

PRIMASIA SECURITIES COMPANY LIMITED
BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| Assets | Notes | December 31, 2021 | | December 31, 2020 | |
|---|---------------|---------------------|------------|---------------------|------------|
| | | AMOUNT | % | AMOUNT | % |
| Current assets | | | | | |
| Cash and cash equivalents | 6(1) | \$ 19,659 | - | \$ 17,150 | - |
| Financial assets at fair value through profit or loss – current | 6(2) | 1,194,619 | 16 | 889,846 | 15 |
| Accounts receivable | 6(4) | 953,572 | 13 | 1,165,656 | 20 |
| Prepayments | | 1,282 | - | 961 | - |
| Other receivables | | 4,271 | - | 4,303 | - |
| Other financial assets – current | 7 | 1,678 | - | 11,721 | - |
| Current income tax assets | | 104 | - | 838 | - |
| Restricted assets – current | 6(1) and 8 | 411,000 | 5 | 411,000 | 7 |
| Other current assets | | 727,491 | 10 | 175,711 | 3 |
| Total current assets | | <u>3,313,676</u> | <u>44</u> | <u>2,677,186</u> | <u>45</u> |
| Non-current assets | | | | | |
| Financial assets at fair value through other comprehensive income – non-current | 6(2) and 8 | 3,522,083 | 47 | 2,740,673 | 46 |
| Property and equipment | 6(5) and 8 | 384,702 | 5 | 271,099 | 4 |
| Right-of-use assets | 6(6) | 32,410 | 1 | 39,109 | 1 |
| Intangible assets | 6(7) | 87,410 | 1 | 96,537 | 1 |
| Other non-current assets | 6(3)(8) and 8 | 156,598 | 2 | 161,279 | 3 |
| Total non-current assets | | <u>4,183,203</u> | <u>56</u> | <u>3,308,697</u> | <u>55</u> |
| Total Assets | | <u>\$ 7,496,879</u> | <u>100</u> | <u>\$ 5,985,883</u> | <u>100</u> |

(Continued)

PRIMASIA SECURITIES COMPANY LIMITED
BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| Liabilities and Equity | Notes | December 31, 2021 | | December 31, 2020 | |
|---|-------|---------------------|------------|---------------------|------------|
| | | AMOUNT | % | AMOUNT | % |
| Current liabilities | | | | | |
| Short-term loans | 6(9) | \$ 587,000 | 8 | \$ 412,000 | 7 |
| Commercial paper payable | 6(9) | 579,594 | 8 | 579,548 | 10 |
| Accounts payable | 6(10) | 951,103 | 12 | 1,168,249 | 19 |
| Current income tax liabilities | | 4,000 | - | - | - |
| Lease liabilities – current | | 6,273 | - | 6,755 | - |
| Other current liabilities | | 816,478 | 11 | 219,324 | 4 |
| Total current liabilities | | <u>2,944,448</u> | <u>39</u> | <u>2,385,876</u> | <u>40</u> |
| Non-current liabilities | | | | | |
| Long-term borrowings | 6(12) | 341,900 | 5 | 350,000 | 6 |
| Provision for liabilities – non-current | 6(11) | 13,427 | - | 15,973 | - |
| Lease liabilities – non-current | | 26,755 | - | 32,953 | 1 |
| Other non-current liabilities | | 500 | - | - | - |
| Total non-current liabilities | | <u>382,582</u> | <u>5</u> | <u>398,926</u> | <u>7</u> |
| Total Liabilities | | <u>3,327,030</u> | <u>44</u> | <u>2,784,802</u> | <u>47</u> |
| Equity | | | | | |
| Capital stock | 6(14) | 1,137,554 | 15 | 1,137,554 | 19 |
| Retained earnings | | | | | |
| Legal reserve | 6(14) | 101,616 | 2 | 77,163 | 1 |
| Special reserve | 6(14) | 70,764 | 1 | 21,859 | - |
| Accumulated earnings | 6(14) | 216,291 | 3 | 95,615 | 2 |
| Other equity interest | 6(14) | 2,643,624 | 35 | 1,868,890 | 31 |
| Total Equity | | <u>4,169,849</u> | <u>56</u> | <u>3,201,081</u> | <u>53</u> |
| Total liabilities and equity | | <u>\$ 7,496,879</u> | <u>100</u> | <u>\$ 5,985,883</u> | <u>100</u> |

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

PRIMASIA SECURITIES COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except earnings (losses) per share amount)

| Items | Notes | Year ended December 31 | | | |
|---|-------------|------------------------|-------------------|--------------------|---------------|
| | | 2021 | | 2020 | |
| | | AMOUNT | % | AMOUNT | % |
| Income | | | | | |
| Brokerage handling fee revenue | 7 | \$ 210,843 | 43 | \$ 136,362 | 97 |
| Revenue from underwriting business | | 1,106 | - | 973 | 1 |
| Net gains on sale of operating securities | 6(2) | 34,291 | 7 | 24,370 | 17 |
| Interest revenue | | 15,725 | 3 | 24,980 | 18 |
| Dividend revenue | | 6,902 | 2 | - | - |
| Net losses on operating securities measured at fair value through profit or loss | 6(2) | (108,895) | (22) | (80,151) | (57) |
| Futures commission revenue | | 1,185 | - | 1,518 | 1 |
| Net gains on derivative instruments – counter | 12(5) | 297,054 | 61 | 10,786 | 8 |
| Other operating revenue | | 30,884 | 6 | 20,951 | 15 |
| | | <u>489,095</u> | <u>100</u> | <u>139,789</u> | <u>100</u> |
| Expenses | | | | | |
| Brokerage handling fee expenses | | (32,703) | (7) | (20,221) | (14) |
| Proprietary handling fee expenses | | (14) | - | (25) | - |
| Underwriting charges – refinancing | | - | - | (3) | - |
| Finance costs | | (17,410) | (4) | (22,087) | (16) |
| Employee benefit expenses | 6(16) and 7 | (250,273) | (51) | (142,416) | (102) |
| Depreciation and amortisation expenses | 6(17) | (29,579) | (6) | (25,876) | (19) |
| Other operating expenses | 7 | (64,214) | (13) | (58,821) | (42) |
| | | <u>(394,193)</u> | <u>(81)</u> | <u>(269,449)</u> | <u>(193)</u> |
| Non-operating income and expenses | | | | | |
| Other income and expenses | 6(18) and 7 | 223,056 | 46 | 124,170 | 89 |
| Income (Loss) from continuing operations before income tax | | | | | |
| | | <u>317,958</u> | <u>65</u> | <u>(5,490)</u> | <u>(4)</u> |
| Income tax expense | 6(13) | (4,739) | (1) | - | - |
| Net income (loss) | | | | | |
| | | <u>\$ 313,219</u> | <u>64</u> | <u>(\$ 5,490)</u> | <u>(4)</u> |
| Other comprehensive income | | | | | |
| Items that will not be reclassified subsequently to profit or loss | | | | | |
| Remeasurement of net defined benefit | 6(11) | (\$ 5,430) | (1) | \$ 1,817 | 2 |
| Unrealised gain on valuation of investments in equity instruments measured at fair value through other comprehensive income | 6(2) | | | | |
| | | <u>774,734</u> | <u>158</u> | <u>201,661</u> | <u>144</u> |
| Other comprehensive income (net amount after tax) | | | | | |
| | | <u>\$ 769,304</u> | <u>157</u> | <u>\$ 203,478</u> | <u>146</u> |
| Total comprehensive income | | | | | |
| | | <u>\$ 1,082,523</u> | <u>221</u> | <u>\$ 197,988</u> | <u>142</u> |
| Basic earnings (losses) per share (in New Taiwan dollars) 6(15) | | | | | |
| | | <u>\$ 2.75</u> | <u>(\$ 0.05)</u> | | |

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

PRIMASIA SECURITIES COMPANY LIMITED
STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| | Notes | Retained Earnings | | | Accumulated earnings | Unrealised gain on financial assets measured at fair value through other comprehensive income | Total equity |
|--|-------|---------------------|-------------------|------------------|----------------------|---|---------------------|
| | | Capital stock | Legal reserve | Special reserve | | | |
| <u>Year ended December 31, 2020</u> | | | | | | | |
| Balance at January 1, 2020 | | \$ 1,137,554 | \$ 70,834 | \$ 9,201 | \$ 141,026 | \$ 1,667,229 | \$ 3,025,844 |
| Net loss for the year | | - | - | - | (5,490) | - | (5,490) |
| Other comprehensive income | 6(14) | - | - | - | 1,817 | 201,661 | 203,478 |
| Total comprehensive income (loss) | | - | - | - | (3,673) | 201,661 | 197,988 |
| Appropriation and distribution of prior year's earnings: | | | | | | | |
| Legal reserve | 6(14) | - | 6,329 | - | (6,329) | - | - |
| Special reserve | 6(14) | - | - | 12,658 | (12,658) | - | - |
| Cash dividends | 6(14) | - | - | - | (22,751) | - | (22,751) |
| Balance at December 31, 2020 | | <u>\$ 1,137,554</u> | <u>\$ 77,163</u> | <u>\$ 21,859</u> | <u>\$ 95,615</u> | <u>\$ 1,868,890</u> | <u>\$ 3,201,081</u> |
| <u>Year ended December 31, 2021</u> | | | | | | | |
| Balance at January 1, 2021 | | \$ 1,137,554 | \$ 77,163 | \$ 21,859 | \$ 95,615 | \$ 1,868,890 | \$ 3,201,081 |
| Net income for the year | | - | - | - | 313,219 | - | 313,219 |
| Other comprehensive income (loss) | 6(14) | - | - | - | (5,430) | 774,734 | 769,304 |
| Total comprehensive income | | - | - | - | 307,789 | 774,734 | 1,082,523 |
| Appropriation and distribution of prior year's earnings: | | | | | | | |
| Legal reserve | 6(14) | - | 24,453 | - | (24,453) | - | - |
| Special reserve | 6(14) | - | - | 48,905 | (48,905) | - | - |
| Cash dividends | 6(14) | - | - | - | (113,755) | - | (113,755) |
| Balance at December 31, 2021 | | <u>\$ 1,137,554</u> | <u>\$ 101,616</u> | <u>\$ 70,764</u> | <u>\$ 216,291</u> | <u>\$ 2,643,624</u> | <u>\$ 4,169,849</u> |

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

PRIMASIA SECURITIES COMPANY LIMITED
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| | Year ended December 31 | |
|--|------------------------|-------------|
| | 2021 | 2020 |
| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u> | | |
| Profit (loss) before tax | \$ 317,958 | (\$ 5,490) |
| Adjustments | | |
| Adjustments to reconcile profit (loss) | | |
| Depreciation expense | 18,484 | 16,963 |
| Amortisation expense | 11,095 | 8,913 |
| Net losses on operating securities measured at fair value through profit or loss | 13,148 | 59,031 |
| Dividend income | (91,752) | (68,700) |
| Interest income | (16,390) | (26,939) |
| Interest expense | 17,410 | 22,087 |
| Changes in operating assets and liabilities | | |
| Changes in operating assets | | |
| Increase in financial assets at fair value through profit or loss | (501,593) | (76,111) |
| Decrease (increase) in accounts receivable | 212,084 | (548,001) |
| (Increase) decrease in prepayments | (321) | 63 |
| (Increase) decrease in other receivables | (35) | 100 |
| Decrease in other financial assets – current | 10,043 | 13,793 |
| Decrease in restricted assets – current | - | 25,000 |
| Increase in other current assets | (551,780) | (173,624) |
| Decrease in other non-current assets | 4,681 | 2,072 |
| Changes in operating liabilities | | |
| (Decrease) increase in accounts payable | (217,146) | 551,807 |
| Increase in other current liabilities | 596,918 | 176,350 |
| Increase in other non-current liabilities | 500 | - |
| (Decrease) increase in provision for liabilities – non-current | (7,976) | 2,844 |
| Cash outflow generated from operations | (184,672) | (19,842) |
| Interest received | 16,457 | 27,109 |
| Interest paid | (17,174) | (23,632) |
| Dividend received | 91,752 | 68,700 |
| Income taxes paid | (5) | (2,381) |
| Net cash flows (used in) generated from operating activities | (93,642) | 49,954 |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | |
| Proceeds from disposal of financial assets at fair value through profit or loss | 183,672 | 195,951 |
| Acquisition of financial assets at fair value through other comprehensive income | (6,676) | (1,745) |
| Acquisition of property and equipment | (123,372) | (18,906) |
| Acquisition of intangible assets | (1,968) | (11,720) |
| Prepayments for equipment | - | (1,328) |
| Net cash flows generated from investing activities | 51,656 | 162,252 |
| <u>CASH FLOWS FROM FINANCING ACTIVITIES</u> | | |
| Increase (decrease) in short-term loans | 166,900 | (324,000) |
| Increase in commercial paper payable | 46 | 121,707 |
| Payments of lease liabilities | (8,696) | (8,419) |
| Cash dividends paid | (113,755) | (22,751) |
| Net cash flows generated from (used in) financing activities | 44,495 | (233,463) |
| Net increase (decrease) in cash and cash equivalents | 2,509 | (21,257) |
| Cash and cash equivalents at beginning of year | 17,150 | 38,407 |
| Cash and cash equivalents at end of year | \$ 19,659 | \$ 17,150 |

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