

**YUANTA FINANCIAL HOLDING CO., LTD.**  
**AND ITS SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS AND**  
**INDEPENDENT AUDITORS' REVIEW REPORT**  
**FOR THE THREE MONTHS ENDED**  
**MARCH 31, 2024 AND 2023**

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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.

PWCR24000019

## INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors and Shareholders of Yuanta Financial Holding Co., Ltd.

***Introduction***

We have reviewed the accompanying consolidated balance sheets of Yuanta Financial Holding Co., Ltd. and its subsidiaries as at March 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, Regulations Governing the Preparation of Financial Reports by Securities Issuers, Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.


***Scope of Review***

We conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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### **Conclusion**

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Yuanta Financial Holding Co., Ltd. and its subsidiaries as at March 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, Regulations Governing the Preparation of Financial Reports by Securities Issuers, Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, Regulations Governing the Preparation of Financial Reports by Insurance Companies, and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission.

  
Kuo, Puo-Ju  
Chou, Chien-Hung

For and on behalf of PricewaterhouseCoopers, Taiwan

May 22, 2024

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 independent auditors' review report 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.

**YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**MARCH 31, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023**  
(Expressed in thousands of New Taiwan dollars)

	ASSETS	Notes	March 31, 2024		December 31, 2023		March 31, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
11000	Cash and cash equivalents	6(1)	\$ 81,968,918	2	\$ 81,869,960	3	\$ 71,737,125	2
11500	Due from Central Bank and call loans to other banks	6(2) and 8	77,138,918	2	83,110,140	3	80,013,767	3
12000	Financial assets at fair value through profit or loss	6(3), 7 and 8	595,900,718	17	563,701,196	17	458,026,771	15
12150	Financial assets at fair value through other comprehensive income	6(4) and 8	322,840,253	9	292,262,818	9	354,687,043	12
12200	Investments in debt instruments at amortised cost	6(5) and 8	543,810,439	16	539,131,270	16	566,814,482	18
12500	Investments in bills and bonds under resale agreements	6(6)	78,968,925	2	99,644,104	3	72,742,477	2
13000	Receivables – net	6(7) and 7	400,304,404	11	273,092,919	8	227,262,991	7
13200	Current income tax assets		2,630,306	-	2,623,799	-	3,105,666	-
13300	Assets held for sale – net	6(8)	872,315	-	79,099	-	81,469	-
13500	Bills discounted and loans – net	6(9) and 7	1,139,228,058	32	1,086,526,760	33	1,003,428,183	32
13700	Reinsurance contract assets – net	6(10)	1,266,249	-	1,249,093	-	1,359,065	-
15000	Equity investments accounted for under the equity method – net	6(11)	2,701,129	-	3,089,373	-	3,256,803	-
15100	Restricted assets – net	8	3,873,943	-	3,051,147	-	2,301,182	-
15500	Other financial assets – net	6(12)	117,840,169	4	111,816,531	4	113,501,086	4
18000	Investment property – net	6(13) and 8	11,650,491	-	11,307,517	-	10,682,580	-
18500	Property and equipment – net	6(14) and 8	26,557,286	1	27,352,156	1	25,570,730	1
18600	Right-of-use assets – net	6(15)	13,024,829	1	13,011,575	-	11,509,936	1
19000	Intangible assets – net	6(17)	30,694,527	1	30,728,678	1	30,840,550	1
19300	Deferred income tax assets		6,666,812	-	5,246,624	-	4,966,886	-
19500	Other assets – net	6(18), 7 and 8	77,877,337	2	69,765,061	2	63,657,311	2
	<b>TOTAL ASSETS</b>		<b>\$ 3,535,816,026</b>	<b>100</b>	<b>\$ 3,298,659,820</b>	<b>100</b>	<b>\$ 3,105,546,103</b>	<b>100</b>

(Continued)

**YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**MARCH 31, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023**  
(Expressed in thousands of New Taiwan dollars)

	LIABILITIES AND EQUITY	Notes	March 31, 2024		December 31, 2023		March 31, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
21000	Deposits from Central Bank and other banks	6(20)	\$ 5,286,411	-	\$ 12,387,393	-	\$ 18,509,189	1
22000	Financial liabilities at fair value through profit or loss	6(3)(38)	163,307,103	5	158,670,714	5	139,873,522	5
22500	Bills and bonds payable under repurchase agreements	6(6)(47) and 7	226,413,204	7	251,838,703	8	229,131,967	8
22600	Commercial paper payable – net	6(21)(47)	119,533,903	3	83,155,165	3	50,932,749	2
23000	Payables	6(22) and 7	269,418,332	8	180,210,063	6	160,397,007	5
23200	Current income tax liabilities		6,748,530	-	5,366,128	-	5,217,107	-
23500	Deposits and remittances	6(23) and 7	1,620,445,458	46	1,548,770,818	47	1,502,095,943	48
24000	Bonds payable	6(24)(47)	108,694,092	3	104,904,691	3	102,187,753	3
24400	Other borrowings	6(25)(47)	70,298,025	2	48,439,167	2	42,164,672	1
24600	Liabilities reserve	6(26)	385,525,565	11	376,640,823	11	366,514,360	12
25500	Other financial liabilities	6(28) and 7	142,286,206	4	135,723,396	4	134,827,157	4
26000	Lease liabilities	6(47)	6,229,372	-	6,191,253	-	4,715,758	-
29300	Deferred income tax liabilities		6,741,835	-	5,341,639	-	4,575,642	-
29500	Other liabilities	6(29) and 7	83,874,226	2	72,643,721	2	55,300,456	2
	<b>TOTAL LIABILITIES</b>		<u>3,214,802,262</u>	<u>91</u>	<u>2,990,283,674</u>	<u>91</u>	<u>2,816,443,282</u>	<u>91</u>
31000	Equity attributable to owners of the parent company							
31100	Share capital							
31101	Common stock	6(30)	126,890,824	3	126,890,824	4	125,015,590	4
31500	Additional paid-in capital	6(31)	38,188,103	1	38,188,103	1	38,066,502	1
32000	Retained earnings							
32001	Legal reserve	6(32)	22,561,044	1	22,561,044	1	20,481,785	1
32003	Special reserve	6(32)	13,517,403	-	13,517,403	-	6,549,234	-
32011	Undistributed earnings	6(33)	90,122,356	3	80,901,931	2	78,923,032	2
32500	Other equity							
32500	Other equity interest	6(34)	8,037,243	-	4,947,633	1	525,291	-
39500	<b>Non-controlling interests</b>		<u>21,696,791</u>	<u>1</u>	<u>21,369,208</u>	<u>-</u>	<u>20,591,969</u>	<u>1</u>
	<b>TOTAL EQUITY</b>		<u>321,013,764</u>	<u>9</u>	<u>308,376,146</u>	<u>9</u>	<u>289,102,821</u>	<u>9</u>
	<b>TOTAL LIABILITIES AND EQUITY</b>		<u>\$ 3,535,816,026</u>	<u>100</u>	<u>\$ 3,298,659,820</u>	<u>100</u>	<u>\$ 3,105,546,103</u>	<u>100</u>

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

**YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

			Three months ended March 31			
			2024		2023	
Items	Notes		AMOUNT	%	AMOUNT	%
41000	Interest income	6(35) and 7	\$ 16,549,778	54	\$ 14,182,173	60
51000	Less: Interest expense	6(35) and 7	( 8,940,632)	( 29)	( 6,864,793)	( 29)
49600	Net interest income	6(35)	7,609,146	25	7,317,380	31
	Net non-interest income					
49800	Net service fee and commission income	6(36) and 7	7,647,032	25	5,472,165	23
49810	Net income from insurance operations	6(37) and 7	3,254,480	10	3,545,831	15
49820	Gain or loss on financial assets and financial liabilities at fair value through profit or loss	6(38) and 7	5,356,702	17	7,764,948	33
49825	Gain on investment property	7	39,394	-	41,700	-
49835	Realised gain on financial assets at fair value through other comprehensive income		112,060	-	23,869	-
49850	Net gain or loss arising from derecognition of financial assets measured at amortised cost	6(5)(9)	( 60,896)	-	( 8,289)	-
49870	Foreign exchange gain or loss		6,685,741	22	1,729,331	( 7)
49880	Asset impairment loss	6(39)	( 23,528)	-	( 2,013)	-
49890	Share of the profit or loss of associates and joint ventures accounted for under the equity method	6(11)	125,037	-	( 2,128)	-
49898	Gain or loss on reclassification under the overlay approach		( 1,270,173)	( 4)	( 1,678,628)	( 7)
49921	Net gain on sale of non-performing loans		94,142	-	86,134	-
49945	Consultation service income		1,757,923	6	1,116,485	5
49999	Net other miscellaneous income or loss	6(40) and 7	( 311,257)	( 1)	1,642,744	7
49700	Total net non-interest income		23,406,657	75	16,273,487	69
	Net profit		31,015,803	100	23,590,867	100
58100	Provision for bad debt expenses, commitment and guarantee policy reserve	6(41)	( 314,737)	( 1)	256,275	1
58300	Net change in provisions for insurance liabilities	6(26)	( 4,136,147)	( 13)	( 4,095,727)	( 17)
	Operating expenses					
58501	Employee benefit expense	6(42) and 7	( 9,042,650)	( 29)	( 7,358,339)	( 31)
58503	Depreciation and amortization	6(43)	( 903,267)	( 3)	( 808,396)	( 4)
58599	Other business and administrative expenses	6(44) and 7	( 4,626,966)	( 15)	( 3,554,578)	( 15)
58500	Total Operating Expenses		( 14,572,883)	( 47)	( 11,721,313)	( 50)
61000	<b>Consolidated income from continuing operations before income tax</b>		11,992,036	39	8,030,102	34
61003	Income tax expense	6(45)	( 2,033,552)	( 7)	( 1,625,122)	( 7)
69000	<b>Consolidated net income</b>		\$ 9,958,484	32	\$ 6,404,980	27

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**YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

		Three months ended March 31			
		2024		2023	
Items	Notes	AMOUNT	%	AMOUNT	%
<b>Other comprehensive income</b>					
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>					
69561	Gains (losses) on remeasurements of defined benefit plans	( \$ 251,547)	( 1)	( \$ 192,580)	( 1)
69563	Share of other comprehensive income or loss of associates and joint ventures accounted for under the equity method, components of other comprehensive income that will not be reclassified to profit or loss	( 6,158)	-	1,384	-
69565	Change in fair value of financial liability attributable to change in credit risk of liability	148	-	38	-
69567	Gain or loss on valuation of investments in equity instruments measured at fair value through other comprehensive income	2,455,090	8	2,436,461	11
69569	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	23,461	-	60,369	-
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>					
69571	Exchange differences on translation of foreign financial statements	143,552	1	( 1,852,216)	( 8)
69585	Revaluation gain or loss from investments in debt instruments measured at fair value through other comprehensive income	( 560,259)	( 2)	3,554,373	15
69587	Impairment loss from investments in debt instruments measured at fair value through other comprehensive income	2,601	-	1,196	-
69590	Other comprehensive gain or loss on reclassification under the overlay approach	1,270,173	4	1,678,628	7
69579	Income tax related to components of other comprehensive income (loss) that will be reclassified to profit or loss	16,347	-	( 83,836)	-
69500	<b>Other comprehensive income (net of tax)</b>	<u>\$ 3,093,408</u>	<u>10</u>	<u>\$ 5,603,817</u>	<u>24</u>
69700	<b>Total comprehensive income</b>	<u>\$ 13,051,892</u>	<u>42</u>	<u>\$ 12,008,797</u>	<u>51</u>
Consolidated net income attributable to:					
69901	Parent company	\$ 9,235,010	30	\$ 5,772,301	24
69903	Non-controlling interests	723,474	2	632,679	3
		<u>\$ 9,958,484</u>	<u>32</u>	<u>\$ 6,404,980</u>	<u>27</u>
Consolidated comprehensive income attributable to:					
69951	Parent company	\$ 12,310,035	40	\$ 12,086,767	51
69953	Non-controlling interests	741,857	2	( 77,970)	-
		<u>\$ 13,051,892</u>	<u>42</u>	<u>\$ 12,008,797</u>	<u>51</u>
Earnings per share (in New Taiwan Dollars)					
70001	Basic earnings per share from continuing operations	\$	0.73	\$	0.45

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

YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
THREE MONTHS ENDED MARCH 31, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent										Non-controlling interests	Total equity
	Retained Earnings					Other equity interest						
	Common stock	Additional paid-in capital	Legal reserve	Special reserve	Undistributed earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on debt instruments at fair value through other comprehensive income	Other comprehensive income (loss) on reclassification under the overlay approach	Change in fair value of financial liability attributable to change in credit risk			
<u>For the three months ended March 31, 2023</u>												
Balance, January 1, 2023	\$ 125,015,590	\$ 38,010,564	\$ 20,481,785	\$ 6,549,234	\$ 73,279,144	(\$ 6,119,904 )	\$ 4,445,539	(\$ 5,242,587 )	(\$ 51,218 )	\$ 21,014,761	\$ 277,382,908	
Consolidated net income for the period	-	-	-	-	5,772,301	-	-	-	-	632,679	6,404,980	
Other comprehensive income (loss) for the period	-	-	-	-	( 90,201 )	( 1,182,669 )	5,876,856	1,710,452	28	( 710,649 )	5,603,817	
Total comprehensive income (loss) for the period	-	-	-	-	5,682,100	( 1,182,669 )	5,876,856	1,710,452	28	( 77,970 )	12,008,797	
Changes in equity of associates and joint ventures accounted for using equity method	-	55,938	-	-	-	-	-	-	-	-	55,938	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	( 344,822 )	( 344,822 )	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	( 38,212 )	-	38,212	-	-	-	-	
Balance, March 31, 2023	<u>\$ 125,015,590</u>	<u>\$ 38,066,502</u>	<u>\$ 20,481,785</u>	<u>\$ 6,549,234</u>	<u>\$ 78,923,032</u>	<u>(\$ 7,302,573 )</u>	<u>\$ 10,360,607</u>	<u>(\$ 3,532,135 )</u>	<u>(\$ 51,190 )</u>	<u>\$ 20,591,969</u>	<u>\$ 289,102,821</u>	
<u>For the three months ended March 31, 2024</u>												
Balance, January 1, 2024	\$ 126,890,824	\$ 38,188,103	\$ 22,561,044	\$ 13,517,403	\$ 80,901,931	(\$ 6,961,608 )	\$ 14,117,852	(\$ 2,159,647 )	(\$ 48,964 )	\$ 21,369,208	\$ 308,376,146	
Consolidated net income for the period	-	-	-	-	9,235,010	-	-	-	-	723,474	9,958,484	
Other comprehensive income (loss) for the period	-	-	-	-	( 119,816 )	121,368	1,808,831	1,264,494	148	18,383	3,093,408	
Total comprehensive income (loss) for the period	-	-	-	-	9,115,194	121,368	1,808,831	1,264,494	148	741,857	13,051,892	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	( 414,274 )	( 414,274 )	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	105,231	-	( 105,231 )	-	-	-	-	
Balance, March 31, 2024	<u>\$ 126,890,824</u>	<u>\$ 38,188,103</u>	<u>\$ 22,561,044</u>	<u>\$ 13,517,403</u>	<u>\$ 90,122,356</u>	<u>(\$ 6,840,240 )</u>	<u>\$ 15,821,452</u>	<u>(\$ 895,153 )</u>	<u>(\$ 48,816 )</u>	<u>\$ 21,696,791</u>	<u>\$ 321,013,764</u>	

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



YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED MARCH 31, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars)

	Three months ended March 31	
	2024	2023
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Profit before tax	\$ 11,992,036	\$ 8,030,102
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	746,766	658,715
Amortization	156,501	149,681
Provision for bad debt expense, commitment and guarantee policy reserve	460,895	274,890
Interest expense	8,940,632	6,864,793
Interest income	( 16,549,778 )	( 14,182,173 )
Dividend income	( 776,984 )	( 429,758 )
Asset impairment loss	23,528	2,013
Loss on reclassification under the overlay approach	1,270,173	1,678,628
Share of the profit or loss of associates and joint ventures accounted for under the equity method	( 125,037 )	2,128
Gain on disposal or retirement of property and equipment	( 1,634 )	( 1,596 )
Loss on disposal of intangible assets	1	-
(Gain) loss on lease modification	( 73 )	258
Net change in insurance liabilities	5,710,696	3,703,762
Changes in operating assets and liabilities		
Changes in operating assets		
Due to Central Bank and call loans to other banks	( 2,126,586 )	( 1,847,514 )
Financial assets at fair value through profit or loss	( 32,199,523 )	( 37,969,388 )
Financial assets at fair value through other comprehensive income	( 28,682,625 )	( 8,984,621 )
Investments in debt instruments measured at amortised cost	( 4,680,497 )	( 26,286,143 )
Receivables	( 126,871,897 )	( 24,031,592 )
Bills discounted and loans	( 53,157,324 )	( 8,500,909 )
Reinsurance contract assets	58,837	( 42,738 )
Restricted assets	( 822,796 )	425,110
Other financial assets	( 6,999,870 )	744,532
Other assets	( 8,048,929 )	( 4,621,008 )
Changes in operating liabilities		
Deposits from Central Bank and other banks	( 7,101,330 )	( 20,097,906 )
Financial liabilities at fair value through profit or loss	4,636,537	5,050,867
Payables	88,103,092	5,381,457
Deposits and remittances	71,674,640	94,654,443
Liabilities reserve	( 270,489 )	( 463,635 )
Other financial liabilities	7,610,135	( 5,316,023 )
Other liabilities	11,229,575	( 7,940,754 )
Cash outflow generated from operations	( 75,801,328 )	( 33,094,379 )
Interest received	16,390,683	13,490,873
Dividend received	615,480	318,139
Interest paid	( 8,057,002 )	( 5,875,597 )
Income tax paid	( 608,051 )	( 343,710 )
Net cash flows used in operating activities	( 67,460,218 )	( 25,504,674 )

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YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED MARCH 31, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars)

	Three months ended March 31	
	2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of investments accounted for under the equity method	( \$ 541,703 )	( \$ 26,847 )
Proceeds from liquidation of investments accounted for under the equity method	1,023,898	28,327
Acquisition of investment property	( 342,207 )	( 267,325 )
Acquisition of property and equipment	( 344,543 )	( 373,522 )
Proceeds from disposal of property and equipment	2,363	4,042
Acquisition of intangible assets	( 76,600 )	( 50,302 )
Proceeds from disposal of intangible assets	-	8
Acquisition of right-of-use assets	( 32 )	-
Net cash flows used in investing activities	( 278,824 )	( 685,619 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
(Decrease) increase in bills and bonds payable under repurchase agreements	( 25,425,499 )	4,994,476
Increase in commercial paper payable	36,601,800	3,098,702
Proceeds from issuance of bonds	3,773,082	-
Increase (decrease) in other borrowings	21,858,858	( 6,295,527 )
Principal payment for lease liabilities	( 404,354 )	( 367,514 )
Decrease in non-controlling interests	( 414,274 )	( 344,822 )
Net cash flows generated from financing activities	35,989,613	1,085,315
Net effect of foreign exchange rate changes	3,075,400	( 2,350,715 )
Net decrease in cash and cash equivalents	( 28,674,029 )	( 27,455,693 )
Cash and cash equivalents at beginning of period	218,948,309	206,929,363
Cash and cash equivalents at end of period	<u>\$ 190,274,280</u>	<u>\$ 179,473,670</u>
The components of cash and cash equivalents		
Cash and cash equivalents reported in the balance sheet	\$ 81,968,918	\$ 71,737,125
Due from Central Bank and call loans to other banks qualified as cash and cash equivalents as defined by IAS 7	29,336,437	34,994,068
Investments in bills and bonds under resale agreements qualified as cash and cash equivalents as defined by IAS 7	78,968,925	72,742,477
Cash and cash equivalents at end of reporting period	<u>\$ 190,274,280</u>	<u>\$ 179,473,670</u>

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

YUANTA FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and organization

Yuanta Financial Holding Co., Ltd. (“Yuanta Financial Holdings” or the “Company”) was incorporated pursuant to the Financial Holding Company Act. In connection with the formation of the Company, the shares of Yuanta Securities Finance Co., Ltd. (“Yuanta Securities Finance”) and Yuanta Securities Co., Ltd. (“Yuanta Securities”) were exchanged for shares of the Company. The regulatory procedure for the share exchange was completed on the exchange date of February 4, 2002 and the Company was listed on the Taiwan Stock Exchange on the same date.

On August 1, 2002, Asia Pacific Bank became a wholly owned subsidiary of the Company and was renamed as Yuanta Commercial Bank Co., Ltd. (“Yuanta Bank”).

On December 28, 2006, both the Company and Yuanta Core Pacific Securities Co., Ltd. (“Yuanta Core Pacific Securities”) had resolved for Yuanta Core Pacific Securities becoming the Company’s subsidiary by share exchange as approved through the shareholders’ meeting effective from April 2, 2007, and merged with Yuanta Securities on September 23, 2007.

On June 28, 2011, both the Company and Polaris Securities Co., Ltd. (“Polaris Securities”) had resolved for Polaris Securities becoming the Company’s subsidiary by share exchange as approved through the shareholders’ meeting effective from October 3, 2011, and merged with Yuanta Securities on April 1, 2012.

On January 1, 2014, the Company acquired 100% of shares of New York Life with cash. New York Life officially became a wholly-owned subsidiary of the Company and was renamed as Yuanta Life Insurance Co., Ltd. (“Yuanta Life”) on February 12, 2014.

The share transfer plan between the Company and Ta Chong Commercial Bank Co., Ltd. (hereon referred to as “Ta Chong Bank”) was resolved by their respective shareholders at the special shareholders’ meeting on October 13, 2015, and was completed on March 22, 2016. Thereafter, Ta Chong Bank officially became a wholly-owned subsidiary of the Company, and merged with Yuanta Bank on January 1, 2018.

The Company engages in the business of a financial holding company and its operations are limited to investing and investment management. According to the Financial Holding Company Act, the businesses in which the Company can invest in are securities, banking, bills finance, credit cards, trusts, insurance, futures, venture capital, foreign financial institutions that are authorised by the government authority, and other related financial businesses that are recognised by the government authority. Additionally, the Company was accredited by the Taiwan Corporate Governance Association with Corporate Governance Assessment Advanced Certification (CG6013) on December 29, 2022.

2. The date of authorisation for issuance of the financial statements and procedures for authorisation

These consolidated financial statements were authorised for issuance by the Board of Directors on May 22, 2024.

### 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®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

The above standards and interpretations have no significant impact to the Yuanta Group’s financial condition and financial performance based on the Yuanta Group’s assessment.

#### (2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Yuanta Group

None.

#### (3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
IFRS 18, ‘Presentation and disclosure in financial statements’	January 1, 2027
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

Except for the following, the above standards and interpretations have no significant impact to the Yuanta Group’s financial condition and financial performance based on the Yuanta Group’s assessment. The quantitative impact will be disclosed when the assessment is complete.

##### A. IFRS 17, ‘Insurance contracts’

IFRS 17 ‘Insurance contracts’ replaces IFRS 4 and establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. The standard applies to insurance contracts (including reinsurance contracts) issued, to reinsurance contracts held and to investment contracts with discretionary participation features issued, provided the entity also issues insurance contracts. Embedded derivatives, distinct investment components and distinct performance obligations shall be separated from the insurance contracts. An entity shall, at initial recognition, disaggregate a portfolio into three groups of contracts: onerous, no significant risk of

becoming onerous, and remaining contracts. IFRS 17 requires a current measurement model, where estimates are remeasured in each reporting period. The measurement is based on the building blocks of discounted, probability-weighted cash flows, a risk adjustment and a contractual service margin ('CSM') representing the unearned profit of the contract. An entity may apply a modified simplified measurement approach (the premium allocation approach) to some insurance contracts. An entity recognises the profit from a group of insurance contracts over the period the entity provides insurance coverage, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognises the loss immediately. Entities are required to present separately insurance revenue, insurance service expenses and insurance finance income or expenses and to disclose information about amounts, judgements and risks arising from insurance contracts.

**B. Amendments to IFRS 17, 'Insurance contracts'**

The amendments to IFRS 17 include the deferral of effective date, expected recovery of insurance acquisition cash flows, contractual service margin attributable to investment services, reinsurance contracts held – recovery of losses and other amendments, and they are not intended to change the fundamental principles of the standard.

**C. Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'**

The amendment permits an entity to apply an optional classification overlay in the comparative period(s) presented on initial application of IFRS 17. The overlay allows all financial assets, including those held in respect of activities not connected to contracts within the scope of IFRS 17, to be classified, on an instrument-by-instrument basis, in the comparative period(s) in a way that aligns with how the entity expects those assets to be classified on initial application of IFRS 9. The overlay can be applied by entities that have already applied IFRS 9 or will apply it when they apply IFRS 17.

**D. IFRS 18, 'Presentation and disclosure in financial statements'**

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

**4. Summary of material 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**

- A. The consolidated financial statements of the Company and its subsidiaries (collectively referred herein as the "Yuanta Group") have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, Regulations Governing the Preparation of Financial Reports by Securities Issuers, Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, and IAS 34, 'Interim Financial Reporting' that came into effect as endorsed by the FSC.
- B. These consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2023.

**(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) Financial assets at fair value through other comprehensive income.
  - (C) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
  - (D) Various insurance liabilities, reinsurance reserve assets, and foreign exchange reserves are set aside and recognised in accordance with “Regulations Governing the Setting Aside of Various Reserves by Insurance Enterprises” and relevant regulations.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect 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 Yuanta 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.

### (3) Basis of consolidation

#### A. Basis for preparation of consolidated financial statements:

All subsidiaries are included in the Yuanta Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Yuanta Group. The Yuanta Group controls an entity when the Yuanta 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 Yuanta Group obtains control of the subsidiaries and ceases when the Yuanta Group loses control of the subsidiaries. The Yuanta Group acquired subsidiaries in accordance with the Acquisition Method. Acquisition costs are measured at fair value based on assets acquired, issued equity instruments and incurred or undertaking liabilities, along with directly attributable acquisition costs. Identifiable assets, liabilities and contingent liabilities that are acquired at business combinations are measured at original fair value, and shares of non-controlling interests are not considered. Acquisition costs that exceed fair value of identifiable assets recognised for shareholding ratio are recognised as goodwill; acquisition costs that are less than fair value of identifiable assets recognised for shareholding ratio are directly recognised in the consolidated statements of comprehensive income. 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 recognised directly in equity. Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Yuanta Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Yuanta Group. 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.

## B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	Yuanta Securities	Securities brokerage, dealing, underwriting, financing and refinancing, futures business and raising and issuing derivative instruments	100.00	100.00	100.00	
	Yuanta Bank	Banking	100.00	100.00	100.00	
	Yuanta Life Insurance Co., Ltd. (“Yuanta Life”)	Life insurance business	100.00	100.00	100.00	
	Yuanta Futures Co., Ltd. (“Yuanta Futures”)	Futures, futures managers, futures consultant, securities, securities trading assistance	66.27	66.27	66.27	
	Yuanta Securities Investment Trust Co., Ltd. (“Yuanta Securities Investment Trust”)	Securities investment trust	74.71	74.71	74.71	
	Yuanta Venture Capital Co., Ltd. (“Yuanta Venture Capital”)	Venture capital investments	100.00	100.00	100.00	
	Yuanta Asset Management Co., Ltd. (“Yuanta Asset Management”)	Management of monetary debts of financial institutions	100.00	100.00	100.00	
	Yuanta Securities Investment Consulting Co., Ltd. (“Yuanta Securities Investment Consulting”)	Securities investment consultant	100.00	100.00	100.00	
	Yuanta Securities Asia Financial Services Private Limited (“Yuanta Securities Asia Financial Services”)	Investment holding	100.00	100.00	100.00	
	Yuanta International Insurance Brokers Co., Ltd. (“Yuanta International Insurance Brokers”)	Insurance brokerage services	100.00	100.00	100.00	
Yuanta Securities	Yuanta Securities Finance Co., Ltd. (“Yuanta Securities Finance”)	Securities financing and refinancing to securities firms and related business	100.00	100.00	100.00	
	Yuanta Wealth Management (Singapore) Pte. Ltd. (“Yuanta Wealth Management (Singapore)”)	Note 1	100.00	100.00	100.00	Note 1
	Yuanta Securities (Hong Kong) Co., Ltd. (“Yuanta Securities (Hong Kong)”)	Securities trading, futures contract trading, providing opinions on securities, futures contract and institutions’ financing, asset management services	100.00	100.00	100.00	
Yuanta Securities Asia Financial Services	Yuanta Asia Investment (Hong Kong) Ltd. (“Yuanta Asia Investment (Hong Kong)”)	Securities trading, asset management services	100.00	100.00	100.00	
	Yuanta Investment Consulting (Beijing) Co., Ltd. (“Yuanta Investment Consulting Beijing”)	Investment and management consultancy, financial consultancy, enterprise management consultancy, business information consultancy, economic and trade consultancy, marketing strategy and plan, technique promotion and technique service	100.00	100.00	100.00	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
Yuanta Securities Asia Financial Services	Yuanta Securities Korea Co., Ltd. (“Yuanta Securities (Korea)”)	Investment and trading business, investment intermediary business, trust business, investment consultancy, discretionary account business, in addition, concurrent operating business and auxiliary business	58.54	58.54	58.10	
	Yuanta Hong Kong Holdings (Cayman) Ltd. (“Yuanta HK Holdings (Cayman)”)	Investment holding	100.00	100.00	100.00	
	Yuanta Securities Thailand Co., Ltd. (“Yuanta Securities (Thailand)”)	Securities brokerage, dealing in securities, underwriting and investment consultation, management of mutual fund, management of private fund, management venture capital fund, securities lending, brokerage and dealer of derivative instrument	99.99	99.99	99.99	
	Yuanta Securities Vietnam Limited Company (“Yuanta Securities (Vietnam)”)	Securities brokerage, dealing, underwriting, investment consultation, financial derivatives	94.10	94.10	94.10	
Yuanta Securities (Korea)	Yuanta Investment Co.,Ltd.	Investment business	58.54	58.54	58.10	
	Yuanta Financial (Hong Kong) Ltd. (“Yuanta Financial (Hong Kong)”)	Investment holding	58.54	58.54	58.10	
Yuanta Financial (Hong Kong)	Yuanta Securities (Cambodia) Plc.	Underwriting guidelines, financial advisory services, securities brokerage, dealing in securities and investment advisory	58.54	58.54	58.10	
Yuanta Securities (Hong Kong)	Yuanta International Investment (Hong Kong) Ltd. (“Yuanta International Investment (Hong Kong)”)	Issuance of financial instruments and dealing investments	100.00	100.00	100.00	
	Yuanta Finance (Hong Kong) Ltd.	Credit loan business	100.00	100.00	100.00	
	PT Yuanta Sekuritas Indonesia (“Yuanta Securities (Indonesia)”)	Securities trading and underwriting services	99.00	99.00	99.00	
	Yuanta Securities (Vietnam)	Securities brokerage, dealing, underwriting, investment consultation, financial derivatives	5.90	5.90	5.90	
	YUANTA Quantivantage Fund SP	Investment business	36.00	-	-	Note 2
Yuanta Investment Co.,Ltd.	Yuanta Quantum Jump No.3 Fund	Investment business	25.09	25.09	24.90	



Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
Yuanta Bank	Yuanta International Leasing Co., Ltd. (“Yuanta International Leasing”)	Leasing business	100.00	100.00	100.00	
	Yuanta Savings Bank (Philippines) Inc. (Yuanta Savings Bank (Philippines))	Deposits and loans of savings bank	100.00	100.00	100.00	
	Yuanta Savings Bank (Korea) Inc. (Yuanta Savings Bank (Korea))	Deposits and loans of savings bank	100.00	100.00	100.00	
Yuanta Futures	Yuanta Futures (Hong Kong) Limited (“Yuanta Futures Hong Kong”)	Financial services	66.27	66.27	66.27	
	SYF Information Limited (“SYF Information”)	Information service	66.27	66.27	66.27	
	Yuanta Global (Singapore) Pte. Ltd.	Note 3	66.27	66.27	66.27	Note 3
Yuanta Venture Capital	Yuanta I Venture Capital Co., Ltd. (“Yuanta I Venture Capital”)	Venture capital investments	100.00	100.00	100.00	

Note 1: On April 29, 2022, Yuanta Wealth Management (Singapore) was established by Yuanta Securities through reinvestment, and its main business activities are currently under approval by Singapore authorities.

Note 2: Subscribed in the first quarter of 2024.

Note 3: On November 23, 2022, Yuanta Global (Singapore) Pte. Ltd. was established by Yuanta Futures through reinvestment, and its main business activities are currently under approval by Singapore authorities.

(BLANK)

C. The structured entities controlled by Yuanta Securities (Korea) are as follows:  
March 31, 2024

Structured entities	Main Business Activities
DK project the second Co., Ltd.	Asset-backing
YK Hyper Co., Ltd.	Asset-backing
Y.K Life the First Co., Ltd.	Asset-backing
YK Nonhyun the first Co., Ltd.	Asset-backing
YK Kwangyang the first Co., Ltd.	Asset-backing
YK Wangji the 1st. Co., Ltd.	Asset-backing
YK Seocho the 1st. Co., Ltd.	Asset-backing
YFI Manchon Co., Ltd.	Asset-backing
YK Songak the 1st. Co., Ltd.	Asset-backing
MIL the 2nd. Co., Ltd.	Asset-backing
YK SG Co., Ltd.	Asset-backing
JJ Woosan the 1st. Co., Ltd.	Asset-backing
Geumnamro PI the 1st. Co., Ltd.	Asset-backing
YOB new one Co., Ltd.	Asset-backing
YK Jugyo the 1st. Co., Ltd.	Asset-backing
YFI Namsan Co., Ltd.	Asset-backing
YK Jincheon Samduk the 1st. Co., Ltd.	Asset-backing
YK Pyeongdong the 1st. Co., Ltd.	Asset-backing
YK Lhour Co., Ltd.	Asset-backing
YK Daejeonyongdu the 1st. Co., Ltd.	Asset-backing
Pacific Leo the 1st. Co., Ltd.	Asset-backing
YFI Manchon 2 Co., Ltd.	Asset-backing
YK Gijang the 1st. Co., Ltd.	Asset-backing
YK Greenfood the 1st. Co., Ltd.	Asset-backing
Luxia PI the 1st. Co., Ltd.	Asset-backing
Jayonloyal Co., Ltd.	Asset-backing
Perfect-dream the 5th. Co., Ltd.	Asset-backing
YFI yangsan Co., Ltd.	Asset-backing
YK Land the 1st. Co., Ltd.	Asset-backing
Mountain Rich the 1st. Co., Ltd.	Asset-backing
Y.K Petro the 1st. Co., Ltd.	Asset-backing
YK DS Co., Ltd.	Asset-backing
Gold Poongmu the 1st. Co., Ltd.	Asset-backing

December 31, 2023

Structured entities	Main Business Activities
DK project the second Co., Ltd.	Asset-backing
YK Hyper Co., Ltd.	Asset-backing
Y.K Life the First Co., Ltd.	Asset-backing
YK Nonhyun the first Co., Ltd.	Asset-backing
YK Kwangyang the first Co., Ltd.	Asset-backing
YK Wangji the 1st. Co., Ltd.	Asset-backing
YK Seocho the 1st. Co., Ltd.	Asset-backing
YFI Manchon Co., Ltd.	Asset-backing
YK Songak the 1st. Co., Ltd.	Asset-backing
MIL the 2nd. Co., Ltd.	Asset-backing
YK SG Co., Ltd.	Asset-backing
YK Icheon the 1st. Co., Ltd.	Asset-backing
JJ Woosan the 1st. Co., Ltd.	Asset-backing
Geumnamro PI the 1st. Co., Ltd.	Asset-backing
YOB new one Co., Ltd.	Asset-backing
YK Jugyo the 1st. Co., Ltd.	Asset-backing
YFI Namsan Co., Ltd.	Asset-backing
YK Jincheon Samduk the 1st. Co., Ltd.	Asset-backing
YK Pyeongdong the 1st. Co., Ltd.	Asset-backing
YK Lhour Co., Ltd.	Asset-backing
YK Daejeonyongdu the 1st. Co., Ltd.	Asset-backing
Pacific Leo the 1st. Co., Ltd.	Asset-backing
YFI Manchon 2 Co., Ltd.	Asset-backing
YK Gijang the 1st. Co., Ltd.	Asset-backing
YK Greenfood the 1st. Co., Ltd.	Asset-backing
Luxia PI the 1st. Co., Ltd.	Asset-backing
Jayonloyal Co., Ltd.	Asset-backing
Perfect-dream the 5th. Co., Ltd.	Asset-backing
YFI yangsan Co., Ltd.	Asset-backing
YK Land the 1st. Co., Ltd.	Asset-backing
Gold Poongmu the 1st. Co., Ltd.	Asset-backing

March 31, 2023

Structured entities	Main Business Activities
DK project the second Co., Ltd.	Asset-backing
YK Hyper Co., Ltd.	Asset-backing
Y.K Life the First Co., Ltd.	Asset-backing
YK Nonhyun the first Co., Ltd.	Asset-backing
YK Kwangyang the first Co., Ltd.	Asset-backing
YK Wangji the 1st. Co., Ltd.	Asset-backing
YK Seocho the 1st. Co., Ltd.	Asset-backing
YFI Manchon Co., Ltd.	Asset-backing
YK Songak the 1st. Co., Ltd.	Asset-backing
Walkerhill PI the 1st. Co., Ltd.	Asset-backing
MIL the 2nd. Co., Ltd.	Asset-backing
YK SG Co., Ltd.	Asset-backing
YK Ilchul Co., Ltd.	Asset-backing
YK Icheon the 1st. Co., Ltd.	Asset-backing
JJ Woosan the 1st. Co., Ltd.	Asset-backing
YK Royal the 1st. Co., Ltd.	Asset-backing
Geumnamro PI the 1st. Co., Ltd.	Asset-backing
YOB new one Co., Ltd.	Asset-backing
YK Jugyo the 1st. Co., Ltd.	Asset-backing
YK Merchant Co., Ltd.	Asset-backing
YFI Namsan Co., Ltd.	Asset-backing
YK Jincheon Samduk the 1st. Co., Ltd.	Asset-backing
YK Pyeongdong the 1st. Co., Ltd.	Asset-backing
YK Lhour Co., Ltd.	Asset-backing
YK Daejeonyongdu the 1st. Co., Ltd.	Asset-backing
Pacific Leo the 1st. Co., Ltd.	Asset-backing
YFI Manchon 2 Co., Ltd.	Asset-backing
YK Gijang the 1st. Co., Ltd.	Asset-backing
YK Greenfood the 1st. Co., Ltd.	Asset-backing
YK Saetbyul Co., Ltd.	Asset-backing
Luxia PI the 1st. Co., Ltd.	Asset-backing
Jayonloyal Co., Ltd.	Asset-backing
Mountain Quad the 1st. Co., Ltd.	Asset-backing
Perfect-dream the 5th. Co., Ltd.	Asset-backing
YFI yangsan Co., Ltd.	Asset-backing
YK Land the 1st. Co., Ltd.	Asset-backing
Gold Poongmu the 1st. Co., Ltd.	Asset-backing

Although the Yuanta Group does not hold most of interests in structured entities, structured entities are included in the consolidated financial statements, taking into account the following: when the company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its control over the entity.

D. Subsidiaries not included in the consolidated financial statements:

None.

E. Adjustments for subsidiaries with different balance sheet dates:

None.

F. Significant restrictions:

None.

G. Subsidiaries that have non-controlling interests that are material to the Yuanta Group:

As of March 31, 2024, December 31, 2023 and March 31, 2023, the non-controlling interests amounted to \$21,696,791, \$21,369,208 and \$20,591,969, respectively. The information of non-controlling interests and respective subsidiaries is as follows:

Subsidiary	Principal place of business	Non-controlling interests					
		March 31, 2024		December 31, 2023		March 31, 2023	
		Amount	Ownership (%)	Amount	Ownership (%)	Amount	Ownership (%)
Yuanta Securities (Korea)	Korea	\$ 15,023,836	41.46%	\$ 15,136,461	41.46%	\$ 14,645,520	41.90%

The comprehensive income (loss) attributable to these non-controlling interests were \$281,163 and (\$393,496) for the three months ended March 31, 2024 and 2023, respectively.

Summarized financial information for the aforementioned subsidiaries:

Consolidated balance sheets

	Yuanta Securities (Korea) and its subsidiaries		
	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 361,157,132	\$ 374,120,897	\$ 301,909,207
Non-current assets	16,482,651	16,175,705	14,141,788
Current liabilities	( 327,276,351)	( 343,795,784)	( 269,285,463)
Non-current liabilities	( 12,563,822)	( 8,521,378)	( 10,364,283)
Total net assets	<u>\$ 37,799,610</u>	<u>\$ 37,979,440</u>	<u>\$ 36,401,249</u>

Consolidated statements of comprehensive income

	Yuanta Securities (Korea) and its subsidiaries	
	For the three months ended March 31,	
	2024	2023
Revenue	\$ 5,997,424	\$ 5,063,705
Profit before income tax	1,056,835	1,156,174
Income tax expense	( 249,405)	( 289,596)
Net income	807,430	866,578
Other comprehensive loss (net of tax)	( 94,624)	( 1,754,569)
Total comprehensive income (loss) for the period	<u>\$ 712,806</u>	<u>(\$ 887,991)</u>

## Consolidated statements of cash flows

	Yuanta Securities (Korea) and its subsidiaries	
	For the three months ended March 31,	
	2024	2023
Net cash used in operating activities	(\$ 4,246,523)	(\$ 1,447,399)
Net cash provided by investing activities	435,515	41,952
Net cash provided by financing activities	5,504,254	1,364,973
Effects of exchange rate changes	( 147,765)	( 147,926)
Increase (decrease) in cash and cash equivalents	1,545,481	( 188,400)
Cash and cash equivalents, beginning of period	13,701,288	14,687,558
Cash and cash equivalents, end of period	\$ 15,246,769	\$ 14,499,158

### (4) Other material accounting policies

These consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2023. Except for the accounting policies listed below, please refer to the notes to the consolidated financial statements for the year ended December 31, 2023 for information on significant accounting policies.

#### A. 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 recognised as expenses in that period when the employees render service.

##### (B) Pensions

##### a. Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

##### b. Defined benefit plans

(a) 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 Yuanta Group in current period or prior periods. The liability recognised 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 Yuanta Group uses interest rates of government bonds (at the balance sheet date) instead.

(b) Remeasurement arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

(c) Past service costs are recognised immediately in profit or loss.

(d) Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. And, the related information is disclosed accordingly.

##### c. Deposits

The Yuanta Group provides preferential interest rate for its employees, including flat preferential savings for current employees. The difference gap compared to market interest rate is deemed as employee benefits.

d. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Yuanta Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Yuanta Group recognises expense as it can no longer withdraw an offer of termination benefits or it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

e. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. However, if the accrued amounts for employees' compensation and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the shareholders at their shareholders' meeting subsequently, the differences should be recognised as changes in estimates.

B. Income tax

(A) Current income tax

Income tax payable (refundable) is calculated on the basis of the tax laws enacted in the countries where a company operates and generates taxable income. Except that the transactions or other matters are directly recognised in other comprehensive income or equity, and that related income taxes in the period are recognised in other comprehensive income or directly derecognised from equity, all the others should be recognised as income or expense and recorded as gain and loss in the period. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings.

(B) Deferred income tax

- a. Deferred income tax assets and liabilities are measured based on the tax rate of the anticipated period that the future assets realization or the liabilities settlement requires, which is based on the effective or existing tax rate at the consolidated balance sheet date. The carrying amounts and temporary differences of assets and liabilities included on the consolidated balance sheet are calculated using the balance sheet liability method and recognised as deferred income tax.
- b. The land revaluation appraisal due to the revaluation assessment in compliance with relevant regulations, deemed as taxable temporary difference, is recognised as deferred income tax liabilities.
- c. If the future taxable income is probable to provide unused loss carryforwards or deferred income tax credit which can be realised in the future, the proportion of realization is deemed as deferred income tax asset.

(C) 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 recognised amounts and there is an intention to settle on a net basis or realise 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 realise the asset and settle the liability simultaneously. The Yuanta Group

does not offset deferred income tax assets against liabilities taxed by different tax authorities.

- (D) The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.
- (E) If a change in tax rate is enacted or substantively enacted in an interim period, the Yuanta Group recognises the effect of the change on items recognised outside profit or loss immediately in the interim period in which the change occurs and spread the effect of the change on items recognised in profit or loss over the remainder of the annual reporting period via an adjustment to the estimated annual effective income tax rate.

##### 5. Critical accounting judgements, estimates and key sources of assumption uncertainty

There have been no significant changes as of March 31, 2024. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2023.

##### 6. Details of significant accounts

###### (1) Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand	\$ 6,382,223	\$ 7,031,300	\$ 6,074,322
Deposits in banks	71,492,086	71,111,899	61,898,011
Futures excess margin and cash equivalents	2,565,113	2,088,601	2,798,563
Checks for clearance	1,529,496	1,638,160	966,229
Total	<u>\$ 81,968,918</u>	<u>\$ 81,869,960</u>	<u>\$ 71,737,125</u>

###### (2) Due from Central Bank and call loans to other banks

	March 31, 2024	December 31, 2023	March 31, 2023
Reserve for deposits - account A	\$ 14,353,554	\$ 15,405,956	\$ 17,085,100
Reserve for deposits - account B	47,376,584	45,217,980	44,465,056
Deposits by foreign subsidiary to designated accounts of respective local central banks	2,507,620	2,232,294	2,860,673
Reserve for deposits	11,813,501	13,246,331	11,884,425
Call loans to banks	1,087,659	7,007,579	3,718,513
Total	<u>\$ 77,138,918</u>	<u>\$ 83,110,140</u>	<u>\$ 80,013,767</u>

- A. Reserves for deposits placed with the Central Bank are calculated monthly at prescribed rates on the average daily balances of various deposit accounts and structured accounts and then lodged into reserve for deposits account of Central Bank. The reserve for deposits - account A is non-interest bearing and call on demand. Reserve for deposits - account B is interest bearing and its use is restricted to monthly adjustment in the reserve for deposits only according to relevant regulations.
- B. Please refer to Note 8 for details of the above due from Central Bank and call loans to other banks pledged as collateral as of March 31, 2024, December 31, 2023 and March 31, 2023.
- C. Information relating to credit risk is provided in Note 12(3).



(3) Financial assets and liabilities at fair value through profit or loss

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Financial assets mandatorily measured at fair value through profit or loss			
Commercial paper	\$ 95,503,541	\$ 87,992,496	\$ 70,251,754
Beneficiary certificates / securities	78,772,224	75,774,944	42,568,291
Short-term notes and bills	19,235,193	16,003,217	16,163,063
Listed stocks	55,720,024	31,213,329	35,850,211
Emerging stocks	1,844,737	1,893,718	1,255,705
Government bonds	30,741,755	40,585,060	25,414,682
Bank debentures	108,378,392	116,349,322	88,290,889
Corporate bonds	33,590,869	34,934,285	32,510,652
Convertible corporate bonds	62,738,020	63,236,850	60,798,453
Derivative financial instruments	19,315,898	17,922,423	16,011,259
Structured products	20,030,865	15,241,899	10,000,534
Reserve for claims of customers' deposits with KSFC (Note 1)	55,730,236	54,827,303	50,614,415
Other marketable securities	7,986,498	6,456,181	13,360,012
Valuation adjustment	6,312,466	1,270,169	( 5,063,149)
Total	<u>\$ 595,900,718</u>	<u>\$ 563,701,196</u>	<u>\$ 458,026,771</u>
Financial liabilities held for trading			
Derivative financial instruments	\$ 35,448,299	\$ 31,418,104	\$ 24,693,029
Non-derivative financial instruments	39,090,259	41,966,169	43,136,576
Valuation adjustment of financial liabilities held for trading – non- derivative financial instruments	1,783,070	2,518,776	2,406,640
Liabilities for issuance of ETNs	865,088	892,156	1,598,157
Financial liabilities designated as at fair value through profit or loss			
Structured products (Note 2)	61,759,033	57,804,859	45,433,309
Convertible bond asset swap not qualifying for derecognition (Note 2)	24,361,354	24,070,650	22,605,811
Total	<u>\$ 163,307,103</u>	<u>\$ 158,670,714</u>	<u>\$ 139,873,522</u>

Note 1: KSFC stands for Korea Securities Finance Corporation.

Note 2: Financial instruments designated as at fair value through profit or loss at initial recognition is for hybrid instruments, and in order to eliminate accounting inconsistency.

A. Please refer to Note 8 for details of the above financial assets at fair value through profit or loss pledged to others as collateral as of March 31, 2024, December 31, 2023 and March 31, 2023.

B. Financial assets to which the overlay approach is applied are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Equity instruments			
Domestic stocks	\$ 7,052,493	\$ 1,122,201	\$ 11,245,128
Overseas stocks	130,072	-	-
	<u>7,182,565</u>	<u>1,122,201</u>	<u>11,245,128</u>
Domestic beneficiary certificates	27,610,717	22,465,016	16,610,887
Overseas beneficiary certificates	934,091	684,115	631,376
	<u>\$ 35,727,373</u>	<u>\$ 24,271,332</u>	<u>\$ 28,487,391</u>

C. For financial assets to which the overlay approach is applied, the amounts of profit or loss reclassified to other comprehensive income are as follows:

	For the three months ended March 31,	
	2024	2023
Profit recognised in accordance with IFRS 9	\$ 1,853,720	\$ 2,056,102
Less: Profit that would have been recognised under IAS 39	( 583,547)	( 377,474)
Profit from adopting the overlay approach	<u>\$ 1,270,173</u>	<u>\$ 1,678,628</u>
Effects on income tax	<u>(\$ 5,679)</u>	<u>\$ 31,824</u>

D. Please refer to Note 6(38) for the amounts recognised in profit or loss in relation to the financial assets and liabilities at fair value through profit or loss.

(4) Financial assets at fair value through other comprehensive income

Items	March 31, 2024	December 31, 2023	March 31, 2023
Debt instruments			
Government bonds	\$ 56,238,252	\$ 51,723,187	\$ 71,590,226
Bank debentures	63,552,347	63,494,452	66,039,787
Corporate bonds	153,584,820	144,189,952	169,979,099
Commercial paper	773	772	13,684
Others	2,709,584	1,891,952	1,816,921
Valuation adjustment	( 11,819,895)	( 11,461,127)	( 16,672,615)
Subtotal	<u>264,265,881</u>	<u>249,839,188</u>	<u>292,767,102</u>
Equity instruments			
Listed stocks	\$ 19,314,142	\$ 5,542,753	\$ 23,985,134
Unlisted stocks/Emerging stocks	4,582,812	4,582,490	4,567,695
Others	2,648,624	2,648,611	2,657,201
Valuation adjustment	<u>32,028,794</u>	<u>29,649,776</u>	<u>30,709,911</u>
Subtotal	<u>58,574,372</u>	<u>42,423,630</u>	<u>61,919,941</u>
Total	<u>\$ 322,840,253</u>	<u>\$ 292,262,818</u>	<u>\$ 354,687,043</u>

A. The Yuanta Group has elected to classify strategic equity investments not held for trading as financial assets at fair value through other comprehensive income. As of March 31, 2024, December 31, 2023 and March 31, 2023, the fair value of such investments were \$58,574,372, \$42,423,630 and \$61,919,941, respectively.

B. The Yuanta Group disposed equity instruments at fair value through other comprehensive income for purposes of investment portfolio adjustment and asset allocation. For the three months ended

March 31, 2024 and 2023, the fair value of such equity investments sold amounted to \$1,047,200 and \$841,089, and accumulated gains (losses) on disposal were \$110,637 and (\$38,355), respectively.

- C. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the three months ended March 31,	
	2024	2023
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 2,455,090	\$ 2,436,461
Cumulative gains (losses) reclassified to retained earnings due to derecognition	\$ 105,231	(\$ 38,212)
Dividend income recognised in profit or loss		
Held at end of period	\$ 182,772	\$ 200,730
Derecognised in the current period	-	7,059
	<u>\$ 182,772</u>	<u>\$ 207,789</u>
<u>Debt instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	(\$ 630,993)	\$ 3,370,488
Cumulative other comprehensive income reclassified to profit or loss		
Reclassified due to impairment recognition	\$ 2,623	\$ 1,161
Reclassified due to derecognition	70,712	183,920
	<u>\$ 73,335</u>	<u>\$ 185,081</u>
Interest income recognised in profit or loss	<u>\$ 1,442,059</u>	<u>\$ 1,161,731</u>

- D. Details of the above financial assets at fair value through other comprehensive income pledged to others as collateral as of March 31, 2024, December 31, 2023 and March 31, 2023, are provided in Note 8.

- E. Information relating to credit risk is provided in Note 12(3).

(5) Investments in debt instruments at amortised cost

Items	March 31, 2024	December 31, 2023	March 31, 2023
Government bonds	\$ 110,699,922	\$ 109,776,649	\$ 119,469,834
Time deposits	129,139,486	142,692,828	186,808,532
Bank debentures	124,593,561	119,849,038	113,200,303
Corporate bonds	183,101,219	170,532,824	151,060,579
Subtotal	547,534,188	542,851,339	570,539,248
Less: Accumulated impairment	( 163,349)	( 159,669)	( 164,366)
Statutory deposits	( 3,560,400)	( 3,560,400)	( 3,560,400)
Total	<u>\$ 543,810,439</u>	<u>\$ 539,131,270</u>	<u>\$ 566,814,482</u>

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	For the three months ended March 31,	
	2024	2023
Interest income	\$ 3,623,087	\$ 3,196,811
Impairment loss	( 3,663)	( 977)
Losses on disposal	( 60,896)	( 8,289)
	<u>\$ 3,558,528</u>	<u>\$ 3,187,545</u>

B. The Yuanta Group sold certain financial assets at amortised cost for the three months ended March 31, 2024 and 2023, due to factors such as considering pay back, mandatorily redeemed by the issuer, increase in credit risk, or individual and aggregated sales amount that is non-significant. The loss on disposal of investments in debt instruments at amortised cost were \$60,896 and \$8,289, respectively.

C. Pursuant to Article 141 of Insurance Act, an insurance enterprise shall deposit 15% of its registered paid-in capital with the national treasury as operating guarantee deposits. As of March 31, 2024, December 31, 2023 and March 31, 2023, Yuanta Life of the Yuanta Group has deposited government bonds with par value of \$3,560,400 in the Central Bank as statutory operating guarantee deposits, which are recognised under other assets-net.

D. Details of the above financial assets at amortised cost pledged to others as collateral as of March 31, 2024, December 31, 2023 and March 31, 2023, are provided in Note 8.

E. Information relating to credit risk is provided in Note 12(3).

(6) Bills and bonds purchased under resale or bills and bonds sold under repurchase agreements

	March 31, 2024	December 31, 2023	March 31, 2023
Bills and bonds purchased under resale agreement	<u>\$ 78,968,925</u>	<u>\$ 99,644,104</u>	<u>\$ 72,742,477</u>
Interest rate range	0.81% ~ 6.55%	0.92% ~ 6.65%	0.83% ~ 6.15%
Contract resale amount	<u>\$ 79,237,599</u>	<u>\$ 100,042,588</u>	<u>\$ 76,579,204</u>
Bills and bonds sold under repurchase agreement	<u>\$ 226,413,204</u>	<u>\$ 251,838,703</u>	<u>\$ 229,131,967</u>
Interest rate range	0.55% ~ 5.70%	0.50% ~ 5.80%	0.35% ~ 5.30%
Contract repurchase amount	<u>\$ 233,632,950</u>	<u>\$ 257,448,903</u>	<u>\$ 164,150,202</u>

(7) Receivables – net

	March 31, 2024	December 31, 2023	March 31, 2023
Interest receivable	\$ 11,867,347	\$ 11,708,251	\$ 10,383,721
Receivable of securities business			
money lending	84,956,687	71,687,248	53,738,015
Factoring receivable	7,275,126	5,025,112	7,128,589
Margin loans receivable	109,226,043	98,783,527	83,351,934
Spot exchange receivable	857,132	828,096	1,009,775
Credit card receivable	8,766,025	9,189,343	8,424,238
Net exchange clearing receivable	8,058,375	8,718,790	10,451,731
Settlement receivable	144,531,181	53,217,175	39,097,225
Securities sold receivable	16,988,390	9,638,023	8,644,293
Other receivables	9,794,854	6,227,378	6,979,936
Subtotal	402,321,160	275,022,943	229,209,457
Less: Allowance for credit losses	( 2,016,756)	( 1,930,024)	( 1,946,466)
Total	\$ 400,304,404	\$ 273,092,919	\$ 227,262,991

A. The Yuanta Group recognised appropriate allowance for credit losses for receivables. For the three months ended March 31, 2024 and 2023, details are provided in Note 12(3).

B. Margin loans receivable uses the securities purchased through financing by client as collateral. As of March 31, 2024, December 31, 2023 and March 31, 2023, the annual interest rates of Yuanta Securities and Yuanta Securities Finance were all 6.25%; the annual interest rates range of Yuanta Securities (Korea) were all 6.90%~10.20%; the annual interest rates range of Yuanta Securities (Hong Kong) were 2.68%~13.75%, 2.68%~13.75% and 0.25%~13.50%, respectively; the annual interest rates range of Yuanta Securities (Indonesia) were 16.00%~20.00%, 16.00%~18.00% and 16.00%~18.00%; the annual interest rates range of Yuanta Securities (Thailand) were 5.56%~5.90%, 5.56%~5.90% and 4.89%~5.15%, respectively; the annual interest rates range of Yuanta Securities (Vietnam) were 7.00%~13.50%, 8.00%~13.50% and 9.90%~13.50%, respectively.

(8) Assets held for sale

In order to enhance the efficiency of asset utilization, the Yuanta Group approved the sale of its own real estate by those authorised, and expected to complete the sale within a year therefore, the relevant assets were reclassified to “assets held for sale”. After remeasuring, the original assets at the lower of its carrying amount or fair value less costs to sell, the balance of assets held for sale is \$872,315, \$79,099 and \$81,469 as of March 31, 2024, December 31, 2023 and March 31, 2023, respectively. The fair value of the assets held for sale is based on the valuation results by independent valuation experts, which was categorised as level 2 of the fair value hierarchy. For the three months ended March 31, 2024 and 2023, there were no sales transactions.

(9) Bills discounted and loans - net

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Bills discounted	\$ 115,993	\$ 34,373	\$ 159,522
Overdrafts	3,864	3,820	3,675
Short-term loans	176,246,369	148,164,186	140,406,384
Short-term loans secured	118,107,196	110,824,956	94,522,056
Medium-term loans	164,427,590	162,900,732	133,996,454
Medium-term loans secured	233,229,550	228,608,660	229,097,296
Long-term loans	4,212,972	5,350,960	4,769,418
Long-term loans secured	448,003,944	435,462,856	405,720,266
Export-import bills negotiated	32,866	8,454	34,200
Accounts receivable financing	180,592	318,491	154,817
Automatic policy loans	1,685,577	1,670,455	1,607,865
Life insurance policy loans	6,416,047	6,451,096	6,003,015
Overdue loans	<u>2,220,659</u>	<u>2,017,089</u>	<u>1,538,374</u>
Subtotal	1,154,883,219	1,101,816,128	1,018,013,342
Less: Allowance for credit losses	( 15,622,975)	( 15,266,124)	( 14,588,155)
Less: Adjustment for discount or premium	( 32,186)	( 23,244)	2,996
Total	<u>\$ 1,139,228,058</u>	<u>\$ 1,086,526,760</u>	<u>\$ 1,003,428,183</u>

A. The Yuanta Group recognised the appropriate allowance for credit losses for the bills discounted and loans. For the details of changes in allowance for credit losses in relation to bills discounted and loans for the three months ended March 31, 2024 and 2023, please refer to Note 12(3).

B. Classified by subsidiaries as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Bills discounted and loans including adjustment for discount and premium			
Yuanta Bank	\$ 1,136,327,658	\$ 1,083,227,619	\$ 998,559,016
Yuanta Securities	10,421,751	10,443,714	11,846,442
Yuanta Life	<u>8,101,624</u>	<u>8,121,551</u>	<u>7,610,880</u>
Subtotal	<u>\$ 1,154,851,033</u>	<u>\$ 1,101,792,884</u>	<u>\$ 1,018,016,338</u>
Allowance for credit losses			
Yuanta Bank	(\$ 14,450,263)	(\$ 14,247,014)	(\$ 13,663,386)
Yuanta Securities	( 1,172,712)	( 1,019,110)	( 924,769)
Subtotal	( 15,622,975)	( 15,266,124)	( 14,588,155)
Total	<u>\$ 1,139,228,058</u>	<u>\$ 1,086,526,760</u>	<u>\$ 1,003,428,183</u>

(10) Reinsurance contract assets

	March 31, 2024	December 31, 2023	March 31, 2023
Claims recoverable from reinsurers	\$ 452,785	\$ 472,208	\$ 587,879
Due from reinsurers and ceding companies	115,781	119,616	146,617
Reinsurance reserve assets			
Ceded unearned premium reserve	444,849	456,271	427,391
Ceded claims reserve	176,374	88,959	81,049
Overdue receivables	76,460	112,039	116,129
Total	<u>\$ 1,266,249</u>	<u>\$ 1,249,093</u>	<u>\$ 1,359,065</u>

(11) Investments accounted for under the equity method

	March 31, 2024		December 31, 2023		March 31, 2023	
	Amount	%	Amount	%	Amount	%
Associates:						
CR Yuanta Fund Management Company Limited	\$ 346,346	24.50%	\$ 341,109	24.50%	\$ 345,795	24.50%
GC Investment Consultant (Shanghai) Co., Ltd.	23,171	100.00%	22,299	100.00%	21,990	100.00%
Woori Asset Management Corp.	-	-	810,967	27.00%	778,301	27.00%
TONGYANG AGRIFOOD INVESTMENT FUND II	-	-	-	-	69,040	40.74%
KVIC-Yuanta 2015 Overseas Advance Fund	73,327	44.00%	77,480	44.00%	107,942	44.00%
IBKC-TONGYANG Growth 2013 Private Equity Fund	38,123	10.71%	47,978	10.71%	51,331	10.71%
2016 KIF-Yuanta ICT Venture Fund	42,241	16.67%	44,596	16.67%	54,630	16.67%
Yuanta Secondary No.2 Fund	153,844	12.28%	150,990	12.28%	195,876	12.28%
Yuanta Secondary No.3 Private Equity Fund	662,078	15.26%	663,043	15.26%	775,491	15.26%
SJ-ULTRA V 1st FUND	28,498	34.48%	28,500	34.48%	27,786	34.48%
Yuanta-HPNT Private Equity Fund	4,704	0.09%	4,703	0.09%	4,636	0.09%
Kiwoom-Yuanta 2019 Scale-up Fund	341,290	15.20%	404,998	15.20%	392,031	15.20%
Yuanta SPAC VIII	-	-	-	-	460	0.15%

	March 31, 2024		December 31, 2023		March 31, 2023	
	Amount	%	Amount	%	Amount	%
Yuanta Innovative Job Creation Fund	\$ 185,450	22.73%	\$ 186,835	22.73%	\$ 179,372	22.73%
Yuanta Quantum Jump No.1 Fund	49,939	12.50%	80,731	12.50%	83,331	12.50%
Yuanta Great Unicorn No.1 Fund	67,232	17.65%	67,570	17.65%	111,499	17.65%
Yuanta Innovative Growth MPE Fund	172,095	14.02%	154,168	14.02%	54,707	14.02%
Alpha-Harvest Summit Private Equity Fund	508,957	77.88%	-	-	-	-
Yuanta SPAC IX	482	0.19%	479	0.19%	463	0.19%
Yuanta SPAC X	484	0.17%	479	0.17%	463	0.17%
Yuanta SPAC XI	472	0.19%	469	0.19%	516	4.17%
Yuanta SPAC XII	472	0.21%	469	0.21%	403	3.70%
Yuanta SPAC XIII	456	0.10%	453	0.10%	301	0.81%
Yuanta SPAC XIV	467	0.22%	464	0.22%	439	1.85%
Yuanta SPAC XV	366	1.96%	237	1.96%	-	-
Yuanta SPAC XVI	635	4.17%	356	4.17%	-	-
	<u>\$2,701,129</u>		<u>\$3,089,373</u>		<u>\$3,256,803</u>	

The Yuanta Group's shares of the operating results in all individually immaterial associates are summarised below:

	For the three months ended March 31,	
	2024	2023
Net profit (loss) for the period from continuing operations	\$ 125,037	(\$ 2,128)
Other comprehensive income (net of tax)	4,736	( 1,031)



(12) Other financial assets - net

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Overdue receivable	\$ 916,648	\$ 895,372	\$ 907,320
Less: Allowance for credit losses	( 915,966)	( 894,533)	( 906,011)
	<u>682</u>	<u>839</u>	<u>1,309</u>
Purchase of claim receivable	1,759,518	1,790,773	1,811,404
Valuation adjustment on purchase of claim receivable	( 31,687)	( 25,072)	( 23,748)
	<u>1,727,831</u>	<u>1,765,701</u>	<u>1,787,656</u>
Customer margin accounts	85,437,142	78,039,576	81,227,199
Investment-linked insurance product assets	30,456,956	31,504,281	30,176,793
Receivables from security lending	-	234,920	202,490
Others	<u>217,558</u>	<u>271,214</u>	<u>105,639</u>
Total	<u>\$ 117,840,169</u>	<u>\$ 111,816,531</u>	<u>\$ 113,501,086</u>

A. Information relating to credit risk is provided in Note 12(3).

B. The Yuanta Life of the Yuanta Group's investment-linked insurance products mainly comprise investments in products in relation to beneficiary certificate, variable universal life insurance and variable deferred annuities. As of March 31, 2024, December 31, 2023 and March 31, 2023, as well as for the three months ended March 31, 2024 and 2023, details about the investment insurance products - separate accounts were as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Investment – linked insurance product assets			
Financial assets at fair value through profit or loss	\$ 30,347,766	\$ 31,437,073	\$ 30,155,471
Other receivables	<u>109,190</u>	<u>67,208</u>	<u>21,322</u>
	<u>\$ 30,456,956</u>	<u>\$ 31,504,281</u>	<u>\$ 30,176,793</u>
	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Investment – linked insurance product liabilities			
Reserve for investment linked insurance product			
– insurance contract	\$ 7,608,113	\$ 7,322,624	\$ 6,799,492
– investment contract	22,748,670	24,127,964	23,366,586
Other payables	<u>100,173</u>	<u>53,693</u>	<u>10,715</u>
	<u>\$ 30,456,956</u>	<u>\$ 31,504,281</u>	<u>\$ 30,176,793</u>

	For the three months ended March 31,	
	2024	2023
Revenue on investment – linked insurance products		
Premium income	\$ 53,307	\$ 69,283
Gain on financial assets at fair value through profit or loss	634,082	197,573
Exchange (loss) gain	( 1,084)	304
Interest income	1,111	1,270
Other income	16,608	623
	<u>\$ 704,024</u>	<u>\$ 269,053</u>
Expenses on investment – linked insurance products		
Claims and policy benefit payments	\$ 340,480	\$ 95,680
Net change in reserve for investment-linked insurance product-insurance contract	284,404	105,451
Administrative expenses and other expenses	79,140	67,922
	<u>\$ 704,024</u>	<u>\$ 269,053</u>

(13) Investment property – net

	March 31, 2024			
Assets	Cost	Accumulated depreciation	Accumulated impairment	Book value
Land and land improvements	\$ 1,918,154	\$ -	(\$ 198,897)	\$ 1,719,257
Buildings	1,706,019	( 788,984)	( 35,347)	881,688
Right-of-use assets	6,480,216	( 409,297)	-	6,070,919
Investment property under construction	2,978,627	-	-	2,978,627
Total	<u>\$ 13,083,016</u>	<u>(\$ 1,198,281)</u>	<u>(\$ 234,244)</u>	<u>\$ 11,650,491</u>
	December 31, 2023			
Assets	Cost	Accumulated depreciation	Accumulated impairment	Book value
Land and land improvements	\$ 1,918,238	\$ -	(\$ 198,897)	\$ 1,719,341
Buildings	1,707,854	( 780,365)	( 35,347)	892,142
Right-of-use assets	6,471,964	( 382,993)	-	6,088,971
Investment property under construction	2,607,063	-	-	2,607,063
Total	<u>\$ 12,705,119</u>	<u>(\$ 1,163,358)</u>	<u>(\$ 234,244)</u>	<u>\$ 11,307,517</u>

Assets	March 31, 2023			
	Cost	Accumulated depreciation	Accumulated impairment	Book value
Land and land improvements	\$ 2,067,469	\$ -	(\$ 201,558)	\$ 1,865,911
Buildings	1,886,640	( 802,727)	( 37,574)	1,046,339
Right-of-use assets	6,471,543	( 303,995)	-	6,167,548
Investment property under construction	1,602,782	-	-	1,602,782
Total	<u>\$ 12,028,434</u>	<u>(\$ 1,106,722)</u>	<u>(\$ 239,132)</u>	<u>\$ 10,682,580</u>

Change in investment property of the Yuanta Group:

	For the three months ended March 31,	
	2024	2023
Cost		
At January 1	\$ 12,705,119	\$ 11,818,982
Additions	380,366	297,169
Transferred out to assets held for sale	( 41,710)	-
Transferred out to property and equipment	( 8,733)	( 30,328)
Transferred in from property and equipment	47,587	10,227
Foreign exchange adjustment and others	387	( 67,616)
At March 31	<u>\$ 13,083,016</u>	<u>\$ 12,028,434</u>
	For the three months ended March 31,	
	2024	2023
Accumulated depreciation		
At January 1	(\$ 1,163,358)	(\$ 1,092,399)
Depreciation	( 13,831)	( 15,128)
Transferred out to assets held for sale	4,472	-
Transferred out to property and equipment	3,025	5,012
Transferred in from property and equipment	( 5,368)	( 2,289)
Foreign exchange adjustment and others	( 23,221)	( 1,918)
At March 31	<u>(\$ 1,198,281)</u>	<u>(\$ 1,106,722)</u>
	For the three months ended March 31,	
	2024	2023
Accumulated impairment		
At January 1 and March 31	<u>(\$ 234,244)</u>	<u>(\$ 239,132)</u>

- A. The fair value of the investment property held by the Yuanta Group as of March 31, 2024, December 31, 2023 and March 31, 2023, were \$12,229,071, \$13,161,957 and \$12,706,241, respectively, according to the result of valuation by an independent valuation expert using the income approach, comparison approach, cost approach and land development analysis approach. As of March 31, 2024, the fair value included the amounts of \$1,555,300 and \$10,673,771; that was categorised within Level 2 and Level 3 in the fair value hierarchy, respectively. As of December 31, 2023, the fair value included the amounts of \$2,930,651 and \$10,231,306; that was categorised within Level 2 and Level 3 in the fair value hierarchy, respectively. As of March

- 31, 2023, the fair value included the amounts of \$3,206,344 and \$9,499,897; that was categorised within Level 2 and Level 3 in the fair value hierarchy, respectively.
- B. For the three months ended March 31, 2024 and 2023, rental income from the lease of the investment property were \$39,311 and \$41,070, respectively.
- C. Please refer to Note 8 for details of the above investment property pledged to others as collateral.

(BLANK)

(14) Property and equipment - net

Change in property and equipment of the Yuanta Group:

	2024						
Cost	Land and land improvements (Note)	Buildings	Machinery and computer equipment	Transportation equipment	Miscellaneous equipment	Construction in progress and prepayments for business facilities	Total
At January 1	\$ 15,070,429	\$ 7,074,907	\$ 4,985,702	\$ 199,203	\$ 1,814,817	\$ 5,438,316	\$ 34,583,374
Additions	-	-	135,227	3,418	17,756	188,142	344,543
Disposals	-	-	( 74,818)	( 5,492)	( 37,622)	-	( 117,932)
Transferred out to assets held for sale	( 608,617)	( 259,399)	-	-	-	-	( 868,016)
Transferred out to investment property	( 29,009)	( 18,578)	-	-	-	-	( 47,587)
Transferred in from investment property	3,453	5,280	-	-	-	-	8,733
Others	-	-	16,665	3,018	28,386	( 73,153)	( 25,084)
Translation difference	79	2,569	2,996	116	2,337	231	8,328
At March 31	<u>\$ 14,436,335</u>	<u>\$ 6,804,779</u>	<u>\$ 5,065,772</u>	<u>\$ 200,263</u>	<u>\$ 1,825,674</u>	<u>\$ 5,553,536</u>	<u>\$ 33,886,359</u>
<u>Accumulated depreciation</u>							
At January 1	\$ -	(\$ 2,550,615)	(\$ 3,182,173)	(\$ 147,183)	(\$ 1,180,689)	\$ -	(\$ 7,060,660)
Depreciation	-	( 49,971)	( 195,429)	( 5,012)	( 73,152)	-	( 323,564)
Disposals	-	-	74,794	4,933	37,476	-	117,203
Transferred out to assets held for sale	-	112,037	-	-	-	-	112,037
Transferred out to investment property	-	5,368	-	-	-	-	5,368
Transferred in from investment property	-	( 3,025)	-	-	-	-	( 3,025)
Translation difference	-	( 1,293)	( 2,300)	( 101)	( 2,180)	-	( 5,874)
At March 31	<u>\$ -</u>	<u>(\$ 2,487,499)</u>	<u>(\$ 3,305,108)</u>	<u>(\$ 147,363)</u>	<u>(\$ 1,218,545)</u>	<u>\$ -</u>	<u>(\$ 7,158,515)</u>
<u>Accumulated impairment</u>							
At January 1 and March 31	(\$ 119,057)	(\$ 51,203)	\$ -	\$ -	(\$ 298)	\$ -	(\$ 170,558)
Net carrying amount	<u>\$ 14,317,278</u>	<u>\$ 4,266,077</u>	<u>\$ 1,760,664</u>	<u>\$ 52,900</u>	<u>\$ 606,831</u>	<u>\$ 5,553,536</u>	<u>\$ 26,557,286</u>

Note: A trust in Chang Hwa Bank was set up in relation to the land, with a book value of \$3,447,759, due to the city renovation.

2023

Cost	Land and land improvements (Note)	Buildings	Machinery and computer equipment	Transportation equipment	Miscellaneous equipment	Construction in progress and prepayments for business facilities	Total
At January 1	\$ 14,996,186	\$ 7,070,182	\$ 4,282,329	\$ 207,558	\$ 1,806,929	\$ 3,764,475	\$ 32,127,659
Additions	-	1,092	69,843	4,448	13,008	285,131	373,522
Disposals	-	-	( 40,121)	( 11,195)	( 41,622)	-	( 92,938)
Transferred out to investment property	( 2,244)	( 7,983)	-	-	-	-	( 10,227)
Transferred in from investment property	22,779	7,549	-	-	-	-	30,328
Others	-	-	103,448	1,674	8,492	( 98,859)	14,755
Translation difference	( 11,494)	( 38,638)	( 75,832)	211	( 2,986)	59	( 128,680)
At March 31	\$ 15,005,227	\$ 7,032,202	\$ 4,339,667	\$ 202,696	\$ 1,783,821	\$ 3,950,806	\$ 32,314,419
<u>Accumulated depreciation</u>							
At January 1	\$ -	(\$ 2,338,300)	(\$ 2,856,635)	(\$ 143,827)	(\$ 1,096,058)	\$ -	(\$ 6,434,820)
Depreciation	-	( 50,879)	( 157,075)	( 5,794)	( 75,413)	-	( 289,161)
Disposals	-	-	40,081	9,563	40,848	-	90,492
Transferred out to investment property	-	2,289	-	-	-	-	2,289
Transferred in from investment property	-	( 5,012)	-	-	-	-	( 5,012)
Others	-	-	2	26	22	-	50
Translation difference	-	16,323	63,373	( 170)	2,295	-	81,821
At March 31	\$ -	(\$ 2,375,579)	(\$ 2,910,254)	(\$ 140,202)	(\$ 1,128,306)	\$ -	(\$ 6,554,341)
<u>Accumulated impairment</u>							
At January 1 and March 31	(\$ 130,740)	(\$ 58,310)	\$ -	\$ -	(\$ 298)	\$ -	(\$ 189,348)
Net carrying amount	\$ 14,874,487	\$ 4,598,313	\$ 1,429,413	\$ 62,494	\$ 655,217	\$ 3,950,806	\$ 25,570,730

Note: A trust in Chang Hwa Bank was set up in relation to the land, with a book value of \$3,447,759, due to the city renovation.

Please refer to Note 8 for details of property and equipment pledged to others as collateral.

(15) Leasing arrangements — lessee

- A. The Yuanta Group leases various assets including land, buildings, machinery and equipment, transportation equipment and miscellaneous equipment. Rental contracts are typically made for periods of 1 to 15 years. In addition, superficies bid from National Property Administration, Ministry of Finance are made for periods of 70 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 8,491,584	\$ 8,511,019	\$ 8,608,882
Buildings	4,387,981	4,367,284	2,742,209
Machinery and equipment	37,687	47,479	84,304
Transportation equipment	30,418	28,006	30,591
Others	77,159	57,787	43,950
	<u>\$ 13,024,829</u>	<u>\$ 13,011,575</u>	<u>\$ 11,509,936</u>
		<u>For the three months ended March 31,</u>	
		<u>2024</u>	<u>2023</u>
		<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land		\$ 5,237	\$ 5,005
Buildings		385,342	331,830
Machinery and equipment		10,693	11,870
Transportation equipment		3,994	4,037
Others		4,105	1,684
		<u>\$ 409,371</u>	<u>\$ 354,426</u>

- C. For the three months ended March 31, 2024 and 2023, the additions to right-of-use assets amounted to \$455,607 and \$425,426, respectively.
- D. The information on income and expense accounts relating to lease contracts is as follows:

	<u>For the three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 37,445	\$ 23,736
Expense on short-term lease contracts	22,314	20,402
Expense on leases of low-value assets	1,207	1,426
Gain on sublease of right-of-use assets	3,682	3,670
Gain (loss) on lease modification	73 (	258)

- E. For the three months ended March 31, 2024 and 2023, the Yuanta Group's total cash outflow for leases amounted to \$465,320 and \$413,078, respectively.

(16) Leasing arrangements – lessor

- A. The Yuanta Group leases various assets including buildings, equipment, parking lot and investment property under operating leasing. Rental contracts are typically made for periods of 1 and 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To protect the lessor's ownership rights on the leased assets, leased assets may not be used as security for borrowing purposes, or a residual value guarantee was required.
- B. The Yuanta Group leases the equipment under a finance lease. Based on the terms of the lease contract, the ownership of the equipment will be transferred to lessees when the leases expire. Information on profit or loss in relation to lease contracts is as follows:

For the three months  
ended March 31, 2023

Finance income from the net investment  
in the finance lease

\$ 90

The Yuanta Group has no finance income from the net investment in the finance lease for the three months ended March 31, 2024.

- C. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

March 31, 2023

2023

\$ 6,347

As of March 31, 2024 and December 31, 2023, the Yuanta Group had no undiscounted lease payments in the finance lease.

- D. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows:

March 31, 2023

Undiscounted lease payments

\$ 6,347

Unearned finance income

( 124)

Net investment in the lease

\$ 6,223

As of March 31, 2024 and December 31, 2023, the Yuanta Group had no undiscounted lease payments in the finance lease.

- E. For the three months ended March 31, 2024 and 2023, the Yuanta Group recognised rental income in the amounts of \$39,334 and \$41,090, respectively, based on the operating lease agreement, which does not include variable lease payments.

- F. The maturity analysis of the lease payments under the operating leases is as follows:

	March 31, 2024		December 31, 2023		March 31, 2023
2024	\$ 92,930	2024	\$ 100,707	2023	\$ 66,720
2025	86,862	2025	67,060	2024	55,059
2026	39,604	2026	18,070	2025	36,162
2027	27,706	2027	8,887	2026	8,018
2028	20,551	2028	3,611	2027	5,430
After 2029	11,892	After 2029	2,442	After 2028	3,836
Total	\$ 279,545	Total	\$ 200,777	Total	\$ 175,225



(17) Intangible assets - net

	2024					
Cost	Goodwill (Note 1)	Operating rights	Computer software	Customer relationship	Others	Total
At January 1	\$ 31,493,965	\$ 385,456	\$ 5,250,023	\$ 3,045,314	\$ 4,372,621	\$ 44,547,379
Additions	-	-	76,043	-	557	76,600
Disposals	-	-	( 26,834)	( 15,000)	( 3)	( 41,837)
Reclassifications	-	-	53,682	-	-	53,682
Translation difference	638	581	4,870	-	2,354	8,443
At March 31	<u>\$ 31,494,603</u>	<u>\$ 386,037</u>	<u>\$ 5,357,784</u>	<u>\$ 3,030,314</u>	<u>\$ 4,375,529</u>	<u>\$ 44,644,267</u>
Accumulated amortisation						
At January 1	\$ -	(\$ 374,970)	(\$ 4,270,959)	(\$ 3,045,314)	(\$ 2,803,555)	(\$ 10,494,798)
Amortisation	-	-	( 92,559)	-	( 58,086)	( 150,645)
Disposals	-	-	26,834	15,000	2	41,836
Translation difference	-	( 171)	( 4,069)	-	( 54)	( 4,294)
At March 31	<u>\$ -</u>	<u>(\$ 375,141)</u>	<u>(\$ 4,340,753)</u>	<u>(\$ 3,030,314)</u>	<u>(\$ 2,861,693)</u>	<u>(\$ 10,607,901)</u>
Accumulated impairment						
At January 1	(\$ 3,003,072)	(\$ 4,533)	\$ -	\$ -	(\$ 316,298)	(\$ 3,323,903)
Impairments (Note)	( 17,242)	-	-	-	-	( 17,242)
Translation difference	( 512)	( 177)	-	-	( 5)	( 694)
At March 31	<u>(\$ 3,020,826)</u>	<u>(\$ 4,710)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 316,303)</u>	<u>(\$ 3,341,839)</u>
Net carrying amount	<u>\$ 28,473,777</u>	<u>\$ 6,186</u>	<u>\$ 1,017,031</u>	<u>\$ -</u>	<u>\$ 1,197,533</u>	<u>\$ 30,694,527</u>

Note: The Yuanta Group periodically performs impairment assessments on goodwill at the end of each year. The Yuanta Group assesses impairment indication of goodwill in the interim period based on the regulation. In this interim period, the Yuanta Group takes into consideration the related information in relation to impairment indication of goodwill, and there was no indication that goodwill was impaired. Goodwill impairment loss of Yuanta Securities' investment segment-Yuanta Securities (Vietnam) amounting to \$17,242 and \$48,966 was recognised for the three months ended March 31, 2024 and for the year ended December 31, 2023, respectively, due to its recoverable amount being less than its carrying amount after Year 2023 assessment.

2023						
Cost	Goodwill (Note)	Operating rights	Computer software	Customer relationship	Others	Total
At January 1	\$ 31,496,813	\$ 385,472	\$ 5,079,715	\$ 3,045,314	\$ 4,367,806	\$ 44,375,120
Additions	-	-	50,302	-	-	50,302
Disposals	-	-	( 35,343)	-	-	( 35,343)
Reclassifications	-	-	13,533	-	-	13,533
Translation difference	( 371)	( 221)	( 155,495)	-	( 30,367)	( 186,454)
At March 31	<u>\$ 31,496,442</u>	<u>\$ 385,251</u>	<u>\$ 4,952,712</u>	<u>\$ 3,045,314</u>	<u>\$ 4,337,439</u>	<u>\$ 44,217,158</u>
Accumulated amortisation						
At January 1	\$ -	(\$ 374,975)	(\$ 4,152,345)	(\$ 3,041,876)	(\$ 2,572,640)	(\$ 10,141,836)
Amortisation	-	-	( 82,746)	( 938)	( 58,097)	( 141,781)
Disposals	-	-	35,334	-	-	35,334
Translation difference	-	65	141,940	-	2,299	144,304
At March 31	<u>\$ -</u>	<u>(\$ 374,910)</u>	<u>(\$ 4,057,817)</u>	<u>(\$ 3,042,814)</u>	<u>(\$ 2,628,438)</u>	<u>(\$ 10,103,979)</u>
Accumulated impairment						
At January 1	(\$ 2,956,649)	\$ -	\$ -	\$ -	(\$ 316,727)	(\$ 3,273,376)
Translation difference	71	-	-	-	676	747
At March 31	<u>(\$ 2,956,578)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 316,051)</u>	<u>(\$ 3,272,629)</u>
Net carrying amount	<u>\$ 28,539,864</u>	<u>\$ 10,341</u>	<u>\$ 894,895</u>	<u>\$ 2,500</u>	<u>\$ 1,392,950</u>	<u>\$ 30,840,550</u>

(18) Other assets - net

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Refundable deposits - net	\$ 9,592,108	\$ 5,149,361	\$ 5,936,504
Deposits on securities borrowed	39,596,805	35,199,050	30,748,769
Operating guarantee deposits and settlement and clearing fund	5,207,751	4,911,907	5,155,196
Prepayments	1,778,381	1,114,769	1,469,970
Bank deposits - amounts held for settlement	20,526,459	22,849,175	19,907,453
Others	1,175,833	540,799	439,419
Total	<u>\$ 77,877,337</u>	<u>\$ 69,765,061</u>	<u>\$ 63,657,311</u>

Please refer to Note 8 for details of the above other assets pledged to others as collateral.

(19) Impairment of non-financial assets

Accumulated impairment on various non-financial assets were as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Investment property	\$ 234,244	\$ 234,244	\$ 239,132
Property and equipment	170,558	170,558	189,348
Intangible assets - goodwill	3,020,826	3,003,072	2,956,578
Intangible assets - operating rights	4,710	4,533	-
Intangible assets - other	316,303	316,298	316,051

(20) Deposits from Central Bank and other banks

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Overdrafts with other banks	\$ 3,765,137	\$ 5,935,763	\$ 3,374,596
Call loans from other banks	1,521,274	6,451,630	15,134,593
Total	<u>\$ 5,286,411</u>	<u>\$ 12,387,393</u>	<u>\$ 18,509,189</u>

(21) Commercial paper payable - net

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Commercial paper payable	\$ 120,048,721	\$ 83,446,921	\$ 51,061,913
Less: Discount on commercial paper payable	( 514,818)	( 291,756)	( 129,164)
Total	<u>\$ 119,533,903</u>	<u>\$ 83,155,165</u>	<u>\$ 50,932,749</u>

As of March 31, 2024, December 31, 2023 and March 31, 2023, the annual interest rate of commercial paper payable was 1.050%~5.430%, 1.528%~5.590% and 1.050%~5.990%, respectively.

The commercial promissory notes mentioned above are all underwritten and issued by bill finance companies or banks.

(22) Payables

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Accounts payable	\$ 80,774,853	\$ 76,177,280	\$ 74,213,715
Interest payable	5,083,047	3,940,714	3,754,297
Accrued expenses	9,427,296	12,261,577	7,226,011
Deposit payable for short sales	4,293,098	7,081,301	4,126,083
Net exchange clearing payable	62,014,704	3,777,723	2,121,025
Securities purchased payable	8,016,540	2,659,924	8,639,994
Settlement payable	87,030,327	58,070,615	48,609,313
Guarantee deposit received from short sales	3,791,509	6,351,449	4,103,478
Other payables	8,986,958	9,889,480	7,603,091
Total	<u>\$ 269,418,332</u>	<u>\$ 180,210,063</u>	<u>\$ 160,397,007</u>

(23) Deposits and remittances

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Checking deposits	\$ 4,775,691	\$ 5,820,328	\$ 4,748,753
Demand deposits	195,293,575	181,485,255	173,491,423
Time deposits	432,061,675	404,594,380	432,474,462
Negotiable certificates of deposit	667,900	12,180,900	180,500
Savings deposits	987,529,443	944,529,272	891,126,072
Remittances	117,174	160,683	74,733
Total	<u>\$ 1,620,445,458</u>	<u>\$ 1,548,770,818</u>	<u>\$ 1,502,095,943</u>

(24) Bonds payable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Bank debentures	\$ 28,700,000	\$ 28,700,000	\$ 28,700,000
Unsecured corporate bonds	79,994,092	76,204,691	73,487,753
Total	<u>\$ 108,694,092</u>	<u>\$ 104,904,691</u>	<u>\$ 102,187,753</u>

A. The details of bank debentures as of March 31, 2024 were as follows:

First issue of subordinate bank debentures in 2014(B)

Par value	\$4,700,000
Stated interest rate	Fixed interest rate at 2.00%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date

	Third issue of perpetual non-cumulative subordinate bank debentures in 2015
Par value	\$5,550,000
Stated interest rate	Fixed interest rate at 4.10%
Period	Perpetual
Interest payment date	Payable annually
Term of principal payment	Perpetual
Issue price	Priced at face value on issue date
	Fourth issue of subordinate bank debentures in 2015
Par value	\$3,000,000
Stated interest rate	Fixed interest rate at 2.10%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Fifth issue of perpetual non-cumulative subordinate bank debentures in 2015
Par value	\$1,450,000
Stated interest rate	Fixed interest rate at 4.10%
Period	Perpetual
Interest payment date	Payable annually
Term of principal payment	Perpetual
Issue price	Priced at face value on issue date
	First issue of subordinate bank debentures in 2021
Par value	\$5,000,000
Stated interest rate	Fixed interest rate at 0.67%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Second issue of general bank debentures in 2021
Par value	\$500,000
Stated interest rate	Fixed interest rate at 0.45%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date

	First issue of general bank debentures in 2022
Par value	\$2,000,000
Stated interest rate	Fixed interest rate at 0.77%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Second issue of subordinate bank debentures in 2022
Par value	\$3,700,000
Stated interest rate	Fixed interest rate at 2.40%
Period	Seven years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Third issue of subordinate bank debentures in 2022(A)
Par value	\$900,000
Stated interest rate	Fixed interest rate at 2.40%
Period	Eight years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Third issue of subordinate bank debentures in 2022(B)
Par value	\$1,900,000
Stated interest rate	Fixed interest rate at 2.55%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
B. The details of unsecured corporate bonds as of March 31, 2024 were as follows:	
The Company	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2018(B)
Par value	\$8,500,000
Stated interest rate	Fixed interest rate at 0.96%
Period	Seven years
Interest payment date	Payable annually
Term of principal payment	Half of principal will be repaid in the sixth and seventh years
Issue price	Priced at face value on issue date

	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2020
Par value	\$5,000,000
Stated interest rate	Fixed interest rate at 0.59%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2022
Par value	\$5,300,000
Stated interest rate	Fixed interest rate at 0.85%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Yuanta Financial Holdings second issue of local unsecured ordinary corporate bond in 2022
Par value	\$8,200,000
Stated interest rate	Fixed interest rate at 1.55%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Half of principal will be repaid in the fourth and fifth years
Issue price	Priced at face value on issue date
	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2023(A)
Par value	\$1,850,000
Stated interest rate	Fixed interest rate at 1.65%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2023(B)
Par value	\$4,750,000
Stated interest rate	Fixed interest rate at 1.80%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date

	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2019(A)
Par value	\$2,200,000
Stated interest rate	Fixed interest rate at 1.25%
Issuance date	June 6, 2019
Maturity date	June 6, 2026
Issuance area	Taiwan
	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2019(B)
Par value	\$6,300,000
Stated interest rate	Fixed interest rate at 1.40%
Issuance date	June 6, 2019
Maturity date	June 6, 2029
Issuance area	Taiwan
	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2020(A)
Par value	\$1,300,000
Stated interest rate	Fixed interest rate at 0.85%
Issuance date	October 20, 2020
Maturity date	October 20, 2027
Issuance area	Taiwan
	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2020(B)
Par value	\$3,700,000
Stated interest rate	Fixed interest rate at 0.95%
Issuance date	October 20, 2020
Maturity date	October 20, 2030
Issuance area	Taiwan
	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2021(A)
Par value	\$4,800,000
Stated interest rate	Fixed interest rate at 0.82%
Issuance date	May 17, 2021
Maturity date	May 17, 2031
Issuance area	Taiwan
	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2021(B)
Par value	\$5,200,000
Stated interest rate	Fixed interest rate at 1.02%
Issuance date	May 17, 2021
Maturity date	May 17, 2036
Issuance area	Taiwan



	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2023(A)
Par value	\$950,000
Stated interest rate	Fixed interest rate at 1.62%
Issuance date	August 15, 2023
Maturity date	August 15, 2028
Issuance area	Taiwan
	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2023(B)
Par value	\$4,550,000
Stated interest rate	Fixed interest rate at 1.82%
Issuance date	August 15, 2023
Maturity date	August 15, 2033
Issuance area	Taiwan
	Yuanta Securities Finance first issue of unsecured ordinary corporate bond in 2020(A)
Par value	\$2,300,000
Stated interest rate	Fixed interest rate at 0.63%
Issuance date	May 6, 2020
Maturity date	May 6, 2025
Issuance area	Taiwan
	Yuanta Securities Finance first issue of unsecured ordinary corporate bond in 2020(B)
Par value	\$2,700,000
Stated interest rate	Fixed interest rate at 0.67%
Issuance date	May 6, 2020
Maturity date	May 6, 2027
Issuance area	Taiwan
	Yuanta Securities (Korea) 87th issue of unsecured ordinary corporate bond
Par value	KRW 150,000,000 thousands
Stated interest rate	Fixed interest rate at 1.707%
Issuance date	April 8, 2021
Maturity date	April 8, 2024
Issuance area	Korea
	Yuanta Securities (Korea) 88th issue of unsecured ordinary corporate bond
Par value	KRW 150,000,000 thousands
Stated interest rate	Fixed interest rate at 4.215%
Issuance date	April 12, 2022
Maturity date	April 11, 2025
Issuance area	Korea

Yuanta Securities (Korea) 89-1th issue of unsecured  
ordinary corporate bond

Par value	KRW 100,000,000 thousands
Stated interest rate	Fixed interest rate at 4.334%
Issuance date	February 15, 2024
Maturity date	February 13, 2026
Issuance area	Korea

Yuanta Securities (Korea) 89-2nd issue of unsecured  
ordinary corporate bond

Par value	KRW 60,000,000 thousands
Stated interest rate	Fixed interest rate at 4.413%
Issuance date	February 15, 2024
Maturity date	February 15, 2027
Issuance area	Korea

Yuanta Future first issue of unsecured subordinate ordinary  
corporate bond in 2021

Par value	\$1,500,000
Stated interest rate	Fixed interest rate at 0.85%
Issuance date	November 12, 2021
Maturity date	November 12, 2028
Issuance area	Taiwan

(25) Other borrowings

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Short-term borrowings			
Unsecured bank borrowings	\$ 27,701,855	\$ 7,257,098	\$ 3,963,413
Secured bank borrowings	2,700,771	2,282,866	4,229,991
KSFC secured borrowings	27,272,122	24,522,128	23,106,630
Asset-backed short-term bonds	12,623,277	14,377,075	10,864,638
	<u>\$ 70,298,025</u>	<u>\$ 48,439,167</u>	<u>\$ 42,164,672</u>
Interest rate range	<u>0.712%~7.010%</u>	<u>0.712%~8.450%</u>	<u>1.420%~10.500%</u>

The Yuanta Group has provided certain assets as pledged assets for the above borrowings, please refer to Note 8 for details.

(26) Provisions

	March 31, 2024	December 31, 2023	March 31, 2023
Insurance liabilities	\$ 372,145,517	\$ 364,806,930	\$ 353,950,971
Reserve for foreign exchange fluctuation	2,798,391	1,273,406	3,558,385
Employee benefit provisions	5,206,285	5,302,863	4,514,523
Guaranteed policy reserve	165,377	190,232	170,080
Loan commitment reserve and letters of credit	47,581	45,551	37,301
Reserve for insurance with nature of financial instrument	222,377	186,286	150,712
Other reserves (Note)	4,940,037	4,835,555	4,132,388
Total	<u>\$ 385,525,565</u>	<u>\$ 376,640,823</u>	<u>\$ 366,514,360</u>

Note: In relation to the complaints filed by investors with the competent authority of Korea for disputes arising from the sale of financial products issued by affiliates of the Tong Yang Group by former TongYang Securities Inc. (currently Yuanta Securities (Korea)), the competent authority of Korea has since July 31, 2014 announced the results of the first mediation through the tenth mediation, concluding that the amount of improper sale was KRW697,000 million (approximately \$16.5 billion); of which former TongYang Securities Inc. was liable for compensations totaling KRW67,678 million (approximately \$1.6 billion). From the end of September 2014, TongYang Securities Inc. has commenced paying compensations to clients other than a few clients who disagreed with the above-mentioned mediated results and filed the complaints. In addition, as of March 31, 2024, there were 2 litigations filed against former TongYang Securities Inc. and its subsidiaries related to the above-mentioned financial product selling disputes, with the claim amount of KRW492,565 million (approximately \$11.7 billion) (which claim amount was reduced to KRW113,007 million (approximately \$2.7 billion) by the plaintiffs) and KRW50,000 million (approximately \$1.2 billion), respectively, demanding compensations totaling KRW163,007 million (approximately \$3.9 billion); both litigations were class actions. For the class action with the claim amount of KRW492,565 million, the Seoul High Court ruled on October 28, 2019 that the relevant formal requirements of the class action (such as commonality and efficiency) were met and thus the procedural application for this class action should be permitted. Then the Supreme Court dismissed the appeal of Yuanta Securities (Korea), so that the case would be reviewed in substance. The plaintiffs reduced the claim amount to KRW113,516 million (approximately \$2.7 billion) on November 16, 2022. The Seoul Central District Court dismissed the plaintiffs' claim on January 19, 2023. The plaintiffs appealed the case on February 9, 2023 with the claim amount of KRW113,007 million. Later, the Seoul High Court dismissed the plaintiffs' claim on January 24, 2024. The plaintiffs filed an appeal on February 15, 2024. Yuanta Securities (Korea) learned that the Seoul High Court ruled to dismiss the plaintiffs' claim on April 16, 2024 on the grounds that the plaintiffs failed to pay the court costs. The ruling was subsequently finalized on May 1, 2024, and the case was closed. For the class action with the claim amount of KRW50,000 million, the Seoul Central District Court and the Seoul High Court had dismissed the case based on procedural reasons. Subsequently, Yuanta Securities (Korea) received a judgment rendered by the Supreme Court on June 26, 2023 dismissing the appeal and the case was closed.

Former TongYang Securities Inc. has recognised liability reserve for the aforementioned sales dispute with adjustments made for actual compensation payments. As of March 31, 2024, the

balance of the liability reserve related to the aforementioned financial product selling disputes was KRW4,102 million (approximately \$0.1 billion).

In addition, there is an arbitration award issued for a dispute where, Anbang Group Holdings Co., Ltd. and Anbang Life Insurance Co., Ltd. (now known as Dajia Life Insurance Co., Ltd., collectively, “Anbang”) filed an arbitration counterclaim in Hong Kong against Yuanta Securities (Korea) and four other sellers in June 2017 based on the share purchase agreement with respect to Tong Yang Life Insurance Co., Ltd. The International Court of Arbitration of International Chamber of Commerce (ICC) made an arbitration award in August 2020, ruling that the sellers shall pay Anbang compensation amounting to KRW166,600 million (approximately \$4 billion) as well as relevant expenses and the accrued interests at the estimated amount of KRW60,512 million as of March 31, 2024 (approximately \$1.4 billion). Yuanta Securities (Korea) received a correction of arbitration award in January 2021, which has no impact on the above results. Anbang then applied to Seoul Central District Court for recognising and enforcing the arbitration award. Yuanta Securities (Korea) received the court’s decision on December 17, 2021 which recognised the arbitration award and allowed Anbang to enforce the arbitration award up to the amount of KRW131,801 million (approximately \$3.1 billion) plus subsequent interest payable. Yuanta Securities (Korea) and Anbang both filed an appeal against such decision. Yuanta Securities (Korea) received the ruling from the Seoul High Court on May 26, 2023 recognising such arbitration award. Anbang is entitled to file an enforcement for approximately KRW127,436 million (approximately \$3 billion), arbitration fees for approximately KRW23,264 million (approximately \$0.6 billion) and subsequent interest payable. Yuanta Securities (Korea) has filed an appeal against the Seoul High Court’s ruling. Yuanta Securities (Korea) has recognised provision liabilities in the amount of approximately KRW181,716 million (approximately \$4.3 billion). However, the actual compensation amount to be borne by Yuanta Securities (Korea) might change due to the subsequent legal actions.

Furthermore, for the delay in redeeming certain funds sold by Yuanta Securities (Korea), Yuanta Securities (Korea) has made provisions about KRW12,529 million (approximately \$0.3 billion). The amount of provisions is estimated and referred to cases that the Financial Dispute Settlement Committee has granted in relevant fund sales, this amount will be adjusted once the actual compensatory payments is made. As of March 31, 2024, after reflecting the current status of actual compensatory payments, the remaining amount of provisions is about KRW6,661 million (approximately \$0.2 billion).

A. The components of insurance liabilities are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Unearned premium reserve	\$ 1,135,002	\$ 1,091,461	\$ 1,089,902
Claims reserve	1,737,792	1,604,402	1,400,827
Reserve for policy benefit	365,204,561	357,976,814	347,365,638
Special reserve	373,698	453,004	149,790
Premium deficiency reserve	553,284	507,295	653,994
Other reserves	3,141,180	3,173,954	3,290,820
Total	<u>\$ 372,145,517</u>	<u>\$ 364,806,930</u>	<u>\$ 353,950,971</u>

(A) Unearned premium reserve and ceded unearned premium reserve

a. Details of unearned premium reserve and ceded unearned premium reserve are as follows:

March 31, 2024			
	Financial instruments with discretionary participation features		Total
	Insurance contract		
Unearned premium reserve			
Personal life insurance	\$ 1,391	\$ -	\$ 1,391
Personal accident insurance	344,605	-	344,605
Personal health insurance	578,733	-	578,733
Group insurance	207,687	-	207,687
Investment-linked insurance	2,586	-	2,586
	<u>\$ 1,135,002</u>	<u>\$ -</u>	<u>\$ 1,135,002</u>
Ceded unearned premium reserve			
Personal life insurance	\$ 295,229	\$ -	\$ 295,229
Personal accident insurance	309	-	309
Personal health insurance	148,388	-	148,388
Group insurance	532	-	532
Investment-linked insurance	391	-	391
	<u>\$ 444,849</u>	<u>\$ -</u>	<u>\$ 444,849</u>
December 31, 2023			
	Financial instruments with discretionary participation features		Total
	Insurance contract		
Unearned premium reserve			
Personal life insurance	\$ 1,430	\$ -	\$ 1,430
Personal accident insurance	336,086	-	336,086
Personal health insurance	553,231	-	553,231
Group insurance	197,986	-	197,986
Investment-linked insurance	2,728	-	2,728
	<u>\$ 1,091,461</u>	<u>\$ -</u>	<u>\$ 1,091,461</u>
Ceded unearned premium reserve			
Personal life insurance	\$ 274,622	\$ -	\$ 274,622
Personal accident insurance	375	-	375
Personal health insurance	180,200	-	180,200
Group insurance	551	-	551
Investment-linked insurance	523	-	523
	<u>\$ 456,271</u>	<u>\$ -</u>	<u>\$ 456,271</u>

	March 31, 2023		
	Financial instruments with discretionary participation features		Total
	Insurance contract		
Unearned premium reserve			
Personal life insurance	\$ 1,578	\$ -	\$ 1,578
Personal accident insurance	317,793	-	317,793
Personal health insurance	567,042	-	567,042
Group insurance	199,601	-	199,601
Investment-linked insurance	3,888	-	3,888
	<u>\$ 1,089,902</u>	<u>\$ -</u>	<u>\$ 1,089,902</u>
Ceded unearned premium reserve			
Personal life insurance	\$ 281,461	\$ -	\$ 281,461
Personal accident insurance	319	-	319
Personal health insurance	144,154	-	144,154
Group insurance	808	-	808
Investment-linked insurance	649	-	649
	<u>\$ 427,391</u>	<u>\$ -</u>	<u>\$ 427,391</u>

b. Change in unearned premium reserve and ceded unearned premium reserve are as follows:

	For the three months ended March 31,	
	2024	2023
Unearned premium reserve		
At January 1	\$ 1,091,461	\$ 1,053,928
Current net change	<u>43,541</u>	<u>35,974</u>
At March 31	<u>\$ 1,135,002</u>	<u>\$ 1,089,902</u>
	For the three months ended March 31,	
	2024	2023
Ceded unearned premium reserve		
At January 1	\$ 456,271	\$ 436,945
Current net change	( 12,576)	( 9,337)
Gain (loss) on foreign exchange	<u>1,154</u>	<u>( 217)</u>
At March 31	<u>\$ 444,849</u>	<u>\$ 427,391</u>

(B) Claims reserve and ceded claims reserve

a. Details of claims reserve and ceded claims reserve are as follows:

March 31, 2024			
	Claims reported but not paid	Claims incurred but not reported	Total
Claims reserve			
Personal life insurance	\$ 787,823	\$ 1,008	\$ 788,831
Personal accident insurance	8,572	26,451	35,023
Personal health insurance	551,414	289,457	840,871
Group insurance	3,092	26,319	29,411
Investment-linked insurance	43,656	-	43,656
	<u>\$ 1,394,557</u>	<u>\$ 343,235</u>	<u>\$ 1,737,792</u>
Ceded claims reserve			
Personal life insurance	\$ 82,356	\$ -	\$ 82,356
Personal accident insurance	-	-	-
Personal health insurance	94,018	-	94,018
	<u>\$ 176,374</u>	<u>\$ -</u>	<u>\$ 176,374</u>
December 31, 2023			
	Claims reported but not paid	Claims incurred but not reported	Total
Claims reserve			
Personal life insurance	\$ 744,555	\$ -	\$ 744,555
Personal accident insurance	10,699	26,140	36,839
Personal health insurance	497,655	289,068	786,723
Group insurance	1,967	28,328	30,295
Investment-linked insurance	5,990	-	5,990
	<u>\$ 1,260,866</u>	<u>\$ 343,536</u>	<u>\$ 1,604,402</u>
Ceded claims reserve			
Personal life insurance	\$ 46,699	\$ -	\$ 46,699
Personal accident insurance	16	-	16
Personal health insurance	42,244	-	42,244
	<u>\$ 88,959</u>	<u>\$ -</u>	<u>\$ 88,959</u>

	March 31, 2023		
	Claims reported but not paid	Claims incurred but not reported	Total
Claims reserve			
Personal life insurance	\$ 630,440	\$ 1,019	\$ 631,459
Personal accident insurance	4,507	24,013	28,520
Personal health insurance	462,660	231,911	694,571
Group insurance	10,906	29,284	40,190
Investment-linked insurance	6,087	-	6,087
	<u>\$ 1,114,600</u>	<u>\$ 286,227</u>	<u>\$ 1,400,827</u>
Ceded claims reserve			
Personal life insurance	\$ 39,774	\$ -	\$ 39,774
Personal accident insurance	586	-	586
Personal health insurance	40,689	-	40,689
	<u>\$ 81,049</u>	<u>\$ -</u>	<u>\$ 81,049</u>

b. Change in claims reserve and ceded claims reserve are as follows:

	For the three months ended March 31,	
	2024	2023
Claims reserve		
At January 1	\$ 1,604,402	\$ 1,489,530
Current net change	132,566	( 88,331)
Loss (gain) on foreign exchange	824	( 372)
At March 31	<u>\$ 1,737,792</u>	<u>\$ 1,400,827</u>
	For the three months ended March 31,	
	2024	2023
Ceded claims reserve		
At January 1	\$ 88,959	\$ 123,363
Current net change	87,366	( 42,307)
Gain (loss) on foreign exchange	49	( 7)
At March 31	<u>\$ 176,374</u>	<u>\$ 81,049</u>



(C) Reserve for policy benefit

a. Details of reserve for policy benefit are as follows:

	March 31, 2024		
	Financial instruments with discretionary		
	Insurance contract	participation features	Total
Life insurance	\$ 330,227,113	\$ -	\$ 330,227,113
Health insurance	34,521,944	-	34,521,944
Annuity insurance	2,942	263,380	266,322
Investment-linked insurance	87,838	-	87,838
	<u>\$ 364,839,837</u>	<u>\$ 263,380</u>	<u>365,103,217</u>
Recovery of catastrophe reserve			4,221
Transferred in unwritten-off balance of 3% decrease in business tax			46,062
Payables to the insured			51,061
Total			<u>\$ 365,204,561</u>
	December 31, 2023		
	Financial instruments with discretionary		
	Insurance contract	participation features	Total
Life insurance	\$ 323,798,113	\$ -	\$ 323,798,113
Health insurance	33,715,366	-	33,715,366
Annuity insurance	2,934	282,038	284,972
Investment-linked insurance	76,935	-	76,935
	<u>\$ 357,593,348</u>	<u>\$ 282,038</u>	<u>357,875,386</u>
Recovery of catastrophe reserve			4,221
Transferred in unwritten-off balance of 3% decrease in business tax			46,062
Payables to the insured			51,145
Total			<u>\$ 357,976,814</u>
	March 31, 2023		
	Financial instruments with discretionary		
	Insurance contract	participation features	Total
Life insurance	\$ 314,998,597	\$ -	\$ 314,998,597
Health insurance	31,859,777	-	31,859,777
Annuity insurance	4,406	331,547	335,953
Investment-linked insurance	69,387	-	69,387
	<u>\$ 346,932,167</u>	<u>\$ 331,547</u>	<u>347,263,714</u>
Recovery of catastrophe reserve			4,221
Transferred in unwritten-off balance of 3% decrease in business tax			46,062
Payables to the insured			51,641
Total			<u>\$ 347,365,638</u>

b. Changes in reserve for policy benefit:

	For the three months ended March 31,	
	2024(Note 1)	2023(Note 2)
At January 1	\$ 357,962,770	\$ 343,618,651
Current net change	4,125,843	4,269,032
Loss (gain) on foreign exchange	3,101,623	( 534,981)
At March 31	<u>\$ 365,190,236</u>	<u>\$ 347,352,702</u>

Note 1: As of March 31, 2024, the total amount reclassified from reinsurance indemnity payable to “Reserve for policy benefit-payables to the insured” is \$14,325. As of March 31, 2024, adding the abovementioned payables, the reserve for policy benefit amounted to \$365,204,561.

Note 2: As of March 31, 2023, the total amount reclassified from reinsurance indemnity payable to “Reserve for policy benefit-payables to the insured” is \$12,936. As of March 31, 2023, adding the abovementioned payables, the reserve for policy benefit amounted to \$347,365,638.

For the three months ended March 31, 2024 and 2023, the interest expense, reflecting on the contract liabilities over a period of time, were \$2,271,901 and \$2,191,470, respectively.

(D) Special Reserve

a. Details of special reserve are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Dividend payment reserve	<u>\$ 373,698</u>	<u>\$ 453,004</u>	<u>\$ 149,790</u>

b. Change in special reserve:

	For the three months ended March 31,	
	2024	2023
At January 1	\$ 453,004	\$ 235,057
Current net change	( 79,306)	( 85,267)
At March 31	<u>\$ 373,698</u>	<u>\$ 149,790</u>

(E) Premium deficiency reserve

a. Details of premium deficiency reserve are as follows:

	March 31, 2024		
	Financial instruments with discretionary participation features		
	Insurance contract		Total
Personal life insurance	\$ 468,258	\$ -	\$ 468,258
Personal health insurance	85,026	-	85,026
Total	<u>\$ 553,284</u>	<u>\$ -</u>	<u>\$ 553,284</u>

	December 31, 2023		
	Financial instruments with discretionary participation features		
	Insurance contract		Total
Personal life insurance	\$ 486,447	\$ -	\$ 486,447
Personal health insurance	20,848	-	20,848
Total	<u>\$ 507,295</u>	<u>\$ -</u>	<u>\$ 507,295</u>
	March 31, 2023		
	Financial instruments with discretionary participation features		
	Insurance contract		Total
Personal life insurance	\$ 633,355	\$ -	\$ 633,355
Personal health insurance	20,639	-	20,639
Total	<u>\$ 653,994</u>	<u>\$ -</u>	<u>\$ 653,994</u>

b. Change in premium deficiency reserve:

	For the three months ended March 31,	
	2024	2023
At January 1	\$ 507,295	\$ 691,773
Current net change	34,539 (	34,365)
Loss (gain) on foreign exchange	11,450 (	3,414)
At March 31	<u>\$ 553,284</u>	<u>\$ 653,994</u>

(F) Other reserves

Pursuant to IFRS 3, 'Business combinations', other reserves are set aside for reflecting the fair value of insurance policies assumed while recognising the individual identifiable assets acquired and liabilities assumed at fair value. Changes in aforesaid other reserves are as follows:

	For the three months ended March 31,	
	2024	2023
At January 1	\$ 3,173,954	\$ 3,325,203
Recovery	( 32,774)	( 34,383)
At March 31	<u>\$ 3,141,180</u>	<u>\$ 3,290,820</u>

B. Reserve for foreign exchange fluctuation

(A) In accordance with the “Regulation Governing the Setting Aside of Various Reserves by Insurance Enterprises”, the Yuanta Group set aside foreign exchange reserve under liabilities. Details are as follows:

	For the three months ended March 31,	
	2024	2023
At January 1	\$ 1,273,406	\$ 3,988,784
Provision		
Compulsory provision	121,403	109,523
Additional provision	1,606,009	562,636
Subtotal	3,000,818	4,660,943
Recovery	( 202,427)	( 1,102,558)
At March 31	\$ 2,798,391	\$ 3,558,385

(B) Effect of accounts eligible or ineligible for the foreign exchange reserve on the consolidated financial statements of the Yuanta Group for the three months ended March 31, 2024 and 2023 are as follows:

	For the three months ended March 31, 2024		
	Ineligible amount	Eligible amount	Impact
Net income	\$ 2,213,462	\$ 993,474	(\$ 1,219,988)
Earnings per share (in dollars)	0.93	0.42	( 0.51)
Reserve for foreign exchange fluctuation	-	2,798,391	2,798,391
Total equity	33,623,986	31,369,966	( 2,254,020)

	For the three months ended March 31, 2023		
	Ineligible amount	Eligible amount	Impact
Net income	(\$ 301,330)	\$ 42,989	\$ 344,319
Earnings per share (in dollars)	( 0.13)	0.02	0.15
Reserve for foreign exchange fluctuation	-	3,558,385	3,558,385
Total equity	27,938,154	25,076,139	( 2,862,015)

C. Reserves for insurance contract with the nature of financial products

The Yuanta Group issued non-discretionary participation feature financial instruments. Reserve for insurance contract with the nature of financial products recognised on March 31, 2024, December 31, 2023 and March 31, 2023. and the movements are listed below:

	March 31, 2024	December 31, 2023	March 31, 2023
Investment-linked insurance	\$ 222,377	\$ 186,286	\$ 150,712
	For the three months ended March 31,		
	2024	2023	
At January 1	\$ 186,286	\$ 130,855	
Net provision of statutory reserve	36,091	19,857	
At March 31	\$ 222,377	\$ 150,712	

(27) Employee benefit provisions

A. Defined benefit plans:

- (A) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, 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 Labor Standards Act. 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 45~61 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 Yuanta Group also established a special retention compensation plan applicable to certain employees. Except for Yuanta Securities Finance contributing retirement fund by 8% of the employees' monthly salaries and wages, the Yuanta Group contributes monthly an amount equal to 2% 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 Yuanta Group 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 qualify for retirement in the following year, the Yuanta Group will make contributions to cover the deficit by next March. Yuanta Securities (Korea) and its subsidiaries have a defined benefit plan or a defined contribution plan in accordance with the relevant laws and regulations applied by the local Korean government. Yuanta Securities Investment Trust obtained the approval letter no. 1106083936, no. 1116069917 and no. 1126042800 from Department of Labor, Taipei City government to suspend the pension contribution for the period from September 2021 to August 2024.
- (B) For the aforementioned pension plan, the Company and its domestic subsidiaries recognised pension costs of \$10,958 and \$11,175 for the three months ended March 31, 2024 and 2023, respectively.
- (C) Expected contributions to the defined benefit pension plans of the Company and its domestic subsidiaries for the year ending December 31, 2025 amounted to \$52,668. Expected contributions to the defined benefit pension plans of Yuanta Securities (Korea) and its subsidiaries for the year ending December 31, 2025 amounted to \$10,429.

B. Defined contribution plans:

- (A) 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.
- (B) Under the defined contribution plan, the Company and its domestic subsidiaries recognised pension expense of \$145,178 (recorded as "employees' benefit expenses" of \$144,275 and "net income other than interest" of \$903) and \$135,175 (recorded as "employees' benefit expenses" of \$134,580 and "net income other than interest" of \$595) for the three months ended March 31, 2024 and 2023, respectively.
- (C) The pension plans for the consolidated foreign subsidiaries are as follows:  
The pension plan for Yuanta Securities Asia Finance is in compliance with the regulations of each employee nationality. Yuanta HK Holdings (Cayman). does not have compulsory pension plans according to local regulations. The pension plans for other foreign subsidiaries

are in compliance with local regulations.

Other foreign subsidiaries recognised pension expense of \$167,998 and \$131,618 for the three months ended March 31, 2024 and 2023, respectively.

(28) Other financial liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
Futures traders' equity	\$ 109,525,101	\$ 101,851,341	\$ 102,145,293
Structured deposit	2,231,461	2,232,061	2,505,071
Investment-linked products liabilities	30,456,956	31,504,281	30,176,793
Others	72,688	135,713	-
Total	<u>\$ 142,286,206</u>	<u>\$ 135,723,396</u>	<u>\$ 134,827,157</u>

(29) Other liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
Guarantee deposit received on security lent	\$ 63,573,338	\$ 56,969,769	\$ 40,039,810
Underwriting share proceeds collected on behalf of customers	2,396,994	231,930	51,683
Collections in advance	2,797,282	2,425,845	2,105,173
Retention compensation payable	2,089,085	1,896,150	1,695,960
Refundable deposits	123,555	600,030	640,557
Refundable deposits-derivative transactions	2,106,469	2,830,074	3,764,810
Equity for each customer in the account	9,741,077	6,632,447	6,084,220
Others	1,046,426	1,057,476	918,223
Total	<u>\$ 83,874,226</u>	<u>\$ 72,643,721</u>	<u>\$ 55,300,436</u>

(30) Share capital

As of March 31, 2024, December 31, 2023 and March 31, 2023, the Company's total authorised capital were all \$180,000,000 and total paid-in capital were \$126,890,824, \$126,890,824 and \$125,015,590, respectively. The aforementioned total paid-in capital were \$12,689,082, 12,689,082 and 12,501,559 thousand shares of common stock, each with a par value of \$10 dollars per share.

(31) Capital surplus

As required by the Company Act, capital reserve of premiums exceeding the face value on issuance or the donation is to be used to offset any accumulated deficit. Alternatively, it may be used to increase capital by issuing new shares or to distribute cash to shareholders in proportion to their share ownership provided that the Company has no accumulated deficit. In addition, as required by Securities and Exchange Act, only 10% of the aforementioned paid-in capital reserve shall be capitalized annually in total. Unless the earnings reserve is insufficient to offset the deficit, the capital reserve shall not be used.

However, according to Securities and Futures Bureau (SFB) regulations, capital surplus resulting from undistributed earnings absorbed from subsidiaries after share exchange of the Company is permitted to be transferred to capital or used to distribute cash dividends in the current period. In addition, the amount of capital surplus to be transferred to capital or used to distribute cash dividends is not subject to the aforementioned limitations.

	March 31, 2024	December 31, 2023	March 31, 2023
Post 1998	\$ 4,036,443	\$ 4,036,443	\$ 4,036,443
Source and details of the capital surplus of the Company are as follows:			
	March 31, 2024	December 31, 2023	March 31, 2023
Additional paid-in capital	\$ 33,573,790	\$ 33,573,790	\$ 33,573,790
Treasury share transactions	3,479,710	3,479,710	3,479,710
Others	1,134,603	1,134,603	1,013,002
	<u>\$ 38,188,103</u>	<u>\$ 38,188,103</u>	<u>\$ 38,066,502</u>

(32) Legal reserve and special reserve

As required by the Company Act, 10% of the current year's earnings, after paying all taxes and offsetting any accumulated deficit, are set aside as a legal reserve until the reserve balance equals the total amount of capital. The legal reserve is to be used exclusively to offset any accumulated deficit or to increase capital by issuing new shares or to distribute cash to shareholders in proportion to their share ownership and is not to be used for any other purposes. For legal reserve used in issuing new shares or distributing cash dividends, the amount of the legal reserve shall not exceed 25% of paid-in capital.

According to the SFB, upon the distribution of earnings, other than the setting aside of legal reserve, an equivalent amount of special reserve should be set aside from earnings after tax of the current year and the undistributed earnings of the prior period based on the decreased amount of shareholders' equity. For the cumulative decrease in shareholders' equity of the prior period, the equal amount of special reserve set aside based on the undistributed earnings should not be distributed. If there is any reversal of the decrease in shareholders' equity, the earnings may be distributed based on the reversal proportion.

According to Jin-Guan-Yin-Fa Letter No. 10310006310 dated December 30, 2014, in order to maintain the stability of the Company's financial structure, the retained earnings arising from bargain purchase benefits of the acquisition by financial holding company or its subsidiaries shall be set aside as special reserve, and shall not be reversed within one year. After a year, the value of acquired assets are certified to be in likelihood of value at acquisition date without any sign of unexpected impairment by a certified public accountant, and the special reserve could be used in recovering accumulated deficit, or increasing the Company's capital.

(33) Undistributed earnings

A. According to the Company's Articles of Incorporation, the annual net income will be distributed as follows:

- (A) Pay income tax;
- (B) Offset prior years' deficits;
- (C) Provide legal reserve and special reserve; and
- (D) The remaining amount and prior years' undistributed earnings shall be resolved by the shareholders during their meeting.

B. In order to continuously expand operation scale and enhance the profitability, the Company follows its long-term financial planning and relevant Articles of Incorporation to adopt a dividend surplus policy. In principle, the dividend appropriation is based on annual earnings calculated based on the above Articles of Incorporation. After the retention of capital required according to the operation scheme, the remainder shall be distributed in the form of cash dividends. However, the cash dividends shall not be less than 40% of the annual earnings to be distributed.

C. Details of the earnings distribution for 2023 of the Company resolved by the Board of Directors on March 14, 2024 and the earnings distribution for 2022 resolved by the shareholders' meeting

on June 9, 2023 are as follows:

	2023		2022	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Cash dividends	\$ 13,957,991	\$ 1.10	\$ 10,001,247	\$ 0.80
Stock dividends	2,537,816	0.20	1,875,234	0.15

The earnings distribution for 2023 of the Company will be distributed after being resolved at the shareholders' meeting.

The status of the distribution of earnings approved by the Board of Directors and resolved by shareholders is available at the website of the Market Observation Post System provided by the Taiwan Stock Exchange Corporation (TWSE).

D. Please refer to Note 6(42) for the details of the compensation to employees and remuneration to directors and supervisors.

(34) Other equity items

	2024				
	Exchange differences on translation of foreign financial statements	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Change in fair value of financial liability attributable to change in own credit risk	Other comprehensive income (loss) on reclassification under the overlay approach	Total
Balance, January 1	(\$ 6,961,608)	\$ 14,117,852	(\$ 48,964)	(\$ 2,159,647)	\$ 4,947,633
Financial assets at fair value through other comprehensive income					
- Revaluation adjustment in the period	-	1,739,162	-	-	1,739,162
- Revaluation transferred to profit or loss	-	73,335	-	-	73,335
- Revaluation transferred to retained earnings	- (	105,231)	-	- (	105,231)
Other comprehensive income on reclassification under the overlay approach	-	-	-	1,270,173	1,270,173
Changes in translation difference of foreign operating entities	121,368	-	-	-	121,368
Effects on income tax	- (	3,666)	- (	5,679)	( 9,345)
Evaluation of credit risk	-	-	148	-	148
Balance, March 31	(\$ 6,840,240)	\$ 15,821,452	(\$ 48,816)	(\$ 895,153)	\$ 8,037,243



	2023				
	Exchange differences on translation of foreign financial statements	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Change in fair value of financial liability attributable to change in own credit risk	Other comprehensive income (loss) on reclassification under the overlay approach	Total
Balance, January 1	(\$ 6,119,904)	\$ 4,445,539	(\$ 51,218)	(\$ 5,242,587)	(\$ 6,968,170)
Financial assets at fair value through other comprehensive income					
- Revaluation adjustment in the period	-	5,798,425	-	-	5,798,425
- Revaluation transferred to profit or loss	-	185,081	-	-	185,081
- Revaluation transferred to retained earnings	-	38,212	-	-	38,212
Other comprehensive income on reclassification under the overlay approach	-	-	-	1,678,628	1,678,628
Changes in translation difference of foreign operating entities	( 1,182,669)	-	-	-	( 1,182,669)
Effects on income tax	- ( 106,650)	( 10)	31,824	( 74,836)	
Evaluation of credit risk	-	-	38	-	38
Balance, March 31	(\$ 7,302,573)	\$ 10,360,607	(\$ 51,190)	(\$ 3,532,135)	(\$ 525,291)

(BLANK)

(35) Net interest income

	For the three months ended March 31,	
	2024	2023
<u>Interest income</u>		
Interest income on bills discounted and loans	\$ 6,839,408	\$ 5,940,887
Financing interest income	1,658,515	1,293,387
Interest income on securities investment	5,081,944	4,382,542
Interest income from placement and call loan to other banks	1,270,067	1,052,374
Interest income on bills and bonds purchased under resale agreements	709,411	657,430
Credit cards revolving interest	44,123	42,776
Interest income on securities business money lending	471,304	318,509
Interest income on bills	60,788	49,847
Other interest income	414,218	444,421
Subtotal	<u>16,549,778</u>	<u>14,182,173</u>
<u>Interest expense</u>		
Interest expense of deposit	(\$ 4,651,647)	(\$ 3,449,923)
Interest expense of Central Bank and other banks' deposit	( 51,942)	( 105,788)
Interest expense on due to the Central Bank and other banks	( 605,755)	( 560,048)
Interest expense on bills and bonds sold under repurchase agreements	( 1,981,164)	( 1,660,565)
Interest expense of structured products	( 38,572)	( 39,134)
Coupon rate of bank debenture	( 162,621)	( 161,259)
Coupon rate of corporate bonds	( 269,593)	( 218,372)
Coupon rate of commercial papers	( 378,878)	( 123,050)
Interest expense from short sales	( 6,346)	( 9,095)
Lease liabilities interest expense	( 37,445)	( 23,736)
Financial costs on guarantee deposits received from security leadings	( 556,855)	( 395,841)
Other interest expense	( 199,814)	( 117,982)
Subtotal	<u>( 8,940,632)</u>	<u>( 6,864,793)</u>
Total	<u>\$ 7,609,146</u>	<u>\$ 7,317,380</u>

(36) Net service fee and commission income

	For the three months ended March 31,	
	2024	2023
<u>Service fee and commission income</u>		
Brokerage service fee income	\$ 7,476,815	\$ 5,340,954
Service fee income on insurance brokerage and transfer-agent	274,619	253,146
Service fee on credit cards	268,971	277,898
Service fee income on trust business	966,136	612,323
Service income on credit extension	145,528	102,779
Underwriting service income	189,221	218,942
Service income from short sales	24,320	23,327
Commission – reinsurance allowance	19,665	7,140
Service income on foreign exchange	20,209	20,821
Service fee income on consigned settlement	9,614	8,614
Deposits and remittance and other service income	276,179	279,498
Subtotal	9,671,277	7,145,442
<u>Service fee expenses and commission expense</u>		
Insurance commission expense	(\$ 519,981)	(\$ 427,944)
Service expense on trust business	( 320)	( 236)
Service expense on brokerage	( 765,679)	( 586,245)
Service expense on proprietary trading	( 60,622)	( 28,364)
Service fee expense on credit cards	( 253,694)	( 257,915)
Service expense on clearing and settlement	( 144,729)	( 116,211)
Futures commission expense	( 115,545)	( 109,497)
Underwriting service expense	( 1,814)	( 822)
Service expense on foreign exchange	( 15,351)	( 12,731)
Service expense on credit extension	( 8,693)	( 8,026)
Deposits and remittance and other service expense	( 137,817)	( 125,286)
Subtotal	( 2,024,245)	( 1,673,277)
Total	\$ 7,647,032	\$ 5,472,165

(37) Net income from insurance operations

	For the three months ended March 31,	
	2024	2023
Income from insurance operations		
Gross collected premiums	\$ 9,920,939	\$ 9,431,283
Less: Reinsurance premium ceded	( 195,834)	( 158,922)
Net changes of unearned premium reserve	( 56,119)	( 45,311)
Retention earned premium income	9,668,986	9,227,050
Investment-linked product income (Note)	704,024	269,053
Subtotal	10,373,010	9,496,103
Expense from insurance operations		
Claims and policy benefits	(\$ 6,503,095)	(\$ 5,787,322)
Less: Claims recovered from reinsurers	108,016	124,478
Retention claims and policy benefits payments	( 6,395,079)	( 5,662,844)
Underwriting expenses	( 557)	( 405)
Expense from guaranty fund	( 18,870)	( 17,970)
Investment-linked product expenses (Note)	( 704,024)	( 269,053)
Subtotal	( 7,118,530)	( 5,950,272)
Total	\$ 3,254,480	\$ 3,545,831

Note: Details about the investment insurance products - separate accounts are provided in Note 6(12).

(38) Gain or loss on financial assets and liabilities at fair value through profit or loss

	For the three months ended March 31,	
	2024	2023
Realised gains or losses on financial assets and liabilities at fair value through profit or loss		
Commercial papers	\$ 432,983	\$ 248,527
Bonds	2,849,999	1,260,877
Stocks	4,795,079	2,064,162
Beneficiary certificates	2,256,518	825,276
Interest-linked instrument	( 210,129)	( 53,646)
Exchange rate-linked instrument	( 376,637)	( 1,056,992)
Other financial derivative instruments	( 1,766,603)	2,147,940
Loss on covering of borrowed securities and bonds with resale agreements	( 1,603,105)	( 735,605)
Loss from issuing call warrants (put)	( 735,098)	( 1,423,600)
Issuing call warrants (put) expense	( 174,378)	( 138,409)
Others	( 347,045)	( 229,321)
Subtotal	5,121,584	2,909,209

	For the three months ended March 31,	
	2024	2023
Unrealised gains or losses on financial assets and liabilities at fair value through profit or loss		
Commercial papers	(\$ 21,937)	(\$ 18,830)
Bonds	1,918,715	417,597
Stocks	4,034,843	6,869,151
Beneficiary certificates	1,094,522	11,522
Interest-linked instrument	( 2,413,560)	( 2,720,387)
Exchange rate-linked instrument	( 3,845,523)	1,296,574
Other financial derivative instruments	( 1,402,008)	( 266,305)
Valuation loss on borrowed securities and bonds with resale agreements	( 176,270)	( 3,291,126)
Gain on changes in fair value of liabilities for issuance of call (put) warrants	281,332	1,936,545
Others	765,004	620,998
Subtotal	235,118	4,855,739
Total	\$ 5,356,702	\$ 7,764,948

- A. The realised gains or losses on the financial assets and liabilities at fair value through profit and loss of the Yuanta Group for the three months ended March 31, 2024 and 2023, including the gain on disposal, were \$2,488,500 and \$1,533,986, respectively, and the issuing call (put) warrants expense, were \$174,378 and \$138,409, respectively, and the dividends income were \$594,212 and \$221,969, respectively, and the interest income were \$2,213,250 and \$1,291,663, respectively.
- B. The Yuanta Group recognised net loss amounted to \$1,064,449 and \$3,151,842, respectively, on financial liabilities designated as at fair value through profit or loss for the three months ended March 31, 2024 and 2023.
- C. Net income on the exchange rate-linked instruments includes realised and unrealised gains and losses on forward exchange contracts, FX options, and currency futures.
- D. Interest-linked instruments include interest rate swap contracts, money market instruments, interest linked-options and other interest related instruments.
- E. Any change in fair value of the derivatives together managed with the financial instruments designated at fair value through profit and loss is listed under “gain and loss on financial assets and liabilities at fair value through profit and loss”.

(39) Asset impairment loss

	For the three months ended March 31,	
	2024	2023
Impairment loss on investments in debt instruments measured at fair value through other comprehensive income	(\$ 2,623)	(\$ 1,161)
Impairment loss on investments in debt instruments at amortised cost	( 3,663)	( 977)
Impairment loss on intangible assets	( 17,242)	-
Reversal of impairment loss on other assets	-	125
Total	(\$ 23,528)	(\$ 2,013)

(40) Net other miscellaneous income (loss)

	For the three months ended March 31,	
	2024	2023
Borrowed stock revenue	\$ 812,123	\$ 676,213
Net change of reserve for foreign exchange fluctuation	( 1,524,984)	430,399
(Loss) reversal gain on litigation reserve	( 86,472)	70,892
Income from distribution service	32,280	19,939
Rebate income from banks	44,052	42,115
Sub-brokerage income	451,629	249,051
Other net income	( 39,885)	154,135
Total	(\$ 311,257)	\$ 1,642,744

(41) Provision for bad debt expense, commitment and guarantee policy reserve

	For the three months ended March 31,	
	2024	2023
Bad debt expense (reversal of bad debt expense) for accounts receivable	\$ 68,127	(\$ 4,438)
Bad debt expense of bills discounted and loans	415,230	286,161
Reversal of guarantee reserve	( 25,000)	( 7,500)
Provision for commitments and other reserve	2,538	667
Recovery of bad debt expense	( 146,158)	( 531,165)
Total	\$ 314,737	(\$ 256,275)

(42) Employee benefit expense

	For the three months ended March 31,	
	2024	2023
Wages and salaries	\$ 7,935,468	\$ 6,453,979
Labor and health insurance fees	320,277	201,755
Pension costs	323,231	277,373
Termination benefits	6,820	17,426
Other employee benefit expenses	456,854	407,806
Total	<u>\$ 9,042,650</u>	<u>\$ 7,358,339</u>

The numbers of employees of the Yuanta Group were 15,057 and 14,782 for the three months ended March 31, 2024 and 2023, respectively.

- A. After covering accumulated deficit with the year-end earnings (that is income before taxes less income before employees' compensation provisions), 0.01% to 0.5% was appropriated as employees' compensation and an amount less than 0.9% was appropriated as directors' and supervisors' remuneration.
- B. For the the three months ended March 31, 2024 and 2023, employees' compensation were accrued at \$8,312 and \$5,195, respectively; directors' and supervisors' remuneration were accrued at \$74,804 and \$46,756, respectively. The aforementioned amounts were recognised in salary expenses. The employees' compensation and directors' and supervisors' remuneration of 2022 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2022 financial statements. Information is available at the website of the Market Observation Post System provided by the Taiwan Stock Exchange Corporation (TWSE).

(43) Depreciation and amortisation

	For the three months ended March 31,	
	2024	2023
Investment property depreciation	\$ 13,831	\$ 15,128
Property and equipment depreciation	323,564	289,161
Right-of-use asset depreciation	409,371	354,426
Intangible asset amortisation	150,645	141,781
Deferred asset amortisation	5,856	7,900
Total	<u>\$ 903,267</u>	<u>\$ 808,396</u>

(44) Other business and administrative expenses

	For the three months ended March 31,	
	2024	2023
Tax	\$ 1,720,716	\$ 1,146,527
Computer science expense	444,846	398,084
Security borrowing expenses	435,127	355,221
Commission expense	207,953	195,735
Miscellaneous expenses	266,629	171,040
Postage and telephone costs	221,374	189,956
Others	1,330,321	1,098,015
Total	<u>\$ 4,626,966</u>	<u>\$ 3,554,578</u>

(45) Income tax

The details of the Yuanta Group's income tax expense are as follows:

A. Income tax expense

(A) Components of income tax expense:

	For the three months ended March 31,	
	2024	2023
Current tax:		
Income tax from current income period	\$ 2,062,119	\$ 1,468,717
Adjustments in respect of prior years	( 57,746)	( 50,609)
Total current tax	2,004,373	1,418,108
Deferred tax:		
Origination and reversal of temporary differences	29,179	200,877
Impact of change in tax rate	-	6,137
Total deferred tax	29,179	207,014
Income tax expense	\$ 2,033,552	\$ 1,625,122

(B) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	For the three months ended March 31,	
	2024	2023
Unrealised gain or loss from investments in debt instruments measured at fair value through other comprehensive income	(\$ 22,026)	\$ 115,660
Unrealised gain or loss from investments in equity instruments measured at fair value through other comprehensive income	34,980	( 16,926)
Other comprehensive income or loss on reclassification under the overlay approach	5,679	( 31,824)
Share of profit or loss of associates and joint ventures accounted for under the equity method	( 1,422)	353
Gain or loss on remeasurements of defined benefit plans	( 57,019)	( 43,813)
Change in fair value of financial liability attributable to change in own credit risk	-	17
Total	(\$ 39,808)	\$ 23,467



- B. As of March 31, 2024, the information on the Yuanta Group's income tax returns that have been assessed by the Tax Authority are as follows:

	Assessment Information
Yuanta Financial Holdings	Assessed through 2018
Yuanta Securities	Assessed through 2018
Yuanta Bank	Assessed through 2018
Yuanta Securities Finance	Assessed through 2022
Yuanta Venture Capital	Assessed through 2018
Yuanta Asset Management	Assessed through 2018
Yuanta Securities Investment Consulting	Assessed through 2018
Yuanta Futures	Assessed through 2020
Yuanta Securities Investment Trust	Assessed through 2021
Yuanta Life	Assessed through 2018
Yuanta International Insurance Brokers	Assessed through 2022
Yuanta International Leasing	Assessed through 2022
Yuanta I Venture Capital	Assessed through 2022

- C. The Yuanta Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Since Pillar Two legislation was enacted in Korea and Vietnam, the jurisdiction in which foreign subsidiaries (branches) is incorporated, and came into effect from January 1, 2024. The Yuanta Group is currently engaged with tax specialists to assist it with applying the legislation.

- D. The Yuanta Group has applied the exception on recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

(46) Earnings per share

	For the three months ended March 31, 2024		
		Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
	Amount after tax		
<u>Basic and diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 9,235,010	12,689,082	\$ 0.73
	For the three months ended March 31, 2023		
		Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
	Amount after tax		
<u>Basic and diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 5,772,301	12,689,082	\$ 0.45

The above weighted-average outstanding stocks have been adjusted retrospectively according to the ratio of capital increase from retained earnings on August 19, 2023 (the effective date of stock grants). Basic earnings per share before the adjustment was 0.46 for the three months ended March 31, 2023, which were calculated according to the ratio of capital increase from retained earnings (the effective date of stock grants) on August 20, 2022.

(47) Changes in liabilities from financing activities

	2024				
	Bills and bonds payable under repurchase agreements	Commercial paper payable	Bonds payable	Other borrowings	Lease liability
At January 1	\$251,838,703	\$ 83,155,165	\$104,904,691	\$ 48,439,167	\$ 6,191,253
Changes in cash flow from financing activities	( 25,425,499)	36,601,800	3,773,082	21,858,858	( 404,354)
Impact of changes in foreign exchange rate	-	-	14,514	-	( 9,335)
Amortisation of a premium or a discount on interest expense	-	( 223,062)	1,805	-	-
Changes in other non-cash items	-	-	-	-	451,808
At March 31	<u>\$226,413,204</u>	<u>\$119,533,903</u>	<u>\$108,694,092</u>	<u>\$ 70,298,025</u>	<u>\$ 6,229,372</u>
	2023				
	Bills and bonds payable under repurchase agreements	Commercial paper payable	Bonds payable	Other borrowings	Lease liability
At January 1	\$224,137,491	\$ 47,836,070	\$102,487,542	\$ 48,460,199	\$ 4,712,163
Changes in cash flow from financing activities	4,994,476	3,098,702	-	( 6,295,527)	( 367,514)
Impact of changes in foreign exchange rate	-	-	( 301,897)	-	90,439
Amortisation of a premium or a discount on interest expense	-	( 2,023)	2,108	-	-
Changes in other non-cash items	-	-	-	-	280,670
At March 31	<u>\$229,131,967</u>	<u>\$ 50,932,749</u>	<u>\$102,187,753</u>	<u>\$ 42,164,672</u>	<u>\$ 4,715,758</u>

## 7. Related party transactions

Any related party transactions amongst the Yuanta Group are eliminated upon consolidation and therefore no disclosure is made. Except for Note 7(2) and other additional notes provided, significant transactions with the related parties and the relationships to the Company are summarized below:

### (1) Names and relationship of related parties

Names of related parties	Relationship with the Group
Funds managed by Yuanta Securities Investment Trust	Security investment trust fund raised by the Yuanta Securities Investment Trust
SYF Information (Shanghai)	Associate of Yuanta Futures (Note 1)
Yuanta-Polaris Research Institute (Yuanta-Polaris Research)	Related party in substance (Note 2)
Yuanta Construction Development Co., Ltd. (Yuanta Construction Development)	"
Greatness Trading Co., Ltd.	"
Yuanta Cultural & Education Foundation (Yuanta Foundation)	"
Yuanta Diamond Funds SPC	" (Note 3)
Securities Investment Trust & Advisory Association of Taipei, R.O.C. (SITCA)	The group management is its main management level
Yuanta Diamond Funds SPC's Funds	Funds managed by Yuanta Securities (Hong Kong)
Global Growth Investment, L.P.	Funds managed by Yuanta Asia Investment (Hong Kong)
Yuanta Asia Growth Investment, L.P.	"
IBKC-TONGYANG Growth 2013 Private Equity Fund	Investments accounted for under the equity method of Yuanta Securities (Korea)
Yuanta Secondary No.2 Fund	"
Yuanta Secondary No.3 Private Equity Fund	"
Kiwoom-Yuanta 2019 Scale-up Fund	"
Yuanta Innovative Growth MPE Fund	"
Yuanta Innovative Job Creation Fund	"
Yuanta SPAC VIII	"
	(No longer a related party since August 23, 2023.)
Yuanta SPAC IX	"
Yuanta SPAC X	"
Yuanta SPAC XI	"
Yuanta SPAC XII	"
Yuanta SPAC XIII	"
Yuanta SPAC XIV	"
Yuanta SPAC XV	"
	(Has become a related party since November 20, 2023.)
Yuanta Quantum Jump No.1 Fund	"
Alpha-Harvest Summit Private Equity Fund	"
	(Has become a related party since January 23, 2024.)

Names of related parties	Relationship with the Group
Yuanta K-Bio Vaccine Blockbuster	Funds managed by Yuanta Investment Co., Ltd.
Private Equity Fund	(Has become a related party since December 28, 2023.)
Other related parties	The Yuanta Group, funds managed by consolidated subsidiaries, related parties in substance, major stockholders of affiliated entities, key management and invested enterprise and consolidated company of its close relatives, employees' welfare committee which was established by consolidated company and key management which was related with group.

Note 1: On June 30, 2022, the Board of Directors of SYF Information Co., Ltd. approved the dissolution and liquidation of SYF Information (Shanghai) Limited. The record date for the liquidation was June 30, 2022, and the liquidation was completed on January 30, 2024.

Note 2: On September 14, 2023, Ministry of Economic Affairs approved the dissolution and liquidation of Yuanta-Polaris Research Institute. The record date for the liquidation was September 14, 2023. The relevant procedures are currently in progress.

Note 3: Yuanta Diamond Funds SPC is a segregated portfolio company registered in the Cayman Islands, under the laws of the Cayman Islands. There can be one or multiple segregated portfolios under SPC (hereinafter called funds). Between each fund, assets and liabilities are separated.

Yuanta International Investment (Hong Kong) holds the management shares issued by Yuanta Diamond Funds SPC. The rights of management shares include maintaining the functions of a SPC, but excluding participating in profit sharing and asset and earnings distribution.

## (2) Significant transactions and balances with related parties

### A. Deposits

March 31, 2024			
Name	Ending balance	Percentage of deposits (%)	Interest rate (%)
All related parties	\$ 17,180,299	1.06	0.00~6.68
December 31, 2023			
Name	Ending balance	Percentage of deposits (%)	Interest rate (%)
All related parties	\$ 10,712,470	0.69	0.00~6.56
March 31, 2023			
Name	Ending balance	Percentage of deposits (%)	Interest rate (%)
All related parties	\$ 11,063,758	0.74	0.00~6.56

Apart from an interest rate limit on staff demand savings deposits of 6.56%~6.68% and 6.44%~6.56%, respectively, for the three months ended March 31, 2024 and 2023, the range of interest rates on other related parties' demand savings deposits were 0.00% ~ 5.80% and 0.00%~5.82%, respectively. The interest rates and other terms provided to the above related parties were the same as the terms offered to the general public.

For the three months ended March 31, 2024 and 2023, interest expense on the above deposits were \$107,641 and \$25,067, respectively.

## B. Loans

### Yuanta Bank and its subsidiaries

March 31, 2024

Unit: In thousands of NT dollars

Types	Number of accounts or name of related party	Highest balance	Ending balance	Loan status		Collateral	Whether terms and conditions of the related party transactions are different from those of transactions with third parties.
				Normal loans	Overdue accounts		
Consumer loans	200	\$ 90,792	\$ 73,444	\$ 73,444	\$ -	Movables, deposits and credit loans	None
Residential mortgage loans	456	4,243,170	4,053,217	4,053,217	-	Real estate	None
Other loans	Greatness Trading Co., Ltd.	20,000	20,000	20,000	-	Real estate	None
	70	411,022	284,515	284,515	-	Deposits, stock, real estate, policy and credit loans	None
Total			\$ 4,431,176	\$ 4,431,176	\$ -		

December 31, 2023

Unit: In thousands of NT dollars

Types	Number of accounts or name of related party	Highest balance	Ending balance	Loan status		Collateral	Whether terms and conditions of the related party transactions are different from those of transactions with third parties.
				Normal loans	Overdue accounts		
Consumer loans	315	\$ 139,320	\$ 77,632	\$ 77,632	\$ -	Small and medium enterprise credit guarantee fund, movables, deposits and credit loans	None
Residential mortgage loans	511	4,800,423	4,117,848	4,117,848	-	Real estate	None
Other loans	Greatness Trading Co., Ltd.	20,000	20,000	20,000	-	Real estate	None
	101	536,894	317,180	317,180	-	Deposits, stock, real estate, policy and credit loans	None
Total			\$ 4,532,660	\$ 4,532,660	\$ -		

March 31, 2023

Unit: In thousands of NT dollars

Types	Number of accounts or name of related party	Highest balance	Ending balance	Loan status		Collateral	Whether terms and conditions of the related party transactions are different from those of transactions with third parties.
				Normal loans	Overdue accounts		
Consumer loans	198	\$ 81,587	\$ 61,902	\$ 61,902	\$ -	Small and medium enterprise credit guarantee fund, movables, deposits and credit loans	None
Residential mortgage loans	460	4,082,868	3,782,251	3,782,251	-	Real estate	None
Other loans	Greatness Trading Co., Ltd.	20,000	20,000	20,000	-	Real estate	None
	67	333,925	239,987	239,987	-	Deposits, stock, real estate and policy	None
Total			\$ 4,104,140	\$ 4,104,140	\$ -		

Loans to related parties are under the same terms as those to other customers, except for interest rates on loans to affiliated companies were 2.15% and 1.90%~2.02% for the three months ended March 31, 2024 and 2023, respectively, the interest rates on the remaining loans are ranging from 0.00%~12.00% and 0.00%~6.97% for the three months ended March 31, 2024 and 2023, respectively, which are the same with the terms of general loans.

For the three months ended March 31, 2024 and 2023, interest income resulting from the above loans amounted to \$23,477 and \$19,654, respectively.

C. Property transactions

(A) The details of the Yuanta Group investments in funds and beneficiary certificates were as follows (recorded as “Financial assets at fair value through profit or loss”):

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 26,859,235	\$ 19,670,991	\$ 12,009,678
Global Growth Investment, L.P.	72,006	17,486	18,258
Yuanta Asia Growth Investment, L.P.	322,226	309,586	274,508
	<u>\$ 27,253,467</u>	<u>\$ 19,998,063</u>	<u>\$ 12,302,444</u>

Proceeds on disposal

<u>For the three months ended March 31,</u>	
<u>2024</u>	<u>2023</u>

Other related parties:

Funds managed by Yuanta Securities Investment Trust

<u>\$ 122,106,661</u>	<u>\$ 73,427,892</u>
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Realised gain or loss

<u>For the three months ended March 31,</u>	
<u>2024</u>	<u>2023</u>

Other related parties:

Funds managed by Yuanta Securities Investment Trust

<u>\$ 568,939</u>	<u>\$ 39,037</u>
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(B) The Yuanta Group has bills and bonds transactions under repurchase agreements with the related parties (recorded as “Bills and bonds sold under repurchase agreements”)

March 31, 2024

	<u>Highest balance</u>	<u>Ending balance</u>	<u>Interest rate (%)</u>	<u>Foreign currency ending balance</u>
Key management personnel:				
Others	\$ 50,013	\$ -	0.55	
Others	32,310	32,310	4.70-4.95 (Note : USD)	USD 1,010
Other related parties:				
Others	642,415	372,898	0.55~0.60	
Funds managed by Yuanta Securities Investment Trust	99,815	<u>99,815</u>	1.48	
		<u>\$ 505,023</u>		

		December 31, 2023			
		<u>Highest balance</u>	<u>Ending balance</u>	<u>Interest rate (%)</u>	<u>Foreign currency ending balance</u>
Key management personnel:					
Others	\$	50,009	\$ 50,000	0.55	
Others		33,901	27,355	4.70~4.95 (Note : USD)	USD 890
Other related parties:					
Others		1,525,200	359,868	0.35~0.55	
			<u>\$ 437,223</u>		

		March 31, 2023			
		<u>Highest balance</u>	<u>Ending balance</u>	<u>Interest rate (%)</u>	<u>Foreign currency ending balance</u>
Key management personnel:					
Others	\$	27,408	\$ 27,408	3.60~4.05 (Note : USD)	USD 900
Other related parties:					
Others		976,028	735,504	0.35~0.50	
			<u>\$ 762,912</u>		

Note: For foreign currency repo trade.

D. Futures traders' equity

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 40,179,577	\$ 39,128,798	\$ 33,905,097
Others	111,022	68,659	65,279
	<u>\$ 40,290,599</u>	<u>\$ 39,197,457</u>	<u>\$ 33,970,376</u>

E. Accounts receivable

	<u>March 31, 2023</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust (Note)	\$ 10,721	\$ 10,263	\$ 12,680
Yuanta Construction Development	1,139	1,645	2,039
	<u>\$ 11,860</u>	<u>\$ 11,908</u>	<u>\$ 14,719</u>

Please refer to Note 7(2)Q for management fee receivables.



F. <u>Settlement payable</u>			
	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
Funds managed by Yuanta			
Securities Investment Trust	\$ <u>12,841</u>	\$ <u>-</u>	\$ <u>9,528</u>
G. <u>Accounts payable</u>			
	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
Others	\$ <u>46</u>	\$ <u>22</u>	\$ <u>-</u>
H. <u>Other payables</u>			
	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Key management personnel:			
Others	\$ -	\$ 100	\$ -
Other related parties:			
SITCA	55	50	51
Others	<u>713</u>	<u>-</u>	<u>48</u>
	\$ <u>768</u>	\$ <u>150</u>	\$ <u>99</u>
I. <u>Deposits on securities borrowed, receivables from deposits on securities borrowed and security borrowing expenses</u>			
	<u>Deposits on securities borrowed</u>		
	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
Funds managed by Yuanta			
Securities Investment Trust	\$ <u>-</u>	\$ <u>-</u>	\$ <u>127,961</u>
	<u>Receivables from deposits on securities borrowed</u>		
	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
Funds managed by Yuanta			
Securities Investment Trust	\$ <u>41,242</u>	\$ <u>41,242</u>	\$ <u>268,343</u>
	<u>Security borrowing expenses</u>		
	<u>For the three months ended March 31,</u>		
	<u>2024</u>	<u>2023</u>	
Other related parties:			
Funds managed by Yuanta			
Securities Investment Trust		\$ <u>9,883</u>	\$ <u>14,186</u>

J. Receivable of securities business money lending

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Key management personnel:			
Others	\$ 200	\$ 50	\$ -
Other related parties:			
Others	43,863	40,220	26,579
	<u>\$ 44,063</u>	<u>\$ 40,270</u>	<u>\$ 26,579</u>

K. Receivables from loans to employees

	<u>March 31, 2023</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Key management personnel:			
Others	\$ 843	\$ 948	\$ 1,201
Other related parties:			
Others	173,229	163,134	156,996
	<u>\$ 174,072</u>	<u>\$ 164,082</u>	<u>\$ 158,197</u>

L. Income from distribution fee

	<u>For the three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Key management personnel:		
Others	\$ 765	\$ 61
Other related parties:		
Others	250	38
	<u>\$ 1,015</u>	<u>\$ 99</u>

M. Investment refund receivable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
IBKC-TONGYANG Growth 2013 Private Equity Fund Kiwoom-Yuanta 2019 Scale-up Fund	\$ 48,896	\$ 48,856	\$ 48,019
SYF Information (Shanghai)	28,059	12,161	11,533
Others	-	85,526	118,159
	-	-	1,480
	<u>\$ 76,955</u>	<u>\$ 146,543</u>	<u>\$ 179,191</u>

N. Other financial liabilities

Customers' deposits of Yuanta Securities and its subsidiaries recorded as other financial liabilities were as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Key management personnel:			
Others	\$ 10,270	\$ 25,983	\$ 8,556
Other related parties:			
Others	11	10	11
	<u>\$ 10,281</u>	<u>\$ 25,993</u>	<u>\$ 8,567</u>

O. Holding the securities issued by fellow subsidiary (recorded as “Financial assets at fair value through profit or loss”)

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
Yuanta SPAC VIII	\$ -	\$ -	\$ 23,113
Yuanta SPAC IX	23,485	23,478	23,113
Yuanta SPAC X	23,485	23,478	23,113
Yuanta SPAC XI	23,485	23,478	23,113
Yuanta SPAC XII	18,739	18,735	18,443
Yuanta SPAC XIII	23,485	23,478	23,112
Yuanta SPAC XIV	23,485	23,478	23,112
Yuanta SPAC XV	23,485	23,478	-
Others	16,249	16,244	-
	<u>\$ 175,898</u>	<u>\$ 175,847</u>	<u>\$ 157,119</u>

P. Credit transaction between the Yuanta Group and related parties

	<u>March 31, 2024</u>		
	<u>Guarantee deposit receivable from short sales</u>	<u>Deposit for short sales</u>	<u>Margin loans</u>
Key management personnel:			
Others	\$ 5,040	\$ 63,468	\$ 87,259
Other related parties:			
Others	565	71,682	25,008
	<u>\$ 5,605</u>	<u>\$ 135,150</u>	<u>\$ 112,267</u>
	<u>December 31, 2023</u>		
	<u>Guarantee deposit receivable from short sales</u>	<u>Deposit for short sales</u>	<u>Margin loans</u>
Key management personnel:			
Others	\$ 4,913	\$ 971	\$ 117,381
Other related parties:			
Others	1,054	1,127	35,630
	<u>\$ 5,967</u>	<u>\$ 2,098</u>	<u>\$ 153,011</u>
	<u>March 31, 2023</u>		
	<u>Guarantee deposit receivable from short sales</u>	<u>Deposit for short sales</u>	<u>Margin loans</u>
Key management personnel:			
Others	\$ 1,475	\$ 18,050	\$ 66,340
Other related parties:			
Others	266	23,016	18,527
	<u>\$ 1,741</u>	<u>\$ 41,066</u>	<u>\$ 84,867</u>

Q. Fund management fee income and fund management fee receivables

	Fund management fee income		
	For the three months ended March 31,		
	2024	2023	
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 1,506,024	\$	1,073,183
Yuanta Asia Growth Investment, L.P.	9,946		8,676
Yuanta Diamond Funds SPC's funds	2,675		4,623
Others	93	(	31)
	<u>\$ 1,518,738</u>	<u>\$</u>	<u>1,086,451</u>
	Fund management fee receivables		
	March 31, 2024	December 31, 2023	March 31, 2023
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 538,043	\$ 496,518	\$ 379,299
Yuanta Asia Growth Investment, L.P.	20,431	9,929	8,615
Global Growth Investment, L.P.	688	572	142
	<u>\$ 559,162</u>	<u>\$ 507,019</u>	<u>\$ 388,056</u>

R. Details on the performance fee and management fee receivable for fund investments accounted for under the equity method and receipts of performance fee and fund management fee are as follows:

	Receivables from performance fee and management fee income		
	March 31, 2024	December 31, 2023	March 31, 2023
Other related parties:			
Yuanta Secondary No.2 Fund	\$ -	\$ -	\$ 3,216
Yuanta Secondary No.3 Private Equity Fund	44,294	36,944	14,484
Yuanta Quantum Jump No.1 Fund	690	161,593	-
Yuanta K-Bio Vaccine Blockbuster Private Equity Fund	11,050	486	-
Others	13,996	35,380	3,928
	<u>\$ 70,030</u>	<u>\$ 234,403</u>	<u>\$ 21,628</u>

		Performance fee and management fee income	
		For the three months ended March 31,	
		2024	2023
Other related parties:			
Yuanta Innovative Growth MPE Fund	(\$	947)	\$ 9,582
Yuanta Secondary No.3 Private Equity Fund		7,316	7,321
Yuanta Secondary No.2 Fund		-	3,287
Yuanta Innovative Job Creation Fund		4,762	5,612
Kiwoom-Yuanta 2019 Scale-up Fund		3,416	4,773
Yuanta K-Bio Vaccine Blockbuster Private Equity Fund		10,532	-
Others		3,477	7,475
	\$	<u>28,556</u>	<u>\$ 38,050</u>
S. <u>Premium income</u>			
		For the three months ended March 31,	
		2024	2023
Other related parties:			
Others	\$	<u>52,534</u>	<u>\$ 64,587</u>
T. <u>The details of the brokerage service fee income from the Yuanta Group and its related parties</u>			
		For the three months ended March 31,	
		2024	2023
Key management personnel:			
Others	\$	7,831	\$ 4,975
Other related parties:			
Funds managed by Yuanta Securities Investment Trust		173,441	76,421
Others		8,435	6,869
	\$	<u>189,707</u>	<u>\$ 88,265</u>
U. <u>Refundable deposits - rental deposit from leasing the Yuanta Group's own assets to related parties</u>			
	March 31, 2024	December 31, 2023	March 31, 2023
Other related parties:			
Yuanta-Polaris Research	\$ -	\$ -	\$ 17
Yuanta Foundation	11	11	10
Yuanta Construction Development	1,527	1,527	1,510
	<u>\$ 1,538</u>	<u>\$ 1,538</u>	<u>\$ 1,537</u>

V. Profit or loss from investment property

(A) Rental income

	For the three months ended March 31,	
	2024	2023
Other related parties:		
Yuanta-Polaris Research	\$ -	\$ 25
Yuanta Construction Development	2,008	1,983
Yuanta Foundation	16	16
	<u>\$ 2,024</u>	<u>\$ 2,024</u>

(B) Imputed interest on rental deposits

	For the three months ended March 31,	
	2024	2023
Other related parties:		
Yuanta Construction Development	<u>\$ 6</u>	<u>\$ 6</u>

(C) Other income

	For the three months ended March 31,	
	2024	2023
Other related parties:		
Yuanta Construction Development	<u>\$ 71</u>	<u>\$ 507</u>

W. Revenue from funds managed by related parties of the Yuanta Group

	For the three months ended March 31,	
	2024	2023
Other related parties:		
Funds managed by Yuanta		
Securities Investment Trust	<u>\$ 209,945</u>	<u>\$ 105,774</u>

X. Other operating income

(A) Underwriting service income

	For the three months ended March 31,	
	2024	2023
Other related parties:		
Yuanta SPAC XII	\$ -	\$ 3,222
Yuanta SPAC XIII	-	6,085
Yuanta SPAC XV	3,193	-
Alpha-Harvest Summit		
Private Equity Fund	19,476	-
	<u>\$ 22,669</u>	<u>\$ 9,307</u>

(B) Borrowed stock revenue

	For the three months ended March 31,	
	2024	2023
Other related parties:		
Funds managed by Yuanta		
Securities Investment Trust	<u>\$ 9,458</u>	<u>\$ 13,848</u>

Y. Futures commissions expense

	For the three months ended March 31,	
	2024	2023
Other related parties:		
Others	\$ 75	\$ -

Z. Other operating expenses

(A) ETF redemption fees

	For the three months ended March 31,	
	2024	2023
Other related parties:		
Funds managed by Yuanta		
Securities Investment Trust	\$ 18,754	\$ 11,191

(B) Financial costs

	For the three months ended March 31,	
	2024	2023
Other related parties:		
Funds managed by Yuanta		
Securities Investment Trust	\$ 89	\$ -

(C) Miscellaneous expenses

	For the three months ended March 31,	
	2024	2023
Other related parties:		
SITCA	\$ 599	\$ 587

AA. Information on compensations to the Yuanta Group's key management

	For the three months ended March 31,	
	2024	2023
Salaries and other short-term employee benefits	\$ 1,913,125	\$ 1,787,994
Termination benefits	-	9,185
Other long-term benefits	3,070	2,889
Post-employment benefit	45,832	40,017
Total	\$ 1,962,027	\$ 1,840,085

(3) Transactions and balances with related parties exceeding \$100 million:

A. Yuanta Bank and its subsidiaries

(A) Deposits

March 31, 2024			
Name	Ending balance	Percentage of deposits (%)	Interest rate (%)
All related parties	\$ 100,278,719	5.89	0.00~6.68
December 31, 2023			
Name	Ending balance	Percentage of deposits (%)	Interest rate (%)
All related parties	\$ 83,919,145	5.19	0.00~6.56
March 31, 2023			
Name	Ending balance	Percentage of deposits (%)	Interest rate (%)
All related parties	\$ 86,858,281	5.53	0.00~6.56

Apart from an interest rate limit on staff demand savings deposits of 6.56%~6.68% and 6.44%~6.56%, respectively, for the three months ended March 31, 2024 and 2023, the range of interest rates on other related parties' demand savings deposits were 0.00%~5.86% and 0.00%~5.82%, respectively. The interest rates and other terms provided to the above related parties were the same as the terms offered to the general public.

For the three months ended March 31, 2024 and 2023, interest expense on the above deposits were \$398,155 and \$324,580, respectively.

(BLANK)



(B) Loans

March 31, 2024

Unit: In thousands of NT dollars

Types	Number of accounts or name of related party	Highest balance	Ending balance	Loan status		Collateral	Whether terms and conditions of the related party transactions are different from those of transactions with third parties.
				Normal loans	Overdue accounts		
Consumer loans	200	\$ 90,792	\$ 73,444	\$ 73,444	\$ -	Movables, deposits and credit loans	None
Residential mortgage loans	456	4,243,170	4,053,217	4,053,217	-	Real estate	None
Other loans	Yuanta Securities	1,500,000	1,500,000	1,500,000	-	Real estate	None
	Greatness Trading Co., Ltd.	20,000	20,000	20,000	-	Real estate	None
	70	411,022	284,515	284,515	-	Deposits, stock, real estate, policy and credit loans	None
Total			\$ 5,931,176	\$ 5,931,176	\$ -		

December 31, 2023

Unit: In thousands of NT dollars

Types	Number of accounts or name of related party	Highest balance	Ending balance	Loan status		Collateral	Whether terms and conditions of the related party transactions are different from those of transactions with third parties.
				Normal loans	Overdue accounts		
Consumer loans	315	\$ 139,320	\$ 77,632	\$ 77,632	\$ -	Small and medium enterprise credit guarantee fund, movables, deposits and credit loans	None
Residential mortgage loans	511	4,800,423	4,117,848	4,117,848	-	Real estate	None
Other loans	Yuanta Securities	4,049,921	-	-	-	Real estate	None
	Greatness Trading Co., Ltd.	20,000	20,000	20,000	-	Real estate	None
	101	536,894	317,180	317,180	-	Deposits, stock, real estate, policy and credit loans	None
Total			\$ 4,532,660	\$ 4,532,660	\$ -		

March 31, 2023

Unit: In thousands of NT dollars

Types	Number of accounts or name of related party	Highest balance	Ending balance	Loan status		Collateral	Whether terms and conditions of the related party transactions are different from those of transactions with third parties.
				Normal loans	Overdue accounts		
Consumer loans	198	\$ 81,587	\$ 61,902	\$ 61,902	\$ -	Small and medium enterprise credit guarantee fund, movables, deposits and credit loans	None
Residential mortgage loans	460	4,082,868	3,782,251	3,782,251	-	Real estate	None
Other loans	Greatness Trading Co., Ltd.	20,000	20,000	20,000	-	Real estate	None
	67	333,925	239,987	239,987	-	Deposits, stock, real estate and policy	None
Total			\$ 4,104,140	\$ 4,104,140	\$ -		

Loans to related parties are under the same terms as those to other customers, except for interest rates on loans to affiliated companies were 1.58%~2.15% and 1.90%~2.02% for the three months ended March 31, 2024 and 2023, respectively, the interest rates on the remaining loans are ranging from 0.00%~12.00% and 0.00%~6.97% for the three months ended March 31, 2024 and 2023, respectively, which are the same with the terms of general loans.

For the three months ended March 31, 2024 and 2023, interest income resulting from the above loans amounted to \$25,944 and \$19,654, respectively.

(C) Service fee income

	For the three months ended March 31,	
	2024	2023
Fellow subsidiary:		
Yuanta Life	\$ 529,691	\$ 428,532
Yuanta Securities Investment Trust	35,084	23,388
Yuanta Securities (Hong Kong)	25,918	4,814
Yuanta Securities	4,661	4,808
	<u>\$ 595,354</u>	<u>\$ 461,542</u>

Resulting from the above-mentioned brokerage of funds, insurances and trusts, the related receivables were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Fellow subsidiary:			
Yuanta Life	\$ 126,567	\$ 107,519	\$ 139,624
Yuanta Securities Investment Trust	11,420	11,832	7,753
Yuanta Securities (Hong Kong)	8,108	12,986	4,005
	<u>\$ 146,095</u>	<u>\$ 132,337</u>	<u>\$ 151,382</u>

(D) Current income tax assets/liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
Parent company:			
Yuanta Financial Holdings			
Consolidated income tax return receivable	\$ 54,209	\$ 54,209	\$ 99,119
Consolidated income tax return payable	\$ 1,401,057	\$ 872,906	\$ 426,300

(E) Property transactions

Futures trading with related parties of Yuanta Bank and its subsidiaries are as follows:

Name of related parties	March 31, 2024	December 31, 2023	March 31, 2023
Fellow subsidiary:			
Yuanta Futures			
Futures Margin	\$ 898,389	\$ 513,893	\$ 164,994

B. Yuanta Securities and its subsidiaries

(A) Futures transactions

a. Futures margins arising from future transactions are as follows:

	March 31, 2024	
	Futures margins	
	Own funds	Excess margins
Fellow subsidiary:		
Yuanta Futures	\$ 1,483,405	\$ 1,389,870
Others	9,623	57,641
	<u>\$ 1,493,028</u>	<u>\$ 1,447,511</u>
	December 31, 2023	
	Futures margins	
	Own funds	Excess margins
Fellow subsidiary:		
Yuanta Futures	\$ 1,093,798	\$ 1,449,854
Others	18,713	70,743
	<u>\$ 1,112,511</u>	<u>\$ 1,520,597</u>
	March 31, 2023	
	Futures margins	
	Own funds	Excess margins
Fellow subsidiary:		
Yuanta Futures	\$ 1,511,885	\$ 2,392,457
Others	9,759	115,392
	<u>\$ 1,521,644</u>	<u>\$ 2,507,849</u>

(B) Bank deposits, loans and interest income

a. Details of deposits of Yuanta Securities and its subsidiaries with related parties are as follows:

	March 31, 2024	
	Bank deposits	Other receivables – interest receivable (Note)
Fellow subsidiary:		
Yuanta Bank	<u>\$ 36,532,502</u>	<u>\$ 127,951</u>
	December 31, 2023	
	Bank deposits	Other receivables – interest receivable (Note)
Fellow subsidiary:		
Yuanta Bank	<u>\$ 29,619,224</u>	<u>\$ 92,870</u>
	March 31, 2023	
	Bank deposits	Other receivables – interest receivable (Note)
Fellow subsidiary:		
Yuanta Bank	<u>\$ 25,325,290</u>	<u>\$ 88,245</u>

		Other gains and losses – interest income (Note)	
		For the three months ended March 31,	
		2024	2023
Fellow subsidiary:			
Yuanta Bank		\$ 202,349	\$ 136,551
Note: Including the interest of demand deposits, time deposits and operating guarantee deposits.			
b.	As of March 31, 2024, December 31, 2023 and March 31, 2023, the certificates of deposit that Yuanta Securities and its subsidiaries provided to Yuanta Bank (recorded as “other current assets”) as collateral for credit facility and guarantee deposits of structured products and guarantee deposits on money lending amounted to \$8,208,277, \$393,383 and \$359,113, respectively.		
c.	As of March 31, 2024, December 31, 2023 and March 31, 2023, the short-term loans that Yuanta Securities and its subsidiaries borrowed from Yuanta Bank amounted to \$1,500,000, \$0 and \$0, respectively.		
(C)	Consolidated income tax return - receivables/ payables (recorded as “current income tax assets/liabilities”)		
		March 31, 2024	December 31, 2023
			March 31, 2023
Parent company:			
Yuanta Financial Holdings			
Consolidated income			
tax return receivables	\$ 66,009	\$ 66,009	\$ -
Consolidated income			
tax return payables	\$ 1,992,856	\$ 1,617,979	\$ 854,305
(D)	Operating guarantee deposits		
	Yuanta Securities and its subsidiaries provided time deposits to a related party as operating guarantee deposits for engaging in securities and futures business. Details were as follows:		
		March 31, 2024	December 31, 2023
			March 31, 2023
Fellow subsidiary:			
Yuanta Bank	\$ 1,290,000	\$ 1,290,000	\$ 1,280,000
(E)	Refundable deposits for securities lending auction		
	Yuanta Securities and its subsidiaries made refundable deposits with related parties for securities lending auction. Details were as follows:		
		March 31, 2024	December 31, 2023
			March 31, 2023
Fellow subsidiary:			
Yuanta Bank	\$ 304,000	\$ 304,000	\$ 304,000

(F) Deposits on securities borrowed, receivables from deposits on securities borrowed and security borrowing expenses  
Please refer to Note 7(2)I.

(G) Receivables from loans to employees  
Please refer to Note 7(2)K.

(H) Commission income

	For the three months ended March 31,	
	2024	2023
Fellow subsidiary:		
Yuanta Life	\$ 156,531	\$ 119,359

(I) Amounts held for settlement

As of March 31, 2024, December 31, 2023 and March 31, 2023, Yuanta Securities and its subsidiaries had amounts held for settlement of \$271,912, \$261,247 and \$653,014, respectively, which were deposited at its fellow subsidiary, Yuanta Bank.

(J) Property transactions

a. Bills and bonds transactions under repurchase agreements (recorded as "liabilities for bills and bonds with repurchase agreements")  
Please refer to Note 7(2)C(B).

b. Bonds sold and purchased (recorded as "financial assets at fair value through profit or loss")

	For the three months ended March 31, 2023	
	Purchased	Sold
Fellow subsidiary:		
Yuanta Futures	\$ -	\$ 596,653

There were no bonds sold and purchased for the three months ended March 31, 2024.

(K) Lease transactions—Lessee

a. Yuanta Securities and its subsidiaries lease buildings from related parties. Rental contracts are typically made for periods of 3 to 5 years and rental payments are made at the beginning of each month.

b. Lease liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
Fellow subsidiary:			
Yuanta Life	\$ 167,327	\$ 193,358	\$ 275,187
Yuanta Bank	34,977	23,703	19,849
	<u>\$ 202,304</u>	<u>\$ 217,061</u>	<u>\$ 295,036</u>

(L) Customer margin accounts

	March 31, 2024	December 31, 2023	March 31, 2023
Fellow subsidiary:			
Yuanta Futures	\$ 306,723	\$ 274,639	\$ 273,873
Others	1,225	1,174	1,164
	<u>\$ 307,948</u>	<u>\$ 275,813</u>	<u>\$ 275,037</u>

(M) Brokerage fee revenue

	For the three months ended March 31,	
	2024	2023
Fellow company:		
Others	\$ 10,728	\$ 9,243
Key management personnel:		
Others	7,831	4,975
Other related parties:		
Funds managed by Yuanta Securities Investment Trust	124,487	38,461
Others	7,012	5,582
	<u>\$ 150,058</u>	<u>\$ 58,261</u>

These securities brokerage transactions mentioned above were made in the ordinary course of business and carried out at arms-length commercial terms.

(N) Funds and beneficiary certificates managed by fellow subsidiary (recorded as “financial assets at fair value through profit or loss”)

	March 31, 2024	December 31, 2023	March 31, 2023
Other related parties:			
Fund managed by Yuanta Securities Investment Trust	\$ 12,367,158	\$ 9,598,907	\$ 5,322,832
	For the three months ended March 31,		
	2024	2023	
	Proceeds on disposal	Realised gain	Proceeds on disposal
			Realised gain
Other related parties:			
Fund managed by Yuanta Securities Investment Trust	\$ 121,959,861	\$ 566,618	\$ 72,550,380
			\$ 78,807

(O) Securities issued by fellow subsidiary (recorded as “financial assets at fair value through profit or loss”)

	March 31, 2024	December 31, 2023	March 31, 2023
Other related parties:			
Yuanta SPAC VIII	\$ -	\$ -	\$ 23,113
Yuanta SPAC IX	23,485	23,478	23,113
Yuanta SPAC X	23,485	23,478	23,113
Yuanta SPAC XI	23,485	23,478	23,113
Yuanta SPAC XII	18,739	18,735	18,443
Yuanta SPAC XIII	23,485	23,478	23,112
Yuanta SPAC XIV	23,485	23,478	23,112
Yuanta SPAC XV	23,485	23,478	-
Others	16,249	16,244	-
	<u>\$ 175,898</u>	<u>\$ 175,847</u>	<u>\$ 157,119</u>

	Proceeds on disposal	
	For the three months ended March 31,	
	2024	2023
Parent subsidiary:		
Yuanta Financial Holdings	\$ 647,664	\$ 135,856

(P) Credit transaction  
Please refer to Note 7(2)P.

(Q) Others

- a. As of March 31, 2024, December 31, 2023 and March 31, 2023, the credit facilities granted by fellow subsidiary - Yuanta Bank to Yuanta Securities and its subsidiaries with land and buildings as collateral were all \$11,500,000. The carrying amounts of land and building amounting to \$3,385,023, \$3,393,960 and \$3,416,645, respectively, were designated as collateral.
- b. The fund balances held by Yuanta Securities and its subsidiaries (recorded as “financial assets at fair value through profit or loss”).

	The balance of fund		
	March 31, 2024	December 31, 2023	March 31, 2023
Other related parties:			
Yuanta Asia Growth			
Investment, L.P.	\$ 161,112	\$ 154,793	\$ 137,254
Global Growth			
Investment, L.P.	72,006	17,486	18,258
	<u>\$ 233,118</u>	<u>\$ 172,279</u>	<u>\$ 155,512</u>

- c. Details on the performance fee and management fee receivable for fund investments accounted for under the equity method and receipts of performance fee and fund management fee are as follows:

Please refer to Note 7(2)R.

C. Yuanta Futures and its subsidiaries

(A) Cash and cash equivalents / operating guarantee deposits / customer margin deposits

	March 31, 2024		
	Bank deposits ending balance	Operating guarantee deposits	Customer margin deposits
Fellow subsidiary:			
Yuanta Bank	\$ 2,022,897	\$ 140,000	\$ 23,947,599
Yuanta Securities (Korea)	-	-	22,314
Yuanta Securities (Vietnam)	-	-	177,174
	<u>\$ 2,022,897</u>	<u>\$ 140,000</u>	<u>\$ 24,147,087</u>



	December 31, 2023		
	Bank deposits ending balance	Operating guarantee deposits	Customer margin deposits
Fellow subsidiary:			
Yuanta Bank	\$ 4,454,633	\$ 140,000	\$ 22,468,952
Yuanta Securities (Korea)	-	-	24,063
Yuanta Securities (Vietnam)	-	-	209,670
	<u>\$ 4,454,633</u>	<u>\$ 140,000</u>	<u>\$ 22,702,685</u>
	March 31, 2023		

	Bank deposits ending balance	Operating guarantee deposits	Customer margin deposits
Fellow subsidiary:			
Yuanta Bank	\$ 6,134,791	\$ 140,000	\$ 21,923,483
Yuanta Securities (Korea)	-	-	5,617
Yuanta Securities (Vietnam)	-	-	286,174
	<u>\$ 6,134,791</u>	<u>\$ 140,000</u>	<u>\$ 22,215,274</u>

Yuanta Futures and its subsidiaries purchased book-entry central government securities (CGS) through Yuanta Securities for \$0 and \$596,123 for the three months ended March 31, 2024 and 2023, respectively.

(B) Customer margin accounts for leverage contracts

	March 31, 2024	December 31, 2023	March 31, 2023
Fellow subsidiary:			
Yuanta Bank	<u>\$ 366,749</u>	<u>\$ 266,264</u>	<u>\$ 121,640</u>

(C) Equity of futures traders

	March 31, 2024	December 31, 2023	March 31, 2023
Fellow subsidiary:			
Yuanta Securities	\$ 2,895,628	\$ 2,567,422	\$ 3,925,767
Yuanta Bank	898,425	513,843	164,981
Yuanta Securities (Hong Kong)	35,721	55,577	98,909
Yuanta Securities (Korea)	318,256	286,651	284,528
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	40,179,577	39,128,798	33,905,097
Others	111,022	68,659	65,279
	<u>\$ 44,438,629</u>	<u>\$ 42,620,950</u>	<u>\$ 38,444,561</u>

(D) Lease liabilities

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Fellow subsidiary:			
Yuanta Bank	\$ 5,302	\$ 2,260	\$ 4,063
Yuanta Life	63,702	73,705	103,620
Yuanta Securities (Hong Kong)	4,692	6,269	11,201
	<u>\$ 73,696</u>	<u>\$ 82,234</u>	<u>\$ 118,884</u>

(E) Investment refund receivable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
SYF Information (Shanghai)	\$ -	\$ 85,526	\$ 118,159

Yuanta Futures and its subsidiaries fully recovered the above-mentioned investment refund receivable in January 2024.

(F) Interest income

	<u>For the three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Bank	\$ 159,789	\$ 99,356

Interest income includes the interest from demand deposits, time deposits, customer margin deposits, and operating guarantee deposits.

(G) Property transactions

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Acquisition of financial assets			
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 460,436	\$ 292,896	\$ 164,268

D. Yuanta Securities Investment Consulting

As of March 31, 2024, December 31, 2023 and March 31, 2023, Yuanta Securities Investment Consulting deposited \$175,345, \$242,005 and \$200,012, respectively, to Yuanta Bank, amongst which, the operating guarantee deposits were all \$5,000, and annual interest rates were 1.53%, 1.53% and 1.03%, respectively.

E. Yuanta Securities Investment Trust

(A) Bank deposits

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Fellow subsidiary:			
Yuanta Bank	\$ 4,781,362	\$ 4,671,246	\$ 4,605,305

(B) Accounts receivable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	<u>\$ 548,764</u>	<u>\$ 508,246</u>	<u>\$ 391,979</u>

Note: As of March 31, 2024, December 31, 2023 and March 31, 2023, accounts receivable included management fee receivables amounting to \$538,043, \$497,983 and \$379,299, respectively.

(C) Management fee income

	<u>For the three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Other related parties:		
Funds managed by Yuanta Securities Investment Trust	<u>\$ 1,506,024</u>	<u>\$ 1,073,183</u>

(D) Fund transactions

Securities investment trust funds raised by the Yuanta Securities Investment Trust which are held by Yuanta Securities Investment Trust and its related parties are as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Yuanta Securities Investment Trust	<u>\$ 429,847</u>	<u>\$ 295,662</u>	<u>\$ 215,874</u>
Fellow subsidiary:			
Yuanta Life	<u>4,767,220</u>	<u>2,344,521</u>	<u>1,106,121</u>
Others	<u>575,700</u>	<u>373,258</u>	<u>564,385</u>
	<u>\$ 5,772,767</u>	<u>\$ 3,013,441</u>	<u>\$ 1,886,380</u>

(E) Sales fee

	<u>For the three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Securities	<u>\$ 76,394</u>	<u>\$ 50,566</u>
Yuanta Bank	<u>34,010</u>	<u>22,434</u>
	<u>\$ 110,404</u>	<u>\$ 73,000</u>

F. Yuanta Life

(A) Bank deposits and time deposits

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Fellow subsidiary:			
Yuanta Bank (Note)	<u>\$ 1,704,649</u>	<u>\$ 1,700,100</u>	<u>\$ 1,404,336</u>

Note: Including other financial assets.

(B) Current income tax assets

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Parent company:			
Yuanta Financial Holdings			
Consolidated income			
tax return receivable	<u>\$ 5,455,272</u>	<u>\$ 5,215,483</u>	<u>\$ 4,962,290</u>
Consolidated income			
tax return payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,729</u>

(C) Holding the funds and beneficiary certificates being managed by related parties (recognised as financial asset at fair value through profit or loss)

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other related parties:			
Funds managed by Yuanta	\$ 13,517,028	\$ 9,453,315	\$ 6,205,836
Securities Investment			
Trust			
Yuanta Asia Growth			
Investment, L.P.	<u>161,114</u>	<u>154,793</u>	<u>137,254</u>
	<u>\$ 13,678,142</u>	<u>\$ 9,608,108</u>	<u>\$ 6,343,090</u>
<u>For the three months ended March 31, 2024</u>			
	<u>Purchase price</u>	<u>Proceeds on disposal</u>	<u>Realised gain or loss</u>
Other related parties:			
Funds managed by			
Yuanta Securities			
Investment Trust	<u>\$ 3,486,350</u>	<u>\$ -</u>	<u>\$ -</u>
<u>For the three months ended March 31, 2023</u>			
	<u>Purchase price</u>	<u>Proceeds on disposal</u>	<u>Realised gain or loss</u>
Other related parties:			
Funds managed by			
Yuanta Securities			
Investment Trust	<u>\$ 4,132,151</u>	<u>\$ 530,923</u>	<u>(\$ 41,255)</u>

Dividends income from investments in funds and beneficiary certificates were as follows (recorded as “profit or loss on financial assets at fair value through profit or loss”):

	<u>For the three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Other related parties:		
Funds managed by		
Yuanta Securities Investment Trust	<u>\$ 125,715</u>	<u>\$ 76,251</u>

(D) Payables

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Fellow subsidiary:			
Yuanta Bank	\$ 95,616	\$ 89,751	\$ 106,435
Yuanta International Insurance Brokers	45,556	43,730	76,529
	<u>\$ 141,172</u>	<u>\$ 133,481</u>	<u>\$ 182,964</u>

(E) Premium income

Please refer to Note 7(2)S.

(F) Commission expense

	<u>For the three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Bank	\$ 516,009	\$ 393,922
Yuanta International Insurance Brokers	156,531	119,359
	<u>\$ 672,540</u>	<u>\$ 513,281</u>

(G) Information on investments entrusted to related parties

Yuanta Life entered into a discretionary investment agreement with Yuanta Securities Investment Trust to entrust Yuanta Securities Investment Trust to serve as the trustee of discretionary investment-linked insurance. The entrusted investment items are mainly funds, beneficiary certificates and ETFs. The amount of investments as of March 31, 2024 and 2023 were \$28,250,945 and \$28,233,194, respectively; the trustee's compensation for the commissioned services during the three months ended March 31, 2024 and 2023 amounted to \$4,277 and \$3,817, respectively. In addition, Yuanta Life entrusted Yuanta Bank to serve as the custody institution of discretionary investment-linked insurance. The custody institution's compensation for the commissioned services during the three months ended March 31, 2024 and 2023 amounted to \$7,244 and \$7,020, respectively.

G. Yuanta Ventures and its subsidiary

Bank deposits

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Fellow subsidiary:			
Yuanta Bank	\$ 1,331,960	\$ 1,142,708	\$ 1,102,610
Yuanta Securities (Hong Kong)	5,842	5,622	5,543
	<u>\$ 1,337,802</u>	<u>\$ 1,148,330</u>	<u>\$ 1,108,153</u>

H. Yuanta Asset Management

(A) Bank deposits

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Fellow subsidiary:			
Yuanta Bank	<u>\$ 419,270</u>	<u>\$ 367,521</u>	<u>\$ 438,181</u>

(B) Property transactions—Beneficiary certificates (recorded as financial assets at fair value through profit or loss)

	March 31, 2024	December 31, 2023	March 31, 2023
Other related parties:			
Funds managed by			
Yuanta Securities			
Investment Trust	\$ 84,766	\$ 30,211	\$ 100,868

8. Pledged assets

The Yuanta Group's assets pledged as collateral are as follows:

Items	March 31, 2024	December 31, 2023	March 31, 2023	Purpose of pledge
Due from Central Bank and call loans to other banks	\$ 213,498	\$ 260,865	\$ 116,730	Operating guarantee deposits
Financial assets at fair value through profit or loss	167,069,433	188,992,362	129,912,086	Bonds and bills under repurchase agreements, collateral for securities lending, OTC trading and compensation for mutual fund
	623,200	-	-	Futures trading margin
	55,730,237	54,827,303	50,614,415	Brokerage business
	709,868	749,523	901,608	Guarantee deposits for notes, collective fund for compensation loss
Financial assets at fair value through other comprehensive income	5,131,397	4,411,695	4,044,237	Claim reserve from trust business, collateral for securities lending business and guarantees on asset disposal
	66,427,351	59,341,062	79,726,129	Bonds and bills under repurchase agreements, operating guarantee deposits, OTC performance bonds, claims reserve from trust fund and guarantees on asset disposal
	107,968	-	-	Money market limit guarantee
Investments in debt instruments at amortised cost	3,622,339	3,622,439	3,622,739	Operating guarantee deposits
	207,363	207,858	209,362	Deposits for guarantees in the Central Bank
	223,375	223,758	182,304	Claim reserve from trust business
	10,000,000	10,000,000	10,000,000	Overdraft guarantee for foreign currency settlement
	107,188	107,369	107,914	Settlement reserves for Electronic Bond Trading System (EBTS) issued by OTC
	53,594	53,684	53,957	Deposit guarantees of bills merchants
	276,330	279,159	271,297	Collateral for provisional seizure
	6,110	6,120	5,827	VISA international card payment reserves
	53,594	207,128	53,957	Settlement reserves for Taiwan Futures Exchange
Restricted assets—net	2,464,696	2,551,751	1,876,674	Collateral for settlement limit, short-term loans, payable short-term bills, securities lending and OTC derivative transactions
	140,071	473,000	399,225	Operating guarantee deposits-exchange, structured products, interest rate swap account, repo trade and money lending refundable liquidation and settlement default reserve
	1,243,095	937	922	Overdraft guarantee
	26,081	25,459	24,361	Dividends to be paid for transfer-agent services business

Items	March 31, 2024	December 31, 2023	March 31, 2023	Purpose of pledge
Other assets — net	\$ 548,739	\$ 295,392	\$ 540,343	Operating guarantee deposits
	6,189,864	2,487,522	3,388,234	Performance bond and rental deposits
	530,076	76,550	80,926	Underwriting share proceeds collected on behalf of customers
	10,000	10,000	-	Claim reserve from trust business
Property and equipment and investment property	2,461,510	2,468,502	2,467,110	Collateral for settlement limit and short-term loans; collateral for mortgage loans and leases
Treasury share of Yuanta Securities (Korea)	440,304	417,265	430,103	Collateral for securities lending business

#### 9. Significant contingent liabilities and unrecognised contract commitments

- (1) As of March 31, 2024, December 31, 2023 and March 31, 2023, capital expenditure contracted for at the balance sheet date but not yet incurred were \$7,734,742, \$8,041,524 and \$8,055,525, respectively.
- (2) As of March 31, 2024, the upper limit of remaining capital commitment for the investment agreement signed by Yuanta Life of the Yuanta Group was USD 808 thousand dollars.

#### (3) Stocks entrusted to custody

As of March 31, 2024, December 31, 2023 and March 31, 2023, the stocks entrusted to the custody of Yuanta Securities Finance of the Yuanta Group by clients were all 7,483 thousand shares. The market value of these entrusted stocks was approximately \$79,045, \$78,808 and \$78,480, respectively.

#### (4) Transactions on behalf of customers

Yuanta Securities had several proxy delivery agreements with certain securities companies. In accordance with these agreements, these securities companies have agreed to be Yuanta Securities' first and second proxy. If Yuanta Securities is unable to fulfil its settlement obligations to the TWSE, the proxies must then act pursuant to said obligations and responsibilities.

#### (5) Other lawsuits- Yuanta Securities

- A. With respect to the land and parking space sales dispute, Seventh-Day Adventist Church Taiwan Conference and Taiwan Adventist Hospital initiated a mediation procedure against Yuanta Securities and another party. On January 17, 2018, the claimants raised its claim to \$952,511 thousand (the amount of \$950,861 thousand of which was claimed on a jointly-liaible basis). The mediation failed before the Taiwan Taipei District Court. On July 11, 2018, Seventh-Day Adventist Church Taiwan Conference and Taiwan Adventist Hospital initiated a separate suit for the same matter and claimed the same compensation. The Taiwan Taipei District Court ruled to reject all the plaintiffs' claims on January 27, 2022 (i.e., Yuanta Securities and another party won the lawsuit). The plaintiffs appealed and reduced the claim amount to \$722,378 thousand (the amount of \$512,454 thousand of which is claimed by Seventh-Day Adventist Church Taiwan Conference and the amount of \$209,924 thousand of which is claimed by Taiwan Adventist Hospital). Yuanta Securities is responding to the lawsuit in accordance with the law.
- B. As of March 31, 2024, of the total 14 litigations against Yuanta Securities (Korea) and its subsidiaries, a litigation was related to the financial product selling disputes of former TongYang Securities Inc. (please refer to the explanation in Note 6(26)). The remaining 13 litigations were compensation claims totaling KRW6,098 million (approximately \$100 million). As of March 31, 2024, Yuanta Securities (Korea) and its subsidiaries provided provisions amounting to KRW191 million (approximately \$5 million) for the abovementioned 13 litigations that were unrelated to the financial product selling disputes. Also, please refer to the explanation in Note 6(26) for an arbitration result which Yuanta Securities (Korea) is subject to.  
Separately, Yuanta Securities (Korea) filed 8 lawsuits as the plaintiff with a total claimed amount of KRW81,307 million (approximately \$1.9 billion).
- C. Due to the alleged fraudulent act committed by a former employee of KK Trade Securities Co., Ltd., the affected clients filed a civil lawsuit against Yuanta Securities (Thailand) and the former

employee for a joint liability to pay the compensation of THB301 million (approximately \$300 million). In August 2017, Yuanta Securities (Thailand) received a civil complaint of the lawsuit. As part of the claimed amount was not remitted to the account of KK Trade Securities Co., Ltd., but rather directly remitted to the former employee's private account from the plaintiffs, the liability is denied by Yuanta Securities (Thailand). The claims made by the plaintiffs were all dismissed by the court of the first instance on October 8, 2020. The court of the second instance also dismissed all the plaintiffs' claims on April 7, 2022. The plaintiffs appealed the case to the court of the third instance for review and reduced the claim amount from THB301 million to THB149 million (approximately \$100 million).

- D. As of March 31, 2024, Yuanta Securities (Hong Kong)'s receivables from certain margin loans amounting to HKD147,504 thousand (approximately \$600 million) were secured by listed securities that were suspended for trading. These margin clients were served by an account executive who entered into a guarantee agreement with Yuanta Securities (Hong Kong) (the "Guarantee Agreement") under which the account executive agreed to guarantee against all losses incurred by Yuanta Securities (Hong Kong) in relation to the accounts of these margin clients. Considering that Yuanta Securities (Hong Kong) had exercised its right of set-off under the Guarantee Agreement against the account executive's assets amounting to HKD68,552 thousand (approximately \$300 million) and received the first repayment distributed by certain clients' liquidator amounting to HKD44 thousand (approximately \$180 thousand), the remaining loss of HKD78,908 thousand (approximately \$300 million) has been recognised. Yuanta Securities (Hong Kong) has raised a litigation proceeding against the account executive claiming the full amount of the debt owed by those margin clients based on the Guarantee Agreement. The claim amount is HKD135,191 thousand (approximately \$600 million) including the interest calculated as of the date of filing the lawsuit. The account executive claimed that she has no liability for losses in relation to the accounts of these margin clients. On February 22, 2021, the court of the first instance issued a summary judgment, ruling that the account executive should bear full guarantee liabilities. However, the account executive filed an appeal against such decision on March 22, 2021. As at the date of the approval of the financial statements, Yuanta Securities (Hong Kong) has considered the external legal advice, and deemed that no provision in relation to the above set-off is necessary.

(6) Other lawsuits- Banks

Yuanta Savings Bank (Korea) exercised its pledge right for several times from 2006 to 2008 to acquire a 33.3% equity interest in Pentagon City under a credit loan extended by Yuanta Savings Bank (Korea) to Pentagon City. In September 2008, Pentagon City implemented a capital reduction on shares held by Yuanta Savings Bank (Korea) and another shareholder under which Pentagon City returned cash of KRW28 billion to Yuanta Savings Bank (Korea). In 2018, Pentagon City claimed that Yuanta Savings Bank (Korea) breached the 10% holding limit for an unlisted company imposed by laws with respect to savings banks, and thus claimed Yuanta Savings Bank (Korea) should return KRW19,599,160 thousand as unjustly received benefit, which represents consideration of shares above the 10% holding limit. On June 20, 2019, the Seoul Central District Court as the court of the first instance ruled in favour of Yuanta Savings Bank (Korea). Pentagon City disagreed with the ruling and filed an appeal on July 8, 2019. The Seoul High Court as the court of the second instance ruled in favor of Yuanta Savings Bank (Korea) on November 3, 2020. However, Pentagon City still disagreed with the ruling and filed an appeal for the review of the third instance on November 18, 2020. As of March 31, 2024, the case is still under the review of the Supreme Court of South Korea. The subsequent proceedings of the litigation have been assessed to have no material impact on the operations and shareholders' equity of Yuanta Savings Bank (Korea) and Yuanta Bank.

(7) Other lawsuits- Yuanta Life Insurance

As of March 31, 2024, Yuanta Life Insurance still has several insurance claim litigations in process.



Yuanta Life Insurance handled these cases by itself or with assistance of legal counsels and has provisioned an appropriate amount of claim reserves.

(8) Others

	March 31, 2024	December 31, 2023	March 31, 2023
Commitment of the securities under a repurchase agreement	\$ 233,632,950	\$ 257,448,903	\$ 164,150,202
Commitment of the securities under a resale agreement	79,237,599	100,042,588	76,579,204
Unused loan commitments	34,013,386	28,671,871	22,573,671
Credit commitment on credit card	124,282,870	123,735,821	123,055,269
Unused L/C balance	3,850,291	2,189,074	3,110,976
Other guarantees	12,865,439	12,335,000	10,639,079
Consignment collection for others	13,550,797	13,626,512	13,407,394
Trust assets	355,760,989	346,068,957	316,378,507
Book-Entry Central Government Securities	94,419,200	96,757,000	128,915,900
Items under custody	74,483,916	76,077,941	64,601,021

(9) Content and amount of trust businesses conducted in accordance with the Trust Enterprise Act

In accordance with Article 17 of the Trust Enterprise Act, disclosure of trust balance sheet, trust income statement and trust property catalog of the Yuanta Bank are as follows:

Not applicable.

(10) According to Ministry of Finance, Ruling No.1030026386, disclose the information as follows:

Offshore Securities Unit of Yuanta Securities engaged in custody and investment of funds affairs on behalf of customers. Related bank deposits under such affairs on March 31, 2024, December 31, 2023 and March 31, 2023 were USD4,039 thousand dollars, USD5,558 thousand dollars and USD 5,088 thousand dollars, respectively.

10. Significant losses from disasters

(1) The Company:

None.

(2) Subsidiaries:

None.

11. Significant subsequent events

(1) The Company:

None.

(2) Subsidiaries:

- A. On April 22, 2024, the Board of Directors of Yuanta International Leasing Co., Ltd., subsidiary of Yuanta Bank, acted on behalf of the shareholders' meeting and approved the resolution of business termination, dissolution and liquidation.
- B. In order to replenish working capital and repay bank borrowings or commercial promissory notes issued for operations, on December 28, 2023, the Board of Directors of the Yuanta Securities resolved to issue unsecured corporate bonds in the amount of \$10 billion, expecting to complete the first issuance of \$5 billion 2024 unsecured corporate bonds in May 2024.

12. Others

(1) Capital risk management

- A. The objectives of capital management of the Yuanta Group:

- (A) Meeting the minimum regulated capital adequacy ratio is the most basic objective for the qualifying self-owned capital of the financial group controlled by the Yuanta Group. The calculation of qualifying self-owned capital and legal capital should be made in compliance with regulations of competent authorities.
- (B) In order to process sufficient capital to assume various risks, the Yuanta Group assesses the required capital with consideration of the risk portfolio it faces and the risk characteristic, and manages risk through capital allocation to realise utilization of capital allocation.
- B. Capital management procedure:
  - (A) The Yuanta Group regularly monitors the overall capital adequacy ratio, which is maintained and reported to the competent authorities every 6 or 12 months in compliance with the regulations from both competent authorities and internal requirements.
  - (B) Calculation and control procedures related to capital adequacy of the financial group are all in compliance with “Regulations Governing the Consolidated Capital Adequacy of Financial Holding Companies” and “Regulations Governing the Capital Adequacy management for the Yuanta Financial Holding Company., Ltd.”.
  - (C) The objective of capital management of the Yuanta Group shall be agreed by the Board of Directors, of which an appropriate capital projection is scheduled by the finance management according to the long-term developing strategies, operating plan and characteristics of assets and liabilities. The consolidated capital adequacy ratio of the Yuanta Group is assessed and calculated by month. The Risk Management Department regularly monitors the overall capital adequacy and analyses the impact to the capital adequacy arising from the Yuanta Group's business development and the change of regulations. The Business Departments shall consider the impact of each transaction or task on the capital adequacy when conducting such transaction or task according to the annual risk limits authorised by the Yuanta Group.
  - (D) The Yuanta Group also sets up a warning indicator in relation to above managing objectives, that is, when the capital adequacy ratio drops to the warning indicator, the risk management shall call a meeting to discuss a responding solution which is handed to the finance management for the following executive operations.

(2) Fair value information of financial instruments

A. Information on fair value of financial instruments and fair value hierarchy

(A) Outline

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial instruments are initially recognised at fair value. For subsequent measurements, except for those measured at amortised cost, financial instruments are measured at fair value. For active markets, fair value is measured according to quoted prices. For non-active markets, the Yuanta Group utilises valuation techniques or references quoted prices from Reuters, Bloomberg or counterparties to determine the fair value of financial instruments.

(B) Definition for the hierarchy classification of financial instruments measured at fair value

a. Level 1

Level 1 refers to quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date. An active market refers to 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 investments of the Yuanta Group, such as listed stocks investment, beneficiary certificates, popular Taiwan government bonds and the derivatives with a quoted price in an active market, are deemed as Level 1.

b. Level 2

Level 2 refers to prices in active markets other than quoted market prices that are

observable, including direct (e.g. prices) or indirect (i.e. derived from prices) observable inputs from active markets. Investment of the Yuanta Group such as non-popular government bonds, corporate bonds, bank debentures, convertible corporate bonds, most derivatives and bank debentures issued by the Yuanta Group are all classified within Level 2.

c. Level 3

Level 3 refers to situations that measures fair value by using the unobservable inputs for assets and liabilities with very few (occasional) market activities. However, it has the same fair value measurement purpose which is the exit price at the measurement date for a market participant who holds the assets or owes the liabilities. Thus, the unobservable inputs reflect the assumptions (including assumptions in relation to risks) used by the market participant during the pricing of assets and liabilities.

B. Financial instruments measured at fair value

(A) Hierarchy of fair value estimation of financial instruments:

Recurring fair value measurements	March 31, 2024			
	Total	Level 1	Level 2	Level 3
<u>Non-derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 65,880,898	\$ 63,433,224	\$ 8,494	\$ 2,439,180
Debt instruments	335,673,883	100,364,253	235,067,788	241,842
Others	175,030,039	73,922,282	97,061,560	4,046,197
Financial assets at fair value through other comprehensive income				
Equity instruments	58,574,372	23,524,352	-	35,050,020
Debt instruments	264,265,881	125,521,502	138,744,379	-
Other financial assets				
Purchase of claim receivable	1,727,831	-	-	1,727,831
Liabilities				
Financial liabilities at fair value through profit or loss	\$ 40,873,329	\$ 40,734,738	\$ 138,591	\$ -
<u>Derivative instruments and structured products</u>				
Assets				
Financial assets at fair value through profit or loss	\$ 19,315,898	\$ 10,246,073	\$ 6,726,878	\$ 2,342,947
Liabilities				
Financial liabilities at fair value through profit or loss	\$122,433,774	\$ 3,702,297	\$ 63,947,577	\$ 54,783,900

<b>Recurring fair value measurements</b>	December 31, 2023			
	Total	Level 1	Level 2	Level 3
<u>Non-derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 37,665,667	\$ 35,633,825	\$ 9,146	\$ 2,022,696
Debt instruments	346,595,401	108,814,593	237,489,244	291,564
Others	161,517,705	69,780,205	87,634,286	4,103,214
Financial assets at fair value through other comprehensive income				
Equity instruments	42,423,630	7,757,994	-	34,665,636
Debt instruments	249,839,188	117,208,267	132,630,921	-
Other financial assets				
Purchase of claim receivable	1,765,701	-	-	1,765,701
Liabilities				
Financial liabilities at fair value through profit or loss	\$ 44,484,945	\$ 44,392,533	\$ 92,412	\$ -
<u>Derivative instruments and structured products</u>				
Assets				
Financial assets at fair value through profit or loss	\$ 17,922,423	\$ 6,529,518	\$ 8,150,557	\$ 3,242,348
Liabilities				
Financial liabilities at fair value through profit or loss	\$114,185,769	\$ 3,556,773	\$ 59,331,721	\$ 51,297,275

Recurring fair value measurements	March 31, 2023			
	Total	Level 1	Level 2	Level 3
<u>Non-derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 39,912,195	\$ 37,568,456	\$ -	\$ 2,343,739
Debt instruments	284,366,678	77,358,836	206,335,416	672,426
Others	117,736,639	34,902,520	77,561,569	5,272,550
Financial assets at fair value through other comprehensive income				
Equity instruments	61,919,941	26,720,346	-	35,199,595
Debt instruments	292,767,102	133,323,136	159,424,397	19,569
Other financial assets				
Purchase of claim receivable	1,787,656	-	-	1,787,656
Liabilities				
Financial liabilities at fair value through profit or loss	\$ 113,582,336	\$ 45,543,217	\$ 25,078,024	\$ 42,961,095
<u>Derivative instruments and structured products</u>				
Assets				
Financial assets at fair value through profit or loss	\$ 16,011,259	\$ 6,662,777	\$ 7,412,858	\$ 1,935,624
Liabilities				
Financial liabilities at fair value through profit or loss	\$ 26,291,186	\$ 3,476,881	\$ 16,106,938	\$ 6,707,367

- (B) When quotes of financial instruments are obtained from the Stock Exchange, Reuters, Bloomberg, dealers or competent authorities and the prices represent arm's length transactions with sufficient frequency, the financial instruments are regarded as active market quotes. If the aforementioned requirements are not met, then the financial instruments are regarded as quotes without an active market. Large bid-ask spreads or low trade volumes are features of quotes without an active market. Whenever the financial instruments held by the Yuanta Group have active market quotes, the active market quotes are regarded as fair value. Publicly listed and over-the-counter traded equity instruments of primary stock exchanges along with central government bonds that are popular securities all regard active market quotes as the basis of fair value. Excluding the above-mentioned financial instruments with active market quotes, the fair value of the remaining financial instruments are obtained by financial valuation models or referencing counterparty quotes. Fair value obtained through the calculations of financial valuation models include, but are not limited to, fair value references of substantive factors and characteristics from similar financial instruments, those obtained from the cash flow discounting method or those obtained by other financial valuation techniques. Fair values obtained through financial valuation techniques are derived from market information on the balance sheet date, and utilises the fair values derived from the calculations of financial valuation models (for example referencing the yield curve from the Taipei Exchange, Reuters' average commercial paper interest, etc.).

(C) Fair value adjustment

a. Limits and adjustments of financial valuation models

Financial valuation techniques do not necessarily completely reflect all relevant elements of financial instruments held by the Yuanta Group. Thus, the outputs of financial valuation models may need necessary adjustments in line with important relevant elements. For example, adjustments on model risk or adjustments on liquidity risk etc. In accordance with the Yuanta Group's financial valuation model management policy, management believes in order to fairly present the fair value of financial instruments within the consolidated balance sheet, valuation adjustments are pertinent and appropriate.

b. Credit risk valuation adjustment

The credit risk valuation adjustment is included in the computation of fair value of financial instruments in order to reflect counterparty's credit risk and the Yuanta Group's credit quality.

(D) Transfer between Level 1 and Level 2

As of March 31, 2024, December 31, 2023 and March 31, 2023, certain foreign debt held by the Yuanta Group, totaling, TWD 1,313,930 thousand, USD 95,865 thousand, USD 0 thousand and USD 17,237 thousand, respectively, have been transferred from level 1 to level 2, because the debt instrument either had no steady quoted market price from stockbrokers and Bloomberg Valuation Services (BVAL) was used due to wider region of price quotes from stock brokers. As of March 31, 2024, December 31, 2023 and March 31, 2023, certain foreign debt held by the Yuanta Group, totaling USD 0 thousand, USD 0 thousand and USD 9,558 thousand, have been transferred from level 2 to level 1 since these assets now have steady sources for price information.

(BLANK)

(E) Movements of financial instruments classified into Level 3 of fair value are as follows:

a. Movements of financial assets classified into Level 3 of fair value are as follows:

For the three months ended March 31, 2024								
Items	Beginning balance	Gain and loss on valuation		Addition		Reduction		Ending balance
		Gain and loss	Other comprehensive income	Purchased or issued	Transferred to Level 3 (Note)	Sold, disposed or settled	Transferred from Level 3 (Note)	
Financial assets at fair value through profit or loss	\$ 9,659,822	(\$ 271,740)	\$ 16,830	\$ 3,961,968	\$ 505	(\$ 4,280,619)	(\$ 16,600)	\$ 9,070,166
Financial assets at fair value through other comprehensive income	34,665,636	1,921	382,463	-	-	-	-	35,050,020
Other financial assets- purchase of claim receivable	1,765,701	( 6,784)	-	-	-	( 31,086)	-	1,727,831
Total	<u>\$ 46,091,159</u>	<u>(\$ 276,603)</u>	<u>\$ 399,293</u>	<u>\$ 3,961,968</u>	<u>\$ 505</u>	<u>(\$ 4,311,705)</u>	<u>(\$ 16,600)</u>	<u>\$ 45,848,017</u>
For the three months ended March 31, 2023								
Items	Beginning balance	Gain and loss on valuation		Addition		Reduction		Ending balance
		Gain and loss	Other comprehensive income	Purchased or issued	Transferred to Level 3 (Note)	Sold, disposed or settled	Transferred from Level 3 (Note)	
Financial assets at fair value through profit or loss	\$ 10,246,102	(\$ 167,863)	\$ 58,758	\$ 17,984,593	\$ -	(\$ 17,682,992)	(\$ 214,259)	\$ 10,224,339
Financial assets at fair value through other comprehensive income	35,488,714	( 228,758)	( 16,960)	-	-	( 23,832)	-	35,219,164
Other financial assets- purchase of claim receivable	1,792,753	( 1,627)	-	-	-	( 3,470)	-	1,787,656
Total	<u>\$ 47,527,569</u>	<u>(\$ 398,248)</u>	<u>\$ 41,798</u>	<u>\$ 17,984,593</u>	<u>\$ -</u>	<u>(\$ 17,710,294)</u>	<u>(\$ 214,259)</u>	<u>\$ 47,231,159</u>

In relation to the above, valuation gains and losses are recognised in gain and loss in the period. The net losses belonging to assets as of March 31, 2024 and 2023 were \$366,054 and \$108,900, respectively.

In relation to the above, valuation gains and losses are recognised in other comprehensive income. The net gains belonging to assets as of March 31, 2024 and 2023 were \$399,287 and \$42,865, respectively.

b. Movements of financial liabilities classified into Level 3 of fair value are as follows:

For the three months ended March 31, 2024								
Items	Beginning balance	Gain and loss on valuation		Addition		Reduction		Ending balance
		Gain and loss	Other comprehensive income	Purchased or issued	Transferred to Level 3 (Note)	Sold, disposed or settled	Transferred from Level 3 (Note)	
Financial liabilities at fair value through profit or loss	\$ 51,297,275	\$ 666,449	(\$ 344)	\$ 19,439,322	\$ -	(\$ 16,476,643)	(\$ 142,159)	\$ 54,783,900

For the three months ended March 31, 2023								
Items	Beginning balance	Gain and loss on valuation		Addition		Reduction		Ending balance
		Gain and loss	Other comprehensive income	Purchased or issued	Transferred to Level 3 (Note)	Sold, disposed or settled	Transferred from Level 3 (Note)	
Financial liabilities at fair value through profit or loss	\$ 55,517,400	(\$ 1,779,966)	(\$ 121)	\$ 13,429,533	\$ -	(\$ 17,498,384)	\$ -	\$ 49,668,462

In relation to the above, valuation gains and losses are recognised in gain and loss in the period. The net (losses) gains belonging to liabilities as of March 31, 2024 and 2023 were (\$736,907) and \$6,436, respectively.

In relation to the above, valuation gains and losses are recognised in other comprehensive income. The net gains belonging to liabilities as of March 31, 2024 and 2023 were \$1,271 and \$639, respectively.

Note: For the three months ended March 31, 2024 and 2023, the fair value transferred from Level 1 to Level 3 initially was for emerging stocks whose trading volumes were active but were reclassified due to inactive trading volumes subsequently. Also, the fair value of certain investments were transferred into Level 3 because there was no observable information obtained from the public market; the fair value transferred from Level 3 to Level 1 initially was emerging stocks whose trading volumes were inactive but were reclassified due to active trading volumes or becoming listing stocks subsequently.



(F) Fair value measurement to Level 3, and the sensitivity analysis of the substitutable appropriate assumption made on fair value.

The fair value measurement that the Yuanta Group made onto the financial instruments is deemed reasonable; however, different valuation input could result in different valuation result. The effects on gain and loss in the period or the effects on other comprehensive income are as follows:

Items	Change in fair value recognised in current profit and loss		Change in fair value recognised in other comprehensive income	
	Favorable movements	Unfavorable movements	Favorable movements	Unfavorable movements
March 31, 2024				
<u>Assets</u>				
Financial assets at fair value through profit or loss	\$ 86,862	(\$ 83,830)	\$ -	\$ -
Derivative instruments	13,355	( 13,355)	-	-
Financial assets at fair value through other comprehensive income	-	-	480,120	( 374,893)
Other financial assets- purchase of claim receivable	78,186	( 78,186)	-	-
<u>Liabilities</u>				
Financial liabilities at fair value through profit or loss	(\$ 39,249)	\$ 39,249	\$ -	\$ -
Derivative instruments and structured products	( 62,458)	62,458	-	-
December 31, 2023				
<u>Assets</u>				
Financial assets at fair value through profit or loss	\$ 106,835	(\$ 105,710)	\$ -	\$ -
Derivative instruments	16,744	( 16,744)	-	-
Financial assets at fair value through other comprehensive income	-	-	418,985	( 327,780)
Other financial assets- purchase of claim receivable	84,309	( 84,309)	-	-
<u>Liabilities</u>				
Financial liabilities at fair value through profit or loss	(\$ 57,625)	\$ 57,625	\$ -	\$ -
Derivative instruments and structured products	( 80,437)	80,437	-	-

Items	Change in fair value recognised in current profit and loss		Change in fair value recognised in other comprehensive income	
	Favorable movements	Unfavorable movements	Favorable movements	Unfavorable movements
March 31, 2023				
<u>Assets</u>				
Financial assets at fair value				
through profit or loss	\$ 163,167	(\$ 158,614)	\$ -	\$ -
Derivative instruments	18,281	( 18,281)	-	-
Financial assets at fair value through other comprehensive income	-	-	455,998	( 357,729)
<u>Liabilities</u>				
Financial liabilities at fair value				
through profit or loss	(\$ 74,651)	\$ 74,651	\$ -	\$ -
Derivative instruments and structured products	( 118,670)	118,672	-	-

Favorable and unfavorable movements of the Yuanta Group refer to the favorable and unfavorable movements of fair value. Movements in fair value are derived from financial valuation techniques on different unobservable valuation parameters. If the fair value of financial instruments is affected by more than one input, the above table will only reflect the impact resulting from changes in the single input without considering the correlations and variability between inputs.

(G) 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:

March 31, 2024		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Equity instruments	\$ 2,439,180	1.Market method	Discount for marketability	<=40%	The higher the discount for marketability, the lower the fair value
		2.Income method			
		3.Equity Model	Discount rate	12.83%~13.84%	The higher the discount rate, the lower the fair value
		by L. Anderson and D. Buffum	Stock price volatility	24.92%~90.66%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
		4.Discounted Cash Flow			
			Credit Spread	5.77%~75.73%	The higher the credit spread, the lower the fair value
			Recovery rate	20.00%~20.00%	The higher the recovery rate, the higher the fair value

March 31, 2024		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Debt instruments	\$ 241,842	1.Hybrid Model 2.Discounted cash flow	Stock price volatility	62.58%~64.58%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Credit Spread	77.67%~77.69%	The higher the credit spread, the lower the fair value
			Recovery rate	20.00%~20.00%	The higher the recovery rate, the higher the fair value
			Discount rate	1.44%~6.86%	The higher the discount rate, the lower the fair value
Derivative instruments (including futures and options trade in futures market)	2,342,947	1.Option Model 2.FDM 3.Monte Carlo Simulation	Stock price volatility	17.59%~25.24%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Correlation coefficient	0.15~0.97	The higher the correlation coefficient, the higher the fair value
			Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value
			Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value
Others	4,046,197	1.Net asset value 2.Option Model 3.FDM 4.Monte Carlo Simulation	Discount for marketability	<=10%	The higher the discount for marketability, the lower the fair value
			Stock price volatility	17.59%~25.24%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Correlation coefficient	0.15~0.97	The higher the correlation coefficient, the higher the fair value
			Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value
			Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value
Other financial assets					
Purchase of claim receivable	1,727,831	Recoverable amount	Contact rate	5.81%~38.99%	The higher the contact rate, the higher the fair value
			Payment rate	4.53%~34.91%	The higher the payment rate, the higher the fair value
			Discount rate	6.52%~41.12%	The higher the discount rate, the lower the fair value
Financial assets at fair value through other comprehensive income					
Equity instruments	35,050,020	1.Market method 2.Residual income valuation model 3.Discounted cash flow	Discount for marketability	<=40%	The higher the discount for marketability, the lower the fair value
			Expected growth rate	0%~1%	The higher the growth rate, the higher the fair value
			Discount rate	12.27%~12.27%	The higher the discount rate, the lower the fair value

March 31, 2024		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial liabilities at fair value through profit or loss					
Derivative instruments and structured products (including futures and options trade in futures market)	\$ 54,783,900	1.FDM 2.Option Model 3.IR Model 4.Hybrid Model 5.Monte Carlo Simulation	Stock price volatility	0.41%~76.86%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the correlation coefficient, the higher the fair value The higher the default rate, the lower the fair value The higher the recovery rate, the higher the fair value
			Correlation coefficient	0.15~0.97	
			Probability of Default (PD)	0.03%~100%	
			Recovery rate	0.55~0.55	
December 31, 2023		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Equity instruments	\$ 2,022,696	1.Market method 2.Income method 3.Equity Model by L. Anderson and D. Buffum 4.Discounted Cash Flow	Discount for marketability	<=40%	The higher the discount for marketability, the lower the fair value The higher the discount rate, the lower the fair value The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the credit spread, the lower the fair value The higher the recovery rate, the higher the fair value
			Discount rate	13.31%~14.52%	
			Stock price volatility	22.20%~64.25%	
			Credit Spread	5.87%~75.73%	
			Recovery rate	20.00%~20.00%	
Debt instruments	291,564	1.Hybrid Model 2.Discounted cash flow	Stock price volatility	59.16%~61.16%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the credit spread, the lower the fair value The higher the recovery rate, the higher the fair value The higher the discount rate, the lower the fair value
			Credit Spread	77.67%~77.69%	
			Recovery rate	20.00%~20.00%	
			Discount rate	2.41%~7.85%	
Derivative instruments and structured products (including futures and options trade in futures market)	3,242,348	1.Option Model 2.FDM 3.Monte Carlo Simulation	Stock price volatility	17.58%~25.11%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the correlation coefficient, the higher the fair value The higher the default rate, the lower the fair value The higher the recovery rate, the higher the fair value
			Correlation coefficient	0.15~0.97	
			Probability of Default (PD)	0.03%~100%	
			Recovery rate	0.55~0.55	

December 31, 2023		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Others	\$ 4,103,214	1.Net asset value 2.Option Model 3.FDM 4.Monte Carlo Simulation	Discount for marketability  Stock price volatility	<=10%  17.58%~25.11%	The higher the discount for marketability, the lower the fair value The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Correlation coefficient	0.15~0.97	The higher the correlation coefficient, the higher the fair value
			Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value
			Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value
Other financial assets					
Purchase of claim receivable	1,765,701	Recoverable amount	Contact rate	6.44%~38.25%	The higher the contact rate, the higher the fair value
			Payment rate	4.22%~34.88%	The higher the payment rate, the higher the fair value
			Discount rate	5.47%~39.76%	The higher the discount rate, the lower the fair value
Financial assets at fair value through other comprehensive income					
Equity instruments	34,665,636	1.Market method 2.Residual income valuation model 3.Discounted cash flow	Discount for marketability  Expected growth rate  Discount rate	<=40%  0%~1%  12.74%~12.74%	The higher the discount for marketability, the lower the fair value The higher the growth rate, the higher the fair value The higher the discount rate, the lower the fair value
Financial liabilities at fair value through profit or loss					
Derivative instruments and structured products (including futures and options trade in futures market)	51,297,275	1.FDM 2.Option Model 3.IR Model 4.Hybrid Model 5.Monte Carlo Simulation	Stock price volatility	0.46%~74.37%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Correlation coefficient	0.15~0.97	The higher the correlation coefficient, the higher the fair value
			Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value
			Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value
March 31, 2023		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Equity instruments	\$ 2,343,739	1.Market method 2.Income method 3.Equity Model by L. Anderson and D. Buffum 4.Discounted Cash Flow	Discount for marketability  Discount rate  Stock price volatility	<=40%  13.12%~15.50%  17.30%~110.84%	The higher the discount for marketability, the lower the fair value The higher the discount rate, the lower the fair value The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Credit Spread	5.38%~26.62%	The higher the credit spread, the lower the fair value
			Recovery rate	20.00%~20.00%	The higher the recovery rate, the higher the fair value

March 31, 2023		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Debt instruments	\$ 672,426	1.Hybrid Model 2.Equity Model by L. Anderson and D. Buffum 3.Discounted cash flow	Stock price volatility	35.61%~44.90%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Credit Spread	77.67%~77.69%	The higher the credit spread, the lower the fair value
			Recovery rate	20.00%~20.00%	The higher the recovery rate, the higher the fair value
			Discount rate	2.53%-5.52%	The higher the discount rate, the lower the fair value
Derivative instruments (including futures and options trade in futures market)	1,935,624	1.Option Model 2.FDM 3.Monte Carlo Simulation	Stock price volatility	18.02%~25.26%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Correlation coefficient	0.15~0.97	The higher the correlation coefficient, the higher the fair value
			Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value
			Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value
Others	5,272,550	1.Net asset value 2.Option Model 3.FDM 4.Monte Carlo Simulation	Discount for marketability	<=10%	The higher the discount for marketability, the lower the fair value
			Stock price volatility	18.02%~25.26%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Correlation coefficient	0.15~0.97	The higher the correlation coefficient, the higher the fair value
			Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value
			Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value
Other financial assets					
Purchase of claim receivable	1,787,656	Recoverable amount	Contact rate	7.04%~43.10%	The higher the contact rate, the higher the fair value
			Payment rate	4.87%~38.00%	The higher the payment rate, the higher the fair value
			Discount rate	5.76%~40.05%	The higher the discount rate, the lower the fair value
Financial assets at fair value through other comprehensive income					
Equity instruments	35,199,595	1.Market method 2.Residual income valuation model 3.Discounted cash flow	Discount for marketability	<=40%	The higher the discount for marketability, the lower the fair value
			Expected growth rate	0%~1%	The higher the growth rate, the higher the fair value
			Discount rate	0.1142~0.1142	The higher the discount rate, the lower the fair value
Debt instruments	19,569	Discounted cash flow	Discount rate	2.53%~5.52%	The higher the discount rate, the lower the fair value

March 31, 2023		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value	
Financial liabilities at fair value through profit or loss						
Derivative instruments and structured products (including futures and options trade in futures market)	\$ 6,707,367	1.FDM	Stock price volatility	18.02%~37.61%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the correlation coefficient, the higher the fair value	
		2.Option Model				
		3.IR Model				
		4.Hybrid Model	Correlation coefficient	0.15~0.97		
		5.Monte Carlo Simulation				
		6.Equity Model by L.Andersen and D.Buffum				
		Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value		
		Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value		
Financial liabilities at fair value through profit or loss						
Others	42,961,095	1.FDM	Stock price volatility	0.40%~63.41%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the correlation coefficient, the higher the fair value	
		2.Option Model				
		3.IR Model				
		4.Hybrid Model	Correlation coefficient	0.15~0.97		
		5.Monte Carlo Simulation				
		6.Equity Model by L.Andersen and D.Buffum				
		Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value		
		Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value		

(H) Valuation procedure of financial instruments classified into Level 3

The Yuanta Group established the unobservable inputs by taking into account all information in relation to market participants assumption which is reasonably available to meet the purpose of fair value measurement, and analyzed changes in fair value measurement periodically in accordance with the internal valuation management policy and procedure to ensure that valuation procedure and results meet International Accounting Standards.

The Yuanta Group adjusted the valuation parameters of certain underlying companies in the second quarter of 2023 to reflect the observable market information and the operations of the underlying companies at the measurement date.

C. Financial instruments not measured at fair value

(A) Fair value information:

Except for those listed in the table below, the carrying amounts of the Yuanta Group's financial instruments not measured at fair value are approximate to their fair values.

11					
	March 31, 2024				
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<u>Financial assets</u>					
Investments in debt instruments at amortised cost (Notes 1 and 2)	\$ 418,231,353	\$ 358,588,130	\$ 20,758,328	\$ 337,819,592	\$ 10,210
<u>Financial liabilities</u>					
Bonds payable	108,694,092	106,882,245	-	106,882,245	-

	December 31, 2023				
	<u>Book value</u>	<u>Fair value</u>			
		<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>Financial assets</u>					
Investments in debt instruments at amortised cost (Notes 1 and 2)	\$ 399,998,842	\$ 350,419,053	\$ 17,650,496	\$ 332,758,307	\$ 10,250

Financial liabilities

Bonds payable	104,904,691	99,486,525	-	99,486,525	-
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	March 31, 2023				
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<u>Financial assets</u>					
Investments in debt instruments at amortised cost (Notes 1 and 2)	\$ 383,566,350	\$ 335,259,315	\$ 12,201,664	\$ 323,043,098	\$ 14,553

Financial liabilities

Bonds payable	102,187,753	95,708,202	-	95,708,202	-
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Note 1: Including the statutory deposits of \$3,560,400 of Yuanta Life of the Yuanta Group as of March 31, 2024, December 31, 2023 and March 31, 2023.

Note 2: The government bonds, corporate bonds, and bank debentures which are classified as debt instruments without active market.

(B) Financial valuation technique:

The assumptions and methods used to estimate the financial instruments not measured by fair value:

- The financial instruments such as cash and cash equivalents, due from Central Bank and call loans to other banks, investments in bills and bonds under resale agreements, receivables - net, other financial assets - net (not including debt instruments without active market), refundable deposits, due to Central Bank and other banks, payables, short-term borrowings and deposits received. As the short maturities or future payment or receipt is close to the carrying amount, the carrying amount at the consolidated balance sheet date is used to estimate the fair value.
- Bills discounted and loans (including non-performing loans): The effective interest rates of loans are generally based on the benchmark interest rate plus or minus certain adjustment (equivalent to floating rate) to reflect the market interest rate. As a result, it is reasonable to assume that the carrying amount, after adjustments of estimated recoverability, approximates the fair value. Fair values for long-term loans with fixed interest rates shall be estimated using their discounted values of expected future cash flows. However, as such loans account for only a small portion of all loans, book value was used to estimate the fair value.
- Investments in debt instruments at amortised cost: When there is a quoted market price available in an active market, the fair value is determined using the market price. If there is no quoted market price for reference, a valuation technique or quoted price offered by the counterparties will be adopted to measure the fair value.



- d. Deposits and remittances: The duration between the commencement date and maturity date for deposits and remittances are usually within one year. As a result, the carrying amount is a reasonable basis to estimate the fair value. The fair value of long-term fixed rate deposits should be estimated by discounting expected future cash flows; however, since the duration between the commencement date and the maturity date is within three years, it is reasonable to use the carrying amount to estimate the fair value.
- e. Bonds payable: The coupon rate for bank debentures issued by the Yuanta Group is approximate to the market interest rate. Thus, the present value of its expected future cash flows for estimating fair value is approximate to carrying value.

(3) Management objective and policy for financial risk

A. Risk management policy and structural organization

(A) The Yuanta Group's risk management organization structure includes the Board of Directors, the Audit Committee, the Risk Management Committee, senior management, other business departments, the Risk Management Department, the Legal Compliance Department, other Risk Management departments and Internal Auditing Department. The Board of Directors is the highest decision-making unit for risk management. Its primary responsibilities include approving the Yuanta Group's risk management policy, important risk management systems, and annual risk limits, monitoring the indicator threshold, as well as supervising the enforcement of the risk management system. The Audit Committee should assist the Board of Directors in implementing its risk management responsibilities. Its primary responsibilities include deliberating the Yuanta Group's risk management policy, important risk management systems, and annual risk limits, monitoring the indicator threshold, as well as assisting the Board of Directors in supervising the management of the Company's existing or potential risk. The Risk Management Committee should assist the Audit Committee and Board of Directors in implementing their risk management responsibilities. Its primary responsibilities include negotiating the annual risk limits, monitoring the indicator threshold, reviewing risk monitor execution reports, coordinating common risk management issues between subsidiaries, and promoting important risk management issues. Senior management should examine risks involved in operating activities and ensure the Yuanta Group's risk management system can thoroughly and effectively control related risks. The Risk Management Department is an independent department subordinated under the Board of Directors. The Risk Management Department's primary responsibilities includes developing the risk management system, establishing a method to effectively measure risk, establishing the risk management system, monitoring and analyzing risk and alerting and reporting significant risks in a timely manner. The Legal Compliance department should implement legal compliance risk management. It should ensure that all businesses and management regulations are updated in time in accordance with the relevant laws and regulations, supervise Legal Compliance Management of all units to carry out introduction, establishment and implement of related internal measurements, as well as assist in evaluating possible legal compliance risks that all business units may be involved with. The Legal Department should implement legal risk management. It should assist in evaluating possible legal risk that business units, legal documents and contracts may be involved with. The Information Department's primary responsibilities are to implement information security risk control and assist in preventing damage to the related information system and impact on information security risk of normal operations caused by external deliberate cyber-attack or internal improper use, leakage, tampering and destruction of information assets.

The risk management responsibilities of business departments are to comprehensively examine all risk management regulations before conducting their respective tasks and

certainly comply with all risk management regulations.

Each subsidiary has built a risk management organization with appropriate levels and scale based on its business portfolio, operating scale and capital scale. The Yuanta Group constantly examines each subsidiary's risk management structure to ensure that it can manage its assumed risks effectively.

(B) Risk management policy

In order to establish the Yuanta Group's risk management standard, ensuring the completeness, effectiveness and reasonableness of risk management, the risk management policy was devised to act as the highest guiding principle for the Yuanta Group's risk management. All risk management systems should comply with the risk management policy and consider the attributes of all risk and its impact degree on the Yuanta Group's operating stability capital soundness to respectively establish appropriate risk management systems.

The Yuanta Group's risk management system covers market risk, credit risk, market liquidity risk, asset liability matching risk (including capital liquidity risk and interest risk), significant amount exposure risk, insurance risk, operating risk, legal compliance risk, legal risk and other risks related with operations, laws and compliance and environment (including climate risk). Subsidiaries should establish a risk management system which matches its business portfolio, operating scale and capital scale in accordance with the Yuanta Group's risk management policy and local regulations, in order to effectively manage the risks, it endures.

B. Methods for risks measurement and controlling and exposure quantitative information

(A) Credit risk

a. Source and definition of credit risk

Credit risks occur when the bond issuer, borrower or counterparty fails to fulfil its obligation and results in a loss of default. Credit risk may happen due to accounts on and off the balance sheet. For accounts on the balance sheet, credit risk exposure of the Yuanta Group mainly comprises of bills discounted and loans and credit card business, debt instrument and derivatives and call loans from banks, etc. Off-balance-sheet accounts include financial guarantee, acceptance bill, letter of credit and loan commitments that could give rise to credit risk exposure to the Yuanta Group.

b. Principle of credit risk management

In order to effectively consolidate credit distribution and control change in credit exposure, except for establishment of internal credit rating system and implementation of credit risk rating system, the Yuanta Group also establishes credit pre-warning program, carries out escalation procedures and effectively improves the time efficiency of credit incidence. Secondly, to benefit the control of credit risk concentration, the Yuanta Group has developed information system for significant amount exposure, which covers credit risks of credit and investment transactions, cross-analyses and cross-consolidates by issuer and trading counterparty and monitors overall credit exposure. In addition, the Yuanta Group also conducts research and development of various credit risk model to strengthen quantitative mechanism of the Yuanta Group's credit rating. As such, the credit limits of the subsidiaries can be dynamically and reasonably allocated and transferred according to different business risks and asset characteristics.

The measurement of credit risks, risk limits, limit exceeding response and exception regulation should be treated in compliance with related credit risk regulations. Business units, before the underwriting of a transaction, should assess internal credit rating, credit limit and current limit usage ratio of a company upon the receipt of executed transaction.

c. Methods used in credit risk management

Procedures and methods used in credit risk management for the core businesses of the Yuanta Group are as follows:

(a) Credit business (including loan commitment and guarantees)

Credit assets are classified into five types. Other than normal credit assets shall be classified as Category One, the remaining non-performing loans are assessed based on the collateral provided and the time period of overdue payment as follows: Category Two for assets requiring special mention. Category Three for assets deemed recoverable. Category Four for assets that are doubtful. Category Five for assets that are not recoverable.

In response to the characteristics and scale of business, the Yuanta Group sets up credit quality rating for risk management purposes (such as implementing internal evaluation model of credit risk, setting up credit rating table or other relevant regulations).

The Yuanta Group, mainly based on the statistics and professional judgement of experts and consideration of client information, developed a business credit rating model for the purpose of evaluating the credit risk of corporate clients. The model is regularly reviewed to check if the calculation result is consistent with the actual situation. And adjustment on various inputs should be calibrated to optimize the calculation result.

Credit rating of corporate finance is categorised into 11 levels upon underwriting according to the risks assessment on each credit extension case. When a loan is granted, in addition to the credit quality of the client, fund purpose, repayment source, protection of claims and credit prediction should be considered, credit risk by credit account and facility should also be respectively assessed and rated based on the corporate or consumer risk rating referencing standards.

Credit risk rating of the consumer finance is categorised by client superiority, client profession and the rating of collateral threshold.

(b) Debt instruments investment and derivatives

The Yuanta Group manages the credit risk of debt instruments through consolidating external credit rating and internal credit rating model to establish internal credit rating system and sets up credit limits for issuers and counterparties accordingly. Credit risk exposure of related business is consolidated for calculation to ensure that the overall credit risks are in compliance with limits as approved by the Yuanta Group. In addition to the establishment of credit risk management and procedures, the credit risk model is also used to quantify credit risk so that credit risk can be reasonably and effectively controlled and evaluated, so the overall credit risk will be within reasonable bearable capacity of the Yuanta Group's capital.

(c) Margin purchase and short sale

Other than the compliance with regulations governing the margin sale and short sale business from SEC and the decreased ratio or allocated securities for warning of abnormal individual stock as defined by OTC, the Yuanta Group also sets up risk management structure such as quota allocation, pre-warning indicators and process standards and credit diversification standards with specific associate being responsible for related risk control. In addition, the comprehensively computerized risk information system can help assist with enhancing the pre-warning function of margin sale and short sale credit so that awareness of market movement at an early stage may be achieved.

d. Analysis on credit quality and overdue impairment of financial assets held by the Yuanta Group

(a) Credit risk rating is categorised into Excellent, Acceptable, Weak, and Credit-impaired, and the definitions are illustrated below:

I. Excellent: This level shows that the counterparty or the underlying asset is

equipped with strong capability of fulfilling financial commitments, even under significantly uncertain or adverse conditions.

- II. Acceptable: This level shows that the counterparty's or the underlying asset's capability of fulfilling financial commitments is weak. Any adverse operation, financial or economic conditions will reduce its capability.
- III. Weak: This level shows that the counterparty's or the underlying asset's capability of fulfilling financial commitments is extremely low. The counterparty is able to fulfill financial commitments only when the operating circumstances and its financial condition are favorable.
- IV. Credit-impaired: This level shows that the financial asset has been impaired or there has been a significant increase in the credit risk since initial recognition.

The comparison between internal credit risk ratings and external credit ratings is provided below. However, these two credit risk ratings do not have any direct relation. The comparison chart is just for disclosing approximate level of credit risk ratings.

Credit quality	Corporate finance	Consumer finance	Debt instruments and others	
	Internal and external credit rating	Credit rating	Taiwan Ratings	Standard & Poor's Ratings
Excellent	Level 1~6	Excellent	twAAA ~ twBBB-	AAA ~ BBB-
Acceptable	Level 7~8	Acceptable	twBB+ ~ twBB	BB+ ~ BB
Weak	Level 9~11	Weak	twBB- ~ twC	BB- ~ C
Credit impaired	Level D	Credit impairment	Credit impairment	Credit impairment

(b) Expected credit losses calculation

Impairment assessment is based on the calculation of expected credit losses, taking into account reasonable and supportable information about past events, current conditions and forecasts of future economic conditions, which is available without undue cost or effort, including forecastable information. The Yuanta Group determines at the balance sheet date whether there has been a significant increase in credit risk since initial recognition or whether credit impairment has occurred, and recognises expected credit losses according to which stage the asset belongs: no significant increase in credit risk or low credit risk at balance sheet date (Stage 1), significant increase in credit risk (Stage 2), and credit-impaired (Stage 3). 12-month expected credit losses are recognised for assets in Stage 1, and lifetime expected credit losses are recognised for assets in Stage 2 and Stage 3.

The definition of and expected credit losses recognised for each stage are as follows:

	Stage 1	Stage 2	Stage 3
Definition	Financial assets with no significant increase in credit risk since initial recognition or low credit risk on balance sheet date	Financial assets with significant increase in credit risk since initial recognition	Financial assets that became credit-impaired after initial recognition
Recognition of expected credit losses	12-month expected credit losses are recognized	Lifetime expected credit losses are recognized	Lifetime expected credit losses are recognized

The Yuanta Group uses the following key judgements and assumptions when estimating expected credit losses in accordance with IFRS 9:

I. Determining whether there has been a significant increase in credit risk since initial recognition.

At every balance sheet date, the Yuanta Group and its subsidiaries assess the change in default risk over the lifetime of each financial asset to determine whether there has been a significant increase in credit risk since initial recognition.

(I) Credit business

The Yuanta Group considers reasonable and supportable information (including forecastable information) when determining whether there has been significant increase in credit risk. The main indicators taken into account are as follows:

- i. The borrower is over 30 days past due.
- ii. Significant deterioration in credit quality and placed on the Yuanta Group's warning list.
- iii. Deterioration in credit rating:

Credit rating: The Yuanta Group's internal credit rating of the asset is equivalent to a non-investment grade rating by an external agency, and the rating has dropped by more than two scales since initial recognition.

- iv. Records of bad credit are confirmed after assessment.

(II) Investments in debt instruments

At the balance sheet date, a debt instrument is considered to have significant increase in credit risk when the internal credit ratings of the credit reference subject is of non-investment grade and any one of the following conditions is met:

- i. The internal ratings of the credit reference subject has dropped by more than one scale since initial recognition.
- ii. The implied credit spread of the debt instrument has increased by a certain number of basis points since initial recognition.

(III) Other financial assets

Except for credit business and debt instruments investment, the criteria that the Yuanta Group uses to determine that there has a significant increase in credit risk at balance sheet date is as follows:

- i. Guarantee deposits: At the balance sheet date, the deposit has not been returned at maturity, and the number of past-due days is lower than the terms recorded in the contract, unless the contractual terms specify it.
- ii. Call loans to (from) banks and due from the Central Bank, banks overdrafts, bills with a reverse repo and bond, commercial paper and time deposit and its interest receivable: At the balance sheet date, the date that the Yuanta Group received the payment from counterparties is over the collection date, unless the contractual terms specify it.
- iii. Remaining receivables: At the balance sheet date, the number of past-due days is over the days recorded in the contract, receivables have been transferred to overdue receivables or have been provided the bad debt expense, or the number of past-due days is not over the days recorded in the contract but it meets the terms of default.

II. Definitions of financial assets in default and credit-impaired financial assets

According to the definition stated in IFRS 9, a financial asset is credit-impaired

when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

(I) Credit business

- i. Principal or interest payments over 3 months (90 days) past due, or the bank has begun collection procedures or liquidation of collateral.
- ii. New payment schedule is negotiated so that loan is not classified as non-performing.
- iii. Non-performing loans in negotiation according to the rules of the Debt Negotiation Mechanism issued by the Bankers Association in 2006 (including pre-mediation).
- iv. Loans that have gone through pre-mediation and have signed agreements in accordance with the Consumer Debt Clearance Act (excluding secured loans where the original terms of the loans are enforced).
- v. Cases where the court has initiated reorganization or liquidation proceedings.
- vi. Declaration of bankruptcy in court.
- vii. Reclassified as non-accrual.
- viii. Special criterion for credit card products: credit card accounts closed by the issuer.
- ix. Debtor's loans from other banking institutions have been recognised as non-performing, and reclassified as non-accrual or written off as bad debt.
- x. Debtor has filed for bankruptcy, reorganization, or other debt clearance proceedings.
- xi. Debtor renews, extends the length of, and negotiates new payment terms on the loan in accordance with the Bankers Association Self-regulatory Rules for Debt Workouts.
- xii. Non-performing loans where a payment installment plan has been negotiated.
- xiii. Loans classified as "in default" according to the Yuanta Group's internal credit rating model.

(II) Investments in debt instruments

An investment in a debt instrument by the Yuanta Group is considered credit-impaired if any of the following conditions apply:

- i. Both internal and external credit ratings of the instrument are "in default."
- ii. Principal or interest payments are not made in accordance with the agreement.
- iii. Bankruptcy, reorganization, or other debt clearance proceedings has been filed.
- iv. Other breaches of contract by the debtor as assessed on a case-by-case basis.

(III) Other financial assets

- i. Guarantee deposits: At the balance sheet date, the deposit has not been returned at maturity, and the number of past-due days is in line with the days recorded in the contract.
- ii. Call loans to (from) banks and due from the Central Bank, banks overdrafts, bills with a reverse repo and bond, commercial paper and time deposit and its interest receivable: At the balance sheet date, the date that the Yuanta Group received the payment from counterparties is over the collection date, unless the contractual terms specify it.
- iii. Remaining receivables: At the balance sheet date, the number of past-due

days is over the days recorded in the contract, and receivables have been transferred to overdue receivables or have been provided the bad debt expense.

(IV) Definition of default

When assessing whether the borrower is in default, the Yuanta Group selects among the multiple loans held by the borrower the one with the lowest credit quality. The borrower is considered in default if the principal and interest payments on this selected loan is over 90 days past due or if the selected loan is reclassified as non-accrual or bad debt during the observation period.

III. Write off policy

If any of the following conditions apply, the Yuanta Group writes off its non-performing and non-accrual loans as bad debt, less the estimated recoverable amount:

- (I) The loan cannot be fully or partially recovered due to the dissolution of, disappearance of, settlement with, or declaration of bankruptcy by the debtor.
- (II) The collateral and assets of the primary and secondary debtors cannot be used to recover the loan due to low appraisal value, liquidity preference, or high administrative costs associated with seizure and liquidation.
- (III) The collateral and assets of the primary and secondary debtors could not be auctioned off after multiple attempts.
- (IV) The non-performing and non-accrual loans are two years past due, and could not be recovered from collection procedures.

IV. Measurement of expected credit losses

The model of expected credit losses (ECL) is based on the following three parameters: probability of default (PD), loss given default (LGD), and exposure at default (EAD).

(I) Credit business

i. Probability of default

The estimation of PD is based on the product type and internal credit ratings of the Yuanta Group, with the one-year PD and multi-year PD estimated separately.

- (i) One-year PD: Calculate the actual one-year PD from historical data and use it to estimate the one-year PD parameter.
- (ii) Multi-year PD: The multi-year PD is estimated using historical data on annual marginal default rates. Applying the multi-year PD to each loan requires selecting the corresponding lifetime. The lifetime of the loan is estimated based on the length of the remaining contract.

ii. Loss given default

Loans are grouped according to type (corporate or consumer) and whether they are secured with collateral, and the LGD of each group is calculated based on historical recovery experience.

iii. Exposure at default (EAD)

- (i) On balance sheet—Loans and loan receivables: calculated from credit balance.
- (ii) Off balance sheet—Loan commitments and financial guarantees: off balance sheet figures multiplied by the credit conversion factor (CCF). The CCF is estimated according to the rules described in the “Calculation Method of Equity Capital and Risky Assets and

Accompanying Forms—Credit Risk Standard Rules.”

(II) Investments in debt instruments

- i. Probability of default: Calculated based on the internal credit ratings of the credit reference subject determined using external credit rating which has taken into consideration the forecastability, such as macroeconomics, incorporating default rates published by external credit rating agencies.
- ii. Loss given default: Calculated based on the collateral and order of compensation of the debt instrument, incorporating the average recovery rate disclosed by external credit rating agencies.
- iii. Exposure at default: Total carrying amount, including interest receivable. Total carrying amount is the amortised cost of the financial asset before any adjustment to the loss allowance.

V. Consideration of forecastable information

The Yuanta Group incorporates forecastable information when determining whether there has been a significant increase in credit risk in relation to the credit reference subject since initial recognition and measuring expected credit losses.

(I) For determining significant increase in credit risk

- i. The Yuanta Group’s credit approval process includes evaluation of forecastable information such as business potential, financial condition, industry outlook, loan collateral, and ability to repay.
- ii. Identify customers with potential risk using the early warning list of the Yuanta Group. The early warning system of the Yuanta Group involves the assessment of the credit risk of the customer by reviewing the following five factors: management, financial statements, cash flows, source of repayment, and past performance.

(II) For measuring expected credit losses

At least reflected in the forecastable adjustments of PD and LGD: In order to predict future probabilities of default, historical performances of PD, current trends in PD, the correlation between PD and macroeconomic factors, and other relevant information is considered by experts to give an overall assessment of forecastable scenarios of PD. The PD parameters are then adjusted accordingly to produce the forecastable PD parameters.

(III) Other

Forecastable adjustments are not made if the results from such adjustments are not expected to differ significantly from the original results, assuming there are no significant changes in current economic conditions and the future macroeconomic environment. However, if significant changes in the future macroeconomic environment are predicted, the loss rates have to be adjusted accordingly; for example, adjusting the loss rate by a certain percentage according to expected changes in GDP.

e. Hedging or mitigation of credit risk

(a) Collateral

The Yuanta Group adopts a series of policies and measures to mitigate credit risk in relation to credit extension business. Amongst those, requesting borrowers to provide collateral is one of the most usual means. The Yuanta Group has specific criteria for acceptable collateral and collateral valuation, management and disposing procedures



regarding the collateral valuation management, collateral assessment for credit facility in order to protect the credit right. In addition, protection of creditor's right, collateral terms and offsetting terms are all addressed in the credit extension contract in case of any occurrence of credit event, of which the amount may be deductible, loan repayment schedule may be shortened or deemed as matured, or various types of deposits can be used to offset its liabilities to mitigate credit risks.

(b) Credit risk limit and credit risk concentration control

The Yuanta Group controls the concentration risk of various assets in order to avoid high risk concentration. The Yuanta Group has set up credit extension limits for a single counterparty or a single group, and set up investment standards and risk controlling regulations for stock investment for a single person (entity) or affiliated enterprises' (group) various investment limit. In addition, in order to control concentration risk of various assets, the Yuanta Group has also set up credit limits based on the industry, enterprise of group, country, pledged stocks for credit extension and monitored risk concentration of each asset. Through the system consolidation, single counterparty, group's enterprises, affiliated enterprise, industry, nationality, ultimate risk and various credit risk concentration can be monitored.

(c) Net-settled general agreement

The transactions of the Yuanta Group are usually gross-settled. However, net-settled agreements are signed with certain counterparties to further mitigate credit risk in case of any default and all transactions shall be terminated with the counterparties and settled by net amount.

(d) Others

The Yuanta Group regularly assesses the credit status in relation to the issuers or the counterparties and hedges or mitigates its credit risks through the following procedures:

- I. Additional credit exposure limit;
- II. Credit limits reduction;
- III. Hedging through credit derivatives;
- IV. Credit enhancement, such as guarantee from qualifying bank or obtaining collateral.

f. Maximum risk exposure of the Yuanta Group

The maximum risk exposure of assets on the consolidated balance sheet, without consideration of the collateral or other credit enhancements, is equivalent to the carrying amount. Please see Note 9(8) for the maximum credit risk exposure of the consolidated balance sheet.

The management of the Yuanta Group believes that through a series of stringent evaluation procedures and follow-up reviews, credit risk exposure off the balance sheet of the Yuanta Group can be minimized and continuously controlled. The total carrying value of the Yuanta Group's financial assets with the maximum credit risk exposed is as follows:

Bills discounted and loans

				Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing /Non-accrual Loans	
March 31, 2024	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)		Total
Credit ratings					
Internal ratings — excellent	\$ 867,127,723	\$ 875,086	\$ -	\$ -	\$ 868,002,809
Internal ratings — acceptable	210,369,204	1,328,869	-	-	211,698,073
Internal ratings — weak	60,111,966	1,986,669	-	-	62,098,635
Internal ratings — not rated	3,655,697	4,077,822	-	-	7,733,519
Internal ratings — credit impairment	-	896,094	6,061,700	-	6,957,794
The total carrying amount	1,141,264,590	9,164,540	6,061,700	-	1,156,490,830
Allowance for credit losses	( 2,175,430)	( 760,902)	( 2,556,530)	-	( 5,492,862)
Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans	-	-	-	( 10,156,482)	( 10,156,482)
Total (Note)	\$1,139,089,160	\$ 8,403,638	\$ 3,505,170	(\$ 10,156,482)	\$1,140,841,486

Note: Including interest receivable and temporary payments for others amounting to \$1,607,611. In addition, allowance for doubtful receivables was \$26,369.

Additionally, the total cost amounts of accounts receivable and debt instruments (recorded as “financial assets at fair value through other comprehensive income” and “financial assets measured at amortised cost”) are \$249,030,425 and \$823,619,964, respectively, and 12-month expected credit losses (Stage 1) are recognised for the majority of these items. The internal ratings of these items are all excellent and acceptable.

Bills discounted and loans

				Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing /Non-accrual Loans	
December 31, 2023	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)		Total
Credit ratings					
Internal ratings — excellent	\$ 816,121,091	\$ 1,025,140	\$ -	\$ -	\$ 817,146,231
Internal ratings — acceptable	213,229,826	3,416,948	-	-	216,646,774
Internal ratings — weak	53,215,582	2,005,844	-	-	55,221,426
Internal ratings — not rated	3,803,287	3,860,806	-	-	7,664,093
Internal ratings — credit impairment	-	863,421	5,874,409	-	6,737,830
The total carrying amount	1,086,369,786	11,172,159	5,874,409	-	1,103,416,354
Allowance for credit losses (	2,081,442)	( 754,225)	( 2,537,982)	-	( 5,373,649)
Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans	-	-	-	( 9,916,163)	( 9,916,163)
Total (Note)	\$ 1,084,288,344	\$ 10,417,934	\$ 3,336,427	( \$ 9,916,163)	\$ 1,088,126,542

Note: Including interest receivable and temporary payments for others amounting to \$1,600,226. In addition, allowance for doubtful receivables was \$23,688.

Additionally, the total cost amounts of accounts receivable and debt instruments (recorded as “financial assets at fair value through other comprehensive income” and “financial assets measured at amortised cost”) are \$213,356,151 and \$804,151,654, respectively, and 12-month expected credit losses (Stage 1) are recognised for the majority of these items. The internal ratings of these items are all excellent and acceptable.

Bills discounted and loans

	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing /Non-accrual Loans	Total
March 31, 2023					
Credit ratings					
Internal ratings — excellent	\$ 721,376,804	\$ 1,334,596	\$ -	\$ -	\$ 722,711,400
Internal ratings — acceptable	239,718,876	5,565,472	-	-	245,284,348
Internal ratings — weak	45,547,974	1,349,025	-	-	46,896,999
Internal ratings — not rated	152,312	2	-	-	152,314
Internal ratings — credit impairment	-	62,952	4,164,449	-	4,227,401
The total carrying amount	1,006,795,966	8,312,047	4,164,449	-	1,019,272,462
Allowance for credit losses	( 1,691,290)	( 477,880)	( 2,285,962)	-	( 4,455,132)
Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans	-	-	-	( 10,152,342)	( 10,152,342)
Total (Note)	<u>\$1,005,104,676</u>	<u>\$ 7,834,167</u>	<u>\$1,878,487</u>	<u>(\$ 10,152,342)</u>	<u>\$1,004,664,988</u>

Note: Including interest receivable and temporary payments for others amounting to \$1,259,120. In addition, allowance for doubtful receivables was \$19,319.

Additionally, the total cost amounts of accounts receivable and debt instruments (recorded as “financial assets at fair value through other comprehensive income” and “financial assets measured at amortised cost”) are \$179,826,844 and \$879,978,965, respectively, and 12-month expected credit losses (Stage 1) are recognised for the majority of these items. The internal ratings of these items are all excellent and acceptable.

The financial impact related to maximum amount exposed to credit risk arises from collaterals pledged

for assets on the balance sheets and items off the balance sheets of Yuanta Bank and master netting arrangements. The table summarizes the relevant information:

March 31, 2024	Collateral (Note)	general agreement	Total
<u>For on-balance sheet accounts</u>			
Receivables-other	\$ 16,889	\$ -	\$ 16,889
Bills discounted and loans	814,224,577	-	814,224,577
Financial assets at fair value through profit or loss	213,440	1,651,991	1,865,431
<u>For off-balance sheet accounts</u>			
Unused loan commitments	4,096,891	-	4,096,891
Unused credit commitment	74,178	-	74,178
Guarantees (including for non-performing loans)	2,543,324	-	2,543,324

December 31, 2023	Collateral (Note)	Net-settled general agreement	Total
<u>For on-balance sheet accounts</u>			
Receivables-other	\$ 19,322	\$ -	\$ 19,322
Bills discounted and loans	788,506,493	-	788,506,493
Financial assets at fair value through profit or loss	938,750	2,112,033	3,050,783
<u>For off-balance sheet accounts</u>			
Unused loan commitments	4,308,121	-	4,308,121
Unused credit commitment	77,052	-	77,052
Guarantees (including for non-performing loans)	2,549,431	-	2,549,431

March 31, 2023	Collateral (Note)	Net-settled general agreement	Total
<u>For on-balance sheet accounts</u>			
Receivables-other	\$ 12,361	\$ -	\$ 12,361
Bills discounted and loans	737,005,303	-	737,005,303
Financial assets at fair value through profit or loss	1,331,111	1,042,789	2,373,900
<u>For off-balance sheet accounts</u>			
Unused loan commitments	6,406,842	-	6,406,842
Unused credit commitment	23,508	-	23,508
Guarantees (including for non-performing loans)	2,794,585	-	2,794,585

Note: The value of collaterals, except for cash items, is at present value, the others are allocated based on amount of loans.

g. Credit risk concentration

The credit risks are deemed significantly concentrated when the financial instrument transactions significantly concentrate on a single person, or when there are multiple trading counterparties engaging in similar business activities with similar economic characteristics making the effects on their abilities of fulfilling the contractual obligation due to economy or other forces similar.

The credit risks of the Yuanta Group concentrate on accounts on and off balance sheet that occurs through obligation fulfilling or implementation of transactions (either product or service), or through trans-type exposure portfolio, including cash and cash equivalents, loans, placements and call loan from the banks, securities investment, receivables and derivatives. The Yuanta Group does not significantly carry out transactions with single

client or single counterparty, and the credit risk concentration by industry and location are shown as follows:

(a) Industry:

Industry	March 31, 2024		December 31, 2023	
	Amount	%	Amount	%
Privately owned businesses	\$ 907,348,469	27.86	\$ 844,738,049	27.48
Natural person	880,439,506	27.04	818,702,648	26.64
Financial institutions	944,458,789	29.00	873,718,233	28.43
Governmental institutions	461,196,485	14.16	489,928,818	15.94
Government-owned businesses	46,756,102	1.44	44,099,834	1.43
Others	16,237,205	0.50	2,373,785	0.08
Total	<u>\$ 3,256,436,556</u>	<u>100.00</u>	<u>\$ 3,073,561,367</u>	<u>100.00</u>

Industry	March 31, 2023	
	Amount	%
Privately owned businesses	\$ 797,639,872	27.89
Natural person	726,846,503	25.42
Financial institutions	755,412,034	26.42
Governmental institutions	533,640,191	18.66
Government-owned businesses	38,964,631	1.36
Others	7,035,368	0.25
Total	<u>\$ 2,859,538,599</u>	<u>100.00</u>

(b) Geographic location:

Geography location	March 31, 2024	December 31, 2023	March 31, 2023
Taiwan	\$ 2,336,613,916	\$ 2,195,066,668	\$ 2,055,328,806
Asia	525,357,589	526,917,085	450,821,100
America	269,107,659	232,780,801	225,244,041
Europe	78,189,808	73,121,354	81,330,344
Oceania	47,020,967	45,541,559	46,615,117
Africa	146,617	133,900	199,191
Total	<u>\$ 3,256,436,556</u>	<u>\$ 3,073,561,367</u>	<u>\$ 2,859,538,599</u>

h. Changes in the Yuanta Group's allowance for credit losses and accumulative impairment

(a) Credit business

For the three months ended March 31, 2024 and 2023, the reconciliation of the balance of allowance for bad debt are as follows:

Bills discounted and loans

	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	Total
For the three months ended March 31, 2024						
Beginning balances	\$ 2,075,841	\$ 753,959	\$ 2,521,691	\$ 5,351,491	\$ 9,914,633	\$ 15,266,124
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	( 5,365)	11,954	( 6,589)	-	-	-
-Transferred to credit-impaired financial asset	( 4,088)	( 5,375)	9,463	-	-	-
-Transferred to 12-month expected credit losses	49,882	( 5,071)	( 44,811)	-	-	-
-Financial assets derecognised in the current period	( 408,057)	( 182,566)	( 84,940)	( 675,563)	-	( 675,563)
Impairment allowance for purchased or originated financial assets	539,143	4	10,869	550,016	-	550,016
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	238,322	238,322
Write-off as bad debt	( 152)	( 672)	( 99,246)	( 100,070)	-	( 100,070)
Change in exchange and others	( 76,716)	188,392	232,470	344,146	-	344,146
Ending balances	<u>\$ 2,170,488</u>	<u>\$ 760,625</u>	<u>\$ 2,538,907</u>	<u>\$ 5,470,020</u>	<u>\$ 10,152,955</u>	<u>\$ 15,622,975</u>

					Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9		Total
<u>For the three months ended March 31, 2023</u>						
Beginning balances	\$ 1,679,718	\$ 453,321	\$ 2,362,164	\$ 4,495,203	\$ 9,871,889	\$ 14,367,092
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	( 15,827)	21,887	( 6,060)	-	-	-
-Transferred to credit-impaired financial asset	( 2,988)	( 337)	3,325	-	-	-
-Transferred to 12-month expected credit losses	60,179	( 2,060)	( 58,119)	-	-	-
-Financial assets derecognised in the current period	( 293,115)	( 1,033)	( 29,484)	( 323,632)	-	( 323,632)
Impairment allowance for purchased or originated financial assets	337,427	291	20,076	357,794	-	357,794
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	275,547	275,547
Write-off as bad debt	( 62)	( 2,041)	( 10,222)	( 12,325)	-	( 12,325)
Change in exchange and others	( 77,726)	7,743	( 6,339)	( 76,322)	-	( 76,322)
Ending balances	<u>\$ 1,687,606</u>	<u>\$ 477,771</u>	<u>\$ 2,275,341</u>	<u>\$ 4,440,718</u>	<u>\$ 10,147,436</u>	<u>\$ 14,588,154</u>



For the three months ended March 31, 2024, significant changes in the total carrying amount that affected allowance for credit losses are as follows:

Bills discounted and loans	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Total
Beginning balances	\$ 1,084,811,880	\$ 11,155,269	\$ 5,848,979	\$ 1,101,816,128
Changes from financial instruments recognised at the beginning:				
-Transferred to lifetime expected credit losses	( 824,814)	835,174 (	10,360)	-
-Transferred to credit-impaired financial asset	( 223,617) (	313,330)	536,947	-
-Transferred to 12-month expected credit losses	370,813 (	264,490) (	106,323)	-
-Financial assets derecognised in the current period	( 285,906,428) (	2,283,104) (	168,068) (	288,357,600)
Impairment allowance for purchased or originated financial assets	356,715,455	1,880	18,797	356,736,132
Write-off as bad debt	( 152) (	672) (	99,246) (	100,070)
Change in exchange and others	( 15,244,157)	17,578	15,208 (	15,211,371)
Ending balances	<u>\$ 1,139,698,980</u>	<u>\$ 9,148,305</u>	<u>\$ 6,035,934</u>	<u>\$ 1,154,883,219</u>

For the three months ended March 31, 2023, significant changes in the total carrying amount that affected allowance for credit losses are as follows:

Bills discounted and loans	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Total
Beginning balances	\$ 998,354,115	\$ 6,909,422	\$ 4,292,837	\$ 1,009,556,374
Changes from financial instruments recognised at the beginning:				
-Transferred to lifetime expected credit losses	( 1,937,203)	1,946,776 (	9,573)	-
-Transferred to credit-impaired financial asset	( 189,610) (	33,385)	222,995	-
-Transferred to 12-month expected credit losses	590,319 (	409,256) (	181,063)	-
-Financial assets derecognised in the current period	( 228,184,616) (	524,449) (	99,888) (	228,808,953)
Impairment allowance for purchased or originated financial assets	256,716,208	602,830	43,908	257,362,946
Write-off as bad debt	( 62) (	2,041) (	10,222) (	12,325)
Change in exchange and others	( 19,778,501)	193,398)	112,801)	20,084,700)
Ending balances	<u>\$ 1,005,570,650</u>	<u>\$ 8,296,499</u>	<u>\$ 4,146,193</u>	<u>\$ 1,018,013,342</u>

(b) Receivables and other financial assets

I. The Yuanta Group applies the simplified approach to estimate expected credit loss for certain accounts receivable (including trading securities receivable and settlement price). Expected credit loss rate is determined by assessing historical information and examining whether a significant changes in past events, current conditions and future economic conditions are incurred. As of March 31, 2024, December 31, 2023 and March 31, 2023, the carrying amount of accounts receivable amounted to \$153,290,735, \$61,666,792 and \$49,382,613, respectively. For the three months ended March 31, 2024 and 2023, movements in relation to the Yuanta group applying the simplified approach to provide loss allowance for accounts receivable, are as follows:

	For the three months ended March 31,	
	2024	2023
January 1	(\$ 102)	(\$ 193)
Reversal of impairment loss	( 59)	( 40)
March 31	(\$ 161)	(\$ 233)

(BLANK)

II. For the three months ended March 31, 2024 and 2023, movements in relation to providing loss allowance for receivables and other financial assets, which are not stated as above accounts receivable, are as follows:

	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	Total
For the three months ended March 31, 2024						
The beginning balances	\$ 106,145	\$ 66,524	\$ 2,595,421	\$ 2,768,090	\$ 66,411	\$ 2,834,501
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	( 9,119)	16,144	( 7,025)	-	-	-
-Transferred to credit-impaired financial asset	( 5,351)	( 1,912)	7,263	-	-	-
-Transferred to 12-month expected credit losses	22,570	( 20,238)	( 2,332)	-	-	-
-Financial assets derecognised in the current period	( 15,855)	( 167)	( 1,569)	( 17,591)	-	( 17,591)
Impairment allowance for purchased or originated financial assets	18,590	868	7,260	26,718	-	26,718
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	7,640	7,640
Write-off as bad debt	-	( 3,336)	( 16,278)	( 19,614)	-	( 19,614)
Change in exchange and others	19,204	15,555	78,470	113,229	-	113,229
The ending balances	<u>\$ 136,184</u>	<u>\$ 73,438</u>	<u>\$ 2,661,210</u>	<u>\$ 2,870,832</u>	<u>\$ 74,051</u>	<u>\$ 2,944,883</u>

					Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	
For the three months ended March 31, 2023	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9		Total
The beginning balances	\$ 110,438	\$ 60,315	\$ 2,669,689	\$ 2,840,442	\$ 75,089	\$ 2,915,531
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	( 1,277)	7,630	( 6,353)	-	-	-
-Transferred to credit-impaired financial asset	( 16,492)	( 1,387)	17,879	-	-	-
-Transferred to 12-month expected credit losses	23,024	( 20,471)	( 2,553)	-	-	-
-Financial assets derecognised in the current period	( 19,649)	( 143)	( 6,913)	( 26,705)	-	( 26,705)
Impairment allowance for purchased or originated financial assets	9,625	932	6,891	17,448	-	17,448
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	( 3,651)	( 3,651)
Write-off as bad debt	-	( 1,020)	( 14,479)	( 15,499)	-	( 15,499)
Change in exchange and others	( 21,300)	13,400	( 17,575)	( 25,475)	-	( 25,475)
The ending balances	<u>\$ 84,369</u>	<u>\$ 59,256</u>	<u>\$ 2,646,586</u>	<u>\$ 2,790,211</u>	<u>\$ 71,438</u>	<u>\$ 2,861,649</u>

For the three months ended March 31, 2024 and 2023, there were no significant changes to allowance for credit losses for accounts receivable and other financial assets.

(c) Guarantee reserve, loan commitment reserve and others

	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	Total
For the three months ended March 31, 2024						
The beginning balances	\$ 39,276	\$ 12,775	\$ 79,005	\$ 131,056	\$ 104,727	\$ 235,783
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	( 22)	67	( 45)	-	-	-
-Transferred to credit-impaired financial asset	-	( 33)	33	-	-	-
-Transferred to 12-month expected credit losses	8,230	( 8,023)	( 207)	-	-	-
-Financial assets derecognised in the current period	( 3,635)	( 1,258)	( 17,281)	( 22,174)	-	( 22,174)
Impairment allowance for purchased or originated financial assets	7,047	216	16,194	23,457	-	23,457
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	( 25,618)	( 25,618)
Change in exchange and others	( 7,856)	8,721	645	1,510	-	1,510
The ending balances	<u>\$ 43,040</u>	<u>\$ 12,465</u>	<u>\$ 78,344</u>	<u>\$ 133,849</u>	<u>\$ 79,109</u>	<u>\$ 212,958</u>

					Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9		Total
For the three months ended March 31, 2023						
The beginning balances	\$ 29,264	\$ 12,275	\$ 85,263	\$ 126,802	\$ 88,037	\$ 214,839
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	( 92)	99	( 7)	-	-	-
-Transferred to credit-impaired financial asset	( 1)	( 27)	28	-	-	-
-Transferred to 12-month expected credit losses	8,106	( 7,977)	( 129)	-	-	-
-Financial assets derecognised in the current period	( 4,098)	( 822)	( 19,526)	( 24,446)	-	( 24,446)
Impairment allowance for purchased or originated financial assets	5,552	92	18,508	24,152	-	24,152
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	( 8,170)	( 8,170)
Change in exchange and others	( 7,931)	8,230	706	1,005	-	1,005
The ending balances	<u>\$ 30,800</u>	<u>\$ 11,870</u>	<u>\$ 84,843</u>	<u>\$ 127,513</u>	<u>\$ 79,867</u>	<u>\$ 207,380</u>

(I) Information relating to credit risk is provided in Note 12(3).

(d) Bills and bonds investments

For the three months ended March 31, 2024 and 2023, the beginning balances of the accumulative impairment of financial assets measured at fair value through other comprehensive income were \$45,063 and \$ 62,053; the ending balances were \$48,258 and \$63,063, respectively. For the three months ended March 31, 2024 and 2023, the beginning balances of the accumulative impairment of financial assets measured at amortised cost were \$159,669 and \$163,379; the ending balances were \$163,349 and \$164,366, respectively. The changes are attributed to changes in 12-month expected credit losses and were immaterial. In addition, there were no material changes to the related total carrying amounts.

(B) Market risk

a. Source and definition of risk

Market risks refer to the losses on and off the balance sheet as a result of the change in market price, such as interest rate, exchange rate, equity securities and instrument price. Market risk management is there to identify, evaluate, monitor and report the risks for a purpose of ensuring that market risk of all kinds should be controlled within certain bearable level.

The market risks that the Yuanta Group faces mainly are equity securities, interest rate and exchange rate risk. Market risk position of equity securities mainly include domestic listed stocks, emerging stocks, domestic stock index options and stock index futures, etc. Positions of interest rate risk mainly include bonds and interest-derivative instruments, such as interest swap and bond option, etc. Exchange rate risk are investment position denominated in foreign currency mainly including spot exchange, FX exchange, foreign exchange options and other derivatives business.

b. Risk management principle

The risk management principle of the Yuanta Group is to establish efficient and completed risk managing program, including the setting up of risk limits, duty segregation, completed risk managing execution procedure and timely risk monitor, etc. Risk limits are set up in order to effectively control the market risk under the capital capacity and the duty segregation can help regulate management and approval authorisation of various risks. Risk management conducts all kinds of evaluation and monitoring over all kinds of market risk and, at the same time, uses VaR model to coordinate quantification management of market risks together with timely monitoring during trading hours and after trading hour analysis to actually control any abnormal signal of trading risks. Risk management regularly provides risk management reports to managers of each line to ensure that the entity's market risk can be timely and completely controlled in depth.

c. Market risk assessment

- (a) The Yuanta Group adopts the Value at risk (VaR) valuation model for the trading position as a major instrument to monitor market risk. In a 99% confidence interval, the estimated possible maximum loss of the trading position in one day is the benchmark for market risk assessment.

VaR for a trading purpose:

Instrument type	For the three months ended March 31, 2024			
	March 31, 2024	VaR Average	VaR Minimum	VaR Maximum
Interest rate	172,269	178,484	138,241	249,826
Equity securities	202,782	177,717	155,686	202,782
Foreign exchange	164,624	180,710	164,569	194,355
Commodity	11,370	16,122	7,315	76,781
Less: diversification effects	( 301,916)	( 343,417)	-	-
Total VaR	249,129	209,616	166,253	297,857

Instrument type	For the three months ended March 31, 2023			
	March 31, 2023	VaR Average	VaR Minimum	VaR Maximum
Interest rate	161,594	153,236	128,453	185,026
Equity securities	229,850	225,708	196,750	249,507
Foreign exchange	775,434	719,331	637,510	822,110
Commodity	58,419	18,307	6,803	58,419
Less: diversification effects	( 536,129)	( 428,233)	-	-
Total VaR	689,168	688,349	583,169	918,871

- (b) Non-trading purpose

Sensitivity analysis on interest rate:

		March 31, 2024	December 31, 2023	March 31, 2023
		Effect on other comprehensive income	Effect on other comprehensive income	Effect on other comprehensive income
		Interest rate shift		
Financial assets at fair value through other comprehensive income-Bonds				
Yuanta Bank	Increase of 1 basis point	(\$ 26,083)	(\$ 27,676)	(\$ 35,464)
Yuanta Life	Increase of 1 basis point	( 46,000)	( 43,093)	( 37,011)



d. As of March 31, 2024, December 31, 2023 and March 31, 2023, the following table summarizes USD-denominated financial instruments of the Yuanta Group and the concentration of foreign exchange risk presented by carrying amount.

	March 31, 2024		December 31, 2023		March 31, 2023	
	USD position	Carrying amount (NTD)	USD position	Carrying amount (NTD)	USD position	Carrying amount (NTD)
Foreign currency denominated financial assets						
Cash and cash equivalents	\$ 819,129	\$ 26,203,929	\$ 1,012,449	\$ 31,117,618	\$ 1,191,318	\$ 36,280,389
Financial assets at fair value through profit or loss	888,558	28,424,961	684,734	21,045,291	807,961	24,605,656
Financial assets at fair value through other comprehensive income	3,980,990	127,351,880	3,641,593	111,924,349	4,075,116	124,103,575
Financial assets at amortised cost	8,856,053	283,305,151	8,620,743	264,958,538	8,278,657	252,118,230
Bills discounted and loans	1,519,619	48,612,622	1,334,350	41,011,247	1,615,020	49,183,819
Foreign currency denominated financial liabilities						
Bills and bonds sold under repurchase agreements	1,521,719	48,679,797	1,625,019	49,944,954	2,009,176	61,187,454
Deposits and remittances	6,392,515	204,496,554	6,208,073	190,805,132	5,554,055	169,143,189
Other liabilities	1,736,839	55,561,492	1,693,085	52,036,979	1,694,951	51,618,041

Note: As of March 31, 2024, December 31, 2023 and March 31, 2023, USD to TWD exchange rates were 31.990, 30.735 and 30.454, respectively.

e. As of March 31, 2024, December 31, 2023 and March 31, 2023, the following table summarizes KRW-denominated assets and liabilities of Yuanta Securities and the concentration of foreign exchange risk presented by carrying amount.

	March 31, 2024		December 31, 2023		March 31, 2023	
	KRW position (in thousands)	Carrying amount (NTD)	KRW position (in thousands)	Carrying amount (NTD)	KRW position (in thousands)	Carrying amount (NTD)
<u>Effect on profit or loss</u>						
Financial assets						
Cash and cash equivalents	\$ 614,847,424	\$ 14,585,411	\$ 524,623,207	\$ 12,441,439	\$ 571,460,016	\$ 13,341,306
Financial assets at fair value through profit or loss	9,056,218,070	214,831,605	10,101,996,478	239,568,846	7,202,373,462	168,146,611
Financial assets at fair value through other comprehensive income	539,808,325	12,805,333	505,059,500	11,977,486	222,696,296	5,199,068
Accounts receivable	617,487,556	14,648,040	310,454,714	7,362,434	362,412,101	8,460,873
Other financial assets	382,962,873	9,084,645	390,184,706	9,253,230	460,284,095	10,745,792
Other current assets	223,402,158	5,299,546	205,502,549	4,873,493	93,436,051	2,181,358
Financial liabilities						
Short-term borrowings	1,701,788,999	40,369,839	1,660,278,431	39,373,503	1,475,121,583	34,438,188
Financial liabilities at fair value through profit or loss	2,657,313,964	63,036,802	2,622,462,299	62,191,693	1,813,231,088	42,331,693
Bonds sold under repurchase agreements	4,820,977,619	114,363,231	5,806,189,906	137,693,794	3,656,464,559	85,363,822
Guarantee deposit received on security lent	28,509,845	676,311	68,476,873	1,623,929	57,457,925	1,341,413
Other financial liabilities	2,341,083,636	55,535,186	2,226,431,785	52,799,830	2,202,284,016	51,414,523
<u>Effect on profit or loss and equity</u>						
Financial assets						
Equity investments accounted for under the equity method	98,289,019	2,331,612	114,946,891	2,725,966	123,747,855	2,889,017

Note: As of March 31, 2024, December 31, 2023 and March 31, 2023, the KRW to TWD exchange rates were 0.024, 0.024 and 0.023, respectively.

(C) Liquidity risk

a. Source and definition of liquidity risk

Liquidity risk includes market liquidity risk and funding liquidity risk. Market liquidity risk refers to risk arising from inadequate market depth or market disruptions, which prevent settlement or closing of positions at normal market prices within a reasonable time frame and therefore necessitate buying at a much higher price or selling at a discount. Funding liquidity risk refers to risk arising from the inability to obtain sufficient capital within the expected time leading to a failure of fulfilling the capital required as maturity comes due.

b. Liquidity risk management principle

To mitigate the market liquidity risk, the Yuanta Group has set up separate standards on position liquidity limits for different operations and different securities to ensure sufficient market liquidity for all positions. For funding liquidity risk management, the Yuanta Group has set appropriate limits and ratios on liquidity supply and demand according to the nature of each operational sector, and evaluates in advance the potential capital gaps of each time period to effectively control overall liquidity risk. Pre-established capital transferring plan is also ready in case of systematic risk event and abnormal capital liquidity to sufficiently respond to overall liquidity risk and enhance overall funding liquidity risk management.

c. Assessment on liquidity risk

(a) Set up liquidity risk indicator and warning in order to control adverse element to the liquidity. At the same time, analysis and appropriate measures are made to mitigate the extent of effects.

(b) Assessments are regularly made to the assets and liabilities denominated in major currencies on the balance sheet and the cash inflow, cash outflow and liquidity gap off the balance sheet by different time period.

d. Maturity analysis for the financial assets and non-derivative liabilities held for liquidity risk management:

(a) Financial assets held for liquidity risk management

In order to fulfil the payment obligation and potential emergent fund demand in the market, as well as manage the liquidity risk at the same time, sound earning assets with high liquidity were held by the Yuanta Group, including cash and cash equivalents, due from Central Bank and call loans to other banks, financial assets at fair value through profit or loss, bills discounted and loans, financial assets at fair value through other comprehensive income and financial assets at amortised cost, etc..

(b) Maturity analysis on non-derivative assets and liabilities

The following table illustrates the analysis made on cash outflow of non-derivative financial assets and liabilities of the Yuanta Group by the remaining maturity from the consolidated balance sheet date to the contract expiration date. While the amounts disclosed in the table are not made based on the consolidated cash flow, certain accounts may differ from the responding accounts in the balance sheet.

(c) Maturity analysis on derivative financial assets and financial liabilities by date

I. Derivative financial instruments settled on a net basis

Derivative financial instruments of the Yuanta Group settled on a net basis include: options, non-delivery forward, interest swap settled by net cash flow and other interest contract.

II. Derivative financial instruments settled on a gross basis

Derivative financial instruments of the Yuanta Group settled on a gross basis include: FX options, foreign exchange forward contract, cross currency swaps, and foreign exchange swaps.

The following table illustrates the analysis made on cash inflow and outflow of financial assets and financial liabilities held by the Yuanta Group for liquidity risk management of major currencies by the remaining maturity from the financial reporting date to the contract expiration date.

(BLANK)

March 31, 2024						
Financial assets	0~90 days		91 days~1 year		Over 1 year	Total
Non-derivative financial instruments						
Cash and cash equivalents	\$	75,428,820	\$	6,490,098	\$ 50,000	\$ 81,968,918
Due from Central Bank and call loans to other banks		37,916,004		14,404,316	24,818,598	77,138,918
Financial assets at fair value through profit or loss		462,594,541		41,595,013	85,463,962	589,653,516
Financial assets at fair value through other comprehensive income		43,930,189		27,413,326	247,055,878	318,399,393
Investments in bills and bonds under resale agreements		78,968,925		-	-	78,968,925
Receivables		322,482,157		56,497,707	21,424,444	400,404,308
Bills discounted and loans		332,987,133		203,667,075	617,056,300	1,153,710,508
Reinsurance contract assets		362,526		903,723	-	1,266,249
Financial assets at amortised cost		102,883,136		44,444,267	396,483,771	543,811,174
Restricted assets		-		-	3,873,943	3,873,943
Other financial assets		85,668,760		33,287	32,497,067	118,199,114
Other assets		28,693,732		413,719	25,287,085	54,394,536
Derivative financial instruments						
Financial assets at fair value through profit or loss						
Gross settlement						
Cash inflow		142,321,040		56,736,407	131,266	199,188,713
Cash outflow	(	139,898,392)	(	53,767,934)	( 47,745)	( 193,714,071)
Net settlement		369,321		524,201	126,051	1,019,573
Total	\$	1,574,707,892	\$	399,355,205	\$ 1,454,220,620	\$ 3,428,283,717
Financial liabilities						
Non-derivative financial instruments						
Deposits from Central Bank and other banks	\$	5,286,411	\$	-	\$ -	\$ 5,286,411
Financial liabilities at fair value through profit or loss		34,713,166		956,251	6,069,000	41,738,417
Bills and bonds payable under repurchase agreements		161,630,758		30,327,835	34,454,611	226,413,204
Commercial paper payable		82,875,228		36,658,675	-	119,533,903
Payables		213,999,225		16,024,709	38,627,022	268,650,956
Deposits and remittances		341,906,739		521,694,405	756,844,314	1,620,445,458
Bonds payable		3,796,957		4,832,780	97,912,720	106,542,457
Other borrowings		58,575,576		1,232,581	10,489,868	70,298,025
Other financial liabilities		105,291,003		2,422,667	34,572,536	142,286,206
Other liabilities		78,388,299		2,097	796,644	79,187,040
Lease liabilities		293,099		1,005,647	6,371,171	7,669,917
Derivative financial instruments						
Financial liabilities at fair value through profit or loss						
Gross settlement						
Cash inflow	(	134,108,697)	(	42,373,703)	( 61,155)	( 176,543,555)
Cash outflow		136,888,849		44,989,262	376,878	182,254,989
Net settlement		3,232,210		2,885,909	1,001,819	7,119,938
Total	\$	1,092,768,823	\$	620,659,115	\$ 987,455,428	\$ 2,700,883,366

December 31, 2023								
Financial assets	0~90 days		91 days~1 year		Over 1 year	Total		
Non-derivative financial instruments								
Cash and cash equivalents	\$	71,211,604	\$	10,358,356	\$	300,000	\$	81,869,960
Due from Central Bank and call loans to other banks		46,990,617		15,277,253		20,842,270		83,110,140
Financial assets at fair value through profit or loss		426,985,109		41,369,131		94,922,780		563,277,020
Financial assets at fair value through other comprehensive income		28,976,502		25,603,680		230,875,278		285,455,460
Investments in bills and bonds under resale agreements		99,644,104		-		-		99,644,104
Receivables		200,756,177		52,297,300		20,276,416		273,329,893
Bills discounted and loans		310,027,512		190,343,543		600,425,963		1,100,797,018
Reinsurance contract assets		427,319		821,774		-		1,249,093
Financial assets at amortised cost		115,468,356		38,390,258		385,065,550		538,924,164
Restricted assets		-		-		3,051,147		3,051,147
Other financial assets		78,591,004		33,090		33,536,378		112,160,472
Other assets		20,626,734		12,720,680		11,912,922		45,260,336
Derivative financial instruments								
Financial assets at fair value through profit or loss								
Gross settlement								
Cash inflow		135,419,599		24,801,655		8,083		160,229,337
Cash outflow	(	132,798,866)	(	23,237,890)		-	(	156,036,756)
Net settlement		<u>1,242,709</u>		<u>1,289,374</u>		<u>486,539</u>		<u>3,018,622</u>
Total	\$	<u>1,403,568,480</u>	\$	<u>390,068,204</u>	\$	<u>1,401,703,326</u>	\$	<u>3,195,340,010</u>
Financial liabilities								
Non-derivative financial instruments								
Deposits from Central Bank and other banks	\$	12,387,393	\$	-	\$	-	\$	12,387,393
Financial liabilities at fair value through profit or loss		37,036,519		-		8,340,582		45,377,101
Bills and bonds payable under repurchase agreements		194,011,095		22,559,389		35,268,219		251,838,703
Commercial paper payable		61,433,540		21,721,625		-		83,155,165
Payables		128,340,812		17,413,326		33,862,735		179,616,873
Deposits and remittances		388,048,088		528,866,130		631,856,600		1,548,770,818
Bonds payable		13,644		12,187,475		90,558,900		102,760,019
Other borrowings		36,963,755		1,586,257		9,889,155		48,439,167
Other financial liabilities		96,153,745		2,677,123		36,892,528		135,723,396
Other liabilities		66,607,488		2,975		1,693,759		68,304,222
Lease liabilities		285,495		1,039,952		6,274,036		7,599,483
Derivative financial instruments								
Financial liabilities at fair value through profit or loss								
Gross settlement								
Cash inflow	(	175,002,272)	(	21,661,041)	(	2,949,708)	(	199,613,021)
Cash outflow		179,103,165		22,775,212		3,753,548		205,631,925
Net settlement	(	<u>405,780)</u>	(	<u>940,359)</u>	(	<u>392,573)</u>	(	<u>1,738,712)</u>
Total	\$	<u>1,024,976,687</u>	\$	<u>608,228,064</u>	\$	<u>855,047,781</u>	\$	<u>2,488,252,532</u>

March 31, 2023					
Financial assets	0~90 days	91 days~1 year	Over 1 year	Total	
Non-derivative financial instruments					
Cash and cash equivalents	\$ 64,276,543	\$ 7,410,582	\$ 50,000	\$	71,737,125
Due from Central Bank and call loans to other banks	44,197,367	15,974,326	19,842,074		80,013,767
Financial assets at fair value through profit or loss	342,042,785	33,687,547	72,380,333		448,110,665
Financial assets at fair value through other comprehensive income	47,669,435	23,727,548	282,848,481		354,245,464
Investments in bills and bonds under resale agreements	72,742,477	-	-		72,742,477
Receivables	166,672,405	47,287,843	13,572,138		227,532,386
Bills discounted and loans	271,330,285	178,405,248	567,353,039		1,017,088,572
Reinsurance contract assets	451,882	907,183	-		1,359,065
Financial assets at amortised cost	125,829,178	61,556,855	379,220,838		566,606,871
Restricted assets	-	-	2,301,182		2,301,182
Other financial assets	81,554,235	26,540	32,260,513		113,841,288
Other assets	19,098,763	648,175	22,086,429		41,833,367
Derivative financial instruments					
Financial assets at fair value through profit or loss					
Gross settlement					
Cash inflow	69,717,064	19,299,385	4,852,021		93,868,470
Cash outflow	( 68,617,493)	( 18,035,008)	( 4,091,666)	(	90,744,167)
Net settlement	830,608	1,338,390	892,045		3,061,043
Total	\$ 1,237,795,534	\$ 372,234,614	\$ 1,393,567,427	\$	3,003,597,575
Financial liabilities					
Non-derivative financial instruments					
Deposits from Central Bank and other banks	\$ 18,509,189	\$ -	\$ -	\$	18,509,189
Financial liabilities at fair value through profit or loss	46,089,459	-	1,051,915		47,141,374
Bills and bonds payable under repurchase agreements	164,271,984	36,761,689	28,098,294		229,131,967
Commercial paper payable	48,650,046	2,282,703	-		50,932,749
Payables	117,333,733	13,877,707	28,708,136		159,919,576
Deposits and remittances	359,127,704	544,192,818	598,775,421		1,502,095,943
Bonds payable	8,209,160	9,549,236	82,632,456		100,390,852
Other borrowings	30,641,995	1,353,159	10,169,518		42,164,672
Other financial liabilities	92,188,410	2,200,381	40,438,366		134,827,157
Other liabilities	49,949,094	1,046	1,540,787		51,490,927
Lease liabilities	262,361	1,088,860	4,805,992		6,157,213
Derivative financial instruments					
Financial liabilities at fair value through profit or loss					
Gross settlement					
Cash inflow	( 56,566,064)	( 30,352,243)	( 6,798,189)	(	93,716,496)
Cash outflow	57,404,189	31,158,477	7,590,420		96,153,086
Net settlement	2,029,206	908,691	1,496,646		4,434,543
Total	\$ 938,100,466	\$ 613,022,524	\$ 798,509,762	\$	2,349,632,752

Maturity analysis for above deposits and remittances are amortised to each period based on historical experience. Given that all the deposits and remittances have to be paid in the shortest possible time, as of March 31, 2024, December 31, 2023 and March 31, 2023, expenses on period of 0-90 days will increase by \$785,616,353, \$742,401,069 and \$698,551,051, respectively.

e. Maturity analysis for items off the balance sheet and capital expense commitment

Items off the balance sheet, while the client may choose when to make a payment, are classified into the earliest time category.

Capital expenditure commitment of the Yuanta Group refers to the capital expenses spent on the contract commitment in order to acquire the building and equipment.

Please refer to the below table for maturity analysis on off balance sheet items and capital expenditure commitment of the Yuanta Group:

	March 31, 2024			
	Less than 1 year	1 ~5 years	More than 5 years	Total
Off balance sheet				
Unused loan commitment	\$ 33,785,544	\$ 227,842	\$ -	\$ 34,013,386
Unused credit commitment	3,850,291	-	-	3,850,291
Guarantees	12,865,439	-	-	12,865,439
Capital expenditure commitment	3,609,328	4,125,414	-	7,734,742
	December 31, 2023			
	Less than 1 year	1 ~5 years	More than 5 years	Total
Off balance sheet				
Unused loan commitment	\$ 28,671,871	\$ -	\$ -	\$ 28,671,871
Unused credit commitment	2,189,074	-	-	2,189,074
Guarantees	12,335,000	-	-	12,335,000
Capital expenditure commitment	3,503,972	4,537,552	-	8,041,524
	March 31, 2023			
	Less than 1 year	1 ~5 years	More than 5 years	Total
Off balance sheet				
Unused loan commitment	\$ 22,573,671	\$ -	\$ -	\$ 22,573,671
Unused credit commitment	3,110,976	-	-	3,110,976
Guarantees	10,639,079	-	-	10,639,079
Capital expenditure commitment	3,066,084	4,989,441	-	8,055,525

(D) Insurance risk

a. Measurement and management of insurance risk

Insurance risks refer to insufficient estimates over the frequency, severity and lapse rate of the insured incidents, such as death rate, morbidity rate, lapse rate, interest rate, expense rate and so on. These ratios could be influenced by random variable risks and therefore lead to the risks of additional payment exceeding the original estimated values. The Yuanta Group engages in business of life insurance, variable life insurance, accident insurance, and health insurance. The risks and management for the above products are as follows:

(a) Life insurance

The main risk of life insurance comprises of death rate and interest rate. The Yuanta Group assesses the premium rate of main insurance product on the market, makes related statistical measurement and analysis of death rate, such as cash flow test and experience test. Inspections are used to determine whether the death rate is higher than

pricing basis in order to evaluate the impact toward the overall operation or the extent of negative impact arising accordingly, and to further determine whether or not to cease the sale of the product and adjust the premium rate of the new product.

As for interest risks, the interest rates of long-term contracts were all locked-in before sales in compliance with regulation. If there is an objective gap of fluctuation between long-term interest rate and the estimated policy interest rate, and the investment income fails to reach the promised policy interest rate, the Yuanta Group will then face a problem of negative spread. Therefore, the Yuanta Group evaluates the investment income in various committees on a regular basis to further evaluate investment portfolios. The Yuanta Group shall review investment allocation, insurance combination and (or) preset interest rates to mitigate risks of negative spread if there is obvious adverse development in the problem of negative spread.

(b) Variable life insurance

The main risk of variable life insurance mainly comprises of death rate. Explanation of death rate risks shall be the same as the life insurance.

(c) Accident insurance and health insurance

The main risks of accident insurance and health insurance comprise of the occurrence of the accident rate and the morbidity rate. The Yuanta Group tracks loss rate of each insurance type, assesses the premium rate of main insurance products on the market, and makes related statistical measurement of occurrence of the accident rate and the morbidity rate, such as cash flow test and experience test in order to evaluate the impact toward the overall operation or the extent of negative impact arising accordingly, and to further determine whether or not to cease the sale of the product and adjust the premium rate of the new product. The Yuanta Group could also arrange reinsurance ceded to mitigate overall potential risk of loss from claims in the future.

(d) Management of insurance risk

I. Risk management of policy underwriting

Underwriting risk refers to the risk of unexpected losses arising from soliciting insurance policies, assessing policy underwritings and related expenses etc. In accordance with “Regulations Governing Business Solicitation, Policy Underwriting and Claim Adjusting of Insurance Enterprises”, the Yuanta Group has established an appropriate risk management mechanism, which includes the establishment of policy underwriting systems and procedures, the establishment of policy underwriting manuals and standards, and the establishment of policy underwriting risk management indicators, as well as their faithful implementation, in order to regulate the underwriting limit of policy underwriters and control the accuracy and timeliness of policy underwritings.

II. Risk management of payment of claims

Risk arising from payment of claims refers to the risk of unexpected losses arising from improper assessment of claims or negligence when handling policy claims. In accordance with “Regulations Governing Business Solicitation, Policy Underwriting and Claim Adjusting of Insurance Enterprises”, the Yuanta Group has established an appropriate risk management mechanism, which includes the establishment of policy underwriting systems and procedures, the establishment of policy underwriting manuals and standards, and the establishment of policy underwriting risk management indicators, as well as their faithful implementation, in order to regulate the underwriting limit of policy underwriters and control the accuracy, timeliness, policy claim rate and rate of actual policy payments of policy claims.



### III. Risk of product designing and pricing

Risk of product designing and pricing refers to risks arising from the improper or inconsistent design of a product's content, stipulated terms or cited fees, or unexpected changes etc. The Yuanta Group has established related operation procedures pursuant to "Regulations Governing Business Solicitation, Policy Underwriting and Claim Adjusting of Insurance Enterprises", complying with the operation procedures in each developing phase of an insurance product and controlling product designing and pricing by putting in place quantitative mechanisms such as probability testing.

#### b. Insurance risk concentration

The insurances covered by the Yuanta Group are distributed over the country and have no specific concentration over any specific location, target client, age group, or type of occupation. Reinsurance arrangement is still made after assessment in order to mitigate the covered insurance risks and avoid the overall cumulative risks exceeding the Yuanta Group's risk capacity. Additionally, through catastrophe reinsurance, the Yuanta Group transfers concentrated risks to highly secure reinsurance companies to further mitigate the risks of large claims and catastrophe claims.

#### c. Liability adequacy test

According to the relevant insurance regulation, the assumption factors adopted have been locked-in during pricing. However, the assumption may vary from the actual experience as time goes by. Pursuant to IFRS 4, 'Insurance contracts', the Yuanta Group should perform liability adequacy test accordingly to determine whether or not the recognised insurance liability is adequate. In respect of overall insurance contracts of the Yuanta Group as of March 31, 2024, December 31, 2023 and March 31, 2023, the liabilities will still be adequate on the assumption that the mortality, lapse, and expense rates all change by 10% and inflation rate changes by 1%.

If the discount rate of the liability adequacy test decreases by 10 basis points, the liability recognised is still deemed to be adequate and should not influence income before tax and other comprehensive income. If the discount rate of the adequacy test decreases significantly, the change would impact income before tax and other comprehensive income.

#### d. Credit risk, liquidity risk and market risk of insurance contracts

##### (a) Credit risk

Credit risks primarily refer to the risk of a reinsurer's failure to fulfil its obligations on the ceded business, which leads to its inability to share its stake of the premiums, claims and other expenses. To manage this risk, the Yuanta Group will, all conditions being equal, foremost consider the distribution to different reinsurers to mitigate the concentration risk. The reinsurers will be selected prudently in accordance with the reinsurance risk management plan as set by the Yuanta Group. To mitigate the credit risk, the reinsurance agreement will require that reinsurance fees shall be paid on a net basis by deducting any receivables or share of payments recoverable from the reinsurer. In addition, the Yuanta Group will demand the inclusion of a special termination clause in the reinsurance agreement, allowing the Yuanta Group to terminate the agreement in the circumstances that the reinsurer defaults on its obligations to limit further credit risk.

After ceding the business, the Yuanta Group will review the credit rating of the reinsurers regularly in accordance with its reinsurance risk management plan. In the event of a credit rating downgrade of a reinsurer leading to its failure to meet the minimum requirement of being an eligible reinsurer as stipulated by the "Regulations Governing Insurance Enterprises Engaging in Operating Reinsurance and Other Risk Spreading Mechanisms", the Yuanta Group will disclose reinsurance reserve as

required to monitor the adverse impacts from the downgraded reinsurer on the Yuanta Group.

Currently, the credit ratings of all reinsurance counterparties of the Yuanta Group have met the eligibility standards as stipulated by the regulations.

(b) Liquidity risk

The liquidity risk of the insurance contract arises mainly from the Yuanta Group's failure to realise the assets or to obtain sufficient funding in time to fulfil its obligations on insurance benefits payment. To manage the risk, the Yuanta Group regularly conducts maturity analysis on the insurance contracts and reviews the matching of assets and liabilities.

The table below shows the net liability cash flow analysis on the insurance portfolio of the Yuanta Group by maturity (excluding net cash flow from investing activities). The figures reflect, for the in-force policies as at the valuation date, the estimation of undiscounted total insurance benefit payments, expense and other outflows, net of insurance premiums and other income at each future time point. The future actual amounts may vary as the actual experience may be different from the expected amounts.

Net cash flows used in (provided by) the insurance contracts:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Less than 1 year	(\$ 3,859,194)	(\$ 3,254,664)	(\$ 2,439,777)
1 ~5 years	17,092,935	19,518,829	21,148,184
6 ~15 years	127,248,712	119,923,760	108,345,123
More than 15 years	<u>598,547,497</u>	<u>581,877,003</u>	<u>572,223,859</u>
Total	<u>\$ 739,029,950</u>	<u>\$ 718,064,928</u>	<u>\$ 699,277,389</u>

The Yuanta Group has insurance contracts that are classified as investment-linked product liabilities. However, such liabilities are repaid based on investment-linked product assets. Therefore, the Yuanta Group has no significant liquidity risk.

(c) Market risk

Pursuant to the "Regulations Governing the Setting Aside of Various Reserves by Insurance Enterprises" and relevant regulations, the Yuanta Group calculates and sets aside statutory reserves in accordance with assumed interest rate and incidence rate regulated by the supervisors. As the assumed interest rate is pre-determined as at policy issuance, the statutory reserves will not change with market interest rate fluctuations. The regulator will regularly review the discount rate assumption, which however may not necessarily correspond to the market risk factors (e.g. market interest rate) in terms of time, amount, or direction, and it is only applicable to the new policies. Therefore, the impact of probable changes in market risks on the statutory reserves of the Yuanta Group's in-force insurance policies is negligible. In case the regulator changes the discount rate assumption, its impact on profit/loss or equity will vary depending on the range of the change and the Yuanta Group's overall product mix. Furthermore, reasonable and probable variations in market risks may affect the liability adequacy test, which requires the future cash flows for insurance contracts and financial instruments with discretionary participation features to be estimated based on the current information as at the balance sheet date to assess whether recognised insurance liabilities are adequate. Please refer to the liability adequacy test for the impact of market risk variables on the current liability adequacy of the Yuanta Group.

C. Climate-related Risk Management:

The Yuanta Group has established three lines of defense for risk management and an Enterprise Risk Management (ERM) mechanism. Each line of defense has clear organization, responsibilities, and functions to ensure the effective operation of the risk management mechanism. The assessment and management of transition risk or physical risk related to climate risk are integrated into the existing risk management framework, including qualitative and quantitative analysis.

The climate risk and opportunity management process of our group mainly consists of four steps, from risk and opportunity identification, measurement, monitoring to reporting, and the responsibilities and management actions of each step are described as follows:

(A) Risk and opportunity identification:

- a. Each subsidiary conducts climate risk and opportunity identification annually based on its business characteristics.
- b. The Risk Management Department of the Yuanta Financial Holdings integrates overall risk and opportunity identification.
- c. Refers to international organizations' climate risk reports.

(B) Risk and opportunity measurement:

- a. Each subsidiary evaluates the impact and influence of each risk and opportunity based on its business characteristics.
- b. The scope of measurement includes impact pathways, impact time and geographical scope, the position of the impact value chain, and financial impact.
- c. The Risk Management Department of the Yuanta Financial Holdings establishes a climate risk value measurement model to enhance quantitative management of climate risk.

(C) Risk and opportunity monitoring:

- a. Include environmental and social risk factors of each industry in the industry risk level assessment mechanism.
- b. Establish quantifiable indicators and limits for climate risk, and conduct analysis, monitoring, and reporting monthly.

(D) Risk and Opportunity Reporting:

- a. Develop response strategies for each risk and opportunity and report to the Sustainability Committee and the Board of Directors.
- b. Regularly report on the use of various risk indicators or limits at the Risk Management Committee and the Board of Directors.
- c. Report climate risk-related information to the Risk Management Committee and the Board of Directors on an irregular basis.

D. Transfer of financial assets

Transferred financial assets not fully derecognised

(A) The Yuanta Group has financial assets that are fully or partially derecognised through transactions of transfer of financial assets to others. When the Yuanta Group receives the contract right of cash flow from the financial assets, or retains the above rights but bears obligation to pay the cash flow to one or more recipients and the risks and compensation of rights are mostly transferred, the assets should be derecognised. If the Yuanta Group still retains most of the risks and compensation of rights, the Yuanta Group should continue recognises the financial assets. If the Yuanta Group does not transfer or retains most of the risks and compensation of rights and maintains control over the assets, the Yuanta Group should continue recognise the part of financial assets that are involved.

(B) Financial assets that do not meet the derecognition conditions are mainly: (1) convertible bonds transferred to counterparties during transactions of exchanging assets and (2) bills and bonds sold under repurchase agreements. The targeted assets exchanged in the transactions are either acquired through public subscription, book building, auctions or others by the

Yuanta Group or owned by the Yuanta Group for proprietary trading, and are sold to counterparties in order to receive consideration. During the contract period, the contracted interest compensation is exchanged for bond interest and interest refund arising from the convertible bonds held by the counterparties. The Yuanta Group obtains rights to repurchase the convertible bonds before the end of contract expiration date. As the options are neither deep-in-the-money nor deep-out-of-the-money at transactions, the Yuanta Group must further assess whether to retain the control over the convertible bonds. Since the convertible bonds cannot be easily obtained in markets, the Yuanta Group still keeps its control over the assets and continuing involvement. Because transactions in respect to the repurchase agreements of debt instruments and bills had transferred their receivable contractual cash flows to other parties, and are reflected in the Yuanta Group's related liabilities, which indicate the obligation to repurchase transferred financial assets in a specified future period within a fixed price, the Yuanta Group, within the effective period of the transaction, cannot use, sell or pledge the already transferred financial asset, but must still bear interest risk and credit risk. Thus, such financial assets were not derecognised in its entirety.

Financial assets that do not meet the derecognition conditions and related financial liabilities are analysed as below:

March 31, 2024		
Financial assets category	Carrying amount of transferred financial assets	Carrying amount of related financial liabilities
Convertible corporate bonds transferred to the trading counterparties through asset swap	\$ 29,142,968	\$ 24,361,354
Bonds sold under repurchase agreements	206,961,740	204,839,449
Bills sold under repurchase agreements	18,635,050	18,682,848
Securities lending agreement	307,476	-
December 31, 2023		
Financial assets category	Carrying amount of transferred financial assets	Carrying amount of related financial liabilities
Convertible corporate bonds transferred to the trading counterparties through asset swap	\$ 27,938,215	\$ 24,070,650
Bonds sold under repurchase agreements	237,010,478	233,986,894
Bills sold under repurchase agreements	15,959,969	16,001,688
Securities lending agreement	125,653	-

March 31, 2023			
Financial assets category	Carrying amount of transferred financial assets		Carrying amount of related financial liabilities
Convertible corporate bonds transferred to the trading counterparties through asset swap	\$	25,624,039	\$ 22,605,811
Bonds sold under repurchase agreements		213,461,279	210,996,741
Bills sold under repurchase agreements		15,016,371	15,051,302
Securities lending agreement		167,000	-

#### E. Offsetting financial assets and financial liabilities

The Yuanta Group has transactions that are or are similar to net settled master netting arrangements but do not meet the offsetting criteria. The above transactions are settled on a net basis after offsetting financial assets with financial liabilities if both parties of the transaction choose to use net settlement; the above transactions are settled on a gross basis if both parties do not choose to use net settlement. However, if one party breaches the contract, the counterparty can choose to use net settlement.

The offsetting of financial assets and financial liabilities are set as follows:

##### (A) Financial assets

March 31, 2024							
Financial assets that are offset, or can be settled under agreements of net settled master netting arrangements or similar arrangements							
Description				Related amounts not set off in the balance sheet(d)( Note 1)			
	Gross amounts of recognised financial assets(a)	Gross amounts of recognised financial liabilities set off in the balance sheet(b)	Net amounts of financial assets presented in the balance sheet (c)=(a)-(b)	Financial instruments (Note 2)	Cash collateral received	Net amount (e)=(c)-(d)	
Derivative instruments	\$ 9,033,497	\$ -	\$ 9,033,497	\$ 5,648,257	\$ 213,440	\$ 3,171,800	
Bonds purchased under resale agreements	73,440,710	-	73,440,710	70,285,710	3,102,297	52,703	
Bills purchased under resale agreements	5,528,215	-	5,528,215	5,039,263	-	488,952	

December 31, 2023

Financial assets that are offset, or can be settled under agreements of net settled master netting arrangements or similar arrangements						
				Related amounts not set off in the balance sheet(d)( Note 1)		
Description	Gross amounts of recognised financial assets(a)	Gross amounts of recognised financial liabilities set off in the balance sheet(b)	Net amounts of financial assets presented in the balance sheet (c)=(a)-(b)	Financial instruments (Note 2)	Cash collateral received	Net amount (e)=(c)-(d)
Derivative instruments	\$ 11,581,472	\$ -	\$ 11,581,472	\$ 8,026,854	\$ 1,065,991	\$ 2,488,627
Bonds purchased under resale agreements	82,077,165	-	82,077,165	76,922,165	5,097,748	57,252
Bills purchased under resale agreements	17,566,939	-	17,566,939	17,422,164	-	144,775
March 31, 2023						

Financial assets that are offset, or can be settled under agreements of net settled master netting arrangements or similar arrangements						
				Related amounts not set off in the balance sheet(d)( Note 1)		
Description	Gross amounts of recognised financial assets(a)	Gross amounts of recognised financial liabilities set off in the balance sheet(b)	Net amounts of financial assets presented in the balance sheet (c)=(a)-(b)	Financial instruments (Note 2)	Cash collateral received	Net amount (e)=(c)-(d)
Derivative instruments	\$ 9,555,288	\$ -	\$ 9,555,288	\$ 6,134,925	\$ 1,585,991	\$ 1,834,372
Bonds purchased under resale agreements	68,815,255	-	68,815,255	66,513,255	2,259,939	42,061
Bills purchased under resale agreements	3,927,222	-	3,927,222	3,647,708	-	279,514
(B) Financial liabilities						
March 31, 2024						

Financial liabilities that are offset, or can be settled under agreements of net settled master netting arrangements or similar arrangements						
				Related amounts not set off in the balance sheet(d)( Note 1)		
Description	Gross amounts of recognised financial liabilities(a)	Gross amounts of recognised financial assets set off in the balance sheet(b)	Net amounts of financial liabilities presented in the balance sheet (c)=(a)-(b)	Financial instruments (Note 3)	Cash collateral received	Net amount (e)=(c)-(d)
Derivative instruments	\$ 19,714,812	\$ -	\$ 19,714,812	\$ 9,365,260	\$ 6,930,559	\$ 3,418,993
Bonds sold under repurchase agreements	207,730,356	-	207,730,356	207,501,301	229,055	-
Bills sold under repurchase agreements	18,682,848	-	18,682,848	18,635,050	-	47,798

December 31, 2023

Financial liabilities that are offset, or can be settled under agreements of net settled master netting arrangements or similar arrangements

Description	Gross amounts of recognised financial liabilities(a)	Gross amounts of recognised financial assets set off in the balance sheet(b)	Net amounts of financial liabilities presented in the balance sheet (c)=(a)-(b)	Related amounts not set off in the balance sheet(d)( Note 1)			Net amount (e)=(c)-(d)
				Financial instruments (Note 3)	Cash collateral received		
Derivative instruments	\$ 18,760,265	\$ -	\$ 18,760,265	\$ 11,569,562	\$ 2,621,821		\$ 4,568,882
Bonds sold under repurchase agreements	235,837,015	-	235,837,015	235,802,332	34,683		-
Bills sold under repurchase agreements	16,001,688	-	16,001,688	15,959,969	-		41,719
March 31, 2023							

Financial liabilities that are offset, or can be settled under agreements of net settled master netting arrangements or similar arrangements

Description	Gross amounts of recognised financial liabilities(a)	Gross amounts of recognised financial assets set off in the balance sheet(b)	Net amounts of financial liabilities presented in the balance sheet (c)=(a)-(b)	Related amounts not set off in the balance sheet(d)( Note 1)			Net amount (e)=(c)-(d)
				Financial instruments (Note 3)	Cash collateral received		
Derivative instruments	\$ 15,643,317	\$ -	\$ 15,643,317	\$ 10,670,502	\$ 3,027,608		\$ 1,945,207
Bonds sold under repurchase agreements	214,080,665	-	214,080,665	213,751,707	328,958		-
Bills sold under repurchase agreements	15,051,302	-	15,051,302	15,016,371	-		34,931

Note 1: The related offsetting amount shall not exceed the recognised financial assets or liabilities.

Note 2: Including net settled master netting arrangements and non-cash collaterals.

Note 3: Including net settled master netting arrangements.

#### F. Interest Rate Benchmark Reform

The Yuanta Group's financial instruments which were affected by the interest rate benchmark reform included derivative instruments, discounts and loans and debt instruments. The primarily linked exit interest index was US LIBOR. SOFR was expected to replace US LIBOR and with reference to the public announcement of the Financial Conduct Authority on March 5, 2021, the pricing date of interest rate spread adjustment was March 5, 2021.

In order to effectively control the risk of interest rate benchmark reform, Yuanta Group has a LIBOR transition plan, including the governance framework for top-down and cross segment, internal training and continuous evaluating and identifying the effects of contract remediation, communicating with trading counterparty, risk management and valuation model, operating process and system, accounting and tax. As of March 31, 2024, the Group has completed all the transition and has no relevant exposure.

(4) Capital adequacy ratio:

Not applicable.

(5) In accordance with Article 46 of the Financial Holding Company Act, the following table represents the Company and its subsidiaries' provision of business credit or endorsements to, or other transactions with, the same individual, the same related party, or the same affiliated company.

Not applicable.

(6) Significant impact arising from changes in government laws and regulations:

None.

(7) Information for discontinued operations:

None.

(8) Major operating assets or liabilities transferred from (or to) other financial institutions:

None.

(9) Allocation of expenses between the Company and its subsidiaries and among subsidiaries

According to Article 7 of the Yuanta Group's Cross-Marketing Management System, contracts regarding legal responsibility and the allocation method for expenses arising from the mutual use of business facilities and cross-sales between the Company's subsidiaries should be formulated and signed.

(10) Information for private placement securities:

None.

(BLANK)



# (11) Financial information by business segments

Information by business segments for the three months ended March 31, 2024 is as follows:

Item	(Expressed In Thousands of New Taiwan Dollars)					
	Bank business	Securities business	Futures business	Insurance business	Other businesses	Consolidated
Net interest income (loss)	\$ 3,963,417	\$ 316,758	\$ 400,699	\$ 3,032,462	(\$ 104,190)	\$ 7,609,146
Net non-interest income	<u>2,587,683</u>	<u>14,433,379</u>	<u>575,685</u>	<u>3,294,278</u>	<u>2,515,632</u>	<u>23,406,657</u>
Net profit	6,551,100	14,750,137	976,384	6,326,740	2,411,442	31,015,803
(Provision for) reversal of bad debt expenses, commitment and guarantee policy reserve	( 137,660)	( 177,295)	750	( 532)	-	( 314,737)
Net change in provisions for insurance liabilities	-	-	-	( 4,136,147)	-	( 4,136,147)
Operating expenses	( 3,230,313)	( 9,394,268)	( 480,769)	( 394,669)	( 1,072,864)	( 14,572,883)
Net income from continuing operations before income tax	3,183,127	5,178,574	496,365	1,795,392	1,338,578	11,992,036
Income tax expense	( 650,369)	( 811,818)	( 118,644)	( 159,399)	( 293,322)	( 2,033,552)
Consolidated net income, net of tax	<u>\$ 2,532,758</u>	<u>\$ 4,366,756</u>	<u>\$ 377,721</u>	<u>\$ 1,635,993</u>	<u>\$ 1,045,256</u>	<u>\$ 9,958,484</u>

Information by business segments for the three months ended March 31, 2023 is as follows:

Item	(Expressed In Thousands of New Taiwan Dollars)					
	Bank business	Securities business	Futures business	Insurance business	Other businesses	Consolidated
Net interest income (loss)	\$ 3,756,067	\$ 529,284	\$ 369,276	\$ 2,763,658	(\$ 100,905)	\$ 7,317,380
Net non-interest income	<u>1,410,920</u>	<u>10,663,511</u>	<u>389,782</u>	<u>2,248,175</u>	<u>1,561,099</u>	<u>16,273,487</u>
Net profit	5,166,987	11,192,795	759,058	5,011,833	1,460,194	23,590,867
(Provision for) reversal of bad debt expenses, commitment and guarantee policy reserve	235,298	20,012	1,313	( 348)	-	256,275
Net change in provisions for insurance liabilities	-	-	-	( 4,095,727)	-	( 4,095,727)
Operating expenses	( 2,909,042)	( 7,212,458)	( 366,131)	( 392,669)	( 841,013)	( 11,721,313)
Net income from continuing operations before income tax	2,493,243	4,000,349	394,240	523,089	619,181	8,030,102
Income tax expense	( 455,688)	( 926,848)	( 88,430)	21,654	( 175,810)	( 1,625,122)
Consolidated net income, net of tax	<u>\$ 2,037,555</u>	<u>\$ 3,073,501</u>	<u>\$ 305,810</u>	<u>\$ 544,743</u>	<u>\$ 443,371</u>	<u>\$ 6,404,980</u>

(12) Financial statements of the Company and condensed financial statements of its subsidiaries:

A. Financial statements of the Company

Yuanta Financial Holding Co., Ltd.

Yuanta Financial Holding Co., Ltd.

Individual Balance Sheets

March 31, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024	March 31, 2023	LIABILITIES AND EQUITY	March 31, 2024	March 31, 2023
Cash and cash equivalents	\$ 2,501,549	\$ 6,067,053	Commercial paper payable - net	\$ 259,560	\$ 29,989
Financial assets at fair value through other comprehensive income	64,136	66,664	Payables	6,753,208	6,068,133
Receivables - net	3,486,172	1,701,043	Current income tax liabilities	3,539,680	2,780,409
Current income tax assets	2,591,632	2,670,949	Bonds payable	33,600,000	36,500,000
Equity investments accounted for under the equity method - net	334,733,269	303,282,420	Provisions	12,460	35,164
Property and equipment - net	37,864	47,290	Lease liabilities	73,621	120,323
Right-of-use assets - net	71,630	116,483	Other liabilities	13,040	10,709
Intangible assets - net	12,474	15,794	Total liabilities	44,251,569	45,544,727
Deferred income tax assets	46,520	78,616	Equity		
Other assets - net	23,296	9,267	Common stock	126,890,824	125,015,590
			Additional paid-in capital	38,188,103	38,066,502
			Retained earnings		
			Legal reserve	22,561,044	20,481,785
			Special reserve	13,517,403	6,549,234
			Undistributed earnings	90,122,356	78,923,032
			Other equity	8,037,243	(525,291)
			Total equity	299,316,973	268,510,852
Total assets	<u>\$ 343,568,542</u>	<u>\$ 314,055,579</u>	Total liabilities and equity	<u>\$ 343,568,542</u>	<u>\$ 314,055,579</u>

Yuanta Financial Holding Co., Ltd.  
Individual Statements of Comprehensive Income  
For the three months ended March 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	For the three months ended March 31,	
	2024	2023
Revenues		
Share of the profit or loss of associates and joint ventures accounted for under the equity method	\$ 9,761,775	\$ 6,171,714
Other revenues	52,523	25,827
	<u>9,814,298</u>	<u>6,197,541</u>
Expenses and losses		
Operating expenses	( 469,507)	( 320,986)
Other expenses and losses	( 99,276)	( 100,519)
	<u>( 568,783)</u>	<u>( 421,505)</u>
Income from continuing operations before income tax	9,245,515	5,776,036
Income tax expense	( 10,505)	( 3,735)
Net income	<u>9,235,010</u>	<u>5,772,301</u>
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss (net of tax)		
Gain or loss on valuation of investments in equity instruments measured at fair value through other comprehensive income	261	344
Share of other comprehensive income of associates and joint ventures accounted for under the equity method, components of other comprehensive income that will not be reclassified to profit or loss	2,225,642	2,347,486
Components of other comprehensive income that will be reclassified to profit or loss (net of tax)		
Share of other comprehensive income of associates and joint ventures accounted for under the equity method, components of other comprehensive income that will be reclassified to profit or loss	849,122	3,966,636
Other comprehensive income	<u>3,075,025</u>	<u>6,314,466</u>
Total comprehensive income	<u>\$ 12,310,035</u>	<u>\$ 12,086,767</u>
Earnings per share (in dollars)		
Basic and diluted earnings per share	<u>\$ 0.73</u>	<u>\$ 0.45</u>

Yuanta Financial Holding Co., Ltd.  
Individual Statement of Change in Equity  
For the three months ended March 31, 2024 and 2023  
(Expressed In Thousands of New Taiwan Dollars)

	Retained Earnings					Other equity					
	Common stock	Additional paid-in capital	Legal reserve	Special reserve	Undistributed earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on debt instruments at fair value through other comprehensive income	Other comprehensive income (loss) on reclassification under the overlay approach	Change in fair value of financial liability attributable to change in credit risk	Total equity	
<u>For the three months ended March 31, 2023</u>											
Balance, January 1, 2023	\$ 125,015,590	\$ 38,010,564	\$ 20,481,785	\$ 6,549,234	\$ 73,279,144	(\$ 6,119,904)	\$ 4,445,539	(\$ 5,242,587)	(\$ 51,218)	\$ 256,368,147	
Net income for the period	-	-	-	-	5,772,301	-	-	-	-	5,772,301	
Other comprehensive income (loss) for the period	-	-	-	-	( 90,201)	( 1,182,669)	5,876,856	1,710,452	28	6,314,466	
Total comprehensive income (loss) for the period	-	-	-	-	5,682,100	( 1,182,669)	5,876,856	1,710,452	28	12,086,767	
Changes in equity of associates and joint ventures accounted for using equity method	-	55,938	-	-	-	-	-	-	-	55,938	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	( 38,212)	-	38,212	-	-	-	
Balance, March 31, 2023	<u>\$ 125,015,590</u>	<u>\$ 38,066,502</u>	<u>\$ 20,481,785</u>	<u>\$ 6,549,234</u>	<u>\$ 78,923,032</u>	<u>(\$ 7,302,573)</u>	<u>\$ 10,360,607</u>	<u>(\$ 3,532,135)</u>	<u>(\$ 51,190)</u>	<u>\$ 268,510,852</u>	
<u>For the three months ended March 31, 2024</u>											
Balance, January 1, 2024	\$ 126,890,824	\$ 38,188,103	\$ 22,561,044	\$ 13,517,403	\$ 80,901,931	(\$ 6,961,608)	\$ 14,117,852	(\$ 2,159,647)	(\$ 48,964)	\$ 287,006,938	
Net income for the period	-	-	-	-	9,235,010	-	-	-	-	9,235,010	
Other comprehensive income (loss) for the period	-	-	-	-	( 119,816)	121,368	1,808,831	1,264,494	148	3,075,025	
Total comprehensive income (loss) for the period	-	-	-	-	9,115,194	121,368	1,808,831	1,264,494	148	12,310,035	
Changes in equity of associates and joint ventures accounted for under equity method	-	-	-	-	-	-	-	-	-	-	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	105,231	-	( 105,231)	-	-	-	
Balance, March 31, 2024	<u>\$ 126,890,824</u>	<u>\$ 38,188,103</u>	<u>\$ 22,561,044</u>	<u>\$ 13,517,403</u>	<u>\$ 90,122,356</u>	<u>(\$ 6,840,240)</u>	<u>\$ 15,821,452</u>	<u>(\$ 895,153)</u>	<u>(\$ 48,816)</u>	<u>\$ 299,316,973</u>	

Yuanta Financial Holding Co., Ltd.  
Individual Statement of Cash Flows  
For the three months ended March 31, 2024 and 2023  
(Expressed In Thousands of New Taiwan Dollars)

	For the three months ended March 31,	
	2024	2023
<u>Cash Flows From Operating Activities</u>		
Profit before tax	\$ 9,245,515	\$ 5,776,036
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	15,008	15,539
Amortization	1,170	1,308
Interest expense	99,189	93,261
Interest income	( 17,986)	( 25,796)
Share of the profit or loss of associates and joint ventures accounted for under the equity method	( 9,761,775)	( 6,171,714)
Changes in operating assets and liabilities		
Receivables	( 388)	( 1,983)
Other assets	( 3,276)	891
Payables	( 128,581)	( 135,107)
Provisions	57	95
Other liabilities	578	559
Interest received	17,613	25,029
Interest paid	( 30,677)	( 30,023)
Income tax paid	( 1,761)	( 2,503)
Net cash flows used in operating activities	( 565,314)	( 454,408)
<u>Cash Flows From Investing Activities</u>		
Acquisition of property and equipment	( 1,787)	( 5,899)
Net cash flows used in investing activities	( 1,787)	( 5,899)
<u>Cash Flows From Financing Activities</u>		
Increase in commercial paper payable	260,000	30,000
Principal payment for lease liabilities	( 11,272)	( 11,295)
Net cash flows generated from financing activities	248,728	18,705
Net decrease in cash and cash equivalents	( 318,373)	( 441,602)
Cash and cash equivalents at beginning of period	2,819,922	6,508,655
Cash and cash equivalents at end of period	\$ 2,501,549	\$ 6,067,053
The components of cash and cash equivalents		
Cash and cash equivalents reported in the balance sheet	\$ 2,501,549	\$ 6,067,053
Investments in bills and bonds under resale agreements qualified as cash and cash equivalents as defined by IAS 7	-	-
Cash and cash equivalents at end of reporting period	<u>\$ 2,501,549</u>	<u>\$ 6,067,053</u>

## B. Condensed financial statements of subsidiaries and significant components

(A) Yuanta Bank

Yuanta Bank  
Individual Balance Sheets  
March 31, 2024 and 2023

				(Expressed In Thousands of New Taiwan Dollars)	
ASSETS	March 31, 2024	March 31, 2023	LIABILITIES AND EQUITY	March 31, 2024	March 31, 2023
Cash and cash equivalents	\$ 29,153,178	\$ 17,729,214	Deposits from Central Bank and other banks	\$ 5,286,411	\$ 18,509,189
Due from Central Bank and call loans to other banks	74,631,298	77,153,094	Financial liabilities at fair value through profit or loss	5,203,184	3,159,127
Financial assets at fair value through profit or loss	152,407,201	121,141,521	Bills and bonds payable under repurchase agreements	23,738,468	35,227,259
Financial assets at fair value through other comprehensive income	189,492,483	211,678,817	Payables	13,653,483	9,223,896
Investments in debt instruments at amortised cost	244,047,473	279,757,975	Current income tax liabilities	2,224,428	1,186,123
Investments in bills and bonds under resale agreements	35,672,504	36,305,617	Deposits and remittances	1,691,118,629	1,557,229,432
Receivables- net	25,255,558	21,200,252	Bank debentures payable	28,700,000	28,700,000
Current income tax assets	54,209	99,119	Other financial liabilities	2,304,149	2,505,071
Assets held for sale- net	623,384	81,469	Provisions	892,138	688,610
Bills discounted and loans- net	1,111,823,791	971,609,343	Lease liabilities	2,589,486	2,343,925
Equity investments accounted for under the equity method- net	4,979,157	4,843,306	Deferred income tax liabilities	932,024	678,180
Other financial assets- net	76,054	2,454	Other liabilities	2,225,466	2,994,199
Property and equipment- net	15,983,097	14,995,077	Total liabilities	1,778,867,866	1,662,445,011
Right-of-use assets- net	10,116,260	9,959,518	Common stock	73,940,390	73,940,390
Investment property- net	1,016,472	944,897	Additional paid-in capital	25,960,441	25,960,441
Intangible assets- net	8,489,614	8,714,526	Retained earnings	36,214,602	27,144,387
Deferred income tax assets	1,047,918	945,783	Other equity	( 6,210,697)	( 9,373,160)
Other assets - net	3,902,951	2,955,087	Total equity	129,904,736	117,672,058
Total assets	\$ 1,908,772,602	\$ 1,780,117,069	Total liabilities and equity	\$ 1,908,772,602	\$ 1,780,117,069

Yuanta Bank

Individual Condensed Statements of Comprehensive Income

For the three months ended March 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

		For the three months ended March 31,	
		2024	2023
		Amount	%
Interest income	\$	8,696,605	131
Less: Interest expense	(	5,263,424)	( 79)
Net interest income		3,433,181	52
Net non-interest income		3,208,148	48
Net profit		6,641,329	100
Provision for bad debt expenses, commitment and guarantee policy reserve	(	113,476)	( 2)
Operating expenses	(	3,246,591)	( 48)
Income from continuing operations before income tax		3,281,262	50
Income tax expense	(	647,530)	( 10)
Net income		2,633,732	40
Other comprehensive income (net of tax)		451,674	7
Total comprehensive income	\$	3,085,406	47
Earnings per share (in dollars)			
Basic and diluted earnings per share	\$	0.36	0.29

## (B) Yuanta Securities

Yuanta Securities  
Individual Condensed Balance Sheets  
March 31, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024	March 31, 2023	LIABILITIES AND EQUITY	March 31, 2024	March 31, 2023
Current assets	\$ 563,147,506	\$ 364,207,229	Current liabilities	\$ 479,535,610	\$ 293,401,385
Financial assets at fair value through profit or loss-non-current	49,647	-	Bonds payable	29,000,000	23,500,000
Financial assets at fair value through other comprehensive income			Provisions- non-current	65,326	64,204
-non-current	14,196,963	14,354,888	Lease liabilities- non-current	394,420	455,688
Equity investments accounted for under the equity method	61,709,112	58,187,189	Deferred income tax liabilities	1,496,201	1,519,770
Property and equipment	5,062,358	5,287,071	Other non-current liabilities	1,144,767	1,088,099
Right-of-use assets	670,111	715,169	Total liabilities	511,636,324	320,029,146
Investment property	1,908,054	1,981,866	Common stock	65,924,526	65,924,526
Intangible assets	11,574,917	11,574,551	Additional paid-in capital	1,282,594	1,160,993
Deferred income tax assets	458,150	651,722	Retained earnings	65,926,721	57,368,365
Other non-current assets	2,806,900	2,492,474	Other equity	16,813,553	14,969,129
Total assets	\$ 661,583,718	\$ 459,452,159	Total equity	149,947,394	139,423,013
			Total liabilities and equity	\$ 661,583,718	\$ 459,452,159

Yuanta Securities  
Individual Condensed Statements of Comprehensive Income  
For the three months ended March 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	For the three months ended March 31,			
	2024		2023	
	Amount	%	Amount	%
Revenues	\$ 11,341,166	100	\$ 7,383,465	100
Service fee expense	( 478,572)	( 4)	( 261,899)	( 4)
Employee benefit expense	( 3,270,966)	( 29)	( 2,252,847)	( 31)
Share of the profit or loss of associates and joint ventures accounted for under the equity method	1,056,278	9	1,067,333	15
Operating expenses	( 3,632,964)	( 32)	( 2,337,100)	( 31)
Income from continuing operations before income tax	5,014,942	44	3,598,952	49
Income tax expense	( 536,327)	( 5)	( 560,393)	( 8)
Net income	4,478,615	39	3,038,559	41
Other comprehensive income (net of tax)	1,471,288	13	442,952	6
Total comprehensive income	\$ 5,949,903	52	\$ 3,481,511	47
Earnings per share (in dollars)				
Basic and diluted earnings per share	\$ 0.68		\$ 0.46	

## (C) Yuanta Securities (Korea)

Yuanta Securities (Korea)  
Individual Condensed Balance Sheets  
March 31, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024	March 31, 2023	LIABILITIES AND EQUITY	March 31, 2024	March 31, 2023
Current assets	\$ 43,965,890	\$ 48,593,956	Current liabilities	\$ 136,104,890	\$ 121,251,208
Financial assets at fair value through profit or loss-non-current	221,708,140	178,557,271	Bonds payable	164,726,390	124,998,612
Financial assets at fair value through other comprehensive income			Provisions- non-current	4,664,723	3,906,003
-non-current	12,832,325	5,227,441	Lease liabilities- non-current	1,769,183	500,907
Equity investments accounted for under the equity method	2,620,859	2,370,916	Other non-current liabilities	22,587,843	18,855,298
Property and equipment	1,171,165	1,078,922	Total liabilities	329,853,029	269,512,028
Right-of-use assets	1,887,814	539,321	Common stock	25,205,667	24,806,151
Investment property	808,193	1,059,696	Additional paid-in capital	( 1,343,381)	( 1,322,088)
Intangible assets	1,030,270	915,138	Retained earnings	10,113,782	8,698,740
Deferred income tax assets	1,574,296	716,188	Other equity	3,218,899	3,019,296
Other non-current assets	79,449,044	65,655,278	Total equity	37,194,967	35,202,099
Total assets	\$ 367,047,996	\$ 304,714,127	Total liabilities and equity	\$ 367,047,996	\$ 304,714,127

Note: Individual condensed financial statements of Yuanta Securities (Korea) have been prepared in accordance with Korea IFRS.

Yuanta Securities (Korea)  
Individual Condensed Statements of Comprehensive Income  
For the three months ended March 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	For the three months ended March 31,			
	2024		2023	
	Amount	%	Amount	%
Revenues	\$ 18,256,719	100	\$ 20,958,881	100
Service fee expense	( 103,622)	( 1)	( 96,721)	-
Employee benefit expense	( 1,943,642)	( 11)	( 1,588,449)	( 8)
Operating expenses	( 14,586,619)	( 80)	( 18,260,999)	( 87)
Income from continuing operations before income tax	1,622,836	8	1,012,712	5
Income tax expense	( 383,164)	( 2)	( 234,385)	( 1)
Net income	1,239,672	6	778,327	4
Other comprehensive loss (net of tax)	( 118,715)	( 1)	( 190,506)	( 1)
Total comprehensive income	\$ 1,120,957	5	\$ 587,821	3
Earnings per share (in dollars)				
Basic earnings per share - ordinary share	\$ 6.03		\$ 3.79	
Diluted earnings per share - ordinary share	\$ 6.03		\$ 3.79	
Basic earnings per share - preferred share	\$ 6.03		\$ 3.79	
Diluted earnings per share - preferred share	\$ 6.03		\$ 3.79	

Note: Individual condensed financial statements of Yuanta Securities (Korea) have been prepared in accordance with Korea IFRS.



## (D) Yuanta Futures

Yuanta Futures  
Individual Condensed Balance Sheets  
March 31, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024	March 31, 2023	LIABILITIES AND EQUITY	March 31, 2024	March 31, 2023
Current assets	\$ 115,853,308	\$ 98,962,883	Current liabilities	\$ 104,325,160	\$ 88,891,548
Financial assets at fair value through other comprehensive income			Non-current liabilities	1,629,185	1,674,186
-non-current	2,278,394	2,127,665	Total liabilities	105,954,345	90,565,734
Equity investments accounted for under the equity method	1,492,551	1,219,709			
Property and equipment	682,421	630,578	Common stock	2,899,763	2,899,763
Right-of-use assets	66,926	103,195	Additional paid-in capital	3,070,484	3,070,484
Intangible assets	87,221	70,756	Retained earnings	7,137,629	5,571,776
Deferred income tax assets	24,027	27,701	Other equity	2,095,906	1,784,616
Other non-current assets	673,279	749,886	Total equity	15,203,782	13,326,639
Total assets	<u>\$ 121,158,127</u>	<u>\$ 103,892,373</u>	Total liabilities and equity	<u>\$ 121,158,127</u>	<u>\$ 103,892,373</u>

Yuanta Futures  
Individual Condensed Statements of Comprehensive Income  
For the three months ended March 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	For the three months ended March 31,			
	2024		2023	
	Amount	%	Amount	%
Operating revenue	\$ 876,038	100	\$ 814,114	100
Service fee expense	( 167,338)	( 19)	( 137,210)	( 17)
Employee benefit expense	( 233,341)	( 27)	( 183,684)	( 23)
Operating expenses	( 624,336)	( 71)	( 512,149)	( 62)
Share of the profit or loss of associates and joint ventures accounted for under the equity method	12,640	1	14,805	2
Non-operating revenue and expenses	<u>784,209</u>	<u>90</u>	<u>455,792</u>	<u>56</u>
Income from continuing operations before income tax	647,872	74	451,668	56
Income tax expense	( 118,644)	( 14)	( 88,430)	( 11)
Net income	529,228	60	363,238	45
Other comprehensive income (net of tax)	<u>161,845</u>	<u>19</u>	<u>92,552</u>	<u>11</u>
Total comprehensive income	<u>\$ 691,073</u>	<u>79</u>	<u>\$ 455,790</u>	<u>56</u>
Earnings per share (in dollars)				
Basic and diluted earnings per share	<u>\$ 1.83</u>		<u>\$ 1.25</u>	

## (E) Yuanta Life

Yuanta Life  
Individual Condensed Balance Sheets  
March 31, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024	March 31, 2023	LIABILITIES AND EQUITY	March 31, 2024	March 31, 2023
Cash and cash equivalents	\$ 7,814,797	\$ 9,795,901	Payables	\$ 1,907,170	\$ 1,378,108
Receivables	5,636,752	3,516,323	Current income tax liabilities	20,452	102,558
Current income tax assets	5,470,656	4,979,572	Financial liabilities at fair value through profit or loss	6,410,217	3,180,678
Financial assets at fair value through profit or loss	41,865,507	35,493,560	Insurance liabilities	369,004,338	350,660,151
Financial assets at fair value through other comprehensive income	23,962,393	22,450,194	Reserve for insurance contract with the nature of financial products	222,376	150,712
Financial assets at amortised cost	297,133,264	283,138,914	Foreign exchange reserve	2,798,391	3,558,385
Other financial assets	1,800,000	243,632	Provisions	43,613	51,412
Right-of-use assets	186,633	237,719	Lease liabilities	1,008,586	1,055,519
Investment property	14,474,219	13,258,623	Deferred income tax liabilities	2,978,218	1,068,004
Loans	8,101,624	7,610,880	Other liabilities	2,257,998	2,269,647
Reinsurance contract assets	1,266,249	1,359,065	Investment-linked insurance products liabilities	30,456,955	30,176,793
Property and equipment	92,806	82,030	Total liabilities	417,108,314	393,651,967
Intangible assets	165,444	145,096	Common stock	23,735,695	23,735,695
Deferred income tax assets	1,676,834	811,839	Retained earnings	10,113,759	7,148,317
Other assets	8,374,147	5,427,965	Other equity	( 2,479,488)	( 5,807,873)
Investment-linked insurance products assets	30,456,955	30,176,793	Total equity	31,369,966	25,076,139
Total assets	<u>\$ 448,478,280</u>	<u>\$ 418,728,106</u>	Total liabilities and equity	<u>\$ 448,478,280</u>	<u>\$ 418,728,106</u>

## Yuanta Life

## Individual Condensed Statements of Comprehensive Income

For the three months ended March 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

Item	For the three months ended March 31,			
	2024		2023	
	Amount	%	Amount	%
Operating revenue	\$ 14,042,200	100	\$ 11,452,767	100
Operating costs	( 12,479,201)	( 89)	( 11,020,973)	( 96)
Operating expenses	( 410,341)	( 3)	( 409,514)	( 4)
Net operating income	1,152,658	8	22,280	-
Non-operating revenue and expenses	215	-	( 945)	-
Income from continuing operations before income tax	1,152,873	8	21,335	-
Income tax (expense) credit	( 159,399)	( 1)	21,654	-
Net income	993,474	7	42,989	-
Other comprehensive income (net of tax)	1,031,078	7	2,179,646	19
Total comprehensive income	<u>\$ 2,024,552</u>	<u>14</u>	<u>\$ 2,222,635</u>	<u>19</u>
Earnings per share (in dollars)				
Basic and diluted earnings per share	<u>\$ 0.42</u>		<u>\$ 0.02</u>	

## (F) Yuanta Securities Investment Trust

Yuanta Securities Investment Trust  
Individual Condensed Balance Sheets  
March 31, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024	March 31, 2023	LIABILITIES AND EQUITY	March 31, 2024	March 31, 2023
Current assets	\$ 6,408,131	\$ 5,621,029	Current liabilities	\$ 1,171,978	\$ 718,347
Financial assets at fair value through other comprehensive income	393,778	370,811	Deferred income tax liabilities	158,324	158,957
Equity investments accounted for under the equity method	346,346	345,796	Lease liabilities - non-current	7,223	18,362
Property and equipment	298,921	290,031	Other non-current liabilities	33,887	33,270
Intangible assets	768,582	768,551	Total liabilities	1,371,412	928,936
Prepaid pension cost	28,933	30,298	Common stock	2,269,235	2,269,235
Deferred income tax assets	582	428	Additional paid-in capital	296,729	296,729
Right-of-use assets	20,558	31,196	Retained earnings	4,244,320	3,899,157
Other non-current assets	90,579	88,209	Other equity	174,714	152,292
Total assets	<u>\$ 8,356,410</u>	<u>\$ 7,546,349</u>	Total equity	<u>6,984,998</u>	<u>6,617,413</u>
			Total liabilities and equity	<u>\$ 8,356,410</u>	<u>\$ 7,546,349</u>

Yuanta Securities Investment Trust  
Individual Condensed Statements of Comprehensive Income  
For the three months ended March 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	For the three months ended March 31,			
	2024		2023	
	Amount	%	Amount	%
Operating revenue	\$ 1,562,493	100	\$ 1,117,595	100
Operating expenses	( 606,186)	( 39)	( 435,417)	( 39)
Operating income	956,307	61	682,178	61
Non-operating revenue and expenses	53,702	4	17,941	2
Income from continuing operations before income tax	1,010,009	65	700,119	63
Income tax expense	( 193,783)	( 13)	( 139,414)	( 13)
Net income	816,226	52	560,705	50
Other comprehensive income (loss) (net of tax)	2,764	-	( 8,538)	( 1)
Total comprehensive income	<u>\$ 818,990</u>	<u>52</u>	<u>\$ 552,167</u>	<u>49</u>
Earnings per share (in dollars)				
Basic and diluted earnings per share	<u>\$ 3.60</u>		<u>\$ 2.47</u>	

(G) Yuanta Asset Management

Yuanta Asset Management  
Individual Condensed Balance Sheets  
March 31, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024	March 31, 2023	LIABILITIES AND EQUITY	March 31, 2024	March 31, 2023
Current assets	\$ 3,123,036	\$ 2,958,279	Current liabilities	\$ 161,106	\$ 78,061
Financial assets at fair value through			Non-current liabilities	16,299	19,190
other comprehensive income	54,529	46,436	Total liabilities	177,405	97,251
Property and equipment	5,344	6,764	Common stock	3,346,138	3,346,138
Right-of-use assets	6,374	10,288	Additional paid-in capital	1,047	1,047
Investment property	1,079,439	1,117,918	Retained earnings	712,373	671,315
Deferred income tax assets	3,908	3,636	Other equity	36,500	28,407
Other non-current assets	833	837	Total equity	4,096,058	4,046,907
Total assets	\$ 4,273,463	\$ 4,144,158	Total liabilities and equity	\$ 4,273,463	\$ 4,144,158

Yuanta Asset Management  
Individual Condensed Statements of Comprehensive Income  
For the three months ended March 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Item	For the three months ended March 31,			
	2024		2023	
	Amount	%	Amount	%
Operating revenue	\$ 96,749	100	\$ 111,327	100
Operating expenses	( 54,505)	( 56)	( 73,559)	( 66)
Operating income	42,244	44	37,768	34
Non-operating revenue and expenses	8,653	9	3,398	3
Income from continuing operations before income tax	50,897	53	41,166	37
Income tax expense	( 10,222)	( 11)	( 8,268)	( 8)
Net income	40,675	42	32,898	29
Other comprehensive income (loss) (net of tax)	7,675	8	( 1,430)	( 1)
Total comprehensive income	\$ 48,350	50	\$ 31,468	28

## (H) Yuanta Venture Capital

Yuanta Venture Capital  
Individual Condensed Balance Sheets  
March 31, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024	March 31, 2023	LIABILITIES AND EQUITY	March 31, 2024	March 31, 2023
Current assets	\$ 2,575,911	\$ 2,037,707	Current liabilities	\$ 131,801	\$ 159,539
Financial assets at fair value through other comprehensive income	49,408	58,030	Lease liabilities - non-current	2,350	6,148
Equity investments accounted for under the equity method	1,242,178	1,002,721	Other non-current liabilities	7,600	5,399
Property and equipment	583	914	Total liabilities	141,751	171,086
Right-of-use assets	6,185	9,895	Common stock	2,715,221	2,715,221
Deferred income tax assets	14,455	67,390	Additional paid-in capital	918	918
Other non-current assets	644	644	Retained earnings	969,329	226,585
Total assets	<u>\$ 3,889,364</u>	<u>\$ 3,177,301</u>	Other equity	62,145	63,491
			Total equity	<u>3,747,613</u>	<u>3,006,215</u>
			Total liabilities and equity	<u>\$ 3,889,364</u>	<u>\$ 3,177,301</u>

Yuanta Venture Capital  
Individual Condensed Statements of Comprehensive Income  
For the three months ended March 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Item	For the three months ended March 31,			
	2024		2023	
	Amount	%	Amount	%
Operating revenue	\$ 750,316	100	\$ 328,015	100
Operating expenses	( 33,298)	( 4)	( 53,964)	( 16)
Operating income	717,018	96	274,051	84
Non-operating revenue and expenses	2,695	-	1,154	-
Income from continuing operations before income tax	719,713	96	275,205	84
Income tax expense	( 77,031)	( 10)	( 14,260)	( 4)
Net income	642,682	86	260,945	80
Other comprehensive income (loss) (net of tax)	3,730	-	( 2,574)	( 1)
Total comprehensive income	<u>\$ 646,412</u>	<u>86</u>	<u>\$ 258,371</u>	<u>79</u>

## (I) Yuanta Securities Investment Consulting

Yuanta Securities Investment Consulting  
Individual Condensed Balance Sheets  
March 31, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024	March 31, 2023	LIABILITIES AND EQUITY	March 31, 2024	March 31, 2023
Current assets	\$ 178,197	\$ 202,216	Current liabilities	\$ 70,960	\$ 98,892
Property and equipment	9,211	12,360	Non-current liabilities	14,508	21,510
Right-of-use assets	11,571	19,668	Total liabilities	85,468	120,402
Intangible assets	7,775	10,874	Common stock	100,000	100,000
Deferred income tax assets	6,256	2,885	Additional paid-in capital	6,017	6,017
Other non-current assets	15,792	11,199	Retained earnings	37,317	32,783
			Total equity	143,334	138,800
Total assets	<u>\$ 228,802</u>	<u>\$ 259,202</u>	Total liabilities and equity	<u>\$ 228,802</u>	<u>\$ 259,202</u>

Yuanta Securities Investment Consulting  
Individual Condensed Statements of Comprehensive Income  
For the three months ended March 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Item	For the three months ended March 31,			
	2024		2023	
	Amount	%	Amount	%
Operating revenues	\$ 66,719	100	\$ 60,659	100
Operating costs	( 267)	-	( 239)	-
Operating expenses	( 60,641)	( 91)	( 59,484)	( 98)
Operating income	5,811	9	936	2
Non-operating revenues and expenses	526	1	433	-
Income from continuing operations before income tax	6,337	10	1,369	2
Income tax expense	( 1,267)	( 2)	( 274)	-
Net income	5,070	8	1,095	2
Total comprehensive income	<u>\$ 5,070</u>	<u>8</u>	<u>\$ 1,095</u>	<u>2</u>

(13) Profitability, asset quality, management information, and liquidity and market risk sensitivity of the Yuanta Group and its subsidiaries:

A. Profitability

(A) Yuanta Financial Holdings

Unit: %

		For the three months ended March 31,	
		2024	2023
Return on total assets	Before tax	2.74	1.88
	After tax	2.74	1.88
Return on equity	Before tax	3.15	2.20
	After tax	3.15	2.20
Net profit margin ratio		95.06	94.67

(B) Yuanta Financial Holdings and its subsidiaries

		For the three months ended March 31,	
		2024	2023
Return on total assets	Before tax	0.35	0.26
	After tax	0.29	0.21
Return on equity	Before tax	3.81	2.84
	After tax	3.16	2.26
Net profit margin ratio		32.11	27.15

(C) Yuanta Bank

		For the three months ended March 31,	
		2024	2023
Return on total assets	Before tax	0.18	0.15
	After tax	0.14	0.12
Return on equity	Before tax	2.56	2.27
	After tax	2.05	1.87
Net profit margin ratio		39.66	40.94

(D) Yuanta Securities

		For the three months ended March 31,	
		2024	2023
Return on total assets	Before tax	0.86	0.81
	After tax	0.77	0.68
Return on equity	Before tax	3.41	2.61
	After tax	3.05	2.21
Net profit margin ratio		37.58	37.11

(E) Yuanta Life

		For the three months ended March 31,	
		2024	2023
Return on total assets	Before tax	0.26	0.01
	After tax	0.23	0.01
Return on equity	Before tax	3.80	0.09
	After tax	3.27	0.18
Net profit margin ratio		63.55	9.98

Note 1: Return on total assets = Income (loss) before (after) income tax/average total assets.

Note 2: Return on equity = Income (loss) before (after) income tax / average equity.

Note 3: Net profit margin ratio = Income (loss) after income tax / net revenues.

Note 4: The term "Income (loss) before (after) income tax" represents net income (loss) from January 1 to the balance sheet date of the reporting period.

Note 5: The profitability of Yuanta Financial Holdings, Yuanta Financial Holdings and its subsidiaries, Yuanta Bank, Yuanta Securities, and Yuanta life insurance agency shall be respectively specified in the said table.

B. Information of Yuanta Bank is as follows:

(A) Non-performing loans and non-performing loan asset quality

Unit: In thousands of NT Dollars

Month / Year			March 31, 2024					March 31, 2023				
Business / Items			Amount of non-performing loans	Gross loans	Non-performing loan ratio	Allowance for doubtful accounts	Coverage ratio	Amount of non-performing loans	Gross loans	Non-performing loan ratio	Allowance for doubtful accounts	Coverage ratio
Corporate banking	Secured loans		528,469	269,882,519	0.20%	3,427,486	648.57%	105,876	251,847,604	0.04%	3,543,472	3,346.81%
	Unsecured loans		110,396	319,861,345	0.03%	3,933,501	3,563.08%	97,609	259,114,755	0.04%	3,794,806	3,887.76%
Consumer banking	Residential mortgage loans		82,675	298,653,803	0.03%	4,476,195	5,414.21%	40,408	268,603,150	0.02%	4,032,986	9,980.66%
	Cash card services		13	12,225	0.11%	223	1,715.38%	-	18,571	-	477	-
	Small amount of credit loans		13,665	22,270,094	0.06%	242,838	1,777.08%	16,935	17,154,197	0.10%	187,500	1,107.17%
	Others	Secured loans	103,958	222,593,478	0.05%	2,323,419	2,234.96%	67,164	198,512,752	0.03%	2,070,358	3,082.54%
		Unsecured loans	1,286	4,586,380	0.03%	46,601	3,623.72%	1,137	3,304,991	0.03%	33,787	2,971.59%
	Gross loan business			840,462	1,137,859,844	0.07%	14,450,263	1,719.32%	329,129	998,556,020	0.03%	13,663,386

Month / Year		March 31, 2024					March 31, 2023				
		Amount of overdue accounts	Balance of accounts receivable	Overdue account ratio	Allowance for doubtful accounts	Coverage ratio	Amount of overdue accounts	Balance of accounts receivable	Overdue account ratio	Allowance for doubtful accounts	Coverage ratio
Credit card services		6,892	8,779,023	0.08%	122,350	1775.25%	6,331	8,436,969	0.08%	108,622	1,715.72%
Without recourse factoring		-	7,275,126	-	77,950	-	-	7,128,589	-	74,350	-

Note 1: The amount recognised as non-performing loans is in compliance with the "Regulation Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans".

The amount included in overdue accounts for credit cards is in compliance with Jin-Guan-Yin (4) Letter No. 0944000378 dated July 6, 2005.

Note 2: Non-performing loan ratio=non-performing loans/gross loans. Overdue account ratio for credit cards=overdue accounts/balance of accounts receivable.

Note 3: Coverage ratio for loans=allowance for doubtful accounts of loans/non-performing loans. Coverage ratio for accounts receivable of credit cards=allowance for doubtful accounts for accounts receivable of credit cards/overdue accounts.

Note 4: For residential mortgage loans, the borrower provides his/her (or spouses) house as collateral in full and mortgages it to the financial institution for the purpose of obtaining funds to purchase or add improvements to a house.

Note 5: Small amount of credit loans apply to the norms of Jin-Guan-Yin (4) Letter No. 09440010950 dated December 19, 2005, excluding credit card and cash card services.

Note 6: Other consumer banking is specified as secured or unsecured consumer loans other than residential mortgage loan, cash card services and small amount of credit loans, and excluding credit card services.

Note 7: Pursuant to Jin-Guan-Yin-Wai Letter No. 09850003180 dated August 24, 2009, the amount of without recourse factoring will be recognised as overdue accounts within three months after the factor or insurance company resolves not to compensate the loss.



(B) Non-performing loans and overdue receivables exempted from reporting to the competent authority

Unit: In thousands of NT Dollars

	March 31, 2024		March 31, 2023	
	Total amount of non-performing loans exempted from reporting to the competent authority	Total amount of overdue receivables exempted from reporting to the competent authority	Total amount of non-performing loans exempted from reporting to the competent authority	Total amount of overdue receivables exempted from reporting to the competent authority
Amounts exempted from reporting to the competent authority under debt negotiation (Note 1)	9,022	9,864	16,742	14,120
Perform in accordance with debt liquidation program and restructuring program (Note 2)	495,967	244,379	599,082	272,748
Total	504,989	254,243	615,824	286,868

Note 1: The additional disclosure requirement pertaining to way and information disclosure of the total amount of non-performing loan is in accordance with the Explanatory Jin-Guan-Yin (1) Letter No. 09510001270 of the FSC dated April 25, 2006.

Note 2: The additional disclosure requirement pertaining to the way and information disclosure of loan in the process of debt liquidation and restructuring program is in accordance with the Explanatory Jin-Guan-Yin (1) Letter No. 09700318940 of the FSC dated September 15, 2008 and Jin-Guan-Yin-Fa Letter No. 10500134790 of the FSC dated September 20, 2016.

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(C) Contract amounts of significant credit risk concentration are as follows:

Unit: In thousands of NT Dollars, %

March 31, 2024			
Ranking (Note 1)	Name of Enterprise Group (Note 2)	Total outstanding loan amount (Note 3)	Total outstanding loan amount / Total equity
1	Group A–Convenience Store	\$ 12,206,450	9.40
2	Group B–Real Estate Development	10,815,890	8.33
3	Group C–Packaging and Testing of Semi-conductors	8,947,000	6.89
4	Group D–Financial Holding Companies	8,258,144	6.36
5	Group E–Financial Holding Companies	7,522,420	5.79
6	Group F–Retail Sale of Computers, Computer Peripheral Equipment and Software in Specialized Stores	7,258,737	5.59
7	Group G–Financial Holding Companies	6,000,000	4.62
8	Group H–Mold and Die Manufacturing	5,500,000	4.23
9	Group I–Real Estate Development	5,124,644	3.94
10	Group J–Manufacture of Power Generation, Transmission and Distribution Machinery	4,300,000	3.31

Unit: In thousands of NT Dollars, %

March 31, 2023			
Ranking (Note 1)	Name of Enterprise Group (Note 2)	Total outstanding loan amount (Note 3)	Total outstanding loan amount / Total equity
1	Group A–Property Insurance	\$ 11,100,000	9.43
2	Group B–Real Estate Development	9,240,670	7.85
3	Group C–Packaging and Testing of Semi-conductors	8,485,000	7.21
4	Group D–Quarrying of Stone and Sand and Other Mining	6,462,170	5.49
5	Group E–Financial Holding Companies	6,100,000	5.18
6	Group F–Financial Holding Companies	5,440,000	4.62
7	Company G–Real Estate Development	4,600,000	3.91
8	Group H–Manufacture of Power Generation, Transmission and Distribution Machinery	4,300,000	3.65
9	Group I–Financial Holding Companies	4,150,000	3.53
10	Group J–Manufacture of Other Computer Peripheral Equipment	4,000,000	3.40

Note 1: Ranking the top ten enterprise groups other than government and government enterprise according to their total amounts of outstanding loans. If an outstanding loan belongs to an enterprise group, the outstanding loan of enterprise group should be categorised and listed in total, and disclosed by “code” plus “industry type” (for example, company (or group) A–Liquid Crystal Panel and Components Manufacturing). If it is an enterprise group, industry type of maximum exposure of the enterprise group should be disclosed. Industry type should be filled in accordance with “Standard Industrial Classification System” of Directorate-General of Budget, Accounting and Statistics, Executive Yuan.

Note 2: Definition of enterprise group is based on the Article 6 of “Supplementary Provisions to the Taiwan Stock Exchange Corporation Rules for Reviews of Securities Listings”.

Note 3: Total amounts of credit extensions were various loans (including import negotiations, export negotiations, bills discounted, overdrafts, short-term loans, short-term loans secured, securities financing receivable, mid-term loans, mid-term loan secured, long-term loans, long-term loans secured, and overdue accounts), remittances purchased, advance accounts for factoring receivable, acceptances receivable, and guarantees receivable.

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(D) Structure analysis of time to maturity

a. Structure analysis of time to maturity (NTD)

March 31, 2024

(Expressed in Thousands of New Taiwan Dollars)

	Total	0 ~ 10 days	11 ~ 30 days	31 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year
Primary funds inflow upon maturity	1,743,456,375	251,890,584	178,529,992	236,282,579	115,174,528	177,392,911	784,185,781
Primary funds outflow upon maturity	2,090,546,693	58,190,506	138,385,665	266,096,348	307,808,124	366,052,502	954,013,548
Gap	( 347,090,318)	193,700,078	40,144,327	( 29,813,769)	(192,633,596)	( 188,659,591)	(169,827,767)

March 31, 2023

(Expressed in Thousands of New Taiwan Dollars)

	Total	0 ~ 10 days	11 ~ 30 days	31 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year
Primary funds inflow upon maturity	1,610,030,163	211,051,862	139,846,494	236,931,527	118,297,501	157,365,095	746,537,684
Primary funds outflow upon maturity	1,881,163,784	54,689,713	107,824,026	271,202,507	283,789,329	368,245,377	795,412,832
Gap	( 271,133,621)	156,362,149	32,022,468	( 34,270,980)	(165,491,828)	( 210,880,282)	( 48,875,148)

b. Structure analysis of time to maturity (USD)

March 31, 2024

(Expressed in Thousands of US Dollars)

	Total	0 ~ 30 days	31 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year
Primary funds inflow upon maturity	6,733,855	1,813,028	415,058	335,979	362,085	3,807,705
Primary funds outflow upon maturity	9,078,787	2,328,474	1,572,305	1,499,536	2,580,119	1,098,353
Gap	( 2,344,932)	( 515,446)	( 1,157,247)	( 1,163,557)	( 2,218,034)	2,709,352

March 31, 2023

(Expressed in Thousands of US Dollars)

	Total	0 ~ 30 days	31 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year
Primary funds inflow upon maturity	6,706,225	1,687,491	901,001	213,513	329,902	3,574,318
Primary funds outflow upon maturity	8,093,459	2,462,880	1,848,946	1,210,651	1,595,636	975,346
Gap	( 1,387,234)	( 775,389)	( 947,945)	( 997,138)	( 1,265,734)	2,598,972

(E) Sensitivity analysis of interest rate for assets and liabilities

a. Sensitivity analysis of interest rate for assets and liabilities (NTD)

March 31, 2024

(Expressed in Thousands of New Taiwan Dollars, %)

Item	1 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year	Total
Interest-rate-sensitive assets	1,202,536,700	83,323,868	32,216,523	230,123,848	1,548,200,939
Interest-rate-sensitive liabilities	380,823,818	903,272,084	165,317,489	33,000,934	1,482,414,325
Interest-rate-sensitive gap	821,712,882	( 819,948,216)	( 133,100,966)	197,122,914	65,786,614
Total equity					136,785,924
Ratio of interest-rate-sensitive assets to liabilities					104.44
Ratio of interest-rate-sensitive gap to equity					48.09

March 31, 2023

(Expressed in Thousands of New Taiwan Dollars, %)

Item	1 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year	Total
Interest-rate-sensitive assets	1,064,785,744	95,091,288	42,721,665	241,076,186	1,443,674,883
Interest-rate-sensitive liabilities	416,991,236	838,681,325	109,773,373	33,673,739	1,399,119,673
Interest-rate-sensitive gap	647,794,508	( 743,590,037)	( 67,051,708)	207,402,447	44,555,210
Total equity					126,219,130
Ratio of interest-rate-sensitive assets to liabilities					103.18
Ratio of interest-rate-sensitive gap to equity					35.30

Note 1: The above amounts include only New Taiwan Dollars held by Yuanta Bank, excluding contingent assets and contingent liabilities.

Note 2: Interest-rate-sensitive assets and liabilities are those interest earned assets and interest bearing liabilities, revenues and costs which are sensitive to changes in interest rates.

Note 3: Interest-rate-sensitive gap = Interest-rate-sensitive assets - interest-rate-sensitive liabilities.

Note 4: Ratio of interest-rate-sensitive assets to interest-rate-sensitive liabilities = Interest-rate-sensitive assets / interest-rate-sensitive liabilities (refer to NTD denominated interest-rate-sensitive assets and interest-rate-sensitive liabilities).

b.Sensitivity analysis of interest rate for assets and liabilities (USD)

March 31, 2024

(Expressed in Thousands of US Dollars, %)

Item	1 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year	Total
Interest-rate-sensitive assets	2,714,823	292,223	295,549	2,897,977	6,200,572
Interest-rate-sensitive liabilities	3,326,345	1,080,994	1,558,288	1,146,173	7,111,800
Interest-rate-sensitive gap	( 611,522)	( 788,771)	( 1,262,739)	1,751,804	( 911,228)
Total equity					( 209,747)
Ratio of interest-rate-sensitive assets to liabilities					87.19
Ratio of interest-rate-sensitive gap to equity					434.44

March 31, 2023

(Expressed in Thousands of US Dollars, %)

Item	1 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year	Total
Interest-rate-sensitive assets	2,928,534	140,557	254,907	2,776,222	6,100,220
Interest-rate-sensitive liabilities	3,680,301	798,476	1,179,764	1,032,173	6,690,714
Interest-rate-sensitive gap	( 751,767)	( 657,919)	( 924,857)	1,744,049	( 590,494)
Total equity					( 254,422)
Ratio of interest-rate-sensitive assets to liabilities					91.17
Ratio of interest-rate-sensitive gap to equity					232.09

Note 1: The above amounts include only US Dollars amounts held by Yuanta Bank, excluding contingent assets and contingent liabilities.

Note 2: Interest-rate-sensitive assets and liabilities are those earning assets, interest bearing liabilities, revenues or costs which are sensitive to changes in interest rates.

Note 3: Interest-rate-sensitive gap = Interest-rate-sensitive assets - interest-rate-sensitive liabilities.

Note 4: Ratio of interest-rate-sensitive assets to interest-rate-sensitive liabilities = Interest-rate-sensitive assets / interest-rate-sensitive liabilities (refer to USD denominated interest-rate-sensitive assets and interest-rate-sensitive liabilities).

(14) Information with respect to the subsidiary holding the capital share of parent company

None.

### 13. Other disclosure items

#### (1) Related information on material transaction items

- A. Information regarding stock of long-term equity investment for which the purchase or sale amount for the period exceeded \$300 million or 10% of the Company's paid-in capital: None.
- B. Information on the acquisition and disposal of real estate for which the purchase amount exceeded \$300 million or 10% of the Company's paid-in capital: None.
- C. Information regarding discounted processing fees on transactions with related parties for which the amount exceeded \$5 million: None.
- D. Information regarding receivables from related parties exceeding \$300 million or 10% of the Company's paid-in capital:

Creditor	Counterparty	Relationship	Accounts receivable from related party as of March 31, 2024	Turnover rate	Amount overdue		Amount collected subsequent to the balance sheet date	Amount of credit losses
					Amount	Action taken		
Yuanta Financial Holdings	Yuanta Securities	Subsidiary of the Company	\$ 1,997,158 (Note1)	-	\$ -	-	\$ -	-
Yuanta Financial Holdings	Yuanta Bank	Subsidiary of the Company	1,412,691 (Note1)	-	-	-	-	-

Note1: Income tax refundable arising from filing consolidated income tax returns which has been eliminated.

- E. Information regarding selling non-performing loans: None.
- F. Information on and categories of securitized assets which are approved by the authority pursuant to Financial Asset Securitization Act or the Real Estate Securitization Act: None.
- G. Other material transaction items which were significant to the users of the financial statements: None.

#### (2) Supplementary disclosure regarding investee companies:

For the first quarter and third quarter financial statements, the table is not required to be disclosed.

#### (3) Significant transactions regarding investee companies

- A. Information regarding stocks of equity investment for which the purchase or sale amount for the period exceeded \$300 million or 10% of the Company's paid-in capital: Disclosure may be exempt for subsidiaries in the financial industry, insurance industry and securities Industry. Not applicable for all the other subsidiaries and indirect subsidiaries.
- B. Information on the acquisition of real estate for which the purchase amount exceeded \$300 million or 10% of the Company's paid-in capital: None.



C. Information on the disposal of real estate for which the purchase amount exceeded \$300 million or 10% of the Company's paid-in capital:

Transaction Company	Real estate disposed	Transaction date	Acquisition date	Carrying value	Sale price	Status of collection of proceeds	Gain or loss from disposal	Counterparty	Related-party	Reason for disposal	Basis or reference used in setting the price	Note
Yuanta Bank	1F, 3F~7F, No. 210, SEC. 3, Chengde Road, Datong District, Taipei City, including the land which it is located	The Board of Directors resolved on March 21, 2024	May 27, 2009	\$544,285	\$983,700	Contract signed but proceeds not collected	Estimated to be approximately \$439,415	Natural persons	None	Activate and fully use of assets	Based on Appraisal Reports issued by Zhan-Mao and Bon-De Real Estate Appraisers Firm and Fairness Opinion issued by Hsiang-Lin Chan Accounting Firm. Real Estate Appraisers: Ming-Hang Tsai and Ping-Chi Mao; appraisal prices were \$797,012 and \$810,539, respectively.	-
Yuanta Securities	2F, 2F-1, 2F-2, B1~B2, No. 210, Sec. 3, Chengde Rd., Taipei City	The Board of Directors resolved on March 28, 2024	May 27, 2009	\$248,931	\$816,300	Contract signed but proceeds not collected	Estimated to be approximately \$567,369	Natural persons	None	Activate and fully use of assets	Based on Appraisal Reports issued by Zhan-Mao and Bon-De Real Estate Appraisers Firm and Fairness Opinion issued by Hsiang-Lin Chan Accounting Firm. Real Estate Appraisers: Ming-Hang Tsai and Ping-Chi Mao; appraisal prices were \$661,000 and \$672,484, respectively.	-

D. Information regarding discounted processing fees on transactions with related parties for which the amount exceeded \$5 million: None.

E. Information regarding receivables from related parties for which the amount exceeding \$300 million or 10% of Company's paid-in capital:

Creditor	Counterparty	Relationship	Accounts receivable from related party as of March 31, 2024	Turnover rate	Amount overdue		Amount collected subsequent to the balance sheet date	Amount of credit losses
					Amount	Action taken		
Yuanta Life	The Company	Parent Company	\$ 5,456,023 (Note)	-	\$ -	-	\$ -	\$ -
Yuanta Securities Asia Finance Service	Yuanta Securities (Korea)	Affiliated company	499,221	-	-	-	499,221	-

Note: Income tax refundable arising from filing consolidated income tax returns.

F. Information regarding selling non-performing loans: None.

G. Information on and categories of securitized assets which are approved by the authority pursuant to Financial Asset Securitization Act or the Real Estate Securitization Act: None.

H. Other material transaction items which were significant to the users of the financial statements: None.

I. Funds lent to other: Not applicable to subsidiaries in a financial or securities industries. For non-financial and non-securities subsidiaries, no fund has been lent except for the following:

Number	Lending company	Borrower	Account	Related-party	Maximum balance at current period	Ending balance	Actual used amount	Interest rate	Characteristic of fund lent to others	Amount	Reason for short-term loans	Provision for credit loss	Collateral		Limit of individual lending	Total limit of funds lent to others
													Item	Value		
1	Yuanta Securities Asia Finance Service	PT Yuanta Sekuritas Indonesia	Accounts receivable-related party	Yes	\$ 959,700	\$ 959,700	\$ 492,646	6.10%	Short-term loans	\$ -	Fulfill operating cost and working capital	\$ -	-	\$ -	\$ 45,527,726 (Note)	\$ 45,527,726 (Note)
3	Yuanta Securities Asia Finance Service	Yuanta Securities (Thailand)	Accounts receivable-related party	Yes	2,559,200	2,559,200	-	-	Short-term loans	-	Fulfill operating cost and working capital	-	-	-	45,527,726 (Note)	45,527,726 (Note)
4	Yuanta Securities Asia Finance Service	Yuanta Securities (Vietnam)	Accounts receivable-related party	Yes	959,700	959,700	-	-	Short-term loans	-	Working capital	-	-	-	45,527,726 (Note)	45,527,726 (Note)
5	Yuanta Securities Asia Finance Service	Yuanta Securities (Korea)	Accounts receivable-related party	Yes	2,239,300	2,239,300	-	-	Short-term loans	-	Working capital	-	-	-	45,527,726 (Note)	45,527,726 (Note)

Note : The ceiling on total loans granted and limit to loans granted to a single party by Yuanta Securities Asia Financial Services should not exceed the net worth of its latest audited/reviewed financial statements.

J. Endorsements and guarantees provided for others:

Number	Endorsing and guarantee company	Endorsed and guaranteed company		Limit for endorsement and guarantee for single enterprise	Maximum outstanding endorsements and guarantee amount during for the three months ended March 31, 2024	Ending balance of endorsement and guarantee	Actual used amount	Property-backed endorsement and guarantee	The ratio of accumulated endorsement and guarantee amount and the net value of the latest financial statement	Maximum limit	Provision of endorsements and guarantees by parent company to subsidiary	Provision of endorsements and guarantees by subsidiary to parent company	Provision of endorsements and guarantees to the party in Mainland China
		Name of company	Relationship										
1	Yuanta Securities	PT Yuanta Sekuritas Indonesia	More than 50% common stock-directly-owned subsidiary	\$ 29,989,479 (Note 1)	\$ 111,965	\$ 111,965	\$ -	\$ -	0.07%	\$ 59,978,958 (Note 1)	Yes	No	No
2	Yuanta Securities	Yuanta International Investment (Hong Kong) (Note 2)	More than 50% common stock-directly-owned subsidiary	29,989,479 (Note 1)	1,599,500	1,599,500	58,862	-	1.07%	59,978,958 (Note 1)	Yes	No	No
3	Yuanta Securities Asia Financial Service	Yuanta Securities (Thailand)	More than 50% common stock-directly-owned subsidiary	45,527,726 (Note 3)	263,610	-	-	-	0.00%	45,527,726 (Note 3)	Yes	No	No
4	Yuanta Securities Asia Financial Service	PT Yuanta Sekuritas Indonesia	More than 50% common stock-directly-owned subsidiary	45,527,726 (Note 3)	304,690	304,690	-	-	0.67%	45,527,726 (Note 3)	Yes	No	No
5	Yuanta Securities Asia Financial Service	Yuanta Securities (Vietnam)	More than 50% common stock-directly-owned subsidiary	45,527,726 (Note 3)	412,800	412,800	64,500	-	0.91%	45,527,726 (Note 3)	Yes	No	No

Note 1: In accordance with the Company's "Procedures for Provision of Endorsements and Guarantees", the ceiling on total loans granted and limit to loans granted to a single party by Yuanta Securities should not exceed 40% and 20% of net worth of the company's latest audited/reviewed financial statements, respectively.

Note 2: To become a local agent and guarantee institution of foreign structure instruments which are issued by the reinvested company, Yuanta Investment (Hong Kong), on September 24, 2020, Yuanta Securities' Board of Directors resolved to provide a guarantee with a limit of USD50 million. On December 16, 2020, Yuanta Securities obtained the approval from Gin-Gwen-Zheng-Quan-Zi Letter No. 1090372253 of the FSC in Taiwan. On February 25, 2021, both parties finished signing the guarantee contract after the relating process has been completed.

Note 3: According to the Company's "Procedures for Provision of Endorsements and Guarantees", total endorsements and guarantees provided to others cannot exceed the net assets value in Yuanta Securities Asia Financial Services's latest financial statements audited or reviewed by an independent auditor.

K. Engagement in derivatives trading: Disclosure may be exempt for subsidiaries in the financial industry, insurance industry and securities industry. Not applicable for all the other subsidiaries and indirect subsidiaries.

## L. Securities held at the end of period:

(Expressed in Thousands of New Taiwan Dollars)								
March 31, 2024								
Name of company which holds securities	Category and name of securities (or name of issuer of securities)	Relationship between issuer of securities and the company	Account	Number of shares (In thousands)	Book value	Percentage of ownership (%)	Market value	Note
Yuanta Securities Investment Trust	Beneficiary certificates:							
	Yuanta/P-shares Taiwan Top 50 ETF	The managing company of the fund	Financial assets at fair value through profit or loss	34	\$ 5,293	-	\$ 5,293	
	Yuanta/P-shares Taiwan Mid-Cap 100 ETF	"	"	8	656	-	656	
	Yuanta/P-shares Taiwan Electronics Tech ETF	"	"	24	2,065	-	2,065	
	Yuanta/P-shares MSCI Taiwan Financials ETF	"	"	23	573	-	573	
	Yuanta/P-shares Taiwan Dividend Plus ETF	"	"	35	1,406	-	1,406	
	W.I.S.E. Yuanta/P-shares CSI 300 ETF	"	"	25	420	-	420	
	Yuanta S&P500	"	"	9	448	-	448	
	Yuanta/P-shares Taiwan GreTai 50 ETF	"	"	20	447	-	447	
	Yuanta/P-shares MSCI Taiwan ETF	"	"	14	1,048	-	1,048	
	Yuanta/P-shares SSE50 ETF	"	"	19	535	-	535	
	Yuanta S&P GSCI Gold ER Futures ETF	"	"	7	197	-	197	
	Yuanta S&P GSCI Crude Oil ER Futures ETF	"	"	1	17	-	17	
	Yuanta EURO STOXX 50 ETF	"	"	8	278	-	278	
	Yuanta Nikkei 225 ETF	"	"	1	34	-	34	
	Yuanta U.S. Treasury 20+ Year Bond ETF	"	"	10	291	-	291	
	Yuanta S&P US Dollar ER Futures ETF	"	"	-	1	-	1	
	Yuanta U.S. Treasury 7-10 Year Bond ETF	"	"	9	336	-	336	
	Yuanta Taiwan High Dividend Low Volatility ETF	"	"	17	916	-	916	
	Yuanta U.S. Treasury 1-3 Year Bond ETF	"	"	11	337	-	337	
	Yuanta U.S. 20+ Year BBB Corporate Bond ETF	"	"	11	397	-	397	
	Yuanta China Treasury + Policy Bank 3-5 Year Bond ETF	"	"	-	21	-	21	
	Yuanta DJCI Silver ER Futures ETF	"	"	-	12	-	12	
	Yuanta MSCI China A ETF	"	"	10	216	-	216	
	Yuanta US 20+ Year AAA-A Corporate Bond ETF	"	"	11	392	-	392	
	Yuanta STOXX Global Artificial Intelligence ETF	"	"	7	435	-	435	

				March 31, 2024				
Name of company				Percentage of				
which holds securities	Category and name of securities (or name of issuer of securities)	Relationship between issuer of securities and the company	Account	Number of shares (In thousands)	Book value	ownership (%)	Market value	Note
Yuanta Securities Investment Trust	Beneficiary certificates:							
	Yuanta S&P U.S. High Yield Preferred Stock ETF	The managing company of the fund	Financial assets at fair value through profit or loss	1	\$ 9	-	\$ 9	
	Yuanta US 10+ Investment Grade Bank Bond ETF	"	"	6	204	-	204	
	Yuanta US 10+ Investment Grade Healthcare Bond ETF	"	"	15	515	-	515	
	Yuanta US 10+ Investment Grade Utility Electric Power Bond ETF	"	"	5	166	-	166	
	Yuanta FTSE4Good TIP Taiwan ESG ETF	"	"	7	281	-	281	
	Yuanta Global NextGen Communications ETF	"	"	19	740	-	740	
	Yuanta 15+ Year Emerging Markets Sovereign Bond ETF	"	"	-	12	-	12	
	Yuanta Global 5G & NexGen Telecommunication Components ETF	"	"	25	979	-	979	
	Yuanta De- Bao Money Market Fund	"	"	8,184	101,362	-	101,362	
	Yuanta Japan Leaders Equity Fund-(I)	"	"	26,621	308,808	-	308,808	
					<u>\$ 429,847</u>		<u>\$ 429,847</u>	
	Stocks:							
	Taiwan Futures Exchange	-	Financial assets at fair value through other comprehensive income	4,803	\$ 376,842	0.88	\$ 376,842	
	FundRich Securities Co. Ltd.	-	"	819	16,936	1.36	16,936	
					<u>\$ 393,778</u>		<u>\$ 393,778</u>	
	CR Yuanta Fund Management Company Limited	-	Equity investments accounted for under the equity method	147,000	<u>\$ 346,346</u>	24.50	<u>\$ 346,346</u>	
Yuanta Asset Management	Beneficiary certificates:							
	Taishin 1699 Money Market Fund	-	Financial assets at fair value through profit or loss	15,421	\$ 215,718	-	\$ 215,718	
	Franklin Templeton Sinoam Money Market Fund	-	"	18,885	201,414	-	201,414	
	Yuanta Taiwan Value High Dividend ETF	-	"	5,000	49,600	-	49,600	
	JIH SUN MONEY MARKET FUND	-	"	6,570	100,548	-	100,548	
	Yuanta Japan Leaders Equity Fund-(A)	-	"	3,021	35,166	-	35,166	
					<u>\$ 602,446</u>		<u>\$ 602,446</u>	

				March 31, 2024				
Name of company				Percentage of				
which holds securities	Category and name of securities (or name of issuer of securities)	Relationship between issuer of securities and the company	Account	Number of shares (In thousands)	Book value	ownership (%)	Market value	Note
Yuanta Asset Management	Stocks:							
	Taiwan Finance Corporation	-	Financial assets at fair value through other comprehensive income	828	\$ 7,092	0.16	\$ 7,092	
	Sunsino Venture Co., Ltd.	-	"	443	5,151	0.93	5,151	
	DaYeh Development Co., Ltd.	-	"	333	233	2.22	233	
	Chung Yi Development Co., Ltd.	-	"	2,278	91	6.63	91	
	China Investment and Development Co.,Ltd	-	"	1,980	29,126	1.23	29,126	
	China Trade And Development Corporation	-	"	500	12,836	0.76	12,836	
					<u>\$ 54,529</u>		<u>\$ 54,529</u>	
Yuanta Venture Capital	Stocks:							
	United Renewable Energy Co., Ltd.	-	Financial assets at fair value through profit or loss	513	\$ 4,724	0.03	\$ 4,724	
	Taiwan Chelic Corp. Ltd.	-	"	166	10,508	0.24	10,508	
	Eurocharm Holdings Co., Ltd.	-	"	624	121,992	0.94	121,992	
	Ever Fortune. AI Co. , Ltd.	-	"	300	26,370	0.30	26,370	
	Pharmosa Biopharm Co. , Ltd.	-	"	1,070	85,600	0.91	85,600	
	Tot Biopharm International Company Limited	-	"	15,606	105,257	2.02	105,257	
	Apollomics Inc.	-	"	117	2,810	0.13	2,810	
	Gorilla Technology Group Inc.	-	"	100	2,391	0.13	2,391	
	GCT Semiconductor Holding, Inc.	-	"	372	393,294	2.96	393,294	
	Jing-Jan Retail Business Co., Ltd.	-	"	1,408	60,924	2.35	60,924	
	Saultech Technology Co., Ltd.	-	"	120	10,764	0.39	10,764	
	Taiwan Microloops Co., Ltd.	-	"	475	34,395	0.93	34,395	
	Taiwan Speciality Chemicals Corporation	-	"	50	9,529	0.04	9,529	
	Shine-On BioMedical Co., Ltd.	-	"	300	19,734	0.60	19,734	
	Mega Union Technology Incorporated	-	"	551	204,958	0.89	204,958	
	OVTEC Co., Ltd.	-	"	739	58,980	4.44	58,980	
	CGK International Co., Ltd (Cayman)	-	"	877	9,252	2.00	9,252	
	Aprevent Medical Inc.	-	"	1,808	15,600	6.30	15,600	Preferred stock B

				March 31, 2024				
Name of company				Percentage of				
which holds securities	Category and name of securities (or name of issuer of securities)	Relationship between issuer of securities and the company	Account	Number of shares (In thousands)	Book value	ownership (%)	Market value	Note
Yuanta Venture Capital	Stocks:							
	Li Ling Film Co., Ltd.	-	Financial assets at fair value through profit or loss	1,666	\$ -	2.78	\$ -	
	Bioflag International Corporation	-	"	1,870	38,235	3.12	38,235	
	Bioflag Nutrition Corporation Ltd.	-	"	1,530	35,703	3.12	35,703	
	GRAID Technology Inc.	-	"	682	40,245	2.63	40,245	Preferred stock A
	YU-CHEN SYSTEM Technology Corp.	-	"	1,260	62,988	7.33	62,988	
	Certain Micro Application Technology Inc.	-	"	1,200	20,424	6.48	20,424	
	Song Chuan Precision Co., Ltd.	-	"	1,600	165,600	2.20	165,600	
	ETERNAL PRECISION MECHANICS CO., LTD.	-	"	400	22,848	0.65	22,848	
	Aprevent Medical, Inc.	-	"	394	-	1.37	-	
	Veden Dental Group	-	"	246	-	0.50	-	
	Long Diann Marine Bio Technology Co., Ltd.	-	"	1,290	-	6.47	-	
	GenePharm Biotech Corp.	-	"	2,667	-	10.03	-	
	Great Dream Pictures, Inc.	-	"	200	-	19.96	-	
	Asia Pacific Venture Invest II L.P.	-	"	-	746	10.00	746	
					<u>\$ 1,563,871</u>		<u>\$ 1,563,871</u>	
	Da Hwa Venture Capital Co., Ltd.	-	Financial assets at fair value through other comprehensive income	800	\$ 16,424	0.50	\$ 16,424	
	Prudence Capital Management			596	10,808	9.00	10,808	
	Sheng Hwa Venture Capital Co., Ltd.	-	"	1,064	968	4.80	968	
	Lian Xun San Venture Capital Co., Ltd.	-	"	10	272	10.00	272	
	Hwa Lu Venture Capital Co., Ltd.	-	"	43	8,057	8.70	8,057	
	Sheng Yuan Venture Capital Co., Ltd.	-	"	84	5,918	9.88	5,918	
	Qi Ding Venture Capital Co., Ltd.	-	"	168	333	4.35	333	
	Der Yang Biotechnology Venture Capital Co., Ltd.	-	"	207	2,667	10.00	2,667	
	Huiyang Venture Capital Co., Ltd.	-	"	67	3,961	2.46	3,961	
					<u>\$ 49,408</u>		<u>\$ 49,408</u>	
	Yuanta I Venture Capital Co., Ltd.	Investee company accounted for under the equity method	Equity investments accounted for under the equity method	85,000	<u>\$ 1,242,178</u>	100.00	<u>\$ 1,242,178</u>	

(4) Investments in Mainland China

A. Information of investment in Mainland China

Yuanta Venture Capital

(Expressed in thousands of dollars)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method ( Note 1 )	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three months ended March 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024	Net income of investee as of March 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2024 (Note 4)	Book value of investments in Mainland China as of March 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2024
					Remitted to Mainland China	Remitted back to Taiwan						
Tot Biopharm International Company Limited	Pharmaceutical company specializes in cancer treatment	\$ 8,880,424 (USD 277,600)	(2) HONG KONG TOT BIOPHARM INTERNATIONAL COMPANY LIMITED	\$ 164,620	\$ -	\$ -	\$ 164,620	Note 5	2.02%	\$ -	\$ 164,620	\$ -
Jhong Shan Dong Yi Technology Co., Ltd.	Protection glass grinding and sales	255,920 (USD 8,000)	(2) CAYMAN ISLANDS CGK INTERNATIONAL CO., LTD.	5,599	-	-	5,599	Note 5	2.00%	-	5,599	-
Orient Optical Crystal Mfg. Co	Protection glass grinding and sales	20,439 (HKD 5,000)	(2) CAYMAN ISLANDS CGK INTERNATIONAL CO., LTD.	452	-	-	452	Note 5	2.00%	-	452	-
Veden Dental Labs Inc.	Manufacturing dental restoration	339,287 (HKD 83,000)	(2) CAYMAN ISLANDS VEDEN DENTAL GROUP	22,762	-	-	22,762	Note 5	0.50%	-	22,762	-



## Yuanta I Venture Capital

(Expressed in thousands of dollars)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three months ended March 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024	Net income of investee as of March 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2024 (Note 4)	Book value of investments in Mainland China as of March 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2024
					Remitted to Mainland China	Remitted back to Taiwan						
Jie Qun Electronic Technology (Dong Guan) Ltd.	Transistors	\$ 2,818,850 (USD 88,117)	(2) VIRGIN ISLANDS GREAT TEAM BACKEND FOUNDRY, INC.	\$ 40,735	\$ -	\$ -	\$ 40,735	Note 5	3.24%	\$ -	\$ 27,112	\$ 26,029

## Yuanta Securities

(Expressed in thousands of dollars)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three months ended March 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024	Net income of investee as of March 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2024 (Note 2)	Book value of investments in Mainland China as of March 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2024
					Remitted to Mainland China	Remitted back to Taiwan						
GC Investment Consultant (Shanghai)	Investment consultation	\$ 18,236 (CNY 4,138)	(3)	\$ -	\$ -	\$ -	\$ -	\$ 77	100.00%	In liquidation	\$ 23,171	\$ -
Yuanta Securities Investment Consultant (Beijing)	Investment management consulting service, financial consulting service, business administration consulting service, business information consulting service, economic and trade consulting service, marketing and planning, technical promotion and services	81,221 (CNY 18,428)	(2) Yuanta Securities Asia Financial Service	-	-	-	-	( 842)	100.00%	( 842) (2)B	18,392	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three months ended March 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024	Net income of investee as of March 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2024 (Note 2)	Book value of investments in Mainland China as of March 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2024
					Remitted to Mainland China	Remitted back to Taiwan						
CR Yuanta Fund Management Company Limited	Fund raising and sale	\$ 2,644,440 (CNY 600,000)	(1)	\$ 705,666	\$ -	\$ -	\$ 705,666	\$ 9,144	24.50%	\$ 1,393	\$ 346,346	\$ -

### B. Limitation on investment in Mainland China (Expressed in thousands of dollars)

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note)
Yuanta Venture Capital and its subsidiaries	\$ 234,168	\$ 234,021	\$ 2,248,568
GC Investment Consultant (Shanghai)	-	Note 6	Note 6
Yuanta Investment Consulting Beijing	-	91,973	98,986,236
Yuanta Securities Investment Trust	705,666	705,666	4,190,999

Note: The abovementioned limitations on investments in Mainland China were based on 60% of Yuanta Venture Capital's net worth of \$3,747,613.

The abovementioned limitations on investments in Mainland China were based on 60% of Yuanta Securities's net worth of \$164,977,061.

The abovementioned limitations on investments in Mainland China were based on 60% of Yuanta Securities Investment Trust's net worth of \$6,984,998.

Note 1: Investment methods are classified into the following three categories; fill in the number of the category each case belongs to:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (3) Others.

Note 2: In the 'Investment income (loss) recognised by the Company for the three months ended March 31, 2024' column:

- (1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.
- (2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:
  - a. The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.
  - b. The financial statements that are audited and attested by R.O.C. parent company's CPA.
  - c. Others.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

Note 4: The investment targets are Yuanta Venture Capital and Yuanta I Venture Capital's information of investment in Mainland China and are recognised as financial assets at fair value through profit or loss, therefore, there was no investment income (loss) recognised.

Note 5: The Company's subsidiary does not have significant influence over the investee. Thus, financial information on the investee is unattainable.

Note 6: Yuanta Securities absorbed Polaris Securities and therefore indirectly acquired USD16 million capital of GC Investment Consultant (Shanghai) Co., Ltd., a subsidiary of GC Investment Consultant (Asian) Co., Ltd. (renamed as Polaris Capital afterwards), being reinvested by Polaris Holdings (Cayman) Ltd., the direct overseas investment of Polaris Securities. GC Investment Consultant (Shanghai) Co., Ltd. was approved to liquidate, the Yuanta Group has no significant influence over the company, therefore, the equity method

was no longer applicable.

Note 7: Please refer to Note 7 (1) for details on the SYF Information Limited liquidation matters.

(5) Significant commitments or contingency of subsidiaries

Please refer to Note 9.

(6) Significant loss from disasters of subsidiaries

Please refer to Note 10.

(7) Significant subsequent events of subsidiaries

Please refer to Note 11.

(8) Major shareholders information

No shareholder held shares above 5% as of March 31, 2024.

(9) Related party transactions of subsidiaries amounting to at least \$100 million

Please refer to Note 7.

(10) Significant transactions between parent company and subsidiaries

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Details of transactions			
				Account	Amount	Conditions	Percentage of total consolidated net revenues or assets (Note 3)
0	Yuanta Financial Holdings	Yuanta Securities	1	Receivables – net	1,992,856	No significant difference from general customers	0.06%
0	Yuanta Financial Holdings	Yuanta Bank	1	Receivables – net	1,401,057	"	0.04%
0	Yuanta Financial Holdings	Yuanta Life	1	Payables	5,455,272	"	0.15%
1	Yuanta Securities	Yuanta Futures	3	Cash and cash equivalents	1,369,794	"	0.04%
1	Yuanta Securities	Yuanta Futures	3	Financial assets at fair value through profit or loss	1,457,804	"	0.04%
1	Yuanta Securities	Yuanta Life	3	Right-of-use assets – net	152,557	"	0.00%
1	Yuanta Securities	Yuanta Securities (Hong Kong)	3	Payables	579,739	"	0.02%
1	Yuanta Securities	Yuanta Life	3	Lease liabilities	165,410	"	0.00%
2	Yuanta Bank	Yuanta Futures	3	Cash and cash equivalents	503,563	"	0.01%
2	Yuanta Bank	Yuanta Futures	3	Financial assets at fair value through profit or loss	823,242	"	0.02%
2	Yuanta Bank	Yuanta Futures	3	Financial assets at fair value through profit or loss	(428,416)	"	-0.01%
2	Yuanta Bank	Yuanta Securities	3	Bills discounted and loans – net	1,500,000	"	0.04%
2	Yuanta Bank	Yuanta Life	3	Deposits and remittances	1,530,239	"	0.04%
2	Yuanta Bank	Yuanta International Leasing	3	Deposits and remittances	102,448	"	0.00%
2	Yuanta Bank	Yuanta Securities	3	Deposits and remittances	311,534	"	0.01%
2	Yuanta Bank	Yuanta International Insurance Brokers	3	Deposits and remittances	261,777	"	0.01%
2	Yuanta Bank	Yuanta Futures	3	Deposits and remittances	140,000	"	0.00%
2	Yuanta Bank	Yuanta Life	3	Deposits and remittances	153,455	"	0.00%
2	Yuanta Bank	Yuanta Securities	3	Deposits and remittances	10,161,108	"	0.29%
2	Yuanta Bank	Yuanta Futures	3	Deposits and remittances	1,703,600	"	0.05%
2	Yuanta Bank	SYF Information	3	Deposits and remittances	289,000	"	0.01%
2	Yuanta Bank	Yuanta Securities Investment Trust	3	Deposits and remittances	4,770,000	"	0.13%
2	Yuanta Bank	Yuanta Securities Investment Consulting	3	Deposits and remittances	163,900	"	0.00%
2	Yuanta Bank	Yuanta Venture Capital	3	Deposits and remittances	858,400	"	0.02%
2	Yuanta Bank	Yuanta I Venture Capital	3	Deposits and remittances	449,300	"	0.01%

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Details of transactions			
				Account	Amount	Conditions	Percentage of total consolidated net revenues or assets (Note 3)
2	Yuanta Bank	Yuanta Asset Management	3	Deposits and remittances	398,000	No significant difference from general customers	0.01%
2	Yuanta Bank	Yuanta Securities	3	Deposits and remittances	25,088,090	"	0.71%
2	Yuanta Bank	Yuanta Securities Asia Financial Services	3	Deposits and remittances	367,885	"	0.01%
2	Yuanta Bank	Yuanta Securities (Hong Kong)	3	Deposits and remittances	5,703,022	"	0.16%
2	Yuanta Bank	Yuanta Futures	3	Deposits and remittances	5,187,200	"	0.15%
2	Yuanta Bank	Yuanta Financial Holdings	2	Deposits and remittances	1,600,000	"	0.05%
2	Yuanta Bank	Yuanta Securities	3	Deposits and remittances	3,518,900	"	0.10%
2	Yuanta Bank	Yuanta Financial Holdings	2	Deposits and remittances	876,526	"	0.02%
2	Yuanta Bank	Yuanta Futures	3	Deposits and remittances	304,520	"	0.01%
2	Yuanta Bank	Yuanta Futures	3	Deposits and remittances	18,746,693	"	0.53%
2	Yuanta Bank	Yuanta Life	3	Net service fee and commission income	497,991	"	1.61%
2	Yuanta Bank	Yuanta Futures	3	Interest expense	158,208	"	0.51%
3	Yuanta Futures	Yuanta Futures (Hong Kong)	3	Other financial assets – net	232,761	"	0.01%
3	Yuanta Futures	Yuanta Futures (Hong Kong)	3	Other financial liabilities	501,962	"	0.01%
3	Yuanta Futures	Yuanta Securities (Korea)	3	Other financial liabilities	317,030	"	0.01%
4	Yuanta Life	Yuanta International Insurance Brokers	3	Net service fee and commission income	156,531	"	0.50%
5	Yuanta Securities Asia Financial Services	Yuanta Securities (Korea)	3	Receivables – net	499,221	"	0.01%
5	Yuanta Securities Asia Financial Services	Yuanta Securities (Indonesia)	3	Receivables – net	492,649	"	0.01%
6	Yuanta Futures (Hong Kong)	Yuanta Securities (Vietnam)	3	Other financial assets – net	177,174	"	0.01%

Note 1: The numbers in the No. column represent as follows:

1. 0 for the parent company.
2. According to the sequential order, subsidiaries are numbered from 1.

Note 2: There are three types of relationships with the counterparties and they are labeled as follows (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transactions with a subsidiary, then the subsidiary is not required to disclose the transactions; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transactions, then the other is not required to disclose the transactions) :

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: The calculation basis of the trading amount accounting for the total consolidated net revenues or assets is that the account ending balance is divided by the total consolidated assets if it is attributed to the balance sheet accounts, and the accumulated trading amount of the interim period is divided by the total consolidated net revenues if it is attributed to the profit or loss accounts.

Note 4: The transactions disclosed are those over \$100,000.

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#### 14. Segment information

##### (1) General information

###### A. Recognition elements of reporting segment

The Yuanta Group is mainly engaged in the investment and management of its investees; therefore, the management reports are provided to the Chief Operating Decision-Maker (“CODM”) to allocate resources to operating segments and evaluate their performance. The Yuanta Group’s management recognised reporting segments based on the policies adopted by the CODM.

###### B. The income sources and service types of each reporting segment

The management has recognised reporting segments based on the reporting information used by the CODM. The Yuanta Group has five reporting segments according to the types of income sources: banking, securities, futures, insurance and others. The products and types of service of the income sources are as follows:

(A) Banking: corporate banking, personal banking and wealth management in accordance with the Banking Act.

(B) Securities: securities dealing or consignment trading, underwriting securities, registration and transfer agency service for securities, assistance of futures trading, futures dealing, and issuing call (put) warrants, derivative financial instrument transactions including interest rate swap, asset swap and structured notes.

(C) Futures: domestic and foreign futures merchant business, self-operating business, futures consultation business, futures agency, self-operating securities business and other futures relating business as approved by authorities.

(D) Insurance: the main activities comprise life insurance enterprises and provision of life, medical, accident injury and investment-oriented insurance products.

(E) Others: includes those not mentioned above, for example, investment trust, investment consulting, venture capital and asset management businesses.

##### (2) Measurement of segment information – measurement of the profit and loss of operating segments

The Yuanta Group’s measurement principles for profit and loss of operating segments is consistent with the significant accounting policies stated in Note 4, and the measurement of profit and loss performance is based on pre-tax profit and loss.

Inter-segmental transactions are arm’s-length transactions, and the gain and loss arising from such transactions are eliminated by the parent company in the consolidated financial statements. Profit and loss directly attributable to various segments have been considered when segment performance is being evaluated.

Expressed in Thousands of New Taiwan Dollars

For the three months ended March 31, 2024

	Banking	Securities	Futures	Insurance	Others	Adjustment and elimination	Consolidated
Revenue from external customers	\$ 6,551,100	\$ 14,750,137	\$ 976,384	\$ 6,326,740	\$ 2,411,442	\$ -	\$ 31,015,803
Revenue (loss) from transactions with other operating segments of the same entity	<u>200,338</u>	<u>503,571</u>	<u>131,579</u>	<u>( 601,159)</u>	<u>305,889</u>	<u>( 540,218)</u>	<u>-</u>
Net revenues (Note)	<u>6,751,438</u>	<u>15,253,708</u>	<u>1,107,963</u>	<u>5,725,581</u>	<u>2,717,331</u>	<u>( 540,218)</u>	<u>31,015,803</u>
Provision for bad debt expenses, commitment and guarantee policy reserve	( 137,660)	( 177,295)	750	( 532)	-	-	( 314,737)
Net change in provisions for insurance liabilities	-	-	-	( 4,162,367)	-	26,220	( 4,136,147)
Operating expenses	( 3,329,677)	( 9,467,911)	( 460,841)	( 409,809)	( 1,224,205)	319,560	( 14,572,883)
Income from continuing operations before income tax	<u>\$ 3,284,101</u>	<u>\$ 5,608,502</u>	<u>\$ 647,872</u>	<u>\$ 1,152,873</u>	<u>\$ 1,493,126</u>	<u>(\$ 194,438)</u>	<u>\$ 11,992,036</u>

For the three months ended March 31, 2023

	Banking	Securities	Futures	Insurance	Others	Adjustment and elimination	Consolidated
Revenue from external customers	\$ 5,166,987	\$ 11,192,795	\$ 759,058	\$ 5,011,833	\$ 1,460,194	\$ -	\$ 23,590,867
Revenue (loss) from transactions with other operating segments of the same entity	<u>188,693</u>	<u>381,559</u>	<u>70,605</u>	<u>( 457,824)</u>	<u>168,395</u>	<u>( 351,428)</u>	<u>-</u>
Net revenues (Note)	<u>5,355,680</u>	<u>11,574,354</u>	<u>829,663</u>	<u>4,554,009</u>	<u>1,628,589</u>	<u>( 351,428)</u>	<u>23,590,867</u>
Provision for bad debt expenses, commitment and guarantee policy reserve	235,298	20,012	1,313	( 348)	-	-	256,275
Net change in provisions for insurance liabilities	-	-	-	( 4,123,232)	-	27,505	( 4,095,727)
Operating expenses	( 2,983,761)	( 7,282,416)	( 379,308)	( 409,094)	( 943,506)	276,772	( 11,721,313)
Income from continuing operations before income tax	<u>\$ 2,607,217</u>	<u>\$ 4,311,950</u>	<u>\$ 451,668</u>	<u>\$ 21,335</u>	<u>\$ 685,083</u>	<u>(\$ 47,151)</u>	<u>\$ 8,030,102</u>

Note: Net revenues include gain and loss on financial assets and liabilities at fair value through profit or loss, realised gain and loss on financial assets at fair value through other comprehensive income, foreign exchange gains and losses, and other non-interest income.