

YUANTA FINANCIAL HOLDING CO., LTD.
AND ITS SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2024 AND 2023

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.



PWCR24000179

INDEPENDENT AUDITORS' REVIEW REPORT

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

Introduction

We have reviewed the accompanying consolidated balance sheets of Yuanta Financial Holding Co., Ltd. and its subsidiaries as at September 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, Regulations Governing the Preparation of Financial Reports by Securities Issuers, Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

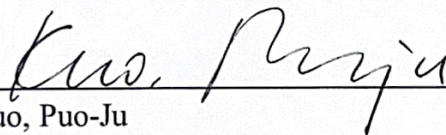
Scope of Review

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



Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Yuanta Financial Holding Co., Ltd. and its subsidiaries as at September 30, 2024 and 2023, and of its consolidated financial performance for the three-month and nine-month periods then ended, and its consolidated cash flows for the nine-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, Regulations Governing the Preparation of Financial Reports by Securities Issuers, Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, Regulations Governing the Preparation of Financial Reports by Insurance Companies, and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.


Kuo, Puo-Ju


Chou, Chien-Hung

For and on behalf of PricewaterhouseCoopers, Taiwan

November 20, 2024

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

YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2024, DECEMBER 31, 2023 AND SEPTEMBER 30, 2023
(Expressed in thousands of New Taiwan dollars)

	ASSETS	Notes	September 30, 2024		December 31, 2023		September 30, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
11000	Cash and cash equivalents	6(1)	\$ 91,235,755	3	\$ 81,869,960	3	\$ 76,414,702	3
11500	Due from Central Bank and call loans to other banks	6(2) and 8	100,984,205	3	83,110,140	3	75,583,339	2
12000	Financial assets at fair value through profit or loss	6(3), 7 and 8	653,377,976	17	563,701,196	17	514,605,127	16
12150	Financial assets at fair value through other comprehensive income	6(4) and 8	314,572,128	8	292,262,818	9	325,664,281	10
12200	Investments in debt instruments at amortised cost	6(5) and 8	561,007,428	15	539,131,270	16	532,691,730	17
12500	Investments in bills and bonds under resale agreements	6(6)	90,455,974	2	99,644,104	3	81,131,279	3
13000	Receivables – net	6(7) and 7	382,109,133	10	273,092,919	8	258,746,988	8
13200	Current income tax assets		2,638,440	-	2,623,799	-	2,624,070	-
13300	Assets held for sale – net	6(8)	1,038,181	-	79,099	-	80,998	-
13500	Bills discounted and loans – net	6(9) and 7	1,241,957,105	33	1,086,526,760	33	1,049,855,988	33
13700	Reinsurance contract assets – net	6(10)	1,233,717	-	1,249,093	-	1,215,470	-
15000	Equity investments accounted for under the equity method – net	6(11)	2,223,914	-	3,089,373	-	3,346,992	-
15100	Restricted assets – net	8	3,670,992	-	3,051,147	-	3,239,418	-
15500	Other financial assets – net	6(12)	131,312,484	4	111,816,531	4	108,200,863	4
18000	Investment property – net	6(13) and 8	14,331,885	-	11,307,517	-	10,689,960	-
18500	Property and equipment – net	6(14) and 8	28,486,531	1	27,352,156	1	26,396,596	1
18600	Right-of-use assets – net	6(15)	11,128,654	-	13,011,575	-	11,429,298	-
19000	Intangible assets – net	6(17)	30,616,418	1	30,728,678	1	30,823,679	1
19300	Deferred income tax assets		6,359,869	-	5,246,624	-	6,641,175	-
19500	Other assets – net	6(18), 7 and 8	94,423,457	3	69,765,061	2	69,320,461	2
	TOTAL ASSETS		<u>\$ 3,763,164,246</u>	<u>100</u>	<u>\$ 3,298,659,820</u>	<u>100</u>	<u>\$ 3,188,702,414</u>	<u>100</u>

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YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2024, DECEMBER 31, 2023 AND SEPTEMBER 30, 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	September 30, 2024		December 31, 2023		September 30, 2023		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
21000	Deposits from Central Bank and other banks	6(20)	\$ 4,471,009	-	\$ 12,387,393	-	\$ 14,402,244	1
22000	Financial liabilities at fair value through profit or loss	6(3)	180,270,113	5	158,670,714	5	146,639,977	5
22500	Bills and bonds payable under repurchase agreements	6(6)(47) and 7	268,991,893	7	251,838,703	8	215,213,013	7
22600	Commercial paper payable – net	6(21)(47)	135,296,003	4	83,155,165	3	87,444,402	3
23000	Payables	6(22) and 7	233,871,077	6	180,210,063	6	169,075,296	5
23200	Current income tax liabilities		5,075,168	-	5,366,128	-	4,339,970	-
23500	Deposits and remittances	6(23) and 7	1,705,390,131	45	1,548,770,818	47	1,504,819,310	47
24000	Bonds payable	6(24)(47)	108,612,655	3	104,904,691	3	98,328,614	3
24400	Other borrowings	6(25)(47)	64,896,708	2	48,439,167	2	51,022,688	2
24600	Liabilities reserve	6(26)	389,320,833	10	376,640,823	11	379,569,361	12
25500	Other financial liabilities	6(28) and 7	175,310,010	5	135,723,396	4	129,867,651	4
26000	Lease liabilities	6(47)	6,161,151	-	6,191,253	-	4,678,984	-
29300	Deferred income tax liabilities		6,060,013	-	5,341,639	-	6,951,848	-
29500	Other liabilities	6(29) and 7	145,461,102	4	72,643,721	2	77,063,460	2
	TOTAL LIABILITIES		<u>3,429,187,866</u>	<u>91</u>	<u>2,990,283,674</u>	<u>91</u>	<u>2,889,416,818</u>	<u>91</u>
31000	Equity attributable to owners of the parent company							
31100	Share capital							
31101	Common stock	6(30)	129,428,640	3	126,890,824	4	126,890,824	4
31500	Additional paid-in capital	6(31)	38,192,619	1	38,188,103	1	38,173,889	1
32000	Retained earnings							
32001	Legal reserve	6(32)	25,415,714	1	22,561,044	1	22,561,044	1
32003	Special reserve	6(32)	6,549,233	-	13,517,403	-	13,517,403	-
32011	Undistributed earnings	6(33)	96,848,175	2	80,901,931	2	78,555,615	2
32500	Other equity							
32500	Other equity interest	6(34)	15,446,377	1	4,947,633	1	1,392,730	-
39500	Non-controlling interests		<u>22,095,622</u>	<u>1</u>	<u>21,369,208</u>	<u>-</u>	<u>20,979,551</u>	<u>1</u>
	TOTAL EQUITY		<u>333,976,380</u>	<u>9</u>	<u>308,376,146</u>	<u>9</u>	<u>299,285,596</u>	<u>9</u>
	TOTAL LIABILITIES AND EQUITY		<u>\$ 3,763,164,246</u>	<u>100</u>	<u>\$ 3,298,659,820</u>	<u>100</u>	<u>\$ 3,188,702,414</u>	<u>100</u>

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

YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

Items	Notes	Three months ended September 30				Nine months ended September 30				
		2024		2023		2024		2023		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
41000	Interest income	6(35) and 7	\$ 18,752,815	60	\$ 16,390,985	59	\$ 52,921,893	59	\$ 45,794,178	59
51000	Less: Interest expense	6(35) and 7	(10,347,968)	(33)	(8,441,616)	(30)	(28,718,547)	(32)	(22,955,385)	(30)
49600	Net interest income	6(35)	<u>8,404,847</u>	<u>27</u>	<u>7,949,369</u>	<u>29</u>	<u>24,203,346</u>	<u>27</u>	<u>22,838,793</u>	<u>29</u>
	Net non-interest income									
49800	Net service fee and commission income	6(36) and 7	9,134,243	30	7,713,612	28	26,023,361	29	19,561,683	25
49810	Net income from insurance operations	6(37) and 7	436,813	1	1,542,808	6	4,351,064	5	7,528,656	10
49820	Gain or loss on financial assets and financial liabilities at fair value through profit or loss	6(38) and 7	9,370,831	30	(447,595)	(2)	18,552,508	21	10,292,735	13
49825	Gain on investment property	7	265,758	1	70,767	-	430,721	-	152,956	-
49835	Realised gain on financial assets at fair value through other comprehensive income		1,946,070	6	(148,600)	-	2,582,252	3	2,581,260	4
49850	Net gain or loss arising from derecognition of financial assets measured at amortised cost	6(5)	(102,357)	-	(629,421)	(2)	(245,852)	-	(757,114)	(1)
49870	Foreign exchange gain or loss		(4,825,717)	(15)	7,034,457	25	5,193,177	6	10,151,616	13
49880	(Loss) reversal gain on assets impairment	6(39)	(7,671)	-	3,262	-	(22,626)	-	21,402	-
49890	Share of the profit or loss of associates and joint ventures accounted for under the equity method	6(11)	(6,609)	-	18,974	-	112,801	-	4,469	-
49898	Gain or loss on reclassification under the overlay approach		1,595,328	5	1,900,424	7	(486,135)	(1)	(1,435,630)	(2)
49921	Net gain on sale of non-performing loans		92,152	-	68,247	-	304,761	-	231,803	-
49945	Consultation service income		2,202,392	7	1,474,486	5	5,780,255	6	3,892,952	5
49999	Net other miscellaneous income or loss	6(40) and 7	<u>2,491,024</u>	<u>8</u>	<u>1,139,073</u>	<u>4</u>	<u>3,216,928</u>	<u>4</u>	<u>2,756,886</u>	<u>4</u>
49700	Total net non-interest income		<u>22,592,257</u>	<u>73</u>	<u>19,740,494</u>	<u>71</u>	<u>65,793,215</u>	<u>73</u>	<u>54,983,674</u>	<u>71</u>
	Net profit		30,997,104	100	27,689,863	100	89,996,561	100	77,822,467	100
58100	Provision for bad debt expenses, commitment and guarantee policy reserve	6(41)	(874,282)	(3)	(106,059)	(1)	(1,628,782)	(2)	(268,785)	-
58300	Net change in provisions for insurance liabilities	6(26)	(2,366,753)	(7)	(3,682,849)	(13)	(8,802,817)	(9)	(11,705,509)	(15)
	Operating expenses									
58501	Employee benefit expense	6(42) and 7	(9,492,360)	(31)	(7,948,781)	(29)	(27,130,305)	(30)	(22,452,141)	(29)
58503	Depreciation and amortization	6(43)	(943,404)	(3)	(810,327)	(3)	(2,770,974)	(3)	(2,412,276)	(3)
58599	Other business and administrative expenses	6(44) and 7	(5,379,582)	(17)	(4,320,691)	(15)	(14,884,620)	(17)	(11,718,274)	(15)
58500	Total Operating Expenses		<u>(15,815,346)</u>	<u>(51)</u>	<u>(13,079,799)</u>	<u>(47)</u>	<u>(44,785,899)</u>	<u>(50)</u>	<u>(36,582,691)</u>	<u>(47)</u>
61000	Consolidated income from continuing operations before income tax		11,940,723	39	10,821,156	39	34,779,063	39	29,265,482	38
61003	Income tax expense	6(45)	(1,781,348)	(6)	(1,671,968)	(6)	(5,786,079)	(7)	(4,276,763)	(6)
69000	Consolidated net income		<u>\$ 10,159,375</u>	<u>33</u>	<u>\$ 9,149,188</u>	<u>33</u>	<u>\$ 28,992,984</u>	<u>32</u>	<u>\$ 24,988,719</u>	<u>32</u>

(Continued)

YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2024		2023		2024		2023	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
Other comprehensive income									
Components of other comprehensive income that will not be reclassified to profit or loss									
69561									
69563									
69565									
69567									
69569									
Components of other comprehensive income that will be reclassified to profit or loss									
69571									
69585									
69587									
69590									
69579									
69500									
69700									
Consolidated net income attributable to:									
69901									
69903									
Consolidated comprehensive income attributable to:									
69951									
69953									
Earnings per share (in New Taiwan Dollars)									
70001									

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

YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent										
	Retained Earnings					Other equity interest					
	Common stock	Additional paid-in capital	Legal reserve	Special reserve	Undistributed earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets at fair value through other comprehensive income	Other comprehensive income (loss) on reclassification under the overlay approach	Change in fair value of financial liability attributable to change in credit risk	Non-controlling interests	Total equity
For the nine months ended September 30, 2023											
Balance, January 1, 2023	\$ 125,015,590	\$ 38,010,564	\$ 20,481,785	\$ 6,549,234	\$ 73,279,144	(\$ 6,119,904)	\$ 4,445,539	(\$ 5,242,587)	(\$ 51,218)	\$ 21,014,761	\$ 277,382,908
Consolidated net income for the period	-	-	-	-	23,531,969	-	-	-	-	1,456,750	24,988,719
Other comprehensive (loss) income for the period	-	-	-	-	(11,164)	(588,775)	7,384,554	1,458,835	401	(121,668)	8,122,183
Total comprehensive income (loss) for the period	-	-	-	-	23,520,805	(588,775)	7,384,554	1,458,835	401	1,335,082	33,110,902
Appropriation of 2022 earnings											
Legal reserve	-	-	2,079,259	-	(2,079,259)	-	-	-	-	-	-
Special reserve	-	-	-	6,968,169	(6,968,169)	-	-	-	-	-	-
Cash dividend	-	-	-	-	(10,001,247)	-	-	-	-	-	(10,001,247)
Stock dividend	1,875,234	-	-	-	(1,875,234)	-	-	-	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	-	163,325	-	-	-	-	-	-	-	-	163,325
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(1,370,292)	(1,370,292)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	2,679,575	-	(2,679,575)	-	-	-	-
Balance, September 30, 2023	\$ 126,890,824	\$ 38,173,889	\$ 22,561,044	\$ 13,517,403	\$ 78,555,615	(\$ 6,708,679)	\$ 9,150,518	(\$ 3,783,752)	(\$ 50,817)	\$ 20,979,551	\$ 299,285,596
For the nine months ended September 30, 2024											
Balance, January 1, 2024	\$ 126,890,824	\$ 38,188,103	\$ 22,561,044	\$ 13,517,403	\$ 80,901,931	(\$ 6,961,608)	\$ 14,117,852	(\$ 2,159,647)	(\$ 48,964)	\$ 21,369,208	\$ 308,376,146
Consolidated net income for the period	-	-	-	-	27,095,015	-	-	-	-	1,897,969	28,992,984
Other comprehensive (loss) income for the period	-	-	-	-	(147,749)	1,248,510	10,167,740	461,935	1,844	318,545	12,050,825
Total comprehensive income for the period	-	-	-	-	26,947,266	1,248,510	10,167,740	461,935	1,844	2,216,514	41,043,809
Appropriation of 2023 earnings											
Legal reserve	-	-	2,854,670	-	(2,854,670)	-	-	-	-	-	-
Special reserve	-	-	-	(6,968,170)	6,968,170	-	-	-	-	-	-
Cash dividend	-	-	-	-	(13,957,991)	-	-	-	-	(1,063,818)	(15,021,809)
Stock dividend	2,537,816	-	-	-	(2,537,816)	-	-	-	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	-	4,516	-	-	-	-	-	-	-	-	4,516
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(426,282)	(426,282)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	1,381,285	-	(1,381,285)	-	-	-	-
Balance, September 30, 2024	\$ 129,428,640	\$ 38,192,619	\$ 25,415,714	\$ 6,549,233	\$ 96,848,175	(\$ 5,713,098)	\$ 22,904,307	(\$ 1,697,712)	(\$ 47,120)	\$ 22,095,622	\$ 333,976,380

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

YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Nine months ended September 30	
	2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before tax	\$ 34,779,063	\$ 29,265,482
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	2,291,023	1,958,144
Amortization	479,951	454,132
Provision for bad debt expense, commitment and guarantee policy reserve	2,152,242	1,097,455
Interest expense	28,718,547	22,955,385
Interest income	(52,921,893)	(45,794,178)
Dividend income	(5,223,753)	(8,869,981)
Loss (reversal gain) on assets impairment	22,626	(21,402)
Loss on reclassification under the overlay approach	486,135	1,435,630
Share of the profit of associates and joint ventures accounted for under the equity method	(112,801)	(4,469)
Gain on disposal of investment property	(309,714)	(30,128)
Gain on disposal or retirement of property and equipment	(129,369)	(5,551)
Loss on disposal of intangible assets	2	-
(Gain) loss on lease modification	(179)	323
Net change in insurance liabilities	10,073,608	11,799,853
Changes in operating assets and liabilities		
Changes in operating assets		
Due to Central Bank and call loans to other banks	(8,490,208)	(2,824,176)
Financial assets at fair value through profit or loss	(89,676,780)	(94,547,745)
Financial assets at fair value through other comprehensive income	(11,896,918)	21,560,942
Investments in debt instruments measured at amortised cost	(21,875,048)	7,842,050
Receivables	(109,121,800)	(55,936,647)
Bills discounted and loans	(157,374,840)	(55,794,519)
Reinsurance contract assets	(21,768)	112,783
Restricted assets	(619,845)	(513,126)
Other financial assets	(25,519,327)	7,127,482
Other assets	(24,685,237)	(10,203,788)
Changes in operating liabilities		
Deposits from Central Bank and other banks	(7,916,747)	(24,204,851)
Financial liabilities at fair value through profit or loss	21,601,243	11,817,695
Payables	52,391,750	13,258,707
Deposits and remittances	156,344,173	97,377,811
Liabilities reserve	27,469	400,414
Other financial liabilities	45,612,980	(11,221,471)
Other liabilities	72,816,806	13,822,473
Cash outflow generated from operations	(88,098,609)	(67,685,271)
Interest received	51,810,598	44,267,275
Dividend received	5,347,983	8,892,542
Interest paid	(27,724,709)	(21,285,680)
Income tax paid	(5,086,508)	(1,276,391)
Net cash flows used in operating activities	(63,751,245)	(37,087,525)

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YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Nine months ended September 30	
	2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of investments accounted for under the equity method	(\$ 680,130)	(\$ 1,801,616)
Proceeds from liquidation of investments accounted for under the equity method	1,070,348	1,752,179
Acquisition of investment property	(1,223,944)	(654,023)
Proceeds from disposal of investment property	866,225	147,142
Acquisition of property and equipment	(3,741,464)	(1,523,618)
Proceeds from disposal of property and equipment	188,617	17,470
Acquisition of intangible assets	(215,737)	(220,349)
Proceeds from disposal of intangible assets	-	8
Acquisition of right-of-use assets	(474)	(422)
Net cash flows used in investing activities	<u>(3,736,559)</u>	<u>(2,283,229)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Increase (decrease) in bills and bonds payable under repurchase agreements	17,153,190	(8,924,478)
Increase in commercial paper payable	52,428,708	39,735,275
Proceeds from issuance of bonds	15,079,464	5,500,000
Repayments of bonds	(7,803,500)	(9,500,000)
Proceeds from issuance of bank debentures	1,000,000	-
Repayments of bank debentures	(4,700,000)	-
Increase in other borrowings	16,457,541	2,562,489
Principal payment for lease liabilities	(1,129,531)	(1,078,483)
Cash dividends paid	(13,957,991)	(10,001,247)
Decrease in non-controlling interests	(1,490,101)	(1,370,292)
Net cash flows from financing activities	<u>73,037,780</u>	<u>16,923,264</u>
Net effect of foreign exchange rate changes	<u>4,011,546</u>	<u>2,651,086</u>
Net increase (decrease) in cash and cash equivalents	9,561,522	(19,796,404)
Cash and cash equivalents at beginning of period	<u>218,948,309</u>	<u>206,929,363</u>
Cash and cash equivalents at end of period	<u>\$ 228,509,831</u>	<u>\$ 187,132,959</u>
The components of cash and cash equivalents		
Cash and cash equivalents reported in the statement of financial position	\$ 91,235,755	\$ 76,414,702
Due from central bank and call loans to other banks qualified as cash and cash equivalents as defined by IAS 7	46,818,102	29,586,978
Investments in bills and bonds under resale agreements qualified as cash and cash equivalents as defined by IAS 7	<u>90,455,974</u>	<u>81,131,279</u>
Cash and cash equivalents at end of reporting period	<u>\$ 228,509,831</u>	<u>\$ 187,132,959</u>

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

YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

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

1. History and organization

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

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

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

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

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

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

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

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

These consolidated financial statements were authorised for issuance by the Board of Directors on November 20, 2024.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

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

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

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

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

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’	January 1, 2026
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
IFRS 18, ‘Presentation and disclosure in financial statements’	January 1, 2027
IFRS 19, ‘Subsidiaries without public accountability: disclosures’	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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

A. Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’

The IASB issued the amendments to:

- (a) Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception relating to the derecognition of a financial liability (or part of a financial liability) settled through an electronic cash transfer system. Applying the exception, an entity is permitted to derecognise a financial liability at an earlier date if, and only if, the entity has initiated a payment instruction and specific conditions are met.

The conditions for the exception are that the entity making the payment does not have:

- i. the practical ability to withdraw, stop or cancel the payment instruction;
 - ii. the practical ability to access the cash used for settlement; and
 - iii. significant settlement risk.
- (b) Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, covering contractual terms that can change cash flows based on contingent events (for example, interest rates linked to ESG targets), non-recourse features and contractually-linked instruments.
- (c) Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets), including a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows that could result from those contractual terms and the gross carrying amount of financial assets and amortised cost of financial liabilities subject to these contractual terms.

(d) Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The entity shall disclose the fair value of each class of investment. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.

B. IFRS 17, 'Insurance contracts'

IFRS 17 'Insurance contracts' replaces IFRS 4 'Insurance contracts' and establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. The standard applies to insurance contracts (including reinsurance contracts) issued, to reinsurance contracts held and to investment contracts with discretionary participation features issued, provided the entity also issues insurance contracts. Embedded derivatives, distinct investment components and distinct performance obligations shall be separated from the insurance contracts. An entity shall, at initial recognition, disaggregate a portfolio into three groups of contracts: onerous, no significant risk of becoming onerous, and remaining contracts. IFRS 17 requires a current measurement model, where estimates are remeasured in each reporting period. The measurement is based on the building blocks of discounted, probability-weighted cash flows, a risk adjustment and a contractual service margin ('CSM') representing the unearned profit of the contract. An entity may apply a modified simplified measurement approach (the premium allocation approach) to some insurance contracts. An entity recognises the profit from a group of insurance contracts over the period the entity provides insurance coverage, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognises the loss immediately. Entities are required to present separately insurance revenue, insurance service expenses and insurance finance income or expenses and to disclose information about amounts, judgements and risks arising from insurance contracts.

C. Amendments to IFRS 17, 'Insurance contracts'

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

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

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

E. IFRS 18, 'Presentation and disclosure in financial statements'

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

4. Summary of material accounting policies

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

(1) Compliance statement

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

(2) Basis of preparation

- A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
 - (A) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (B) Financial assets at fair value through other comprehensive income.
 - (C) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
 - (D) Various insurance liabilities, reinsurance reserve assets, and foreign exchange reserves are set aside and recognised in accordance with “Regulations Governing the Setting Aside of Various Reserves by Insurance Enterprises” and relevant regulations.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Yuanta Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:

All subsidiaries are included in the Yuanta Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Yuanta Group. The Yuanta Group controls an entity when the Yuanta Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Yuanta Group obtains control of the subsidiaries and ceases when the Yuanta Group loses control of the subsidiaries. The Yuanta Group acquired subsidiaries in accordance with the Acquisition Method. Acquisition costs are measured at fair value based on assets acquired, issued equity instruments and incurred or undertaking liabilities, along with directly attributable acquisition costs. Identifiable assets, liabilities and contingent liabilities that are acquired at business combinations are measured at original fair value, and shares of non-controlling interests are not considered. Acquisition costs that exceed fair value of identifiable assets recognised for shareholding ratio are recognised as goodwill; acquisition costs that are less than fair value of identifiable assets recognised for shareholding ratio are directly recognised in the consolidated statements of comprehensive income. Changes in a parent’s ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e., transactions with owners in their capacity as owners. Any difference between the

amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity. Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Yuanta Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Yuanta Group. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
The Company	Yuanta Securities	Securities brokerage, dealing, underwriting, financing and refinancing, futures business and raising and issuing derivative instruments	100.00	100.00	100.00	
	Yuanta Bank	Banking	100.00	100.00	100.00	
	Yuanta Life Insurance Co., Ltd. (“Yuanta Life”)	Life insurance business	100.00	100.00	100.00	
	Yuanta Futures Co., Ltd. (“Yuanta Futures”)	Futures, futures managers, futures consultant, securities, securities trading assistance	66.27	66.27	66.27	
	Yuanta Securities Investment Trust Co., Ltd. (“Yuanta Securities Investment Trust”)	Securities investment trust	74.71	74.71	74.71	
	Yuanta Venture Capital Co., Ltd. (“Yuanta Venture Capital”)	Venture capital investments	100.00	100.00	100.00	
	Yuanta Asset Management Co., Ltd. (“Yuanta Asset Management”)	Management of monetary debts of financial institutions	100.00	100.00	100.00	
	Yuanta Securities Investment Consulting Co., Ltd. (“Yuanta Securities Investment Consulting”)	Securities investment consultant	100.00	100.00	100.00	
Yuanta Securities	Yuanta Securities Asia Financial Services Private Limited (“Yuanta Securities Asia Financial Services”)	Investment holding	100.00	100.00	100.00	
	Yuanta International Insurance Brokers Co., Ltd. (“Yuanta International Insurance Brokers”)	Insurance brokerage services	100.00	100.00	100.00	
	Yuanta Securities Finance Co., Ltd. (“Yuanta Securities Finance”)	Securities financing and refinancing to securities firms and related business	100.00	100.00	100.00	
	Yuanta Wealth Management (Singapore) Pte. Ltd. (“Yuanta Wealth Management (Singapore)”)	Note 1	100.00	100.00	100.00	Note 1
Yuanta Securities Asia Financial Services	Yuanta Securities (Hong Kong) Limited (“Yuanta Securities (Hong Kong)”)	Securities trading, futures contract trading, providing opinions on securities, futures contract and institutions’ financing, asset management services	100.00	100.00	100.00	
	Yuanta Asia Investment (Hong Kong) Ltd. (“Yuanta Asia Investment (Hong Kong)”)	Securities trading, asset management services	100.00	100.00	100.00	
	Yuanta Investment Consulting (Beijing) Co., Ltd. (“Yuanta Investment Consulting Beijing”)	Investment and management consultancy, financial consultancy, enterprise management consultancy, business information consultancy, economic and trade consultancy, marketing strategy and plan, technique promotion and technique service	100.00	100.00	100.00	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
Yuanta Securities Asia Financial Services	Yuanta Securities Korea Co., Ltd. (“Yuanta Securities (Korea)”)	Investment and trading business, investment intermediary business, trust business, investment consultancy, discretionary account business, in addition, concurrent operating business and auxiliary business	58.56	58.54	58.49	
	Yuanta Hong Kong Holdings (Cayman) Ltd. (“Yuanta HK Holdings (Cayman)”)	Investment holding	100.00	100.00	100.00	
	Yuanta Securities Thailand Co., Ltd. (“Yuanta Securities (Thailand)”)	Securities brokerage, dealing in securities, underwriting and investment consultation, management of mutual fund, management of private fund, management venture capital fund, securities lending, brokerage and dealer of derivative instrument	99.99	99.99	99.99	
	Yuanta Securities Vietnam Limited Company (“Yuanta Securities (Vietnam)”)	Securities brokerage, dealing, underwriting, investment consultation, financial derivatives	94.10	94.10	94.10	
Yuanta Securities (Korea)	Yuanta Investment Co.,Ltd.	Investment business	58.56	58.54	58.49	
	Yuanta Financial (Hong Kong) Ltd. (“Yuanta Financial (Hong Kong)”)	Investment holding	58.56	58.54	58.49	
Yuanta Financial (Hong Kong)	Yuanta Securities (Cambodia) Plc.	Underwriting guidelines, financial advisory services, securities brokerage, dealing in securities and investment advisory	58.56	58.54	58.49	
Yuanta Securities (Hong Kong)	Yuanta International Investment (Hong Kong) Ltd. (“Yuanta International Investment (Hong Kong)”)	Issuance of financial instruments and dealing investments	100.00	100.00	100.00	
	Yuanta Finance (Hong Kong) Ltd.	Credit loan business	100.00	100.00	100.00	
	PT Yuanta Sekuritas Indonesia (“Yuanta Securities (Indonesia)”)	Securities trading and underwriting services	99.00	99.00	99.00	
	Yuanta Securities (Vietnam)	Securities brokerage, dealing, underwriting, investment consultation, financial derivatives	5.90	5.90	5.90	
	YUANTA Quantivantage Fund SP	Investment business	36.00	-	-	Note 2
Yuanta Investment Co.,Ltd.	Yuanta Quantum Jump No.3 Fund	Investment business	25.10	25.09	25.07	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
Yuanta Bank	Yuanta International Leasing Co., Ltd. ("Yuanta International Leasing")	Leasing business	-	100.00	100.00	Note 3
	Yuanta Savings Bank (Philippines) Inc. (Yuanta Savings Bank (Philippines))	Deposits and loans of savings bank	100.00	100.00	100.00	
	Yuanta Savings Bank (Korea) Inc. (Yuanta Savings Bank (Korea))	Deposits and loans of savings bank	100.00	100.00	100.00	
Yuanta Futures	Yuanta Futures (Hong Kong) Limited ("Yuanta Futures (Hong Kong)")	Financial services	66.27	66.27	66.27	
	SYF Information Co., Ltd ("SYF Information")	Information service	-	66.27	66.27	Note 4
	Yuanta Global (Singapore) Pte. Ltd. ("Yuanta Global (Singapore)")	Note 5	66.27	66.27	66.27	Note 5
Yuanta Venture Capital	Yuanta I Venture Capital Co., Ltd. ("Yuanta I Venture Capital")	Venture capital investments	100.00	100.00	100.00	

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

Note 2: Subscribed in the first quarter of 2024.

Note 3: On April 22, 2024, the Board of Directors of Yuanta International Leasing acting on behalf of the shareholders' meeting approved the dissolution of April 30, 2024 as the record date for the dissolution.

Note 4: On June 26, 2024, the Board of Directors of Yuanta Futures resolved to set the record date for dissolution of SYF Information as July 31, 2024.

Note 5: On November 23, 2022, Yuanta Global (Singapore) was established by Yuanta Futures through reinvestment, and its main business activities are currently under approval by Singapore authorities.

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C. The structured entities controlled by Yuanta Securities (Korea) are as follows:
September 30, 2024

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

December 31, 2023

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

September 30, 2023

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

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

- D. Subsidiaries not included in the consolidated financial statements:
None.

E. Adjustments for subsidiaries with different balance sheet dates:

None.

F. Significant restrictions:

None.

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

As of September 30, 2024, December 31, 2023 and September 30, 2023, the non-controlling interests amounted to \$22,095,622, \$21,369,208 and \$20,979,551, respectively. The information of non-controlling interests and respective subsidiaries is as follows:

Subsidiary	Principal place of business	Non-controlling interests					
		September 30, 2024		December 31, 2023		September 30, 2023	
		Amount	Ownership (%)	Amount	Ownership (%)	Amount	Ownership (%)
Yuanta Securities (Korea)	Korea	\$ 15,438,907	41.44%	\$ 15,136,461	41.46%	\$ 15,044,991	41.51%

The comprehensive income (loss) attributable to these non-controlling interests were \$545,430, \$361,171, \$708,912 and \$166,496 for the three months and nine months ended September 30, 2024 and 2023, respectively.

Summarized financial information for the aforementioned subsidiaries:

Consolidated balance sheets

	Yuanta Securities (Korea) and its subsidiaries		
	September 30, 2024	December 31, 2023	September 30, 2023
Current assets	\$ 383,361,178	\$ 374,120,897	\$ 323,727,869
Non-current assets	16,192,043	16,175,705	14,800,545
Current liabilities	(351,457,190)	(343,795,784)	(293,892,577)
Non-current liabilities	(9,393,731)	(8,521,378)	(6,908,075)
Total net assets	<u>\$ 38,702,300</u>	<u>\$ 37,979,440</u>	<u>\$ 37,727,762</u>

Consolidated statements of comprehensive income

	Yuanta Securities (Korea) and its subsidiaries	
	For the three months ended September 30,	
	2024	2023
Revenue	\$ 4,933,765	\$ 5,081,335
Profit before income tax	649,105	795,032
Income tax expense	(151,609)	(186,864)
Net income	497,496	608,168
Other comprehensive income (net of tax)	685,405	244,607
Total comprehensive income for the period	<u>\$ 1,182,901</u>	<u>\$ 852,775</u>

	<u>Yuanta Securities (Korea) and its subsidiaries</u>	
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Revenue	\$ 15,348,179	\$ 14,145,612
Profit before income tax	1,922,047	1,610,846
Income tax expense	(455,120)	(404,257)
Net income	1,466,927	1,206,589
Other comprehensive income (loss) (net of tax)	148,569	(768,068)
Total comprehensive income for the period	<u>\$ 1,615,496</u>	<u>\$ 438,521</u>

Consolidated statements of cash flows

	<u>Yuanta Securities (Korea) and its subsidiaries</u>	
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Net cash provided by (used in) operating activities	\$ 5,777,067	(\$ 7,786,243)
Net cash provided by (used in) investing activities	830,264	(38,831)
Net cash (used in) provided by financing activities	(3,872,557)	6,664,326
Effects of exchange rate changes	(349,064)	130,224
Increase (decrease) in cash and cash equivalents	<u>2,385,710</u>	<u>(1,030,524)</u>
Cash and cash equivalents, beginning of period	<u>13,701,288</u>	<u>14,687,558</u>
Cash and cash equivalents, end of period	<u>\$ 16,086,998</u>	<u>\$ 13,657,034</u>

(4) Other material accounting policies

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

A. Employee benefits

(A) Short-term employee benefits

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

(B) Pensions

a. Defined contribution plans

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

b. Defined benefit plans

(a) Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Yuanta Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related

- pension liability; when there is no deep market in high-quality corporate bonds, the Yuanta Group uses interest rates of government bonds (at the balance sheet date) instead.
- (b) Remeasurement arising on defined benefit plans are recognised immediately in other comprehensive income in the period in which they arise and are recorded as retained earnings.
 - (c) Past service costs are recognised immediately in profit or loss.
 - (d) Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. And, the related information is disclosed accordingly.
- c. Deposits
- The Yuanta Group provides preferential interest rate for its employees, including flat preferential savings for current employees. The difference gap compared to market interest rate is deemed as employee benefits.
- d. Termination benefits
- Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Yuanta Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Yuanta Group recognises expense as it can no longer withdraw an offer of termination benefits or it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.
- e. Employees' compensation and directors' and supervisors' remuneration
- Employees' compensation and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. However, if the accrued amounts for employees' compensation and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the shareholders at their shareholders' meeting subsequently, the differences should be accounted for as changes in estimates.

B. Income tax

(A) Current income tax

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

(B) Deferred income tax

- a. Deferred income tax assets and liabilities are measured based on the tax rate of the anticipated period that the future assets realization or the liabilities settlement requires, which is based on the effective or existing tax rate at the consolidated balance sheet date. The carrying amounts and temporary differences of assets and liabilities included on the consolidated balance sheet are calculated using the balance sheet liability method and recognised as deferred income tax.

- b. The land revaluation appraisal due to the revaluation assessment in compliance with relevant regulations, deemed as taxable temporary difference, is recognised as deferred income tax liabilities.
- c. If the future taxable income is probable to provide unused loss carryforwards or deferred income tax credit which can be realised in the future, the proportion of realization is deemed as deferred income tax asset.

(C) Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously. The Yuanta Group does not offset deferred income tax assets against liabilities taxed by different tax authorities.

(D) The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

(E) If a change in tax rate is enacted or substantively enacted in an interim period, the Yuanta Group recognises the effect of the change on items recognised outside profit or loss immediately in the interim period in which the change occurs and spread the effect of the change on items recognised in profit or loss over the remainder of the annual reporting period via an adjustment to the estimated annual effective income tax rate.

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

There have been no significant changes as of September 30, 2024. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2023.

6. Details of significant accounts

(1) Cash and cash equivalents

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Cash on hand	\$ 5,866,872	\$ 7,031,300	\$ 6,177,522
Deposits in banks	81,750,809	71,111,899	65,862,215
Futures excess margin and cash equivalents	2,834,884	2,088,601	2,678,177
Checks for clearance	783,190	1,638,160	1,696,788
Total	<u>\$ 91,235,755</u>	<u>\$ 81,869,960</u>	<u>\$ 76,414,702</u>

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Reserve for deposits - account A	\$ 25,771,146	\$ 15,405,956	\$ 11,562,175
Reserve for deposits - account B	53,772,817	45,217,980	45,514,146
Deposits by foreign subsidiary to designated accounts of respective local central banks	2,827,721	2,232,294	3,660,585
Reserve for deposits	17,884,548	13,246,331	13,233,031
Call loans to banks	727,973	7,007,579	1,613,402
Total	<u>\$ 100,984,205</u>	<u>\$ 83,110,140</u>	<u>\$ 75,583,339</u>

A. Reserves for deposits placed with the Central Bank are calculated monthly at prescribed rates on

the average daily balances of various deposit accounts and structured accounts and then lodged into reserve for deposits account of Central Bank. The reserve for deposits - account A is non-interest bearing and call on demand. Reserve for deposits - account B is interest bearing and its use is restricted to monthly adjustment in the reserve for deposits only according to relevant regulations.

B. Please refer to Note 8 for details of the above due from Central Bank and call loans to other banks pledged as collateral as of September 30, 2024, December 31, 2023 and September 30, 2023.

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

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Financial assets mandatorily measured at fair value through profit or loss			
Commercial paper	\$ 122,609,058	\$ 87,992,496	\$ 92,917,666
Beneficiary certificates / securities	92,891,853	75,774,944	56,035,003
Short-term notes and bills	19,010,836	16,003,217	15,451,337
Listed stocks	53,935,451	31,213,329	45,563,749
Emerging stocks	2,001,803	1,893,718	1,782,173
Government bonds	54,315,448	40,585,060	22,596,012
Bank debentures	108,276,288	116,349,322	91,460,042
Corporate bonds	27,408,820	34,934,285	36,481,818
Convertible corporate bonds	72,414,127	63,236,850	60,699,726
Derivative financial instruments	16,217,064	17,922,423	18,881,809
Structured products	20,137,457	15,241,899	16,805,603
Reserve for claims of customers' deposits with KSFC (Note 1)	54,270,269	54,827,303	53,886,722
Other marketable securities	7,524,002	6,456,181	7,974,193
Valuation adjustment	2,365,500	1,270,169	(5,930,726)
Total	<u>\$ 653,377,976</u>	<u>\$ 563,701,196</u>	<u>\$ 514,605,127</u>
Financial liabilities held for trading			
Derivative financial instruments	\$ 33,515,981	\$ 31,418,104	\$ 34,662,883
Non-derivative financial instruments	46,407,569	41,966,169	33,584,638
Valuation adjustment of financial liabilities held for trading – non-derivative financial instruments	1,850,094	2,518,776	(403,167)
Liabilities for issuance of ETNs	753,713	892,156	1,369,240
Financial liabilities designated as at fair value through profit or loss			
Structured products (Note 2)	71,674,748	57,804,859	54,569,352
Convertible bond asset swap not qualifying for derecognition (Note 2)	26,068,008	24,070,650	22,857,031
Total	<u>\$ 180,270,113</u>	<u>\$ 158,670,714</u>	<u>\$ 146,639,977</u>

Note 1: KSFC stands for Korea Securities Finance Corporation.

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

A. Please refer to Note 8 for details of the above financial assets at fair value through profit or loss pledged to others as collateral as of September 30, 2024, December 31, 2023 and September 30, 2023.

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Equity instruments			
Domestic stocks	\$ 2,495,586	\$ 1,122,201	\$ 5,828,738
Overseas stocks	466,146	-	-
	<u>2,961,732</u>	<u>1,122,201</u>	<u>5,828,738</u>
Domestic beneficiary certificates	26,565,997	22,465,016	21,740,887
Overseas beneficiary certificates	1,088,332	684,115	782,036
	<u>\$ 30,616,061</u>	<u>\$ 24,271,332</u>	<u>\$ 28,351,661</u>

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

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Profit (loss) recognised in accordance with IFRS 9	\$ 395,558	(\$ 230,681)
Less: Profit that would have been recognised under IAS 39	(1,990,886)	(1,669,743)
Loss from adopting the overlay approach	(\$ 1,595,328)	(\$ 1,900,424)
Effects on income tax	<u>\$ 2,811</u>	<u>(\$ 6,782)</u>
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Profit recognised in accordance with IFRS 9	\$ 4,078,083	\$ 4,620,160
Less: Profit that would have been recognised under IAS 39	(3,591,948)	(3,184,530)
Profit from adopting the overlay approach	\$ 486,135	\$ 1,435,630
Effects on income tax	<u>(\$ 24,200)</u>	<u>\$ 23,205</u>

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

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

<u>Items</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Debt instruments			
Government bonds	\$ 59,643,478	\$ 51,723,187	\$ 58,483,236
Bank debentures	61,737,734	63,494,452	68,408,382
Corporate bonds	147,551,074	144,189,952	167,203,141
Others	1,303,893	1,892,724	1,860,056
Valuation adjustment	(7,318,333)	(11,461,127)	(17,845,181)
Subtotal	<u>262,917,846</u>	<u>249,839,188</u>	<u>278,109,634</u>

Items	September 30, 2024	December 31, 2023	September 30, 2023
Equity instruments			
Listed stocks	\$ 9,419,698	\$ 5,542,753	\$ 9,625,989
Unlisted stocks/Emerging stocks	4,598,076	4,582,490	4,586,491
Others	2,649,376	2,648,611	2,658,072
Valuation adjustment	34,987,132	29,649,776	30,684,095
Subtotal	<u>51,654,282</u>	<u>42,423,630</u>	<u>47,554,647</u>
Total	<u>\$ 314,572,128</u>	<u>\$ 292,262,818</u>	<u>\$ 325,664,281</u>

- A. The Yuanta Group has elected to classify strategic equity investments not held for trading as financial assets at fair value through other comprehensive income. As of September 30, 2024, December 31, 2023 and September 30, 2023, the fair value of such investments were \$51,654,282, \$42,423,630 and \$47,554,647, respectively.
- B. The Yuanta Group disposed equity instruments at fair value through other comprehensive income for purposes of investment portfolio adjustment and asset allocation. For the three months and nine months ended September 30, 2024 and 2023, the fair value of such equity investments sold amounted to \$23,912,996, \$15,026,044, \$25,636,901 and \$25,275,572, and accumulated gains on disposal were \$1,335,566, \$4,379,853, \$1,447,709 and \$2,756,752, respectively.
- C. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the three months ended September 30,	
	2024	2023
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	<u>\$ 1,540,123</u>	<u>\$ 5,161,046</u>
Cumulative gains reclassified to retained earnings due to derecognition	<u>\$ 1,270,480</u>	<u>\$ 1,086,379</u>
Dividend income recognised in profit or loss		
Held at end of period	\$ 725,515	(\$ 1,463,920)
Derecognised in the current period	<u>1,047,689</u>	<u>2,280,840</u>
	<u>\$ 1,773,204</u>	<u>\$ 816,920</u>
<u>Debt instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	<u>\$ 5,296,585</u>	<u>(\$ 1,766,674)</u>
Cumulative other comprehensive income reclassified to profit or loss		
Reclassified due to reversal of impairment	(\$ 1,938)	(\$ 5,876)
Reclassified due to derecognition	<u>(172,866)</u>	<u>965,520</u>
	<u>(\$ 174,804)</u>	<u>\$ 959,644</u>
Interest income recognised in profit or loss	<u>\$ 1,621,275</u>	<u>\$ 1,394,223</u>

	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 6,678,619	\$ 5,128,569
Cumulative gains reclassified to retained earnings due to derecognition	\$ 1,381,285	\$ 2,679,575
Dividend income recognised in profit or loss		
Held at end of period	\$ 1,402,180	\$ 1,568,575
Derecognised in the current period	1,081,845	2,811,502
	<u>\$ 2,484,025</u>	<u>\$ 4,380,077</u>
<u>Debt instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 3,831,999	\$ 586,284
Cumulative other comprehensive income reclassified to profit or loss		
Reclassified due to reversal of impairment	(\$ 3,826)	(\$ 7,374)
Reclassified due to derecognition	(98,227)	1,798,817
	<u>(\$ 102,053)</u>	<u>\$ 1,791,443</u>
Interest income recognised in profit or loss	<u>\$ 4,658,622</u>	<u>\$ 3,823,433</u>

D. Details of the above financial assets at fair value through other comprehensive income pledged to others as collateral as of September 30, 2024, December 31, 2023 and September 30, 2023, are provided in Note 8.

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

(5) Investments in debt instruments at amortised cost

<u>Items</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Government bonds	\$ 108,927,977	\$ 109,776,649	\$ 116,641,073
Time deposits	140,073,129	142,692,828	118,864,400
Bank debentures	130,246,842	119,849,038	124,251,231
Corporate bonds	185,999,989	170,532,824	176,658,265
Subtotal	565,247,937	542,851,339	536,414,969
Less: Accumulated impairment	(160,309)	(159,669)	(162,839)
Statutory deposits	(4,080,200)	(3,560,400)	(3,560,400)
Total	<u>\$ 561,007,428</u>	<u>\$ 539,131,270</u>	<u>\$ 532,691,730</u>

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

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Interest income	\$ 3,707,459	\$ 3,489,147
Reversal gain (loss) on impairment	1,968 (	2,613)
Losses on disposal	(102,357)	(629,421)
	<u>\$ 3,607,070</u>	<u>\$ 2,857,113</u>
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Interest income	\$ 10,980,041	\$ 10,039,761
(Impairment loss) reversal gain	(578)	563
Losses on disposal	(245,852)	(757,114)
	<u>\$ 10,733,611</u>	<u>\$ 9,283,210</u>

B. The Yuanta Group sold certain financial assets at amortised cost for the three months and nine months ended September 30, 2024 and 2023, due to factors such as considering pay back, mandatorily redeemed by the issuer, increase in credit risk, or individual and aggregated sales amount that is non-significant.

C. Pursuant to Article 141 of Insurance Act, an insurance enterprise shall deposit 15% of its registered paid-in capital with the national treasury as operating guarantee deposits. As of September 30, 2024, December 31, 2023 and September 30, 2023, Yuanta Life of the Yuanta Group has deposited government bonds with par value of \$4,080,200, \$3,560,400 and \$3,560,400, respectively in the Central Bank as statutory operating guarantee deposits, which are recognised under other assets - net.

D. Details of the above financial assets at amortised cost pledged to others as collateral as of September 30, 2024, December 31, 2023 and September 30, 2023, are provided in Note 8.

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

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Bills and bonds purchased under resale agreement	<u>\$ 90,455,974</u>	<u>\$ 99,644,104</u>	<u>\$ 81,131,279</u>
Interest rate range	1.00% ~ 6.45%	0.92% ~ 6.65%	0.90% ~ 6.65%
Contract resale amount	<u>\$ 90,746,961</u>	<u>\$ 100,042,588</u>	<u>\$ 81,407,307</u>
Bills and bonds sold under repurchase agreement	<u>\$ 268,991,893</u>	<u>\$ 251,838,703</u>	<u>\$ 215,213,013</u>
Interest rate range	0.65% ~ 5.48%	0.50% ~ 5.80%	0.50% ~ 5.90%
Contract repurchase amount	<u>\$ 276,722,622</u>	<u>\$ 257,448,903</u>	<u>\$ 221,232,431</u>

(7) Receivables – net

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Interest receivable	\$ 12,819,546	\$ 11,708,251	\$ 11,219,323
Receivable of securities business			
money lending	123,562,489	71,687,248	60,603,162
Factoring receivable	4,170,182	5,025,112	9,208,809
Margin loans receivable	111,207,776	98,783,527	98,284,585
Spot exchange receivable	3,745,885	828,096	4,161,590
Credit card receivable	9,348,245	9,189,343	8,981,807
Net exchange clearing receivable	7,393,408	8,718,790	6,215,431
Settlement receivable	81,529,727	53,217,175	38,597,030
Securities sold receivable	18,616,285	9,638,023	14,742,169
Other receivables	11,812,109	6,227,378	8,857,056
Subtotal	384,205,652	275,022,943	260,870,962
Less: Allowance for credit losses	(2,096,519)	(1,930,024)	(2,123,974)
Total	<u>\$ 382,109,133</u>	<u>\$ 273,092,919</u>	<u>\$ 258,746,988</u>

A. The Yuanta Group recognised appropriate allowance for credit losses for receivables. For the nine months ended September 30, 2024 and 2023, details are provided in Note 12(3).

B. Margin loans receivable uses the securities purchased through financing by client as collateral. As of September 30, 2024, December 31, 2023 and September 30, 2023, the annual interest rates of Yuanta Securities and Yuanta Securities Finance were all 6.25%; the annual interest rates range of Yuanta Securities (Korea) were all 6.90%~10.20%; the annual interest rates range of Yuanta Securities (Hong Kong) were 2.43%~13.50%, 2.68%~13.75% and 2.68%~13.75%, respectively; the annual interest rates range of Yuanta Securities (Indonesia) were 16.00%~20.00%, 16.00%~18.00% and 16.00%~18.00%, respectively; the annual interest rates range of Yuanta Securities (Thailand) were 5.90%~7.90%, 5.56%~5.90% and 5.31%~5.65%, respectively; the annual interest rates range of Yuanta Securities (Vietnam) were 6.80%~12.00%, 8.00%~13.50% and 8.00%~13.50%, respectively.

(8) Assets held for sale

In order to enhance the efficiency of asset utilization, the Yuanta Group approved the sale of its own real estate and of equity investments accounted for under the equity method, and expected to complete the sale within a year by those authorized; therefore, the relevant assets were reclassified to “assets held for sale”. After remeasuring, the original assets at the lower of its carrying amount or fair value less costs to sell, the balance of assets held for sale is \$1,038,181, \$79,099 and \$80,998 as of September 30, 2024, December 31, 2023 and September 30, 2023, respectively. Among them, those measured according to fair value less cost to sell are based on the valuation results by independent valuation experts, which was categorised as level 2 of the fair value hierarchy. For the three months and nine months ended September 30, 2023 and 2024, the Yuanta Group recognised related impairment loss were \$11,523, \$0, \$14,021 and \$471, respectively.

(9) Bills discounted and loans - net

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Bills discounted	\$ 453,824	\$ 34,373	\$ 84,338
Overdrafts	2,624	3,820	3,774
Short-term loans	180,681,397	148,164,186	143,813,016
Short-term loans secured	128,480,614	110,824,956	104,113,553
Medium-term loans	175,681,778	162,900,732	152,889,996
Medium-term loans secured	261,970,698	228,608,660	226,296,230
Long-term loans	5,528,871	5,350,960	4,701,477
Long-term loans secured	494,588,567	435,462,856	423,018,402
Export-import bills negotiated	115,423	8,454	107,004
Accounts receivable financing	187,926	318,491	182,800
Automatic policy loans	1,679,514	1,670,455	1,640,107
Life insurance policy loans	6,720,633	6,451,096	6,223,130
Overdue loans	<u>2,933,173</u>	<u>2,017,089</u>	<u>2,200,117</u>
Subtotal	1,259,025,042	1,101,816,128	1,065,273,944
Less: Allowance for credit losses	(17,035,737)	(15,266,124)	(15,408,470)
Less: Adjustment for discount or premium	(<u>32,200</u>)	(<u>23,244</u>)	(<u>9,486</u>)
Total	<u>\$ 1,241,957,105</u>	<u>\$ 1,086,526,760</u>	<u>\$ 1,049,855,988</u>

A. The Yuanta Group recognised the appropriate allowance for credit losses for the bills discounted and loans. For the details of changes in allowance for credit losses in relation to bills discounted and loans for the nine months ended September 30, 2024 and 2023, please refer to Note 12(3).

B. Classified by subsidiaries as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Bills discounted and loans including adjustment for discount and premium			
Yuanta Bank	\$ 1,237,819,504	\$ 1,083,227,619	\$ 1,045,757,817
Yuanta Securities	12,773,191	10,443,714	11,643,405
Yuanta Life	<u>8,400,147</u>	<u>8,121,551</u>	<u>7,863,236</u>
Subtotal	<u>\$ 1,258,992,842</u>	<u>\$ 1,101,792,884</u>	<u>\$ 1,065,264,458</u>
Allowance for credit losses			
Yuanta Bank	(\$ 15,672,104)	(\$ 14,247,014)	(\$ 14,349,473)
Yuanta Securities	(<u>1,363,633</u>)	(<u>1,019,110</u>)	(<u>1,058,997</u>)
Subtotal	(<u>17,035,737</u>)	(<u>15,266,124</u>)	(<u>15,408,470</u>)
Total	<u>\$ 1,241,957,105</u>	<u>\$ 1,086,526,760</u>	<u>\$ 1,049,855,988</u>

(10) Reinsurance contract assets

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Claims recoverable from reinsurers	\$ 468,332	\$ 472,208	\$ 510,789
Due from reinsurers and ceding companies	144,592	119,616	87,396
Reinsurance reserve assets			
Ceded unearned premium reserve	425,377	456,271	406,283
Ceded claims reserve	82,708	88,959	114,083
Overdue receivables	112,708	112,039	96,919
Total	<u>\$ 1,233,717</u>	<u>\$ 1,249,093</u>	<u>\$ 1,215,470</u>

(11) Investments accounted for under the equity method

	<u>September 30, 2024</u>		<u>December 31, 2023</u>		<u>September 30, 2023</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Associates:						
CR Yuanta Fund Management Company Limited	\$ 363,321	24.50%	\$ 341,109	24.50%	\$ 347,509	24.50%
GC Investment Consultant (Shanghai) Co., Ltd.	23,099	100.00%	22,299	100.00%	23,373	100.00%
Woori Asset Management Corp.	-	-	810,967	27.00%	811,561	27.00%
KVIC-Yuanta 2015 Overseas Advance Fund	59,459	44.00%	77,480	44.00%	86,416	44.00%
IBKC-TONGYANG Growth 2013 Private Equity Fund	15,250	10.71%	47,978	10.71%	47,506	10.71%
2016 KIF-Yuanta ICT Venture Fund	46,528	16.67%	44,596	16.67%	50,323	16.67%
Yuanta Secondary No.2 Fund	109,605	12.28%	150,990	12.28%	201,595	12.28%
Yuanta Secondary No.3 Private Equity Fund	692,802	15.26%	663,043	15.26%	788,300	15.26%
SJ-ULTRA V 1st FUND	28,934	34.48%	28,500	34.48%	28,632	34.48%
Yuanta-HPNT Private Equity Fund	4,779	0.09%	4,703	0.09%	4,723	0.09%
Kiwoom-Yuanta 2019 Scale-up Fund	335,837	15.20%	404,998	15.20%	403,137	15.20%
Yuanta Innovative Job Creation Fund	186,635	22.73%	186,835	22.73%	194,115	22.73%
Yuanta Quantum Jump No.1 Fund	7,817	12.50%	80,731	12.50%	115,198	12.50%

	<u>September 30, 2024</u>		<u>December 31, 2023</u>		<u>September 30, 2023</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Yuanta Great Unicorn No.1 Fund	\$ 67,595	17.65%	\$ 67,570	17.65%	\$ 112,934	17.65%
Yuanta Innovative Growth MPE Fund	207,812	14.02%	154,168	14.02%	129,036	14.02%
Yuanta SPAC IX	490	0.19%	479	0.19%	472	0.19%
Yuanta SPAC X	492	0.17%	479	0.17%	472	0.17%
Yuanta SPAC XI	480	0.19%	469	0.19%	526	0.19%
Yuanta SPAC XII	480	0.21%	469	0.21%	410	0.21%
Yuanta SPAC XIII	463	0.10%	453	0.10%	307	0.10%
Yuanta SPAC XIV	475	0.22%	464	0.22%	447	0.22%
Yuanta SPAC XV	372	0.14%	237	1.96%	-	-
Yuanta SPAC XVI	646	0.27%	356	4.17%	-	-
Yuanta SPAC XVII	241	3.23%	-	-	-	-
Yuanta K-Bio Vaccine Blockbuster Private Equity Fund	70,302	19.93%	-	-	-	-
	<u>\$2,223,914</u>		<u>\$3,089,373</u>		<u>\$3,346,992</u>	

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

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Net loss (profit) for the period from continuing operations	(\$ 6,609)	\$ 18,974
Other comprehensive loss (net of tax)	(15)	(656)
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Net profit for the period from continuing operations	\$ 112,801	\$ 4,469
Other comprehensive loss (income) (net of tax)	(4,744)	508

In January 2024, the Group subscribed to Alpha-Harvest Summit Private Equity Fund (recorded as equity investments accounted for under the equity method), and on June 1, 2024, reclassified this investment amounting to \$179,887 to assets held for sale.

(12) Other financial assets - net

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Overdue receivable	\$ 926,917	\$ 895,372	\$ 937,098
Less: Allowance for credit losses	(926,549)	(894,533)	(936,050)
	<u>368</u>	<u>839</u>	<u>1,048</u>
Purchase of claim receivable	1,750,919	1,790,773	1,799,424
Valuation adjustment on purchase of claim receivable	(32,885)	(25,072)	(23,711)
	<u>1,718,034</u>	<u>1,765,701</u>	<u>1,775,713</u>
Customer margin accounts	103,849,893	78,039,576	74,987,322
Investment-linked insurance product assets	25,477,915	31,504,281	31,122,735
Receivables from security lending	103,109	234,920	148,310
Others	<u>163,165</u>	<u>271,214</u>	<u>165,735</u>
Total	<u>\$ 131,312,484</u>	<u>\$ 111,816,531</u>	<u>\$ 108,200,863</u>

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

B. Yuanta Life of the Yuanta Group's investment-linked insurance products mainly comprise investments in products in relation to beneficiary certificate, variable universal life insurance and variable deferred annuities. As of September 30, 2024, December 31, 2023 and September 30, 2023, as well as for the three months and nine months ended September 30, 2024 and 2023, details about the investment insurance products - separate accounts were as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Investment – linked insurance product assets			
Financial assets at fair value through profit or loss	\$ 25,392,167	\$ 31,437,073	\$ 31,085,206
Other receivables	<u>85,748</u>	<u>67,208</u>	<u>37,529</u>
	<u>\$ 25,477,915</u>	<u>\$ 31,504,281</u>	<u>\$ 31,122,735</u>
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Investment – linked insurance product liabilities			
Reserve for investment linked insurance product			
Reserve for investment linked insurance product			
– insurance contract	\$ 6,944,864	\$ 7,322,624	\$ 7,130,357
– investment contract	18,493,587	24,127,964	23,977,288
Other payables	<u>39,464</u>	<u>53,693</u>	<u>15,090</u>
	<u>\$ 25,477,915</u>	<u>\$ 31,504,281</u>	<u>\$ 31,122,735</u>

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Revenue on investment – linked insurance products		
Premium income	\$ 93,469	\$ 71,184
(Loss) gain on financial assets at fair value through profit or loss	(116,597)	65,989
Exchange gain (loss)	631	(1,098)
Interest income	1,160	1,265
Other (loss) income	(8,143)	187
	<u>(\$ 29,480)</u>	<u>\$ 137,527</u>
Expenses on investment – linked insurance products		
Claims and policy benefit payments	\$ 284,153	\$ 97,110
Net change in reserve for investment-linked insurance product-insurance contract	(392,953)	(33,877)
Administrative expenses and other expenses	<u>79,320</u>	<u>74,294</u>
	<u>(\$ 29,480)</u>	<u>\$ 137,527</u>
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Revenue on investment – linked insurance products		
Premium income	\$ 216,337	\$ 202,271
Gain on financial assets at fair value through profit or loss	810,617	783,249
Exchange loss	(820)	(1,472)
Interest income	3,441	3,779
Other income	<u>1,515</u>	<u>187</u>
	<u>\$ 1,031,090</u>	<u>\$ 988,014</u>
Expenses on investment – linked insurance products		
Claims and policy benefit payments	\$ 1,164,427	\$ 336,350
Net change in reserve for investment-linked insurance product-insurance contract	(378,580)	434,541
Administrative expenses and other expenses	<u>245,243</u>	<u>217,123</u>
	<u>\$ 1,031,090</u>	<u>\$ 988,014</u>

(13) Investment property – net

		September 30, 2024			
Assets	Cost	Accumulated depreciation	Accumulated impairment	Book value	
Land and land improvements	\$ 1,952,663	\$ -	(\$ 203,048)	\$ 1,749,615	
Buildings	3,469,320	(871,859)	(36,235)	2,561,226	
Right-of-use assets	8,347,465	(593,905)	-	7,753,560	
Investment property under construction	2,267,484	-	-	2,267,484	
Total	<u>\$ 16,036,932</u>	<u>(\$ 1,465,764)</u>	<u>(\$ 239,283)</u>	<u>\$ 14,331,885</u>	
		December 31, 2023			
Assets	Cost	Accumulated depreciation	Accumulated impairment	Book value	
Land and land improvements	\$ 1,918,238	\$ -	(\$ 198,897)	\$ 1,719,341	
Buildings	1,707,854	(780,365)	(35,347)	892,142	
Right-of-use assets	6,471,964	(382,993)	-	6,088,971	
Investment property under construction	2,607,063	-	-	2,607,063	
Total	<u>\$ 12,705,119</u>	<u>(\$ 1,163,358)</u>	<u>(\$ 234,244)</u>	<u>\$ 11,307,517</u>	
		September 30, 2023			
Assets	Cost	Accumulated depreciation	Accumulated impairment	Book value	
Land and land improvements	\$ 1,811,516	\$ -	(\$ 198,746)	\$ 1,612,770	
Buildings	1,700,347	(751,373)	(36,200)	912,774	
Right-of-use assets	6,472,063	(356,799)	-	6,115,264	
Investment property under construction	2,049,152	-	-	2,049,152	
Total	<u>\$ 12,033,078</u>	<u>(\$ 1,108,172)</u>	<u>(\$ 234,946)</u>	<u>\$ 10,689,960</u>	
Change in investment property of the Yuanta Group:					
		2024	2023		
Cost					
At January 1		\$ 12,705,119	\$	11,818,982	
Additions		1,314,694		743,534	
Disposals		(658,234)	(	138,065)	
Transferred out to property and equipment		(2,762,197)	(	387,269)	
Transferred in from property and equipment		3,566,344		33,043	
Transferred in from right-of-use assets		1,894,310		-	
Others		(41,711)		-	
Foreign exchange adjustment and others		18,607	(	37,147)	
At September 30		<u>\$ 16,036,932</u>	<u>\$</u>	<u>12,033,078</u>	

	<u>2024</u>	<u>2023</u>
Accumulated depreciation		
At January 1	(\$ 1,163,358)	(\$ 1,092,399)
Depreciation	(73,633)	(44,856)
Disposals	101,723	21,051
Transferred out to property and equipment	54,581	68,266
Transferred in from property and equipment	(167,511)	(2,615)
Transferred in from right-of-use assets	(150,958)	-
Others	4,473	-
Foreign exchange adjustment and others	(71,081)	(57,619)
At September 30	<u>(\$ 1,465,764)</u>	<u>(\$ 1,108,172)</u>
	<u>2024</u>	<u>2023</u>
Accumulated impairment		
At January 1	(\$ 234,244)	(\$ 239,132)
Reversal of impairment loss	2,904	13,812
Transferred in from property and equipment	(7,943)	(9,626)
At September 30	<u>(\$ 239,283)</u>	<u>(\$ 234,946)</u>

- A. The fair value of the investment property held by the Yuanta Group as of September 30, 2024, December 31, 2023 and September 30, 2023, were \$17,420,393, \$13,161,957 and \$12,833,366, respectively, according to the result of valuation by an independent valuation expert using the income approach, comparison approach, cost approach and land development analysis approach. As of September 30, 2024, the fair value included the amounts of \$4,191,546 and \$13,228,847; that was categorised within Level 2 and Level 3 in the fair value hierarchy, respectively. As of December 31, 2023, the fair value included the amounts of \$2,930,651 and \$10,231,306; that was categorised within Level 2 and Level 3 in the fair value hierarchy, respectively. As of September 30, 2023, the fair value included the amounts of \$2,914,626 and \$9,918,740; that was categorised within Level 2 and Level 3 in the fair value hierarchy, respectively.
- B. For the three months and nine months ended September 30, 2024 and 2023, rental income from the lease of the investment property were \$41,048, \$40,103, \$120,883, and \$121,006, respectively.
- C. Please refer to Note 8 for details of the above investment property pledged to others as collateral.

(14) Property and equipment - net

Change in property and equipment of the Yuanta Group:

2024

Cost	2024						Construction in progress and prepayments for business facilities	Total
	Land and land improvements (Note)	Buildings	Machinery and computer equipment	Transportation equipment	Miscellaneous equipment			
At January 1	\$ 15,070,429	\$ 7,074,907	\$ 4,985,702	\$ 199,203	\$ 1,814,817	\$ 5,438,316	\$ 34,583,374	
Additions	-	2,088,297	687,791	9,527	86,783	869,066	3,741,464	
Disposals	(36,444)	(42,925)	(693,059)	(21,018)	(105,892)	-	(899,338)	
Transferred out to assets held for sale	(608,617)	(259,399)	-	-	-	-	(868,016)	
Transferred out to investment property	(1,644,430)	(1,921,914)	-	-	-	-	(3,566,344)	
Transferred in from investment property	1,145,640	1,616,557	-	-	-	-	2,762,197	
Others	-	4,776,617	145,418	4,583	79,293	(5,104,777)	(98,866)	
Translation difference	2,802	16,313	65,878	503	24,122	1,215	110,833	
At September 30	\$ 13,929,380	\$ 13,348,453	\$ 5,191,730	\$ 192,798	\$ 1,899,123	\$ 1,203,820	\$ 35,765,304	
<u>Accumulated depreciation</u>								
At January 1	\$ -	(\$ 2,550,615)	(\$ 3,182,173)	(\$ 147,183)	(\$ 1,180,689)	\$ -	(\$ 7,060,660)	
Depreciation	-	(213,262)	(590,760)	(15,084)	(224,092)	-	(1,043,198)	
Disposals	-	28,466	691,874	19,426	100,324	-	840,090	
Transferred out to assets held for sale	-	112,037	-	-	-	-	112,037	
Transferred out to investment property	-	167,511	-	-	-	-	167,511	
Transferred in from investment property	-	(54,581)	-	-	-	-	(54,581)	
Others	-	-	-	-	1,659	-	1,659	
Translation difference	-	(7,665)	(51,020)	(348)	(22,495)	-	(81,528)	
At September 30	\$ -	(\$ 2,518,109)	(\$ 3,132,079)	(\$ 143,189)	(\$ 1,325,293)	\$ -	(\$ 7,118,670)	
<u>Accumulated impairment</u>								
At January 1	(\$ 119,057)	(\$ 51,203)	\$ -	\$ -	(\$ 298)	\$ -	(\$ 170,558)	
Impairment loss	1,656	856	-	-	-	-	2,512	
Transferred out to investment property	6,310	1,633	-	-	-	-	7,943	
At September 30	(\$ 111,091)	(\$ 48,714)	\$ -	\$ -	(\$ 298)	\$ -	(\$ 160,103)	
Net carrying amount	\$ 13,818,289	\$ 10,781,630	\$ 2,059,651	\$ 49,609	\$ 573,532	\$ 1,203,820	\$ 28,486,531	

Cost	Land and land improvements (Note)		Machinery and computer equipment		Transportation equipment	Miscellaneous equipment	Construction in progress and prepayments for business facilities	Total
		Buildings						
At January 1	\$ 14,996,186	\$ 7,070,182	\$ 4,282,329	\$ 207,558	\$ 1,806,929	\$ 3,764,475	\$ 32,127,659	
Additions	-	1,089	323,545	10,457	72,496	1,116,031	1,523,618	
Disposals	(2,789)	(9,159)	(167,898)	(20,242)	(161,546)	-	(361,634)	
Transferred out to investment property	(24,024)	(9,019)	-	-	-	-	(33,043)	
Transferred in from investment property	253,031	134,238	-	-	-	-	387,269	
Others	-	-	259,009	1,700	24,830	(300,492)	(14,953)	
Translation difference	(6,297)	(19,451)	(34,566)	422	4,550	264	(55,078)	
At September 30	\$ 15,216,107	\$ 7,167,880	\$ 4,662,419	\$ 199,895	\$ 1,747,259	\$ 4,580,278	\$ 33,573,838	
<u>Accumulated depreciation</u>								
At January 1	\$ -	(\$ 2,338,300)	(\$ 2,856,635)	(\$ 143,827)	(\$ 1,096,058)	\$ -	(\$ 6,434,820)	
Depreciation	-	(152,464)	(491,451)	(17,381)	(217,133)	-	(878,429)	
Disposals	-	4,752	167,856	17,615	159,492	-	349,715	
Transferred out to investment property	-	(68,266)	-	-	-	-	(68,266)	
Transferred in from investment property	-	2,615	-	-	-	-	2,615	
Others	-	-	2	-	(2)	-	-	
Translation difference	-	7,987	28,561	(335)	(4,548)	-	31,665	
At September 30	\$ -	(\$ 2,543,676)	(\$ 3,151,667)	(\$ 143,928)	(\$ 1,158,249)	\$ -	(\$ 6,997,520)	
<u>Accumulated impairment</u>								
At January 1	(\$ 130,740)	(\$ 58,310)	\$ -	\$ -	(\$ 298)	\$ -	(\$ 189,348)	
Transferred out to investment property	5,419	4,207	-	-	-	-	9,626	
At September 30	(\$ 125,321)	(\$ 54,103)	\$ -	\$ -	(\$ 298)	\$ -	(\$ 179,722)	
Net carrying amount	\$ 15,090,786	\$ 4,570,101	\$ 1,510,752	\$ 55,967	\$ 588,712	\$ 4,580,278	\$ 26,396,596	

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

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

(15) Leasing arrangements – lessee

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 6,692,828	\$ 8,511,019	\$ 8,542,417
Buildings	4,298,088	4,367,284	2,744,818
Machinery and equipment	18,906	47,479	58,462
Transportation equipment	32,603	28,006	28,943
Others	86,229	57,787	54,658
	<u>\$ 11,128,654</u>	<u>\$ 13,011,575</u>	<u>\$ 11,429,298</u>
		<u>For the three months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
		<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land		\$ 27,640	\$ 5,002
Buildings		331,476	323,006
Machinery and equipment		10,269	11,020
Transportation equipment		3,811	3,262
Others		5,315	2,135
		<u>\$ 378,511</u>	<u>\$ 344,425</u>
		<u>For the nine months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
		<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land		\$ 60,724	\$ 15,004
Buildings		1,056,500	969,337
Machinery and equipment		31,310	34,290
Transportation equipment		11,464	10,357
Others		14,194	5,871
		<u>\$ 1,174,192</u>	<u>\$ 1,034,859</u>

- C. For the three months and nine months ended September 30, 2024 and 2023, the additions to right-of-use assets amounted to \$336,361, \$382,549, \$1,105,318 and \$1,096,467, respectively.

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

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 39,456	\$ 15,030
Expense on short-term lease contracts	17,477	21,811
Expense on leases of low-value assets	1,199	1,343
Gain on sublease of right-of-use assets	396	3,749
Gain on lease modification	231	109
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 122,507	\$ 54,212
Expense on short-term lease contracts	63,279	63,362
Expense on leases of low-value assets	3,799	4,135
Gain on sublease of right-of-use assets	4,809	10,332
Gain (loss) on lease modification	179 (	323)

E. For the nine months ended September 30, 2024 and 2023, the Yuanta Group's total cash outflow for leases amounted to \$1,319,116 and \$1,200,192, respectively.

(16) Leasing arrangements – lessor

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

	<u>For the three months</u> <u>ended September 30, 2023</u>
Finance income from the net investment in the finance lease	<u>\$ 41</u>
	<u>For the nine months</u> <u>ended September 30, 2023</u>
Finance income from the net investment in the finance lease	<u>\$ 197</u>

The Yuanta Group has no finance income from the net investment in the finance lease for the three months and nine months ended September 30, 2024.

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

	<u>September 30, 2023</u>
2023	<u>\$ 2,116</u>

As of September 30, 2024 and December 31, 2023, the Yuanta Group had no undiscounted lease payments in the finance lease.

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

	<u>September 30, 2023</u>
Undiscounted lease payments	\$ 2,116
Unearned finance income	(17)
Net investment in the lease	<u>\$ 2,099</u>

As of September 30, 2024 and December 31, 2023, the Yuanta Group had no undiscounted lease payments in the finance lease.

- E. For the three months and nine months ended September 30, 2024 and 2023, the Yuanta Group recognised rental income in the amounts of \$41,060, \$40,124, \$120,939 and \$121,067, respectively, based on the operating lease agreement, which does not include variable lease payments.
- F. The maturity analysis of the lease payments under the operating leases is as follows:

	<u>September 30, 2024</u>		<u>December 31, 2023</u>		<u>September 30, 2023</u>
2024	\$ 33,348	2024	\$ 100,707	2023	\$ 50,631
2025	178,923	2025	67,060	2024	76,365
2026	155,950	2026	18,070	2025	46,791
2027	143,389	2027	8,887	2026	10,045
2028	123,872	2028	3,611	2027	7,061
After 2029	<u>155,497</u>	After 2029	<u>2,442</u>	After 2028	<u>4,712</u>
Total	<u>\$ 790,979</u>	Total	<u>\$ 200,777</u>	Total	<u>\$ 195,605</u>

(BLANK)

(17) Intangible assets - net

	2024					
Cost	Goodwill (Note)	Operating rights	Computer software	Customer relationship	Others	Total
At January 1	\$ 31,493,965	\$ 385,456	\$ 5,250,023	\$ 3,045,314	\$ 4,372,621	\$ 44,547,379
Additions	-	-	205,462	-	10,275	215,737
Disposals	-	-	(58,392)	(15,000)	(6)	(73,398)
Reclassifications	-	-	124,175	-	-	124,175
Translation difference	8,293	533	85,530	-	19,089	113,445
At September 30	<u>\$ 31,502,258</u>	<u>\$ 385,989</u>	<u>\$ 5,606,798</u>	<u>\$ 3,030,314</u>	<u>\$ 4,401,979</u>	<u>\$ 44,927,338</u>
<u>Accumulated amortisation</u>						
At January 1	\$ -	(\$ 374,970)	(\$ 4,270,959)	(\$ 3,045,314)	(\$ 2,803,555)	(\$ 10,494,798)
Amortisation	-	-	(289,120)	-	(172,759)	(461,879)
Disposals	-	-	58,392	15,000	4	73,396
Translation difference	-	(157)	(76,835)	-	(1,093)	(78,085)
At September 30	<u>\$ -</u>	<u>(\$ 375,127)</u>	<u>(\$ 4,578,522)</u>	<u>(\$ 3,030,314)</u>	<u>(\$ 2,977,403)</u>	<u>(\$ 10,961,366)</u>
<u>Accumulated impairment</u>						
At January 1	(\$ 3,003,072)	(\$ 4,533)	\$ -	\$ -	(\$ 316,298)	(\$ 3,323,903)
Impairments (Note)	(17,269)	-	-	-	-	(17,269)
Translation difference	(7,951)	(162)	-	-	(269)	(8,382)
At September 30	<u>(\$ 3,028,292)</u>	<u>(\$ 4,695)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 316,567)</u>	<u>(\$ 3,349,554)</u>
Net carrying amount	<u>\$ 28,473,966</u>	<u>\$ 6,167</u>	<u>\$ 1,028,276</u>	<u>\$ -</u>	<u>\$ 1,108,009</u>	<u>\$ 30,616,418</u>

Note: The Yuanta Group periodically performs impairment assessments on goodwill at the end of each year. The Yuanta Group assesses impairment indication of goodwill in the interim period based on the regulation. In this interim period, the Yuanta Group takes into consideration the related information in relation to impairment indication of goodwill, and there was no indication that goodwill was impaired. Goodwill impairment loss of Yuanta Securities' investment segment-Yuanta Securities (Vietnam) amounting to \$17,269 and \$48,966 was recognised for the nine months ended September 30, 2024 and for the year ended December 31, 2023, respectively, due to its recoverable amount being less than its carrying amount after Year 2023 assessment.

Cost	2023					
	Goodwill (Note)	Operating rights	Computer software	Customer relationship	Others	Total
At January 1	\$ 31,496,813	\$ 385,472	\$ 5,079,715	\$ 3,045,314	\$ 4,367,806	\$ 44,375,120
Additions	-	-	196,047	-	24,302	220,349
Disposals	-	-	(71,909)	-	-	(71,909)
Reclassifications	-	-	95,265	-	-	95,265
Translation difference	1,007	700	(78,789)	-	(14,001)	(91,083)
At September 30	\$ 31,497,820	\$ 386,172	\$ 5,220,329	\$ 3,045,314	\$ 4,378,107	\$ 44,527,742
<u>Accumulated amortisation</u>						
At January 1	\$ -	(\$ 374,975)	(\$ 4,152,345)	(\$ 3,041,876)	(\$ 2,572,640)	(\$ 10,141,836)
Amortisation	-	-	(257,491)	(2,813)	(174,278)	(434,582)
Disposals	-	-	71,901	-	-	71,901
Translation difference	-	(206)	72,518	-	1,210	73,522
At September 30	\$ -	(\$ 375,181)	(\$ 4,265,417)	(\$ 3,044,689)	(\$ 2,745,708)	(\$ 10,430,995)
<u>Accumulated impairment</u>						
At January 1	(\$ 2,956,649)	\$ -	\$ -	\$ -	(\$ 316,727)	(\$ 3,273,376)
Translation difference	(62)	-	-	-	370	308
At September 30	(\$ 2,956,711)	\$ -	\$ -	\$ -	(\$ 316,357)	(\$ 3,273,068)
Net carrying amount	\$ 28,541,109	\$ 10,991	\$ 954,912	\$ 625	\$ 1,316,042	\$ 30,823,679

(18) Other assets - net

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Refundable deposits - net	\$ 6,444,255	\$ 5,149,361	\$ 9,338,789
Deposits on securities borrowed	55,143,004	35,199,050	31,330,218
Operating guarantee deposits and settlement and clearing fund	5,923,338	4,911,907	5,615,506
Prepayments	1,571,447	1,114,769	1,280,916
Bank deposits - amounts held for settlement	22,919,361	22,849,175	20,672,881
Others	2,422,052	540,799	1,082,151
Total	<u>\$ 94,423,457</u>	<u>\$ 69,765,061</u>	<u>\$ 69,320,461</u>

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

(19) Impairment of non-financial assets

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Investment property	\$ 239,283	\$ 234,244	\$ 234,946
Property and equipment	160,103	170,558	179,722
Intangible assets - goodwill	3,028,292	3,003,072	2,956,711
Intangible assets - operating rights	4,695	4,533	-
Intangible assets - other	316,567	316,298	316,357

(20) Deposits from Central Bank and other banks

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Overdrafts with other banks	\$ 86,188	\$ 5,935,763	\$ 3,469,082
Call loans from other banks	4,384,821	6,451,630	10,933,162
Total	<u>\$ 4,471,009</u>	<u>\$ 12,387,393</u>	<u>\$ 14,402,244</u>

(21) Commercial paper payable - net

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Commercial paper payable	\$ 135,875,629	\$ 83,446,921	\$ 87,698,486
Less: Discount on commercial paper payable	(579,626)	(291,756)	(254,084)
Total	<u>\$ 135,296,003</u>	<u>\$ 83,155,165</u>	<u>\$ 87,444,402</u>

As of September 30, 2024, December 31, 2023 and September 30, 2023, the annual interest rate of commercial paper payable was 1.658%~4.090%, 1.528%~5.590% and 1.470%~5.450%, respectively.

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

(22) Payables

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Accounts payable	\$ 90,292,182	\$ 76,177,280	\$ 78,413,507
Interest payable	5,337,315	3,940,714	4,585,939
Accrued expenses	13,372,824	12,261,577	9,527,888
Deposit payable for short sales	6,966,688	7,081,301	6,624,802
Consigned securities payable	-	-	4,159,534
Net exchange clearing payable	13,185,207	3,777,723	4,142,619
Securities purchased payable	9,626,514	2,659,924	6,045,667
Settlement payable	77,100,987	58,070,615	36,300,578
Guarantee deposit received from short sales	6,093,461	6,351,449	5,811,992
Other payables	11,895,899	9,889,480	13,462,770
Total	<u>\$ 233,871,077</u>	<u>\$ 180,210,063</u>	<u>\$ 169,075,296</u>

(23) Deposits and remittances

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Checking deposits	\$ 4,849,893	\$ 5,820,328	\$ 4,748,758
Demand deposits	229,992,338	181,485,255	173,660,085
Time deposits	496,352,270	404,594,380	398,542,612
Negotiable certificates of deposit	14,513,900	12,180,900	18,814,900
Savings deposits	959,426,911	944,529,272	908,935,946
Remittances	254,819	160,683	117,009
Total	<u>\$ 1,705,390,131</u>	<u>\$ 1,548,770,818</u>	<u>\$ 1,504,819,310</u>

(24) Bonds payable

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Bank debentures	\$ 25,000,000	\$ 28,700,000	\$ 28,700,000
Unsecured corporate bonds	83,612,655	76,204,691	69,628,614
Total	<u>\$ 108,612,655</u>	<u>\$ 104,904,691</u>	<u>\$ 98,328,614</u>

A. The details of bank debentures as of September 30, 2024 were as follows:

	<u>Third issue of perpetual non-cumulative subordinate bank debentures in 2015</u>
Par value	\$5,550,000
Stated interest rate	Fixed interest rate at 4.10%
Period	Perpetual
Interest payment date	Payable annually
Term of principal payment	Perpetual
Issue price	Priced at face value on issue date

	<u>Fourth issue of subordinate bank debentures in 2015</u>
Par value	\$3,000,000
Stated interest rate	Fixed interest rate at 2.10%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	<u>Fifth issue of perpetual non-cumulative subordinate bank debentures in 2015</u>
Par value	\$1,450,000
Stated interest rate	Fixed interest rate at 4.10%
Period	Perpetual
Interest payment date	Payable annually
Term of principal payment	Perpetual
Issue price	Priced at face value on issue date
	<u>First issue of subordinate bank debentures in 2021</u>
Par value	\$5,000,000
Stated interest rate	Fixed interest rate at 0.67%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	<u>Second issue of general bank debentures in 2021</u>
Par value	\$500,000
Stated interest rate	Fixed interest rate at 0.45%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	<u>First issue of general bank debentures in 2022</u>
Par value	\$2,000,000
Stated interest rate	Fixed interest rate at 0.77%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	<u>Second issue of subordinate bank debentures in 2022</u>
Par value	\$3,700,000
Stated interest rate	Fixed interest rate at 2.40%
Period	Seven years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date

	<u>Third issue of subordinate bank debentures in 2022(A)</u>
Par value	\$900,000
Stated interest rate	Fixed interest rate at 2.40%
Period	Eight years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	<u>Third issue of subordinate bank debentures in 2022(B)</u>
Par value	\$1,900,000
Stated interest rate	Fixed interest rate at 2.55%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	<u>First issue of general bank debentures in 2024</u>
Par value	\$1,000,000
Stated interest rate	Fixed interest rate at 1.75%
Period	Three years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
B. The details of unsecured corporate bonds as of September 30, 2024 were as follows: The Company	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2018(B)
	<u>Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2018(B)</u>
Par value	\$8,500,000
Stated interest rate	Fixed interest rate at 0.96%
Period	Seven years
Interest payment date	Payable annually
Term of principal payment	Half of principal will be repaid in the sixth and seventh years
Issue price	Priced at face value on issue date
	<u>Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2020</u>
Par value	\$5,000,000
Stated interest rate	Fixed interest rate at 0.59%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date

	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2022
Par value	\$5,300,000
Stated interest rate	Fixed interest rate at 0.85%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Yuanta Financial Holdings second issue of local unsecured ordinary corporate bond in 2022
Par value	\$8,200,000
Stated interest rate	Fixed interest rate at 1.55%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Half of principal will be repaid in the fourth and fifth years
Issue price	Priced at face value on issue date
	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2023(A)
Par value	\$1,850,000
Stated interest rate	Fixed interest rate at 1.65%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2023(B)
Par value	\$4,750,000
Stated interest rate	Fixed interest rate at 1.80%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2024(A)
Par value	\$3,100,000
Stated interest rate	Fixed interest rate at 2.00%
Period	Five years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date

	Yuanta Financial Holdings first issue of local unsecured ordinary corporate bond in 2024(B)
Par value	\$3,200,000
Stated interest rate	Fixed interest rate at 2.10%
Period	Ten years
Interest payment date	Payable annually
Term of principal payment	Repaid on maturity
Issue price	Priced at face value on issue date
	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2019(A)
Par value	\$2,200,000
Stated interest rate	Fixed interest rate at 1.25%
Issuance date	June 6, 2019
Maturity date	June 6, 2026
Issuance area	Taiwan
	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2019(B)
Par value	\$6,300,000
Stated interest rate	Fixed interest rate at 1.40%
Issuance date	June 6, 2019
Maturity date	June 6, 2029
Issuance area	Taiwan
	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2020(A)
Par value	\$1,300,000
Stated interest rate	Fixed interest rate at 0.85%
Issuance date	October 20, 2020
Maturity date	October 20, 2027
Issuance area	Taiwan
	Yuanta Securities first issue of unsecured subordinate ordinary corporate bond in 2020(B)
Par value	\$3,700,000
Stated interest rate	Fixed interest rate at 0.95%
Issuance date	October 20, 2020
Maturity date	October 20, 2030
Issuance area	Taiwan

Yuanta Securities first issue of unsecured subordinate
ordinary corporate bond in 2021(A)

Par value	\$4,800,000
Stated interest rate	Fixed interest rate at 0.82%
Issuance date	May 17, 2021
Maturity date	May 17, 2031
Issuance area	Taiwan

Yuanta Securities first issue of unsecured subordinate
ordinary corporate bond in 2021(B)

Par value	\$5,200,000
Stated interest rate	Fixed interest rate at 1.02%
Issuance date	May 17, 2021
Maturity date	May 17, 2036
Issuance area	Taiwan

Yuanta Securities first issue of unsecured
ordinary corporate bond in 2023(A)

Par value	\$950,000
Stated interest rate	Fixed interest rate at 1.62%
Issuance date	August 15, 2023
Maturity date	August 15, 2028
Issuance area	Taiwan

Yuanta Securities first issue of unsecured
ordinary corporate bond in 2023(B)

Par value	\$4,550,000
Stated interest rate	Fixed interest rate at 1.82%
Issuance date	August 15, 2023
Maturity date	August 15, 2033
Issuance area	Taiwan

Yuanta Securities first issue of unsecured
ordinary corporate bond in 2024(A)

Par value	\$2,500,000
Stated interest rate	Fixed interest rate at 1.76%
Issuance date	May 23, 2024
Maturity date	May 23, 2029
Issuance area	Taiwan

Yuanta Securities first issue of unsecured
ordinary corporate bond in 2024(B)

Par value	\$2,500,000
Stated interest rate	Fixed interest rate at 1.86%
Issuance date	May 23, 2024
Maturity date	May 23, 2034
Issuance area	Taiwan

Yuanta Securities Finance first issue of unsecured
ordinary corporate bond in 2020(A)

Par value	\$2,300,000
Stated interest rate	Fixed interest rate at 0.63%
Issuance date	May 6, 2020
Maturity date	May 6, 2025
Issuance area	Taiwan

Yuanta Securities Finance first issue of unsecured
ordinary corporate bond in 2020(B)

Par value	\$2,700,000
Stated interest rate	Fixed interest rate at 0.67%
Issuance date	May 6, 2020
Maturity date	May 6, 2027
Issuance area	Taiwan

Yuanta Securities (Korea) 88th issue of unsecured
ordinary corporate bond

Par value	KRW 150,000,000 thousands
Stated interest rate	Fixed interest rate at 4.215%
Issuance date	April 12, 2022
Maturity date	April 11, 2025
Issuance area	Korea

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

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

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

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

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

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

(25) Other borrowings

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Short-term borrowings			
Unsecured bank borrowings	\$ 24,841,755	\$ 7,257,098	\$ 7,354,693
Secured bank borrowings	4,168,954	2,282,866	3,687,506
KSFC secured borrowings	18,666,964	24,522,128	26,112,351
Asset-backed short-term bonds	17,219,035	14,377,075	13,868,138
	<u>\$ 64,896,708</u>	<u>\$ 48,439,167</u>	<u>\$ 51,022,688</u>
Interest rate range	<u>0.740%~8.730%</u>	<u>0.712%~8.450%</u>	<u>0.712%~8.700%</u>

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

(26) Provisions

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Insurance liabilities	\$ 375,937,352	\$ 364,806,930	\$ 365,781,025
Reserve for foreign exchange fluctuation	2,365,484	1,273,406	4,018,654
Employee benefit provisions	5,530,623	5,302,863	4,563,946
Guaranteed policy reserve	225,833	190,232	184,382
Loan commitment reserve and letters of credit	48,419	45,551	37,491
Reserve for insurance with nature of financial instrument	200,179	186,286	188,954
Other reserves (Note)	5,012,943	4,835,555	4,794,909
Total	<u>\$ 389,320,833</u>	<u>\$ 376,640,823</u>	<u>\$ 379,569,361</u>

Note: In relation to the complaints filed by investors with the competent authority of Korea for disputes arising from the sale of financial products issued by affiliates of the Tong Yang Group by former TongYang Securities Inc. (currently Yuanta Securities (Korea)), the competent authority of Korea has since July 31, 2014 announced the results of the first mediation through the tenth mediation, concluding that the amount of improper sale was KRW697,000 million (approximately \$16.8 billion); of which former TongYang Securities Inc. was liable for compensations totaling KRW67,678 million (approximately \$1.6 billion). From the end of September 2014, TongYang Securities Inc. has commenced paying compensations to clients other than a few clients who disagreed with the above-mentioned mediated results and filed the complaints. In addition, as of September 30, 2024, there were 2 litigations filed against former TongYang Securities Inc. and its subsidiaries related to the above-mentioned financial product selling disputes, with the claim amount of KRW492,565 million (approximately \$11.9 billion) (which claim amount was reduced to KRW113,007 million (approximately \$2.7 billion) by the plaintiffs) and KRW50,000 million (approximately \$1.2 billion), respectively, demanding compensations totaling KRW163,007 million (approximately \$3.9 billion); both litigations were class actions. For the class action with claim amount of KRW492,565 million, after undergoing substantive trial proceedings, the Seoul Central District Court and the Seoul High Court dismissed the plaintiffs' claim, respectively. After filing an appeal to the third instance, Yuanta Securities (Korea) learned that the Seoul High Court issued a ruling dismissing the plaintiffs' appeal on April 16, 2024 on the grounds that the plaintiffs failed to pay the court costs. The ruling was subsequently finalized on May 1, 2024, and the case was

closed. For the class action with the claim amount of KRW50,000 million, the Seoul Central District Court and the Seoul High Court had dismissed the case based on procedural reasons. Subsequently, Yuanta Securities (Korea) received a judgment rendered by the Supreme Court on June 26, 2023 dismissing the appeal and the case was closed.

Former TongYang Securities Inc. has recognised liability reserve for the aforementioned sales dispute with adjustments made for actual compensation payments. As of September 30, 2024, the balance of the liability reserve related to the aforementioned financial product selling disputes was KRW511 million (approximately \$12 million).

In addition, there is an arbitration award issued for a dispute where, Anbang Group Holdings Co., Ltd. and Anbang Life Insurance Co., Ltd. (now known as Dajia Life Insurance Co., Ltd., collectively, “Anbang”) filed an arbitration counterclaim in Hong Kong against Yuanta Securities (Korea) and four other sellers in June 2017 based on the share purchase agreement with respect to Tong Yang Life Insurance Co., Ltd. The International Court of Arbitration of International Chamber of Commerce (ICC) made an arbitration award in August 2020, ruling that the sellers shall pay Anbang compensation amounting to KRW166,600 million (approximately \$4.0 billion) as well as relevant expenses and the accrued interests at the estimated amount of KRW65,231 million (approximately \$1.6 billion) as of September 30, 2024. Yuanta Securities (Korea) received a correction of arbitration award in January 2021, which has no impact on the above results. Anbang then applied to Seoul Central District Court for recognising and enforcing the arbitration award. Yuanta Securities (Korea) received the court’s decision on December 17, 2021 which recognised the arbitration award and allowed Anbang to enforce the arbitration award up to the amount of KRW131,801 million (approximately \$3.2 billion) plus subsequent interest payable. Yuanta Securities (Korea) and Anbang both filed an appeal against such decision. Yuanta Securities (Korea) received the ruling from the Seoul High Court on May 26, 2023 recognising such arbitration award. Anbang is entitled to file an enforcement for approximately KRW127,436 million (approximately \$3.1 billion), arbitration fees for approximately KRW22,810 million (approximately \$0.6 billion) and subsequent interest payable. Yuanta Securities (Korea) has filed an appeal against the Seoul High Court’s ruling. Yuanta Securities (Korea) has recognised provision liabilities in the amount of approximately KRW185,981 million (approximately \$4.5 billion). However, the actual compensation amount to be borne by Yuanta Securities (Korea) might change due to the subsequent legal actions.

Furthermore, for the delay in redeeming certain funds sold by Yuanta Securities (Korea), Yuanta Securities (Korea) has made provisions of about KRW12,540 million (approximately \$0.3 billion). The amount of provisions is estimated and referred to cases that the Financial Dispute Settlement Committee has granted in relevant fund sales, this amount will be adjusted once the actual compensatory payments is made. As of September 30, 2024, after reflecting the current status of actual compensatory payments, the remaining amount of provisions is about KRW4,683 million (approximately \$0.1 billion).

A. The components of insurance liabilities are as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Unearned premium reserve	\$ 1,259,126	\$ 1,091,461	\$ 1,109,137
Claims reserve	1,666,955	1,604,402	1,595,616
Reserve for policy benefit	368,851,147	357,976,814	358,880,732
Special reserve	651,718	453,004	439,638
Premium deficiency reserve	438,001	507,295	542,963
Other reserves	3,070,405	3,173,954	3,212,939
Total	<u>\$ 375,937,352</u>	<u>\$ 364,806,930</u>	<u>\$ 365,781,025</u>

(A) Unearned premium reserve and ceded unearned premium reserve

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

	September 30, 2024		
		Financial instruments with discretionary participation features	Total
	Insurance contract		
Unearned premium reserve			
Personal life insurance	\$ 1,387	\$ -	\$ 1,387
Personal accident insurance	365,236	-	365,236
Personal health insurance	583,765	-	583,765
Group insurance	305,857	-	305,857
Investment-linked insurance	2,881	-	2,881
	<u>\$ 1,259,126</u>	<u>\$ -</u>	<u>\$ 1,259,126</u>
Ceded unearned premium reserve			
Personal life insurance	\$ 259,136	\$ -	\$ 259,136
Personal accident insurance	318	-	318
Personal health insurance	165,281	-	165,281
Group insurance	244	-	244
Investment-linked insurance	398	-	398
	<u>\$ 425,377</u>	<u>\$ -</u>	<u>\$ 425,377</u>
	December 31, 2023		
		Financial instruments with discretionary participation features	Total
	Insurance contract		
Unearned premium reserve			
Personal life insurance	\$ 1,430	\$ -	\$ 1,430
Personal accident insurance	336,086	-	336,086
Personal health insurance	553,231	-	553,231
Group insurance	197,986	-	197,986
Investment-linked insurance	2,728	-	2,728
	<u>\$ 1,091,461</u>	<u>\$ -</u>	<u>\$ 1,091,461</u>
Ceded unearned premium reserve			
Personal life insurance	\$ 274,622	\$ -	\$ 274,622
Personal accident insurance	375	-	375
Personal health insurance	180,200	-	180,200
Group insurance	551	-	551
Investment-linked insurance	523	-	523
	<u>\$ 456,271</u>	<u>\$ -</u>	<u>\$ 456,271</u>

	September 30, 2023		
	Financial instruments with discretionary participation features		Total
	Insurance contract	participation features	Total
Unearned premium reserve			
Personal life insurance	\$ 1,478	\$ -	\$ 1,478
Personal accident insurance	330,577	-	330,577
Personal health insurance	570,817	-	570,817
Group insurance	203,588	-	203,588
Investment-linked insurance	2,677	-	2,677
	<u>\$ 1,109,137</u>	<u>\$ -</u>	<u>\$ 1,109,137</u>
Ceded unearned premium reserve			
Personal life insurance	\$ 244,328	\$ -	\$ 244,328
Personal accident insurance	327	-	327
Personal health insurance	160,912	-	160,912
Group insurance	195	-	195
Investment-linked insurance	522	-	522
	<u>\$ 406,284</u>	<u>\$ -</u>	<u>\$ 406,284</u>

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

	2024	2023
Unearned premium reserve		
At January 1	\$ 1,091,461	\$ 1,053,928
Current net change	167,665	55,209
At September 30	<u>\$ 1,259,126</u>	<u>\$ 1,109,137</u>
	2024	2023
Ceded unearned premium reserve		
At January 1	\$ 456,271	\$ 436,945
Current net change	(31,758)	(31,717)
Gain on foreign exchange	864	1,056
At September 30	<u>\$ 425,377</u>	<u>\$ 406,284</u>

(B) Claims reserve and ceded claims reserve

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

	September 30, 2024		
	Claims reported but not paid	Claims incurred but not reported	Total
Claims reserve			
Personal life insurance	\$ 776,560	\$ 1,208	\$ 777,768
Personal accident insurance	7,842	24,649	32,491
Personal health insurance	543,661	275,058	818,719
Group insurance	4,510	24,309	28,819
Investment-linked insurance	9,158	-	9,158
	<u>\$ 1,341,731</u>	<u>\$ 325,224</u>	<u>\$ 1,666,955</u>
Ceded claims reserve			
Personal life insurance	\$ 34,096	\$ -	\$ 34,096
Personal accident insurance	-	-	-
Personal health insurance	48,612	-	48,612
	<u>\$ 82,708</u>	<u>\$ -</u>	<u>\$ 82,708</u>
		December 31, 2023	
	Claims reported but not paid	Claims incurred but not reported	Total
Claims reserve			
Personal life insurance	\$ 744,555	\$ -	\$ 744,555
Personal accident insurance	10,699	26,140	36,839
Personal health insurance	497,655	289,068	786,723
Group insurance	1,967	28,328	30,295
Investment-linked insurance	5,990	-	5,990
	<u>\$ 1,260,866</u>	<u>\$ 343,536</u>	<u>\$ 1,604,402</u>
Ceded claims reserve			
Personal life insurance	\$ 46,699	\$ -	\$ 46,699
Personal accident insurance	16	-	16
Personal health insurance	42,244	-	42,244
	<u>\$ 88,959</u>	<u>\$ -</u>	<u>\$ 88,959</u>

	September 30, 2023		
	Claims reported but not paid	Claims incurred but not reported	Total
Claims reserve			
Personal life insurance	\$ 721,448	\$ -	\$ 721,448
Personal accident insurance	3,198	24,644	27,842
Personal health insurance	543,277	271,600	814,877
Group insurance	3,184	19,914	23,098
Investment-linked insurance	8,351	-	8,351
	<u>\$ 1,279,458</u>	<u>\$ 316,158</u>	<u>\$ 1,595,616</u>
Ceded claims reserve			
Personal life insurance	\$ 43,337	\$ -	\$ 43,337
Personal accident insurance	-	-	-
Personal health insurance	70,746	-	70,746
	<u>\$ 114,083</u>	<u>\$ -</u>	<u>\$ 114,083</u>

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

	2024	2023
Claims reserve		
At January 1	\$ 1,604,402	\$ 1,489,530
Current net change	62,033	105,114
Loss on foreign exchange	520	972
At September 30	<u>\$ 1,666,955</u>	<u>\$ 1,595,616</u>
	<u>2024</u>	<u>2023</u>
Ceded claims reserve		
At January 1	\$ 88,959	\$ 123,363
Current net change	(6,293)	(9,349)
Gain on foreign exchange	42	69
At September 30	<u>\$ 82,708</u>	<u>\$ 114,083</u>

(C) Reserve for policy benefit

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

	September 30, 2024		
	Financial instruments with discretionary		
	Insurance contract	participation features	Total
Life insurance	\$ 332,646,255	\$ -	\$ 332,646,255
Health insurance	35,768,828	-	35,768,828
Annuity insurance	2,978	241,414	244,392
Investment-linked insurance	86,002	-	86,002
	<u>\$ 368,504,063</u>	<u>\$ 241,414</u>	<u>368,745,477</u>
Recovery of catastrophe reserve			4,221
Transferred in unwritten-off balance of 3% decrease in business tax			46,062
Payables to the insured			55,387
Total			<u>\$ 368,851,147</u>

	December 31, 2023		
	Financial instruments with discretionary		
	Insurance contract	participation features	Total
Life insurance	\$ 323,798,113	\$ -	\$ 323,798,113
Health insurance	33,715,366	-	33,715,366
Annuity insurance	2,934	282,038	284,972
Investment-linked insurance	76,935	-	76,935
	<u>\$ 357,593,348</u>	<u>\$ 282,038</u>	<u>357,875,386</u>
Recovery of catastrophe reserve			4,221
Transferred in unwritten-off balance of 3% decrease in business tax			46,062
Payables to the insured			51,145
Total			<u>\$ 357,976,814</u>
	September 30, 2023		
	Financial instruments with discretionary		
	Insurance contract	participation features	Total
Life insurance	\$ 325,303,955	\$ -	\$ 325,303,955
Health insurance	33,100,625	-	33,100,625
Annuity insurance	3,918	292,601	296,519
Investment-linked insurance	77,517	-	77,517
	<u>\$ 358,486,015</u>	<u>\$ 292,601</u>	<u>358,778,616</u>
Recovery of catastrophe reserve			4,221
Transferred in unwritten-off balance of 3% decrease in business tax			46,062
Payables to the insured			51,833
Total			<u>\$ 358,880,732</u>

b. Changes in reserve for policy benefit:

	2024(Note 1)	2023(Note 2)
At January 1	\$ 357,962,770	\$ 343,618,651
Current net change	8,684,445	11,582,871
Loss on foreign exchange	2,185,038	3,665,203
At September 30	<u>\$ 368,832,253</u>	<u>\$ 358,866,725</u>

Note 1: As of September 30, 2024, the total amount reclassified from reinsurance indemnity payable to "Reserve for policy benefit-payables to the insured" is \$18,894. As of September 30, 2024, adding the abovementioned payables, the reserve for policy benefit amounted to \$368,851,147.

Note 2: As of September 30, 2023, the total amount reclassified from reinsurance indemnity payable to "Reserve for policy benefit-payables to the insured" is \$14,007. As of September 30, 2023, adding the abovementioned payables, the reserve for policy benefit amounted to \$358,880,732.

The abovementioned interest expense, reflecting on the contract liabilities over a period of time were as follows:

For the three months ended September 30,	
2024	2023
\$ 2,234,735	\$ 2,201,814
For the nine months ended September 30,	
2024	2023
\$ 6,768,302	\$ 6,591,914

(D) Special Reserve

a. Details of special reserve are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Dividend payment reserve	\$ 651,718	\$ 453,004	\$ 439,638

b. Change in special reserve:

	2024	2023
At January 1	\$ 453,004	\$ 235,057
Current net change	198,714	204,581
At September 30	\$ 651,718	\$ 439,638

(E) Premium deficiency reserve

a. Details of premium deficiency reserve are as follows:

	September 30, 2024		
	Financial instruments with discretionary participation features		
	Insurance contract	participation features	Total
Personal life insurance	\$ 350,933	\$ -	\$ 350,933
Personal health insurance	87,068	-	87,068
Total	\$ 438,001	\$ -	\$ 438,001
	December 31, 2023		
	Financial instruments with discretionary participation features		
	Insurance contract	participation features	Total
Personal life insurance	\$ 486,447	\$ -	\$ 486,447
Personal health insurance	20,848	-	20,848
Total	\$ 507,295	\$ -	\$ 507,295
	September 30, 2023		
	Financial instruments with discretionary participation features		
	Insurance contract	participation features	Total
Personal life insurance	\$ 522,416	\$ -	\$ 522,416
Personal health insurance	20,547	-	20,547
Total	\$ 542,963	\$ -	\$ 542,963

b. Change in premium deficiency reserve:

	<u>2024</u>	<u>2023</u>
At January 1	\$ 507,295	\$ 691,773
Current net change	(79,722)	(164,693)
Loss on foreign exchange	10,428	15,883
At September 30	<u>\$ 438,001</u>	<u>\$ 542,963</u>

(F) Other reserves

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

	<u>2024</u>	<u>2023</u>
At January 1	\$ 3,173,954	\$ 3,325,203
Recovery	(103,549)	(112,264)
At September 30	<u>\$ 3,070,405</u>	<u>\$ 3,212,939</u>

B. Reserve for foreign exchange fluctuation

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

	<u>2024</u>	<u>2023</u>
At January 1	\$ 1,273,406	\$ 3,988,784
Provision		
Compulsory provision	373,596	343,211
Additional provision	3,073,486	1,247,786
Subtotal	4,720,488	5,579,781
Recovery	(2,355,004)	(1,561,127)
At September 30	<u>\$ 2,365,484</u>	<u>\$ 4,018,654</u>

(B) Effect of accounts eligible or ineligible for the foreign exchange reserve on the consolidated financial statements of the Yuanta Group for the nine months ended September 30, 2024 and 2023 are as follows:

	<u>For the nine months ended September 30, 2024</u>		
	<u>Ineligible amount</u>	<u>Eligible amount</u>	<u>Impact</u>
Net income	\$ 2,933,815	\$ 2,060,153	(\$ 873,662)
Earnings per share (in dollars)	1.21	0.85	(0.36)
Reserve for foreign exchange fluctuation	-	2,365,484	2,365,484
Total equity	37,005,818	35,098,124	(1,907,694)

	For the nine months ended September 30, 2023		
	Ineligible amount	Eligible amount	Impact
Net income	\$ 3,638,899	\$ 3,615,003	(\$ 23,896)
Earnings per share (in dollars)	1.53	1.52	(0.01)
Reserve for foreign exchange fluctuation	-	4,018,654	4,018,654
Total equity	31,302,003	28,071,773	(3,230,230)

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

The Yuanta Group issued non-discretionary participation feature financial instruments. Reserve for insurance contract with the nature of financial products recognised on September 30, 2024, December 31, 2023 and September 30, 2023. and the movements are listed below:

	September 30, 2024	December 31, 2023	September 30, 2023
Investment-linked insurance	\$ 200,179	\$ 186,286	\$ 188,954
		2024	2023
At January 1		\$ 186,286	\$ 130,855
Net provision of statutory reserve		13,893	58,099
At September 30	\$ 200,179	\$ 200,179	\$ 188,954

(27) Employee benefit provisions

A. Defined benefit plans:

(A) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45~61 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Yuanta Group also established a special retention compensation plan applicable to certain employees. Except for Yuanta Securities Finance contributing retirement fund by 8% of the employees' monthly salaries and wages, the Yuanta Group contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Yuanta Group would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected qualify for retirement in the following year, the Yuanta Group will make contributions to cover the deficit by next March. Yuanta Securities (Korea) and its subsidiaries have a defined benefit plan or a defined contribution plan in accordance with the relevant laws and regulations applied by the local Korean government. Yuanta Securities Investment Trust obtained the approval letter no. 1106083936, no. 1116069917 and no. 1126042800 from Department of Labor, Taipei City government to suspend the pension contribution for the period from September 2021 to August 2024.

(B) For the aforementioned pension plan, the Company and its domestic subsidiaries recognised pension costs of \$10,265, \$10,234, \$31,497 and \$31,643 for the three months and nine months ended September 30, 2024 and 2023, respectively.

(C) Expected contributions to the defined benefit pension plans of the Company and its domestic

subsidiaries for the year ending December 31, 2025 amounted to \$52,521. Expected contributions to the defined benefit pension plans of Yuanta Securities (Korea) and its subsidiaries for the year ending December 31, 2025 amounted to \$10,602.

B. Defined contribution plans:

(A) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(B) Under the defined contribution plan, the Company and its domestic subsidiaries recognised pension expense of \$154,562 (recorded as “employees’ benefit expenses” of \$153,722 and “net income other than interest” of \$840), \$135,374 (recorded as “employees’ benefit expenses” of \$134,223 and “net income other than interest” of \$1,151), \$454,426 (recorded as “employees’ benefit expenses” of \$451,907 and “net income other than interest” of \$2,519) and \$406,794 (recorded as “employees’ benefit expenses” of \$404,266 and “net income other than interest” of \$2,528) for the three months and nine months ended September 30, 2024 and 2023, respectively.

(C) The pension plans for the consolidated foreign subsidiaries are as follows:

The pension plan for Yuanta Securities Asia Finance is in compliance with the regulations of each employee nationality. Yuanta HK Holdings (Cayman) does not have compulsory pension plans according to local regulations. The pension plans for other foreign subsidiaries are in compliance with local regulations.

Other foreign subsidiaries recognised pension expense of \$187,016, \$138,513, \$519,728 and \$395,333 for the three months and nine months ended September 30, 2024 and 2023, respectively.

(28) Other financial liabilities

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Futures traders’ equity	\$ 147,749,375	\$ 101,851,341	\$ 96,302,787
Structured deposit	2,022,716	2,232,061	2,371,167
Investment-linked products liabilities	25,477,915	31,504,281	31,122,735
Others	60,004	135,713	70,962
Total	<u>\$ 175,310,010</u>	<u>\$ 135,723,396</u>	<u>\$ 129,867,651</u>

(29) Other liabilities

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Guarantee deposit received on security lent	\$ 84,791,980	\$ 56,969,769	\$ 62,931,128
Underwriting share proceeds collected on behalf of customers	9,428,401	231,930	10,312
Collections in advance	2,925,860	2,425,845	2,485,664
Retention compensation payable	2,138,457	1,896,150	1,912,928
Refundable deposits	444,963	711,513	330,518
Refundable deposits-derivative transactions	2,434,957	2,830,074	3,220,893
Equity for each customer in the account	41,883,633	6,632,447	5,183,024
Others	1,412,851	945,993	988,993
Total	<u>\$ 145,461,102</u>	<u>\$ 72,643,721</u>	<u>\$ 77,063,460</u>

(30) Share capital

As of September 30, 2024, December 31, 2023 and September 30, 2023, the Company's total authorised capital were all \$180,000,000 and total paid-in capital were \$129,428,640, \$126,890,824 and \$126,890,824, respectively. The aforementioned total paid-in capital were 12,942,864, 12,689,082 and 12,689,082 thousand shares of common stock, each with a par value of \$10 dollars per share.

(31) Capital surplus

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

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Post 1998	<u>\$ 4,036,443</u>	<u>\$ 4,036,443</u>	<u>\$ 4,036,443</u>

Source and details of the capital surplus of the Company are as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Additional paid-in capital	\$ 33,573,790	\$ 33,573,790	\$ 33,573,790
Treasury share transactions	3,479,710	3,479,710	3,479,710
Others	1,139,119	1,134,603	1,120,389
	<u>\$ 38,192,619</u>	<u>\$ 38,188,103</u>	<u>\$ 38,173,889</u>

(32) Legal reserve and special reserve

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

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

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

(33) Undistributed earnings

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

(A) Pay income tax;

(B) Offset prior years' deficits;

(C) Provide legal reserve and special reserve; and

(D) The remaining amount and prior years' undistributed earnings shall be resolved by the shareholders during their meeting.

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

C. Details of the earnings distribution for 2023 resolved by the shareholders' meeting on June 7, 2024 and the earnings distribution for 2022 resolved by the shareholders' meeting on June 9, 2023 are as follows:

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

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

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

(34) Other equity items

	2024				
	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Change in fair value of financial liability attributable to change in credit risk	Other comprehensive income (loss) on reclassification under the overlay approach	Total
Balance, January 1	(\$ 6,961,608)	\$ 14,117,852	(\$ 48,964)	(\$ 2,159,647)	\$ 4,947,633
Financial assets at fair value through other comprehensive income					
- Revaluation adjustment in the period	-	10,397,831	-	-	10,397,831
- Revaluation transferred to profit or loss	- (	102,053)	-	- (	102,053)
- Revaluation transferred to retained earnings	- (	1,381,285)	-	- (	1,381,285)
Other comprehensive income on reclassification under the overlay approach	-	-	-	486,135	486,135
Changes in translation difference of foreign operating entities	1,248,510	-	-	-	1,248,510
Effects on income tax	- (	128,038)	- (	24,200)	(152,238)
Evaluation of credit risk	-	-	1,844	-	1,844
Balance, September 30	<u>(\$ 5,713,098)</u>	<u>\$ 22,904,307</u>	<u>(\$ 47,120)</u>	<u>(\$ 1,697,712)</u>	<u>\$ 15,446,377</u>

	2023				
	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Change in fair value of financial liability attributable to change in credit risk	Other comprehensive income (loss) on reclassification under the overlay approach	Total
Balance, January 1	(\$ 6,119,904)	\$ 4,445,539	(\$ 51,218)	(\$ 5,242,587)	(\$ 6,968,170)
Financial assets at fair value through other comprehensive income					
- Revaluation adjustment in the period	-	5,484,585	-	-	5,484,585
- Revaluation transferred to profit or loss	-	1,791,443	-	-	1,791,443
- Revaluation transferred to retained earnings	-	(2,679,575)	-	-	(2,679,575)
Other comprehensive income on reclassification under the overlay approach	-	-	-	1,435,630	1,435,630
Changes in translation difference of foreign operating entities	(588,775)	-	-	-	(588,775)
Effects on income tax	-	108,526	(10)	23,205	131,721
Evaluation of credit risk	-	-	411	-	411
Balance, September 30	(\$ 6,708,679)	\$ 9,150,518	(\$ 50,817)	(\$ 3,783,752)	(\$ 1,392,730)

(35) Net interest income

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
<u>Interest income</u>		
Interest income on bills discounted and loans	\$ 7,920,281	\$ 6,663,000
Financing interest income	1,827,955	1,599,708
Interest income on securities investment	5,366,306	4,897,372
Interest income from placement and call loan to other banks	1,417,097	1,276,045
Interest income on bills and bonds purchased under resale agreements	739,078	814,817
Credit cards revolving interest	43,903	43,331
Interest income on securities business money lending	781,956	390,950
Interest income on deposits on securities borrowed	212,612	171,704
Other interest income	443,627	534,058
Subtotal	<u>18,752,815</u>	<u>16,390,985</u>
<u>Interest expense</u>		
Interest expense of deposit	(\$ 5,235,334)	(\$ 4,294,334)
Interest expense of Central Bank and other banks' deposit	(50,197)	(59,641)
Interest expense on due to the Central Bank and other banks	(648,315)	(646,213)
Interest expense on bills and bonds sold under repurchase agreements	(2,213,407)	(1,918,280)
Interest expense of structured products	(33,749)	(41,261)
Coupon rate of bank debenture	(161,959)	(164,735)
Coupon rate of corporate bonds	(308,502)	(212,703)
Coupon rate of commercial paper	(673,008)	(383,990)
Interest expense from short sales	(5,272)	(5,683)
Lease liabilities interest expense	(39,456)	(15,030)
Financial costs on guarantee deposits received from security lendings	(743,188)	(572,217)
Other interest expense	(235,581)	(127,529)
Subtotal	<u>(10,347,968)</u>	<u>(8,441,616)</u>
Total	<u>\$ 8,404,847</u>	<u>\$ 7,949,369</u>

	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
<u>Interest income</u>		
Interest income on bills discounted and loans	\$ 22,066,746	\$ 18,927,020
Financing interest income	5,293,910	4,306,281
Interest income on securities investment	15,713,078	13,912,566
Interest income from placement and call loan to other banks	4,054,709	3,494,328
Interest income on bills and bonds purchased under resale agreements	2,173,908	2,199,785
Credit cards revolving interest	127,774	128,203
Interest income on securities business money lending	1,832,988	1,068,356
Interest income on deposits on securities borrowed	501,943	409,067
Other interest income	1,156,837	1,348,572
Subtotal	<u>52,921,893</u>	<u>45,794,178</u>
<u>Interest expense</u>		
Interest expense of deposit	(\$ 14,778,599)	(\$ 11,642,068)
Interest expense of Central Bank and other banks' deposit	(140,765)	(257,392)
Interest expense on due to the Central Bank and other banks	(1,907,503)	(1,753,276)
Interest expense on bills and bonds sold under repurchase agreements	(6,089,847)	(5,428,014)
Interest expense of structured products	(107,644)	(118,932)
Coupon rate of bank debenture	(487,390)	(489,035)
Coupon rate of corporate bonds	(865,297)	(642,649)
Coupon rate of commercial paper	(1,619,395)	(760,199)
Interest expense from short sales	(16,238)	(19,863)
Lease liabilities interest expense	(122,507)	(54,212)
Financial costs on guarantee deposits received from security lendings	(1,981,933)	(1,411,988)
Other interest expense	(601,429)	(377,757)
Subtotal	<u>(28,718,547)</u>	<u>(22,955,385)</u>
Total	<u>\$ 24,203,346</u>	<u>\$ 22,838,793</u>

(36) Net service fee and commission income

	For the three months ended September 30,	
	2024	2023
<u>Service fee and commission income</u>		
Brokerage service fee income	\$ 8,546,763	\$ 7,451,587
Service fee income on insurance brokerage and transfer-agent	310,463	171,676
Service fee on credit cards	261,520	292,251
Service fee income on trust business	1,090,681	862,283
Service income on credit extension	147,097	135,582
Underwriting service income	538,313	249,269
Service income from short sales	32,234	35,692
Commission – reinsurance allowance	9,547	31,256
Service income on foreign exchange	22,494	20,050
Service fee income on consigned settlement	9,802	9,664
Deposits and remittance and other service income	312,190	275,544
Subtotal	<u>11,281,104</u>	<u>9,534,854</u>
<u>Service fee expenses and commission expense</u>		
Insurance commission expense	(\$ 453,128)	(\$ 352,696)
Service expense on trust business	(306)	(281)
Service expense on brokerage	(885,325)	(750,649)
Service expense on proprietary trading	(79,873)	(44,882)
Service fee expense on credit cards	(254,101)	(254,826)
Service expense on clearing and settlement	(183,778)	(153,513)
Futures commission expense	(115,694)	(103,166)
Underwriting service expense	(428)	(1,143)
Service expense on foreign exchange	(17,246)	(15,525)
Service expense on credit extension	(8,783)	(10,317)
Deposits and remittance and other service expense	(148,199)	(134,244)
Subtotal	<u>(2,146,861)</u>	<u>(1,821,242)</u>
Total	<u>\$ 9,134,243</u>	<u>\$ 7,713,612</u>

	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
<u>Service fee and commission income</u>		
Brokerage service fee income	\$ 25,011,084	\$ 18,971,931
Service fee income on insurance brokerage and transfer-agent	964,790	598,403
Service fee on credit cards	807,670	873,431
Service fee income on trust business	2,945,717	2,146,833
Service income on credit extension	442,950	364,390
Underwriting service income	908,128	654,681
Service income from short sales	87,514	86,090
Commission – reinsurance allowance	54,027	49,081
Service income on foreign exchange	64,603	60,590
Service fee income on consigned settlement	30,876	27,497
Deposits and remittance and other service income	899,358	812,440
Subtotal	<u>32,216,717</u>	<u>24,645,367</u>
<u>Service fee expenses and commission expense</u>		
Insurance commission expense	(\$ 1,314,110)	(\$ 1,135,885)
Service expense on trust business	(936)	(822)
Service expense on brokerage	(2,546,053)	(1,937,252)
Service expense on proprietary trading	(204,829)	(104,674)
Service fee expense on credit cards	(745,356)	(741,740)
Service expense on clearing and settlement	(516,142)	(387,285)
Futures commission expense	(348,969)	(315,038)
Underwriting service expense	(3,408)	(3,832)
Service expense on foreign exchange	(49,331)	(42,239)
Service expense on credit extension	(27,371)	(27,161)
Deposits and remittance and other service expense	(436,851)	(387,756)
Subtotal	<u>(6,193,356)</u>	<u>(5,083,684)</u>
Total	<u>\$ 26,023,361</u>	<u>\$ 19,561,683</u>

(37) Net income from insurance operations

	For the three months ended September 30,	
	2024	2023
<u>Income from insurance operations</u>		
Gross collected premiums	\$ 8,633,424	\$ 8,134,037
Less: Reinsurance premium ceded	(219,692)	(210,535)
Net changes of unearned premium reserve	(117,071)	(15,769)
Retention earned premium income	8,296,661	7,907,733
Investment-linked product income (Note)	(29,480)	137,527
Subtotal	<u>8,267,181</u>	<u>8,045,260</u>
<u>Expense from insurance operations</u>		
Claims and policy benefits	(\$ 8,025,366)	(\$ 6,540,533)
Less: Claims recovered from reinsurers	<u>179,002</u>	<u>200,688</u>
Retention claims and policy benefits payments	(7,846,364)	(6,339,845)
Underwriting expenses	(453)	(658)
Expense from guaranty fund	(13,031)	(24,422)
Investment-linked product expenses (Note)	<u>29,480</u>	<u>(137,527)</u>
Subtotal	<u>(7,830,368)</u>	<u>(6,502,452)</u>
Total	<u>\$ 436,813</u>	<u>\$ 1,542,808</u>
	For the nine months ended September 30,	
	2024	2023
<u>Income from insurance operations</u>		
Gross collected premiums	\$ 26,793,701	\$ 25,975,221
Less: Reinsurance premium ceded	(599,532)	(524,013)
Net changes of unearned premium reserve	(199,424)	(86,927)
Retention earned premium income	25,994,745	25,364,281
Investment-linked product income (Note)	<u>1,031,090</u>	<u>988,014</u>
Subtotal	<u>27,025,835</u>	<u>26,352,295</u>
<u>Expense from insurance operations</u>		
Claims and policy benefits	(\$ 21,997,504)	(\$ 18,256,360)
Less: Claims recovered from reinsurers	<u>402,952</u>	<u>480,769</u>
Retention claims and policy benefits payments	(21,594,552)	(17,775,591)
Underwriting expenses	(1,554)	(1,663)
Expense from guaranty fund	(47,575)	(58,371)
Investment-linked product expenses (Note)	<u>(1,031,090)</u>	<u>(988,014)</u>
Subtotal	<u>(22,674,771)</u>	<u>(18,823,639)</u>
Total	<u>\$ 4,351,064</u>	<u>\$ 7,528,656</u>

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

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

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
<u>Realised gains or losses on financial assets and liabilities at fair value through profit or loss</u>		
Commercial paper	\$ 498,377	\$ 381,665
Bonds	3,260,778	1,984,793
Stocks	4,097,291	3,504,322
Beneficiary certificates	2,373,506	963,981
Interest-linked instrument	(837,217)	(118,938)
Exchange rate-linked instrument	(612,531)	(1,038,096)
Other financial derivative instruments	536,132	(536,020)
Gains or losses on covering of borrowed securities and bonds with resale agreements	(1,318,823)	(481,461)
Gains or losses from issuing call (put) warrants	(4,226,146)	(942,748)
Issuing call (put) warrants expense	(174,025)	(162,252)
Others	(111,788)	(85,521)
Subtotal	<u>3,485,554</u>	<u>3,469,725</u>
<u>Unrealised gains or losses on financial assets and liabilities at fair value through profit or loss</u>		
Commercial paper	\$ 1,728	\$ 8,503
Bonds	(2,742,285)	169,635
Stocks	(5,160,014)	(2,340,070)
Beneficiary certificates	(69,879)	(990,602)
Interest-linked instrument	2,485,755	(345,567)
Exchange rate-linked instrument	3,180,799	(3,418,850)
Other financial derivative instruments	1,123,761	(281,806)
Valuation gains or losses on borrowed securities and bonds with resale agreements	713,742	1,653,228
Gains or losses on changes in fair value of liabilities for issuance of call (put) warrants	5,902,537	1,500,591
Others	449,133	127,618
Subtotal	<u>5,885,277</u>	<u>(3,917,320)</u>
Total	<u>\$ 9,370,831</u>	<u>(\$ 447,595)</u>

	For the nine months ended September 30,	
	2024	2023
<u>Realised gains or losses on financial assets and liabilities at fair value through profit or loss</u>		
Commercial paper	\$ 1,366,288	\$ 945,476
Bonds	9,147,492	4,330,571
Stocks	15,124,909	10,760,336
Beneficiary certificates	7,209,017	2,960,662
Interest-linked instrument	(1,183,090)	206,452
Exchange rate-linked instrument	(4,227,372)	(4,350,609)
Other financial derivative instruments	(4,313,792)	(89,656)
Gains or losses on covering of borrowed securities and bonds with resale agreements	(3,739,054)	(2,897,563)
Gains or losses from issuing call (put) warrants	(4,698,221)	(2,964,547)
Issuing call (put) warrants expense	(561,515)	(463,644)
Others	(754,968)	(1,007,196)
Subtotal	<u>13,369,694</u>	<u>7,430,282</u>
<u>Unrealised gains or losses on financial assets and liabilities at fair value through profit or loss</u>		
Commercial paper	\$ 2,178	(\$ 15,944)
Bonds	716,052	4,624,283
Stocks	1,905,653	2,432,787
Beneficiary certificates	531,227	(297,098)
Interest-linked instrument	(2,613,443)	(4,284,992)
Exchange rate-linked instrument	(652,707)	(3,510,893)
Other financial derivative instruments	(1,766,366)	(965,464)
Valuation gains or losses on borrowed securities and bonds with resale agreements	(265,184)	(580,023)
Gains or losses on changes in fair value of liabilities for issuance of call (put) warrants	5,432,133	3,964,282
Others	<u>1,893,271</u>	<u>1,495,515</u>
Subtotal	<u>5,182,814</u>	<u>2,862,453</u>
Total	<u>\$ 18,552,508</u>	<u>\$ 10,292,735</u>

- A. The realised gains or losses on the financial assets and liabilities at fair value through profit and loss of the Yuanta Group for the three months and nine months ended September 30, 2024 and 2023, including the gains or losses on disposal, were (\$388,158), \$302,753, \$3,932,450 and (\$1,189,284), respectively, and the issuing call (put) warrants expense, were \$174,025, \$162,252, \$561,515 and \$463,644, respectively, and the dividend income were \$1,404,486, \$1,544,174, \$2,739,728 and \$4,489,904, respectively, and the interest income were \$2,643,251, \$1,785,050, \$7,259,031 and \$4,593,306, respectively.
- B. The Yuanta Group recognised net loss amounted to \$1,088,599, \$318,208, \$3,631,502 and \$4,466,181, respectively, on financial liabilities designated as at fair value through profit or loss for the three months and nine months ended September 30, 2024 and 2023.

- C. Net income on the exchange rate-linked instruments includes realised and unrealised gains and losses on forward exchange contracts, FX options, and currency futures.
- D. Interest-linked instruments include interest rate swap contracts, money market instruments, interest linked-options and other interest related instruments.
- E. Any change in fair value of the derivatives together managed with the financial instruments designated at fair value through profit and loss is listed under “gain and loss on financial assets and liabilities at fair value through profit and loss”.

(39) (Loss) reversal gain on assets impairment

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Reversal gain on investments in debt instruments measured at fair value through other comprehensive income	\$ 1,938	\$ 5,876
Reversal gain (impairment loss) on investments in debt instruments at amortised cost	1,968 (	2,613)
Impairment loss on intangible assets	(54)	-
Impairment loss on assets held for sale	(11,523)	-
Impairment loss on other assets	-	(1)
Total	<u>(\$ 7,671)</u>	<u>\$ 3,262</u>
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Reversal gain on investments in debt instruments measured at fair value through other comprehensive income	\$ 3,826	\$ 7,374
(Impairment loss) reversal gain on investments in debt instruments at amortised cost	(578)	563
Reversal gain on property and equipment	2,512	-
Impairment loss on intangible assets	(17,269)	-
Reversal gain on investment property	2,904	13,812
Impairment loss on assets held for sale	(14,021) (	471)
Reversal gain on other assets	-	124
Total	<u>(\$ 22,626)</u>	<u>\$ 21,402</u>

(40) Net other miscellaneous income (loss)

	For the three months ended September 30,	
	2024	2023
Borrowed stock revenue	\$ 1,025,637	\$ 802,609
Net change of reserve for foreign exchange fluctuation	780,117	-
Loss on litigation reserve	(21,741)	(73,127)
Sub-brokerage income	491,448	209,512
Other net income	215,563	200,079
Total	<u>\$ 2,491,024</u>	<u>\$ 1,139,073</u>
	For the nine months ended September 30,	
	2024	2023
Borrowed stock revenue	\$ 2,811,528	\$ 2,205,215
Net change of reserve for foreign exchange fluctuation	(1,092,077)	(29,870)
Loss on litigation reserve	(187,708)	(582,759)
Sub-brokerage income	1,364,090	674,035
Other net income	321,095	490,265
Total	<u>\$ 3,216,928</u>	<u>\$ 2,756,886</u>

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

	For the three months ended September 30,	
	2024	2023
Bad debt expense (reversal of bad debt expense) for accounts receivable	\$ 59,197	(\$ 93,688)
Bad debt expense of bills discounted and loans	957,889	349,858
Provision for guarantee reserve	42,500	7,000
Reversal of commitments and other reserve	(528)	(1,919)
Recovery of bad debt expense	(184,776)	(155,192)
Total	<u>\$ 874,282</u>	<u>\$ 106,059</u>
	For the nine months ended September 30,	
	2024	2023
Bad debt expense for accounts receivable	\$ 204,196	\$ 12,754
Bad debt expense of bills discounted and loans	1,909,278	1,077,013
Provision for guarantee reserve	35,500	6,500
Provision for commitments and other reserve	3,268	1,188
Recovery of bad debt expense	(523,460)	(828,670)
Total	<u>\$ 1,628,782</u>	<u>\$ 268,785</u>

(42) Employee benefit expense

	For the three months ended September 30,	
	2024	2023
Wages and salaries	\$ 8,405,445	\$ 6,999,183
Labor and health insurance fees	348,639	289,068
Pension costs	351,003	282,970
Termination benefits	8,347	7,059
Other employee benefit expenses	378,926	370,501
Total	<u>\$ 9,492,360</u>	<u>\$ 7,948,781</u>
	For the nine months ended September 30,	
	2024	2023
Wages and salaries	\$ 23,852,215	\$ 19,665,031
Labor and health insurance fees	1,001,420	782,269
Pension costs	1,003,132	831,242
Termination benefits	26,039	36,568
Other employee benefit expenses	1,247,499	1,137,031
Total	<u>\$ 27,130,305</u>	<u>\$ 22,452,141</u>

The numbers of employees of the Yuanta Group were 15,163 and 14,867 for the nine months ended September 30, 2024 and 2023, respectively.

- A. After covering accumulated deficit with the year-end earnings (that is income before taxes less income before employees' compensation provisions), 0.01% to 0.5% was appropriated as employees' compensation and an amount less than 0.9% was appropriated as directors' and supervisors' remuneration.
- B. For the the three months and nine months ended September 30, 2024 and 2023, employees' compensation were accrued at \$8,491, \$7,706, \$24,386 and \$21,179, respectively; directors' and supervisors' remuneration were accrued at \$76,416, \$69,356, \$219,470 and \$190,609, respectively. The aforementioned amounts were recognised in salary expenses. The employees' compensation and directors' and supervisors' remuneration of 2023 as resolved by the shareholders' meeting were in agreement with those amounts recognised in the 2023 financial statements. Information is available at the website of the Market Observation Post System provided by the Taiwan Stock Exchange Corporation (TWSE).

(43) Depreciation and amortisation

	For the three months ended September 30,	
	2024	2023
Investment property depreciation	\$ 42,276	\$ 14,838
Property and equipment depreciation	359,180	297,115
Right-of-use asset depreciation	378,511	344,425
Intangible asset amortisation	157,278	148,730
Deferred asset amortisation	6,159	5,219
Total	<u>\$ 943,404</u>	<u>\$ 810,327</u>
	For the nine months ended September 30,	
	2024	2023
Investment property depreciation	\$ 73,633	\$ 44,856
Property and equipment depreciation	1,043,198	878,429
Right-of-use asset depreciation	1,174,192	1,034,859
Intangible asset amortisation	461,879	434,582
Deferred asset amortisation	18,072	19,550
Total	<u>\$ 2,770,974</u>	<u>\$ 2,412,276</u>

(44) Other business and administrative expenses

	For the three months ended September 30,	
	2024	2023
Tax	\$ 2,138,345	\$ 1,531,652
Security borrowing expenses	542,021	382,842
Computer science expense	461,271	409,293
Postage and telephone costs	241,736	218,407
Miscellaneous expenses	273,121	208,818
Custody service fee	226,355	154,379
Professional fee	195,381	193,072
Commission expense	190,281	202,938
Others	1,111,071	1,019,290
Total	<u>\$ 5,379,582</u>	<u>\$ 4,320,691</u>
	For the nine months ended September 30,	
	2024	2023
Tax	\$ 5,664,245	\$ 3,822,284
Security borrowing expenses	1,488,118	1,126,066
Computer science expense	1,359,181	1,198,561
Postage and telephone costs	707,076	612,801
Miscellaneous expenses	694,714	581,469
Custody service fee	609,672	387,095
Professional fee	576,553	489,007
Commission expense	567,526	585,334
Others	3,217,535	2,915,657
Total	<u>\$ 14,884,620</u>	<u>\$ 11,718,274</u>

(45) Income tax

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

A. Income tax expense

(A) Components of income tax expense:

	For the three months ended September 30,	
	2024	2023
Current tax:		
Income tax from current income period	\$ 2,498,985	\$ 1,464,089
Adjustments in respect of prior years	(72,270)	(189,532)
Total current tax	<u>2,426,715</u>	<u>1,274,557</u>
Deferred tax:		
Origination and reversal of temporary differences	(645,367)	397,368
Impact of change in tax rate	-	43
Total deferred tax	<u>(645,367)</u>	<u>397,411</u>
Income tax expense	<u>\$ 1,781,348</u>	<u>\$ 1,671,968</u>
	For the nine months ended September 30,	
	2024	2023
Current tax:		
Income tax from current income period	\$ 5,995,867	\$ 3,730,240
Income tax on unappropriated earnings	831,182	2,694
Adjustments in respect of prior years	(653,107)	(315,537)
Total current tax	<u>6,173,942</u>	<u>3,417,397</u>
Deferred tax:		
Origination and reversal of temporary differences	(387,863)	853,251
Impact of change in tax rate	-	6,115
Total deferred tax	<u>(387,863)</u>	<u>859,366</u>
Income tax expense	<u>\$ 5,786,079</u>	<u>\$ 4,276,763</u>

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

	For the three months ended September 30,	
	2024	2023
Unrealised gains or losses from investments in debt instruments measured at fair value through other comprehensive income	\$ 233,598	(\$ 112,331)
Unrealised gains or losses from investments in equity instruments measured at fair value through other comprehensive income	(48,444)	(40,071)
Other comprehensive income or loss on reclassification under the overlay approach	(2,811)	6,782
Share of profit or loss of associates and joint ventures accounted for under the equity method	(4)	(79)
Gains or losses on remeasurements of defined benefit plans	(12,275)	16,706
Total	<u>\$ 170,064</u>	<u>(\$ 128,993)</u>
	For the nine months ended September 30,	
	2024	2023
Unrealised gains or losses from investments in debt instruments measured at fair value through other comprehensive income	\$ 152,114	(\$ 141,030)
Unrealised gains or losses from investments in equity instruments measured at fair value through other comprehensive income	(50,226)	39,998
Other comprehensive income or loss on reclassification under the overlay approach	24,200	(23,205)
Share of profit or loss of associates and joint ventures accounted for under the equity method	(1,425)	243
Gains or losses on remeasurements of defined benefit plans	(75,929)	(4,269)
Change in fair value of financial liability attributable to change in own credit risk	-	17
Total	<u>\$ 48,734</u>	<u>(\$ 128,246)</u>

For the nine months ended September 30, 2024			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic and diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 27,095,015	12,942,864	\$ 2.09
For the nine months ended September 30, 2023			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic and diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 23,531,969	12,942,864	\$ 1.82

The above weighted-average outstanding stocks have been adjusted retrospectively according to the ratio of capital increase from retained earnings on August 18, 2024 (the effective date of stock grants). Basic earnings per share before the adjustment was 0.67 and 1.85 for the three months and nine months ended September 30, 2023, which were calculated according to the ratio of capital increase from retained earnings (the effective date of stock grants) on August 19, 2023.

(47) Changes in liabilities from financing activities

2024					
	Bills and bonds payable under repurchase agreements	Commercial paper payable	Bonds payable	Other borrowings	Lease liability
At January 1	\$251,838,703	\$ 83,155,165	\$104,904,691	\$ 48,439,167	\$ 6,191,253
Changes in cash flow from financing activities	17,153,190	52,428,708	3,575,964	16,457,541	(1,129,531)
Impact of changes in foreign exchange rate	-	(287,870)	124,386	-	(19,094)
Amortisation of a premium or a discount on interest expense	-	-	7,614	-	-
Changes in other non-cash items	-	-	-	-	1,118,523
At September 30	<u>\$268,991,893</u>	<u>\$135,296,003</u>	<u>\$108,612,655</u>	<u>\$ 64,896,708</u>	<u>\$ 6,161,151</u>

2023

	Bills and bonds payable under				
	repurchase agreements	Commercial paper payable	Bonds payable	Other borrowings	Lease liability
At January 1	\$224,137,491	\$ 47,836,070	\$102,487,542	\$ 48,460,199	\$ 4,712,163
Changes in cash flow from financing activities	(8,924,478)	39,735,275	(4,000,000)	2,562,489	(1,078,483)
Impact of changes in foreign exchange rate	-	-	(165,299)	-	(55,015)
Amortisation of a premium or a discount on interest expense	-	(126,943)	6,371	-	-
Changes in other non-cash items	-	-	-	-	1,100,319
At September 30	<u>\$215,213,013</u>	<u>\$ 87,444,402</u>	<u>\$ 98,328,614</u>	<u>\$ 51,022,688</u>	<u>\$ 4,678,984</u>

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7. Related party transactions

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

(1) Names and relationship of related parties

Names of related parties	Relationship with the Group
Funds managed by Yuanta Securities Investment Trust	Security investment trust fund raised by the Yuanta Securities Investment Trust
SYF Information (Shanghai) Limited (SYF Information (Shanghai))	Associate of Yuanta Futures (Note 1)
SYF Information Co., Ltd. (SYF Information)	Associate of Yuanta Futures (Note 2)
Yuanta International Leasing Co., Ltd (Yuanta International Leasing)	Associate of Yuanta Bank (Note 3)
Yuanta-Polaris Research Institute (Yuanta-Polaris Research)	Related party in substance (Note 4)
Yuanta Construction Development Co., Ltd. (Yuanta Construction Development)	"
Greatness Trading Co., Ltd.	"
Yuanta Cultural & Education Foundation (Yuanta Foundation)	"
Shun Fung Holdings (Private) Limited	"
Yuanta Diamond Funds SPC	"(Note 5)
Securities Investment Trust & Advisory Association of Taipei, R.O.C. (SITCA)	The group management is its main management level
Yuanta Diamond Funds SPC's Funds	Funds managed by Yuanta Securities (Hong Kong)
Global Growth Investment, L.P.	Funds managed by Yuanta Asia Investment (Hong Kong)
Yuanta Asia Growth Investment, L.P.	"
TONGYANG AGRI-FOOD INVESTMENT Fund II	Investments accounted for under the equity method of Yuanta Securities (Korea) (No longer a related party since May 24, 2023.)
IBKC-TONGYANG Growth 2013 Private Equity Fund	"
Yuanta Secondary No.3 Private Equity Fund	"
Kiwoom-Yuanta 2019 Scale-up Fund	"
Yuanta Innovative Growth MPE Fund	"
Yuanta Innovative Job Creation Fund	"
Yuanta SPAC IX	"
Yuanta SPAC X	"
Yuanta SPAC XI	"
Yuanta SPAC XII	"
Yuanta SPAC XIII	"
Yuanta SPAC XIV	"
Yuanta SPAC XV	"

(Has become a related party since November 20, 2023.)

Names of related parties	Relationship with the Group
Yuanta SPAC XVI	"
	(Has become a related party since December 6, 2023.)
Yuanta SPAC XVII	"
	(Has become a related party since September 13, 2024.)
Yuanta Quantum Jump No.1 Fund	"
Alpha-Harvest Summit Private Equity Fund	"
	(Has become a related party since January 23, 2024.)
Yuanta K-Bio Vaccine Blockbuster Private Equity Fund	"
	(Has become a related party since December 28, 2023.)
Other related parties	The Yuanta Group, funds managed by consolidated subsidiaries, related parties in substance, major stockholders of affiliated entities, key management and invested enterprise and consolidated company of its close relatives, employees' welfare committee which was established by consolidated company and key management which was related with group.

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

Note 2: On June 26, 2024, the Board of Directors of Yuanta Futures approved the SYF Information Co., Ltd. dissolution of July 31, 2024, as the record date for the dissolution.

Note 3: On April 22, 2024, the Board of Directors of Yuanta International Leasing acting on behalf of the shareholders' meeting approved the dissolution of April 30, 2024, as the record date for the dissolution.

Note 4: On September 14, 2023, Ministry of Economic Affairs approved the dissolution and liquidation of Yuanta-Polaris Research. The record date for the liquidation was September 14, 2023, and the liquidation was completed on February 29, 2024.

Note 5: Yuanta Diamond Funds SPC is a segregated portfolio company registered in the Cayman Islands, under the laws of the Cayman Islands. There can be one or multiple segregated portfolios under SPC (hereinafter called funds). Between each fund, assets and liabilities are separated.

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

(2) Significant transactions and balances with related parties

A. Deposits

September 30, 2024			
<u>Name</u>	<u>Ending balance</u>	<u>Percentage of deposits (%)</u>	<u>Interest rate (%)</u>
All related parties	\$ 17,060,783	1.00	0.00~6.68

December 31, 2023			
<u>Name</u>	<u>Ending balance</u>	<u>Percentage of deposits (%)</u>	<u>Interest rate (%)</u>
All related parties	\$ 10,712,470	0.69	0.00~6.56

September 30, 2023			
<u>Name</u>	<u>Ending balance</u>	<u>Percentage of deposits (%)</u>	<u>Interest rate (%)</u>
All related parties	\$ 10,834,575	0.72	0.00~6.56

Apart from an interest rate limit on staff demand savings deposits of 6.56%~6.68% and 6.44%~6.56%, respectively, for the nine months ended September 30, 2024 and 2023, the range of interest rates on other related parties' demand savings deposits were 0.00%~5.80% and 0.00%~5.82%, respectively. The interest rates and other terms provided to the above related parties were the same as the terms offered to the general public.

For the three months and nine months ended September 30, 2024 and 2023, interest expense on the above deposits were \$67,869, \$30,679, \$268,206 and \$84,310, respectively.

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B. Loans

September 30, 2024

Unit: In thousands of NT dollars

Types	Number of accounts or name of related party	Highest balance	Ending balance	Loan status		Collateral	Whether terms and conditions of the related party transactions are different from those of transactions with third parties.
				Normal loans	Overdue accounts		
Consumer loans	273	\$ 120,966	\$ 76,992	\$ 76,992	\$ -	Movables, deposits and credit loans	None
Residential mortgage loans	512	5,347,802	4,728,217	4,728,217	-	Real estate	None
Other loans	Greatness Trading Co., Ltd.	20,000	20,000	20,000	-	Real estate	None
	95	548,377	291,690	291,690	-	Deposits, stock, real estate, policy and credit loans	None
Total			\$ 5,116,899	\$ 5,116,899	\$ -		

December 31, 2023

Unit: In thousands of NT dollars

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

September 30, 2023

Unit: In thousands of NT dollars

Types	Number of accounts or name of related party	Highest balance	Ending balance	Loan status		Collateral	Whether terms and conditions of the related party transactions are different from those of transactions with third parties.
				Normal loans	Overdue accounts		
Consumer loans	280	\$ 122,776	\$ 76,934	\$ 76,934	\$ -	Small and medium enterprise credit guarantee fund, movables, deposits and credit loans	None
Residential mortgage loans	498	4,556,120	3,989,576	3,989,576	-	Real estate	None
Other loans	Greatness Trading Co., Ltd.	20,000	20,000	20,000	-	Real estate	None
	94	474,507	290,735	290,735	-	Deposits, stock, real estate, policy and credit loans	None
Total			\$ 4,377,245	\$ 4,377,245	\$ -		

Loans to related parties are under the same terms as those to other customers, except for interest rates on loans to affiliated companies were 2.15% ~ 2.27% and 1.75%~2.15% for the nine months ended September 30, 2024 and 2023, respectively, the interest rates on the remaining loans are both ranging from 0.00%~12.00% for the nine months ended September 30, 2024 and 2023, which are the same with the terms of general loans. For the three months and nine months ended September 30, 2024 and 2023, interest income resulting from the above loans amounted to \$27,770, \$23,341, \$75,579 and \$64,217, respectively.

C. Property transactions

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 26,511,019	\$ 19,670,991	\$ 15,949,396
Global Growth Investment, L.P.	15,599	17,486	17,727
Yuanta Asia Growth Investment, L.P.	<u>273,988</u>	<u>309,586</u>	<u>348,724</u>
	<u>\$ 26,800,606</u>	<u>\$ 19,998,063</u>	<u>\$ 16,315,847</u>
		<u>Proceeds on disposal</u>	
		<u>For the three months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust		\$ 210,769,896	\$ 100,175,082
Yuanta Asia Growth Investment, L.P.		<u>28,143</u>	<u>-</u>
		<u>\$ 210,798,039</u>	<u>\$ 100,175,082</u>
		<u>Proceeds on disposal</u>	
		<u>For the nine months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust		\$ 472,113,387	\$ 256,889,144
Yuanta Asia Growth Investment, L.P.		<u>28,143</u>	<u>5,507</u>
		<u>\$ 472,141,530</u>	<u>\$ 256,894,651</u>
		<u>Realised gain or loss</u>	
		<u>For the three months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust		\$ 903,437	\$ 114,007
Yuanta Asia Growth Investment, L.P.		<u>1,809</u>	<u>-</u>
		<u>\$ 905,246</u>	<u>\$ 114,007</u>

	Realised gain or loss	
	For the nine months ended September 30,	
	2024	2023
Other related parties:		
Funds managed by Yuanta Securities		
Investment Trust	\$ 2,282,449	\$ 646,284
Yuanta Asia Growth Investment, L.P.	1,809	3,618
	<u>\$ 2,284,258</u>	<u>\$ 649,902</u>

(B) The Yuanta Group had bills and bonds transactions under repurchase agreements with the related parties (recorded as “Bills and bonds sold under repurchase agreements”)

	September 30, 2024			
	Highest balance	Ending balance	Interest rate (%)	Foreign currency ending balance
Key management personnel:				
Others	\$ 50,013	\$ -	0.55	
Others	43,789	34,183	4.20~4.95 (Note : USD)	USD 1,080
Other related parties:				
Funds managed by Yuanta Securities Investment				
Trust	99,965	-	1.47~1.48	
Others	746,029	46,513	0.55~0.65	
		<u>\$ 80,696</u>		
	December 31, 2023			
	Highest balance	Ending balance	Interest rate (%)	Foreign currency ending balance
Key management personnel:				
Others	\$ 50,009	\$ 50,000	0.55	
Others	33,901	27,355	4.70~4.95 (Note : USD)	USD 890
Other related parties:				
Others	1,525,200	359,868	0.35~0.55	
		<u>\$ 437,223</u>		

		September 30, 2023			
		<u>Highest balance</u>	<u>Ending balance</u>	<u>Interest rate (%)</u>	<u>Foreign currency ending balance</u>
Key management personnel:					
Others	\$	50,009	\$ 50,000	0.55	
Others		35,535	27,428	4.70~4.95 (Note : USD)	USD 850
Other related parties:					
Others		1,525,154	<u>423,630</u>	0.35~0.55	
			<u>\$ 501,058</u>		

Note: For foreign currency repo trade.

(C)The Yuanta Group had bills and bonds transactions under resale agreements with the related parties (recorded as “Bills and bonds sold under resale agreements”)

		September 30, 2024			
		<u>Highest balance</u>	<u>Ending balance</u>	<u>Interest rate (%)</u>	<u>Foreign currency ending balance</u>
Key management personnel:					
				1.20~1.35 (Note : JPY)	
Others	\$	17,066	<u>\$ 17,066</u>	2.20 (Note : CHF)	JPY 43,000 CHF 200

		December 31, 2023			
		<u>Highest balance</u>	<u>Ending balance</u>	<u>Interest rate (%)</u>	<u>Foreign currency ending balance</u>
Key management personnel:					
Others	\$	7,172	<u>\$ 7,172</u>	1.20 (Note : JPY)	JPY 33,000

		September 30, 2023			
		<u>Highest balance</u>	<u>Ending balance</u>	<u>Interest rate (%)</u>	<u>Foreign currency ending balance</u>
Key management personnel:					
Others	\$	7,130	<u>\$ 7,130</u>	1.20 (Note : JPY)	JPY 33,000

(D)The Yuanta Group had bills and bonds transactions in the open market with related parties:

For the nine months ended September 30, 2024

		<u>Transactions type</u>	<u>Buyout price</u>	<u>Outright sale price</u>
Other related parties:				
Others		Bonds	<u>\$ -</u>	<u>\$ 27,929</u>

No transactions for the nine months ended September 30, 2023.

D. <u>Futures traders' equity</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 60,576,708	\$ 39,128,798	\$ 32,616,575
Others	114,785	68,659	55,912
	<u>\$ 60,691,493</u>	<u>\$ 39,197,457</u>	<u>\$ 32,672,487</u>
E. <u>Accounts receivable</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust (Note)	\$ 15,648	\$ 10,263	\$ 11,746
Yuanta Construction Development	779	1,645	1,691
	<u>\$ 16,427</u>	<u>\$ 11,908</u>	<u>\$ 13,437</u>
Please refer to Note 7(2)T for fund management fee receivables.			
F. <u>Settlement receivable</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ -	\$ -	\$ 2,130
G. <u>Settlement payable</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 9,431	\$ -	\$ -
H. <u>Accounts payable</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Others	\$ 30	\$ 22	\$ -
I. <u>Other payables</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Key management personnel:			
Others	\$ -	\$ 100	\$ -
Other related parties:			
SITCA	56	50	50
Others	508	-	90
	<u>\$ 564</u>	<u>\$ 150</u>	<u>\$ 140</u>

J. Receivables from deposits on securities borrowed and security borrowing expenses

	<u>Receivables from deposits on securities borrowed</u>		
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Funds managed by Yuanta			
Securities Investment Trust	\$ 200,344	\$ 41,242	\$ 367,242
		<u>Security borrowing expenses</u>	
		<u>For the three months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Other related parties:			
Funds managed by Yuanta			
Securities Investment Trust		\$ 13,857	\$ 16,267
		<u>For the nine months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Other related parties:			
Funds managed by Yuanta			
Securities Investment Trust		\$ 37,427	\$ 42,688

K. Receivable of securities business money lending

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Key management personnel:			
Others	\$ 6,591	\$ 50	\$ 1,134
Other related parties:			
Others	69,949	40,220	28,481
	<u>\$ 76,540</u>	<u>\$ 40,270</u>	<u>\$ 29,615</u>

L. Receivables from loans to employees

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Key management personnel:			
Others	\$ 1,090	\$ 948	\$ 1,010
Other related parties:			
Others	172,192	163,134	156,395
	<u>\$ 173,282</u>	<u>\$ 164,082</u>	<u>\$ 157,405</u>

M. Income from distribution fee

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Key management personnel:		
Others	\$ 978	\$ 519
Other related parties:		
Others	344	167
	<u>\$ 1,322</u>	<u>\$ 686</u>

		<u>For the nine months ended September 30,</u>		
		<u>2024</u>	<u>2023</u>	
Key management personnel:				
Others		\$ 3,284	\$	731
Other related parties:				
Others		<u>1,430</u>		<u>237</u>
		<u>\$ 4,714</u>	<u>\$</u>	<u>968</u>
N. <u>Income from transfer-agent services</u>				
		<u>For the three months ended September 30,</u>		
		<u>2024</u>	<u>2023</u>	
Other related parties:				
Others		<u>\$ 30</u>	<u>\$</u>	<u>30</u>
		<u>For the nine months ended September 30,</u>		
		<u>2024</u>	<u>2023</u>	
Other related parties:				
Others		<u>\$ 91</u>	<u>\$</u>	<u>90</u>
O. <u>Investment refund receivable</u>				
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>	
Other related parties:				
IBKC-TONGYANG Growth	\$ -	\$ 48,856	\$	49,009
2013 Private Equity Fund				
Kiwoom-Yuanta 2019				
Scale-up Fund	28,525	12,161		12,206
SYF Information (Shanghai)	-	85,526		118,159
SYF Information	295,394	-		-
Yuanta International Leasing	<u>104,508</u>	<u>-</u>		<u>-</u>
	<u>\$ 428,427</u>	<u>\$ 146,543</u>	<u>\$</u>	<u>179,374</u>
P. <u>Lease transactions—Lessee</u>				
(A)Acquisition of right-of-use assets				
		<u>For the nine months ended September 30,</u>		
		<u>2024</u>	<u>2023</u>	
Other related parties:				
Shun Fung Holdings				
(Private) Limited		<u>\$ 40,457</u>	<u>\$</u>	<u>-</u>
(B)Lease liabilities				
A. Ending balance				
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>	
Other related parties:				
Shun Fung Holdings				
(Private) Limited	<u>\$ 36,373</u>	<u>\$ -</u>	<u>\$</u>	<u>-</u>

B. Financial cost

For the three months ended September 30,

2024 2023

Other related parties:

Shun Fung Holdings
(Private) Limited

\$ 530 \$ -

For the nine months ended September 30,

2024 2023

Other related parties:

Shun Fung Holdings
(Private) Limited

\$ 857 \$ -

Q. Other financial liabilities

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

September 30, 2024 December 31, 2023 September 30, 2023

Key management personnel:

Others \$ 17,328 \$ 25,983 \$ 34,001

Other related parties:

Others 10 10 11

\$ 17,338 \$ 25,993 \$ 34,012

R. Holding the securities issued by related parties (recorded as "Financial assets at fair value through profit or loss")

September 30, 2024 December 31, 2023 September 30, 2023

Other related parties:

Yuanta SPAC IX \$ 23,875 \$ 23,478 \$ 23,564

Yuanta SPAC X 23,875 23,478 23,564

Yuanta SPAC XI 23,875 23,478 23,564

Yuanta SPAC XII 19,052 18,735 18,803

Yuanta SPAC XIII 23,875 23,478 23,564

Yuanta SPAC XIV 23,875 23,478 23,564

Yuanta SPAC XV 23,875 23,478 -

Yuanta SPAC XVII 23,875 - -

Others 16,518 16,244 -

\$ 202,695 \$ 175,847 \$ 136,623

S. Credit transaction between the Yuanta Group and related parties

	<u>September 30, 2024</u>	
	<u>Deposit for short sales</u>	<u>Margin loans</u>
Key management personnel:		
Others	\$ 11,992	\$ 90,211
Other related parties:		
Others	<u>14,964</u>	<u>56,906</u>
	<u>\$ 26,956</u>	<u>\$ 147,117</u>
	<u>December 31, 2023</u>	
	<u>Deposit for short sales</u>	<u>Margin loans</u>
Key management personnel:		
Others	\$ 971	\$ 117,381
Other related parties:		
Others	<u>1,127</u>	<u>35,630</u>
	<u>\$ 2,098</u>	<u>\$ 153,011</u>
	<u>September 30, 2023</u>	
	<u>Deposit for short sales</u>	<u>Margin loans</u>
Key management personnel:		
Others	\$ 56,445	\$ 118,489
Other related parties:		
Others	<u>34,270</u>	<u>27,013</u>
	<u>\$ 90,715</u>	<u>\$ 145,502</u>

T. Fund management fee income and fund management fee receivables

	<u>Fund management fee income</u>	
	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Other related parties:		
Funds managed by Yuanta Securities Investment Trust	\$ 1,884,370	\$ 1,336,501
Yuanta Asia Growth Investment, L.P.	9,147	10,301
Yuanta Diamond Funds SPC's funds	4,370	2,263
Others	<u>(343)</u>	<u>145</u>
	<u>\$ 1,897,544</u>	<u>\$ 1,349,210</u>

	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Other related parties:		
Funds managed by Yuanta Securities Investment Trust	\$ 5,094,639	\$ 3,584,962
Yuanta Asia Growth Investment, L.P.	29,302	27,731
Yuanta Diamond Funds SPC's funds	10,790	10,566
Others	(249)	254
	<u>\$ 5,134,482</u>	<u>\$ 3,623,513</u>

	<u>Fund management fee receivables</u>		
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 622,302	\$ 497,983	\$ 439,366
Yuanta Asia Growth Investment, L.P.	8,989	9,929	10,520
Global Growth Investment, L.P.	-	572	449
	<u>\$ 631,291</u>	<u>\$ 508,484</u>	<u>\$ 450,335</u>

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

	<u>Receivables from performance fee and management fee income</u>		
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Yuanta Secondary No.3 Private Equity Fund	\$ 7,542	\$ 36,944	\$ 29,615
Yuanta Innovative Growth MPE Fund	12,724	8,122	9,557
Kiwoom-Yuanta 2019 Scale-up Fund	10,752	10,861	6,951
Yuanta Quantum Jump No.1 Fund	-	161,593	1,428
Yuanta K-Bio Vaccine Blockbuster Private Equity Fund	9,293	486	-
Yuanta Innovative Job Creation Fund	12,666	5,577	5,597
Others	9,396	10,820	9,611
	<u>\$ 62,373</u>	<u>\$ 234,403</u>	<u>\$ 62,759</u>

	Performance fee and management fee income	
	For the three months ended September 30,	
	2024	2023
Other related parties:		
Yuanta Innovative Job Creation Fund	\$ 4,021	\$ 5,670
Yuanta Innovative Growth MPE Fund	5,885	9,682
Yuanta Secondary No.3 Private Equity Fund	7,454	7,560
Kiwoom-Yuanta 2019 Scale-up Fund	3,572	4,166
TONGYANG AGRI-FOOD INVESTMENT Fund II	-	188
Yuanta K-Bio Vaccine Blockbuster Private Equity Fund	9,183	-
Yuanta Quantum Jump NO.1 Fund	165,324	1,447
Others	3,369	5,824
	<u>\$ 198,808</u>	<u>\$ 34,537</u>

	Performance fee and management fee income	
	For the nine months ended September 30,	
	2024	2023
Other related parties:		
Yuanta Innovative Job Creation Fund	\$ 13,112	\$ 16,775
Yuanta Innovative Growth MPE Fund	10,953	28,642
Yuanta Secondary No.3 Private Equity Fund	22,067	22,129
Kiwoom-Yuanta 2019 Scale-up Fund	10,562	13,089
TONGYANG AGRI-FOOD INVESTMENT Fund II	-	26,689
Yuanta K-Bio Vaccine Blockbuster Private Equity Fund	27,166	-
Yuanta Quantum Jump NO.1 Fund	166,609	4,280
Others	9,639	21,069
	<u>\$ 260,108</u>	<u>\$ 132,673</u>

V. Premium income

	For the three months ended September 30,	
	2024	2023
	Other related parties:	
Others	<u>\$ 36,564</u>	<u>\$ 95,852</u>

	<u>For the nine months ended September 30,</u>		
	<u>2024</u>	<u>2023</u>	
Other related parties:			
Others	\$ 151,543	\$ 312,567	
W <u>The details of the brokerage service fee income from the Yuanta Group and its related parties</u>			
	<u>For the three months ended September 30,</u>		
	<u>2024</u>	<u>2023</u>	
Key management personnel:			
Others	\$ 7,675	\$ 6,644	
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	125,972	94,893	
Others	7,458	8,134	
	<u>\$ 141,105</u>	<u>\$ 109,671</u>	
	<u>For the nine months ended September 30,</u>		
	<u>2024</u>	<u>2023</u>	
Key management personnel:			
Others	\$ 24,009	\$ 17,511	
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	581,722	329,563	
Others	24,250	20,873	
	<u>\$ 629,981</u>	<u>\$ 367,947</u>	
X. <u>Refundable deposits - rental deposit from leasing the Yuanta Group's own assets to related parties</u>			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Yuanta-Polaris Research	\$ -	\$ -	\$ 17
Yuanta Foundation	11	11	10
Yuanta Construction Development	1,527	1,527	1,510
	<u>\$ 1,538</u>	<u>\$ 1,538</u>	<u>\$ 1,537</u>
Y. <u>Service fee income</u>			
	<u>For the nine months ended September 30,</u>		
	<u>2024</u>	<u>2023</u>	
Other related parties:			
Yuanta Construction Development	\$ -	\$ 25	
Others	-	6	
	<u>\$ -</u>	<u>\$ 31</u>	

Z. Profit or loss from investment property

(A) Rental income

For the three months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Yuanta-Polaris Research	\$ -	\$ 25
Yuanta Construction Development	2,007	1,983
Yuanta Foundation	16	16
	<u>\$ 2,023</u>	<u>\$ 2,024</u>

For the nine months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Yuanta-Polaris Research	\$ -	\$ 75
Yuanta Construction Development	6,023	5,949
Yuanta Foundation	48	48
	<u>\$ 6,071</u>	<u>\$ 6,072</u>

(B) Imputed interest on rental deposits

For the three months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Yuanta Construction Development	<u>\$ 6</u>	<u>\$ 6</u>

For the nine months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Yuanta Construction Development	<u>\$ 18</u>	<u>\$ 17</u>

(C) Other income

For the three months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Yuanta Construction Development	<u>\$ -</u>	<u>\$ 540</u>

For the nine months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Yuanta Construction Development	<u>\$ 113</u>	<u>\$ 1,594</u>

AA. Revenue from funds and beneficiary certificates managed by related parties of the Yuanta Group
For the three months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Funds managed by Yuanta Securities		
Investment Trust	\$ 237,626	\$ 231,520
Yuanta Asia Growth Investment,L.P.	797	-
	<u>\$ 238,423</u>	<u>\$ 231,520</u>

For the nine months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Funds managed by Yuanta Securities		
Investment Trust	\$ 669,411	\$ 431,470
Yuanta Asia Growth Investment,L.P.	797	-
	<u>\$ 670,208</u>	<u>\$ 431,470</u>

AB. Other operating income

(A) Underwriting service income

For the three months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Yuanta SPAC XII	\$ -	\$ 22
Yuanta SPAC XIII	-	43
Yuanta SPAC XIV	-	2,853
Yuanta SPAC XV	9	-
Yuanta SPAC XVI	11	-
Alpha-Harvest Summit Private Equity Fund	59	-
	<u>\$ 79</u>	<u>\$ 2,918</u>

For the nine months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Yuanta SPAC XII	\$ -	\$ 3,210
Yuanta SPAC XIII	-	6,064
Yuanta SPAC XIV	-	2,853
Yuanta SPAC XV	3,198	-
Yuanta SPAC XVI	3,660	-
Alpha-Harvest Summit Private Equity Fund	19,509	-
	<u>\$ 26,367</u>	<u>\$ 12,127</u>

(B) Borrowed stock revenue

For the three months ended September 30,
2024 2023

Other related parties:

Funds managed by Yuanta Securities
Investment Trust

\$ 22,040 \$ 9,559

For the nine months ended September 30,
2024 2023

Other related parties:

Funds managed by Yuanta Securities
Investment Trust

\$ 48,466 \$ 37,614

AC. Operating expenses

For the nine months ended September 30,
2024 2023

Name of related parties

Nature

Other related parties:

Yuanta Foundation

Donation expenditure

\$ - \$ 80,000

Yuanta-Polaris Research

Donation expenditure

- 23,000

Total

\$ - \$ 103,000

There was no donation expenditure for the three months ended September 30, 2024 and 2023.

AD. Futures commissions expense

For the three months ended September 30,
2024 2023

Other related parties:

Others

\$ 124 \$ -

For the nine months ended September 30,
2024 2023

Other related parties:

Others

\$ 313 \$ -

AE. Other operating expenses

(A) ETF redemption fees

For the three months ended September 30,
2024 2023

Other related parties:

Funds managed by Yuanta Securities
Investment Trust

\$ 38,059 \$ 15,835

For the nine months ended September 30,
2024 2023

Other related parties:

Funds managed by Yuanta Securities
Investment Trust

\$ 77,982 \$ 41,035

(B) Financial costs

For the three months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Funds managed by Yuanta Securities Investment Trust	\$ <u> -</u>	\$ <u> 19</u>

For the nine months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Funds managed by Yuanta Securities Investment Trust	\$ <u> 138,287</u>	\$ <u> 91,887</u>

(C) Miscellaneous expenses

For the three months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
SITCA	\$ <u> 723</u>	\$ <u> -</u>

For the nine months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
SITCA	\$ <u> 2,258</u>	\$ <u> 877</u>

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

For the three months ended September 30,

	<u>2024</u>	<u>2023</u>
Salaries and other short-term employee benefits	\$ 2,208,611	\$ 1,671,267
Termination benefits	1,927	2,087
Other long-term benefits	3,194	3,132
Post-employment benefit	99,805	37,699
Total	\$ <u>2,313,537</u>	\$ <u>1,714,185</u>

For the nine months ended September 30,

	<u>2024</u>	<u>2023</u>
Salaries and other short-term employee benefits	\$ 5,907,961	\$ 5,098,202
Termination benefits	5,705	11,885
Other long-term benefits	9,390	8,667
Post-employment benefit	186,317	116,584
Total	\$ <u>6,109,373</u>	\$ <u>5,235,338</u>

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

A. Yuanta Bank and its subsidiaries

(A) Deposits

September 30, 2024			
<u>Name</u>	<u>Ending balance</u>	<u>Percentage of deposits (%)</u>	<u>Interest rate (%)</u>
All related parties	\$ 156,575,246	8.50	0.00~6.68

December 31, 2023			
<u>Name</u>	<u>Ending balance</u>	<u>Percentage of deposits (%)</u>	<u>Interest rate (%)</u>
All related parties	\$ 83,919,145	5.19	0.00~6.56

September 30, 2023			
<u>Name</u>	<u>Ending balance</u>	<u>Percentage of deposits (%)</u>	<u>Interest rate (%)</u>
All related parties	\$ 82,550,830	5.25	0.00~6.56

Apart from an interest rate limit on staff demand savings deposits of 6.56% ~ 6.68% and 6.44% ~ 6.56%, respectively, for the nine months ended September 30, 2024 and 2023, the range of interest rates on other related parties' demand savings deposits were 0.00% ~ 5.86% and 0.00% ~ 5.82%, respectively. The interest rates and other terms provided to the above related parties were the same as the terms offered to the general public.

For the three months and nine months ended September 30, 2024 and 2023, interest expense on the above deposits were \$521,109, \$332,348, \$1,336,487 and \$951,149, respectively.

(BLANK)

(B) Loans

September 30, 2024

Unit: In thousands of NT dollars

Types	Number of accounts or name of related party	Highest balance	Ending balance	Loan status		Collateral	Whether terms and conditions of the related party transactions are different from those of transactions with third parties.
				Normal loans	Overdue accounts		
Consumer loans	273	\$ 120,966	\$ 76,992	\$ 76,992	\$ -	Movables, deposits and credit loans	None
Residential mortgage loans	512	5,347,802	4,728,217	4,728,217	-	Real estate	None
Other loans	Yuanta Securities	1,500,000	-	-	-	Real estate	None
	Yuanta Securities Finance	1,173,000	1,173,000	1,173,000	-	Real estate	None
	Greatness Trading Co., Ltd.	20,000	20,000	20,000	-	Real estate	None
	95	548,377	291,690	291,690	-	Deposits, stock, real estate, policy and credit loans	None
Total			\$ 6,289,899	\$ 6,289,899	\$ -		

December 31, 2023

Unit: In thousands of NT dollars

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

September 30, 2023

Unit: In thousands of NT dollars

Types	Number of accounts or name of related party	Highest balance	Ending balance	Loan status		Collateral	Whether terms and conditions of the related party transactions are different from those of transactions with third parties.
				Normal loans	Overdue accounts		
Consumer loans	280	\$ 122,776	\$ 76,934	\$ 76,934	\$ -	Small and medium enterprise credit guarantee fund, movables, deposits and credit loans	None
Residential mortgage loans	498	4,556,120	3,989,576	3,989,576	-	Real estate	None
Other loans	Yuanta Securities	4,049,921	-	-	-	Real estate	None
	Greatness Trading Co., Ltd.	20,000	20,000	20,000	-	Real estate	None
	94	474,507	290,735	290,735	-	Deposits, stock, real estate, policy and credit loans	None
Total			\$ 4,377,245	\$ 4,377,245	\$ -		

Loans to related parties are under the same terms as those to other customers, except for interest rates on loans to affiliated companies were 1.82% ~ 2.27% and 1.75%~2.15% for the nine months ended September 30, 2024 and 2023, respectively, the interest rates on the remaining loans are both ranging from 0.00%~12.00% for the nine months ended September 30, 2024 and 2023, which are the same with the terms of general loans. For the three months and nine months ended September 30, 2024 and 2023, interest income resulting from the above loans amounted to \$32,490, \$23,811, \$86,181 and \$64,687, respectively.

(BLANK)

(C) Service fee income

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Life	\$ 383,814	\$ 330,995
Yuanta Securities Investment Trust	35,396	32,022
Yuanta Securities (Hong Kong)	29,541	27,108
Yuanta Securities	12,978	4,804
	<u>\$ 461,729</u>	<u>\$ 394,929</u>
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Life	\$ 1,232,736	\$ 1,041,227
Yuanta Securities Investment Trust	107,667	77,206
Yuanta Securities (Hong Kong)	77,285	50,070
Yuanta Securities	28,219	13,614
	<u>\$ 1,445,907</u>	<u>\$ 1,182,117</u>

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Life	\$ 146,016	\$ 107,519	\$ 161,066
Yuanta Securities Investment Trust	11,054	11,832	11,270
Yuanta Securities (Hong Kong)	10,429	12,986	8,191
Yuanta Securities	2,709	24	25
	<u>\$ 170,208</u>	<u>\$ 132,361</u>	<u>\$ 180,552</u>

(D) Rental expense

Name of related parties	Usage	<u>For the three months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Fellow subsidiary:			
Yuanta Securities	Office rental/ place rental	<u>\$ 55,972</u>	<u>\$ 52,715</u>
		<u>For the nine months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Fellow subsidiary:			
Yuanta Securities	Office rental/ place rental	<u>\$ 171,655</u>	<u>\$ 154,617</u>

(E) Current income tax assets/liabilities

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Parent company:			
Yuanta Financial Holdings			
Consolidated income tax return receivable	<u>\$ 54,209</u>	<u>\$ 54,209</u>	<u>\$ 99,119</u>
Consolidated income tax return payable	<u>\$ 938,036</u>	<u>\$ 872,906</u>	<u>\$ 742,483</u>

(F) Property transactions

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

<u>Name of related parties</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Futures			
Futures Margin	<u>\$ 608,535</u>	<u>\$ 513,893</u>	<u>\$ 609,420</u>

(G) Investment refund receivable

<u>Name of related parties</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Yuanta International Leasing	<u>\$ 104,508</u>	<u>\$ -</u>	<u>\$ -</u>

B. Yuanta Securities and its subsidiaries

(A) Futures transactions

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

	<u>September 30, 2024</u>	
	<u>Futures margins</u>	
	<u>Own funds</u>	<u>Excess margins</u>
Fellow subsidiary:		
Yuanta Futures	\$ 1,766,811	\$ 2,212,728
Others	<u>36,459</u>	<u>77,648</u>
	<u>\$ 1,803,270</u>	<u>\$ 2,290,376</u>
	<u>December 31, 2023</u>	
	<u>Futures margins</u>	
	<u>Own funds</u>	<u>Excess margins</u>
Fellow subsidiary:		
Yuanta Futures	\$ 1,093,798	\$ 1,449,854
Others	<u>18,713</u>	<u>70,743</u>
	<u>\$ 1,112,511</u>	<u>\$ 1,520,597</u>
	<u>September 30, 2023</u>	
	<u>Futures margins</u>	
	<u>Own funds</u>	<u>Excess margins</u>
Fellow subsidiary:		
Yuanta Futures	\$ 985,051	\$ 1,562,865
Others	<u>22,668</u>	<u>76,117</u>
	<u>\$ 1,007,719</u>	<u>\$ 1,638,982</u>

- b. Commission income -futures arising from futures introducing broker transactions on behalf of related parties:

	<u>Commission income - futures</u>	
	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Futures	<u>\$ 79,685</u>	<u>\$ 66,586</u>
	<u>Commission income - futures</u>	
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Futures	<u>\$ 211,865</u>	<u>\$ 179,328</u>

(B) Bank deposits, loans and interest income

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

	<u>September 30, 2024</u>	
	<u>Bank deposits</u>	<u>Other receivables – interest receivable (Not</u>
Fellow subsidiary:		
Yuanta Bank	<u>\$ 78,962,720</u>	<u>\$ 181,932</u>
	<u>December 31, 2023</u>	
	<u>Bank deposits</u>	<u>Other receivables – interest receivable (Not</u>
Fellow subsidiary:		
Yuanta Bank	<u>\$ 29,619,224</u>	<u>\$ 92,870</u>
	<u>September 30, 2023</u>	
	<u>Bank deposits</u>	<u>Other receivables – interest receivable (Not</u>
Fellow subsidiary:		
Yuanta Bank	<u>\$ 30,547,785</u>	<u>\$ 68,998</u>
	<u>Other gains and losses – interest income (Note)</u>	
	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Bank	<u>\$ 235,134</u>	<u>\$ 141,361</u>

	Other gains and losses – interest income (Note)		
	For the nine months ended September 30,		
	2024	2023	
Fellow subsidiary:			
Yuanta Bank	\$ 689,214	\$	440,723
Note: Including the interest of demand deposits, time deposits and operating guarantee deposits.			
b. As of September 30, 2024, December 31, 2023 and September 30, 2023, the certificates of deposit that Yuanta Securities and its subsidiaries provided to Yuanta Bank (recorded as other current assets) as collateral for credit facility and guarantee deposits of structured products and guarantee deposits on money lending amounted to \$730,139, \$393,383 and \$324,123, respectively.			
c. As of September 30, 2024, December 31, 2023 and September 30, 2023, the short-term loans that Yuanta Securities and its subsidiaries borrowed from Yuanta Bank amounted to \$1,173,000, \$0 and \$0, respectively.			
(C) Consolidated income tax return - receivables/ payables (recorded as “current income tax assets/liabilities”)			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Parent company:			
Yuanta Financial Holdings			
Consolidated income tax return receivables	\$ 66,009	\$ 66,009	\$ 66,009
Consolidated income tax return payables	\$ 1,594,483	\$ 1,617,979	\$ 1,112,210
(D) Operating guarantee deposits			
Yuanta Securities and its subsidiaries provided time deposits to a related party as operating guarantee deposits for engaging in securities and futures business. Details were as follows:			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Bank	\$ 1,280,000	\$ 1,290,000	\$ 1,290,000
(E) Refundable deposits for securities lending auction			
Yuanta Securities and its subsidiaries made refundable deposits with related parties for securities lending auction. Details were as follows:			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Bank	\$ 304,000	\$ 304,000	\$ 304,000
(F) Deposits on receivables from deposits on securities borrowed			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 200,344	\$ 41,242	\$ 367,242

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

(H) Commission income

For the three months ended September 30,

2024 2023

Fellow subsidiary:

Yuanta Life

\$ 137,736 \$ 72,067

For the nine months ended September 30,

2024 2023

Fellow subsidiary:

Yuanta Life

\$ 423,688 \$ 296,388

(I) Trust income

For the three months ended September 30,

2024 2023

Fellow subsidiary:

Yuanta Securities Investment Trust

\$ 56,003 \$ 60,023

For the nine months ended September 30,

2024 2023

Fellow subsidiary:

Yuanta Securities Investment Trust

\$ 177,889 \$ 139,267

(J) Amounts held for settlement

As of September 30, 2024, December 31, 2023 and September 30, 2023, Yuanta Securities and its subsidiaries had amounts held for settlement of \$363,987, \$261,247 and \$435,618, respectively, which were deposited at its fellow subsidiary, Yuanta Bank.

(K) Property transactions

a. Bills and bonds transactions under repurchase agreements (recorded as bills and bonds payable under repurchase agreements)

Please refer to Note 7(2)C(B).

b. Bills and bonds transactions under resale agreements (recorded as investments in bills and bonds under resale agreements)

Please refer to Note 7(2)C(C).

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

For the three months
ended September 30, 2024

Purchased Sold

Fellow subsidiary:

Yuanta Futures

\$ 4,600,000 \$ -

For the nine months
ended September 30, 2024

Purchased Sold

Fellow subsidiary:

Yuanta Futures

\$ 4,600,000 \$ -

	For the nine months ended September 30, 2023		
	<u>Purchased</u>	<u>Sold</u>	
Fellow subsidiary:			
Yuanta Futures	\$ -	\$ 2,992,322	
There were no bonds sold and purchased for the three months ended September 30, 2023.			
(L) Lease transactions—Lessee			
a. Yuanta Securities and its subsidiaries lease buildings from related parties. Rental contracts are typically made for periods of 2 to 5 years and rental payments are made at the beginning of each month.			
b. Lease liabilities			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Life	\$ 121,593	\$ 193,358	\$ 222,262
Yuanta Bank	84,949	23,703	25,965
Other related parties:			
Shun Fung Holdings (Private) Limited	21,409	-	-
	<u>\$ 227,951</u>	<u>\$ 217,061</u>	<u>\$ 248,227</u>
(M) Customer margin accounts			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Futures	\$ 380,970	\$ 274,639	\$ 278,693
Others	1,229	1,174	1,227
	<u>\$ 382,199</u>	<u>\$ 275,813</u>	<u>\$ 279,920</u>
(N) Brokerage service fee income			
		<u>For the three months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Fellow subsidiary:			
Others		\$ 16,947	\$ 9,524
Key management personnel:			
Others		7,675	6,644
Other related parties:			
Funds managed by Yuanta Securities Investment Trust		81,284	53,712
Others		6,508	6,757
		<u>\$ 112,414</u>	<u>\$ 76,637</u>

	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Others	\$ 38,926	\$ 30,980
Key management personnel:		
Others	24,009	17,511
Other related parties:		
Funds managed by Yuanta Securities Investment		
Trust	364,941	146,786
Others	20,560	16,929
	<u>\$ 448,436</u>	<u>\$ 212,206</u>

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

(O) Other operating income—dividend income

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Funds managed by Yuanta Securities Investment		
Trust	<u>\$ 96,964</u>	<u>\$ 128,381</u>

	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Funds managed by Yuanta Securities Investment		
Trust	<u>\$ 242,938</u>	<u>\$ 169,519</u>

(P) Other operating expense

a. Professional fee

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Securities Investment Consulting	<u>\$ 51,555</u>	<u>\$ 47,124</u>

	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Securities Investment Consulting	<u>\$ 154,665</u>	<u>\$ 141,372</u>

Professional fee was calculated by both parties in accordance with the contract.

b. ETF redemption fees

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Securities Investment Trust	\$ 17,497	\$ 8,928
Other related parties:		
Fund managed by Yuanta Securities Investment Trust	<u>38,059</u>	<u>15,835</u>
	<u>\$ 55,556</u>	<u>\$ 24,763</u>
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Securities Investment Trust	\$ 36,868	\$ 25,523
Other related parties:		
Fund managed by Yuanta Securities Investment Trust	<u>77,982</u>	<u>41,035</u>
	<u>\$ 114,850</u>	<u>\$ 66,558</u>

(Q) Rebate income

The rebate income received from related parties for using Yuanta Securities and its subsidiaries' facilities (recorded as other gains and losses) is as follows:

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Bank	<u>\$ 69,783</u>	<u>\$ 64,549</u>
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Bank	<u>\$ 196,448</u>	<u>\$ 175,758</u>

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Fund managed by Yuanta Securities Investment Trust	<u>\$ 13,258,404</u>	<u>\$ 9,598,907</u>	<u>\$ 6,846,120</u>

	For the three months ended September 30,			
	2024		2023	
	Proceeds on disposal	Realised gain	Proceeds on disposal	Realised gain
Other related parties: Fund managed by Yuanta Securities Investment Trust	<u>\$ 207,437,730</u>	<u>\$ 789,491</u>	<u>\$ 100,111,115</u>	<u>\$ 114,039</u>

	For the nine months ended September 30,			
	2024		2023	
	Proceeds on disposal	Realised gain	Proceeds on disposal	Realised gain
Other related parties: Fund managed by Yuanta Securities Investment Trust	<u>\$ 467,328,598</u>	<u>\$ 2,067,540</u>	<u>\$ 255,376,636</u>	<u>\$ 702,401</u>

Yuanta Securities and its subsidiaries lent out part of the above funds under fund managed by fellow subsidiary of \$12,495 (shown as financial assets at fair value through profit or loss-lending securities) as of December 31, 2023.

There was no such transaction on September 30, 2024 and 2023.

(S) Securities issued by related parties (recorded as financial assets at fair value through profit or loss)

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Yuanta SPAC IX	\$ 23,875	\$ 23,478	\$ 23,564
Yuanta SPAC X	23,875	23,478	23,564
Yuanta SPAC XI	23,875	23,478	23,564
Yuanta SPAC XII	19,052	18,735	18,803
Yuanta SPAC XIII	23,875	23,478	23,564
Yuanta SPAC XIV	23,875	23,478	23,564
Yuanta SPAC XV	23,875	23,478	-
Yuanta SPAC XVII	23,875	-	-
Others	16,518	16,244	-
	<u>\$ 202,695</u>	<u>\$ 175,847</u>	<u>\$ 136,623</u>

	Proceeds on disposal	
	For the three months ended September 30,	
	2024	2023
Parent company: Yuanta Financial Holdings	<u>\$ 921,630</u>	<u>\$ 444,569</u>

		<u>For the nine months ended September 30,</u>		
		<u>2024</u>	<u>2023</u>	
Parent company:				
	Yuanta Financial Holdings	\$ 2,068,729	\$ 776,081	
(T) Credit transaction—margin loans				
		<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Key management personnel:				
	Others	\$ 90,211	\$ 117,381	\$ 118,489
Other related parties:				
	Others	56,906	35,630	27,013
		<u>\$ 147,117</u>	<u>\$ 153,011</u>	<u>\$ 145,502</u>
(U) Others				
a. As of September 30, 2024, December 31, 2023 and September 30, 2023, the credit facilities granted by fellow subsidiary - Yuanta Bank to Yuanta Securities and its subsidiaries with land and buildings as collateral were \$11,100,000, \$11,500,000 and \$11,500,000, respectively. The carrying amounts of land and building amounting to \$3,119,387, \$3,393,960 and \$3,398,305, respectively, were designated as collateral.				
b. The fund balances held by Yuanta Securities and its subsidiaries (recorded as financial assets at fair value through profit or loss).				
		<u>The balance of fund</u>		
		<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:				
	Yuanta Asia Growth Investment, L.P.	\$ 136,994	\$ 154,793	\$ 174,362
	Global Growth Investment, L.P.	15,599	17,486	17,727
		<u>\$ 152,593</u>	<u>\$ 172,279</u>	<u>\$ 192,089</u>
c. Details of Yuanta securities and its subsidiaries on the performance fee and management fee receivable for fund investments accounted for under the equity method are shown in Note 7(2)U.				
C. <u>Yuanta Futures and its subsidiaries</u>				
(A) Cash and cash equivalents / operating guarantee deposits / customer margin deposits				
		<u>September 30, 2024</u>		
		<u>Bank deposits ending balance</u>	<u>Operating guarantee deposits</u>	<u>Customer margin deposits</u>
Fellow subsidiary:				
	Yuanta Bank	\$ 2,514,627	\$ 140,000	\$ 43,352,103
	Yuanta Securities (Korea)	-	-	14,108
	Yuanta Securities (Vietnam)	-	-	163,190
	Yuanta Securities (Thailand)	-	-	1,579
		<u>\$ 2,514,627</u>	<u>\$ 140,000</u>	<u>\$ 43,530,980</u>

	December 31, 2023		
	Bank deposits ending balance	Operating guarantee deposits	Customer margin deposits
Fellow subsidiary:			
Yuanta Bank	\$ 4,454,633	\$ 140,000	\$ 22,468,952
Yuanta Securities (Korea)	-	-	24,063
Yuanta Securities (Vietnam)	-	-	209,670
	<u>\$ 4,454,633</u>	<u>\$ 140,000</u>	<u>\$ 22,702,685</u>
		September 30, 2023	
	Bank deposits ending balance	Operating guarantee deposits	Customer margin deposits
Fellow subsidiary:			
Yuanta Bank	\$ 5,135,246	\$ 140,000	\$ 20,656,264
Yuanta Securities (Korea)	-	-	24,278
Yuanta Securities (Vietnam)	-	-	219,326
	<u>\$ 5,135,246</u>	<u>\$ 140,000</u>	<u>\$ 20,899,868</u>

Yuanta Futures and its subsidiaries purchased book-entry central government bond (CGS) through Yuanta Securities for \$0 and \$ 2,985,744 under customer margin accounts for the nine months ended September 30, 2024 and 2023, respectively.

(B) Customer margin accounts for leverage contracts

	September 30, 2024	December 31, 2023	September 30, 2023
Fellow subsidiary:			
Yuanta Bank	<u>\$ 493,568</u>	<u>\$ 266,264</u>	<u>\$ 86,371</u>

(C) Investment refund receivable

	September 30, 2024	December 31, 2023	September 30, 2023
Other related parties:			
SYF Information (Shanghai)	\$ -	\$ 85,526	\$ 118,159
SYF Information Co., Ltd.	<u>295,394</u>	<u>-</u>	<u>-</u>
	<u>\$ 295,394</u>	<u>\$ 85,526</u>	<u>\$ 118,159</u>

A. Yuanta Futures and its subsidiaries expected to fully recover the investment refund receivable from SYF Information Co., Ltd. in November 2024.

B. Yuanta Futures and its subsidiaries fully recovered the investment refund receivable from SYF information (Shanghai) in January 2024.

(D) Equity of futures traders

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Securities	\$ 4,019,910	\$ 2,567,422	\$ 2,569,630
Yuanta Bank	608,634	513,843	609,096
Yuanta Securities (Hong Kong)	64,846	55,577	68,816
Yuanta Securities (Korea)	390,512	286,651	291,204
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	60,576,708	39,128,798	32,616,575
Others	114,785	68,659	55,912
	<u>\$ 65,775,395</u>	<u>\$ 42,620,950</u>	<u>\$ 36,211,233</u>

(E) Brokerage fee revenue

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Securities	\$ 30,275	\$ 18,959
Yuanta Bank	1,369	709
Yuanta Securities (Hong Kong)	1,456	2,841
Yuanta Securities (Korea)	563	748
Other related parties:		
Funds managed by Yuanta Securities Investment Trust	44,688	41,181
Others	950	1,376
	<u>\$ 79,301</u>	<u>\$ 65,814</u>
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Securities	\$ 77,105	\$ 65,022
Yuanta Bank	3,314	1,627
Yuanta Securities (Hong Kong)	5,289	10,798
Yuanta Securities (Korea)	1,578	1,663
Other related parties:		
Funds managed by Yuanta Securities Investment Trust	216,781	182,777
Others	3,690	3,943
	<u>\$ 307,757</u>	<u>\$ 265,830</u>

(F) Futures commissions expense

	For the three months ended September 30,	
	2024	2023
Fellow subsidiary:		
Yuanta Securities	<u>\$ 79,685</u>	<u>\$ 66,587</u>
	For the nine months ended September 30,	
	2024	2023
Fellow subsidiary:		
Yuanta Securities	<u>\$ 211,865</u>	<u>\$ 179,329</u>

(G) Interest income

	For the three months ended September 30,	
	2024	2023
Fellow subsidiary:		
Yuanta Bank	<u>\$ 282,339</u>	<u>\$ 119,676</u>
	For the nine months ended September 30,	
	2024	2023
Fellow subsidiary:		
Yuanta Bank	<u>\$ 622,768</u>	<u>\$ 325,007</u>

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

(H) Financial cost

	For the three months ended September 30,	
	2024	2023
Fellow subsidiary:		
Yuanta Securities	\$ 3,117	\$ 2,299
Yuanta Securities (Korea)	860	641
Other related parties:		
Funds managed by Yuanta Securities		
Investment Trust	-	19
	<u>\$ 3,977</u>	<u>\$ 2,959</u>
	For the nine months ended September 30,	
	2024	2023
Fellow subsidiary:		
Yuanta Securities	\$ 7,866	\$ 7,410
Yuanta Securities (Korea)	2,354	1,716
Other related parties:		
Funds managed by Yuanta Securities		
Investment Trust	138,287	91,887
	<u>\$ 148,507</u>	<u>\$ 101,013</u>

(I) Property transactions

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Acquisition of financial assets			
Other related parties:			
Funds managed by			
Yuanta Securities			
Investment Trust	<u>\$ 2,145</u>	<u>\$ 292,896</u>	<u>\$ 285,012</u>

D. Yuanta Securities Investment Consulting

(A) Bank deposits

As of September 30, 2024, December 31, 2023 and September 30, 2023, Yuanta Securities Investment Consulting deposited \$216,466, \$242,005 and \$218,591, respectively, to Yuanta Bank, amongst which, the operating guarantee deposits were all \$5,000, and annual interest rates were 1.66%, 1.53% and 1.53%, respectively.

(B) Lease transactions—Lessee

A. Yuanta Securities Investment Consulting leases buildings from Yuanta Securities and Yuanta Bank. Rental contracts are both made for periods of 5 years and rental payments are made at the beginning of each month.

B. Acquisition of right-of-use assets

	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Bank	<u>\$ 110,025</u>	<u>\$ -</u>

C. Lease liabilities

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Securities	\$ -	\$ 14,173	\$ 16,298
Yuanta Bank	<u>108,857</u>	<u>-</u>	<u>-</u>
	<u>\$ 108,857</u>	<u>\$ 14,173</u>	<u>\$ 16,298</u>

(C) Operating income

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Securities	\$ 49,845	\$ 45,414
Yuanta Bank	8,175	7,500
Yuanta Securities Investment Trust	5,438	4,500
Yuanta Futures	1,147	900
Other related parties:		
Yuanta Securities Finance	<u>1,710</u>	<u>1,710</u>
	<u>\$ 66,315</u>	<u>\$ 60,024</u>

		<u>For the nine months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Fellow subsidiary:			
Yuanta Securities		\$ 149,535	\$ 136,242
Yuanta Bank		24,525	22,500
Yuanta Securities Investment Trust		16,313	13,500
Yuanta Futures		3,442	2,700
Other related parties:			
Yuanta Securities Finance		5,130	5,130
		<u>\$ 198,945</u>	<u>\$ 180,072</u>
E. <u>Yuanta Securities Investment Trust</u>			
(A) Bank deposits			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Bank	\$ 4,123,743	\$ 4,671,246	\$ 4,281,668
(B) Accounts receivable			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 637,950	\$ 508,246	\$ 452,653
Note: As of September 30, 2024, December 31, 2023 and September 30, 2023, accounts receivable included management fee receivables amounting to \$622,302, \$497,983 and \$444,564, respectively.			
(C) Management fee income			
	<u>For the three months ended September 30,</u>		
	<u>2024</u>	<u>2023</u>	
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 1,884,370	\$ 1,336,501	
	<u>For the nine months ended September 30,</u>		
	<u>2024</u>	<u>2023</u>	
Other related parties:			
Funds managed by Yuanta Securities Investment Trust	\$ 5,094,639	\$ 3,584,962	
(D) Dividends payable			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Parent company:			
Yuanta Financial Holdings	\$ -	\$ -	\$ 623,222

(E) Fund transactions

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Yuanta Securities			
Investment Trust	\$ 412,162	\$ 295,662	\$ 316,512
Fellow subsidiary:			
Yuanta Life	3,913,452	2,344,521	2,256,484
Others	394,066	373,258	363,268
	<u>\$ 4,719,680</u>	<u>\$ 3,013,441</u>	<u>\$ 2,936,264</u>

(F) Acquisition of right-of-use assets

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Securities Finance	\$ 3,061	\$ -	\$ -
Yuanta Bank	126,881	-	-
	<u>\$ 129,942</u>	<u>\$ -</u>	<u>\$ -</u>

(G) Lease liabilities

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Securities	\$ 4,359	\$ 7,904	\$ 9,082
Yuanta Securities Finance	2,310	-	231
Yuanta Bank	127,054	-	-
	<u>\$ 133,723</u>	<u>\$ 7,904</u>	<u>\$ 9,313</u>

(H) Sales fee

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Securities	\$ 69,366	\$ 73,252
Yuanta Bank	34,148	30,986
	<u>\$ 103,514</u>	<u>\$ 104,238</u>
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Fellow subsidiary:		
Yuanta Securities	\$ 218,311	\$ 173,307
Yuanta Bank	103,348	74,259
	<u>\$ 321,659</u>	<u>\$ 247,566</u>

F. Yuanta Life

(A) Bank deposits and time deposits

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Bank (Note)	\$ 2,883,684	\$ 1,700,100	\$ 1,613,784

Note: Including other financial assets.

(B) Current income tax assets/liabilities

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Parent company:			
Yuanta Financial Holdings			
Consolidated income			
tax return receivable	<u>\$ 5,844,629</u>	<u>\$ 5,215,483</u>	<u>\$ 5,440,231</u>

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Other related parties:			
Funds managed by Yuanta	\$ 12,557,484	\$ 9,453,315	\$ 8,472,296
Securities Investment			
Trust			
Yuanta Asia Growth			
Investment, L.P.	<u>136,994</u>	<u>154,793</u>	<u>174,362</u>
	<u>\$ 12,694,478</u>	<u>\$ 9,608,108</u>	<u>\$ 8,646,658</u>

For the nine months ended September 30, 2024

	<u>Purchase price</u>	<u>Proceeds on disposal</u>	<u>Realised gain or loss</u>
Other related parties:			
Funds managed by			
Yuanta Securities			
Investment Trust	\$ 5,757,247	\$ 3,213,841	\$ 177,732
Yuanta Asia Growth			
Investment, L.P.	<u>-</u>	<u>28,144</u>	<u>1,809</u>
	<u>\$ 5,757,247</u>	<u>\$ 3,241,985</u>	<u>\$ 179,541</u>

For the nine months ended September 30, 2023

	<u>Purchase price</u>	<u>Proceeds on disposal</u>	<u>Realised gain or loss</u>
Other related parties:			
Funds managed by			
Yuanta Securities			
Investment Trust	\$ 6,648,038	\$ 779,905	(\$ 59,345)
Yuanta Asia Growth			
Investment, L.P.	<u>23,263</u>	<u>5,507</u>	<u>3,618</u>
	<u>\$ 6,671,301</u>	<u>\$ 785,412</u>	<u>(\$ 55,727)</u>

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

For the three months ended September 30,

	<u>2024</u>	<u>2023</u>
Other related parties:		
Funds managed by Yuanta Securities		
Investment Trust	<u>\$ 140,502</u>	<u>\$ 103,013</u>

		<u>For the nine months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Other related parties:			
Funds managed by Yuanta Securities			
Investment Trust		\$ 426,059	\$ 261,650
 (D) Payables			
	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Parent company:			
Yuanta Financial Holdings	\$ 3,853	\$ 548	\$ 2,591
Fellow subsidiary:			
Yuanta Bank	119,897	89,751	110,120
Yuanta International			
Insurance Brokers	51,593	43,730	29,978
	<u>\$ 175,343</u>	<u>\$ 134,029</u>	<u>\$ 142,689</u>
 (E) Premium income			
Please refer to Note 7(2)U.			
 (F) Commission expense			
		<u>For the three months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Fellow subsidiary:			
Yuanta Bank		\$ 378,707	\$ 307,008
Yuanta International Insurance Brokers		137,736	72,067
		<u>\$ 516,443</u>	<u>\$ 379,075</u>
		<u>For the nine months ended September 30,</u>	
		<u>2024</u>	<u>2023</u>
Fellow subsidiary:			
Yuanta Bank		\$ 1,223,006	\$ 989,320
Yuanta International Insurance Brokers		423,688	296,388
		<u>\$ 1,646,694</u>	<u>\$ 1,285,708</u>

(G) Information on investments entrusted to related parties

Yuanta Life entered into a discretionary investment agreement with Yuanta Securities Investment Trust to entrust Yuanta Securities Investment Trust to serve as the trustee of discretionary investment-linked insurance. The entrusted investment items are mainly funds, beneficiary certificates and ETFs. The amount of investments as of September 30, 2024, December 31, 2023 and September 30, 2023 were \$23,213,102, \$29,435,070 and \$29,137,506, respectively; the trustee's compensation for the commissioned services during the nine months ended September 30, 2024 and 2023 amounted to \$11,725 and \$12,305, respectively. In addition, Yuanta Life entrusted Yuanta Bank to serve as the custody institution of discretionary investment-linked insurance. The custody institution's compensation for the commissioned services during the nine months ended September 30, 2024 and 2023 amounted to \$19,820 and \$21,616, respectively.

(H) Rental income

Yuanta Life leases buildings and parking spaces to related parties. Rental contracts are typically made for periods of 5 years. Rents are collected monthly according to the contracts.

	<u>For the three months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Parent company:		
Yuanta Financial Holdings	\$ 599	\$ 1,307
Fellow subsidiary:		
Yuanta Securities	24,101	23,223
Yuanta Futures	8,851	8,849
Yuanta Bank	2,766	3,150
Yuanta Asset Management	1,019	1,019
Other related parties:		
Yunta Construction Development	2,008	1,983
	<u>\$ 39,344</u>	<u>\$ 39,531</u>
	<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
Parent company:		
Yuanta Financial Holdings	\$ 2,940	\$ 3,922
Fellow subsidiary:		
Yuanta Securities	70,382	69,670
Yuanta Futures	26,554	26,548
Yuanta Bank	9,429	9,449
Yuanta Asset Management	3,077	3,057
Other related parties:		
Yunta Construction Development	6,023	5,949
	<u>\$ 118,405</u>	<u>\$ 118,595</u>

G. Yuanta Ventures and its subsidiary

(A) Bank deposits

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Bank	\$ 863,665	\$ 1,142,708	\$ 1,135,296
Yuanta Securities (Hong Kong)	5,824	5,622	5,892
	<u>\$ 869,489</u>	<u>\$ 1,148,330</u>	<u>\$ 1,141,188</u>

H. Yuanta Asset Management

(A) Bank deposits

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Fellow subsidiary:			
Yuanta Bank	\$ 436,380	\$ 367,521	\$ 387,611

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

September 30, 2024 December 31, 2023 September 30, 2023

Other related parties:

Funds managed by Yuanta

Securities Investment Trust	\$	<u>280,824</u>	\$	<u>30,211</u>	\$	<u>29,456</u>
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For the nine months ended September 30, 2023

Proceeds on disposal Realised gain and loss

Other related parties:

Funds managed by Yuanta Securities

Investment Trust	\$	<u>180,928</u>	\$	<u>928</u>
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There was no disposal of beneficiary certificates for the three months and nine months ended September 30, 2024 and 2023.

(BLANK)

8. Pledged assets

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

Items	September 30, 2024	December 31, 2023	September 30, 2023	Purpose of pledge
Due from Central Bank and call loans to other banks	\$ 241,160	\$ 260,865	\$ 190,416	Operating guarantee deposits
Financial assets at fair value through profit or loss	193,760,422	188,992,362	135,971,145	Bonds and bills under repurchase agreements, collateral for securities lending, OTC trading and collective fund for compensation loss
	765,600	-	-	Futures trading margin
	54,270,269	54,827,303	53,886,722	Brokerage business
	928,557	749,523	828,863	Guarantee deposits for notes, collective fund for compensation loss
Financial assets at fair value through other comprehensive income	27,170,194	4,411,695	4,311,296	Operating guarantee deposits, claim reserve from trust business, collateral for securities lending business, default customer account, short-term loans and guarantees on asset disposal
	69,470,887	59,341,062	76,927,085	Bonds and bills under repurchase agreements, operating guarantee deposits, OTC performance bonds and guarantees on asset disposal
	352,465	-	-	Money market limit guarantee
Investments in debt instruments at amortised cost	4,141,938	3,622,439	3,622,540	Operating guarantee deposits
	206,370	207,858	208,360	Deposits for guarantees in the Central Bank
	243,663	223,758	224,146	Claim reserve from trust business
	10,000,000	10,000,000	10,000,000	Overdraft guarantee for foreign currency settlement
	106,822	107,369	107,553	Settlement reserves for Electronic Bond Trading System (EBTS) issued by OTC
	53,411	53,684	53,776	Deposit guarantees of bills merchants
	268,016	279,159	263,181	Collateral for provisional seizure
	6,089	6,120	5,808	VISA international card payment reserves
	53,411	207,128	214,785	Settlement reserves for Taiwan Futures Exchange
	56,480	-	-	Money market limit guarantee
Restricted assets – net	2,329,168	2,551,751	2,174,095	Collateral for settlement limit, short-term loans, payable short-term bills, securities lending and OTC derivative transactions
	163,581	473,000	1,038,153	Operating guarantee deposits-exchange, structured products, interest rate swap account, repo trade and money lending refundable, liquidation and settlement default reserve
	1,151,283	937	940	Overdraft guarantee
	26,960	25,459	26,230	Dividends to be paid for transfer-agent services business
Other assets – net	783,788	295,392	1,010,745	Operating guarantee deposits
	3,709,915	2,487,522	6,271,712	Performance bond and rental deposits
	1,766,994	76,550	61,289	Underwriting share proceeds collected on behalf of customers
	20,000	10,000	10,000	Claim reserve from trust business
Property and equipment and investment property	2,590,554	2,468,502	2,475,922	Collateral for settlement limit and short-term loans; collateral for mortgage loans and leases
Treasury share of Yuanta Securities (Korea)	484,225	417,265	412,227	Collateral for securities lending business

9. Significant contingent liabilities and unrecognised contract commitments

- (1) As of September 30, 2024, December 31, 2023 and September 30, 2023, capital expenditure contracted for at the balance sheet date but not yet incurred were \$4,505,052, \$8,041,524 and \$9,154,181, respectively.
- (2) As of September 30, 2024, the upper limit of remaining capital commitment for the investment agreement signed by Yuanta Life of the Yuanta Group was USD 601 thousand dollars; the upper limit of the remaining capital commitment for the private equity funds investment agreements signed by Yuanta Securities (Korea) and its subsidiaries was KRW69.7 billion (approximately \$1.7 billion).
- (3) Stocks entrusted to custody
As of September 30, 2024, December 31, 2023 and September 30, 2023, the stocks entrusted to the custody of Yuanta Securities Finance of the Yuanta Group by clients were all 7,483 thousand shares. The market value of these entrusted stocks was approximately \$78,721, \$78,808 and \$78,585, respectively.
- (4) Transactions on behalf of customers
Yuanta Securities had several proxy delivery agreements with certain securities companies. In accordance with these agreements, these securities companies have agreed to be Yuanta Securities' first and second proxy. If Yuanta Securities is unable to fulfil its settlement obligations to the TWSE, the proxies must then act pursuant to said obligations and responsibilities.
- (5) Other lawsuits- Yuanta Securities
 - A. With respect to the land and parking space sales dispute, Seventh-Day Adventist Church Taiwan Conference and Taiwan Adventist Hospital initiated a mediation procedure against Yuanta Securities and another party. On January 17, 2018, the claimants raised its claim to \$952,511 thousand (the amount of \$950,861 thousand of which was claimed on a jointly-liable basis). The mediation failed before the Taiwan Taipei District Court. On July 11, 2018, Seventh-Day Adventist Church Taiwan Conference and Taiwan Adventist Hospital initiated a separate suit for the same matter and claimed the same compensation. The Taiwan Taipei District Court ruled to reject all the plaintiffs' claims on January 27, 2022 (i.e., Yuanta Securities and another party won the lawsuit). The plaintiffs appealed and reduced the claim amount to \$722,378 thousand (the amount of \$512,454 thousand of which is claimed by Seventh-Day Adventist Church Taiwan Conference and the amount of \$209,924 thousand of which is claimed by Taiwan Adventist Hospital). Yuanta Securities is responding to the lawsuit in accordance with the law.
 - B. As of September 30, 2024, there were 6 litigations against Yuanta Securities (Korea), with compensation claims totaling KRW5,686 million (approximately \$100 million). As of September 30, 2024, Yuanta Securities (Korea) has held that no provision in relation to the abovementioned 6 litigations is necessary. Also, please refer to the explanation in Note 6(26) for an arbitration result which Yuanta Securities (Korea) is subject to.
Separately, Yuanta Securities (Korea) filed 9 lawsuits as the plaintiff with a total claimed amount of KRW84,612 million (approximately \$2 billion).
 - C. Due to the alleged fraudulent act committed by a former employee of KK Trade Securities Co., Ltd., the affected clients filed a civil lawsuit against Yuanta Securities (Thailand) and the former employee for a joint liability to pay the compensation of THB 301 million (approximately \$300 million). In August 2017, Yuanta Securities (Thailand) received a civil complaint of the lawsuit. As part of the claimed amount was not remitted to the account of KK Trade Securities Co., Ltd., but rather directly remitted to the former employee's private account from the plaintiffs, the liability is denied by Yuanta Securities (Thailand). The claims made by the plaintiffs were all dismissed by the court of the first instance on October 8, 2020. The court of the second instance also dismissed all the plaintiffs' claims on April 7, 2022. The plaintiffs appealed the case to the court of the third instance for review and reduced the claim amount from THB301 million to THB149 million (approximately \$100 million).

D. As of September 30, 2024, Yuanta Securities (Hong Kong)'s receivables from certain margin loans amounting to HKD147,504 thousand (approximately \$600 million) were secured by listed securities that were suspended for trading. These margin clients were served by an account executive who entered into a guarantee agreement with Yuanta Securities (Hong Kong) (the "Guarantee Agreement") under which the account executive agreed to guarantee against all losses incurred by Yuanta Securities (Hong Kong) in relation to the accounts of these margin clients. Considering that Yuanta Securities (Hong Kong) had exercised its right of set-off under the Guarantee Agreement against the account executive's assets amounting to HKD68,552 thousand (approximately \$300 million) and received the first repayment distributed by certain clients' liquidator amounting to HKD44 thousand (approximately \$180 thousand), the remaining loss of HKD78,908 thousand (approximately \$300 million) has been recognised. Yuanta Securities (Hong Kong) has raised a litigation proceeding against the account executive claiming the full amount of the debt owed by those margin clients based on the Guarantee Agreement. The claim amount is HKD135,191 thousand (approximately \$600 million) including the interest calculated as of the date of filing the lawsuit. The account executive claimed that she has no liability for losses in relation to the accounts of these margin clients. On February 22, 2021, the court of the first instance issued a summary judgment, ruling that the account executive should bear full guarantee liabilities. However, the account executive filed an appeal against such decision on March 22, 2021. As at the date of the approval of the financial statements, Yuanta Securities (Hong Kong) has considered the external legal advice, and deemed that no provision in relation to the above set-off is necessary.

(6) Other lawsuits- Banks

Yuanta Savings Bank (Korea) exercised its pledge right for several times from 2006 to 2008 to acquire a 33.3% equity interest in Pentagon City under a credit loan extended by Yuanta Savings Bank (Korea) to Pentagon City. In September 2008, Pentagon City implemented a capital reduction on shares held by Yuanta Savings Bank (Korea) and another shareholder under which Pentagon City returned cash of KRW28 billion to Yuanta Savings Bank (Korea). In 2018, Pentagon City claimed that Yuanta Savings Bank (Korea) breached the 10% holding limit for an unlisted company imposed by laws with respect to savings banks, and thus claimed Yuanta Savings Bank (Korea) should return KRW19,599,160 thousand as unjustly received benefit, which represents consideration of shares above the 10% holding limit. On June 20, 2019, the Seoul Central District Court as the court of the first instance ruled in favor of Yuanta Savings Bank (Korea). Pentagon City disagreed with the ruling and filed an appeal on July 8, 2019. The Seoul High Court as the court of the second instance ruled in favor of Yuanta Savings Bank (Korea) on November 3, 2020. However, Pentagon City still disagreed with the ruling and filed an appeal for the review of the third instance on November 18, 2020. The Supreme Court issued a judgement on June 17, 2024 in favor of Yuanta Savings Bank (Korea) in the third instance case. The judgement is final and conclusive. Yuanta Savings Bank (Korea) has thus won the case in whole, and there will be no significant impact on Yuanta Savings Bank (Korea) and Yuanta Group's operations and shareholders' equity.

(7) Other lawsuits- Yuanta Life Insurance

As of September 30, 2024, Yuanta Life Insurance still has several insurance claim litigations in process. Yuanta Life Insurance handled these cases by itself or with assistance of legal counsels and has provisioned an appropriate amount of claim reserves.

(8) Others

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Commitment of the securities under a repurchase agreement	\$ 276,722,622	\$ 257,448,903	\$ 221,232,431
Commitment of the securities under a resale agreement	90,746,961	100,042,588	81,407,307
Unused loan commitments	32,374,641	28,671,871	30,101,707
Credit commitment on credit card	124,629,043	123,735,821	124,253,281
Unused L/C balance	3,688,263	2,189,074	2,651,504
Other guarantees	15,284,160	12,335,000	12,088,466
Consignment collection for others	13,034,045	13,626,512	13,614,637
Trust assets	368,306,381	346,068,957	344,953,451
Book-Entry Central Government Securities	91,276,100	96,757,000	63,442,195
Items under custody	75,063,758	76,077,941	110,072,600

(9) In accordance with Article 17 of the Trust Enterprise Act, the Yuanta Group discloses its trust balance sheet, trust income statement and schedule of trust property as follows: Not applicable.

(10) According to Ministry of Finance, Ruling No.1030026386, disclose the information as follows: Offshore Securities Unit of Yuanta Securities engaged in custody and investment of funds affairs on behalf of customers. Related bank deposits under such affairs on September 30, 2024, December 31, 2023 and September 30, 2023 were USD3,758 thousand dollars, USD5,558 thousand dollars and USD5,001 thousand dollars, respectively.

10. Significant losses from disasters

(1) The Company:

None.

(2) Subsidiaries:

None.

11. Significant subsequent events

(1) The Company:

None.

(2) Subsidiaries:

On December 27, 2023, the Board of Directors of Yuanta Securities Finance resolved the issuance of unsecured ordinary corporate bonds with an upper limit of \$3 billion, which was subsequently approved through Financial-Supervisory-Securities-SITC-1130358806 dated September 30, 2024. Yuanta Securities Finance completed the issuance of \$3 billion on October 8, 2024.

12. Others

(1) Capital risk management

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

(A) Meeting the minimum regulated capital adequacy ratio is the most basic objective for the qualifying self-owned capital of the financial group controlled by the Yuanta Group. The calculation of qualifying self-owned capital and legal capital should be made in compliance with regulations of competent authorities.

(B) In order to process sufficient capital to assume various risks, the Yuanta Group assesses the required capital with consideration of the risk portfolio it faces and the risk characteristic, and manages risk through capital allocation to realise utilization of capital allocation.

B. Capital management procedure:

- (A) The Yuanta Group regularly monitors the overall capital adequacy ratio, which is maintained and reported to the competent authorities every 6 or 12 months in compliance with the regulations from both competent authorities and internal requirements.
- (B) Calculation and control procedures related to capital adequacy of the financial group are all in compliance with “Regulations Governing the Consolidated Capital Adequacy of Financial Holding Companies” and “Regulations Governing the Capital Adequacy management for Yuanta Financial Holdings”.
- (C) The objective of capital management of the Yuanta Group shall be agreed by the Board of Directors, of which an appropriate capital projection is scheduled by the finance management according to the long-term developing strategies, operating plan and characteristics of assets and liabilities. The consolidated capital adequacy ratio of the Yuanta Group is assessed and calculated by month. The Risk Management Department regularly monitors the overall capital adequacy and analyses the impact to the capital adequacy arising from the Yuanta Group's business development and the change of regulations. The Business Departments shall consider the impact of each transaction or task on the capital adequacy when conducting such transaction or task according to the annual risk limits authorised by the Yuanta Group.
- (D) The Yuanta Group also sets up a warning indicator in relation to above managing objectives, that is, when the capital adequacy ratio drops to the warning indicator, the risk management shall call a meeting to discuss a responding solution which is handed to the finance management for the following executive operations.

(2) Fair value information of financial instruments

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

(A) Outline

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

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

a. Level 1

Level 1 refers to quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date. An active market refers to market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the investments of the Yuanta Group, such as listed stocks investment, beneficiary certificates, popular Taiwan government bonds and the derivatives with a quoted price in an active market, are deemed as Level 1.

b. Level 2

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

c. Level 3

Level 3 refers to situations that measures fair value by using the unobservable inputs for assets and liabilities with very few (occasional) market activities. However, it has the same

fair value measurement purpose which is the exit price at the measurement date for a market participant who holds the assets or owes the liabilities. Thus, the unobservable inputs reflect the assumptions (including assumptions in relation to risks) used by the market participant during the pricing of assets and liabilities.

B. Financial instruments measured at fair value

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

	September 30, 2024			
	Total	Level 1	Level 2	Level 3
Recurring fair value measurements				
<u>Non-derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 63,908,170	\$ 60,284,922	\$ 10,272	\$ 3,612,976
Debt instruments	389,179,733	133,964,961	254,948,155	266,617
Others	184,073,009	84,074,214	94,185,783	5,813,012
Financial assets at fair value through other comprehensive income				
Equity instruments	51,654,282	12,303,689	-	39,350,593
Debt instruments	262,917,846	138,212,546	124,705,300	-
Other financial assets				
Purchase of claim receivable	1,718,034	-	-	1,718,034
Liabilities				
Financial liabilities at fair value through profit or loss	\$ 48,257,663	\$ 48,151,451	\$ 106,212	\$ -
<u>Derivative instruments and structured products</u>				
Assets				
Financial assets at fair value through profit or loss	\$ 16,217,064	\$ 7,179,895	\$ 6,887,501	\$ 2,149,668
Liabilities				
Financial liabilities at fair value through profit or loss	\$132,012,450	\$ 3,655,127	\$ 64,122,059	\$ 64,235,264

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

	September 30, 2023			
	Total	Level 1	Level 2	Level 3
Recurring fair value measurements				
<u>Non-derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 49,988,311	\$ 47,666,044	\$ -	\$ 2,322,267
Debt instruments	305,705,313	83,331,451	221,691,669	682,193
Others	140,029,694	48,175,538	88,163,061	3,691,095
Financial assets at fair value through other comprehensive income				
Equity instruments	47,554,647	11,717,159	-	35,837,488
Debt instruments	278,109,634	131,419,052	146,690,582	-
Other financial assets				
Purchase of claim receivable	1,775,713	-	-	1,775,713
Liabilities				
Financial liabilities at fair value through profit or loss				
	\$ 110,607,854	\$ 33,190,676	\$ 33,680,936	\$ 43,736,242
<u>Derivative instruments and structured products</u>				
Assets				
Financial assets at fair value through profit or loss				
	\$ 18,881,809	\$ 7,423,261	\$ 8,853,978	\$ 2,604,570
Liabilities				
Financial liabilities at fair value through profit or loss				
	\$ 36,032,123	\$ 3,795,716	\$ 24,276,511	\$ 7,959,896

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

(C) Fair value adjustment

a. Limits and adjustments of financial valuation models

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

b. Credit risk valuation adjustment

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

(D) Transfer between Level 1 and Level 2

As of September 30, 2024, December 31, 2023 and September 30, 2023, no transfer from level 1 to level 2 has occurred for the Yuanta Group.

As of September 30, 2024, December 31, 2023 and September 30, 2023, certain foreign debt held by the Yuanta Group, totaling USD 0 thousand, USD 0 thousand and USD 11,352 thousand, have been transferred from level 2 to level 1 since these assets now have steady sources for price information.

(BLANK)

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

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

For the nine months ended September 30, 2024

Items	Beginning balance	Gain and loss on valuation		Addition		Reduction		Ending balance
		Gain and loss	Other comprehensive income	Purchased or issued	Transferred to Level 3 (Note)	Sold, disposed or settled	Transferred from Level 3 (Note)	
Financial assets at fair value through profit or loss	\$ 9,659,822	(\$ 1,092,757)	\$ 20,604	\$ 17,486,274	\$ 28,316	(\$ 13,864,672)	(\$ 395,314)	\$ 11,842,273
Financial assets at fair value through other comprehensive income	34,665,636	88,399	4,599,413	-	-	(2,855)	-	39,350,593
Other financial assets-purchase of claim receivable	1,765,701	(8,109)	-	-	-	(39,558)	-	1,718,034
Total	\$ 46,091,159	(\$ 1,012,467)	\$ 4,620,017	\$ 17,486,274	\$ 28,316	(\$ 13,907,085)	(\$ 395,314)	\$ 52,910,900

For the nine months ended September 30, 2023

Items	Beginning balance	Gain and loss on valuation		Addition		Reduction		Ending balance
		Gain and loss	Other comprehensive income	Purchased or issued	Transferred to Level 3 (Note)	Sold, disposed or settled	Transferred from Level 3 (Note)	
Financial assets at fair value through profit or loss	\$ 10,246,102	(\$ 102,299)	\$ 115,867	\$ 32,134,763	\$ -	(\$ 32,418,834)	(\$ 675,474)	\$ 9,300,125
Financial assets at fair value through other comprehensive income	35,488,714	(131,409)	523,946	-	-	(43,763)	-	35,837,488
Other financial assets-purchase of claim receivable	1,792,753	(2,116)	-	-	-	(14,924)	-	1,775,713
Total	\$ 47,527,569	(\$ 235,824)	\$ 639,813	\$ 32,134,763	\$ -	(\$ 32,477,521)	(\$ 675,474)	\$ 46,913,326

In relation to the above, valuation gains and losses are recognised in gain and loss in the period. The net gains (losses) belonging to assets as of September 30, 2024 and 2023 were (\$844,497) and (\$836,173), respectively.

In relation to the above, valuation gains and losses are recognised in other comprehensive income. The net gains (losses) belonging to assets as of September 30, 2024 and 2023 were \$4,619,600 and \$639,660, respectively.

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

For the nine months ended September 30, 2024								
Items	Beginning balance	Gain and loss on valuation		Addition		Reduction		Ending balance
		Gain and loss	Other comprehensive income	Purchased or issued	Transferred to Level 3 (Note)	Sold, disposed or settled	Transferred from Level 3 (Note)	
Financial liabilities at fair value through profit or loss	\$ 51,297,275	\$ 2,632,687	(\$ 2,073)	\$ 62,986,310	\$ -	(\$ 52,533,962)	(\$ 144,973)	\$ 64,235,264

For the nine months ended September 30, 2023								
Items	Beginning balance	Gain and loss on valuation		Addition		Reduction		Ending balance
		Gain and loss	Other comprehensive income	Purchased or issued	Transferred to Level 3 (Note)	Sold, disposed or settled	Transferred from Level 3 (Note)	
Financial liabilities at fair value through profit or loss	\$ 55,517,400	\$ 491,378	(\$ 233)	\$ 43,976,573	\$ -	(\$ 48,288,980)	\$ -	\$ 51,696,138

In relation to the above, valuation gains and losses are recognised in gain and loss in the period. The net gains (losses) belonging to liabilities as of September 30, 2024 and 2023 were (\$868,150) and \$204,453, respectively.

In relation to the above, valuation gains and losses are recognised in other comprehensive income. The net gains (losses) belonging to liabilities as of September 30, 2024 and 2023 were \$3,000 and \$751, respectively.

Note: For the nine months ended September 30, 2024 and 2023, the fair value transferred from Level 1 to Level 3 initially was for emerging stocks whose trading volumes were active but were reclassified due to inactive trading volumes subsequently. Also, the fair value of certain investments were transferred into Level 3 because there was no observable information obtained from the public market; the fair value transferred from Level 3 to Level 1 initially was emerging stocks whose trading volumes were inactive but were reclassified due to active trading volumes or becoming listing stocks subsequently.

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

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

Items	Change in fair value recognised in current profit and loss		Change in fair value recognised in other comprehensive income	
	Favorable movements	Unfavorable movements	Favorable movements	Unfavorable movements
September 30, 2024				
<u>Assets</u>				
Financial assets at fair value through profit or loss	\$ 123,385	(\$ 127,195)	\$ -	\$ -
Derivative instruments	56,610	(56,610)	-	-
Financial assets at fair value through other comprehensive income	-	-	640,053	(158,603)
Other financial assets- purchase of claim receivable	68,927	(68,927)	-	-
<u>Liabilities</u>				
Financial liabilities at fair value through profit or loss	(\$ 3,355)	\$ 3,355	\$ -	\$ -
Derivative instruments and structured products	(142,500)	142,500	-	-
December 31, 2023				
<u>Assets</u>				
Financial assets at fair value through profit or loss	\$ 106,835	(\$ 105,710)	\$ -	\$ -
Derivative instruments	16,744	(16,744)	-	-
Financial assets at fair value through other comprehensive income	-	-	418,985	(327,780)
Other financial assets- purchase of claim receivable	84,309	(84,309)	-	-
<u>Liabilities</u>				
Financial liabilities at fair value through profit or loss	(\$ 57,625)	\$ 57,625	\$ -	\$ -
Derivative instruments and structured products	(80,437)	80,437	-	-

Items	Change in fair value recognised in current profit and loss		Change in fair value recognised in other comprehensive income	
	Favorable movements	Unfavorable movements	Favorable movements	Unfavorable movements
September 30, 2023				
<u>Assets</u>				
Financial assets at fair value through profit or loss	\$ 97,637	(\$ 94,821)	\$ -	\$ -
Derivative instruments	14,394	(14,394)	-	-
Financial assets at fair value through other comprehensive income	-	-	481,922	(381,994)
Other financial assets- purchase of claim receivable	88,620	(88,620)	-	-
<u>Liabilities</u>				
Financial liabilities at fair value through profit or loss	(\$ 95,719)	\$ 95,719	\$ -	\$ -
Derivative instruments and structured products	(103,030)	103,030	-	-

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

(G) The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

September 30, 2024	Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value	
Financial assets at fair value through profit or loss					
Equity instruments	\$ 3,612,976	1.Market method 2.Income method 3.Equity Model by L. Anderson and D. Buffum 4.Discounted Cash Flow	Discount for marketability Discount rate Stock price volatility	<=40% 11.59%~12.26% 29.65%~65.06%	The higher the discount for marketability, the lower the fair value The higher the discount rate, the lower the fair value The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
		Credit Spread	5.52%~75.73%	The higher the credit spread, the lower the fair value	
		Recovery rate	20.00%~20.00%	The higher the recovery rate, the higher the fair value	

September 30, 2024		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Debt instruments	\$ 266,617	1.Hybrid Model 2.Discounted cash flow	Stock price volatility	52.07%~54.07%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Credit Spread	77.67%~77.69%	The higher the credit spread, the lower the fair value
			Recovery rate	20.00%~20.00%	The higher the recovery rate, the higher the fair value
			Discount rate	1.18%~5.56%	The higher the discount rate, the lower the fair value
Derivative instruments (including futures and options trade in futures market)	2,149,668	1.Option Model 2.FDM 3.Monte Carlo Simulation	Stock price volatility	17.52%~25.06%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Correlation coefficient	0.15~0.97	The higher the correlation coefficient, the higher the fair value
			Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value
			Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value
Others	5,813,012	1.Net asset value 2.Option Model 3.FDM 4.Monte Carlo Simulation	Discount for marketability	<=10%	The higher the discount for marketability, the lower the fair value
			Stock price volatility	17.52%~25.06%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Correlation coefficient	0.15~0.97	The higher the correlation coefficient, the higher the fair value
			Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value
			Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value
Other financial assets					
Purchase of claim receivable	1,718,034	Recoverable amount	Contact rate	7.78%~37.69%	The higher the contact rate, the higher the fair value
			Payment rate	4.99%~34.97%	The higher the payment rate, the higher the fair value
			Discount rate	7.10%~40.48%	The higher the discount rate, the lower the fair value
Financial assets at fair value through other comprehensive income					
Equity instruments	39,350,593	1.Market method 2.Residual income valuation model 3.Discounted cash flow	Discount for marketability	<=40%	The higher the discount for marketability, the lower the fair value
			Expected growth rate	0%~1%	The higher the growth rate, the higher the fair value
			Discount rate	15.31%~15.31%	The higher the discount rate, the lower the fair value

September 30, 2024		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial liabilities at fair value through profit or loss					
Derivative instruments and structured products (including futures and options trade in futures market)	\$ 64,235,264	1.FDM 2.Option Model 3.IR Model 4.Hybrid Model 5.Monte Carlo Simulation	Stock price volatility	0.39%~108.84%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the correlation coefficient, the higher the fair value The higher the default rate, the lower the fair value The higher the recovery rate, the higher the fair value
			Correlation coefficient	0.15~0.97	
			Probability of Default (PD)	0.03%~100%	
			Recovery rate	0.55~0.55	
December 31, 2023		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Equity instruments	\$ 2,022,696	1.Market method 2.Income method 3.Equity Model by L. Anderson and D. Buffum 4.Discounted Cash Flow	Discount for marketability	<=40%	The higher the discount for marketability, the lower the fair value The higher the discount rate, the lower the fair value The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the credit spread, the lower the fair value The higher the recovery rate, the higher the fair value
			Discount rate	13.31%~14.52%	
			Stock price volatility	22.20%~64.25%	
			Credit Spread	5.87%~75.73%	
Debt instruments	291,564	1.Hybrid Model 2.Discounted cash flow	Recovery rate	20.00%~20.00%	
			Stock price volatility	59.16%~61.16%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the credit spread, the lower the fair value The higher the recovery rate, the higher the fair value The higher the discount rate, the lower the fair value
			Credit Spread	77.67%~77.69%	
			Recovery rate	20.00%~20.00%	
Discount rate	2.41%~7.85%				
Derivative instruments (including futures and options trade in futures market)	3,242,348	1.Option Model 2.FDM 3.Monte Carlo Simulation	Stock price volatility	17.58%~25.11%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the correlation coefficient, the higher the fair value The higher the default rate, the lower the fair value The higher the recovery rate, the higher the fair value
			Correlation coefficient	0.15~0.97	
			Probability of Default (PD)	0.03%~100%	
			Recovery rate	0.55~0.55	

December 31, 2023		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Others	\$ 4,103,214	1.Net asset value 2.Option Model 3.FDM 4.Monte Carlo Simulation	Discount for marketability Stock price volatility Correlation coefficient Probability of Default (PD) Recovery rate	<=10% 17.58%~25.11% 0.15~0.97 0.03%~100% 0.55~0.55	The higher the discount for marketability, the lower the fair value The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the correlation coefficient, the higher the fair value The higher the default rate, the lower the fair value The higher the recovery rate, the higher the fair value
Other financial assets					
Purchase of claim receivable	1,765,701	Recoverable amount	Contact rate Payment rate Discount rate	6.44%~38.25% 4.22%~34.88% 5.47%~39.76%	The higher the contact rate, the higher the fair value The higher the payment rate, the higher the fair value The higher the discount rate, the lower the fair value
Financial assets at fair value through other comprehensive income					
Equity instruments	34,665,636	1.Market method 2.Residual income valuation model 3.Discounted cash flow	Discount for marketability Expected growth rate Discount rate	<=40% 0%~1% 12.74%~12.74%	The higher the discount for marketability, the lower the fair value The higher the growth rate, the higher the fair value The higher the discount rate, the lower the fair value
Financial liabilities at fair value through profit or loss					
Derivative instruments and structured products (including futures and options trade in futures market)	51,297,275	1.FDM 2.Option Model 3.IR Model 4.Hybrid Model 5.Monte Carlo Simulation	Stock price volatility Correlation coefficient Probability of Default (PD) Recovery rate	0.46%~74.37% 0.15~0.97 0.03%~100% 0.55~0.55	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the correlation coefficient, the higher the fair value The higher the default rate, the lower the fair value The higher the recovery rate, the higher the fair value
September 30, 2023		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Equity instruments	\$ 2,322,267	1.Market method 2.Income method 3.Equity Model by L. Anderson and D. Buffum 4.Discounted Cash Flow	Discount for marketability Discount rate Stock price volatility Credit Spread Recovery rate	<=40% 14.01%~15.16% 18.56%~62.54% 5.38%~26.62% 20.00%~20.00%	The higher the discount for marketability, the lower the fair value The higher the discount rate, the lower the fair value The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the credit spread, the lower the fair value The higher the recovery rate, the higher the fair value

September 30, 2023		Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial assets at fair value through profit or loss					
Debt instruments	\$ 682,193	1.Hybrid Model 2.Equity Model by L. Anderson and D. Buffum 3.Discounted cash flow	Stock price volatility	35.61%~58.83%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Credit Spread	77.67%~77.69%	The higher the credit spread, the lower the fair value
			Recovery rate	20.00%~20.00%	The higher the recovery rate, the higher the fair value
			Discount rate	3.12%-6.50%	The higher the discount rate, the lower the fair value
Derivative instruments (including futures and options trade in futures market)	2,604,570	1.Option Model 2.FDM 3.Monte Carlo Simulation	Stock price volatility	17.48%~25.15%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Correlation coefficient	0.16~0.97	The higher the correlation coefficient, the higher the fair value
			Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value
			Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value
Others	3,691,095	1.Net asset value 2.Option Model 3.FDM 4.Monte Carlo Simulation	Discount for marketability	<=10%	The higher the discount for marketability, the lower the fair value
			Stock price volatility	17.48%~25.15%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both.
			Correlation coefficient	0.16~0.97	The higher the correlation coefficient, the higher the fair value
			Probability of Default (PD)	0.03%~100%	The higher the default rate, the lower the fair value
			Recovery rate	0.55~0.55	The higher the recovery rate, the higher the fair value
Other financial assets					
Purchase of claim receivable	1,775,713	Recoverable amount	Contact rate	6.54%~38.53%	The higher the contact rate, the higher the fair value
			Payment rate	3.50%~34.86%	The higher the payment rate, the higher the fair value
			Discount rate	5.06%~39.64%	The higher the discount rate, the lower the fair value
Financial assets at fair value through other comprehensive income					
Equity instruments	35,837,488	1.Market method 2.Residual income valuation model 3.Discounted cash flow	Discount for marketability	<=40%	The higher the discount for marketability, the lower the fair value
			Expected growth rate	0%~1%	The higher the growth rate, the higher the fair value
			Discount rate	12.38%~12.38%	The higher the discount rate, the lower the fair value

September 30, 2023	Valuation technique	Significant unobservable input	Range	Relationship of inputs to fair value
Financial liabilities at fair value through profit or loss				
Derivative instruments and structured products (including futures and options trade in futures market)	1.FDM 2.Option Model 3.Monte Carlo Simulation 4.Equity Model by L.Andersen and D.Buffum	Stock price volatility	17.48%~37.61%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the correlation coefficient, the higher the fair value The higher the default rate, the lower the fair value The higher the recovery rate, the higher the fair value
		Correlation coefficient	0.16~0.97	
		Probability of Default (PD)	0.03%~100%	
		Recovery rate	0.55~0.55	
Others	1.FDM 2.Option Model 3.IR Model 4.Hybrid Model 5.Monte Carlo Simulation 6.Equity Model by L.Andersen and D.Buffum	Stock price volatility	0.46%~80.45%	The relationship of volatility degree and fair value will be different with the changes of term structure and characteristic and the degree of in or out-of-money in the duration or knock out event, thus, there was no consistency between both. The higher the correlation coefficient, the higher the fair value The higher the default rate, the lower the fair value The higher the recovery rate, the higher the fair value
		Correlation coefficient	0.16~0.97	
		Probability of Default (PD)	0.03%~100%	
		Recovery rate	0.55~0.55	

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

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

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

C. Financial instruments not measured at fair value

(A) Fair value information:

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

	September 30, 2024				
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<u>Financial assets</u>					
Investments in debt instruments at amortised cost (Notes 1 and 2)	\$ 425,014,918	\$ 373,128,936	\$ 32,781,429	\$ 340,267,655	\$ 79,852
<u>Financial liabilities</u>					
Bonds payable	108,612,655	106,758,382	-	106,758,382	-

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

<u>Financial liabilities</u>					
Bonds payable	104,904,691	99,486,525	-	99,486,525	-

	September 30, 2023				
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<u>Financial assets</u>					
Investments in debt instruments at amortised cost (Notes 1 and 2)	\$ 417,387,730	\$ 342,814,385	\$ 16,440,566	\$ 326,360,530	\$ 13,289

<u>Financial liabilities</u>					
Bonds payable	98,328,614	92,408,959	-	92,408,959	-

Note 1: Including the statutory deposits of \$4,080,200, \$3,560,400 and \$3,560,400, respectively, of Yuanta Life of the Yuanta Group as of September 30, 2024, December 31, 2023 and September 30, 2023.

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

(B) Financial valuation technique:

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

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

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

(3) Management objective and policy for financial risk

A. Risk management policy and structural organization

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

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

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

(B) Risk management policy

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

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

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

(A) Credit risk

a. Source and definition of credit risk

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

b. Principle of credit risk management

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

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

c. Methods used in credit risk management

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

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

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

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

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

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

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

(b) Debt instruments investment and derivatives

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

(c) Margin purchase and short sale

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

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

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

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

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

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

(b) Expected credit losses calculation

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

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

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

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

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

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

(I) Credit business

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

- i. The borrower is over 30 days past due.
- ii. Significant deterioration in credit quality and placed on the Yuanta Group's warning list.
- iii. Deterioration in credit rating:
Credit rating: The Yuanta Group's internal credit rating of the asset is equivalent to a non-investment grade rating by an external agency, and the rating has dropped by more than two scales since initial recognition.
- iv. Records of bad credit are confirmed after assessment.

(II) Investments in debt instruments

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

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

(III) Other financial assets

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

- i. Guarantee deposits: At the balance sheet date, the deposit has not been returned at maturity, and the number of past-due days is lower than the

terms recorded in the contract, unless the contractual terms specify it.

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

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

According to the definition stated in IFRS 9, a financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

(I) Credit business

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

(II) Investments in debt instruments

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

- i. Both internal and external credit ratings of the instrument are "in default."
- ii. Principal or interest payments are not made in accordance with the agreement.

- iii. Bankruptcy, reorganization, or other debt clearance proceedings has been filed.
- iv. Other breaches of contract by the debtor as assessed on a case-by-case basis.

(III) Other financial assets

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

(IV) Definition of default

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

III. Write off policy

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

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

IV. Measurement of expected credit losses

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

(I) Credit business

i. Probability of default

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

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

requires selecting the corresponding lifetime. The lifetime of the loan is estimated based on the length of the remaining contract.

ii. Loss given default

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

iii. Exposure at default (EAD)

(i) On balance sheet—Loans and loan receivables: calculated from credit balance.

(ii) Off balance sheet—Loan commitments and financial guarantees: off balance sheet figures multiplied by the credit conversion factor (CCF). The CCF is estimated according to the rules described in the “Calculation Method of Equity Capital and Risky Assets and Accompanying Forms—Credit Risk Standard Rules.”

(II) Investments in debt instruments

i. Probability of default: Calculated based on the internal credit ratings of the credit reference subject determined using external credit rating which has taken into consideration the forecastability, such as macroeconomics, incorporating default rates published by external credit rating agencies.

ii. Loss given default: Calculated based on the collateral and order of compensation of the debt instrument, incorporating the average recovery rate disclosed by external credit rating agencies.

iii. Exposure at default: Total carrying amount, including interest receivable. Total carrying amount is the amortised cost of the financial asset before any adjustment to the loss allowance.

V. Consideration of forecastable information

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

(I) For determining significant increase in credit risk

i. The Yuanta Group’s credit approval process includes evaluation of forecastable information such as business potential, financial condition, industry outlook, loan collateral, and ability to repay.

ii. Identify customers with potential risk using the early warning list of the Yuanta Group. The early warning system of the Yuanta Group involves the assessment of the credit risk of the customer by reviewing the following five factors: management, financial statements, cash flows, source of repayment, and past performance.

(II) For measuring expected credit losses

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

(III) Other

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

e. Hedging or mitigation of credit risk

(a) Collateral

The Yuanta Group adopts a series of policies and measures to mitigate credit risk in relation to credit extension business. Amongst those, requesting borrowers to provide collateral is one of the most usual means. The Yuanta Group has specific criteria for acceptable collateral and collateral valuation, management and disposing procedures regarding the collateral valuation management, collateral assessment for credit facility in order to protect the credit right. In addition, protection of creditor's right, collateral terms and offsetting terms are all addressed in the credit extension contract in case of any occurrence of credit event, of which the amount may be deductible, loan repayment schedule may be shortened or deemed as matured, or various types of deposits can be used to offset its liabilities to mitigate credit risks.

(b) Credit risk limit and credit risk concentration control

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

(c) Net-settled general agreement

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

(d) Others

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

I. Additional credit exposure limit;

II. Credit limits reduction;

III. Hedging through credit derivatives;

IV. Credit enhancement, such as guarantee from qualifying bank or obtaining collateral.

f. Maximum risk exposure of the Yuanta Group

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

balance sheet.

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

Bills discounted and loans

September 30, 2024	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing /Non-accrual Loans	Total
Credit ratings					
Internal ratings – excellent	\$ 956,092,459	\$ 1,725,595	\$ -	\$ -	\$ 957,818,054
Internal ratings – acceptable	234,999,478	1,960,460	-	-	236,959,938
Internal ratings – weak	47,477,794	2,569,054	-	-	50,046,848
Internal ratings – not rated	4,478,351	4,787,032	-	-	9,265,383
Internal ratings – credit impairment	-	62,920	6,657,714	-	6,720,634
The total carrying amount	1,243,048,082	11,105,061	6,657,714	-	1,260,810,857
Allowance for credit losses	(2,413,471)	(686,465)	(2,697,686)	-	(5,797,622)
Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans	-	-	-	(11,262,840)	(11,262,840)
Total (Note)	<u>\$1,240,634,611</u>	<u>\$10,418,596</u>	<u>\$3,960,028</u>	<u>(\$ 11,262,840)</u>	<u>\$1,243,750,395</u>

Note: Including interest receivable and temporary payments for others amounting to \$1,785,815. In addition, allowance for doubtful receivables was \$24,725.

Additionally, the total cost amounts of accounts receivable and debt instruments (recorded as “financial assets at fair value through other comprehensive income” and “financial assets measured at amortised cost”) are \$286,776,071 and \$835,484,116, respectively, and 12-month expected credit losses (Stage 1) are recognised for the majority of these items. The internal ratings of these items are all excellent and acceptable.

Bills discounted and loans

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

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

Additionally, the total cost amounts of accounts receivable and debt instruments (recorded as “financial assets at fair value through other comprehensive income” and “financial assets measured at amortised

cost”) are \$213,356,151 and \$804,151,654, respectively, and 12-month expected credit losses (Stage 1) are recognised for the majority of these items. The internal ratings of these items are all excellent and acceptable.

Bills discounted and loans

<u>September 30, 2023</u>	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing /Non-accrual Loans	<u>Total</u>
Credit ratings					
Internal ratings – excellent	\$ 777,825,762	\$ 927,453	\$ -	\$ -	\$ 778,753,215
Internal ratings – acceptable	218,336,589	7,153,179	-	-	225,489,768
Internal ratings – weak	53,175,710	3,356,281	-	-	56,531,991
Internal ratings – not rated	156,397	4	-	-	156,401
Internal ratings – credit impairment	<u>-</u>	<u>62,952</u>	<u>5,905,083</u>	<u>-</u>	<u>5,968,035</u>
The total carrying amount	1,049,494,458	11,499,869	5,905,083	-	1,066,899,410
Allowance for credit losses	(1,804,672)	(911,032)	(2,565,055)	-	(5,280,759)
Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans	<u>-</u>	<u>-</u>	<u>-</u>	(<u>10,151,518</u>)	(<u>10,151,518</u>)
Total (Note)	<u>\$1,047,689,786</u>	<u>\$10,588,837</u>	<u>\$3,340,028</u>	(<u>10,151,518</u>)	<u>\$1,051,467,133</u>

Note: Including interest receivable and temporary payments for others amounting to \$1,625,466. In addition, allowance for doubtful receivables was \$23,807.

Additionally, the total cost amounts of accounts receivable and debt instruments (recorded as “financial assets at fair value through other comprehensive income” and “financial assets measured at amortised cost”) are \$212,436,767 and \$832,369,784, respectively, and 12-month expected credit losses (Stage 1)

are recognised for the majority of these items. The internal ratings of these items are all excellent and acceptable.

The financial impact related to maximum amount exposed to credit risk arises from collaterals pledged for assets on the balance sheets and items off the balance sheets of Yuanta Bank and master netting arrangements. The table summarizes the relevant information:

September 30, 2024	Collateral (Note)	Net-settled general agreement	Total
<u>For on-balance sheet accounts</u>			
Receivables-other	\$ 17,194	\$ -	\$ 17,194
Bills discounted and loans	902,758,020	-	902,758,020
Financial assets at fair value through profit or loss	300,824	2,471,703	2,772,527
<u>For off-balance sheet accounts</u>			
Unused loan commitments	4,061,450	-	4,061,450
Unused credit commitment	72,084	-	72,084
Guarantees (including for non-performing loans)	2,528,971	-	2,528,971

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

September 30, 2023	Collateral (Note)	Net-settled general agreement	Total
<u>For on-balance sheet accounts</u>			
Receivables-other	\$ 17,552	\$ -	\$ 17,552
Bills discounted and loans	764,409,420	-	764,409,420
Financial assets at fair value through profit or loss	1,147,046	2,127,885	3,274,931
<u>For off-balance sheet accounts</u>			
Unused loan commitments	5,026,519	-	5,026,519
Unused credit commitment	117,766	-	117,766
Guarantees (including for non-performing loans)	3,395,010	-	3,395,010

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

g. Credit risk concentration

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

The credit risks of the Yuanta Group concentrate on accounts on and off balance sheet that

occurs through obligation fulfilling or implementation of transactions (either product or service), or through trans-type exposure portfolio, including cash and cash equivalents, loans, placements and call loan from the banks, securities investment, receivables and derivatives. The Yuanta Group does not significantly carry out transactions with single client or single counterparty, and the credit risk concentration by industry and location are shown as follows:

(a) Industry:

Industry	September 30, 2024		December 31, 2023	
	Amount	%	Amount	%
Privately owned businesses	\$ 937,462,514	26.87	\$ 844,738,049	27.48
Natural person	979,082,244	28.06	818,702,648	26.64
Financial institutions	977,458,920	28.02	873,718,233	28.43
Governmental institutions	530,903,793	15.22	489,928,818	15.94
Government-owned businesses	42,732,617	1.22	44,099,834	1.43
Others	21,402,548	0.61	2,373,785	0.08
Total	<u>\$ 3,489,042,636</u>	<u>100.00</u>	<u>\$ 3,073,561,367</u>	<u>100.00</u>

Industry	September 30, 2023	
	Amount	%
Privately owned businesses	\$ 835,594,936	28.50
Natural person	771,909,903	26.32
Financial institutions	820,301,804	27.97
Governmental institutions	448,586,631	15.30
Government-owned businesses	47,742,228	1.63
Others	8,106,885	0.28
Total	<u>\$ 2,932,242,387</u>	<u>100.00</u>

(b) Geographic location:

Geography location	September 30, 2024	December 31, 2023	September 30, 2023
Taiwan	\$ 2,517,137,054	\$ 2,195,066,668	\$ 2,072,308,266
Asia	549,859,778	526,917,085	486,809,697
America	279,542,811	232,780,801	231,591,849
Europe	85,933,736	73,121,354	88,733,356
Oceania	56,476,027	45,541,559	52,654,075
Africa	93,230	133,900	145,144
Total	<u>\$ 3,489,042,636</u>	<u>\$ 3,073,561,367</u>	<u>\$ 2,932,242,387</u>

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

(a) Credit business

For the nine months ended September 30, 2024 and 2023, the reconciliation of the balance of allowance for bad debt are as follows:

Bills discounted and loans

For the nine months ended September 30, 2024	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	Total
Beginning balances	\$ 2,075,841	\$ 753,959	\$ 2,521,691	\$ 5,351,491	\$ 9,914,633	\$ 15,266,124
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	(23,027)	30,460	(7,433)	-	-	-
-Transferred to credit-impaired financial asset	(8,867)	(17,255)	26,122	-	-	-
-Transferred to 12-month expected credit losses	72,212	(4,672)	(67,540)	-	-	-
-Financial assets derecognised in the current period	(685,257)	(184,492)	(123,713)	(993,462)	-	(993,462)
Impairment allowance for purchased or originated financial assets	1,124,398	6,493	40,382	1,171,273	-	1,171,273
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	1,345,076	1,345,076
Write-off as bad debt	(51,421)	(7,392)	(133,038)	(191,851)	-	(191,851)
Change in exchange and others	(94,017)	109,150	423,444	438,577	-	438,577
Ending balances	<u>\$ 2,409,862</u>	<u>\$ 686,251</u>	<u>\$ 2,679,915</u>	<u>\$ 5,776,028</u>	<u>\$ 11,259,709</u>	<u>\$ 17,035,737</u>

<u>For the nine months ended September 30, 2023</u>	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	Total
Beginning balances	\$ 1,679,718	\$ 453,321	\$ 2,362,164	\$ 4,495,203	\$ 9,871,889	\$ 14,367,092
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	(31,530)	39,475	(7,945)	-	-	-
-Transferred to credit-impaired financial asset	(9,781)	(6,991)	16,772	-	-	-
-Transferred to 12-month expected credit losses	74,671	(3,554)	(71,117)	-	-	-
-Financial assets derecognised in the current period	(524,490)	(1,228)	(79,491)	(605,209)	-	(605,209)
Impairment allowance for purchased or originated financial assets	687,428	3,213	41,421	732,062	-	732,062
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	275,144	275,144
Write-off as bad debt	(18,694)	(4,232)	(49,569)	(72,495)	-	(72,495)
Change in exchange and others	(57,021)	430,813	338,084	711,876	-	711,876
Ending balances	<u>\$ 1,800,301</u>	<u>\$ 910,817</u>	<u>\$ 2,550,319</u>	<u>\$ 5,261,437</u>	<u>\$ 10,147,033</u>	<u>\$ 15,408,470</u>

For the nine months ended September 30, 2024, significant changes in the total carrying amount that affected allowance for credit losses are as follows:

Bills discounted and loans	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Total
Beginning balances	\$ 1,084,811,880	\$ 11,155,269	\$ 5,848,979	\$ 1,101,816,128
Changes from financial instruments recognised at the beginning:				
-Transferred to lifetime expected credit losses	(3,464,751)	(3,498,003)	(33,252)	-
-Transferred to credit-impaired financial asset	(506,355)	(914,279)	1,420,634	-
-Transferred to 12-month expected credit losses	598,519	(422,605)	(175,914)	-
-Financial assets derecognised in the current period	(382,221,933)	(2,557,531)	(361,467)	(385,140,931)
Impairment allowance for purchased or originated financial assets	581,620,597	322,381	82,471	582,025,449
Write-off as bad debt	(51,421)	(7,392)	(133,038)	(191,851)
Change in exchange and others	(39,480,972)	13,422	(16,203)	(39,483,753)
Ending balances	<u>\$ 1,241,305,564</u>	<u>\$ 11,087,268</u>	<u>\$ 6,632,210</u>	<u>\$ 1,259,025,042</u>

For the nine months ended September 30, 2023, significant changes in the total carrying amount that affected allowance for credit losses are as follows:

Bills discounted and loans	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Total
Beginning balances	\$ 998,354,115	\$ 6,909,422	\$ 4,292,837	\$ 1,009,556,374
Changes from financial instruments recognised at the beginning:				
-Transferred to lifetime expected credit losses	(6,489,371)	(6,510,093)	(20,722)	-
-Transferred to credit-impaired financial asset	(1,159,016)	(965,336)	2,124,352	-
-Transferred to 12-month expected credit losses	726,901	(510,854)	(216,047)	-
-Financial assets derecognised in the current period	(331,907,251)	(569,051)	(232,002)	(332,708,304)
Impairment allowance for purchased or originated financial assets	431,738,772	59,508	100,699	431,898,979
Write-off as bad debt	(18,694)	(4,232)	(49,569)	(72,495)
Change in exchange and others	(43,311,371)	26,548	(115,787)	(43,400,610)
Ending balances	<u>\$ 1,047,934,085</u>	<u>\$ 11,456,098</u>	<u>\$ 5,883,761</u>	<u>\$ 1,065,273,944</u>

(b) Receivables and other financial assets

I. The Yuanta Group applies the simplified approach to estimate expected credit loss for certain accounts receivable (including trading securities receivable and settlement price). Expected credit loss rate is determined by assessing historical information and examining whether a significant changes in past events, current conditions and future economic conditions are incurred. As of September 30, 2024, December 31, 2023 and September 30, 2023, the carrying amount of accounts receivable amounted to \$97,429,581, \$61,666,792 and \$48,434,195, respectively. For the nine months ended September 30, 2024 and 2023, movements in relation to the Yuanta group applying the simplified approach to provide loss allowance for accounts receivable, are as follows:

	<u>2024</u>	<u>2023</u>
January 1	(\$ 102)	(\$ 193)
Reversal of impairment loss	<u>13</u>	<u>60</u>
September 30	<u>(\$ 89)</u>	<u>(\$ 133)</u>

(BLANK)

II. For the nine months ended September 30, 2024 and 2023, movements in relation to providing loss allowance for receivables and other financial assets, which are not stated as above accounts receivable, are as follows:

For the nine months ended September 30, 2024	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	Total
The beginning balances	\$ 106,145	\$ 66,524	\$ 2,595,421	\$ 2,768,090	\$ 66,411	\$ 2,834,501
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	(14,778)	23,219	(8,441)	-	-	-
-Transferred to credit-impaired financial asset	(13,818)	(1,503)	15,321	-	-	-
-Transferred to 12-month expected credit losses	32,960	(22,744)	(10,216)	-	-	-
-Financial assets derecognised in the current period	(25,762)	(388)	(2,468)	(28,618)	-	(28,618)
Impairment allowance for purchased or originated financial assets	11,538	4,365	12,236	28,139	-	28,139
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	11,906	11,906
Write-off as bad debt	(38,450)	(13,698)	(23,830)	(75,978)	-	(75,978)
Change in exchange and others	81,440	24,817	159,044	265,301	-	265,301
The ending balances	\$ 139,275	\$ 80,592	\$ 2,737,067	\$ 2,956,934	\$ 78,317	\$ 3,035,251

For the nine months ended September 30, 2023	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	Total
The beginning balances	\$ 110,438	\$ 60,315	\$ 2,669,689	\$ 2,840,442	\$ 75,089	\$ 2,915,531
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	(11,333)	18,359	(7,026)	-	-	-
-Transferred to credit-impaired financial asset	(121,244)	(1,503)	122,747	-	-	-
-Transferred to 12-month expected credit losses	35,936	(24,401)	(11,535)	-	-	-
-Financial assets derecognised in the current period	(28,485)	(61)	(4,153)	(32,699)	-	(32,699)
Impairment allowance for purchased or originated financial assets	22,505	4,350	10,251	37,106	-	37,106
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	18,324	18,324
Write-off as bad debt	(19,501)	(7,863)	(40,260)	(67,624)	-	(67,624)
Change in exchange and others	117,859	21,225	60,000	199,084	-	199,084
The ending balances	<u>\$ 106,175</u>	<u>\$ 70,421</u>	<u>\$ 2,799,713</u>	<u>\$ 2,976,309</u>	<u>\$ 93,413</u>	<u>\$ 3,069,722</u>

For the nine months ended September 30, 2024 and 2023, there were no significant changes to allowance for credit losses for accounts receivable and other financial assets.

(c) Guarantee reserve, loan commitment reserve and others

<u>For the nine months ended September 30, 2024</u>	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	Total
The beginning balances	\$ 39,276	\$ 12,775	\$ 79,005	\$ 131,056	\$ 104,727	\$ 235,783
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	(175)	200	(25)	-	-	-
-Transferred to credit-impaired financial asset	(1)	(64)	65	-	-	-
-Transferred to 12-month expected credit losses	8,862	(8,518)	(344)	-	-	-
-Financial assets derecognised in the current period	(5,943)	(1,802)	(17,521)	(25,266)	-	(25,266)
Impairment allowance for purchased or originated financial assets	17,478	371	15,752	33,601	-	33,601
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	33,525	33,525
Change in exchange and others	(12,346)	8,256	699	(3,391)	-	(3,391)
The ending balances	<u>\$ 47,151</u>	<u>\$ 11,218</u>	<u>\$ 77,631</u>	<u>\$ 136,000</u>	<u>\$ 138,252</u>	<u>\$ 274,252</u>

<u>For the nine months ended September 30, 2023</u>	12-month expected credit losses (Stage 1)	Lifetime expected credit losses (Stage 2)	Lifetime expected credit losses (Stage 3)	Impairment recognised in accordance with IFRS 9	Differences in impairment provided in accordance with the Regulation Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non- performing /Non-accrual Loans	<u>Total</u>
The beginning balances	\$ 29,264	\$ 12,275	\$ 85,263	\$ 126,802	\$ 88,037	\$ 214,839
Changes from financial instruments recognised at the beginning:						
-Transferred to lifetime expected credit losses	(366)	401	(35)	-	-	-
-Transferred to credit-impaired financial asset	(9)	(31)	40	-	-	-
-Transferred to 12-month expected credit losses	9,343	(8,232)	(1,111)	-	-	-
-Financial assets derecognised in the current period	(6,653)	(1,255)	(19,811)	(27,719)	-	(27,719)
Impairment allowance for purchased or originated financial assets	10,409	391	18,061	28,861	-	28,861
Differences in impairment provided in accordance with the Regulations Governing the Procedures for Banking/Insurance Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans	-	-	-	-	5,142	5,142
Change in exchange and others	(10,637)	8,403	2,984	750	-	750
The ending balances	<u>\$ 31,351</u>	<u>\$ 11,952</u>	<u>\$ 85,391</u>	<u>\$ 128,694</u>	<u>\$ 93,179</u>	<u>\$ 221,873</u>

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

(d) Bills and bonds investments

For the nine months ended September 30, 2024 and 2023, the beginning balances of the accumulative impairment of financial assets measured at fair value through other comprehensive income were \$45,063 and \$62,053 ; the ending balances were \$40,957 and \$54,589, respectively. For the nine months ended September 30, 2024 and 2023, the beginning balances of the accumulative impairment of financial assets measured at amortised cost were \$159,669 and \$163,379; the ending balances were \$160,309 and \$162,839, respectively. The changes are attributed to changes in 12-month expected credit losses and were immaterial. In addition, there were no material changes to the related total carrying amounts.

(B) Market risk

a. Source and definition of risk

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

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

b. Risk management principle

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

c. Market risk assessment

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

VaR for a trading purpose:

Instrument type	For the nine months ended September 30, 2024			
	September 30, 2024	VaR Average	VaR Minimum	VaR Maximum
Interest rate	257,000	190,338	125,096	284,228
Equity securities	475,140	294,970	155,686	873,961
Foreign exchange	125,600	153,452	121,274	194,355
Commodity	10,174	14,594	5,542	76,781
Less: diversification effects	(510,348)	(349,330)	-	-
Total VaR	357,566	304,024	166,253	788,108

Instrument type	For the nine months ended September 30, 2023			
	September 30, 2023	VaR Average	VaR Minimum	VaR Maximum
Interest rate	200,116	190,423	128,453	256,780
Equity securities	190,997	222,263	167,725	263,421
Foreign exchange	830,722	792,475	637,510	891,842
Commodity	37,436	33,939	6,803	123,241
Less: diversification effects	(551,171)	(519,839)	-	-
Total VaR	708,100	719,261	583,169	918,871

(b) Non-trading purpose

Sensitivity analysis on interest rate:

	Interest rate shift	September 30, 2024	December 31, 2023	September 30, 2023
		Effect on other comprehensive income	Effect on other comprehensive income	Effect on other comprehensive income
Financial assets at fair value through other comprehensive income-Bonds				
Yuanta Bank	Increase of 1 basis point	(\$ 22,337)	(\$ 27,676)	(\$ 30,631)
Yuanta Life	Increase of 1 basis point	(42,981)	(43,093)	(42,037)

- d. As of September 30, 2024, December 31, 2023 and September 30, 2023, the USD-denominated foreign currency financial instruments of the Yuanta Group whose balances are greater than 5% of the balance of total assets or liabilities or which are important are presented based on foreign exchange risk concentration by the carrying amount below:

	September 30, 2024		December 31, 2023		September 30, 2023	
	USD position	Carrying amount (NTD)	USD position	Carrying amount (NTD)	USD position	Carrying amount (NTD)
Foreign currency denominated financial assets						
Investments in debt instruments at amortised cost	\$ 9,150,415	\$ 289,619,772	\$ 8,620,743	\$ 264,958,538	\$ 8,523,891	\$ 275,048,917
Bills discounted and loans - net	1,875,449	59,359,842	1,334,350	41,011,247	1,458,030	47,047,706
Foreign currency denominated financial liabilities						
Deposits and remittances	7,261,063	229,819,890	6,208,073	190,805,132	5,712,094	184,317,852

Note: As of September 30, 2024, December 31, 2023 and September 30, 2023, USD to TWD exchange rates were 31.651, 30.735 and 32.268, respectively.

- e. As of September 30, 2024, December 31, 2023 and September 30, 2023, the KRW-denominated foreign currency financial instruments of Yuanta Securities of the Yuanta Group whose balances are greater than 5% of the balance of the Yuanta Group's total assets or liabilities or which are important are presented based on foreign exchange risk concentration by the carrying amount below:

	September 30, 2024		December 31, 2023		September 30, 2023	
	KRW position (in thousands)	Carrying amount (NTD)	KRW position (in thousands)	Carrying amount (NTD)	KRW position (in thousands)	Carrying amount (NTD)
Effect on profit or loss						
Financial assets						
Financial assets at fair value through profit or loss	\$ 10,082,131,661	\$ 243,140,687	\$ 10,101,996,478	\$ 239,568,846	\$ 7,929,615,778	\$ 188,740,715
Financial liabilities						
Bonds sold under repurchase agreements	5,859,089,172	141,297,794	5,806,189,906	137,693,794	3,740,181,124	89,023,791

Note: As of September 30, 2024, December 31, 2023 and September 30, 2023, the KRW to TWD exchange rates were all 0.024.

(C) Liquidity risk

- a. Source and definition of liquidity risk

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

- b. Liquidity risk management principle

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

liquidity to sufficiently respond to overall liquidity risk and enhance overall funding liquidity risk management.

- c. Assessment on liquidity risk
 - (a) Set up liquidity risk indicator and warning in order to control adverse element to the liquidity. At the same time, analysis and appropriate measures are made to mitigate the extent of effects.
 - (b) Assessments are regularly made to the assets and liabilities denominated in major currencies on the balance sheet and the cash inflow, cash outflow and liquidity gap off the balance sheet by different time period.
- d. Maturity analysis for the financial assets and non-derivative liabilities held for liquidity risk management:
 - (a) Financial assets held for liquidity risk management

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

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

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

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

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

September 30, 2024					
Financial assets	0~90 days	91 days~1 year	Over 1 year	Total	
Non-derivative financial instruments					
Cash and cash equivalents	\$ 81,531,241	\$ 9,654,514	\$ 50,000	\$	91,235,755
Due from Central Bank and call loans to other banks	58,320,471	16,279,829	26,383,905		100,984,205
Financial assets at fair value through profit or loss	519,318,209	43,377,502	98,172,266		660,867,977
Financial assets at fair value through other comprehensive income	35,154,138	28,673,823	242,306,035		306,133,996
Investments in bills and bonds under resale agreements	90,455,974	-	-		90,455,974
Receivables	295,662,791	66,724,025	19,919,070		382,305,886
Bills discounted and loans	351,282,382	221,840,035	684,538,993		1,257,661,410
Reinsurance contract assets	369,155	864,562	-		1,233,717
Financial assets at amortised cost	114,882,698	45,564,824	400,560,610		561,008,132
Restricted assets	-	-	3,670,992		3,670,992
Other financial assets	104,170,993	33,316	27,464,488		131,668,797
Other assets	40,386,798	416,855	26,706,965		67,510,618
Derivative financial instruments					
Financial assets at fair value through profit or loss					
Gross settlement					
Cash inflow	122,395,914	42,844,999	788,369		166,029,282
Cash outflow	(120,549,650)	(41,537,839)	(56,466)		(162,143,955)
Net settlement	649,208	1,155,197	295,747		2,100,152
Total	<u>\$ 1,694,030,322</u>	<u>\$ 435,891,642</u>	<u>\$ 1,530,800,974</u>	<u>\$</u>	<u>3,660,722,938</u>
Financial liabilities					
Non-derivative financial instruments					
Deposits from Central Bank and other banks	\$ 4,471,009	\$ -	\$ -	\$	4,471,009
Financial liabilities at fair value through profit or loss	38,936,463	-	10,074,913		49,011,376
Bills and bonds payable under repurchase agreements	189,476,007	35,312,811	44,203,075		268,991,893
Commercial paper payable	94,162,136	41,133,867	-		135,296,003
Payables	179,578,702	18,550,411	35,048,129		233,177,242
Deposits and remittances	410,802,831	531,126,704	763,460,596		1,705,390,131
Bonds payable	54,171	7,642,802	99,123,060		106,820,033
Other borrowings	52,408,854	803,652	11,684,202		64,896,708
Other financial liabilities	143,630,315	1,747,755	29,931,940		175,310,010
Other liabilities	139,605,203	-	805,044		140,410,247
Lease liabilities	295,753	992,392	6,289,481		7,577,626
Derivative financial instruments					
Financial liabilities at fair value through profit or loss					
Gross settlement					
Cash inflow	(130,446,137)	(48,942,909)	(1,005,520)		(180,394,566)
Cash outflow	135,062,770	49,896,981	2,145,226		187,104,977
Net settlement	1,433,898	1,159,842	1,145,084		3,738,824
Total	<u>\$ 1,259,471,975</u>	<u>\$ 639,424,308</u>	<u>\$ 1,002,905,230</u>	<u>\$</u>	<u>2,901,801,513</u>

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

September 30, 2023					
Financial assets	0-90 days	91 days-1 year	Over 1 year	Total	
Non-derivative financial instruments					
Cash and cash equivalents	\$ 65,984,700	\$ 10,380,002	\$ 50,000	\$	76,414,702
Due from Central Bank and call loans to other banks	39,501,587	15,434,417	20,647,335		75,583,339
Financial assets at fair value through profit or loss	379,219,586	46,382,894	87,938,126		513,540,606
Financial assets at fair value through other comprehensive income	31,685,600	27,712,062	263,385,733		322,783,395
Investments in bills and bonds under resale agreements	81,131,279	-	-		81,131,279
Receivables	184,837,147	57,026,008	17,200,937		259,064,092
Bills discounted and loans	301,116,953	177,792,539	585,305,454		1,064,214,946
Reinsurance contract assets	401,080	814,390	-		1,215,470
Financial assets at amortised cost	70,012,797	58,289,134	404,182,190		532,484,121
Restricted assets	-	-	3,239,418		3,239,418
Other financial assets	75,329,868	26,826	33,204,362		108,561,056
Other assets	25,500,582	375,346	20,401,036		46,276,964
Derivative financial instruments					
Financial assets at fair value through profit or loss					
Gross settlement					
Cash inflow	98,941,101	23,488,266	4,227,108		126,656,475
Cash outflow	(95,206,989)	(21,650,370)	(3,567,095)	(	120,424,454)
Net settlement	625,716	786,132	579,754		1,991,602
Total	<u>\$ 1,259,081,007</u>	<u>\$ 396,857,646</u>	<u>\$ 1,436,794,358</u>	<u>\$</u>	<u>3,092,733,011</u>
Financial liabilities					
Non-derivative financial instruments					
Deposits from Central Bank and other banks	\$ 14,402,244	\$ -	\$ -	\$	14,402,244
Financial liabilities at fair value through profit or loss	29,640,444	-	4,910,266		34,550,710
Bills and bonds payable under repurchase agreements	147,396,361	34,291,931	33,524,721		215,213,013
Commercial paper payable	73,058,976	14,385,426	-		87,444,402
Payables	115,286,624	18,445,331	34,670,020		168,401,975
Deposits and remittances	385,471,589	515,101,169	604,246,552		1,504,819,310
Bonds payable	58,732	12,131,318	84,005,100		96,195,150
Other borrowings	39,961,903	516,499	10,544,286		51,022,688
Other financial liabilities	88,974,171	2,581,684	38,311,796		129,867,651
Other liabilities	73,589,880	2,285	1,664,624		75,256,789
Lease liabilities	280,147	975,072	4,842,353		6,097,572
Derivative financial instruments					
Financial liabilities at fair value through profit or loss					
Gross settlement					
Cash inflow	(71,447,321)	(26,233,913)	(3,052,534)	(	100,733,768)
Cash outflow	73,750,488	28,621,094	3,715,288		106,086,870
Net settlement	2,547,356	3,622,391	2,345,549		8,515,296
Total	<u>\$ 972,971,594</u>	<u>\$ 604,440,287</u>	<u>\$ 819,728,021</u>	<u>\$</u>	<u>2,397,139,902</u>

Maturity analysis for above deposits and remittances are amortised to each period based on historical experience. Given that all the deposits and remittances have to be paid in the shortest possible time, as of September 30, 2024, December 31, 2023 and September 30, 2023, expenses on period of 0-90 days will increase by \$788,007,372, \$742,401,069 and \$707,308,288, respectively.

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

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

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

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

	September 30, 2024			
	Less than 1 year	1 ~5 years	More than 5 years	Total
Off balance sheet				
Unused loan commitment	\$ 32,356,038	\$ 18,603	\$ -	\$ 32,374,641
Unused credit commitment	3,688,263	-	-	3,688,263
Guarantees	15,284,160	-	-	15,284,160
Capital expenditure commitment	1,731,562	2,773,490	-	4,505,052
	December 31, 2023			
	Less than 1 year	1 ~5 years	More than 5 years	Total
Off balance sheet				
Unused loan commitment	\$ 28,671,871	\$ -	\$ -	\$ 28,671,871
Unused credit commitment	2,189,074	-	-	2,189,074
Guarantees	12,335,000	-	-	12,335,000
Capital expenditure commitment	3,503,972	4,537,552	-	8,041,524
	September 30, 2023			
	Less than 1 year	1 ~5 years	More than 5 years	Total
Off balance sheet				
Unused loan commitment	\$ 30,101,707	\$ -	\$ -	\$ 30,101,707
Unused credit commitment	2,651,504	-	-	2,651,504
Guarantees	12,088,466	-	-	12,088,466
Capital expenditure commitment	4,296,320	4,857,861	-	9,154,181

(D) Insurance risk

a. Measurement and management of insurance risk

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

(a) Life insurance

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

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

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

(b) Variable life insurance

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

(c) Accident insurance and health insurance

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

(d) Management of insurance risk

I. Risk management of policy underwriting

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

II. Risk management of payment of claims

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

III. Risk of product designing and pricing

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

b. Insurance risk concentration

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

c. Liability adequacy test

According to the relevant insurance regulation, the assumption factors adopted have been locked-in during pricing. However, the assumption may vary from the actual experience as time goes by. Pursuant to IFRS 4, 'Insurance contracts', the Yuanta Group should perform liability adequacy test accordingly to determine whether or not the recognised insurance liability is adequate. In respect of overall insurance contracts of the Yuanta Group as of September 30, 2024, December 31, 2023 and September 30, 2023, the liabilities will still be adequate on the assumption that the mortality, lapse, and expense rates all change by 10% and inflation rate changes by 1%.

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

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

(a) Credit risk

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

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

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

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

(b) Liquidity risk

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

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

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Less than 1 year	(\$ 3,093,666)	(\$ 3,254,664)	(\$ 3,464,787)
1 ~5 years	13,840,472	19,518,829	20,499,704
6 ~15 years	133,764,996	119,923,760	117,801,115
More than 15 years	<u>599,362,187</u>	<u>581,877,003</u>	<u>585,715,378</u>
Total	<u>\$ 743,873,989</u>	<u>\$ 718,064,928</u>	<u>\$ 720,551,410</u>

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

(c) Market risk

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

C. Climate-related Risk Management:

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

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

(A) Risk and opportunity identification:

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

(B) Risk and opportunity measurement:

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

(C) Risk and opportunity monitoring:

- a. Include environmental and social risk factors of each industry in the industry risk level assessment mechanism.
- b. Establish quantifiable indicators and limits for climate risk, and conduct analysis, monitoring, and reporting monthly.
- c. Yuanta Financial Holdings and its five major subsidiaries set climate risk indicators and limits, which were measured, monitored and reported monthly.

(D) Risk and Opportunity Reporting:

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

D. Transfer of financial assets

Transferred financial assets not fully derecognised

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

(B) Financial assets that do not meet the derecognition conditions are mainly: (1) convertible bonds transferred to counterparties during transactions of exchanging assets and (2) bills and bonds sold under repurchase agreements. The targeted assets exchanged in the transactions are either acquired through public subscription, book building, auctions or others by the Yuanta Group or owned by the Yuanta Group for proprietary trading, and are sold to counterparties in order to receive consideration. During the contract period, the contracted interest compensation is exchanged for bond interest and interest refund arising from the convertible bonds held by the counterparties. The Yuanta Group obtains rights to repurchase the convertible bonds before the end of contract expiration date. As the options are neither deep-in-the-money nor deep-out-of-the-money at transactions, the Yuanta Group must further assess whether to retain the control over the convertible bonds. Since the convertible bonds cannot be easily obtained in markets, the Yuanta Group still keeps its control over the assets and continuing involvement. Because transactions in respect to the repurchase agreements of debt instruments and bills had transferred their receivable contractual cash flows to other parties, and are reflected in the Yuanta Group's related liabilities, which indicate the obligation to repurchase transferred financial assets in a specified future period within a fixed price, the Yuanta Group, within the effective period of the transaction, cannot use, sell or pledge the already transferred financial asset, but must still bear interest risk and credit risk. Thus, such financial assets were not derecognised in its entirety. Financial assets that do not meet the derecognition conditions and related financial liabilities are analysed as below:

September 30, 2024		
Financial assets category	Carrying amount of transferred financial assets	Carrying amount of related financial liabilities
Convertible corporate bonds transferred to the trading counterparties through asset swap	\$ 31,711,691	\$ 26,068,008
Bonds sold under repurchase agreements	250,871,782	248,024,340
Bills sold under repurchase agreements	18,930,176	18,967,201
December 31, 2023		
Financial assets category	Carrying amount of transferred financial assets	Carrying amount of related financial liabilities
Convertible corporate bonds transferred to the trading counterparties through asset swap	\$ 27,938,215	\$ 24,070,650
Bonds sold under repurchase agreements	237,010,478	233,986,894
Bills sold under repurchase agreements	15,959,969	16,001,688
Securities lending agreement	125,653	-

September 30, 2023

Financial assets category	Carrying amount of transferred financial assets	Carrying amount of related financial liabilities
Convertible corporate bonds transferred to the trading counterparties through asset swap	\$ 26,406,533	\$ 22,857,031
Bonds sold under repurchase agreements	203,167,981	201,505,473
Bills sold under repurchase agreements	13,051,689	13,087,237
Securities lending agreement	357,802	-

E. Offsetting financial assets and financial liabilities

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

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

(A) Financial assets

September 30, 2024

Financial assets that are offset, or can be settled under agreements of net settled master netting arrangements or similar arrangements							
Description	Gross amounts of recognised financial assets(a)	Gross amounts of recognised financial liabilities set off in the balance sheet(b)	Net amounts of financial assets presented in the balance sheet (c)=(a)-(b)	Related amounts not set off in the balance sheet(d)(Note 1)			
				Financial instruments (Note 2)	Cash collateral received	Net amount (e)=(c)-(d)	
Derivative instruments	\$ 9,111,107	\$ -	\$ 9,111,107	\$ 6,660,970	\$ 275,262	\$ 2,174,875	
Bonds purchased under resale agreements	88,053,435	-	88,053,435	83,458,435	4,555,331	39,669	
Bills purchased under resale agreements	2,402,539	-	2,402,539	2,158,876	-	243,663	

December 31, 2023

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

September 30, 2023

Financial assets that are offset, or can be settled under agreements of net settled master netting arrangements or similar arrangements							
Description	Gross amounts of recognised financial assets(a)	Gross amounts of recognised financial liabilities set off in the balance sheet(b)	Net amounts of financial assets presented in the balance sheet (c)=(a)-(b)	Related amounts not set off in the balance sheet(d)(Note 1)			Net amount (e)=(c)-(d)
				Financial instruments (Note 2)	Cash collateral received		
Derivative instruments	\$ 12,010,044	\$ -	\$ 12,010,044	\$ 7,374,519	\$ 1,190,468		\$ 3,445,057
Bonds purchased under resale agreements	78,324,648	-	78,324,648	76,364,648	1,938,592		21,408
Bills purchased under resale agreements	2,806,631	-	2,806,631	2,527,308	-		279,323

(B) Financial liabilities

September 30, 2024

Financial liabilities that are offset, or can be settled under agreements of net settled master netting arrangements or similar arrangements							
Description	Gross amounts of recognised financial liabilities(a)	Gross amounts of recognised financial assets set off in the balance sheet(b)	Net amounts of financial liabilities presented in the balance sheet (c)=(a)-(b)	Related amounts not set off in the balance sheet(d)(Note 1)			Net amount (e)=(c)-(d)
				Financial instruments (Note 3)	Cash collateral pledged		
Derivative instruments	\$ 18,175,059	\$ -	\$ 18,175,059	\$ 11,075,596	\$ 3,847,684		\$ 3,251,779
Bonds sold under repurchase agreements	250,024,692	-	250,024,692	249,953,095	71,597		-
Bills sold under repurchase agreements	18,967,201	-	18,967,201	18,930,176	-		37,025

December 31, 2023

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

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

September 30, 2023

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

Description	Gross amounts of recognised financial liabilities(a)	Gross amounts of recognised financial assets set off in the balance sheet(b)	Net amounts of financial liabilities presented in the balance sheet (c)=(a)-(b)	Related amounts not set off in the balance sheet(d)(Note 1)		Net amount (e)=(c)-(d)
				Financial instruments (Note 3)	Cash collateral pledged	
Derivative instruments	\$ 22,743,990	\$ -	\$ 22,743,990	\$ 12,452,861	\$ 7,008,698	\$ 3,282,431
Bonds sold under repurchase agreements	202,125,776	-	202,125,776	201,367,711	758,065	-
Bills sold under repurchase agreements	13,087,237	-	13,087,237	13,051,689	-	35,548

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

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

Note 3: Including net settled master netting arrangements.

(4) Capital adequacy ratio:

Not applicable.

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

Not applicable.

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

None.

(7) Information for discontinued operations:

None.

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

None.

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

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

(10) Information for private placement securities:

None.

(BLANK)

(11) Financial information by business segments

Information by business segments for the nine months ended September 30, 2024 is as follows:

(Expressed In Thousands of New Taiwan Dollars)

Item	Bank business	Securities business	Futures business	Insurance business	Other businesses	Consolidated
Net interest income (loss)	\$ 12,861,955	\$ 1,194,755	\$ 1,208,932	\$ 9,248,888	(\$ 311,184)	\$ 24,203,346
Net non-interest income	8,032,825	45,083,977	1,795,782	4,193,944	6,686,687	65,793,215
Net profit	20,894,780	46,278,732	3,004,714	13,442,832	6,375,503	89,996,561
(Provision for) reversal of bad debt expenses, commitment and guarantee policy reserve	(1,199,599)	(430,237)	1,476	(422)	-	(1,628,782)
Net change in provisions for insurance liabilities	-	-	-	(8,802,817)	-	(8,802,817)
Operating expenses	(10,397,204)	(28,409,441)	(1,463,008)	(1,289,462)	(3,226,784)	(44,785,899)
Net income from continuing operations before income tax	9,297,977	17,439,054	1,543,182	3,350,131	3,148,719	34,779,063
Income tax expense	(1,404,093)	(2,934,430)	(411,751)	258,794	(1,294,599)	(5,786,079)
Consolidated net income, net of tax	\$ 7,893,884	\$ 14,504,624	\$ 1,131,431	\$ 3,608,925	\$ 1,854,120	\$ 28,992,984

Information by business segments for the nine months ended September 30, 2023 is as follows:

(Expressed In Thousands of New Taiwan Dollars)

Item	Bank business	Securities business	Futures business	Insurance business	Other businesses	Consolidated
Net interest income (loss)	\$ 11,755,360	\$ 1,450,853	\$ 1,341,806	\$ 8,577,871	(\$ 287,097)	\$ 22,838,793
Net non-interest income	6,473,744	33,280,133	1,371,774	9,418,191	4,439,832	54,983,674
Net profit	18,229,104	34,730,986	2,713,580	17,996,062	4,152,735	77,822,467
(Provision for) reversal of bad debt expenses, commitment and guarantee policy reserve	(208,593)	(96,747)	37,301	(746)	-	(268,785)
Net change in provisions for insurance liabilities	-	-	-	(11,705,509)	-	(11,705,509)
Operating expenses	(8,982,412)	(22,478,771)	(1,206,709)	(1,177,647)	(2,737,152)	(36,582,691)
Net income from continuing operations before income tax	9,038,099	12,155,468	1,544,172	5,112,160	1,415,583	29,265,482
Income tax expense	(1,611,670)	(1,596,194)	(311,076)	(243,624)	(514,199)	(4,276,763)
Consolidated net income, net of tax	\$ 7,426,429	\$ 10,559,274	\$ 1,233,096	\$ 4,868,536	\$ 901,384	\$ 24,988,719

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

A. Financial statements of the Company

Yuanta Financial Holding Co., Ltd.

Yuanta Financial Holding Co., Ltd.
Individual Balance Sheets
September 30, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

<u>ASSETS</u>	<u>September 30, 2024</u>	<u>September 30, 2023</u>	<u>LIABILITIES AND EQUITY</u>	<u>September 30, 2024</u>	<u>September 30, 2023</u>
Cash and cash equivalents	\$ 2,829,282	\$ 920,288	Commercial paper payable - net	\$ 1,399,786	\$ 4,795,910
Financial assets at fair value through other comprehensive income	73,616	64,489	Payables	7,317,911	6,801,338
Receivables - net	2,590,806	2,556,389	Current income tax liabilities	3,522,146	2,196,778
Current income tax assets	2,591,632	2,591,632	Bonds payable	35,650,000	27,000,000
Equity investments accounted for under the equity method - net	351,709,778	312,893,997	Other borrowings	100,000	-
Property and equipment - net	45,530	38,855	Provisions	12,573	35,354
Right-of-use assets - net	346,865	94,570	Lease liabilities	381,163	97,613
Intangible assets - net	14,360	14,740	Other liabilities	19,315	13,489
Deferred income tax assets	54,436	46,505	Total liabilities	<u>48,402,894</u>	<u>40,940,482</u>
Other assets - net	27,347	25,062	Equity		
			Common stock	129,428,640	126,890,824
			Additional paid-in capital	38,192,619	38,173,889
			Retained earnings		
			Legal reserve	25,415,714	22,561,044
			Special reserve	6,549,233	13,517,403
			Undistributed earnings	96,848,175	78,555,615
			Other equity	15,446,377	(1,392,730)
			Total equity	<u>311,880,758</u>	<u>278,306,045</u>
Total assets	<u>\$ 360,283,652</u>	<u>\$ 319,246,527</u>	Total liabilities and equity	<u>\$ 360,283,652</u>	<u>\$ 319,246,527</u>

Yuanta Financial Holding Co., Ltd.
Individual Statements of Comprehensive Income
For the nine months ended September 30, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	For the nine months ended September 30,	
	2024	2023
Revenues		
Share of the profit or loss or loss of subsidiaries, associates and joint ventures accounted for under the equity method	\$ 29,157,230	\$ 24,812,460
Realised gain on financial assets at fair value through other comprehensive income	1,574	1,405
Other revenues	120,166	113,546
	29,278,970	24,927,411
Expenses and losses		
Operating expenses	(1,300,422)	(1,115,888)
Other expenses and losses	(322,340)	(268,985)
	(1,622,762)	(1,384,873)
Income from continuing operations before income tax	27,656,208	23,542,538
Income tax expense	(561,193)	(10,569)
Net income	27,095,015	23,531,969
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss (net of tax)		
Gain or loss on valuation of investments in equity instruments measured at fair value through other comprehensive income	9,741	(1,831)
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for under the equity method, components of other comprehensive income that will not be reclassified to profit or loss	6,431,631	4,852,549
Components of other comprehensive income that will be reclassified to profit or loss (net of tax)		
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for under the equity method, components of other comprehensive income that will be reclassified to profit or loss	5,290,908	3,393,133
Other comprehensive income	11,732,280	8,243,851
Total comprehensive income	\$ 38,827,295	\$ 31,775,820
Earnings per share (in dollars)		
Basic and diluted earnings per share	\$ 2.09	\$ 1.82

Yuanta Financial Holding Co., Ltd.
Individual Statements of Changes in Equity
For the nine months ended September 30, 2024 and 2023
(Expressed In Thousands of New Taiwan Dollars)

	Retained Earnings					Other equity					Total equity
	Common stock	Additional paid-in capital	Legal reserve	Special reserve	Undistributed earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets at fair value through other comprehensive income	Change in fair value of financial liability attributable to change in credit risk	Other comprehensive income (loss) on reclassification under the overlay approach		
<u>For the nine months ended September 30, 2023</u>											
Balance, January 1, 2023	\$ 125,015,590	\$ 38,010,564	\$ 20,481,785	\$ 6,549,234	\$ 73,279,144	(\$ 6,119,904)	\$ 4,445,539	(\$ 51,218)	(\$ 5,242,587)	\$ 256,368,147	
Appropriation of 2022 earnings											
Legal reserve	-	-	2,079,259	-	(2,079,259)	-	-	-	-	-	
Special reserve	-	-	-	6,968,169	(6,968,169)	-	-	-	-	-	
Cash dividend	-	-	-	-	(10,001,247)	-	-	-	-	(10,001,247)	
Stock dividend	1,875,234	-	-	-	(1,875,234)	-	-	-	-	-	
Net income for the period	-	-	-	-	23,531,969	-	-	-	-	23,531,969	
Other comprehensive (loss) income for the period	-	-	-	-	(11,164)	(588,775)	7,384,554	401	1,458,835	8,243,851	
Total comprehensive income (loss) for the period	-	-	-	-	23,520,805	(588,775)	7,384,554	401	1,458,835	31,775,820	
Changes in equity of associates and joint ventures accounted for using equity method	-	163,325	-	-	-	-	-	-	-	163,325	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	2,679,575	(2,679,575)	-	-	-	-	
Balance, September 30, 2023	\$ 126,890,824	\$ 38,173,889	\$ 22,561,044	\$ 13,517,403	\$ 78,555,615	(\$ 6,708,679)	\$ 9,150,518	(\$ 50,817)	(\$ 3,783,752)	\$ 278,306,045	
<u>For the nine months ended September 30, 2024</u>											
Balance, January 1, 2024	\$ 126,890,824	\$ 38,188,103	\$ 22,561,044	\$ 13,517,403	\$ 80,901,931	(\$ 6,961,608)	\$ 14,117,852	(\$ 48,964)	(\$ 2,159,647)	\$ 287,006,938	
Appropriation of 2023 earnings											
Legal reserve	-	-	2,854,670	-	(2,854,670)	-	-	-	-	-	
Special reserve	-	-	-	(6,968,170)	6,968,170	-	-	-	-	-	
Cash dividend	-	-	-	-	(13,957,991)	-	-	-	-	(13,957,991)	
Stock dividend	2,537,816	-	-	-	(2,537,816)	-	-	-	-	-	
Net income for the period	-	-	-	-	27,095,015	-	-	-	-	27,095,015	
Other comprehensive (loss) income for the period	-	-	-	-	(147,749)	1,248,510	10,167,740	1,844	461,935	11,732,280	
Total comprehensive income for the period	-	-	-	-	26,947,266	1,248,510	10,167,740	1,844	461,935	38,827,295	
Changes in equity of associates and joint ventures accounted for using equity method	-	4,516	-	-	-	-	-	-	-	4,516	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	1,381,285	(1,381,285)	-	-	-	-	
Balance, September 30, 2024	\$ 129,428,640	\$ 38,192,619	\$ 25,415,714	\$ 6,549,233	\$ 96,848,175	(\$ 5,713,098)	\$ 22,904,307	(\$ 47,120)	(\$ 1,697,712)	\$ 311,880,758	

Yuanta Financial Holding Co., Ltd.
Individual Statements of Cash Flows
For the nine months ended September 30, 2024 and 2023
(Expressed In Thousands of New Taiwan Dollars)

	For the nine months ended September 30,	
	2024	2023
<u>Cash Flows From Operating Activities</u>		
Profit before tax	\$ 27,656,208	\$ 23,542,538
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	81,621	46,825
Amortization	3,723	3,932
Interest expense	319,756	268,725
Interest income	(56,362)	(60,917)
Share of the profit or loss of subsidiaries, associates and joint ventures accounted for under the equity method	(29,157,230)	(24,812,460)
Gain on lease modification	(444)	-
Loss (gain) on disposal or retirement of property and equipment	2,320	(83)
Changes in operating assets and liabilities		
Receivables	(14,710)	(623,123)
Other assets	(7,327)	(13,034)
Payables	(22,425)	113,639
Provisions	170	285
Other liabilities	6,853	3,339
Interest received	58,500	63,930
Dividend received	14,076,270	11,079,147
Interest paid	(171,093)	(270,941)
Income tax refunded	702,867	(184,722)
Net cash flows generated from operating activities	<u>13,478,697</u>	<u>9,157,080</u>
<u>Cash Flows From Investing Activities</u>		
Acquisition of equity investments accounted for under the equity method	(3,000,000)	-
Acquisition of property and equipment	(19,566)	(8,985)
Proceeds from disposal of property and equipment	-	360
Acquisition of intangible assets	(4,440)	(1,570)
Acquisition of right-of-use assets	(43)	-
Net cash flows used in investing activities	<u>(3,024,049)</u>	<u>(10,195)</u>
<u>Cash Flows From Financing Activities</u>		
Increase in commercial paper payable	1,400,000	4,800,000
Increase in other borrowings	100,000	-
Proceeds from issuance of bonds	6,300,000	-
Repayments of bonds	(4,250,000)	(9,500,000)
Cash dividends paid	(13,957,991)	(10,001,247)
Principal payment for lease liabilities	(37,297)	(34,005)
Net cash flows used in financing activities	<u>(10,445,288)</u>	<u>(14,735,252)</u>
Net increase (decrease) in cash and cash equivalents	9,360	(5,588,367)
Cash and cash equivalents at beginning of period	2,819,922	6,508,655
Cash and cash equivalents at end of period	<u>\$ 2,829,282</u>	<u>\$ 920,288</u>
The components of cash and cash equivalents		
Cash and cash equivalents reported in the balance sheet	\$ 2,829,282	\$ 920,288
Investments in bills and bonds under resale agreements qualified as cash and cash equivalents as defined by IAS 7	-	-
Cash and cash equivalents at end of reporting period	<u>\$ 2,829,282</u>	<u>\$ 920,288</u>

B. Condensed financial statements of subsidiaries and significant components

(A) Yuanta Bank

Yuanta Bank
Individual Balance Sheets
September 30, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024	September 30, 2023	LIABILITIES AND EQUITY	September 30, 2024	September 30, 2023
Cash and cash equivalents	\$ 21,235,840	\$ 21,366,487	Deposits from Central Bank and other banks	\$ 4,471,009	\$ 14,402,244
Due from Central Bank and call loans to other banks	98,156,485	71,922,754	Financial liabilities at fair value through profit or loss	5,362,194	5,569,833
Financial assets at fair value through profit or loss	170,790,751	140,430,961	Bills and bonds payable under repurchase agreements	33,985,375	31,896,011
Financial assets at fair value through other comprehensive income	183,510,516	189,698,560	Payables	25,403,426	14,939,812
Investments in debt instruments at amortised cost	261,558,714	228,290,984	Current income tax liabilities	1,419,540	1,536,409
Investments in bills and bonds under resale agreements	53,467,272	46,441,387	Deposits and remittances	1,830,600,631	1,557,867,526
Receivables- net	24,112,484	24,688,176	Bank debentures payable	25,000,000	28,700,000
Current income tax assets	54,371	99,119	Other financial liabilities	2,082,720	2,442,129
Assets held for sale- net	609,363	80,998	Provisions	968,697	726,667
Bills discounted and loans- net	1,212,803,385	1,019,257,731	Lease liabilities	2,560,041	2,394,283
Equity investments accounted for under the equity method- net	4,934,837	4,944,248	Deferred income tax liabilities	691,352	781,571
Other financial assets- net	62,700	72,280	Other liabilities	2,427,106	3,137,597
Property and equipment- net	15,518,419	15,570,745	Total liabilities	1,934,972,091	1,664,394,082
Right-of-use assets- net	8,300,011	9,957,955	Common stock	79,953,548	73,940,390
Investment property- net	5,314,618	973,513	Additional paid-in capital	25,960,441	25,960,441
Intangible assets- net	8,413,151	8,597,098	Retained earnings	35,744,857	32,521,133
Deferred income tax assets	1,193,724	987,996	Other equity	(3,335,703)	(10,001,665)
Other assets - net	3,258,593	3,433,389	Total equity	138,323,143	122,420,299
Total assets	<u>\$ 2,073,295,234</u>	<u>\$ 1,786,814,381</u>	Total liabilities and equity	<u>\$ 2,073,295,234</u>	<u>\$ 1,786,814,381</u>

Yuanta Bank

Individual Condensed Statements of Comprehensive Income

For the nine months ended September 30, 2024 and 2023

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

	For the nine months ended September 30,			
	2024		2023	
	Amount	%	Amount	%
Interest income	\$ 27,957,558	136	\$ 23,843,546	131
Less: Interest expense	(16,906,533)	(82)	(13,327,300)	(73)
Net interest income	11,051,025	54	10,516,246	58
Net non-interest income	9,545,507	46	7,679,123	42
Net profit	20,596,532	100	18,195,369	100
Provision for bad debt expenses, commitment and guarantee policy reserve	(1,084,342)	(5)	(142,519)	(1)
Operating expenses	(10,464,388)	(51)	(8,995,131)	(49)
Income from continuing operations before income tax	9,047,802	44	9,057,719	50
Income tax expense	(1,397,308)	(7)	(1,605,854)	(9)
Net income	7,650,494	37	7,451,865	41
Other comprehensive income (net of tax)	3,853,319	19	3,088,477	17
Total comprehensive income	<u>\$ 11,503,813</u>	<u>56</u>	<u>\$ 10,540,342</u>	<u>58</u>
Earnings per share (in dollars)				
Basic and diluted earnings per share	<u>\$ 0.96</u>		<u>\$ 0.93</u>	

(B) Yuanta Securities

Yuanta Securities
Individual Condensed Balance Sheets
September 30, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024	September 30, 2023	LIABILITIES AND EQUITY	September 30, 2024	September 30, 2023
Current assets	\$ 596,869,641	\$ 391,625,944	Current liabilities	\$ 508,942,027	\$ 315,366,115
Financial assets at fair value through profit or loss - non-current	49,193	-	Bonds payable	34,000,000	29,000,000
Financial assets at fair value through other comprehensive income - non-current	16,366,992	14,477,721	Provisions - non-current	67,080	65,860
Equity investments accounted for under the equity method	64,766,233	60,313,728	Lease liabilities - non-current	378,401	451,179
Property and equipment	5,132,831	5,288,028	Deferred income tax liabilities	1,468,096	1,507,437
Right-of-use assets	681,912	721,681	Other non-current liabilities	1,166,316	1,084,591
Investment property	1,828,726	1,944,953	Total liabilities	546,021,920	347,475,182
Intangible assets	11,574,917	11,574,551	Common stock	65,924,526	65,924,526
Deferred income tax assets	632,241	580,789	Additional paid-in capital	1,287,111	1,268,381
Other non-current assets	3,094,478	2,557,134	Retained earnings	66,320,987	59,305,243
Total assets	<u>\$ 700,997,164</u>	<u>\$ 489,084,529</u>	Other equity	21,442,620	15,111,197
			Total equity	154,975,244	141,609,347
			Total liabilities and equity	<u>\$ 700,997,164</u>	<u>\$ 489,084,529</u>

Yuanta Securities
Individual Condensed Statements of Comprehensive Income
For the nine months ended September 30, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	For the nine months ended September 30,			
	2024		2023	
	Amount	%	Amount	%
Revenues	\$ 39,459,676	100	\$ 26,405,136	100
Service fee expense	(1,678,118)	(4)	(1,029,598)	(4)
Employee benefit expense	(10,104,433)	(26)	(7,434,957)	(28)
Share of the profit or loss of subsidiaries, associates and joint ventures accounted for under the equity method	2,404,522	6	2,304,703	9
Operating expenses	(12,530,945)	(31)	(8,258,469)	(31)
Income from continuing operations before income tax	17,550,702	45	11,986,815	46
Income tax expense	(2,274,591)	(6)	(941,229)	(4)
Net income	15,276,111	39	11,045,586	42
Other comprehensive income (net of tax)	6,683,132	17	3,153,919	12
Total comprehensive income	<u>\$ 21,959,243</u>	<u>56</u>	<u>\$ 14,199,505</u>	<u>54</u>
Earnings per share (in dollars)				
Basic and diluted earnings per share	<u>\$ 2.32</u>		<u>\$ 1.68</u>	

(C) Yuanta Securities (Korea)

Yuanta Securities (Korea)
Individual Condensed Balance Sheets
September 30, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024	September 30, 2023	LIABILITIES AND EQUITY	September 30, 2024	September 30, 2023
Current assets	\$ 45,489,183	\$ 39,666,188	Current liabilities	\$ 134,585,665	\$ 128,403,498
Financial assets at fair value through profit or loss - non-current	250,360,098	196,831,850	Bonds payable	187,037,959	135,074,567
Financial assets at fair value through other comprehensive income - non-current	14,624,306	10,234,461	Provisions - non-current	4,711,503	4,549,657
Equity investments accounted for under the equity method	2,177,439	2,406,324	Lease liabilities	1,734,103	427,696
Property and equipment	1,318,579	1,098,565	Other non-current liabilities	21,611,067	22,029,741
Right-of-use assets	1,811,816	470,719	Total liabilities	349,680,297	290,485,159
Investment property	677,915	947,430	Common stock	25,624,309	25,290,671
Intangible assets	1,033,398	986,528	Additional paid-in capital	(1,365,693)	(1,347,911)
Deferred income tax assets	1,973,620	1,165,721	Retained earnings	10,861,069	9,205,664
Other non-current assets	68,223,998	73,164,922	Other equity	2,890,370	3,339,125
Total assets	<u>\$ 387,690,352</u>	<u>\$ 326,972,708</u>	Total equity	38,010,055	36,487,549
			Total liabilities and equity	<u>\$ 387,690,352</u>	<u>\$ 326,972,708</u>

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

Yuanta Securities (Korea)
Individual Condensed Statements of Comprehensive Income
For the nine months ended September 30, 2024 and 2023

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

Item	For the nine months ended September 30,			
	2024		2023	
	Amount	%	Amount	%
Revenues	\$ 47,730,171	100	\$ 50,092,335	100
Service fee expense	(300,623)	(1)	(298,933)	-
Employee benefit expense	(5,010,947)	(10)	(4,373,378)	(9)
Operating expenses	(40,042,757)	(84)	(43,965,096)	(88)
Income from continuing operations before income tax	2,375,844	5	1,454,928	3
Income tax expense	(565,002)	(1)	(342,680)	(1)
Net income	1,810,842	4	1,112,248	2
Other comprehensive (loss) income (net of tax)	(494,160)	(1)	70,775	-
Total comprehensive income	<u>\$ 1,316,682</u>	<u>3</u>	<u>\$ 1,183,023</u>	<u>2</u>
Earnings per share (in dollars)				
Basic earnings per share - ordinary share	<u>\$ 8.81</u>		<u>\$ 5.42</u>	
Diluted earnings per share - ordinary share	<u>\$ 8.81</u>		<u>\$ 5.42</u>	
Basic earnings per share - preferred share	<u>\$ 8.81</u>		<u>\$ 5.42</u>	
Diluted earnings per share - preferred share	<u>\$ 8.81</u>		<u>\$ 5.42</u>	

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

(D) Yuanta Futures

Yuanta Futures
Individual Condensed Balance Sheets
September 30, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024	September 30, 2023	LIABILITIES AND EQUITY	September 30, 2024	September 30, 2023
Current assets	\$ 152,229,223	\$ 97,905,983	Current liabilities	\$ 140,634,397	\$ 87,315,926
Financial assets at fair value through other comprehensive income			Non-current liabilities	1,605,800	1,658,336
- non-current	2,623,509	2,354,952	Total liabilities	142,240,197	88,974,262
Equity investments accounted for under the equity method	1,206,618	1,318,290			
Property and equipment	646,884	676,655	Common stock	2,899,763	2,899,763
Right-of-use assets	52,165	83,242	Additional paid-in capital	3,070,484	3,070,484
Intangible assets	83,734	100,864	Retained earnings	6,954,628	6,130,308
Deferred income tax assets	24,604	27,984	Other equity	2,411,112	2,047,544
Other non-current assets	709,447	654,391	Total equity	15,335,987	14,148,099
Total assets	<u>\$ 157,576,184</u>	<u>\$ 103,122,361</u>	Total liabilities and equity	<u>\$ 157,576,184</u>	<u>\$ 103,122,361</u>

Yuanta Futures
Individual Condensed Statements of Comprehensive Income
For the nine months ended September 30, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	For the nine months ended September 30,			
	2024		2023	
	Amount	%	Amount	%
Operating revenue	\$ 3,077,163	100	\$ 2,526,953	100
Service fee expense	(608,256)	(20)	(450,584)	(18)
Employee benefit expense	(786,899)	(26)	(670,062)	(27)
Operating expenses	(2,042,801)	(66)	(1,598,695)	(63)
Share of the profit or loss of subsidiaries, associates and joint ventures accounted for under the equity method	20,133	1	53,581	2
Non-operating revenue and expenses	<u>2,356,726</u>	<u>76</u>	<u>1,867,960</u>	<u>74</u>
Income from continuing operations before income tax	2,016,066	65	1,729,153	68
Income tax expense	(411,751)	(13)	(311,075)	(12)
Net income	1,604,315	52	1,418,078	56
Other comprehensive income (net of tax)	<u>668,844</u>	<u>22</u>	<u>584,113</u>	<u>23</u>
Total comprehensive income	<u>\$ 2,273,159</u>	<u>74</u>	<u>\$ 2,002,191</u>	<u>79</u>
Earnings per share (in dollars)				
Basic and diluted earnings per share	<u>\$ 5.53</u>		<u>\$ 4.89</u>	

(E) Yuanta Life

Yuanta Life
Individual Condensed Balance Sheets
September 30, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024	September 30, 2023	LIABILITIES AND EQUITY	September 30, 2024	September 30, 2023
Cash and cash equivalents	\$ 15,080,216	\$ 6,476,932	Payables	\$ 1,755,298	\$ 1,569,832
Receivables	3,482,055	3,399,923	Current income tax liabilities	9,276	28,813
Current income tax assets	5,860,013	5,455,614	Financial liabilities at fair value		
Financial assets at fair value			through profit or loss	3,250,294	7,258,432
through profit or loss	45,712,599	34,391,894	Insurance liabilities	372,866,947	362,568,086
Financial assets at fair value through			Reserve for insurance contract with		
other comprehensive income	21,830,423	23,630,812	the nature of financial products	200,179	188,954
Financial assets at amortised cost	294,859,363	302,364,670	Foreign exchange reserve	2,365,484	4,018,654
Other financial assets	2,300,000	1,000,000	Provisions	42,507	49,268
Right-of-use assets	155,862	205,385	Lease liabilities	978,396	1,024,214
Investment property	15,307,181	13,620,762	Deferred income tax liabilities	2,570,555	3,347,261
Loans	8,400,147	7,863,237	Other liabilities	2,458,872	2,200,277
Reinsurance contract assets	1,233,717	1,215,470	Investment-linked insurance		
Property and equipment	106,742	75,036	products liabilities	25,477,915	31,122,735
Intangible assets	161,275	143,532	Total liabilities	411,975,723	413,376,526
Deferred income tax assets	632,752	1,959,593	Common stock	27,201,072	23,735,695
Other assets	6,473,587	8,522,704	Retained earnings	10,715,061	10,720,331
Investment-linked insurance			Other equity	(2,818,009)	(6,384,253)
products assets	25,477,915	31,122,735	Total equity	35,098,124	28,071,773
Total assets	<u>\$ 447,073,847</u>	<u>\$ 441,448,299</u>	Total liabilities and equity	<u>\$ 447,073,847</u>	<u>\$ 441,448,299</u>

Yuanta Life
Individual Condensed Statements of Comprehensive Income
For the nine months ended September 30, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

Item	For the nine months ended September 30,			
	2024		2023	
	Amount	%	Amount	%
Operating revenue	\$ 37,616,125	100	\$ 38,049,083	100
Operating costs	(34,507,042)	(92)	(33,044,260)	(87)
Operating expenses	(1,308,901)	(3)	(1,220,982)	(3)
Net operating income	1,800,182	5	3,783,841	10
Non-operating revenue and expenses	1,177	-	74,786	-
Income from continuing operations				
before income tax	1,801,359	5	3,858,627	10
Income tax expense	258,794	-	(243,624)	-
Net income	2,060,153	5	3,615,003	10
Other comprehensive income (net of tax)	692,557	2	1,603,266	4
Total comprehensive income	<u>\$ 2,752,710</u>	<u>7</u>	<u>\$ 5,218,269</u>	<u>14</u>
Earnings per share (in dollars)				
Basic and diluted earnings per share	<u>\$ 0.85</u>		<u>\$ 1.49</u>	

(F) Yuanta Securities Investment Trust

Yuanta Securities Investment Trust
Individual Condensed Balance Sheets
September 30, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024	September 30, 2023	LIABILITIES AND EQUITY	September 30, 2024	September 30, 2023
Current assets	\$ 6,238,290	\$ 5,449,361	Current liabilities	\$ 1,387,291	\$ 1,735,146
Financial assets at fair value through other comprehensive income	452,762	408,362	Deferred income tax liabilities	158,181	158,819
Equity investments accounted for under the equity method	363,321	347,509	Lease liabilities - non-current	85,535	11,902
Property and equipment	282,967	293,274	Other non-current liabilities	33,874	32,988
Intangible assets	768,582	768,551	Total liabilities	1,664,881	1,938,855
Prepaid pension cost	29,121	30,510	Common stock	2,269,235	2,269,235
Deferred income tax assets	940	589	Additional paid-in capital	296,729	296,729
Right-of-use assets	140,694	24,335	Retained earnings	3,933,317	2,715,003
Other non-current assets	132,652	89,321	Other equity	245,167	191,990
Total assets	<u>\$ 8,409,329</u>	<u>\$ 7,411,812</u>	Total equity	6,744,448	5,472,957
			Total liabilities and equity	<u>\$ 8,409,329</u>	<u>\$ 7,411,812</u>

Yuanta Securities Investment Trust
Individual Condensed Statements of Comprehensive Income
For the nine months ended September 30, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	For the nine months ended September 30,			
	2024		2023	
	Amount	%	Amount	%
Operating revenue	\$ 5,291,863	100	\$ 3,728,729	100
Operating expenses	(1,921,884)	(36)	(1,502,330)	(40)
Operating income	3,369,979	64	2,226,399	60
Non-operating revenue and expenses	93,449	2	60,578	1
Income from continuing operations before income tax	3,463,428	66	2,286,977	61
Income tax expense	(685,340)	(13)	(454,382)	(12)
Net income	2,778,088	53	1,832,595	49
Other comprehensive income (net of tax)	73,218	1	31,160	1
Total comprehensive income	<u>\$ 2,851,306</u>	<u>54</u>	<u>\$ 1,863,755</u>	<u>50</u>
Earnings per share (in dollars)				
Basic and diluted earnings per share	<u>\$ 12.24</u>		<u>\$ 8.08</u>	

(G) Yuanta Asset Management

Yuanta Asset Management
Individual Condensed Balance Sheets
September 30, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024	September 30, 2023	LIABILITIES AND EQUITY	September 30, 2024	September 30, 2023
Current assets	\$ 3,682,629	\$ 2,968,660	Current liabilities	\$ 128,247	\$ 95,935
Financial assets at fair value through other comprehensive income	55,041	46,489	Non-current liabilities	11,617	17,474
Property and equipment	4,457	6,626	Total liabilities	139,864	113,409
Right-of-use assets	4,273	8,297	Common stock	3,346,138	3,346,138
Investment property	576,275	1,084,713	Additional paid-in capital	1,047	1,047
Deferred income tax assets	2,329	3,726	Retained earnings	801,747	630,282
Other non-current assets	804	825	Other equity	37,012	28,460
Total assets	<u>\$ 4,325,808</u>	<u>\$ 4,119,336</u>	Total equity	4,185,944	4,005,927
			Total liabilities and equity	<u>\$ 4,325,808</u>	<u>\$ 4,119,336</u>

Yuanta Asset Management
Individual Condensed Statements of Comprehensive Income
For the nine months ended September 30, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Item	For the nine months ended September 30,			
	2024		2023	
	Amount	%	Amount	%
Operating revenue	\$ 476,702	100	\$ 309,857	100
Operating expenses	(198,477)	(42)	(188,510)	(61)
Operating income	278,225	58	121,347	39
Non-operating revenue and expenses	17,262	4	9,973	3
Income from continuing operations before income tax	295,487	62	131,320	42
Income tax expense	(33,118)	(7)	(25,715)	(8)
Net income	262,369	55	105,605	34
Other comprehensive income (loss) (net of tax)	8,187	2	(1,376)	-
Total comprehensive income	<u>\$ 270,556</u>	<u>57</u>	<u>\$ 104,229</u>	<u>34</u>

(H) Yuanta Venture Capital

Yuanta Venture Capital
Individual Condensed Balance Sheets
September 30, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024	September 30, 2023	LIABILITIES AND EQUITY	September 30, 2024	September 30, 2023
Current assets	\$ 2,183,518	\$ 2,073,832	Current liabilities	\$ 141,178	\$ 172,595
Financial assets at fair value through other comprehensive income	26,128	47,780	Lease liabilities - non-current	429	4,256
Equity investments accounted for under the equity method	1,389,413	992,282	Other non-current liabilities	8,500	6,700
Property and equipment	612	586	Total liabilities	150,107	183,551
Right-of-use assets	4,329	8,040	Common stock	2,715,220	2,715,220
Deferred income tax assets	68,041	74,590	Additional paid-in capital	918	918
Other non-current assets	644	644	Retained earnings	772,217	240,975
Total assets	<u>\$ 3,672,685</u>	<u>\$ 3,197,754</u>	Other equity	34,223	57,090
			Total equity	3,522,578	3,014,203
			Total liabilities and equity	<u>\$ 3,672,685</u>	<u>\$ 3,197,754</u>

Yuanta Venture Capital
Individual Condensed Statements of Comprehensive Income
For the nine months ended September 30, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Item	For the nine months ended September 30,			
	2024		2023	
	Amount	%	Amount	%
Operating revenue	\$ 814,189	100	\$ 380,741	100
Operating expenses	(84,500)	(10)	(101,274)	(27)
Operating income	729,689	90	279,467	73
Non-operating revenue and expenses	10,687	1	6,443	2
Income from continuing operations before income tax	740,376	91	285,910	75
Income tax expense	(12,414)	(2)	(10,575)	(3)
Net income	727,962	89	275,335	72
Other comprehensive loss (net of tax)	(12,602)	(1)	(8,976)	(2)
Total comprehensive income	<u>\$ 715,360</u>	<u>88</u>	<u>\$ 266,359</u>	<u>70</u>

(I) Yuanta Securities Investment Consulting

Yuanta Securities Investment Consulting
Individual Condensed Balance Sheets
September 30, 2024 and 2023

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2024	September 30, 2023	LIABILITIES AND EQUITY	September 30, 2024	September 30, 2023
Current assets	\$ 222,157	\$ 220,045	Current liabilities	\$ 125,261	\$ 120,901
Property and equipment	6,323	12,111	Non-current liabilities	97,013	17,648
Right-of-use assets	99,022	15,690	Total liabilities	222,274	138,549
Intangible assets	5,935	8,839	Common stock	100,000	100,000
Deferred income tax assets	7,898	11,410	Additional paid-in capital	6,017	6,017
Other non-current assets	16,070	12,848	Retained earnings	29,114	36,377
			Total equity	135,131	142,394
Total assets	<u>\$ 357,405</u>	<u>\$ 280,943</u>	Total liabilities and equity	<u>\$ 357,405</u>	<u>\$ 280,943</u>

Yuanta Securities Investment Consulting
Individual Condensed Statements of Comprehensive Income
For the nine months ended September 30, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Item	For the nine months ended September 30,			
	2024		2023	
	Amount	%	Amount	%
Operating revenues	\$ 200,515	100	\$ 181,320	100
Operating costs	(780)	(1)	(749)	-
Operating expenses	(203,327)	(101)	(176,259)	(98)
Operating (loss) income	(3,592)	(2)	4,312	2
Non-operating revenues and expenses	(324)	-	1,531	1
(Loss) income from continuing operations before income tax	(3,916)	(2)	5,843	3
Income tax benefit (expense)	783	-	(1,154)	-
Net (loss) income	(3,133)	(2)	4,689	3
Total comprehensive (loss) income	<u>(\$ 3,133)</u>	<u>(2)</u>	<u>\$ 4,689</u>	<u>3</u>

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

A. Profitability

(A) Yuanta Financial Holdings

Unit: %

		For the nine months ended September 30,	
		2024	2023
Return on total assets	Before tax	8.01	7.59
	After tax	7.85	7.58
Return on equity	Before tax	9.24	8.81
	After tax	9.05	8.80
Net profit margin ratio		93.57	95.43

(B) Yuanta Financial Holdings and its subsidiaries

		For the nine months ended September 30,	
		2024	2023
Return on total assets	Before tax	0.98	0.94
	After tax	0.82	0.81
Return on equity	Before tax	10.83	10.15
	After tax	9.03	8.67
Net profit margin ratio		32.22	32.11

(C) Yuanta Bank

		For the nine months ended September 30,	
		2024	2023
Return on total assets	Before tax	0.46	0.52
	After tax	0.39	0.43
Return on equity	Before tax	6.82	7.73
	After tax	5.77	6.36
Net profit margin ratio		37.14	40.95

(D) Yuanta Securities

		For the nine months ended September 30,	
		2024	2023
Return on total assets	Before tax	2.93	2.61
	After tax	2.55	2.40
Return on equity	Before tax	11.74	8.64
	After tax	10.22	7.96
Net profit margin ratio		38.01	39.90

(E) Yuanta Life

		For the nine months ended September 30,	
		2024	2023
Return on total assets	Before tax	0.41	0.90
	After tax	0.47	0.84
Return on equity	Before tax	5.59	15.15
	After tax	6.39	14.20
Net profit margin ratio		66.24	71.17

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

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

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

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

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

B. Information of Yuanta Bank is as follows:

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

Unit: In thousands of NT Dollars

Month / Year		September 30, 2024					September 30, 2023				
Business / Items		Amount of non-performing loans	Gross loans	Non-performing loan ratio	Allowance for doubtful accounts	Coverage ratio	Amount of non-performing loans	Gross loans	Non-performing loan ratio	Allowance for doubtful accounts	Coverage ratio
Corporate banking	Secured loans	742,209	301,977,773	0.25%	3,919,796	528.13%	166,577	254,520,126	0.07%	3,727,071	2,237.45%
	Unsecured loans	104,564	333,451,948	0.03%	3,942,534	3,770.45%	1,421,102	278,325,404	0.51%	3,983,143	280.29%
Consumer banking	Residential mortgage loans	97,280	330,210,655	0.03%	4,955,929	5,094.50%	32,995	280,706,183	0.01%	4,207,888	12,753.11%
	Cash card services	-	9,798	-	158	-	-	14,874	-	322	-
	Small amount of credit loans	19,603	26,145,116	0.07%	273,350	1,394.43%	6,120	19,633,432	0.03%	209,904	3,429.80%
	Others	Secured loans	108,072	243,158,662	0.04%	2,538,588	2,348.98%	73,833	208,451,769	0.04%	2,179,180	2,951.50%
Unsecured loans		2,023	4,070,752	0.05%	41,749	2,063.72%	1,221	4,115,515	0.03%	41,965	3,436.94%
Gross loan business		1,073,751	1,239,024,704	0.09%	15,672,104	1,459.57%	1,701,848	1,045,767,303	0.16%	14,349,473	843.17%

Month / Year		September 30, 2024					September 30, 2023				
		Amount of overdue accounts	Balance of accounts receivable	Overdue account ratio	Allowance for doubtful accounts	Coverage ratio	Amount of overdue accounts	Balance of accounts receivable	Overdue account ratio	Allowance for doubtful accounts	Coverage ratio
Credit card services		8,377	9,368,567	0.09%	127,218	1518.66%	7,094	9,009,182	0.08%	108,264	1,526.13%
Without recourse factoring		-	4,170,182	-	72,950	-	-	9,208,809	-	101,950	-

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

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

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

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

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

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

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

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

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

Unit: In thousands of NT Dollars

	September 30, 2024		September 30, 2023	
	Total amount of non-performing loans exempted from reporting to the competent authority	Total amount of overdue receivables exempted from reporting to the competent authority	Total amount of non-performing loans exempted from reporting to the competent authority	Total amount of overdue receivables exempted from reporting to the competent authority
Amounts exempted from reporting to the competent authority under debt negotiation (Note 1)	6,424	8,029	12,302	11,783
Perform in accordance with debt liquidation program and restructuring program (Note 2)	453,650	238,333	541,696	257,244
Total	460,074	246,362	553,998	269,027

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

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

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

Unit: In thousands of NT Dollars, %

September 30, 2024			
Ranking (Note 1)	Name of Enterprise Group (Note 2)	Total outstanding loan amount (Note 3)	Total outstanding loan amount / Total equity
1	Group A–Smelting and Refining of Iron and Steel	\$ 11,595,134	8.38
2	Group B–Real Estate Development Activities	11,055,070	7.99
3	Group C–Financial Holding Companies	8,487,465	6.14
4	Group D–Retail Sale of Computers, Computer Peripheral Equipment and Software in Specialized Stores	8,410,289	6.08
5	Group E–Financial Holding Companies	8,109,761	5.86
6	Group F–Mold and Die Manufacturing	6,300,000	4.55
7	Group G–Computers Manufacturing	5,711,724	4.13
8	Group H–Real Estate Development Activities	5,571,912	4.03
9	Group I–Wholesale of Chemical Materials and Chemical Products	5,503,186	3.98
10	Group J–Quarrying of Stone and Sand and Other Mining	5,043,100	3.65

Unit: In thousands of NT Dollars, %

September 30, 2023			
Ranking (Note 1)	Name of Enterprise Group (Note 2)	Total outstanding loan amount (Note 3)	Total outstanding loan amount / Total equity
1	Group A–Other Plastic Products Manufacturing	\$ 18,455,462	15.08
2	Group B–Retail Sale of Motor Vehicles	11,575,000	9.46
3	Group C–Real Estate Development	10,045,790	8.21
4	Group D–Convenience Store	8,229,875	6.72
5	Group E–Financial Holding Companies	7,966,467	6.51
6	Group F–Retail Sale of Computers, Computer Peripheral Equipment and Software in Specialized Stores	7,300,000	5.96
7	Group G–Mold and Die Manufacturing	5,500,000	4.49
8	Group H–Packaging and Testing of Semi-conductors	5,500,000	4.49
9	Group I–Manufacture of Power Generation, Transmission and Distribution Machinery	4,300,000	3.51
10	Company J–Real Estate Development Activities	3,800,000	3.10

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

in accordance with “Standard Industrial Classification System” of Directorate-General of Budget, Accounting and Statistics, Executive Yuan

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

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

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(D) Structure analysis of time to maturity

a. Structure analysis of time to maturity (NTD)

September 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

	Total	0 ~ 10 days	11 ~ 30 days	31 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year
Primary funds inflow upon maturity	1,890,051,475	299,840,847	199,990,189	236,722,721	141,946,190	174,074,133	837,477,395
Primary funds outflow upon maturity	2,280,287,952	77,303,792	170,378,554	336,072,396	365,730,300	364,390,696	966,412,214
Gap	(390,236,477)	222,537,055	29,611,635	(99,349,675)	(223,784,110)	(190,316,563)	(128,934,819)

September 30, 2023

(Expressed in Thousands of New Taiwan Dollars)

	Total	0 ~ 10 days	11 ~ 30 days	31 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year
Primary funds inflow upon maturity	1,620,261,134	218,494,579	154,658,828	211,927,546	110,172,038	164,348,873	760,659,270
Primary funds outflow upon maturity	1,959,403,416	64,137,639	141,161,962	288,288,431	301,832,022	363,562,603	800,420,759
Gap	(339,142,282)	154,356,940	13,496,866	(76,360,885)	(191,659,984)	(199,213,730)	(39,761,489)

b. Structure analysis of time to maturity (USD)

September 30, 2024

(Expressed in Thousands of US Dollars)

	Total	0 ~ 30 days	31 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year
Primary funds inflow upon maturity	8,276,550	2,306,546	522,007	221,682	461,644	4,764,671
Primary funds outflow upon maturity	11,658,465	4,235,305	2,421,347	1,509,319	2,141,880	1,350,614
Gap	(3,381,915)	(1,928,759)	(1,899,340)	(1,287,637)	(1,680,236)	3,414,057

September 30, 2023

(Expressed in Thousands of US Dollars)

	Total	0 ~ 30 days	31 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year
Primary funds inflow upon maturity	6,675,459	2,318,005	617,625	267,601	297,575	3,174,653
Primary funds outflow upon maturity	8,481,665	2,810,193	1,691,558	1,417,814	1,677,200	884,900
Gap	(1,806,206)	(492,188)	(1,073,933)	(1,150,213)	(1,379,625)	2,289,753

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

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

September 30, 2024

(Expressed in Thousands of New Taiwan Dollars, %)

Item	1 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year	Total
Interest-rate-sensitive assets	1,322,384,235	89,561,724	27,411,284	224,848,205	1,664,205,448
Interest-rate-sensitive liabilities	444,113,444	940,441,387	164,596,299	37,079,204	1,586,230,334
Interest-rate-sensitive gap	878,270,791	(850,879,663)	(137,185,015)	187,769,001	77,975,114
Total equity					142,773,570
Ratio of interest-rate-sensitive assets to liabilities					104.92
Ratio of interest-rate-sensitive gap to equity					54.61

September 30, 2023

(Expressed in Thousands of New Taiwan Dollars, %)

Item	1 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year	Total
Interest-rate-sensitive assets	1,083,299,715	77,338,201	50,746,878	231,452,918	1,442,837,712
Interest-rate-sensitive liabilities	425,219,161	835,212,510	86,451,872	28,769,169	1,375,652,712
Interest-rate-sensitive gap	658,080,554	(757,874,309)	(35,704,994)	202,683,749	67,185,000
Total equity					133,679,951
Ratio of interest-rate-sensitive assets to liabilities					104.88
Ratio of interest-rate-sensitive gap to equity					50.26

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

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

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

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

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

September 30, 2024

(Expressed in Thousands of US Dollars, %)

Item	1 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year	Total
Interest-rate-sensitive assets	2,935,540	364,565	369,195	3,579,470	7,248,770
Interest-rate-sensitive liabilities	4,671,183	1,048,627	1,036,819	1,273,281	8,029,910
Interest-rate-sensitive gap	(1,735,643)	(684,062)	(667,624)	2,306,189	(781,140)
Total equity					(137,849)
Ratio of interest-rate-sensitive assets to liabilities					90.27
Ratio of interest-rate-sensitive gap to equity					566.66

September 30, 2023

(Expressed in Thousands of US Dollars, %)

Item	1 ~ 90 days	91 ~ 180 days	181 days ~ 1 year	Over 1 year	Total
Interest-rate-sensitive assets	3,271,103	171,937	157,441	2,480,819	6,081,300
Interest-rate-sensitive liabilities	3,662,616	851,891	1,194,365	966,402	6,675,274
Interest-rate-sensitive gap	(391,513)	(679,954)	(1,036,924)	1,514,417	(593,974)
Total equity					(320,708)
Ratio of interest-rate-sensitive assets to liabilities					91.10
Ratio of interest-rate-sensitive gap to equity					185.21

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

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

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

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

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

None.

13. Other disclosure items

(1) Related information on material transaction items

A. Information regarding stock of long-term equity investment for which the purchase or sale amount for the period exceeded \$300 million or 10% of the Company's paid-in capital:

Investor	Category and name of securities	Account	Counterparty	Relationship	Balance as January 1, 2024		Addition (Note 1)		Disposal				Balance as September 30, 2024 (Note 2)	
					Number of share (in thousands)	Amount	Number of share (in thousands)	Amount	Number of share (in thousands)	Price	Book Value	Gain (loss) on disposal	Number of share (in thousands)	Amount
Yunata Financial Holdings	Stocks: Yuanta Life	Equity investments accounted for under the equity method	Yuanta Life	Subsidiary	2,373,570	\$22,352,343	300,000	\$3,000,000	-	-	-	-	2,720,107	\$25,817,720

Note 1: The issuance of stock for cash.

Note 2: The balance of the amount and the number of shares include the capital increase of 46,537 thousand shares and \$465,377 converted from surplus.

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

Real estate purchased	Transaction date	Sale price	Details of payments	Counterparty	Relationship	Information on previous transfer if the counterparty is a related party				Reference basis for price determination	Acquisition purpose and use	Other agreed matters
						Owner	Relationship	Transfer date	Price			
Yuanta Financial Square	April 11, 2024	\$383,989	\$7,285 per month	Yuanta Bank	Subsidiary	-	-	-	-	CCIS Real Estate Joint Appraisers Firm, Appraiser Zhang Xinjie	Self-use office	The lease term includes a 5-month decoration period which is free of rent.

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

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

Creditor	Counterparty	Relationship	Accounts receivable from related party as of September 30, 2024	Turnover rate	Amount overdue		Amount collected subsequent to the balance sheet date	Amount of credit losses
					Amount	Action taken		
Yuanta Financial Holdings	Yuanta Securities	Subsidiary of the Company	\$ 1,606,337 (Note 1)	-	\$ -	-	\$ -	\$ -
Yuanta Financial Holdings	Yuanta Bank	Subsidiary of the Company	948,862 (Note 1)	-	-	-	-	-

Note 1: Income tax refundable arising from filing consolidated income tax returns which has been eliminated.

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

F. Information on and categories of securitized assets which are approved by the authority pursuant to Financial Asset Securitization Act or the Real Estate Securitization Act: None.

G. Other material transaction items which were significant to the users of the financial statements: None.

(2) Supplementary disclosure regarding investee companies:

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

(3) Significant transactions regarding investee companies

A. Information regarding stocks of equity investment for which the purchase or sale amount for the period exceeded \$300 million or 10% of the Company's paid-in capital: Disclosure may be exempt for subsidiaries in the financial industry, insurance industry and securities Industry. Not applicable for all the other subsidiaries and indirect subsidiaries.

B. Information on the acquisition of real estate for which the purchase amount exceeded \$300 million or 10% of the Company's paid-in capital: None.

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

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

Transaction Company	Real estate disposed	Transaction date	Acquisition date	Carrying value	Sale price	Status of collection of proceeds	Gain or loss from disposal	Counterparty	Related -party	Reason for disposal	Basis or reference used in setting the price	Note
Yuanta Securities (Korea)	Daegu building (2F, 3F)	July 23, 2024	November 3, 1999	\$255,576	\$391,403	Have been received.	\$135,826	Songlim Corp	None	Activate and fully use of assets	Refer to the appraisal report and the actual transaction price registration information from Ministry of Land, Infrastructure and Transport of Korea. Real Estate Appraiser: Kwon Jae young	-
Yuanta Asset Management	9 units on the 5F., No. 6, Sec.1, Zhongxing Rd., Wugu Dist., New Taipei City and 10 parking space on the first floor and the land where they are located	The Board of Directors resolved on September 19, 2024	July 11, 2013	\$212,606	\$300,000	Contract not signed but proceeds not collected	Estimated to be approximately \$87,394	SHIN JIE CO., LTD.	None	In order to achieve investment benefits and strengthen the company's financial structure	Based on Appraisal Reports issued by Zhan-Mao Real Estate Appraisers Firm. Real Estate Appraiser: Jhe-Hao Yang; appraisal prices were \$282,981.	-

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

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

Creditor	Counterparty	Relationship	Accounts receivable from related party as of September 30, 2024	Turnover rate	Amount overdue		Amount collected subsequent to the balance sheet date	Amount of credit losses
					Amount	Action taken		
Yuanta Life	The Company	Parent Company	\$ 5,846,738 (Note)	-	\$ -	-	\$ 1,595	\$ -

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

F. Information regarding selling non-performing loans:

Company	Transaction date	Counterparty	Contents of right of claim	Carrying value	Sale price	Gain or loss from disposal	Attached conditions	Relationship with the Bank	Note
Yuanta Savings Bank (Korea)	2024/5/29	KACMO	Loans and Advance	\$ 7	\$ 4	(\$ 3)	None	None	Note 2
Yuanta Savings Bank (Korea)	2024/6/26	KACMO	Loans and Advance	\$ 9,916	\$ 12,737	\$ 2,821	None	None	Note 3
Yuanta Savings Bank (Korea)	2024/7/26	KACMO	Loans and Advance	\$ 3,922	\$ 3,517	(\$ 405)	None	None	Note 4
Yuanta Savings Bank (Korea)	2024/9/30	ICL Loan Corporation	Loans and Advance	\$ 5,576	\$ 10,085	\$ 4,509	None	None	Note 5

Note1: Book value is the balance after deducting the amount of the allowance for doubtful debts to the original creditor's right.

Note2: The carrying amount and the sale price of the loan was KRW305 thousand and KRW186 thousand, using the exchange rate of 1 KRW to 0.02369 NTD.

Note3: The carrying amount and the sale price of the loan was KRW418,587 thousand and KRW537,664 thousand, using the exchange rate of 1 KRW to 0.02369 NTD.

Note4: The carrying amount and the sale price of the loan was KRW165,569 thousand and KRW148,469 thousand, using the exchange rate of 1 KRW to 0.02369 NTD.

Note5: The carrying amount and the sale price of the loan was KRW235,400 thousand and KRW425,712 thousand, using the exchange rate of 1 KRW to 0.02369 NTD.

G. Information on and categories of securitized assets which are approved by the authority pursuant to Financial Asset Securitization Act or the Real Estate Securitization Act: None.

H. Other material transaction items which were significant to the users of the financial statements: None.

I. Funds lent to other: Not applicable to subsidiaries in a financial or securities industries. For non-financial and non-securities subsidiaries, no fund has been lent except for the following:

Number	Lending company	Borrower	Account	Related-party	Maximum balance at current period	Ending balance	Actual used amount	Interest rate	Characteristic of fund lent to others	Amount	Reason for short-term loans	Provision for credit loss	Collateral		Limit of individual lending	Total limit of funds lent to others
													Item	Value		
1	Yuanta Securities Asia Finance Service	PT Yuanta Sekuritas Indonesia	Accounts receivable-related party	Yes	\$ 1,076,134	\$ 1,076,134	\$ 443,114	5.60%	Short-term loans	\$ -	Fulfill operating cost and working capital	\$ -	-	\$ -	\$ 47,351,149	\$ 47,351,149
2	Yuanta Securities Asia Finance Service	Yuanta Securities (Thailand)	Accounts receivable-related party	Yes	2,532,080	1,582,550	-	-	Short-term loans	-	Fulfill operating cost and working capital	-	-	-	47,351,149	47,351,149
3	Yuanta Securities Asia Finance Service	Yuanta Securities (Vietnam)	Accounts receivable-related party	Yes	949,530	949,530	-	-	Short-term loans	-	Working capital	-	-	-	47,351,149	47,351,149
4	Yuanta Securities Asia Finance Service	Yuanta Securities (Korea)	Accounts receivable-related party	Yes	2,215,570	2,215,570	-	-	Short-term loans	-	Working capital	-	-	-	47,351,149	47,351,149

Note : The ceiling on total loans granted and limit to loans granted to a single party by Yuanta Securities Asia Financial Services should not exceed the net worth of its latest audited/reviewed financial statements.

J. Endorsements and guarantees provided for others:

Number	Endorsing and guarantee company	Endorsed and guaranteed company		Limit for endorsement and guarantee for single enterprise	Maximum outstanding endorsements and guarantee amount during for the nine months ended September 30, 2024	Ending balance of endorsement and guarantee	Actual used amount	Property-backed endorsement and guarantee	The ratio of accumulated endorsement and guarantee amount and the net value of the latest financial statement	Maximum limit	Provision of endorsements and guarantees by parent company to subsidiary	Provision of endorsements and guarantees by subsidiary to parent company	Provision of endorsements and guarantees to the party in Mainland China
		Name of company	Relationship										
1	Yuanta Securities	PT Yuanta Sekuritas Indonesia	More than 50% common stock-directly-owned subsidiary	\$ 30,995,049 (Note 1)	\$ 110,779	\$ 110,779	\$ -	\$ -	0.07%	\$ 61,990,098 (Note 1)	Yes	No	No
2	Yuanta Securities	Yuanta International Investment (Hong Kong) (Note 2)	More than 50% common stock-directly-owned subsidiary	30,995,049 (Note 1)	1,582,550	1,582,550	70,742	-	1.02%	61,990,098 (Note 1)	Yes	No	No
3	Yuanta Securities Asia Financial Service	Yuanta Securities (Thailand)	More than 50% common stock-directly-owned subsidiary	47,351,149 (Note 3)	294,510	-	-	-	0.00%	47,351,149 (Note 3)	Yes	No	No
4	Yuanta Securities Asia Financial Service	PT Yuanta Sekuritas Indonesia	More than 50% common stock-directly-owned subsidiary	47,351,149 (Note 3)	305,197	305,197	-	-	0.64%	47,351,149 (Note 3)	Yes	No	No
5	Yuanta Securities Asia Financial Service	Yuanta Securities (Vietnam)	More than 50% common stock-directly-owned subsidiary	47,351,149 (Note 3)	412,160	412,160	103,040	-	0.87%	47,351,149 (Note 3)	Yes	No	No

Note 1: In accordance with the Company's "Procedures for Provision of Endorsements and Guarantees", the ceiling on total loans granted and limit to loans granted to a single party by Yuanta Securities should not exceed 40% and 20% of net worth of the company's latest audited/reviewed financial statements, respectively.

Note 2: To become a local agent and guarantee institution of foreign structure instruments which are issued by the reinvested company, Yuanta International Investment (Hong Kong), on September 24, 2020, Yuanta Securities' Board of Directors resolved to provide a guarantee with a limit of USD50 million. On December 16, 2020, Yuanta Securities obtained the approval from Gin-Gwen-Zheng-Quan-Zi Letter No. 1090372253 of the FSC in Taiwan. On February 25, 2021, both parties finished signing the guarantee contract after the relating process has been completed.

Note 3: According to the Company's "Procedures for Provision of Endorsements and Guarantees", total endorsements and guarantees provided to others cannot exceed the net assets value in Yuanta Securities Asia Financial Services's latest financial statements audited or reviewed by an independent auditor.

K. Engagement in derivatives trading: Disclosure may be exempt for subsidiaries in the financial industry, insurance industry and securities industry. Not applicable for all the other subsidiaries and indirect subsidiaries.

L. Securities held at the end of period:

(Expressed in Thousands of New Taiwan Dollars)

September 30, 2024

Name of company which holds securities	Category and name of securities (or name of issuer of securities)	Relationship between issuer of securities and the company	Account	Percentage of				
				Number of shares (In thousands)	Book value	ownership (%)	Book value	Note
Yuanta Securities Investment Trust	Beneficiary certificates:							
	Yuanta/P-shares Taiwan Top 50 ETF	The managing company of the fund	Financial assets at fair value through profit or loss	34	\$ 6,250	-	\$ 6,250	
	Yuanta/P-shares Taiwan Mid-Cap 100 ETF	"	"	15	1,258	-	1,258	
	Yuanta/P-shares Taiwan Electronics Tech ETF	"	"	27	2,678	-	2,678	
	Yuanta/P-shares MSCI Taiwan Financials ETF	"	"	23	665	-	665	
	Yuanta/P-shares Taiwan Dividend Plus ETF	"	"	35	1,343	-	1,343	
	W.I.S.E. Yuanta/P-shares CSI 300 ETF	"	"	27	619	-	619	
	Yuanta S&P500	"	"	7	392	-	392	
	Yuanta Taiwan Value High Dividend ETF	"	"	15	143	-	143	
	Yuanta/P-shares Taiwan GreTai 50 ETF	"	"	21	504	-	504	
	Yuanta/P-shares MSCI Taiwan ETF	"	"	14	1,202	-	1,202	
	Yuanta/P-shares SSE50 ETF	"	"	22	711	-	711	
	Yuanta S&P GSCI Gold ER Futures ETF	"	"	8	236	-	236	
	Yuanta S&P GSCI Crude Oil ER Futures ETF	"	"	1	10	-	10	
	Yuanta EURO STOXX 50 ETF	"	"	8	283	-	283	
	Yuanta Nikkei 225 ETF	"	"	6	279	-	279	
	Yuanta U.S. Treasury 20+ Year Bond ETF	"	"	17	537	-	537	
	Yuanta S&P US Dollar ER Futures ETF	"	"	-	4	-	4	
	Yuanta U.S. Treasury 7-10 Year Bond ETF	"	"	11	393	-	393	
	Yuanta Taiwan High Dividend Low Volatility ETF	"	"	26	1,508	-	1,508	
	Yuanta U.S. Treasury 1-3 Year Bond ETF	"	"	16	514	-	514	
	Yuanta US 20+ Year BBB Corporate Bond ETF	"	"	10	356	-	356	
	Yuanta China Treasury + Policy Bank 3-5 Year Bond ETF	"	"	-	7	-	7	
	Yuanta DJCI Silver ER Futures ETF	"	"	1	18	-	18	
	Yuanta MSCI China A ETF	"	"	11	252	-	252	
	Yunata US 20+ Year AAA-A Corporate Bond ETF	"	"	9	338	-	338	

				September 30, 2024				
Name of company which holds securities	Category and name of securities (or name of issuer of securities)	Relationship between issuer of securities and the company	Account	Number of shares (In thousands)	Percentage of ownership			
					Book value	(%)	Book value	Note
Yuanta Securities Investment Trust	Beneficiary certificates:							
	Yunata STOXX Global Artificial Intelligence ETF	The managing company of the fund	Financial assets at fair value through profit or loss	26	\$ 1,598	-	\$ 1,598	
	Yunata S&P U.S. High Yield Preferred Stock ETF	"	"	-	8	-	8	
	Yunata US 10+ Investment Grade Bank Bond ETF	"	"	13	450	-	450	
	Yunata US 10+ Investment Grade Healthcare Bond ETF	"	"	12	430	-	430	
	Yunata US 10+ Investment Grade Utility Electric Power Bond ETF	"	"	11	350	-	350	
	Yuanta FTSE4Good TIP Taiwan ESG ETF	"	"	18	808	-	808	
	Yuanta Global NextGen Communications ETF	"	"	19	821	-	821	
	Yuanta 15+ Year Emerging Markets Sovereign Bond ETF	"	"	1	20	-	20	
	Yuanta Global 5G & NexGen Telecommunication Components ETF	"	"	24	920	-	920	
	Yuanta De- Bao Money Market Fund	"	"	8,023	100,078	-	100,078	
	Yuanta Japan Leaders Equity Fund-(I)	"	"	26,621	286,179	-	286,179	
	SinoPac TWD Money Market Fund	-	"	20,768	300,135	-	300,135	
	FSITC Taiwan Money Market Fund	-	"	18,870	300,138	-	300,138	
	Taishin Ta-Chong Money Market Fund	-	"	20,335	<u>300,207</u>	-	<u>300,207</u>	
					<u>\$ 1,312,642</u>		<u>\$ 1,312,642</u>	
	Stocks:							
	Taiwan Futures Exchange	-	Financial assets at fair value through other comprehensive income	5,475	\$ 437,266	0.88	\$ 437,266	
	FundRich Securities Co. Ltd.	-	"	859	<u>15,496</u>	1.36	<u>15,496</u>	
					<u>\$ 452,762</u>		<u>\$ 452,762</u>	
	CR Yuanta Fund Management Company Limited	-	Equity investments accounted for under the equity method	147,000	<u>\$ 363,321</u>	24.50	<u>\$ 363,321</u>	
Yuanta Asset Management	Beneficiary certificates:							
	Taishin 1699 Money Market Fund	-	Financial assets at fair value through profit or loss	15,421	\$ 217,320	-	\$ 217,320	
	Yuanta Taiwan Value High Dividend ETF	-	"	5,000	48,400	-	48,400	
	Yuanta Japan Leaders Equity Fund-(A)	-	"	3,021	32,266	-	32,266	

				September 30, 2024				
Name of company which holds securities	Category and name of securities (or name of issuer of securities)	Relationship between issuer of securities and the company	Account	Percentage of				
				Number of shares (In thousands)	Book value	ownership (%)	Book value	Note
Yuanta Asset Management	Beneficiary certificates:							
	Yuanta De-Li Money Market Fund	-	Financial assets at fair value through profit or loss	11,816	\$ 200,158	-	\$ 200,158	
	PGIM Money Market Fund	-	"	6,092	100,080	-	100,080	
	Taishin Ta-Chong Money Market Fund	-	"	6,793	100,287	-	100,287	
	Hua Nan Phoenix Money Market Fund	-	"	5,920	<u>100,021</u>	-	<u>100,021</u>	
					<u>\$ 798,532</u>		<u>\$ 798,532</u>	
	Stocks:							
	Taiwan Finance Corporation	-	Financial assets at fair value through other comprehensive income	828	\$ 7,075	0.16	\$ 7,075	
	Sunsino Venture Co., Ltd.	-	"	443	5,824	0.93	5,824	
	DaYeh Development Co., Ltd.	-	"	333	67	2.22	67	
	Chung Yi Development Co., Ltd.	-	"	2,278	114	6.63	114	
	China Investment and Development Co.,Ltd	-	"	1,980	29,126	1.23	29,126	
	China Trade And Development Corporation	-	"	500	<u>12,835</u>	0.76	<u>12,835</u>	
					<u>\$ 55,041</u>		<u>\$ 55,041</u>	
Yuanta Venture Capital	Beneficiary certificates:							
	Yuanta De-Li Money Market Fund	-	Financial assets at fair value through profit or loss	5,913	\$ 100,158	-	\$ 100,158	Fund
	Yuanta 2-10 Year Investment Grade Corporate Bond Fund-TWD (A)	-	"	2,223	<u>24,655</u>	-	<u>24,655</u>	Fund
				<u>\$ 124,813</u>		<u>\$ 124,813</u>		
Yuanta Venture Capital	Stocks:							
	United Renewable Energy Co., Ltd.	-	Financial assets at fair value through profit or loss	513	\$ 4,991	0.03	\$ 4,991	
	Eurocharm Holdings Co., Ltd.	-	"	624	119,496	0.93	119,496	
	Ever Fortune. AI Co. , Ltd.	-	"	650	55,120	0.67	55,120	
	Pharmosa Biopharm Co. , Ltd.	-	"	1,500	97,500	1.16	97,500	
	Center Laboratories, Inc.	-	"	1,470	70,630	0.20	70,630	
	Tot Biopharm International Company Limited	-	"	15,606	127,191	2.02	127,191	
Apollomics Inc.	-	"	117	519	0.11	519		

				September 30, 2024				
Name of company which holds securities	Category and name of securities (or name of issuer of securities)	Relationship between issuer of securities and the company	Account	Number of shares (In thousands)	Percentage of ownership			
					Book value	(%)	Book value	Note
Yuanta Venture Capital	Stocks:							
	Gorilla Technology Group Inc.	-	Financial assets at fair value through profit or loss	10	\$ 1,350	0.09	\$ 1,350	
	GCT Semiconductor Holding, Inc.	-	"	186	19,715	0.39	19,715	
	Jing-Jan Retail Business Co., Ltd.	-	"	1,408	58,165	2.35	58,165	
	Taiwan Microloops Co., Ltd.	-	"	815	68,546	1.36	68,546	
	Shine-On BioMedical Co., Ltd.	-	"	300	18,569	0.60	18,569	
	Mega Union Technology Incorporated	-	"	501	176,693	0.74	176,693	
	IOVTEC Co., Ltd.	-	"	630	72,857	3.31	72,857	
	CGK International Co., Ltd (Cayman)	-	"	877	8,988	2.00	8,988	
	Aprevent Medical Inc.	-	"	1,808	16,070	6.30	16,070	Preferred stock B
	Li Ling Film Co., Ltd.	-	"	500	-	1.09	-	
	GRAID Technology Inc.	-	"	682	35,673	2.41	35,673	Preferred stock A
	YU-CHEN SYSTEM Technology Corp.	-	"	1,260	65,948	7.33	65,948	
	Certain Micro Application Technology Inc.	-	"	1,200	29,652	6.48	29,652	
	Song Chuan Precision Co., Ltd.	-	"	1,600	170,080	2.20	170,080	
	ETERNAL PRECISION MECHANICS CO., LTD.	-	"	460	28,768	0.75	28,768	
	Ye Siang enterprise CO., LTD.	-	"	50	4,015	0.08	4,015	
	Aprevent Medical, Inc.	-	"	394	-	1.37	-	
	Veden Dental Group	-	"	246	-	0.50	-	
	Long Diann Marine Bio Technology Co., Ltd.	-	"	1,290	-	6.47	-	
	Canal Biotech Corporation Inc.	-	"	533	-	13.46	-	
	Great Dream Pictures, Inc.	-	"	200	-	19.96	-	
	Asia Pacific Venture Invest II L.P.	-	"	-	<u>739</u>	10.00	<u>739</u>	
					<u>\$ 1,251,275</u>		<u>\$ 1,251,275</u>	
	Da Hwa Venture Capital Co., Ltd.	-	Financial assets at fair value through other comprehensive income	800	\$ 13,544	0.50	\$ 13,544	
	Prudence Capital Management	-	"	596	6,901	9.00	6,901	
	Sheng Hwa Venture Capital Co., Ltd.	-	"	1,064	979	4.80	979	

				September 30, 2024				
Name of company which holds securities	Category and name of securities (or name of issuer of securities)	Relationship between issuer of securities and the company	Account	Number of shares (In thousands)	Percentage of ownership			
					Book value	(%)	Book value	Note
Yuanta Venture Capital	Stocks:							
	Lian Xun San Venture Capital Co., Ltd.	-	Financial assets at fair value through other comprehensive income	10	\$ 275	10.00	\$ 275	
	Hwa Lu Venture Capital Co., Ltd.	-	"	43	1,735	8.70	1,735	
	Qi Ding Venture Capital Co., Ltd.	-	"	168	333	4.35	333	
	Huiyang Venture Capital Co., Ltd.	-	"	67	<u>2,361</u>	2.46	<u>2,361</u>	
					<u>\$ 26,128</u>		<u>\$ 26,128</u>	
	Yuanta I Venture Capital Co., Ltd.	Investee company accounted for under the equity method	Equity investments accounted for under the equity method	85,000	<u>\$ 1,389,413</u>	100.00	<u>\$ 1,389,413</u>	

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(4) Investments in Mainland China

A. Information of investment in Mainland China

Yuanta Venture Capital

(Expressed in thousands of dollars)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	Net income of investee as of September 30, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024 (Note 4)	Book value of investments in Mainland China as of September 30, 2024	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2024
					Remitted to Mainland China	Remitted back to Taiwan						
Tot Biopharm International Company Limited	Pharmaceutical company specializes in cancer treatment	\$ 8,786,318 (USD 277,600)	(2) HONG KONG TOT BIOPHARM INTERNATIONAL COMPANY LIMITED	\$ 164,620	\$ -	\$ -	\$ 164,620	Note 5	2.02%	\$ -	\$ 164,620	\$ -
Jhong Shan Dong Yi Technology Co., Ltd.	Protection glass grinding and sales	253,208 (USD 8,000)	(2) CAYMAN ISLANDS CGK INTERNATIONAL CO., LTD.	5,599	-	-	5,599	Note 5	2.00%	-	5,599	-
Orient Optical Crystal Mfg. Co	Protection glass grinding and sales	20,376 (HKD 5,000)	(2) CAYMAN ISLANDS CGK INTERNATIONAL CO., LTD.	452	-	-	452	Note 5	2.00%	-	452	-
Veden Dental Labs Inc.	Manufacturing dental restoration	338,242 (HKD 83,000)	(2) CAYMAN ISLANDS VEDEN DENTAL GROUP	22,762	-	-	22,762	Note 5	0.50%	-	22,762	-

Yuanta I Venture Capital

(Expressed in thousands of dollars)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	Net income of investee as of September 30, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024 (Note 4)	Book value of investments in Mainland China as of September 30, 2024	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2024
					Remitted to Mainland China	Remitted back to Taiwan						
Jie Qun Electronic Technology (Dong Guan) Ltd.	Transistors	\$ 2,788,979 (USD 88,117)	(2) VIRGIN ISLANDS GREAT TEAM BACKEND FOUNDRY, INC.	\$ 40,735	\$ -	\$ 4,150	\$ 36,585	Note 5	3.24%	\$ -	\$ 22,575	\$ 30,179

Yuanta Securities

(Expressed in thousands of dollars)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	Net income of investee as of September 30, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024 (Note 4)	Book value of investments in Mainland China as of September 30, 2024	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2024
					Remitted to Mainland China	Remitted back to Taiwan						
GC Investment Consultant (Shanghai)	Investment consultation	\$ 18,720 (CNY 4,138)	(3)	\$ -	\$ -	\$ -	\$ -	\$ 229	100.00%	\$ - In liquidation	\$ 23,100	\$ -
Yuanta Securities Investment Consultant (Beijing)	Investment management consulting service, financial consulting service, business administration consulting service, business information consulting service, economic and trade consulting service, marketing and planning, technical promotion and services	83,376 (CNY 18,428)	(2) Yuanta Securities Asia Financial Service	-	-	-	-	2,770	100.00%	2,770 (2)B	22,572	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	Net income of investee as of September 30, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2024 (Note 4)	Book value of investments in Mainland China as of September 30, 2024	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2024
					Remitted to Mainland China	Remitted back to Taiwan						
CR Yuanta Fund Management Company Limited	Fund raising and sale	\$ 2,714,580 (CNY 600,000)	(1)	\$ 705,666	\$ -	\$ -	\$ 705,666	\$ 28,160	24.50%	\$ 6,899	\$ 363,321	\$ -

B. Limitation on investment in Mainland China (Expressed in thousands of dollars)

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note)
Yuanta Venture Capital and its subsidiaries	\$ 230,018	\$ 234,021	\$ 2,113,547
GC Investment Consultant (Shanghai)	-	Note 6	Note 6
Yuanta Investment Consulting Beijing	-	91,973	102,251,988
Yuanta Securities Investment Trust	705,666	705,666	4,046,669

Note: The abovementioned limitations on investments in Mainland China were based on 60% of Yuanta Venture Capital's net worth of \$3,522,578.

The abovementioned limitations on investments in Mainland China were based on 60% of Yuanta Securities's net worth of \$170,419,979.

The abovementioned limitations on investments in Mainland China were based on 60% of Yuanta Securities Investment Trust's net worth of \$6,744,448.

Note 1: Investment methods are classified into the following three categories; fill in the number of the category each case belongs to:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (3) Others.

Note 2: In the 'Investment income (loss) recognised by the Company for the nine months ended September 30, 2024' column:

- (1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.
- (2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:
 - a. The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.
 - b. The financial statements that are audited and attested by R.O.C. parent company's CPA.
 - c. Others.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

Note 4: The investment targets are Yuanta Venture Capital and Yuanta I Venture Capital's information of investment in Mainland China and are recognised as financial assets at fair value through profit or loss, therefore, there was no investment income (loss) recognised.

Note 5: The Company's subsidiary does not have significant influence over the investee. Thus, financial information on the investee is unattainable.

Note 6: Yuanta Securities absorbed Polaris Securities and therefore indirectly acquired USD16 million capital of GC Investment Consultant (Shanghai) Co., Ltd., a subsidiary of GC Investment Consultant (Asian) Co., Ltd. (renamed as Polaris Capital afterwards), being reinvested by Polaris Holdings (Cayman) Ltd., the direct overseas investment of Polaris Securities. GC Investment Consultant (Shanghai) Co., Ltd. was approved to liquidate, the Yuanta Group has no significant influence over the company, therefore, the equity method was no longer applicable.

(5) Significant commitments or contingency of subsidiaries

Please refer to Note 9.

(6) Significant loss from disasters of subsidiaries

Please refer to Note 10.

(7) Significant subsequent events of subsidiaries

Please refer to Note 11.

(8) Major shareholders information

No shareholder held shares above 5% as of September 30, 2024.

(9) Related party transactions of subsidiaries amounting to at least \$100 million

Please refer to Note 7.

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(10) Significant transactions between parent company and subsidiaries

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Details of transactions			Percentage of total consolidated net revenues or assets (Note 3)
				Account	Amount	Conditions	
0	Yuanta Financial Holdings	Yuanta Securities	1	Receivables – net	1,594,483	No significant difference from general customers	0.04%
0	Yuanta Financial Holdings	Yuanta Bank	1	Receivables – net	938,036	"	0.02%
0	Yuanta Financial Holdings	Yuanta Life	1	Payables	5,844,629	"	0.16%
0	Yuanta Financial Holdings	Yuanta Bank	1	Right-of-use assets – net	383,663	"	0.01%
1	Yuanta Securities	Yuanta Futures	3	Cash and cash equivalents	2,181,074	"	0.06%
1	Yuanta Securities	Yuanta Futures	3	Financial assets at fair value through profit or loss	1,753,131	"	0.05%
1	Yuanta Securities	Yuanta Securities (Hong Kong)	3	Receivables – net	516,968	"	0.01%
1	Yuanta Securities	Yuanta Life	3	Right-of-use assets – net	483,238	"	0.01%
1	Yuanta Securities	Yuanta Securities (Hong Kong)	3	Payables	138,200	"	0.00%
1	Yuanta Securities	Yuanta Securities Investment Trust	3	Net service fee and commission income	177,889	"	0.20%
1	Yuanta Securities	Yuanta Bank	3	Interest revenue	152,310	"	0.17%
1	Yuanta Securities	Yuanta Futures	3	Net service fee and commission income	211,865	"	0.24%
1	Yuanta Securities	Yuanta Securities Investment Consulting	3	Other business and administrative expenses	149,535	"	0.17%
1	Yuanta Securities	Yuanta Bank	3	Net other miscellaneous income or loss	171,594	"	0.19%
1	Yuanta Securities	Yuanta International Insurance Brokers	3	Net other miscellaneous income or loss	126,876	"	0.14%
2	Yuanta Bank	Yuanta Futures	3	Cash and cash equivalents	442,307	"	0.01%
2	Yuanta Bank	Yuanta Futures	3	Financial assets at fair value through profit or loss	400,949	"	0.01%
2	Yuanta Bank	Yuanta Futures	3	Financial assets at fair value through profit or loss	(234,721)	"	-0.01%
2	Yuanta Bank	Yuanta Life	3	Receivables – net	115,927	"	0.00%
2	Yuanta Bank	Yuanta Securities Finance	3	Bills discounted and loans – net	1,173,000	"	0.03%
2	Yuanta Bank	Yuanta Life	3	Deposits and remittances	750,041	"	0.02%
2	Yuanta Bank	Yuanta Securities	3	Deposits and remittances	895,163	"	0.02%

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Details of transactions			Percentage of total consolidated net revenues or assets (Note 3)
				Account	Amount	Conditions	
2	Yuanta Bank	Yuanta International Insurance Brokers	3	Deposits and remittances	217,125	No significant difference from general customers	0.01%
2	Yuanta Bank	Yuanta Futures	3	Deposits and remittances	140,000	"	0.00%
2	Yuanta Bank	Yuanta Life	3	Deposits and remittances	119,004	"	0.00%
2	Yuanta Bank	Yuanta Securities	3	Deposits and remittances	12,807,863	"	0.34%
2	Yuanta Bank	Yuanta Securities (Hong Kong)	3	Deposits and remittances	137,916	"	0.00%
2	Yuanta Bank	Yuanta Futures	3	Deposits and remittances	2,303,600	"	0.06%
2	Yuanta Bank	Yuanta Futures (Hong Kong)	3	Deposits and remittances	164,586	"	0.00%
2	Yuanta Bank	Yuanta Securities Investment Trust	3	Deposits and remittances	4,110,000	"	0.11%
2	Yuanta Bank	Yuanta Life	3	Deposits and remittances	2,000,000	"	0.05%
2	Yuanta Bank	Yuanta Venture Capital	3	Deposits and remittances	599,400	"	0.02%
2	Yuanta Bank	Yuanta I Venture Capital	3	Deposits and remittances	169,500	"	0.00%
2	Yuanta Bank	Yuanta Asset Management	3	Deposits and remittances	418,900	"	0.01%
2	Yuanta Bank	Yuanta Securities	3	Deposits and remittances	54,389,709	"	1.45%
2	Yuanta Bank	Yuanta Securities Asia Financial Services	3	Deposits and remittances	579,213	"	0.02%
2	Yuanta Bank	Yuanta Securities (Hong Kong)	3	Deposits and remittances	6,211,989	"	0.17%
2	Yuanta Bank	Yuanta Futures	3	Deposits and remittances	18,271,545	"	0.49%
2	Yuanta Bank	Yuanta Financial Holdings	2	Deposits and remittances	1,000,000	"	0.03%
2	Yuanta Bank	Yuanta Securities	3	Deposits and remittances	5,064,160	"	0.13%
2	Yuanta Bank	Yuanta Futures (Hong Kong)	3	Deposits and remittances	159,193	"	0.00%
2	Yuanta Bank	Yuanta Futures	3	Deposits and remittances	25,518,648	"	0.68%
2	Yuanta Bank	Yuanta Securities Investment Trust	3	Net service fee and commission income	103,348	"	0.11%
2	Yuanta Bank	Yuanta Life	3	Net service fee and commission income	1,204,613	"	1.34%
2	Yuanta Bank	Yuanta Futures	3	Interest expense	619,251	"	0.69%
2	Yuanta Bank	Yuanta Securities	3	Interest expense	257,042	"	0.29%
2	Yuanta Bank	Yuanta Securities (Hong Kong)	3	Interest expense	228,079	"	0.25%
3	Yuanta Futures	Yuanta Futures (Hong Kong)	3	Other financial assets – net	247,473	"	0.01%
3	Yuanta Futures	Yuanta Futures (Hong Kong)	3	Other financial liabilities	564,254	"	0.01%
3	Yuanta Futures	Yuanta Securities (Korea)	3	Other financial liabilities	389,290	"	0.01%

No. (Note 1)	Company	Counterparty	Relationship (Note 2)	Details of transactions			Percentage of total consolidated net revenues or assets (Note 3)
				Account	Amount	Conditions	
4	Yuanta Life	Yuanta International Insurance Brokers	3	Net service fee and commission income	423,688	No significant difference from general customers	0.47%
5	Yuanta Securities Investment Trust	Yuanta Bank	3	Right-of-use assets – net	126,881	"	0.00%
6	Yuanta Securities Investment Consulting	Yuanta Bank	3	Lease liabilities	108,857	"	0.00%
7	Yuanta Futures (Hong Kong)	Yuanta Securities (Vietnam)	3	Other financial assets – net	163,190	"	0.00%
8	Yuanta Securities Asia Financial Services	Yuanta Securities (Indonesia)	3	Receivables – net	443,123	"	0.01%

Note 1: The numbers in the No. column represent as follows:

1. 0 for the parent company.
2. According to the sequential order, subsidiaries are numbered from 1.

Note 2: There are three types of relationships with the counterparties and they are labeled as follows (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transactions with a subsidiary, then the subsidiary is not required to disclose the transactions; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transactions, then the other is not required to disclose the transactions) :

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: The calculation basis of the trading amount accounting for the total consolidated net revenues or assets is that the account ending balance is divided by the total consolidated assets if it is attributed to the balance sheet accounts, and the accumulated trading amount of the interim period is divided by the total consolidated net revenues if it is attributed to the profit or loss accounts.

Note 4: The transactions disclosed are those over \$100,000.

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14. Segment information

(1) General information

A. Recognition elements of reporting segment

The Yuanta Group is mainly engaged in the investment and management of its investees; therefore, the management reports are provided to the Chief Operating Decision-Maker (“CODM”) to allocate resources to operating segments and evaluate their performance. The Yuanta Group’s management recognised reporting segments based on the policies adopted by the CODM.

B. The income sources and service types of each reporting segment

The management has recognised reporting segments based on the reporting information used by the CODM. The Yuanta Group has five reporting segments according to the types of income sources: banking, securities, futures, insurance and others. The products and types of service of the income sources are as follows:

(A) Banking: corporate banking, personal banking and wealth management in accordance with the Banking Act.

(B) Securities: securities dealing or consignment trading, underwriting securities, registration and transfer agency service for securities, assistance of futures trading, futures dealing, and issuing call (put) warrants, derivative financial instrument transactions including interest rate swap, asset swap and structured notes.

(C) Futures: domestic and foreign futures merchant business, self-operating business, futures consultation business, futures agency, self-operating securities business and other futures relating business as approved by authorities.

(D) Insurance: the main activities comprise life insurance enterprises and provision of life, medical, accident injury and investment-oriented insurance products.

(E) Others: includes those not mentioned above, for example, investment trust, investment consulting, venture capital and asset management businesses.

(2) Measurement of segment information – measurement of the profit and loss of operating segments

The Yuanta Group’s measurement principles for profit and loss of operating segments is consistent with the significant accounting policies stated in Note 4, and the measurement of profit and loss performance is based on pre-tax profit and loss.

Inter-segmental transactions are arm’s-length transactions, and the gain and loss arising from such transactions are eliminated by the parent company in the consolidated financial statements. Profit and loss directly attributable to various segments have been considered when segment performance is being evaluated.

Expressed in Thousands of New Taiwan Dollars

For the nine months ended September 30, 2024

	Banking	Securities	Futures	Insurance	Others	Adjustment and elimination	Consolidated
Revenue from external customers	\$ 20,894,780	\$ 46,278,732	\$ 3,004,714	\$ 13,442,832	\$ 6,375,503	\$ -	\$ 89,996,561
Revenue (loss) from transactions with other operating segments of the same entity	<u>100,906</u>	<u>1,570,390</u>	<u>506,187</u>	<u>(1,446,908)</u>	<u>805,287</u>	<u>(1,535,862)</u>	<u>-</u>
Net revenues (Note)	<u>20,995,686</u>	<u>47,849,122</u>	<u>3,510,901</u>	<u>11,995,924</u>	<u>7,180,790</u>	<u>(1,535,862)</u>	<u>89,996,561</u>
Provision for bad debt expenses, commitment and guarantee policy reserve	(1,199,599)	(430,237)	1,476	(422)	-	-	(1,628,782)
Net change in provisions for insurance liabilities	-	-	-	(8,885,655)	-	82,838	(8,802,817)
Operating expenses	(10,741,500)	(28,573,864)	(1,496,311)	(1,308,488)	(3,709,013)	1,043,277	(44,785,899)
Income from continuing operations before income tax	<u>\$ 9,054,587</u>	<u>\$ 18,845,021</u>	<u>\$ 2,016,066</u>	<u>\$ 1,801,359</u>	<u>\$ 3,471,777</u>	<u>(\$ 409,747)</u>	<u>\$ 34,779,063</u>

For the nine months ended September 30, 2023

	Banking	Securities	Futures	Insurance	Others	Adjustment and elimination	Consolidated
Revenue from external customers	\$ 18,229,104	\$ 34,730,986	\$ 2,713,580	\$ 17,996,062	\$ 4,152,735	\$ -	\$ 77,822,467
Revenue (loss) from transactions with other operating segments of the same entity	<u>307,061</u>	<u>1,142,159</u>	<u>225,283</u>	<u>(1,121,105)</u>	<u>479,401</u>	<u>(1,032,799)</u>	<u>-</u>
Net revenues (Note)	<u>18,536,165</u>	<u>35,873,145</u>	<u>2,938,863</u>	<u>16,874,957</u>	<u>4,632,136</u>	<u>(1,032,799)</u>	<u>77,822,467</u>
Provision for bad debt expenses, commitment and guarantee policy reserve	(208,593)	(96,747)	37,301	(746)	-	-	(268,785)
Net change in provisions for insurance liabilities	-	-	-	(11,795,320)	-	89,811	(11,705,509)
Operating expenses	(9,264,038)	(22,640,773)	(1,247,011)	(1,220,264)	(3,084,610)	874,005	(36,582,691)
Income from continuing operations before income tax	<u>\$ 9,063,534</u>	<u>\$ 13,135,625</u>	<u>\$ 1,729,153</u>	<u>\$ 3,858,627</u>	<u>\$ 1,547,526</u>	<u>(\$ 68,983)</u>	<u>\$ 29,265,482</u>

Note: Net revenues include gain and loss on financial assets and liabilities at fair value through profit or loss, realised gain and loss on financial assets at fair value through other comprehensive income, foreign exchange gains and losses, and other non-interest income.