Disclaimer: This English version of the Shareholder Meeting Minutes is for reference only. It is designed to be a summary of the original Chinese version. It has been translated from the original Chinese version, and in the case of any discrepancies, the original Chinese version is to prevail.

Meeting Minutes of Yuanta Financial Holdings

2023 Annual Shareholders Meeting

Time and Date:	9:00 a.m., Friday, June 9, 2023
Place:	No.15, Ln. 168, Xingshan Rd., Neihu Dist.,Taipei, Taiwan, R.O.C. (Multi-functional Assembly Hall)
Method of Meeting:	Video-assisted shareholders meeting (physical shareholders meeting with video-assisted meeting)
Video Conferencing Platform:	Taiwan Depository & Clearing Corporation's Shareholders Meeting Electronic Voting Platform-Shareholders Meeting Video Conferencing Platform https://www.stockvote.com.tw
Attendance:	The total number of outstanding common shares is 12,501,558,992. After deducting 102,300 shares without voting rights according to law, the total number of shares is 12,501,456,692. Of those shares, 91.15% or 11,395,854,393 shares, were represented at the meeting either in person or by a representative for the respective shareholders.
Meeting Chair:	Ting Chien (Tony) Shen, Chairman
Recorder:	Ya-Ju Wu
Attending Directors of the Board:	Yuanta Chairman Ting-Chien (Tony) Shen, Director Chien Weng (also Chief Executive Officer), Director Chung-Yuan Chen, Director Yaw-Ming (Daniel) Sung, Independent Director Ming-Ling Hsueh (Audit Committee Convener),

	Independent Director Kuang-Si Shiu (Remuneration Committee Convener), Independent Director Hsing-Yi Chow (Nominating Committee Convener), and Independent Director Sheau-Wen (Sharon) Yang (Risk Management Committee Convener). Eight (8) directors were present, which is more than half of the nine (9) seats of directors.
Attending as Delegates:	Auditor-General Ming-Hsiu Tsai, Chief Secretary Ya-Pin (Lawrence) Lee, Chief International Operations Officer Ching-Tang (Allen) Wu, Chief Digital Development Officer Mei-Ling Kuo, Chief Corporate Banking Officer Hsiao-Ling Chou, Chief Compliance Officer Wen-Ching Chiu, Chief Human Resources Officer Hsiao-Keng (Sophia) Chang, Chief Administrative Officer Ching-Sun (Robert) Yang, Chief Financial Officer Hsu-Shu Mai, Chief Operational Support Officer Ming-Lang Liu, Chief Accounting Officer Hui-Jung Lu, Chief Legal Officer Yung-Chu (Bessie) Su, Chief Information Officer Fang-Ming Lo, Chief Information Security Officer Chi-Jung (CR) Huang, Acting Chief Risk Officer I-Ju Wei, Vice President I-Cheng Liao, Vice President Wei-Chen (Raymond) Chang, Senior Assistant Vice President Pei-Yu (Rick) Chen; Giant Era International Law Office, Hwai-Hsin Liang, Attorney at law; PricewaterhouseCoopers, Puo-Ju Kuo, CPA, Chiao-Sen (Jason) Lo, CPA

I. Chairperson Remarks: (omitted)

II. Report Items

(I) The Company's 2022 Business Report.

(II) The Audit Committee's Review of the 2022 Business Report, Financial Statements, and Earnings Distribution Plan, and Audit Committee's Communication with the Head of Internal Audit.

(III) The Company's Distribution of Remuneration for Employees and Directors of the Board in 2022.

(IV) The Reasons for the Issuance of the Company's Unsecured Ordinary Corporate Bonds and the Related Matters.

(V) Amendments to the Procedures for Integrity Management and Guidelines for Conduct of Yuanta Financial Holding Co., Ltd..

III. Items for Approval

Item for Approval (1)

Proposal: Adoption of the 2022 Business Report and Financial Statements (Proposed by the Board of Directors)

Description:

(1) The 2022 financial statements were audited by independent auditors, Puo-Ju Kuo and Chien-Hung Chou of PricewaterhouseCoopers Certified Public Accountants, who issued unqualified opinions. The financial statements indicated above and the 2022 business report have been audited by the audit committee and considered correct, and the audit report is issued by the committee.

(2) Adoption of the business report, independent auditors' report, and the financial statements.

Resolution:

The proposal was approved, with the voting results as below:

The total number of votes cast was 11,395,854,113 votes.

Vote Type	Votes Cast	Percentage (%)
For	10,504,737,900	92.18
Against	199,996	0.00
Invalid	0	0.00
Abstain/Did Not Vote	890,916,217	7.81

Business Report

I. Domestic and International Financial Environment

Recalling 2022, the global economic condition has been adversely affected by the unfavorable factors, such as geopolitics and monetary policies. The Russia–Ukraine War resulted in the fluctuations in energy and food prices and severe inflation. The economy of Europe was the first to be affected by the haze of recession. In order to suppress the inflation, the US Fed and various countries' central banks have tightened the monetary policies proactively. As a result, various countries' economic activities had to bear the pressure caused and the pace of the post-pandemic recovery was consequently adversely affected. Meanwhile, the global economy was weakened due to the Zero-COVID policy and financial and housing crises in China. According to the latest forecast released by S&P Global in January 2023, the global economic growth rate would be 3.00% in 2022, lower than 5.90% in 2021. The economy in Taiwan was affected by the global political and economic conditions. Given the terminal market's weak demand, suppliers had to adjust inventory. As a result, Taiwan's export momentum became sluggish and private investment tended to be conservative instead. Upon recovery of private consumption after the pandemic, domestic demand became the driving force to support the economic growth. According to the latest announcement by the Directorate-General of Budget, Accounting and Statistics (DGBAS), Executive Yuan in Feburary 2023, the economic growth rate of Taiwan in 2022 was forecast as 2.45%.

Looking forward to 2023, the global economy will need to deal with the uncertain factors including high-interest rate environment, the changeable and unpredictable Russia–Ukraine War development, and persistent confrontation between China and the United States. S&P Global estimated in January 2023 that the global economic growth rate would be 1.90% in 2023. In terms of the economy in Taiwan, despite the domestic export sales and investment growth momentum becoming sluggish due to the impact posed by the economic decline of the global leading countries, the private consumption was expected to improve further, as benefited from the recovery of nationals' consumption back to the normal condition after the pandemic. According to the forecast released by the DGBAS in Feburary 2023, the economic growth rate of Taiwan is expected to be 2.12% in 2023, lower than that in the previous year.

In terms of the financial market, the inflation and accelerated lift rates resulted in the significant market volatility in 2022. The average daily turnover of TAIEX attained NT$305.155 billion in 2022, declining by 36.13% annually. Investors' wait-and-see attitude posed impact to the securities broker service charges of Yuanta Securities. On the other hand, Yuanta Securities Investment Trust continued launching competitive products amid the market turmoil. In addition, due to the increasingly rampant effect produced by the premature termination of savings insurance and target maturity bond, the assets under management (AUM) of Yuanta Securities Investment Trust (including active and passive management funds and discretionary investment operations) broke

NT$990 billion at the end of the year, another historical high. Meanwhile, benefited from the strength in the lift rates and market share of the customers' deposit AUM ranking the first place, the profit sought by Yuanta Futures grew against the trend. The year-over-year (YoY) growth rate attained 33.14%, and the profit reached NT$1,145 million. For the banking industry, the rebound in bond yield and market correction posed some impact to the performance of investment positions. The market turmoil also caused the wealth management customers to act more reluctantly to make investment. As a result, banks' service charge revenue declined. Notwithstanding, the lift rates and increasing lending resulted in the stable growth of net interest income. Affected by the high base period, declining bonds and stocks, and COVID-19 insurance claims last year, the life insurance industry was generally underperforming. Nevertheless, no significant loss has been suffered by Yuanta Life for the COVID-19 insurance policy. The flexible asset and liability management and foreign exchange gains from appreciation of US dollars also helped Yuanta Life's profit amount to NT$1,377 million stably.

Given the sluggish global economic growth in 2023, Taiwan's export drive is suppressed and TAIEX's performance still needs to deal with challenges. Further, although lift rates may help improve banks' net interest spread, the economic downturn in domestic manufacturing and real estate industries might also pose some impact to the banking momentum and result in increase in the credit costs. For the life insurance industry, benefited from the lift rates, the recurring yield is expected to grow accordingly. Notwithstanding, the expanding interest spread between Taiwan and the US is likely to cause the hedging costs to keep growing. In conclusion, the financial market is still full of multiple uncertain factors in 2023. Yuanta Financial Holding Company (FHC) will consistently uphold its strict risk control policy, and assess the circumstances and seize market opportunities to continue to create record performance.

II. Changes in Company Organization

The most significant changes in Yuanta FHC's organization in 2022 are as follows:

The corporate sustainable development has been valued significantly in the world. In response to the international development trend and implementation of the spirit of "Corporate Governance 3.0 – Sustainable Development Roadmap," Yuanta FHC's Board of Directors resolved to rename the "Sustainability Committee" into "Sustainable Development Committee" in March 2022. Further, Yuanta FHC's Board of Directors resolve in June 2022 to establish the "Project Planning Department" dedicated to providing the consulting services for important business management between the Yuanta Group and its subsidiaries.

In the future, Yuanta FHC will continue to adjust the capital structures of its subsidiaries in line with business development needs and strengthen the entire Yuanta Group's competitiveness through organizational restructuring. In order to create operational synergies, Yuanta FHC has adopted a joint channel strategy, setting up offices for securities and banking operation in the same location. As of the end of December 2022, a total of 56 securities and bank branches were operating from the same location, creating maximum synergy by integrating resources of Yuanta FHC.

III. Business Achievements

Recalling 2022, the world encountered the impact posed by geopolitics, severe inflation and strong lift rates, thereby causing significant volatility of markets. Nevertheless, Yuanta FHC continued to adopt a cautious and stable approach in dealing with external changes, and adjusted its orientation in a timely manner. The net profit after tax was NT$21,456 million, with an earnings per share (EPS) after tax of NT$1.72 in 2022, ranking the third place among 14 Taiwan Stock Exchange (TWSE) listed financial holding companies.

While developing the financial business thoroughly and creating profit, Yuanta FHC also values the promotion of positive development in such areas as environment, society and corporate governance (ESG), and establishes a sustainable business management and service model. Yuanta FHC has been selected by the “DJSI World Index” of the Dow Jones Sustainability Index, (DJSI), and “DJSI Emerging Markets Index” for four consecutive years. Yuanta FHC again achieved excellent results globally in the FBN Diversified Financial Services and Capital Markets, out of 500 participating enterprises this year, performing splendidly on the international stage. Meanwhile, Yuanta FHC has been selected by FTSE4Good Emerging Index for six consecutive years and has passed all ESG reviews for socially responsible investment, ranking as a benchmarking enterprise in Taiwan’s financial industry stably.

Yuanta FHC has won recognition from multiple external organizations as it practiced sustainable development and valued climate change-related issues. For example, Yuanta FHC has made the Climate Change A List on the CDP (formerly Carbon Disclosure Project), a global environmental indicator, for three consecutive years and has been in the “Leadership Level” for five consecutive years, achieving the best performance in the domestic financial industry. Meanwhile, Yuanta FHC won the National Sustainable Development Award in the corporate categroy granted by the National Development Council, Executive Yuan, for the first time. Such award is considered as the highest honor in the field of corporate sustainability commended by the Taiwan government. The Group also completed 100% verification of the five ISO management guidelines on the environmental aspect (ISO 14001 Environmental Management System, ISO 14064-1 Greenhouse Gas (GHG) Inventory Verification, ISO 14046 Water Footprint Inventory, ISO 50001 Energy Management System and ISO 20400 Sustainable Procurement). Yuanta FHC received the “Best Company to Work for in Asia” award from *HR Asia* for three consecutive years, a leading Asian human resources magazine, for its comprehensive employee care and career development system. Yuanta FHC promoted a gender-friendly workplace and was selected by the “Bloomberg Gender-Equality Index (GEI)” for four consecutive years. Further, Yuanta FHC has been continuously recognized as one of the “Top 100 Enterprises for Excellence in Corporate Social Responsibility (CSR)” by the *CommonWealth Magazine*, won the role model award of the “2022

CSR Awards – ESG Integrated Performance-Financial Insurance Industry" from the *Global Views Monthly*, Financial Holdings CSR Premium Award from the *Wealth Magazine*, and was selected for the "Taiwan Top 10 Sustainable Model Enterprise Award (Service Industry Group)" by Taiwan Corporate Sustainability Awards (TCSA).

For corporate governance, Yuanta FHC ranked in the top 5% of the TWSE listed companies and the top 10% of the TWSE/TPEx listed companies engaged in financial insurance business in the eighth Corporate Governance Evaluation organized by TWSE. Yuanta FHC also received the Best Chief Executive Officer, Best Chief Financial Officer and Best Investor Relations Manager in Asia, and Best Investor Relations in Taiwan awards from *Corporate Governance Asia*. Further, Yuanta FHC passed the Taiwan Corporate Governance Association's "CG6013 (2021) Corporate Governance Framework Assessment Certificate with Distinguished Honor" jointly with its subsidiaries including Yuanta Securities and Yuanta Bank, and continued its practices in improving stakeholders' interests and rights, functions of the Board of Directors, corporate governance culture, and sustainable development and governance.

The business achievements of Yuanta FHC's subsidiaries are as follows:

Yuanta Securities had 146 branches and one brokerage department as of the end of December 2022, with a brokerage market share of around 11.86% in 2022, maintaining the leading position in the industry. In recent years, Yuanta Securities has continuously developed multiple businesses domestically and overseas, driven by an enterprising culture of pursuing innovation and teamwork, and received recognition from domestic and international professional financial magazines, totaling 56 awards for the year, including the "Best Securities Brokerage in Taiwan" award for fifteen consecutive years and the "Best Overall Sales Services in Taiwan" for nine consecutive years from *Asiamoney*, and securities-related awards by various international institutions such as *The Asset*. Honors from Taiwan's competent authorities included the "Securities Circulation Award – No. 1 for Securities Underwriters," "Economy Vitalization Award – No. 1 for IPO Fund Raised and IPO Market Cap," "No. 1 for Taiwan ETF Total Contribution Award," "No. 1 for Taiwan ETF Market Making Award," "Futures Proprietary Trading Volume Diamond Award," "Futures Introducing Broker Trading Volume Diamond Award," "Market-Making Performance Diamond Award," and "No. 1 for E-TPEx Award" from TWSE, Taiwan Futures Exchange (TAIFEX), and Taipei Exchange (TPEx). Meanwhile, Yuanta FHC also received the "Wealth Management Award (*Wealth Magazine*)," "Consumers Financial Brand Award (*Wealth Magazine*)," and the "National Brand Yushan Award – Outstanding Enterprise" and "Outstanding Product – Inescapable Net and Grain Market Newbie Village." All these awards have demonstrated that Yuanta Securities' proactive efforts in developing business as well as fulfilling customers' rights and interests have been greatly affirmed.

Yuanta Bank pursued the growth of various business scales while controlling risks carefully, in order to improve the long-term profitability stably in 2022. When dealing with lending operations, Yuanta Bank targeted large corporate clients and quality personal accounts as the main customer base. Meanwhile, it improved the momentum for new cases of lending to develop the scale and asset quality stably at the same time. The number of wealth management customers and scale of AUM continued to grow, in conjunction with the management of credit card membership. As a result, Yuanta Bank's cross-sale of other products was improved effectively. Further, Yuanta Bank also engaged in optimization of multiple functions and expansion of application scenes in the digital financial area, in order to support the development of various business lines through the real and virtual integration services. Until the end of December 2022, Yuanta Bank's total loan scale amounted to NT$975.6 billion, increased by NT$112.5 billion from the previous year, i.e. a YoY growth by 13%. The loan-to-deposit ratio was also increased from 59.02% to 66.21%. For the asset quality, until the end of December 2022, the non-performing loans (NPL) ratio, NPL coverage ratio and loan coverage ratio were 0.02%, 6,609.32% and 1.36%, respectively, which continued to be excellent ones in the industry. With the results achieved by Yuanta Bank in improving various business lines, it also received awards and honors from external organizations including National Brand Yushan Award, *Wealth Magazine*, *Business Today*, *Commercial Times*, Taiwan Clearing House, Information Service Industry Association of the R.O.C., Taiwan Institute for Sustainable Energy, *World Business Outlook*, *International Business Magazine*, *World Economic Magazine* and *Global Business Magazine*, etc.

Yuanta Life continues to research and develop differentiated products according to diversified requirements of different target customers, adhere to the corporate core values of "Insurance Protection, Sustainable Business, and Society's Well-being," and focus on the development of "traditional products" and "investment-linked products" at the same time. Yuanta Life plans commodities based on customers' needs, improves the competitiveness of USD-denominated legacy and long-term wealth management commodities and retirement-oriented commodities, and adds differentiated medical insurance products and exclusive value-added services for the high-asset customer base to meet customers' needs for transfer of assets and health protection. With respect to the general customer base, Yuanta Bank provides multiple long-term high-protection commodities, so that customers may prepare their planning subject to their individual financial budget. Meanwhile, in response to the trend of lift rates, it enhances the conditions of regular-payment commodities to help customers prepare their long-term savings planning after retirement. In response to the uncertain factors, such as the increasing market risk volatility, it continues to promote investment-linked commodities to provide the policyholders with another retirement option based on the dual effects produced by insurance protection and long-term stable investment. In the future, Yuanta Bank will continue to extend the product layout, and promote financial inclusion and fair treatment policies according to specific groups' needs (e.g. seniors' and health promotion markets).

Yuanta Securities Investment Trust's AUM has amounted to NT$965.4 billion as of the end of 2022, growing by NT$154.2 billion from 2021, i.e. a YoY growth by 19.0%. The AUM growth rate has attained nearly 20% for two consecutive years. The net profit after tax was NT$1,821 million and EPS NT$8.02 in 2022. Since Yuanta Securities Investment Trust was incorporated, it has adhered to the management philosophy stressing "Stability, Integrity, Service, and Innovation" and "Devoted Entirely to Managing Your Wealth," and has been dedicated to engaging in the diversified investment and wealth management areas as the investment trust company with the largest publicly offered fund scale and market share. The publicly offered funds amounted to NT$934.8 billion, with the market share reaching 19.2%, and were affirmed by more than 2.178 million beneficiaries, stably occupying the first place in the market. Yuanta Securities Investment Trust owns the strongest and largest-scale research team dedicated to helping investors gain access to international trends and related financial products in a timely manner and also providing diversified investment solutions, in order to satisfy investors' wealth management needs. In past years, Yuanta Securities Investment Trust's domestic/overseas funds have pursued stable performance and growth rate. Yuanta Securities Investment Trust also won multiple awards and patents from domestic/overseas professional organizations, with respect to the three indicators including product, brand, and talent, establishing a leading position in the industry.

Yuanta Futures' futures brokerage market share was 21.95%, options brokerage market share 19.22%, and foreign futures market share 25.14% in 2022. Apparently, it continued to solidify its core business lines and grow steadily. In terms of financial performance, benefited from the lift rate cycle activated globally and interest income derived therefor, Yuanta Futures generated a net profit after tax of NT$1,145 million, ranking the first place among fourteen professional futures firms, with an EPS after tax of NT$3.95 and a rate of return (ROE) after tax of 9.08%, in 2022, demonstrating its excellent business performance. In the face of the persistent global financial market volatility, Yuanta Futures adheres to the principle of steady growth, controls risks carefully, and strengthens the resilience of operations, earning recognition from domestic/international competent authorities and professional financial organizations for its performance in various areas. For example, it has been included in the "Top 5% of TWSE/TPEx-listed Companies" of the Corporate Governance Evaluation by TWSE for eight consecutive years and "Top 25% of Futures Industry" of the "Assessment of the Implementation of Treating Customers Fairly Principles (TCF Principles)" by the Financial Supervisory Commission (FSC), and won "Futures Diamond Award" from TAIFEX, and the "Best Futures Firm of the Year" from *The Asset*. Further, it was also recognized with multiple honors in the performance of ESG, such as the "CSR Sustainable Citizenship Award – Little Giant Award, 3rd Place" from *CommonWealth Magazine* for five consecutive years. It was granted the long-term credit rating "AA-(twn)," with the "stable" outlook by Fitch Ratings. In the future, Yuanta Futures will continue to optimize all indicators and move towards becoming an international futures dealer in Asia.

In implementing their respective 2022 business plans, our subsidiaries posted the following results:

Item		Total assets (NT$1,000)	Net income (NT$1,000)	EPS (NT$)
Yuanta Securities	2022	430,070,051	12,051,504	1.83
	2021	539,006,241	23,293,080	3.53

Item		Total assets (NT$1,000)	Net income (NT$1,000)	EPS (NT$)
Yuanta Bank	2022	1,712,135,805	7,288,388	0.99
	2021	1,651,478,911	8,021,862	1.08
Yuanta Life	2022	415,054,660	1,376,517	0.58
	2021	390,529,091	2,074,289	0.87
Yuanta Securities Investment Trust	2022	7,157,085	1,820,634	8.02
	2021	6,934,264	1,918,960	8.46
Yuanta Futures	2022	109,878,680	1,145,348	3.95
	2021	95,652,955	860,282	2.97
Yuanta Venture Capital	2022	2,913,675	(197,272)	(0.73)
	2021	3,946,044	939,305	3.46
Yuanta Asset Management Company	2022	4,121,624	126,379	0.38
	2021	4,023,338	139,433	0.42
Yuanta Securities Investment Consulting	2022	307,872	10,850	1.09
	2021	299,984	1,085	0.11

IV. Credit Ratings' Dates and Results

Domestic and international credit rating organizations have recognized Yuanta FHC's stable asset quality and business achievements. Taiwan Ratings confirmed on January 16, 2023 that Yuanta FHC's outlook should remain "stable," reflecting that the Yuanta Group has a strong capital level on a consolidated basis and is in a leading position in the relevant securities markets in Taiwan. Fitch Ratings confirmed on November 11, 2022 that Yuanta FHC's outlook should remain as "stable," recognizing Yuanta Group's persistent and strong position in the domestic market and expanding position in the other territories of Asia. The Yuanta Group's continued development of its domestic banking services, overseas retail brokerage services, and wealth management services adds diversity to its profitability and financing model.

Yuanta FHC's most recent credit rating results are summarized below:

Rating category	Rating agency	Credit rating		Outlook	Effective date
		Long-term	Short-term		
International rating	Fitch Ratings	BBB+	F2	Stable	November 11, 2022
Domestic rating	Fitch Ratings	AA-(twn)	F1+(twn)	Stable	November 11, 2022
	Taiwan Ratings	twAA-	twA-1+	Stable	January 16, 2023

V. Future Development Strategies of Yuanta FHC

Yuanta FHC has always aimed to grow stably and upgrade shareholders' value. Looking back on the development history in recent years, the integration and voluntary growth, exercise of the consolidated effects of merger and acquisition (M&A) and consolidation, integration of the securities businesses overseas and efforts used in growing the business of various business entities, have driven the significant increase in the entire business scale. As a result, Yuanta FHC owning the five major profit engines, including Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust, and Yuanta Futures, was incorporated. Meanwhile, the differentiated services and products drove the mutual growth of the Yuanta Group's five major business entities.

Looking forward to the post-pandemic era, Yuanta FHC will control risks carefully and continue to adopt the overall growth and development strategy valuing "solidification of cores and driving of growth," with emphasis on "focusing on Taiwan's capital market" and "expanding overseas profit engines." Under the balance of the three core philosophies of "stable profitability," "risk control and management," and "sustainable development," Yuanta FHC operates businesses, markets, and customer segments with growth potential, leveraging the growth benefits of the Yuanta Group's cross-industry and cross-border integration to effectively stabilize and improve earnings levels, and steadily progresses towards the two goals of "Best Financial Services Provider in Asia Pacific" and "International Benchmark Enterprise for Sustainability."

The development strategies of Yuanta FHC for 2023 are summarized as follows:

(I) Yuanta Securities: Solidify core competitive advantages and promote financial products with Yuanta's characteristics.

As a leading domestic brokerage firm, Yuanta Securities continues to solidify its competitive advantages in its core business and develop various businesses proactively. It continues to invest fund in digital financial research and strengthens the information security defense. Yuanta Securities conducts precise marketing through data analysis to achieve stratified, segmented, and refined customer management, providing diversified and differentiated products and services. It is also actively developing its wealth management business and promoting Yuanta's unique financial products to create a dual engine of brokerage and wealth management profitability.

In terms of promoting overseas layout, Yuanta Securities develops diversified business lines and balances the source of revenue. Yuanta Securities has been able to enhance operational efficiency and create cooperative synergy through its business strategies of cross-border business integration and development, focusing on local operations, and cultivating local niche markets to maintain steady profit contribution. In order to expand the wealth management and private banking business, it establishes a wealth management subsidiary in Singapore to provide a full range of financial services to high-asset customers and move towards becoming a regional securities institution in Asia.

(II) Yuanta Bank: Strengthen and adjust the income structure and improve the efficiency of capital utilization.

Yuanta Bank will strengthen the profitability of its lending business with the advantage of excellent asset quality. For the corporate banking business, Yuanta Bank selects large-scale corporate group customers and potential industries to expand the depth of business and breadth of products. Meanwhile, it strengthens the undertaking of lending in foreign currency and quality syndicated loans to increase the net income from interest and service charges. For retail banking, it maintains stable growth in mortgage and auto loan businesses, and invests resources to strengthen the development of credit loans. Deposit-taking strategy will be mainly in Taiwan dollars, supplemented by foreign currencies, and deposit structure and period adjustment will be made to control deposit costs. In terms of financial investments, Yuanta Bank will maintain flexibility in investment operations and select investment targets prudently, taking into account liquidity risk, credit risk, and yield.

For wealth management services, Yuanta Bank will expand the business team and improve stability. For products, the protection of customer rights and interests will continue to be prioritized, and Yuanta Bank will be made the main bank for personal daily cash flow through the promotion of the membership system and the binding of Yuanta credit cards and accounts on the payment platform, so as to enhance customer adhesion. For the overseas development, Yuanta Bank will focus on improvement of the business performance of its existing branches and subsidiaries, and adjust business strategies from time to time, subject to changes in the business environments in various countries.

(III) Yuanta Life: Continue to develop and promote the “protection-type and long-term products” and “investment-linked products,” in order to satisfy various customer groups’ needs.

Yuanta Life continues to focus its product development on the needs of various customer segments, and in response to the aging trend and interest rate environment, it has adopted traditional and investment-linked as the two main axes of product development. Meanwhile, it continues to develop the insurance products that satisfy the needs of retirement life, retirement medical treatment, and retirement care, in order to enrich the product lines and optimize the coverage to meet various insurance needs. Through different sales channels such as financial services, insurance brokers and agents, and salespersons, Yuanta Life reaches out to every corner to help customers and their families build a complete protection and financial plan. In addition to delivering the core values of Yuanta Life – “Insurance Protection, Sustainable Business, and Society’s Well-being” – to its customers, Yuanta Life also helps itself achieve long-term financial and business goals.

In terms of channels, Yuanta Life will aim at the target markets and customer needs, and will distinguish the needs of different channel customers to promote differentiated products and services. Yuanta Life will also integrate Yuanta Group's advantageous resources to deepen the adhesion of customers with cooperative channels and boost the contribution. Meanwhile, in response to the digital transformation wave and post-pandemic era, it exercises the insurance technology proactively to promote various digital services and optimize channel digital services, including remote insurance underwriting and implementation of AI smart customer services in the service process. Yuanda Life also actively participates in the Life Insurance Association's policy passbook services and claims alliance chain re-evolution functions to achieve the three major goals of providing zero-contact services, energy saving and carbon reduction, and achieving financial inclusion in the post-pandemic era.

(IV) Yuanta Securities Investment Trust: Solidify core competitive advantages and grow in both scale and profitability.

Yuanta Securities Investment Trust (SIT) focuses on solidifying its core competitive advantages and sustainable management, enhancing the performance of active funds and actively promoting key funds to expand market share. The offering of new funds is based on the demand of "stable growth and fixed income," providing investors with diversified solutions. In terms of sustainable development, Yuanta SIT cooperates with the competent authorities to move towards the milestones and leads sustainable investment to achieve the impact of the funds. In the areas of financial inclusion and digital development, Yuanta SIT has been promoting fixed deposits for funds and ETFs, strengthening its digital platform and providing quality services, such as platform optimization and revamping, and expanding one-stop e-payment fund purchase services to assist customers of different generations to grasp financial opportunities. Yuanta SIT also implements the principles of friendly financial services and fair treatment of customers, and actively cooperates with life insurance companies and channels to launch new policies to achieve the resonance effect of discretionary policies and funds.

(V) Yuanta Futures: "Integrity in Governance, Wealth Creation and Sustainability" to solidify business profitability and build an international trading platform.

Under the business model of both compliance and risk control, Yuanta Futures continues to strengthen the profitability of its core business, actively create multiple sources of revenue, combine software, hardware and digital services with continuous innovation, and comprehensively refine the overall operation process to optimize customer service and various business development. Yuanta Futures also deeply pursues the concept of sustainable management and integrates the implementation of ESG objectives into its management policies, taking into account Yuanta Futures' business development and corporate vision of sustainability. In terms of international layout, Yuanta Futures aims to become a large international futures dealer and continues to expand its futures trading and clearing business opportunities, linking Taiwan, Hong Kong, Singapore and other regions to build a transnational trading operation model in the Asia Pacific region, and providing traders in Taiwan and Asia with the most complete asset allocation and hedging services.

Yuanta FHC's corporate governance plan and sustainable development strategy for the year 2023 are highlighted below:

Yuanta FHC pays attention to the development trend of corporate governance both domestically and internationally, and in accordance with the FSC's "Corporate Governance 3.0 - Sustainable Development Roadmap" and various action plans, Yuanta FHC's corporate governance plan is introduced in a timely manner and is revised annually in line with the execution status to achieve effective implementation. The corporate governance plan and specific measures for the year 2023 include continuing to strengthen the functions of the Board of Directors (establishing a functional committee of the Board of Directors - the Risk Management Committee - and planning diversified continuing education programs for directors), enforcing the accountability of the Board of Directors (establishing norms for reporting related party transactions in non-business activities at shareholders meetings), enhancing the transparency of audit quality (regularly evaluating the independence and appropriateness of appointed accountants by referring to the Audit Quality Indicators (AQIs) each year), and safeguarding shareholders' rights and treating shareholders equally (uploading the materials of shareholders meetings in English and Chinese in advance).

In terms of sustainable development strategy, Yuanta FHC has integrated the Yuanta Group's resources to actively respond to the FSC's "Green Finance Action Plan 2.0" by enhancing sustainable finance-related products and services, issuing and underwriting sustainable development bonds, following voluntary green investment principles and initiatives, and implementing the Equator Principles and Yuanta FHC's "Sustainable Finance Guidelines" assessment. In addition, Yuanta FHC continues to use financial technology (FinTech) to promote financial inclusion, enhance financial inclusion and provide a friendly financial environment, optimize customer relationship management, and continue to deepen the Climate-Related Financial Disclosures (TCFD), cooperate with the CDP and advocate the Science Based Targets initiative (SBTi), and expand the scope of carbon footprint certification for financial products or services, in order to strengthen the development of sustainable finance with its core functions to contribute to the sustainable development of society and the environment.

Looking forward to the future, Yuanta FHC will continue to invest capital in ESG, and eveyone will work together in this spirit for the sound and sustainable development of Yuanta FHC.

Audit Committee's Report on the Latest Financial Statements

Yuanta Financial Holding Co., Ltd.

Audit Report from the Audit Committee

Yuanta Financial Holdings' Financial Statements 2022, together with the Business report and Earnings Distribution Plan, were submitted to the Committee for audit. The Statements were audited by independent auditors, Puo-Ju Kuo and Chien-Hung Chou, of PricewaterhouseCoopers Certified Public Accountants, who issued the Unqualified Opinions.

The Audit Committee, after completing the audit of said reports and statements, believes that they are free of material misstatement, and thus has produced this report according to Article 14-4 of *Securities and Exchange Act* and Article 219 of the *Company Act* after obtaining the consent of all Audit Committee members.

Submitted by:

2023 Annual General Meeting of Shareholders of Yuanta Financial Holding Co., Ltd.

Audit Committee of Yuanta Financial Holding Co., Ltd.
Convener: Ming Ling Hsueh

March 15, 2023

pwc 資誠

Independent Auditors' Report

PWCR22000282

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

Opinion

We have audited the accompanying consolidated balance sheets of Yuanta Financial Holding Co., Ltd. (the "Company") and its subsidiaries (collectively "Yuanta Group") as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Yuanta Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Jin-Guan-Yin-Fa-Zi Letter No.10802731571 and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of Yuanta Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

資誠聯合會計師事務所 PricewaterhouseCoopers, Taiwan
110208 臺北市信義區基隆路一段 333 號 27 樓
27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208, Taiwan
T: +886 (2) 2729 6666, F:+ 886 (2) 2729 6686, www.pwc.tw

pwc 資誠

Key audit matters for the Yuanta Group's consolidated financial statements of the current period are stated as follows:

Impairment evaluation of bills discounted and loans

Description

For the accounting policy of the impairment evaluation of bills discounted and loans, please refer to Note 4(10); for critical accounting estimates and assumption uncertainty of expected credit loss on bills discounted and loans, please refer to Note 5; for the details on bills discounted and loans, please refer to Notes 6(9) and 12(3). Total bills discounted and loans (including adjustment for premium or discount) and the allowance for credit losses, arising from Yuanta Commercial Bank Co., Ltd. of Yuanta Group, as at December 31, 2022 were NTD 990,145,956 thousand and NTD 13,400,050 thousand, respectively.

The impairment evaluation of bills discounted and loans arising from Yuanta Commercial Bank Co., Ltd. is conducted in accordance with IFRS 9, 'Financial Instruments', "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans" and relevant regulations. The management's considerations on bills discounted and loans impairment appropriation are primarily based on reasonable and supportable information about past events, current conditions, and forecasts of future economics. At each financial reporting date, bills discounted and loans are categorised into one of the following three stages based on whether there has been significant increase in credit risk since initial recognition: no significant increase in credit risk or low credit risk at balance sheet date, significant increase in credit risk and credit-impaired and considered relevant laws and regulations of the allowance for credit losses. Because the amount of bills discounted and loans is material with respect to the total consolidated assets and impairment evaluation involves management's professional judgment and is highly uncertain, we have thus included the impairment evaluation of bills discounted and loans arising from Yuanta Commercial Bank Co., Ltd. as one of the key audit matters.

How our audit addressed the matter

We obtained and gained an understanding of Yuanta Commercial Bank Co., Ltd.'s policies, internal controls, and operation procedures in relation to the credit risk management and the impairment evaluation of bills discounted and loans and performed sample tests. We conducted the following procedures on the impairment evaluation of bills discounted and loans as at December 31, 2022: sample examined the stage classification for expected credit losses; sample tested the calculation of the probability of default, loss given default, and exposure at default; sample examined documents regarding management's individual evaluation of future cash flows and collateral value; and evaluated whether the provision for impairment loss amount complied with the competent authority's related regulations.

pwc 資誠

Fair value valuation of unlisted stocks

Description

For the accounting policy of unlisted stocks (accounted under financial assets at fair value through other comprehensive income), please refer to Note 4(7); for critical accounting estimates and assumption uncertainty of the fair value of unlisted stocks, please refer to Note 5; for the details on unlisted stocks, please refer to Notes 6(4) and 12(2). The carrying amount of the financial assets at fair value through other comprehensive income – unlisted stocks as at December 31, 2022 was NTD 35,448,366 thousand.

Because there are no active market quoted prices for the financial assets at fair value through other comprehensive income – unlisted stocks held by Yuanta Group, the management uses valuation techniques and the assistance of experts to estimate the fair value. The valuation techniques used by Yuanta Group are primarily the market method and the discounted cash flow method. The market method's main assumption is determining similar and comparable companies in order to obtain the related parameters as a reference for calculations. The discounted cash flow method's main assumption is the financial forecast of unlisted companies in order to obtain their related parameters as a reference for calculations. Because models and parameters used in valuation techniques are made by management's professional judgments and estimates, such accounting judgments and estimates are highly uncertain; we have thus included the fair value valuation of unlisted stocks as one of the key audit matters.

How our audit addressed the matter

We obtained and gained an understanding of management's valuation procedures for unlisted equity securities. We sample tested the management authorization procedures for the fair value valuation reports of unlisted equity securities.

In addition, we and our valuation experts discussed with management and sample tested Yuanta Group's valuation data for unlisted stocks, including the valuation documents provided by the management's experts, evaluated whether the valuation methods used by management were commonly used; we and our valuation experts also evaluated the reasonableness of the comparable companies under the market method and sample tested related supporting documents regarding the parameters used in the valuation.

Impairment assessment of goodwill

Description

For the accounting policy of the impairment assessment of goodwill (intangible assets), please refer to Notes 4(12) and 4(19); for the critical accounting estimates and assumption uncertainty of impairment assessment of goodwill, please refer to Note 5; for the details on goodwill, please refer to Note 6(17). Goodwill after accumulated impairment as at December 31, 2022 was NTD 28,540,164 thousand.

pwc 資誠

Yuanta Group periodically performs impairment assessments on goodwill at the end of each year. Such assessments are based on cash generating units identified through operating segments and Yuanta Group engaged experts to assist in measuring the recoverable amounts of cash generating units based on future cash flows. Because the amount of goodwill is material and the models and parameters used in calculating recoverable amounts are made by management's professional judgments and are critical accounting estimates, such as future cash flows, estimated growth rate and discount rate, we have thus included the impairment assessment of goodwill as one of the key audit matters.

How our audit addressed the matter

Our main audit procedures included obtaining asset impairment evaluation data prepared by management, sample testing the authorization procedures for impairment testing reports, and understanding and assessing management's estimation process for future cash flows. In addition, we and our valuation experts reviewed the management's prior year operation plan execution result; sample assessed the reasonableness of key assumptions used in impairment testing models, such as estimated growth rates and discount rates; and sample tested the parameters and calculation formulas of impairment testing models.

Reserve for policy benefit and adequacy of insurance liabilities

Description

For the accounting policy of reserve for policy benefit and adequacy of insurance liabilities, please refer to Note 4(28); for critical accounting estimates and assumption uncertainty of adequacy of insurance liabilities, please refer to Note 5; for the details on insurance liabilities, please refer to Note 6(26). Reserve for policy benefit under insurance liabilities as at December 31, 2022 was NTD 343,632,568 thousand.

For long-term insurance contracts, Yuanta Life Insurance Co., Ltd. recognised reserve for policy benefit in accordance with related insurance regulations, the life chart of annuity, and the specified interest rates prescribed within the insurance product statements as approved by the competent authority. The discount rates are the specified interest rates as approved by the competent authority. Liability adequacy testing is required to be conducted on insurance contracts at balance sheet date in accordance with IFRS 4, 'Insurance Contracts,' in order to reflect the current estimate of future cash flows, where various of assumption for discount rate, mortality rate, morbidity rate, lapse rate, and expense rate which involved professional judgement will affect the amount of reserve for policy benefit recognised in the financial statement. Considering that the provision of policy reserves has a material impact on the financial statements, and if insurance liabilities are not adequate, the financial statements will be materially impacted, we have thus included the reserve for policy benefit and adequacy of insurance liabilities as one of the key audit matters.

pwc 資誠

How our audit addressed the matter

The audit procedures we performed mainly include understanding and assessing the policies, internal controls, and procedures relevant to reserve for policy benefit; sample examining authorization documents for the configuration of new products in order to confirm the accuracy of configurations for the reserves system of new products; sample inspecting the number of effective policies in the policy system and the actuarial system in order to confirm the completeness of the calculations for reserve for policy benefit; sample examining the consistency between policy information of new products and information in the policy system in order to confirm the accuracy of policy information for calculating reserve for policy benefit. Our actuarial experts assisted us in sample testing representative new products in the current period in order to confirm that the method and results of provisioning reserves were consistent with those of the insurance product statement submitted to the competent authority; performing trend analysis (excluding new products) on each insurance type and performed roll analysis on each product type in order to assess the reasonableness of reserve for policy benefit on the balance sheet date.

We also used the work of actuarial expert to assist in assessing the adequacy of insurance liabilities, comparing whether there were significant differences between the current period and the previous period regarding main assumptions other than the discount rate, which are mortality rate, morbidity rate, lapse rate, and expense rate. If there were significant differences, then related documents and explanations with regard to Yuanta Life Insurance Co, Ltd. were obtained; also, current period assumptions were compared to actual experiences in order to examine the reasonableness of each assumptions. Furthermore, the actuarial expert assisted us in referencing current market interest rate information to assess the reasonableness of the elected discount rate for future cash flows from insurance contracts; confirming the accuracy of the cash flow model through independent sample testing; recalculating the current estimates of future cash flows using the overall cash flow and discount rates assumptions provided by Yuanta Life Insurance Co., Ltd.; comparing the carrying amount of insurance liabilities to the current estimate of future cash flows from insurance contracts.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came

pwc 資誠

into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Yuanta Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Yuanta Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our

pwc 資誠

auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Yuanta Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Yuanta Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Kuo, Puo-Ju

Chou, Chien-Hung

For and on behalf of PricewaterhouseCoopers, Taiwan

March 15, 2023

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 consolidated 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' 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 HOLDING CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

	ASSETS	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
11000	Cash and cash equivalents	6(1)	$ 76,338,164	3	$ 80,735,621	3
11500	Due from Central Bank and call loans to other banks	6(2),8	79,690,160	3	80,343,357	3
12000	Financial assets at fair value through profit or loss	6(3),7,8	420,057,382	14	529,242,141	17
12150	Financial assets at fair value through other comprehensive income	6(4),8	339,711,553	11	338,490,662	11
12200	Investments in debt instruments at amortised cost	6(5),8	540,529,315	18	508,638,932	17
12500	Investments in bills and bonds under resale agreements	6(6)	94,073,224	3	46,454,964	2
13000	Receivables – net	6(7),7	202,341,992	7	263,703,360	9
13200	Current income tax assets		3,026,971	-	48,001	-
13300	Assets held for sale – net	6(8)	81,469	-	194,563	-
13500	Bills discounted and loans – net	6(9),7	995,199,165	33	884,291,862	29
13700	Reinsurance contract assets – net	6(10)	1,368,195	-	1,329,521	-
15000	Equity investments accounted for under the equity method – net	6(11)	3,431,913	-	3,115,594	-
15100	Restricted assets – net	8	2,726,292	-	2,472,029	-
15500	Other financial assets – net	6(12)	114,480,773	4	110,953,592	4
18000	Investment property – net	6(13),8	10,487,451	-	10,693,522	-
18500	Property and equipment – net	6(14),8	25,503,491	1	24,468,584	1
18600	Right-of-use assets – net	6(15)	11,515,532	-	12,443,951	-
19000	Intangible assets – net	6(17)	30,959,908	1	31,046,281	1
19300	Deferred income tax assets	6(45)	5,552,131	-	7,484,946	-
19500	Other assets – net	6(18),7,8	59,043,456	2	86,867,819	3
	TOTAL ASSETS		$ 3,016,118,537	100	$ 3,023,019,302	100

(Continued)

YUANTA FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

			December 31, 2022			December 31, 2021		
	LIABILITIES AND EQUITY	Notes		AMOUNT	%		AMOUNT	%
21000	Deposits from Central Bank and other banks	6(20)	$	38,607,095	1	$	25,624,124	1
21500	Due to Central Bank and other banks			-	-		839,700	-
22000	Financial liabilities at fair value through profit or loss	6(3)(38)		134,822,676	5		158,685,739	5
22500	Bills and bonds payable under repurchase agreements	6(6)(47),7		224,137,491	7		183,865,849	6
22600	Commercial paper payable – net	6(21)(47)		47,836,070	2		49,983,502	2
23000	Payables	6(22),7		154,026,563	5		214,482,994	7
23200	Current income tax liabilities			4,052,157	-		7,892,094	-
23500	Deposits and remittances	6(23),7		1,407,441,499	47		1,375,002,383	46
24000	Bonds payable	6(24)(47)		102,487,542	3		82,539,085	3
24400	Other borrowings	6(25)(47)		48,460,199	2		59,998,200	2
24600	Liabilities reserve	6(26)(27)		363,676,625	12		336,342,258	11
25500	Other financial liabilities	6(28),7		140,319,398	5		126,619,428	4
26000	Lease liabilities	6(47)		4,712,163	-		5,720,785	-
29300	Deferred income tax liabilities	6(45)		4,914,735	-		3,825,466	-
29500	Other liabilities	6(29),7		63,241,416	2		102,517,990	3
	TOTAL LIABILITIES			2,738,735,629	91		2,733,939,597	90
31000	**Equity attributable to owners of the parent company**							
31100	Share capital							
31101	Common stock	6(30)		125,015,590	4		121,374,360	4
31500	Additional paid-in capital	6(31)		38,010,564	1		37,885,949	1
32000	Retained earnings							
32001	Legal reserve	6(32)		20,481,785	1		17,040,473	-
32003	Special reserve	6(32)		6,549,234	-		6,549,234	-
32011	Undistributed earnings	6(33)		73,279,144	2		77,775,254	3
32500	Other equity							
32500	Other equity interest	6(34)	(	6,968,170)	-		8,410,191	1
39500	**Non-controlling interests**			21,014,761	1		20,044,244	1
	Total Equity			277,382,908	9		289,079,705	10
	TOTAL LIABILITIES AND EQUITY		$	3,016,118,537	100	$	3,023,019,302	100

YUANTA FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

			For the years ended December 31,				Changes Percentage (%)
			2022		2021		
	Items	Notes	AMOUNT	%	AMOUNT	%	
41000	Interest income	6(35),7	$ 45,232,088	50	$ 36,986,068	31	22
51000	Less: Interest expense	6(35),7	(14,530,723)	(16)	(7,012,317)	(6)	107
49600	**Net interest income**	6(35)	30,701,365	34	29,973,751	25	2
	Net non-interest income						
49800	Net service fee and commission Income	6(36),7	25,120,057	27	40,606,346	34	(38)
49810	Net income from insurance operations	6(37),7	13,377,691	15	16,021,241	14	(17)
49820	Gain (loss) on financial assets and financial liabilities at fair value through profit or loss	6(38),7	(8,318,689)	(9)	24,070,541	20	(135)
49825	Gain on investment property	7	418,705	-	341,280	-	23
49835	Realised gain on financial assets at fair value through other comprehensive income		1,831,509	2	4,317,926	4	(58)
49850	Net gain arising from derecognition of financial assets measured at amortised cost	6(5)(9)	83,436	-	1,650,331	1	(95)
49870	Foreign exchange gains (losses)		19,127,589	21	(5,384,950)	(4)	(455)
49880	Asset impairment loss	6(39)	(51,498)	-	(280,546)	-	(82)
49890	Share of the profit or loss of associates and joint ventures accounted for using the equity method	6(11)	191,645	-	493,848	-	(61)
49898	Gain on reclassification under the overlay approach		4,151,363	5	1,446,147	1	187
49921	Net gain on sale of non-performing Loans		281,525	-	374,916	-	(25)
49945	Consultation service income		4,316,318	5	4,897,401	4	(12)
49999	Net other miscellaneous income	6(40),7	270,866	-	712,271	1	(62)
49700	Total net non-interest income		60,800,517	66	89,266,752	75	(32)
	Net profit		91,501,882	100	119,240,503	100	(23)
58100	Provision for bad debt expenses, commitment and guarantee policy reserve	6(41)	(318,190)	(1)	(534,256)	-	(40)
58300	Net change in provisions for insurance liabilities	6(26)	(19,533,972)	(21)	(21,301,277)	(18)	(8)
	Operating expenses						
58501	Employee benefit expense	6(42),7	(25,428,255)	(28)	(33,955,070)	(28)	(25)
58503	Depreciation and amortization	6(43)	(3,162,099)	(3)	(3,107,200)	(3)	2
58599	Other business and administrative expenses	6(44),7	(14,645,553)	(16)	(16,201,356)	(14)	(10)
58500	Total Operating Expenses		(43,235,907)	(47)	(53,263,626)	(45)	(19)
61000	**Consolidated income from continuing operations before income tax**		28,413,813	31	44,141,344	37	(36)
61003	Income tax expense	6(45)	(5,703,400)	(6)	(6,950,633)	(6)	(18)
69000	**Consolidated net income**		$ 22,710,413	25	$ 37,190,711	31	(39)

(Continued)

YUANTA FINANCIAL HOLDING CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

	Items	Notes	2022 AMOUNT	2022 %	2021 AMOUNT	2021 %	Changes Percentage (%)
	Other comprehensive income						
	Components of other comprehensive income that will not be reclassified to profit or loss						
69561	Remeasurements of defined benefit plans		$ 1,388,890	1	($ 790,256)	(1)	(276)
69563	Share of other comprehensive loss of associates and joint ventures accounted for using equity method, items that will not be reclassified to profit or loss	6(11)	(352)	-	(513)	-	(31)
69565	Change in fair value of financial liability attributable to change in credit risk of liability	6(34)	(7,848)	-	(5,236)	-	50
69567	Change in fair value of investments in equity instruments measured at fair value through other comprehensive income	6(4)(34)	3,454,906	4	7,782,193	7	(56)
69569	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(34)(45)	(336,820)	-	73,051	-	(561)
	Components of other comprehensive income that will be reclassified to profit or loss						
69571	Exchange differences on translation of foreign financial statements	6(34)	3,014,310	3	(5,599,624)	(5)	(154)
69585	Change in fair value of investments in debt instruments measured at fair value through other comprehensive income	6(4)(34)	(19,199,889)	(21)	(6,213,290)	(5)	209
69587	Impairment reversal gain from investments in debt instruments measured at fair value through other comprehensive income	6(4)(34)	(17,759)	-	(14,903)	-	19
69590	Other comprehensive loss on reclassification under the overlay approach	6(4)(34)	(4,151,363)	(5)	(1,446,147)	(1)	187
69579	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(34)(45)	790,210	1	72,925	-	984
69500	**Other comprehensive (loss) income (net of tax)**		($ 15,065,715)	(17)	($ 6,141,800)	(5)	145
69700	**Total comprehensive income**		$ 7,644,698	8	$ 31,048,911	26	(75)
	Consolidated net income attributable to:						
69901	Parent company		$ 21,456,327	24	$ 34,865,957	29	(38)
69903	Non-controlling interests		1,254,086	1	2,324,754	2	(46)
			$ 22,710,413	25	$ 37,190,711	31	(39)
	Consolidated comprehensive income attributable to:						
69951	Parent company		$ 5,414,225	6	$ 30,263,795	25	(82)
69953	Non-controlling interests		2,230,473	2	785,116	1	184
			$ 7,644,698	8	$ 31,048,911	26	(75)
70001	Earnings per share (in New Taiwan Dollars)	6(46)					
	Basic and diluted earnings per share		$ 1.72		$ 2.79		

YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent										
			Retained earnings			Other equity interest					
For the year ended December 31, 2021	Common stock	Additional paid-in capital	Legal reserve	Special reserve	Undistributed earnings	Exchange differences on translation of foreign financial statements	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Other comprehensive income on reclassification under the overlay approach	Change in fair value of financial liability attributable to change in credit risk	Non-controlling interests	Total equity
Balance, January 1, 2021	$ 121,374,360	$ 37,885,949	$ 14,633,733	$ 6,549,234	$ 60,333,790	($ 4,467,136)	$ 16,726,148	$ 345,649	($ 45,138)	$ 20,280,857	$ 273,617,446
Consolidated net income for the year	-	-	-	-	34,865,957	-	-	-	-	2,324,754	37,190,711
Other comprehensive income (loss) for the year	-	-	-	-	(642,790)	(3,932,987)	1,394,484	(1,418,386)	(2,483)	(1,539,638)	(6,141,800)
Total comprehensive income (loss) for the year	-	-	-	-	34,223,167	(3,932,987)	1,394,484	(1,418,386)	(2,483)	785,116	31,048,911
Appropriation of 2020 earnings:											
Legal reserve	-	-	2,406,740	-	(2,406,740)	-	-	-	-	-	-
Cash dividend	-	-	-	-	(14,564,923)	-	-	-	-	-	(14,564,923)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(1,021,729)	(1,021,729)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	189,960	-	(189,960)	-	-	-	-
Balance, December 31, 2021	$ 121,374,360	$ 37,885,949	$ 17,040,473	$ 6,549,234	$ 77,775,254	($ 8,400,123)	$ 17,930,672	($ 1,072,737)	($ 47,621)	$ 20,044,244	$ 289,079,705
For the year ended December 31, 2022											
Balance, January 1, 2022	$ 121,374,360	$ 37,885,949	$ 17,040,473	$ 6,549,234	$ 77,775,254	($ 8,400,123)	$ 17,930,672	($ 1,072,737)	($ 47,621)	$ 20,044,244	$ 289,079,705
Consolidated net income for the year	-	-	-	-	21,456,327	-	-	-	-	1,254,086	22,710,413
Other comprehensive income (loss) for the year	-	-	-	-	1,034,054	2,280,219	(15,182,928)	(4,169,850)	(3,597)	976,387	(15,065,715)
Total comprehensive income (loss) for the year	-	-	-	-	22,490,381	2,280,219	(15,182,928)	(4,169,850)	(3,597)	2,230,473	7,644,698
Appropriation of 2021 earnings:											
Legal reserve	-	-	3,441,312	-	(3,441,312)	-	-	-	-	-	-
Cash dividend	-	-	-	-	(18,206,154)	-	-	-	-	-	(18,206,154)
Stock dividend	3,641,230	-	-	-	(3,641,230)	-	-	-	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	-	124,615	-	-	-	-	-	-	-	-	124,615
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(1,259,956)	(1,259,956)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(1,697,795)	-	1,697,795	-	-	-	-
Balance, December 31, 2022	$ 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

YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	For the years ended December 31, 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	$ 28,413,813	$ 44,141,344
Adjustments		
Income and expense items		
Depreciation	2,581,439	2,569,529
Amortisation	580,660	537,671
Provision for bad debt expense, commitment and guarantee policy reserve	1,098,159	1,750,647
Interest expense	14,530,723	7,012,317
Interest income	(45,232,088)	(36,986,068)
Dividend income	(5,760,370)	(5,335,012)
Impairment loss on asset impairment	51,498	280,546
Gain reclassified by applying overlay approach	(4,151,363)	(1,446,147)
Share of the profit or loss of associates and joint ventures accounted for under the equity method	(191,645)	(493,848)
Gain on disposal of assets held for sale	(12,330)	(4,957)
Gain on disposal of investment property	(247,533)	(128,235)
Gain on disposal or retirement of property and equipment	(51,093)	(16,470)
Gain on disposal of intangible assets	(1,139)	(1,449)
Loss from disposal or retirement of other assets	-	212
Intangible assets transferred to expense	126	-
(Gain) loss on lease modification	(133,135)	1,149
Gain on lease concession	(97)	(11,663)
Net change in insurance liabilities	23,246,367	21,154,952
Changes in operating assets and liabilities		
Changes in operating assets		
Increase in due from Central Bank and call loans to other banks	(3,269,962)	(7,480,529)
Decrease in financial assets at fair value through profit or loss	109,184,759	57,350,498
Increase in financial assets at fair value through other comprehensive income	(16,962,992)	(58,536,977)
Increase in investments in debt instruments at amortised cost	(31,904,780)	(78,292,748)
Decrease (increase) in receivables	63,531,901	(21,662,279)
Increase in bills discounted and loans	(112,163,076)	(92,053,301)
(Increase) decrease in reinsurance contract assets	(81,454)	(252,388)
Increase (decrease) in restricted assets	(254,263)	488,991
Increase in other financial assets	(3,740,673)	(3,281,850)
Decrease (increase) in other assets	27,780,028	(25,080,485)
Changes in operating liabilities		
Increase in deposits from Central Bank and other banks	12,982,971	10,211,825
Decrease in financial liabilities at fair value through profit or loss	(23,869,157)	(4,775,786)
Decrease in payables	(61,703,803)	(32,242,963)
Increase in deposits and remittances	32,439,116	163,981,989
(Decrease) increase in liabilities reserve	(358,595)	2,571,175
Increase in other financial liabilities	14,071,927	9,104,657
(Decrease) increase in other liabilities	(39,285,671)	56,036,921
Cash (outflow) inflow generated from operations	(18,881,732)	9,111,268
Interest received	43,400,966	36,163,236
Dividend received	5,876,298	5,515,353
Interest paid	(13,365,746)	(7,082,213)
Income tax paid	(9,102,438)	(4,950,047)
Net cash flows generated from operating activities	7,927,348	38,757,597

(Continued)

YUANTA FINANCIAL HOLDINGS CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	For the years ended December 31, 2022	For the years ended December 31, 2021
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments accounted for under the equity method	($ 267,647)	($ 647,467)
Proceeds from liquidation of investments accounted for under the equity method	174,506	274,719
Acquisition of investment property	(596,869)	(121,643)
Proceeds from disposal of investment property	1,034,355	488,894
Acquisition of property and equipment	(2,339,082)	(1,685,830)
Proceeds from disposal of property and equipment	300,566	109,601
Acquisition of intangible assets	(336,865)	(240,610)
Proceeds from disposal of intangible assets	3,156	3,591
Proceeds from disposal of assets held for sale	120,880	67,000
Acquisition of right-of-use assets	(548)	(205)
Net cash flows used in investing activities	(1,907,548)	(1,751,950)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in due to Central Bank and other banks	(839,700)	164,700
Increase (decrease) in bills and bonds payable under repurchase agreements	40,271,642	(32,755,338)
(Decrease) increase in commercial paper payable	(2,058,788)	22,547,411
Proceeds from issuance of bonds	16,953,184	20,161,607
Repayments of bonds	(4,389,618)	(4,000,000)
Proceeds from issuance of bank debentures	8,500,000	5,500,000
Repayments of bank debentures	(2,000,000)	(17,800,000)
(Decrease) increase in other borrowings	(11,538,001)	2,202,139
Principal payment for lease liabilities	(1,545,661)	(1,283,069)
Cash dividends paid	(18,206,154)	(14,564,923)
Decrease in non-controlling interests	(1,259,956)	(1,021,729)
Net cash flows generated from (used in) financing activities	23,886,948	(20,849,202)
Effects of exchange rate changes	9,390,896	(6,310,104)
Net increase in cash and cash equivalents	39,297,644	9,846,341
Cash and cash equivalents at beginning of year	167,631,719	157,785,378
Cash and cash equivalents at end of year	$ 206,929,363	$ 167,631,719
The components of cash and cash equivalents		
Cash and cash equivalents reported in the balance sheet	$ 76,338,164	$ 80,735,621
Due from Central Bank and call loans to other banks qualified as cash and cash equivalents as defined by IAS 7	36,517,975	40,441,134
Investments in bills and bonds under resale agreements qualified as cash and cash equivalents as defined by IAS 7	94,073,224	46,454,964
Cash and cash equivalents at end of reporting year	$ 206,929,363	$ 167,631,719

(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
December 31, 2022 and 2021

(Expressed In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2022	December 31, 2021	LIABILITIES AND EQUITY	December 31, 2022	December 31, 2021
Cash and cash equivalents	$ 6,508,655	$ 841,258	Commercial paper payable - net	$ -	$ 2,788,125
Financial assets at fair value through other comprehensive income	66,320	45,653	Payables	6,139,991	3,232,641
			Current income tax liabilities	2,132,045	5,657,148
Receivables - net	1,040,134	4,344,257	Bonds payable	36,500,000	25,900,000
Current income tax assets	2,670,949	-	Liabilities reserve	35,069	37,629
Equity investments accounted for under the equity method - net	290,751,677	301,303,505	Lease liability	131,618	56,625
			Other liabilities	10,150	5,415
Property and equipment - net	45,973	47,060	Total liabilities	44,948,873	37,677,583
Right-of-use assets - net	127,440	54,468	Equity		
Intangible assets - net	17,102	14,504	Common stock	125,015,590	121,374,360
Deferred income tax assets	78,612	50,332	Additional paid-in capital	38,010,564	37,885,949
Other assets - net	10,158	12,007	Retained earnings		
			Legal reserve	20,481,785	17,040,473
			Special reserve	6,549,234	6,549,234
			Undistributed earnings	73,279,144	77,775,254
			Other equity	(6,968,170)	8,410,191
			Total equity	256,368,147	269,035,461
Total assets	$ 301,317,020	$ 306,713,044	Total liabilities and equity	$ 301,317,020	$ 306,713,044

Yuanta Financial Holding Co., Ltd.
Individual Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	For the years ended December 31,	
	2022	2021
Revenues		
Share of the profit or loss of associates and joint ventures accounted for under the equity method	$ 22,907,800	$ 36,575,675
Realised gain on financial assets at fair value through other comprehensive income	1,518	1,453
Other revenues	126,782	19,817
	23,036,100	36,596,945
Expenses and losses		
Operating expenses	(974,686)	(1,350,334)
Other expenses and losses	(299,464)	(282,217)
	(1,274,150)	(1,632,551)
Income from continuing operations before income tax	21,761,950	34,964,394
Income tax expense	(305,623)	(98,437)
Net income	21,456,327	34,865,957
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss (net of tax)		
Loss on remeasurements of defined benefit plans	2,707	(649)
Gain on valuation of investments in equity instruments measured at fair value through other comprehensive income	20,667	17,170
Share of other comprehensive income of associates and joint ventures accounted for under the equity method, components of other comprehensive income that will not be reclassified to profit or loss	4,263,944	6,747,533
Components of other comprehensive income that will be reclassified to profit or loss (net of tax)		
Share of other comprehensive income of associates and joint ventures accounted for under the equity method, components of other comprehensive income that will be reclassified to profit or loss	(20,329,420)	(11,366,216)
Other comprehensive loss	(16,042,102)	(4,602,162)
Total comprehensive (loss) income	$ 5,414,225	$ 30,263,795
Earnings per share (in dollars)		
Basic and diluted earnings per share	$ 1.72	$ 2.79

Yuanta Financial Holding Co., Ltd.
Individual Statement of Change in Equity
For the years ended December 31, 2022 and 2021
(Expressed In Thousands of New Taiwan Dollars)

			Retained Earnings			Other equity				
	Common stock	Additional paid-in capital	Legal reserve	Special reserve	Undistributed earnings	Exchange differences on translation of foreign financial statements	Unrealised gain (loss) on financial assets measured at fair value through othercomprehensive 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 equity
For the year ended December 31, 2021										
Balance, January 1, 2021	$ 121,374,360	$ 37,885,949	$ 14,633,733	$ 6,549,234	$ 60,333,790	($ 4,467,136)	$ 16,726,148	($ 45,138)	$ 345,649	$ 253,336,589
Appropriation of 2020 earnings										
Legal reserve	-	-	2,406,740	-	(2,406,740)	-	-	-	-	-
Cash dividend	-	-	-	-	(14,564,923)	-	-	-	-	(14,564,923)
Net income for the year	-	-	-	-	34,865,957	-	-	-	-	34,865,957
Other comprehensive income (loss) for the year	-	-	-	-	(642,790)	(3,932,987)	1,394,484	(2,483)	(1,418,386)	(4,602,162)
Total comprehensive income (loss) for the year	-	-	-	-	34,223,167	(3,932,987)	1,394,484	(2,483)	(1,418,386)	30,263,795
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	189,960	-	(189,960)	-	-	-
Balance, December 31, 2021	$ 121,374,360	$ 37,885,949	$ 17,040,473	$ 6,549,234	$ 77,775,254	($ 8,400,123)	$ 17,930,672	($ 47,621)	($ 1,072,737)	$ 269,035,461
For the year ended December 31, 2022										
Balance, January 1, 2022	$ 121,374,360	$ 37,885,949	$ 17,040,473	$ 6,549,234	$ 77,775,254	($ 8,400,123)	$ 17,930,672	($ 47,621)	($ 1,072,737)	$ 269,035,461
Appropriation of 2021 earnings										
Legal reserve	-	-	3,441,312	-	(3,441,312)	-	-	-	-	-
Cash dividend	-	-	-	-	(18,206,154)	-	-	-	-	(18,206,154)
Stock dividend	3,641,230	-	-	-	(3,641,230)	-	-	-	-	-
Net income for the year	-	-	-	-	21,456,327	-	-	-	-	21,456,327
Other comprehensive income (loss) for the year	-	-	-	-	1,034,054	2,280,219	(15,182,928)	(3,597)	(4,169,850)	(16,042,102)
Total comprehensive income (loss) for the year	-	-	-	-	22,490,381	2,280,219	(15,182,928)	(3,597)	(4,169,850)	5,414,225
Changes in equity of associates and joint ventures accounted for under equity method	-	124,615	-	-	-	-	-	-	-	124,615
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(1,697,795)	-	1,697,795	-	-	-
Balance, December 31, 2022	$ 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

Yuanta Financial Holding Co., Ltd.
Individual Statement of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed In Thousands of New Taiwan Dollars)

	For the years ended December 31, 2022	For the years ended December 31, 2021
Cash Flows From Operating Activities		
Profit before tax	$ 21,761,950	$ 34,964,394
Adjustment items		
Income and expense item		
Depreciation	64,158	56,094
Amortisation	4,164	2,697
Interest expense	299,288	257,623
Interest income	(38,623)	(5,448)
accounted for under the equity method	(22,907,800)	(36,575,675)
Gain on lease modification	(2)	(511)
Gain from disposal or retirement of property and equipment	(200)	(640)
Intangible assets transferred to expense	126	-
Changes in operating assets and liabilities		
(Increase) decrease in receivables	(30,244)	28,104
Decrease (increase) in other assets	1,850	(110)
(Decrease) increase in payables	(351,896)	284,054
Increase in liabilities reserve	148	76
Increase in other liabilities	4,735	1,245
Interest received	33,689	5,575
Dividend received	17,518,766	14,478,283
Interest paid	(251,675)	(249,196)
Income tax refunded (paid)	21,853	(2,327,423)
Net cash flows generated from operating activities	16,130,287	10,919,142
Cash Flows From Investing Activities		
Acquisition of property and equipment	(18,888)	(25,534)
Proceeds from disposal of property and equipment	510	1,920
Acquisition of intangible assets	(4,313)	(11,045)
Acquisition of right-of-use assets	(71)	(27)
Net cash flows used in investing activities	(22,762)	(34,686)
Cash Flows From Financing Activities		
(Decrease) increase in commercial paper payable	(2,789,000)	1,789,000
Proceeds from issuance of bonds	13,500,000	5,000,000
Repayments of bonds	(2,900,000)	(4,000,000)
Cash dividends paid	(18,206,154)	(14,564,923)
Principal payment for lease liabilities	(44,974)	(41,714)
Net cash flows used in financing activities	(10,440,128)	(11,817,637)
Net increase (decrease) in cash and cash equivalents	5,667,397	(933,181)
Cash and cash equivalents at beginning of year	841,258	1,774,439
Cash and cash equivalents at end of year	$ 6,508,655	$ 841,258
The components of cash and cash equivalents		
Cash and cash equivalents reported in the balance sheet	$ 6,508,655	$ 841,258
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 year	$ 6,508,655	$ 841,258

Item for Approval (2)

Proposal: The Distribution of 2022 Earnings (Proposed by the Board of Directors)

Description:

(1) The Company's unappropriated earnings at the beginning of 2022 were NT$52,486,556,632.

(2) The distributable earnings in this period are NT$ 64,231,715,437. This number is based on the unappropriated earnings of NT$52,486,556,632 at the beginning of the period, adding the 2022 net income after tax of NT$21,456,327,186 and the after-tax net income of the employee defined benefit plan of NT$1,034,053,757, and deducting the net loss from disposal of investments in equity instruments designated at fair value through other comprehensive income of NT$1,697,793, 626, ten percent (10%) legal reserve of NT$2,079,258,732, based on "after-tax net income for the period plus the amount of items other than after-tax net income for the period included in the current year's unappropriated earnings" of NT$20,792,587,317, in accordance with Taiwan's Ministry of Economic Affairs Letter No. 10802432410, and a special reserve of NT$6,968,169,780, provided for the same amount as the net decrease in other equity for the current period from the "after-tax net income for the current period plus the amount of items other than after-tax net income for the current period included in the current period's unappropriated earnings," in accordance with Article 41 of the Securities and Exchange Act and Taiwan's Financial Supervisory Commission Letter No. 1090150022.

(3) The Company's 2022 earnings distribution table is provided as follows (on page 54). The Company planned to distribute cash dividends of NT$10,001,247,194 and stock dividends of NT$1,875,233,850. Based on the calculated number of outstanding shares outstanding at the time of the resolution of the 12th meeting of the 9th board of directors (on March 15, 2023), which were 12,501,558,992 shares, a cash dividend of NT$0.80 and stock dividend of NT$0.15, should be distributed per share, a total of NT$0.95 per share. The capital after the capital increase was NT$126,890,823,770.

(4) The earnings distribution in the preceding paragraph comes from the balance of NT$11,745,158,805 after the 2022 after-tax net income adds the amount

of items other than after-tax net income included in the current year's unappropriated earnings, and deducts the legal reserve and special reserve. The remaining balance of NT$131,322,239 was allocated from unappropriated earnings at the beginning of the period, totaling NT$11,876,481,044.

(5) V. The cash dividends allocated to each shareholder shall be calculated until NT$1, and rounded off below. The total of fractional cash dividends less than NT$1 shall be transferred to the Company's employee benefits committee.

(6) For the converting of earnings into capital to issue new shares this time, the issuing basis is according to the shareholding ratio of the shareholders on the distribution base date. When issuing less than one share, shareholders may make up one share by themselves within five days from the capital increase and share distribution base date. If there are still remaining less-than-one shares, the chairperson of the board of directors shall be authorized to negotiate with a specific person to subscribe for the denomination at face value.

(7) VII. After the cash dividends stated in the motion for the distribution of 2022 earnings have been ratified by resolution of this shareholders meeting, the chairperson of the board of directors shall be authorized to determine matters related to the distribution such as the setting of the ex-dividend record date. After the stock dividends have been approved by this shareholders meeting and reported to the competent authority for approval, the board of directors shall be authorized to set a date for the stock dividend distribution base date (capital increase and share distribution base date) and other related matters. Dividends are allocated based on the shareholding ratio of shareholders on the ex-dividend record date and stock dividend distribution base date (capital increase and share distribution base date).

(8) If the number of outstanding shares changes due to factual needs, changes in laws and regulations, or the instructions of the competent authority, the Company shall propose to this shareholders meeting to authorize the chairperson and the board of directors respectively to recalculate the cash dividend payout ratio and capital increase and share distribution rate based on the number of outstanding shares on the ex-dividend record date and stock dividend distribution base date (capital increase and share distribution base date), when the chairperson and the board of directors are setting the

dates respectively.

(9) The motion for distribution of 2022 earnings has been reviewed by the audit committee, which considers the motion proper, and the audit report is represented.

(10) The adoption of the presentation of the proposal for distribution of 2022 earnings.

Resolution:

The proposal was approved, with the voting results as below:

The total number of votes cast was 11,395,854,113 votes.

Vote Type	Votes Cast	Percentage (%)
For	10,530,983,656	92.41
Against	344,783	0.00
Invalid	0	0.00
Abstain/Did Not Vote	864,525,674	7.58

Yuanta Financial Holding Co., Ltd.

Earnings Distribution Plan

For the Year 2022

(Expressed in New Taiwan Dollars)

Initial unappropriated earnings	52,486,556,632
Add: 2022 after-tax net income	21,456,327,186
Add: After-tax net income of the 2022 employee defined benefit plan	1,034,053,757
Deduct: 2022 net loss from disposal of investments in equity instruments designated at fair value through other comprehensive income	(1,697,793,626)
Deduct: Ten percent (10%) legal reserve(Note 1)	(2,079,258,732)
Deduct: Special reserve - net decrease in other equity(Note 2)	(6,968,169,780)
Distributable earnings	64,231,715,437
Distribution items	
Cash dividends (NT$0.80 per share)(Note 3)	(10,001,247,194)
Stock dividends (NT$0.15 per share)(Note 3)	(1,875,233,850)
Final unappropriated earnings	52,355,234,393

Note 1: In accordance with Taiwan's Ministry of Economic Affairs Letter No. 10802432410 dated January 9, 2020, the legal reserve is based on the "after-tax net income for the period plus the amount of items other than after-tax net income for the period included in the current year's unappropriated earnings." The total of the basis was NT$20,792,587,317.

Note 2: In accordance with Article 41 of the *Securities and Exchange Act* and Taiwan's Financial Supervisory Commission Letter No. 1090150022, a special reserve of the same amount is provided for the net decrease in other equity for the current period from the "after-tax net income for the current period plus the amount of items other than after-tax net income for the current period included in the current period's unappropriated earnings." If there is a shortfall, the shortfall is charged to prior period's unappropriated earnings.

Note 3: The earnings distribution this time comes from the balance of NT$11,745,158,805 after the 2022 after-tax net income adds the amount of items other than after-tax net income included in the current year's unappropriated earnings, and deducts the legal reserve and special reserve. The remaining balance of NT$131,322,239 was allocated from unappropriated earnings at the beginning of the period, totaling NT$11,876,481,044.

Chairperson of the Board: Tony Shen Manager: Chien Weng Chief Accountant: Hui Jung Lu

IV. Items for Discussion

Item for Discussion

Proposal: The Company's Issuing of New Shares from Converting Earnings to Increase Capital in 2022 (Proposed by the Board of Directors)

Description:

(1) In order to meet the needs of the Company's business development and strengthen its financial structure, it is proposed to withdraw NT$1,875,233,850 from the distributable earnings and initial unappropriated earnings in the year of 2022, to process the capital increase and issue new shares of 187,523,385 shares, with a nominal value of NT$10 per share. Based on the calculated number of outstanding shares outstanding at the time of the resolution of the 12th meeting of the 9th board of directors (on March 15, 2023), which were 12,501,558,992 shares, 15 shares out of every 1,000 shares were issued without compensation. The capital after the capital increase was NT$126,890,823,770.

(2) The capital increase issuance of new shares is subject to the provisions of Article 240 of the Company Act, and was submitted to the resolution of this annual general shareholders meeting. After reporting to the competent authority for approval, the board of directors shall set a distribution base date (capital increase and share distribution base date). The issuing basis is according to the shareholding ratio of the shareholders on the distribution base date. When issuing less than one share, shareholders may make up one share by themselves within five days from the capital increase and share distribution base date. If there are still remaining less-than-one shares, the chairperson of the board of directors shall be authorized to negotiate with a specific person to subscribe for the denomination at face value.

(3) Regarding the stock dividends in respect of the above earnings distribution, if the number of outstanding shares changes due to factual needs, changes in laws and regulations, or the instructions of the competent authority, the Company shall propose to this shareholders meeting to authorize the board of directors to recalculate the capital increase and share distribution rate based on the number of outstanding shares on the stock dividend distribution base date (capital increase and share distribution base date), when the board of directors is setting the date along with other related matters.

(4) The rights and obligations of this capital increase to issue new shares are the same as the original ordinary shares.

Resolution:

The proposal was approved, with the voting results as below:
The total number of votes cast was 11,395,854,113 votes.

Vote Type	Votes Cast	Percentage (%)
For	10,530,075,228	92.40
Against	980,870	0.00
Invalid	0	0.00
Abstain/Did Not Vote	864,798,015	7.58

※Shareholder number 1109656 asked questions about Yuanta Bank on the video conferencing platform.

The Chairman appointed the Chief Executive Officer of Yuanta Bank, Tsai Yu Chang, to reply.

The reply of Tsai Yu Chang, Chief Executive Officer of Yuanta Bank, is summarized as follows:

Yuanta Bank intends to increase its competitiveness in five areas: asset scale expansion, customer management, talent recruitment, digital information development, and risk control.

V. Extemporary Motions: None

VI. Adjournment: 9:37 AM

Meeting Chair: Ting-Chien (Tony) Shen Recorder: Ya-Ju Wu

※This English version of the AGM Minutes has been translated from the Chinese version of the AGM Minutes, in which the meeting's content and procedures were audio-video recorded.