

			December 31, 2019	December 31, 2018
Assets		Notes	AMOUNT	AMOUNT
11000	Cash and cash equivalents	6(1) and 7	\$ 356,298	\$ 326,207
12000	Financial assets at fair value through profit or loss	6(2)(7), 7 and 8	127,382,706	126,577,565
12100	Financial assets at fair value through other comprehensive income	6(3)(7), 7 and 8	126,416,773	131,955,095
12200	Investments in debt instruments at amortised cost	6(4)(7)	431,553	440,070
13000	Receivables – net	6(6)	2,303,800	1,534,617
15500	Other financial assets – net	6(9) and 8	585,426	497,703
18500	Property and equipment - net	6(10)	353,131	363,438
18600	Right of use asset- net	6(11)	73,532	-
18700	Investment property - net	6(12)	2,496,432	2,507,096
19000	Intangible assets - net		6,195	4,140
19300	Deferred income tax assets - net	6(30)	135,853	532,673
19500	Other assets – net	6(13) and 7	59,540	49,956
TOTAL ASSETS			\$ 260,601,239	\$ 264,788,560
Liabilities and equity				
21000	Interbank overdraft and call loans	6(14), 7 and 8	\$ 14,132,031	\$ 23,074,279
22000	Financial liabilities at fair value through profit or loss	6(15)	2,475	5,892
22500	Bills and bonds payable under repurchase agreements	6(2)(3)(4)(5)(7) and 7	204,173,461	202,310,405
23000	Payables	6(16)	592,668	560,256
23200	Current income tax liabilities	6(30) and 7	136,891	69,738
25600	Provisions for liabilities	6(17)(18)	2,589,139	2,696,915
26000	Lease liabilities	6(11) and 7	73,785	-
29300	Deferred income tax liabilities	6(30)	324,149	86,060
29500	Other liabilities		299,415	356,264
TOTAL LIABILITIES			222,324,014	229,159,809
31100	Stockholders' Equity			
31101	Common stocks	6(19)	13,114,411	13,114,411
31500	Capital surplus	6(20)	320,929	320,929
32000	Retained earnings	6(21)		
32001	Legal reserve		19,669,947	18,902,523
32003	Special reserve		203,090	203,090
32005	Unappropriated retained earnings		2,626,382	2,906,836
32500	Other equity interest		2,342,466	180,962
TOTAL EQUITY			38,277,225	35,628,751
TOTAL LIABILITIES AND EQUITY			\$ 260,601,239	\$ 264,788,560

MEGA BILLS FINANCE CO., LTD.  
STATEMENTS OF INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE)

		For the years ended December 31,	
		2019	2018
Items	Notes	AMOUNT	AMOUNT
41000 Interest income	6(22)	\$ 3,490,129	\$ 3,446,303
51000 Less : interest expense	6(22) and 7	( 1,940,494)	( 1,603,543)
<b>Interest income, net</b>		<b>1,549,635</b>	<b>1,842,760</b>
<b>Non-interest income, net</b>			
49100 Service fee and commission income, net	6(23) and 7	923,508	922,292
49200 Gain or loss from financial assets and liabilities at fair value through profit or loss	6(2)(15)(24) and 7	522,379	495,452
49310 Realized gain on financial assets at fair value through other comprehensive income	6(3)(25)	782,811	337,985
49600 Foreign exchange gain or loss, net	(	27,206)	44,323
55000 Impairment (loss) reversal of gain on assets	(	639)	6,542
<b>Other non-interest income or loss, net</b>			
49851 Leasehold income	7	114,389	107,528
48001 Others		35,980	20,797
<b>Net revenues</b>		<b>3,900,857</b>	<b>3,777,679</b>
58200 Reversals (provisions)	6(26)	69,684	54,058
<b>Operating expenses</b>			
58500 Employee benefit expense	6(18)(27)	( 574,655)	( 526,892)
59000 Depreciation and amortization	6(10)(11)		
	(12)(28)	( 65,127)	( 25,683)
59500 Other business and administrative expenses	6(29) and 7	( 164,779)	( 216,565)
<b>Total operating expenses</b>		<b>( 804,561)</b>	<b>( 769,140)</b>
61001 <b>Income before income tax from operating unit</b>		<b>3,165,980</b>	<b>3,062,597</b>
61003 Income tax expense	6(30)	( 540,628)	( 504,516)
64000 <b>Net income</b>		<b>2,625,352</b>	<b>2,558,081</b>
<b>Other comprehensive income</b>			
<b>Not reclassifiable to profit or loss:</b>			
65201 Remeasurement of defined benefit plans	6(18)	( 17,641)	( 47,769)
65204 Revaluation gains (losses) on investments in equity instruments measured at fair value through other comprehensive income	6(3)	372,762	( 85,869)
65220 Income tax relating to items that are not reclassifiable to profit or loss	6(30)	3,528	9,554
<b>Potentially reclassifiable to profit or loss subsequently:</b>			
65309 Gains (losses) on investments in debt instruments measured at fair value through other comprehensive income	6(3)	2,287,000	( 1,562,145)
65320 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(30)	( 497,992)	299,253
65000 <b>Total other comprehensive income(loss) (after income tax)</b>		<b>2,147,657</b>	<b>( 1,386,976)</b>
66000 <b>Total comprehensive income</b>		<b>\$ 4,773,009</b>	<b>\$ 1,171,105</b>
67500 <b>Earnings per share</b>			
<b>Basic and diluted earnings per share</b>	6(31)	<b>\$ 2.00</b>	<b>\$ 1.95</b>

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

For the year ended December 31, 2018

Balance at January 1, 2018	\$ 13,114,411	\$ 320,929	\$ 18,098,666	\$ 235,239	\$ 2,679,521	\$ -	\$ 1,589,091	\$ 36,037,857
Effects of retrospective application and retrospective restatement	-	-	-	-	346,880	1,563,589	( 1,589,091 )	321,378
Balance at 1 January after adjustments	<u>13,114,411</u>	<u>320,929</u>	<u>18,098,666</u>	<u>235,239</u>	<u>3,026,401</u>	<u>1,563,589</u>	<u>-</u>	<u>36,359,235</u>
Net income for 2018	-	-	-	-	2,558,081	-	-	2,558,081
Total other comprehensive loss for 2018	-	-	-	-	( 38,215 )	( 1,348,761 )	-	( 1,386,976 )
Total comprehensive income for 2018	-	-	-	-	<u>2,519,866</u>	<u>( 1,348,761 )</u>	-	<u>1,171,105</u>
Appropriation of 2017 earnings								
Legal reserve	-	-	803,857	-	( 803,857 )	-	-	-
Special reserve	-	-	-	( 32,149 )	32,149	-	-	-
Cash dividends	-	-	-	-	( 1,901,589 )	-	-	( 1,901,589 )
Disposal of investment in equity instruments designated at fair value through other comprehensive income	-	-	-	-	33,866	( 33,866 )	-	-
Balance at December 31, 2018	<u>\$ 13,114,411</u>	<u>\$ 320,929</u>	<u>\$ 18,902,523</u>	<u>\$ 203,090</u>	<u>\$ 2,906,836</u>	<u>\$ 180,962</u>	<u>\$ -</u>	<u>\$ 35,628,751</u>
<u>For the year ended December 31, 2019</u>								
Balance at January 1, 2019	\$ 13,114,411	\$ 320,929	\$ 18,902,523	\$ 203,090	\$ 2,906,836	\$ 180,962	\$ -	\$ 35,628,751
Net income for 2019	-	-	-	-	2,625,352	-	-	2,625,352
Total other comprehensive loss for 2019	-	-	-	-	( 14,113 )	2,161,770	-	2,147,657
Total comprehensive income for 2019	-	-	-	-	<u>2,611,239</u>	<u>2,161,770</u>	-	<u>4,773,009</u>
Appropriation of 2018 earnings								
Legal reserve	-	-	767,424	-	( 767,424 )	-	-	-
Cash dividends	-	-	-	-	( 2,124,535 )	-	-	( 2,124,535 )
Disposal of investment in equity instruments designated at fair value through other comprehensive income	-	-	-	-	266	( 266 )	-	-
Balance at December 31, 2019	<u>\$ 13,114,411</u>	<u>\$ 320,929</u>	<u>\$ 19,669,947</u>	<u>\$ 203,090</u>	<u>\$ 2,626,382</u>	<u>\$ 2,342,466</u>	<u>\$ -</u>	<u>\$ 38,277,225</u>

MEGA BILLS FINANCE CO., LTD.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2019	2018
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 3,165,980	\$ 3,062,597
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(28)	60,681	21,750
Amortization	6(28)	4,446	3,933
Reversal recognition for bad debts and various reserves	6(26)	( 65,949 )	( 52,590 )
Interest income	6(22)	( 3,490,129 )	( 3,446,303 )
Dividend income		( 99,246 )	( 86,620 )
Interest expense	6(22)	1,940,494	1,603,543
Impairment loss (reversal of gain) on asset		639	( 6,542 )
Gains on disposal of property and equipment		-	( 58 )
Changes in operating assets and liabilities			
Changes in operating assets			
(Increase) Decrease in Financial assets at fair value through profit or loss		( 805,141 )	9,976,452
Decrease in financial assets at fair value through other comprehensive income		8,197,464	3,058,020
Decrease (Increase) in investments in debt instruments measured at amortised cost		8,514	( 440,184 )
Decrease in Bills and bonds investment with resale agreements		-	501,259
(Increase) Decrease in receivables		( 737,974 )	39,902
(Increase) Decrease in other financial assets		( 87,723 )	33,134
Decrease (increase) in other assets		1,938	( 1,767 )
Changes in operating liabilities			
(Decrease) Increase in financial liabilities at fair value through profit or loss		( 3,417 )	5,260
Increase (Decrease) in Bills and bonds payable under repurchase agreements		1,863,056	( 6,104,330 )
Increase (Decrease) in payables		38,819	( 436,197 )
Decrease in provisions for liabilities		( 59,468 )	( 57,803 )
(Decrease) Increase in Other liabilities		( 56,849 )	205,256
Interest received		3,458,904	3,522,858
Interest paid		( 1,946,901 )	( 1,554,859 )
Dividend received		99,246	86,620
Income tax paid		( 333,030 )	( 436,005 )
Net cash flows from operating activities		<u>11,154,354</u>	<u>9,497,326</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property and equipment	6(10)	( 12,327 )	( 10,967 )
Increase in intangible assets		( 2,980 )	( 340 )
Proceeds from disposal of property and equipment		-	107
Increase in other assets		( 4,306 )	( 1,971 )
Net cash flows used in investing activities		<u>( 19,613 )</u>	<u>( 13,171 )</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in interbank overdraft and call loans		( 8,942,248 )	( 8,049,993 )
Principal refundment of lease liabilities		( 37,867 )	-
Payments of cash dividends		( 2,124,535 )	( 1,901,589 )
Net cash flows used in financing activities		<u>( 11,104,650 )</u>	<u>( 9,951,582 )</u>
Net increase (decrease) in cash and cash equivalents		30,091	( 467,427 )
Cash and cash equivalents at beginning of year	6(1)	<u>326,207</u>	<u>793,634</u>
Cash and cash equivalents at end of year	6(1)	<u>\$ 356,298</u>	<u>\$ 326,207</u>

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