106,226	4	Within 22 days of statements settled twice a month	-	-	( 3,423)	(1)	-
Shenyang President Enterprises Co., Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 413,051)	(13)	Closes its accounts 30 days after the end of each month	-	-	35,131	19	-
Shenyang President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 365,729)	(11)	Closes its accounts 30 days after the end of each month	-	-	24,506	13	-
Shenyang President Enterprises Co., Ltd.	Harbin President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 165,926)	(5)	Closes its accounts 30 days after the end of each month	-	-	35,022	19	-
Shenyang President Enterprises Co., Ltd.	Changbaishan Mountain President Enterprises (Jilin) Mineral Water Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	572,654	26	Closes its accounts 30 days after the end of each month	-	-	( 105,708)	(32)	-
Shenyang President Enterprises Co., Ltd.	Changchun President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	205,945	9	Closes its accounts 30 days after the end of each month	-	-	( 15,439)	(5)	-
Shenyang President Enterprises Co., Ltd.	Shanxi President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	152,833	7	Closes its accounts 30 days after the end of each month	-	-	( 7,874)	(2)	-
Chongqing President Enterprises Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 904,986)	(68)	Closes its accounts 30 days after the end of each month	-	-	98,444	82	-
Chongqing President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	An investee company of Uni-President Hong Kong Holdings Ltd. accounted for under the equity method	(Sales)	( 257,647)	(19)	Closes its accounts 30 days after the end of each month	-	-	3,592	3	-
Chongqing President Enterprises Co., Ltd.	Kunming President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 126,465)	(10)	Closes its accounts 30 days after the end of each month	-	-	12,633	11	-
Chongqing President Enterprises Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of Cayman Namlien Holding Ltd. accounted for under the equity method	Purchases	172,599	18	Closes its accounts 30 days after the end of each month	-	-	( 23,656)	(18)	-
Zhengzhou President Enterprises Co., Ltd.	Jinan President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	1,795,647	32	Closes its accounts 30 days after the end of each month	-	-	( 46,979)	(15)	-
Zhengzhou President Enterprises Co., Ltd.	Henan President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	1,580,411	28	Closes its accounts 30 days after the end of each month	-	-	( 19,807)	(6)	-
Zhengzhou President Enterprises Co., Ltd.	Wuhan Zijiang President Enterprises Co., Ltd.	An investee company of Wuhan President Enterprises Co., Ltd. accounted for under the equity method	Purchases	159,441	3	Closes its accounts 30 days after the end of each month	-	-	( 4,055)	(1)	-
Beijing President Enterprises Drinks & Food Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Purchases	2,136,021	46	Within 22 days of statements settled twice a month	-	-	( 46,764)	(13)	-
Beijing President Enterprises Drinks & Food Co., Ltd.	Shenyang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	413,051	9	Closes its accounts 30 days after the end of each month	-	-	( 35,131)	(9)	-

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction			Description and reasons for difference in transaction terms compared to non-related party			Notes or accounts receivable / (payable)	
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes or accounts receivable/(payable)
Beijing President Enterprises Drinks & Food Co., Ltd.	Shanxi President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	\$ 291,592	6	Closes its accounts 30 days after the end of each month	\$ -	(34,449)	(9)	
Beijing President Enterprises Drinks & Food Co., Ltd.	Jinan President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	289,320	6	Closes its accounts 30 days after the end of each month	( - )	12,644	(3)	
Guangzhou President Enterprises Co., Ltd.	Fuzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 1,365,619)	(7)	Closes its accounts 30 days after the end of each month	-	156,939	25	
Guangzhou President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 107,610)	(1)	Closes its accounts 30 days after the end of each month	-	9,785	2	
Guangzhou President Enterprises Co., Ltd.	Nanning President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	1,653,417	13	Closes its accounts 30 days after the end of each month	( - )	29,302	(2)	
Guangzhou President Enterprises Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Purchases	1,546,455	12	Within 22 days of statements settled twice a month	( - )	99,646	(8)	
Guangzhou President Enterprises Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Purchases	1,245,590	10	Within 22 days of statements settled twice a month	( - )	143,994	(11)	
Guangzhou President Enterprises Co., Ltd.	Guilin Ziquan Beverage Industried Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	1,105,566	8	Closes its accounts 30 days after the end of each month	( - )	28,063	(2)	
Guangzhou President Enterprises Co., Ltd.	Zhanjiang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	824,235	6	Closes its accounts 30 days after the end of each month	( - )	47,068	(4)	
Guangzhou President Enterprises Co., Ltd.	Zhanjiang Ton Yi Industrial Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	205,564	2	Within 22 days of statements settled twice a month	( - )	31,996	(2)	
Guangzhou President Enterprises Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of Cayman Nanhren Holding Ltd. accounted for under the equity method	Purchases	149,570	1	Closes its accounts 30 days after the end of each month	( - )	24,475	(2)	
Guangzhou President Enterprises Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Purchases	129,499	1	Within 22 days of statements settled twice a month	( - )	4,027	-	
Fuzhou President Enterprises Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	1,365,619	50	Closes its accounts 30 days after the end of each month	( - )	156,939	(46)	
Uni-President Trading (Kunshan) Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	An investee company of Uni-President Holdings Ltd. accounted for under the equity method	(Sales)	( 1,005,640)	(7)	Closes its accounts 30 days after the end of each month	-	48,824	6	
Uni-President Trading (Kunshan) Co., Ltd.	Hangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	2,817,441	20	Closes its accounts 30 days after the end of each month	( - )	399,822	(26)	
Uni-President Trading (Kunshan) Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	2,581,880	18	Closes its accounts 30 days after the end of each month	( - )	423,514	(28)	
Uni-President Trading (Kunshan) Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Purchases	2,046,833	15	Within 22 days of statements settled twice a month	( - )	66,925	(4)	
Uni-President Trading (Kunshan) Co., Ltd.	Taizhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	1,518,458	11	Closes its accounts 30 days after the end of each month	( - )	343,646	(23)	
Uni-President Trading (Kunshan) Co., Ltd.	Hefei President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	745,789	5	Closes its accounts 30 days after the end of each month	( - )	89,976	(6)	

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party				Notes or accounts receivable / (payable)	
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes receivable/(payable)	Note	
												Amount
Uni-President Trading (Kunshan) Co., Ltd.	Jiangsu President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	\$ 608,266	4	Closes its accounts 30 days after the end of each month	\$ -	-	28,207	(2)	-	
Uni-President Trading (Kunshan) Co., Ltd.	Shanghai E & P Trading Co., Ltd.	An investee company of Cayman Nantien Holding Ltd. accounted for under the equity method	Purchases	574,491	4	Closes its accounts 30 days after the end of each month	-	-	38,426	(3)	-	
Uni-President Trading (Kunshan) Co., Ltd.	Shenyang Uni-President Enterprise Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	365,729	3	Closes its accounts 30 days after the end of each month	-	-	24,506	(2)	-	
Uni-President Trading (Kunshan) Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	107,610	1	Closes its accounts 30 days after the end of each month	-	-	9,785	(1)	-	
Uni-President Trading (Hubei) Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	1,557,173	96	Closes its accounts 30 days after the end of each month	-	-	744	(12)	-	
Chengdu President Enterprises Food Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	An investee company of Uni-President Hong Kong Holdings Ltd. accounted for under the equity method	(Sales)	( 1,182,421)	(14)	Closes its accounts 30 days after the end of each month	-	-	73,208	26	-	
Chengdu President Enterprises Food Co., Ltd.	Kunming President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 435,966)	(5)	Closes its accounts 30 days after the end of each month	-	-	12,701	5	-	
Chengdu President Enterprises Food Co., Ltd.	Xinjiang President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 154,485)	(2)	Closes its accounts 30 days after the end of each month	-	-	29,606	11	-	
Chengdu President Enterprises Food Co., Ltd.	Szechwan Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Purchases	1,446,405	24	Within 22 days of statements settled twice a month	-	-	141,772	(21)	-	
Chengdu President Enterprises Food Co., Ltd.	Chongqing President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	904,986	15	Closes its accounts 30 days after the end of each month	-	-	98,444	(15)	-	
Chengdu President Enterprises Food Co., Ltd.	Sanxi President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	610,431	10	Closes its accounts 30 days after the end of each month	-	-	9,200	(1)	-	
Chengdu President Enterprises Food Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Purchases	595,428	10	Within 22 days of statements settled twice a month	-	-	64,143	(10)	-	
Xinjiang President Enterprises Food Co., Ltd.	Sanxi President Enterprises Corp.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	750,548	26	Closes its accounts 30 days after the end of each month	-	-	42,683	(17)	-	
Xinjiang President Enterprises Food Co., Ltd.	Aksu President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	520,613	18	Closes its accounts 30 days after the end of each month	-	-	13,097	(5)	-	
Xinjiang President Enterprises Food Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	154,485	5	Closes its accounts 30 days after the end of each month	-	-	29,606	(12)	-	
Harbin President Enterprises Co., Ltd.	Shenyang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	165,926	33	Closes its accounts 30 days after the end of each month	-	-	35,022	(48)	-	
Nanchang President Enterprises Co., Ltd.	Changsha President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 173,804)	(5)	Closes its accounts 30 days after the end of each month	-	-	13,319	22	-	
Nanchang President Enterprises Co., Ltd.	Changsha President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	782,635	35	Closes its accounts 30 days after the end of each month	-	-	87,718	(36)	-	
Nanchang President Enterprises Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 173,785)	(5)	Closes its accounts 30 days after the end of each month	-	-	-	-	-	



Purchases / sales company	Name of the counter-party	Relationship	Description of transaction			Description and reasons for difference in transaction terms compared to non-related party			Notes or accounts receivable / (payable)	
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes or accounts receivable/(payable)
Nanchang President Enterprises Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	\$ 288,161	13	Closes its accounts 30 days after the end of each month	\$ -	-	21,550	(9)
Guiyang President Enterprises Co., Ltd.	Kunming President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 522,593)	(100)	Closes its accounts 30 days after the end of each month	-	-	60,634	100
Shaaxi President Enterprises Co., Ltd.	Xinjiang President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 750,548)	(55)	Closes its accounts 30 days after the end of each month	-	-	42,683	79
Shaaxi President Enterprises Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 610,431)	(44)	Closes its accounts 30 days after the end of each month	-	-	9,200	17
Henan President Enterprises Co., Ltd.	Zhengzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 1,580,411)	(95)	Closes its accounts 30 days after the end of each month	-	-	19,807	92
Henan President Enterprises Co., Ltd.	Wuhan Zijiang President Enterprises Co., Ltd.	An investee company of Wuhan President Enterprises Co., Ltd. accounted for under the equity method	Purchases	388,446	32	Closes its accounts 30 days after the end of each month	-	-	( 15,416)	(4)
Shaaxi President Enterprises Co., Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 291,592)	(55)	Closes its accounts 30 days after the end of each month	-	-	34,449	78
Shaaxi President Enterprises Co., Ltd.	Shenyang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 152,833)	(29)	Closes its accounts 30 days after the end of each month	-	-	7,874	18
Zhanjiang President Enterprises Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 824,235)	(98)	Closes its accounts 30 days after the end of each month	-	-	47,068	100
Zhanjiang President Enterprises Co., Ltd.	Zhanjiang Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Purchases	769,222	99	Within 22 days of statements settled twice a month	-	-	( 6,488)	(27)
Changsha President Enterprises Co., Ltd.	Nanchang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 782,635)	(15)	Closes its accounts 30 days after the end of each month	-	-	87,718	67
Changsha President Enterprises Co., Ltd.	Nanchang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	173,804	5	Closes its accounts 30 days after the end of each month	-	-	( 13,319)	(3)
Changsha President Enterprises Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 111,920)	(2)	Closes its accounts 30 days after the end of each month	-	-	799	1
Changsha President Enterprises Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Purchases	551,617	17	Closes its accounts 30 days after the end of each month	-	-	( 31,314)	(7)
Changsha President Enterprises Co., Ltd.	Changsha President Packaging Ind. Corp.	An investee company of President Packaging Holdings Ltd. accounted for under the equity method	Purchases	188,689	6	Closes its accounts 30 days after the end of each month	-	-	( 34,513)	(8)
Nanning President Enterprises Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 1,653,417)	(95)	Closes its accounts 30 days after the end of each month	-	-	29,302	86
Jinan President Enterprises Co., Ltd.	Zhengzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 1,795,647)	(80)	Closes its accounts 30 days after the end of each month	-	-	46,979	58
Jinan President Enterprises Co., Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 289,320)	(13)	Closes its accounts 30 days after the end of each month	-	-	12,644	16
Akesu President Enterprises Co., Ltd.	Xinjiang President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 520,613)	(79)	Closes its accounts 30 days after the end of each month	-	-	13,097	100

Purchases / sales company	Name of the counter-party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party			Notes or accounts receivable / (payable)	
			Purchases / (sales)	Amount	Percentage of net purchases/(sales)	Credit Period	Unit Price	Credit Period	Amount	Percentage of notes or accounts receivable/(payable)	Note
Hangzhou President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( \$ 2,817,441)	(97)	Closes its accounts 30 days after the end of each month	-	-	399,822	-	
Taizhou President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 1,518,458)	(76)	Closes its accounts 30 days after the end of each month	-	-	343,646	89	
Taizhou President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 375,481)	(19)	Closes its accounts 30 days after the end of each month	-	-	17,736	5	
Taizhou President Enterprises Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Purchases	1,826,578	97	Within 22 days of statements settled twice a month	-	(	137,418)	(82)	
Changbaishan President Enterprises (Jilin) Mineral Water Co., Ltd.	Shenyang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 572,654)	(100)	Closes its accounts 30 days after the end of each month	-	-	105,708	100	
Changchun President Enterprises Co., Ltd.	Shenyang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 205,945)	(94)	Closes its accounts 30 days after the end of each month	-	-	15,439	94	
Shanghai E & P Trading Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 574,491)	(19)	Closes its accounts 30 days after the end of each month	-	-	38,426	23	
Shanghai E & P Trading Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	(Sales)	( 176,286)	(6)	15 days after invoice date	-	-	10,380	6	
Shanghai E & P Trading Co., Ltd.	Chongqing President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 172,399)	(6)	Closes its accounts 30 days after the end of each month	-	-	23,656	14	
Shanghai E & P Trading Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	(Sales)	( 163,507)	(5)	15 days after invoice date	-	-	12,030	7	
Shanghai E & P Trading Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 149,570)	(5)	Closes its accounts 30 days after the end of each month	-	-	24,475	15	
Shanghai E & P Trading Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	(Sales)	( 145,705)	(5)	Closes its accounts 30 days after the end of each month	-	-	2,753	2	
Shanghai E & P Trading Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	(Sales)	( 131,867)	(4)	15 days after invoice date	-	-	19,210	11	
Shanghai E & P Trading Co., Ltd.	Szechwan Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	(Sales)	( 111,255)	(4)	15 days after invoice date	-	-	22,118	13	
Shanghai E & P Trading Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	(Sales)	( 101,337)	(3)	15 days after invoice date	-	-	15,268	9	

(Note 1) The above terms are in accordance with the Company's policy on credit management. Please refer to Note.7 "RELATED PARTY TRANSACTIONS".

(Note 2) The Company closes its accounts every 10 days and remits in 28 days after purchases.

(Note 3) The Group sold all shares of President Coffee (Cayman) Holdings Ltd. in December 2017, so that Shanghai President Starbucks Coffee Co., Ltd. is no longer a related party.

(Note 4) Foreign currencies are translated into New Taiwan Dollars using the following exchanges: Ending balances of receivable and payable are translated using the exchange rates as of report date (USD:NTD 1:29.76, CYN:NTD 1:4.574, TBT:NTD 1:0.9134). Amounts of transactions are translated using the average exchange rates for the year ended December 31, 2017 (USD:NTD 1:30.41, CYN:NTD 1:4.502, TBT:NTD 1:0.8961)

**UNIPRESIDENT ENTERPRISES CORP.**

Receivable from related parties exceeding \$100,000 or 20% of paid-in capital or more  
December 31, 2017

The name of the Company	Name of the counter-party	Relationship	Other receivables-related party				Overdue receivables			Expressed in thousands of NTD
			General ledger account	Amount	Turnover rate	Amount	Action adopted for overdue accounts	Subsequent collections	Allowance for doubtful accounts	
				\$		\$			\$	
Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	An investee company accounted for under the equity method	Accounts receivable	847,842	8.58	-	847,842	-	-	
Uni-President Enterprises Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	Accounts receivable	381,020	10.53	-	381,020	-	-	
Uni-President Enterprises Corp.	Retail Support International Corp.	An investee company accounted for under the equity method	Accounts receivable	328,404	9.45	-	328,404	-	-	
Uni-President Enterprises Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Accounts receivable	301,663	15.69	-	301,663	-	-	
Uni-President Enterprises Corp.	Tung Shun Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	Accounts receivable	202,472	5.50	-	202,472	-	-	
Uni-President Enterprises Corp.	Tun Hsiang Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	Accounts receivable	185,997	5.27	-	185,997	-	-	
Uni-President Enterprises Corp.	Tung Yi Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	Accounts receivable	129,316	6.33	-	129,316	-	-	
Uni-President Enterprises Corp.	Kuan Chan Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	Accounts receivable	117,954	6.42	-	117,954	-	-	
Kai Yu Investment Co., Ltd.	Kai Yu (BVI) Investment Co., Ltd.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Other receivables	2,976,000	-	-	2,976,000	-	-	
Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd.	An investee company of Cayman President Holdings Ltd. accounted for under the equity method	Other receivables	2,032,013	-	-	-	-	-	
Cayman President Holdings Ltd.	Uni-President Foodstuff (BVI) Holdings Ltd.	An investee company of Cayman President Holdings Ltd. accounted for under the equity method	Other receivables	563,059	-	-	-	-	-	
Cayman President Holdings Ltd.	Kai Yu (BVI) Investment Co., Ltd.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Other receivables	271,709	-	-	-	-	-	
Ton Yu Investment Corp.	President Property Corp.	An investee company of President International Development Corp. accounted for under the equity method	Other receivables	133,000	-	-	-	-	-	
Ton-Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Industrial Holdings Ltd. accounted for under	Accounts receivable	542,883	8.89	-	542,883	-	-	
Ton-Yi Industrial Corp.	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Industrial Holdings Ltd. accounted for under	Accounts receivable	307,601	11.52	-	307,601	-	-	

The name of the Company	Name of the counter-party	Relationship	Other receivables-related party			Overdue receivables			
			General ledger account	Amount	Turnover rate	Amount	Action adopted for overdue accounts	Subsequent collections	Allowance for doubtful accounts
President Chain Store Corp.	President Chain Store (BVI) Holdings Ltd.	An investee company of President Chain Store Corp. accounted for under the equity method	Other receivables	\$ 4,940,160	-	-	\$ -	4,940,160	\$ -
President Chain Store Corp.	Wisdom Distribution Services Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	Other receivables	983,165	-	-	-	779,207	-
President Chain Store Corp.	Retail Support International Corp.	An investee company accounted for under the equity method	Other receivables	125,182	-	-	-	125,162	-
President Chain Store Corp.	Uni-President Cold Chain Corp.	An investee company accounted for under the equity method	Other receivables	111,186	-	-	-	4,727	-
Chieh Shun Transport Corp.	President Transnet Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	Accounts receivable	143,130	5.75	-	-	48,232	-
Presco Netmarketing Inc.	Tone Sang Construction Corp.	An investee company accounted for under the equity method	Other receivables	150,000	-	-	-	-	-
Uni-President Superior Commissary Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	Accounts receivable	563,132	5.92	-	-	268,451	-
Qware Systems & Services Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	Accounts receivable	109,067	5.98	-	-	65,769	-
President Information Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	Accounts receivable	195,955	4.24	-	-	142,801	-
President Logistics International Co., Ltd.	Wisdom Distribution Services Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	Accounts receivable	116,412	9.25	-	-	116,412	-
President Collect Service Co. Ltd.	President Transnet Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	Other receivables	1,010,035	-	-	-	1,010,035	-
Tung Ang Enterprises Corp.	Tun Hsiang Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	Accounts receivable	174,566	5.71	-	-	-	-
Tung Ang Enterprises Corp.	President Chain Store Corp.	An investee company accounted for under the equity method	Accounts receivable	123,015	13.18	-	-	-	-
Tun Hsiang Enterprises Corp.	Presicarr Corp.	An investee company accounted for under the equity method	Accounts receivable	102,770	5.26	-	-	-	-
SciAnda (Kunshan) Biochemical Technology Ltd.	SciAnda (Changshu) Pharmaceuticals, Ltd.	An investee company of SPT International, Ltd. accounted for under the equity method	Other receivables	228,824	-	-	-	-	-
Chengdu Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Other receivables	183,516	-	-	-	-	-
Taizhou Ton Yi Industrial Co., Ltd.	Taizhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Accounts receivable	137,418	11.68	-	-	137,418	-
Taizhou Ton Yi Industrial Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Other receivables	183,536	-	-	-	-	-
Kunshan Ton Yi Industrial Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Other receivables	137,455	-	-	-	-	-

Table 7 Page 2

The name of the Company	Name of the counter-party	Relationship	Other receivables-related party		Overdue receivables				
			General ledger account	Amount	Turnover rate	Amount	Action adopted for overdue accounts	Subsequent collections	Allowance for doubtful accounts
Kunshan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Timplate Co., Ltd.	An investee company of Cayman Fujian Ton Yi Industrial Holdings Ltd. accounted for under	Other receivables	\$ 137,378	-	\$ -	-	\$ -	-
Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Accounts receivable	143,994	13.91	-	143,994	-	-
Szechwan Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Accounts receivable	141,772	10.21	-	141,772	-	-
Szechwan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Other receivables	229,121	-	-	-	-	-
Zhanjiang Ton Yi Industrial Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	An investee company of Ton Yi (China) Investment Co., Ltd. accounted for under the equity method	Other receivables	183,192	-	-	-	-	-
Henan President Enterprises China Holdings Ltd.	Henan President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	323,502	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (Shanghai) Drink & Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	1,553,510	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Sanxi President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	1,499,319	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Shijiazhuang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	1,370,644	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Hangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	1,316,062	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Shanxi President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	1,308,536	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	985,627	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Jiangsu President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	961,122	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (TianJin) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	873,977	-	-	-	-	-

The name of the Company	Name of the counter-party	Relationship	Other receivables-related party			Overdue receivables			
			General ledger account	Amount	Turnover rate	Amount	Action adopted for overdue accounts	Subsequent collections	Allowance for doubtful accounts
Uni-President Enterprises (China) Investment Corp.	Ningxia Uni-President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	\$ 846,012	-	-	\$ -	-	\$ -
Uni-President Enterprises (China) Investment Corp.	Hefei President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	817,921	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (Hutubi) Tomato Products Technology Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	798,551	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Changchun President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	731,246	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Xuzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	682,294	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Baiyin President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	552,308	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Guiyang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	493,846	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Kunshan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	429,333	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Uni-President Shanghai Pearly Century Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	379,900	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Changbaishan President Enterprises (Jilin) Mineral Water Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	333,784	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Henan President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	278,387	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Jinan President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	220,794	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Harbin President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	156,057	-	-	-	-	-
Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (Inner Mongolia) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	151,995	-	-	-	-	-

Table 7 Page 4

The name of the Company	Name of the counter-party	Relationship	Other receivables-related party			Overdue receivables		
			General ledger account	Amount	Turnover rate	Amount	Action adopted for overdue accounts	Subsequent collections
Uni-President Enterprises (China) Investment Corp.	Shenyang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	\$ 138,372	-	\$ -	-	\$ -
Uni-President (Thailand) Ltd.	Uni-President Marketing Co., Ltd.	An investee company of Uni-President (Thailand) Co., Ltd. accounted for under the equity method	Accounts receivable	166,022	7	-	18,082	-
Uni-President (Vietnam) Co., Ltd.	Tribeco Binh Duong Co., Ltd.	An investee company of Uni-President (Vietnam) Co., Ltd. accounted for under the equity method	Other receivables	532,244	-	-	-	-
Uni-President (Vietnam) Co., Ltd.	Uni-President Vietnam Aquatic Breeding Co., Ltd.	An investee company of Uni-President (Vietnam) Co., Ltd. accounted for under the equity method	Other receivables	263,721	-	-	-	-
Kunshan President Enterprises Food Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Accounts receivable	423,514	8	-	-	-
Kunshan President Enterprises Food Co., Ltd.	Shanghai President Coffee Co., Ltd.	An investee company of Uni-President Hong Kong Holdings Ltd. accounted for under	Accounts receivable	150,562	6	-	-	-
Guangzhou President Enterprises Co., Ltd.	Fuzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Accounts receivable	156,939	10	-	-	-
Guangzhou President Enterprises Co., Ltd.	Hangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	457,368	-	-	-	-
Guangzhou President Enterprises Co., Ltd.	Hefei President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	388,763	-	-	-	-
Guangzhou President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	An investee company of Uni-President Hong Kong Holdings Ltd. accounted for under the equity method	Other receivables	256,287	-	-	-	-
Guangzhou President Enterprises Co., Ltd.	Hainan President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	114,342	-	-	-	-
Fuzhou President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	An investee company of Uni-President Hong Kong Holdings Ltd. accounted for under the equity method	Other receivables	562,961	-	-	-	-
Uni-President Trading (Hubei) Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	228,684	-	-	-	-
Uni-President Trading (Kunshan) Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	An investee company of Uni-President Hong Kong Holdings Ltd. accounted for under the equity method	Other receivables	361,913	-	-	-	-

The name of the Company	Name of the counter-party	Relationship	Other receivables-related party			Overdue receivables			
			General ledger account	Amount	Turnover rate	Amount	Action adopted for overdue accounts	Subsequent collections	Allowance for doubtful accounts
Uni-President Trading (Kunshan) Co., Ltd.	Hangzhou President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	\$ 127,400	-	-	\$ -	-	\$ -
Nanchang President Enterprises Co., Ltd.	Changbaishan President Enterprises (Jilin) Mineral Water Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	910,162	-	-	-	-	-
Changbaishan President Enterprises (Jilin) Mineral Water Co., Ltd.	Shenyang President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Accounts receivable	105,708	10	-	-	-	-
Zhanjiang President Enterprises Co., Ltd.	Hainan President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	160,079	-	-	-	-	-
Hangzhou President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Accounts receivable	399,822	9	-	-	-	-
Taizhou President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Accounts receivable	343,646	6	-	-	-	-
Taizhou President Enterprises Co., Ltd.	Jinan President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	361,320	-	-	-	-	-
Hunan President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	123,489	-	-	-	-	-
Yantai Tongli Beverage Industries Co., Ltd.	Jinan President Enterprises Co., Ltd.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	182,947	-	-	-	-	-
Zhengzhou President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	An investee company of Uni-President Enterprises (China) Investment Corp. accounted for under the equity method	Other receivables	537,848	-	-	-	-	-

(Note 1) The Group sold all shares of President Coffee (Cayman) Holdings Ltd. in December 2017, so that Shanghai President Starbucks Coffee Co., Ltd. is no longer a related party.  
(Note 2) Foreign currencies are translated into New Taiwan Dollars using the exchange rates as of report date. (USD:NTD 1:29.76, CYN:NTD 1:4.574, TBH:NTD 1:0.9134, VND:NTD 1:0.001311).



UNI-PRESIDENT ENTERPRISES CORP.  
Derivative financial instrument transaction  
December 31, 2017

The name of the company	Derivative financial instruments		Expressed in thousands of NTD	
	Contract amount (thousand dollars)	Book value		
Uni-President Enterprises Corp.	USD 185,716	(\$ 1,215)		
Tait Marketing & Distribution Co., Ltd.	USD 1,156	( 315)		
President Nisshin Corp.	USD 800	( 236)		
President Packaging Corp.	USD 3,000	772		
President (BVI) International Holdings Ltd.	USD 20,000	616,568		

(Note 1) For the year ended December 31, 2017, the Company recognized a net loss of \$8,172 as a result of derivative financial instrument transactions.

(Note 2) For the year ended December 31, 2017, the Company's subsidiaries recognized a net gain of \$54,032 as a result of derivative financial instrument transactions.

(Note 3) Foreign currencies are translated into New Taiwan Dollars. Exchange rates of foreign currencies indicated as of report date were as follows: USD:NTD 1:29.76

UNI-PRESIDENT ENTERPRISES CORP.

Significant inter-company transactions during the reporting periods

For the year ended December 31, 2017

Expressed in thousands of NTD

Table 9

Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	General ledger account	Amount	Transaction terms		The percentage of total consolidated revenue or total assets (Note 4)
						Transaction terms	Transaction terms	
0	Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	1	Sales	\$ 7,533,210	Closes its accounts	30 days after the end of each month	2%
0	Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	1	Accounts receivable	847,842	—	—	-
0	Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	1	Shipping expenses	392,140	Closes its accounts	30 days after the end of each month	-
0	Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	1	Service cost	112,135	Closes its accounts	30 days after the end of each month	-
0	Uni-President Enterprises Corp.	Tung Ang Enterprises Corp.	1	Sales	5,736,204	Closes its accounts every	10 days and remits in 28 days	1%
0	Uni-President Enterprises Corp.	Tung Ang Enterprises Corp.	1	Accounts receivable	301,663	—	—	-
0	Uni-President Enterprises Corp.	President Chain Store Corp.	1	Sales	3,870,562	Closes its accounts	30~40 days after the end of each month	1%
0	Uni-President Enterprises Corp.	President Chain Store Corp.	1	Accounts receivable	381,020	—	—	-
0	Uni-President Enterprises Corp.	Retail Support International Corp.	1	Sales	3,217,720	Closes its accounts	30 days after the end of each month	1%
0	Uni-President Enterprises Corp.	Retail Support International Corp.	1	Accounts receivable	328,404	—	—	-
0	Uni-President Enterprises Corp.	Tung Shun Enterprises Corp.	1	Sales	1,147,239	Closes its accounts	62 days after the end of each week	-
0	Uni-President Enterprises Corp.	Tung Shun Enterprises Corp.	1	Accounts receivable	202,472	—	—	-
0	Uni-President Enterprises Corp.	Tun Hsiang Enterprises Corp.	1	Sales	1,038,679	Closes its accounts	60 days after the end of each week	-
0	Uni-President Enterprises Corp.	Tun Hsiang Enterprises Corp.	1	Accounts receivable	185,997	—	—	-
0	Uni-President Enterprises Corp.	Tung Yi Enterprises Corp.	1	Sales	882,368	Closes its accounts	12 days after the end of each month	-
0	Uni-President Enterprises Corp.	Tung Yi Enterprises Corp.	1	Accounts receivable	129,316	—	—	-
0	Uni-President Enterprises Corp.	Uni-President Vendor Corp.	1	Sales	726,886	Closes its accounts	30 days after the end of each month	-
0	Uni-President Enterprises Corp.	Tung-Hsiang Enterprises Corp.	1	Sales	605,210	Closes its accounts	49 days after the end of each week	-
0	Uni-President Enterprises Corp.	Fu Yi Enterprises Corp.	1	Sales	472,502	Closes its accounts	27 days after the end of each week	-
0	Uni-President Enterprises Corp.	Tong Chu Enterprises Corp.	1	Sales	369,228	Closes its accounts	65 days after the end of each week	-
0	Uni-President Enterprises Corp.	Kun Fu Enterprises Corp.	1	Sales	311,972	Closes its accounts	42 days after the end of each week	-
0	Uni-President Enterprises Corp.	Yi Fa Enterprises Corp.	1	Sales	218,451	Closes its accounts	36 days after the end of each week	-
0	Uni-President Enterprises Corp.	Cheng-Fa Enterprises Corp.	1	Sales	192,649	Closes its accounts	40 days after the end of each week	-
0	Uni-President Enterprises Corp.	Hsin Tung Enterprises Corp.	1	Sales	150,203	17 days after	delivery	-
0	Uni-President Enterprises Corp.	Tung Che Enterprises Corp.	1	Sales	146,110	Closes its accounts	46 days after the end of each week	-
0	Uni-President Enterprises Corp.	Yuan-Tai Enterprises Corp.	1	Sales	108,471	Closes its accounts	52 days after the end of each week	-

Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	General ledger account	Amount	Transaction terms	The percentage of total consolidated revenue or total assets (Note 4)
0	Uni-President Enterprises Corp.	Uni-President Superior Commissary Corp.	1	Sales	\$ 108,445	Closes its accounts 60 days after the end of each month	-
0	Uni-President Enterprises Corp.	Tung Yu Enterprises Corp.	1	Sales	106,238	Closes its accounts 12 days after the end of each month	-
0	Uni-President Enterprises Corp.	Tung Xian Enterprises Corp.	1	Sales	100,718	Closes its accounts 46 days after the end of each week	-
0	Uni-President Enterprises Corp.	Tung-Bo Enterprises Corp.	1	Sales	100,366	Closes its accounts 12 days after the end of each week	-
0	Uni-President Enterprises Corp.	President Kikkoman Inc.	1	Purchases	917,244	One month	-
0	Uni-President Enterprises Corp.	President Nisshin Corp.	1	Purchases	396,823	30 days after checking	-
0	Uni-President Enterprises Corp.	Uni-President (Vietnam) Co., Ltd.	1	Purchases	353,749	Closes its accounts 30 days after the end of each month	-
0	Uni-President Enterprises Corp.	President Packaging Corp.	1	Purchases	139,320	Closes its accounts 30 days after the end of each month	-
0	Uni-President Enterprises Corp.	Uni-President Dream Parks Corp.	1	Advertising expenses	368,130	Closes its accounts 45 days after the end of each month	-
0	Uni-President Enterprises Corp.	Presco Netmarketing Inc.	1	Advertising expenses	233,509	Closes its accounts 30 days after the end of each month	-
1	Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd.	3	Other receivables	2,032,013	-	-
1	Cayman President Holdings Ltd.	Uni-President Foodstuff (BVI) Holdings Ltd.	3	Other receivables	563,059	-	-
1	Cayman President Holdings Ltd.	Kai Yu (BVI) Investment Co., Ltd.	3	Other receivables	271,709	-	-
2	Kai Yu Investment Co., Ltd.	Kai Yu (BVI) Investment Co., Ltd.	3	Other receivables	2,976,000	-	1%
3	Nanlian International Corp.	Lien Bo Enterprises Corp.	3	Sales	839,473	Closes its accounts 35 days after the end of each month	-
4	Uni-President Dream Parks Corp.	Tung Ang Enterprises Corp.	3	Service revenue	125,680	Closes its accounts 45 days after the end of each month	-
5	Presco Netmarketing Inc.	Tone Sang Construction Corp.	3	Other receivables	150,000	-	-
6	Tait Marketing & Distribution Co., Ltd.	President Chain Store Corp.	3	Sales	420,219	Closes its accounts 20~70 days after the end of each month	-
7	President Packaging Corp.	President Chain Store Corp.	3	Sales	336,034	Closes its accounts 15~60 days after the end of each month	-
8	Ton-Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	3	Sales	3,242,129	50 days after shipping	1%
8	Ton-Yi Industrial Corp.	Fujian Ton Yi Tinplate Co., Ltd.	3	Accounts receivable	542,883	-	-
8	Ton-Yi Industrial Corp.	Jiangsu Ton Yi Tinplate Co., Ltd.	3	Sales	2,239,105	50 days after shipping	1%
8	Ton-Yi Industrial Corp.	Jiangsu Ton Yi Tinplate Co., Ltd.	3	Accounts receivable	307,601	-	-
8	Ton-Yi Industrial Corp.	Tovecan Corp.	3	Sales	111,900	30 days after shipping	-
9	SciAnda (Kunshan) Biochemical Technology, Ltd.	SciAnda (Changshu) Pharmaceuticals, Ltd.	3	Other receivables	228,824	-	-
10	SciAnda (Changshu) Pharmaceuticals, Ltd.	SciPharm Taiwan Ltd.	3	Sales	226,163	After checking, closes its accounts 90 days after the end of each month	-
11	Uni-President Development Corp.	Uni-President Department Stores Corp.	3	Rental income	361,350	Monthly payment	-
12	President Chain Store Corp.	President Chain Store (BVI) Holdings Ltd.	3	Other receivables	4,940,160	-	1%
12	President Chain Store Corp.	Wisdom Distribution Services Corp.	3	Other receivables	983,165	-	-

## Transaction terms

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	General ledger account	Amount	Transaction terms	The percentage of total consolidated revenue or total assets (Note 4)
12	President Chain Store Corp.	Retail Support International Corp.	3	Other receivables	\$ 125,182	—	-
12	President Chain Store Corp.	Uni-President Cold Chain Corp.	3	Other receivables	111,186	—	-
13	Tung Ang Enterprises Corp.	President Chain Store Corp.	3	Sales	1,934,415	Closes its accounts 30 days after the end of each month	-
13	Tung Ang Enterprises Corp.	President Chain Store Corp.	3	Accounts receivable	123,015	—	-
13	Tung Ang Enterprises Corp.	Tun Hsiang Enterprises Corp.	3	Sales	1,161,674	Closes its accounts 60 days after the end of each month	-
13	Tung Ang Enterprises Corp.	Tun Hsiang Enterprises Corp.	3	Accounts receivable	174,566	—	-
13	Tung Ang Enterprises Corp.	Tong Chu Enterprises Corp.	3	Sales	314,116	Closes its accounts 56 days after the end of each week	-
13	Tung Ang Enterprises Corp.	Tung Yu Enterprises Corp.	3	Sales	173,080	Closes its accounts 12 days after the end of each month	-
13	Tung Ang Enterprises Corp.	Hsin Tung Enterprises Corp.	3	Sales	152,869	Closes its accounts 17 days after the end of each month	-
13	Tung Ang Enterprises Corp.	Wei-Tong Enterprises Corp.	3	Sales	138,929	Closes its accounts 12 days after the end of each month	-
13	Tung Ang Enterprises Corp.	Tung-Bo Enterprises Corp.	3	Sales	125,475	Closes its accounts 12 days after the end of each month	-
14	Wuhan President Packing Ind. Corp.	Wuhan President Enterprises Food Co., Ltd.	3	Sales	196,126	Closes its accounts 30 days after the end of each month	-
15	Changsha President Packaging Ind. Corp.	Changsha President Enterprises Co., Ltd.	3	Sales	188,689	Closes its accounts 30 days after the end of each month	-
16	President Tokyo Corp.	President Transnet Corp.	3	Sales	117,826	Closes its accounts 30 days after the end of each month	-
17	Wisdom Distribution Services Corp.	Books. Com. Co., Ltd.	3	Service revenue	292,289	Closes its accounts 30 days after the end of each month	-
18	Uni-President Superior Commissary Corp.	President Chain Store Corp.	3	Sales	3,304,904	Closes its accounts 45 days after the end of each month	1%
18	Uni-President Superior Commissary Corp.	President Chain Store Corp.	3	Accounts receivable	563,132	—	-
19	Qware Systems & Services Corp.	President Chain Store Corp.	3	Service revenue	620,659	Closes its accounts 40 days after the end of each month	-
19	Qware Systems & Services Corp.	President Chain Store Corp.	3	Accounts receivable	109,067	—	-
20	President Information Corp.	President Chain Store Corp.	3	Service revenue	764,669	Closes its accounts 45 days after the end of each month	-
20	President Information Corp.	President Chain Store Corp.	3	Accounts receivable	195,955	—	-
21	President Pharmaceutical Corp.	President Drugstore Business Corp.	3	Sales	646,186	Closes its accounts 70 days after the end of each month	-
22	President Transnet Corp.	President Chain Store Corp.	3	Sales	238,314	Closes its accounts 60 days after the end of each month	-
23	Duskin Serve Taiwan Co., Ltd.	President Chain Store Corp.	3	Service revenue	241,016	Closes its accounts 15~60 days after the end of each month	-
24	Vision Distribution Service Corp.	President Chain Store Corp.	3	Sales	631,371	Closes its accounts 30~60 days after the end of each month	-
25	Retail Support Taiwan Corp.	Retail Support International Corp.	3	Distribution revenue	296,424	Closes its accounts 15~20 days after the end of each month	-
26	Lien Bo Enterprises Corp.	President Chain Store Corp.	3	Sales	637,880	Closes its accounts 10~54 days after the end of each month	-
27	President Logistics International Co., Ltd.	Uni-President Cold Chain Corp.	3	Distribution revenue	1,005,173	Closes its accounts 20 days after the end of each month	-
27	President Logistics International Co., Ltd.	Wisdom Distribution Services Corp.	3	Accounts receivable	116,412	—	-
27	President Logistics International Co., Ltd.	Wisdom Distribution Services Corp.	3	Distribution revenue	841,630	Closes its accounts 20 days after the end of each month	-
27	President Logistics International Co., Ltd.	Retail Support International Corp.	3	Distribution revenue	731,275	Closes its accounts 20 days after the end of each month	-

Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	General ledger account	Amount	Transaction terms		The percentage of total consolidated revenue or total assets (Note 4)
28	Chieh Shun Transport Corp.	President Transnet Corp.	3	Distribution revenue	\$ 883,327	Closes its accounts 40 days after the end of each month		-
28	Chieh Shun Transport Corp.	President Transnet Corp.	3	Accounts receivable	143,130			-
28	Chieh Shun Transport Corp.	President Logistics International Co., Ltd.	3	Distribution revenue	845,059	Closes its accounts 20 days after the end of each month		-
29	Ton Yu Investment Corp.	President Property Corp.	3	Other receivables	133,000			-
30	Century Quick Services Restaurant Corp.	President Chain Store Corp.	3	Sales	221,317	Closes its accounts 30-60 days after the end of each month		-
31	President Collect Service Co. Ltd.	President Transnet Corp.	3	Other receivables	1,010,035			-
32	Capital Inventory Services Corp.	President Chain Store Corp.	3	Service revenue	161,792	Closes its accounts 60 days after the end of each month		-
33	Zhejiang Uni-Champion Logistics Dvpt. Ltd.	Shanghai President Logistic Co. Ltd.	3	Distribution revenue	174,487	Closes its accounts 60 days after the end of each month		-
34	Uni-President (Thailand) Ltd.	Uni-President Marketing Co., Ltd.	3	Sales	1,203,989	Closes its accounts 60 days after the end of each month		-
34	Uni-President (Thailand) Ltd.	Uni-President Marketing Co., Ltd.	3	Accounts receivable	166,022			-
35	Uni-President (Vietnam) Co., Ltd.	Tribeco Binh Duong Co., Ltd.	3	Sales	151,179	Closes its accounts 30 days after the end of each month		-
35	Uni-President (Vietnam) Co., Ltd.	Tribeco Binh Duong Co., Ltd.	3	Other receivables	532,244			-
35	Uni-President (Vietnam) Co., Ltd.	Uni-President (Malaysia) SDN. BHD.	3	Sales	112,015	Closes its accounts 90 days after the end of each month		-
35	Uni-President (Vietnam) Co., Ltd.	Uni-President (Philippines) Corp.	3	Sales	104,470	Closes its accounts 45 days after the end of each month		-
35	Uni-President (Vietnam) Co., Ltd.	Uni-President Vietnam Aquatic Breeding Co., Ltd.	3	Other receivables	263,721			-
36	Chengdu Ton Yi Industrial Packing Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	3	Other receivables	183,516			-
37	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Sales	358,958	67 days after invoice date		-
38	Fujian Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packing Co., Ltd.	3	Sales	200,094	67 days after invoice date		-
38	Fujian Ton Yi Tinplate Co., Ltd.	Chengdu Ton Yi Industrial Packing Co., Ltd.	3	Sales	139,767	67 days after invoice date		-
39	Taizhou Ton Yi Industrial Co., Ltd.	Taizhou President Enterprises Co., Ltd.	3	Sales	1,826,578	Within 22 days of statements settled twice a month		-
39	Taizhou Ton Yi Industrial Co., Ltd.	Taizhou President Enterprises Co., Ltd.	3	Accounts receivable	137,418			-
39	Taizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	Sales	129,499	Within 22 days of statements settled twice a month		-
39	Taizhou Ton Yi Industrial Co., Ltd.	Hefei President Enterprises Co., Ltd.	3	Sales	106,226	Within 22 days of statements settled twice a month		-
39	Taizhou Ton Yi Industrial Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	3	Other receivables	183,536			-
40	Zhangzhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	Sales	1,546,455	Within 22 days of statements settled twice a month		-
41	Kunshan Ton Yi Industrial Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Sales	2,046,833	Within 22 days of statements settled twice a month		1%
41	Kunshan Ton Yi Industrial Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	3	Other receivables	137,455			-
41	Kunshan Ton Yi Industrial Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	Other receivables	137,378			-
42	Beijing Ton Yi Industrial Co., Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	3	Sales	2,136,021	Within 22 days of statements settled twice a month		1%

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	General ledger account	Amount	Transaction terms	The percentage of total consolidated revenue or total assets (Note 4)
43	Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	Sales	\$ 1,245,590	Within 22 days of statements settled twice a month	-
43	Huizhou Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	Accounts receivable	143,994	-	-
44	Chengdu Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	3	Sales	595,428	Within 22 days of statements settled twice a month	-
45	Szechwan Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	3	Sales	1,446,405	Within 22 days of statements settled twice a month	-
45	Szechwan Ton Yi Industrial Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	3	Accounts receivable	141,772	-	-
45	Szechwan Ton Yi Industrial Co., Ltd.	Chengdu Ton Yi Industrial Co., Ltd.	3	Other receivables	229,121	-	-
46	Zhanjiang Ton Yi Industrial Co., Ltd.	Zhanjiang President Enterprises Co., Ltd.	3	Sales	769,222	Within 22 days of statements settled twice a month	-
46	Zhanjiang Ton Yi Industrial Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	Sales	205,654	Within 22 days of statements settled twice a month	-
46	Zhanjiang Ton Yi Industrial Co., Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	3	Other receivables	183,192	-	-
47	Uni-President Enterprises China Holdings Ltd.	Henan President Enterprises Co., Ltd.	3	Other receivables	323,502	-	-
48	Uni-President Enterprises (China) Investment Corp.	Uui-President Enterprises (Shanghai) Drink & Food Co., Ltd.	3	Other receivables	1,553,510	-	-
48	Uni-President Enterprises (China) Investment Corp.	Sanxi President Enterprises Co., Ltd.	3	Other receivables	1,499,319	-	-
48	Uni-President Enterprises (China) Investment Corp.	Shijiazhuang President Enterprises Co., Ltd.	3	Other receivables	1,370,644	-	-
48	Uni-President Enterprises (China) Investment Corp.	Hangzhou President Enterprises Co., Ltd.	3	Other receivables	1,316,062	-	-
48	Uni-President Enterprises (China) Investment Corp.	Shanxi President Enterprises Co., Ltd.	3	Other receivables	1,308,536	-	-
48	Uni-President Enterprises (China) Investment Corp.	Uni-President Trading (Kunshan) Co., Ltd.	3	Other receivables	985,627	-	-
48	Uni-President Enterprises (China) Investment Corp.	Jiangsu President Enterprises Co., Ltd.	3	Other receivables	961,122	-	-
48	Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (Tianjin) Co., Ltd	3	Other receivables	873,977	-	-
48	Uni-President Enterprises (China) Investment Corp.	Ningxia Uni-President Enterprises Co., Ltd.	3	Other receivables	846,012	-	-
48	Uni-President Enterprises (China) Investment Corp.	Hefei President Enterprises Co., Ltd.	3	Other receivables	817,921	-	-
48	Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (Hutubi) Tomato Products Technology Co., Ltd.	3	Other receivables	798,551	-	-
48	Uni-President Enterprises (China) Investment Corp.	Changchun President Enterprises Co., Ltd.	3	Other receivables	731,246	-	-

Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	General ledger account	Amount	Transaction terms	The percentage of total consolidated revenue or total assets (Note 4)
48	Uni-President Enterprises (China) Investment Corp.	Xuzhou President Enterprises Co., Ltd.	3	Other receivables	\$ 682,294	—	-
48	Uni-President Enterprises (China) Investment Corp.	Baiyin President Enterprises Co., Ltd.	3	Other receivables	552,308	—	-
48	Uni-President Enterprises (China) Investment Corp.	Guiyang President Enterprises Co., Ltd.	3	Other receivables	493,846	—	-
48	Uni-President Enterprises (China) Investment Corp.	Kunshan President Enterprises Food Co., Ltd.	3	Other receivables	429,333	—	-
48	Uni-President Enterprises (China) Investment Corp.	Uni-President Shanghai Pearly Century Co., Ltd.	3	Other receivables	379,900	—	-
48	Uni-President Enterprises (China) Investment Corp.	Changbaishan President Enterprises (Jilin) Mineral Water Co., Ltd.	3	Other receivables	333,784	—	-
48	Uni-President Enterprises (China) Investment Corp.	Henan President Enterprises Co., Ltd.	3	Other receivables	278,387	—	-
48	Uni-President Enterprises (China) Investment Corp.	Jinan President Enterprises Co., Ltd.	3	Other receivables	220,794	—	-
48	Uni-President Enterprises (China) Investment Corp.	Harbin President Enterprises Co., Ltd.	3	Other receivables	156,057	—	-
48	Uni-President Enterprises (China) Investment Corp.	Uni-President Enterprises (Inner Mongolia) Co., Ltd.	3	Other receivables	151,995	—	-
48	Uni-President Enterprises (China) Investment Corp.	Shenyang President Enterprises Co., Ltd.	3	Other receivables	138,372	—	-
49	Wuhan President Enterprises Food Co., Ltd.	Uni-President Trading (Hubei) Co., Ltd.	3	Sales	1,557,173	Closes its accounts 30 days after the end of each month	-
49	Wuhan President Enterprises Food Co., Ltd.	Changsha President Enterprises Co., Ltd.	3	Sales	551,617	Closes its accounts 30 days after the end of each month	-
49	Wuhan President Enterprises Food Co., Ltd.	Nanchang President Enterprises Co., Ltd.	3	Sales	288,161	Closes its accounts 30 days after the end of each month	-
50	Jiangsu President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Sales	608,266	Closes its accounts 30 days after the end of each month	-
51	Kunshan President Enterprises Food Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Sales	2,581,880	Closes its accounts 30 days after the end of each month	1%
51	Kunshan President Enterprises Food Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Accounts receivable	423,514	—	-
51	Kunshan President Enterprises Food Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	3	Sales	518,626	Closes its accounts 30 days after the end of each month	-
52	Hefei President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Sales	745,789	Closes its accounts 30 days after the end of each month	-

## Transaction terms

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	General ledger account	Amount	Transaction terms	The percentage of total consolidated revenue or total assets (Note 4)
53	Shenyang President Enterprises Co., Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	3	Sales	\$ 413,051	Closes its accounts 30 days after the end of each month	-
53	Shenyang President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Sales	365,729	Closes its accounts 30 days after the end of each month	-
53	Shenyang President Enterprises Co., Ltd.	Harbin President Enterprises Co., Ltd.	3	Sales	165,926	Closes its accounts 30 days after the end of each month	-
54	Chongqing President Enterprises Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	3	Sales	904,986	Closes its accounts 30 days after the end of each month	-
54	Chongqing President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	3	Sales	257,647	Closes its accounts 30 days after the end of each month	-
54	Chongqing President Enterprises Co., Ltd.	Kunming President Enterprises Food Co., Ltd.	3	Sales	126,465	Closes its accounts 30 days after the end of each month	-
55	Guangzhou President Enterprises Co., Ltd.	Fuzhou President Enterprises Co., Ltd.	3	Sales	1,365,619	Closes its accounts 30 days after the end of each month	-
55	Guangzhou President Enterprises Co., Ltd.	Fuzhou President Enterprises Co., Ltd.	3	Accounts receivable	156,939	—	-
55	Guangzhou President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Sales	107,610	Closes its accounts 30 days after the end of each month	-
55	Guangzhou President Enterprises Co., Ltd.	Hangzhou President Enterprises Co., Ltd.	3	Other receivables	457,368	—	-
55	Guangzhou President Enterprises Co., Ltd.	Hefei President Enterprises Co., Ltd.	3	Other receivables	388,763	—	-
55	Guangzhou President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	3	Other receivables	256,287	—	-
55	Guangzhou President Enterprises Co., Ltd.	Hainan President Enterprises Co., Ltd.	3	Other receivables	114,342	—	-
56	Fuzhou President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	3	Other receivables	562,961	—	-
57	Uni-President Trading (Hubei) Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	3	Other receivables	228,684	—	-
58	Uni-President Trading (Kunshan) Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	3	Sales	1,005,640	Closes its accounts 30 days after the end of each month	-
58	Uni-President Trading (Kunshan) Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	3	Other receivables	361,913	—	-
58	Uni-President Trading (Kunshan) Co., Ltd.	Hangzhou President Enterprises Co., Ltd.	3	Other receivables	127,400	—	-
59	Chengdu President Enterprises Food Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	3	Sales	1,182,421	Closes its accounts 30 days after the end of each month	-
59	Chengdu President Enterprises Food Co., Ltd.	Kunming President Enterprises Food Co., Ltd.	3	Sales	435,966	Closes its accounts 30 days after the end of each month	-
59	Chengdu President Enterprises Food Co., Ltd.	Xinjiang President Enterprises Food Co., Ltd.	3	Sales	154,485	Closes its accounts 30 days after the end of each month	-
60	Nanchang President Enterprises Co., Ltd.	Changsha President Enterprises Co., Ltd.	3	Sales	173,804	Closes its accounts 30 days after the end of each month	-
60	Nanchang President Enterprises Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	3	Sales	173,785	Closes its accounts 30 days after the end of each month	-
60	Nanchang President Enterprises Co., Ltd.	Changbaishan President Enterprises (Jilin) Mineral Water Co., Ltd.	3	Other receivables	910,162	—	-
61	Guiyang President Enterprises Co., Ltd.	Kunming President Enterprises Food Co., Ltd.	3	Sales	522,393	Closes its accounts 30 days after the end of each month	-



## Transaction terms

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	General ledger account	Amount	Transaction terms	The percentage of total consolidated revenue or total assets (Note 4)
62	Sanxi President Enterprises Co., Ltd.	Xinjiang President Enterprises Food Co., Ltd.	3	Sales	\$ 750,548	Closes its accounts 30 days after the end of each month	-
62	Sanxi President Enterprises Co., Ltd.	Chengdu President Enterprises Food Co., Ltd.	3	Sales	610,431	Closes its accounts 30 days after the end of each month	-
63	Shanxi President Enterprises Co., Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	3	Sales	291,592	Closes its accounts 30 days after the end of each month	-
63	Shanxi President Enterprises Co., Ltd.	Shenyang President Enterprises Co., Ltd.	3	Sales	152,833	Closes its accounts 30 days after the end of each month	-
64	Henan President Enterprises Co., Ltd.	Zhengzhou President Enterprises Co., Ltd.	3	Sales	1,580,411	Closes its accounts 30 days after the end of each month	-
65	Zhanjiang President Enterprises Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	Sales	824,235	Closes its accounts 30 days after the end of each month	-
65	Zhanjiang President Enterprises Co., Ltd.	Hainan President Enterprises Co., Ltd.	3	Other receivables	160,079	—	-
66	Changsha President Enterprises Co., Ltd.	Nanchang President Enterprises Co., Ltd.	3	Sales	782,635	Closes its accounts 30 days after the end of each month	-
66	Changsha President Enterprises Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	3	Sales	111,920	Closes its accounts 30 days after the end of each month	-
67	Nanning President Enterprises Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	Sales	1,653,417	Closes its accounts 30 days after the end of each month	-
68	Jinan President Enterprises Co., Ltd.	Zhengzhou President Enterprises Co., Ltd.	3	Sales	1,795,647	Closes its accounts 30 days after the end of each month	-
68	Jinan President Enterprises Co., Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	3	Sales	289,320	Closes its accounts 30 days after the end of each month	-
69	Aksu President Enterprises Co., Ltd.	Xinjiang President Enterprises Food Co., Ltd.	3	Sales	520,613	Closes its accounts 30 days after the end of each month	-
70	Hangzhou President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Sales	2,817,441	Closes its accounts 30 days after the end of each month	1%
70	Hangzhou President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Accounts receivable	399,822	—	-
71	Taizhou President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Sales	1,518,458	Closes its accounts 30 days after the end of each month	-
71	Taizhou President Enterprises Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Accounts receivable	343,646	—	-
71	Taizhou President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	3	Sales	375,481	Closes its accounts 30 days after the end of each month	-
71	Taizhou President Enterprises Co., Ltd.	Jinan President Enterprises Co., Ltd.	3	Other receivables	361,320	—	-
72	Hunan President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	3	Other receivables	123,489	—	-
73	Changbaishan President Enterprises (Jilin) Mineral Water Co., Ltd.	Shenyang President Enterprises Co., Ltd.	3	Sales	572,654	Closes its accounts 30 days after the end of each month	-
73	Changbaishan President Enterprises (Jilin) Mineral Water Co., Ltd.	Shenyang President Enterprises Co., Ltd.	3	Accounts receivable	105,708	—	-
74	Yantai Tongli Beverage Industries Co., Ltd.	Jinan President Enterprises Co., Ltd.	3	Other receivables	182,947	—	-
75	Zhengzhou President Enterprises Co., Ltd.	Uni-President Enterprises (China) Investment Corp.	3	Other receivables	537,848	—	-
76	Changchun President Enterprises Co., Ltd.	Shenyang President Enterprises Co., Ltd.	3	Sales	205,945	Closes its accounts 30 days after the end of each month	-
77	Shanghai E & P Trading Co., Ltd.	Uni-President Trading (Kunshan) Co., Ltd.	3	Sales	574,491	Closes its accounts 30 days after the end of each month	-
77	Shanghai E & P Trading Co., Ltd.	Beijing Ton Yi Industrial Co., Ltd.	3	Sales	176,286	15 days after invoice date	-

## Transaction terms

Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	General ledger account	Amount	Transaction terms	The percentage of total consolidated revenue or total assets (Note 4)
77	Shanghai E & P Trading Co., Ltd.	Chongqing President Enterprises Co., Ltd.	3	Sales	\$ 172,399	Closes its accounts 30 days after the end of each month	-
77	Shanghai E & P Trading Co., Ltd.	Kunshan Ton Yi Industrial Co., Ltd.	3	Sales	163,507	15 days after invoice date	-
77	Shanghai E & P Trading Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	Sales	149,570	Closes its accounts 30 days after the end of each month	-
77	Shanghai E & P Trading Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	3	Sales	145,705	Closes its accounts 30 days after the end of each month	-
77	Shanghai E & P Trading Co., Ltd.	Taizhou Ton Yi Industrial Co., Ltd.	3	Sales	131,867	15 days after invoice date	-
77	Shanghai E & P Trading Co., Ltd.	Szechwan Ton Yi Industrial Co., Ltd.	3	Sales	111,255	15 days after invoice date	-
77	Shanghai E & P Trading Co., Ltd.	Huizhou Ton Yi Industrial Co., Ltd.	3	Sales	101,337	15 days after invoice date	-

(Note 1) Transactions among the company and subsidiaries with amount over NTD\$100,000 and one side of them are disclosed.

(Note 2) The transaction information of the Company and the consolidated subsidiaries should be noted in column "Number". The number means:

1. Number 0 presents the Company.
  2. The consolidated subsidiaries are in order from number 1.
- (Note 3) The relationships among the transaction parties are as follows:
1. The Company to the consolidated subsidiary.
  2. The consolidated subsidiary to the Company.
  3. The consolidated subsidiary to another consolidated subsidiary.

(Note 4) The percentage of transaction amount over consolidated total revenues or total assets is as follows: Assets and liabilities are calculated using the ending balance over the consolidated total assets at period end; Sales is calculated using the amount of the period over the consolidated total revenue of the period.

UNI-PRESIDENT ENTERPRISES CORP.

Names, locations and other information of investee companies (not including investee in Mainland)

For the year ended December 31, 2017

Table 10

Investors	Name of investees	Location	Main Business	Original investments		Holding status			Expressed in thousands of NTD		
				Ending balance of the current period	Ending balance of prior period	Shares	Percentage of ownership	Book value	Net income (loss) of the investee	Income (loss) recognized by the Company	Note
Uni-President Enterprises Corp.	Cayman President Holdings Ltd.	Cayman Islands	Professional investments	\$ 12,542,813	\$ 12,542,813	406,136,000	100.00	\$ 49,537,752	\$ 4,410,773	\$ 4,509,680	Subsidiary
Uni-President Enterprises Corp.	Kai Yu Investment Co., Ltd.	Taiwan	Professional investments	1,517,054	3,927,054	127,008,780	100.00	14,498,080	13,527,038	13,535,808	Subsidiary
Uni-President Enterprises Corp.	Nanlien International Corp.	Taiwan	Importation and exportation business	525,889	525,889	99,999,184	100.00	1,530,703	408,445	426,443	Subsidiary
Uni-President Enterprises Corp.	President International Trade And Investment Corp.	Tortola, British Virgin Islands	Professional investments	582,546	582,546	10,700	100.00	1,437,224	( 4,292)	( 4,292)	Subsidiary
Uni-President Enterprises Corp.	President Global Corp.	United States	Instant noodles and juice can importation	147,250	147,250	500,000	100.00	1,106,597	176,131	176,686	Subsidiary
Uni-President Enterprises Corp.	Kai Nan Investment Co., Ltd.	Taiwan	Professional investments	2,135,000	2,135,000	213,500,000	100.00	973,376	100,151	100,151	Subsidiary
Uni-President Enterprises Corp.	Presco Netmarketing Inc.	Taiwan	Information services	65,000	65,000	6,500,000	100.00	563,438	416,423	417,013	Subsidiary
Uni-President Enterprises Corp.	Tone Sang Construction Corp.	Taiwan	Construction of buildings	1,030,000	1,030,000	34,020,000	100.00	399,669	131,010	835	Subsidiary
Uni-President Enterprises Corp.	Tung Ho Development Corp.	Taiwan	Entertainment business	3,574,000	3,016,930	127,827,000	79.89	790,992	( 50,795)	( 39,495)	Subsidiary
Uni-President Enterprises Corp.	President International Development Corp.	Taiwan	Professional investments	10,431,029	10,431,029	917,734,230	69.37	10,018,164	922,483	608,936	Subsidiary
Uni-President Enterprises Corp.	Tait Marketing & Distribution Co., Ltd.	Taiwan	Product marketing agents and logistics	713,020	698,509	60,735,047	64.27	578,514	26,661	21,189	Subsidiary
Uni-President Enterprises Corp.	President Tokyo Corp.	Taiwan	Car rental	389,977	389,977	29,986,824	51.00	436,642	23,873	12,175	Subsidiary
Uni-President Enterprises Corp.	President Packaging Corp.	Taiwan	Package and container sales	198,726	198,726	31,767,030	50.58	581,837	206,760	104,220	Subsidiary
Uni-President Enterprises Corp.	Ton-Yi Industrial Corp.	Taiwan	Manufacturing of tinsplate	9,061,326	9,061,326	719,357,425	45.55	8,375,057	600,104	279,020	Subsidiary
Uni-President Enterprises Corp.	President Chain Store Corp.	Taiwan	Operation of supermarkets	5,493,775	5,493,775	471,996,430	45.40	21,655,545	31,017,094	14,108,421	Subsidiary
Uni-President Enterprises Corp.	President Fair Development Corp.	Taiwan	Shopping mall, Department store and trading	6,406,650	6,406,650	405,000,000	40.50	3,797,528	8,743	3,541	Subsidiary
Uni-President Enterprises Corp.	President Starbucks Coffee Corp.	Taiwan	Coffee chain merchandise	2,190,804	39,600	14,255,116	40.00	3,872,856	799,374	159,628	Subsidiary
Uni-President Enterprises Corp.	TTET Union Corp.	Taiwan	Soybean crushing and manufacture of vegetable oil	1,123,176	1,082,543	61,594,201	38.50	1,943,655	817,239	313,097	—

Investors	Original investments				Holding status			Expressed in thousands of NTD			
	Name of investees	Location	Main Business	Ending balance		Shares	Percentage of ownership	Book value	Net income (loss) of the investee	Income (loss) recognized by the Company	
				of the current period	of prior period						\$
Uni-President Enterprises Corp.	ScinoPharm Taiwan Ltd.	Taiwan	Research, manufacturing and sales of materials for medicine, etc.	3,881,044	3,881,044	299,968,639	37.94	5,717,673	422,367	160,226	Subsidiary
Uni-President Enterprises Corp.	Weilih Food Industrial Co., Ltd.	Taiwan	The manufacturer and sales of instant noodles, sauce etc. and agency of oil and soft drink trading and sales	1,047,533	1,047,533	6,660,000	33.30	1,339,921	781,767	261,598	—
Uni-President Enterprises Corp.	Kuang Chuan Dairy Co., Ltd.	Taiwan	Manufacturing and sales of dairy products, soft drinks etc.	961,560	961,560	31,252,839	31.25	1,791,874	1,013,694	316,459	—
Uni-President Enterprises Corp.	Uni-President Development Corp.	Taiwan	Operation of MRT station and auxiliary facilities	1,080,000	1,080,000	108,000,000	30.00	1,126,161	111,834	33,550	Subsidiary
Uni-President Enterprises Corp.	President Securities Corp.	Taiwan	Securities trading	2,141,370	2,141,370	393,586,559	28.31	7,196,590	2,618,769	741,291	—
Uni-President Enterprises Corp.	Presicarre Corp.	Taiwan	Hypermarket and supermarket	198,677	198,677	137,511,893	20.50	2,397,844	1,735,486	355,779	—
Uni-President Enterprises Corp.	President Transnet Corp.	Taiwan	Transportation of goods	200,000	200,000	29,570,400	20.00	405,176	392,408	78,517	—
Uni-President Enterprises Corp.	Grand Bills Finance Co.	Taiwan	Securities trading	690,997	690,997	78,209,035	14.46	1,337,483	628,224	90,852	—
Uni-President Enterprises Corp.	Prince Housing Development Corp.	Taiwan	Commissioned to build house, commercial buildings and other rental	1,047,234	1,047,234	162,743,264	10.03	2,392,263	1,281,101	128,434	—
Uni-President Enterprises Corp.	Uni-Style Department Stores etc.	Taiwan etc.	Department stores etc.	3,321,264	3,318,168	222,146,491	-	1,356,909	1,258,162	344,809	—
Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd.	Cayman Islands	Professional investments	2,232,000	2,232,000	75,000,000	100.00	2,599,928	823,395	-	Subsidiary (Note1)
Cayman President Holdings Ltd.	Uni-President Foodstuff (BVI) Holdings Ltd.	Tortola, British Virgin Islands	Professional investments	610,080	610,080	3	100.00	1,575,388	139,383	-	Subsidiary (Note1)
Cayman President Holdings Ltd.	Uni-President Enterprises China Holdings Ltd.	Cayman Islands	Professional investments	18,557,578	18,557,578	3,044,508,000	70.49	40,722,427	3,953,621	-	Subsidiary (Note1)
Cayman President Holdings Ltd.	Queen's Holdings (BVI) Ltd.	Tortola, British Virgin Islands	Professional investments	359,110	359,110	4,540	45.45	547,523	68,539	-	(Note 1)
Cayman President Holdings Ltd.	President Energy Development (Cayman Islands) Ltd. etc.	Cayman Islands etc.	Energy investments etc.	186,318	276,417	2,678,954	-	135,760	172,976	-	(Note 1)
Kai Yu Investment Co., Ltd.	Kai Yu (BVI) Investment Co., Ltd.	Tortola, British Virgin Islands	Professional investments	340,171	340,171	1	100.00	12,954,737	16,094,615	-	Subsidiary (Note1)

Investors	Name of investees	Location	Main Business	Original investments		Holding status			Expressed in thousands of NTD		
				Ending balance of the current period	Ending balance of prior period	Shares	Percentage of ownership	Book value	Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				\$	\$			\$	\$	\$	(Note 1)
Kai Yu Investment Co., Ltd.	TTET Union Corp.	Taiwan	Soybean crushing and manufacture of vegetable oil	175,362	175,362	12,225,730	7.64	300,288	817,239	-	(Note 1)
Kai Yu Investment Co., Ltd.	Ton-Yi Industrial Corp.	Taiwan	Manufacturing of tinplate etc.	122,262	122,262	26,445,229	1.67	308,321	600,104	-	Subsidiary (Note 1)
Kai Yu Investment Co., Ltd.	President Chain Store Corp.	Taiwan	Operation of supermarkets	271,796	271,796	4,203,200	0.40	406,460	31,017,094	-	Subsidiary (Note 1)
Kai Yu Investment Co., Ltd.	ScinoPharm Taiwan Ltd. etc.	Taiwan etc.	Research, manufacturing and sales of materials for medicine, etc.	206,468	206,468	21,441,348	-	425,468	1,945,415	-	Subsidiary (Note 1)
Nanlien International Corp.	Lien Bo Enterprises Corp. etc.	Taiwan etc.	Sales of foods etc.	1,455,786	1,439,875	112,874,547	-	1,644,085	1,656,910	-	(Note 1)
President International Development Corp.	President (BVI) International Investment Holdings Ltd.	Tortola, British Virgin Islands	Professional investments	2,496,061	2,496,061	173,975,937	100.00	5,866,636	464,653	-	Subsidiary (Note 1)
President International Development Corp.	President Property Corp.	Taiwan	Sales and lease of real estate property	630,000	630,000	63,000,000	100.00	631,791	3,317	-	Subsidiary (Note 1)
President International Development Corp.	Ton Yu Investment Inc.	Taiwan	Professional investments	750,000	750,000	45,460,000	100.00	546,095	61,124	-	Subsidiary (Note 1)
President International Development Corp.	President Fair Development Corp.	Taiwan	Shopping mall, Department store and trading	6,706,650	6,706,650	405,000,000	40.50	3,797,528	8,743	-	Subsidiary (Note 1)
President International Development Corp.	Kang Na Hsiung Enterprises Co., Ltd.	Taiwan	Sanitary napkin, wipe, diaper	304,779	304,779	40,824,109	20.71	513,922	113,678	-	(Note 1) (Note 2)
President International Development Corp.	Uni-President Development Corp.	Taiwan	Operation of MRT station and auxiliary facilities	720,000	720,000	72,000,000	20.00	750,774	111,834	-	Subsidiary (Note 1) (Note 3)
President International Development Corp.	ScinoPharm Taiwan Ltd.	Taiwan	Research, manufacturing and sales of materials for medicine, etc.	246,334	246,334	28,673,421	3.63	450,820	422,367	-	Subsidiary (Note 1) (Note 4) (Note 5)
President International Development Corp.	Prince Housing Development Corp. etc.	Taiwan etc.	Commissioned to build house, commercial buildings and other rental etc.	2,009,249	2,009,249	91,575,710	-	285,178	1,368,850	-	(Note 1) (Note 5)
Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	Cayman Islands	Import/export trade business and investment	10,188,961	7,863,787	33,000,000	100.00	12,140,137	373,052	-	Subsidiary (Note 1)
Ton-Yi Industrial Corp.	Tovecan Corp.	Vietnam	Manufacturing of cans	43,740	43,740	-	51.00	65,399	5,657	-	Subsidiary (Note 1)
President Chain Store Corp.	President Chain Store (BVI) Holdings Ltd.	Tortola, British Virgin Islands	Professional investments	5,923,078	4,983,745	171,589,586	100.00	24,607,905	24,256,863	-	Subsidiary (Note 1)

Investors	Original investments				Holding status				Expressed in thousands of NTD		
	Name of investees	Location	Main Business	Ending balance		Shares	Percentage of ownership	Book value	Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				of the current period	of prior period						
President Chain Store Corp.	President Drugstore Business Corp.	Taiwan	Sales of cosmetics and medicines	\$ 288,559	\$ 288,559	78,520,000	100.00	\$ 1,419,062	\$ 349,196	-	Subsidiary (Note1)
President Chain Store Corp.	Wisdom Distribution Services Corp.	Taiwan	Publication, e-commerce distribution and warehouse	50,000	50,000	10,847,421	100.00	433,012	220,300	-	Subsidiary (Note1)
President Chain Store Corp.	Icash Payment Systems Ltd.	Taiwan	Operation of electronic tickets and electronic related business	500,000	500,000	50,000,000	100.00	352,272	( 16,049)	-	Subsidiary (Note1)
President Chain Store Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food	520,141	520,141	48,519,890	90.00	456,939	26,896	-	Subsidiary (Note1)
President Chain Store Corp.	Qware Systems & Services Corp.	Taiwan	Information services	332,482	332,482	24,382,921	86.76	356,381	65,519	-	Subsidiary (Note1)
President Chain Store Corp.	President Information Corp.	Taiwan	Information services	320,741	320,741	25,714,475	86.00	506,567	85,672	-	Subsidiary (Note1)
President Chain Store Corp.	Mech-President Corp.	Taiwan	Operation of gas station, manufacture of elevators and maintenance	904,475	904,475	55,858,815	80.87	681,820	97,094	-	Subsidiary (Note1)
President Chain Store Corp.	President Pharmaceutical Corp.	Taiwan	Wholesale of medicines and medical appliances	330,216	330,216	22,121,962	73.74	728,214	210,992	-	Subsidiary (Note1)
President Chain Store Corp.	President Transnet Corp.	Taiwan	Transportation of goods	711,576	711,576	103,496,399	70.00	1,438,218	392,408	-	Subsidiary (Note1)
President Chain Store Corp.	Uni-President Department Stores Corp.	Taiwan	Operation of department store	840,000	840,000	27,999,999	70.00	530,833	310,002	-	Subsidiary (Note1)
President Chain Store Corp.	President Starbucks Coffee Corp.	Taiwan	Coffee chain merchandise	3,286,206	59,400	21,382,674	60.00	5,809,284	799,374	-	Subsidiary (Note1)
President Chain Store Corp.	Uni-President Cold Chain Corp.	Taiwan	Distribution center	237,437	237,437	23,605,042	60.00	617,057	321,668	-	Subsidiary (Note1)
President Chain Store Corp.	Books. Com Co., Ltd.	Taiwan	Information Supply service	100,400	100,400	9,999,999	50.03	420,255	424,867	-	Subsidiary (Note1)
President Chain Store Corp.	Uni-President Development Corp.	Taiwan	Operation of MRT station and auxiliary facilities	720,000	720,000	72,000,000	20.00	750,774	111,834	-	Subsidiary (Note1)
President Chain Store Corp.	Presicarre Corp.	Taiwan	Hypermarket and supermarket	7,112,028	7,112,028	130,801,027	19.50	5,198,249	1,735,486	-	(Note1)
President Chain Store Corp.	President Fair Development Corp.	Taiwan	Shopping mall, Department store and trading	3,191,700	3,191,700	190,000,000	19.00	1,954,089	8,743	-	Subsidiary (Note1)

Investors	Name of investees	Location	Main Business	Original investments		Holding status			Expressed in thousands of NTD		
				Ending balance of the current period	Ending balance of prior period	Shares	Percentage of ownership	Book value	Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				\$	\$			\$	\$		
President Chain Store Corp.	President International Development Corp.	Taiwan	Professional investments	500,000	500,000	44,100,000	3.33	466,885	922,483	-	Subsidiary (Note1)
President Chain Store Corp.	Uni-President Yi-Lan Art and Culture Corp. etc.	Taiwan etc.	Art and culture etc.	3,035,364	2,909,264	132,103,699	-	1,256,076	1,087,031	-	(Note 1)
President Fair Development Corp.	President Century Corp.	Taiwan	Development of specific professional areas	1,205,649	1,205,649	72,000,000	100.00	1,698,888	1,477	-	Subsidiary (Note1)
ScinoPharm Taiwan Ltd.	SPT International, Ltd.	Tortola, British Virgin Islands	General investment	2,013,184	1,833,304	66,524,644	100.00	664,038	322,302	-	Subsidiary (Note1)
ScinoPharm Taiwan Ltd.	ScinoPharm Singapore Pte. Ltd.	Singapore	General investment	-	-	2	100.00	80	14	-	Subsidiary (Note1)
Uni-President Enterprises China Holdings Ltd.	Uni-President Asia Holdings Ltd.	Cayman Islands	Professional investments	35,725,851	35,215,326	89,958,000,000	100.00	59,149,516	4,232,046	-	Subsidiary (Note1)
Uni-President Asia Holdings Ltd.	Uni-President Hong Kong Holdings Ltd.	Hong Kong	Professional investments	41,501,545	40,991,020	4,881,355,600	100.00	59,837,990	4,233,493	-	Subsidiary (Note1)
Uni-President Asia Holdings Ltd.	Champ Green Capital Ltd. etc.	Hong Kong etc.	Professional investment etc.	177,258	425,268	140,000	-	287,795	3,775	-	Subsidiary (Note1)
President Chain Store (BVI) Holdings Ltd.	President Chain Store Hong Kong Holdings Ltd.	Hong Kong	Professional investments	4,005,796	3,077,127	134,603,354	100.00	27,704,742	23,771,940	-	Subsidiary (Note1)
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	Malaysia	Professional investments	867,901	867,901	29,163,337	100.00	1,921,689	392,487	-	Subsidiary (Note1)
President Chain Store (Labuan) Holdings Ltd.	Philippine Seven Corp.	Philippines	Sales of food and merchandise	867,067	867,067	394,970,516	52.22	1,920,960	795,567	-	Subsidiary (Note1)
Uni-President Southeast Asia Holdings Ltd.	Uni-President (Vietnam) Co., Ltd.	Vietnam	Manufacturing and sales of food, feed, flour	2,937,243	2,937,243	-	100.00	3,427,164	753,938	-	Subsidiary (Note1)
Uni-President Southeast Asia Holdings Ltd.	Uni-President (Thailand) Ltd.	Thailand	Manufacturing and sales of food	844,041	844,041	-	100.00	545,143	54,222	-	Subsidiary (Note1)
Uni-President Southeast Asia Holdings Ltd.	Uni-President (Philippines) Corp.	Philippines	Manufacturing and sales of food	908,181	908,181	60,000,000	100.00	467,363	45,238	-	Subsidiary (Note1)
Uni-President Southeast Asia Holdings Ltd.	PT. ABC President Indonesia, etc.	Indonesia, etc.	Sales of drinks and cosmetics, etc.	577,796	576,606	40,200	-	237,868	118,447	-	(Note1)
President (B.V.I.) International Investment Holdings Ltd.	President Energy Development (Cayman Islands) Ltd. etc.	Cayman Islands etc.	Energy investments etc.	355,731	507,534	20,630,128	-	256,918	4,095,796	-	(Note1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Ton Yi Holdings Ltd.	Cayman Islands	Professional investments	6,844,800	6,844,800	230,000,000	100.00	8,433,071	563,181	-	Subsidiary (Note1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Fujian Ton Yi Industrial Holdings Ltd.	Cayman Islands	Professional investments	1,906,487	1,906,487	8,727	100.00	3,476,957	4,970	-	Subsidiary (Note1)
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Jiangsu Ton Yi Industrial Holdings Ltd.	Cayman Islands	Professional investments	1,068,467	1,068,467	5,000	100.00	2,021,656	3,527	-	Subsidiary (Note1)

Investors	Name of investees	Location	Original investments			Holding status			Expressed in thousands of NTD		
			Main Business	Ending balance of the current period	Ending balance of prior period	Shares	Percentage of ownership	Book value	Net income (loss) of the investee	Income (loss) recognized by the Company	Note
Cayman Ton Yi Holdings Ltd.	Cayman Ton Yi (China) Holdings Ltd.	Cayman Islands	Professional investments	\$ 6,844,800	\$ 6,844,800	230,000,000	100.00	\$ 8,433,071	\$ 563,181	\$ -	Subsidiary (Note 1)
Kai Nan Investment Co., Ltd. etc.	President Securities Corp etc.	Taiwan etc.	Securities trading, etc.	3,909,122	3,951,519	129,628,973	-	1,988,471	3,591,850	-	(Note 1)

(Note 1) According to the related regulations, it is not required to disclose income (loss) recognized by the Company.

(Note 2) In which, 24,313 thousand shares, equals \$306,069, were pledged for loan.

(Note 3) In which, 30,000 thousand shares, equals \$312,822, were pledged for loan.

(Note 4) In which, 9,000 thousand shares, equals \$141,503, were pledged for loan.

(Note 5) In which, 14,000 thousand shares of Prince Housing Development Corp., equals \$213,198, were pledged for loan.

(Note 6) Foreign currencies were translated into New Taiwan Dollars. Ending balance and book value were translated using the exchange rates as of report date as follows: USD:NTD 1:29.76 CNY:NTD 1:4.574 HKD:NTD 1:3.809  
Profit and loss were translated using the average exchange rates for the year ended December 31, 2017 as follows: USD:NTD 1:30.41 CNY:NTD 1:4.502 HKD:NTD 1:3.902.



**UNI-PRESIDENT ENTERPRISES CORP.**  
**Information on investments in Mainland China - basic information**  
**For the year ended December 31, 2017**

Table 11

Expressed in thousands of NTD

Name of investee in Mainland China	Main Business	Capital	Investment method	Beginning investment balance from		Ending investment balance from	Net income (loss) of the investee	Percentage of ownership held by the Company (direct or indirect)	Investment gain (loss)	Investments balance as of December 31, 2017	Accumulated remittance	Note
				Taiwan	Remittance							
Uni-President Enterprises (China) Investment Corp.	Professional investments	\$ 32,145,859	(Note 1)	\$ -	\$ -	\$ -	\$ 4,406,983	70.53	\$ 3,108,245	\$ 41,004,023	\$ -	(Note 19)
Kunshan President Enterprises Food Co., Ltd.	Instant noodles, soft drinks, food	2,856,960	(Note 2)	1,520,602	-	1,520,602	201,705	70.53	142,262	3,436,905	-	(Note 19)
Guangzhou President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	2,232,000	(Note 2)	1,138,546	-	1,138,546	1,306,920	70.53	921,771	3,041,554	-	(Note 19)
Wuhan President Enterprises Food Co., Ltd.	Instant noodles, soft drinks, food	1,773,696	(Note 2)	857,847	-	857,847	555,934	70.53	392,101	2,403,439	-	(Note 19)
Uni-President Shanghai Peary Century Co., Ltd.	Leases	274,421	(Note 2)	-	-	-	81,782	70.53	57,681	1,752,461	-	(Note 19)
Chengdu President Enterprises Food Co., Ltd.	Instant noodles, soft drinks, food	1,934,400	(Note 2)	1,212,528	-	1,212,528	570,140	70.53	402,119	2,314,861	-	(Note 19)
Hefei President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	1,785,600	(Note 2)	1,180,922	-	1,180,922	320,647	70.53	226,152	1,554,526	-	(Note 19)
Zhengzhou President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	1,101,120	(Note 2)	546,766	-	546,766	530,093	70.53	373,875	1,502,929	-	(Note 19)
Nanchang President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	1,309,440	(Note 2)	688,254	-	688,254	162,580	70.53	114,668	1,203,209	-	(Note 19)
Uni-President Enterprises (Shanghai) Co., Ltd.	Instant noodles, soft drinks, food	1,190,400	(Note 2)	258,027	-	258,027	49,256	70.53	34,741	1,009,021	-	(Note 19)
Henan President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	892,800	(Note 2)	417,996	-	417,996	99,409	70.53	70,113	929,906	-	(Note 19)
Xinjiang President Enterprises Food Co., Ltd.	Tomatoes products, Instant noodles, soft drinks, food	1,116,000	(Note 2)	630,460	-	630,460	936	70.53	660	879,544	-	(Note 19)
Sanxi President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	1,488,000	(Note 2)	769,931	-	769,931	167,691	70.53	( 118,272)	743,464	-	(Note 19)
Hangzhou President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	1,190,400	(Note 2)	373,808	-	373,808	41,714	70.53	( 29,421)	785,426	-	(Note 19)
Kunming President Enterprises Food Co., Ltd.	Instant noodles, soft drinks, food	892,800	(Note 2)	437,412	-	437,412	21,867	70.53	15,423	708,346	-	(Note 19)
Changsha President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	892,800	(Note 2)	365,662	-	365,662	288,892	70.53	203,756	926,634	-	(Note 19)
Jinan President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	892,800	(Note 2)	350,152	-	350,152	26,138	70.53	18,435	797,302	-	(Note 19)
Beijing Uni-President Enterprises Drink & Food Co., Ltd.	Instant noodles, soft drinks, food	-	(Note 2)	734,224	-	734,224	( 2,970)	70.53	( 2,094)	89,215	-	(Note 19) (Note 21)
Chongqing President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	999,936	(Note 2)	183,713	-	183,713	86,781	70.53	61,207	776,707	-	(Note 19)
Shanghai President Enterprises Management	Enterprises; Management Consulting	91,474	(Note 2)	-	-	-	49,334	70.53	34,795	604,182	-	(Note 19)
Taizhou President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	892,800	(Note 2)	164,030	-	164,030	130,610	70.53	92,119	776,812	-	(Note 19)
Nanning President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	892,800	(Note 2)	365,662	-	365,662	164,680	70.53	116,149	780,034	-	(Note 19)

Name of investee in Mainland China	Main Business	Capital	Investment method	Beginning investment balance from		Ending investment balance from	Net income (loss) of the investee	Percentage of ownership held by the Company (direct or indirect)	Investment gain (loss)	Investments balance as of December 31, 2017	Accumulated remittance	Note
				Taiwan	\$							
Jiangsu President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	\$ 892,800	(Note 2)	\$ 440,534	\$ -	\$ 440,534	\$ 37,173	70.53	\$ 26,218	\$ 628,305	\$ -	(Note 19)
Fuzhou President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	595,200	(Note 2)	218,706	-	218,706	76,808	70.53	54,172	679,564	-	(Note 19)
Xuzhou President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	982,080	(Note 2)	522,217	-	522,217	223,159	70.53	157,394	500,077	-	(Note 19)
Uui-President Enterprises (Shanghai) Drink & Food Co., Ltd.	Instant noodles, soft drinks, food	1,041,600	(Note 2)	650,313	83,911	734,224	37,592	70.53	26,514	661,347	-	(Note 19)
Shanxi President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	892,800	(Note 2)	346,134	-	346,134	72,785	70.53	51,335	509,411	-	(Note 19)
Zhuanjiang President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	744,000	(Note 2)	338,324	-	338,324	50,054	70.53	35,303	577,875	-	(Note 19)
Uni-President Enterprises (Inner Mongolia) Co., Ltd.	Instant noodles, soft drinks, food	892,800	(Note 2)	440,534	-	440,534	57,342	70.53	40,443	499,962	-	(Note 19)
Shijiazhuang President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	1,041,600	(Note 2)	346,470	-	346,470	284,911	70.53	200,948	345,485	-	(Note 19)
Beijing President Enterprises Drinks & Food Co., Ltd.	Instant noodles, soft drinks, food	1,574,304	(Note 2)	371,801	-	371,801	56,104	70.53	39,570	489,541	-	(註19)
Aksu President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	595,200	(Note 2)	233,434	-	233,434	23,004	70.53	16,224	483,575	-	(註20)
Guiyang President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	892,800	(Note 2)	443,213	-	443,213	66,372	70.53	46,812	438,350	-	(Note 19)
Changbaishan President Enterprises (Jilin) Mineral Water Co., Ltd.	Manufacturing and sales of mineral water	823,262	(Note 2)	-	-	-	34,648	70.53	24,438	593,786	-	(Note 19)
Uni-President Trading (Hubei) Co., Ltd.	Wholesale and retail	439,073	(Note 2)	-	-	-	248,668	70.53	175,385	566,606	-	(Note 19)
Yantai Tongli Beverage Industries Co., Ltd.	Soft drinks	457,368	(Note 2)	-	-	-	61,974	70.53	43,710	320,420	-	(Note 19)
Hainan President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	654,720	(Note 2)	76,547	167,823	244,370	91,707	70.53	64,681	391,915	-	(Note 19)
Ningxia Uni-President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	476,160	(Note 2)	146,845	-	146,845	8,445	70.53	5,957	301,199	-	(Note 19)
Baiyin President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	595,200	(Note 2)	233,434	-	233,434	118,930	70.53	83,881	198,012	-	(Note 19)
Shenyang President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	1,187,424	(Note 2)	518,796	-	518,796	18,961	70.53	13,373	266,217	-	(Note 19)
Uni-President Enterprises (Hubei) Tomato Products Technology Co., Ltd.	Tomato products	580,320	(Note 2)	220,267	-	220,267	107,718	70.53	75,973	186,440	-	(Note 19)
Uni-President Enterprises (TianJin) Co., Ltd	Instant noodles, soft drinks, food	357,120	(Note 2)	-	-	-	76,571	70.53	54,005	280,938	-	(Note 19)
President (Kunshan) Real Estate Development Co., Ltd.	Leases	274,421	(Note 2)	-	-	-	585	70.53	412	181,880	-	(Note 19)
Hunan President Enterprises Co., Ltd.	Instant noodles, soft drinks	178,560	(Note 2)	-	-	-	61,748	70.53	43,551	112,867	-	(Note 19)
Changchun President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	595,200	(Note 2)	109,353	-	109,353	155,156	70.53	109,432	62,783	-	(Note 19)
Champ Green (Shanghai) Consulting Co., Ltd.	Enterprises Management Consulting	4,464	(Note 3)	3,281	-	3,281	4,411	70.53	3,111	81,952	-	(Note 19)

Table 11 Page 2

Name of investee in Mainland China	Main Business	Capital	Investment method	Beginning investment balance from Taiwan	Investment Payment	Remittance	Ending investment balance from Taiwan	Net income (loss) of the investee	Percentage of ownership held by the Company (direct or indirect)	Investment gain (loss)	Investments balance as of December 31, 2017	Accumulated remittance	Note
President Bama Bottled Water Co., Ltd.	Manufacturing and sales of mineral water	\$ 123,504	(Note 2)	\$ -	\$ -	\$ -	\$ -	\$ 7,876	70.53	(\$ 5,555)	\$ 69,184	\$ -	(Note 19)
Wuxue President Mineral Water Co., Ltd.	Manufacturing and sales of mineral water	142,848	(Note 2)	26,245	-	-	26,245	(26,301)	70.53	(18,550)	51,375	-	(Note 19)
President (Shanghai) Private Label Marketing and Trading Co., Ltd.	Wholesale and retail	28,272	(Note 1)	20,777	-	-	20,777	15,309	70.53	10,798	62,136	-	(Note 19)
Uni-President Enterprises (Kunshan) Food Technology Co., Ltd.	Flavoring	35,712	(Note 2)	2,055	-	-	2,055	(344)	70.53	(242)	23,323	-	(Note 19)
Wiyuan President Enterprises Mineral Water Co., Ltd.	Manufacturing and sales of mineral water	50,592	(Note 2)	26,245	-	-	26,245	(1,373)	70.53	(968)	11,257	-	(Note 19)
President (Shanghai) Trading Co., Ltd.	Wholesale and retail	255,936	(Note 2)	174,965	-	-	174,965	(18,061)	70.53	(12,738)	(5,144)	-	(Note 19)
Uni-President (Chengdu) The Skillful Noodle Restaurant Dining Culture Co., Ltd.	Catering services	4,574	(Note 2)	-	-	-	-	26	70.53	18	3,084	-	(Note 19)
Harbin President Enterprises Co., Ltd.	Instant noodles, soft drinks, food	868,992	(Note 2)	258,813	88,107	-	346,920	(35,077)	70.53	(24,740)	(73,169)	-	(Note 19)
Uni-President Trading (Kunshan) Co., Ltd.	Wholesale and retail	297,600	(Note 2)	211,564	-	-	211,564	519,729	70.53	366,565	(392,499)	-	(Note 19)
Guilin Ziquan Beverage Industrial Co., Ltd.	Instant noodles, soft drinks, food	567,226	(Note 2)	-	-	-	-	(117,024)	29.62	(34,571)	172,601	-	(Note 19)
Yichang Ziquan Beverage Industries Co., Ltd.	Instant noodles, soft drinks, food	565,440	(Note 2)	73,422	-	-	73,422	52,223	24.69	(5,608)	131,982	-	(Note 19)
Zhongshan President Enterprises Co., Ltd.	Manufacturing and sales of marine products, livestock, pet foods	577,344	(Note 5)	651,565	-	-	651,565	196,242	100.00	196,242	1,295,417	-	(Note 19)
Qingdao President Feed & Livestock Co., Ltd.	Manufacturing and sales of marine products, livestock, pet foods	446,400	(Note 5)	274,232	-	-	274,232	(7,218)	100.00	(7,218)	525,358	-	(Note 19)
Songjiang President Enterprises Co., Ltd.	Storage service	565,440	(Note 5)	497,062	-	-	497,062	11,836	100.00	11,836	260,936	-	(Note 19)
Tianjin President Enterprises Food Co., Ltd.	Manufacturing and sales of flour	448,220	(Note 5)	371,470	-	-	371,470	563	100.00	563	71,605	-	(Note 19)
Zhangjiagang President Nisshin Food Co., Ltd.	Manufacturing and sales of fats, feed, flour	505,920	(Note 4)	376,916	-	-	376,916	45,108	70.00	31,576	550,587	-	(Note 19)
President-Kikkoman Zhenji Foods Co., Ltd.	Soy sauce and flavoring	1,372,103	(Note 4)	637,610	-	-	637,610	52,836	50.00	26,418	712,288	-	(Note 19)
Ton Yi (China) Investment Co., Ltd.	General investments	6,844,800	(Note 6)	892,800	-	-	892,800	563,181	47.22	265,934	3,982,096	-	(Note 19)
Taizhou Ton Yi Industrial Co., Ltd.	Manufacture of plastics packings	892,800	(Note 7)	892,800	-	-	892,800	243,433	47.22	114,949	868,301	-	(Note 19)
Zhangzhou Ton Yi Industrial Co., Ltd.	Manufacture of plastics packings	892,800	(Note 7)	892,800	-	-	892,800	74,924	47.22	35,379	656,154	-	(Note 19)
Kunshan Ton Yi Industrial Co., Ltd.	Manufacture of plastics packings	892,800	(Note 7)	-	-	-	-	76,953	47.22	36,337	564,856	-	(Note 19)
Szechwan Ton Yi Industrial Co., Ltd.	Manufacture of plastics packings	892,800	(Note 7)	-	-	-	-	17,803	47.22	8,407	398,544	-	(Note 19)

Name of investee in Mainland China	Main Business	Capital	Investment method	Beginning investment balance from		Ending investment balance from	Net income (loss) of the investee	Percentage of ownership held by the Company (direct or indirect)	Investment gain (loss)	Investments balance as of December 31, 2017	Accumulated remittance	Note
				Taiwan	Taiwan							
Huizhou Ton Yi Industrial Co., Ltd.	Manufacture of plastics packings	\$ 892,800	(Note 7)	\$ 178,560	\$ -	\$ 178,560	\$ 36,458	47.22	\$ 17,215	\$ 401,278	\$ -	(Note 19)
Chengdu Ton Yi Industrial Co., Ltd.	Manufacture of plastics packings	892,800	(Note 7)	342,240	-	342,240	10,325	47.22	4,875	358,354	-	(Note 19)
Beijing Ton Yi Industrial Co., Ltd.	Manufacture of plastics packings	892,800	(Note 7)	-	-	-	46,699	47.22	22,051	378,637	-	(Note 19)
Zhanjiang Ton Yi Industrial Co., Ltd.	Manufacture of plastics packings	595,200	(Note 7)	-	-	-	34,047	47.22	16,077	337,989	-	(Note 19)
Wuxi Ton Yi Industrial Packing Co., Ltd.	Manufacturing of cans	289,267	(Note 8)	208,320	-	208,320	21,188	47.22	10,905	293,480	-	(Note 19)
Chengdu Ton Yi Industrial Packing Co., Ltd.	Manufacturing of cans	223,200	(Note 8)	223,200	-	223,200	58,888	47.22	27,807	211,949	-	(Note 19)
Changsha Ton Yi Industrial Co., Ltd.	Sales of cans	208,320	(Note 8)	-	-	-	6,253	47.22	2,953	101,898	-	(Note 19)
Fujian Ton Yi Tinplate Co., Ltd.	Manufacturing of tinplates	2,574,240	(Note 9)	1,587,607	-	1,587,607	5,725	40.99	2,347	1,612,342	-	(Note 19)
Jiangsu Ton Yi Tinplate Co., Ltd.	Manufacturing of tinplates	1,190,400	(Note 10)	825,840	-	825,840	4,256	39.13	1,665	896,108	-	(Note 19)
Zhejiang Uni-Champion Logistics Dvpt. Ltd.	Logistics	182,947	(Note 11)	173,846	-	173,846	21,013	56.64	11,902	111,923	-	(Note 19)
Shanghai President Logistic Co. Ltd.	Logistics	59,520	(Note 12)	59,520	-	59,520	50,901	45.80	23,647	161,865	-	(Note 19)
President Chain Store (Taizhou) Ltd.	Logistics	274,421	(Note 12)	274,421	-	274,421	36,710	45.80	16,766	143,441	-	(Note 19)
President Chain Store (Shanghai) Ltd.	Operations of chain stores	2,286,840	(Note 12)	2,035,558	264,220	2,299,778	151,283	45.80	69,288	103,466	-	(Note 19)
President Chain Store (Zhejiang) Ltd.	Operations of chain stores	274,421	(Note 12)	-	274,421	274,421	85,730	45.80	39,264	85,797	-	(Note 19)
Shangdong President Logistics Co., Ltd.	Logistics	228,684	(Note 12)	91,474	137,210	228,684	29,442	45.80	13,484	91,022	-	(Note 19)
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	Murchandise wholesale and retail	457,368	(Note 13)	280,258	-	280,258	4,092	45.80	1,874	31,862	-	(Note 19)
PCSC (Chengdu) Hypermarket Ltd.	Murchandise wholesale and retail	603,726	(Note 12)	385,764	143,260	529,024	122,031	45.80	55,890	35,760	-	(Note 19)
Shanghai President Trading Co., Ltd.	Sales of food and merchandise	264,269	(Note 12)	153,877	-	153,877	1,319	45.80	604	14,464	-	(Note 19)
Shanghai Cold Stone Ice Cream Corp.	Sales of ice cream	1,017,843	(Note 12)	710,807	263,507	974,314	139,398	45.80	63,844	24,332	-	(Note 19)
President (Shanghai) Health Product Trading Company Ltd.	Wholesale of medicines and medical appliances	89,280	(Note 14)	89,280	-	89,280	58,419	33.77	19,836	7,414	-	(Note 19)
Shan Dong President Yin Zuo Commercial Ltd.	Supermarkets	274,421	(Note 12)	121,372	-	121,372	36,987	25.19	9,238	91,586	-	(Note 19)
Beijing Bokelai Customer Co.	Enterprises information consulting, network technology development and services	446	(Note 15)	-	-	-	5	22.91	1	7	-	(Note 19)
SciAnda (Kunshan) Biochemical Technology, Ltd.	Research, manufacturing and sale of materials for medicine	119,040	(Note 16)	110,839	-	110,839	2,957	47.14	1,394	198,911	-	(Note 19)





**Uni-President Enterprises Corp.**



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