

Balance Sheet

Unit : NTS'000

ASSETS		Dec.31,2019		Dec.31,2018		LIABILITIES AND EQUITIES		Dec.31,2019		Dec.31,2018	
Code	Item	Amount	%	Amount	%	Code	Item	Amount	%	Amount	%
11000	Cash and cash equivalents	21,191	0	77,839	0	21000	Deposits from the Central Bank and banks	0	0	76,304	0
11500	Due from the Central Bank and call loans to banks	4,282,748	2	12,340,009	7	21500	Due to the Central Bank and other banks	2,000,000	1	1,600,000	1
12000	Financial asset at fair value through profit or loss	13,588,204	7	12,049,856	7	22000	Financial liability at fair value through profit	14,119,951	8	12,839,183	7
12100	Financial asset at fair value through other comprehensive income	290,420	0	290,482	0	22300	Hedging derivative financial liabilities	0	0	0	0
12200	Investment in debt instrument measured at amortized cost	18,739,041	10	22,683,023	13	22500	Securities sold under repurchase agreements	0	0	0	0
12300	Hedging derivative financial assets	0	0	0	0	23000	Payables	2,774,099	2	5,346,153	3
12500	Securities purchased under resell agreements	0	0	0	0	23200	Current income tax liabilities	0	0	88,545	0
13000	Receivables - net	22,922,378	12	41,559,095	24	23300	Liabilities Related to Assets Classified as Held for Sale	0	0	0	0
13200	Current income tax assets	43,238	0	19,973	0	23500	Deposits and remittances	46,857,669	26	50,350,055	29
13300	Assets Classified as Held for Sale	0	0	0	0	24000	Financial debenture payable	0	0	0	0
13500	Loans, discounted notes and bills - net	83,821,218	46	62,284,343	36	25500	Other financial liabilities	0	0	0	0
15100	Restricted assets	0	0	0	0	25600	Reserves for liability	454,352	0	360,942	0
15500	Other financial assets - net	0	0	0	0	26000	Lease debt	50,919	0	0	0
18500	Property and Equipment - net	24,851	0	26,978	0	29300	Deferred income tax liabilities	73,067	0	0	0
18600	Right of use - net	47,051	0	0	0	29500	Other liabilities	112,768,439	60	99,419,843	57
19000	Intangible assets - net	0	0	0	0	20000	TOTAL LIABILITIES	179,098,496	97	170,081,025	97
19300	Deferred income tax assets - net	0	0	65,887	0	31000	Capital	2,760,820	2	2,760,820	2
19500	Other assets - net	39,905,523	23	23,047,601	13	32000	Retained earnings	1,828,089	1	1,607,657	1
						32011	Unappropriated earnings	1,603,160	1	1,284,058	1
						32025	Current income	224,929	0	323,599	0
						32500	Other equity	(1,542)	0	(4,416)	0
						30000	TOTAL EQUITY	4,587,367	3	4,364,061	3
10000	TOTAL ASSETS	183,685,863	100	174,445,086	100		TOTAL LIAB. AND EQUITY	183,685,863	100	174,445,086	100

Commitments and Contingent Accounts		Dec.31,2019	Dec.31,2018	Allowance for uncollectible accounts		Dec.31,2019	Dec.31,2018
Code	Item	Amount	Amount	Code	Item	Amount	Amount
81004	Loan Commitment	9,254,827	5,261,364	13024	Acceptance	0	0
81005	Loan Uncommitment	169,090,139	110,125,425	13026	A/R Forfeiting - without recourse	204,906	337,306
81003	Guarantee	28,888,149	20,459,412	13590	Loans, discounted notes and bills	801,368	587,362
81011	Documentary L/C	86,098	146,320				

* Report not certified by CPA auditors.

Consolidate Income Statement

Unit : NT\$'000

代碼	項 目	2019Q4		2018Q4		Variable %
		Amount	%	Amount	%	
41000	Interest income	1,603,613	126	1,814,150	146	(12)
51000	Interest expense	(2,227,581)	(175)	(2,263,767)	(182)	(2)
	Net interest (expense) income	(623,968)	(49)	(449,617)	(36)	39
	Other operating income					
	Commission income	236,859	19	113,785	9	108
	Gain (loss) on financial assets or liabilities measured at fair value through profit and loss	(572,388)	(45)	(1,478,372)	(119)	(61)
	Gain (loss) on debt instrument at fair value through other comprehensive income	(2,402)	0	(3,342)	0	(28)
	Gain (loss) on financial asset measured at amortized cost	0	0	(598)	0	0
	Foreign exchange gains (losses) - net	1,855,130	146	2,740,233	221	(32)
	Impairment loss on assets (reversal of impairment loss on assets)	(147)	0	(939)	0	0
	Others	380,026	29	319,911	25	19
	Net income	1,273,110	100	1,241,061	100	3
58200	Bad debt expenses	(170,309)	(13)	(124,228)	(10)	37
	Operating expenses					
58500	Employee benefits	(338,667)	(27)	(269,717)	(22)	26
59000	Depreciation and amortization expense	(23,646)	(2)	(4,000)	0	491
59500	Other general and administrative expenses	(415,595)	(33)	(437,799)	(35)	(5)
	Consolidated income (loss) from continuing operations before income tax	324,893	26	405,317	33	(20)
61003	Consolidated income (loss) from continuing operations - Income tax (expense) benefit	(99,965)	(8)	(81,718)	(7)	22
	Consolidated income (loss) from continuing operations - after income tax	224,928	18	323,599	26	(30)
62500	Income (loss) from discontinued operations	0	0	0	0	0
	Net income (loss)	224,928	18	323,599	26	(30)
	Other comprehensive income					
65201	Remeasurement of defined benefit plans	(613)	0	(6,171)	0	0
65301	Exchange differences on cumulative translation adjustments	(1,510)	0	(249)	0	506
65308	Unrealized gain (loss) on debt instrument at fair value through other comprehensive income	504	0	12,900	1	(96)
65310	Gain on reversal of impairment loss on debt instrument at fair value through other comprehensive income	0	0	0	0	0
65320	Other comprehensive income after tax	0	0	0	0	0
65000	Total other comprehensive income	(1,620)	0	6,479	1	(125)
	Net income belong to:					
	Owners' equity	224,928	18	323,599	26	(30)
	Non-controlling Interests					
	Total other comprehensive income belong to:					
	Owners' equity	223,309	18	330,079	27	(32)
	Non-controlling Interests					

* Report not certified by CPA auditors.

Information on fair value hierarchy of financial instruments

Unit : NT\$'000

Instrument item measured at fair value	Dec.31,2019				Dec.31,2018			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Non-derivative financial instruments								
<u>Asset</u>								
Financial assets designated at fair value through profit or loss	49,947	49,947	-	-	350,827	350,827	-	-
Held for trading financial asset	49,947	49,947	-	-	350,827	350,827	-	-
Equity investment	-	-	-	-	-	-	-	-
Bond investment	49,947	49,947	-	-	350,827	350,827	-	-
Others	-	-	-	-	-	-	-	-
Financial assets designated at fair value through profit or loss on initial recognition	-	-	-	-	-	-	-	-
Financial asset at fair value through other comprehensive income	290,504	290,504	-	-	290,482	290,482	-	-
Equity investment	-	-	-	-	-	-	-	-
Bond investment	290,504	290,504	-	-	290,482	290,482	-	-
Others	-	-	-	-	-	-	-	-
Investment in debt instrument measured at amortized cost	18,739,041	2,367,755	16,371,286	-	22,683,023	8,484,012	14,199,011	-
Equity investment	-	-	-	-	-	-	-	-
Bond investment	9,640,388	2,367,755	7,272,633	-	11,483,023	8,484,012	2,999,011	-
Others	9,098,653	-	9,098,653	-	11,200,000	-	11,200,000	-
<u>Liabilities</u>								
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Held for trading financial liabilities	-	-	-	-	-	-	-	-
Financial liabilities designated at fair value through profit or loss on initial recognition	-	-	-	-	-	-	-	-
Derivatives financial instruments	-	-	-	-	-	-	-	-
<u>Asset</u>								
Financial assets designated at fair value through profit or loss	13,538,257	-	13,538,257	-	11,699,029	-	11,699,029	-
Hedging derivative financial assets	-	-	-	-	-	-	-	-
<u>Liabilities</u>								
Financial liabilities designated at fair value through profit or loss	14,119,951	-	14,119,951	-	12,839,183	-	12,839,183	-
Hedging derivative financial liabilities	-	-	-	-	-	-	-	-

Financial asset changes in fair value measurement level 3

Unit : NT\$'000

Item	Beginning retained earning	Profit/Loss valuation		Increase during period		Decrease during period		Ending retained earning
		Income statement	Other comprehensive income	Buy in or issue	Transfers to Level 3	Sale, disposal or settlement	Converted out from Level 3	
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Held for trading financial assets	-	-	-	-	-	-	-	-
Financial assets designated at fair value through profit or loss on initial recognition	-	-	-	-	-	-	-	-
Financial asset at fair value through other comprehensive income	-	-	-	-	-	-	-	-
Investment in debt instrument measured at amortized cost	-	-	-	-	-	-	-	-
Hedging derivative financial assets	-	-	-	-	-	-	-	-

Financial liabilities changes in fair value measurement level 3

Unit : NT\$'000

Item	Beginning retained earning	Valuation of profit/loss during the period	Increase during period		Decrease during period		Ending retained earning
			Buy in or issue	Transfers to Level 3	Sale, disposal or settlement	Converted out from Level 3	
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-
Held for trading financial liabilities	-	-	-	-	-	-	-
Financial liabilities designated at fair value through profit or loss on initial recognition	-	-	-	-	-	-	-
Hedging derivative financial liabilities	-	-	-	-	-	-	-

ASSETS QUALITY

Unit : NT\$'000, %

Year \ Month		Dec.31,2019					Dec.31,2018					
ITEM		Overdue Amount	Loan Amount	% of Overdue loans to Total loans	Loan loss reserve	% of Loan loss reserve to Overdue Loan	Overdue Amount	Loan Amount	% of Overdue loans to Total loans	Loan loss reserve	% of Loan loss reserve to Overdue Loan	
Corporate Finance	Security	-	69,751	-	801,368	NA	-	114,044	-	587,362	NA	
	Unsecurity	-	84,552,835	-			-	62,757,660	-			
Consumer Finance	Housing Loan	-	-	-	-	NA	-	-	-	-	NA	
	Cash card	-	-	-			-	-	-			
	Small credit Loan	-	-	-			-	-	-			-
	Others	-	-	-			-	-	-			-
Total		-	84,622,586	-	801,368	-	62,871,704	-	587,362	-	-	
Year \ Month		Overdue Amount	A/R Amount	% of Overdue A/R to Total A/R	Provision Amount	% of Provision to Overdue Loan	Overdue Amount	A/R Amount	% of Overdue A/R to Total A/R	Provision Amount	% of Provision to Overdue Loan	
Credit card		-	-	-	-	NA	-	-	-	-	NA	
Factoring-without recourse		-	20,490,636	-	204,906		-	36,781,221	-	337,306		-
Other non-performing loans		-	-	-	-		-	-	-	-		-

Year \ Month	Dec.31,2019	Dec.31,2018
Loan classified as non-Pass-Due with normal payment after debt negotiation	-	-

Credit Exposure Concentration

Unit : NTS'000, %

Year \ Month	Dec.31,2019				Dec.31,2018			
Ranking	Group Name	INDUSTRIAL CLASSIFICATION	Credit Amount	% of Credit amount to net worth (%)	Group Name	INDUSTRIAL CLASSIFICATION	Credit Amount	% of Credit amount to net worth (%)
1	Taxxx Sexx Coxxxxxxx	Manufacturing	25,125,396	548%	Axxxx	Manufacturing	33,708,471	772%
2	Axxxx	Manufacturing	20,490,636	447%	Taxxx Sexx Coxxxxxxx	Manufacturing	15,824,663	363%
3	Fxxxxx Plxxxxx	Manufacturing	11,733,011	256%	Hxx Hxx	Manufacturing	10,772,750	247%
4	Mxxxxxx	Manufacturing	9,036,000	197%	Fxxxxx Plxxxxx	Manufacturing	8,018,039	184%
5	Hxx Hxx	Manufacturing	7,700,000	168%	Coxxxx	Manufacturing	7,681,875	176%
6	Coxxxx	Manufacturing	7,530,000	164%	Ctxx	Construction	5,841,051	134%
7	Qxxxxx	Manufacturing	5,981,832	130%	Fxx Eaxxxx	Manufacturing	4,816,839	110%
8	Ctxx	Construction	5,533,624	121%	Axxxxxxx Sxxx Cxxxxxxx	Manufacturing	4,505,215	103%
9	Fxx Eaxxxx	Manufacturing	3,343,920	73%	Hx Txx	Financial Service	3,600,000	82%
10	Daxxxxx	Financial Service	3,050,000	66%	Daxxxxx	Financial Service	3,200,000	73%

Interest-Rate Sensitivity - TWD Currency

Dec.31,2019

Unit : NT\$'000, %

ITEM	0 to 90 days	91 to 180 days	181 days to 1 year	over 1 year	TOTAL
Sensitive assets	20,337,733	3,750,000	15,851,000	5,154,869	45,093,602
Sensitive liabilities	1,610,000	-	500,000	1,569,529	3,679,529
Sensitive Gap	18,727,733	3,750,000	15,351,000	3,585,340	41,414,073
Equity					4,628,721
Ratio of interest-rate sensitive assets to liabilities					1,225.53 %
Ratio of interest-rate sensitive gap to equity					894.72 %

Interest-Rate Sensitivity - USD Currency

Dec.31,2019

Unit : US\$'000, %

ITEM	0 to 90 days	91 to 180 days	181 days to 1 year	over 1 year	TOTAL
Sensitive assets	2,050,988	280,000	43,600	100,000	2,474,588
Sensitive liabilities	2,897,893	715,986	-	-	3,613,879
Sensitive Gap	(846,905)	(435,986)	43,600	100,000	(1,139,291)
Equity					2,694
Ratio of interest-rate sensitive assets to liabilities					68.47 %
Ratio of interest-rate sensitive gap to equity					-42,289.94 %

Note:

- Interest-rate sensitive assets or liabilities represent interest bearing assets or interest paying liabilities influenced by the fluctuation of interest rates.
- Ratio of interest-rate sensitive assets to liabilities = Interest-rate sensitive assets ÷ Interest-rate sensitive liabilities (i.e. New Taiwan Dollar interest-rate sensitive assets and New Taiwan Dollar interest-rate sensitive liabilities with tenors of less than one year)
- Interest-rate sensitive gap = Interest-rate sensitive assets — Interest-rate sensitive liabilities

Ratio of Profitability

Unit : %

ITEM		Dec.31,2019	Dec.31,2018
Ratio of return on assets	before income tax	0.24 %	0.32 %
	after incometax	0.16 %	0.25 %
Ratio of return on equity	before income tax	6.79 %	9.73 %
	after incometax	4.70 %	7.77 %
Ratio of net income		17.67 %	26.07 %

Note:

1. Ratio of return on assets = Income before income tax ÷ Average assets
2. Ratio of return on equity = Income before income tax ÷ Average equity
3. Ratio of net income = Income before income tax ÷ Total revenue
4. Income before income tax is the year-to-date accumulated income.

Analysis of Assets and Liabilities by Maturity Date - TWD Currency
Dec.31,2019

Unit : NT\$'000

ITEM	TOTAL	Amount for the remaining period to the maturity date				
		0 to 30 days	31 to 90 days	91 to 180 days	181 days to 1 year	over 1 year
Assets	585,482,445	171,612,572	167,738,511	101,847,307	112,120,303	32,163,752
Liabilities	593,504,078	154,480,023	175,901,885	121,995,949	100,512,828	40,613,393
Gap	-8,021,633	17,132,549	-8,163,374	-20,148,642	11,607,475	-8,449,641

Note:

1. The table includes only New Taiwan Dollar amounts (i.e. excludes assets and liabilities denominated in foreign currency).

Analysis of Assets and Liabilities by Maturity Date - USD Currency
Dec.31,2019

Unit : US\$'000

ITEM	TOTAL	Amount for the remaining period to the maturity date				
		0 to 30 days	31 to 90 days	91 to 180 days	181 days to 1 year	over 1 year
Assets	26,455,022	8,238,771	6,464,488	5,125,228	3,943,394	2,683,141
Liabilities	26,962,222	8,959,691	6,608,088	4,675,267	3,908,888	2,810,288
Gap	-507,200	-720,920	-143,600	449,961	34,506	-127,147

Note:

1. The table includes only U.S. Dollar amounts.

Ratio of Deposits, Time Deposits and Foreign Currency Deposits to Total Deposits

Unit : NTS'000, %

	Dec.31,2019	Dec.31,2018
Demand deposits	226,717	199,826
% of Demand deposits	0.48 %	0.40 %
Time deposits	46,628,549	50,146,982
% of Time deposits	99.52 %	99.60 %
Foreign currency deposits	45,178,139	50,206,094
% of Foreign currency deposits	96.42 %	99.72 %

Note:

1. % of Demand deposits = demand deposits ÷ total deposits ;
 % of Time deposits = time deposits ÷ total deposits ;
 % of Foreign currency deposits = foreign currency deposits ÷ total deposits
2. Demand deposits and Time deposits include Foreign currency deposits and Treasury deposits.
3. Postal office deposits are excluded.

Ratio of Small and Medium-Size Enterprise (SME) Loans

Unit : NTS'000, %

	Dec.31,2019	Dec.31,2018
SME Loans	-	-
% of SME Loans	0.00 %	0.00 %
Consumer Loans	-	-
% of Consumer Loans	0.00 %	0.00 %

Note:

1. % of SME Loans = SME Loans ÷ Total Loans;
% of Consumer Loans = Consumer Loans ÷ Total Loans
2. Small and Medium-Size Enterprises (SME) are identified according to the definition promulgated by the Banking Bureau.
Employee Loans under Welfare Committee and other individual Consumer Loans.

Interest Bearing Assets and Interest Paying Liabilities

Unit : NT\$'000, %

ITEM	Dec.31,2019		Dec.31,2018	
	Average balance	Average interest rate	Average balance	Average interest rate
Interest bearing assets	250,827,849	0.98 %	242,610,159	1.31 %
Due from Central Bank, other branches and other banks	25,171,183	0.25 %	23,910,463	0.52 %
Securities purchased	40,366,432	0.66 %	64,212,845	0.45 %
A/R Forfaiting - without recourse	22,327,640	2.43 %	25,060,130	2.95 %
Loans, discounted notes and bills	162,962,594	1.17 %	129,426,721	1.88 %
Interest paying liabilities	129,702,170	1.51 %	122,650,596	2.32 %
Due to banks and other branches	100,007,008	1.24 %	85,802,360	2.04 %
Deposits (demand deposits, time deposits and NCD)	29,695,162	2.43 %	36,848,236	2.98 %

Note:

1. Average balance is based on daily average balance of interest bearing assets or interest liabilities.
2. Interest bearing assets or interest paying liabilities are disclosed in accordance with the chart of accounts or their nature.

Major Foreign Currencies Net Position

Unit : NT\$'000

	Dec.31,2019		Dec.31,2018	
	Foreign currency	Equivalent to NTD	Foreign currency	Equivalent to NTD
Major foreign currencies net position (market risk)	EUR	8,347	EUR	10,075
	CNY	2,024	USD	6,228
	SGD	1,922	CNY	2,268
	INR	1,834	JPY	920
	THB	292	AUD	253

Note:

1. Major foreign currencies shall mean the top five currencies with largest positions.
2. Major foreign currencies net position shall mean the absolute net balance of each currency.