

**PRIMASIA SECURITIES COMPANY LIMITED**  
**BALANCE SHEETS**  
**DECEMBER 31, 2020 AND 2019**  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2020		December 31, 2019	
		AMOUNT	%	AMOUNT	%
Current assets					
Cash and cash equivalents	6(1)	\$ 17,150	-	\$ 38,407	1
Financial assets at fair value through profit or loss – current	6(2) and 8	889,846	15	1,068,717	20
Accounts receivable	6(4)	1,165,656	20	617,655	12
Prepayments		961	-	1,024	-
Other receivables		4,303	-	4,573	-
Other financial assets – current	7	11,721	-	25,514	1
Current income tax assets		838	-	-	-
Restricted assets – current	6(1) and 8	411,000	7	436,000	8
Other current assets		175,711	3	2,087	-
Total current assets		2,677,186	45	2,193,977	42
Non-current assets					
Financial assets at fair value through other comprehensive income – non-current	6(2) and 8	2,740,673	46	2,537,267	48
Property and equipment, net	6(5) and 8	271,099	4	260,506	5
Right-of-use assets	6(6)	39,109	1	32,655	-
Intangible assets, net	6(7)	96,537	1	93,730	2
Other non-current assets	6(3)(8) and 8	161,279	3	162,023	3
Total non-current assets		3,308,697	55	3,086,181	58
Total Assets		\$ 5,985,883	100	\$ 5,280,158	100

(Continued)

**PRIMASIA SECURITIES COMPANY LIMITED**  
**BALANCE SHEETS**  
**DECEMBER 31, 2020 AND 2019**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2020		December 31, 2019	
		AMOUNT	%	AMOUNT	%
<b>Current liabilities</b>					
Short-term loans	6(9)	\$ 412,000	7	\$ 736,000	14
Commercial paper payable	6(9)	579,548	10	457,841	8
Accounts payable	6(10)	1,168,249	19	616,442	12
Current income tax liabilities		-	-	1,543	-
Lease liabilities-current		6,755	-	3,585	-
Other current liabilities		219,324	4	44,519	1
<b>Total current liabilities</b>		<u>2,385,876</u>	<u>40</u>	<u>1,859,930</u>	<u>35</u>
<b>Non-current liabilities</b>					
Long-term borrowings	6(12)	350,000	6	350,000	7
Provision for liabilities – non-current	6(11)	15,973	-	14,946	-
Lease liabilities-non-current		<u>32,953</u>	<u>1</u>	<u>29,438</u>	<u>1</u>
<b>Total non-current liabilities</b>		<u>398,926</u>	<u>7</u>	<u>394,384</u>	<u>8</u>
<b>Total Liabilities</b>		<u>2,784,802</u>	<u>47</u>	<u>2,254,314</u>	<u>43</u>
<b>Equity</b>					
<b>Capital stock</b>		1,137,554	19	1,137,554	21
<b>Retained earnings</b>					
Legal reserve	6(14)	77,163	1	70,834	1
Special reserve	6(14)	21,859	-	9,201	-
Accumulated earnings	6(14)	95,615	2	141,026	3
<b>Other equity interest</b>	6(14)	<u>1,868,890</u>	<u>31</u>	<u>1,667,229</u>	<u>32</u>
<b>Total Equity</b>		<u>3,201,081</u>	<u>53</u>	<u>3,025,844</u>	<u>57</u>
<b>Total liabilities and equity</b>		<u>\$ 5,985,883</u>	<u>100</u>	<u>\$ 5,280,158</u>	<u>100</u>

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

**PRIMASIA SECURITIES COMPANY LIMITED**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2020 AND 2019**

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

Items	Notes	Year ended December 31			
		2020		2019	
		AMOUNT	%	AMOUNT	%
<b>Income</b>					
Brokerage handling fee revenue	7	\$ 136,362	97	\$ 108,820	55
Revenue from underwriting business		973	1	3,086	2
Net gains (losses) on sale of operating securities	6(2)	24,370	17	(27,315)	(14)
Interest revenue		24,980	18	27,395	14
Net (losses) gains on operating securities measured at fair value through profit or loss	6(2)	(80,151)	(57)	92,162	47
Futures commission revenue		1,518	1	686	-
Net gains (losses) on derivative instruments – counter	12(5)	10,786	8	(30,176)	(15)
Other operating revenue		20,951	15	22,743	11
		<u>139,789</u>	<u>100</u>	<u>197,401</u>	<u>100</u>
<b>Expenses</b>					
Brokerage handling fee expenses		(20,221)	(14)	(14,289)	(7)
Proprietary handling fee expenses		(25)	-	(25)	-
Underwriting charges – refinancing		(3)	-	-	-
Finance costs		(22,087)	(16)	(24,677)	(13)
Employee benefit expenses	6(17) and 7	(142,416)	(102)	(154,832)	(78)
Depreciation and amortisation expenses	6(18)	(25,876)	(19)	(24,823)	(13)
Other operating expenses	7	(58,821)	(42)	(63,185)	(32)
		<u>(269,449)</u>	<u>(193)</u>	<u>(281,831)</u>	<u>(143)</u>
<b>Non-operating income and expenses</b>					
Other income and expenses, net	6(19) and 7	124,170	89	152,502	77
<b>(Loss) income from continuing operations before income tax</b>		(5,490)	(4)	68,072	34
Income tax expense	6(13)	-	-	(4,784)	(2)
<b>Net (loss) income</b>		<u>(5,490)</u>	<u>(4)</u>	<u>63,288</u>	<u>32</u>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Remeasurement of net defined benefit plans		1,817	2	(1,272)	(1)
Unrealised gain on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(2)	201,661	144	327,313	166
<b>Other comprehensive income (net amount after tax)</b>		<u>203,478</u>	<u>146</u>	<u>326,041</u>	<u>165</u>
<b>Total comprehensive income</b>		<u>\$ 197,988</u>	<u>142</u>	<u>\$ 389,329</u>	<u>197</u>
<b>Basic (losses) earnings per share (in New Taiwan dollars)</b>	6(15)	(\$ 0.05)		\$ 0.56	

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

PRIMASIA SECURITIES COMPANY LIMITED  
STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2020 AND 2019  
(Expressed in thousands of New Taiwan dollars)

		Retained Earnings				Unrealised gain on financial assets measured at fair value through other comprehensive income	Total equity
	Note	Capital stock	Legal reserve	Special reserve	Accumulated earnings		
<u>Year ended December 31, 2019</u>							
Balance at January 1, 2019		\$ 1,137,554	\$ 70,834	\$ 9,201	\$ 363,398	\$ 1,339,916	\$ 2,920,903
Net income for the year		-	-	-	63,288	-	63,288
Other comprehensive income (loss)	6(14)	-	-	-	( 1,272 )	327,313	326,041
Total comprehensive income		-	-	-	62,016	327,313	389,329
Appropriation and distribution of prior year's earnings:							
Cash dividends	6(14)	-	-	-	( 284,388 )	-	( 284,388 )
Balance at December 31, 2019		<u>\$ 1,137,554</u>	<u>\$ 70,834</u>	<u>\$ 9,201</u>	<u>\$ 141,026</u>	<u>\$ 1,667,229</u>	<u>\$ 3,025,844</u>
<u>Year ended December 31, 2020</u>							
Balance at January 1, 2020		\$ 1,137,554	\$ 70,834	\$ 9,201	\$ 141,026	\$ 1,667,229	\$ 3,025,844
Net loss for the year		-	-	-	( 5,490 )	-	( 5,490 )
Other comprehensive income	6(14)	-	-	-	1,817	201,661	203,478
Total comprehensive income (loss)		-	-	-	( 3,673 )	201,661	197,988
Appropriation and distribution of prior year's earnings:							
Legal reserve	6(14)	-	6,329	-	( 6,329 )	-	-
Special reserve	6(14)	-	-	12,658	( 12,658 )	-	-
Cash dividends	6(14)	-	-	-	( 22,751 )	-	( 22,751 )
Balance at December 31, 2020		<u>\$ 1,137,554</u>	<u>\$ 77,163</u>	<u>\$ 21,859</u>	<u>\$ 95,615</u>	<u>\$ 1,868,890</u>	<u>\$ 3,201,081</u>

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



PRIMASIA SECURITIES COMPANY LIMITED  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2020 AND 2019  
(Expressed in thousands of New Taiwan dollars)

	Year ended December 31	
	2020	2019
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
(Loss) profit before tax	( \$ 5,490 )	\$ 68,072
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	16,963	18,860
Amortisation expense	8,913	5,963
Net losses (gains) on operating securities measured at fair value through profit or loss	59,031	( 100,642 )
Dividend income	( 68,700 )	( 82,953 )
Interest income	( 26,939 )	( 30,882 )
Interest expense	22,087	24,677
Gains on disposal of investments	-	( 29,204 )
Gain on disposal of property and equipment	-	( 1,406 )
Changes in operating assets and liabilities		
Changes in operating assets		
(Increase) decrease in financial assets at fair value through profit or loss	( 76,111 )	310,976
Increase in accounts receivable	( 548,001 )	( 5,708 )
Decrease in prepayments	63	40,497
Decrease (increase) in other receivables	100	( 4,686 )
Decrease (increase) in other financial assets – current	13,793	( 20,849 )
Decrease (increase) in restricted assets – current	25,000	( 58,800 )
Increase in other current assets	( 173,624 )	( 1,991 )
Decrease in other non-current assets	2,072	110,814
Changes in operating liabilities		
Decrease in notes payable	-	( 140 )
Increase in accounts payable	551,807	5,813
Increase in other current liabilities	176,350	21,232
Increase (decrease) in provision for liabilities – non-current	2,844	( 1,582 )
Cash (outflow) inflow generated from operations	( 19,842 )	268,061
Interest received	27,109	31,163
Interest paid	( 23,632 )	( 25,692 )
Dividend received	68,700	82,953
Income taxes paid	( 2,381 )	( 100 )
Net cash flows from operating activities	49,954	356,385
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from disposal of financial assets at fair value through profit or loss	195,951	51,100
Acquisition of financial assets at fair value through other comprehensive income	( 1,745 )	( 2,173 )
Acquisition of property and equipment	( 18,906 )	( 58,525 )
Proceeds from disposal of property and equipment	-	1,630
Acquisition of intangible assets	( 11,720 )	( 98,769 )
Prepayments for equipment	( 1,328 )	-
Net cash flows from (used in) investing activities	162,252	( 106,737 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
(Decrease) increase in short-term loans	( 324,000 )	91,000
Increase (decrease) in commercial paper payable	121,707	( 109,906 )
Payments of lease liabilities	( 8,419 )	( 12,214 )
Cash dividends paid	( 22,751 )	( 284,388 )
Net cash flows used in financing activities	( 233,463 )	( 315,508 )
Net decrease in cash and cash equivalents	( 21,257 )	( 65,860 )
Cash and cash equivalents at beginning of year	38,407	104,267
Cash and cash equivalents at end of year	\$ 17,150	\$ 38,407

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