

PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS’
REPORT
DECEMBER 31, 2022 AND 2021

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.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR22003960

To the Board of Directors and Shareholders of President Securities Corporation

Opinion

We have audited the accompanying parent company only balance sheets of President Securities Corporation (the “Company”) as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2022 and 2021, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms and Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Company's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The key audit matters of the Company's 2022 parent company only financial statements are stated as follows:

Fair value measurement of unlisted stocks without active market

Description

Please refer to Note 4(7) for the accounting policies on unlisted stocks without active market (shown as “financial assets at fair value through other comprehensive income”) and Note 5 for details of significant judgements, estimates and assumption uncertainty. As at December 31, 2022, the unlisted stocks without active market held by the Company totaled 294,855 thousand New Taiwan Dollars and were shown as “financial assets at fair value through other comprehensive income” (Level 3 fair value).

Due to the lack of an active market, the fair value of the unlisted stocks held by the Company was determined using valuation method. Management measured its fair value by using comparable listed companies in market approach. The main assumption of market approach is calculated based on the latest related parameters of comparable listed companies in similar industries and considering discounts on market liquidity or risk particularity.

Above-mentioned estimation of fair value involves various assumptions and material unobservable inputs, which has high uncertainty and relies on the subjective judgment of management. Any changes in judgements and estimates may affect the ultimate result of accounting estimates and have an impact on the financial statements of the Company. Thus, we have included the fair value measurement of unlisted stocks without active market as a key audit matter in our audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding and assessed policy documents, internal control system, fair value measurement models and approval processes that are related to fair value measurement of unlisted stocks;
2. Ascertained whether the measurement methods used by the management is commonly used by the industry;
3. Assessed the reasonableness of parameter of similar companies used by management;
4. Examined inputs and calculation formulas used in valuation methods and agreed such data to supporting documents.

Impairment indication assessment of investments accounted for under the equity method

Description

Please refer to Note 4(13) for accounting policies on investments accounted for under the equity method and its impairment, Note 5(2) for the uncertainty of accounting estimates and assumptions applied on asset impairment, and Note 6(11) for details of investments accounted for under the equity method.

The Company held 42.46% of equity of Uni-President Asset Management Corp. which was accounted for under the equity method, and the excess of the carrying amount over the share of the investee company's net assets is mainly goodwill. As of December 31, 2022, the amount was 747,473 thousand New Taiwan Dollars. Impairment assessment is based on the expected future cash flow of the investee, discounted at an appropriate discount rate, to measure the recoverable amount of the cash generating unit.

The recoverable amount of the investee is based on its expected future cash flows which involve multiple estimates and assumptions on discount rate and financial forecast. These are subjective judgements, have a high degree of uncertainties, and are material to the recoverable amount. Thus, we consider the impairment assessment of investments accounted for under the equity method as one of the matters of most significance to our audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained the impairment assessment report prepared by an external valuation expert who was commissioned by the management and reviewed the achievement of the past financial forecast to assess its execution;
2. Assessed the reasonableness of expected future cash flows, discount rate and other significant assumptions applied in the cash flow model; and
3. Inspected valuation model parameters, formula setting and the accuracy of calculation.

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

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgement and professional skepticism throughout the audit. We also:

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

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

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

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

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

of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Se-Kai

Independent Auditors

Lo, Chiao-Sen

For and on behalf of PricewaterhouseCoopers, Taiwan

March 8, 2023

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

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

PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021	
		AMOUNT	%	AMOUNT	%
110000 Current assets					
111100 Cash and cash equivalents	6(1)	\$ 3,192,794	4	\$ 3,082,958	3
112000 Financial assets at fair value through profit or loss - current	6(2)	24,015,200	33	33,286,663	35
113200 Financial assets at fair value through other comprehensive income - current	6(3)	2,497,782	3	410,205	1
114010 Bonds purchased under resale agreements	6(4)	-	-	27,401	-
114030 Margin loans receivable	6(5)	10,533,221	14	18,344,751	19
114040 Refinancing security deposits		94,136	-	29,930	-
114050 Receivables from refinance guaranty		72,399	-	24,933	-
114060 Receivable of securities business money lending		4,094,908	6	1,581,993	2
114090 Receivables from security lending		1,159,577	2	401,019	-
114100 Security lending deposits		3,377,630	5	1,437,295	2
114110 Notes receivable		763	-	470	-
114130 Accounts receivable	6(6)	10,129,755	14	16,549,427	17
114140 Accounts receivable - related parties	6(6)	4,717	-	4,792	-
114150 Prepayments		33,654	-	21,059	-
114170 Other receivables	6(7)	16,656	-	5,709	-
119000 Other current assets	6(8)	1,870,428	2	7,992,320	8
110000 Total current assets		61,093,620	83	83,200,925	87
120000 Noncurrent assets					
122000 Financial assets at fair value through profit or loss - non-current	6(2)	66,383	-	62,774	-
123200 Financial assets at fair value through other comprehensive income - non-current	6(3)	294,855	1	258,627	-
124100 Investments accounted for under the equity method	6(11)	8,085,345	11	7,518,999	8
125000 Property and equipment, net	6(12)	2,413,110	3	2,271,270	3
125800 Right-of-use assets	6(13)	155,095	-	191,960	-
126000 Investment property	6(15)	266,302	-	268,402	1
127000 Intangible assets	6(16)	187,393	-	145,690	-
128000 Deferred tax assets	6(46)	103,665	-	155,567	-
129000 Other assets - non-current	6(17)	1,071,888	2	1,117,438	1
120000 Total non-current assets		12,644,036	17	11,990,727	13
906001 Total Assets		\$ 73,737,656	100	\$ 95,191,652	100

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PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2022		December 31, 2021	
		AMOUNT	%	AMOUNT	%
210000 Current liabilities					
211100 Short-term loans	6(18)	\$ 275,000	-	\$ 590,000	1
211200 Commercial papers payable	6(19)	5,827,431	8	8,648,558	9
212000 Financial liabilities at fair value through profit or loss - current	6(20)	9,156,084	12	8,171,735	9
214010 Bonds sold under repurchase agreements	6(21)	6,965,424	10	9,643,040	10
214040 Deposits on short sales		1,809,356	3	1,202,587	1
214050 Short sale proceeds payable		1,809,962	3	1,559,162	2
214070 Guarantee deposit received on borrowed securities		1,806,591	2	1,969,207	2
214090 Equity for each customer in the account		269,029	-	97,996	-
214130 Accounts payable	6(22)	10,730,645	15	17,421,499	18
214150 Advance receipts		29	-	481	-
214160 Collections on behalf of third parties		743,518	1	5,739,850	6
214170 Other payables	6(23)	1,443,038	2	2,499,848	3
214200 Other financial liabilities - current	6(24)	2,784,086	4	4,983,139	5
214600 Current tax liability	6(46)	128,431	-	628,676	1
216000 Current lease liabilities		65,653	-	62,878	-
219000 Other current liabilities		72,006	-	73,094	-
210000 Total current liabilities		43,886,283	60	63,291,750	67
220000 Non-current liabilities					
225100 Non-current provisions		15,418	-	14,079	-
226000 Non-current lease liabilities		82,231	-	120,489	-
228000 Deferred tax liability	6(46)	11,317	-	-	-
229000 Other liabilities - non-current	6(25)	23,315	-	81,750	-
220000 Total non-current liabilities		132,281	-	216,318	-
906003 Total Liabilities		44,018,564	60	63,508,068	67
301000 Capital					
301010 Common stock	6(27)	14,558,313	20	14,558,313	15
302000 Capital reserve	6(27)	91,261	-	91,261	-
304000 Retained earnings	6(27)(28)				
304010 Legal reserve		3,877,849	5	3,487,748	4
304020 Special reserve		9,090,989	12	8,314,199	9
304040 Unappropriated earnings		816,933	1	3,922,562	4
305000 Other equity interest		1,283,747	2	1,309,501	1
906004 Total equity		29,719,092	40	31,683,584	33
906002 Total liabilities and equity		\$ 73,737,656	100	\$ 95,191,652	100

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

PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, earnings per share)

Items	Notes	Year ended December 31				
		2022		2021		
		AMOUNT	%	AMOUNT	%	
400000	Revenues					
401000	Brokerage handling fee revenue	6(29)	\$ 2,382,066	45	\$ 4,153,616	39
404000	Revenues from underwriting business	6(30)	86,465	2	104,035	1
406000	Net gain (loss) on wealth management		38,150	1	32,127	-
410000	Net gain (loss) on sale of trading securities	6(31)	(3,250,617)	(62)	8,738,972	83
421100	Revenue from providing agency service for stock affairs		88,788	2	85,817	1
421200	Interest revenue	6(32)	940,469	18	1,159,210	11
421300	Dividend revenue		1,274,795	24	451,249	4
421500	Net valuation gain (loss) on operating securities at fair value through profit or loss	6(33)	(916,440)	(17)	(862,680)	(8)
421600	Net gain (loss) on covering of borrowed securities and bonds with resale agreements-short sales	6(34)	482,271	9	(181,893)	(2)
421610	Net valuation gain (loss) on borrowed securities and bonds with resale agreements-short sales at fair value through profit or loss	6(35)	1,381,017	26	(313,159)	(3)
422000	Net gain (loss) on issuance of ETNs		546,571	10	76,579	1
422100	Administrative and handling fee revenues from issuance of ETNs		11,799	-	17,312	-
422200	Net gain (loss) from issuance of call (put) warrants	6(36)	1,473,984	28	(2,896,956)	(27)
424100	Future commission revenue		43,532	1	42,884	-
424400	Net gain (loss) from derivatives	6(37)	123,408	2	(655,306)	(6)
425300	Expected credit impairment loss and reversal of impairment gain	6(38)	21,973	1	11,158	-
428000	Other operating income	6(39)	545,860	10	615,039	6
	Total revenue		<u>5,274,091</u>	<u>100</u>	<u>10,578,004</u>	<u>100</u>
500000	Expenditures and expenses					
501000/ 502000/						
503000	Handling charges	6(40)	(364,342)	(7)	(560,293)	(5)
507000	ETNs administrative expenses		(9,634)	-	(6,863)	-
521200	Finance costs	6(41)	(163,518)	(3)	(88,091)	(1)
524200	Securities commission expense		(84)	-	(302)	-
524300	Expense of clearing and settlement		(21,420)	(1)	(14,089)	-
528000	Other operating expenditure		(2)	-	(3,049)	-
531000	Employee benefits expense	6(42)	(2,141,940)	(41)	(3,615,086)	(34)
532000	Depreciation and amortization	6(43)	(224,108)	(4)	(175,565)	(2)
533000	Other operating expense	6(44)	(1,636,888)	(31)	(1,851,991)	(18)
	Total expenditure and expense		<u>(4,561,936)</u>	<u>(87)</u>	<u>(6,315,329)</u>	<u>(60)</u>
	Operating profit		712,155	13	4,262,675	40
601100	Share of the profit or loss of associates and joint ventures accounted for under the equity method	6(11)	32,394	1	213,779	2
602000	Other gains and losses	6(45)	168,133	3	156,325	2
902001	Profit before tax		<u>912,682</u>	<u>17</u>	<u>4,632,779</u>	<u>44</u>
701000	Income tax (expense) benefit	6(46)	(183,314)	(3)	(625,344)	(6)
902005	Net income		<u>\$ 729,368</u>	<u>14</u>	<u>\$ 4,007,435</u>	<u>38</u>

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PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, earnings per share)

Items	Notes	Year ended December 31			
		2022		2021	
		AMOUNT	%	AMOUNT	%
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
805510					
		\$	99,796	2	(\$ 127,326) (1)
805540	6(3)				
		(	74,826)	(2)	128,987 1
805560					
			9,882	-	376,356 3
805599	6(46)				
		(	19,959)	-	25,465 -
Items may be reclassified to profit of loss subsequently					
805610					
			168,819	3	(34,891) -
805615					
		(	126,051)	(2)	- -
805000					
		\$	57,661	1	\$ 368,591 3
902006					
		\$	787,029	15	\$ 4,376,026 41
Earnings per share					
975000	6(47)				
			0.50		2.75
985000					
			0.50		2.75

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

PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings				Other equity interest		Total equity	
		Common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements		Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income
<u>For the year ended December 31, 2021</u>									
Balance at January 1, 2021		\$ 13,998,378	\$ 91,261	\$ 3,111,013	\$ 7,600,316	\$ 3,771,859	(\$ 30,918)	\$ 865,406	\$ 29,407,315
Net income for the year ended December 31, 2021		-	-	-	-	4,007,435	-	-	4,007,435
Other comprehensive income (loss) for the year ended December 31, 2021		-	-	-	-	(106,422)	(34,891)	509,904	368,591
Total comprehensive income (loss)		-	-	-	-	3,901,013	(34,891)	509,904	4,376,026
Appropriations of 2020 earnings	6(28)								
Legal reserve		-	-	376,735	-	(376,735)	-	-	-
Special reserve		-	-	-	713,883	(713,883)	-	-	-
Cash dividends		-	-	-	-	(2,099,757)	-	-	(2,099,757)
Stock dividends		559,935	-	-	-	(559,935)	-	-	-
Balance at December 31, 2021		\$ 14,558,313	\$ 91,261	\$ 3,487,748	\$ 8,314,199	\$ 3,922,562	(\$ 65,809)	\$ 1,375,310	\$ 31,683,584
<u>For the year ended December 31, 2022</u>									
Balance at January 1, 2022		\$ 14,558,313	\$ 91,261	\$ 3,487,748	\$ 8,314,199	\$ 3,922,562	(\$ 65,809)	\$ 1,375,310	\$ 31,683,584
Net income for the year ended December 31, 2022		-	-	-	-	729,368	-	-	729,368
Other comprehensive income (loss) for the year ended December 31, 2022		-	-	-	-	83,415	168,819	(194,573)	57,661
Total comprehensive income (loss)		-	-	-	-	812,783	168,819	(194,573)	787,029
Appropriations of 2021 earnings:	6(28)								
Legal reserve		-	-	390,101	-	(390,101)	-	-	-
Special reserve		-	-	-	776,790	(776,790)	-	-	-
Cash dividends		-	-	-	-	(2,751,521)	-	-	(2,751,521)
Balance at December 31, 2022		\$ 14,558,313	\$ 91,261	\$ 3,877,849	\$ 9,090,989	\$ 816,933	\$ 103,010	\$ 1,180,737	\$ 29,719,092

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

PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 912,682	\$ 4,632,779
Adjustments			
Income and expenses having no effect on cash flows			
Net valuation (gain) loss on operating securities at fair value through profit or loss	6(2)(33)	916,440	862,680
Net valuation (gain) loss on borrowed securities and bonds with resale agreements-short sales at fair value through profit or loss	6(35)	(1,381,017)	313,159
Expected credit impairment loss and reversal of impairment gain	6(38)	(20,627)	(7,846)
Depreciation	6(43)	179,026	150,889
Amortization	6(43)	45,082	24,676
Financial expense	6(41)	163,518	88,091
Interest income (include financial income)	6(32)(45)	(976,711)	(1,169,070)
Dividend income		(1,283,723)	(462,602)
Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(11)	(32,394)	(213,779)
(Gain) loss from lease modification		(98)	(7)
(Gain) loss on valuation of non-operating financial instrument	6(45)	(1,575)	4,901
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		8,353,180	6,679,835
Financial assets at fair value through other comprehensive income		(2,259,620)	-
Bonds purchased under resale agreements		27,401	(27,401)
Margin loans receivable		7,830,648	(6,085,072)
Refinancing security deposits		(64,206)	21,602
Receivables from refinance guaranty		(47,466)	17,956
Receivable of securities business money lending		(2,512,915)	(293,866)
Receivables from security lending		(758,558)	(160,223)
Security lending deposits		(1,940,335)	(430,205)
Notes receivable		(293)	267
Accounts receivable		6,452,778	1,120,283
Accounts receivable - related parties		75	(379)
Prepayments		(12,595)	(596)
Other receivables		(2,352)	3,739
Other current assets		6,121,892	(5,835,733)
Net changes in liabilities relating to operating activities			
Financial liabilities at fair value through profit or loss		2,365,366	5,236,435
Bonds sold under repurchase agreements		(2,677,616)	(9,453,125)
Deposits on short sales		606,769	(178,883)
Short sale proceeds payable		250,800	(250,793)
Guarantee deposit received on borrowed securities		(162,616)	1,065,355
Equity for each customer in the account		171,033	69,891
Accounts payable		(6,753,787)	(555,071)
Advance receipts		(452)	149
Collections on behalf of third parties		(4,996,332)	4,641,176
Other payable		(1,058,011)	524,317
Other financial liabilities - current		(2,199,053)	(1,025,171)
Other current liabilities		(1,088)	(3,380)

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PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
Cash inflow (outflow) generated from operations		\$ 5,253,250	(\$ 695,022)
Interest received		986,104	1,079,490
Dividends received		1,581,926	713,513
Income tax paid		(640,299)	(354,754)
Net cash flows from operating activities		<u>7,180,981</u>	<u>743,227</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Investments accounted for under the equity method		(656,781)	-
Acquisition of property and equipment	6(12)	(92,318)	(46,729)
Acquisition of intangible assets	6(16)	(41,626)	(41,381)
(Increase) decrease in other non-current assets		65,734	(84,734)
(Increase) decrease in prepayment for equipment		(179,610)	(123,975)
Net cash flows used in investing activities		<u>(904,601)</u>	<u>(296,819)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase (decrease) in short-term loans		(315,000)	11,024
Increase (decrease) in commercial papers payable		(2,820,000)	1,350,000
Increase (decrease) in other non-current liabilities		(104)	(969)
Payments of lease liabilities		(67,984)	(67,865)
Interest paid		(147,935)	(94,833)
Distribution of cash dividends	6(28)	(2,751,521)	(2,099,757)
Net cash flows used in financing activities		<u>(6,102,544)</u>	<u>(902,400)</u>
Effect of exchange rate changes on cash and cash equivalents		(64,000)	31,834
Net increase (decrease) in cash and cash equivalents		109,836	(424,158)
Cash and cash equivalents at beginning of year		<u>3,082,958</u>	<u>3,507,116</u>
Cash and cash equivalents at end of year		<u>\$ 3,192,794</u>	<u>\$ 3,082,958</u>

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

PRESIDENT SECURITIES CORPORATION
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

- 1) President Securities Corporation (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) on December 17, 1988 and was renamed as President Securities Corporation on March 4, 1989. The Company started commercial operations on April 3, 1989. As of December 31, 2022, the Company had 31 operating branches (including the Head Office) and established Offshore Securities Unit in July 2014.
- 2) The Company is primarily engaged in underwriting of securities, dealing or brokerage business of securities at the securities exchange markets and business premises, registration and transfer agency service for securities, margin loans and short sales business of securities, securities lending and borrowing business, futures introducing brokerage services, futures dealing, issuance of call (put) warrants, new financial instrument transactions, wealth management business, and trust business.
- 3) The Company’s shares are listed on the Taiwan Stock Exchange.
- 4) The number of employees of the Company were 1,463 and 1,447, as of December 31, 2022 and 2021, respectively.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These parent company only financial statements were authorized for issuance by the Board of Directors on March 8, 2023.

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

New standards, interpretations and amendments that came into effect as endorsed by FSC and became effective from 2022 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date by International Accounting Standards Board</u>
Amendments to IFRS 3, ‘Reference to the conceptual framework’	January 1, 2022
Amendments to IAS 16, ‘Property, plant and equipment: proceeds before intended use’	January 1, 2022
Amendments to IAS 37, ‘Onerous contracts – cost of fulfilling a contract’	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

2) Effect of new issuances of or amendments to IFRSs that came into effect as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments that came into effect as endorsed by FSC effective from 2023 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date by International Accounting Standards Board</u>
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

3) IFRSs issued by IASB but not yet endorsed by the FSC

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date by International Accounting Standards Board</u>
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
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
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
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

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the Company's financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

1) Compliance statement

The financial statements of the Company have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Firms” and “Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants”.

2) Basis of preparation

A. Except for the following items, these 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 recognized based on the net amount of pension fund assets less present value of defined benefit obligations.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretation 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 Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

3) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(A) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

(B) Assets held mainly for trading purposes;

(C) Assets that are expected to be realized within twelve months from the balance sheet date;

(D) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(A) Liabilities that are expected to be paid off within the normal operating cycle;

(B) Liabilities arising mainly from trading activities;

(C) Liabilities that are to be paid off within twelve months from the balance sheet date;

(D) Liabilities for which the repayment date cannot be extended unconditionally to more

than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

4) Translation of foreign currency transactions

A. Foreign currency translation and presentation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). Functional currency and bookkeeping currency of the Company is New Taiwan Dollars.

B. Foreign currency transactions and balances

Foreign currency transactions denominated in a foreign currency or required to settle in a foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Assets and liabilities denominated in foreign currency are translated by the closing exchange rate at balance sheet date. The closing exchange rate is determined by the market exchange rate. Non-monetary assets and liabilities denominated in foreign currencies which are carried at historical cost are re-translated at the exchange rates prevailing at the original transaction date. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income.

C. Translation of foreign operations

The operating results and financial position of all the company entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(A) Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

(B) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

(C) All resulting exchange differences are recognized in other comprehensive income.

5) Cash and cash equivalents

A. In the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments.

B. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of

changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

- 6) Financial assets at fair value through profit or loss
- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
 - B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
 - C. At initial recognition, the Company measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value and recognizes the gain or loss in profit or loss.
 - D. The Company recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.
- 7) Financial assets at fair value through other comprehensive income
- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:
 - (A)The objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets; and
 - (B)The assets' contractual cash flows represent solely payments of principal and interest.
 - B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.
 - C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value:
 - (A)The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.
 - (B)Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognized in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

- 8) Notes and accounts receivable, other receivables and margin loans receivable
- A. Accounts and notes receivable and margin loans receivables entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
 - B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.
- 9) Bonds sold under repurchase agreements and bonds purchased under resale agreements
- Bond transactions under repurchase or resale agreements are stated at the amount of actual payment or receipt. When transactions of bonds with a condition of resale agreements occur, the actual payment or receipt shall be recognized in ‘bonds purchased under resale agreements’ under current assets. When transactions of bonds with a condition of repurchase agreements occur, the actual payment or receipt shall be recognized in ‘bonds sold under repurchase agreements’ under current liabilities. Any difference between the actual payment/receipt and predetermined redemption (repurchase) price is recognized in interest income or interest expense.
- 10) Impairment of financial assets
- For debt instruments measured at fair value through other comprehensive income, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs.
- 11) Derecognition of financial instruments
- A. Derecognition of financial assets
- The Company derecognizes a financial asset when one of the following conditions is met:
- (A) The contractual rights to receive cash flows from the financial asset expire.
 - (B) The contractual rights to receive cash flows from the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.
 - (C) The contractual rights to receive cash flows of the financial asset have been transferred; however, the Company has not retained control of the financial asset.
- B. Derecognition of financial liabilities
- A financial liability is derecognized when the obligation under the liability specified in the contract is discharged or cancelled or expires.

12) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

13) Investments accounted for under the equity method/Subsidiaries and associates

- A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity 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 power over the entity. Investments in subsidiaries are accounted for using the equity method and are initially recognized at cost.
- B. Unrealized gains on transactions between the Company and its subsidiaries are eliminated to the extent of the Company's interest in the subsidiaries. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, including any other unsecured receivables, the Company does not recognize further losses.
- D. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.
- E. The Company's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred statutory/constructive obligations or made payments on behalf of the associate.
- F. When changes in an associate's equity that are not recognized in profit or loss or other comprehensive income of the associate and such changes not affecting the Company's ownership percentage of the associate, the Company recognizes its share of change in

equity of the associate in 'capital surplus' in proportion to its ownership.

- G. Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- H. According to "Regulations Governing the Preparation of Financial Reports by Securities Firms", the profit or loss for the period and other comprehensive income presented in parent company only financial reports shall be the same as the allocations of profit or loss for the period and of other comprehensive income attributable to owners of the parent presented in the financial reports prepared on a consolidated basis, and the owners' equity presented in the parent company only financial reports shall be the same as the equity attributable to owners of the parent presented in the financial reports prepared on a consolidated basis.
- I. When there are objective evidences of impairment, at balance sheet date, the Company considers the whole investment carrying amount as single asset, and compares its recoverable amount (value in use or fair value less costs of disposal) with the carrying amount, to test its impairment. Value in use is determined by the present value of the Company's share of the expected future cash flow from the associates. If the recoverable amount is less than its carrying amount, an impairment loss should be recognized. The loss will not be allocated to any of the components (including goodwill), which comprise the carrying amount of the investment. An impairment loss recognized in prior periods shall be reversed if circumstances of impairment no longer exist or have decreased.

14) Property and equipment

- A. Property and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

- C. Land is not depreciated. Other property and equipment are subsequently measured using the cost model and depreciated using the straight-line method to allocate their cost over their estimated useful lives.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property and equipment are as follows:

	<u>Useful lives</u>
Buildings	5~50 years
Equipment	3~10 years
Leasehold improvements	5 years

- E. When an asset is sold or retired, the cost and accumulated depreciation are removed from the respective accounts and the resulting gain or loss is included in current operations.

15) Leasing arrangements (lessee) — right-of-use assets/ lease liabilities

- A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are mainly comprised of fixed payments.
The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
- C. At the commencement date, the right-of-use asset is stated at cost comprising mainly the amount of the initial measurement of lease liability.
The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

16) Investment property

- A. Investment property of the Company is the property held either to earn long-term rental income or for capital appreciation or for both.
- B. Part of the property may be held by the Company for self-use purpose and the remaining are used to generate rental income or capital appreciation. If the property held by the Company can be sold individually, then the accounting treatment should be made respectively. If each part of the property cannot be sold individually and the self-use proportion is not material, then the property is deemed as investment property in its entirety.
- C. When the future economic benefit related to the investment property is highly likely to flow into the Company and the costs can be reliably measured, the investment property shall be recognized as assets. When the future economic benefit generated from subsequent costs is highly likely to flow into the entity and the costs can be reliably measured, the subsequent expenses of the assets shall be capitalized. All maintenance costs are recognized in profit or loss as incurred.
- D. Investment property is subsequently measured using the cost model. Depreciated cost is used to calculate amortization expense after initial measurement. The depreciation method, remaining useful life and residual value should apply the same rules as applicable for property and equipment.

17) Intangible assets

- A. The cost of computer software is amortized using the straight-line method over the useful lives based on acquisition cost, with an amortization period of 4 years.
- B. In accordance with IFRS 3 'Business combinations' as endorsed by FSC, goodwill arises when the acquisition cost exceeds the fair value of identifiable assets and liabilities of the consolidated subsidiary on the consolidation date. The goodwill arising from the consolidated subsidiary is included in the intangible asset. Goodwill is tested annually for impairment and any impairment loss will be recognized when impairment occurs. Impairment losses on goodwill are not reversed.

18) Impairment of non-financial assets

- A. The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

- B. The recoverable amounts of goodwill, intangible assets with an indefinite useful life and intangible assets that have not yet been available for use are evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognized in profit or loss shall not be reversed in the following years.
- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

19) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

20) Contingent liabilities

Contingent liability is a possible obligation that arises from past event, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Or it could be a present obligation as a result of past event but the payment is not probable or the amount cannot be measured reliably. The Company did not recognize any contingent liabilities but made appropriate disclosure in compliance with relevant regulations.

21) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company'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 employee. The Company recognized expense as it can no longer withdraw an offer of termination benefit or it recognizes 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.

C. Pensions

(A) Defined contribution plans

Effective July 1, 2005, the Company established the defined contribution plan for employees of R.O.C. nationality. The employees have the option to participate in the New Plan. Under the New Plan, the Company contributes monthly an amount equivalent to 6% of employees' salaries to the employees' personal pension accounts with the "Bureau of Labor Insurance". Benefits accrued under the New Plan are portable upon termination of employment. Net defined benefit asset can only be recognized when there is a cash refund or elimination in the future accrued pension liabilities.

(B) Defined benefit plans

- a. In a defined benefit plan, the pension paid is determined based on the amount that an employee shall receive upon retirement, which could vary with age, work seniority and salary compensations. The Company recognizes the accrued pension obligations in the balance sheet based on the net amount of actuarial present value of defined benefit obligation less the fair value of fund, which is adjusted with the net of past service cost recognized as liabilities. Defined benefit obligation is assessed annually using projected unit credit method by the actuary. The present value of the defined benefit obligation is determined using the market yield of government bonds of a currency and term consistent with the currency and term of the employment benefit obligations.
- b. Remeasurement arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

D. Employees' remuneration and directors' remuneration

Employees' and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

22) Revenues and expenses

The Company's revenues and expenses mainly include:

- A. Gains (losses) on sale of securities, securities brokerage fees, and commissions on brokerage and trading are recognized on the transaction date.
- B. Underwriting fees and related service charges: application fees are recognized upon collection; underwriting fees and service charges are recognized when the contract is

completed.

- C. Gains (losses) on futures contracts: The margin of futures transaction is recognized as cost. Costs and expenses are recognized as incurred.
- D. Operating expenses: operating expenses refer to required expenses invested in the Company's operations, which primarily include employee benefit expense, depreciation and amortization, and other business and administrative expenses.

23) 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 for the transactions or other matters directly recognized in other comprehensive income or equity, in which cases the related income taxes in the period are recognized in other comprehensive income or directly derecognized from equity, all the others should be recognized as income or expense for the period.

B. Deferred income tax

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 balance sheet date. The carrying amounts and temporary differences of assets and liabilities included in the balance sheet are calculated using the liability method and recognized as deferred income tax. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit (loss). Deferred income tax assets are recognized only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. If the future taxable income is probable to provide unused loss carryforwards or deferred income tax credit which can be realized in the future, the proportion of realization is deemed as deferred income tax asset.

- C. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions for income tax liabilities where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- D. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts

and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

24) Share capital

- A. Incremental costs directly attributable to the issuance of new shares are shown as a deduction, net of tax, from equity. Dividends from common stocks are recognized as equity in the financial period in which they are approved by the Company's shareholders. If the date of dividends declared is later than the balance sheet date, common stocks are disclosed in the subsequent events.
- B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

25) Earnings per share

- A. Earnings per share is calculated by dividing net income by the weighted average number of shares outstanding during the year after taking into consideration the retroactive effect of stock dividends and capital reserve capitalized.
- B. When the Company calculates earnings per share, basic earnings per share and diluted earnings per share for all potential ordinary shares shall all be disclosed in accordance with IAS 33 "Earnings per share".

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

- 1) As the financial statements of the Company may be affected by the adoption of accounting policy, accounting estimate and assumption, the Company's management shall properly exercise its professional judgement, estimates, and assumptions on the information of the key risks that is obtained from other resources and could affect the carrying amounts of financial assets and liabilities in the next fiscal year while adopting critical accounting policies as stated in Note 4. Estimates and assumptions of the Company are the best estimates made in compliance with IFRSs as endorsed by the FSC. Estimates and assumptions are made based on past experience and other factors (including the influence of COVID 19) deemed relevant; however, the actual results may differ from the estimates. The Company evaluates the estimates and assumptions on an ongoing basis and recognizes

the adjustment of the estimates only in the period which is affected by the adjustment. If the adjustment simultaneously affects both the current and future periods, it should be recognized in both periods.

- 2) Relevant information on key assumptions to be made in the future, key sources of assumption uncertainty made at balance sheet date, and assumptions and estimates that may cause key risks that could affect the carrying amounts of financial assets and liabilities are as follows:

A. Fair value of financial instruments

Financial instruments with no active market or quoted price use valuation technique to determine the fair value. Under such condition, fair value is assessed through the observable information or models of similar financial instruments. If there is no observable input available in a market, the fair value of financial instrument is assessed through appropriate assumptions. When valuation models are adopted to determine the fair value, all the models should be calibrated to ensure that the output can actually reflect actual information and market price. Models should try to take only observable information as much as possible.

B. Expected credit losses

For financial assets, the measurement of expected credit losses uses complex models and multiple assumptions. These models and assumptions take into account future macro-economic conditions and credit behaviors of borrowers (e.g. probability of customer default and loss). Please refer to Note 12(2) for detailed information on parameters, assumptions, and estimation methods used in measuring expected credit losses and disclosure of the sensitivity of credit loss to the aforementioned factors.

The measurement of expected credit losses according to applicable accounting rules involves significant judgement in several areas, for example:

- (A) The criteria used to judge whether there is significant increase in credit risk.
- (B) The selection of appropriate models and assumptions for measuring expected credit losses.

For judgements and estimations of the above expected credit losses, please refer to Note 12(2).

C. Impairment assessment on investment accounted for under the equity method

When there are impairment indicators that show the investments accounted for under the equity method are impaired and the carrying amount can no longer be recovered, the Company will assess the impairment of the investment. The Company assesses its share of the recoverable amount which is based on the discounted value of expected cash flow, and assess the reasonableness of relevant assumptions, including revenue growth rate, operating profit margin, net profit margin, financial forecast, and discount rate.

D. Impairment assessment of goodwill

The periodic impairment assessment of goodwill includes allocation of assets, liabilities, and goodwill to brokerage segment, and determines the recoverable amount based on brokerage segment's present value of expected future cash flow. The periodic assessment also analyzes reasonableness of relevant assumptions, including expected future trading volumes, market share, segment's operating profit margin, and discount rates.

6. DETAILS OF SIGNIFICANT ACCOUNTS

1) Cash and cash equivalents

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Checking deposits	\$ 497,806	\$ 457,036
Current deposits:		
Deposits denominated in NTD	318,771	358,336
Deposits denominated in foreign currencies	1,154,652	1,001,686
Time deposits	<u>1,221,565</u>	<u>1,265,900</u>
Total	<u>\$ 3,192,794</u>	<u>\$ 3,082,958</u>

As of December 31, 2022 and 2021, the annual interest rates of time deposits, including foreign time deposits were 0.335% ~ 5.150% and 0.050% ~ 0.400%, respectively.

2) Financial assets at fair value through profit or loss

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Current items:		
Financial assets mandatorily measured at fair value through profit or loss:		
<u>Security lending</u>		
Security lending	\$ 208	\$ -
Valuation adjustment of security lending	(45)	-
Subtotal	<u>163</u>	<u>-</u>
<u>Open-ended funds, money market instruments and securities investment by brokers</u>		
Open-ended mutual funds beneficiary certificates	106,313	41,726
Valuation adjustment of open-ended funds, money market instruments and securities investment by brokers	(3,084)	(307)
Total	<u>103,229</u>	<u>41,419</u>

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<u>Trading securities - dealer</u>		
Listed (TSE and OTC) stocks	\$ 2,701,353	\$ 6,576,248
Government bonds	850,036	1,494,196
Corporate bonds	1,575,767	2,648,112
Convertible corporate bonds	487,753	365,393
Emerging stocks	140,220	222,266
Overseas stocks	3,760,350	9,075,322
Exchange-traded funds	2,375,510	966,526
Unlisted stocks	2,042	2,042
Subtotal	11,893,031	21,350,105
Valuation adjustment of trading securities - dealer	(34,500)	352,548
Total	<u>11,858,531</u>	<u>21,702,653</u>
<u>Trading securities - underwriter</u>		
Listed (TSE and OTC) stocks	2,122	184,916
Convertible corporate bonds	728,535	493,640
Subtotal	730,657	678,556
Valuation adjustment of trading securities - underwriter	58,520	121,471
Total	<u>789,177</u>	<u>800,027</u>
<u>Trading securities - hedging</u>		
Listed (TSE and OTC) stocks	2,758,422	5,454,491
Convertible corporate bonds	3,371,436	32,692
Warrants	24,283	16,108
Overseas stocks	190,309	196,726
Exchange traded funds	7,320	2,992
Subtotal	6,351,770	5,703,009
Valuation adjustment of trading securities - hedging	(287,674)	304,525
Total	<u>6,064,096</u>	<u>6,007,534</u>
<u>Options bought - futures</u>	<u>8,893</u>	<u>24,902</u>
<u>Futures guarantee deposits receivable</u>	<u>5,186,074</u>	<u>4,695,404</u>
<u>Derivative financial instrument assets - OTC</u>	<u>5,037</u>	<u>14,724</u>
Total	<u>\$ 24,015,200</u>	<u>\$ 33,286,663</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss:		
Trading securities - dealer - government bonds	\$ 49,779	\$ 49,973
Unlisted stocks	2,609	2,609
Subtotal	52,388	52,582
Valuation adjustment of trading securities	13,995	10,192
Total	<u>\$ 66,383</u>	<u>\$ 62,774</u>

- a. For the years ended December 31, 2022 and 2021, net realized and unrealized gains (losses) on financial assets and liabilities at fair value through profit or loss amounted to (\$148,007) and \$3,922,869, respectively.
- b. Details of the Company's financial assets at fair value through profit or loss pledged to others as collateral are provided in Note 8.
- c. Information relating to credit risk is provided in Note 12(2).

3) Financial assets at fair value through other comprehensive income

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Current items:		
Equity instruments		
<u>Trading securities - dealer</u>		
Listed (TSE and OTC) stocks	\$ 189,812	\$ 189,812
Valuation adjustment of trading securities - dealer	<u>109,338</u>	<u>220,393</u>
Subtotal	<u>299,150</u>	<u>410,205</u>
Debt instruments		
<u>Trading securities - dealer</u>		
Overseas bonds	2,317,088	-
Valuation adjustment of trading securities - dealer	<u>(118,456)</u>	<u>-</u>
Subtotal	<u>2,198,632</u>	<u>-</u>
Total	<u>\$ 2,497,782</u>	<u>\$ 410,205</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Non-current items:		
Equity instruments		
Unlisted stocks	\$ 6,449	\$ 6,449
Valuation adjustment of trading securities	<u>288,406</u>	<u>252,178</u>
Total	<u>\$ 294,855</u>	<u>\$ 258,627</u>

- a. The Company has elected to classify stock investments that are considered to be strategic investments or stably receiving dividends as financial assets at fair value through other comprehensive income. The fair value of such investments amounts to \$594,005 and \$668,832 as at December 31, 2022 and 2021, respectively.
- b. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

<u>Equity instruments at fair value through other comprehensive income</u>	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Fair value change recognized in other comprehensive income	(\$ <u>74,826</u>)	\$ <u>128,987</u>
Dividend income recognised in profit or loss		
Held at end of period	<u>\$ 14,439</u>	<u>\$ 13,661</u>
<u>Debt instruments at fair value through other comprehensive income</u>	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Fair value change recognized in other comprehensive income	(\$ <u>126,051</u>)	\$ <u>-</u>
Cumulative other comprehensive income reclassified to profit or loss		
Interest income recognized in profit or loss	<u>\$ 26,163</u>	<u>\$ -</u>

- c. Details of the Company's financial assets at fair value through other comprehensive income pledged to others as collateral are provided in Note 8.
- d. Information relating to credit risk is provided in Note 12(2).

4) Bonds purchased under resale agreements

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Overseas bonds	\$ -	\$ 27,401

The above bonds purchased under resale agreements as of December 31, 2022 and 2021 was due within one year and were contracted to be resold at the agreed-upon price plus interest charge on the specific date after transaction. The total resale amounts were \$0 and \$27,424, respectively. The annual interest rates of every currency were as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
U.S Dollar	-	0.3375%

5) Margin loans receivable

Margin loans receivable were secured by the securities purchased by customers under margin loans. The annual interest rate was 6.4%.

6) Accounts receivable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Accounts receivable - related parties	\$ 4,717	\$ 4,792
Accounts receivable - non related parties		
Settlement price receivable-brokers	\$ 8,317,064	\$ 14,098,544
Settlement price receivable-dealer	87,067	392,802
Settlement price receivable-foreign bonds	757,711	137,269
Spot exchange receivable, foreign currencies	47,624	-
Interest receivable	315,061	336,711
Settlement price	438,735	1,349,925
Others	167,152	234,918
Subtotal	10,130,414	16,550,169
Less: Allowance for uncollectible accounts	(659)	(742)
Total	<u>\$ 10,129,755</u>	<u>\$ 16,549,427</u>

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	December 31, 2022					Total
	Up to 30 days	31 to 90 days	91 to 180 days	181 days to 12 months	More than 12 months	
<u>Accounts receivable</u>						
Accounts receivable -related parties	\$ 4,717	\$ -	\$ -	\$ -	\$ -	\$ 4,717
Accounts receivable - non related parties	<u>9,825,908</u>	<u>46,581</u>	<u>52,096</u>	<u>95,860</u>	<u>109,969</u>	<u>10,130,414</u>
Total	<u>\$ 9,830,625</u>	<u>\$ 46,581</u>	<u>\$ 52,096</u>	<u>\$ 95,860</u>	<u>\$ 109,969</u>	<u>\$ 10,135,131</u>

	December 31, 2021					Total
	Up to 30 days	31 to 90 days	91 to 180 days	181 days to 12 months	More than 12 months	
<u>Accounts receivable</u>						
Accounts receivable -related parties	\$ 4,792	\$ -	\$ -	\$ -	\$ -	\$ 4,792
Accounts receivable - non related parties	<u>16,229,080</u>	<u>48,072</u>	<u>93,850</u>	<u>116,275</u>	<u>62,892</u>	<u>16,550,169</u>
Total	<u>\$ 16,233,872</u>	<u>\$ 48,072</u>	<u>\$ 93,850</u>	<u>\$ 116,275</u>	<u>\$ 62,892</u>	<u>\$ 16,554,961</u>

Note : The above ageing analysis was based on invoice date.

B. Information related to credit risk is provided in Note 12(2).

7) Other receivables

	December 31, 2022	December 31, 2021
Interest receivable	\$ 11,035	\$ 2,440
Others	<u>5,621</u>	<u>3,269</u>
Total	<u>\$ 16,656</u>	<u>\$ 5,709</u>

Information relating to credit risk is provided in Note 12(2).

8) Other current assets

	December 31, 2022	December 31, 2021
Pending settlements	\$ 113,139	\$ 359,808
Pledged time deposits	400,000	400,000
Deposits-in for foreign currency securities	808,290	1,884,425
Underwriting share proceeds collected on behalf of customers	249,404	5,243,851
Amounts held for each customer in the account	269,029	97,996
Others	<u>30,566</u>	<u>6,240</u>
Total	<u>\$ 1,870,428</u>	<u>\$ 7,992,320</u>

9) Transfer of financial assets

A. During the Company's activities, the transferred financial assets that do not meet derecognition conditions are mainly debt instruments with purchase agreements or debt instruments lent out in accordance with securities borrowing and lending agreement. The cash flow of the contract has been transferred and related liabilities of transferred

financial assets that will be repurchased at a fixed price in the future have been reflected. The Company may not use, sell or pledge the transferred financial assets during the valid period of the transaction. The financial assets were not derecognized as the Company is still exposed to interest rate risk and credit risk.

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

December 31, 2022		
<u>Financial assets category</u>	<u>Carrying amount of transferred financial assets</u>	<u>Carrying amount of related financial liabilities</u>
Financial assets measured at fair value through profit or loss		
Repurchase agreement	\$ 4,814,535	\$ 4,738,787
Financial assets measured at fair value through other comprehensive income		
Repurchase agreement	2,198,632	2,226,637
December 31, 2021		
<u>Financial assets category</u>	<u>Carrying amount of transferred financial assets</u>	<u>Carrying amount of related financial liabilities</u>
Financial assets measured at fair value through profit or loss		
Repurchase agreement	\$ 10,016,623	\$ 9,643,040

10) Offsetting financial assets and financial liabilities

A. The Company has transactions that are or are similar to net settled master netting arrangements but do not meet the offsetting criteria, i.e. derivative financial instruments, resale and repurchase agreements. If one party breaches the contract, the counterparty can choose to use net settlement for the above transactions.

(Blank below)

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

(1) Financial assets

December 31, 2022						
Description	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Not set off in the balance sheet		Net amount
				Financial instruments	Cash collateral received	
Derivative financial instruments	\$ 5,037	\$ -	\$ 5,037	\$ 5,037	\$ -	\$ -
December 31, 2021						
Description	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Not set off in the balance sheet		Net amount
				Financial instruments	Cash collateral received	
Derivative financial instruments	\$ 14,257	\$ -	\$ 14,257	\$ 2,467	\$ -	\$ 11,790
Bonds purchased under resale agreements	27,401	-	27,401	27,334	-	67
Total	\$ 41,658	\$ -	\$ 41,658	\$ 29,801	\$ -	\$ 11,857

(2) Financial liabilities

December 31, 2022						
Description	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Not set off in the balance sheet		Net amount
				Financial instruments	Cash collateral received	
Derivative financial instruments	\$ 8,320	\$ -	\$ 8,320	\$ 5,037	\$ -	\$ 3,283
Bonds sold and repurchase agreements	4,718,843	-	4,718,843	4,718,843	-	-
Total	<u>\$ 4,727,163</u>	<u>\$ -</u>	<u>\$ 4,727,163</u>	<u>\$ 4,723,880</u>	<u>\$ -</u>	<u>\$ 3,283</u>

December 31, 2021						
Description	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Not set off in the balance sheet		Net amount
				Financial instruments	Cash collateral received	
Derivative financial instruments	\$ 2,467	\$ -	\$ 2,467	\$ 2,467	\$ -	\$ -
Bonds sold and repurchase agreements	6,598,995	-	6,598,995	6,598,995	-	-
Total	<u>\$ 6,601,462</u>	<u>\$ -</u>	<u>\$ 6,601,462</u>	<u>\$ 6,601,462</u>	<u>\$ -</u>	<u>\$ -</u>

11) Investments accounted for under the equity method

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiaries		
President Futures Corp.	\$ 2,547,290	\$ 2,420,110
President Securities (HK) Ltd.	1,334,862	1,288,431
President Wealth Management (HK) Ltd.	60,574	54,073
President Securities (Nominee) Ltd.	1,552	1,529
President Capital Management Corp.	304,894	312,175
President Insurance Agency Corp.	57,181	46,249
PSC Venture Capital Investment Limited Company	<u>267,501</u>	<u>273,064</u>
	<u>4,573,854</u>	<u>4,395,631</u>
Associates		
Uni-President Asset Management Corp.	747,473	760,171
Jin Yuan President Securities Co., Ltd.	<u>2,764,018</u>	<u>2,363,197</u>
	<u>\$ 8,085,345</u>	<u>\$ 7,518,999</u>

- A. The Company's share of its associates' profits or losses recognized in long-term equity investment accounted for under the equity method for the years ended December 31, 2022 and 2021 were \$32,394 and \$213,779, respectively.
- B. Subsidiary President Securities (HK) Ltd., President Wealth Management (HK) Ltd. and President Securities (Nominee) Ltd. were approved by the Board of Directors in March 2022 to deal with the dissolution and liquidation matters.
- C. The Company holds 42.46% of the equity of Uni-President Asset Management Corp., making it the single largest shareholder of the company, while the other equity is mainly held by the other 17 shareholders. Half of the voting rights of the shareholders attending the shareholders' meeting exceeds the voting rights of the Company, and the Company does not take an active role in the management of the company. This shows that the Company has no actual ability to direct relevant activities. The Company has no control over Uni-President Asset Management Corp., but has significant influence over it.
- D. Details of information of subsidiaries are provided in Note 4(3) of consolidated financial statements.
- E. The financial information of the Company's principal associates is summarized as follows:
- (a) The basic information of the associate that are material to the Company is as follows:

<u>Company name</u>	<u>Princial place of business</u>	<u>Shareholding ratio</u>		<u>Nature of relationship</u>	<u>Methods of measurement</u>
		<u>December 31, 2022</u>	<u>December 31, 2021</u>		
Uni-President Asset Management Corp.	Taipei city	42.46%	42.46%	Associate	Equity method
Jin Yuan President Securities Co., Ltd. (Note)	Xiamen	49%	49%	Associate	Equity method

Note: the company participated in the cash capital increase of Jin Yuan President Securities Co., Ltd. in proportion to its shareholdings in the third quarter of 2022.

- (b) The summarized financial information of the associate that are material to the Company is as follows:

Balance sheet

	<u>Uni-President Asset Management Corp.</u>	
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Current assets	\$ 944,707	\$ 1,105,200
Non-current assets	784,976	761,113
Current liabilities	(334,677)	(433,586)
Non-current liabilities	(57,145)	(64,962)
Total net assets	<u>\$ 1,337,861</u>	<u>\$ 1,367,765</u>
Share in associate's net assets	\$ 568,101	\$ 580,799
Goodwill and others	179,372	179,372
Carrying amount of the associate	<u>\$ 747,473</u>	<u>\$ 760,171</u>

	<u>Jin Yuan President Securities Co., Ltd.</u>	
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Current assets	\$ 6,937,077	\$ 8,438,646
Non-current assets	233,398	317,940
Current liabilities	(1,491,521)	(3,852,030)
Non-current liabilities	(38,100)	(81,706)
Total net assets	<u>\$ 5,640,854</u>	<u>\$ 4,822,850</u>
Share in associate's net assets	<u>\$ 2,764,018</u>	<u>\$ 2,363,197</u>
Carrying amount of the associate	<u>\$ 2,764,018</u>	<u>\$ 2,363,197</u>

Statement of comprehensive income

	<u>Uni-President Asset Management Corp.</u>	
	<u>Year ended</u>	<u>Year ended</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Revenue:	\$ 1,269,129	\$ 1,411,480
Profit for the period from continuing operations	\$ 435,683	\$ 536,134
Other comprehensive income (loss)- net of tax	4,577	68,517
Total comprehensive income (loss)	<u>\$ 440,260</u>	<u>\$ 604,651</u>
Dividends received from associates	<u>\$ 199,648</u>	<u>\$ 98,959</u>

	<u>Jin Yuan President Securities Co., Ltd.</u>	
	<u>Year ended</u>	<u>Year ended</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Revenue:	\$ 119,529	\$ 291,581
Loss for the period from continuing operations	(\$ 577,258)	(\$ 305,071)
Total comprehensive income (loss)	<u>(\$ 577,258)</u>	<u>(\$ 305,071)</u>

12) Property and equipment

Year ended December 31, 2022					
January 1	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	\$ 1,573,570	\$ 1,022,169	\$ 212,540	\$ 17,818	\$ 2,826,097
Accumulated depreciation and impairment	-	(450,583)	(93,913)	(10,331)	(554,827)
Total	<u>\$ 1,573,570</u>	<u>\$ 571,586</u>	<u>\$ 118,627</u>	<u>\$ 7,487</u>	<u>\$ 2,271,270</u>
January 1	\$ 1,573,570	\$ 571,586	\$ 118,627	\$ 7,487	\$ 2,271,270
Additions	-	2,015	88,922	1,381	92,318
Reclassifications	-	34,027	118,345	3,360	155,732
Depreciation	-	(35,509)	(66,916)	(3,785)	(106,210)
December 31, 2022	<u>\$ 1,573,570</u>	<u>\$ 572,119</u>	<u>\$ 258,978</u>	<u>\$ 8,443</u>	<u>\$ 2,413,110</u>
December 31, 2022	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	\$ 1,573,570	\$ 1,050,881	\$ 374,947	\$ 22,559	\$ 3,021,957
Accumulated depreciation and impairment	-	(478,762)	(115,969)	(14,116)	(608,847)
Total	<u>\$ 1,573,570</u>	<u>\$ 572,119</u>	<u>\$ 258,978</u>	<u>\$ 8,443</u>	<u>\$ 2,413,110</u>
Year ended December 31, 2021					
January 1	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	\$ 1,573,570	\$ 1,010,840	\$ 180,060	\$ 22,293	\$ 2,786,763
Accumulated depreciation and impairment	-	(421,494)	(83,200)	(11,747)	(516,441)
Total	<u>\$ 1,573,570</u>	<u>\$ 589,346</u>	<u>\$ 96,860</u>	<u>\$ 10,546</u>	<u>\$ 2,270,322</u>
January 1	\$ 1,573,570	\$ 589,346	\$ 96,860	\$ 10,546	\$ 2,270,322
Additions	-	630	45,694	405	46,729
Reclassification	-	12,329	19,180	750	32,259
Depreciation	-	(30,719)	(43,107)	(4,214)	(78,040)
December 31, 2021	<u>\$ 1,573,570</u>	<u>\$ 571,586</u>	<u>\$ 118,627</u>	<u>\$ 7,487</u>	<u>\$ 2,271,270</u>
December 31, 2021	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	\$ 1,573,570	\$ 1,022,169	\$ 212,540	\$ 17,818	\$ 2,826,097
Accumulated depreciation and impairment	-	(450,583)	(93,913)	(10,331)	(554,827)
Total	<u>\$ 1,573,570</u>	<u>\$ 571,586</u>	<u>\$ 118,627</u>	<u>\$ 7,487</u>	<u>\$ 2,271,270</u>

A. No interest was capitalized for property and equipment for the years ended December 31, 2022 and 2021.

B. The information on property and equipment pledged or restricted as of December 31, 2022 and 2021 is described in Note 8.

13) Leasing arrangements – lessee

A. The Company leases various assets including buildings, machinery and equipment, business vehicles and multifunction printers. Rental contracts are typically made for periods of 1 to 10 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>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>Carrying Amount</u>	<u>Carrying Amount</u>
Buildings	\$ 135,919	\$ 168,610
Transportation equipment (Business vehicles)	13,098	15,976
Office equipment (Photocopiers)	6,078	7,374
Total	<u>\$ 155,095</u>	<u>\$ 191,960</u>

	<u>Year ended</u>	<u>Year ended</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Buildings	\$ 63,056	\$ 63,091
Transportation equipment (Business vehicles)	5,495	5,557
Office equipment (Photocopiers)	2,165	2,100
Total	<u>\$ 70,716</u>	<u>\$ 70,748</u>

C. For the years ended December 31, 2022 and 2021, the additions to right-of-use assets amounted to \$44,048 and \$91,685, respectively.

D. The information on income and expense accounts relating to lease contracts is as follows:

	<u>Year ended</u>	<u>Year ended</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 1,131	\$ 1,186
Expense on short-term lease contracts	4,241	1,651
Expense on variable lease payment	100	3,485

E. For the years ended December 31, 2022 and 2021, the Company's total cash outflow for leases amounted to \$73,456 and \$70,881, respectively.

F. The Group has applied the practical expedient to "Covid-19-related rent concession", and recognized the other gains or losses from changes in lease payments arising from the rent concessions amounting to \$156 and \$104, respectively, by decreasing rent expense for the years ended December 31, 2022 and 2021.

14) Leasing arrangements – lessor

A. The Company leases various assets including office and parking space. Rental contracts are typically made for periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the years ended December 31, 2022 and 2021, the Company recognized rent income in the amount of \$24,436 and \$24,512, respectively, based on the operating lease agreement, which does not include variable lease payments.

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
2022	\$ 24,436	\$ 23,655
2023	24,585	29,695
2024	10,547	6,077
Total	<u>\$ 59,568</u>	<u>\$ 59,427</u>

15) Investment property

	<u>Year ended December 31, 2022</u>		
<u>January 1</u>	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost	\$ 198,099	\$ 107,076	\$ 305,175
Accumulated depreciation and impairment	-	(36,773)	(36,773)
Total	<u>\$ 198,099</u>	<u>\$ 70,303</u>	<u>\$ 268,402</u>
January 1	\$ 198,099	\$ 70,303	\$ 268,402
Depreciation	-	(2,100)	(2,100)
December 31	<u>\$ 198,099</u>	<u>\$ 68,203</u>	<u>\$ 266,302</u>
	<u>Year ended December 31, 2021</u>		
<u>December 31</u>	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost	\$ 198,099	\$ 107,076	\$ 305,175
Accumulated depreciation and impairment	-	(38,873)	(38,873)
Total	<u>\$ 198,099</u>	<u>\$ 68,203</u>	<u>\$ 266,302</u>
	<u>Year ended December 31, 2021</u>		
<u>January 1</u>	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost	\$ 198,099	\$ 107,076	\$ 305,175
Accumulated depreciation and impairment	-	(34,672)	(34,672)
Total	<u>\$ 198,099</u>	<u>\$ 72,404</u>	<u>\$ 270,503</u>
January 1	\$ 198,099	\$ 72,404	\$ 270,503
Depreciation	-	(2,101)	(2,101)
December 31	<u>\$ 198,099</u>	<u>\$ 70,303</u>	<u>\$ 268,402</u>
	<u>Year ended December 31, 2021</u>		
<u>December 31</u>	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost	\$ 198,099	\$ 107,076	\$ 305,175
Accumulated depreciation and impairment	-	(36,773)	(36,773)
Total	<u>\$ 198,099</u>	<u>\$ 70,303</u>	<u>\$ 268,402</u>

A. For the years ended December 31, 2022 and 2021, rental income from the lease of the investment property were \$16,661 and \$17,115, respectively, and direct operating expenses arising from the investment property were \$3,667 and \$3,579, respectively.

B. Details of fair value of investment property are provided in Note 12(5).

16) Intangible assets

Year ended December 31, 2022				
January 1	Computer software	Goodwill	Customer relationships and others	Total
Cost	\$ 146,948	\$ 42,004	\$ 54,260	\$ 243,212
Accumulated amortization and impairment	(43,323)	-	(54,199)	(97,522)
Total	\$ 103,625	\$ 42,004	\$ 61	\$ 145,690
January 1	\$ 103,625	\$ 42,004	\$ 61	\$ 145,690
Additions	41,626	-	-	41,626
Reclassifications	45,159	-	-	45,159
Amortization	(45,064)	-	(18)	(45,082)
December 31	\$ 145,346	\$ 42,004	\$ 43	\$ 187,393
December 31	Computer software	Goodwill	Customer relationships and others	Total
Cost	\$ 215,358	\$ 42,004	\$ 54,260	\$ 311,622
Accumulated amortization and impairment	(70,012)	-	(54,217)	(124,229)
Total	\$ 145,346	\$ 42,004	\$ 43	\$ 187,393
Year ended December 31, 2021				
January 1	Computer software	Goodwill	Customer relationships and others	Total
Cost	\$ 75,854	\$ 42,004	\$ 54,260	\$ 172,118
Accumulated amortization and impairment	(23,458)	-	(54,181)	(77,639)
Total	\$ 52,396	\$ 42,004	\$ 79	\$ 94,479
January 1	\$ 52,396	\$ 42,004	\$ 79	\$ 94,479
Additions	41,381	-	-	41,381
Reclassifications	34,506	-	-	34,506
Amortization	(24,658)	-	(18)	(24,676)
December 31	\$ 103,625	\$ 42,004	\$ 61	\$ 145,690
December 31	Computer software	Goodwill	Customer relationships and others	Total
Cost	\$ 146,948	\$ 42,004	\$ 54,260	\$ 243,212
Accumulated amortization and impairment	(43,323)	-	(54,199)	(97,522)
Total	\$ 103,625	\$ 42,004	\$ 61	\$ 145,690

- A. No interest was capitalized for intangible assets for the years ended December 31, 2022 and 2021.
- B. Goodwill and customer relationships were acquired through acceptance of transfer of the securities brokerage business of Standard Chartered (Taiwan) Bank's retail banking business and were all allocated to the Company's brokerage segment.
- C. The recoverable amount of goodwill was periodically determined based on its value in use. Calculations of value in use after-tax cash flow projections are based on financial budgets approved by the management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below.
- The recoverable amount calculated based on the value in use exceeded the carrying amount, thus the goodwill was not impaired. The key assumptions used for calculation of value in use are as follows:

	<u>Brokerage Segment</u>	
	Year ended	Year ended
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Growth rate	0.00%	0.00%
Discount rate	13.26%	12.03%

Management determined the growth rate based on past performance and its expectations of market development. The discount rates were based on the weighted average financing cost rates determined by the Company's capital asset pricing model. The discount rates also reflect specific risks related to relevant operating segments.

17) Other non-current assets

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Operation guaranteed deposits	\$ 505,000	\$ 505,000
Clearing and settlement fund	214,883	230,091
Refundable deposits	216,519	301,574
Net defined benefit assets	75,993	-
Prepayment for equipment	56,993	78,273
Overdue receivables	8,224	12,517
Others	2,500	2,500
Subtotal	<u>1,080,112</u>	<u>1,129,955</u>
Less: Allowance for uncollectible accounts	(8,224)	(12,517)
Total	<u>\$ 1,071,888</u>	<u>\$ 1,117,438</u>

18) Short-term loans

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Unsecured loans	\$ 275,000	\$ 590,000

As of December 31, 2022 and 2021, the interest rates of short-term loans, including foreign interest rates were 1.700% and 0.790%, respectively.

19) Commercial papers payable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Face value	\$ 5,830,000	\$ 8,650,000
Less: Discount on commercial papers payable	(2,569)	(1,442)
Total	<u>\$ 5,827,431</u>	<u>\$ 8,648,558</u>

As of December 31, 2022 and 2021, the interest rates of commercial papers, including foreign interest

rates were 1.250%~1.400% and 0.320%~0.500%, respectively.

20) Financial liabilities at fair value through profit or loss - current

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Covering bonds	\$ -	\$ 148,560
Valuation adjustment on covering bonds	-	(270)
Subtotal	-	148,290
Liabilities on sale of borrowed securities		
- hedged	1,769,451	408,629
Valuation adjustment on liabilities on sale of borrowed securities - hedged	(47,847)	16,664
Liabilities on sale of borrowed securities - non-hedged	6,668,328	4,294,538
Valuation adjustment on liabilities on sale of borrowed securities - non-hedged	(912,064)	404,442
Subtotal	7,477,868	5,124,273
Issuance of call (put) warrants	8,388,823	12,925,747
Loss (gain) on price fluctuation	(3,700,001)	(500,708)
Market value (A)	4,688,822	12,425,039
Warrants redeemed	(6,461,030)	(12,258,180)
Loss (gain) on price fluctuation	2,084,404	729,365
Market value (B)	(4,376,626)	(11,528,815)
Warrants - net (A+B)	312,196	896,224
Options sold - TAIFEX	2,734	7,162
Outstanding Liability for Issuance of ETNs	971,128	1,678,161
Valuation adjustment on outstanding Liability for Issuance of ETNs	(198,830)	(106,307)
Subtotal	772,298	1,571,854
Derivative financial liabilities - OTC	590,988	423,932
Total	<u>\$ 9,156,084</u>	<u>\$ 8,171,735</u>

Among the warrants issued by the Company, except for contract-based warrants which are European-style warrants, all other warrants are American-style warrants. Warrants are stated as liabilities for issuance of warrants at issuance price prior to expiration. Upon repurchase of warrants after issuance, the repurchased amounts are recognized as warrants repurchase and charged as a deduction to liabilities for issuance of warrants. The warrants have six to twelve months exercise period from the date of issuance. The issuer has the option to settle either by cash or stock delivery.

21) Bonds sold under repurchase agreements

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Government bonds	\$ 919,875	\$ 1,623,147
Corporate bonds	1,001,131	500,119
Bank debentures	100,408	300,000
International bonds	225,167	620,779
Foreign bonds	<u>4,718,843</u>	<u>6,598,995</u>
Total	<u>\$ 6,965,424</u>	<u>\$ 9,643,040</u>

The above bonds sold under repurchase agreements as of December 31, 2022 and 2021 were due within one year and were contracted to be repurchased at the agreed-upon price plus interest charge on the specific date after the transaction. The total repurchase amounts were \$7,016,989 and \$9,648,756, respectively, and the annual interest rates in every currency were shown as follows:

<u>Currency</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
NTD	0.72%~1.22%	0.17%~0.32%
Foreign currencies (Note)	1.40%~4.80%	-0.70%~3.61%

Note: Foreign currencies include AUD, EUR, USD, GBP and RMB.

22) Accounts payable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Settlement accounts payable - brokered trading	\$ 7,622,204	\$ 14,823,110
Settlement proceeds	1,252,785	776,513
Settlement accounts payable - operating	935,022	1,404,454
Settlement accounts payable - foreign bonds	703,424	121,943
Spot exchange payable, foreign currencies	47,566	-
Others	<u>169,644</u>	<u>295,479</u>
Total	<u>\$ 10,730,645</u>	<u>\$ 17,421,499</u>

23) Other payables

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Salary and bonus payable	\$ 858,972	\$ 1,613,645
Employees' and directors' remuneration payable	38,028	189,496
Others	<u>546,038</u>	<u>696,707</u>
Total	<u>\$ 1,443,038</u>	<u>\$ 2,499,848</u>

24) Other financial liabilities - current

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Equity-linked notes (ELN) - Options	\$ -	\$ 84,000
Principal guaranteed notes (PGN) - fixed income	<u>2,784,086</u>	<u>4,899,139</u>
Total	<u>\$ 2,784,086</u>	<u>\$ 4,983,139</u>

The Company deals in equity-linked products and combines fixed income instruments with call or put options. These products are categorized into ELN (Equity-Linked Notes) and PGN (Principal

Guaranteed Notes). On trade date, the contracted amounts are collected in full from the counterparties. The payout amount on maturity will depend on the price fluctuation of the instruments linked to these contracts and be calculated as trading price less option strike price on maturity. All the linked products are financial instruments under the supervision of the SFB (Securities and Futures Bureau).

25) Other liabilities-non-current

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Guarantee deposits received	\$ 23,315	\$ 23,419
Net defined benefit obligation	-	58,331
Total	<u>\$ 23,315</u>	<u>\$ 81,750</u>

26) Pension plan

A. Defined benefit plans

(A) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. 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. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. The Company contributes monthly an amount which ranges 7.2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the supervisory committee of workers' retirement reserve fund, and with Cathay United Bank, under the name of the management committee of employees' retirement fund. Also, the Company would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Company will make contributions to cover the deficit by next March.

(B) The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Net present value of defined benefit liabilities	\$ 691,054	\$ 815,551
Fair value of plan assets	(767,047)	(757,220)
Net defined benefit (assets) liabilities	<u>(\$ 75,993)</u>	<u>\$ 58,331</u>

(C) Movements in net defined benefit liabilities (assets) are as follows:

Year ended December 31, 2022	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities (assets)
Balance at January 1	\$ 815,551	(\$ 757,220)	\$ 58,331
Current service cost	3,336	-	3,336
Interest expense (income)	4,077	(3,786)	291
	<u>822,964</u>	<u>(761,006)</u>	<u>61,958</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(44,448)	(44,448)
Change in financial assumptions	(2,457)	-	(2,457)
Experience adjustments	(52,891)	-	(52,891)
	<u>(55,348)</u>	<u>(44,448)</u>	<u>(99,796)</u>
Pension fund contribution	-	(38,155)	(38,155)
Paid pension	(76,562)	76,562	-
	<u>(76,562)</u>	<u>38,407</u>	<u>(38,155)</u>
Balance at December 31	<u>\$ 691,054</u>	<u>(\$ 767,047)</u>	<u>(\$ 75,993)</u>

Year ended December 31, 2021	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities (assets)
Balance at January 1	\$ 795,455	(\$ 812,143)	(\$ 16,688)
Current service cost	3,950	-	3,950
Interest expense (income)	2,386	(2,436)	(50)
	<u>801,791</u>	<u>(814,579)</u>	<u>(12,788)</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(8,438)	(8,438)
Change in demographic assumptions	693	-	693
Change in financial assumptions	(13,059)	-	(13,059)
Experience adjustments	148,130	-	148,130
	<u>135,764</u>	<u>(8,438)</u>	<u>127,326</u>
Pension fund contribution	-	(56,207)	(56,207)
Paid pension	(122,004)	122,004	-
	<u>(122,004)</u>	<u>65,797</u>	<u>(56,207)</u>
Balance at December 31	<u>\$ 815,551</u>	<u>(\$ 757,220)</u>	<u>\$ 58,331</u>

(D) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilization plan and "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund" (Article 6: The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private

placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilization of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator.

The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS19 paragraph 142. The composition of fair value of plan assets as of December 31, 2022 and 2021 is given in the Annual Labor Retirement Fund Utilization Report published by the government. In addition, for retirement fund deposits with Cathy United Bank, under the name of the management committee of employees' retirement fund, the fund invests in time deposit accounts under Cathy United Bank.

(E) The principal actuarial assumptions used were as follows:

	Year ended December 31, 2022	Year ended December 31, 2021
Discount rate	1.4%	0.5%
Future salary increases	3.5%	2.5%

Assumptions regarding future mortality rate are set based on the Taiwan Standard Ordinary Experience Mortality Table (2021) for the years ended December 31, 2022 and 2021. Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ 13,027)	\$ 13,399	\$ 11,397	(\$ 11,157)
<u>December 31, 2021</u>				
Effect on present value of defined benefit obligation	(\$ 15,953)	\$ 16,424	\$ 14,065	(\$ 13,757)

(F) Pension fund contribution plans to pay \$32,472 for the year ended December 31, 2023.

B. Defined contribution plans:

Effective from July 1, 2005, the Company established a defined contribution plan pursuant to the "Labor Pension Act", which covers employees with R.O.C. nationality and those who chose or are required to apply the "Labor Pension Act". The contributions are made monthly based on not less than 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The payment of pension benefits is based on the employees' individual pension fund accounts and the cumulative profit in such accounts. The employees can choose to receive such pension benefits monthly or in lump sum. The pension costs

under defined contribution pension plans of the Company for the years ended December 31, 2022 and 2021 were \$71,705 and \$74,179, respectively.

27) Equity

A. Common stock

As of December 31, 2022, the Company's authorized capital was \$15,000,000 with a par value of \$10 (in dollars) per share. As of December 31, 2022 and 2021, the common stocks issued and the outstanding common stocks were both 1,455,831 thousand shares.

Movements in the number of the Company's ordinary shares outstanding are as follows:

(Expressed in thousands)

	Year ended December 31, 2022	Year ended December 31, 2021
January 1	1,455,831	1,399,838
Stock dividends	-	55,993
December 31	<u>1,455,831</u>	<u>1,455,831</u>

The Board of Directors approved on March 23, 2021 and the shareholders' meeting resolved on July 20, 2021 to increase the Company's capital with an undistributed surplus of \$559,935, and issue 55,993 thousand ordinary shares with a par value of \$10 (in dollars) per share. The capital increase date is at September 1, 2021, the total issued share capital after the capital increase was \$14,558,313, divided into 1,455,831 thousand shares, each with a denomination of \$10 per share.

B. Capital reserve

	Share premium	Treasury share transactions	Expired stock options	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Total
December 31, 2022	<u>\$ 24,663</u>	<u>\$ 65,675</u>	<u>\$ 483</u>	<u>\$ 440</u>	<u>\$ 91,261</u>
December 31, 2021	<u>\$ 24,663</u>	<u>\$ 65,675</u>	<u>\$ 483</u>	<u>\$ 440</u>	<u>\$ 91,261</u>

Pursuant to the R.O.C. Company Law, capital reserve arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided it should not exceed 10% of the paid-in capital each year. Capital reserve should not be used to cover accumulated deficit unless the legal reserve is insufficient.

C. Legal reserve

Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

D. Special reserve

In accordance with the “Rules Governing the Administration of Securities Firms”, 20% of the current year's earnings, after paying all taxes and offsetting prior years' operating losses and plus the items other than the after-tax net profit for the period, that are included in the unappropriated earnings of the period, if any, shall be set aside as special reserve until the cumulative balance equals the total amount of paid-in capital. The special reserve shall be used exclusively to cover accumulated deficit or to increase capital and shall not be used for any other purpose. Such capitalization shall not be permitted unless the Company had already accumulated a special reserve of at least 25% of its paid-in capital stock and only quarter of such special reserve may be capitalized.

In accordance with the regulations, the Company shall set aside an equivalent amount of special reserve from accumulated unappropriated retained earnings of the current year based on the decreased amount of equity. If there is any subsequent reversal of the decrease in equity, the earnings may be distributed based on the reversal proportion.

In accordance with Jing-Guan-Zheng-Chuan Letter No. 10500278285 dated August 5, 2016, securities firms should set aside 0.5% to 1% of net income after tax as special reserve, upon the distribution of earnings from 2016 to 2018. From fiscal year 2017, special reserve as mentioned above may be reversed based on an amount equal to employees' transformation training expenditure, employee transfer and settlement expenditure arising from the development of Fintech. Further, according to Jing-Guan-Zheng-Chuan Letter No. 1080321644 dated July 10, 2019, securities firms are no longer required to set aside special reserve starting from 2019. And the special reserve, within the balance of special reserve set aside in the previous years, could be reversed at the same amount for the aforementioned expenditures.

28) Unappropriated earnings and dividends policy

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be used to pay all taxes and offset prior years' operating losses first, and then set aside as legal reserve, accounted for as 10% of the remaining amount, and special reserve, accounted for as 20% of the remaining amount. Upon provision or reversal of special reserve in accordance with the law, any remaining amount together with unappropriated earnings at beginning of the period shall be distributed according to the following resolution adopted at the stockholders' meeting: Distribution shall not be made if the balance of distributable earnings is less than 5% of paid-in capital.
- B. In addition, the total amount of dividends declared every year shall be at least 70% of distributable earnings, of which stock dividends shall be at least 50% and cash dividends shall be lower than 50%.
- C. The Company may determine a better proportion of cash and stock dividends distribution based on its actual operating conditions and capital utilization plan for the following year.

D. The earnings distribution for 2021 and 2020 as resolved by the Board of Directors on June 23, 2022 and July 20, 2021. Details are as follows:

	Year ended December 31, 2022		Year ended December 31, 2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 390,101		\$ 376,735	
Special reserve	780,203		721,503	
Reversal of special reserve (Note)	(3,413)		(7,620)	
Cash dividends	2,751,521	\$ 1.89	2,099,757	\$ 1.50
Stock dividends	-		559,935	0.40
Total	<u>\$ 3,918,412</u>		<u>\$ 3,750,310</u>	

Note : Special reserve was provided for employees' transition for financial technology development according to Jing-Guan-Zheng-Chuan Letter No. 1080321644 and can be reversed for employees' transition.

E. The earnings distribution for 2022 as resolved by the Board of Directors on March 8, 2023 is set forth below:

	Year ended December 31, 2022	
	Amount	Dividends per share (in dollars)
Provision of legal reserve	\$ 81,278	
Provision of special reserve	162,557	
Cash dividends	567,774	\$ 0.39
Total	<u>\$ 811,609</u>	

29) Brokerage handling fee revenue

	Year ended December 31, 2022	Year ended December 31, 2021
	Revenues from brokered trading - TWSE	\$ 1,706,009	$ 3,161,596
Revenues from brokered trading - OTC	559,912	880,732
Others	116,145	111,288
Total	<u>\$ 2,382,066</u>	<u>\$ 4,153,616</u>

30) Revenues from underwriting business

	Year ended December 31, 2022	Year ended December 31, 2021
Revenues from underwriting securities on a firm commitment basis	\$ 54,137	\$ 61,104
Others	32,328	42,931
Total	<u>\$ 86,465</u>	<u>\$ 104,035</u>

31) Net gain (loss) on sale of trading securities

	Year ended December 31, 2022	Year ended December 31, 2021
Dealers:		
-TAIEX	(\$ 1,366,791)	\$ 4,188,156
-OTC	(158,417)	482,933
-Overseas trading	(292,703)	(183,444)
Subtotal	<u>(1,817,911)</u>	<u>4,487,645</u>
Underwriters:		
-TAIEX	22,207	20,564
-OTC	36,833	135,272
Subtotal	<u>59,040</u>	<u>155,836</u>
Hedging:		
-TAIEX	(1,207,720)	3,998,363
-OTC	(282,485)	68,918
-Overseas trading	(1,541)	28,210
Subtotal	<u>(1,491,746)</u>	<u>4,095,491</u>
Total	<u>(\$ 3,250,617)</u>	<u>\$ 8,738,972</u>

32) Interest revenue

	Year ended December 31, 2022	Year ended December 31, 2021
Interest income from margin loans	\$ 737,137	\$ 853,325
Interest income from bonds	149,628	274,506
Others	53,704	31,379
Total	<u>\$ 940,469</u>	<u>\$ 1,159,210</u>

33) Net valuation gain (loss) on trading securities at fair value through profit or loss

	Year ended December 31, 2022	Year ended December 31, 2021
Gain (loss) on sale of securities - dealer	(\$ 261,290)	(\$ 1,121,672)
Gain (loss) on sale of securities - underwriting	(62,951)	71,558
Gain (loss) on sale of securities - hedging	(592,199)	187,434
Total	<u>(\$ 916,440)</u>	<u>(\$ 862,680)</u>

34) Net gain (loss) on covering of borrowed securities and bonds with resale agreements - short sales

	Year ended December 31, 2022	Year ended December 31, 2021
Gain (loss) from the bond investments under resale agreements	\$ 103	(\$ 1,270)
Gain (loss) from securities borrowing transactions	319,042	(217,126)
Gain (loss) from covering	163,126	36,503
Total	<u>\$ 482,271</u>	<u>(\$ 181,893)</u>

35) Net valuation gain (loss) on borrowed securities and bonds with resale agreements-short sales at fair value through profit or loss

	Year ended December 31, 2022	Year ended December 31, 2021
Valuation gain (loss) from securities borrowing transactions	\$ 1,324,819	(\$ 325,247)
Valuation gain (loss) from covering	56,198	12,088
Total	<u>\$ 1,381,017</u>	<u>(\$ 313,159)</u>

36) Net gain (loss) from issuance of call (put) warrants

	Year ended December 31, 2022	Year ended December 31, 2021
Net gain (loss) on changes in fair value of call (put) warrant liabilities and redemption	\$ 1,807,278	(\$ 1,193,204)
Net gain (loss) on exercise of call (put) warrants before maturity	(131,769)	(1,443,684)
Expenses arising out of issuance of call (put) warrants	(201,525)	(260,068)
Total	<u>\$ 1,473,984</u>	<u>(\$ 2,896,956)</u>

37) Net gain (loss) from derivatives

	Year ended December 31, 2022	Year ended December 31, 2021
Futures contract gain (loss)	(\$ 80,486)	\$ 389,911
Option trading gain (loss)	154,592	(161,788)
OTC option trading gain (loss)	16,713	(924,981)
Net gain (loss) on foreign exchange derivatives	25,695	83,242
Others	6,894	(41,690)
Total	<u>\$ 123,408</u>	<u>(\$ 655,306)</u>

38) Expected credit impairment loss and reversal of impairment gain

	Year ended December 31, 2022	Year ended December 31, 2021
Impairment (loss) and reversal of impairment gain	\$ 20,627	\$ 7,846
Recovery of bad debt	1,346	3,312
Total	<u>\$ 21,973</u>	<u>\$ 11,158</u>

39) Other operating income

	Year ended December 31, 2022	Year ended December 31, 2021
Income from securities lending	\$ 370,505	\$ 374,310
Net currency exchange gain (loss)	106,384	179,749
Handling fee revenues from funds	67,176	59,519
Others	1,795	1,461
Total	<u>\$ 545,860</u>	<u>\$ 615,039</u>

40) Handling charges

	Year ended December 31, 2022	Year ended December 31, 2021
Brokerage handling fee expense	\$ 226,837	\$ 396,730
Dealer handling fee expense	134,823	158,914
Refinancing processing fee expense	2,682	4,649
Total	<u>\$ 364,342</u>	<u>\$ 560,293</u>

41) Financial costs

	Year ended December 31, 2022	Year ended December 31, 2021
Interest expense from repurchase agreements	\$ 62,250	\$ 49,404
Loans interest expense	68,421	29,932
Other interest expense	32,847	8,755
Total	<u>\$ 163,518</u>	<u>\$ 88,091</u>

42) Employee benefits expense

	Year ended December 31, 2022	Year ended December 31, 2021
Salaries	\$ 1,802,901	\$ 3,227,107
Labor and health insurance	146,112	153,773
Pension	75,332	78,079
Other employee benefits	117,595	156,127
Total	<u>\$ 2,141,940</u>	<u>\$ 3,615,086</u>

A. In accordance to the Company's Article of Incorporation, the remainder of the year-end income before taxes less income before appropriating employees' compensation and directors'

remuneration, if any, shall appropriate an employees' compensation no less than 1.6% and directors' remuneration no more than 2%. However, when the Company has an accumulated deficit, earnings to cover the deficit shall first be retained before appropriating employees' compensation and directors' remuneration.

- B. For the years ended December 31, 2022 and 2021, employees' compensation was accrued at \$19,014 and \$94,748, respectively; directors' remuneration was accrued at \$19,014 and \$94,748, respectively. The aforementioned amounts were recognized in salary expenses.
- C. For the years ended December 31, 2022, employees' compensation was estimated at 2% and directors' remuneration at 2%, based on the period-end income before taxes less income before appropriating employees' compensation and directors' remuneration.
- D. The actual distributed amount of employees' and directors' remuneration for 2021 as resolved by the Board of Directors was in agreement with the estimates in the 2021 financial statements.
- E. Information on the appropriation of the Company's earnings as resolved by the Board of Directors would be posted in the "Market Observation Post System" on the Taiwan Stock Exchange Official website.

43) Depreciation and amortization

	Year ended December 31, 2022	Year ended December 31, 2021
Depreciation	\$ 179,026	\$ 150,889
Amortization	45,082	24,676
Total	<u>\$ 224,108</u>	<u>\$ 175,565</u>

44) Other operating expenses

	Year ended December 31, 2022	Year ended December 31, 2021
Taxes	\$ 704,090	\$ 985,535
Security lending expenses	243,737	179,411
Computer information expenses	129,866	123,302
TDCC service fee	81,298	134,050
Professional service fee	84,239	82,552
Postage	80,012	77,779
Others	313,646	269,362
Total	<u>\$ 1,636,888</u>	<u>\$ 1,851,991</u>

45) Other gains and losses

	Year ended December 31, 2022	Year ended December 31, 2021
Financial income	\$ 36,242	\$ 9,860
Net gain (loss) on disposal of investments	(8,167)	8,252
Net gain (loss) on valuation of non-operating financial instruments	1,575	(4,901)
Other non-operating revenues	138,483	143,114
Total	<u>\$ 168,133</u>	<u>\$ 156,325</u>

46) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31, 2022	Year ended December 31, 2021
Current tax:		
Current tax on profits for the periods	\$ 136,292	\$ 607,155
Prior year income tax underestimation (overestimation)	3,762	50,868
Tax on undistributed surplus earnings	-	852
Total current tax	<u>140,054</u>	<u>658,875</u>
Deferred taxes:		
Origination and reversal of temporary differences	43,260	(33,531)
Total deferred taxes	<u>43,260</u>	<u>(33,531)</u>
Income tax expense	<u>\$ 183,314</u>	<u>\$ 625,344</u>

(b) The income tax expense relating to components of other comprehensive income is as follows:

	Year ended December 31, 2022	Year ended December 31, 2021
Remeasurement of defined benefit obligations	<u>\$ 19,959</u>	<u>(\$ 25,465)</u>

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2022	Year ended December 31, 2021
Tax calculated based on profit before tax and statutory tax rate	\$ 182,538	\$ 926,557
Expenses disallowed by tax regulation	(132,746)	(62,113)
Prior year income tax overestimation	3,762	50,868
Tax exempt income by tax regulation	129,760	(715,701)
Effect from Alternative Minimum Tax	-	424,881
Tax on undistributed surplus	-	852
Income tax expense	<u>\$ 183,314</u>	<u>\$ 625,344</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits are as follows:

	Year ended December 31, 2022				
	January 1	Recognized in profit or loss	Recognized in other comprehensive income		December 31
Deffered tax assets:					
-Temporary differences:					
Valuation loss from financial instruments	\$ 8,375	(\$ 1,034)	\$ -	\$ -	\$ 7,341
Unrealised exchange loss	30,925	(30,925)	-	-	-
Pension	112,754	-	(19,959)	-	92,795
Other	3,513	16	-	-	3,529
Subtotal	<u>\$ 155,567</u>	<u>(\$ 31,943)</u>	<u>(\$ 19,959)</u>	<u>\$ -</u>	<u>\$ 103,665</u>
Deffered tax liabilities:					
-Temporary differences:					
Unrealised exchange gain	-	(9,747)	-	(-)	(9,747)
Other	-	(1,570)	-	(-)	(1,570)
Subtotal	<u>\$ -</u>	<u>(\$ 11,317)</u>	<u>\$ -</u>	<u>(\$ -)</u>	<u>(\$ 11,317)</u>
Total	<u>\$ 155,567</u>	<u>(\$ 43,260)</u>	<u>(\$ 19,959)</u>	<u>\$ -</u>	<u>\$ 92,348</u>

	Year ended December 31, 2021				
	January 1	Recognized in profit or loss	Recognized in other comprehensive income		December 31
Deffered tax assets:					
-Temporary differences:					
Valuation loss from financial instruments	\$ -	\$ 8,375	\$ -	\$ -	\$ 8,375
Unrealised exchange loss	8,754	22,171	-	-	30,925
Pension	87,289	-	25,465	-	112,754
Other	3,341	172	-	-	3,513
Subtotal	<u>\$ 99,384</u>	<u>\$ 30,718</u>	<u>\$ 25,465</u>	<u>\$ -</u>	<u>\$ 155,567</u>
Deffered tax liabilities:					
-Temporary differences:					
Valuation gain from financial instruments	(\$ 2,813)	\$ 2,813	\$ -	\$ -	\$ -
Total	<u>\$ 96,571</u>	<u>\$ 33,531</u>	<u>\$ 25,465</u>	<u>\$ -</u>	<u>\$ 155,567</u>

D. As of December 31, 2022, the Company's income tax returns through 2018 have been assessed and approved by the National Tax Authority.

E. With respect to the income tax returns of the Company for 2018, the Tax Authority assessed to

increase income tax payable by \$4,581. The Company disagreed with the assessments and had filed for administrative remedy and had recognized the income tax expense based on the assessment.

47) Earnings per share

	Year ended December 31, 2022		
	Amount after tax	Weighted-average outstanding common shares (In thousands)	Earnings per share (In dollars)
<u>Basic earnings per share</u>			
Net income attributable to common shareholders	\$ 729,368	1,455,831	\$ <u>0.50</u>
<u>Dilutive effect of common stock equivalents</u>			
Employee bonus	-	1,215	
	<u>\$ 729,368</u>	<u>1,457,046</u>	<u>\$ 0.50</u>
	Year ended December 31, 2021		
	Amount after tax	Weighted-average outstanding common shares (In thousands)	Earnings per share (In dollars)
<u>Basic earnings per share</u>			
Net income attributable to common shareholders	\$ 4,007,435	1,455,831	\$ <u>2.75</u>
<u>Dilutive effect of common stock equivalents</u>			
Employee bonus	-	4,006	
	<u>\$ 4,007,435</u>	<u>1,459,837</u>	<u>\$ 2.75</u>

(Blank below)

7. RELATED PARTY TRANSACTIONS

1) Names and relationships of related parties

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Uni-President Enterprises Corp.	Entity having significant influence on the Company
President Capital Management Corp.	Subsidiary of the Company PSC
President Futures Corp.	Subsidiary of the Company PSC
Company President Securities (HK) Ltd.	Subsidiary of the Company PSC
Associates President Insurance Agency Corp.	Subsidiary of the Company PSC
Company PSC Venture Capital Investment Limited Company	Subsidiary of the Company PSC
President Securities (Nominee) Ltd.	Subsidiary of the Company PSC
President Wealth Management (HK) Ltd.	Subsidiary of the Company PSC
Uni-President Asset Management Corp.	Associate
President Tokyo Co., Ltd.	Other related party
President Tokyo Auto Leasing Co., Ltd.	Other related party
ScinoPharm Taiwan, Ltd.	Other related party
Ton Yi Industrial Corp.	Other related party
President Chain Store Corp. (PCSC)	Other related party
President Professional Baseball Team Co., Ltd.	Other related party
Presco Netmarketing, Inc.	Other related party
Tainan Spinning Retail and Distribution Co., Ltd.	Other related party
Qware Systems & Services Corporation	Other related party
Kai Yu (BVI) Investment Co., Ltd	Other related party
Cayman President Holdings Limited	Other related party
Funds managed by Uni-President Asset Management Corp.	Security investment trust fund raised by the Uni-President Asset Management Corp.

2) Significant related party transactions and balances

A. Stock trading (shown as Financial assets at fair value through profit or loss)

<u>Transaction content</u>	<u>Year ended</u>	<u>Year ended</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>Purchase Price</u>	<u>Purchase Price</u>
Subsidiary of the Company PSC:		
Company PSC Venture Capital Investment Limited Company Chyunn Environment Corporation	\$ <u>10,500</u>	\$ <u>-</u>

B. Futures guarantee deposits receivable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiary of the Company PSC:		
President Futures Corp.	\$ <u>4,954,584</u>	\$ <u>4,353,971</u>

C. Accounts receivable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Entity having significant influence on the company:		
Uni-President Enterprises Corp.	\$ 350	\$ 312
Subsidiary of the Company PSC:		
President Futures Corp.	3,522	3,090
Company President Securities (HK) Ltd.	-	555
Other related party:		
ScinoPharm Taiwan, Ltd.	336	526
President Chain Store Corp. (PCSC)	406	207
Others	103	102
Total	<u>\$ 4,717</u>	<u>\$ 4,792</u>

D. Other receivables

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiary of the Company PSC:		
President Futures Corp.	\$ 300	\$ 175
Others	21	32
Other related party:		
Others	14	9
Total	<u>\$ 335</u>	<u>\$ 216</u>

E. Lease transactions — lessee

(A) The Group leases business vehicles and multifunction printers, etc., from President Tokyo Co., Ltd. Rental contracts are typically made for periods of 1 to 5 years. Rents are paid monthly.

(B) Right-of-use assets:

a. Acquisition of right-of-use assets:

	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Other related party:		
President Tokyo Co., Ltd.	\$ 3,550	\$ 3,432
President Tokyo Auto Leasing Co., Ltd.	-	3,732
Total	<u>\$ 3,550</u>	<u>\$ 7,164</u>

b. Disposals of right-of-use assets:

	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Other related party:		
President Tokyo Co., Ltd.	<u>\$ 1,018</u>	<u>\$ 2,185</u>

(C) Lease liabilities

a. Lease liabilities – current

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Other related party:		
President Tokyo Co., Ltd.	\$ 6,536	\$ 6,472
President Tokyo Auto Leasing Co., Ltd.	<u>742</u>	<u>737</u>
Total	<u>\$ 7,278</u>	<u>\$ 7,209</u>

b. Lease liabilities – non-current

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Other related party:		
President Tokyo Co., Ltd.	\$ 9,952	\$ 13,362
President Tokyo Auto Leasing Co., Ltd.	<u>2,192</u>	<u>2,934</u>
Total	<u>\$ 12,144</u>	<u>\$ 16,296</u>

c. Financial costs

	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Other related party:		
President Tokyo Co., Ltd.	\$ 145	\$ 180
President Tokyo Auto Leasing Co., Ltd.	<u>21</u>	<u>2</u>
Total	<u>\$ 166</u>	<u>\$ 182</u>

d. Net gain on lease modification

	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Other related party:		
President Tokyo Co., Ltd.	<u>\$ 1</u>	<u>\$ 7</u>

F. Refundable deposits

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiary of the Company PSC:		
President Futures Corp.	<u>\$ 34,000</u>	<u>\$ 34,000</u>

G. Accounts payable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiary of the Company PSC:		
President Futures Corp.	<u>\$ 2,127</u>	<u>\$ 697</u>

H. Guarantee deposit received

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiary of the Company PSC:		
President Futures Corp.	\$ 16,137	\$ 16,137
Others	807	811
Associate:		
Uni-President Assets Management Corp.	1,044	1,044
Other related party:		
President Tokyo Co., Ltd.	1,418	1,418
Total	<u>\$ 19,406</u>	<u>\$ 19,410</u>

I. Bonds sold under repurchase agreements

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Other related party:		
Cayman President Holdings Ltd.	\$ -	\$ 69,200

J. Handling fee revenue

	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Entity having significant influence on the company:		
Uni-President Enterprises Corp.	\$ 4	\$ 6
Subsidiary of the Company PSC:		
Others	28	74
Security investment trust fund raised by the Uni-President Asset Management Corp.:		
Funds managed by Uni-President Asset Management Corp.	70,846	69,708
Other related party:		
Others	1,042	1,217
Total	<u>\$ 71,920</u>	<u>\$ 71,005</u>

Terms of handling fee revenue mentioned above are similar to those of transactions with third parties.

K. Futures commission income

	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Subsidiary of the Company PSC:		
President Futures Corp.	\$ 43,532	\$ 42,884

L. Net gain (loss) on wealth management - trust income from sales of funds

	Year ended December 31, 2022	Year ended December 31, 2021
Associates:		
Uni-President Assets Management Corp.	\$ 11,157	\$ 6,730

The revenues were collected on a monthly basis in accordance with contract terms.

M. Other operating income - handling fee revenues from underwriting fund

	Year ended December 31, 2022	Year ended December 31, 2021
Associates:		
Uni-President Assets Management Corp.	\$ 64,420	\$ 53,784

The revenues were collected on a monthly basis in accordance with contract terms.

N. Rent income

	Period	Deposit	Year ended December 31, 2022	Year ended December 31, 2021
Subsidiary of the Company PSC				
President Capital Management Corp	2019.04.01~2024.03.31	\$ 627	\$ 3,723	\$ 3,644
Others		317	2,732	2,755
Associates:				
Uni-President Assets Management Corp.	2016.01.01~2024.03.31	1,044	6,492	6,490
Other related party:				
President Tokyo Co., Ltd.	2019.04.01~2024.03.31	1,418	8,942	9,061
Total			\$ 21,889	\$ 21,950

Rental income mentioned above is derived from leasing part of the Company's office space and business premises to various related parties and calculated as agreed by both parties. Lease payments are collected on schedule in accordance with the terms of the lease contracts.

O. Revenues from underwriting business - other revenues from underwriting business

	Year ended December 31, 2022	Year ended December 31, 2021
Entity having significant influence on the company:		
Uni-President Enterprises Corp.	\$ 450	\$ 600

P. Stock custodian income

	Year ended December 31, 2022	Year ended December 31, 2021
Entity having significant influence on the company:		
Uni-President Enterprises Corp.	\$ 4,231	\$ 3,908
Subsidiary of the Company PSC		
Other	68	68
Associate:		
Uni-President Assets Management Corp.	135	134
Other related party:		
ScinoPharm Taiwan, Ltd.	2,298	2,547
Ton Yi Industrial Corp.	1,248	1,271
President Chain Store Corp. (PCSC)	2,583	2,478
Others	669	667
Total	<u>\$ 11,232</u>	<u>\$ 11,073</u>

Terms of stock custodian income mentioned above are similar to third parties.

Q. Net gain (loss) from derivatives

	Year ended December 31, 2022	Year ended December 31, 2021
Other related party:		
Cayman President Holdings Limited	\$ -	(\$ 1,360)
Kai Yu (BVI) Investment Co., Ltd	-	(1,290)
Total	<u>\$ -</u>	<u>(\$ 2,650)</u>

R. Other operating expenses- equipment rental and copy expense

a. Equipment rental

	Year ended December 31, 2022	Year ended December 31, 2021
Other related party:		
President Tokyo Co., Ltd.	<u>\$ 20</u>	<u>\$ 18</u>

b. Copy expense

	Year ended December 31, 2022	Year ended December 31, 2021
Other related party:		
President Tokyo Co., Ltd.	<u>\$ 270</u>	<u>\$ 592</u>

c. Advertising expense

	Year ended December 31, 2022	Year ended December 31, 2021
Subsidiary of the Company PSC:		
President Capital Management Corp.	\$ 13	\$ -
Other related party:		
Presco Netmarking, Inc.	11,584	15,395
President Professional Baseball Team Co., Ltd.	2,310	2,310
Tainan Spinning Retail And Distribution Co., Ltd.	2,000	2,000
Qware Systems & Services Corporation	1,663	-
Others	12	473
Total	<u>\$ 17,569</u>	<u>\$ 20,178</u>

d. Service expense

	Year ended December 31, 2022	Year ended December 31, 2021
Subsidiary of the Company PSC:		
President Capital Management Corp.	<u>\$ 50,400</u>	<u>\$ 50,400</u>

e. Books and magazines

	Year ended December 31, 2022	Year ended December 31, 2021
Subsidiary of the Company PSC:		
President Capital Management Corp.	<u>\$ 163</u>	<u>\$ 435</u>

S. Clearing charges-futures

	Year ended December 31, 2022	Year ended December 31, 2021
Subsidiary of the Company PSC:		
President Futures Corp.	<u>\$ 21,420</u>	<u>\$ 14,089</u>

T. Financial expense

	Year ended December 31, 2022	Year ended December 31, 2021
Other related party:		
Cayman President Holdings Limited	\$ 58	\$ 1,601
Kai Yu (BVI) Investment Co., Ltd	-	2,080
Total	<u>\$ 58</u>	<u>\$ 3,681</u>

U. Purchases of trading securities – dealer

	<u>December 31, 2022</u>		
	<u>Ending Shares</u>		
	<u>(In thousands)</u>	<u>Ending Balance</u>	<u>Gain (loss)</u>
Entity having significant influence on the company:			
Uni-President Enterprises Corp.	72	\$ 4,795	(\$ 588)
Security investment trust fund raised by the Uni-President Asset Management Corp.:			
Funds managed by Uni-President Asset Management Corp.		490,857	(25,384)
Other related parties:			
President Chain Store Corp.	-	-	(275)
Other	21	<u>358</u>	<u>726</u>
Total		<u>\$ 496,010</u>	<u>(\$ 25,521)</u>

	<u>December 31, 2021</u>		
	<u>Ending Shares</u>		
	<u>(In thousands)</u>	<u>Ending Balance</u>	<u>Gain (loss)</u>
Entity having significant influence on the company:			
Uni-President Enterprises Corp.	100	\$ 6,860	(\$ 67)
Security investment trust fund raised by the Uni-President Asset Management Corp.:			
Funds managed by Uni-President Asset Management Corp.	-	39,013	3,084
Other related parties:			
President Chain Store Corp.	-	-	(367)
Other	54	<u>816</u>	<u>(179)</u>
Total		<u>\$ 46,689</u>	<u>\$ 2,471</u>

V. Compensation of key management personnel

The compensation of key management such as directors, general managers, vice general managers were as follows:

	<u>Year ended</u>	<u>Year ended</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Salary and short-term employee benefits	\$ 131,591	\$ 334,690
Retirement benefits	972	930
Other long-term employee benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total	<u>\$ 132,563</u>	<u>\$ 335,620</u>

8. PLEGDED ASSETS

The Company's assets pledged or restricted for use were as follows:

Assets	December 31, 2022	December 31, 2021	Purposes
Financial assets at fair value through profit or loss - current:			
Trading securities (par value)			
- Corporate bonds	\$ 1,000,000	\$ 500,000	Securities for bonds sold under repurchase agreements
- Government bonds	848,100	1,507,300	Securities for bonds sold under repurchase agreements
- Overseas bonds	2,661,333	7,124,566	Securities for bonds sold under repurchase agreements
- International bonds	237,302	623,210	Securities for bonds sold under repurchase agreements
- Bank debentures	100,000	300,000	Securities for bonds sold under repurchase agreements
Financial assets at fair value through other comprehensive income - current			
- Overseas bonds (par value)	2,400,355	-	Securities for bonds sold under repurchase agreements
Other current assets:			
- Pledged demand deposits	250,167	5,244,571	Collections on behalf of third parties and reimbursement for wages and stocks
- Pledged time deposits	400,000	400,000	Securities for short-term loans and guarantees for issuance of commercial papers
Financial assets at fair value through profit or loss - non-current:			
- Government bonds (par value)	50,000	50,000	Trust fund deposit-out
Property and equipment			
- Land and buildings (book value)	1,091,048	1,096,408	Securities for short-term loans and guarantees for issuance of commercial papers
Pledged time deposits (stated as other non-current asset)			
- Operating guarantee deposits	505,000	505,000	Security deposits

9. SIGNIFICANT COMMITMENTS

None.

10. SIGNIFICANT LOSS FROM NATURAL DISASTER

None.

11. SIGNIFICANT SUBSEQUENT EVENT

None.

12. OTHER

1) Management objective and policy of financial risks

A. Risk management objective

The Company continually strengthens risk culture to every employee and makes sure that the Company can actively develop various businesses under a healthy and effective risk management system. At the same time, by creating value of an entity and continually increasing profit, profit maximization may be achieved within appropriate risk tolerance.

B. Risk management system

In order to ensure the completeness of risk management system, run the balancing mechanism of risk management, and improve the division efficiency of risk management, the Company sets up “Risk Management Policy”. Such policy aims to establish internal system compliance and the guiding tools for policies communication within the Company and enable every layer of the Company engaged in different tasks to identify, evaluate, monitor, and control various risks with establishment of consistent compliance rules for risks of each business so that the risks can be controlled within the limits set in advance.

The Company’s risk management system covers risks incurred from businesses in and off the balance sheet, such as market risk, credit risk, liquidity risk, operating risk, legal risk, model risk, reputation risk and climate risk, which are all included in the risk management.

C. Risk management organization

Risk management organization: Board of Directors, Risk Management Committee, Risk Control Office, Business units and other related segments (such as Office of Auditing, Office of General Manager, Compliance segment, Legal segment, Finance segment, Settlement segment and General Affair segment) are in charge of planning, supervising and execution.

- (A) The Board of Directors should ensure the effectiveness of risk management and be responsible for the ultimate result and the following duties:
- a. To establish proper risk management system, operating process, and risk management culture in the Company with allocation of necessary resource for better execution and operation.
 - b. Policy of risk management review.
 - c. Review and approval of business application, transaction authorization and risk limit.
- (B) The Risk Management Committee reports to the Board of Directors and is responsible for the following:
- a. Review risk management policy.
 - b. Review the highest risk tolerance.
 - c. Submit regular reports to the Board of Directors in relation to the risk management status of the whole Company.
- (C) The General Manager supervises daily risk management of the entire Company and is responsible for the following:
- a. Supervise and monitor daily risk management of the entire Company.
 - b. Approval of management exceptions.
- (D) Assets and Liabilities Committee reports to the General Manager and is responsible for the following:
- a. Set up the ultimate guidelines for assets and liabilities management of the entire Company.
 - b. Analyze and control the entire Company’s assets and liabilities portfolio.
 - c. Approval of various businesses’ quotas.
 - d. Gather and analyze information on domestic and offshore interest rate, exchange rate, prosperity fluctuation, political and economic environmental changes, and predict the financial trend in the future.
- (E) Risk Control Office implements risk management policy and related regulations and reports to the Risk Management Committee. Risk Control Office also reports daily risk management to the General Manager and is responsible for the following:
- a. Establish Risk Management Policy of the entire Company.
 - b. Develop effective method for measurement and risk management in an entity.
 - c. Review risk management system of business units.
 - d. Generate risk report through information gathering and consolidation.
 - e. Analyze various business risks and report to the General Manager.

- f. Report the risk management situation to the Risk Management Committee according to a meeting's nature and needs.
 - g. Carry out duties as designated by the Risk Management Committee and control risks of business units.
- (F) Auditing Office is responsible for the following:
- a. Execute operating risk control.
 - b. Include the risk management system into internal audit program and carry out the daily audit schedule.
 - c. Assess the effectiveness of internal control and verify the executed result.
- (G) Compliance segment and legal segment under the Office of General Manager are responsible for the following:
- a. Compliance segment should make sure that the business operation and risk management system are in compliance with relevant regulations.
 - b. Legal segment is responsible for legal risk control.
 - c. Compliance segment also provides services of Anti-Money Laundering and Counter Terrorism Financing, including designs specification and internal control, establishes transaction monitoring, oversees the effective implementation of business units, conducts the employee training and reports any suspicion of money laundering.
- (H) Finance segment is responsible for the following:
- a. Verify the correctness of position information and reasonability of profit and loss calculation.
 - b. Control and analyze self-owned capital adequacy ratio.
 - c. Analyze the appropriateness of structures of the assets and liabilities.
- (I) Business units are responsible for the following:
- a. Set up risk management details of various businesses according to the risk management policy and other related regulations.
 - b. Provide sufficient position information and risk control information to the Risk Control Office.
- (J) Settlement division is responsible for the following:
- a. Clearing and settlement; risk control and management of margin purchase and short sale of securities.
 - b. Risk control and management of trading middle office and enforcement of rules governing risk management of business segments.
- (K) General Affair segment is responsible for the following:
- a. Verify and manage greenhouse gas.
 - b. Sustainable resources management, responsible procurement and supplier management.

D. Risk management policy

In order to ensure the completeness of risk management system, run the balancing mechanism of risk management, and improve the division efficiency of risk management, the Company sets up "Risk Management Policy". Such policy aims to establish internal system compliance and the guiding tools for policies communication within the Company and enable every layer of the Company engaged in different tasks to identify, evaluate, monitor, and control various risks with establishment of consistent compliance rules for risks of each business so that the risks can be controlled within the limits set in advance.

Risk management processes include risk identification, risk evaluation, risk supervision and various risk control. Each kind of risk evaluations and responding strategies are described as follows:

(A) Market risk management

The Company has implemented risk management information system (Risk Manager) in

relation to market risk control. All trading positions of the Company have been included in the daily risk control system for the calculation of Value at Risk (VaR). Limit exceeding indicators are mainly the nominal principal, stop-loss, sensitivity (Greeks) and VaR. The risk management report is presented on a daily basis for implementation of regular control and limit exceeding handling procedures.

(B) Credit risk management

In relation to risk control, the quantitative model of default rate adopts KMV model to calculate the default rate of issuers with credit exposure of the issuing company and the trading counterparties, and credit risk of securities disclosed in the report. The credit exposure is mitigated through regular review of credit status.

(C) Fund liquidity risk

Unit in charge of fund procurement regularly predicts future fund demand and supply, and consolidates company guarantee or endorsement and capital lending businesses to monitor the condition of fund procurement on a daily basis.

(D) Settlement segment is responsible for confirming the settlement and clearing, accounts opening and the actual disbursement. Finance segment prepares vouchers based on the actual transaction evidence and compares whether the accounts and cash accounts are matched, and confirms the operating risks of accuracy of the transaction from an accounting perspective. Auditing segment is responsible for internal audit and internal control, and regularly samples and checks the performance of each unit.

(E) Legal segment is responsible for reviewing of the Company's various derivative financial instrument contracts, ISDA and individual account contracts, etc. and handle all legal-related issues.

(F) Climate risks

The potential climate risk on investment position is estimated based on the two main risk indicators of climate risk, the physical risk and the transition risk. The Company complies with the policy guidelines set by the competent authorities and initiatives or guidelines internationally and generally recognised to enhance the quality and transparency of information disclosure.

E. Hedging and risk-offsetting strategy

(A) Policies of hedging and risk mitigating are parts of the Company's risk management policies, and the hedging position and hedged trading position are supposed to be one portfolio, of which the gain and loss and risk information are measured on a consolidated basis.

(B) The overall position (hedging position and trading position) is included in the daily risk management system to calculate Value at Risk and other relevant information. Limit exceeding indicators mainly include nominal principal, stop-loss point, price sensitivity and VaR. With the presentation of daily risk management report, routine control and limit exceeding treatment can be executed.

(C) The continued effectiveness of hedging and risk-offsetting strategy is measured by the gain and loss of overall position (hedging position and trading position), in order to track reasonableness of the profit or loss of hedging position and the offsetting relationship with the profit or loss of trading position, and to control them within a reasonable range.

2) Credit risk

A. Source and definition of credit risk

The credit risk exposure of the Company as a result of engagement in financial transactions include issuer's credit risk, credit risk of counterparty and credit risk of underlying assets:

- (A) Credit risk of the issuer refers to the issuers of financial debt instruments held by the Company failing to repay its obligation due to the fact that the issuer breaches the contract resulting in the risk of financial loss to the Company.
- (B) Credit risk of counterparty refers to risk of financial loss to the Company arising from default by the counterparty of financial instruments on the settlement or payment obligation.
- (C) Credit risk of the underlying assets happens when the credit rating of the underlying assets linked to the financial instrument is downgraded by the rating agency or when the losses occur as a result of contract default.

The financial assets held by the Company which could result in credit risk include bank deposit, debt securities, derivatives transactions in OTC, bonds purchased/sold under resale/repurchase agreements, refundable deposit of securities lending, futures trade margins, other refundable deposits and receivables.

B. Maximum credit risk exposure and credit risk concentration

The maximum exposure to credit risk of financial assets in the parent company only balance sheet, without consideration of the collateral or other credit enhancements, is equivalent to the carrying amount. In Taiwan, the sources of credit risk of the Company are primarily resulting from cash deposited with banks or other financial institutions, debt securities issued or guaranteed by a bank, derivative instruments transaction underwritten by the Company, and all counterparties of customer margin deposits accounts being financial institutions. Credit risks of various financial assets are as follows:

(A) Cash and cash equivalents

Cash and cash equivalents include time deposit, demand deposits and checking deposits. Correspondent institutions are mainly domestic financial institutions.

(B) Financial assets at fair value through profit and loss -current

a. Fund

The funds held by the Company are bond funds. As the positions held are not significant, credit risk is deemed low.

b. Commercial papers

The commercial papers held by the Company are repurchase agreements. As all the counterparties are financial institutions with good credit, the credit risk from counterparties is extremely low.

c. Debt securities

Debt securities are mainly positions like government bonds, corporate bonds, convertible corporate bonds and foreign bonds and the issuers are primarily R.O.C. government, domestic and foreign legal entities. 16% of convertible corporate bond is guaranteed by banks. Details are as follows:

(a)Government bonds

The bonds held by the Company are mostly government bonds (inclusive of central and local government). As a whole, the credit risk of the bonds held by the Company is low.

(b)Corporate bonds

The corporate bonds held by the Company are mainly underlying investment with good credit rating and those with rating above (S&P BB).

(c)Convertible corporate bond

The convertible corporate bonds held by the Company are mostly issued by the domestic legal entities. The Company mitigates highly risky credit exposure of the issuers by control through Taiwan Corporate Credit Risk Index (TCRI).

(d)Foreign bonds

The foreign bonds held by the Company are mainly underlying investment with good

credit rating and those with rating above (S&P BB).

- (C) Financial assets at fair value through other comprehensive income – current
The foreign government bonds held by the Company are classified as debt instruments at fair value through other comprehensive income. In general, the bonds held by the Company are with lower credit risk.
- (D) Derivatives- futures trade margin
When engaging in futures trades in stock exchange market, the Company needs to deposit margin into a margin deposit account of a financial institution designated by the futures merchants as a guarantee to fulfil contractual obligation in the future. As a result, the credit risk is low.
- (E) Derivatives-OTC
The Company signs International Swaps and Derivatives Association (ISDA) agreements with each counterparty when engaging in OTC derivatives as an agreement regarding such transactions for both parties. In the agreement, it provides a fundamental contractual model for OTC derivative transactions. If any party breaches the contract or terminates the transactions early, then all the open interest covered in the agreement should be settled by net amount as bound in the contract. When the ISDA agreement is signed, the Credit Support Annex (CSA) is also signed. According to the CSA, collateral will be transferred from a party to the other during transaction process to mitigate the risk of counterparty in open interest. Please refer to Note 6(9).
Types of OTC derivative transactions in which the Company is engaged include swap transaction. The counterparties are all from financial service industry and mainly located in Taiwan and United Kingdom.
- (F) Bonds investment under a resale agreement
Bonds sold under a resale agreement are the bonds that the client sold to the Company at a price, interest rate, length of period as agreed by two parties and the client shall repurchase the bonds at the specified price upon maturity. The Company needs to assume credit risk from counterparties when underwriting such business, as the payment being delivered to the other party. With consideration of good collateral obtained, the net of credit risk exposure from counterparties can be effectively reduced. As all the counterparties are financial institutions with good credit rating, the credit risks from counterparties are extremely low. Please refer to Note 6(9).
- (G) Margin loans receivable
Margin loans receivable are the loans provided to the client in order to process businesses of margin trading and short sale using the securities purchased through financing as collateral. The Company monitors the clients' margin ratio through information system on a daily basis. As the margin ratio of margin trading is set at 130% according to Regulations Governing the Conduct of Securities Trading Margin Purchase and Short Sale Operations by Securities Firms, the credit risk is extremely low.
- (H) Receivables of securities business money lending
Receivables of securities business money lending are the non-restricted purpose loan business and monetary financing business, pursuant to an agreement between a securities firm and a customer, using customer securities and other commodities as collateral. The Group regularly assesses its customer line of credit and implements appropriate credit control. As the margin ratio of margin trading is set at 130% according to Regulations Governing the Conduct of Securities Trading Margin Purchase and Short Sale Operations by Securities Firms, the credit risk is extremely low.
- (I) Guaranteed price for securities lending
Guaranteed price for securities lending is the sale price of the Company's securities sold by

other securities firms through margin trading after deduction of securities transactions tax and service fee, which is deposited in other securities firms as collateral. As all the counterparties are financial institutions with good credit rating, the credit risk from counterparties is extremely low.

(J) Refundable deposits for securities lending

Refundable deposits for securities lending are the margins deposited in other securities firm as collateral when the Company's securities are sold. As all the counterparties are financial institutions with good credit, the credit risk from counterparties is extremely low.

(K) Receivables

Receivables are the credit rights arising from the securities business including settlement receivables of consignment trading, settlement receivables of operating securities sold, financing interest receivables of self-operating credit transaction, receivables of consignment trading for securities, and receivables from banks' underwriting on foreign exchange transactions and foreign fund demand. As the majority of the Company's receivables from the consignment businesses and self-operating businesses are settlement of securities from OCT or TWSE, the credit risk is extremely low. As the foreign exchange transactions are simply the receipt or payment of different currencies and the correspondent banks are of good credit rating, the credit risk is extremely low.

(L) Other current assets

Other current assets are mainly the collateral deposited in the bank for application for short-term debt limit and guarantee for application for issuance of commercial papers. As the correspondent banks are all financial institutions with good credit rating, the credit risk is extremely low.

(M) Financial assets at fair value through profit and loss – non-current

In order to underwrite trust business, the Company deposits central government bonds in the Central Bank as collateral. Regardless of the bonds themselves or the financial institutions where the bonds deposited, the credit risk is extremely low.

(N) Other non-current assets

Other non-current assets mainly comprise operating guarantee deposits, settlement funds, and refundable deposits. Operating guarantee deposits are mainly deposited in domestic banks with good credit rating. Settlement funds are deposited in securities exchange. Settlement funds are used as compensation when a party to a marketable securities transaction fails to fulfil the settlement obligation. The credit risks from the institutions where these two assets are deposited are extremely low. The refundable deposits refer to cash or other assets which are deposited externally by the Company and can be used as refundable deposits. Because deposits are placed in various financial institutions and each deposit amount is small, the credit risk is dispersed and the credit exposure of overall refundable deposit is extremely low.

C. Expected credit loss assessment

In the assessment of impairment and calculation of expected credit losses, the Company considers reasonable and supporting information about past events, current conditions and future economic conditions. The Company 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 recognizes expected credit loss 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 recognized for assets in Stage 1, and lifetime expected credit losses are recognized for assets

in Stage 2 and Stage 3.

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

Item	Stage 1	Stage 2	Stage 3
Definition	No significant deterioration of credit quality of the financial asset since initial recognition, or the financial asset is considered low-risk at the balance sheet date.	Significant deterioration of credit quality of the financial asset since initial recognition, but the asset is not yet credit impaired.	The financial asset is credit impaired at the financial reporting date.
Expected credit losses recognition	12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

(A) Judgements of the significant increase in credit risk since initial recognition

Judgements and assumptions used to determine whether the credit risk has a significant increase since initial recognition when the Company calculates expected credit loss under IFRS 9 are as follows:

- a. If contractual payments are over 30 days past due according to the payment terms, the financial asset is considered to have significant increase in credit risk since initial recognition.
- b. There is significant increase in credit risk at the reporting date if the credit rating of the issuer has been downgraded by more than 2 grades and the final external credit rating at the reporting date is non-investment grade, if the interest payments are over 30 days past due, or if there has been a default in the past.

(B) Definition of default and credit-impaired financial assets

According to the definition of credit impairment set by IFRS 9, a financial asset is credit-impaired when one or more events that have occurred and have a significant impact on the expected future cash flows of the financial asset. The criteria used to judge whether a financial asset is credit-impaired since initial recognition includes but is not limited to the following:

- a. Contractual payments or principal or interest payments on bonds are over 3 months (90 days) past due.
- b. Bond investment is rated as “in default” by external credit rating agencies.
- c. Bond issuer has filed for bankruptcy, restructure, or other debt clearance procedures.
- d. Issuer or counterparty has financial difficulties.

(C) Writing-off policy

If any of the following condition applies, the Company will write off the non-recoverable portion of the overdue receivables as bad debt.

- a. Debt cannot be fully or partially recovered due to dissolution of, disappearance of, settlement with, bankruptcy declaration by the debtor, or any other reason.
- b. The collateral and the assets of the primary and secondary debtors could not be auctioned off after multiple attempts and multiple price discounts, and the Company has not received any real benefits in assuming the collateral.
- c. Payments are over two years past due and could not be recovered after attempts to collect.

(D) Measurement of expected credit losses

The Company considers reasonable supporting information which shows significant increase in credit risk since initial recognition when calculating expected credit losses. Main indexes include: internal/external credit rating, information of past due, credit spread, other market information in relation to the borrower, issuer or counterparty, and significant increase in credit risk of other financial instrument of the same borrower.

Investments in bills and bonds

- (a) Probability of default was based on external credit rating, which include forward-looking information.
- (b) Loss given default was based on the average loss given default of external credit rating of investment position and counterparties.
- (c) Exposure at default

Stage 1, Stage 2 and Stage 3: Total carrying amount (including interest receivable).

(E) Consideration of forward-looking information

Historical loss rate (based on the historical experience in the past 3 to 5 years) as obtained and compared with economic environment in the past, nowadays and future (forward-looking factor) to see whether there is any significant change, and then to properly adjust future loss rate standards. If any significant default event occurs, the loss rate in the current year will be included in the calculation of future loss rate standard.

D. Table of movements in loss provision of the Company

- (A) For the years ended December 31, 2022 and 2021, there were no changes in the loss allowance for investments in debt instruments measured at fair value through other comprehensive income.

(B) Except for debt investments and its interest receivable, the Company applies the modified approach to measure the loss allowance at an amount equal to lifetime expected credit losses for receivables and overdue receivables. The movements in loss provision of marginal receivables, accounts receivable, other receivables-others and other non-current assets-overdue receivables of the Company are as follows:

	Year ended December 31, 2022				
	Marginal receivable	Accounts receivable	Other receivables	Other non-current assets-overdue receivables	Total
At January 1	\$ 47,433	\$ 742	\$ -	\$ 12,517	\$ 60,692
Provision (reversal of provision) for impairment Derecognised	(19,118)	(54)	-	(1,455)	(20,627)
At December 31	<u>\$ 28,315</u>	<u>\$ 659</u>	<u>\$ -</u>	<u>\$ 8,224</u>	<u>\$ 37,198</u>
	Year ended December 31, 2021				
	Marginal receivable	Accounts receivable	Other receivables	Other non-current assets-overdue receivables	Total
At January 1	\$ 58,840	\$ 625	\$ 54	\$ 39,388	\$ 98,907
Provision (reversal of provision) for impairment Derecognised	(11,407)	117	118	3,326	(7,846)
At December 31	<u>\$ 47,433</u>	<u>\$ 742</u>	<u>\$ -</u>	<u>\$ 12,517</u>	<u>\$ 60,692</u>

3) Liquidity risk

A. Definition and source of liquidity risk

Liquidity risk refers to possible financial losses arising from the inability to realize the asset or to obtain sufficient fund to fulfil the financial liabilities soon to be matured. Above situations may weaken the sources of cash from the Company's trading and investment activities.

B. Liquidity risk management procedure and stimulation test

In order to prevent operational crisis as a result of liquidity risk, the Company has established responding crisis process with regular monitoring over liquidity gap of fund.

(A) Procedure

In addition to the operating capital for various business and long-term investment, the Company needs to maintain revolving funds at a certain level for daily operation. The use of remaining fund shall avoid high concentration and should be based on the principle of holding sound earning assets with high liquidity and treated in compliance with policies of the Company.

The responsive unit for fund procurement adjusts the liquidity gap to ensure proper liquidity according to the daily volume and movement in the market.

(B) Stimulation test

a. The Company reviews fund liquidity risk from a perspective of supply and demand of fund every month with simulation analysis of available fund for emergency including

scenario analysis of cash, funding limit of financial institutions, margin loans and short sale, and value of disposal of position in order to compute maximum available fund and fund demand. Finally, safety stock of fund is reviewed to monitor liquidity risk.

- b. Above liquidity risk is generally reviewed monthly. However, if the available limit of increment banking credit risk in financing limit of a financial institution is lower than a certain amount (that is, the amount may be timely adjusted according to the fund liquidity in the market and the actual fund demand and supply in an entity), the safety stock will be reviewed weekly. After the early warning report for fund is submitted, the head of finance segment will call for a fund control meeting.
 - c. Other than individual funding liquidity risk of an entity, stress test of minimization funding supply and maximization funding demand in the event of significant crisis is simulated, including:
 - (a) When there is a significant crisis in the market, the financing limit of the financial institutions and the value of disposal of position can be deemed the minimized ratio of fund supply which is then adjusted according to actual condition to compute the total fund supply under maximum stress.
 - (b) Except for the operating expense, the stock concept is adopted for the calculation of total fund demand under maximum stress.
 - (c) The Company should conduct a review to see whether the total minimized fund supply is more than maximized total fund demand. The Company should further review how long (by month) the difference may cover the operating expenses so that the safety stock of fund (by month) under stress test can be computed.
 - (d) The minimum safety stock of fund under stress test (by month) may be adjusted according to the crisis itself and only operating expense for at least 6 months under a normal stimulation can be deemed safe.
- C. Maturity analysis for the financial assets and financial liabilities held for liquidity risk management
- (A) The Company holds cash and sound earning assets with high liquidity in order to fulfil the payment obligation and potential emergency fund demand in the market. Financial assets held for liquidity risk management are mainly cash and cash equivalents, among which, all time deposits mature within a year. Financial assets at fair value through profit and loss are mainly listed stocks, convertible bonds and debt securities. As all of them have positions in active market, the liquidity risk is deemed low.

(B) Maturity analysis for the financial liabilities is as follows:

	December 31, 2022				
	Immediately	Less than 3 months	3-12 months	1-5 years	Total
Short-term loans	\$ -	\$ 275,000	\$ -	\$ -	\$ 275,000
Commercial papers payable	-	5,830,000	-	-	5,830,000
Financial liabilities at fair value through profit or loss-current					
Non-derivative financial liabilities	7,477,868	-	-	-	7,477,868
Derivative financial liabilities	1,678,216	-	-	-	1,678,216
Bonds sold under repurchase agreements	-	7,016,989	-	-	7,016,989
Deposits on short sales	1,809,356	-	-	-	1,809,356
Deposits payable for securities financing	1,809,962	-	-	-	1,809,962
Securities lending refundable deposits	-	829,410	943,903	33,278	1,806,591
Accounts payable (includes notes payable)	10,707,683	22,962	-	-	10,730,645
Collections on behalf of third parties	639,496	16,313	-	87,709	743,518
Other payables	9,063	195,889	1,238,086	-	1,443,038
Other financial liabilities -current	-	2,158,151	625,935	-	2,784,086
Lease liability	-	18,838	46,815	82,231	147,884
Total	<u>\$ 24,131,644</u>	<u>\$ 16,363,552</u>	<u>\$ 2,854,739</u>	<u>\$ 203,218</u>	<u>\$ 43,553,153</u>

December 31, 2021

	Immediately	Less than 3 months	3-12 months	1-5 years	Total
Short-term loans	\$ -	\$ 590,000	\$ -	\$ -	\$ 590,000
Commercial papers payable	-	8,650,000	-	-	8,650,000
Financial liabilities at fair value through profit or loss-current					
Non-derivative financial liabilities	5,124,273	-	-	-	5,124,273
Derivative financial liabilities	3,047,462	-	-	-	3,047,462
Bonds sold under repurchase agreements	-	9,648,756	-	-	9,648,756
Deposits on short sales	1,202,587	-	-	-	1,202,587
Deposits payable for securities financing	1,559,162	-	-	-	1,559,162
Securities lending refundable deposits	-	1,069,699	860,073	39,435	1,969,207
Accounts payable (includes notes payable)	17,413,904	7,595	-	-	17,421,499
Collections on behalf of third parties	5,639,615	11,653	-	88,582	5,739,850
Other payables	5,605	260,183	2,234,060	-	2,499,848
Other financial liabilities -current	-	1,789,878	3,193,261	-	4,983,139
Lease liability	-	18,742	44,136	120,489	183,367
Total	<u>\$ 33,992,608</u>	<u>\$ 22,046,506</u>	<u>\$ 6,331,530</u>	<u>\$ 248,506</u>	<u>\$ 62,619,150</u>

4) Market risk

A. Definition of market risk

Market risk refers to the risk of decrease in the Company's revenue or value of investment portfolio as a result of the changes in exchange rate, commodity price, interest rate, and stock price or other market risk factors.

The Company continually exercises risk management tools such as sensitivity analysis, Value at Risk, stress test and so on to completely and effectively measure, monitor and manage market risk.

B. Value at Risk (VaR)

Value at Risk is used to measure the possible maximum potential losses in investment portfolio as a result of movement in market risk factor in a specified period and confidence level. The Company currently uses confidence level of 95% to calculate Value at Risk of one day.

A VaR model must reasonably, completely and accurately measure the maximum potential risks of financial instruments or investment portfolio before being adopted as a risk management model by the Company. The VaR model used in risk management is continually certified and retrospectively tested to demonstrate that the model can reasonably and effectively measure the maximum potential risks of financial instruments or investment portfolios.

Statistical table for one-day VaR of transactions		Statistical table for one-day VaR of transactions	
Year ended December 31, 2022		Year ended December 31, 2021	
	Amount		Amount
December 31, 2022	\$ 33,198	December 31, 2021	\$ 106,857
VaR Maximum	166,546	VaR Maximum	288,441
VaR Average	50,634	VaR Average	140,407
VaR Minimum	17,965	VaR Minimum	30,206

Statistical table for VaR of various risk indicators of transactions

Year ended	Foreign exchange		Interest		Share ownership	
December 31, 2022	December 31, 2022		December 31, 2022		December 31, 2022	
December 31, 2022	\$	5,219	\$	27,746	\$	22,573
VaR Maximum		17,197		34,194		168,637
VaR Average		4,329		15,077		48,374
VaR Minimum		856		2,867		16,070

Statistical table for VaR of various risk indicators of transactions

Year ended	Foreign exchange		Interest		Share ownership	
December 31, 2021	December 31, 2021		December 31, 2021		December 31, 2021	
December 31, 2021	\$	1,402	\$	23,468	\$	106,496
VaR Maximum		16,890		43,928		290,600
VaR Average		4,079		21,628		139,374
VaR Minimum		1,103		7,593		30,696

C. Information on gap of foreign exchange risk

The following table summarizes financial instruments of foreign assets or liabilities by currency and the foreign exchange exposure presented by book value as of December 31, 2022 and 2021 :

	December 31, 2022						Total
	USD	EUR	AUD	RMB	HKD	Others	
<u>Financial assets in foreign currencies</u>							
Cash and cash equivalents	\$ 1,011,332	\$ 3,991	\$ 1,854	\$ 18,623	\$ 122,097	\$ 42,820	\$ 1,200,717
Financial assets at fair value through profit or loss	3,633,380	150,892	414,575	105,713	59,561	278,623	4,642,744
Financial assets at fair value through comprehensive income - current	1,118,655	-	1,079,977	-	-	-	2,198,632
Investments under the equity method	-	-	-	2,764,018	1,396,988	-	4,161,006
Others	1,469,878	516	157,024	1,536	25,738	23,730	1,678,422
<u>Financial liabilities in foreign currencies</u>							
Financial liabilities at fair value through profit or loss	347,447	57	598	1,347	99	1,821	351,369
Bonds sold under repurchase agreements	3,243,659	89,976	1,459,403	81,148	-	69,823	4,944,009
Others	3,307,436	47	43,949	204,959	14,531	5,728	3,576,650

Note: As of December 31, 2022, foreign exchange rates of the above currencies to TWD were 1 USD = 30.710 TWD; 1 EUR = 32.720 TWD; 1 AUD = 20.830 TWD; 1 RMB = 4.408 TWD; and 1 HKD = 3.938 TWD, respectively.

	December 31, 2021						
	USD	EUR	AUD	RMB	HKD	Others	Total
<u>Financial assets in foreign currencies</u>							
Cash and cash equivalents	\$ 490,710	\$ 1,969	\$ 2,005	\$ 113,423	\$ 158,768	\$ 234,811	\$ 1,001,686
Financial assets at fair value through profit or loss	8,040,988	1,935,974	181,807	798,106	254,269	511,579	11,722,723
Bonds purchased under resale agreements	27,401	-	-	-	-	-	27,401
Investments under the equity method	-	-	-	2,363,197	1,344,033	-	3,707,230
Others	2,033,302	3,697	40,836	19,652	20,186	793	2,118,466
<u>Financial liabilities in foreign currencies</u>							
Financial liabilities at fair value through profit or loss	4,332	1,599	106	2,828	195	359	9,419
Bonds sold under repurchase agreements	4,644,791	1,688,801	160,708	588,851	-	136,622	7,219,773
Others	3,883,547	26	40,178	308,104	8,667	5,437	4,245,959

Note: As of December 31, 2021, foreign exchange rates of the above currencies to TWD were 1 USD = 27.680 TWD; 1 EUR = 31.320 TWD; 1 AUD = 20.080 TWD; 1 RMB = 4.344 TWD; and 1 HKD = 3.549 TWD, respectively.

D. The total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2022 and 2021, amounted to \$106,384 and \$179,749, respectively.

5) Fair value and hierarchy information

A. Financial instruments and non-financial instruments not measured at fair value.

Except for those listed in the table below, the carrying amounts of the Company's financial instruments not measured at fair value (including cash and cash equivalents, bonds purchased under resale agreements, margin loans receivable, refinancing guaranty deposits, guaranteed proceeds receivable from refinancing, guaranteed price deposits for security borrowing, security borrowing deposits, customer margin deposit account, notes and accounts receivable, other receivables, short-term loans, commercial paper payable, bonds sold under repurchase agreements, guarantee deposit received from short sales, guaranteed price deposits received from securities borrowers, security borrowing deposits, equity of futures traders, accounts payable, collection for others, and other payables) approximate their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(5)3.

	Total	Quoted prices of the same assets in active markets (level 1)	Other significant observable inputs (level 2)	Significant non-observable inputs (level 3)
Non-financial assets				
<u>December 31, 2022</u>				
Investment property	\$ 743,741	\$ -	\$ 743,741	\$ -
<u>December 31, 2021</u>				
Investment property	712,476	-	712,476	-

The fair value of investment property held by the Company was assessed by external valuation experts using comparison approach and income approach, or the fair value can be assessed based on the market price of the area adjacent to the location where the Company's investment property is located.

B. Valuation techniques

(A) For financial instruments held for trading purposes which are classified as non-derivative instruments, their fair values are based on their quoted prices in an active market. If there is no quoted market price for reference, a valuation technique will be adopted to measure the fair value. Estimates and assumptions of valuation technique adopted by the Company are in agreement with the information of estimates and assumptions adopted by market users for financial instrument pricing and the said information shall be accessible to the Company. For those classified as derivative instruments, their fair values are based on their market prices if their quoted prices are available from an active market. If quoted market prices in an active market are not available, SWAP and IRS are valued

- at the discounted cash flow method, and options are valued at the Black-Scholes model.
- (B) When available-for-sale financial assets have quoted market prices available in an active market, the fair value is determined using the market price.
- C. Fair value hierarchy of the financial instruments
- (A) Definitions for the hierarchy classifications of financial instruments measured at fair value
- a. Level 1
- Level 1, are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date. An active market has to satisfy all the following conditions: a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company's investments in listed stocks, beneficiary certificates, on-the-run Taiwan central government bonds and derivative instruments with quoted market prices, are deemed as level 1.
- b. Level 2
- Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Investments of the Company such as off-the-run issue of emerging stock, government bonds, corporate bonds, bank debentures, convertible corporate bonds, currency swaps, interest rate swaps, options, asset swaps, and most derivatives are all classified within level 2. For the years ended December 31, 2022 and 2021, there was no significant transfer of financial instruments between Level 1 and Level 2.
- c. Level 3
- Unobservable inputs for the assets or liability. The fair value of the Company's investment in unlisted stocks is included in Level 3.

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(B) Hierarchy of fair value estimation of financial instruments

	December 31, 2022			
	Total	Level 1	Level 2	Level 3
<u>Recurring fair value</u>				
<u>Non-derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss-current				
Stock investments	\$ 5,641,044	\$ 5,568,337	\$ 72,707	\$ -
Bond investments	10,677,909	2,916,006	7,761,903	-
Others	2,496,243	2,496,243	-	-
Financial assets at fair value through other comprehensive income-current				
Stock investments	299,150	299,150	-	-
Bond investments	2,198,632	2,198,632	-	-
Financial assets at fair value through profit or loss - non-current				
Stock investments	16,604	-	-	16,604
Bond investments	49,779	-	49,779	-
Financial assets at fair value through other comprehensive income-non-current				
Stock investments	294,855	-	-	294,855
Liabilities				
Financial liabilities at fair value through profit or loss - current				
	7,477,868	7,477,868	-	-
<u>Derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss-current				
	5,200,004	5,194,967	5,037	-
Liabilities				
Financial liabilities at fair value through profit or loss - current				
	1,678,216	1,087,228	590,988	-

	December 31, 2021			
	Total	Level 1	Level 2	Level 3
<u>Recurring fair value</u>				
<u>Non-derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss-current				
Stock investments	\$ 14,288,286	\$ 14,247,565	\$ 40,721	\$ -
Bond investments	13,213,896	776,724	12,437,172	-
Others	1,049,451	1,049,451	-	-
Financial assets at fair value through other comprehensive income-current				
Stock investments	410,205	410,205	-	-
Financial assets at fair value through profit or loss - non-current				
Stock investments	12,650	-	-	12,650
Bond investments	50,124	-	50,124	-
Financial assets at fair value through other comprehensive income-non-current				
Stock investments	258,627	-	-	258,627
Liabilities				
Financial liabilities at fair value through profit or loss - current				
	5,124,273	5,124,273	-	-
<u>Derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss-current				
	4,735,030	4,720,306	14,724	-
Liabilities				
Financial liabilities at fair value through profit or loss - current				
	3,047,462	2,623,530	423,932	-

(C) The following table is the movement of financial assets at Level 3:

Year ended December 31, 2022								
	Valuation amount		Increased		Decreased			
	Recorded	Recorded in	Acquired/	Transfers	Sold/	Transfers	December	
	in profit or	other	Issued	into	disposed	out from	31	
	loss	comprehensive		level 3	or settled	level 3		
	January 1	income (loss)						
Financial assets at fair value through profit or loss - non-current								
Venture capital shares	\$ 12,650	\$ 3,954	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,604
Financial assets at fair value through other comprehensive income - non-current								
Unlisted stocks	258,627	-	36,228	-	-	-	-	294,855
Year ended December 31, 2021								
	Valuation amount		Increased		Decreased			
	Recorded	Recorded in	Acquired/	Transfers	Sold/	Transfers	December	
	in profit or	other	Issued	into	disposed	out from	31	
	loss	comprehensive		level 3	or settled	level 3		
	January 1	income (loss)						
Financial assets at fair value through profit or loss - non-current								
Venture capital shares	\$ 16,991	(\$ 4,341)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,650
Financial assets at fair value through other comprehensive income - non-current								
Unlisted stocks	186,334	-	72,293	-	-	-	-	258,627

(D) 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:

December 31, 2022	Fair value	Valuation technique	Significant unobservable input	(weighted average)	Relationship of inputs to fair value
Financial assets at fair value through profit or loss - non-current					
Venture capital shares	\$ 16,604	Net asset value	Not applicable	Not applicable	Not applicable
Financial assets at fair value through other comprehensive income - non-current					
			Market price net profit after tax multiplier	23.03~24.62	
Unlisted stocks	294,855	Market approach	Price to book ratio multiplier	2.93~4.92	The higher the multiple, the higher the fair value
			Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value
December 31, 2021	Fair value	Valuation technique	Significant unobservable input	(weighted average)	Relationship of inputs to fair value
Financial assets at fair value through profit or loss - non-current					
Venture capital shares	\$ 12,650	Net asset value	Not applicable	Not applicable	Not applicable
Financial assets at fair value through other comprehensive income - non-current					
			Price to book ratio multiple	1.80~2.27	The higher the multiple, the higher the fair value
Unlisted stocks	258,627	Market approach	Discount for lack of marketability	6.24%~9.17%	The higher the discount for lack of marketability, the lower the fair value

(E) Valuation process for fair value at Level 3

The parent company's risk management department is responsible for the verification of fair value categorized in Level 3. The department assesses the independence, reliability, consistency and representativeness of the source information, regularly verifies the valuation models and calibrates the parameters to ensure the valuation process and results are in compliance with IFRSs.

(F) For the fair value measurement of Level 3, the sensitivity analysis of the fair value to the reasonable alternative hypothesis shows that the fair value measurement of the financial assets by the Company is reasonable. However, use of different valuation models or assumptions may

result in different measurement. The following is the impact to profit or loss or to other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used in valuation models have changed up or down by 1%:

December 31, 2022	Recognised in profit or loss		Recognised in other comprehensive income	
	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets at fair value through profit or loss -non-current				
Venture capital shares	Not applicable	Not applicable	\$ -	\$ -
Financial assets at fair value through other comprehensive income - non-current				
Unlisted stocks	-	-	2,949	(2,949)
			Recognised in other comprehensive income	
December 31, 2021	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets at fair value through profit or loss -non-current				
Venture capital shares	Not applicable	Not applicable	\$ -	\$ -
Financial assets at fair value through other comprehensive income - non-current				
Unlisted stocks	-	-	2,586	(2,586)

6) Capital management

A. Objective of capital management

- (A) The represented capital adequacy ratio basically shall not be lower than 200% in compliance with the warning standard addressed in the “Rules Governing Securities Firms”.
- (B) The Company includes all risks involved in the investment position as a part of risk management, such as market risk, credit risk, liquidity risk, operating risk, legal risk, and model risk and so on. Each risk management responsive unit should identify, evaluate, monitor and control various risks in order to enable the Company to defend impact from financial market, reflect the current operating strategies and make the investment portfolio applied to business planning and development.

B. Capital management policy and procedure

In order to secure the long-term and stable development of various businesses and effectively assume risks, the Company manages capital based on the business development, related regulations and financial market environment. Major capital evaluation processes include:

- (A) Each segment should provide accurate and valid source of information to maintain calculation accuracy of capital adequacy ratio.
- (B) After the reporting at the 10th of each month, capital adequacy ratio should be computed by the end of every month. If the result is close to the legal standard, every unit will be called to attend a meeting for discussion and strategic planning to ensure that the basic objective of capital adequacy ratio is not less than 200%.
- (C) Both the risk limits and economic capital of the Company should be agreed by the Board of Directors. The Company should quarterly report details of risk control with disclosure

of investment condition in order to assess whether the risk position exceeds the limit and whether the investment direction is in line with the market trend. Within the authorized risk limits, the Company is actively engaged in development of various businesses and continually increases profit, creates company value, and complies with the capital management objective.

The Company calculates and reports the capital adequacy ratio according to “Rules Governing Securities Firms”. As of December 31, 2022 and 2021, the capital adequacy ratios were 390% and 379%, respectively, as required by the regulations.

7) Assets and liabilities of trust accounts

Pursuant to Article 17 of Enforcement Rules of the Trust Enterprise Act, balance sheet, income statement, and property list of trust accounts shall be disclosed in the parent company only financial statements on a semiannual basis.

A. Balance sheet of trust accounts

<u>BALANCE SHEET</u>		
Trust assets	December 31, 2022	December 31, 2021
Bank savings	\$ 367,745	\$ 669,217
Structured notes	896,553	923,114
Stock	1,016,810	1,284,571
Bond	636,044	435,389
Bonds sold under repurchase agreements	57,291	23,127
Fund	5,138,258	5,014,866
Accounts receivable	29,112	60,575
Total of trust assets	<u>\$ 8,141,813</u>	<u>\$ 8,410,859</u>
Trust liabilities and equity	December 31, 2022	December 31, 2021
Accounts payable	\$ 321	\$ 2,130
Trust capital	8,797,747	6,945,206
Net income (loss)	(631,484)	1,753,062
Accumulated deficit	(24,771)	(289,539)
Total of trust liabilities and equity	<u>\$ 8,141,813</u>	<u>\$ 8,410,859</u>

B. Income statement of trust accounts

<u>STATEMENT OF INCOME</u>		
Item	Year ended December 31, 2022	Year ended December 31, 2021
Trust income		
Interest income	\$ 74,219	\$ 44,486
Cash dividends received	95,093	61,237
Investment realized gains - bond	373	5,882
Investment realized gains - stock	713	6,967
Investment realized gains - fund	151,071	392,454
Investment realized gains - structured notes	8,528	5,699
Investment unrealized gains - bond	2,390	20,265
Investment unrealized gains - stock	210,809	671,271
Investment unrealized gains - fund	112,962	718,037
Investment unrealized gains - structured notes	1,075	1,996
other revenue	12	2
Subtotal	<u>657,245</u>	<u>1,928,296</u>

Item	Year ended December 31, 2022	Year ended December 31, 2021
Trust expenses		
Management fee	(\$ 1,359)	(\$ 1,255)
Service fee	(664)	(1,311)
Other expenses	(4)	-
Investment realized loss - bond	(7,017)	(1,393)
Investment realized loss - stock	(2,551)	(21)
Investment realized loss - fund	(95,742)	(34,002)
Investment realized loss - structured notes	(307)	(52)
Investment unrealized loss - bond	(133,461)	(14,706)
Investment unrealized loss - stock	(73,750)	(8,156)
Investment unrealized loss - fund	(855,494)	(87,619)
Investment unrealized loss - structured notes	(118,272)	(26,712)
Income (Loss) before income tax	(631,376)	1,753,069
Income tax (expense) benefit	(108)	(7)
Net income (loss)	<u>(\$ 631,484)</u>	<u>\$ 1,753,062</u>

C. Property list of trust accounts

Item	December 31, 2022	December 31, 2021
Bank savings	\$ 367,745	\$ 669,217
Structured notes	896,553	923,114
Stock	5,138,258	5,014,866
Bond	636,044	435,389
Bonds sold under repurchase agreements	57,291	23,127
Funds	1,016,810	1,284,571
Others	29,112	60,575
Total	<u>\$ 8,141,813</u>	<u>\$ 8,410,859</u>

13. OTHER DISCLOSURE ITEMS

1) Information about significant transactions

- A. Lending to others: Excluding security margin trading and conditional bond trading business, there is no lending of funds to either the shareholders or other parties.
- B. Endorsements and guarantees for others : None.
- C. Acquisitions of real estate exceeding \$300 million or 20 percent of contributed capital : None.
- D. Disposals of real estate exceeding \$300 million or 20 percent of contributed capital : None.
- E. Purchases or sales transactions discount on brokers' charges with related parties in excess of \$5 million : None.
- F. Receivables from related parties exceeding \$100 million or 20 percent of contributed capital : None.
- G. Significant transactions between parent company and subsidiaries are provided in Note 7.

2) Related information of investee companies

A. Related information of investee companies

Name of the investor	Name of the investee company	Location	Date of registration	Reference number and the date of approval letter issued by FSC	Major operating activities	Original investment		Ending Balance			Revenue of investee company	Net income (loss) of investee company	Investment income (loss) recognised by the Company	Cash dividends	Notes
						Balance on December 31, 2022	Balance on December 31, 2021	Shares	Percentage	Book value					
President Securities Corp.	President Futures Corp.	Taipei	1994.03.01	1994.03.01 Jing-Tou-Shen (83) Gong-Shang Letter No.1114 (Note 1)	Futures brokerage and dealer	\$ 644,650	\$ 644,650	63,817,303	96.69%	\$2,547,290	\$ 942,643	\$ 207,931	\$ 201,052	\$ 81,686	Subsidiary of the Company
President Securities Corp.	President Capital Management Corp.	Taipei	1997.04.15	1997.02.25 (86) Tai-Cai-Zheng (4) Letter No.17769	Securities investment consulting	326,000	326,000	30,000,000	100.00%	304,894	72,697	(7,327)	(7,404)	-	Subsidiary of the Company
President Securities Corp.	President Securities (HK) Ltd.	Hong Kong	1994.07.26	1993.11.4 (82) Tai-Cai-Zheng (2) Letter No.40913	Securities dealer, brokerage, underwriting and consulting	848,735	848,735	192,600,000	100.00%	1,334,862	14,419	(91,736)	(91,736)	-	Subsidiary of the Company
President Securities Corp.	President Wealth Management (HK) Ltd.	Hong Kong	2002.03.31	2001.12.11 (90) Tai-Cai-Zheng (2) Letter No.166728	Wealth management	92,091	92,091	23,400,000	100.00%	60,574	-	(140)	(140)	-	Subsidiary of the Company
President Securities Corp.	President Securities (Nominee) Ltd.	Hong Kong	1999.08.06	1997.10.27 (86) Tai-Cai-Zheng (2) Letter No.04840	Nominee Service	3,403	3,403	1,000,000	100.00%	1,552	-	555	555	-	Subsidiary of the Company
President Securities Corp.	Uni-President Asset Management Corp.	Taipei	1992.09.03	2000.07.19 (89) Tai-Cai-Zheng (2) Letter No.56407	Investment Trust	667,622	667,622	14,904,630	42.46%	747,473	1,269,129	435,683	185,006	199,648	Associates
President Securities Corp.	President Insurance Agency Corp.	Taipei	2008.04.29	(Note2)	Insurance Agent	10,000	10,000	1,000,000	100.00%	57,181	92,756	33,496	33,481	22,550	Subsidiary of the Company
President Securities Corp.	PSC Venture Capital Investment Limited Company	Taipei	2013.10.29	2013.08.08 Jing-Guan-Zheng-Chuan Letter No.1020028529	Consultation of investment management and venture capital; other unprohibited or unrestricted businesses beyond the permit	300,000	300,000	30,000,000	100.00%	267,501	2,618	(5,562)	(5,563)	-	Subsidiary of the Company
President Insurance Agency Corp.	Uni-President Asset Management Corp.	Taipei	1992.09.03	2000.07.19 (89) Tai-Cai-Zheng (2) Letter No.56407	Investment Trust	478	478	12,000	0.03%	607	1,269,129	435,683	149	161	Associates

Note1 : As FSC was established in July, 2004, President Futures Corp. was approved by the Investment Commission, Ministry of Economic Affairs.

Note2 : When securities corporations invest in domestic business within FSC's limitation, there is no need to obtain the approval from FSC in advance, according to Tai-Cai-Zheng (2) Letter No.0930000005. Therefore, there was no reference numbers for President Personal Insurance Agency Co., Ltd.

Note3 : Subsidiary President Securities (HK) Ltd., President Wealth Management (HK) Ltd. and President Securities (Nominee) Ltd. were approved by the board of directors in March 2022 to deal with the dissolution and liquidation matters.

- B. Lending to others: Excluding security margin trading and conditional bond trading business, there is no lending of funds to either the shareholders or other parties.
- C. Endorsements and guarantees for others : None.
- D. Acquisitions of real estate exceeding \$300 million or 20 percent of contributed capital : None.
- E. Disposals of real estate exceeding \$300 million or 20 percent of contributed capital : None.
- F. Purchases or sales transactions discount on brokers' charges with related parties in excess of \$5 million : None.
- G. Receivables from related parties exceeding \$100 million or 20 percent of contributed capital : None.
- H. Accordance with Jing-Guan-Zheng-Quan-Zi Letter No. 10703209011, the Company is required to disclose details of businesses run by foreign enterprises that were incorporated in the countries identified as non-signatories to the IOSCO MMoU or have not obtained securities or futures license of signatories to the IOSCO MMoU :
 - a) Revenue from engagement in consultation on assets management business, service contents and litigation : None.

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b) Balance sheets

PRESIDENT WEALTH MANAGEMENT (HK) LTD.
BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

Assets	December 31, 2022		Expressed in HK dollars December 31, 2021	
	Amount	%	Amount	%
Current assets				
Cash and cash equivalents	\$ 15,266,005	99	\$ 15,252,550	100
Other receivables	115,825	1	4,028	-
Total current assets	<u>15,381,830</u>	<u>100</u>	<u>15,256,578</u>	<u>100</u>
Total assets	<u>\$ 15,381,830</u>	<u>100</u>	<u>\$ 15,256,578</u>	<u>100</u>
<u>Liabilities and shareholders' equity</u>				
Current liabilities				
Other payables	\$ -	-	\$ 20,400	-
Total liabilities	<u>-</u>	<u>-</u>	<u>20,400</u>	<u>-</u>
Shareholders' equity				
Share capital	23,400,000	152	23,400,000	154
Retained earnings				
Accumulated deficit	(8,018,170)	(52)	(8,163,822)	(54)
Total shareholders' equity	<u>15,381,830</u>	<u>100</u>	<u>15,236,178</u>	<u>100</u>
Total liabilities and shareholders' equity	<u>\$ 15,381,830</u>	<u>100</u>	<u>\$ 15,256,578</u>	<u>100</u>

PRESIDENT SECURITIES (NOMINEE) LTD.
BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

Expressed in HK dollars
December 31, 2021

Assets	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%
Current assets				
Cash and cash equivalents	\$ 394,026	100	\$ 447,719	100
Total current assets	394,026	100	447,719	100
Total assets	<u>\$ 394,026</u>	<u>100</u>	<u>\$ 447,719</u>	<u>100</u>
<u>Liabilities and shareholders' equity</u>				
Current liabilities				
Other payables	\$ -	-	\$ 16,800	4
Total liabilities	-	-	16,800	4
Shareholders' equity				
Share capital	1,000,000	254	1,000,000	223
Retained earnings				
Accumulated deficit	(605,974)	(154)	(569,081)	(127)
Total shareholders' equity	394,026	100	430,919	96
Total liabilities and shareholders' equity	<u>\$ 394,026</u>	<u>100</u>	<u>\$ 447,719</u>	<u>100</u>

c) Statements of comprehensive income

PRESIDENT WEALTH MANAGEMENT (HK) LTD
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

Accounts	Expressed in HK dollars			
	Year ended December 31, 2022		Year ended December 31, 2021	
	Amount	%	Amount	%
Expenditures and expenses				
Other operating expenses	(\$ 54,070)	(37)	(\$ 41,985)	389
Total expenditures and expenses	(54,070)	(37)	(41,985)	389
Non-operating gains and losses				
Other gains and losses	199,722	137	31,191	(289)
Profit (Loss) before tax	145,652	100	(10,794)	100
Income tax expense	-	-	-	-
Net income (loss)	\$ 145,652	100	(\$ 10,794)	100

PRESIDENT SECURITIES (NOMINEE) LTD.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

Accounts	Expressed in HK dollars			
	Year ended December 31, 2022		Year ended December 31, 2021	
	Amount	%	Amount	%
Expenditures and expenses				
Other operating expenses	(\$ 37,226)	101	(\$ 24,710)	102
Total expenditures and expenses	(37,226)	101	(24,710)	102
Non-operating gains and losses				
Other gains and losses	333	(1)	372	(2)
Profit (loss) before tax	(36,893)	100	(24,338)	100
Income tax expense	-	-	-	-
Net income (loss)	(\$ 36,893)	100	(\$ 24,338)	100

d) Transactions between related parties and foreign business : None.

3) Information of overseas branches and representative office: None

4) Disclosure of investment in Mainland China

Investee in Mainland China	Main business activities	Paid-in capital (Note 4)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	Net income of investee as of December 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2022 (Note 2)	Book value of investments in Mainland China as of December 31, 2022	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2022
					Remitted to Mainland China	Remitted back to Taiwan						
Jin Yuan President Securities Co., Ltd.	Securities brokering, securities dealing, securities underwriting and sponsoring service	\$6,612,000	Directly invest in a company in Mainland China	\$ 2,481,388	\$ 656,781	\$ -	\$ 3,138,169	(\$ 577,258)	49%	(\$ 282,857)	\$ 2,764,018	\$ -
The financial statements that are audited by international accounting firm which has cooperative relationship with accounting firm in R.O.C.												

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022	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
Jin Yuan President Securities Co.,Ltd.	\$ 3,138,169	\$ 3,138,169	\$ 17,883,893

Note 1: Investment methods are classified into the following three categories; fill in the number of 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. (Please indicate investment company in the third area.)

(3) Others.

Note 2: In the ‘Investment income (loss) recognized by the Company for the year ended December 31, 2022’ 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 paid-in capital of Jin Yuan President Securities Co., Ltd. is CNY 1.5 billion.

5) Major shareholder information

Major shareholder	Number of shares held (thousands)	Shareholding ratio
Uni-President Enterprises Corp.	417,516	28.67%

Note 1: The information of major shareholders in this table is based on the last business day of the end of each quarter by Taiwan Depository and Clearing Corp., which determines shareholders holding more than 5% of ordinary shares and special shares of securities firms that have completed unregistered delivery (including treasury shares). As for the share capital recorded in the financial report of the securities firm and the actual number of shares delivered by the securities firm without physical registration, there may be differences due to different calculation bases.

Note 2: In the case of the above information, if a shareholder delivers shares to the trust, it is disclosed in individual accounts by the trustee who opened the trust account by the trustee. As for the shareholders’ declaration of insider’s shareholding in accordance with the Securities and Exchange Act, their shareholding includes their own shareholding plus the shares delivered to the trust and the right to use the trust property. For information on insider’s equity declaration, please refer to the Market Observation Post System.

PRESIDENT SECURITIES CORPORATION
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount
Checking deposits		
Deposits denominated in NTD		\$ 497,806
Current deposits		
Deposits denominated in NTD		318,771
Deposits denominated in foreign currencies		1,154,652
	USD 31,432 thousands, exchange rate: 30.710	
	EUR 122 thousands, exchange rate: 32.720	
	AUD 89 thousands, exchange rate: 20.830	
	RMB 4,225 thousands, exchange rate: 4.408	
	HKD 31,005 thousands, exchange rate: 3.938	
	JPY 174,258 thousands, exchange rate: 0.232	
	GBP 26 thousands, exchange rate: 37.090	
	NZD 31 thousands, exchange rate: 19.440	
	SGD 18 thousands, exchange rate: 22.880	
	ZAR 202 thousands, exchange rate: 1.811	
Time deposits		
Deposits denominated in NTD	Maturity Date: January 1, 2023 to September 19, 2023 interest rates: 0.335%~1.04%	1,175,500
Deposits denominated in foreign currencies		46,065
	USD 1,500 thousands, exchange rate: 30.710 Maturity Date: March 5, 2023 interest rates: 5.15%	
Total		<u>\$ 3,192,794</u>

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
<u>Security lending</u>										
Stocks :										
Evergreen Marine (Taiwan) Ltd.		1,000	\$ 10			\$ 208	\$ 163.00	\$ 163	\$ -	
Valuation adjustment						(45)				
Total						<u>\$ 163</u>		<u>\$ 163</u>	<u>\$ -</u>	
Open-ended funds, money market instrument:										
<u>Domestic Funds</u>										
Yuanta Global Leaders Balanced Fund-TWD(A)		2,431,907				\$ 25,000	\$ 9.92	\$ 24,125	\$ -	
Yuanta 0-2 Year Investment Grade Corporate Bond Fund-TWD(A)		1,000,000				10,000	9.9582	9,958	-	
Yuanta 2-10 Year Investment Grade Corporate Bond Fund-TWD(A)		1,000,000				10,000	9.8645	9,865	-	
Yuanta 10 plus Year Investment Grade Corporate Bond Fund-TWD(A)		1,000,000				10,000	9.6946	9,695	-	
Cathay US Premium Bond Fund TWD-A		2,000,000				<u>20,000</u>	9.8655	<u>19,730</u>	-	
Subtotal						<u>75,000</u>		<u>73,373</u>	-	
<u>Offshore Funds</u>										
Fidelity Funds - Japan Value Fund A-ACC-USD (hedged)		51,493				<u>31,313</u>		<u>29,856</u>	-	
Subtotal						106,313		<u>\$ 103,229</u>	<u>\$ -</u>	
Valuation adjustment						(3,084)				
Total						<u>\$ 103,229</u>				
<u>Trading securities - dealer</u>										
Stocks:										
<u>TSE Stocks</u>										

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
Taiwan Cement Corp. 2nd Preferred Shares		1,071,000	\$ 10			\$ 50,801	\$ 47.10	\$ 50,444	\$ -	
Makalot Industrial Co., Ltd.		305,201	10			69,103	233.00	71,112	-	
Chung-Hsin Electric & Machinery Mfg. Corp.		1,121,000	10			67,579	67.20	75,331	-	
Walsin Lihwa Corporation		1,416,399	10			67,001	47.20	66,854	-	
Run Long Construction Co., Ltd.		196,000	10			12,265	69.50	13,622	-	
Lite-On Technology Corp.		165,000	10			10,659	63.80	10,527	-	
United Microelectronics Corp.		318,000	10			13,269	40.70	12,943	-	
Delta Electronics, Inc.		299,006	10			84,625	286.50	85,665	-	
Taiwan Semiconductor Manufacturing Co., Ltd.		1,477,385	10			653,380	448.50	662,607	-	
Synnex Technology International Corp.		189,000	10			11,235	59.20	11,189	-	
Asustek Computer Inc.		48,000	10			12,989	268.50	12,888	-	
Realtek Semiconductor Corporation		36,000	10			10,462	281.00	10,116	-	
AUO Corporation		1,126,000	10			17,720	15.00	16,890	-	
MediaTek Inc.		93,003	10			63,341	625.00	58,127	-	
Catcher Technology Co., Ltd.		61,003	10			10,305	169.00	10,310	-	
Evergreen Marine Corp. (Taiwan) Ltd.T		524,532	10			85,030	163.00	85,499	-	
U-Ming Marine Transport Corp.		595,000	10			29,796	48.60	28,917	-	
Eva Airways Corporation		1,941,081	10			54,853	28.15	54,641	-	
Aerospace Industrial Development Corporation		1,036,000	10			34,664	35.75	37,037	-	
Cathay Financial Holding Co., Ltd.		978,383	10			39,291	40.00	39,135	-	
Cathay Financial Holding Co., Ltd. Preferred Stock B		400,000	10			21,691	54.60	21,840	-	
Shin Kong Financial Holding Co., Ltd. Preferred Shares B		300,000	10			10,698	35.90	10,770	-	
Asia Vital Components Co., Ltd.		399,000	10			46,099	112.00	44,688	-	
Novatek Microelectronics Corp.		114,000	10			34,577	315.50	35,967	-	
Genius Electronic Optical Co., Ltd.		30,000	10			10,968	335.50	10,065	-	
Global Unichip Corp.		26,000	10			17,136	641.00	16,666	-	
Innolux Corporation		3,283,440	10			36,165	11.05	36,282	-	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
Lotes Co., Ltd		49,001	\$ 10			\$ 39,956	\$ 826.00	\$ 40,475	\$ -	
Jentech Precision Industrial Co., Ltd		33,601	10			12,844	376.50	12,651	-	
Alchip Technologies, Limited		43,000	10			35,595	788.00	33,884	-	
Ase Technology Holding Co., Ltd.		127,000	10			11,998	93.90	11,925	-	
Chong Hong Construction Co., Ltd.		186,000	10			13,580	73.70	13,708	-	
CTCI Corporation		253,000	10			10,741	41.85	10,588	-	
Others (the balance of each security does not exceed \$10,000, collectively presented)		14,376,715				<u>635,970</u>		<u>636,339</u>	-	
Subtotal						<u>2,336,386</u>		<u>2,349,702</u>	-	
<u>OTC stocks</u>										
Yao Sheng Electronic Co., Ltd.		205,000	10			10,796	48.80	10,004	-	
International Games System Co.,Ltd.		64,002	10			23,674	433.50	27,745	-	
Ememory Technology Inc.		19,000	10			25,730	1,335.00	25,365	-	
Gudeng Precision Industrial Co., Ltd		308,000	10			79,095	265.00	81,620	-	
Taiwan Semiconductor Co., Ltd.		138,000	10			10,996	74.20	10,240	-	
Globalwafers Co., Ltd		111,000	10			48,148	427.50	47,453	-	
E Ink Holdings Inc.		83,000	10			14,070	161.00	13,363	-	
Phison Electronics Corp.		40,002	10			11,933	315.00	12,601	-	
Others (the balance of each security does not exceed \$10,000, collectively presented)		1,709,276				<u>140,525</u>		<u>139,125</u>	-	
Subtotal						<u>364,967</u>		<u>367,516</u>	-	
<u>Emerging stocks</u>										
Kanpai Co., Ltd		201,298	10			21,628	111.63	22,471	-	
Hengs Technology Co., Ltd.		358,796	10			11,601	31.49	11,298	-	
UBI Pharma Inc.		247,653	10			10,132	49.03	12,142	-	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
Argo Yachts Development Co.,Ltd.		458,826	\$ 10			\$ 15,734	\$ 31.73	\$ 14,559	\$ -	
Others (the balance of each security does not exceed \$10,000, collectively presented)		2,684,799				81,125		81,277	-	
Subtotal						140,220		141,747	-	
<u>Exchange Traded Fund</u>										
Yuanta/P-shares Taiwan Top 50 ETF		737,000				80,668	110.20	81,217	-	
Yuanta/P-shares Taiwan Dividend Plus ETF		559,000				14,524	25.40	14,199	-	
Yuanta Daily Taiwan 50 Bear -1X ETF		146,640,000				852,850	5.91	866,642	-	
Yuanta S&P GSCI Crude Oil ER Futures ETF		1,321,000				10,447	8.80	11,625	-	
Yuanta U.S. Treasury 20+ Year Bond ETF		450,000				14,276	31.08	13,986	-	
CAPITAL TAIEX DAILY LEVERAGED 2X ETF		999,082				29,429	33.11	33,080	-	
CAPITAL TAIEX DAILY INVERSED -1X ETF		5,499,995				19,444	3.98	21,890	-	
Cathay U.S. Treasury 20+ Year Bond ETF		518,000				16,738	32.50	16,835	-	
Fubon TWSE Corporate Governance 100 ETF		437,000				10,787	26.90	11,755	-	
Fubon 1-3 Years US Treasury Bond ETF		299,000				11,532	38.54	11,523	-	
JKO S&P GSCI Brent Crude 2x Leveraged ER Futures ETF		1,124,000				16,890	15.05	16,916	-	
Yuanta U.S. Treasury 1-3 Year Bond ETF		445,000				13,730	30.83	13,719	-	
Yuanta US 20+ Year BBB Corporate Bond ETF		303,512				10,512	35.10	10,653	-	
Yuanta China Treasury + Policy Bank 3-5 Year Bond ETF		254,880				11,710	46.14	11,760	-	
Cathay Korea/Taiwan IT Premier ETF		883,000				21,688	23.97	21,166	-	
Cathay FTSE Emerging Markets ETF		1,393,000				26,389	19.39	27,010	-	
Yuanta US 20+ Year AAA-A Corporate Bond ETF		422,790				14,971	34.14	14,434	-	
Capital ICE 0-10 Year China Policy Bank ETF		610,269				24,974	39.40	24,045	-	
CTBC USD Corporate 10+ Year High Grade Capped Bond ETF		553,000				19,343	34.87	19,283	-	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
CTBC Banking Senior 10+ Year Bond ETF		688,000				\$ 24,012	\$ 34.73	\$ 23,894	\$ -	
Fubon FTSE Asian Broad Bond Index-China Investment-Grade ETF		519,000				18,802	36.30	18,840	-	
Yuanta US 10+ Investment Grade Bank Bond ETF		489,000				21,279	33.94	16,597	-	
CAPITAL ICE 7+ YEAR CHINA POLICY BANK EXCHANGE TRADED FUND		350,000				13,803	40.06	14,021	-	
CTBC U.S. Treasury 20+ Year Bond ETF		566,000				17,763	31.50	17,829	-	
UPAMC 10Y+ Aa-A USD Senior Corporate Bond ETF		17,221,000				509,274	28.49	490,626	-	
Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF		11,427,000				183,579	16.17	184,775	-	
Cathay Taiwan 5G PLUS ETF		1,407,000				17,429	13.55	19,065	-	
Fubon FTSE Vietnam ETF		5,616,000				62,783	11.13	62,506	-	
CTBC Taiwan ESG Leading Semiconductor ETF		1,813,000				17,518	10.87	19,707	-	
Cathay Global Autonomous EV ETF		2,569,000				31,171	10.74	27,591	-	
CTBC Battery and Energy Storage Technology ETF		1,518,000				21,912	12.22	18,550	-	
CTBC Selected Financials and Data Industry ETF		759,000				11,223	14.82	11,248	-	
CAPITAL TIP CUSTOMIZED TAIWAN SELECT HIGH DIVIDEND EXCHANGE TRADED FUND		908,009				14,428	16.37	14,864	-	
Fubon Global ESG Green Energy ETF		905,000				15,199	16.24	14,697	-	
Others (the balance of each security does not exceed \$10,000, collectively presented)		7,502,340				174,433		169,181	-	
Subtotal						<u>2,375,510</u>		<u>2,365,729</u>	-	
<u>Unlisted stocks</u>										
Others (the balance of each security does not exceed \$10,000, collectively presented)		29,046				2,042		-	-	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
Bonds:										
<u>Government bonds</u>										
A07107					0.625%	\$ 200,004		\$ 199,606	\$ -	
A07111					0.750%	100,011		99,752	-	
A08101					0.625%	250,240		248,914	-	
A10109					0.250%	99,781		99,516	-	
HB0701					0.780%	200,000		199,196	-	
Subtotal						<u>850,036</u>		<u>846,984</u>	<u>-</u>	
<u>Ordinary Corporate Bonds</u>										
B618D1					1.500%	50,000		49,756	-	
B618D7					1.650%	200,000		200,176	-	
B618DA					1.750%	200,000		201,024	-	
B718A4					1.650%	100,000		100,185	-	
B903YD					1.490%	200,000		199,972	-	
B903YE					1.590%	50,000		49,971	-	
B903YH					1.650%	100,000		100,149	-	
B903YP					1.900%	100,000		99,999	-	
P20QNB3					5.815%	168,905		168,000	-	
P20QNB8					3.800%	44,080		43,378	-	
P21QNB2					3.500%	35,264		34,993	-	
P19APICO1					4.793%	153,652		154,548	-	
P20QIB1					5.882%	61,420		61,317	-	
G13111					0.400%	100,015		96,706	-	
Others (the balance of each security does not exceed \$10,000, collectively presented)						<u>12,431</u>		<u>12,171</u>	<u>-</u>	
Subtotal						<u>1,575,767</u>		<u>1,572,345</u>	<u>-</u>	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
<u>Convertible corporate bonds</u>										
YEONG GUAN ENERGY TECHNOLOGY GROUP CO., LTD 3RD UNSECURED CONVERTIBLE BOND						\$ 11,302		\$ 11,235	\$ -	
BETTER LIFE GROUP CO.,LTD. 1ST DOMESTIC SECURED CONVERTIBLE BOND						30,221		28,243	-	
MERRY ELECTRONICS CO.,LTD. DOMESTIC 3RD UNSECURED CONVERTIBLE BONDS						13,552		12,998	-	
WALSIN TECHNOLOGY CO., LTD 1ST DOMESTIC UNSECURED CONVERTIBLE BONDS						40,069		35,136	-	
EVERGREEN MARINE CORP. (TAIWAN) LTD. DOMESTIC 4TH UNSECURED CONVERTIBLE BOND						29,210		29,362	-	
CHINA AIRLINES COMPANY DOMESTIC 7TH UNSECURED CONVERTIBLE BONDS						14,349		13,673	-	
EVA AIRWAYS CORP. 5TH DOMESTIC UNSECURED CONVERTIBLE BOND						16,737		14,222	-	
CENTER LABORATORIES 5TH DOMESTIC SECURED CONVERTIBLE BONDS						9,931		10,000	-	
LEMTECH HOLDINGS CO., LIMITED 4TH UNSECURED CONVERTIBLE BOND						14,535		14,543	-	
GLORIA MATERIAL TECHNOLOGY CORP 6TH DOMESTIC UNSECURED CONVERTIBLE BOND.						18,346		19,382	-	
SPEED TECH CORP. 2ND DOMESTIC UNSECURED CONVERTIBLE BOND						10,046		10,095	-	
WISTRON NEWEB CORPORATION 3RD DOMESTIC UNSECURED CONVERTIBLE BOND						40,768		37,832	-	
M.J. INTERNATIONAL CO.,LTD. 1ST UNSECURED CONVERTIBLE BOND						14,753		14,625	-	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
Others (the balance of each security does not exceed \$10,000, collectively presented)						\$ 223,934		\$ 224,624	\$ -	
Subtotal						487,753		475,970	-	
Overseas securities:										
<u>Overseas stocks</u>										
AEHR TEST S		18,000				11,251	617.27	11,111	-	
<u>Overseas bonds</u>										
CAF 5.25 11/21/25					5.250%	61,332		61,282	-	
FABUH 5.125 10/13/27					5.125%	22,013		21,961	-	
ACGB 2.75 11/21/27					2.750%	14,212		13,979	-	
ACGB 1.75 11/21/32					1.750%	177,454		173,848	-	
AIRSER 5.4 11/15/28					5.400%	20,787		21,143	-	
AIRSER 6 11/15/32					6.000%	10,411		10,638	-	
AUSPOS4.992112/08/27					4.992%	20,838		20,632	-	
ANZ 5.35 11/04/27					5.350%	20,834		21,110	-	
WSTP 5.457 11/18/27					5.457%	79,314		78,670	-	
NAB 5.132 11/22/24					5.132%	103,265		103,317	-	
NAB 4.95 11/25/27					4.950%	20,784		20,739	-	
NAB FLOAT 11/25/25					4.017%	41,672		41,803	-	
NAB FLOAT 11/25/27					4.297%	41,672		42,007	-	
ANZ 5.088 12/08/25					5.088%	84,839		84,924	-	
SUNAU 4.8 12/14/27					4.800%	20,765		20,413	-	
BNS 5.25 12/06/24					5.250%	61,449		61,506	-	
TD 3.631 12/13/29					3.631%	16,382		15,708	-	
BCHINA 4.75 11/23/25					4.750%	36,852		36,738	-	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
BCHINA FLOAT	11/25/25				4.778%	\$ 30,675		\$ 30,688	\$ -	
DBR 1.7	08/15/32				1.700%	12,442		12,133	-	
ANNGR 5	11/23/30				5.000%	20,213		19,237	-	
DB 4	11/29/27				4.000%	16,537		16,142	-	
SOCGEN 4.25	12/06/30				4.250%	16,302		15,686	-	
UKT 4.25	06/07/32				4.250%	19,509		19,403	-	
NWG 5.0546	08/12/25				5.055%	10,418		10,284	-	
HSBC 7.336	11/03/26				7.336%	86,922		86,370	-	
HSBC 7.39	11/03/28				7.390%	107,147		106,628	-	
BACR 7.325	11/02/26				7.325%	54,030		54,169	-	
NWG 7.472	11/10/26				7.472%	32,276		32,031	-	
STANLN7.776	11/16/25				7.776%	109,303		111,006	-	
STANLN7.767	11/16/28				7.767%	40,669		40,835	-	
SANUK 6.833	11/21/26				6.833%	77,465		77,817	-	
BACR 7.385	11/02/28				7.385%	38,715		38,428	-	
AIA 5.625	10/25/27				5.625%	31,583		31,338	-	
MUFG 5.063	09/12/25				5.063%	21,471		21,389	-	
NORBK 4.867	09/14/27				4.867%	83,115		82,230	-	
MIZUHO5.669	09/13/33				5.669%	31,302		30,633	-	
MUFG 5.472	09/13/33				5.472%	15,342		15,158	-	
KOMRMR4.125	04/20/27				4.125%	14,538		14,395	-	
KORELE 5.5	04/06/28				5.500%	77,785		77,483	-	
KORELE5.375	04/06/26				5.375%	98,896		98,759	-	
EIBKOR 4.25	09/15/27				4.250%	15,103		14,980	-	
INDKOR5.125	10/25/24				5.125%	207,528		207,444	-	
KDB 4.25	09/08/32				4.250%	14,949		14,598	-	
KSA 5.268	10/25/28				5.268%	32,101		31,989	-	

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Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
BIDU 4.375 05/14/24					4.375%	\$ 30,817		\$ 30,228	-	
BIDU 2.375 08/23/31					2.375%	12,412		12,008	-	
PIFKSA 5 10/13/27					5.000%	46,690		46,214	-	
BSFR 5.5 11/23/27					5.500%	30,897		31,075	-	
DIBUH 5.493 11/30/27					5.493%	90,548		90,745	-	
ENBW 4.049 11/22/29					4.049%	33,490		32,495	-	
TOYOTA4.625 06/08/26					4.625%	36,962		36,764	-	
ASBBNK5.398 11/29/27					5.398%	182,698		181,776	-	
PHILIP5.609 04/13/33					5.609%	16,322		16,279	-	
POLAND 5.5 11/16/27					5.500%	20,749		20,552	-	
VLVY 4.75 06/15/26					4.750%	18,486		18,419	-	
PTTGC 4.4 03/30/32					4.400%	14,053		13,591	-	
T 4.125 11/15/32					4.125%	19,305		18,797	-	
KOMATS5.499 10/06/27					5.499%	30,875		31,269	-	
ORCL 6.25 11/09/32					6.250%	16,328		16,124	-	
ORCL 6.15 11/09/29					6.150%	16,100		15,950	-	
C 6.27 11/17/33					6.270%	48,831		47,682	-	
AL 5.85 12/15/27					5.850%	30,848		30,844	-	
C 5.61 09/29/26					5.610%	30,970		30,816	-	
MS 6.296 10/18/28					6.296%	48,297		47,534	-	
BAC 6.204 11/10/28					6.204%	47,940		47,459	-	
MET 3.75 12/05/30					3.750%	13,032		12,847	-	
JPM 5.546 12/15/25					5.546%	313,638		313,110	-	
CHGRID4.125 05/07/24					4.125%	305,833		303,713	-	
Others (the balance of each security does not exceed \$10,000, collectively presented)						48,813		48,470	-	
Subtotal						<u>3,676,145</u>		<u>3,656,432</u>	-	

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<u>Hong Kong stocks</u>										
	CSOP Hang Seng Daily -1x Inverse Product	700,000				\$ 16,150	\$ 21.05	\$ 14,734	\$ -	
	Others (the balance of each security does not exceed \$10,000, collectively presented)	256,000				9,814		9,639	-	
	Subtotal					<u>25,964</u>		<u>24,373</u>	<u>-</u>	
<u>Japan stocks</u>										
	TOHO TITANIUM CO., LTD.	16,000				10,500	648.40	10,374	-	
	Others (the balance of each security does not exceed \$10,000, collectively presented)	5,800				8,776		8,896	-	
	Subtotal					<u>19,276</u>		<u>19,270</u>	<u>-</u>	
<u>Foreign index funds</u>										
	ISHARES MSC	8,053				11,965	1,458.72	11,747	-	
	Others (the balance of each security does not exceed \$10,000, collectively presented)	23,635				15,749		15,605	-	
	Subtotal					<u>27,714</u>		<u>27,352</u>	<u>-</u>	
	Total					11,893,031		<u>\$ 11,858,531</u>	<u>\$ -</u>	
	Valuation adjustment					(34,500)				
	Total					<u>\$ 11,858,531</u>				
<u>Trading securities - underwriter</u>										
Stocks:										
<u>TSE Stocks</u>										
	Others (the balance of each security does not exceed \$10,000, collectively presented)	54,000				\$ 2,122		\$ 2,396	\$ -	

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Bonds:										
<u>Convertible corporate bonds</u>										
	DYACO INTERNATIONAL INC 3RD DOMESTIC UNSECURED CONVERTIBLE BOND					\$ 78,500		\$ 77,872	\$ -	
	SCIVISION BIOTECH INC. 2ND UNSECURED CONVERTIBLE BOND					31,600		38,868	-	
	MERRY ELECTRONICS CO.,LTD. DOMESTIC 3RD UNSECURED CONVERTIBLE BONDS					18,593		17,945	-	
	MERCURIES & ASSOCIATES HOLDING, LTD. 1ST UNSECURED CONVERTIBLE BOND					15,377		14,986	-	
	EDIMAX TECHNOLOGY CO., LTD. 7TH SECURED CONVERTIBLE BOND					13,938		16,450	-	
	ULTRA CHIP INC. 2ND UNSECURED CONVERTIBLE BOND					43,632		41,818	-	
	DONPON PRECISION INC.3RD DOMESTIC SECURED CONVERTIBLE BONDS					31,948		38,123	-	
	WINMATE INC. 2ND DOMESTIC UNSECURED CONVERTIBLE BOND					10,200		12,036	-	
	GUDENG PRECISION INDUSTRIAL CO., LTD 3RD UNSECURED CONVERTIBLE BOND					46,500		54,731	-	
	OKBIOTECH 2ND SECURED CONVERTIBLE BOND					14,300		18,311	-	
	OK BIOTECH CO., LTD. 3RD UNSECURED CONVERTIBLE BOND					15,500		16,585	-	
	SHANYUAN CO., LTD 3RD DOMESTIC SECURED CONVERTIBLE BOND					20,904		21,590	-	
	PARPRO CORPORATION 3RD DOMESTIC UNSECURED CONVERTIBLE BOND					29,800		29,860	-	

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NAN REN LAKE LEISURE AMUSEMENT CO., LTD.4TH DOMESTIC SECURED CONVERTIBLE BOND						\$ 48,000		\$ 54,696	\$ -	
ACBEL POLYTECH INC. 1ST DOMESTIC UNSECURED CONVERTIBLE BOND						12,864		12,653	-	
ARLITECH ELECTRONIC CORP. 3RD DOMESTIC SECURED CONVERTIBLE BONDS						18,400		19,173	-	
GREAT TREE PHARMACY CO., LTD 2ND UNSECURED CONVERTIBLE BOND						83,368		88,000	-	
TAIWAN NAME PLATE CO., LTD 1ST SECURED CONVERTIBLE BOND						47,724		54,375	-	
FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. 3RD UNSECURED CONVERTIBLE BOND						31,700		32,334	-	
ASIA METAL INDUSTRIES, INC. 1ST SECURED CONVERTIBLE BOND						14,586		18,876	-	
BRINNO INCORPORATED 1ST DOMESTIC UNSECURED CONVERTIBLE BOND						23,700		24,838	-	
IBASE TECHNOLOGY INC. DOMESTIC 6TH UNSECURED CONVERTIBLE BONDS						40,800		44,227	-	
Others (the balance of each security does not exceed \$10,000, collectively presented)						36,601		38,434	-	
Subtotal						728,535		786,781	-	
Total						730,657		\$ 789,177	\$ -	
Valuation adjustment						58,520				
Total						\$ 789,177				

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<u>Trading securities - hedging</u>										
Stocks:										
<u>TSE Stocks</u>										
Walsin Lihwa Corporation		359,816	\$ 10			\$ 17,193	\$ 47.20	\$ 16,983	\$ -	
Lotus Pharmaceutical Co., Ltd.		115,000	10			27,340	246.00	28,290	-	
United Microelectronics Corp.		1,806,000	10			88,986	40.70	73,504	-	
Delta Electronics, Inc.		104,000	10			26,821	286.50	29,796	-	
Hon Hai Precision Ind. Co., Ltd.		1,798,352	10			191,606	99.90	179,655	-	
Taiwan Semiconductor Manufacturing Co., Ltd.		425,506	10			213,811	448.50	190,839	-	
Realtek Semiconductor Corporation		59,000	10			22,755	281.00	16,579	-	
MediaTek Inc.		145,000	10			118,298	625.00	90,625	-	
HTC Corporation		354,780	10			20,089	55.70	19,761	-	
Evergreen Marine Corp. (Taiwan) Ltd.		2,036,192	10			327,776	163.00	331,899	-	
Yang Ming Marine Transport Corp.		456,783	10			30,950	65.50	29,919	-	
Wan Hai Lines Ltd.		508,741	10			42,203	80.10	40,750	-	
Aerospace Industrial Development Corporation		470,000	10			16,556	35.75	16,803	-	
Wisdom Marine Lines Co., Limited		303,000	10			19,231	61.40	18,604	-	
Cathay Financial Holding Co., Ltd.		6,824,192	10			273,613	40.00	272,968	-	
Ibf Financial Holdings Co., Ltd.		7,669,122	10			86,276	11.30	86,661	-	
Largan Precision Co.,Ltd		19,900	10			40,514	2040.00	40,596	-	
Novatek Microelectronics Corp.		144,000	10			55,173	315.50	45,432	-	
Faraday Technology Corp.		76,000	10			11,391	142.50	10,830	-	
Unimicron Technology Corp.		406,000	10			62,826	120.00	48,720	-	
Wistron Corporation		400,000	10			10,933	29.40	11,760	-	
Global Unichip Corp.		66,001	10			43,970	641.00	42,307	-	
Lotes Co., Ltd		15,000	10			12,158	826.00	12,390	-	
Alchip Technologies, Limited		34,065	10			27,866	788.00	26,843	-	

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ASE Technology Holding Co., Ltd.		131,000	\$ 10			\$ 14,133	\$ 93.90	\$ 12,301	\$ -	
Silergy Corp.		83,002	10			62,385	436.50	36,230	-	
Andes Technology Corporation		48,000	10			24,216	497.50	23,880	-	
Powerchip Semiconductor Manufacturing Corp.		600,000	10			27,969	31.85	19,110	-	
Nan Ya Printed Circuit Board Corporation		121,000	10			36,659	227.00	27,467	-	
Others (the balance of each security does not exceed \$10,000, collectively presented)		5,668,718	10			328,364		310,365	-	
Subtotal						<u>2,282,061</u>		<u>2,111,867</u>	<u>-</u>	
<u>OTC Stocks</u>										
RDC Semiconductor Co.,Ltd.		158,000	10			29,140	180.50	28,519	-	
eMemory Technology Inc.		11,000	10			12,541	1335.00	14,685	-	
Eris Technology Corp.		98,000	10			16,228	161.00	15,778	-	
Gudeng Precision Industrial Co., LTD		89,000	10			21,679	265.00	23,585	-	
Microbio Co.,Ltd.		296,697	10			19,266	62.20	18,455	-	
Pharmaengine, Inc.		99,000	10			12,508	125.00	12,375	-	
Oneness Biotech Co., Ltd.		416,000	10			109,225	245.50	102,128	-	
Vanguard International Semiconductor Co.		135,000	10			17,653	77.50	10,463	-	
Etron Technology, Inc.		510,221	10			21,610	39.50	20,154	-	
Rafael Microelectronics, Inc.		138,000	10			23,808	151.50	20,907	-	
Ibase Technology Inc.		470,000	10			37,000	77.30	36,331	-	
Others (the balance of each security does not exceed \$10,000, collectively presented)		1,693,677	10			154,684		138,867	-	
Subtotal						<u>475,342</u>		<u>442,247</u>	<u>-</u>	

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<u>Warrants</u>										
Others (the balance of each security does not exceed \$10,000, collectively presented)		22,463,000	\$ 10			\$ 24,283		\$ 18,892	\$ -	
<u>Exchange traded fund</u>										
Others (the balance of each security does not exceed \$10,000, collectively presented)		538,004	10			7,320		7,319	-	
Bonds:										
<u>Convertible corporate bonds</u>										
CHENG-HSIN ELECTRIC & MACHINERY MFG.CORP. 2ND UNSECURED CONVERTIBLE BOND						16,824		17,712	-	
YNCMOLD ENTERPRISE CORP. 3RD DOMESTIC UNSECURED CONVERTIBLE BOND						13,446		13,325	-	
AEON MOTOR CO.,LTD. 1ST DOMESTIC SECURED CONVERTIBLE BOND						18,680		18,548	-	
CHUNG HWA CHEMICAL INDUSTRIAL WORKS,LTD.1ST DOMESTIC UNSECURED CONVERTIBLE BOND						13,481		13,254	-	
CUB ELECPARTS INC. 3RD UNSECURED CONVERTIBLE BOND						44,113		42,202	-	
TAIWAN MASK CORP. 3RD DOMESTIC CONVERTIBLE BOND						10,743		10,640	-	
ELITE MATERIAL CO., LTD. 5TH DOMESTIC UNSECURED CONVERTIBLE BOND						71,665		70,409	-	
MERRY ELECTRONICS CO.,LTD. DOMESTIC 3RD UNSECURED CONVERTIBLE BONDS						19,819		19,109	-	

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EVERGREEN MARINE CORP. (TAIWAN) LTD. DOMESTIC 4TH UNSECURED CONVERTIBLE BOND						\$ 260,890		\$ 262,319	\$ -	
LION TRAVEL SERVICE CO.,LTD. 2ND UNSECURED CONVERTIBLE BOND						11,089		11,490	-	
TAISHIN FINANCIAL HOLDING CO., LTD. 1ST DOMESTIC UNSECURED EXCHANGEABLE BONDS						208,113		196,192	-	
SHIN KONG FINANCIAL HOLDING CO., LTD. 5TH UNSECURED CONVERTIBLE BOND						57,275		56,341	-	
SINBON ELECTRONICS CO., LTD. 8TH DOMESTIC UNSECURED CONVERTIBLE BOND						91,460		91,115	-	
ZENITRON CORP. 4TH DOMESTIC UNSECURED CONVERTIBLE BOND						14,134		14,603	-	
WEIKENG INDUSTRIAL CO., LTD. 6TH DOMESTIC UNSECURED CONVERTIBLE BOND						62,521		61,732	-	
ALLTEK TECHNOLOGY CORP. 4TH DOMESTIC UNSECURED CONVERTIBLE BOND						10,178		10,623	-	
DONPON PRECISION INC.3RD DOMESTIC SECURED CONVERTIBLE BONDS						106,172		104,550	-	
JOINSOON ELECTRONICS MFG. CO., LTD. 4TH DOMESTIC UNSECURED CONVERTIBLE BOND						12,332		11,971	-	
TOPCO TECHNOLOGIES CORP. 1ST DOMESTIC UNSECURED CONVERTIBLE BOND						48,296		48,616	-	
ALLTOP TECHNOLOGY CORP. 5TH DOMESTIC UNSECURED CONVERTIBLE BOND						14,281		13,600	-	
ACES ELECTRONICS 2ND UNSECURED CONVERTIBLE BOND						11,253		11,478	-	
CYBER POWER SYSTEMS, INC. 1ST DOMESTIC UNSECURED EXCHANGEABLE BONDS						18,923		18,621	-	

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GUDENG PRECISION INDUSTRIAL CO., LTD 3RD UNSECURED CONVERTIBLE BOND						\$ 48,812		\$ 54,613	\$ -	
MACROWELL OMG DIGITAL ENTERTAINMENT CO., LTD. 1ST DOMESTIC SECURED CONVERTIBLE BOND						26,793		24,502	-	
EPISIL TECHNOLOGIES INC. 4TH SECURED CONVERTIBLE BOND						42,035		36,180	-	
OK BIOTECH CO., LTD. 3RD UNSECURED CONVERTIBLE BOND						9,959		10,700	-	
SAVIOR LIFETEC CORP. 2ND DOMESTIC SECURED CONVERTIBLE BOND						21,821		21,255	-	
SHANYUAN CO., LTD 3RD DOMESTIC SECURED CONVERTIBLE BOND						34,217		34,773	-	
QUANG VIET ENTERPRISE CO., LTD 2ND UNSECURED CONVERTIBLE BOND						80,216		78,753	-	
TBI MOTION TECHNOLOGY CO., LTD FIRST CONVERTIBLE BOND						20,379		20,750	-	
TAIWAN CHELIC CO., LTD. 3RD DOMESTIC SECURED CONVERTIBLE BOND						15,082		14,822	-	
ICHWAVE TECHNOLOGY CORP. 1ST DOMESTIC UNSECURED CONVERTIBLE BOND						43,541		42,950	-	
GLORIA MATERIAL TECHNOLOGY CORP 6TH DOMESTIC UNSECURED CONVERTIBLE BOND.						92,675		99,426	-	
EASTECH HOLDING LIMITED 1ST DOMESTIC SECURED CONVERTIBLE BONDS						13,626		13,738	-	
SERCOMM CORP. 6TH DOMESTIC UNSECURED CONVERTIBLE BONDS						38,727		37,000	-	

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ACTER GROUP CORPORATION LIMITED DOMESTIC 1ST UNSECURED CONVERTIBLE BOND						\$ 26,102		\$ 27,324	\$ -	
CHAILEASE HOLDING COMPANY LIMITED 1ST UNSECURED CONVERTIBLE BOND						24,819		24,623	-	
GENESYS LOGIC, INC. 1ST DOMESTIC UNSECURED CONVERTIBLE BOND						21,390		20,604	-	
SIGURD MICROELECTRONICS CORP. FOURTH UNSECURED CONVERTIBLE BOND						25,144		24,514	-	
ACBEL POLYTECH INC. 1ST DOMESTIC UNSECURED CONVERTIBLE BOND						42,419		41,418	-	
WISTRON NEWEB CORPORATION 3RD DOMESTIC UNSECURED CONVERTIBLE BOND						180,868		172,199	-	
ENNOCONN CORPORATION DOMESTIC 3RD UNSECURED CONVERTIBLE BONDS						178,792		177,536	-	
GREAT TREE PHARMACY CO., LTD 2ND UNSECURED CONVERTIBLE BOND						84,183		86,570	-	
BORA PHARMACEUTICALS CO., LTD. 2ND DOMESTIC UNSECURED CONVERTIBLE BOND						61,301		74,790	-	
ANJI TECHNOLOGY CO., LTD. 4TH DOMESTIC UNSECURED CONVERTIBLE BOND						11,764		11,730	-	
FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. 3RD UNSECURED CONVERTIBLE BOND						18,902		18,360	-	
NOVA TECHNOLOGY CORP. 1ST DOMESTIC UNSECURED CONVERTIBLE BOND						13,682		13,487	-	
GROUP UP INDUSTRIAL CO., LTD 1ST DOMESTIC UNSECURED CONVERTIBLE BOND						17,019		16,830	-	
FUSHENG PRECISION CO., LTD. 1ST DOMESTIC						63,278		63,729	-	

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UNSECURED CONVERTIBLE BOND										
WENDELL INDUSTRIAL CO., LTD 1ST DOMESTIC										
UNSECURED CONVERTIBLE BONDS										
						\$ 16,443		\$ 16,664	\$ -	
IBASE TECHNOLOGY INC. DOMESTIC 6TH										
UNSECURED CONVERTIBLE BONDS										
						68,292		69,268	-	
PHISON ELECTRONICS CORPORATION 1ST										
UNSECURED CONVERTIBLE BOND										
						24,832		23,668	-	
CLEANAWAY CO. LTD. 1ST DOMESTIC UNSECURED										
CONVERTIBLE BOND										
						137,164		141,302	-	
WW HOLDING INC. 1ST SECURED CONVERTIBLE										
BOND										
						14,371		15,128	-	
ADVANCED INTERNATIONAL MULTITECH CO.,LTD										
3RD DOMESTIC UNSECURED CONVERTIBLE BOND										
						39,404		39,731	-	
GIANT MANUFACTURING CO.,LTD. 1ST DOMESTIC										
UNSECURED CONVERTIBLE BOND										
						450,217		430,557	-	
Others (the balance of each security does not exceed										
\$10,000, collectively presented)										
						227,479		221,453	-	
Subtotal										
						<u>3,371,436</u>		<u>3,339,397</u>	<u>-</u>	
<u>American Depositary Receipts</u>										
Others (the balance of each security does not exceed										
\$10,000, collectively presented)										
		131,000				1,019		1,073	-	
Overseas securities:										
<u>Japan Stocks</u>										
Tokyo Electron Ltd.										
		3,800				43,823	9,035.71	34,336	-	
Others (the balance of each security does not exceed										
\$10,000, collectively presented)										
		49,400				32,086		27,673	-	

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 (Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Units, shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Unit price (dollars)	Total amount	Changes in the fair value attributable to changes in credit risk	Remark
Subtotal						\$ 75,909		\$ 62,009	\$ -	
<u>Korea Stocks</u>										
SK HYNIX IN		14,890				42,654	1,822.50	27,137	-	
SAMSUNG ELE		40,300				71,746	1,343.79	54,155	-	
Subtotal						114,400		81,292	-	
Total						6,351,770		\$ 6,064,096	\$ -	
Valuation adjustment						(287,674)				
Total						\$ 6,064,096				
Total						\$ 18,815,196		\$ 18,815,196	\$ -	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - CURRENT
DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Description	Shares or certificates	Par value	Total amount	Interest rate (%)	Cost	Accumulated impairment	Fair value	
								Unit price (dollars)	Total amount
Stocks:									
TSE Stocks									
Taiwan Semiconductor Manufacturing Co.,									
Ltd.		667,000	\$ 10			\$ 189,812		\$ 448.50	\$ 299,150
Total						189,812			299,150
Valuation adjustment						109,338			
Total						299,150			
Overseas bonds:									
ACGB 2.5 05/21/30					2.50%	1,119,168			1,079,977
T 2.875 05/15/32					2.88%	1,197,920			1,118,655
Total						2,317,088			2,198,632
Total						\$ 2,616,238			\$ 2,497,782

PRESIDENT SECURITIES CORPORATION
STATEMENT OF DERIVATIVES INSTRUMENTS
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of derivatives instruments	Description	Fair value	Remark
Derivatives assets			
Derivative financial instrument assets - OTC			
Currency derivative instruments		\$ 5,037	Note 1
Structured products		-	Note 1
Subtotal		<u>5,037</u>	
Future			
Options bought - futures		8,893	Note 1
Futures guarantee deposits receivable	President Futures Corp.	4,954,584	Note 1
	Capital Securities Corp.	40,211	Note 1
	Yuanta Futures Co. Ltd.	130,615	Note 1
	KGI Securities Co. Ltd.	60,664	Note 1
Total		<u>5,194,967</u>	
Total derivatives assets		<u>\$ 5,200,004</u>	
Derivative liabilities			
Derivative financial instrument liabilities - OTC			
Options sold		\$ 572,420	Note 2
Currency derivative instruments		8,320	Note 2
Structured products		10,248	Note 2
Subtotal		<u>590,988</u>	
Call (put) warrants			
Issuance of call (put) warrants		<u>312,196</u>	Note 2
Future			
Options sold - futures		<u>2,734</u>	Note 2
ETNs			
Issuance of ETNs		<u>722,298</u>	Note 2
Total derivative liabilities		<u>\$ 1,628,216</u>	

Note 1 : shown as “Financial assets at fair value through profit or loss – current”.

Note 2 : shown as “Financial liabilities at fair value through profit or loss – current”.

PRESIDENT SECURITIES CORPORATION
STATEMENT OF MARGIN LOANS RECEIVABLE

DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

<u>Name of securities</u>	<u>Shares</u>	<u>Amount</u>	<u>Remark</u>
Taiwan Semiconductor Manufacturing Co., Ltd.	1,822,000	\$ 516,131	
MediaTek Inc.	1,014,000	406,020	
Advanced Energy Solution Holding Co., Ltd.	387,000	194,891	
Evergreen Marine (Taiwan) Ltd.	1,582,000	174,564	
Yang Ming Marine Transport Corp.	3,505,000	162,298	
Realtek Semiconductor Corp.	855,000	149,672	
United Microelectronics Corp.	4,936,000	136,589	
Unimicron Technology Corp.	1,548,000	132,571	
Yuanta Daily Taiwan 50 Bear -1X ETF	35,094,000	123,509	
Parade Technologies, Ltd.	232,000	118,032	
Others	299,141,000	8,447,259	
Less: Allowance for uncollectible accounts		(28,315)	
Total		<u>\$ 10,533,221</u>	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

<u>Name of Client</u>	<u>Description</u>	<u>Amount</u>	<u>Remark</u>
Related party:			
President Futures Corp.		\$ 3,522	
Others		1,195	
		<u>\$ 4,717</u>	
Non-related party:			
Settlement price receivable-brokers			
Others		\$ 8,317,064	
Settlement price			
Taiwan Stock Exchange Corporation		420,827	
Taiwan Depository & Clearing Corporation		17,908	
		<u>438,735</u>	
Settlement price receivable-dealer			
Others		87,067	
Spot exchange receivable, foreign currencies			
Others		47,624	
Settlement price receivable-Foreign Bonds			
Others		757,711	
Interest receivable			
Others		315,061	
Others		167,152	
Less: Allowance for uncollectible accounts		(659)	
Total		<u>\$ 10,129,755</u>	

Note: The balance of single client does not exceed 5% of the balance of account is listed as others.

PRESIDENT SECURITIES CORPORATION
STATEMENT OF OTHER CURRENT ASSETS
DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Remark
Pending settlements		\$ 113,139	
Pledged time deposits		400,000	
Deposits-in for foreign currency securities		808,290	
Underwriting share proceeds collected on behalf of customers		249,404	
Others		299,595	
Total		<u>\$ 1,870,428</u>	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

<u>Name of financial instrument</u>	<u>Beginning balance</u>		<u>Increased</u>		<u>Decreased</u>		<u>Ending balance</u>		<u>Collateral</u>	<u>Remark</u>
	<u>Shares or certificates</u>	<u>Fair value</u>	<u>Shares or certificates</u>	<u>Amount</u>	<u>Shares or certificates</u>	<u>Amount</u>	<u>Shares or certificates</u>	<u>Fair value</u>		
Stocks:										
<u>Unlisted stocks</u>										
HUA VI VENTURE										
CAPITAL CORPORATION	260,870	\$ 12,650		\$ 3,954		\$ -	260,870	\$ 16,604	No	
Bonds:										
<u>Government bonds</u>										
A07101		50,124		-		(50,124)		-		
A11106		-		49,779		-		49,779	Yes	
Subtotal		<u>50,124</u>		<u>49,779</u>		(<u>50,124</u>)		<u>49,779</u>		
Total		<u>\$ 62,774</u>		<u>\$ 53,733</u>		(<u>\$ 50,124</u>)		<u>\$ 66,383</u>		

PRESIDENT SECURITIES CORPORATION
STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of financial instrument	Beginning balance		Increased		Decreased		Ending balance		Collateral	Remark
	Shares or certificates	Fair value	Shares or certificates	Amount	Shares or certificates	Amount	Shares or certificates	Fair value		
Stocks:										
<u>Unlisted stocks</u>										
Taiwan Depository & Clearing Corporation	1,061,176	\$ 143,333	360,799	\$ 35,452	-	\$ -	1,421,975	\$ 178,785	No	
Taiwan Futures Exchange Corporation	839,721	115,294	117,560	776	-	\$ -	957,281	116,070	No	
Total		<u>\$ 258,627</u>		<u>\$ 36,228</u>		<u>(\$ -)</u>		<u>\$ 294,855</u>		

PRESIDENT SECURITIES CORPORATION
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name	Beginning balance		Increased		Decreased		Ending balance			Market value or net equity value		Collateral	Remark
	Shares	Amount	Shares	Amount (Note 1)	Shares	Amount (Note 2)	Shares	Shareholding ratio	Amount	Unit price (dollars)	Total amount		
President Futures Corp.	63,817,303	\$ 2,420,110	-	\$ 208,866	-	(\$ 81,686)	63,817,303	96.69%	\$ 2,547,290	\$ 39.92	\$ 2,547,290	No	
President Capital Management Corp.	30,000,000	312,175	-	123	-	(7,404)	30,000,000	100.00%	304,894	10.16	304,894	No	
President Securities (HK) Ltd.	192,600,000	1,288,431	-	138,167	-	(91,736)	192,600,000	100.00%	1,334,862	6.93	1,334,862	No	
President Wealth Management (HK) Ltd.	23,400,000	54,073	-	6,501	-	-	23,400,000	100.00%	60,574	2.59	60,574	No	
President Securities (Nominee) Ltd.	1,000,000	1,529	-	163	-	(140)	1,000,000	100.00%	1,552	1.55	1,552	No	
Uni-President Asset Management Corp.	14,904,630	760,171	-	186,950	-	(199,648)	14,904,630	42.46%	747,473	38.12	568,101	No	
PSC Venture Capital Investment Limited Company	30,000,000	273,064	-	-	-	(5,563)	30,000,000	100.00%	267,501	8.92	267,501	No	
President Insurance Agency Corp.	1,000,000	46,249	-	33,482	-	(22,550)	1,000,000	100.00%	57,181	57.18	57,181	No	
Jin Yuan President Securities Co., Ltd.	-	2,363,197	-	683,678	-	(282,857)	-	49.00%	2,764,018	-	2,764,018	No	
Total		<u>\$ 7,518,999</u>		<u>\$ 1,257,930</u>		<u>(\$ 691,584)</u>			<u>\$ 8,085,345</u>		<u>\$ 7,905,973</u>		

Note 1: There are share of the profit accounted for under the equity method, investments in accounted for under the equity method and other comprehensive gain of subsidiaries, associates, and joint ventures accounted for under the equity method.

Note 2: There are share of the loss accounted for under the equity method, dividends received and other comprehensive loss of subsidiaries, associates, and joint ventures accounted for under the equity method.

PRESIDENT SECURITIES CORPORATION
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Item	Beginning balance	Increased	Decreased	Ending balance	Collateral	Remark
Land	\$ 1,573,570	\$ -	\$ -	\$ 1,573,570	Note 1	
Buildings	1,022,169	36,042	(7,330)	1,050,881	Note 2	
Equipment	212,540	207,267	(44,860)	374,947	No	
Leasehold improvements	17,818	4,741	-	22,559	No	
Total	<u>\$ 2,826,097</u>	<u>\$ 248,050</u>	<u>(\$ 52,190)</u>	<u>\$ 3,021,957</u>		

Note 1: The amount of land pledged as security for short-term loans and guarantees for issuance of commercial papers is \$959,788.

Note 2: The amount of buildings pledged as security for short-term loans and guarantees for issuance of commercial papers is \$131,260.

PRESIDENT SECURITIES CORPORATION
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Item	Beginning balance	Increased	Decreased	Ending balance	Remark
Buildings	(\$ 450,583)	(\$ 35,509)	\$ 7,330	(\$ 478,762)	Note 1 and 2
Equipment	(93,913)	(66,916)	44,860	(115,969)	Note 1 and 3
Leasehold improvements	(10,331)	(3,785)	-	(14,116)	Note 1 and 4
Total	<u>(\$ 554,827)</u>	<u>(\$ 106,210)</u>	<u>\$ 52,190</u>	<u>(\$ 608,847)</u>	

Note 1: Property and equipment are depreciated using the straight-line method to allocate their cost over their estimated useful lives.

Note 2: The useful lives of buildings are 5 to 50 years.

Note 3: The useful lives of equipment are 3 to 10 years.

Note 4: The useful lives of leasehold improvements are 5 years.

PRESIDENT SECURITIES CORPORATION
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Beginning balance</u>	<u>Increased</u>	<u>Decreased</u>	<u>Ending balance</u>	<u>Remark</u>
Buildings	\$ 283,897	\$ 40,499	(\$ 62,624)	\$ 261,772	
Transportation equipment (Business vehicles)	26,405	2,680	(1,931)	27,154	
Office equipment (Photocopiers)	10,665	869	(261)	11,273	
Total	<u>\$ 320,967</u>	<u>\$ 44,048</u>	<u>(\$ 64,816)</u>	<u>\$ 300,199</u>	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF RIGHT-OF-USE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Item	Beginning balance	Increased	Decreased	Ending balance
Accumulated depreciation - Buildings	(\$ 115,287)	(\$ 63,056)	\$ 52,490	(\$ 125,853)
Accumulated depreciation - Transportation equipment (Business vehicles)	(10,429)	(5,495)	1,868	(14,056)
Accumulated depreciation - Office equipment (Photocopiers)	(3,291)	(2,165)	261	(5,195)
Total	<u>(\$ 129,007)</u>	<u>(\$ 70,716)</u>	<u>\$ 54,619</u>	<u>(\$ 145,104)</u>

PRESIDENT SECURITIES CORPORATION

STATEMENT OF LEASE LIABILITIES

DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Description</u>	<u>Lease period</u>	<u>Discount rate</u>	<u>Ending balance</u>	<u>Remark</u>
<u>Current lease liabilities</u>					
Buildings	Office and parking space	104/01-116/03	0.571%~0.892%	\$ 58,327	
Business vehicles	Business vehicles	107/07-116/06	0.571%~0.892%	5,094	
Equipment	Office equipment	108/08-116/07	0.651%~0.892%	2,232	
Subtotal				<u>65,653</u>	
<u>Non-current lease liabilities</u>					
Buildings	Office and parking space	104/01-116/03	0.571%~0.892%	69,909	
Business vehicles	Business vehicles	107/07-116/06	0.571%~0.892%	8,237	
Equipment	Office equipment	108/08-116/07	0.651%~0.892%	4,085	
Subtotal				<u>82,231</u>	
Total				<u>\$ 147,884</u>	

PRESIDENT SECURITIES CORPORATION
 STATEMENT OF SHORT-TERM LOANS
DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

<u>Type of loan</u>	<u>Description</u>	<u>Ending balance</u>	<u>Contract term</u>	<u>Interest rate</u>	<u>Loan Commitment</u>	<u>Collateral</u>	<u>Remark</u>
Unsecured loans		\$ 275,000	Due within one year	1.70%	\$ 15,641,830		

PRESIDENT SECURITIES CORPORATION
STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Name of client	Description	Amount	Remark
Non-related parties:			
Settlement accounts payable - brokered trading			
Others		\$ 7,622,204	
Settlement proceeds			
Taiwan Stock Exchange Corporation		1,247,048	
Taiwan Depository & Clearing Corporation		5,737	
		<u>1,252,785</u>	
Settlement accounts payable - operating			
Taiwan Stock Exchange Corporation		688,023	
Others		246,999	
		<u>935,022</u>	
Spot exchange payable, foreign currencies			
Others		47,566	
Settlement accounts payable - foreign bonds			
Others		703,424	
Others		169,644	
Total		<u>\$ 10,730,645</u>	

Note: The balance of single client does not exceed 5% of the balance of account is listed as others.

PRESIDENT SECURITIES CORPORATION
STATEMENT OF BONDS SOLD UNDER REPURCHASE AGREEMENTS
DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Name of Securities	Transaction terms			Amount			Remark
	Start Date (Note)	Maturity Date	Interest rate	Type	Par value	Transaction value	
A07107	20221229	20230111	0.76%	Central Government Bonds	\$ 49,600	\$ 55,058	
A07107	20221221	20230207	0.78%	Central Government Bonds	149,200	165,748	
A07107	20221222	20230208	0.78%	Central Government Bonds	1,000	1,045	
A07111	20221214	20230116	0.72%	Central Government Bonds	100,000	111,111	
A08101	20221214	20230116	0.72%	Central Government Bonds	24,800	27,318	
A08101	20221222	20230208	0.78%	Central Government Bonds	224,300	249,222	
A10109	20221227	20230109	0.76%	Central Government Bonds	99,200	110,132	
B618DA	20221213	20230109	1.22%	Ordinary Corporate Bonds	200,000	200,000	
B618D1	20221228	20230111	1.05%	Ordinary Corporate Bonds	6,000	6,357	
B618D1	20221214	20230113	1.22%	Ordinary Corporate Bonds	44,000	44,000	
B618D7	20221214	20230113	1.22%	Ordinary Corporate Bonds	200,000	200,000	
B718A4	20221206	20230104	1.15%	Ordinary Corporate Bonds	100,000	100,210	
B903YD	20221213	20230110	1.16%	Ordinary Corporate Bonds	200,000	200,452	
B903YE	20221213	20230110	1.16%	Ordinary Corporate Bonds	50,000	50,113	
B903YH	20221214	20230113	1.22%	Ordinary Corporate Bonds	100,000	100,000	
B903YP	20221215	20230112	1.22%	Ordinary Corporate Bonds	100,000	100,000	
G13111	20221206	20230104	1.15%	Financial Bonds	100,000	100,408	
HB0701	20221221	20230104	0.76%	Municipal bonds	200,000	200,241	
P20QNBF8	20221209	20231109	1.40%	International Bonds (RMB)	44,080	41,391	
P21QNBF2	20221213	20230213	1.50%	International Bonds (RMB)	6,612	6,683	
P21QNBF2	20221229	20230210	1.40%	International Bonds (RMB)	4,408	4,375	
P21QNBF2	20221121	20230105	1.60%	International Bonds (RMB)	8,816	8,837	
P21QNBF2	20221207	20230307	1.60%	International Bonds (RMB)	4,408	4,411	
P21QNBF2	20221214	20230315	1.60%	International Bonds (RMB)	4,408	4,412	
P21QNBF2	20221220	20230314	1.60%	International Bonds (RMB)	4,408	4,413	
P20FAB5	20221208	20230308	1.60%	International Bonds (RMB)	6,612	6,625	
P19APICO1	20221216	20231116	4.55%	International Bonds (USD)	153,550	144,020	
ACGB 2.5 05/21/30	20221207	20231107	3.25%	Foreign Bonds (AUD)	31,245	29,028	
ACGB 2.5 05/21/30	20221207	20231107	3.30%	Foreign Bonds (AUD)	229,130	212,795	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF BONDS SOLD UNDER REPURCHASE AGREEMENTS
DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Name of Securities	Transaction terms			Amount			Remark
	Start Date (Note)	Maturity Date	Interest rate	Type	Par value	Transaction value	
ACGB 2.5 05/21/30	20221207	20231107	3.30%	Foreign Bonds (AUD)	\$ 208,300	\$ 193,450	
ACGB 2.5 05/21/30	20221207	20231107	3.30%	Foreign Bonds (AUD)	208,300	193,450	
ACGB 1.25 05/21/32	20221207	20231107	3.30%	Foreign Bonds (AUD)	10,415	8,460	
ACGB 2.5 05/21/30	20221207	20231107	3.25%	Foreign Bonds (AUD)	31,245	29,017	
ACGB 2.5 05/21/30	20221207	20231107	3.25%	Foreign Bonds (AUD)	62,490	58,035	
ACGB 2.5 05/21/30	20221207	20231107	3.25%	Foreign Bonds (AUD)	62,490	58,035	
ACGB 2.5 05/21/30	20221207	20231107	3.25%	Foreign Bonds (AUD)	249,960	232,140	
ACGB 2.5 05/21/30	20221207	20231107	3.25%	Foreign Bonds (AUD)	20,830	19,345	
NWG 5.0546 08/12/25	20221207	20231107	3.30%	Foreign Bonds (AUD)	10,415	9,689	
AIRSER 5.4 11/15/28	20221207	20231107	3.20%	Foreign Bonds (AUD)	20,830	20,495	
AIRSER 6 11/15/32	20221207	20231107	3.20%	Foreign Bonds (AUD)	10,415	10,534	
NAB 4.95 11/25/27	20221207	20231107	3.23%	Foreign Bonds (AUD)	20,830	20,099	
ANZ 5.35 11/04/27	20221207	20231107	3.50%	Foreign Bonds (AUD)	20,830	20,517	
NAB FLOAT 11/25/25	20221207	20231107	3.23%	Foreign Bonds (AUD)	41,660	39,743	
ACGB 2.5 05/21/30	20221207	20231107	3.10%	Foreign Bonds (AUD)	20,830	19,346	
ACGB 1.75 11/21/32	20221208	20231108	3.10%	Foreign Bonds (AUD)	41,660	35,340	
NAB FLOAT 11/25/27	20221208	20231108	3.23%	Foreign Bonds (AUD)	20,830	18,891	
NAB FLOAT 11/25/27	20221209	20231109	3.23%	Foreign Bonds (AUD)	20,830	18,912	
AUSPOS4.992112/08/27	20221213	20231113	3.35%	Foreign Bonds (AUD)	20,830	18,878	
ACGB 2.75 11/21/27	20221213	20231113	3.20%	Foreign Bonds (AUD)	14,581	13,603	
ACGB 1.75 11/21/32	20221219	20231120	3.15%	Foreign Bonds (AUD)	10,415	8,757	
ACGB 2.5 05/21/30	20221220	20231120	3.25%	Foreign Bonds (AUD)	62,490	57,577	
SUNAU 4.8 12/14/27	20221221	20231121	3.40%	Foreign Bonds (AUD)	20,830	19,693	
ACGB 1.75 11/21/32	20221221	20231121	3.20%	Foreign Bonds (AUD)	24,996	20,256	
DE 4.9 07/28/25	20221222	20231122	3.30%	Foreign Bonds (AUD)	9,790	9,046	
ACGB 1.75 11/21/32	20221230	20231130	3.20%	Foreign Bonds (AUD)	83,320	64,273	
ANNGR 5 11/23/30	20221221	20231121	2.20%	Foreign Bonds (EUR)	16,360	14,981	
ENBW 4.049 11/22/29	20221221	20231121	2.10%	Foreign Bonds (EUR)	16,360	15,620	
SOCGEN 4.25 12/06/30	20221221	20231121	2.10%	Foreign Bonds (EUR)	16,360	14,783	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF BONDS SOLD UNDER REPURCHASE AGREEMENTS
DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Name of Securities	Transaction terms			Amount			Remark
	Start Date (Note)	Maturity Date	Interest rate	Type	Par value	Transaction value	
ENBW 4.049 11/22/29	20221222	20231122	2.20%	Foreign Bonds (EUR)	\$ 16,360	\$ 14,922	
DB 4 11/29/27	20221222	20231122	2.20%	Foreign Bonds (EUR)	16,360	14,736	
TD 3.631 12/13/29	20221227	20231127	2.10%	Foreign Bonds (EUR)	16,360	14,934	
VLVY 4.75 06/15/26	20221219	20231120	3.75%	Foreign Bonds (GBP)	18,545	17,663	
TOYOTA4.625 06/08/26	20221222	20231122	3.70%	Foreign Bonds (GBP)	37,090	33,081	
UKT 4.25 06/07/32	20230103	20231204	3.70%	Foreign Bonds (GBP)	18,545	19,080	
INDKOR5.125 10/25/24	20221215	20231115	4.53%	Foreign Bonds (USD)	30,710	29,376	
KOMATS5.499 10/06/27	20221215	20231115	4.53%	Foreign Bonds (USD)	30,710	30,175	
KORELE5.375 04/06/26	20221215	20231115	4.50%	Foreign Bonds (USD)	21,497	20,812	
KORELE 5.5 04/06/28	20221215	20231115	4.53%	Foreign Bonds (USD)	21,497	20,957	
INDKOR5.125 10/25/24	20221215	20231115	4.50%	Foreign Bonds (USD)	30,710	29,376	
T 2.875 05/15/32	20221216	20231116	4.38%	Foreign Bonds (USD)	614,200	569,651	
BNS 5.25 12/06/24	20221216	20231116	4.55%	Foreign Bonds (USD)	30,710	27,798	
C 6.27 11/17/33	20221216	20231116	4.55%	Foreign Bonds (USD)	15,355	14,860	
ASBBNK5.398 11/29/27	20221216	20231116	4.55%	Foreign Bonds (USD)	46,065	43,120	
WSTP 5.457 11/18/27	20221216	20231116	4.55%	Foreign Bonds (USD)	30,710	28,760	
KORELE 5.5 04/06/28	20221216	20231116	4.55%	Foreign Bonds (USD)	15,355	14,609	
BSFR 5.5 11/23/27	20221216	20231116	4.55%	Foreign Bonds (USD)	15,355	14,045	
SANUK 6.833 11/21/26	20221216	20231116	4.55%	Foreign Bonds (USD)	46,065	43,441	
BSFR 5.5 11/23/27	20221216	20231116	4.55%	Foreign Bonds (USD)	15,355	14,357	
BCHINA FLOAT11/25/25	20221216	20231116	4.55%	Foreign Bonds (USD)	30,710	28,285	
MIZUHO5.669 09/13/33	20221216	20231116	4.55%	Foreign Bonds (USD)	15,355	14,366	
INDKOR5.125 10/25/24	20221216	20231116	4.50%	Foreign Bonds (USD)	46,065	42,380	
SANUK 6.833 11/21/26	20221216	20231116	4.53%	Foreign Bonds (USD)	30,710	29,590	
POLAND 5.5 11/16/27	20221216	20231116	4.53%	Foreign Bonds (USD)	15,355	15,577	
KSA 5.268 10/25/28	20221216	20231116	4.53%	Foreign Bonds (USD)	30,710	30,557	
BACR 7.325 11/02/26	20221216	20231116	4.53%	Foreign Bonds (USD)	15,355	15,331	
BNS 5.25 12/06/24	20221216	20231116	4.53%	Foreign Bonds (USD)	30,710	29,960	
ASBBNK5.398 11/29/27	20221216	20231116	4.52%	Foreign Bonds (USD)	30,710	29,685	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF BONDS SOLD UNDER REPURCHASE AGREEMENTS
DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Name of Securities	Transaction terms			Amount		Remark
	Start Date (Note)	Maturity Date	Interest rate	Type	Par value	
ORCL 6.15 11/09/29	20221216	20231116	4.52%	Foreign Bonds (USD)	\$ 15,355	\$ 15,492
HSBC 7.39 11/03/28	20221216	20231116	4.52%	Foreign Bonds (USD)	30,710	31,456
KOMRMR4.125 04/20/27	20221216	20231116	4.52%	Foreign Bonds (USD)	15,355	13,903
KORELE5.375 04/06/26	20221216	20231116	4.52%	Foreign Bonds (USD)	30,710	29,886
BCHINA 4.75 11/23/25	20221216	20231116	4.47%	Foreign Bonds (USD)	30,710	29,274
KORELE5.375 04/06/26	20221216	20231116	4.47%	Foreign Bonds (USD)	15,355	14,943
NAB 5.132 11/22/24	20221216	20231116	4.47%	Foreign Bonds (USD)	52,207	50,073
CAF 5.25 11/21/25	20221216	20231116	4.47%	Foreign Bonds (USD)	57,581	55,085
WSTP 5.457 11/18/27	20221216	20231116	4.47%	Foreign Bonds (USD)	30,710	30,359
HSBC 7.39 11/03/28	20221216	20231116	4.55%	Foreign Bonds (USD)	30,710	29,795
STANLN7.776 11/16/25	20221216	20231116	4.48%	Foreign Bonds (USD)	61,420	60,864
HSBC 7.39 11/03/28	20221216	20231116	4.55%	Foreign Bonds (USD)	38,388	37,244
BIDU 4.375 05/14/24	20221216	20231116	4.48%	Foreign Bonds (USD)	30,710	27,335
NORBK 4.867 09/14/27	20221216	20231116	4.48%	Foreign Bonds (USD)	15,355	14,068
HSBC 7.336 11/03/26	20221216	20231116	4.55%	Foreign Bonds (USD)	21,497	20,469
AIA 5.625 10/25/27	20221220	20231120	4.55%	Foreign Bonds (USD)	30,710	29,567
NORBK 5.071 09/14/32	20221220	20231120	4.60%	Foreign Bonds (USD)	15,355	14,130
BAC 6.204 11/10/28	20221220	20231120	4.60%	Foreign Bonds (USD)	30,710	29,055
AL 5.85 12/15/27	20221220	20231120	4.60%	Foreign Bonds (USD)	30,710	27,915
ANZ 5.088 12/08/25	20221220	20231120	4.60%	Foreign Bonds (USD)	61,420	55,900
FABUH 5.125 10/13/27	20221221	20231121	4.60%	Foreign Bonds (USD)	21,497	20,173
JPM 5.546 12/15/25	20221223	20231123	4.65%	Foreign Bonds (USD)	92,130	85,072
JPM 5.546 12/15/25	20221223	20231123	4.65%	Foreign Bonds (USD)	61,420	56,714
NWG 7.472 11/10/26	20221227	20231127	4.70%	Foreign Bonds (USD)	30,710	29,813
EIBKOR 4.25 09/15/27	20221227	20231127	4.70%	Foreign Bonds (USD)	15,355	14,001
BACR 7.325 11/02/26	20221227	20231127	4.70%	Foreign Bonds (USD)	36,852	35,618
WSTP 5.457 11/18/27	20221227	20231127	4.70%	Foreign Bonds (USD)	15,355	14,618
STANLN7.776 11/16/25	20221227	20231127	4.65%	Foreign Bonds (USD)	46,065	43,299
STANLN7.767 11/16/28	20221227	20231127	4.65%	Foreign Bonds (USD)	38,388	37,313

PRESIDENT SECURITIES CORPORATION
STATEMENT OF BONDS SOLD UNDER REPURCHASE AGREEMENTS
DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Name of Securities	Transaction terms			Amount		Remark
	Start Date (Note)	Maturity Date	Interest rate	Type	Par value	
KORELE5.375 04/06/26	20221227	20231127	4.65%	Foreign Bonds (USD)	\$ 30,710	\$ 28,192
JPM 5.546 12/15/25	20221227	20231127	4.65%	Foreign Bonds (USD)	122,840	110,987
KDB 4.25 09/08/32	20230103	20231204	4.55%	Foreign Bonds (USD)	15,355	13,591
NAB 5.132 11/22/24	20221230	20231130	4.65%	Foreign Bonds (USD)	30,710	27,882
T 2.875 05/15/32	20230103	20231204	4.42%	Foreign Bonds (USD)	598,845	554,770
NAB 5.132 11/22/24	20221230	20231130	4.65%	Foreign Bonds (USD)	19,962	18,132
BACR 7.385 11/02/28	20221230	20231130	4.65%	Foreign Bonds (USD)	36,852	34,915
CHGRID4.125 05/07/24	20221107	20230106	3.40%	Foreign Bonds (USD)	3,071	3,164
CHGRID4.125 05/07/24	20221107	20230106	3.40%	Foreign Bonds (USD)	3,071	3,152
CHGRID4.125 05/07/24	20221107	20230106	3.40%	Foreign Bonds (USD)	7,678	7,739
CHGRID4.125 05/07/24	20221213	20230113	4.80%	Foreign Bonds (USD)	165,834	156,440
CHGRID4.125 05/07/24	20221212	20230313	4.15%	Foreign Bonds (USD)	9,981	10,011
CHGRID4.125 05/07/24	20221216	20230113	4.10%	Foreign Bonds (USD)	3,378	3,378
CHGRID4.125 05/07/24	20221219	20230117	4.10%	Foreign Bonds (USD)	3,071	3,103
CHGRID4.125 05/07/24	20221221	20230221	4.33%	Foreign Bonds (USD)	3,378	3,400
CHGRID4.125 05/07/24	20221222	20230105	4.28%	Foreign Bonds (USD)	4,914	4,760
CHGRID4.125 05/07/24	20221223	20230117	4.30%	Foreign Bonds (USD)	6,142	6,167
CHGRID4.125 05/07/24	20221227	20230104	4.20%	Foreign Bonds (USD)	19,345	19,353
					<u>\$ 7,247,090</u>	<u>\$ 6,965,424</u>

Note: It's settlement date.

PRESIDENT SECURITIES CORPORATION
STATEMENT OF BROKERAGE HANDLING FEE REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

<u>Revenues from brokered trading</u>						
<u>Month</u>	<u>Brokerage business of securities at the TWSE markets</u>	<u>Brokerage business of securities at the OTC markets</u>	<u>Commission revenue from short sales</u>	<u>Other commission revenue</u>	<u>Total</u>	<u>Remark</u>
1	\$ 155,620	\$ 51,041	\$ 1,434	\$ 8,225	\$ 216,320	
2	133,988	40,848	1,210	4,037	180,083	
3	214,772	59,666	1,424	9,478	285,340	
4	148,237	46,345	1,593	7,345	203,520	
5	137,244	45,666	1,620	11,248	195,778	
6	147,446	45,497	1,681	15,318	209,942	
7	137,805	41,623	1,476	5,038	185,942	
8	134,923	53,941	1,275	11,835	201,974	
9	116,466	45,438	1,185	8,839	171,928	
10	98,691	31,861	1,033	5,662	137,247	
11	144,660	50,510	916	6,423	202,509	
12	136,157	47,476	935	6,915	191,483	
Total	<u>\$ 1,706,009</u>	<u>\$ 559,912</u>	<u>\$ 15,782</u>	<u>\$ 100,363</u>	<u>\$ 2,382,066</u>	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF REVENUES FROM UNDERWRITING BUSINESS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Month	Revenues from underwriting securities on a firm commitment basis	Revenue from underwriting processing fees	Revenue from underwriting advisory fees	Other revenue	Total	Remark
1	\$ 8,908	\$ 1,105	\$ 250	\$ 121	\$ 10,384	
2	40	661	250	25	976	
3	8,603	443	250	200	9,496	
4	12	179	250	770	1,211	
5	164	500	270	1,375	2,309	
6	58	306	290	1,069	1,723	
7	7,080	987	290	1,280	9,637	
8	4,638	918	370	5,465	11,391	
9	9,030	3,642	450	850	13,972	
10	5,053	130	480	2,380	8,043	
11	5,570	1,841	480	745	8,636	
12	4,981	2,276	480	950	8,687	
Total	<u>\$ 54,137</u>	<u>\$ 12,988</u>	<u>\$ 4,110</u>	<u>\$ 15,230</u>	<u>\$ 86,465</u>	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF NET GAIN (LOSS) ON SALE OF TRADING SECURITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

Item	Revenue from sale of trading securities	Cost from sale of trading securities	Gain (loss) on sale of trading securities	Remark
Dealers:				
Trading at TAIEX				
-Stocks	\$ 70,672,009	(\$ 72,030,289)	(\$ 1,358,280)	
-Others	35,557,960	(35,566,471)	(8,511)	
Subtotal	<u>106,229,969</u>	<u>(107,596,760)</u>	<u>(1,366,791)</u>	
Trading at OTC				
-Stocks	10,513,194	(10,557,143)	(43,949)	
-Bonds	48,057,619	(48,135,004)	(77,385)	
-Others	17,360,162	(17,397,245)	(37,083)	
Subtotal	<u>75,930,975</u>	<u>(76,089,392)</u>	<u>(158,417)</u>	
Trading at foreign market	86,608,057	(86,900,760)	(292,703)	
Total	<u>268,769,001</u>	<u>(270,586,912)</u>	<u>(1,817,911)</u>	
Underwriters:				
Trading at TAIEX				
-Stocks	250,979	(228,772)	22,207	
Subtotal	<u>250,979</u>	<u>(228,772)</u>	<u>22,207</u>	
Trading at OTC				
-Stocks	43,343	(45,554)	(2,211)	
-Bonds	380,677	(341,633)	39,044	
Subtotal	<u>424,020</u>	<u>(387,187)</u>	<u>36,833</u>	
Total	<u>674,999</u>	<u>(615,959)</u>	<u>59,040</u>	
Hedging:				
Trading at TAIEX				
-Stocks	65,589,478	(66,817,678)	(1,228,200)	
-Others	492,725	(472,245)	20,480	
Subtotal	<u>66,082,203</u>	<u>(67,289,923)</u>	<u>(1,207,720)</u>	
Trading at OTC				
-Stocks	1,228,614	(1,205,697)	22,917	
-Warrants	17,776,014	(17,968,823)	(192,809)	
-Others	3,075,190	(3,187,783)	(112,593)	
Subtotal	<u>22,079,818</u>	<u>(22,362,303)</u>	<u>(282,485)</u>	
Trading at foreign market	85,167	(86,708)	(1,541)	
Total	<u>88,247,188</u>	<u>(89,738,934)</u>	<u>(1,491,746)</u>	
Total	<u>\$ 357,691,188</u>	<u>(\$ 360,941,805)</u>	<u>(\$ 3,250,617)</u>	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF INTEREST REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Remark
Interest income from margin loans		\$ 737,137	
Interest income from bonds		149,628	
Others interest income		53,704	
Total		<u>\$ 940,469</u>	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF FINANCIAL COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Remark
Interest expense from repurchase agreements		\$ 62,250	
Loans interest expense		68,421	
Other interest expense		32,847	
Total		<u>\$ 163,518</u>	

PRESIDENT SECURITIES CORPORATION
STATEMENT OF EMPLOYEE BENEFITS, DEPRECIATION, AMORTIZATION, AND OTHER OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	2022	2021	Remark
Employee benefits expense			
Salaries	\$ 1,753,326	\$ 3,086,536	
Labor and health insurance	146,112	153,773	
Pension	75,332	78,079	
Director' remuneration	49,575	140,571	
Other employee benefits	117,595	156,127	
Depreciation expenses	179,026	150,889	
Amortization expenses	45,082	24,676	
Other operating expenses	1,636,888	1,851,991	

Note :

1. In 2022 and 2021, the Company had 1,463 and 1,447 employees, respectively, in which directors not concurrently serving as employees were both 19.
2. The annual parent company only financial statements shall additionally disclose the information below:
 - (1) Average employee benefits expense of this year is \$1,449 ((a total sum of employee benefits expenses in this year - a total sum of remunerations of directors in this year) / (number of employees in this year - number of nonemployee directors in this year)).
Average employee benefits expense of the previous year is \$2,433 ((a total sum of employee benefits expenses in the previous year - a total sum of remunerations of directors in the previous year) / (number of employees in the previous year - number of non-employee directors in the previous year)).
 - (2) Average salary of this year is \$1,214 (a total sum of salaries in this year / (number of employees in this year - number of non-employee directors in this year)).
Average salary of the previous year is \$2,161 (a total sum of salaries in the previous year / (number of employees in the previous year - number of non-employee directors in the previous year)).
 - (3) Change of average salary is a decrease of 43.82% ((average salary in this year - average salary in the previous year) / average salary in the previous year).
3. For the years ended December 31, 2022 and 2021, director' remuneration - service payment (under "other operating expense") were both \$1,100.
4. For the years ended December 31, 2022 and 2021, supervisors' remuneration were both \$0. Because of the establishment of Audit Committee, there's no supervisors' remuneration.
5. The remuneration policy of the Company (Including directors, supervisors, managers and employees):
 - (1) Directors: Pursuant to Article 19 of the Company's Articles of Incorporation, the remuneration to director is determined by the board of directors by taking into the degree of participation in the company's operations, contribution and industry standards.
Independent directors receive fixed pay monthly and do not participate in the distribution of company directors' remuneration.
 - (2) Managers and employees : Pursuant to Article 37 of Work Rules, the Company's remuneration policy is to fairly compensate employees' contribution to the company, to offer competitive salary among peers, to meet relevant laws and regulations related to salary and to properly control salary cost.

**PRESIDENT SECURITIES CORPORATION
AND SUBSIDIARIES - FUTURES SEGMENT
DISCLOSURE OF FUTURES SEGMENT
DECEMBER 31, 2022 AND 2021**

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT

BALANCE SHEETS

DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021	
		AMOUNT	%	AMOUNT	%
110000 Current assets					
111100 Cash and cash equivalents	6(1)	\$ 1,138,311	20	\$ 1,171,305	23
112000 Financial assets at fair value through profit or loss - current	6(2), 7 and 12	4,583,867	80	3,926,184	77
114170 Other receivables		564	-	375	-
110000 Total current assets		5,722,742	100	5,097,864	100
120000 Non-current assets					
125000 Property and equipment, net		4,146	-	3,355	-
127000 Intangible assets		9,643	-	4,424	-
129000 Other assets - non-current	8	13,360	-	13,360	-
120000 Total non-current assets		27,149	-	21,139	-
906001 Total Assets		\$ 5,749,891	100	\$ 5,119,003	100
Liabilities and Equity					
210000 Current liabilities					
212000 Financial liabilities at fair value through profit or loss - current	12	\$ 2,734	-	\$ 7,162	-
214130 Accounts payable		32	-	44	-
214170 Other payables		36,570	1	35,675	1
210000 Total current liabilities		39,336	1	42,881	1
220000 Non-current liabilities					
229110 Inter-department account	6(3)	3,426,106	59	2,825,656	55
220000 Total non-current liabilities		3,426,106	59	2,825,656	55
906003 Total Liabilities		3,465,442	60	2,868,537	56
Operating capital					
301110 Operating capital	6(4)	1,300,000	23	1,300,000	26
304000 Retained earnings					
304020 Special reserve		65,591	1	65,591	1
304040 Unappropriated earnings		918,858	16	884,875	17
906004 Total Equities		2,284,449	40	2,250,466	44
906002 Total liabilities and equity		\$ 5,749,891	100	\$ 5,119,003	100

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

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31			
		2022		2021	
		AMOUNT	%	AMOUNT	%
400000 Revenues					
424400 Net gain from derivatives	12	\$ 123,132	100	\$ 126,888	100
Total revenues		123,132	100	126,888	100
500000 Expenditures and expenses					
502000 Dealer handling fee		(10,948)	(9)	(14,193)	(11)
524300 Expense of clearing and settlement	7	(1,526)	(1)	(1,717)	(1)
531000 Employee benefits expense		(65,113)	(53)	(59,417)	(47)
532000 Depreciation and amortization		(4,964)	(4)	(3,465)	(3)
533000 Other operating expenses		(52,327)	(42)	(62,835)	(50)
Total expenditures and expenses		(134,878)	(109)	(141,627)	(112)
Operating loss		(11,746)	(9)	(14,739)	(12)
602000 Other gains and losses		45,729	37	18,756	15
902001 Income before income tax		33,983	28	4,017	3
902005 Net income		\$ 33,983	28	\$ 4,017	3
902006 Total current comprehensive income (loss)		\$ 33,983	28	\$ 4,017	3

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

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

The Segment started to operate future contract dealing business in June 2003.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These parent company only financial statements were authorized for issuance by the Board of Directors on March 8, 2023.

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

New standards, interpretations and amendments that came into effect as endorsed by FSC and became effective from 2022 are as follows:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Amendments to IFRS 3, ‘Reference to the conceptual framework’	January 1, 2022
AmendmentstoIAS16, ‘Property, plant and equipment: proceeds before intended use’	January 1, 2022
AmendmentstoIAS37, ‘Onerouscontracts–cost of fulfilling a contract’	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

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

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Segment

New standards, interpretations and amendments that came into effect as endorsed by FSC effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023

The above standards and interpretations have no significant impact to the Segment's financial condition and financial performance based on the Company's assessment.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date by International Accounting Standards Board</u>
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
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
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
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

The above standards and interpretations have no significant impact to the Segment's financial condition and financial performance based on the Company's assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the Company's financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The financial statements of the Segment has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants.

(2) Basis of preparation

A. Except for the following items, these 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) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligations.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretation 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 Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(3) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

- (A) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
- (B) Assets held mainly for trading purposes;
- (C) Assets that are expected to be realized within twelve months from the balance sheet date;
- (D) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

- (A) Liabilities that are expected to be paid off within the normal operating cycle;
- (B) Liabilities arising mainly from trading activities;
- (C) Liabilities that are to be paid off within twelve months from the balance sheet date;
- (D) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(4) Translation of foreign currency transactions

A. Foreign currency translation and presentation

Items included in the financial statements of the Segment are measured using the currency of the primary economic environment in which the Segment operates (the “functional currency”). Functional currency and bookkeeping currency of the Company is New Taiwan Dollars.

B. Foreign currency transactions and balances

Foreign currency transactions denominated in a foreign currency or required to settle in a foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currency are translated by the closing exchange rate at balance sheet date. The closing exchange rate is determined by the market exchange rate. Non-monetary assets and liabilities denominated in foreign currencies which are carried at historical cost are re-translated at the exchange rates prevailing at the original transaction

date. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet

(5) Cash and cash equivalents

- A. In the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments.
- B. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(6) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Segment measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Segment subsequently measures the financial assets at fair value and recognizes the gain or loss in profit or loss.
- D. The Segment recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Segment and the amount of the dividend can be measured reliably.

(7) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Segment measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Segment subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(8) 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 for the transactions or other matters directly recognized in other comprehensive income or equity, in which cases the related income taxes in the period are recognized in other comprehensive income or directly derecognized from equity, all the others should be recognized as income or expense for the period.

B. Deferred income tax

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 balance sheet date. The carrying amounts and temporary differences of assets and liabilities included in the balance sheet are calculated using the liability method and recognized as deferred income tax. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit (loss). Deferred income tax assets are recognized only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. If the future taxable income is probable to provide unused loss carryforwards or deferred income tax credit which can be realized in the future, the proportion of realization is deemed as deferred income tax asset.

C. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Segment operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions for income tax liabilities where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

D. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these Segment financial statements requires management to make critical judgements in applying the Segment's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Current deposits	\$ 76,746	\$ 45,405
Time deposits	1,061,565	1,125,900
	<u>\$ 1,138,311</u>	<u>\$ 1,171,305</u>

(2) Financial assets at fair value through profit or loss

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Investment securities	\$ 27	\$ 27
Valuation adjustment	(27)	(27)
Subtotal	-	-
Futures guarantee deposits receivable	4,574,974	3,901,281
Options bought	8,893	24,903
	<u>\$ 4,583,867</u>	<u>\$ 3,926,184</u>

Futures guarantee deposits receivable is guarantee deposit for future contract of the Segment.

(3) Inter-department account

It's money transfer among other segments.

(4) Operating capital

As of December 31, 2022, the operating capital of the Segment is \$1,300,000.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
President Futures Corp.	Subsidiary of the Company PSC

(2) Significant related party transactions

A. Futures guarantee deposits receivable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiary of the Company PSC: President Futures Corp.	<u>\$ 4,438,786</u>	<u>\$ 3,717,424</u>

B. Settlement fund

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Subsidiary of the Company PSC: President Futures Corp.	<u>\$ 3,000</u>	<u>\$ 3,000</u>

C. Clearing charges

	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Subsidiary of the Company PSC: President Futures Corp.	<u>\$ 1,526</u>	<u>\$ 1,717</u>

8. PLEDGED ASSETS

Assets	December 31, 2022	December 31, 2021	Purposes
Pledged time deposits (stated as other non-current asset)			
- Operating guarantee deposits	\$ 10,000	\$ 10,000	Security deposits

9. SIGNIFICANT COMMITMENTS

None.

10. SIGNIFICANT LOSS FROM NATURAL DISASTER

None.

11. SIGNIFICANT SUBSEQUENT EVENT

None.

12. DERIVATIVE INSTRUMENT TRANSACTION

(1) Derivative instrument

A. Nominal principal or contract size and credit risk:

December 31, 2022						
Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
Futures contract	FICDF	Long	22	\$ 20,700	\$ 19,756	Trade
	FIDLF	Long	144	32,181	32,688	Trade
	FIDQF	short	4	91	88	Trade
	FIHQF	Long	2	84	80	Trade
	FIHSF	Long	3	172	168	Trade
	FIMTX	short	3	2,120	2,120	Trade
	FINYF	Long	138	153,810	152,214	Trade
	FIPPF	Long	3	305	290	Trade
	FITE	short	91	233,601	234,325	Trade
	FITF	short	50	74,610	74,720	Trade
	FITX	Long	114	322,668	322,278	Trade
	FIUDF	Long	443	297,014	294,808	Trade
	FIUNF	short	518	298,277	285,237	Trade
	FIXIF	short	38	53,704	54,066	Trade
	FIQSF	Long	1	141	143	Trade
	FICFF	Long	1	171	174	Trade
	FIDCF	Long	5	172	172	Trade
	FIDLF	Long	1	223	227	Trade
	FIDLF	short	1	225	226	Trade
	FIDOF	short	6	262	262	Trade
	FIDXF	short	2	116	118	Trade
	FIEGF	Long	8	156	158	Trade
	FIFVF	Long	1	44	41	Trade
	FIFYF	Long	5	363	338	Trade
	FIGAF	Long	6	725	712	Trade
	FIGLF	Long	6	443	441	Trade
	FIGNF	Long	5	242	225	Trade
	FIGWF	Long	3	516	516	Trade
	FIGWF	short	3	523	516	Trade
	FIGXF	Long	1	349	338	Trade

December 31,2022

Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
FIGXF	short		1	\$ 336	\$ 337	Trade
FIGZF	Long		1	35	34	Trade
FIHBF	Long		1	161	157	Trade
FIIQF	Long		2	253	244	Trade
FIIZF	Long		1	58	57	Trade
FIKFF	Long		8	481	479	Trade
FIKUF	Long		3	137	127	Trade
FIKUF	short		3	130	127	Trade
FIKWF	Long		5	388	374	Trade
FILCF	Long		4	757	762	Trade
FIMBF	Long		1	61	58	Trade
FIMKF	Long		2	317	320	Trade
FINDF	Long		5	588	572	Trade
FINUF	Long		3	336	316	Trade
FIOAF	short		8	2,460	2,496	Trade
FIOJF	short		4	838	854	Trade
FIOKF	Long		18	2,245	2,264	Trade
FIOKF	short		19	2,370	2,379	Trade
FIOLF	Long		25	5,279	5,113	Trade
FIOOF	short		6	871	877	Trade
FIOQF	Long		1	415	407	Trade
FIOSF	short		4	128	130	Trade
FIOYF	Long		16	766	744	Trade
FIPBF	Long		7	303	301	Trade
FIPNF	Long		13	923	863	Trade
FIPRF	Long		2	288	272	Trade
FIPWF	Long		2	160	159	Trade
FIPYF	Long		5	212	217	Trade
FIQBF	Long		8	767	717	Trade
FIQGF	Long		9	262	254	Trade
FIQHF	Long		8	253	252	Trade
FIQJF	Long		1	34	33	Trade
FIQKF	Long		4	203	196	Trade
FIQMF	Long		10	182	183	Trade
FIQNF	short		3	95	95	Trade
FIQSF	Long		2	47	45	Trade
FIQUF	short		1	66	67	Trade
FICCF	Long		244	20,540	19,904	Hedge
FICDF	Long		6	5,386	5,382	Hedge
FICDF	short		42	37,609	37,716	Hedge
FICEF	short		10	1,121	1,134	Hedge
FICKF	short		75	6,036	6,045	Hedge
FICSF	Long		68	6,477	6,434	Hedge
FICYF	short		8	807	818	Hedge
FICZF	short		407	132,776	132,275	Hedge
FIDAF	Long		146	19,206	19,109	Hedge
FIDHF	short		693	140,010	138,499	Hedge
FIDQF	short		23	506	508	Hedge
FIDVF	short		4	5,154	5,000	Hedge
FIEHF	short		1	85	86	Hedge
FIFEF	Long		9	768	760	Hedge
FIFNF	Long		4	492	494	Hedge
FIFRF	Long		6	3,492	3,444	Hedge
FIHCF	Long		118	12,965	13,118	Hedge
FIHSF	Long		733	41,482	41,038	Hedge

December 31,2022

Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
FIIOF	short		1	\$ 635	\$ 631	Hedge
FIIPF	Long		75	22,803	21,300	Hedge
FIIRF	Long		19	4,595	4,541	Hedge
FIIXF	Long		9	1,917	1,872	Hedge
FIJBF	Long		10	13,024	12,756	Hedge
FILEF	Long		3	2,224	2,004	Hedge
FILXF	Long		1	946	902	Hedge
FILYF	Long		61	28,670	27,572	Hedge
FIMKF	short		2	317	320	Hedge
FIMTX	short		2	1,417	1,414	Hedge
FINAF	Long		3	826	816	Hedge
FINLF	Long		4	655	622	Hedge
FINLF	short		2	311	311	Hedge
FINOF	Long		1	278	279	Hedge
FINOF	short		3	838	837	Hedge
FINVF	Long		1	326	323	Hedge
FINWF	Long		1	626	630	Hedge
FIOLF	short		57	12,364	11,657	Hedge
FIOUF	Long		4	1,113	1,092	Hedge
FIOWF	short		2	1,736	1,718	Hedge
FIOYF	Long		2	111	93	Hedge
FIOZF	Long		3	564	563	Hedge
FIPBF	short		10	432	430	Hedge
FIPCF	Long		4	1,011	1,002	Hedge
FIPDF	Long		1	378	370	Hedge
FIPEF	Long		23	3,459	3,404	Hedge
FIPLF	Long		1	84	81	Hedge
FIPUF	Long		5	317	312	Hedge
FIPUF	short		13	818	813	Hedge
FIPWF	Long		5	419	398	Hedge
FIPYF	Long		3	129	131	Hedge
FIQAF	short		1	183	170	Hedge
FIQEF	Long		6	278	271	Hedge
FIQFF	short		64	2,928	2,874	Hedge
FIQHF	Long		25	782	788	Hedge
FIQJF	Long		239	8,640	7,983	Hedge
FIQNF	short		10	310	315	Hedge
FIQSF	Long		42	1,000	949	Hedge
FIQWF	Long		38	5,300	5,092	Hedge
FIQXF	Long		127	21,276	20,314	Hedge
FIQZF	Long		6	398	379	Hedge
FITX	short		305	868,371	862,235	Hedge
FICAF	Long		66	9,678	9,438	Trade
FICBF	Long		820	47,485	48,954	Trade
FICCF	Long		3,580	315,128	292,128	Trade
FICDF	Long		1,056	1,000,484	948,170	Trade
FICEF	Long		415	47,100	47,049	Trade
FICFF	Long		27	4,752	4,693	Trade
FICGF	short		58	2,571	2,668	Trade
FICHF	Long		1,591	47,493	47,730	Trade
FICJF	short		18	811	810	Trade
FICKF	Long		189	15,359	15,233	Trade
FICKF	short		113	9,072	9,108	Trade
FICKF	Long		213	17,555	17,338	Trade
FICLF	Long		195	11,950	11,869	Trade

December 31,2022

Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note	
		Long/Short	Number of contracts				
FICMF	Long	33	\$	991	\$	1,003	Trade
FICNF	Long	30		1,326		1,326	Trade
FICNF	short	38		1,680		1,680	Trade
FICQF	Long	53		6,942		7,081	Trade
FICRF	Long	100		6,515		6,400	Trade
FICSF	Long	588		56,060		55,625	Trade
FICSF	short	23		2,163		2,178	Trade
FICUF	short	87		1,286		1,262	Trade
FICWF	Long	33		1,785		1,861	Trade
FICYF	Long	31		3,180		3,168	Trade
FICZF	Long	311		101,724		101,075	Trade
FICZF	short	24		7,923		7,800	Trade
FIDAF	Long	383		49,725		50,100	Trade
FIDBF	Long	172		6,479		6,492	Trade
FIDCF	short	12		417		412	Trade
FIDDF	Long	11		192		194	Trade
FIDDF	short	275		4,808		4,840	Trade
FIDEF	Long	38		1,317		1,272	Trade
FIDFF	short	9		619		608	Trade
FIDGF	short	7		978		983	Trade
FIDHF	Long	561		114,760		112,179	Trade
FIDIF	Long	92		6,251		6,201	Trade
FIDJF	Long	53		28,254		28,355	Trade
FIDKF	Long	11		1,533		1,591	Trade
FIDLF	short	20		4,460		4,540	Trade
FIDNF	short	42		2,053		2,020	Trade
FIDOF	Long	132		5,833		5,755	Trade
FIDPF	short	23		1,206		1,224	Trade
FIDQF	short	194		4,673		4,288	Trade
FIDSF	short	7		325		329	Trade
FIDVF	Long	610		864,039		762,428	Trade
FIDWF	short	12		1,603		1,570	Trade
FIDXF	Long	7		417		412	Trade
FIDYF	Long	73		5,929		5,993	Trade
FIEEF	Long	32		1,185		1,206	Trade
FIEGF	short	33		649		653	Trade
FIEHF	short	22		1,927		1,899	Trade
FIEMF	short	6		335		332	Trade
FIEPF	short	2		3,672		3,696	Trade
FIEYF	Long	42		691		718	Trade
FIEZF	short	7		751		750	Trade
FIFBF	Long	40		4,131		4,216	Trade
FIFCF	Long	93		4,970		4,984	Trade
FIFEF	Long	351		29,255		29,634	Trade
FIFFF	short	6		2,185		2,190	Trade
FIFGF	Long	1		782		770	Trade
FIFKF	short	8		549		542	Trade
FIFNF	short	61		7,750		7,540	Trade
FIFQF	Long	21		2,674		2,692	Trade
FIFRF	Long	93		53,312		53,382	Trade
FIFTF	short	10		958		891	Trade
FIFVF	short	14		610		580	Trade
FIFWF	Long	9		266		267	Trade
FIFYF	Long	15		1,082		1,014	Trade
FIFZF	Long	30		1,252		1,173	Trade

December 31,2022

Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
FIGAF	Long		21	\$ 2,508	\$ 2,491	Trade
FIGCF	Long		1	104	104	Trade
FIGHF	Long		81	16,610	17,172	Trade
FIGIF	Long		69	16,414	16,560	Trade
FIGIF	short		5	1,160	1,195	Trade
FIGJF	Long		285	171,005	160,740	Trade
FIGLF	short		1	76	74	Trade
FIGMF	short		1	77	74	Trade
FIGNF	Long		32	1,554	1,440	Trade
FIGOF	Long		4	1,473	1,448	Trade
FIGUF	Long		3	410	412	Trade
FIGWF	short		12	2,011	2,064	Trade
FIGYF	short		4	494	463	Trade
FIGZF	Long		39	1,338	1,334	Trade
FIHAF	Long		142	2,756	2,854	Trade
FIHBF	short		5	821	785	Trade
FIHCF	Long		359	40,686	39,920	Trade
FIHHF	Long		127	2,108	2,068	Trade
FIHIF	Long		8	460	467	Trade
FIHLF	Long		47	3,700	3,779	Trade
FIHOF	short		11	1,927	1,947	Trade
FIHQF	Long		9	370	362	Trade
FIHSF	Long		309	17,432	17,293	Trade
FIIAF	short		50	1,287	1,295	Trade
FIIHF	short		15	671	641	Trade
FIIIF	short		14	1,822	1,813	Trade
FIIJF	Long		2	8,780	8,180	Trade
FIIOF	Long		43	26,363	27,133	Trade
FIIOF	short		3	1,851	1,890	Trade
FIIPF	Long		152	49,968	43,168	Trade
FIIRF	Long		9	2,229	2,151	Trade
FIITF	Long		2	343	328	Trade
FIIXF	Long		21	4,443	4,368	Trade
FIIZF	short		1	62	57	Trade
FIJBF	short		6	7,618	7,656	Trade
FIJMF	short		5	3,842	3,740	Trade
FIJNF	short		1	61	59	Trade
FIJPF	short		28	2,652	2,705	Trade
FIJSF	short		5	632	634	Trade
FIJWF	short		12	1,719	1,771	Trade
FIJZF	short		21	1,040	983	Trade
FIKAF	Long		2	420	422	Trade
FIKBF	short		16	2,366	2,314	Trade
FIKCF	Long		14	2,304	2,234	Trade
FIKDF	Long		2	764	766	Trade
FIKDF	short		5	1,909	1,905	Trade
FIKEF	Long		10	1,873	1,782	Trade
FIKFF	short		2	122	120	Trade
FIKGF	Long		10	1,610	1,560	Trade
FIKGF	short		95	16,075	14,877	Trade
FIKIF	Long		51	4,244	4,182	Trade
FIKKF	Long		22	1,654	1,672	Trade
FIKLF	Long		16	1,062	1,102	Trade
FIKOF	Long		2	347	347	Trade
FIKPF	Long		438	38,193	38,018	Trade

December 31,2022

Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
FIKSF	Long		5	\$ 2,417	\$ 2,325	Trade
FIKUF	Long		10	421	424	Trade
FIKUF	short		11	497	466	Trade
FIKWF	Long		22	1,630	1,643	Trade
FILBF	short		1	196	187	Trade
FILCF	short		10	1,880	1,904	Trade
FILEF	Long		89	66,223	59,451	Trade
FILIF	Long		5	991	982	Trade
FILMF	short		4	1,347	1,343	Trade
FILOF	short		29	1,512	1,508	Trade
FILQF	Long		127	6,418	6,655	Trade
FILRF	short		70	1,780	1,764	Trade
FILTF	short		11	1,459	1,456	Trade
FILUF	short		4	911	840	Trade
FILVF	Long		18	7,587	7,830	Trade
FILWF	short		13	12,746	12,831	Trade
FILXF	Long		125	117,064	112,760	Trade
FILYF	short		5	2,284	2,260	Trade
FIMAF	short		1	333	337	Trade
FIMBF	Long		31	1,804	1,786	Trade
FIMJF	Long		1	363	364	Trade
FIMKF	Long		1	161	160	Trade
FIMQF	Long		2	192	193	Trade
FIMTX	Long		932	658,054	655,837	Trade
FIMTX	short		1,085	763,592	763,815	Trade
FIMX1	Long		35	24,858	24,771	Trade
FIMX2	Long		5	3,557	3,539	Trade
FIMVF	short		22	2,517	2,490	Trade
FINAF	Long		23	6,496	6,256	Trade
FINBF	Long		3	1,095	1,092	Trade
FINCF	short		2	300	290	Trade
FINDF	Long		98	11,994	11,211	Trade
FINEF	short		3	308	296	Trade
FINGF	short		2	450	399	Trade
FINIF	short		8	785	755	Trade
FINJF	Long		20	1,488	1,470	Trade
FINJF	short		12	883	884	Trade
FINLF	short		13	2,061	2,020	Trade
FINMF	short		2	215	228	Trade
FINOF	Long		28	8,273	7,812	Trade
FINQF	short		4	2,334	2,272	Trade
FINSF	Long		8	942	931	Trade
FINUF	short		13	1,379	1,368	Trade
FINVF	Long		6	1,975	1,932	Trade
FINVF	short		29	9,593	9,367	Trade
FINWF	Long		16	9,925	10,080	Trade
FINXF	Long		15	1,788	1,773	Trade
FINYF	Long		239	264,942	263,631	Trade
FIODF	short		21	6,147	5,817	Trade
FIOEF	Long		654	14,367	14,584	Trade
FIOHF	short		4	1,167	1,156	Trade
FIOLF	short		1	207	205	Trade
FIOPF	Long		14	7,021	6,552	Trade
FIOQF	Long		10	3,945	4,060	Trade
FIOQF	short		1	396	407	Trade

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Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note	
		Long/Short	Number of contracts				
FIORF	Long	5	\$	695	\$	671	Trade
FIOSF	short	57		1,767		1,858	Trade
FIOTF	short	12		2,720		2,556	Trade
FIOUF	Long	157		44,791		42,861	Trade
FIOVF	Long	11		1,235		1,131	Trade
FIOWF	short	53		46,107		45,527	Trade
FIOYF	short	4		207		186	Trade
FIOZF	Long	401		78,407		75,308	Trade
FIPCF	Long	10		2,430		2,500	Trade
FIPCF	short	18		4,402		4,518	Trade
FIPDF	short	10		3,734		3,700	Trade
FIPEF	short	2		297		296	Trade
FIPGF	short	32		1,853		1,840	Trade
FIPJF	short	3		1,028		1,020	Trade
FIPLF	Long	305		26,652		24,827	Trade
FIPMF	short	7		2,444		2,380	Trade
FIPNF	short	4		282		266	Trade
FIPOF	Long	1		127		121	Trade
FIPPF	Long	8		816		774	Trade
FIPQF	short	22		2,229		2,200	Trade
FIPRF	Long	46		6,538		6,256	Trade
FIPTF	Long	4		1,176		1,176	Trade
FIPUF	short	65		4,475		4,063	Trade
FIPWF	Long	2		174		159	Trade
FIPXF	Long	1		850		872	Trade
FIPXF	short	1		878		868	Trade
FIPZF	Long	1		3,420		3,400	Trade
FIPZF	short	1		3,430		3,400	Trade
FIQAF	short	9		1,827		1,530	Trade
FIQBF	short	32		3,118		2,867	Trade
FIQCF	Long	52		5,131		5,054	Trade
FIQCF	short	18		1,760		1,750	Trade
FIQDF	short	11		3,057		3,003	Trade
FIQHF	Long	1		31		32	Trade
FIQIF	short	30		454		408	Trade
FIQLF	Long	10		1,956		1,928	Trade
FIQNF	short	6		185		189	Trade
FIQOF	short	5		315		313	Trade
FIQPF	Long	3		164		164	Trade
FIQRF	Long	1		27		27	Trade
FIQTF	short	3		288		288	Trade
FIQUF	short	3		199		200	Trade
FIQVF	Long	52		9,083		8,879	Trade
FIQWF	short	33		4,603		4,422	Trade
FIQXF	Long	19		3,096		3,044	Trade
FIQYF	short	11		1,467		1,503	Trade
FIQZF	Long	108		6,961		6,815	Trade
FIRAF	short	115		25,857		25,737	Trade
FIRBF	short	9		1,398		1,379	Trade
FITE	Long	24		61,742		61,800	Trade
FITE	short	12		30,789		30,828	Trade
FITF	short	8		11,965		11,955	Trade
FITX	Long	196		551,252		550,155	Trade
FITX	short	336		948,077		945,950	Trade
FIZE	Long	8		2,578		2,572	Trade

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Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
Options contract	FIF1	short	1	\$ 2,767	\$ 2,769	Trade
	JY	short	1	2,962	2,959	Trade
	RTF	Long	1	608	607	Trade
	MNQ	Long	418	294,017	282,977	Trade
	MYM	short	571	294,950	291,828	Trade
	TWN	Long	5	7,588	7,627	Trade
	TX1 Put	Long	20	17	16	Trade
	OJO Put	Long	2	-	-	Trade
	TGO Call	Long	1	2	2	Trade
	TXO Call	Long	253	2,734	2,479	Trade
	TXO Call	short	135 (	520) (	477)	Trade
	TXO Put	Long	512	4,503	4,725	Trade
	TXO Put	short	14 (	321) (	330)	Trade
	TX1 Call	Long	69	192	173	Trade
	TX1 Call	short	200 (	691) (	643)	Trade
	TX1 Put	Long	31	132	143	Trade
	TX1 Put	short	144 (	776) (	458)	Trade
	TX2 Call	Long	154	1,065	981	Trade
	TX2 Cal	short	36 (	86) (	74)	Trade
	TX2 Put	short	1 (	17) (	15)	Trade
	TX1 Call	Long	17	17	1	Hedge
	TX1 Put	Long	95	203	230	Hedge
	TXO Call	short	157 (	380) (	208)	Trade
	TXO Put	Long	70	262	144	Trade
	TXO Put	short	94 (302) (194)	Trade
	TX1 Call	short	200 (489) (335)	Trade

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Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
Futures contract	FICBF	Long	34	\$ 2,371	\$ 2,397	Trade
	FICCF	Long	91	11,788	11,775	Trade
	FICDF	Long	2	2,426	2,464	Trade
	FICEF	Long	15	2,244	2,292	Trade
	FICHF	Long	56	2,572	2,565	Trade
	FICKF	Long	11	1,317	1,377	Trade
	FICSF	Long	40	2,087	2,116	Trade
	FICYF	Long	24	3,621	3,763	Trade
	FICZF	Long	1	293	285	Trade
	FIDDF	Long	16	332	354	Trade
	FIDIF	Long	118	9,507	9,983	Trade
	FIDJF	Short	3	2,190	2,262	Trade
	FIDVF	Short	1	2,370	2,380	Trade
	FIFEF	Long	8	742	740	Trade
	FIFFF	Long	1	585	614	Trade
	FIF1F	Short	16	5,881	5,864	Trade
	FIGOF	Short	5	1,707	1,820	Trade
	FIGRF	Short	2	174	180	Trade
	FIGUF	Long	14	4,034	4,032	Trade
	FIGXF	Short	13	4,002	4,082	Trade

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Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
FIGZF	Short		46	\$ 2,027	\$ 2,010	Trade
FIHSF	Long		29	1,605	1,621	Trade
FIIHF	Long		51	1,999	2,091	Trade
FIIFY	Short		11	2,058	2,125	Trade
FIJWF	Short		14	2,032	2,030	Trade
FILXF	Long		11	10,296	10,549	Trade
FIMTX	Long		26	23,527	23,634	Trade
FINBF	Long		5	3,448	3,545	Trade
FINQF	Short		3	1,955	1,974	Trade
FINUF	Long		8	2,083	2,048	Trade
FINXF	Long		15	2,013	2,058	Trade
FINZF	Short		14	3,297	3,196	Trade
FIODF	Long		6	2,169	2,262	Trade
FIOLF	Short		16	3,245	3,952	Trade
FIOTF	Long		10	3,805	3,930	Trade
FIOUF	Long		6	2,053	2,100	Trade
FIOYF	Short		28	1,797	2,002	Trade
FIFBF	Long		10	897	891	Trade
FIPCF	Long		28	3,527	4,099	Trade
FIPGF	Short		34	1,990	2,006	Trade
FIPIF	Long		1	3,950	4,300	Trade
FIPLF	Long		11	1,882	1,881	Trade
FIPNF	Short		11	2,010	1,997	Trade
FIPOF	Short		8	1,759	1,856	Trade
FIPTF	Long		5	1,977	2,020	Trade
FIPUF	Short		17	1,792	2,023	Trade
FIQAF	Long		11	3,499	3,949	Trade
FIQMF	Short		15	440	461	Trade
FIQNF	Short		39	1,833	2,001	Trade
FITE	Long		26	89,889	91,078	Trade
FITE	Short		8	27,877	27,978	Trade
FITF	Long		10	16,881	17,136	Trade
FITF	Short		4	6,783	6,847	Trade
FITX	Long		10	36,219	36,358	Trade
FITX	Short		10	36,430	36,418	Trade
FIDIF	Long		5	405	423	Trade
FIGRF	Short		2	174	180	Trade
FIQMF	Short		5	147	154	Trade
FIXIF	Long		22	37,379	37,686	Trade
XIFFI	Short		10	17,016	17,079	Trade
FICBF	Long		3	212	211	Hedge
FICBF	Short		282	19,786	19,881	Hedge
FICCF	Short		179	22,728	23,163	Hedge
FICDF	Short		125	151,072	154,000	Hedge
FICEF	Short		33	4,931	5,042	Hedge
FICHF	Long		69	3,196	3,151	Hedge
FICKF	Short		29	3,480	3,631	Hedge
FICYF	Short		22	3,383	3,450	Hedge
FICZF	Long		189	53,931	53,676	Hedge
FICZF	Short		117	33,538	33,345	Hedge
FIDDF	Long		5	110	111	Hedge
FIDDF	Short		68	1,503	1,503	Hedge
FIDHF	Short		721	151,734	149,968	Hedge
FIDIF	Long		7	586	592	Hedge
FIDQF	Long		27	1,060	1,056	Hedge

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Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
FIDQF	Short		207	\$ 8,006	\$ 8,114	Hedge
FIDSF	Long		78	4,694	4,766	Hedge
FIDVF	Short		27	60,710	64,260	Hedge
FIDWF	Short		5	1,060	972	Hedge
FIEZF	Short		10	1,390	1,404	Hedge
FIFEF	Short		28	2,604	2,590	Hedge
FIFNF	Short		14	1,152	1,170	Hedge
FIFRF	Short		6	3,304	3,305	Hedge
FIFTF	Long		5	441	436	Hedge
FIFTF	Short		8	700	698	Hedge
FIFY1	Long		9	1,277	1,282	Hedge
FIFZF	Long		29	1,877	1,978	Hedge
FIFZF	Short		97	6,250	6,625	Hedge
FIGHF	Long		1	310	310	Hedge
FIGHF	Short		14	4,357	4,354	Hedge
FIGIF	Short		19	6,192	6,099	Hedge
FIGMF	Short		15	1,530	1,587	Hedge
FIGNF	Long		1	78	78	Hedge
FIGRF	Short		36	3,152	3,233	Hedge
FIGUF	Short		40	11,246	11,520	Hedge
FIGWF	Short		1	339	340	Hedge
FIHBF	Short		8	2,693	2,671	Hedge
FIHCF	Long		13	1,817	2,202	Hedge
FIHCF	Short		23	3,874	3,912	Hedge
FIHSF	Long		301	16,330	16,706	Hedge
FIHSF	Short		256	14,196	14,310	Hedge
FIIIF	Long		2	662	659	Hedge
FIIMF	Long		13	2,410	2,444	Hedge
FIIOF	Long		4	4,218	4,304	Hedge
FIIRF	Short		68	31,099	31,416	Hedge
FIITF	Short		53	11,483	11,236	Hedge
FIIXF	Long		1	478	465	Hedge
FIIXF	Short		3	1,428	1,401	Hedge
FIJBF	Short		7	8,514	8,246	Hedge
FIJFF	Long		1	1,406	1,522	Hedge
FIJMF	Short		1	804	816	Hedge
FIKBF	Short		1	293	285	Hedge
FIKDF	Long		4	2,306	2,380	Hedge
FIKFF	Short		43	3,258	3,161	Hedge
FIKGF	Short		1	151	157	Hedge
FIKUF	Short		41	2,112	2,202	Hedge
FIKWF	Long		9	718	707	Hedge
FILEF	Short		1	1,056	1,056	Hedge
FILIF	Short		6	1,247	1,260	Hedge
FILRF	Long		14	492	491	Hedge
FILUF	Short		13	2,629	2,625	Hedge
FILXF	Short		3	2,882	2,877	Hedge
FIMTX	Long		2	1,796	1,821	Hedge
FINAF	Short		4	2,993	3,004	Hedge
FINDF	Long		9	1,636	1,661	Hedge
FINEF	Short		5	544	555	Hedge
FINGF	Long		1	406	420	Hedge
FINJF	Short		2	87	88	Hedge
FINLF	Long		3	937	942	Hedge
FINLF	Short		7	2,229	2,198	Hedge

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Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
FINMF	Short		14	\$ 2,434	\$ 2,602	Hedge
FINOF	Short		58	25,907	27,378	Hedge
FINUF	Long		3	764	768	Hedge
FINVF	Long		3	865	903	Hedge
FINVF	Short		7	2,074	2,114	Hedge
FINWF	Short		8	7,826	8,208	Hedge
FIODF	Short		3	1,134	1,131	Hedge
FIOEF	Long		3	110	109	Hedge
FIOHF	Short		1	282	281	Hedge
FIOLF	Short		42	10,278	10,374	Hedge
FIOQF	Long		1	475	473	Hedge
FIOSF	Short		4	188	195	Hedge
FIOVF	Short		4	809	820	Hedge
FIOZF	Short		36	7,599	7,685	Hedge
FIPAF	Short		2	601	610	Hedge
FIPBF	Short		8	686	713	Hedge
FIPDF	Short		1	348	365	Hedge
FIPEF	Short		18	2,898	2,833	Hedge
FIPJF	Short		2	1,112	1,114	Hedge
FIPLF	Long		2	342	342	Hedge
FIPMF	Short		1	409	418	Hedge
FIPNF	Long		8	1,467	1,452	Hedge
FIPQF	Short		16	2,458	2,470	Hedge
FIPRF	Short		3	824	849	Hedge
FIPTF	Short		16	6,413	6,464	Hedge
FIPUF	Short		22	2,576	2,618	Hedge
FIPYF	Short		5	395	397	Hedge
FIQBF	Long		3	460	460	Hedge
FIQDF	Short		14	8,344	8,134	Hedge
FIQEF	Short		4	191	192	Hedge
FIQFF	Long		12	739	739	Hedge
FIQHF	Long		25	1,300	1,345	Hedge
FIQIF	Short		16	598	600	Hedge
FIQJF	Short		4	210	211	Hedge
FIQLF	Short		3	834	861	Hedge
FIQSF	Short		4	228	229	Hedge
FITX	Short		85	306,887	309,421	Hedge
FICAF	Long		80	13,427	13,680	Trade
FICBF	Short		82	5,779	5,781	Trade
FICCF	Long		3,183	405,617	411,868	Trade
FICDF	Long		577	696,577	710,864	Trade
FICEF	Long		9	1,368	1,375	Trade
FICFF	Long		78	16,028	16,302	Trade
FICGF	Short		12	568	582	Trade
FICHF	Long		2,766	124,069	126,683	Trade
FICJF	Short		25	1,035	1,060	Trade
FICKF	Long		111	13,636	13,887	Trade
FICLF	Short		14	986	995	Trade
FICNF	Short		26	1,328	1,349	Trade
FICQF	Long		10	1,374	1,374	Trade
FICRF	Short		1	57	58	Trade
FICSF	Long		35	1,820	1,852	Trade
FICUF	Short		1	20	23	Trade
FICWF	Short		24	1,448	1,466	Trade
FICYF	Long		111	17,388	17,405	Trade

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Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
FICYF	Short		1	\$ 157	\$ 157	Trade
FICZF	Long		205	53,456	58,334	Trade
FIDDF	Short		55	1,175	1,216	Trade
FIDEF	Short		10	315	323	Trade
FIDFF	Short		14	1,320	1,341	Trade
FIDGF	Short		1	161	162	Trade
FIDHF	Long		304	63,244	63,232	Trade
FIDIF	Long		125	10,316	10,571	Trade
FIDJF	Short		4	2,951	3,016	Trade
FIDKF	Long		12	2,219	2,280	Trade
FIDLF	Short		8	1,826	1,856	Trade
FIDNF	Short		35	1,953	1,967	Trade
FIDOF	Short		14	699	711	Trade
FIDPF	Short		21	1,004	1,029	Trade
FIDQF	Long		1,336	50,058	52,371	Trade
FIDSF	Long		147	8,551	8,982	Trade
FIDVF	Long		170	381,856	404,600	Trade
FIDWF	Short		11	2,078	2,138	Trade
FIDXF	Short		45	2,615	2,628	Trade
FIDYF	Short		16	1,382	1,414	Trade
FIDZF	Short		7	739	749	Trade
FIEEF	Long		10	564	575	Trade
FIEGF	Short		1	26	26	Trade
FIEHF	Short		9	594	594	Trade
FIEMF	Long		35	2,177	2,226	Trade
FIEYF	Short		1	20	20	Trade
FIEZF	Short		5	705	702	Trade
FIFBF	Long		1	135	134	Trade
FIFBF	Long		1	91	90	Trade
FIFEF	Long		450	42,592	41,610	Trade
FIFFF	Short		2	1,193	1,228	Trade
FIFGF	Short		7	6,845	7,224	Trade
FIFKF	Short		55	3,928	3,960	Trade
FIFNF	Short		12	990	1,003	Trade
FIFQF	Short		11	1,365	1,406	Trade
FIFRF	Long		17	9,338	9,357	Trade
FIFTF	Short		8	705	698	Trade
FIFVF	Long		18	804	812	Trade
FIFWF	Short		36	1,333	1,364	Trade
FIFY1	Short		21	2,645	2,999	Trade
FIFZF	Long		92	5,637	6,284	Trade
FIGAF	Long		30	3,928	3,966	Trade
FIGCF	Short		29	3,737	3,758	Trade
FIGHF	Short		12	3,781	3,732	Trade
FIGIF	Short		4	1,328	1,284	Trade
FIGJF	Long		29	31,955	33,814	Trade
FIGMF	Short		21	2,131	2,222	Trade
FIGNF	Long		4	309	311	Trade
FIGOF	Short		4	1,371	1,456	Trade
FIGRF	Short		6	527	539	Trade
FIGTF	Short		11	10,110	10,419	Trade
FIGUF	Short		5	1,417	1,440	Trade
FIGWF	Long		31	9,840	10,540	Trade
FIGXF	Short		19	5,884	5,966	Trade
FIGZF	Short		70	3,090	3,059	Trade

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Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
FIG2F	Short		4	\$ 1,963	\$ 2,050	Trade
FIHAF	Short		33	1,135	1,162	Trade
FIHBF	Short		5	1,690	1,670	Trade
FIHCF	Long		147	25,175	25,012	Trade
FIHHF	Short		1	18	18	Trade
FIHLF	Long		4	370	370	Trade
FIHOF	Long		2	370	366	Trade
FIHSF	Long		105	5,657	5,842	Trade
FIIAF	Short		26	505	517	Trade
FIIHF	Short		9	361	369	Trade
FIIIF	Long		44	14,719	14,520	Trade
FIJF	Long		2	9,830	9,880	Trade
FIIMF	Short		7	1,326	1,316	Trade
FIIOF	Long		93	98,256	100,032	Trade
FIIPF	Long		36	17,238	17,136	Trade
FIIPF	Short		2	974	950	Trade
FIIQF	Long		4	523	590	Trade
FIIRF	Long		25	11,909	11,550	Trade
FIITF	Short		21	4,605	4,452	Trade
FIIXF	Long		14	6,677	6,538	Trade
FIIYF	Short		2	377	386	Trade
FIIZF	Short		71	4,714	4,757	Trade
FIJBF	Short		15	18,095	17,670	Trade
FIJFF	Long		27	39,003	41,124	Trade
FIJMF	Short		8	6,474	6,528	Trade
FIJNF	Short		11	911	947	Trade
FIJPF	Short		6	614	635	Trade
FIJWF	Short		14	1,991	2,030	Trade
FIJZF	Short		28	1,397	1,481	Trade
FIKAF	Short		8	1,528	1,608	Trade
FIKBF	Short		20	5,509	5,700	Trade
FIKCF	Short		6	1,166	1,171	Trade
FIKDF	Long		17	10,120	10,149	Trade
FIKEF	Short		18	4,395	4,466	Trade
FIKFF	Short		33	2,349	2,426	Trade
FIKGF	Short		36	5,523	5,638	Trade
FIKIF	Short		7	653	666	Trade
FIKKF	Short		8	799	816	Trade
FIKLF	Short		20	1,325	1,328	Trade
FIKOF	Long		13	1,781	1,856	Trade
FIKPF	Short		39	4,822	4,961	Trade
FIKSF	Long		1	487	494	Trade
FIKUF	Short		14	734	752	Trade
FIKWF	Long		126	9,777	9,904	Trade
FILBF	Short		3	740	741	Trade
FILCF	Short		4	790	800	Trade
FILEF	Long		121	131,462	127,776	Trade
FILIF	Long		1	203	210	Trade
FILMF	Short		7	4,395	4,578	Trade
FILOF	Short		18	896	916	Trade
FILQF	Long		189	9,621	9,454	Trade
FILRF	Short		26	886	913	Trade
FILTF	Short		13	1,670	1,677	Trade
FILUF	Short		4	812	808	Trade
FILVF	Short		1	534	530	Trade

December 31, 2021

Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
FILWF	Short		6	\$ 7,427	\$ 7,608	Trade
FILXF	Long		124	112,261	118,916	Trade
FILYF	Short		4	4,570	4,576	Trade
FIMBF	Short		5	357	372	Trade
FIMJF	Short		4	1,565	1,600	Trade
FIMKF	Short		2	376	378	Trade
FIMPF	Short		7	1,173	1,180	Trade
FIMQF	Long		7	805	822	Trade
FIMTX	Short		3	2,730	2,731	Trade
FIMVF	Short		7	1,153	1,159	Trade
FINAF	Short		3	2,234	2,253	Trade
FINBF	Short		7	4,807	4,963	Trade
FINCF	Short		9	1,824	1,863	Trade
FINDF	Long		99	18,294	18,251	Trade
FINEF	Short		6	655	666	Trade
FINGF	Long		2	819	840	Trade
FINIF	Short		6	734	730	Trade
FINJF	Short		14	610	615	Trade
FINLF	Short		3	944	942	Trade
FINMF	Short		5	922	930	Trade
FINOF	Short		5	2,334	2,360	Trade
FINQF	Long		3	1,981	1,974	Trade
FINSF	Short		9	1,181	1,197	Trade
FINUF	Long		3	745	768	Trade
FINVF	Long		1	300	302	Trade
FINWF	Short		24	24,130	24,624	Trade
FINYF	Short		38	53,953	55,252	Trade
FIOAF	Short		1	381	369	Trade
FIODF	Long		1	378	377	Trade
FIOEF	Long		215	7,062	7,781	Trade
FIOLF	Short		39	9,572	9,633	Trade
FIOPF	Short		12	6,669	6,240	Trade
FIOQF	Short		2	927	946	Trade
FIORF	Short		6	1,092	1,094	Trade
FIOSF	Long		1	49	49	Trade
FIOTF	Short		3	1,195	1,179	Trade
FIOUF	Short		7	2,472	2,450	Trade
FIOVF	Short		14	2,867	2,870	Trade
FIOWF	Long		16	28,388	28,512	Trade
FIOYF	Short		1	66	72	Trade
FIOZF	Long		74	15,082	15,806	Trade
FIPAF	Long		9	2,672	2,745	Trade
FIPCF	Long		1	127	146	Trade
FIPDF	Short		6	2,131	2,190	Trade
FIPEF	Short		13	2,128	2,046	Trade
FIPFF	Short		4	1,338	1,340	Trade
FIPGF	Short		19	1,120	1,121	Trade
FIPJF	Short		1	563	557	Trade
FIPKF	Short		8	966	973	Trade
FIPLF	Long		81	13,809	13,851	Trade
FIPMF	Short		6	2,466	2,508	Trade
FIPNF	Short		11	1,951	1,997	Trade
FIPOF	Short		10	2,283	2,320	Trade
FIPPF	Short		2	304	330	Trade
FIPQF	Short		2	304	309	Trade

December 31, 2021

Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
	FIPRF	Long	1	\$ 280	\$ 283	Trade
	FIPSF	Long	32	2,187	2,253	Trade
	FIPTF	Short	18	7,132	7,272	Trade
	FIPUF	Long	168	17,984	19,992	Trade
	FIPXF	Short	4	6,513	6,352	Trade
	FIQBF	Short	8	1,246	1,227	Trade
	FIQCF	Short	1	123	121	Trade
	FIQDF	Short	35	20,703	20,335	Trade
	FIQFF	Short	1,076	64,541	66,282	Trade
	FIQIF	Long	7	262	263	Trade
	FIQKF	Short	12	835	850	Trade
	FIQLF	Short	9	2,549	2,583	Trade
	FIQMF	Short	40	1,191	1,228	Trade
	FIQOF	Short	6	482	488	Trade
	FIQPF	Short	4	271	283	Trade
	FIQTF	Long	9	1,356	1,395	Trade
	FIQUF	Long	13	1,216	1,266	Trade
	FITE	Short	6	21,014	21,018	Trade
	FITF	Long	15	25,400	25,704	Trade
	FITX	Long	37	134,789	134,747	Trade
	FITX	Short	10	35,663	36,358	Trade
	FIZEF	Short	3	1,261	1,314	Trade
	FIOJF	Long	1	433	435	Trade
	FIFIF	Long	2	5,508	5,464	Trade
	FIFVN	Long	1	390	393	Trade
	FIHHI	Long	1	1,437	1,467	Trade
	FIMHI	Long	1	817	832	Trade
	FITWN	Short	15	26,634	26,631	Trade
	FIFVN	Short	2	373	374	Trade
Options contract	TXO call	Long	4	53	56	Trade
	TXO call	Short	16 (	98) (	102)	Trade
	TXO put	Long	49	692	468	Trade
	TXO put	Short	4 (	40) (	35)	Trade
	OCO put	Long	7	1	1	Trade
	TEO call	Short	40 (	539) (	441)	Trade
	TXO call	Long	1,067	12,720	19,946	Trade
	TXO call	Short	43 (	396) (	575)	Trade
	TXO put	Long	1,604	5,149	2,258	Trade
	TXO put	Short	38 (	186) (	140)	Trade
	TX1 call	Short	537 (	2,387) (	1,815)	Trade
	TX1 put	Long	274	959	895	Trade
	TX1 put	Short	571 (	926) (	662)	Trade
	TXO call	Short	143 (	498) (	1,153)	Hedge
	TXO put	Long	121	453	34	Hedge
	TXO put	Short	63 (	201) (	27)	Hedge
	TX1 put	Long	506	280	268	Hedge
	CCO call	Short	65 (	98) (	95)	Trade
	CCO put	Long	49	79	13	Trade
	CDO call	Short	17 (	126) (	107)	Trade
	CDO put	Long	63	1,097	139	Trade
	CDO call	Long	1	26	44	Trade
	CDO call	Short	26 (	111) (	237)	Trade
	CDO put	Long	8	54	8	Trade
	CEO call	Long	6	24	39	Trade
	CEO put	Long	25	66	13	Trade

December 31, 2021

Item	Trading category	Open positions		Contract size or paid for (received from) premium	Fair value	Note
		Long/Short	Number of contracts			
CKO call	Long		5	\$ 18	\$ 27	Trade
CKO call	Short		10	(2)	(3)	Trade
CKO put	Long		5	12	2	Trade
NYO put	Short		5	(71)	(1)	Trade
TEO put	Short		42	(569)	(16)	Trade
TFO call	Long		11	49	83	Trade
TXO call	Short		340	(1,396)	(1,461)	Trade
TXO put	Long		131	1,372	608	Trade
TXO put	Short		13	(52)	(3)	Trade
TX1 call	Short		30	(98)	(93)	Trade
TX1 put	Short		30	(219)	(197)	Trade

Note: Futures contracts are contract value when trading future contracts; Options contracts are premium received or paid when buying or selling options. Losses are borne by the future merchants of trading counterparties when transaction of stock index futures default, so the credit risk of the Segment is low.

(Blank below)

B. Market price risk

(A) The Company deals in index options, stock options stock index futures, treasury bond future and commercial paper rate futures. Market risk is influenced by the changes of the products mentioned above. Each contract has its fair value. The Segment has set up stop-loss point during operations and the losses should be within the expected range, so there is no significant market price risk.

(B) The foreign exchange exposure of the Futures Segment was as follow:

	December 31, 2022						
	USD	EUR	HKD	JPY	RMB	Others	Total
<u>Financial assets in foreign currencies</u>							
Futures guarantee deposits receivable	\$ 45,558	(\$ 680)	\$ 22,037	(\$ 2,607)	\$ 13,312	\$ 28,297	\$ 105,917

Note: As of Decemberer 31, 2022, foreign exchange rates of the above currencies to TWD were 1 USD = 30.710 TWD;
1 EUR= 32.720 TWD; 1 HKD= 3.938 TWD; 1 JPY= 0.232 TWD; and 1 RMB= 4.408 TWD, respectively.

	December 31, 2021						
	USD	EUR	HKD	JPY	RMB	Others	Total
<u>Financial assets in foreign currencies</u>							
Futures guarantee deposits receivable	\$ 136,791	\$ 453	\$ 12,289	\$ 1,903	\$ 11,059	\$ 8,401	\$ 170,896

Note: As of Decemberer 31, 2021, foreign exchange rates of the above currencies to TWD were 1 USD = 27.680 TWD;
1 EUR= 31.320 TWD; 1 HKD= 3.549 TWD; 1 JPY= 0.241TWD; and 1 RMB= 4.344 TWD, respectively.

- C. The amount, period and uncertainty of liquidity risk, cash flow risk and future cash demand: As of December 31, 2012, the option and futures open positions held by the Segment can be closed at a reasonable price in the market, so the risk of liquidity is low. The guarantee deposit margin transaction.

The guarantee deposits have been paid before the future margin trading. It is evaluated daily based on the open positions of futures contract established by the company. If the margin calls are required, the company's operating capital is sufficient. Therefore, there is no financing risk, and the cash flow risk is low.

The premium has been paid (received) before the option trading. If the counterparties exercise the call option, the company's operating capital is sufficient. Therefore, there is no financing risk and cash flow risk.

- D. Types of derivatives, purpose and strategy for achieving the purpose:

The Company is concurrent operation of futures business. The futures and options for the purpose of trading, the Company mainly operates spread trading and combined strategy transactions. It uses the correlation between futures, options and spot prices to operates simultaneously, and establish a hedge position when the market changes greatly to increase the profit stability of the overall position. The futures and options for the purpose of hedging, the hedging strategy of the Segment is to achieve the purpose of avoiding most of the market price risk. They are highly negatively related to the fair value of the hedged items and the hedging instrument are regularly evaluated.

- E. Derivatives in financial statements:

(A) Margin deposits for the futures contract

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Futures guarantee deposits receivable	\$ 4,574,974	\$ 3,901,281
Excess margin	\$ 3,622,064	\$ 3,265,990

(B) Net gain (loss) from derivatives-future

	<u>Year ended December 31, 2022</u>	<u>Year ended December 31, 2021</u>
Futures contract gain	\$ 806,635	\$ 1,286,051
Option trading gain	341,741	477,154
Futures contract loss	(775,049)	(1,062,451)
Option trading loss	(250,195)	(573,866)
Total	<u>\$ 123,132</u>	<u>\$ 126,888</u>

(2) Fair values and hierarchy information

- A. Financial instruments measured at fair value

Except for those listed in the table below, the carrying amounts of the Segment's financial instruments not measured at fair value (including cash and cash equivalents, accounts receivable, other receivable, operation guaranteed deposits, accounts payables and other

payables) approximate their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(2)2.

B. Fair value hierarchy of the financial instruments

(A) Definitions for the hierarchy classifications of financial instruments measured at fair value

a. Level 1

Level 1, are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Segment can access at the measurement date. An active market has to satisfy all the following conditions: a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

b. Level 2

Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. For the years ended December 31, 2022 and 2021, there was no significant transfer of financial instruments between Level 1 and Level 2.

c. Level 3

Unobservable inputs for the assets or liability. The Segment has no unlisted stocks.

(B) Hierarchy of fair value estimation of financial instruments

Financial instruments measured at fair value	December 31, 2022			
	Total	Level 1	Level 2	Level 3
Recurring fair value				
Derivative instruments				
Assets				
Financial assets at fair value through profit or loss - current	\$ 4,583,867	\$ 4,583,867	\$ -	\$ -
Liabilities				
Financial liabilities at fair value through profit or loss - current	2,734	2,734	-	-
Financial instruments measured at fair value				
Recurring fair value				
Derivative instruments				
Assets				
Financial assets at fair value through profit or loss - current	\$ 3,926,184	\$ 3,926,184	\$ -	\$ -
Liabilities				
Financial liabilities at fair value through profit or loss - current	7,162	7,162	-	-

13. STATUS OF IN THE LIMITATIONS ON FINANCIAL RATIOS IMPOSED BY FUTURES TRADING ACT, AND THE RELATED IMPLEMENTATION

Article	Calculation formula	December 31, 2022		December 31, 2021		Standard	Enforcement
		Calculation	Ratio	Calculation	Ratio		
17	Stockholders' equity	2,284,449	58.08	2,250,466	52.48	≥ 1	Met the requirement
	(Total liability – futures trader's equity)	39,336		42,881			
17	Current assets	5,722,742	145.49	5,097,865	118.88	≥ 1	Met the requirement
	Current liabilities	39,336		42,881			
22	Stockholders' equity	2,284,449	571.11%	2,250,466	562.62%	$\geq 60\%$	Met the requirement
	Minimum paid-in capital	400,000		400,000		$\geq 40\%$	
22	Adjusted net capital	1,739,987	182.60%	1,860,017	292.78%	$\geq 20\%$	Met the requirement
	Total amount of customer margins required for the open positions of futures traders	952,910		635,292		$\geq 15\%$	

14. PROSPECTIVE RISK FOR FUTURES TRADING

The main risk faced by the Group while engaging in self-operating businesses is market price risk- that is risk of changes in market prices of futures or options contracts as a result of fluctuation in underlying investment index. Losses may occur if the market index price and underlying investment move adversely. However, the Company has set up stop-loss point to control such risk for reasons of risk management.

15. OTHER

None

16. OTHER DISCLOSURE ITEMS

1) Information about significant transactions

A. Lending to others: None.

B. Endorsements and guarantees for others None.

C. Acquisitions of real estate exceeding \$300 million or 20 percent of contributed capital None.

D. Disposals of real estate exceeding \$300 million or 20 percent of contributed capital None.

E. Purchases or sales transactions discount on brokers' charges with related parties in excess of \$5 million None.

F. Receivables from related parties exceeding \$100 million or 20 percent of contributed capital None.

G. Significant transactions between parent company and subsidiaries are provided in Note 7.

2) Related information of investee companies

None.

3) Disclosure of investment in Mainland China

None.

(Blank below)

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF CASH AND CASH EQUIVALENTS

DECEMBER 31, 2022

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Item	Description	Amount	Remark
Current deposits			
Deposits denominated in NTD		\$ 25,441	
Deposits denominated in foreign currencies	USD 499 thousands, exchange rate: 30.710		
	HKD 9,134 thousands, exchange rate: 3.938	51,305	
Time deposits			
Deposits denominated in NTD	Maturity Date: January 1, 2023 to March 20, 2023 interest rates:0.335%~1.04%	1,015,500	
Deposits denominated in foreign currencies	USD 1,500 thousands, exchange rate: 30.710		
	Maturity Date: March 5, 2023 interest rates:5.15%	46,065	
Total		<u>\$ 1,138,311</u>	

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Name of financial instrument	Description	shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Fair value		Changes in the fair value attributable to changes in credit risk	Remark	
						Cost	Unit price (dollars)			
Financial assets mandatorily measured at fair value through profit or loss:										
Securities invested by securities broker							\$ 27	\$ -	\$ -	
Futures margin-own funds							4,574,974	4,574,974	-	
Buy options										
TX1 Put	Long	20				17	16	-	Trade	
OJO Put	Long	2				-	-	-	Trade	
TGO Call	Long	1				2	2	-	Trade	
TXO Call	Long	253				2,734	2,479	-	Trade	
TXO Call	Long	512				4,503	4,725	-	Trade	
TX1 Call	Long	69				192	173	-	Trade	
TX1 Put	Long	31				132	143	-	Trade	
TX2 Call	Long	154				1,065	981	-	Trade	
TX1 Call	Long	17				17	1	-	Hedge	
TX1 Put	Long	95				203	230	-	Hedge	
TXO Put	Long	70				262	143	-	Trade	
						9,127	8,893	-		
Total						\$ 4,584,128	\$ 4,583,867	\$ -		

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF FUTURES GUARANTEE DEPOSITS RECEIVABLE
DECEMBER 31, 2022

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Clearing house (Other futures commission merchants)	Description	Currency	Foreign amount	Exchange rate (dollars)	New Taiwan dollar	Remark
President Futures Corp.	Futures guarantee deposits receivable	TWD			\$	4,408,828
		USD	\$	258	30.710	7,940
		JPY	(	11,235)	0.232	(2,607)
		HKD		2,976	3.938	11,721
		GBP		13	37.090	480
		EUR	(	21)	32.720	(680)
		RMB		2,971	4.408	13,104
					<u>4,438,786</u>	
Capital Futures Corp.	Futures guarantee deposits receivable	TWD			<u>40,211</u>	
Yuanta Futures Co., Ltd.	Futures guarantee deposits receivable	TWD			20,018	
		VND	15,293,719	0.001	19,698	
		USD	1,225	30.710	37,618	
		THB	9,081	0.894	8,119	
		HKD	2,620	3.938	10,316	
		RMB	47	4.408	208	
					<u>95,977</u>	
					<u>\$ 4,574,974</u>	

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF OTHER RECEIVABLES
DECEMBER 31, 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

<u>Name of Client</u>	<u>Description</u>	<u>Amount</u>	<u>Remark</u>
Interest receivable	Time deposit interest	\$ 547	
Other receivable	Monetary incentives	17	
Total		<u>\$ 564</u>	

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2022

(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Beginning balance</u>	<u>Increased</u>	<u>Decreased</u>	<u>Ending balance</u>	<u>Collateral</u>	<u>Remark</u>
Computer equipment	\$ 7,215	\$ 2,995	(\$ 1,479)	\$ 8,731	No	

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2022
 (Expressed in thousands of New Taiwan dollars)

Item	Beginning balance	Increased	Decreased	Ending balance	Remark
Computer equipment	(\$ 3,860)	(\$ 2,204)	\$ 1,479	(\$ 4,585)	Note 1

Note 1: The useful lives of computer equipment are 3 to 5 years.

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF CHANGES IN INTANGIBLE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Item	Beginning balance	Increased	Decreased	Ending balance	Remark
Computer software	\$ 4,424	\$ 7,979	(\$ 2,760)	\$ 9,643	Note

Note: The useful lives of Computer software are 4 years.

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF OTHER NON-CURRENT ASSETS
DECEMBER 31, 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Item	Description	Amount	Remark
Operation guaranteed deposits		\$ 10,000	
Refundable deposits			
President Futures Corp. - Clearing and settlement funds		3,000	
Futures association		360	
Subtotal		3,360	
Total		\$ 13,360	

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT
DECEMBER 31, 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Name of financial instrument	Description	shares or certificates	Par value (dollar)	Total amount	Interest rate (%)	Cost	Fair value		Changes in the fair value attributable to changes in credit risk	Remark
							Unit price (dollars)	Total amount		
Options sold										
TXO Call	short	135				\$ 520	\$ 477	\$	-	Trade
TXO Put	short	14				321	330		-	Trade
TX1 Call	short	200				691	643		-	Trade
TX1 Put	short	144				776	458		-	Trade
TX2 Call	short	36				86	74		-	Trade
TX2 Put	short	1				17	15		-	Trade
TXO Call	short	157				380	208		-	Trade
TXO Put	short	94				302	194		-	Trade
TX1 Call	short	200				489	335		-	Trade
Total						\$ 3,582	\$ 2,734	\$	-	

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2022
 (EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

<u>Name of client</u>	<u>Description</u>	<u>Amount</u>	<u>Remark</u>
Non-related parties:			
National Taxation Bureau	Futures exchange tax	\$ 32	

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF OTHER PAYABLES
DECEMBER 31, 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

<u>Name of client</u>	<u>Description</u>	<u>Amount</u>	<u>Remark</u>
Service charge payable		\$ 2,120	
Clearance fee		3,610	
Salaries payable		2,337	
Bonuses payable		28,059	
Others		444	
Total		<u>\$ 36,570</u>	

Note: The items which amount exceed 5% of the total account amount shall be individually presented, while the others that do not meet aforementioned threshold can be collectively presented.

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF NON-CURRENT LIABILITIES
DECEMBER 31, 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

<u>Item</u>	<u>Description</u>	<u>Amount</u>	<u>Remark</u>
Inter-department account	Futures margin - hedged	\$ 219,149	
	Futures margin – non-hedged	3,204,017	
	Others	2,940	
Total		<u>\$ 3,426,106</u>	

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF NET GAIN FROM DERIVATIVES
FOR THE YEAR ENDED DECEMBER 31, 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Item	Description	Amount	Remark
Gain from derivatives			
Futures contract gain - non-hedged	Realised	\$ 802,982	
Futures contract gain - non-hedged	Unrealised	3,653	
Subtotal		<u>806,635</u>	
Option trading gain - non-hedged	Realised	346,181	
Option trading gain - non-hedged	Unrealised	(4,440)	
Subtotal		<u>341,741</u>	
Total		<u>1,148,376</u>	
Loss from derivatives			
Futures contract loss - non-hedged	Realised	(767,215)	
Futures contract loss - non-hedged	Unrealised	(7,834)	
Subtotal		<u>(775,049)</u>	
Option trading loss - non-hedged	Realised	(250,069)	
Option trading loss - non-hedged	Unrealised	(126)	
Subtotal		<u>(250,195)</u>	
Total		<u>(1,025,244)</u>	
Total		<u>\$ 123,132</u>	

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF EMPLOYEE BENEFITS, DEPRECIATION, AMORTIZATION, AND OTHER OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	2022	2021	Remark
Employee benefits expense			
Salaries	\$ 58,233	\$ 53,327	
Labor and health insurance	3,153	3,820	
Pension	1,465	1,109	
Director' remuneration	2,262	1,161	
Other employee benefits	2,204	1,705	
Depreciation expenses	2,760	1,760	
Amortization expenses	52,327	62,835	
	<u>\$ 122,404</u>	<u>\$ 125,717</u>	

Note :

1. In 2022 and 2021, the Segment had 24 and 17 employees, respectively, in which directors not concurrently serving as employees were both 0.
2. The annual parent company only financial statements shall additionally disclose the information below:
 - (1) Average employee benefits expense of this year is \$2,713 ((a total sum of employee benefits expenses in this year - a total sum of remunerations of directors in this year) / (number of employees in this year - number of nonemployee directors in this year)).
Average employee benefits expense of the previous year is \$3,495 ((a total sum of employee benefits expenses in the previous year - a total sum of remunerations of directors in the previous year) / (number of employees in the previous year - number of non-employee directors in the previous year)).
 - (2) Average salary of this year is \$2,426 (a total sum of salaries in this year / (number of employees in this year - number of non-employee directors in this year)).
Average salary of the previous year is \$3,137 (a total sum of salaries in the previous year / (number of employees in the previous year - number of non-employee directors in the previous year)).
 - (3) Change of average salary is a decrease of -22.66% ((average salary in this year - average salary in the previous year) / average salary in the previous year).
3. For the years ended December 31, 2022 and 2021, supervisors' remuneration were both \$0. Because of the establishment of Audit Committee, there's no supervisors' remuneration.
4. The remuneration policy of the Company (Including directors, supervisors, managers and employees):
 - (1) Directors: Pursuant to Article 19 of the Company's Articles of Incorporation, the remuneration to director is determined by the board of directors by taking into the degree of participation in the company's operations, contribution and industry standards.
Independent directors receive fixed pay monthly and do not participate in the distribution of company directors' remuneration.
 - (2) Managers and employees : Pursuant to Article 37 of Work Rules, the Company's remuneration policy is to fairly compensate employees' contribution to the company, to offer competitive salary among peers, to meet relevant laws and regulations related to salary and to properly control salary cost.

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES - FUTURES SEGMENT
STATEMENT OF OTHER GAINS AND LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

<u>Item</u>	<u>Description</u>	<u>Amount</u>	<u>Remark</u>
Financial income		\$ 6,825	
Net currency exchange gain		17,820	
Monetary incentives from TAIFEX		20,450	
Others		634	
Total		<u>\$ 45,729</u>	