China Development Financial Holding Corporation and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2024 and 2023 and Independent Auditors' Review Report

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INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
China Development Financial Holding Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of China Development Financial Holding Corporation (the "Corporation") and its subsidiaries as of March 31, 2024 and 2023, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as 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 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 Securities Issuers, Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, the guidelines issued by the authority and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Corporation and its subsidiaries as of March 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the three months 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 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 Securities Issuers, Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, the guidelines issued by the authority and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Yi-Chun Wu and Jr-Shian Ke.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 20, 2024

<u>*Notice to Readers*</u>

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2024		December 31, 2023		March 31, 2023	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CASH AND CASH EQUIVALENTS (Note 6)	$ 67,497,691	2	$ 72,864,773	2	$ 92,202,111	3
DUE FROM THE CENTRAL BANK AND CALL LOANS TO FINANCIAL INSTITUTIONS (Notes 7 and 46)	25,495,851	1	29,682,480	1	38,210,402	1
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Notes 8, 9, 18, 45 and 46)	590,919,743	15	550,917,931	15	510,134,061	14
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Notes 10, 46 and 51)	253,322,510	7	249,360,614	7	245,672,065	7
DEBT INVESTMENTS MEASURED AT AMORTIZED COST (Notes 11, 18, 45, 46 and 51)	1,712,345,219	45	1,668,017,681	46	1,648,770,298	46
FINANCIAL ASSETS FOR HEDGING (Note 12)	1,042,153	-	835,695	-	1,957,858	-
SECURITIES PURCHASED UNDER RESELL AGREEMENTS (Note 13)	73,916,950	2	68,181,458	2	41,423,264	1
RECEIVABLES, NET (Notes 14, 45, 46 and 51)	190,162,909	5	156,501,248	4	139,184,286	4
CURRENT TAX ASSETS (Note 4)	900,770	-	891,186	-	140,408	-
DISCOUNTS AND LOANS, NET (Notes 15, 45 and 51)	457,359,628	12	430,891,355	12	422,023,715	12
REINSURANCE ASSETS, NET (Note 16)	1,093,395	-	1,011,096	-	915,587	-
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD, NET (Notes 17 and 18)	25,859,255	1	24,818,337	1	21,191,527	1
OTHER FINANCIAL ASSETS (Notes 19, 45 and 46)	180,308,465	5	177,975,337	5	170,577,797	5
INVESTMENT PROPERTY, NET (Notes 20 and 46)	59,086,562	1	59,391,549	2	57,557,240	2
PROPERTY AND EQUIPMENT, NET (Notes 21 and 46)	31,046,889	1	31,174,212	1	34,290,391	1
RIGHT-OF-USE ASSETS, NET (Note 22)	11,740,451	-	11,860,235	-	12,554,357	-
INTANGIBLE ASSETS, NET (Note 23)	17,567,988	-	17,778,030	-	18,196,209	1
DEFERRED TAX ASSETS (Notes 4 and 42)	21,210,166	1	18,834,982	-	16,100,953	-
OTHER ASSETS, NET (Notes 24 and 45)	95,504,203	2	77,223,854	2	83,699,191	2
TOTAL	$ 3,816,380,798	100	$ 3,648,212,053	100	$ 3,554,801,720	100
LIABILITIES AND EQUITY						
LIABILITIES						
Deposits from the Central Bank and financial institutions (Notes 25 and 45)	$ 7,790,431	-	$ 7,027,312	-	$ 9,469,026	-
Financial liabilities at fair value through profit or loss (Notes 8 and 45)	76,594,415	2	62,481,110	2	56,212,198	1
Financial liabilities for hedging (Note 12)	868,868	-	697,122	-	883,574	-
Notes and bonds issued under repurchase agreements (Notes 8, 10, 11 and 26)	151,718,928	4	130,294,589	4	113,409,289	3
Commercial paper payable, net (Notes 27 and 45)	45,913,923	1	29,459,780	1	21,595,267	1
Payables (Notes 28 and 45)	127,864,754	3	107,156,822	3	104,019,777	3
Current tax liabilities (Note 4)	550,358	-	312,088	-	1,020,680	-
Deposits and remittances (Notes 29 and 45)	555,482,314	15	529,936,718	14	523,359,535	15
Bonds payable (Note 30)	101,690,131	3	101,938,248	3	91,592,489	2
Other borrowings (Notes 31 and 46)	31,438,133	1	24,444,457	1	26,716,610	1
Provisions (Notes 4 and 32)	2,102,824,917	55	2,082,411,350	57	2,089,018,179	59
Other financial liabilities (Note 34)	220,985,280	6	210,573,263	6	208,899,186	6
Lease liabilities (Note 22)	3,998,382	-	4,034,022	-	4,575,681	-
Deferred tax liabilities (Notes 4 and 42)	21,121,194	-	16,326,381	-	11,722,655	-
Other liabilities (Note 45)	76,763,033	2	78,168,155	2	59,244,304	2
Total liabilities	3,525,605,061	92	3,385,261,417	93	3,321,738,450	93
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT (Note 35)						
Capital						
Common stock	168,321,806	4	168,345,806	5	168,453,886	5
Preferred stock	15,821,424	1	15,821,424	-	15,821,424	-
Share capital awaiting retirement	-	-	(6,000)	-	(23,000)	-
Capital surplus	33,582,435	1	33,588,602	1	33,618,500	1
Retained earnings						
Legal reserve	15,613,641	-	15,613,641	-	13,703,864	-
Special reserve	48,976,557	1	48,976,557	1	410,006	-
Unappropriated earnings	28,593,695	1	19,775,079	1	54,344,769	2
Other equity	(20,269,731)	-	(39,296,475)	(1)	(53,391,020)	(1)
Total equity attributable to owners of the parent	290,639,827	8	262,818,634	7	232,938,429	7
NON-CONTROLLING INTERESTS	135,910	-	132,002	-	124,841	-
Total equity	290,775,737	8	262,950,636	7	233,063,270	7
TOTAL	$ 3,816,380,798	100	$ 3,648,212,053	100	$ 3,554,801,720	100

The accompanying notes are an integral part of the consolidated financial statements.

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2024		2023	
	Amount	%	Amount	%
INTEREST REVENUE (Notes 36 and 45)	$ 24,998,136	159	$ 22,745,750	196
INTEREST EXPENSE (Notes 36 and 45)	(6,675,369)	(42)	(4,936,518)	(43)
INTEREST PROFIT, NET	18,322,767	117	17,809,232	153
NONINTEREST PROFITS AND GAINS (LOSSES), NET				
Service fee revenue and commission, net (Notes 19, 37 and 45)	2,055,121	13	189,303	2
Net income (loss) from insurance operations (Notes 38 and 45)	(13,588,307)	(87)	(7,089,054)	(61)
Gain (loss) on financial assets and liabilities measured at fair value through profit or loss, net (Notes 8, 39 and 45)	(6,491,942)	(41)	26,677,431	230
Gain (loss) on investment property, net	124,982	1	164,860	1
Realized gain (loss) on financial assets measured at fair value through other comprehensive income (Note 40)	375,501	2	228,047	2
Gain (loss) on disposal of financial assets measured at amortized cost (Note 11)	(71,106)	-	886,522	8
Foreign exchange gain (loss), net	37,382,929	238	(9,350,657)	(81)
(Impairment loss on assets) reversal of impairment loss on assets	(14,771)	-	9,324	-
Share of the profit (loss) of associates and joint ventures	161,320	1	852,463	7
Gain (loss) on reclassification using the overlay approach (Note 8)	(18,614,001)	(119)	(20,299,102)	(175)
Net changes in reserve for changes in foreign exchange valuation	(4,127,270)	(26)	1,352,444	12
Other noninterest net income (loss)	176,955	1	176,972	2
Total noninterest profits and gains (losses), net	(2,630,589)	(17)	(6,201,447)	(53)
TOTAL NET REVENUE	15,692,178	100	11,607,785	100
(ALLOWANCE) REVERSAL FOR BAD DEBTS AND LOSSES ON COMMITMENTS AND GUARANTEES	(398,442)	(3)	90,316	1
NET CHANGE IN RESERVE FOR INSURANCE LIABILITIES	3,213,437	21	(846,221)	(7)

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CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2024		2023	
	Amount	%	Amount	%
OPERATING EXPENSES (Notes 22, 33, 41 and 45)				
Employee benefits	$ (5,555,115)	(35)	$ (4,759,358)	(41)
Depreciation and amortization	(929,966)	(6)	(930,569)	(8)
Other general and administrative expenses	(2,126,534)	(14)	(1,815,880)	(16)
Total operating expenses	(8,611,615)	(55)	(7,505,807)	(65)
NET PROFIT BEFORE INCOME TAX	9,895,558	63	3,346,073	29
INCOME TAX (EXPENSE) BENEFIT (Note 42)	(1,679,787)	(11)	158,501	1
NET PROFIT FOR THE PERIOD	8,215,771	52	3,504,574	30
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss, net of income tax				
Share of the other comprehensive income (loss) of associates and joint ventures	1,692	-	244,479	2
Gain (loss) on equity instruments measured at fair value through other comprehensive income	2,041,657	13	(181,895)	(1)
Income tax relating to the items that will not be reclassified subsequently to profit or loss (Note 42)	(349,844)	(2)	257,503	2
Items that will be reclassified subsequently to profit or loss, net of income tax				
Exchange differences on translation of financial statements of foreign operations	1,408,083	9	(292,037)	(2)
Share of the other comprehensive income (loss) of associates and joint ventures	247,111	2	(38,182)	-
Income tax relating to items that may be reclassified subsequently to profit or loss (Note 42)	(752,578)	(5)	(886,914)	(8)
Gain (loss) on debt instruments measured at fair value through other comprehensive income	(1,678,674)	(11)	1,298,847	11
Other comprehensive income (loss) on reclassification using the overlay approach (Note 8)	18,614,001	119	20,299,102	175
Other comprehensive income (loss) for the period, net of income tax	19,531,448	125	20,700,903	179
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	$ 27,747,219	177	$ 24,205,477	209

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CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2024		2023	
	Amount	%	Amount	%
NET PROFIT ATTRIBUTABLE TO:				
Owners of parent	$ 8,213,902	52	$ 3,502,425	30
Non-controlling interests	1,869	-	2,149	-
	$ 8,215,771	52	$ 3,504,574	30
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of parent	$ 27,743,311	177	$ 24,202,739	209
Non-controlling interests	3,908	-	2,738	-
	$ 27,747,219	177	$ 24,205,477	209
EARNINGS PER SHARE (Note 43)				
Basic	$ 0.49		$ 0.21	
Diluted	$ 0.49		$ 0.21	

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Parent														
	Capital				Retained Earnings			Other Equity							
	Common Stock	Preferred Stock	Share Capital Awaiting Retirement	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets at Fair Value through Other Comprehensive Income	Other Comprehensive Income Reclassified Using the Overlay Approach	Gains (Losses) on Hedging Instruments	Others	Total Equity Attributable to Owners of the Parent	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2023	$ 168,453,886	$ 15,821,424	$ -	$ 33,626,805	$ 13,703,864	$ 410,006	$ 50,476,328	$ (1,116,811)	$ (13,728,907)	$ (58,042,885)	$ 3,301	$ (943,738)	$ 208,663,273	$ 122,103	$ 208,785,376
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	(14)	-	-	-	-	-	-	-	-	(14)	-	(14)
Net profit for the three months ended March 31, 2023	-	-	-	-	-	-	3,502,425	-	-	-	-	-	3,502,425	2,149	3,504,574
Other comprehensive income (loss) for the three months ended March 31, 2023, net of income tax	-	-	-	-	-	-	-	(331,234)	1,582,449	19,448,673	426	-	20,700,314	589	20,700,903
Total comprehensive income (loss) for the three months ended March 31, 2023	-	-	-	-	-	-	3,502,425	(331,234)	1,582,449	19,448,673	426	-	24,202,739	2,738	24,205,477
Share-based payments	-	-	(23,000)	(8,291)	-	-	1,700	-	-	-	-	125,578	95,987	-	95,987
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	387,872	-	(387,872)	-	-	-	-	-	-
Net change in special reserve of subsidiaries	-	-	-	-	-	-	(23,556)	-	-	-	-	-	(23,556)	-	(23,556)
BALANCE AT MARCH 31, 2023	$ 168,453,886	$ 15,821,424	$ (23,000)	$ 33,618,500	$ 13,703,864	$ 410,006	$ 54,344,769	$ (1,448,045)	$ (12,534,330)	$ (38,594,212)	$ 3,727	$ (818,160)	$ 232,938,429	$ 124,841	$ 233,063,270
BALANCE AT JANUARY 1, 2024	$ 168,345,806	$ 15,821,424	$ (6,000)	$ 33,588,602	$ 15,613,641	$ 48,976,557	$ 19,775,079	$ (1,364,704)	$ (11,632,625)	$ (25,848,289)	$ 2,067	$ (452,924)	$ 262,818,634	$ 132,002	$ 262,950,636
Net profit for the three months ended March 31, 2024	-	-	-	-	-	-	8,213,902	-	-	-	-	-	8,213,902	1,869	8,215,771
Other comprehensive income (loss) for the three months ended March 31, 2024, net of income tax	-	-	-	-	-	-	-	1,653,020	339,554	17,536,700	135	-	19,529,409	2,039	19,531,448
Total comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	-	-	8,213,902	1,653,020	339,554	17,536,700	135	-	27,743,311	3,908	27,747,219
Share-based payments	(24,000)	-	6,000	(6,167)	-	-	1,100	-	-	-	-	100,949	77,882	-	77,882
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	603,614	-	(603,614)	-	-	-	-	-	-
BALANCE AT MARCH 31, 2024	$ 168,321,806	$ 15,821,424	$ -	$ 33,582,435	$ 15,613,641	$ 48,976,557	$ 28,593,695	$ 288,316	$ (11,896,685)	$ (8,311,589)	$ 2,202	$ (351,975)	$ 290,639,827	$ 135,910	$ 290,775,737

The accompanying notes are an integral part of the consolidated financial statements.

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before income tax	$ 9,895,558	$ 3,346,073
Adjustments for reconciliation with net profit		
Depreciation expenses	705,040	724,705
Amortization expenses	385,672	363,265
Allowance (reversal) for bad debts and losses on commitments and guarantees, net	398,442	(90,316)
Loss (gain) on financial assets and liabilities measured at fair value through profit or loss, net	8,645,452	(24,894,531)
Interest expense	6,675,369	4,945,712
Interest revenue	(24,998,136)	(22,745,750)
Dividend income	(2,188,088)	(1,805,467)
Net changes in insurance liabilities	16,315,096	(4,247,790)
Net changes in reserve for changes in foreign exchange valuation	4,127,270	(1,352,444)
Compensation cost for share-based payments	76,782	94,287
Share of loss (profit) of associates and joint ventures	(161,115)	(853,648)
Loss (gain) on reclassification using the overlay approach	18,614,001	20,299,102
Gain on disposal of property and equipment	(41)	(19,438)
Gain on disposal of investments	(266,505)	(1,079,413)
(Gain on reversal of) impairment loss on financial assets	14,771	(7,602)
Others	(28,328)	(34,695)
Changes in operating assets and liabilities		
Due from the Central Bank and call loans to financial institutions	311,637	(1,124,306)
Financial assets at fair value through profit or loss	(26,704,262)	(10,383,102)
Financial assets at fair value through other comprehensive income	(3,047,663)	(28,485,953)
Debt investments measured at amortized cost	(44,836,619)	33,264,519
Securities purchased under resell agreements	(3,653,152)	(1,812,409)
Receivables	(34,048,507)	(28,262,867)
Discounts and loans	(26,845,973)	5,935,828
Other financial assets	1,926,179	(465,808)
Other assets	(10,762,865)	4,799,175
Deposits from the Central Bank and financial institutions	763,119	(2,503,402)
Financial liabilities at fair value through profit or loss	(7,704,064)	(34,860,707)
Notes and bonds issued under repurchase agreements	21,424,339	12,225,394
Payables	19,634,397	15,555,511
Deposits and remittances	25,545,596	(6,284,484)
Other financial liabilities	5,975,856	345,949
Other liabilities	(1,395,950)	6,203,194
Cash used in operations	(45,206,692)	(63,211,418)

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CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2024	**2023**
Interest received	$ 19,132,336	$ 20,313,464
Dividends received	2,006,890	1,641,841
Interest paid	(5,703,409)	(7,277,117)
Income tax paid	(148,557)	(223,849)
Net cash used in operating activities	(29,919,432)	(48,757,079)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets measured at amortized cost	-	(413,832)
Proceeds from disposal of financial assets measured at amortized cost	12,578	-
Acquisition of financial assets at fair value through profit or loss	(376,826)	(213,283)
Proceeds from disposal of financial assets at fair value through profit or loss	82,596	30,085
Acquisition of investments accounted for using equity method	(141,589)	(136,269)
Acquisition of property and equipment	(143,203)	(175,715)
Proceeds from disposal of property and equipment	667	29,522
Acquisition of investment properties	(45,311)	(3,080)
Proceeds from disposal of investment properties	179,920	202,400
Others	(88,135)	(23,098)
Net cash used in investing activities	(519,303)	(703,270)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	6,793,822	3,941,096
Increase (decrease) in commercial paper payable	16,454,143	(3,183,210)
Proceeds from issuing corporate bonds	49,176	10,000
Proceeds from long-term borrowings	199,854	1,099,871
Repayments of long-term borrowings	-	(2,000,021)
Repayments of the principal portion of lease liabilities	(178,539)	(224,325)
Others	1,528	1,700
Net cash (used in) generated from financing activities	23,319,984	(354,889)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(40,983)	2,837
NET DECREASE IN CASH AND CASH EQUIVALENTS	(7,159,734)	(49,812,401)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	151,519,882	200,161,850
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 144,360,148	$ 150,349,449

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CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets as of March 31, 2024 and 2023:

	March 31	
	2024	**2023**
Cash and cash equivalents in consolidated balance sheets	$ 67,497,691	$ 92,202,111
Due from the Central Bank and call loans to banks which qualify as cash and cash equivalents as defined in IAS 7	8,456,763	19,050,997
Securities purchased under agreements to resell which qualify as cash and cash equivalents as defined in IAS 7	68,405,694	39,096,341
Cash and cash equivalents in consolidated statements of cash flows	$ 144,360,148	$ 150,349,449

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

China Development Financial Holding Corporation (the "Corporation") was established by CDIB Capital Group (formerly China Development Industrial Bank) through a share swap on December 28, 2001 made under the Financial Holding Company Act and related regulations. CDIB Capital Group became a wholly owned subsidiary of the Corporation after the share swap.

The Corporation acquired First Taiwan Securities Corporation (First Taiwan) and Grand Cathay Securities Corporation (Grand Cathay) through a share swap on November 8, 2002. The effective date of the merger between Grand Cathay and First Taiwan was December 31, 2003. Grand Cathay was the survivor company after the merger.

In 2012, the Corporation acquired 81.73% of KGI Securities' shares through public tender offer. Afterwards, the Corporation acquired KGI Securities' remaining shares through a share swap and completed on January 18, 2013. Thus, KGI Securities is a 100% subsidiary of the Corporation. The effective date of the merger between KGI Securities and Grand Cathay was June 22, 2013. KGI Securities was the survivor company after the merger.

On September 15, 2014, the Corporation acquired KGI Bank Co., Ltd. (KGI Bank) through a share swap. Thus, KGI Bank became the Corporation's wholly owned subsidiary.

On March 13, 2017, the Corporation hold 100% equity interests of China Development Asset Management Corporation, which was previously held by CDIB Capital Group.

In 2017, the Corporation acquired 25.33% ordinary shares of KGI Life Insurance through public tender offer. After the acquisition, KGI Life Insurance became a subsidiary of the Corporation as defined by the Financial Holding Company Act. After the participation of capital increase by cash of KGI Life Insurance and acquisition of ordinary shares through public tender offer, on December 30, 2021, the Corporation acquired KGI Life Insurance through a share swap. Thus, KGI Life Insurance became the Corporation's wholly owned subsidiary.

On July 1, 2023, the Corporation acquired 100% equity interests in KGI Securities Investment Trust Co., Ltd, which were previously held by KGI Securities.

The Corporation mainly engages in financial holding, invests in and manages the businesses of finance-related institutions domestic and foreign approved by authorities and investees.

The Corporation's shares have been listed on the Taiwan Stock Exchange (TSE).

CDIB Capital Group was incorporated under the Corporation Act and relevant regulations and started operations on May 14, 1959. Effective January 1999, CDIB Capital Group was converted from a trust corporation into an industrial bank under government approval. On May 1, 2015, CDIB Capital Group transfer banking business to KGI Bank. On March 15, 2017, China Development Industrial Bank was converted, and the name became CDIB Capital Group, and main operations included securities investment, investment financial related business and venture capital, etc.

KGI Securities was established on September 14, 1988, and operates as a securities underwriter, dealer, broker, future trading, future dealer, trust, wealth management, offshore securities and other related business as approved by authorities.

KGI Bank was established on January 14, 1992, and mainly engages in banking operations are regulated under the banking Act.

China Development Asset Management Corporation was established on November 5, 2003, and mainly engages in acquiring and disposal of debts from financial institution, investment in foreclosed real estate, etc.

KGI Life Insurance was incorporated in Taiwan on April 25, 1963, and is mainly engaged in the business of life insurance, offshore life insurance paid and received for foreign currency and other insurance-related businesses approved by competent authorities.

KGI Securities Investment Trust Co., Ltd. was established on April 19, 2001, and is mainly engaged in Nominee services, discretionary investment services, and other related business approved by authorities.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors and authorized for issue on May 20, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed by the FSC

   The related amendments to the International Financial Reporting Standards (IFRSs) did not have any material impact on the Group's accounting policies.

b. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

1) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

   The amendments stipulated that, when the Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate, the gain or loss resulting from the transaction is recognized in full. Also, when the Group loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

   Conversely, when the Group sells or contributes assets that do not constitute a business to an associate, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate, i.e., the Group’s share of the gain or loss is eliminated. Also, when the Group loses control of a subsidiary that does not contain a business but retains significant influence control in an associate, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate, i.e., the Group’s share of the gain or loss is eliminated.

2) IFRS 17 “Insurance Contract” and its amendments

   IFRS 17 establishes the principle for the accounting treatment of insurance contracts and supersedes IFRS 4 “Insurance Contract”. The principle is as follows:

   <u>Level of aggregation</u>

   An entity shall identify portfolios of insurance contracts. A portfolio comprises contracts that are subject to similar risks and managed together. Contracts within a particular product line, such as motor policies, are expected to have similar risks, and if they are managed together would be in the same portfolio. For all issued insurance contracts in a portfolio, any entity shall divide it into:

   a) A group of contracts that are onerous at initial recognition, if any;

   b) A group of contracts that at initial recognition have no significant risk of becoming onerous, if any, and

   c) A group of the remaining contracts in the portfolio, if any.

   An entity is not permitted to include contracts issued more than one year apart in the same group, and shall apply IFRS 17 recognition and measurement principles to the contract groups decided to be issued.

   <u>Recognition</u>

   An entity shall recognize a group of insurance contracts it issues from the earliest of:

   a) The beginning of the coverage period of a group of insurance contracts;

   b) The date when the first payment from a policyholder of the group becomes due; and

   c) When the Group becomes onerous.

Measurement

On initial recognition, an entity shall measure a group of contracts at the total of the amount of fulfilment cash flows ("FCF") and the contractual service margin ("CSM"). FCF comprises the estimate of future cash flow, an adjustment to reflect the time value of money and the financial risks associated with the future cash flows and risk adjustment for non-financial risk. The CSM represents the unearned profit the entity will recognize as it provides services in the future. This is measured on initial recognition of a group of insurance contracts at an amount that, unless the Group of contracts is onerous, results in no income or expenses arising from:

a) The initial recognition of an amount for the FCF;

b) The cash inflows and outflows arising from the contracts in the Group at that date; and

c) The derecognition at that date of below items for acquisition cash flows

    i. Any asset recognized for acquisition cash flows; and

    ii. Any other asset or liability related to a group of contracts which had been recognized for cash flows before.

Subsequent measurement

At the end of each subsequent reporting period, the carrying amount of a group of insurance contracts is remeasured to be the sum of the liability for remaining coverage and the liability for incurred claims, both determined as at that date. The liability for remaining coverage comprises the fulfilment cash flows related to the allocated future service and the contractual service margin; the liability for incurred claims comprises the fulfilment cash flows related to the allocated past service. If a group of insurance contracts becomes onerous (or more onerous) on subsequent measurement, the Group recognizes loss immediately.

Onerous contracts

An insurance contract is onerous at initial recognition if the total of the FCF, any preciously recognized acquisition cash flows and any cash flows arising from the contract at that date is a net outflow. An entity shall recognize a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the Group being equal to the FCF and the CSM of the Group being zero. The CSM cannot increase and no revenue can be recognized, until the onerous amount previously recognized has been reversed in profit or loss as part of a service expense.

Premium allocation approach

An entity may simplify the measurement of the liability for remaining coverage of a group of insurance contracts using the premium allocation approach (PAA) on the condition that:

a) The entity reasonably expects the that this will be an approximation of General Model; or

b) The coverage period of each contract in the group is one year or less.

If at the inception of the Group, an entity expects significant variance in the FCF during the period before a claim is incurred, such contracts are not eligible to condition (a).

Using the PAA, the liability for remaining coverage shall be:

a) Initially recognized at the premiums

b) Received at initial recognition, minus any insurance acquisition cash flows if any; and

c) The derecognition at that date of below items for acquisition cash flows

   i. Any asset recognized for acquisition cash flows; and

   ii. Any other asset or liability related to a group of contracts which had been recognized for cash flows before.

Subsequently, the liability for remaining coverage should be adjusted as plus the premiums received and the amortization of insurance acquisition cash flows and minus the amount recognized as insurance revenue for services provided and any investment component paid or transferred to the liability for incurred claims in the period.

<u>Investment contracts with a discretionary participation feature</u>

An investment contract with a discretionary participation feature (DPF) is a financial instrument and it does not include a transfer of significant insurance risk. It is in the scope of IFRS 17 only if the issuer also issues insurance contracts.

<u>Modification and derecognition</u>

If the terms of an insurance contract are modified, an entity shall derecognize the original contract and recognize the modified contract as a new contract if there is a substantive modification, based on meeting any of the specified criteria.

An entity shall de-recognize an insurance contract when it is extinguished or substantially modified.

<u>Transition</u>

An entity shall apply IFRS 17 retrospectively unless impracticable, in which case entities have the option of using either the modified retrospective approach or the fair value approach.

Under the modified retrospective approach, an entity shall utilize reasonable and supportable information and maximize the use of information that would have been used to apply a full retrospective approach, but need only use information available without undue cost or effort. Fair value approach shall be used if the information is not reasonable and supportable information.

Under the fair value approach, an entity determines the CSM at the transition date as the difference between the fair value of a group of insurance contracts at that date and the FCF measured at that date.

<u>Redesignation of financial assets</u>

At the date of initial application of IFRS 17, an entity to which IFRS 9 has applied may redesignate and reclassify financial assets that meet the requirements of paragraph C29 of IFRS 17. The entity is not required to restate comparative information to reflect changes in the reclassification of these assets, so the difference between the previous carrying amount of these financial assets and their carrying amount at the date of initial application is recognised in the initial retained earnings (or other equity as appropriate) at the date of initial application. If an entity restates the comparative information, the restatement must reflect the requirements of IFRS 9 for these affected financial assets.

In addition, for enterprises that have applied IFRS 9 before the initial application of IFRS 17, for financial assets that have been delisted in the comparative period on the date of initial application of IFRS 17, the enterprise could choose to apply the classification overlay method on the basis of individual financial assets. requirements as if those financial assets had been reclassified in the comparative period in accordance with the redesignation requirements in paragraph C29 of IFRS 17.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

The accompanying consolidated financial statements have been prepared in conformity with Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, 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 Reporting by Futures Commission Merchants, Regulations Governing the Preparation of Financial Reports by Securities Issuers, Regulations Governing the Preparation of Financial Reports by Insurance Enterprises IAS 34 "Interim Financial Reporting" endorsed by the FSC. Disclosure information included in the interim financial report is less than disclosures required in a full set of annual financial statements.

Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

All the consolidated accounts in the financial statements were categorized according to the nature of each account and sequenced by their liquidity rather than classified as current or noncurrent assets/liabilities.

Principles for Preparing Consolidated Financial Statements

The consolidated financial statements include the financial statements of the Group. All significant intra-group transactions, balances, income and expenses have been eliminated in full upon consolidation.

The accounting policies of the subsidiary are applied consistently with the Corporation.

The functional currency of the Corporation is the New Taiwan dollar, and the consolidated financial statements are presented in New Taiwan dollars.

As of March 31, 2024, December 31, 2023 and March 31, 2023, the consolidated entities included in the consolidated financial statements included 62, 62 and 59 companies, respectively (please refer to the attached Table 5).

Other Significant Accounting Policy

Except for the following description, the accounting policies of the consolidated financial statements are applied consistently with the consolidated financial statements for the year ended December 31, 2023.

Retirement Benefit Costs

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings. The effect of a change in tax rate resulting from a change in tax law is recognized consistent with the accounting for the transaction itself which gives rise to the tax consequence, and is recognized in profit or loss, other comprehensive income or directly in equity in full in the period in which the change in tax rate occurs.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

It refers to the consolidated statement for the year ended December 31, 2023.

6. CASH AND CASH EQUIVALENTS

	March 31, 2024	December 31, 2023	March 31, 2023
Cash in banks	$ 38,372,012	$ 49,087,340	$ 77,693,851
Due from banks	22,724,386	17,657,401	7,581,324
Others	6,401,293	6,120,032	6,926,936
	$ 67,497,691	$ 72,864,773	$ 92,202,111

Cash and cash equivalents as of December 31, 2023 as shown in the consolidated statement of cash flows can be reconciled to the related items in the balance sheets as follows; please refer to the consolidated statement of cash flows for the reconciliation information as of March 31, 2024 and 2023:

	December 31, 2023
Cash and cash equivalents in consolidated balance sheet	$ 72,864,773
Due from the Central Bank and call loans to financial institutions which qualify as cash and cash equivalents as defined of in IAS 7	12,331,755
Securities purchased under agreements to resell which qualify as cash and cash equivalents as defined of in IAS 7	66,323,354
Cash and cash equivalents in consolidated statement of cash flow	$ 151,519,882

7. DUE FROM THE CENTRAL BANK AND CALL LOANS TO FINANCIAL INSTITUTIONS

	March 31, 2024	December 31, 2023	March 31, 2023
Call loans to financial institutions	$ 3,237,083	$ 9,485,620	$ 18,302,931
Deposit reserve - demand accounts	12,789,352	12,306,162	12,960,886
Deposit reserve - checking accounts	5,645,423	4,068,943	3,032,957
Due from the Central Bank - interbank settlement funds	3,600,063	3,606,610	3,700,450
Deposit reserve - foreign currencies	223,930	215,145	213,178
	$ 25,495,851	$ 29,682,480	$ 38,210,402

Under a directive issued by the Central Bank of the ROC, New Taiwan dollar (NTD) - denominated deposit reserve is determined monthly at prescribed rates based on average balance of the Bank's deposits. Deposit reserve - demand account should not be used, except for adjusting the deposit reserve account monthly.

In addition, separate foreign-currency deposit reserves are determined at prescribed rates based on balances of foreign-currency deposits. These reserves may be withdrawn anytime at no interest.

There are no certificates of deposit issued by the Central Bank of the ROC pledged as collateral for the Group.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets mandatorily classified as at FVTPL			
Derivative financial instrument			
Currency swap and forward exchange contracts	$ 22,210,146	$ 31,933,446	$ 12,996,586
Options and futures contracts	7,602,191	5,522,350	4,821,544
Interest rate swap contracts	6,017,089	4,017,850	4,767,435
Non-deliverable forward contracts	1,117,268	12,368,504	1,472,674
Others	654,425	639,313	293,911
Non-derivative financial assets			
Shares	200,162,900	178,320,310	165,865,327
Mutual funds	187,371,600	176,664,526	184,085,260
Operating securities (Note 9)	91,620,902	72,877,955	65,547,785
Bank debentures	42,276,924	41,817,559	41,527,337
Commercial paper	16,062,494	11,909,838	14,117,612
Corporate bonds	6,341,647	5,986,348	6,190,325
Others	539,680	413,347	390,420
	581,977,266	542,471,346	502,076,216
Financial assets designated as at FVTPL			
Others	8,942,477	8,446,585	8,057,845
Financial assets at FVTPL	$ 590,919,743	$ 550,917,931	$ 510,134,061

(Continued)

	March 31, 2024	December 31, 2023	March 31, 2023
Financial liabilities held for trading			
Derivative financial instrument			
Currency swap and forward exchange contracts	$ 30,225,560	$ 29,233,097	$ 11,877,253
Options and futures contracts	7,438,335	6,328,889	5,374,586
Non-deliverable forward	7,103,629	1,337,537	3,400,540
Interest rate swap contracts	5,682,002	3,781,998	3,981,165
Structured products	3,443,360	3,098,050	3,093,277
Others	3,039,835	2,542,628	2,576,032
Non-derivative financial liabilities			
Borrowed securities payable	8,825,406	7,522,875	13,331,135
Others	1,820,783	697,778	930,367
	67,578,910	54,542,852	44,564,355
Financial liabilities designated as at FVTPL			
Structured products	9,014,691	7,937,195	11,646,929
Others	814	1,063	914
	9,015,505	7,938,258	11,647,843
Financial liabilities at FVTPL	$ 76,594,415	$ 62,481,110	$ 56,212,198

(Concluded)

KGI Life Insurance elected to adopt the overlay approach in expressing financial assets designated as at FVTPL under IFRS 4 “Insurance Contracts” starting from application of IFRS 9. Investment of financial assets relating insurance contracts issued by KGI Life Insurance designated as at adoption of the overlay approach financial assets were as follows:

Financial assets mandatorily classified as at FVTPL

	March 31, 2024	December 31, 2023	March 31, 2023
Mutual funds	$ 181,743,540	$ 171,271,175	$ 180,550,181
Shares	185,839,680	164,345,519	152,445,611
Bank debentures	42,041,216	41,585,764	40,981,011
Corporate bonds	5,425,427	5,105,865	4,963,011
	$ 415,049,863	$ 382,308,323	$ 378,939,814

For the three months ended March 31, 2024 and 2023, reclassification amount under profit or loss and other comprehensive income of designated as at adoption of the overlay approach financial assets is described as follows:

	For the Three Months Ended March 31	
	2024	2023
Gain (loss) on application of IFRS 9	$ 26,665,271	$ 24,333,082
Loss (gain) on application of IAS 39	(8,051,270)	(4,033,980)
Gain (loss) on reclassification using the overlay approach	$ 18,614,001	$ 20,299,102

Due to the adjustment of the overlay approach, loss on financial assets measured at FVTPL increased from $6,491,942 thousand to loss of $25,105,943 thousand for the three months ended March 31, 2024; and gain on financial assets measured at FVTPL decreased from $26,677,431 thousand to gain of $6,378,329 thousand for the three months ended March 31, 2023.

The contract (nominal) amounts of the Group's outstanding derivative financial instruments as of March 31, 2024, December 31, 2023 and March 31, 2023 are summarized as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Currency swap and forward exchange contracts	$ 2,280,943,266	$ 2,317,652,516	$ 2,144,083,300
Interest rate swap contracts	531,266,178	528,624,852	576,108,874
Non-deliverable forward contracts	307,797,956	402,196,302	391,625,805
Options and futures contracts	299,198,293	281,308,026	278,957,068
Assets swap contracts	22,192,249	17,754,251	24,478,841
Structured products contracts	15,915,569	13,464,828	17,330,055
Cross-currency swap contracts	6,577,021	3,625,444	7,230,273
Leveraged derivatives	1,127,501	-	-
Credit default swap contracts	695,295	3,369,803	1,595,602
Commodity swap contracts	616,414	238,506	465,105
Equity derivative financial contracts	4,557	2,333	-

As of March 31, 2024, December 31, 2023 and March 31, 2023, financial assets at fair value through profit or loss with aggregate carrying values of $51,913,409 thousand, $49,067,269 thousand and $40,073,854 thousand, respectively, had been sold under repurchase agreements (recognized as notes and bonds issued under repurchase agreements).

For the information on financial instruments at fair value through profit or loss pledged as collateral for the Group, please refer to Note 46.

9. OPERATING SECURITIES

	March 31, 2024	December 31, 2023	March 31, 2023
Dealing			
Corporate bonds	$ 17,577,311	$ 17,960,354	$ 14,537,805
Overseas securities	16,501,852	13,266,892	12,791,955
Listed, OTC and emerging market stock	12,124,881	4,288,822	4,492,043
Government bonds	2,832,779	3,319,379	2,753,804
Others	8,957,404	5,245,953	2,026,273
	57,994,227	44,081,400	36,601,880
Underwriting			
Corporate bonds	970,053	642,232	303,309
Listed, OTC and emerging market stock	17,481	6,080	6,734
	987,534	648,312	310,043

(Continued)

	March 31, 2024	December 31, 2023	March 31, 2023
Hedge positions			
Corporate bonds	$ 15,346,857	$ 15,150,154	$ 15,355,352
Listed, OTC and emerging market stock	9,253,012	6,541,367	3,748,344
Overseas securities	3,937,360	3,507,691	6,876,437
Mutual funds	2,855,665	2,273,999	2,120,003
Others	1,246,247	675,032	535,726
	32,639,141	28,148,243	28,635,862
	$ 91,620,902	$ 72,877,955	$ 65,547,785

(Concluded)

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2024	December 31, 2023	March 31, 2023
Investments in debt instruments at FVTOCI			
Corporate bonds	$ 86,161,051	$ 85,336,186	$ 72,584,981
Government bonds	76,881,584	72,792,200	59,144,170
Bank debentures	54,379,629	55,105,826	47,342,736
Negotiable certificates of deposit	299,902	2,433,259	27,221,605
Others	5,803,358	3,391,974	7,706,671
	223,525,524	219,059,445	214,000,163
Investments in equity instruments at FVTOCI			
Common stocks	18,200,711	18,741,361	19,932,395
Preferred stocks	11,596,275	11,559,808	11,739,507
	29,796,986	30,301,169	31,671,902
	$ 253,322,510	$ 249,360,614	$ 245,672,065

a. Investments in debt instruments at FVTOCI

As of March 31, 2024, December 31, 2023 and March 31, 2023, investments in debt instruments at FVTOCI, with aggregate carrying values of $83,844,428 thousand, $67,514,613 thousand and $62,925,884 thousand had been sold under repurchase agreements (recognized as notes and bonds issued under repurchase agreements).

For the information on investments in debt instruments at FVTOCI pledged as collateral for the Group, please refer to Note 46.

For the information regarding credit risk analysis and assessment of impairment on investments in debt instruments at FVTOCI, please refer to Note 51.

b. Investments in equity instruments at FVTOCI

For the three months ended March 31, 2024 and 2023, the Group sold its shares in order to manage its investment portfolio. The sold shares had a fair value of $4,805,019 thousand and $2,117,481 thousand, respectively. The Group transferred a gain of $603,614 thousand and $387,872 thousand from other equity related-unrealized gain or loss on financial assets at fair value through other comprehensive income to retained earnings.

For the three months ended March 31, 2024 and 2023, dividend income for $34,745 thousand and $22,762 thousand, respectively, and those related to investment held as of March 31, 2024 and 2023 were $14,596 thousand and $21,153 thousand, respectively, and those related to investment derecognized for the three months ended March 31, 2024 and 2023 were $20,149 thousand and $1,609 thousand, respectively.

There are no any investments in equity instruments at FVTOCI pledged as collateral for the Group.

11. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2024	December 31, 2023	March 31, 2023
Bank debentures	$ 824,740,796	$ 792,167,984	$ 775,137,826
Corporate bonds	579,930,289	567,064,085	562,470,134
Government bonds	244,838,086	247,451,871	259,330,309
Others	62,836,048	61,333,741	51,832,029
	$ 1,712,345,219	$ 1,668,017,681	$ 1,648,770,298

As of March 31, 2024, December 31, 2023 and March 31, 2023, investments in debt instruments at amortized cost, with aggregate carrying values of $2,324,782 thousand, $927,945 thousand and $1,263,616 thousand had been sold under repurchase agreements (recognized as notes and bonds issued under repurchase agreements).

For the three months ended March 31, 2024 and 2023, Financial assets at amortized cost are derecognized, because of the credit risk are increasing, seldomly selling, or both individually and totally amounts is lower than the materiality, corporation respectively recognizes the loss on disposal $74,211 thousand,and the gain on disposal $874,150 thousand.

For the information on investments in debt instruments at amortized cost that are pledged as collateral for the Group, please refer to Note 46.

For the information regarding credit risk analysis and assessment of impairment on investments in debt instruments at amortized cost, please refer to Note 51.

12. FINANCIAL INSTRUMENTS FOR HEDGING

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets for hedging			
Fair value hedge - interest rate swap	$ 1,042,153	$ 835,695	$ 1,957,858
Financial liabilities for hedging			
Fair value hedge - interest rate swap	$ 868,868	$ 697,122	$ 883,574

Fair Value Hedges

The Group is exposed to the risk of adverse fair value fluctuations due to changes in interest rates for the debt instruments and bank debentures issued. Since the risk is considered material, the Group enters into interest rate swap contracts to hedge against this risk.

The following tables summarize the information relating to the hedges for interest rate risk.

March 31, 2024

Hedging Instrument	Notional Amount	Maturity	Line Item in Balance Sheet	Carrying Amount	
				Asset	Liability
Fair value hedge					
Interest rate swap contracts	$ 42,415,680	2024.05.18-2033.09.21	Financial assets and liabilities for hedging	$ 1,042,153	$ 868,868

Hedged Items	Carrying Amount		Accumulated Amount of Fair Value Adjustments	
	Asset	Liability	Asset	Liability
Fair value hedge				
Financial assets at fair value through other comprehensive income	$ 24,917,222	$ -	$ (1,256,214)	$ -
Bank debentures	-	14,973,846	-	(826,154)

December 31, 2023

Hedging Instrument	Notional Amount	Maturity	Line Item in Balance Sheet	Carrying Amount	
				Asset	Liability
Fair value hedge					
Interest rate swap contracts	$ 43,338,561	2024.05.18-2033.09.21	Financial assets and liabilities for hedging	$ 835,695	$ 697,122

Hedged Items	Carrying Amount		Accumulated Amount of Fair Value Adjustments	
	Asset	Liability	Asset	Liability
Fair value hedge				
Financial assets at fair value through other comprehensive income	$ 25,984,868	$ -	$ (954,478)	$ -
Bank debentures	-	15,297,803	-	(502,197)

March 31, 2023

Hedging Instrument	Notional Amount	Maturity	Line Item in Balance Sheet	Carrying Amount	
				Asset	Liability
Fair value hedge					
Interest rate swap contracts	$ 59,266,994	2024.05.18-2033.07.18	Financial assets and liabilities for hedging	$ 1,957,858	$ 883,574

Hedged Items	Carrying Amount		Accumulated Amount of Fair Value Adjustments	
	Asset	Liability	Asset	Liability
Fair value hedge				
Financial assets at fair value through other comprehensive income	$ 39,899,673	$ -	$ (1,849,787)	$ -
Bank debentures	-	15,242,489	-	(557,511)

13. SECURITIES PURCHASED UNDER RESELL AGREEMENTS

	March 31, 2024	December 31, 2023	March 31, 2023
Corporate bonds	$ 33,152,261	$ 32,109,680	$ 17,421,419
Commercial paper	19,152,168	16,916,433	14,291,560
Negotiable certificates of deposit	11,872,850	9,380,121	-
Government bonds	6,230,748	6,742,654	6,226,204
Bank debentures	3,508,923	3,032,570	3,484,081
	$ 73,916,950	$ 68,181,458	$ 41,423,264
Resold amounts	$ 74,043,166	$ 68,289,044	$ 41,499,533

14. RECEIVABLES, NET

	March 31, 2024	December 31, 2023	March 31, 2023
Receivable accounts for settlement	$ 66,712,170	$ 44,497,583	$ 44,702,196
Margin loans receivable, securities financing refundable deposits and deposits payable for securities financing	39,250,937	35,433,692	26,484,365
Interest receivable	24,783,899	24,859,200	21,695,793
Exchange clearing receivable	19,007,429	12,429,501	11,399,151
Trading securities receivable	17,820,493	15,692,461	9,974,891
Accounts receivable factoring without recourse	8,069,221	10,262,998	8,101,263
Others	18,420,716	16,972,503	19,912,155
	194,064,865	160,147,938	142,269,814
Less: Allowance for bad debts	(3,581,824)	(3,296,392)	(2,715,950)
Unrealized interest revenue	(320,132)	(350,298)	(369,578)
	$ 190,162,909	$ 156,501,248	$ 139,184,286

For the amount of receivables pledged as collateral for the Group, please refer to Note 46.

For the information on credit risk management and impairment loss analysis of receivables, please refer to Note 51.

15. DISCOUNTS AND LOANS, NET

	March 31, 2024	December 31, 2023	March 31, 2023
Short-term loans	$ 76,248,658	$ 61,520,084	$ 64,333,073
Medium-term loans	242,840,714	234,899,351	230,567,730
Long-term loans	108,885,494	104,913,220	99,235,747
Loans reclassified to nonperforming loans	1,052,123	974,615	424,297
Export negotiations	23,779	5,449	8,038

(Continued)

	March 31, 2024	December 31, 2023	March 31, 2023
Policy loans	$ 28,413,847	$ 28,339,180	$ 27,074,931
Automatic premium loans	5,456,940	5,453,270	5,543,607
	462,921,555	436,105,169	427,187,423
Less: Allowance for bad debts	(5,511,171)	(5,157,903)	(5,110,425)
Discounts on loans	(50,756)	(55,911)	(53,283)
	$ 457,359,628	$ 430,891,355	$ 422,023,715

(Concluded)

For the information on credit risk management and impairment loss analysis of discounts and loans, please refer to Note 51.

16. REINSURANCE ASSETS, NET

	March 31, 2024	December 31, 2023	March 31, 2023
Claims recoverable from reinsurers	$ 848,825	$ 814,846	$ 761,458
Due from reinsurers and ceding companies	123,695	52,673	36,490
Reinsurance reserve assets			
Ceded unearned premium reserve	79,197	88,798	69,392
Ceded reserve for claims	41,678	54,779	48,247
	120,875	143,577	117,639
	$ 1,093,395	$ 1,011,096	$ 915,587

No impairment loss was recognized for reinsurance assets.

17. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD, NET

Associates that are not individually material:

	March 31, 2024	December 31, 2023	March 31, 2023
Suyin KGI Consumer Finance Co., Ltd.	$ 8,078,415	$ 7,768,118	$ 4,616,199
CDIB & Partners Investment Holding Corporation	6,143,584	5,783,495	5,003,779
KGI Securities (Thailand) Public Company Limited	2,859,970	2,803,191	2,792,089
CDIB Capital Asia Partners L.P.	2,364,573	2,541,993	2,705,041
CDIB Yida Private Equity (Kunshan) Enterprise (Limited Partnership)	1,186,088	1,170,950	1,080,599
Others	5,226,625	4,750,590	4,993,820
	$ 25,859,255	$ 24,818,337	$ 21,191,527

As of March 31, 2024, December 31, 2023 and March 31, 2023, financial assets designated as at FVTPL of associates that are not individually material were $8,942,477 thousand, $8,446,585 thousand and $8,057,845 thousand, respectively.

Investments accounted for using the equity method and the Group's share of profit and other comprehensive income of Suyin KGI Consumer Finance Co., Ltd., CDIB & Partners Investment Holding Corporation and KGI Securities (Thailand) Public Company Limited are calculated based on reviewed financial statements; those of other affiliates are calculated based on unreviewed financial statements. Management believes that the financial statements of these investees had not been reviewed, there would have been no significant effect on the consolidated financial statements.

There are no any investments under equity method was pledged as collateral for the Group.

18. INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

a. Investment in structured entities

The Corporation's subsidiaries have equities of structured entities which the Corporation's subsidiaries do not have significant influence but rights and obligations in accordance with the contract.

March 31, 2024

	Partnership Fund	Asset Securitization	Total
Financial assets at fair value through profit or loss	$ 39,160,056	$ 4,403,868	$ 43,563,924
Financial assets at fair value through other comprehensive income	-	323,358	323,358
Debt instruments measured at amortized cost	-	6,836,594	6,836,594
Maximum exposure	39,160,056	11,563,820	50,723,876

December 31, 2023

	Partnership Fund	Asset Securitization	Total
Financial assets at fair value through profit or loss	$ 35,706,859	$ 4,614,382	$ 40,321,241
Financial assets at fair value through other comprehensive income	-	310,961	310,961
Debt instruments measured at amortized cost	-	6,593,502	6,593,502
Maximum exposure	35,706,859	11,518,845	47,225,704

March 31, 2023

	Partnership Fund	Asset Securitization	Total
Financial assets at fair value through profit or loss	$ 38,132,745	$ 5,421,631	$ 43,554,376
Financial assets at fair value through other comprehensive income	-	305,712	305,712
Debt instruments measured at amortized cost	-	6,588,498	6,588,498
Maximum exposure	38,132,745	12,315,841	50,448,586

b. Management on structured entities

The Corporation's subsidiaries have the equities of structured entities as well as the obligations to their investment and management. The Corporation's subsidiaries have significant influence over the above investments.

The funds of unconsolidated structured entities are from the Corporation's subsidiaries and external third parties.

	March 31, 2024	December 31, 2023	March 31, 2023
Management on partnership equity fund			
Total assets	$ 29,921,393	$ 28,499,933	$ 27,240,043
Total liabilities	39,892	29,528	17,176
Investments accounted for using the equity method	5,710,046	5,684,829	5,744,158
Financial assets designated as at FVTPL	3,627,745	3,303,290	3,148,020
Maximum exposure	9,337,791	8,988,119	8,892,178

19. OTHER FINANCIAL ASSETS

	March 31, 2024	December 31, 2023	March 31, 2023
Separate-account insurance products	$ 119,961,900	$ 115,525,739	$ 107,267,130
Customer margin accounts	55,396,326	51,908,330	58,203,235
Others	4,950,239	10,541,268	5,107,432
	$ 180,308,465	$ 177,975,337	$ 170,577,797

Separate Account Insurance Products

a. Separate account insurance products - assets and liabilities

	Assets		
	March 31, 2024	December 31, 2023	March 31, 2023
Cash in banks	$ 277,800	$ 340,130	$ 580,174
Financial assets at fair value through profit or loss	119,650,757	115,135,298	106,653,701
Other receivables	33,343	50,311	33,255
	$ 119,961,900	$ 115,525,739	$ 107,267,130

	Liabilities		
	March 31, 2024	December 31, 2023	March 31, 2023
Reserve for separate account	$ 119,950,966	$ 115,516,533	$ 107,254,582
Other payables	10,934	9,206	12,548
	$ 119,961,900	$ 115,525,739	$ 107,267,130

b. Separate account insurance products - revenues and expenses

	Revenues For the Three Months Ended March 31	
	2024	2023
Premium income	$ 1,627,797	$ 1,582,631
Gain from financial assets and liabilities at fair value through profit or loss	3,387,155	1,876,884
Interest income	311	266
Other revenues	42,646	43,129
Foreign exchange gains (losses)	798,362	(147,943)
	$ 5,856,271	$ 3,354,967

	Expenses For the Three Months Ended March 31	
	2024	2023
Insurance claim payments	$ 1,506,456	$ 812,580
Net change in separate account reserve	3,842,388	2,093,590
Custodian fee	507,427	448,797
	$ 5,856,271	$ 3,354,967

c. KGI Life Insurance rebates from counterparties in the investment-linked insurance business, which recognized as service fee revenue, for the three months ended March 31, 2024 and 2023 were $80,717 thousand and $65,699 thousand, respectively.

For the information on other financial assets pledged as collateral for the Group, please refer to Note 46.

20. INVESTMENT PROPERTY, NET

	March 31, 2024	December 31, 2023	March 31, 2023
Land	$ 40,453,384	$ 40,579,421	$ 38,022,238
Buildings and facilities	14,460,549	14,646,903	15,027,457
Right-of-use assets - superficies of royalties	3,687,962	3,711,997	4,029,280
Right-of-use assets - land	484,667	453,228	478,265
	$ 59,086,562	$ 59,391,549	$ 57,557,240

Except for depreciation recognized, the Group had no significant addition, disposal and impairment of investment property during the three months ended March 31, 2024 and 2023.

The above items of investment property are depreciated on a straight-line basis at estimated economic lives as follows:

Buildings and facilities	5-60 years
Right-of-use assets - superficies of royalties	70 years
Right-of-use assets - land	70 years

The fair values of the Group's investment property as of March 31, 2024, December 31, 2023 and March 31, 2023 were $61,077,729 thousand, $61,489,628 thousand and $59,163,547 thousand, respectively. Investment property was categorized into Level 3.

The Corporation's subsidiaries had development of the vacant land and prepayments for buildings without construction license, and the carrying amount were $2,434,887 thousand, $2,434,887 thousand and $2,436,553 thousand, respectively, on March 31, 2024, December 31, 2023 and March 31, 2023. Because its fair value cannot be reliably determined, it was excluded from the amount of fair value above mentioned.

Valuation of fair values above mentioned, except the fair values of investment properties held by CDIB Capital Group and KGI Securities for the years ended December 31, 2023 and 2022 were arrived at without appraisal from independent appraisers. All the other subsidiaries of the Group engaged independent appraisers for the valuation of their investment properties. The sales comparison approach and income approach were used in the valuation, whereby the sales comparison approach compares a subject property's characteristics with those of comparable properties which have been recently sold in similar transaction, and income approach takes the net operating income of the rent collected and divides it by the capitalization rate.

The Group's investment property is mainly based on leased building with lease terms of 1 to 20 years and some lessees have priority to rent the leased building. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	March 31, 2024	**December 31, 2023**	**March 31, 2023**
Year 1	$ 1,083,550	$ 1,101,630	$ 1,239,052
Year 2	903,940	920,818	1,004,078
Year 3	699,262	683,978	744,369
Year 4	590,957	572,064	555,988
Year 5	517,544	455,103	462,122
Year 5 onwards	3,760,054	3,793,966	3,904,581
	$ 7,555,307	$ 7,527,559	$ 7,910,190

The investment property leased by the Group for operating leases is depreciated on a straight-line basis over their estimated useful lives as follows:

	Estimated Useful Lives
Buildings and facilities	10-60 years

All of the Group's investment property were held under freehold interests. The carrying amount of the investment properties that had been pledged for the Group to secure borrowings were reflected in Note 46.

21. PROPERTY AND EQUIPMENT, NET

	March 31, 2024	December 31, 2023	March 31, 2023
Land	$ 17,250,034	$ 17,213,070	$ 19,446,957
Buildings and facilities	10,586,023	10,693,364	11,291,638
Machinery and computer equipment	1,575,387	1,612,595	1,781,838
Leasehold improvements	745,094	745,534	719,078
Other equipment	570,339	562,582	507,929
Transportation equipment	24,941	27,097	31,834
	30,751,818	30,854,242	33,779,274
Prepayments for acquisition of properties	295,071	319,970	511,117
	$ 31,046,889	$ 31,174,212	$ 34,290,391
Assets used by the Group	$ 31,046,889	$ 31,173,413	$ 33,987,976
Assets leased under operating leases	-	799	302,415
	$ 31,046,889	$ 31,174,212	$ 34,290,391

Except for depreciation recognized, the Group had no significant addition, disposal and impairment of property and equipment during the three months ended March 31, 2024 and 2023.

The above items of self-use property and equipment are depreciated on a straight-line basis over the estimated economic lives as follows:

Buildings and facilities	3-60 years
Machinery and computer equipment	3-15 years
Transportation equipment	4-10 years
Other equipment	3-15 years
Leasehold improvements	Depend on the age or the durable life of lease, whichever is shorter

The operating lease of the group's subsidiaries are mainly based on leased light passenger vehicle with lease terms of 1 to 5 years without an option to extend for any additional years.

The maturity analysis of lease payments receivable was as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Year 1	$ -	$ 174	$ 965
Year 2	-	-	-
Year 3	-	-	-
Year 4	-	-	-
Year 5	-	-	-
	$ -	$ 174	$ 965

The investment property leased by the Group for operating leases is depreciated on a straight-line basis based over their estimated useful lives as follows:

	Estimated Useful Lives
Machinery equipment	4-20 years
Transportation equipment	2-5 years

For the information on property and equipment pledged as collateral for the Group, please refer to Note 46.

22. LEASE ARRANGEMENTS

a. Right-of-use assets, net

	March 31, 2024	December 31, 2023	March 31, 2023
Carrying amounts			
Royalty-surface rights	$ 8,402,513	$ 8,437,621	$ 8,556,416
Buildings and facilities	2,193,529	2,266,376	2,775,981
Land	1,026,770	1,014,106	1,035,413
Computer equipment	76,999	96,186	124,008
Transportation equipment	25,408	29,246	38,166
Other equipment	15,232	16,700	24,373
	$ 11,740,451	$ 11,860,235	$ 12,554,357

	For the Three Months Ended March 31	
	2024	2023
Additions to right-of-use assets	$ 88,049	$ 218,594
Depreciation of right-of-use assets		
Buildings and facilities	$ 163,299	$ 199,823
Royalty-surface rights	35,108	35,231
Computer equipment	11,190	13,469
Transportation equipment	5,116	5,897
Other equipment	1,468	4,739
Land	4,403	4,271
	$ 220,584	$ 263,430

The depreciation expenses of the right-of-use asset recognized in profit or loss for the three months ended March 31, 2024 and 2023 were $220,584 thousand and $262,856 thousand, respectively.

b. Lease liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
Carrying amounts	$ 3,998,382	$ 4,034,022	$ 4,575,681

The interest expenses of the lease liabilities recognized in profit or loss for the three months ended March 31, 2024 and 2023 were $23,776 thousand and $22,765 thousand, respectively.

Range of discount rates for lease liabilities were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Buildings and facilities	0.54%-7.35%	0.52%-7.35%	0.50%-7.35%
Land	1.61%-3.50%	1.61%-3.50%	0.77%-3.50%
Computer equipment	0.56%-4.87%	0.56%-4.87%	0.56%-1.62%
Transportation equipment	0.53%-1.68%	0.50%-1.68%	0.49%-1.68%
Other equipment	0.60%-1.61%	0.60%-1.61%	0.51%-1.61%

The maturity analysis of lease liabilities were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Not later than 1 year	$ 752,142	$ 725,228	$ 877,802
Later than 1 year and not later than 5 years	1,773,043	1,827,967	2,099,712
Later than 5 years and not later than 10 years	598,364	624,025	749,400
Later than 10 years	3,205,263	3,118,622	3,165,353
	$ 6,328,812	$ 6,295,842	$ 6,892,267

c. Material lease-in activities and terms

The Group leases land, building and facilities, computer equipment, transportation equipment and other equipment with lease terms of 1 to 15 years. In the contract, the Group has options to lease the building at the end of the lease terms. The lease contract for the right of superficies has been established indicates that KGI Life Insurance also leases land with lease terms of 70 years.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties and freehold property, plant and equipment for the Group, please refer Notes 20 and 21, respectively.

	For the Three Months Ended March 31	
	2024	2023
Expenses relating to short-term leases	$ 40,799	$ 7,332
Expenses relating to low-value asset leases	$ 1,445	$ 1,658
Total cash outflow for leases	$ 228,954	$ 243,013

The Group leases certain assets which qualify as short-term leases and certain assets which qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

23. INTANGIBLE ASSETS

	March 31, 2024	December 31, 2023	March 31, 2023
Purchase policy value	$ 11,002,447	$ 11,080,843	$ 11,318,629
Goodwill	3,258,542	3,223,561	3,209,146
Computer software	2,036,216	2,072,879	1,878,312
Operation rights	1,270,465	1,400,380	1,790,122
Others	318	367	-
	$ 17,567,988	$ 17,778,030	$ 18,196,209

Except for amortization recognized, the Group had no significant addition, disposal, and impairment of other intangible assets during the three months ended March 31, 2024 and 2023.

Apart from the purchase policy value is amortized on present value of annuity of expected remaining policies over effective period of policies, the other items of intangible assets above are amortized on a straight-line basis over the estimated economic lives as follows:

Operation rights	7-20 years
Computer software	1-10 years

24. OTHER ASSETS

	March 31, 2024	December 31, 2023	March 31, 2023
Security borrowing margins	$ 45,351,185	$ 39,929,058	$ 39,631,908
Overseas custodian accounts	21,234,271	19,611,446	24,159,690
Guarantee deposits paid	15,572,341	4,791,817	7,013,284
Operating guarantee deposits	8,542,978	8,522,574	8,521,447
Others	4,803,428	4,368,959	4,372,862
	$ 95,504,203	$ 77,223,854	$ 83,699,191

The above overseas custodian account is mainly for foreign subsidiaries transaction.

25. DEPOSITS FROM THE CENTRAL BANK AND FINANCIAL INSTITUTIONS

	March 31, 2024	December 31, 2023	March 31, 2023
Call loans from financial institutions	$ 7,609,875	$ 6,846,756	$ 9,288,470
Deposits from Chunghwa Post Co., Ltd.	180,556	180,556	180,556
	$ 7,790,431	$ 7,027,312	$ 9,469,026

26. NOTES AND BONDS ISSUED UNDER REPURCHASE AGREEMENTS

	March 31, 2024	December 31, 2023	March 31, 2023
Corporate bonds	$ 78,154,522	$ 70,489,928	$ 52,316,923
Bank debentures	41,029,583	30,835,269	36,988,153
Government bonds	28,643,876	27,459,269	22,947,863
Others	3,890,947	1,510,123	1,156,350
	$ 151,718,928	$ 130,294,589	$ 113,409,289
Repurchased amounts	$ 153,166,417	$ 131,146,970	$ 113,807,164

27. COMMERCIAL PAPER PAYABLE, NET

	March 31, 2024	December 31, 2023	March 31, 2023
Commercial paper payable	$ 45,952,593	$ 29,476,985	$ 21,602,063
Less: Unamortized discount	(38,670)	(17,205)	(6,796)
	$ 45,913,923	$ 29,459,780	$ 21,595,267
Range of rate	1.43%-5.23%	1.44%-5.26%	1.24%-4.64%

As of March 31, 2024, Dah Chung Bills Finance Corporation, Ta Ching Finance Corporation, International Bills Finance Corporation, Taiwan Cooperative Bills Finance Corporation, Taiwan Finance Corporation, China Bills Finance Corporation, and Mega Bills Finance Corporation, guaranteed the above commercial paper. However, some commercial paper which amounted to $44,845,069 thousand, had no guarantee.

As of December 31, 2023, Mega Bills Finance Corporation, Dah Chung Bills Finance Corporation, China Bills Finance Corporation, International Bills Finance Corporation, Ta Ching Finance Corporation, Taiwan Cooperative Bills Finance Corporation, Grand Bills Finance Corporation and Taiwan Finance Corporation guaranteed the above commercial paper. However, some commercial paper which amounted to $28,259,984 thousand, had no guarantee.

As of March 31, 2023, Dah Chung Bills Finance Corporation, Union Bills Finance Corporation, Ta Ching Finance Corporation, International Bills Finance Corporation, Taiwan Cooperative Bills Finance Corporation, Taiwan Finance Corporation, China Bills Finance Corporation and Grand Bills Finance Corporation guaranteed the above commercial paper. However, some commercial paper which amounted to $21,295,294 thousand, had no guarantee.

28. PAYABLES

	March 31, 2024	December 31, 2023	March 31, 2023
Accounts payable for settlement	$ 76,662,645	$ 55,717,645	$ 51,500,626
Accrued expenses and payable on insurance policies	16,302,741	18,950,568	14,680,109
Exchange clearing payable	14,811,080	10,573,313	16,040,220
Deposits payable for securities financing	8,270,143	8,971,558	9,747,519
Others	11,818,145	12,943,738	12,051,303
	$ 127,864,754	$ 107,156,822	$ 104,019,777

29. DEPOSITS AND REMITTANCES

	March 31, 2024	December 31, 2023	March 31, 2023
Time deposits	$ 248,819,450	$ 233,798,911	$ 254,547,076
Saving deposits	184,466,797	177,602,354	168,189,904
Demand deposits	120,370,999	115,927,860	98,917,148
Checking deposits	1,494,202	1,769,837	1,424,719
Inward remittance	196,766	703,656	143,988
Negotiable CDs	134,100	134,100	136,700
	$ 555,482,314	$ 529,936,718	$ 523,359,535

30. BONDS PAYABLE

	March 31, 2024	December 31, 2023	March 31, 2023
Corporate bonds payable	$ 77,266,285	$ 77,190,445	$ 66,900,000
Bank debentures payable	24,423,846	24,747,803	24,692,489
	$ 101,690,131	$ 101,938,248	$ 91,592,489

Corporate Bonds Payable

Name	March 31, 2024	December 31, 2023	March 31, 2023	Issuance Period	Method of Paying Principle and Interests	Interest Rate
1st corporate bonds in 2017 - the Corporation	$ 10,000,000	$ 10,000,000	$ 10,000,000	Bond A 2017.09.08-2024.09.08 Bond B 2017.09.08-2027.09.08 Bond C 2017.09.08-2032.09.08	Interest payable annually; principal due on maturity	Bond A 1.75% Bond B 1.90% Bond C 2.10%
1st corporate bonds in 2019 - the Corporation	5,000,000	5,000,000	5,000,000	Bond A 2019.08.08-2026.08.08 Bond B 2019.08.08-2029.08.08	Interest payable annually; principal due on maturity	Bond A 0.88% Bond B 1.00%
1st corporate bonds in 2020 - the Corporation	8,000,000	8,000,000	8,000,000	Bond A 2020.05.20-2025.05.20 Bond B 2020.05.20-2035.05.20	Interest payable annually; principal due on maturity	Bond A 0.75% Bond B 0.95%
2nd corporate bonds in 2020 - the Corporation	6,000,000	6,000,000	6,000,000	Bond A 2020.11.30-2030.11.30 Bond B 2020.11.30-2035.11.30	Interest payable annually; principal due on maturity	Bond A 1.25% Bond B 1.50%
3rd corporate bonds in 2020 - the Corporation	4,000,000	4,000,000	4,000,000	Bond A 2021.01.14-2028.01.14 Bond B 2021.01.14-2031.01.14	Interest payable annually; principal due on maturity	Bond A 0.50% Bond B 0.59%
1st corporate bonds in 2021 - the Corporation	15,000,000	15,000,000	15,000,000	Bond A 2021.12.20-2026.12.20 Bond B 2021.12.20-2028.12.20 Bond C 2021.12.20-2031.12.20	Interest payable annually; principal due on maturity	Bond A 0.59% Bond B 0.65% Bond C 0.75%
1st corporate bonds in 2019 - KGI Securities	3,900,000	3,900,000	3,900,000	Bond A 2019.11.22-2022.11.22 Bond B 2019.11.22-2024.11.22 Bond C 2019.11.22-2026.11.22	Interest payable annually; principal due on maturity	Bond A 0.73% Bond B 0.78% Bond C 0.83%
1st corporate bonds in 2021 - KGI Securities	5,000,000	5,000,000	5,000,000	Bond A 2021.07.09-2026.07.09 Bond B 2021.07.09-2028.07.09	Interest payable annually; principal due on maturity	Bond A 0.51% Bond B 0.55%

(Continued)

Name	March 31, 2024	December 31, 2023	March 31, 2023	Issuance Period	Method of Paying Principle and Interests	Interest Rate
1st corporate bonds in 2020 - KGI Life Insurance	$ 10,000,000	$ 10,000,000	$ 10,000,000	2020.12.28, no maturity date	Interest payable annually (Note)	2.70%
1st corporate bonds in 2023 - KGI Life Insurance	10,000,000	10,000,000	-	2023.07.25-2033.07.25	Interest payable annually; principal due on maturity	3.75%
Beneficiary bonds - CDIB Real Estate Credit Ltd.	366,285	290,445	-	2023.10.26-2026.09.27	Interest payment every season	9.50%
Net amount	$ 77,266,285	$ 77,190,445	$ 66,900,000			

(Concluded)

Note: KGI Life Insurance has the right to redeem the bonds after 10 years from the issue date if its self-owned capital adequacy ratio is twice as higher as the required risk based capital ratio set by the competent authority. KGI Life Insurance is allowed to redeem the bonds based on the carrying value of each bond plus interest after being approved by the competent authority.

Bank Debentures Payable

Name	March 31, 2024	December 31, 2023	March 31, 2023	Issuance Period	Method of Paying Principle and Interests	Interest Rate
P07 KGIB 1	$ 3,000,000	$ 3,000,000	$ 3,000,000	2018.12.27, no maturity date	Interest payable annually (Note)	2.35%
P07 KGIB 2	3,350,000	3,350,000	3,350,000	2018.12.27-2033.12.27	Interest payable annually; principal due on maturity	1.68%
P08 KGIB 1	3,100,000	3,100,000	3,100,000	2019.06.26-2034.06.26	Interest payable annually; principal due on maturity	1.40%
P09 KGIB 1	1,200,000	1,200,000	1,200,000	2020.03.05-2027.03.05	Interest payable annually; principal due on maturity	0.75%
P09 KGIB 2	4,800,000	4,800,000	4,800,000	2020.03.05-2030.03.05	Interest payable annually; principal due on maturity	0.80%
P09 KGIB 3	4,800,000	4,800,000	4,800,000	2020.08.07-2030.08.07	Interest payable annually; principal due on maturity	0.71%
P10 KGIB 1	4,300,000	4,300,000	4,300,000	2021.02.04-2031.02.04	Interest payable annually; principal due on maturity	0.57%
P10 KGIB 2	700,000	700,000	700,000	2021.05.18-2024.05.18	Interest payable annually; principal due on maturity	0.40%
	25,250,000	25,250,000	25,250,000			
Unamortized discount	(826,154)	(502,197)	(557,511)			
Net amount	$ 24,423,846	$ 24,747,803	$ 24,692,489			

Note: KGI Bank has the right to redeem the bonds after 5 years and 1 month from the issue date if its self-owned capital adequacy ratio is still in accordance with the requirements set by the competent authority. KGI Bank is allowed to redeem the bonds based on the carrying value of each bond plus interest after approved by the competent authority.

31. OTHER BORROWINGS

	March 31, 2024	December 31, 2023	March 31, 2023
Short-term credit borrowings	$ 26,425,234	$ 19,365,523	$ 17,765,810
Call loans from banks	2,623,180	2,889,090	2,344,958
Note issuance facility	1,299,719	1,099,865	4,899,481
Short-term secured borrowings	1,090,000	1,089,979	1,706,361
	$ 31,438,133	$ 24,444,457	$ 26,716,610
Range of rate	1.49%-6.24%	1.55%-6.53%	1.25%-5.77%

For the information on collateral of other borrowings listed, please refer to Note 46.

32. PROVISIONS

	March 31, 2024	December 31, 2023	March 31, 2023
Insurance liabilities	$ 2,087,729,396	$ 2,071,434,364	$ 2,078,356,779
Foreign exchange valuation reserve	13,896,058	9,768,788	9,534,483
Provisions for employee benefits	696,012	740,703	659,155
Others	503,451	467,495	467,762
	$ 2,102,824,917	$ 2,082,411,350	$ 2,089,018,179

Insurance Contracts and Provision for Financial Instruments with Discretionary Participation Feature

As at March 31, 2024, December 31, 2023 and March 31, 2023, KGI Life Insurance's movement in reserves of insurance contracts and financial instruments with discretionary participation feature is as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Reserve for life insurance liabilities	$ 2,051,171,435	$ 2,035,521,454	$ 2,042,206,626
Unearned premium reserve	5,263,236	5,776,296	4,831,622
Reserve for claims	3,838,223	3,261,985	2,802,203
Special reserve	8,037,184	7,284,162	8,299,521
Premium deficiency reserve	1,400,082	1,493,153	1,885,689
Other reserve	18,019,236	18,097,314	18,331,118
	$ 2,087,729,396	$ 2,071,434,364	$ 2,078,356,779

a. Reserve for life insurance liabilities:

	March 31, 2024			December 31, 2023			March 31, 2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Life insurance	$ 1,706,121,563	$ 47,598,176	$ 1,753,719,739	$ 1,688,712,054	$ 48,428,133	$ 1,737,140,187	$ 1,688,424,150	$ 51,098,213	$ 1,739,522,363
Health insurance	180,642,562	-	180,642,562	178,371,313	-	178,371,313	169,470,202	-	169,470,202
Annuity insurance	749,859	113,490,199	114,240,058	745,258	116,760,636	117,505,894	731,180	130,189,033	130,920,213
Investment-linked insurance	2,371,690	-	2,371,690	2,309,312	-	2,309,312	2,121,406	-	2,121,406
	$ 1,889,885,674	$ 161,088,375	$ 2,050,974,049	$ 1,870,137,937	$ 165,188,769	$ 2,035,326,706	$ 1,860,746,938	$ 181,287,246	$ 2,042,034,184

Note: The total amount of liability reserve is $2,051,171,435 thousand on March 31, 2024 after reserve for life insurance-accrued paid is added.
Note: The total amount of liability reserve is $2,035,521,454 thousand on December 31, 2023 after reserve for life insurance-accrued paid is added.
Note: The total amount of liability reserve is $2,042,206,626 thousand on March 31, 2023 after reserve for life insurance-accrued paid is added.

There is no ceded liability reserve for the above insurance contracts of KGI Life Insurance.

Movement in reserve for life insurance liabilities is summarized below:

	For the Three Months Ended March 31					
	2024			2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Beginning balance	$ 1,870,137,937	$ 165,188,769	$ 2,035,326,706	$ 1,858,062,445	$ 186,744,859	$ 2,044,807,304
Reserve	36,910,478	688,821	37,599,299	40,415,541	1,328,028	41,743,569
Recovery	(36,476,200)	(5,487,504)	(41,963,704)	(33,123,410)	(6,579,787)	(39,703,197)
Losses (gains) on foreign exchange	19,313,459	698,289	20,011,748	(4,607,638)	(205,854)	(4,813,492)
Net ending balance	$ 1,889,885,674	$ 161,088,375	$ 2,050,974,049	$ 1,860,746,938	$ 181,287,246	$ 2,042,034,184

Note: Reserve for life insurance liabilities were $2,051,171,435 thousand at March 31, 2024 after adding the payment of reserve for life insurance-accrued.
Note: Reserve for life insurance liabilities were $2,042,206,626 thousand at March 31, 2023 after adding the payment of reserve for life insurance-accrued.

b. Unearned premium reserve

	March 31, 2024			December 31, 2023			March 31, 2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Individual life insurance	$ 653	$ -	$ 653	$ 754	$ -	$ 754	$ 774	$ -	$ 774
Individual injury insurance	2,019,978	-	2,019,978	2,173,679	-	2,173,679	1,801,138	-	1,801,138
Individual health insurance	2,694,580	-	2,694,580	2,904,329	-	2,904,329	2,534,716	-	2,534,716
Group insurance	473,463	-	473,463	622,551	-	622,551	422,623	-	422,623
Investment-linked insurance	74,561	-	74,561	74,981	-	74,981	72,366	-	72,366
Annuity insurance	-	1	1	-	2	2	-	5	5
	5,263,235	1	5,263,236	5,776,294	2	5,776,296	4,831,617	5	4,831,622
Less ceded unearned premium reserve:									
Individual life insurance	22,052	-	22,052	21,220	-	21,220	20,293	-	20,293
Individual injury insurance	1,007	-	1,007	963	-	963	917	-	917
Individual health insurance	46,074	-	46,074	56,986	-	56,986	38,526	-	38,526
Group insurance	4,650	-	4,650	4,313	-	4,313	4,313	-	4,313
Investment-linked insurance	5,414	-	5,414	5,316	-	5,316	5,343	-	5,343
	79,197	-	79,197	88,798	-	88,798	69,392	-	69,392
Net amount	$ 5,184,038	$ 1	$ 5,184,039	$ 5,687,496	$ 2	$ 5,687,498	$ 4,762,225	$ 5	$ 4,762,230

Movement in unearned premium reserve is summarized below:

	For the Three Months Ended March 31					
	2024			2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Beginning balance	$ 5,776,294	$ 2	$ 5,776,296	$ 5,099,215	$ 7	$ 5,099,222
Reserve	931,006	1	931,007	1,007,208	5	1,007,213
Recovery	(1,444,073)	(2)	(1,444,075)	(1,274,804)	(7)	(1,274,811)
Losses (gains) on foreign exchange	8	-	8	(2)	-	(2)
Ending balance	5,263,235	1	5,263,236	4,831,617	5	4,831,622
Less ceded unearned premium reserve:						
Beginning balance	88,798	-	88,798	66,877	-	66,877
Increase	12,487	-	12,487	19,244	-	19,244
Decrease	(22,199)	-	(22,199)	(16,719)	-	(16,719)
Losses (gains) on foreign exchange	111	-	111	(10)	-	(10)
Ending balance	79,197	-	79,197	69,392	-	69,392
Net amount	$ 5,184,038	$ 1	$ 5,184,039	$ 4,762,225	$ 5	$ 4,762,230

c. Reserve for claims

	March 31, 2024			December 31, 2023			March 31, 2023		
	Insurance Contracts	**Financial Instruments with Discretionary Participation Feature**	**Total**	**Insurance Contracts**	**Financial Instruments with Discretionary Participation Feature**	**Total**	**Insurance Contracts**	**Financial Instruments with Discretionary Participation Feature**	**Total**
Individual life insurance									
Reported but not paid claim	$ 224,521	$ 16,268	$ 240,789	$ 255,746	$ 4,607	$ 260,353	$ 349,673	$ 5,834	$ 355,507
Unreported claim	207	-	207	199	-	199	579	-	579
Individual injury insurance									
Reported but not paid claim	47,233	-	47,233	61,232	-	61,232	67,073	-	67,073
Unreported claim	794,915	-	794,915	743,830	-	743,830	490,955	-	490,955
Individual health insurance									
Reported but not paid claim	167,688	-	167,688	182,834	-	182,834	142,014	-	142,014
Unreported claim	1,526,111	-	1,526,111	1,181,370	-	1,181,370	930,555	-	930,555
Group insurance									
Reported but not paid claim	107,320	-	107,320	95,822	-	95,822	143,464	-	143,464
Unreported claim	854,305	-	854,305	663,053	-	663,053	526,204	-	526,204
Investment-linked insurance									
Reported but not paid claim	66,835	-	66,835	38,928	-	38,928	24,726	-	24,726
Unreported claim	-	-	-	-	-	-	-	-	-
Annuity insurance									
Reported but not paid claim	-	32,807	32,807	-	34,343	34,343	4,056	117,049	121,105
Unreported claim	-	13	13	-	21	21	-	21	21
	3,789,135	49,088	3,838,223	3,223,014	38,971	3,261,985	2,679,299	122,904	2,802,203
Less ceded loss reserve									
Individual life insurance	15,169	-	15,169	27,274	-	27,274	13,888	-	13,888
Individual injury insurance	1,674	-	1,674	1,674	-	1,674	5,036	-	5,036
Individual health insurance	16,975	-	16,975	18,771	-	18,771	16,223	-	16,223
Group insurance	7,000	-	7,000	5,700	-	5,700	13,100	-	13,100
Investment-linked insurance	860	-	860	1,360	-	1,360	-	-	-
	41,678	-	41,678	54,779	-	54,779	48,247	-	48,247
Net amount	$ 3,747,457	$ 49,088	$ 3,796,545	$ 3,168,235	$ 38,971	$ 3,207,206	$ 2,631,052	$ 122,904	$ 2,753,956

Movement in reserve for claims is summarized below:

	For the Three Months Ended March 31					
	2024			2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Beginning balance	$ 3,223,014	$ 38,971	$ 3,261,985	$ 3,539,974	$ 42,273	$ 3,582,247
Reserve	3,786,365	49,075	3,835,440	2,680,230	122,887	2,803,117
Recovery	(3,223,014)	(38,971)	(3,261,985)	(3,539,974)	(42,273)	(3,582,247)
Losses (gains) on foreign exchange	2,770	13	2,783	(931)	17	(914)
Ending balance	3,789,135	49,088	3,838,223	2,679,299	122,904	2,802,203
Less ceded loss reserve						
Beginning balance	54,779	-	54,779	44,168	-	44,168
Increase	41,650	-	41,650	48,246	-	48,246
Decrease	(54,779)	-	(54,779)	(44,168)	-	(44,168)
Losses (gains) on foreign exchange	28	-	28	1	-	1
Ending balance	41,678	-	41,678	48,247	-	48,247
Net amount	$ 3,747,457	$ 49,088	$ 3,796,545	$ 2,631,052	$ 122,904	$ 2,753,956

KGI Life Insurance's reported but not paid claims are reserved according to insurance type and claims department's estimates based on each individual case's related information without exceeding promised insurance amount for covered accidents. Those reported but not paid reserve is reasonably assessed, sufficient to reflect actual claims paid. In addition, some types of claims are not expected to close shortly because these claims usually depend on court judgments before the closure. The legal department tracks the development of these claims and reasonably estimates claims reserve. The actuarial department assesses final unreported claims based on past claims experience with consideration of claims development trends for past closed cases, and then develop the final claims based on homogeneous features of each insurance through Bornhuetter-Ferguson Method. Reserve for unreported and unclosed claims changes according to external environment, such as, actual loss rate will lead to fluctuations of claims. The actuarial department will evaluate periodically to make reasonable estimate of claims reserve.

d. Special reserve

	March 31, 2024			December 31, 2023			March 31, 2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Participating policies dividends reserve	$ 8,037,184	$ -	$ 8,037,184	$ 7,284,162	$ -	$ 7,284,162	$ 8,299,521	$ -	$ 8,299,521
Dividend risk reserve	-	-	-	-	-	-	-	-	-
	$ 8,037,184	$ -	$ 8,037,184	$ 7,284,162	$ -	$ 7,284,162	$ 8,299,521	$ -	$ 8,299,521

Movement in special reserve is summarized below:

	For the Three Months Ended March 31					
	2024			2023		
	Insurance Contract	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contract	Financial Instruments with Discretionary Participation Feature	Total
Beginning balance	$ 7,284,162	$ -	$ 7,284,162	$ 8,507,932	$ -	$ 8,507,932
Reserve for participating policy dividend revenue	753,022	-	753,022	(271,072)	-	(271,072)
Recover for participating policy dividend revenue	-	-	-	-	-	-
Gain (loss) on equity instruments from participating dividend policy measured at FVTOCI	-	-	-	62,661	-	62,661
Ending balance	$ 8,037,184	$ -	$ 8,037,184	$ 8,299,521	$ -	$ 8,299,521

e. Special capital reserve for major incidents and fluctuation of risks

	March 31, 2024			December 31, 2023			March 31, 2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Individual life insurance	$ 2,451	$ -	$ 2,451	$ 2,451	$ -	$ 2,451	$ 2,302	$ -	$ 2,302
Individual injury insurance	1,010,136	-	1,010,136	1,010,136	-	1,010,136	940,255	-	940,255
Individual health insurance	2,165,239	-	2,165,239	2,165,239	-	2,165,239	2,580,980	-	2,580,980
Group insurance	3,852,199	-	3,852,199	3,852,199	-	3,852,199	3,657,214	-	3,657,214
Annuity insurance	-	312	312	-	312	312	-	362	362
	$ 7,030,025	$ 312	$ 7,030,337	$ 7,030,025	$ 312	$ 7,030,337	$ 7,180,751	$ 362	$ 7,181,113

f. Premium deficiency reserve

	March 31, 2024			December 31, 2023			March 31, 2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Individual life insurance	$ 1,309,326	$ -	$ 1,309,326	$ 1,400,556	$ -	$ 1,400,556	$ 1,786,880	$ -	$ 1,786,880
Individual health insurance	90,756	-	90,756	92,597	-	92,597	98,809	-	98,809
	$ 1,400,082	$ -	$ 1,400,082	$ 1,493,153	$ -	$ 1,493,153	$ 1,885,689	$ -	$ 1,885,689

Premium deficiency reserve was not ceded in the above insurance contracts of KGI Life Insurance.

Movement in premium deficiency reserve is summarized as below:

	For the Three Months Ended March 31					
	2024			2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Beginning balance	$ 1,493,153	$ -	$ 1,493,153	$ 1,991,327	$ -	$ 1,991,327
Reserve	38,461	-	38,461	109,730	-	109,730
Recovery	(149,022)	-	(149,022)	(205,878)	-	(205,878)
(Gains) losses on foreign exchange	17,490	-	17,490	(9,490)	-	(9,490)
Ending balance	$ 1,400,082	$ -	$ 1,400,082	$ 1,885,689	$ -	$ 1,885,689

g. Other reserve

	March 31, 2024			December 31, 2023			March 31, 2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Others	$ 18,019,236	$ -	$ 18,019,236	$ 18,097,314	$ -	$ 18,097,314	$ 18,331,118	$ -	$ 18,331,118

Movement in other reserve is summarized as below:

	For the Three Months Ended March 31					
	2024			2023		
	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total	Insurance Contracts	Financial Instruments with Discretionary Participation Feature	Total
Beginning balance	$ 18,097,314	$ -	$ 18,097,314	$ 18,409,053	$ -	$ 18,409,053
Recovery	(78,078)	-	(78,078)	(77,935)	-	(77,935)
Ending balance	$ 18,019,236	$ -	$ 18,019,236	$ 18,331,118	$ -	$ 18,331,118

Note: The amount is transferred from the acquisition of a partial traditional insurance policies of Allianz Life Insurance on May 18, 2018.

h. Liability adequacy reserve

	Insurance Contract and Financial Instruments with Discretionary Participation Feature		
	March 31, 2024	December 31, 2023	March 31, 2023
Reserve for life insurance liabilities	$ 2,050,974,049	$ 2,035,326,706	$ 2,042,034,184
Unearned premium reserve	5,263,236	5,776,296	4,831,622
Premium deficiency reserve	1,400,082	1,493,153	1,885,689
Special reserve	8,037,184	7,284,162	8,299,521
Other reserve	18,019,236	18,097,314	18,331,118
Book value of insurance liabilities	$ 2,083,693,787	$ 2,067,977,631	$ 2,075,382,134
Estimated present value of cash flows	$ 1,655,560,609	$ 1,668,867,475	$ 1,683,824,084
Balance of liability adequacy reserve	$ -	$ -	$ -

KGI Life Insurance's liability adequacy testing methodology is listed as follows:

	March 31, 2024
Test method	Gross Premium Valuation Method (GPV)
Groups	Integrated testing
Assumptions	Adopt the best estimated scenario investment return on the most recent actuarial report (the actuarial report of 2023).

	December 31, 2023 and March 31, 2023
Test method	Gross Premium Valuation Method (GPV)
Groups	Integrated testing
Assumptions	Adopt the best estimated scenario investment return on the most recent actuarial report (the actuarial report of 2022).

i. Foreign exchange valuation reserve

1) The hedge strategy and risk exposure

KGI Life Insurance Co., Ltd. consistently adjusts the hedge ratios to establish an adequate risk exposure planning based on the new foreign exchange valuation exposure principle by integrating the exchange rate and interest rate trends of domestic and foreign financial markets. However, changes in the hedge and risk exposure ratios should follow the internal risk control to alert and adjust hedge strategy in advance to meet the optimal hedge considerations.

2) Adjustment in foreign exchange valuation reserve

	For the Three Months Ended March 31	
	2024	2023
Beginning balance	$ 9,768,788	$ 10,886,927
Reserve		
Compulsory reserve	576,225	611,385
Extra reserve	4,628,501	439,664
	5,204,726	1,051,049
Recover	(1,077,456)	(2,403,493)
Ending balance	$ 13,896,058	$ 9,534,483

3) Effects due to foreign exchange valuation reserve of KGI Life Insurance

	For the Three Months Ended March 31, 2024		
Item	**Inapplicable Amount**	**Applicable Amount**	**Effects**
Net income	$ 8,450,887	$ 5,149,071	$ (3,301,816)
Earnings per share (dollar)	1.72	1.05	(0.67)
Foreign exchange valuation reserve	-	13,896,058	13,896,058
Equity	180,573,039	170,799,255	(9,773,784)

	For the Three Months Ended March 31, 2023		
Item	**Inapplicable Amount**	**Applicable Amount**	**Effects**
Net income	$ (760,866)	$ 321,089	$ 1,081,955
Earnings per share (dollar)	(0.15)	0.07	0.22
Foreign exchange valuation reserve	-	9,534,483	9,534,483
Equity	132,776,413	126,491,888	(6,284,525)

33. RETIREMENT BENEFIT PLANS

The Group’s retirement benefit plans include defined contribution and defined benefit plans. For defined benefit plans, employee benefit expenses were calculated using the actuarially determined pension cost discount rate as of December 31, 2023 and 2022, and recognized respectively. For the three months ended March 31, 2024 and 2023.

The Group recognized its contributions under defined benefit plans as pension expenses (recognized as employee benefits) amounting to $4,336 thousand and $7,446 thousand, respectively, and recognized pension expenses (recognized as employee benefits) under defined contribution plans amounting to $175,463 thousand and $174,590 thousand, respectively, for the three months ended March 31, 2024 and 2023.

34. OTHER FINANCIAL LIABILITIES

	March 31, 2024	December 31, 2023	March 31, 2023
Separate-account product liabilities	$ 119,961,900	$ 115,525,739	$ 107,267,130
Customers' equity accounts - futures	54,593,625	51,088,913	58,830,168
Principal received on structured products	43,775,871	42,245,278	42,208,555
Appropriation for loans	2,653,884	1,713,333	593,333
	$ 220,985,280	$ 210,573,263	$ 208,899,186

35. EQUITY

a. Capital

Common stock

	March 31, 2024	December 31, 2023	March 31, 2023
Number of shares authorized (in thousands) (Note)	25,000,000	25,000,000	25,000,000
Shares authorized	$ 250,000,000	$ 250,000,000	$ 250,000,000
Number of shares issued and fully paid (in thousands) (Note)			
Common share	16,832,181	16,834,581	16,845,389
Preference share	1,582,142	1,582,142	1,582,142
Shares issued	$ 184,143,230	$ 184,167,230	$ 184,275,310
Share capital awaiting retirement	$ -	$ 6,000	$ 23,000

Note: Par value of NT$10.

The Corporation's issuance of new restricted employee shares was approved by the Financial Supervisory Commission. On November 19, 2021, the Corporation's board of the directors approved the issuance of 109,991 thousand common shares, with a par value of NT$10 and the record date for the capital increase as December 1, 2021. On May 20, 2022, the Corporation's board of directors approved the issuance of 1,100 thousand common shares, with a par value of NT$10 and the record date for the capital increase is set on June 20, 2022.

Preferred shares

On October 1, 2021, the Corporation adopted a resolution of the extraordinary shareholders' meeting to take KGI Life Insurance as a 100%-owned subsidiary through share conversion. The Corporation issued 1,893,044 thousand preferred shares B, with a par value of NT$10. The issue price is NT$10 per share. According to the resolution of the board of directors on November 16, 2021, the date of the capital increase on December 30, 2021, and the preferred shares are classified under equity. The rights and obligations are as follows:

1) If the Corporation has a surplus after the year-end final accounts, it should first pay taxes and make up the losses accumulated from preceding years. After setting aside the legal reserve and setting aside or reversing the special reserve as required by law, if there is any remaining balance, it may first distribute the dividends for the year to which the preferred shares are entitled.

2) The dividend on the preferred shares is calculated at an annual rate of 3.55% (seven-year IRS 0.75% + 2.80%) based on the issue price per share. The seven-year IRS rate will reset on the business day following the seventh year from the issue date and every seven years thereafter. The interest rate reset record date is two Taiwan bank days prior to the interest rate reset date. The interest rate index seven-year IRS is the arithmetic average of Reuter's TAIFXIRS and COSMOS3 seven-year interest rate swap quotes priced at 11:00 a.m. on the interest rate reset record date. If such quotes are not available on the interest rate reset record date, The Corporation will decide in good faith and based on reasonable market conditions.

3) The dividend on the preferred shares is paid annually in cash after the board of directors set the record date for the distribution of the preceding year's dividend after the financial report is approved by the shareholders at the annual general meeting. The number of dividends paid in the year of issuance and the number of dividends received in the year of recovery are calculated based on the actual number of days the preferred shares are outstanding in that year.

4) The Corporation has the discretion to distribute dividends on the preferred shares. If the Corporation has no or insufficient surplus to distribute dividends on the preferred shares in its annual accounts, or if the distribution of dividends on the preferred shares will cause the Corporation's capital adequacy ratio to fall below the minimum requirements set by law or by the competent authorities, or if there are other necessary considerations, the Corporation may resolve not to distribute dividends on the preferred shares and the preferred shareholders shall not dissent.

5) The preferred shares are noncumulative, and any undistributed or under-distributed dividends will not be accumulated and deferred in coming years.

6) The preferred shareholders shall not participate in the distribution of earnings and capital surplus in cash and capitalization of common shares, except for receiving the dividends set forth in (2).

7) The preferred shareholders shall have priority in the distribution of the residual property of the Corporation over the common shareholders, and the shareholders of each class of preferred shares shall be paid in the same order, provided that such distribution shall not exceed the original amount of issuance.

8) The preferred shareholders shall not have voting rights at general shareholders' meetings, but may be elected as directors, and shall have voting rights at shareholders' meetings of preferred shares and at shareholders' meetings concerning the rights and obligations of preferred shareholders.

9) Preferred shares shall not be converted into common shares.

10) The preferred shares issued by the Corporation have no expiration date and the preferred shareholders have no right to require the Corporation to buy back the preferred shares held thereby. On the day following the expiration of seven years from the date of issuance, the Corporation may redeem all or part of the preferred shares issued at the actual issue price, and the un-redeemed preferred shares shall continue to be subject to the rights and obligations of the aforementioned terms of issuance. If the Corporation decides to pay dividends in the current year, the dividends payable as of the date of recovery are calculated based on the actual number of days the preferred shares are outstanding in that year.

11) When the Corporation issues new shares for cash, the preferred shareholders have the same right of first refusal to purchase the new shares as the common shareholders.

KGI Securities' board of directors, on behalf of the shareholders' meeting, approved the reduction of the above-mentioned preference stock of 310,901 thousand shares held by KGI Securities on February 18, 2022. The Corporation's board of directors approved the capital reduction and wrote off the treasury stock on April 25, 2022, which was endorsed by the FSC on June 13, 2022; the record date is July 8, 2022.

b. Capital surplus

	March 31, 2024	December 31, 2023	March 31, 2023
Difference between consideration and carrying amounts adjusted arising from changes in percentage of ownership in subsidiaries	$ 18,488,215	$ 18,488,215	$ 18,488,215
Additional paid-in capital	13,003,878	13,003,878	13,003,878
Arising from treasury stock transactions	1,682,294	1,682,294	1,682,294
Others	408,048	414,215	444,113
	$ 33,582,435	$ 33,588,602	$ 33,618,500

The premium from shares issued in excess of par (share premium from issuance of common shares, treasury share transactions and excess of consideration received over the carrying amount of the subsidiaries' net assets during disposal or acquisition) and donations may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital limited to a certain percentage of the Corporation's capital surplus and once a year.

The capital surplus from long-term investments may not be used for any purpose.

Under Order No. 10200017220 issued by the Financial Supervisory Commission (FSC), if the capital surplus obtained by a financial holding company through a stock conversion comes from its subsidiaries' unappropriated earnings net of legal reserve and special reserve, the surplus may be distributed as cash dividends or transferred to capital in the period of conversion, and the distribution is exempted from the appropriation restrictions of Article 41 of the Securities and Exchange Act and Article 8 of the Securities and Exchange Act Enforcement Rules.

c. Special revenue

According to Rule No. 09900738571 issued by FSC and Rule No. 10000002891 issued under Regulations Governing Securities Firms, Grand Cathay and GCFC reclassified the default reserve and the trading loss reserve that had been set up until December 31, 2010 to special reserve. The Group also recognizes special revenue according to the percentage of holdings by the Group to subsidiaries directly and indirectly.

This special reserve should be used only to offset a deficit or when the legal reserve has reached 50% of the Corporation's paid-in capital, up to 50% thereof may be transferred to paid-in capital or according to Rule No. 09900738571 issued by FSC, the Corporation reclassified the legal reserve which exceed paid-in capital, then reversed the surpass part to retained earnings in line with the approval of FSC.

The Corporation recognizes or reserves special revenue under Article 41 of the Securities and Exchange Act, Rule No. 1090150022 issued by the FSC and Order No. 11102279031 issued by the FSC.

d. Appropriation of earnings

Considering the necessity of business development and earnings enhancement, as well as in compliance with the relevant laws and regulations, the Corporation adopts a residual dividends policy. Cash dividend may not be less than 10% of total dividend.

Where the Corporation made profit after annual final accounting, the profit shall be first utilized for paying taxes, making up losses for previous years, setting aside legal reserve as well as setting aside or reversing special reserve in accordance with the laws and regulations, and then the remaining of the profit together with the addition of adjusted undistributed retained earnings in the beginning of the period shall be used as the basis for the distribution of dividends and bonus to shareholders. After the distribution of preferred share dividends according to the Articles of Incorporation, the remaining is subject to the range from 30% to 100% of the basis for the distribution as dividend for common shareholders. The distribution plan shall be proposed by the Board of Directors and resolved in the annual general shareholders meeting.

The appropriation of earnings should be resolved by the shareholders in the following year and given effect to in the financial statements of that year.

The appropriation of earnings of 2023 was expected to propose in the board of directors on April 26, 2024 and the appropriation of earnings of 2022 was approved in the shareholders' meeting on June 17, 2023 as follows:

	Earnings Appropriation		Dividends Per Share (NT$)	
	2023	2022	2023	2022
Earnings appropriation				
Legal reserve	$ 1,977,508	$ 1,909,777		
(Reversal) appropriation of special reserve	(9,855,898)	48,566,551		
Cash dividends	8,414,813	-	$0.50	$-
Preference share dividend	561,661	-	0.355	-

Related information can be accessed at the Market Observation Post System website of the Taiwan Stock Exchange.

36. INTEREST PROFIT, NET

	For the Three Months Ended March 31	
	2024	2023
Interest revenues		
Securities	$ 18,080,164	$ 16,619,566
Discounts and loans	4,347,960	3,957,840
Others	2,570,012	2,168,344
	24,998,136	22,745,750
Interest expenses		
Deposits	3,161,531	2,498,259
Notes and bonds issued under repurchase agreements	1,675,419	1,022,670
Structured notes	365,299	283,360
Security lending guarantee deposit	336,760	248,541
Corporate bonds	309,508	211,699
Borrowing interest expense	304,964	248,146
Others	521,888	423,843
	6,675,369	4,936,518
Interest profit, net	$ 18,322,767	$ 17,809,232

37. SERVICE FEE AND COMMISSION, NET

	For the Three Months Ended March 31	
	2024	2023
Service fee revenue and commission income		
Brokerage	$ 3,951,467	$ 2,753,272
Security lending	509,174	438,660
Others	1,932,492	1,502,169
	6,393,133	4,694,101
Service fee expense and commission expense		
Commission expense - insurance	2,964,692	3,404,092
Brokerage	769,397	513,643
Others	603,923	587,063
	4,338,012	4,504,798
Service fee and commission, net	$ 2,055,121	$ 189,303

38. NET INCOME FROM INSURANCE OPERATIONS

	For the Three Months Ended March 31	
	2024	2023
Insurance business income		
Premium income	$ 33,129,539	$ 37,183,717
Reinsurance premium expense	(561,111)	(414,656)
Changes in unearned premium reserve	503,355	270,123
Retained earned premium	33,071,783	37,039,184
Separate-account insurance products revenues	5,856,271	3,354,967
	38,928,054	40,394,151
Insurance business expense		
Insurance claim payments	(46,916,025)	(44,299,464)
Claims recovered from reinsures	291,055	209,235
Retained claim payments	(46,624,970)	(44,090,229)
Brokerage expense	(1,979)	(816)
Disbursements toward industry stability fund	(33,141)	(37,193)
Separate-account insurance products expenses	(5,856,271)	(3,354,967)
	(52,516,361)	(47,483,205)
Insurance business, net	$ (13,588,307)	$ (7,089,054)

39. GAIN (LOSS) ON FINANCIAL ASSETS OR LIABILITIES MEASURED AT FVTPL

	For the Three Months Ended March 31	
	2024	2023
Derivatives	$ (38,003,029)	$ (404,448)
Stocks	23,291,576	20,726,357
Mutual funds	4,474,649	2,859,435
Operating securities	4,009,526	2,354,437
Bonds	330,885	649,257
Others	(595,549)	492,393
	$ (6,491,942)	$ 26,677,431

For the Three Months Ended March 31, 2024 and 2023, the Group's financial assets and liabilities at fair value through profit or loss included interest revenue of $700,780 thousand and $647,837 thousand, respectively, dividend income of $2,153,343 thousand and $1,782,705 thousand, respectively and interest expense of $0 thousand and $66,200 thousand, respectively.

40. REALIZED GAIN (LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	For the Three Months Ended March 31	
	2024	2023
Gain on bond disposal	$ 340,715	$ 205,263
Dividend income	34,745	22,762
Others	41	22
	$ 375,501	$ 228,047

41. EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES

	For the Three Months Ended March 31	
	2024	2023
Employee benefit expense		
Salaries and wages	$ 4,537,712	$ 3,908,763
Employee insurance	345,654	361,685
Pension	179,836	182,036
Others	491,913	306,874
	$ 5,555,115	$ 4,759,358
Depreciation and amortization expenses	$ 929,966	$ 930,569

The Company's Articles of Incorporation stipulate to distribute employees' compensation and remuneration to directors at the rates no less than 1% and no higher than 1%, respectively, of net profit before income tax, employees' compensation, and remuneration to directors. If there is a change in the proposed amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in accounting estimate.

For the three months ended March 31, 2024 and 2023, the employees' compensation were $88,000 thousand and $37,000 thousand, respectively, and the remuneration of directors were $87,000 thousand and $36,000 thousand, respectively.

The amounts of employees' compensation were $195,000 thousand and $179,000 thousand for 2023 and 2022, respectively, and the differences between the amount of employees' compensation and the amount recognized in the financial statements were both $0 thousand; the amounts of directors' compensation were $194,000 thousand and $178,000 thousand for 2023 and 2022, respectively; the differences between the amount of directors' compensation and the amount recognized in the financial statements were both $0 thousand.

The information on the proposed and approved compensation to employees and directors and supervisor is available on the Market Observation Post System (M.O.P.S.) website of the Taiwan Stock Exchange.

42. INCOME TAX

Under Rule No. 910458039 issued by the Ministry of Finance on February 12, 2003, a financial holding company and its domestic subsidiaries holding over 90% of shares issued by the financial holding company for 12 months within the same tax year may choose to adopt the linked-tax system for income tax filings in accordance with Article 49 of Financial Holding Company Act and Article 40 of Business Mergers and Acquisitions Act. Thus, the Corporation adopted the linked-tax system for income tax filing with its eligible subsidiaries, income tax and unappropriated earnings tax filings.

The principle adopted by the Group under the linked-tax system is to reduce the income tax liabilities of the Group and to consider the fairness of the tax borne by all the companies in order to maximize the synergy of the Group. The Group adopt the linked-tax system for tax filings. The different amounts between tax expense and deferred tax liabilities and assets based on consolidation with its qualified subsidiaries are allocated and adjusted to income tax expense/benefit on the Corporation and each subsidiary pro rata; related amounts are recognized as receivables from parent or payable on parent.

a. Income tax expense recognized in profit or loss

The major components of tax expense (benefit) were as follows:

	For the Three Months Ended March 31	
	2024	**2023**
Current income tax		
Current period	$ 233,574	$ 627,122
Prior years	45,675	(16)
	279,249	627,106
Deferred income tax	1,400,538	(785,607)
Income tax expense (benefit) recognized in profit or loss	$ 1,679,787	$ (158,501)

b. Income tax expense (benefit) recognized in other comprehensive income were as follows:

	For the Three Months Ended March 31	
	2024	**2023**
Current income tax		
(Gain) loss on equity instruments at fair value through other comprehensive income	$ 83,331	$ (313)
Deferred income tax		
(Gain) loss on debt instruments at fair value through other comprehensive income	(324,723)	36,485
(Gain) loss on equity instruments at fair value through other comprehensive income	266,513	(257,190)
(Gain) loss on reclassification using the overlay approach	1,077,301	850,429
Income tax expense	$ 1,102,422	$ 629,411

c. Income tax benefit recognized in equity were as follows:

	For the Three Months Ended March 31	
	2024	**2023**
Current income tax		
Disposal of equity instruments at fair value through other comprehensive income	$ -	$ 53,205
Deferred income tax		
Gain on equity instruments at fair value through other comprehensive income	-	(53,205)
Deferred income tax related to tax losses and reversals	-	(4,893)
Income tax benefit	$ -	$ (4,893)

d. Income tax assessments

The Corporation's income tax returns through 2018 had been examined by the tax authorities.

The income tax returns of KGI bank through 2018 had been examined by the tax authorities. The income tax returns of CDIB Management Consulting Corporation through 2022 had been examined by the tax authorities. The income tax returns of CDC Finance & Leasing Corp. through 2021 had been examined by the tax authorities.

The income tax returns of KGI Securities through 2018 had been examined by the tax authorities. KGI Securities did not agree with the assessment of the taxes in 2015 and 2018, and was in the process of administrative remedy.

The income tax returns of KGI Securities Investment Advisory Co., Ltd., KGI Venture Capital Co., Ltd., and KGI Information Technology Co., Ltd. through 2022 had been examined by the tax authorities. The income tax returns of KGI Insurance Brokers Co., Ltd. and KGI Futures Co., Ltd through 2021 had been examined by the tax authorities.

CDIB Capital Group's income tax returns through 2018 had been examined by the tax authorities.

The income tax returns of CDIB Capital Management Corporation, CDIB Capital Innovation Advisors Corporation and CDIB Venture Capital Corp through 2022 have been examined by the tax authorities.

The income tax returns of China Development Asset Management Corp. through 2019 have been examined by the tax authorities.

KGI Life Insurance's income tax returns through 2021 have been examined by the tax authorities, except for 2020, which has not yet been examined.

KGI Securities Investment Trust Co., Ltd.'s income tax returns through 2021 have been examined by the tax authorities.

43. EARNINGS PER SHARE

(New Taiwan Dollars)

	For the Three Months Ended March 31	
	2024	**2023**
Basic EPS	$ 0.49	$ 0.21
Diluted EPS	$ 0.49	$ 0.21

The earnings and weighted average number of common shares outstanding in the computation of EPS were as follows:

Net Profit for the Period

	For the Three Months Ended March 31	
	2024	**2023**
Earnings used in the computation of EPS	$ 8,213,902	$ 3,502,425

Weighted Average Number of Common Shares Outstanding (In Thousand Shares)

	For the Three Months Ended March 31	
	2024	**2023**
Weighted average number of common shares outstanding in computation of basic EPS	16,742,073	16,742,073
Effect of dilutive potentially common shares:		
Restricted shares	64,166	37,531
Weighted average number of common shares outstanding in computation of diluted EPS	16,806,239	16,779,604

44. SHARE-BASED PAYMENT ARRANGEMENTS

On November 19, 2021, the board of directors of the Corporation has decided to issue restricted shares for $1,099,910 thousand in total, and with a par value of $10, i.e., a total of 109,991 thousand shares at issue price of $0. Further, the board of directors made December 1, 2021 as the record date for the issuance of shares. On May 20, 2022, the board of directors of the Corporation has decided to issue restricted shares for $11,000 thousand in total, with a par value of $10, i.e., a total of 1,100 thousand shares at issue price of $0. Further, the board of directors made June 20, 2022 the record date for the issuance of shares. The fair value of the stock on the grant date is measured by performance indicators.

The vesting portion of shares was measured according to the achievement of the performance indicators, and the vesting rate of the shares is 40%, 30% and 30% in installments. Employees who have not met the vesting conditions cannot sell, pledge, transfer, donate, asking the Corporation to buy them back or in any other way dispose of these shares except inheritance. Besides, employees do not have preemptive rights when capital increase but do share the same rights of issued common stock (which includes but not confined to cash dividend, stock dividend, capital decrease, capital surplus cash (stock) or any rights that was originated from legal subject such as consolidation, split or stock-exchange which we called “allocated rights” thereafter). Allocated rights have to be in the trust before meeting the vesting conditions.

After the restricted shares are allocated to employees, the Corporation will retrieve and cancel the stocks with no reimbursement if the vesting conditions are not met. The Corporation will also retrieve the allocated rights at the rate of shares of vesting conditions not met divided by shares allocated, with no reimbursement. If it is stocks that are retrieved, they shall be cancelled in each year of the vesting period.

For the three months ended March 31, 2024 and 2023, the Corporation recognized $76,782 thousand and $94,287 thousand as compensation cost.

45. RELATED-PARTY TRANSACTIONS

The significant transactions and relationship with related parties (in addition to those disclosed in other notes) are summarized below:

a. Related parties

Related Party	Relationship with the Group
Others	Other related parties

b. Significant transactions with related-parties

1) Purchase funds managed by related parties (recognized as financial assets at fair value through profit or loss)

	Amount
March 31, 2024	$ 16,381,483
December 31, 2023	9,820,276
March 31, 2023	6,800,700

2) Revenue receivable (recognized as receivables, net)

	Amount
March 31, 2024	$ 561,584
December 31, 2023	1,626,726
March 31, 2023	487,583

3) Receivable on margin loans (recognized as receivables, net)

	Amount
March 31, 2024	$ 65,131
December 31, 2023	36,261
March 31, 2023	8,088

4) Credit card receivable (recognized as receivables, net)

	Amount
March 31, 2024	$ 12,924
December 31, 2023	14,340
March 31, 2023	13,115

5) Other receivables (recognized as receivables, net)

	Amount
March 31, 2024	$ 140,493
December 31, 2023	70,654
March 31, 2023	35,872

6) Discounts and loans, net

<u>KGI Bank</u>

	Amount	Interest Rate (%)
March 31, 2024	$ 1,098,740	2.06-6.61
December 31, 2023	772,056	1.82-6.61
March 31, 2023	722,916	1.82-6.49

For the three months ended March 31, 2024 and 2023, the interest revenues from discounts and loans were $6,350 thousand and $3,623 thousand, respectively.

For the Three Months Ended March 31, 2024

(In Thousands of New Taiwan Dollars)

Category	**Account Volume or Name of Related Party**	**Highest Balance**	**Ending Balance**	**Normal**	**Overdue**	**Type of Collateral**	**Is the Transaction at Arm's Length Commercial Term**
Consumer loans	22	$ 22,095	$ 18,366	$ 18,366	$ -	None	Yes
Residential mortgage loans	59	671,043	650,650	650,650	-	Real estate	Yes
Others	5	435,139	429,724	429,724	-	None/real estate	Yes

For the Year Ended December 31, 2023

(In Thousands of New Taiwan Dollars)

Category	**Account Volume or Name of Related Party**	**Highest Balance**	**Ending Balance**	**Normal**	**Overdue**	**Type of Collateral**	**Is the Transaction at Arm's Length Commercial Term**
Consumer loans	28	$ 25,026	$ 18,517	$ 18,517	$ -	None/credit guarantee fund	Yes
Residential mortgage loans	68	791,003	641,183	641,183	-	Real estate	Yes
Others	6	116,719	112,356	112,356	-	None/Real estate	Yes

For the Three Months Ended March 31, 2023

(In Thousands of New Taiwan Dollars)

Category	**Account Volume or Name of Related Party**	**Highest Balance**	**Ending Balance**	**Normal**	**Overdue**	**Type of Collateral**	**Is the Transaction at Arm's Length Commercial Term**
Consumer loans	21	$ 13,448	$ 11,401	$ 11,401	$ -	None/credit guarantee fund	Yes
Residential mortgage loans	64	732,134	702,627	702,627	-	Real estate	Yes
Others	3	9,177	8,888	8,888	-	Real estate	Yes

KGI Life

	Amount
March 31, 2024	$ 14,374
December 31, 2023	14,270
March 31, 2023	1,719

7) Guarantee deposits received in futures contracts (recognized as other financial assets)

	Amount
March 31, 2024	$ 14,020
December 31, 2023	14,909
March 31, 2023	12,774

8) As of March 31, 2024 and December 31 2023 and March 31, 2023, KGI Life Insurance has paid other related parties for the renovation on its behalf in an aggregate amount of $137,567 thousand, $127,445 thousand and $0 thousand, which were recognized as investment property.

9) Other payables (recognized as payables)

		Amount
March 31, 2024	$	399,524
December 31, 2023		518,748
March 31, 2023		392,712

10) Deposits and remittances

		Amount	Interest Rate (%)
March 31, 2024	$	2,510,329	0-10.00
December 31, 2023		1,365,564	0-7.00
March 31, 2023		1,803,942	0-7.00

For the three months ended March 31, 2024 and 2023, the interest expenses from deposits and remittances were $6,554 thousand and $5,015 thousand, respectively.

11) Unearned receipts (recognized as other liabilities)

		Amount
March 31, 2024	$	56,804
December 31, 2023		71,711
March 31, 2023		54,870

12) Equity of future trader

		Amount
March 31, 2024	$	28,172
December 31, 2023		22,426
March 31, 2023		16,500

13) Premium income (recognized as insurance operations, net)

		For the Three Months Ended March 31
2024	$	20,806
2023		36,720

14) Rental revenue (recognized as gain or loss on investment property)

		For the Three Months Ended March 31
2024	$	53,969
2023		53,851

15) Net gain on service fees revenue and commissions

	For the Three Months Ended March 31	
	2024	2023
Other related parties	$ 308,173	$ 288,539

16) Gain (loss) on financial assets or liabilities measured at FVTPL - dividend income

	For the Three Months Ended March 31
2024	$ 162,428
2023	61,635

17) Outstanding derivative financial instruments

	March 31, 2024	December 31, 2023	March 31, 2023
	Contract Amount	Contract Amount	Contract Amount
Structured products liabilities			
Other related parties	$ 22,688	$ 19,993	$ 18,000

18) Compensation of key management personnel

	For the Three Months Ended March 31	
	2024	2023
Salary and short-term benefits	$ 232,578	$ 194,371
Share based payment	12,653	13,752
Post-employment benefits	362	2,955
	$ 245,593	$ 211,078

The terms of the transactions with related parties were similar to those for third parties, except for certain preferential interest rates for employees' savings in and borrowings from KGI Bank.

Based on the Banking Act 32 and 33, except for consumer loans and government loans, credits extended by KGI Bank to any related party were fully secured, and the other terms of these credits were similar to those for third parties.

c. Related-party transactions were at costs or prices of at least NT$100 million

The significant transactions and relationship of the Corporation's subsidiaries with related parties were summarized below:

KGI Bank and subsidiaries

Related Party	Relationship with the KGI Bank and Subsidiaries
China Development Financial Holding Corporation	Parent company
KGI Securities and subsidiaries	Subsidiary of the parent company
CDIB Capital Group and subsidiaries	Subsidiary of the parent company
China Development Asset Management Corp.	Subsidiary of the parent company
KGI Life Insurance	Subsidiary of the parent company
KGI Securities Investment Trust Co., Ltd.	Subsidiary of the parent company
Others	Other related parties

1) Futures contract (recognized as cash and cash equivalents)

Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 265,863	$ 308,517	$ 619,700

2) Purchase and sale of bonds

	Purchase of Bonds
For the three months ended March 31, 2024	
Subsidiary of the parent company	$ 782,525

3) Receivables from sales of marketable securities (accounts receivable - net)

	March 31, 2024	December 31, 2023
Subsidiary of the parent company	$ 1,066,697	$ 312,426

4) Lease agreement

	March 31, 2024	December 31, 2023	March 31, 2023
Lease liabilities			
Subsidiary of the parent company	$ 2,149,746	$ 2,190,739	$ 2,315,999

Determination of rental price above is similar with market price, and payment of rental fee is on a monthly basis.

5) Payable on parent (recognized as current tax liabilities)

	March 31, 2024	December 31, 2023	March 31, 2023
Parent company	$ 1,181,920	$ 910,382	$ 1,032,695

The payables resulted from CDFH and its eligible subsidiaries' adopting the linked-tax system in the filing of tax returns.

6) Payables from purchase of securities (recognized as payables)

	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 512,954	$ 110,138

7) Deposits and remittances

	Amount	Interest Rate (%)
March 31, 2024		
Parent company	$ 1,298,473	0-1.45
Subsidiary of the parent company	25,210,216	0-5.55
December 31, 2023		
Parent company	1,985,797	0-1.50
Subsidiary of the parent company	26,134,613	0-5.60
March 31, 2023		
Parent company	3,376,389	0-1.50
Subsidiary of the parent company	13,164,431	0-5.00

8) Temporary receipts (recognized as other liabilities)

	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 560,074	$ 509,452

The above account is temporary receipts of Automated Clearing House (ACH).

9) Service fee revenue

	For the Three Months Ended March 31, 2024
Subsidiary of the parent company	$ 146,271

10) Outstanding derivative financial instrument

March 31, 2024

(In Thousands of New Taiwan Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Valuation Gain (Loss)	Balance Sheet Account	Balance Sheet Balance
Subsidiaries of the parent company	Currency swap contracts	October 13, 2023 - November 20, 2024	$ 34,549,200	$ 670,264	Financial assets at FVTPL	$ 607,075
	Cross-currency swap contracts	August 26, 2021 - May 26, 2025	1,018,804	(39,455)	Financial liabilities at FVTPL	64,985

December 31, 2023

(In Thousands of New Taiwan Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Valuation Gain (Loss)	Balance Sheet Account	Balance Sheet Balance
Subsidiaries of the parent company	Currency swap contracts	May 19, 2023- April 17, 2024	$ 15,060,150	$ 125,010	Financial assets at FVTPL	$ 250,793
					Financial liabilities at FVTPL	125,783
	Foreign exchange forward contracts	November 22, 2023- January 19, 2024	13,554,135	(300,969)	Financial liabilities at FVTPL	300,969
	Cross-currency swap contracts	August 26, 2021- May 26, 2025	792,026	17,808	Financial assets at FVTPL	7,592
					Financial liabilities at FVTPL	33,122

March 31, 2023

(In Thousands of New Taiwan Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Valuation Gain (Loss)	Balance Sheet Account	Balance Sheet Balance
Subsidiaries of the parent company	Currency swap contracts	November 24, 2022 - October 17, 2023	$ 14,008,840	$ 35,439	Financial assets at FVTPL	$ 62,128
					Financial liabilities at FVTPL	26,936
	Cross-currency swap contracts	February 23, 2021 - May 26, 2025	775,753	(14,542)	Financial assets at FVTPL	2,344
					Financial liabilities at FVTPL	33,504

KGI Securities and subsidiaries

Related Party	Relationship with the KGI Securities and Subsidiaries
China Development Financial Holding Corporation	Parent company
KGI Bank and subsidiaries	Subsidiary of the parent company
CDIB Capital Group and subsidiaries	Subsidiary of the parent company
China Development Asset Management Corp.	Subsidiary of the parent company
KGI Life Insurance	Subsidiary of the parent company
KGI Securities Investment Trust Co., Ltd.	Subsidiary of the parent company
Others	Other related parties

1) Cash in banks (recognized as cash and cash equivalents)

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 1,737,828	$ 200,548	$ 250,583

2) Financial assets at fair value through profit and loss - current

	March 31, 2024	December 31, 2023	March 31, 2023
Open ended fund, money market instruments and other securities			
Other related parties	$ 506,920	$ 505,327	$ 516,078
Operating securities			
Subsidiary of the parent company	4,831,968	4,831,706	4,839,631
Other related parties	326,807	338,432	344,452

3) Purchase and sale of bonds

	Sale of Bonds
For the three months ended March 31, 2024	
Subsidiary of the parent company	$ 782,525

4) Transactions with agreements - bonds issued under repurchase agreements

	For the Three Months Ended March 31, 2024	
	Notional Amount	Amount of Deposit Due
Other related parties	$ 4,007,359	$ 4,010,892

5) Guarantee deposits received in futures contracts

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 925,731	$ 1,455,257	$ 563,364

6) Accounts receivables

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 109,866	$ 200,533	$ 158,103
Other related parties	235,932	1,404,881	272,952

7) Other current assets

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 14,227,347	$ 14,887,057	$ 8,144,489

8) Customers' equity accounts - futures

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 297,073	$ 367,749	$ 652,295

9) Payables

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 1,005,142	$ -	$ -
Other related parties	226,114	435,384	270,584

10) Current tax liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
Parent company	$ 1,982,911	$ 1,852,683	$ 2,105,874

CDIB Capital Group and subsidiaries

Related Party	Relationship with CDIB Capital Group and Subsidiaries
China Development Financial Holding Corporation	Parent company
KGI Bank and subsidiaries	Subsidiary of the parent company
KGI Securities and subsidiaries	Subsidiary of the parent company
China Development Asset Management Corp.	Subsidiary of the parent company
KGI Life Insurance	Subsidiary of the parent company
Others	Other related parties

1) Cash in banks (recognized as cash and cash equivalents)

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 2,502,178	$ 2,459,509	$ 1,914,646

2) Receivables from parent (recognized as current tax assets)

	March 31, 2024	December 31, 2023	March 31, 2023
Parent company	$ 219,957	$ 219,957	$ 219,850

The receivables resulted from CDFH and its eligible subsidiaries' adopting the linked-tax system in the filing of tax returns since 2003.

3) Lease agreement

	March 31, 2024	December 31, 2023	March 31, 2023
Lease liabilities			
Subsidiary of the parent company	$ 649,575	$ 661,621	$ 697,596

Determination of rental price above is similar with market price, and payment of rental fee is on a monthly/quarterly basis.

4) Payables to parent (recognized as current tax liabilities)

	March 31, 2024	December 31, 2023	March 31, 2023
Parent company	$ 546,126	$ 546,126	$ 653,643

The payables resulted from CDFH and its eligible subsidiaries' adopting the linked-tax system in the filing of tax returns since 2003.

5) Outstanding derivative financial instrument

March 31, 2024

(In Thousands of New Taiwan Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Valuation Gain (Loss)	Balance Sheet	
					Account	Balance
Subsidiaries of the parent company	Cross-currency swap contracts	August 26, 2021 - May 26, 2025	$ 647,667	$ 28,486	Financial assets at FVTPL	$ 62,136
		March 26, 2024 - June 28, 2024	230,365	7,881	Financial assets at FVTPL	368

December 31, 2023

(In Thousands of New Taiwan Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Valuation Gain (Loss)	Balance Sheet	
					Account	Balance
Subsidiaries of the parent company	Cross-currency swap contracts	August 26, 2021- May 26, 2025	$ 622,258	$ 16,090	Financial assets at FVTPL	$ 31,856
		March 31, 2023 - March 31, 2024	225,076	(7,456)	Financial liabilities at FVTPL	7,349

March 31, 2023

(In Thousands of New Taiwan Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Valuation Gain (Loss)	Balance Sheet	
					Account	Balance
Subsidiaries of the parent company	Cross-currency swap contracts	March 12, 2020 - May 26, 2025	$ 620,637	$ 16,347	Financial assets at FVTPL	$ 32,223
		March 31, 2023 - March 31, 2024	223,018	(2,533)	Financial liabilities at FVTPL	2,538

China Development Asset Management Corp.

Related Party	Relationship with the China Development Asset Management Corp.
China Development Financial Holding Corporation	Parent company
KGI Bank and subsidiaries	Subsidiary of the parent company
KGI Securities and subsidiaries	Subsidiary of the parent company
CDIB Capital Group and subsidiaries	Subsidiary of the parent company
KGI Life Insurance	Subsidiary of the parent company
Others	Other related parties

1) Cash in banks (recognized as cash and cash equivalents)

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 126,187	$ 300,943	$ 178,733

2) Lease agreement

	March 31, 2024	December 31, 2023	March 31, 2023
Lease liabilities			
Subsidiary of the parent company	$ 104,909	$ 106,780	$ 104,910

KGI Life Insurance

Related Party	Relationship with the KGI Life Insurance
China Development Financial Holding Corporation	Parent company
KGI Bank and subsidiaries	Subsidiary of the parent company
KGI Securities and subsidiaries	Subsidiary of the parent company
CDIB Capital Group and subsidiaries	Subsidiary of the parent company
China Development Asset Management Corp.	Subsidiary of the parent company
KGI Securities Investment Trust Co., Ltd.	Subsidiary of the parent company
Others	Other related parties

1) Cash in banks (recognized as cash and cash equivalents)

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 5,690,943	$ 6,777,032	$ 2,079,497

2) Receivables

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 115,416	$ 1,292,134	$ 619,307
Other related parties	210,013	205,061	190,203

3) Current tax assets

	March 31, 2024	December 31, 2023	March 31, 2023
Parent company	$ 3,285,720	$ 2,683,885	$ 2,093,162

The above refers to the tax that should be collected from the parent company, resulted from CDFH and its eligible subsidiaries' adoption of the linked-tax system in filing of tax returns.

4) Purchase funds managed by related parties (recognized as financial assets at fair value through profit or loss)

	March 31, 2024	December 31, 2023	March 31, 2023
Other related parties	$ 15,521,180	$ 8,950,025	$ 5,940,170

5) Payable

	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 625,600	$ 101,830

6) As of March 31, 2024 and December 31, 2023, the Company had paid other related parties to perform renovations on its behalf for an aggregate amount of $137,567 thousand and $127,445 thousand, respectively (recognized as investment property).

7) Bonds payable

	March 31, 2024	December 31, 2023	March 31, 2023
Subsidiary of the parent company	$ 4,850,000	$ 4,850,000	$ 4,850,000

8) Current tax liabilities

	March 31, 2023
Parent company	$ 288,601

The above refers to the tax that should be paid to the parent company, resulted from CDFH and its eligible subsidiaries' adoption of the linked-tax system in filing of tax returns.

9) Financial assets at fair value through profit or loss - dividends income

	For the Three Months Ended March 31, 2024
Other related parties	$ 158,688

10) Commission expense

		For the Three Months Ended March 31, 2024
Subsidiary of the parent company	$	143,018

11) Outstanding derivative financial instrument

March 31, 2024

(In Thousands of New Taiwan Dollars/U.S. Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Balance Sheet	
				Account	Balance
Subsidiary of the parent company	Currency swap contracts	October 13, 2023 - November 20, 2024	US$ 1,080,000	Financial liabilities at FVTPL	$ 605,234

December 31, 2023

(In Thousands of New Taiwan Dollars/U.S. Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Balance Sheet	
				Account	Balance
Subsidiary of the parent company	Currency swap contracts	October 13, 2023 - April 17, 2024	US$ 120,000	Financial assets at FVTPL	$ 126,775
		May 19, 2023 - March 22, 2024	US$ 370,000	Financial liabilities at FVTPL	248,376
	Foreign exchange forward contracts	November 22, 2023 - January 19, 2024	US$ 441,000	Financial assets at FVTPL	303,762

March 31, 2023

(In Thousands of New Taiwan Dollars/U.S. Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Balance Sheet	
				Account	Balance
Subsidiary of the parent company	Currency swap contracts	November 24, 2022 - May 30, 2023	US$ 120,000	Financial assets at FVTPL	$ 28,737
		December 15, 2022 - October 17, 2023	US$ 340,000	Financial liabilities at FVTPL	57,083

KGI Investment Trust Co., Ltd.

Related Party	Relationship with the KGI Investment Trust Co., Ltd.
China Development Financial Holding Corporation	Parent company
KGI Bank and subsidiaries	Subsidiary of the parent company
KGI Securities and subsidiaries	Subsidiary of the parent company
CDIB Capital Group and subsidiaries	Subsidiary of the parent company
KGI Life Insurance	Subsidiary of the parent company
Others	Other related parties

1. Management fee income

	For the Three Months Ended March 31	
	2024	2023
Other related parties	$ 181,358	$ 155,618

46. PLEDGED ASSETS

The following assets and partial guarantee recognized as other current assets have been (a) pledged to various financial institutions as guarantees and collaterals for short-term loans, commercial paper payable, long-term loans, and overdraft, (b) pledged with Taipei Exchange Securities Market for settlement reserve, (c) required by the Central Bank for day-term overdraft, (d) required by government for bidding of government bonds, (e) pledged as part of the requirements for filing a petition for tax reassessment, (f) pledged as operating guarantee, compensation reserve and wealth management compensation, (g) pledged as guarantee deposit for oversees bonds sold with repurchase agreement, and (h) derivative transactions security deposit.

	March 31, 2024	December 31, 2023	March 31, 2023
Debt investments measured at amortized cost - negotiable certificate of deposit	$ 18,430,000	$ 18,730,000	$ 13,200,000
Property and equipment, net	4,380,101	4,388,309	4,629,828
Other financial assets - pledged deposits	2,120,328	2,107,942	1,889,056
Accounts receivable - installment accounts receivables and lease receivables	1,166,029	1,216,249	765,509
Financial assets at fair value through profit or loss	818,659	809,728	2,044,018
Investment property, net	390,314	391,407	256,119
Financial assets at fair value through other comprehensive income	218,830	200,364	205,912
Financial assets at amortized cost	154,988	148,736	-
Financial assets at fair value through other comprehensive income - negotiable certificate of deposit	-	299,607	4,930,140

47. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

Commitments and contingencies of the Group, except for those disclosed in Notes 49 and 51 were summarized as follows:

a. Securities and Futures Investors Protection Center sued Grand Cathay (KGI Securities as the survivor company after merging on June 22, 2013) and claimed that due to the fact that KGI Securities was the lead underwriter of Taiwan Kolin Co., Ltd. 2nd convertible bonds which issued on November 7, 2007, KGI Securities must have but not performed sufficient audits on the contents disclosed in the prospectus of Taiwan Kolin Co., Ltd. 2nd convertible corporate bonds, which against the Article 20 and 32 of Securities and Exchange Act and the Article 184 and 185 of Civil Code. On June 14, 2010, the plaintiffs sued KGI Securities, Taiwan Kolin Co., Ltd., the principal of formerly management team, Moore Stephens and the auditor with jointly liability amounted to $133,308 thousand plus 5% interest. The Taipei District Court judged that KGI Securities won favorable decisions in the first instance on January 29, 2021. After an appeal by the Securities and Futures Investors Protection Center, the case is currently being heard by the Taiwan High Court.

b. Plaintiffs, Digital Imaging Solution Global Ltd. (“Digital”) and Minda Consulting Ltd. (“Minda”), advocated that GT based on stock pledge generated from loans of HK$10,000 thousand with Minda and Minda transferred its pledge right on Digital to GT, GT transferred a pledge right of 35,000 thousand shares of eCyberChina to Minda in exchange. However, GT and its fund managers, including KGI Limited, disposed the 2,000 thousand shares of eCyberChina without Minda’s approval and thus violated the pledge agreement. Therefore, Digital and Minda filed a lawsuit to the GT in November 2007 and requested for compensation of HK$119,130 thousand and related expenses and interest. In February 2008, Digital and Minda added KGI Limited as a defendant. On July 21, 2008, the appeal was dismissed by courts of Hong Kong and the plaintiffs appealed to a higher court. In December 2008, the courts of appeals dismissed the appeal by Digital while the appeal by Minda is still pending in the courts of appeals.

c. The case KGI Bank acted vigorously in regards to Prince Motors’ overdue debt. In December 2012, a third party filed a lawsuit claiming that the KGI Bank fraudulently infringed upon the property rights of creditors on Dun Nan building. On February 14, 2014, the Taipei District Court adjudicated that the mortgage is cancelled and the KGI Bank has to return the amount of $1,786,318 thousand. The KGI Bank has appealed against this sentence on March 10, 2014. The original adjudication in favor of the third party was revoked by the court. The third party filed a new appeal and the Supreme Court ordered the high court to conduct a new trial on November 9, 2018. The High Court issued a judgment on August 17, 2021, upholding the original Taipei District Court’s decision to revoke the part of the mortgage, and dismissed the third party’s request for the KGI Bank to pay the received money. The KGI Bank or the third party files a third-instance appeal for losing part of the lawsuit on September 2021. As of the day which board of directors adopts the consolidation financial report, the case is being heard by the Taiwan Supreme Court.

48. INDIVIDUAL PROFITABILITY AND CONSOLIDATED PROFIT ABILITIES OF CDFH, KGI BANK, KGI SECURITIES AND KGI LIFE INSURANCE

Consolidated Profitability

(%)

Items		March 31, 2024	March 31, 2023
Return on total assets	Before income tax	1.06	0.38
	After income tax	0.88	0.40
Return on net worth	Before income tax	14.30	6.06
	After income tax	11.87	6.35
Profit margin		52.36	30.19

Profitability of CDFH

(%)

Items		March 31, 2024	March 31, 2023
Return on total assets	Before income tax	10.26	5.19
	After income tax	9.77	5.06
Return on net worth	Before income tax	12.42	6.45
	After income tax	11.87	6.34
Profit margin		89.84	88.33

Profitability of KGI Bank

(%)

Items		**March 31, 2024**	**March 31, 2023**
Return on total assets	Before income tax	0.83	0.93
	After income tax	0.73	0.81
Return on net worth	Before income tax	9.61	11.26
	After income tax	8.36	9.79
Profit margin		37.51	45.59

Profitability of KGI Securities

(%)

Items		**March 31, 2024**	**March 31, 2023**
Return on total assets	Before income tax	3.80	3.25
	After income tax	3.50	3.01
Return on net worth	Before income tax	20.51	15.07
	After income tax	18.91	13.92
Profit margin		41.56	42.01

Profitability of KGI Life Insurance

(%)

Items		**March 31, 2024**	**March 31, 2023**
Return on total assets	Before income tax	1.02	(0.03)
	After income tax	0.87	0.07
Return on net worth	Before income tax	15.01	(0.85)
	After income tax	12.91	1.10
Profit margin		8.51	0.60

49. FINANCIAL INSTRUMENTS

a. The definitions of each hierarchy are as follows:

1) Level 1 fair values are quoted prices in active markets for financial instruments.

2) Level 2 fair values refer to directly or indirectly observable inputs other than Level 1 quoted prices, such as the quoted prices of similar financial instruments in active markets; in less active markets, fair values are quoted prices of the same or similar financial instruments or financial instruments that can be generated by using pricing models that use inputs such as interest rates and volatility rates, which are derived from or can be corroborated with observable market data.

3) Level 3 refers to inputs that are not based on observable market data.

b. Fair value

1) The fair value hierarchy of financial instruments were as follows:

March 31, 2024

(In Thousands of New Taiwan Dollars)

	Level 1	**Level 2**	**Level 3**	**Total**
Non-derivative financial instruments				
Assets				
Financial assets at FVTPL				
Financial assets mandatorily classified as at FVTPL				
Stock investments	$ 210,926,686	$ 163,743	$ 11,170,873	$ 222,261,302
Bond investments	26,453,581	77,775,803	916,221	105,145,605
Others	161,456,760	16,755,677	38,756,803	216,969,240
Financial assets designated as at FVTPL	-	-	8,942,477	8,942,477
Financial assets at FVTOCI				
Stock investments	16,611,488	-	13,185,498	29,796,986
Bond investments	148,331,778	73,415,611	-	221,747,389
Others	-	1,778,135	-	1,778,135
Other financial assets				
Purchased debt receivable	-	-	157,912	157,912
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities held for trading	6,800,302	3,845,887	-	10,646,189
Derivative financial instruments				
Assets				
Financial assets at FVTPL	1,912,880	34,144,538	1,543,701	37,601,119
Financial assets for hedging	-	1,042,153	-	1,042,153
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities held for trading	1,758,564	50,261,726	4,912,431	56,932,721
Financial liabilities designated as at FVTPL	814	9,014,691	-	9,015,505
Financial liabilities for hedging	-	868,868	-	868,868

December 31, 2023

(In Thousands of New Taiwan Dollars)

	Level 1	**Level 2**	**Level 3**	**Total**
Non-derivative financial instruments				
Assets				
Financial assets at FVTPL				
Financial assets mandatorily classified as at FVTPL				
Stock investments	$ 177,952,461	$ 210,969	$ 11,255,813	$ 189,419,243
Bond investments	26,634,074	73,988,252	880,483	101,502,809
Others	148,226,329	12,721,296	36,120,206	197,067,831
Financial assets designated as at FVTPL	-	-	8,446,585	8,446,585
Financial assets at FVTOCI				
Stock investments	18,470,837	-	11,830,332	30,301,169
Bond investments	144,038,798	72,587,388	-	216,626,186
Others	-	2,433,259	-	2,433,259
Other financial assets				
Purchased debt receivable	-	-	160,766	160,766
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities held for trading	3,936,913	4,283,740	-	8,220,653

(Continued)

	Level 1	Level 2	Level 3	Total
Derivative financial instruments				
Assets				
Financial assets at FVTPL	$ 762,217	$ 52,566,274	$ 1,152,972	$ 54,481,463
Financial assets for hedging	-	835,695	-	835,695
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities held for trading	1,515,674	40,592,972	4,213,553	46,322,199
Financial liabilities designated as at FVTPL	1,063	7,937,195	-	7,938,258
Financial liabilities for hedging	-	697,122	-	697,122

(Concluded)

March 31, 2023

(In Thousands of New Taiwan Dollars)

	Level 1	Level 2	Level 3	Total
Non-derivative financial instruments				
Assets				
Financial assets at FVTPL				
Financial assets mandatorily classified as at FVTPL				
Stock investments	$ 164,459,151	$ 327,770	$ 10,174,765	$ 174,961,686
Bond investments	24,377,885	73,744,396	873,281	98,995,562
Others	150,132,358	15,113,123	38,521,337	203,766,818
Financial assets designated as at FVTPL	-	-	8,057,845	8,057,845
Financial assets at FVTOCI				
Stock investments	17,810,072	-	13,861,830	31,671,902
Bond investments	117,739,779	65,928,904	-	183,668,683
Others	-	30,331,480	-	30,331,480
Other financial assets				
Purchased debt receivable	-	-	176,197	176,197
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities held for trading	9,306,411	4,955,091	-	14,261,502
Derivative financial instruments				
Assets				
Financial assets at FVTPL	1,093,872	22,353,525	904,753	24,352,150
Financial assets for hedging	-	1,957,858	-	1,957,858
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities held for trading	1,018,294	25,335,106	3,949,453	30,302,853
Financial liabilities designated as at FVTPL	914	11,646,929	-	11,647,843
Financial liabilities for hedging	-	883,574	-	883,574

2) Evaluation technology at fair value

For financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income, fair value is determined at quoted market prices. When market prices of the Group’s various financial instruments are not readily available, fair values are estimated by using appropriate valuation models or other banks’ transaction prices. The information the Group uses for fair value estimation is consistent with that generally used in the market; the basis of the theory are commonly recognized by the industry. The type of relevant methodology can roughly divided into analytical solution model (for example: Black-Scholes model) and numerical method model (for example Monte Carlo simulation).

3) Reconciliation of fair value

a) The limitation of valuation techniques and uncertain inputs

Valuation techniques incorporate assumptions are dependent on the instrument type and available market data. However, certain model inputs may be less readily determinable from valuation techniques. In these circumstances, valuation model would adopt additional parameters and/or model assumptions such as model risk or Liquidity Risk and so on, to make fair value adjustment. According to our policies of Valuation management and relevant control procedure, the Corporation's management considers that Valuation adjustments are necessary and appropriate. To accept approaches and principles for the making the appropriate adjustments, all parameters and price information should be evaluated thoroughly and make reference from market situation.

b) Credit risk valuation adjustments

Credit risk valuation adjustments are classified into Credit value adjustments and Debit value adjustments, and definitions are the following:

- The credit value adjustment is an adjustment to the valuation of OTC derivative financial instruments to reflect within fair value the possibility that the counterparty may default and that the Corporation may not receive the full market value of the transactions.

- The debit value adjustment is an adjustment to the valuation of OTC derivative financial instruments to reflect within fair value the possibility that the Group may default, and that the Group may not pay full market value of the transactions.

The Group calculates their debit valuation adjustment on the basis of their international credit assessment and model and international accounting standard of a counterparty's probability of default (PD), which is subject to standard supervisory parameters, take loss given default (LGD) into consideration and multiplied by their estimates of the counterparty's exposure at default (EAD). On the contrary, the Group calculates their credit valuation adjustment on the basis of the Group's PD, which is subject to standard supervisory parameters, take LGD into consideration and multiplied by their estimates of the Group's EAD.

The Group calculates the counterparty's EAD with OTC derivative financial instruments market to market value and the counterparty's LGD, which is 60 percent of EAD based on Taiwan Stock Exchange (TWSE) guidance.

The Group takes Credit risk valuation adjustments for determining the fair value of financial instruments and reflect counterparty's credit risk and the Corporation's credit quality.

4) Transfer between the Level 1 and Level 2

There was no transfer from level one into level two or level two into level one for the three months ended March 31, 2024 and 2023.

5) Reconciliation of Level 3 items of financial instruments

The movements of financial assets with Level 3 fair value were as follows:

For the Three Months Ended March 31, 2024

(In Thousands of New Taiwan Dollars)

Items	Beginning Balance	Valuation Gain (Loss) Recognized as Current Income (Loss) or Other Comprehensive Income	Amount of Increase		Amount of Decrease		Ending Balance
			Purchase or Issue	Transfer to Level 3	Sale, Disposal or Settlement	Transfer from Level 3	
Financial assets at FVTPL							
Financial assets mandatorily classified as at FVTPL	$ 49,409,474	$ 1,706,647	$ 1,661,935	$ 61,841	$ (276,806)	$ (175,493)	$ 52,387,598
Financial assets designated as at FVTPL	8,446,585	221,111	358,806	-	(84,025)	-	8,942,477
Financial assets at FVTOCI	11,830,332	1,355,316	-	-	(150)	-	13,185,498
Other financial assets							
Purchased debt receivable	160,766	395	-	-	(3,249)	-	157,912

For the Three Months Ended March 31, 2023

(In Thousands of New Taiwan Dollars)

Items	Beginning Balance	Valuation Gain (Loss) Recognized as Current Income (Loss) or Other Comprehensive Income	Amount of Increase		Amount of Decrease		Ending Balance
			Purchase or Issue	Transfer to Level 3	Sale, Disposal or Settlement	Transfer from Level 3	
Financial assets at FVTPL							
Financial assets mandatorily classified as at FVTPL	$ 49,399,891	$ (430,839)	$ 2,389,679	$ -	$ (884,595)	$ -	$ 50,474,136
Financial assets designated as at FVTPL	7,031,671	843,390	213,397	-	(30,613)	-	8,057,845
Financial assets at FVTOCI	15,412,018	(1,550,188)	-	-	-	-	13,861,830
Other financial assets							
Purchased debt receivable	188,032	4,781	-	-	(16,616)	-	176,197

Note: For parts of stock investments, the Corporation's subsidiaries acquired their observable market material, causing the applicable level of stock investment transfer from Level 3.

The movements of financial liabilities with Level 3 fair value were as follows:

For the Three Months Ended March 31, 2024

(In Thousands of New Taiwan Dollars)

Items	Beginning Balance	Valuation Gain (Loss) Recognized as Current Income (Loss) or Other Comprehensive Income	Amount of Increase		Amount of Decrease		Ending Balance
			Purchase or Issue	Transfer to Level 3	Sale, Disposal or Settlement	Transfer from Level 3	
Financial liabilities at FVTPL							
Financial liabilities held for trading	$ 4,213,553	$ 419,478	$ 648,814	$ -	$ (369,414)	$ -	$ 4,912,431

For the Three Months Ended March 31, 2023

(In Thousands of New Taiwan Dollars)

Items	Beginning Balance	Valuation Gain (Loss) Recognized as Current Income (Loss) or Other Comprehensive Income	Amount of Increase		Amount of Decrease		Ending Balance
			Purchase or Issue	Transfer to Level 3	Sale, Disposal or Settlement	Transfer from Level 3	
Financial liabilities at FVTPL							
Financial liabilities held for trading	$ 3,859,342	$ (62,143)	$ 262,361	$ -	$ (110,107)	$ -	$ 3,949,453

The total gains or losses for the three months ended March 31, 2024 and 2023 included a gain of $407,256 thousand and $743,122 thousand relating to assets and liabilities measured at fair value on Level 3 fair value measurement and held at the end of reporting date.

6) Quantitative information about significant unobservable inputs (Level 3)

KGI Bank and subsidiaries

The table below lists quantitative unobservable inputs of Level 3 financial instruments:

	Fair Value at March 31, 2024	Valuation Technique(s)	Significant Unobservable Inputs	Range	The Relationship Between Inputs and Fair Value
Repetitive basis to fair value measurement items					
Non-derivative financial instruments					
Financial assets at FVTPL	$ 440,082	Quoted price of counterparties	Liquidity discount ratios	Beyond estimation	Fair value is inversely proportional to the liquidity discount rate.
Financial assets at FVTOCI	923,302	Market approach	P/B, Discount for lack of liquidity	1.52 27.20%	Multiplier is proportional to fair value, fair value is inversely proportional to discount for lack of liquidity
		Net asset method	Discount for lack of liquidity and control	11%	Fair value is inversely proportional to discount for lack of liquidity and control
Derivative financial instruments					
Financial assets at FVTPL	1,542,877	Hull White Model, Libor Market Model, BS Model, discounted cash flow/quoted price of counterparties	Mean Reversion, Sigma, Correlation, shift Parameter/ liquidity discount ratios	Adjusted daily based on market information/beyond estimation	The used evaluation model parameters cannot be obtained directly from market information or inputs of parameters do not contain linear relation; thus, analyzed by comparing correctness, stability, rationality, efficiency of performance and other different aspects of the outcome. Then the KGI Bank and its subsidiaries select the applicable one according to the analysis; fair value is inversely proportional to discount for liquidity discount ratios
Financial liabilities at FVTPL	1,542,863	Hull White Model, Libor Market Model, BS Model, discounted cash flow/quoted price of counterparties	Mean Reversion, Sigma, Correlation, shift Parameter/ liquidity discount ratios	Adjusted daily based on market information/beyond estimation	The used evaluation model parameters cannot be obtained directly from market information or inputs of parameters do not contain linear relation; thus, analyzed by comparing correctness, stability, rationality, efficiency of performance and other different aspects of the outcome. Then the KGI Bank and its subsidiaries select the applicable one according to the analysis; fair value is inversely proportional to discount for liquidity discount ratios

	Fair Value at December 31, 2023	Valuation Technique(s)	Significant Unobservable Inputs	Range	The Relationship Between Inputs and Fair Value
Repetitive basis to fair value measurement items					
Non-derivative financial instruments					
Financial assets at FVTPL	$ 413,347	Quoted price of counterparties	Liquidity discount ratios	Beyond estimation	Fair value is inversely proportional to the liquidity discount rate.
Financial assets at FVTOCI	923,832	Market approach	P/B Discount for lack of liquidity	1.28 27.20%	Multiplier is proportional to fair value; fair value is inversely proportional to discount for lack of liquidity.
		Net asset method	Discount for lack of liquidity and control	11%	Fair value is inversely proportional to discount for lack of liquidity and control.
Derivative financial instruments					
Financial assets at FVTPL	1,160,254	Hull White Model, Libor Market Model, BS Model, discounted cash flow/quoted price of counterparties	Mean Reversion, Sigma, Correlation, shift Parameter/ liquidity discount ratios	Adjusted daily based on market information/beyond estimation	The used evaluation model parameters cannot be obtained directly from market information or inputs of parameters do not contain linear relation; thus, analyzed by comparing correctness, stability, rationality, efficiency of performance and other different aspects of the outcome. Then the KGI Bank and its subsidiaries select the applicable one according to the analysis; fair value is inversely proportional to discount for liquidity discount ratios
Financial liabilities at FVTPL	1,160,272	Hull White Model, Libor Market Model, BS Model, discounted cash flow/quoted price of counterparties	Mean Reversion, Sigma, Correlation, shift Parameter/ liquidity discount ratios	Adjusted daily based on market information/beyond estimation	The used evaluation model parameters cannot be obtained directly from market information or inputs of parameters do not contain linear relation; thus, analyzed by comparing correctness, stability, rationality, efficiency of performance and other different aspects of the outcome. Then the KGI Bank and its subsidiaries select the applicable one according to the analysis; fair value is inversely proportional to discount for liquidity discount ratios

	Fair Value at March 31, 2023	Valuation Technique(s)	Significant Unobservable Inputs	Range	The Relationship Between Inputs and Fair Value
Repetitive basis to fair value measurement items					
Non-derivative financial instruments					
Financial assets at FVTPL	$ 388,593	Quoted price of counterparties	Liquidity discount ratios	Beyond estimation	Fair value is inversely proportional to the liquidity discount rate.
Financial assets at FVTOCI	933,238	Market approach	P/B, Discount for lack of liquidity	1.06 27.20%	Multiplier is proportional to fair value, fair value is inversely proportional to discount for lack of liquidity
		Net asset method	Discount for lack of liquidity and control	11%	Fair value is inversely proportional to discount for lack of liquidity and control
Derivative financial instruments					
Financial assets at FVTPL	906,766	Hull White Model, Libor Market Model, BS Model, discounted cash flow/quoted price of counterparties	Mean Reversion, Sigma, Correlation, shift Parameter/ liquidity discount ratios	Adjusted daily based on market information/beyond estimation	The used evaluation model parameters cannot be obtained directly from market information or inputs of parameters do not contain linear relation; thus, analyzed by comparing correctness, stability, rationality, efficiency of performance and other different aspects of the outcome. Then the KGI Bank and its subsidiaries select the applicable one according to the analysis; fair value is inversely proportional to discount for liquidity discount ratios
Financial liabilities at FVTPL	907,049	Hull White Model, Libor Market Model, BS Model, discounted cash flow/quoted price of counterparties	Mean Reversion, Sigma, Correlation, shift Parameter/ liquidity discount ratios	Adjusted daily based on market information/beyond estimation	The used evaluation model parameters cannot be obtained directly from market information or inputs of parameters do not contain linear relation; thus, analyzed by comparing correctness, stability, rationality, efficiency of performance and other different aspects of the outcome. Then the KGI Bank and its subsidiaries select the applicable one according to the analysis; fair value is inversely proportional to discount for liquidity discount ratios

KGI Securities and subsidiaries

The explanation of quantitative information about significant unobservable inputs in fair value measurement and sensitivity analysis significant unobservable inputs used by repetitive basis to fair value Level 3 financial asset of KGI Securities and subsidiaries were as follows:

	Fair Value at March 31, 2024	Valuation Techniques	Significant Unobservable Inputs	Quantification Information	The Relationship Between Inputs and Fair Value
Financial assets					
Non-derivative financial assets					
Financial assets at FVTOCI - equity instruments	$ 3,686,543	Recent strike price	Not applicable	Not applicable	Not applicable
		Market approach	Discount for lack of liquidity	26%-29%	Assets at fair value is inversely proportional to discount for lack of liquidity.
		Discounted cash flow approach	Discount for lack of liquidity	29%	Assets at fair value is inversely proportional to discount for lack of liquidity.
			WACC	7.36%	Assets at fair value is inversely proportional to WACC
			Growth rate	5.50%	Assets at fair value is proportional to growth rate
		Asset method	Discount for right of controlling	11%	Assets at fair value is inversely proportional to control discount.
Derivative instruments					
Financial assets at FVTPL					
Structured products - options	824	Martingale pricing technique	History volatility	38.58%-52.62%	According to condition of contract, fair value of assets may be higher or lower.
Financial liabilities					
Derivative instruments					
Financial liabilities at FVTPL					
Structured products - options	3,434,553	Martingale pricing technique	History volatility	0.00%-13.99%	According to condition of contract, fair value of liabilities may be higher or lower.

	Fair Value at December 31, 2023	Valuation Techniques	Significant Unobservable Inputs	Quantification Information	The Relationship Between Inputs and Fair Value
Financial assets					
Non-derivative financial assets					
Financial assets at FVTPL - equity instruments	$ 3,613,204	Recent strike price	Not applicable	Not applicable	Not applicable
		Market approach	Discount for lack of liquidity	26%-29%	Assets at fair value is inversely proportional to discount for lack of liquidity.
		Discounted cash flow approach	Discount for lack of liquidity	29%	Assets at fair value is inversely proportional to discount for lack of liquidity.
			WACC	7.18%	Assets at fair value is inversely proportional to WACC
			Growth rate	5.50%	Assets at fair value is proportional to growth rate
		Asset method	Discount for right of controlling	11%	Assets at fair value is inversely proportional to control discount.

(Continued)

	Fair Value at December 31, 2023	Valuation Techniques	Significant Unobservable Inputs	Quantification Information	The Relationship Between Inputs and Fair Value
Derivative instruments					
Financial assets at FVTPL					
Structured products - options	$ 310	Martingale pricing technique	History volatility	47.77%-47.77%	According to condition of contract, fair value of assets may be higher or lower.
Financial liabilities					
Derivative instruments					
Financial liabilities at FVTPL					
Structured products - options	3,086,977	Martingale pricing technique	History volatility	0.00%-16.92%	According to condition of contract, fair value of liabilities may be higher or lower.

(Concluded)

	Fair Value at March 31, 2023	Valuation Techniques	Significant Unobservable Inputs	Quantification Information	The Relationship Between Inputs and Fair Value
Financial assets					
Non-derivative financial assets					
Financial assets at FVTPL - equity instruments	$ 3,114,871	Recent strike price	Not applicable	Not applicable	Not applicable
		Market approach	Discount for lack of liquidity	26%-29%	Assets at fair value is inversely proportional to discount for lack of liquidity.
		Discounted cash flow approach	Discount for lack of liquidity	29%	Assets at fair value is inversely proportional to discount for lack of liquidity.
			WACC	6.40%	Assets at fair value is inversely proportional to WACC
			Growth rate	2.95%	Assets at fair value is proportional to growth rate
		Asset method	Discount for right of controlling	11%	Assets at fair value is inversely proportional to control discount.
Financial assets at FVTOCI - equity instruments	51,932	Option pricing model	Discount for lack of liquidity	26%	Assets at fair value is inversely proportional to discount for lack of liquidity.
			History volatility	41.82%	According to condition of contract, fair value of asset may be higher or lower.
		Asset method	Discount for lack of liquidity	15%	Assets at fair value is inversely proportional to discount for lack of liquidity.
Derivative instruments					
Financial assets at FVTPL					
Structured products - options	332	Martingale pricing technique	History volatility	49.76%-53.55%	According to condition of contract, fair value of liabilities may be higher or lower.
Financial liabilities					
Derivative instruments					
Financial liabilities at FVTPL					
Structured products - options	3,075,907	Martingale pricing technique	History volatility	0.00%-59.67%	According to condition of contract, fair value of liabilities may be higher or lower.

History volatility used by Martingale Pricing Technique in KGI Securities depends on moving weighted average method, and sampling period refer to maturity in initial contract; if maturity is less than 6 months, sampling period is between 20 to 180 days; if maturity is between 6 months to 12 months, sampling period is between 20 to 360 days; if maturity is more than 12 months, sampling period is between 20 to initial maturity days.

KGI Securities and subsidiaries adopts pricing model and pricing parameters cautiously, producing reasonable fair value measurement, however, different pricing model or parameters may lead to different outcome. To those financial assets and liabilities categorized into Level 3, effects of current period net income or loss or other comprehensive income affected by changes in pricing parameters were as follows:

March 31, 2024

	Sensitivity Analysis of Relationship Between Inputs and Fair Value		Recognized to Profit or Loss		Recognized to Comprehensive Profit or Loss	
	Inputs	Positive/ Negative Change	Positive Impact	Negative Impact	Positive Impact	Negative Impact
Financial assets						
Non-derivative instruments						
Financial assets at FVTPL						
Equity instruments (counterparty/recent strike price)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Equity instruments (market approach)	Discount for lack of liquidity	-1%/+1%	$ 434	$ 434	$ -	$ -
Equity instruments (discounted cash flow approach)	Discount for lack of liquidity	-1%/+1%	96	96	-	-
	WACC	-1%/+1%	1,724	1,593	-	-
	Growth rate	+1%/-1%	1,233	1,162	-	-
Equity instruments (assets approach)	Discount for right of controlling	-1%/+1%	3,688	4,154	-	-
Derivative instruments						
Financial assets at FVTPL						
Structured products - options	Historical volatility	+25%/-25%	166	151	-	-
Financial liabilities						
Derivative instruments						
Financial liabilities at FVTPL						
Structured products - options	Historical volatility	-25%/+25%	-	-	-	-

December 31, 2023

	Sensitivity Analysis of Relationship Between Inputs and Fair Value		Recognized to Profit or Loss		Recognized to Comprehensive Profit or Loss	
	Inputs	Positive/ Negative Change	Positive Impact	Negative Impact	Positive Impact	Negative Impact
Financial assets						
Non-derivative instruments						
Financial assets at FVTPL						
Equity instruments (counterparty/recent strike price)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Equity instruments (market approach)	Discount for lack of liquidity	-1%/+1%	$ 175	$ 175	$ -	$ -
Equity instruments (discounted cash flow approach)	Discount for lack of liquidity	-1%/+1%	190	190	-	-
	WACC	-1%/+1%	3,448	3,164	-	-
	Growth rate	+1%/-1%	2,536	2,375	-	-
Equity instruments (assets approach)	Discount for right of controlling	-1%/+1%	3,688	3,688	-	-
Derivative instruments						
Financial assets at FVTPL						
Structured products - options	Historical volatility	+25%/-25%	118	115	-	-
Financial liabilities						
Derivative instruments						
Financial liabilities at FVTPL						
Structured products - options	Historical volatility	-25%/+25%	-	-	-	-

March 31, 2023

	Sensitivity Analysis of Relationship Between Inputs and Fair Value		Recognized to Profit or Loss		Recognized to Comprehensive Profit or Loss	
	Inputs	Positive/ Negative Change	Positive Impact	Negative Impact	Positive Impact	Negative Impact
Financial assets						
Non-derivative instruments						
Financial assets at FVTPL						
Equity instruments (counterparty/recent strike price)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Equity instruments (market approach)	Discount for lack of liquidity	-1%/+1%	$ 569	$ 569	$ -	$ -
Equity instruments (discounted cash flow approach)	Discount for lack of liquidity	-1%/+1%	112	112	-	-
	WACC	-1%/+1%	818	788	-	-
	Growth rate	+1%/-1%	351	345	-	-
Equity instruments (assets approach)	Discount for right of controlling	-1%/+1%	3,525	3,666	-	-
Financial assets at FVTOCI						
Equity instruments (option pricing model)	Discount for lack of liquidity	-1%/+1%	-	-	140	140
	History volatility	-1%/+1%	-	-	247	244
Equity instruments (assets approach)	Discount for lack of liquidity	-1%/+1%	-	-	5	5
Derivative instruments						
Financial assets at FVTPL						
Structured products - options	Historical volatility	+25%/-25%	159	147	-	-
Financial liabilities						
Derivative instruments						
Financial liabilities at FVTPL						
Structured products - options	Historical volatility	-25%/+25%	-	-	-	-

CDIB Capital Group and subsidiaries

Quantitative information about the significant unobservable inputs is set out below:

	Fair Value at March 31, 2024	Valuation Techniques	Significant Unobservable Inputs	Range (Average Weighted)	The Relationship Between Inputs and Fair Value
Repetitive basic to fair value measurement items					
Non-derivative financial assets					
Financial assets at FVTPL	$ 21,260,549	Market approach	P/S Discount for lack of liquidity	1.34 26%	When the higher income multiplier, the higher of fair value; when the higher the discount for lack of liquidity, the lower of fair value.
		Discounted cash-flow method	Discount for lack of liquidity WACC Growth rate	23%-29% 4,70%-12.10% 2.00%-7.75%	When the higher the discount for lack of liquidity, the lower of fair value; when the higher WACC, the lower of fair value; when the higher growth rate, the higher of fair value.
		Net asset adjustment method	Discount for lack of liquidity	29%	When the higher the discount for lack of liquidity, the lower of fair value.
		Recent strike price	-		-

	Fair Value at December 31, 2023	Valuation Techniques	Significant Unobservable Inputs	Range (Average Weighted)	The Relationship Between Inputs and Fair Value
Repetitive basic to fair value measurement items					
Non-derivative financial assets					
Financial assets at FVTPL	$ 20,419,147	Market approach	P/S Discount for lack of liquidity	1.28 26%	When the higher income multiplier, the higher of fair value; when the higher the discount for lack of liquidity, the lower of fair value.
		Discounted cash-flow method	Discount for lack of liquidity WACC Growth rate	23%-29% 4.98%-40.00% 2.00%-17.00%	When the higher the discount for lack of liquidity, the lower of fair value; when the higher WACC, the lower of fair value; when the higher growth rate, the higher of fair value.
		Net asset adjustment method	Discount for lack of liquidity	29%	When the higher the discount for lack of liquidity, the lower of fair value.
		Recent strike price	-	-	-

	Fair Value at March 31, 2023	Valuation Techniques	Significant Unobservable Inputs	Range (Average Weighted)	The Relationship Between Inputs and Fair Value
Repetitive basic to fair value measurement items					
Non-derivative financial assets					
Financial assets at FVTPL	$ 18,206,570	Market approach	EV/EBIT P/S Discount for lack of liquidity	6.45 0.86 26%	When the higher income multiplier, the higher of fair value; when the higher the discount for lack of liquidity, the lower of fair value.
		Discounted cash-flow method	Discount for lack of liquidity WACC Growth rate	23%-29% 5.18%-11.24% 2.50%-7.70%	When the higher the discount for lack of liquidity, the lower of fair value; when the higher WACC, the lower of fair value; when the higher growth rate, the higher of fair value.
		Net asset adjustment method	Discount for lack of liquidity	29%	When the higher the discount for lack of liquidity, the lower of fair value.
		Recent strike price	-	-	-

KGI Life Insurance

Equity securities are classified into fair value Level 3 financial asset by KGI Life Insurance. Quantitative information about the significant unobservable input was set out below:

	March 31, 2024			
	Valuation Techniques	Significant Unobservable Inputs	Quantification Information	Relationship Between Inputs and Fair Value
Financial assets				
Financial assets at fair value through profit or loss	Asset approach	Discount for liquidity and minor interests	0%-10%	The higher the discount for liquidity and minor interests the lower the estimated fair value
Financial assets at fair value through other comprehensive income	Market approach	Discount for liquidity	10%-30%	The higher the discount for liquidity the lower the estimated fair value
		Control premium	10%	The higher the control premium the higher the estimated fair value
	Income approach	Cost of capital rate	6.48%	The higher the cost of capital rate the lower the estimated fair value
		Discount for liquidity	10%	The higher the discount for liquidity the lower the estimated fair value
	Asset approach	Discount for liquidity and minor interests	0%-30%	The higher the discount for liquidity and minor interests the lower the estimated fair value

	December 31, 2023			
	Valuation Techniques	Significant Unobservable Inputs	Quantification Information	Relationship Between Inputs and Fair Value
Financial assets				
Financial assets at fair value through profit or loss	Asset approach	Discount for liquidity and minor interests	0%-11.45%	The higher the discount for liquidity and minor interests the lower the estimated fair value
Financial assets at fair value through other comprehensive income	Market approach	Discount for liquidity	10%-30%	The higher the discount for liquidity the lower the estimated fair value
		Control premium	10%	The higher the control premium the higher the estimated fair value
	Income approach	Cost of capital rate	6.31%	The higher the cost of capital rate the lower the estimated fair value
		Discount for liquidity	10%	The higher the discount for liquidity the lower the estimated fair value
	Asset approach	Discount for liquidity and minor interests	0%-30%	The higher the discount for liquidity and minor interests the lower the estimated fair value

	March 31, 2023			
	Valuation Techniques	**Significant Unobservable Inputs**	**Quantification Information**	**Relationship Between Inputs and Fair Value**
Financial assets				
Financial assets at fair value through profit or loss	Asset approach	Discount for liquidity and minor interests	0%-10%	The higher the discount for liquidity and minor interests the lower the estimated fair value
Financial assets at fair value through other comprehensive income	Market approach	Discount for liquidity	10%-30%	The higher the discount for liquidity the lower the estimated fair value
		Control premium	0%-10%	The higher the control premium the higher the estimated fair value
	Income approach	Cost of capital rate	6.23%	The higher the cost of capital rate the lower the estimated fair value
		Discount for liquidity	0%-10%	The higher the discount for liquidity the lower the estimated fair value
	Asset approach	Discount for liquidity and minor interests	0%-30%	The higher the discount for liquidity and minor interests the lower the estimated fair value

7) Pricing process of Level 3 fair value

KGI Bank and subsidiaries

KGI Bank's risk management department is responsible for the pricing process of Level 3 fair value. The pricing models and conditions assumed are conform to market practice; the basis of the theory are commonly recognized by the industry as a basis of valuation in conducting measurement of fair value. Further, the department confirms whether the sources of the information are independent or not, reasonably reflecting the prices in normal circumstances, and examines and adjusts fair value periodically to insure results of the valuation is reasonable.

KGI Securities and subsidiaries

When KGI Securities has those derivatives that their fair value are hard to reach or they are categorized as derivative financial assets with no active market, reasonability of fair value of those financial assets are assessed by related department according to the Guidelines of Asset Valuation Operation set by KGI Securities, and the outcomes of the valuation will be recorded in the book by accounting department.

CDIB Capital Group and subsidiaries

The valuation method and parameters adopted by CDIB Capital Group and subsidiaries conform to the general market practice which the theoretical basis is generally identified by the industry. Besides, the department exams and adjusts inputs that pricing model needed periodically to insure outcomes are reasonable.

KGI Life Insurance

KGI Life Insurance is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions and the sources are independent, reliable, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. KGI Life Insurance analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed according to KGI Life Insurance's accounting policies at each reporting date.

c. Fair value of financial instruments not carried at fair value

1) Fair value information

Assets and liabilities measured at cost, excluding debt investments measured at amortized cost, guarantee deposits paid, bonds payable, have carrying amounts that are reasonably close to their fair value; thus, their fair values are not disclosed.

2) The fair value hierarchy of financial instruments were as follows:

March 31, 2024

(In Thousands of New Taiwan Dollars)

	Level I	Level 2	Level 3	Total
Financial assets				
Debt instruments measured at amortized cost	$ 589,518,119	$ 762,103,043	$ -	$ 1,351,621,162
Non-financial assets				
Guarantee deposits paid - bonds	5,124,254	6,210,976	-	11,335,230

December 31, 2023

(In Thousands of New Taiwan Dollars)

	Level I	Level 2	Level 3	Total
Financial assets				
Debt instruments measured at amortized cost	$ 579,335,610	$ 763,810,437	$ -	$ 1,343,146,047
Non-financial assets				
Guarantee deposits paid - bonds	110,116	6,313,909	-	6,424,025

March 31, 2023

(In Thousands of New Taiwan Dollars)

	Level I	Level 2	Level 3	Total
Financial assets				
Debt instruments measured at amortized cost	$ 553,326,606	$ 793,723,678	$ -	$ 1,347,050,284
Non-financial assets				
Guarantee deposits paid - bonds	1,029,556	6,235,620	-	7,265,176

3) Measurement technique

a) The carrying amounts of financial instruments such as cash and cash equivalents, due from the Central Bank and call loans to financial instruments, securities purchased under resell agreements, receivables, other financial assets, guarantee deposits paid, due to the Central Bank and financial instruments, securities sold under repurchase agreements, payables, deposits and remittances, bonds payable, other financial liabilities and guarantee deposits received and remittances approximate their fair values because of the short maturities of these instruments.

b) The base rate (floating rate) is usually adopted as the loan rate because it can reflect the market rate. Thus, using the carrying amount for considering the probability of repossession and estimating the fair value is reasonable.

c) The fair value of debt investments measured at amortized cost is estimated by

   i. Referring to the quoted price from electronic bond trading system of Taipei Exchange and Bloomberg.

   ii. Referring to the discounted expected cash flow, of which the discount rate is referenced to interest rates with similar maturity date.

50. INFORMATION OF INSURANCE CONTRACTS

a. Objectives, policies, procedures and methods of insurance contracts risk management

   1) Framework of risk management, organization structure and responsibilities:

   The board of directors should ensure the effectiveness of risk management and bear the ultimate responsibility for risk management, responsible for formulating KGI Life Insurance's overall risk appetite and risk tolerance, review and approve KGI Life Insurance's risk management objectives and strategies. "Risk Management Committee" is set under the board of directors. Various risk management report and related issues are first report to risk management committee and made the final approval by the board of directors. Besides the risk management committee, KGI Life Insurance set up an assets and liabilities risk management team to strengthen the risk management organization and structure.

   In addition, KGI Life Insurance establishes the risk management department independent to the business units, which is responsible for the implementation of various risk management measures and the fulfillment of each risk management system, including monitoring the daily risks, measuring and evaluating related issues, assisting the board to develop Company's risk appetite, executing the risk management policies approved by the board of directors. Moreover, the business units should be responsible for the risks identification, report the risk exposure, measure the impact of risks, review the various risks and limits regularly, and make sure that the internal control procedures of each unit are implemented effectively in accordance with related regulations and KGI Life Insurance's risk management policy.

   2) Risk management policies, procedures and methods:

   According to risk management policies, KGI Life Insurance sets an effective mechanism to proceed identification, measurement, monitoring, reporting and response to risk, establishes clear objectives for risk management, controls approaches and attribution of responsibility to make sure that each operational risk is controlled under the tolerable range, making the largest surplus and profits for shareholders. KGI Life Insurance follows the principle of centralized management and specialization, and assigns responsible risk management department to manage various risks based on the sources of risk. In addition, KGI Life Insurance develops management guidelines for various types of risk, standardizes measurement and evaluation methods, and regularly issues risk reports to monitor the various risks.

3) Risk management policies, procedures and methods related to reserves:

Reserve-related risks refer to risks that various reserves are unable to deal with future obligations due to understatement of liability for premium business. KGI Life Insurance sets and implements the appropriate risk management system for the insurance business reserves and related risks.

4) Risk management policies, procedures and methods related to matching assets and liabilities:

Risks related to matching assets and liabilities indicate risks arising from inconsistent movement of assets and liabilities. KGI Life Insurance sets appropriate asset-liability management system based on the attributes and complexity of insurance liability risks. The system allows KGI Life Insurance to form, implement, monitor and correct related strategies within the tolerable range and achieves KGI Life Insurance's predetermined financial goals. The contents include the following items:

a) Risk identification related to matching of assets and liabilities.
b) Risk measurement related to matching of assets and liabilities.
c) Risk responses related to matching of assets and liabilities.

b. Information of insurance risks

1) Sensitivity of insurance risks - insurance contracts and financial instruments with discretionary participation features:

Insurance companies set aside various reserves according to the legal requirements and regularly conduct adequacy test of liability to assess the adequacy of insurance liabilities of KGI Life Insurance as a whole.

For the insurance contracts and financial instruments with discretionary participation features underwritten by KGI Life Insurance, the main risks include mortality, morbidity, surrender, expense and investment returns rate. When doing the liability adequacy test, various actuarial assumptions are made based on available information at assessment point for all insurance contracts and financial instruments with discretionary participation feature, to assess whether the insurance liability of KGI Life Insurance is adequate. If the test result indicates the insurance liability is not adequate, then set aside the insufficient amount as liability adequacy reserve according to the provision. The reserve will affect current profit and loss.

As at March 31, 2024, assuming a 5% change in mortality, morbidity, surrender and expenses, and a decrease in investment return of 0.1%, all insurance contracts and financial instruments with discretionary participation feature will not cause KGI Life Insurance's insurance liability inadequate.

2) Interpretation for concentration of insurance risks:

a) KGI Life Insurance's insurance business is mainly in Taiwan, Republic of China and there is no significant difference in insurance risk between each region. KGI Life Insurance had set tolerable cumulative risk limits for each risk unit and incident. Insurance risks that exceed the limits will be transferred through reinsurance. Please refer to Note 32 for concentration of risk before and after the reinsurance for KGI Life Insurance.

b) Furthermore, according to "Regulations Governing the Setting Aside of Various Reserves by Insurance Enterprises", the annual increased special capital reserve, excluding taxes, for major incidents and fluctuation of risks for abnormal changes in loss ratio and claims of each type of insurance needs to be recognized in special capital reserve under equity in accordance with IAS 12.

3) Claim development trend:

a) Direct business loss development trend

Accident Year	Development Year 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Reserve for Claims
2008	$ 2,170,100	$ 2,736,556	$ 2,776,542	$ 2,781,989	$ 2,786,399	$ 2,792,187	$ 2,798,032	$ 2,798,807	$ 2,799,546	$ 2,800,435	$ 2,802,449	$ 2,803,020	$ 2,803,856	$ 2,804,061	$ 2,805,453	$ 2,805,535	$ 2,805,897	
2009	2,243,111	2,870,648	2,924,110	2,934,461	2,936,046	2,939,451	2,940,095	2,940,209	2,940,748	2,941,322	2,941,824	2,941,957	2,941,970	2,942,857	2,942,909	2,942,987	-	
2010	2,574,879	3,071,401	3,132,443	3,137,874	3,143,299	3,143,963	3,144,299	3,144,902	3,145,167	3,145,541	3,145,762	3,146,132	3,146,191	3,146,199	3,146,230	-	-	
2011	2,610,108	3,276,928	3,328,279	3,342,075	3,346,106	3,350,438	3,351,824	3,354,243	3,354,835	3,355,901	3,356,774	3,357,014	3,357,047	3,357,164	-	-	-	
2012	2,345,575	2,953,776	3,029,335	3,045,381	3,048,828	3,051,256	3,054,748	3,056,337	3,057,879	3,058,682	3,059,236	3,059,611	3,059,611	-	-	-	-	
2013	2,267,213	2,964,954	3,028,400	3,040,442	3,045,355	3,053,040	3,054,855	3,055,997	3,057,193	3,058,524	3,059,470	3,059,479	-	-	-	-	-	
2014	3,448,229	4,203,186	4,284,682	4,298,217	4,303,753	4,317,090	4,321,020	4,323,776	4,325,954	4,328,274	4,329,362	-	-	-	-	-	-	
2015	3,530,488	4,420,482	4,498,438	4,510,113	4,516,573	4,518,832	4,521,127	4,521,956	4,523,231	4,523,782	-	-	-	-	-	-	-	
2016	3,721,820	4,648,280	4,743,133	4,757,525	4,763,372	4,765,519	4,769,820	4,772,620	4,772,866	-	-	-	-	-	-	-	-	
2017	4,320,234	5,400,952	5,537,543	5,552,592	5,557,933	5,563,170	5,565,627	5,565,979	-	-	-	-	-	-	-	-	-	
2018	4,775,948	5,950,536	6,060,673	6,078,878	6,086,102	6,095,198	6,095,980	-	-	-	-	-	-	-	-	-	-	
2019	5,257,484	6,776,954	6,904,733	6,935,395	6,946,476	6,949,226	-	-	-	-	-	-	-	-	-	-	-	
2020	5,208,589	6,557,028	6,720,337	6,751,342	6,756,830	-	-	-	-	-	-	-	-	-	-	-	-	
2021	5,729,794	7,330,220	7,532,048	7,544,914	-	-	-	-	-	-	-	-	-	-	-	-	-	
2022	8,258,280	10,368,910	10,464,403	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2023	7,970,387	9,404,008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2024	1,081,982	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$ 3,331,506

Note: This table does not include long-term life insurance.

Add: Long-term insurance claims	408,441
Claim reserve for discount on no claim	98,276
Reserve for claims balance	$ 3,838,223

b) Retained business loss development trend

Accident Year	Development Year 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Reserve for Claims
2008	$ 2,128,556	$ 2,682,784	$ 2,721,905	$ 2,719,002	$ 2,723,312	$ 2,728,970	$ 2,734,682	$ 2,735,440	$ 2,736,162	$ 2,737,031	$ 2,739,000	$ 2,739,557	$ 2,740,394	$ 2,740,598	$ 2,741,991	$ 2,742,073	$ 2,742,434	
2009	2,204,858	2,820,114	2,862,350	2,868,022	2,869,572	2,872,900	2,873,529	2,873,640	2,874,167	2,874,728	2,875,219	2,875,351	2,875,365	2,876,252	2,876,304	2,876,382	-	
2010	2,535,358	3,010,157	3,068,543	3,066,830	3,072,133	3,072,782	3,073,109	3,073,699	3,073,958	3,074,324	3,074,544	3,074,914	3,074,973	3,074,981	3,075,012	-	-	
2011	2,561,841	3,214,455	3,260,383	3,266,408	3,270,348	3,274,581	3,275,936	3,278,301	3,278,879	3,279,945	3,280,818	3,281,058	3,281,091	3,281,207	-	-	-	
2012	2,304,504	2,897,464	2,967,538	2,976,431	2,979,800	2,982,173	2,985,586	2,987,140	2,988,681	2,989,484	2,990,038	2,990,414	2,990,414	-	-	-	-	
2013	2,227,515	2,908,429	2,966,622	2,971,604	2,976,405	2,983,916	2,985,691	2,986,833	2,988,029	2,989,360	2,990,306	2,990,315	-	-	-	-	-	
2014	3,387,852	4,123,055	4,197,276	4,200,902	4,206,313	4,219,348	4,223,278	4,226,033	4,228,211	4,230,531	4,231,620	-	-	-	-	-	-	
2015	3,468,881	4,336,525	4,407,051	4,408,435	4,414,314	4,416,573	4,418,868	4,419,697	4,420,972	4,421,523	-	-	-	-	-	-	-	
2016	3,657,093	4,560,257	4,647,033	4,649,868	4,655,715	4,657,862	4,662,163	4,664,810	4,665,056	-	-	-	-	-	-	-	-	
2017	4,244,930	5,298,470	5,424,716	5,439,766	5,445,107	5,450,344	5,452,800	5,453,153	-	-	-	-	-	-	-	-	-	
2018	4,692,869	5,837,265	5,946,601	5,964,806	5,972,030	5,981,126	5,981,908	-	-	-	-	-	-	-	-	-	-	
2019	5,165,606	6,658,675	6,786,454	6,817,116	6,828,197	6,830,947	-	-	-	-	-	-	-	-	-	-	-	
2020	5,136,641	6,454,169	6,616,159	6,647,164	6,652,652	-	-	-	-	-	-	-	-	-	-	-	-	
2021	5,640,880	7,192,041	7,393,867	7,406,734	-	-	-	-	-	-	-	-	-	-	-	-	-	
2022	8,190,602	10,249,283	10,342,800	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2023	7,845,303	9,261,176	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2024	1,069,994	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$ 3,317,719

Note: This table does not include long-term life insurance.

Add: Long-term insurance claims	380,550
Claim reserve for discount on no claim	98,276
Reserve for claims balance	$ 3,796,545

KGI Life Insurance recognizes claim reserve for reported claims (reported but not paid) and unreported claims (incurred but not reported). Due to uncertainty, estimation, and judgment involved in recognition, there is a high degree of complexity in claim reserves. Any changes of the estimation or judgment are treated as the changes of the accounting estimates and can be recognized as profit and loss in current year. KGI Life Insurance was not notified of some claims in time. Also, the expected payment for unreported claims involves major subjective judgment and estimation on the past experience. Thus, it is uncertain that the estimated claim reserve on the balance sheet date will be equal to the final settled amount of claim payments. The claim reserve recorded on the book is estimated based on the current available information. However, the final amount probably will differ from the original estimates because of the follow-up development of the claim events.

The charts above show the development trend of claim payments (not including cases whose payment and time will be confirmed within a year). The accident year is the actual year for the occurrence of the insurance claim events; the x-axis is the year of the development for the settlement cases. Each slash represents the cumulative amount of compensation for each accident event at the end of the year. The occurred claims include decided and undecided claims which represent the accumulated estimated dollar amounts need to be paid for each accident year as time passes. It is possible that the circumstances and trends affecting dollar amount of recognition for claim reserve in the current year will be different from those in the future. Thus, the expected future payment amount for the settlement cases cannot be determined by the charts above.

4) Credit risk:

For insurance contracts undertaken by KGI Life Insurance, the credit risk comes from reinsurers who fail to fulfill their obligation of reinsurance contracts, causing KGI Life Insurance to be exposed to the risk of financial loss. If KGI Life Insurance disputes with the reinsurers, then it may lead to impairment of reinsurance assets. In addition, the account receivables of insurance brokers and agents also have credit risk.

KGI Life Insurance's highest risk exposure for the reinsurance contracts are the carrying amount of reinsurance assets. In order to manage that risk and avoid credit losses, KGI Life Insurance decides to deal with reinsurance companies that have good credits. KGI Life Insurance sets related selection standard, makes regular assessment and monitors the reinsurers' financial business condition, credit status and rating. Also, it will adjust the business scope and scale based on the circumstances to prevent from over concentration of credit risk.

5) Liquidity risk:

As at March 31, 2024, December 31, 2023 and March 31, 2023, the maturity analysis of liquidity risk for insurance contract liabilities of KGI Life Insurance are as follow:

	Within 1 Year	1 to 3 Years	3 to 5 Years	5 to 15 Years	Over 15 Years
March 31, 2024					
Insurance liabilities of investment contracts with discretionary participation features	$ 23,847,328	$ 72,535,123	$ 109,679,700	$ 638,530,774	$ 4,576,113,617
Reserve for insurance contracts with feature of financial instruments	-	-	-	-	-
December 31, 2023					
Insurance liabilities of investment contracts with discretionary participation features	30,139,007	85,667,869	113,631,199	649,337,923	4,129,317,824
Reserve for insurance contracts with feature of financial instruments	-	-	-	-	-
March 31, 2023					
Insurance liabilities of investment contracts with discretionary participation features	39,407,497	103,608,813	115,657,492	640,517,391	4,105,573,118
Reserve for insurance contracts with feature of financial instruments	-	-	-	-	-

Note 1: This table estimates net cash flow of all related insurance liabilities at it starting point.

Note 2: The actual maturity date will change according to the exercise of termination right by the policyholders.

Note 3: The table cannot match with the liabilities of balance sheet because the above contracts use the undiscounted contractual cash flow analysis. In addition, it includes the cash inflows of future renewal premiums.

6) Market risk:

Pursuant to the "Regulations Governing the Setting Aside of Various Reserves by Insurance Enterprises", when KGI Life Insurance measures insurance liabilities, it sets aside the reserve by using the discount rate required by the authorities. Since the discount rate assumption does not move in the same direction with the interest rate, changes in market risks have no significant influence on KGI Life Insurance's profit or loss and equity for insurance contracts. However, changes in market risks may have influence on liability adequacy test evaluated based on available information. But, it has little influence on the adequacy of current recognized insurance liabilities.

51. FINANCIAL RISK MANAGEMENT

a. Risk management policies and framework

The Corporation

The Corporation has established its risk management policies, which combine business management and risk management to form a corporate culture and business strategies that place a fundamental importance on risk management. The results of quantified and qualified risk management measures serve as a reference for formulating business strategies. The board of directors has approved the documentation of both overall and specific risk management policies, including business, operational and liquidity risks.

The Corporation has established a risk management committee supervising the implementation of risk management policies, inspecting risk control reports and dealing with related issues. The Corporation also has a risk management department to plan and manage the risk management system, supervise the implementation of risk management of subsidiaries and provide related information to the management and the board of directors.

KGI Bank and subsidiaries

KGI Bank has planned a proper risk management system regarding market risk, credit risk, and operating risk related to the operation of company as a basis of following risk management procedures.

KGI Bank also planned the mechanism of analysis, monitoring, and report related to overall risk management. Further, it reports to senior management, and committee or board of directors with risk management function; KGI Bank keeps related information updated in response to the actual risks encountering significant changes in macroeconomics or financial market to monitor and response effectively.

KGI Bank’s risk management not only focuses on individual department but consider the comprehensive effects from an overall corporation perspective.

KGI Bank undertakes risk identification with consistent asset portfolio classification as well as correlation between each other, and establishes a consistent measure according to the different types of exposure.

KGI Bank’s risk management divisions are as follows:

1) Board of directors

   The KGI Bank’s board of director supervise the establishment of risk management structure and culture, ensures efficiency of operation in risk management, reviews important risk control report and bear the ultimate responsibility of risk management.

2) Risk management committee

   KGI Bank has established a risk management committee supervising the implementation of risk management policies, inspecting risk control reports and dealing with related issues.

3) Business and management departments

   The department is responsible for ensuring compliance of risk management regulations while conducting the operations to practice the control of daily risk.

4) Risk management department

KGI Bank establishes a risk management department which is independent from operating departments to take charge of planning and managing of risk management system and to provide overall risk management information to senior management and the board of directors.

5) Internal audit department

The department takes charge of establishment of all risk mechanisms and audit the compliance and implementation of mechanism.

Risk management is a joint duty to all KGI Bank's department including business, legal, compliance of law, finance, accounting, administration, operating, audit departments and so on, should all practice it actively, and through coordination of intra-departments to carry out the overall risk management.

<u>KGI Securities and subsidiaries</u>

1) Financial risk management objectives

To effectively manage the risks related to the operation of KGI Securities and strengthen KGI Securities Competitive advantage, According to the laws by authorities, risk management policy by parent company, and business development strategy by KGI Securities, which set risk management policy as compliance basis for risk management.

2) Risk management organization

KGI Securities' risk management organization framework, which monitors, plans, and executes related risk management affairs, includes the board of directors, risk management department, business department and other related departments. KGI Securities' business departments and back offices should comply with risk management regulations and reports all anomalies and their effects to Risk Management Committee (RMC) and Investment Review Committee (IRC) in time. Risk management organizations' functions and responsibilities are as follows:

The board of directors is the highest decisive department in KGI Securities, and it also bears ultimate responsibility while monitoring the execution of overall risk management system.

Functions and responsibilities of committees: RMC executes risk management decisions made by the board of directors, which include reviewing KGI Securities' every department's, risk budget, limit and their management system, reviewing guidelines regarding risk management, and inspecting related countermeasures according to risk reports submitted by departments; IRC examines underwriting of securities, assisting of business projects general long-term investments; and Merchandise Review Committee (MRC) sets up the reviewing system of KGI Securities' for sale of commodities, trusted investment and management of new business and financial instruments.

Business department is responsible for setting risk management systems, managing and reporting daily risks which belong to its department and executing internal controls effectively which correspond to the government regulations and risk management policies.

Risk management department's functions and responsibilities are ensuring the execution of policies approved by board of directors, making risk management rules and guidelines, controlling the measuring, monitoring and evaluating of daily risk, producing periodic (daily, weekly or monthly) risk management reports and submitting them to management, and developing or assisting the exploitation and maintenance of risk management information system.

Legal affair department's functions and responsibilities are providing comprehensive management of KGI Securities company law, legal consultations, drafting, reviewing and taking custody of major contracts and monitoring litigation and non-litigation cases.

Legal compliance department's functions and responsibilities are conveying laws, providing legal consultation, negotiating and facilitating communications. It is also responsible to make sure that all operations and management guidelines are updated accordingly as related regulations are amended. It also supervises as all units conduct an overview of the feasibility of legal compliance.

Fund dispatching department is responsible for KGI Securities' dispatching and usage of capital, setting up and maintaining finance credits with financial institution, lowering capital costs and managing liquidity risks.

Internal audit department's function and responsibilities are auditing execution of regulations and business operations, proposing amendments in time, and tracing improving progresses after reporting defects and anomalies to the board of directors.

Finance department, settlement department, information department and other related department should understand the risk facing in its industry thoroughly on the basis of risk management related regulations, take necessary risk control measures into consideration while setting up operating management guidelines to assist in completing the whole cooperation's various risk management tasks, and monitor transaction processes regarding valuation, confirmation of price information, preparation of income statement, processing and confirming of transaction, settling, verifying of accounts, asset control, information safety and maintenance of information.

3) Risk management system

KGI Securities has planned proper risk management system regarding market risk, credit risk, operating risk, liquidity risk, legal risk and other risks related to the operation of company as a basis of following risk management procedures.

The risk management policies, various risk management standards and operation of merchandise guidelines are established by competent unit. The competent unit makes a draft and asks the related department for advices and opinions, and it will be conducted following established guidelines and related standards of parent company, CDFH.

4) Risk management mechanism

The process of various risk managements include risk identification, risk measurement, risk monitoring and control and risk reports. The evaluation and strategies of important risk are explained as follows:

a) Market risk

KGI Securities restricts the risk level to which it is exposed to an acceptable level through structuring risk management system, enacting market risk management policies, and formulating merchandise operation guidelines. It also restraint risk through allocating venture capital, subject to management strategies and risk appetite, setting various risk-based limits, and conducting risk monitoring on a daily basis.

KGI Securities implemented the MSCI Risk Manager, a market risk management system, as a quantitative management instrument. The system integrates all holding positions and provides in a daily basis various analyzing metrics and comprehensive computation results, including equity, interest rate, exchange rate, etc., as well as adjustment and application of diverse derivatives models. Also, the risk management department controls risk-based limits by business units on a daily basis to enforce and manage market risk capital allocation.

To establish efficacy of estimation at risk (VaR) model, risk management department conducts Back Testing periodically to examine the validity of the model. Additionally, it builds various scenarios for Stress Testing and scenario analysis, to understand the risk tolerance level of KGI Securities.

b) Credit risk

KGI Securities takes into account the credit rating of issuers or counterparties, the features of transactions, and the characters of instruments, etc. to adopt appropriate ways of measurement, and considers KGI Securities' net value, risk measurement and concentration of risk to set proper credit limits. KGI Securities would periodically inspect the credit records of counterparties, holding positions, and collaterals, then report the use of various credit risk limits to management as well as related departments.

KGI Securities use the external part of credit rating by rating comparison table to evaluate the credit risk of the counterparties or transaction subjects. Among them, the external part of credit rating refers to the TCRI of Taiwan Economic Journal, Taiwan Ratings, S&P, Moody's, and Fitch. Not only update the credit rating information of the external rating agency on the counterparties or transaction subjects, but also appropriately adjust the credit risk limits when the credit rating changes.

The risk management department applies for credit risk capital toward the board of directors annually. Establish proper credit risk expected loss limitation amount relating to the firms. Also, set different Pre-Settlement Risk (PSR) limitation amount base on countries, same groups, high-risk industries, high-risk groups, etc. Also, routinely examine KGI Securities' credit risk exposure, credit risk change of counterparties or transaction subjects, and the use of various credit risk limitation amount to enforce management of credit risk.

c) Liquidity risk

The liquidity risk could be divided into two categories: Market liquidity risk and fund liquidity risk. The measurement of market liquidity risk is the trading volume of holding position of KGI Securities and serves as the basis of information disclosure. The fund liquidity risk management has established independent fund transfer unit, considering the timing and net cash flow of need by various departments, to effectively control the fund liquidity risk.

d) Operating risk and other risks

All units conduct operation risk management respectively by their own business. This management contains authorization related to operation risk, process, operation content, plan following the division of front and back desk operation and principle of control and segregation of duties. Operation risk controls include information security and maintenance, clearing, trade confirmation, statements preparation, segregation of duties, relating party trade control as well as the internal control, etc.

Each business unit is responsible for examining and controlling its own operation risk. In addition to the compliance of law and regulation, the internal audit department would implement examination by the regulation and procedure of internal control system to ensure the effectiveness of risk management.

When abnormal events occur, all business units should comply with “Announcement of Abnormal Events and Handling Procedures” by KGI Securities. According to the necessity of the abnormal event, the internal audit unit reports to the director of the board of directors and the internal audit unit of the parent company to effectively manage the operation risk of loss event. When KGI Securities discover material risk events during the execution of their business, they should comply with “Method for Notification of Material Risk Events” by parent company and “Announcement of Abnormal Events and Handling Procedures” by KGI Securities. in addition, risk management unit should review whether material risk events are notified in time.

KGI Securities have obtained the related qualification for the option under the sensitivity analysis (Delta Plus) method to use the advanced calculation method of Securities firm’s capital adequacy ratio. In order to calculate the capital adequacy ratio and other statutory ratios required for financial product evaluation models, model management operations have been used.

KGI Securities regularly detects business risks. The detections include financial institutions’ capital adequacy, asset quality, management capabilities, profitability, liquidity, sources of profit, foreign exposure, investment positions, off-balance sheet, and material customer complaints. Measurement unit inspects frequency and measures detection indicators and alert values, and sends the measurement results and their increase or decrease data to the risk management unit for monitoring and storage.

5) Risk hedge and mitigation strategy

KGI Securities have set “Financial Commodity Transaction Processing Procedures” and “Operation Guidelines for Derivative Financial Commodity Transactions in Business Locations” to standardize relevant policies for hedging and mitigating risks:

a) All business departments engaged in derivative transactions should confirm their transaction objectives and hedging nature in advance. After the transaction, the transaction objective cannot be changed at will.

b) The transaction nature means buying and selling derivatives based on price expectations to take risks and earn the spread. Hedging means to reduce the market risk of existing assets or liabilities and prospective transactions through the trading derivatives.

c) For positions held for hedging, the hedging and hedged positions should be regarded as one entity, and notice to the relation between the changes in profit and loss of the hedging and the hedged positions.

<u>CDIB Capital Group and subsidiaries</u>

CDIB Capital Group has established its risk management policies, which combine business management and risk management to form a corporate culture and business strategies that place a fundamental importance on risk management. The results of quantified and qualified risk management measures serve as a reference for formulating business strategies. The board of directors has approved the documentation of both overall and specific risk management policies.

CDIB Capital Group has established the risk management committee, which belongs to the board of directors and supervising the implementation of risk management policies, inspecting risk control reports and dealing with related issues. CDIB Capital Group also has a business risk committee, which belongs to administration department and a risk management department to plan and manage the risk management system and supervise the implementation of risk management of subsidiaries and provide related information to the management and the board of directors.

KGI Life Insurance

KGI Life Insurance's financial risk management objectives are primarily managing risks arising from holding financial assets. According to KGI Life Insurance's risk management policies, the main financial risks is market risk, credit risk and liquidity risk. KGI Life Insurance has established guidelines related to the management of the financial risk. The following is the definition, source, management procedures of the risk and methods used to measure the risk.

b. Credit risk

KGI Bank and subsidiaries

1) Definition and source of credit risk

Credit risk is the risk of financial loss to KGI Bank if a creditor or counterparty fails to meet its contractual obligations or has negative changes in its credit quality. Credit risk management covers all operating activities that involve credit risk, including loans, call loans to banks, banking book securities investment, financial derivatives, repurchase agreement transactions and other operating activities.

2) Credit risk management policy

KGI Bank has standard control procedures for credit risk identification, measurement, and generation of disclosures and reports to be used for a rational identification, measurement, disclosure, and effective control of credit risk. These procedures include applying standard screening criteria for target clients, credit investigations for credit approval or rejection, careful deliberation of applications for certain exceptions, credit review, management of non-performing loans and requests, and control over all related documents and information. KGI Bank also adjusts the credit risk structure accordingly so that credit portfolios are within KGI Bank's risk appetite. Further, KGI Bank assesses the changes in the economy to adjust risk structure and develops strategies in response to these changes to raise shareholders' value and ensure the risk is bearable.

Based on the risk management policies, the management process is carried out as follows:

a) Credit investigation

In screening target clients, KGI Bank asks for all the necessary documents from the clients in order to get an accurate understanding of their backgrounds accurately and control credit portfolios within the acceptable range.

b) Credit approval

Cases that have passed the credit investigation are reviewed by the credit authority of each level.

The credit authorities approve credits in accordance with KGI Bank's credit limit structure and authorization policies. KGI Bank's credit approval structure and policies are based not only on the Banking Act and other government rules for credit extended to the same person or affiliated enterprises/groups, industry, real estate loans, investment securities and country, but also on the professionalism of KGI Bank's credit authorities and the quality of asset control. The amounts of credit authorized are reviewed by the credit authorities occasionally.

c) Post-lending loan review

The corporate banking segment of KGI Bank tracks the borrowers' financial and business conditions, generates risk assessment reports on credit asset portfolios regularly, operates a risk warning system and adjusts business development strategies as needed to cope with economic conditions and changes in asset quality through the use of an account management scheme and a regular-reassessment system. For consumer banking business, they track and control the changes in asset quality through the use of regular-assessment system, and handle the changes in borrowers' credit quality instantly through the use of regular-reassessment system. For delinquent loans, KGI Bank uses the concentration management method, together with information systems and analysis models, to enhance and expedite the collection of nonperforming loans.

d) Risk report and information disclosures

The risk management department is responsible for measuring risk, preparing quarterly risk report, including all risk management index and risk capital requirement assessment and reporting to risk management committee and board of directors.

3) Credit risk hedge or mitigation policies

Considering the asset hedge market and liquidity, KGI Bank takes the necessary risk reduction strategies, mainly on loan objects and hedge transactions involving assets with doubtful collectability or a long period of duration, including methods for increasing appropriate collaterals with good liquidity, or transferring to credit guarantee institutions such as the Small and Medium Enterprise Credit Guarantee Fund of Taiwan to maximize the collateral. For determining the value of foreclosed collaterals, liquid securities will be evaluated at their market value; other collaterals will be subject to field surveys by appraisal institution for their fair value assessment, which will be used as a basis for demanding additional collaterals or adjusting the credit amount to ensure that risks are within KGI Bank's tolerance range.

If clients are found to have bad credit features, KGI Bank will strengthen the monitoring of the credit of borrower and guarantor and take measures, such as demanding an early repayment or additional collateral in mitigating KGI Bank's credit risk. In addition, KGI Bank sets different credit limits for counterparties involved in derivative transactions and enters into collateral support agreements with counterparties to ensure that risks are under control.

4) Maximum exposure to credit risk

The maximum exposure to credit risk from on-balance sheet financial assets was equal to their carrying values; without taking into collateral or other credit enhancements and unused revolving credit without credit card and cash card, the maximum exposure of credit risk from irrevocable off-balance sheet financial instruments was as follows:

	March 31, 2024	**December 31, 2023**	**March 31, 2023**
Irrevocable loan commitments, guarantees and letters of credit	$ 46,582,371	$ 43,737,382	$ 47,535,263

KGI Bank believes that stringent selection processes and conducting regular review afterwards are the reasons why they can continuously control and minimize the credit risk exposure from their off-balance sheet items.

KGI Bank and subsidiaries' book values of maximum exposure credit risk for major credit assets were as follows:

	Discounts and Loans March 31, 2024					
	Stage 1	Stage 2	Stage 3			
	12-month Expected Credit Losses	Lifetime Expected Credit Losses	Lifetime Expected Credit Losses	Purchased or Originated Credit-impaired Financial Asset	The Adjustment under the Recognition/ Discount	Total
Short-term loans	$ 60,709,884	$ 633,871	$ 680,521	$ -		$ 62,024,276
Short-term secured loans	14,224,382	-	-	-		14,224,382
Medium-term loans	162,295,304	185,138	204,263	-		162,684,705
Medium-term secured loans	80,048,708	87,112	20,189	-		80,156,009
Long-term loans	11,125,176	689,778	868,878	-		12,683,832
Long-term secured loans	95,750,487	172,113	121,322	-		96,043,922
Loans reclassified to nonperforming loans	-	-	1,052,123	-		1,052,123
Export negotiations	23,779	-	-	-		23,779
Total book values	424,177,720	1,768,012	2,947,296	-		428,893,028
Impairment allowance	(842,566)	(185,271)	(809,848)	-		(1,837,685)
Impairment recognized in accordance with Regulation Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans					$ (3,670,757)	(3,670,757)
Adjusting for discounts and loans premium					(50,756)	(50,756)
	$ 423,335,154	$ 1,582,741	$ 2,137,448	$ -	$ (3,721,513)	$ 423,333,830

	Receivables March 31, 2024					
	Stage 1	Stage 2	Stage 3			
	12-month Expected Credit Losses	Lifetime Expected Credit Losses	Lifetime Expected Credit Losses	Purchased or Originated Credit-impaired Financial Asset	The Adjustment under the Regulation	Total
Credit card business	$ 3,094,159	$ 198,834	$ 135,735	$ -		$ 3,428,728
Accounts receivable - forfaiting	2,518,923	-	-	-		2,518,923
Accounts receivable factoring without recourse	8,069,201	3	21	-		8,069,225
Acceptances	6,781	-	-	-		6,781
Installment accounts and lease receivables	5,238,083	85,676	100,707	-		5,424,466
Total book value	18,927,147	284,513	236,463	-		19,448,123
Impairment allowance	(38,886)	(28,345)	(70,042)	-		(137,273)
Impairment recognized in accordance with Regulation Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans					$ (160,726)	(160,726)
	$ 18,888,261	$ 256,168	$ 166,421	$ -	$ (160,726)	$ 19,150,124

	Discounts and Loans December 31, 2023					
	Stage 1	Stage 2	Stage 3			
	12-month Expected Credit Losses	Lifetime Expected Credit Losses	Lifetime Expected Credit Losses	Purchased or Originated Credit-impaired Financial Asset	The Adjustment under the Recognition/ Discount	Total
Short-term loans	$ 46,320,134	$ 594,896	$ 681,759	$ -		$ 47,596,789
Short-term secured loans	13,923,022	273	-	-		13,923,295
Medium-term loans	152,121,832	160,635	242,629	-		152,525,096
Medium-term secured loans	82,043,284	309,349	21,622	-		82,374,255
Long-term loans	7,592,441	525,924	844,689	-		8,963,054
Long-term secured loans	95,437,396	174,740	162,833	-		95,774,969
Loans reclassified to nonperforming loans	-	-	974,615	-		974,615
Export negotiations	5,449	-	-	-		5,449
Total book values	397,443,558	1,765,817	2,928,147	-		402,137,522
Impairment allowance	(789,010)	(168,283)	(791,094)	-		(1,748,387)
Impairment recognized in accordance with Regulation Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans					$ (3,406,787)	(3,406,787)
Adjusting for discounts and loans premium					(55,911)	(55,911)
	$ 396,654,548	$ 1,597,534	$ 2,137,053	$ -	$ (3,462,698)	$ 396,926,437

	Receivables					
	December 31, 2023					
	Stage 1	Stage 2	Stage 3			
	12-month Expected Credit Losses	Lifetime Expected Credit Losses	Lifetime Expected Credit Losses	Purchased or Originated Credit-impaired Financial Asset	The Adjustment under the Regulation	Total
Credit card business	$ 3,195,165	$ 196,868	$ 130,508	$ -		$ 3,522,541
Accounts receivable - forfaiting	1,617,130	-	-	-		1,617,130
Accounts receivable factoring without recourse	10,262,973	4	25	-		10,263,002
Acceptances	8,292	-	-	-		8,292
Installment accounts and lease receivables	5,654,277	71,889	101,064	-		5,827,230
Total book value	20,737,837	268,761	231,597	-		21,238,195
Impairment allowance	(48,865)	(27,236)	(59,820)	-		(135,921)
Impairment recognized in accordance with Regulation Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans					$ (168,961)	(168,961)
	$ 20,688,972	$ 241,525	$ 171,777	$ -	$ (168,961)	$ 20,933,313

	Discounts and Loans					
	March 31, 2023					
	Stage 1	Stage 2	Stage 3			
	12-month Expected Credit Losses	Lifetime Expected Credit Losses	Lifetime Expected Credit Losses	Purchased or Originated Credit-impaired Financial Asset	The Adjustment under the Recognition/ Discount	Total
Short-term loans	$ 47,617,252	$ 624,514	$ 657,126	$ -		$ 48,898,892
Short-term secured loans	15,413,181	21,000	-	-		15,434,181
Medium-term loans	142,143,223	666,981	320,024	-		143,130,228
Medium-term secured loans	87,336,940	77,170	23,392	-		87,437,502
Long-term loans	8,707,222	504,510	743,590	-		9,955,322
Long-term secured loans	88,785,097	128,669	119,919	-		89,033,685
Loans reclassified to nonperforming loans	-	-	424,297	-		424,297
Export negotiations	8,038	-	-	-		8,038
Total book values	390,010,953	2,022,844	2,288,348	-		394,322,145
Impairment allowance	(741,287)	(313,925)	(532,360)	-		(1,587,572)
Impairment recognized in accordance with Regulation Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans					$ (3,518,582)	(3,518,582)
Adjusting for discounts and loans premium					(53,283)	(53,283)
	$ 389,269,666	$ 1,708,919	$ 1,755,988	$ -	$ (3,571,865)	$ 389,162,708

	Receivables					
	March 31, 2023					
	Stage 1	Stage 2	Stage 3			
	12-month Expected Credit Losses	Lifetime Expected Credit Losses	Lifetime Expected Credit Losses	Purchased or Originated Credit-impaired Financial Asset	The Adjustment under the Regulation	Total
Credit card business	$ 2,982,613	$ 196,615	$ 106,711	$ -		$ 3,285,939
Accounts receivable - forfaiting	3,204,131	-	-	-		3,204,131
Accounts receivable factoring without recourse	8,101,218	7	43	-		8,101,268
Acceptances	10,560	-	-	-		10,560
Installment accounts and lease receivables	6,066,873	101,693	46,625	-		6,215,191
Total book value	20,365,395	298,315	153,379	-		20,817,089
Impairment allowance	(55,308)	(25,543)	(36,029)	-		(116,880)
Impairment recognized in accordance with Regulation Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans				-	$ (156,467)	(156,467)
	$ 20,310,087	$ 272,772	$ 117,350	$ -	$ (156,467)	$ 20,543,742

Maximum exposures to credit risk of financial instrument not applicable to impairment were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets at FVTPL			
Debt instrument	$ 16,837,882	$ 12,554,980	$ 15,408,391
Derivatives instruments	27,869,816	29,413,254	13,882,993

5) Collaterals and credit enhancement

KGI Bank and its subsidiaries' pledged collaterals associated with credit include discounts, loans and receivables which contain real estate, properties (e.g.: Machinery), rights certificates and securities (e.g.: Certificates of deposit, stocks), notes receivable arose from borrowing of business transactions, deposits guaranteed by authorities of treasury department of government, banks or guarantee institutions authorized by government (e.g.: SME credit guarantee fund and letter of credit guaranteed) and mortgages set in accordance with the laws including registration of land rights. Financial assets held by KGI Bank are part of corporate bonds guaranteed by financial institutions as credit enhancement.

KGI Bank and subsidiaries observe collateral's value of financial instrument closely, and consider recognizing impairment for financial assets with credit impairment. KGI Bank and subsidiaries' financial assets with impairment, and collateral's values for mitigation of potential losses were as follows:

March 31, 2024

	Total Book Value	Credit Impairment	Amount of Risk Exposure (Amortized Cost)	Collaterals Value
Impaired asset:				
Accounts receivable				
Credit card business	$ 135,735	$ 39,283	$ 96,452	$ -
Accounts receivable factoring	21	1	20	-
Installment receivables and lease receivables	100,707	30,758	69,949	-
Discounts and loans	2,947,296	809,848	2,137,448	420,566
Total amount of impaired asset	$ 3,183,759	$ 879,890	$ 2,303,869	$ 420,566

December 31, 2023

	Total Book Value	Credit Impairment	Amount of Risk Exposure (Amortized Cost)	Collaterals Value
Impaired asset:				
Accounts receivable				
Credit card business	$ 130,508	$ 30,406	$ 100,102	$ -
Accounts receivable factoring	25	1	24	-
Installment receivables and lease receivables	101,064	29,413	71,651	-
Discounts and loans	2,928,147	791,094	2,137,053	521,857
Total amount of impaired asset	$ 3,159,744	$ 850,914	$ 2,308,830	$ 521,857

March 31, 2023

	Total Book Value	Credit Impairment	Amount of Risk Exposure (Amortized Cost)	Collaterals Value
Impaired asset:				
Accounts receivable				
Credit card business	$ 106,711	$ 19,988	$ 86,723	$ -
Accounts receivable factoring	43	1	42	-
Installment receivables and lease receivables	46,625	16,040	30,585	-
Discounts and loans	2,288,348	532,360	1,755,988	228,935
Total amount of impaired asset	$ 2,441,727	$ 568,389	$ 1,873,338	$ 228,935

The amount the of KGI Bank and subsidiaries' financial assets which has been written off and still has recourse activities of outstanding contract amount is $265,441 thousand and $287,628 thousand for the three months ended March 31, 2024 and 2023.

6) Concentrations of credit risk

Concentrations of credit risk arise when there is only one counterparty, or when there is a number of more than one counterparties but they are engaged in similar economic activities and have similar economic characteristics, so that their collective ability to meet contractual obligations is uniformly affected by changes in economic or other conditions.

Credit risk concentration can arise from a bank's assets, liabilities, or off-balance sheet items through the execution or processing of transactions (either product or service), or through a combination of exposures across these broad categories. It includes credits, due from and call loans to banks, investments, receivables and derivatives, etc. KGI Bank maintained a diversified loan portfolio to mitigate the credit risk concentration to the same customers or the same counterparty; total transaction of the same customers or the same counterparty in discounts and loans are not material. To manage credit risk concentration, KGI Bank maintains a diversified portfolio and monitors its exposure continually. KGI Bank's most significant concentrations of credit risk are summarized as follows:

a) By object

Object	March 31, 2024		December 31, 2023		March 31, 2023	
	Amount	%	Amount	%	Amount	%
Public and private enterprise	$ 254,270,821	59.29	$ 234,684,241	58.36	$ 235,002,974	59.60
Natural person	174,622,207	40.71	167,453,281	41.64	159,319,171	40.40
Total	$ 428,893,028	100.00	$ 402,137,522	100.00	$ 394,322,145	100.00

b) By region

Region	March 31, 2024		December 31, 2023		March 31, 2023	
	Amount	%	Amount	%	Amount	%
Domestic	$ 350,793,647	81.79	$ 327,247,935	81.38	$ 313,295,162	79.45
Overseas	78,099,381	18.21	74,889,587	18.62	81,026,983	20.55
Total	$ 428,893,028	100.00	$ 402,137,522	100.00	$ 394,322,145	100.00

c) By collateral

Collateral	March 31, 2024		December 31, 2023		March 31, 2023	
	Amount	%	Amount	%	Amount	%
Non-collateral	$ 238,024,868	55.50	$ 209,655,063	52.14	$ 202,355,241	51.32
Collateral						
Property	173,353,226	40.42	175,106,905	43.54	174,466,013	44.24
Guarantee	4,293,942	1.00	3,416,212	0.85	6,004,207	1.52
Financial collateral	8,808,267	2.05	9,225,201	2.29	5,778,909	1.47
Other	4,412,725	1.03	4,734,141	1.18	5,717,775	1.45
Total	$ 428,893,028	100.00	$ 402,137,522	100.00	$ 394,322,145	100.00

7) Management of foreclosed collateral

Foreclosed collaterals are recorded at cost, using lower-at-cost or market approach as of the balance sheet date. For those foreclosed collaterals which were not disposed of within the statutory period, except for applying for an extension of the disposal period, if the competent authority ask for the increase of its provision for possible losses, KGI bank should execute as required.

	March 31, 2024	December 31, 2023	March 31, 2023
Foreclosed collateral	$ 588,985	$ 588,985	$ 588,985
Accumulated impairment	(588,985)	(588,985)	(588,985)
	$ -	$ -	$ -

Foreclosed collateral will be sold when it is actually available for sale. The foreclosed collateral is classified as other assets in balance sheet. The difference amount between the disposition price and the book value is recognized as net other noninterest profit and gain.

8) Disclosures required in the Regulations Governing the Preparation of Financial Reports by Public Banks

a) Asset quality of nonperforming loan and overdue credits of KGI Bank

Item			March 31, 2024				
			Nonperforming Loan (NPL) (Note 1)	Total Loans	NPL Ratio (Note 2)	Loan Loss Reserves (LLR)	Coverage Ratio (Note 3)
Corporate loan	Secured		$ 389,368	$ 84,133,844	0.46%	$ 1,102,128	283.06%
	Unsecured		87,849	182,468,077	0.05%	2,025,550	2,305.73%
Consumer loan	Mortgage (Note 4)		61,692	77,838,485	0.08%	1,170,718	1,897.69%
	Cash card		129,817	10,274,294	1.26%	158,165	121.84%
	Micro credit (Note 5)		563,551	45,260,706	1.25%	744,378	132.09%
	Other (Note 6)	Secured	10,634	28,896,331	0.04%	307,285	2,889.60%
		Unsecured	-	21,291	-	218	-
Total			1,242,911	428,893,028	0.29%	5,508,442	443.19%
			Overdue Receivable	Account Receivable	Delinquency Ratio	Allowance for Credit Losses	Coverage Ratio
Credit card			$ 44,240	$ 3,428,728	1.29%	$ 80,424	181.79%
Account receivable - factored without recourse (Note 7)			4	8,069,225	0.00%	107,324	2,726,022.83%

Item			March 31, 2023				
			Nonperforming Loan (NPL) (Note 1)	Total Loans	NPL Ratio (Note 2)	Loan Loss Reserves (LLR)	Coverage Ratio (Note 3)
Corporate loan	Secured		$ 32,919	$ 92,863,534	0.04%	$ 1,157,909	3,517.44%
	Unsecured		97,622	155,067,356	0.06%	1,740,821	1,783.23%
Consumer loan	Mortgage (Note 4)		40,327	72,100,558	0.06%	1,084,177	2,688.48%
	Cash card		114,655	10,661,526	1.08%	249,951	218.00%
	Micro credit (Note 5)		402,032	36,588,512	1.10%	584,672	145.43%
	Other (Note 6)	Secured	14,338	27,002,812	0.05%	288,239	2,010.33%
		Unsecured	-	37,847	-	385	-
Total			701,893	394,322,145	0.18%	5,106,154	727.48%
			Overdue Receivable	Account Receivable	Delinquency Ratio	Allowance for Credit Losses	Coverage Ratio
Credit card			$ 24,351	$ 3,285,939	0.74%	$ 54,062	222.01%
Account receivable - factored without recourse (Note 7)			5	8,101,268	0.00%	95,158	1,933,706.67%

Note 1: Non-performing loans are reported in accordance with the “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans” issued by Ministry of Finance. Overdue credit card receivables are regulated by Order No. 0944000378 announced by the FSC on July 6, 2005.

Note 2: NPL ratio = NPL/Total loans. For credit card business: Delinquency ratio = Overdue credit card receivables/Credit card receivables balance.

Note 3: Coverage ratio = LLR/NPL. Coverage ratio of credit receivables: Allowance for credit losses/Overdue credit card receivables.

Note 4: Household mortgage refers to financing obtained to buy, build, or fix houses owned by the borrower or the borrower’s spouse or children, with the house used as loan collateral.

Note 5: Micro credit is covered by a Banking Bureau pronouncement dated December 19, 2005 (Order No. 09440010950) and is excluded from credit card and cash card loans.

Note 6: “Others” under consumer loans refers to secured or unsecured loans other than mortgage loans, cash cards, micro credit, and it does not include credit cards.

Note 7: As required by the Banking Bureau in its letter dated July 19, 2005 (Order No. 0945000494), allowance for bad debt is recognized once no compensation is made by a factor or insurance company within three months for accounts receivable - factoring without recourse.

b) Exemption of KGI Bank’s nonperforming loans and overdue receivables

Items	March 31, 2024		March 31, 2023	
	Excluded NPL	Excluded Overdue Receivables	Excluded NPL	Excluded Overdue Receivables
Amounts of executed contracts on negotiated debts not reported (Note 1)	$ 1,794	$ 54	$ 2,908	$ 62
Amounts of executed debt settlement program and rehabilitation program not reported (Note 2)	70,550	5,898	71,020	6,395
Total	$ 72,344	$ 5,952	$ 73,928	$ 6,457

Note 1: The disclosure of excluded NPLs and excluded overdue receivables resulting from debt negotiations and loan agreements is based on the Banking Bureau letter dated April 25, 2006 (Order No. 09510001270).

Note 2: The disclosure of excluded NPLs and excluded overdue receivables resulting from consumer debt clearance is based on the Banking Bureau letters dated September 15, 2008 (Order No. 09700318940) and dated September 20, 2016 (Order No. 10500134790).

c) Concentration of KGI Bank's credit risk

March 31, 2024

(In Thousands of New Taiwan Dollars, %)

Top 10 Ranking	Group (Industry Category)	Total Credit	Percentage of Net Worth
1	A Group - manufacture of other electronic parts and components	$ 7,009,254	9.82
2	B Group - real estate development activities	6,991,837	9.80
3	C Group - real estate activities for sale and rental	6,355,195	8.91
4	D Group - manufacture of liquid crystal panel and components	5,749,396	8.06
5	E Group - real estate development activities	5,002,000	7.01
6	F Group - manufacture of chemical material	4,458,251	6.25
7	G Group - manufacture of other communication equipment	4,334,416	6.08
8	H Group - engineering services and related technical consultancy	4,294,584	6.02
9	I Group - real estate activities for sale and rental	4,211,919	5.90
10	J Group - manufacture of integrated circuit	4,199,892	5.89

March 31, 2023

(In Thousands of New Taiwan Dollars, %)

Top 10 Ranking	Group (Industry Category)	Total Credit	Percentage of Net Worth
1	A Group - manufacture of liquid crystal panel and components	$ 8,782,906	13.75
2	B Group - real estate development activities	6,022,594	9.43
3	C Group - real estate activities for sale and rental	5,141,488	8.05
4	J Group - manufacture of electronic passive devices	4,741,426	7.42
5	K Group - cable telecommunications industry	4,279,799	6.70
6	L Group - real estate activities for sale and rental	4,133,825	6.47
7	E Group - real estate development activities	3,850,000	6.03
8	D Group - manufacture of liquid crystal panel and components	3,759,264	5.88
9	M Group - financial leasing	3,553,486	5.56
10	G Group - manufacture of other communication equipment	3,390,818	5.31

9) Judgements of a significant increase in credit risk since initial recognition

Credit business

KGI Bank assesses changes in credit quality during the expected lifetime of various types of credit assets on each reporting date to determine if there has been a significant increase in credit risk since the initial recognition, primarily consideration of indicators and supporting information (including prospective information) were as the follows:

a) Quantitative index

When the contractual payments are overdue for more than 30 days, the credit risk of the credit assets are considered to be significantly increased since the initial recognition.

b) Qualitative index

i. Changes in the current or predicted operating, financial, or economic conditions that are expected to cause a significant change in the ability of the borrower to perform its obligations.

ii. Actual or expected significant changes in borrower's operating results.

iii. The credit risk of other credit contracts of the same borrower has increased significantly.

iv. Individual credit assets, if the client did not suffer from financial difficulties at the time of the agreement can be included after assessment.

For the various types of credit assets of KGI Bank which are not be regarded as low credit risk, it can be assumed that the credit risk of such assets has not increased significantly since the initial recognition.

10) Definition of default and impaired credit of financial assets

The definition of default of the financial assets of the KGI Bank is the same as that of the impaired credit assets. If one or more of the following conditions are met, KGI Bank determines that the credit asset has defaulted and the credit is impaired:

a) Quantitative index

i. When the borrower's overdue payment of the contract is more than 90 days.

ii. Changes in external rating of guarantor or issuer of the notes or bonds.

b) Qualitative index

For credit assets, there is evidence that the borrower will be unable to settle the loan, or has significant financial difficulties, such as:

i. Borrower has been bankrupt or may file a petition for bankruptcy or financial restructuring.

ii. Borrower's loan contract has been reclassified to nonperforming loans or has been written off as bad debts by the KGI Bank.

iii. Due to financial or contractual reasons related to the financial difficulties of the borrower, the creditor of the borrower gives the borrower concessions that would not have been considered or agreed (agreements).

iv. For cases involving the sale of non-performing loans and suits.

v. Payment by the bank to fulfill off-balance sheet financial contracts (e.g., guarantee advances).

The aforementioned definition of default and credit impairment applied to the credit assets held by KGI Bank is consistent with the definition of credit assets used for internal credit risk management purposes, and the relevant impairment assessment model is used.

The credit asset will be restore to the state of compliance and is not considered a credit impaired credit assets in default if it no longer meets the definition of default and credit impairment.

A debt instrument investor may also be deemed to have a credit impairment on the financial asset if the rating of the bond guarantor or issuer’s rating deteriorates significantly, for example, from an investment grade to a junk bond rating, or if one or more of the following conditions are met:

i. The guarantor or issuer cannot repay the principal or interest on the maturity date of the note or bond.

ii. Before the maturity of the note or bond, it can be objectively determined that the bond guarantor or issuer of note or bond may not be able to repay the principal and interest of the note or bond on time.

iii. Before the maturity of the note or bond, the bond guarantor or issuer of note or bond is in bankruptcy or in reorganization or taken over due to financial difficulties.

iv. Before the maturity of the note or bond, the bond guarantor or issuer of note or bond closes down or is in the process of perform other financial restructuring.

11) Write-off policy

The KGI Bank shall write off bad debts for non-performing loans and overdue receivables that meet one of the following requirements:

a) When reaching the criteria of write-off of the regulation.

b) There is a need to expedite the reduction of non-performing loans or for certain businesses that needs to comply with the requirements of the governing authorities.

c) Written off by the governing authorities or the financial inspection authorities.

d) Although the collateral has been collected, if it is difficult to dispose of the collateral or it may take a long time to recover the loan, the creditor’s balance shall be written of within the period which specified in a).

e) Obtaining the documentary evidence or supporting documents with the assessments that it is not possible to recover the loan.

12) Amendment of contract cash flows of financial assets

KGI Bank may amend the contract cash flows of credit assets as a result of financial difficulties of borrowers, improvement of problematic debtors' recovery rate. The contract amendments include the extension of the contract period, interest payment time modification, contract interest rate modification, or exemption of part of the debts.

13) Measurement of expected credit losses

For the purpose of measuring expected credit losses, KGI Bank divides credit assets into the following groups; for corporate banking, they are grouped according to scale, while for consumer banking, they are grouped according to product characteristics.

Business	Combination	Definition
Corporate banking	Large enterprises + Stage 1	Credit risk has not increased significantly.
	Small and medium enterprises + Stage 1	
	Large enterprises + Stage 2	Credit risk has increased significantly.
	Small and medium enterprises + Stage 2	
	Large enterprises + Stage 3	Credit impaired.
	Small and medium enterprises + Stage 3	
Consumer banking	Product + Stage 1	Credit risk has not increased significantly.
	Product + Stage 2	Credit risk has increased significantly.
	Product + Stage 3	Credit impaired.

KGI Bank measures the allowance loss for financial instruments that did not have a significant increase in credit risk since initial recognition based on the 12-month expected credit loss. For financial instruments that had a significant increase in credit risk or are credit impaired since initial recognition, the allowance loss is measured by lifetime expected credit losses.

To measure the expected credit losses, KGI Bank takes into account the borrower's probability of default ("PD") for the next 12 months and the period of existence, and include the loss given default ("LGD"). Multiply by the Exposure at default ("EAD") and taking into account the impact of the time value of money, the expected credit losses for 12 months and duration are calculated.

Probability of default is the probability of default of the borrower (or the counterparty) over a period of time; the loss given default refers to the probability of loss of the borrower (or the counterparty) due to inability to recover the debt at the end of the reminder procedures. The probability of default and loss given default are used in the impairment assessment of KGI Bank credit business are based on internal historical information (such as credit loss experience, etc.) of each group, and adjust the history data based on the current observable data and forward-looking general economic information (such as GDP and employment rate, etc.) which are used to calculate the probability of default on expected losses.

The exposure at default mean that KGI Bank can claim compensation for the book value held by borrowers (or the counterparty) after borrowers have defaulted. KGI Bank's exposure at default amount has taken into account the amount of credits that have been used and the amounts that may be used in the future for the exposure at default amount. The amount of credits is used as an assessment of exposure at default of on balance sheet credits or part of credits that were already used; off-balance sheet or committed credits that are not yet used are based on the corresponding Credit Conversion Factor (CCF) which considered the credits that are expected to be used within 12 months after the reporting date or expected lifetime to calculate exposure at default of expected credit loss.

14) Considerations of forward-looking information

KGI Bank incorporates forward-looking information when measuring expected credit losses on loans and receivables. Based on the business characteristics, KGI Bank selected the appropriate overall indicators as an adjustment parameter for default probability of lending. Based on the type of business, KGI Bank used different overall indicator. The Corporate banking business takes the Economic Growth Rate (GDP) as an adjustment parameter; the consumer banking business takes employment rate variation as adjustment parameter. KGI Bank will make reference to external information (predicted value of domestically renowned economic forecasting institutions) or group expert assessments to provide forecasting information on economic factors. quarterly. For example, the changes of leading index and changes of market capital index; it contains the best estimate of the economic situation in the next five years.

The measurement of expected credit loss of the Bank's debt instruments is based on an external credit migration matrix method to calculate the Probability of default (PD), which is incorporated in the information of forward-looking factors.

15) Changes of provisions for off-balance-sheet guarantees and commitments

For Three Months Ended March 31, 2024

	Stage 1	Stage 2		Stage 3				
		Lifetime ECL		Lifetime ECL				
	12 Months ECL	Lifetime ECL (Collectively Assessed)	Lifetime ECL (Individually Assessed)	Non-purchased or Originated Credit-impaired Financial Assets	Purchased or Originated Credit-impaired Financial Assets	Impairment in Accordance With IFRS 9	The Adjustments Under Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Nonperforming/ Nonaccrual Loans	Total
Balance at January 1	$ 86,033	$ 91	$ -	$ 2	$ -	$ 86,126	$ 154,967	$ 241,093
Changes due to financial instruments that have been identified at the beginning of the period:								
To lifetime ECL	(15)	15	-	-	-	-		-
From conversion to credit-impaired financial assets	-	-	-	-	-	-		-
To 12-month ECL	6	(6)	-	-	-	-		-
Derecognizing financial assets during the current period	(9,483)	(50)	-	(2)	-	(9,535)		(9,535)
Purchased or originated new financial assets	17,359	50	-	-	-	17,409		17,409
The adjustments under regulations governing the procedures for banking institutions to evaluate assets and deal with nonperforming/nonaccrual loans							20,840	20,840
Effect of exchange rate changes and others	(10,222)	112	-	2	-	(10,108)		(10,108)
Balance at March 31	$ 83,678	$ 212	$ -	$ 2	$ -	$ 83,892	$ 175,807	$ 259,699

KGI Bank and subsidiaries had no significant change in off-balance-sheet guarantees, and expected credit loss during the duration of the financing commitment for the three months ended March 31, 2024. The aforementioned provision on March 31, 2024 increased by $18,606 thousand from the beginning of the year.

For Three Months Ended March 31, 2023

	Stage 1	Stage 2		Stage 3		Impairment in Accordance With IFRS 9	The Adjustments Under Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Nonperforming/ Nonaccrual Loans	Total
		Lifetime ECL		Lifetime ECL				
	12 Months ECL	Lifetime ECL (Collectively Assessed)	Lifetime ECL (Individually Assessed)	Non-purchased or Originated Credit-impaired Financial Assets	Purchased or Originated Credit-impaired Financial Assets			
Balance at January 1	$ 63,024	$ 30	$ -	$ 41	$ -	$ 63,095	$ 107,002	$ 170,097
Changes due to financial instruments that have been identified at the beginning of the period:								
To lifetime ECL	-	-	-	-	-	-		-
From conversion to credit-impaired financial assets	-	-	-	-	-	-		-
To 12-month ECL	22	(2)	-	(20)	-	-		-
Derecognizing financial assets during the current period	(8,195)	(19)	-	(11)	-	(8,225)		(8,225)
Purchased or originated new financial assets	25,322	25	-	16	-	25,363		25,363
The adjustments under regulations governing the procedures for banking institutions to evaluate assets and deal with nonperforming/nonaccrual loans							38,206	38,206
Effect of exchange rate changes and others	20,190	23	-	(13)	-	20,200		20,200
Balance at March 31	$ 100,363	$ 57	$ -	$ 13	$ -	$ 100,433	$ 145,208	$ 245,641

KGI Bank and subsidiaries had no significant change in off-balance-sheet guarantees, and expected credit loss during the duration of the financing commitment for the three months ended March 31, 2023. The aforementioned provision on March 31, 2023 increased by $75,544 thousand from the beginning of the year.

16) A loss allowance for financial assets measured at FVTOCI

For the three months ended March 31, 2024 and 2023, there was no significant increase in the credit risk of debt instruments measured at FVTOCI of KGI Bank and subsidiaries; therefore, the loss allowance was assessed based on 12 months expected credit losses. As of March 31, 2024, December 31, 2023 and March 31, 2023, loss allowance for debt instruments measured at FVTOCI due to the adjustment of the portfolio were $43,540 thousand, $41,633 thousand and $40,655 thousand, respectively.

17) A loss allowance for financial assets measured at amortized cost

For the three months ended March 31, 2024 and 2023, there was no significant increase in the credit risk of debt investments measured at amortized cost of KGI Bank and subsidiaries; therefore, the loss allowance was assessed based on 12 months expected credit losses. As of March 31, 2024, December 31, 2023 and March 31, 2023, the recognition of loss allowance were $5,593 thousand, $5,489 thousand and $5,301 thousand, respectively.

18) Loss allowance for receivables

The reconciliation statement of loss allowance for receivables for the three months ended March 31, 2024 and 2023 of the KGI Bank and subsidiaries were as follows:

For Three Months Ended March 31, 2024

	Stage 1	Stage 2		Stage 3				
		Lifetime ECL		Lifetime ECL				
	12 Months ECL	Lifetime ECL (Collectively Assessed)	Lifetime ECL (Individually Assessed)	Non-purchased or Originated Credit-impaired Financial Assets	Purchased or Originated Credit-impaired Financial Assets	Impairment in Accordance With IFRS 9	The Adjustments Under Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Nonperforming/ Nonaccrual Loans	Total
Balance at January 1	$ 50,531	$ 28,486	$ -	$ 1,142,044	$ -	$ 1,221,061	$ 176,706	$ 1,397,767
Changes due to financial instruments that have been identified at the beginning of the period:								
To lifetime ECL	(434)	733	-	(299)	-	-		-
From conversion to credit-impaired financial assets	(171)	(1,162)	-	1,333	-	-		-
To 12-month ECL	3,374	(3,301)	-	(73)	-	-		-
Derecognizing financial assets during the current period	(19,626)	(4,323)	-	(1,198)	-	(25,147)		(25,147)
Purchased or originated new financial assets	16,063	824	-	598	-	17,485		17,485
The adjustments under regulations governing the procedures for banking institutions to evaluate assets and deal with nonperforming/nonaccrual loans							(9,398)	(9,398)
Write-off	-	-	-	(10,898)	-	(10,898)		(10,898)
Recovery of written-off	-	-	-	547	-	547		547
Effect of exchange rate changes and others	(9,239)	8,553	-	48,146	-	47,460		47,460
Balance at March 31	$ 40,498	$ 29,810	$ -	$ 1,180,200	$ -	$ 1,250,508	$ 167,308	$ 1,417,816

For Three Months Ended March 31, 2023

	Stage 1	Stage 2		Stage 3				
		Lifetime ECL		Lifetime ECL				
	12 Months ECL	Lifetime ECL (Collectively Assessed)	Lifetime ECL (Individually Assessed)	Non-purchased or Originated Credit-impaired Financial Assets	Purchased or Originated Credit-impaired Financial Assets	Impairment in Accordance With IFRS 9	The Adjustments Under Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Nonperforming/ Nonaccrual Loans	Total
Balance at January 1	$ 48,035	$ 23,846	$ -	$ 1,146,937	$ -	$ 1,218,818	$ 222,504	$ 1,441,322
Changes due to financial instruments that have been identified at the beginning of the period:								
To lifetime ECL	(473)	787	1	(315)	-	-		-
From conversion to credit-impaired financial assets	(113)	(1,443)	-	1,556	-	-		-
To 12-month ECL	1,310	(1,129)	-	(181)	-	-		-
Derecognizing financial assets during the current period	(18,943)	(2,060)	-	(6,123)	-	(27,126)		(27,126)
Purchased or originated new financial assets	18,936	479	833	293	-	20,541		20,541
The adjustments under regulations governing the procedures for banking institutions to evaluate assets and deal with nonperforming/nonaccrual loans							(56,932)	(56,932)
Write-off	-	-	-	(11,416)	-	(11,416)		(11,416)
Recovery of written-off	-	-	-	2,350	-	2,350		2,350
Effect of exchange rate changes and others	8,030	5,809	1,370	(2,185)	-	13,024		13,024
Balance at March 31	$ 56,782	$ 26,289	$ 2,204	$ 1,130,916	$ -	$ 1,216,191	$ 165,572	$ 1,381,763

Changes in total book values of receivables for the three months ended March 31, 2024 and 2023 of KGI Bank and subsidiaries:

For Three Months Ended March 31, 2024

	Stage 1	Stage 2		Stage 3		Total
		Lifetime ECL		Lifetime ECL		
	12 Months ECL	Lifetime ECL (Collectively Assessed)	Lifetime ECL (Individually Assessed)	Non-purchased or Originated Credit-impaired Financial Assets	Purchased or Originated Credit-impaired Financial Assets	
Balance at January 1	$ 27,338,310	$ 283,579	$ -	$ 1,739,969	$ -	$ 29,361,858
Conversion from individual financial instruments to lifetime ECL	-	-	-	-	-	-
Conversion from individual financial instruments to credit-impaired financial assets	-	-	-	-	-	-
Roll-out individual financial instruments from credit-impaired financial assets	-	-	-	-	-	-
Receivables based on collective assessment	(94,441)	56,262	-	38,179	-	-
Purchased or originated new receivables	4,819,438	9,179	-	1,982	-	4,830,599
Write-off	-	-	-	(10,898)	-	(10,898)
Derecognition	(5,839,054)	(46,624)	-	(98,497)	-	(5,984,175)
Effect of exchange rate changes and others	263,703	33	-	44,308	-	308,044
Balance at March 31	$ 26,487,956	$ 302,429	$ -	$ 1,715,043	$ -	$ 28,505,428

For Three Months Ended March 31, 2023

	Stage 1	Stage 2		Stage 3		Total
		Lifetime ECL		Lifetime ECL		
	12 Months ECL	Lifetime ECL (Collectively Assessed)	Lifetime ECL (Individually Assessed)	Non-purchased or Originated Credit-impaired Financial Assets	Purchased or Originated Credit-impaired Financial Assets	
Balance at January 1	$ 29,763,221	$ 281,421	$ -	$ 1,752,835	$ -	$ 31,797,477
Conversion from individual financial instruments to lifetime ECL	(4,449)	-	4,449	-	-	-
Conversion from individual financial instruments to credit-impaired financial assets	-	-	-	-	-	-
Roll-out individual financial instruments from credit-impaired financial assets	-	-	-	-	-	-
Receivables based on collective assessment	(102,219)	62,785	-	39,434	-	-
Purchased or originated new receivables	3,557,651	5,448	2,228	1,132	-	3,566,459
Write-off	-	-	-	(11,416)	-	(11,416)
Derecognition	(6,784,831)	(40,446)	(879)	(38,858)	-	(6,865,014)
Effect of exchange rate changes and others	(116,665)	-	96	(8,899)	-	(125,468)
Balance at March 31	$ 26,312,708	$ 309,208	$ 5,894	$ 1,734,228	$ -	$ 28,362,038

19) Loss allowance for discounts and loans

The reconciliation statement of allowance for bad debts of discounts and loans for the three months ended March 31, 2024 and 2023 of the KGI Bank and subsidiaries were as follows:

For Three Months Ended March 31, 2024

	Stage 1	Stage 2		Stage 3				
		Lifetime ECL		Lifetime ECL				
	12 Months ECL	Lifetime ECL (Collectively Assessed)	Lifetime ECL (Individually Assessed)	Non-purchased or Originated Credit-impaired Financial Assets	Purchased or Originated Credit-impaired Financial Assets	Impairment in Accordance With IFRS 9	The Adjustments Under Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Nonperforming/ Nonaccrual Loans	Total
Balance at January 1	$ 789,010	$ 168,283	$ -	$ 791,094	$ -	$ 1,748,387	$ 3,406,787	$ 5,155,174
Changes due to financial instruments that have been identified at the beginning of the period:								
To lifetime ECL	(3,925)	10,186	-	(6,261)	-	-		-
From conversion to credit-impaired financial assets	(1,640)	(29,924)	-	31,564	-	-		-
To 12-month ECL	49,887	(48,905)	-	(982)	-	-		-
Derecognizing financial assets during the current period	(266,905)	(8,901)	-	(20,168)	-	(295,974)		(295,974)
Purchased or originated new financial assets	283,469	596	-	1	-	284,066		284,066
The adjustments under regulations governing the procedures for banking institutions to evaluate assets and deal with nonperforming/nonaccrual loans							263,970	263,970
Write-off	-	-	-	(227,334)	-	(227,334)		(227,334)
Recovery of written-off	-	-	-	171,567	-	171,567		171,567
Effect of exchange rate changes and others	(7,330)	93,936	-	70,367	-	156,973		156,973
Balance at March 31	$ 842,566	$ 185,271	$ -	$ 809,848	$ -	$ 1,837,685	$ 3,670,757	$ 5,508,442

For Three Months Ended March 31, 2023

	Stage 1	Stage 2		Stage 3				
		Lifetime ECL		Lifetime ECL				
	12 Months ECL	Lifetime ECL (Collectively Assessed)	Lifetime ECL (Individually Assessed)	Non-purchased or Originated Credit-impaired Financial Assets	Purchased or Originated Credit-impaired Financial Assets	Impairment in Accordance With IFRS 9	The Adjustments Under Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Nonperforming/ Nonaccrual Loans	Total
Balance at January 1	$ 702,059	$ 99,224	$ -	$ 617,242	$ -	$ 1,418,525	$ 3,762,082	$ 5,180,607
Changes due to financial instruments that have been identified at the beginning of the period:								
To lifetime ECL	(1,399)	6,047	106	(4,754)	-	-		-
From conversion to credit-impaired financial assets	(1,258)	(22,526)	-	23,784	-	-		-
To 12-month ECL	5,347	(3,923)	-	(1,424)	-	-		-
Derecognizing financial assets during the current period	(246,188)	(4,458)	(2)	(16,477)	-	(267,125)		(267,125)
Purchased or originated new financial assets	275,822	81	-	12	-	275,915		275,915
The adjustments under regulations governing the procedures for banking institutions to evaluate assets and deal with nonperforming/nonaccrual loans							(243,500)	(243,500)
Write-off	-	-	-	(260,560)	-	(260,560)		(260,560)
Recovery of written-off	-	-	-	319,519	-	319,519		319,519
Effect of exchange rate changes and others	6,904	44,309	195,067	(144,982)	-	101,298		101,298
Balance at March 31	$ 741,287	$ 118,754	$ 195,171	$ 532,360	$ -	$ 1,587,572	$ 3,518,582	$ 5,106,154

Changes in total book values of discounts and loans for the three months ended March 31, 2024 and 2023 of the KGI Bank and subsidiaries were as follows:

For Three Months Ended March 31, 2024

	Stage 1	Stage 2		Stage 3		Total
		Lifetime ECL		Lifetime ECL		
	12 Months ECL	Lifetime ECL (Collectively Assessed)	Lifetime ECL (Individually Assessed)	Non-purchased or Originated Credit-impaired Financial Assets	Purchased or Originated Credit-impaired Financial Assets	
Balance at January 1	$ 397,443,558	$ 1,765,817	$ -	$ 2,928,147	$ -	$ 402,137,522
Conversion from individual financial instruments to lifetime ECL	-	-	-	-	-	-
Conversion from individual financial instruments to credit-impaired financial assets	-	-	-	-	-	-
Roll-out individual financial instruments from credit-impaired financial assets	-	-	-	-	-	-
Discounts and loans based on collective assessment	(389,857)	83,522	-	306,335	-	-
Purchased or originated new discounts and loans	159,285,712	3,688	-	30	-	159,289,430
Write-off	-	-	-	(227,334)	-	(227,334)
Derecognition	(134,406,927)	(88,970)	-	(74,015)	-	(134,569,912)
Effect of exchange rate changes and others	2,245,234	3,955	-	14,133	-	2,263,322
Balance at March 31	$ 424,177,720	$ 1,768,012	$ -	$ 2,947,296	$ -	$ 428,893,028

For Three Months Ended March 31, 2023

	Stage 1	Stage 2		Stage 3		Total
		Lifetime ECL		Lifetime ECL		
	12 Months ECL	Lifetime ECL (Collectively Assessed)	Lifetime ECL (Individually Assessed)	Non-purchased or Originated Credit-impaired Financial Assets	Purchased or Originated Credit-impaired Financial Assets	
Balance at January 1	$ 395,967,373	$ 1,533,963	$ -	$ 2,304,303	$ -	$ 399,805,639
Conversion from individual financial instruments to lifetime ECL	(516,704)	-	516,704	-	-	-
Conversion from individual financial instruments to credit-impaired financial assets	-	-	-	-	-	-
Roll-out individual financial instruments from credit-impaired financial assets	-	-	-	-	-	-
Discounts and loans based on collective assessment	(341,509)	28,342	-	313,167	-	-
Purchased or originated new discounts and loans	129,607,551	960	-	134	-	129,608,645
Write-off	-	-	-	(260,560)	-	(260,560)
Derecognition	(134,062,484)	(62,339)	(8,509)	(65,823)	-	(134,199,155)
Effect of exchange rate changes and others	(643,274)	-	13,723	(2,873)	-	(632,424)
Balance at March 31	$ 390,010,953	$ 1,500,926	$ 521,918	$ 2,288,348	$ -	$ 394,322,145

KGI Securities and subsidiaries

Credit risk analysis

1) Source of credit risk

The credit risks that KGI Securities and subsidiaries are exposed to during financial transactions include issuer's credit risk, and counterparty credit risk, etc.

a) Issuer's credit risk refers to the risk of financial loss that KGI Securities and subsidiaries face while possessing financial debt instruments when an issuer (or guarantor) or a bank defaults, files for bankruptcy or liquidates assets and in turn cannot honor the stipulations and fulfill the obligation of paying back (or fulfilling a guarantee).

b) Counterparty credit risk refers to the risk of financial loss that KGI Securities and subsidiaries face when a counterparty in derivative financial instrument transactions or other counterparties do not complete a transaction or fulfill a payment obligation on the appointed date.

2) Credit risk management

The investment, acquisition of fixed-income securities, other financial assets, and credit risk management of current counterparties are handled in accordance with KGI Securities and subsidiaries' internal control procedures and related regulations, and most of them have reached an external credit rating investment grade or above, so credit risk is very low.

3) Default and credit derogation definition of financial assets

a) The definition of the credit assets default of the KGI Securities and subsidiaries are the same as that of the impaired credit assets. If there is evidence that the issuer or counterparty will be unable to pay, or has significant financial difficulties, such as:

i. The issuer or counterparty has been bankrupt or may file a petition for bankruptcy or financial restructuring.

ii. The contract of the other financial instrument of the issuer or counterparty has been breached.

iii. The active market for the financial asset disappeared due to the financial difficulties of the issuer or counterparty.

iv. Purchase or initiate financial assets at a substantial discount that reflects credit losses that have occurred.

b) The aforementioned definition of default and credit impairment applies to all financial assets held by KGI Securities and subsidiaries are consistent with the definition of financial assets used for internal credit risk management purposes, and is used in the relevant impairment assessment.

c) If a credit asset is assessed to no longer meet the definition of default and credit impairment, it should return to the state of compliance, and is no longer considered a credit asset for default and credit impairment.

d) KGI securities and subsidiaries' financial assets are written-off if they are unable to reasonably expect that financial assets will be recovered (e.g., significant financial difficulties for the issuer or the debtor, or bankrupt).

4) Credit risk statement for financial assets

a) Cash and cash equivalents

KGI Securities and subsidiaries mainly deposit cash such as cash in bank in creditworthy financial institutions and deposit a certain amount of securities in a specific accounts appointed by the futures companies when engaging in future trading. KGI Securities and subsidiaries regularly evaluate the financial, operating and credit risk status of financial institutions and futures companies, and control the credit risk with the results. The evaluated credit risk is under KGI Securities and subsidiaries' control.

b) Financial assets measured at fair value through profit or loss - current

KGI Securities holds the unsecured corporate bonds, convertible (exchangeable) corporate bonds and part of the CB Asset Swap. Issuers of unsecured corporate bonds are listed/OTC companies or financial institutions. Issuers of convertible (exchangeable) corporate bonds are listed/OTC companies in Taiwan and partial of them are secured by bank. In most other holdings, KGI Securities conducts CB asset swap and issues Credit Linked Note to transfer credit risk and lower the credit risk exposure of the issuer. Therefore, the credit risk of the issuer has been effective control.

c) Financial assets measured at fair value through other comprehensive income (excluding equity instrument investments) and financial assets measured at amortized cost

KGI Securities and subsidiaries holds mainly the medium and long-term bond investment position. KGI Securities and subsidiaries pays attention to the credit rating of each investment and the financial status of the issuer (or guarantee institution) in order to minimize credit risk.

d) Bonds purchased under resell agreements

The counterparties with bonds purchased under resell agreements are mainly creditworthy financial institutions and companies. Because KGI Securities and subsidiaries holds bonds purchased under resell agreements as collateral, it can effectively reduce underlying exposure the counterparty's credit risk.

e) Receivables

Receivables mainly include margin loans receivable, trading securities receivable, futures commission merchant receivable and accounts receivable, etc. The main credit risk is receivable on margin loans and trading securities receivable of credit trading customers. KGI Securities and subsidiaries closely monitor market fluctuations and counterparties credit history, and enforce related control measures to minimize the credit risk.

f) Customer margin accounts

The exclusive account for depositing customer margin accounts is mainly opened in creditworthy banks, financial institutions and companies with investment grades, so there is no significant credit risk.

g) Stock borrowing collateral price and guarantee deposits - borrowed securities

When KGI Securities borrows securities from outside, they must deposit the guaranty fund into the financial institution designated by the other parties. Because KGI Securities holds the foregoing borrowed securities simultaneously, it can effectively reduce the risk of the counterparty's credit risk.

h) Other non-current assets

Other non-current assets are mainly operating guarantee deposits, clearing and settlement funds and guarantee deposits-out. KGI Securities and subsidiaries carefully evaluates the counterparty in accordance with the amount of deposit. The counterparties are a large number and the amount of each deposit is not high. The credit risk has been effectively dispersed, so the credit risk is very low.

5) Assessment of expected credit losses

a) Consideration of forward-looking information

KGI Securities and subsidiaries take forward-looking information into consideration when assessing whether there has been a significant increase in financial assets' credit risk after initial recognition and when measuring of expected credit losses.

Probability of default of debt instrument investment (except for at fair value through profit or loss) used by KGI Securities and subsidiaries is based on the probability of default contained forward-looking general economic information and regularly announced by international credit rating agencies.

Except for debt instrument investments, financial assets of KGI Securities and subsidiaries are analyzed using historical data to determine the economic factors that affect the expected credit losses of each asset portfolios, and supplemented by the best expectation announced by the government-affiliated institutions and academic research units. The best estimate of expected credit losses are reevaluate and revised on each financial reporting date.

b) Receivables and other financial assets

<u>KGI Securities and domestic subsidiaries</u>

KGI Securities and its domestic subsidiaries use simplified approach of IFRS 9 to measure the allowance losses by lifetime expected credit losses. The lifetime expected credit losses are based on historical records, current information, and relevant forward-looking information calculated by a regression model. For the fact that KGI Securities and domestic subsidiaries' historical records of credit losses indicate that there is no significant difference in the loss patterns of different customer groups, it is not measured in groups.

<u>Overseas subsidiaries</u>

The financial assets of overseas subsidiaries whose credit risk do not increase significantly after initial recognition are measured as 12-month expected credit losses. For financial assets whose credit risk has increased significantly after initial recognition, they are measured as lifetime expected credit losses. Customers' past default records, counterparty credit ratings, current information and relevant forward-looking information are take into consideration when assessing expected credit losses. For the fact that there is no significant difference in the loss patterns of different customer groups of overseas subsidiaries, it is not measured in groups.

c) Debt instrument investment (except at fair value through profit or loss)

The original purchase is based on the premise that the credit risk is low, it is assessed whether the credit risk is significantly increased and whether the credit risk is impaired after the initial recognition on each balance sheet date. The three stages are no significant increase in credit risk (Stage 1), low credit risk (Stage 2) and credit impairment (Stage 3). For the determination of significant increase in credit risk since initial recognition, the main indicators to be considered include the external credit rating and its change in grade (from investment grade to non-investment grade or credit rating dropping by more than a certain level compared to the original recognition date), and other market information related to the issuer indicating that its credit risk has increased significantly, etc. For the determination of credit impairment, it refers to default, significant financial difficulties, bankruptcy or financial reorganization of the issuer, or a combination of certain events that may have caused the financial assets to become credit-impaired. If the credit risk of a financial asset at the balance sheet date is determined to be low, the allowance for loss is measured at the expected credit loss over 12 months, assuming that the credit risk of the financial asset has not increased significantly since initial recognition, and for financial assets that have increased significantly since initial recognition or are impaired, the allowance for loss is measured at the expected credit loss over the remaining period.

In order to measure expected credit losses, KGI Securities consider the probability of default (PD) of financial assets or the issuer or counterparty for the next 12 months, which collectively consider the loss given default (LGD), and is multiplied by exposure at default (EAD). KGI Securities assess financial assets measured at amortized cost with exposure at default and consider the impact of time value of money to calculate the expected credit losses for 12 months and lifetime, respectively.

Probability of default is the probability that the issuer or the counterparty will default, and loss rate given default is the rate of loss caused by default by the issuer or counterparty. The probability of default and loss given default used by KGI Securities in related assessment of impairment are mainly relied on the probability of default and loss given default that are regularly announced by international credit rating agencies.

6) The estimation techniques or material assumptions used by KGI Securities and subsidiaries to assess expected credit losses did not change significantly for the three months ended March 31, 2024 and 2023.

Disclosure of total book value and allowance loss for financial assets' expected credit loss

1) Summary of KGI Securities and subsidiaries' total book value and allowance loss as of March 31, 2024, December 31, 2023 and March 31, 2023 are listed as follows:

Financial assets at fair value through other comprehensive income

Total book value for financial assets at debt instruments at fair value through other comprehensive income as of March 31, 2024, December 31, 2023 and March 31, 2023 were $46,930,642 thousand, $45,542,812 thousand and $44,758,735 thousand, respectively, and allowance were $20,298 thousand, $21,091 thousand and $19,279 thousand, respectively.

Accounts receivable and others

March 31, 2024

	Total Book Value	Less: Allowance Loss	Total
Cash and cash equivalents	$ 25,336,664	$ (531)	$ 25,336,133
Bonds purchased under resell agreement	13,277,359	(4)	13,277,355
Margin loans receivables	39,245,835	(12,654)	39,233,181
Trading securities receivables	17,818,311	(4,021)	17,814,290
Customer’s margin accounts	56,619,161	(31)	56,619,130
Futures commission merchant receivable	114,913	(114,912)	1
Deposits required for securities borrowing	45,351,186	(1)	45,351,185
Accounts receivable	85,213,380	(9,445)	85,203,935
Other current assets	39,818,161	(6,845)	39,811,316
Other non-current assets	4,452,034	(1,054,972)	3,397,062
	$ 327,247,004	$ (1,203,416)	$ 326,043,588

December 31, 2023

	Total Book Value	Less: Allowance Loss	Total
Cash and cash equivalents	$ 22,481,796	$ (527)	$ 22,481,269
Bonds purchased under resell agreement	13,142,593	(4)	13,142,589
Margin loans receivables	35,377,632	(11,626)	35,366,006
Trading securities receivables	15,688,314	(3,540)	15,684,774
Customer’s margin accounts	53,729,685	(30)	53,729,655
Futures commission merchant receivable	115,172	(115,126)	46
Deposits required for securities borrowing	39,929,060	(2)	39,929,058
Accounts receivable	55,930,018	(6,603)	55,923,415
Other current assets	38,190,049	(8,946)	38,181,103
Other non-current assets	4,598,077	(1,044,139)	3,553,938
	$ 279,182,396	$ (1,190,543)	$ 277,991,853

March 31, 2023

	Total Book Value	Less: Allowance Loss	Total
Cash and cash equivalents	$ 30,473,234	$ (1,080)	$ 30,472,154
Bonds purchased under resell agreement	9,953,846	(2)	9,953,844
Margin loans receivables	26,473,465	(2,540)	26,470,925
Trading securities receivables	9,966,463	(1,160)	9,965,303
Customer’s margin accounts	59,421,171	(5,373)	59,415,798
Futures commission merchant receivable	133,933	(133,933)	-
Deposits required for securities borrowing	39,631,912	(4)	39,631,908
Accounts receivable	52,243,400	(3,724)	52,239,676
Other current assets	35,355,314	(4,742)	35,350,572
Other non-current assets	4,935,091	(889,397)	4,045,694
	$ 268,587,829	$ (1,041,955)	$ 267,545,874

2) Changes in allowance losses of KGI Securities and subsidiaries for the three months ended March 31, 2024 and 2023 are as follows:

a) Financial assets at fair value through other comprehensive income

	12 Months Expected Credit Loss	Lifetime Expected Credit Loss (Collective)	Total
January 1, 2024	$ 21,091	$ -	$ 21,091
Addition (reversal)	(286)	60	(226)
Change in exchange rate and others	(568)	1	(567)
March 31, 2024	$ 20,237	$ 61	$ 20,298
January 1, 2023	$ 20,697	$ -	$ 20,697
Addition (reversal)	(1,356)	-	(1,356)
Change in exchange rate and others	(62)	-	(62)
March 31, 2023	$ 19,279	$ -	$ 19,279

The loss allowance of financial assets measured at fair value through other comprehensive income-debt instrument investments for the three months ended March 31, 2024 and 2023, were influenced by the derecognition and purchase.

b) Receivables and others

	12 Months Expected Credit Loss	Lifetime Expected Credit Loss (Collective)	Credit Impaired Financial Assets (Lifetime Expected Credit Loss)	Lifetime Expected Credit Loss (Simplify)	Total
January 1, 2024	$ 9,805	$ 141	$ 1,164,686	$ 15,911	$ 1,190,543
Addition (reversal)	(198)	-	208	4,119	4,129
Derecognizing financial assets during the current period	-	-	(388)	-	(388)
Change in exchange rate and others	326	6	8,796	4	9,132
March 31, 2024	$ 9,933	$ 147	$ 1,173,302	$ 20,034	$ 1,203,416
January 1, 2023	$ 8,802	$ 316	$ 1,028,067	$ 4,623	$ 1,041,808
Addition (reversal)	(367)	124	(822)	1,720	655
Derecognizing financial assets during the current period	-	-	(382)	-	(382)
Change in exchange rate and others	(24)	-	(101)	(1)	(126)
March 31, 2023	$ 8,411	$ 440	$ 1,026,762	$ 6,342	$ 1,041,955

The aforementioned total book value of receivables and other were influenced by the impact of securities market transactions.

CDIB Capital Group and subsidiaries

CDIB Capital Group and subsidiaries are exposed to credit risk due to default on contracts by counterparties. As of the balance sheet date, CDIB Capital Group and subsidiaries' maximum exposure to credit risk due to the counterparties' default on obligations is equal to the book value.

The maximum exposure to credit risk held by CDIB Capital Group and subsidiaries of the financial instruments is equal to the book value.

KGI Life Insurance

- Credit risk analysis

  1) Credit risk refers to the counterparties fail to fulfill obligations of contract, resulting in the risk of loss of value. Credit risks of KGI Life Insurance result from operating and financing activities, which mainly include lending, investing in financial instruments and receivables.

     The departments of KGI Life Insurance follow credit risk policies, procedures and controls to manage credit risks. The credit risk assessment of all issuers or counterparties is based on comprehensive consideration of their financial status, credit ratings, historical transaction records, current economic environment, KGI Life Insurance's internal rating indicators, and etc. Also, KGI Life Insurance uses certain credit enhancement tools in due course to reduce the credit risk of a particular issuer or counterparty.

     For investments of financial instruments, its original purchase is based on the premise that the credit risk is low, and on each balance sheet date, it is assessed whether the conditions of low credit risk are still met to determine the method of measuring the allowance. Also, KGI Life Insurance dispose those investments to reduce credit losses in appropriate time, such as there is a significant increase in credit risk. In addition, KGI Life Insurance has established credit VaR model to assess the maximum loss of the credit positions due to changes of credit rating or default. Besides, KGI Life Insurance also evaluates credit risk and concentration risk based on issuer's region, industry and credit rating within portfolios.

     Lending of KGI Life Insurance is determined by the factors that affect the risk based on the 5P principle which gives different weights according to the impact of the risk so as to calculate the credit score of each borrower. The credit score comprehensively measures the rationality of the purpose of the loan, the collateral area, value and number, the customer's credit report, historical interest payment record, financial status, debt repayment ability, and etc. Once a delay occurs, it is promptly collected in accordance with the procedures to avoid financial losses.

     KGI Life Insurance assesses expected credit losses in accordance with IFRS 9, except for some of receivables, which allowance are measured by lifetime expected credit losses. The original purchase of the rest, which do not belong to debt instruments measured at fair value through profit or loss, is based on the premise of low credit risk and uses credit risk as the basis of the differentiation group. On each balance sheet date, assessing whether the credit risk is significantly increased after the initial recognition to determine the method of measuring the allowance loss. The main considerations for determining whether the credit risk has increased significantly include objective evidence such as the external credit rating and its degree of change, other market information related to the issuer which shows that its credit risk has increased significantly, etc. For the judgment of credit impairment, it refers to the default of contract, the overdue payment of interest or principal for holding debt instruments for more than 90 days, the happening of major financial difficulties, bankruptcy or financial reorganization of the issuer. If the credit risk of a financial asset at the balance sheet date is low, it is assumed that the credit risk of the financial asset has not increased significantly since the initial recognition. For financial assets whose credit risk has not increased significantly since initial recognition, KGI Life Insurance measures the allowance loss by the 12-month expected credit loss amount;

For financial assets with a significant increase in credit risk or credit impairment since initial recognition, and the allowance loss is measured at the amount of expected credit loss during the lifetime.

Expected credit losses will be measured by the probability of default (PD) of the issuer or the counterparty over the next 12 months and the lifetime, multiplied by the loss given default (LGD) and the exposure at default (EAD), and is considered by the impact of the time value of money. The expected credit losses for 12 months and duration is calculated, respectively.

Probability of default is the probability that the issuer or the counterparty will default, and the loss given default is the rate of loss caused by default by the issuer or counterparty. KGI Life Insurance employs information on the default probability and default loss rate published by external credit rating agencies and adjusts it based on forward-looking general economic information or market conditions.

KGI Life Insurance employs amortized cost of financial assets plus accrued interest and receivables as a measure of exposure at default, while loans are calculated as the sum of the principal balance of the debtor at the time of calculation, interest, and payable as a measure of exposure at default.

Some of the allowance losses of part of receivables are measured by its expected credit losses for its lifetime. The expected credit losses during the existence period is considered by the past default records and current information, and the expected credit loss rate is set based on the overdue days of receivables.

2) Financial assets credit risk concentration analysis

a) The largest credit risk exposure of the financial debt instrument investments held by KGI Life Insurance or deposit in the bank is listed in accordance with the regional distribution as follows:

March 31, 2024

Financial Assets	Taiwan	Asia	Europe	America	Global	Total
Cash and cash equivalents	$ 32,255,406	$ 2,626,922	$ 551,697	$ -	$ -	$ 35,434,025
Financial assets at fair value through profit or loss	27,270,173	7,902,170	9,775,856	2,518,445	-	47,466,644
Financial assets at fair value through other comprehensive income	1,998,283	3,187,227	7,518,355	29,930,716	-	42,634,581
Financial assets at amortized cost	139,603,478	447,680,790	377,184,774	667,577,970	4,557,268	1,636,604,280
Refundable deposits - bonds	7,338,978	-	-	7,760,935	-	15,099,913
	$ 208,466,318	$ 461,397,109	$ 395,030,682	$ 707,788,066	$ 4,557,268	$ 1,777,239,443
Proportion	11.73%	25.96%	22.23%	39.82%	0.26%	100.00%

December 31, 2023

Financial Assets	Taiwan	Asia	Europe	America	Global	Total
Cash and cash equivalents	$ 38,086,633	$ 2,553,958	$ 8,561,118	$ -	$ -	$ 49,201,709
Financial assets at fair value through profit or loss	27,278,093	7,482,077	9,520,667	2,410,792	-	46,691,629
Financial assets at fair value through other comprehensive income	2,040,432	5,553,064	9,141,914	29,393,351	-	46,128,761
Financial assets at amortized cost	143,666,302	432,965,972	365,207,805	648,007,796	4,336,448	1,594,184,323
Refundable deposits - bonds	7,338,773	-	-	159,346	-	7,498,119
	$ 218,410,233	$ 448,555,071	$ 392,431,504	$ 679,971,285	$ 4,336,448	$ 1,743,704,541
Proportion	12.53%	25.72%	22.50%	39.00%	0.25%	100.00%

March 31, 2023

Financial Assets	Taiwan	Asia	Europe	America	Global	Total
Cash and cash equivalents	$ 44,331,832	$ 4,413,004	$ 12,214,545	$ -	$ -	$ 60,959,381
Financial assets at fair value through profit or loss	26,866,593	7,626,813	9,102,917	2,347,699	-	45,944,022
Financial assets at fair value through other comprehensive income	2,038,571	4,563,270	6,019,273	10,487,027	-	23,108,141
Financial assets at amortized cost	156,239,529	426,249,907	358,791,375	636,613,268	5,234,194	1,583,128,273
Refundable deposits - bonds	7,337,646	-	-	1,526,174	-	8,863,820
	$ 236,814,171	$ 442,852,994	$ 386,128,110	$ 650,974,168	$ 5,234,194	$ 1,722,003,637
Proportion	13.75%	25.72%	22.42%	37.80%	0.31%	100.00%

b) KGI Life Insurance’s regional distribution of credit risk exposure for loans (excluding policy loans and automatic premium loans) is as follows:

March 31, 2024

Location	Northern Areas: Taipei and Eastern Counties	Central Area: Taichung to Changhua and Nantou	Southern Area: Counties Below Tainan	Total
Secured loans	$ 79,507	$ 33,194	$ 42,310	$ 155,011
Overdue receivables	-	-	-	-
	$ 79,507	$ 33,194	$ 42,310	$ 155,011
Proportion	51.29%	21.41%	27.30%	100.00%

December 31, 2023

Location	Northern Areas: Taipei and Eastern Counties	Central Area: Taichung to Changhua and Nantou	Southern Area: Counties Below Tainan	Total
Secured loans	$ 86,383	$ 38,249	$ 47,836	$ 172,468
Overdue receivables	-	-	-	-
	$ 86,383	$ 38,249	$ 47,836	$ 172,468
Proportion	50.09%	22.18%	27.73%	100.00%

March 31, 2023

Location	Northern Areas: Taipei and Eastern Counties	Central Area: Taichung to Changhua and Nantou	Southern Area: Counties Below Tainan	Total
Secured loans	$ 126,234	$ 48,874	$ 67,361	$ 242,469
Overdue receivables	-	-	-	-
	$ 126,234	$ 48,874	$ 67,361	$ 242,469
Proportion	52.06%	20.16%	27.78%	100.00%

3) Disclosure of total book value and allowance loss for financial assets' expected credit loss

The reconciliation statement of loss allowance for financial assets measured at FVTOCI for the three months ended March 31, 2024 and 2023 were as follows:

	12 Months Expected Credit Loss	Lifetime Expected Credit Loss (Credit Risk Significantly Increase)	Lifetime Expected Credit Loss (Credit Risk Has Been Impaired)	Impairment Recognized in Accordance with IFRS 9
January 1, 2024	$ 4,278	$ -	$ -	$ 4,278
Change due to financial assets recognized at the beginning of the period				
Change to 12 months expected credit loss	-	-	-	-
Change to duration expected credit loss	-	-	-	-
Change to credit impairment of financial assets	-	-	-	-

(Continued)

	12 Months Expected Credit Loss	Lifetime Expected Credit Loss (Credit Risk Significantly Increase)	Lifetime Expected Credit Loss (Credit Risk Has Been Impaired)	Impairment Recognized in Accordance with IFRS 9
Disposal	$ (662)	$ -	$ -	$ (662)
Addition	280	-	-	280
Change in model/risk parameters	(160)	-	-	(160)
Change in exchange rate and others	138	-	-	138
March 31, 2024	$ 3,874	$ -	$ -	$ 3,874
January 1, 2023	$ -	$ -	$ -	$ -
Change due to financial assets recognized at the beginning of the period				
Change to 12 months expected credit loss	-	-	-	-
Change to duration expected credit loss	-	-	-	-
Change to credit impairment of financial assets	-	-	-	-
Disposal	-	-	-	-
Addition	2,057	-	-	2,057
Change in model/risk parameters	-	-	-	-
Change in exchange rate and others	-	-	-	-
March 31, 2023	$ 2,057	$ -	$ -	$ 2,057

(Concluded)

The reconciliation statement of loss allowance for financial assets measured at amortized cost for the three months ended March 31, 2024 and 2023 were as follows:

	12 Months Expected Credit Loss	Lifetime Expected Credit Loss (Credit Risk Significantly Increase)	Lifetime Expected Credit Loss (Credit Risk Has Been Impaired)	Impairment Recognized in Accordance with IFRS 9
January 1, 2024	$ 223,423	$ 64,130	$ 1,175,793	$ 1,463,346
Change due to financial assets recognized at the beginning of the period				
Change to 12 months expected credit loss	-	-	-	-
Change to duration expected credit loss	-	-	-	-
Change to credit impairment of financial assets	-	-	-	-
Disposal	(751)	(1)	(1,316)	(2,068)
Addition	510	-	7	517
Change in model/risk parameters	(8,176)	(2,631)	(170,039)	(180,846)
Change in exchange rate and others	7,450	2,511	41,014	50,975
March 31, 2024	$ 222,456	$ 64,009	$ 1,045,459	$ 1,331,924
January 1, 2023	$ 222,287	$ 75,661	$ 1,130,258	$ 1,428,206
Change due to financial assets recognized at the beginning of the period				
Change to 12 months expected credit loss	-	-	-	-
Change to duration expected credit loss	-	-	-	-
Change to credit impairment of financial assets	-	-	-	-
Disposal	(2,265)	(1)	(1,216)	(3,482)
Addition	1,811	-	5	1,816
Change in model/risk parameters	(17,839)	(4,731)	(170,464)	(193,034)
Change in exchange rate and others	(1,694)	(587)	(7,929)	(10,210)
March 31, 2023	$ 202,300	$ 70,342	$ 950,654	$ 1,223,296

The reconciliation statement of other receivables related to financial asset measured at FVTCOI and financial assets measured at amortized cost for the three months ended March 31, 2024 and 2023 were as follows:

	12 Months Expected Credit Loss	Lifetime Expected Credit Loss (Credit Risk Significantly Increase)	Lifetime Expected Credit Loss (Credit Risk Has Been Impaired)	Impairment Recognized in Accordance with IFRS 9
January 1, 2024	$ 2,227	$ 539	$ 1,407,955	$ 1,410,721
Change due to financial assets recognized at the beginning of the period				
Change to 12 months expected credit loss	-	-	-	-
Change to duration expected credit loss	-	-	-	-
Change to credit impairment of financial assets	-	-	-	-
Disposal	(1,063)	-	-	(1,063)
Addition	849	833	192,090	193,772
Change in model/risk parameters	(37)	(22)	-	(59)
Change in exchange rate and others	35	21	57,491	57,547
March 31, 2024	$ 2,011	$ 1,371	$ 1,657,536	$ 1,660,918
January 1, 2023	$ 2,108	$ 636	$ 669,151	$ 671,895
Change due to financial assets recognized at the beginning of the period				
Change to 12 months expected credit loss	-	-	-	-
Change to duration expected credit loss	-	-	-	-
Change to credit impairment of financial assets	-	-	-	-
Disposal	(1,011)	-	-	(1,011)
Addition	816	915	182,867	184,598
Change in model/risk parameters	(97)	(40)	-	(137)
Change in exchange rate and others	(9)	(5)	(5,535)	(5,549)
March 31, 2023	$ 1,807	$ 1,506	$ 846,483	$ 849,796

For the three months ended March 31, 2024 and 2023, the changes in debt investments allowance loss measured at amortized cost and at fair value through other comprehensive income result from the variation of allowance loss parameter which is affected by recent financial environment, and forward - looking factors, follow as disposals and new additions.

The expected credit loss rate measuring the amount of allowance loss of the investment in debt instruments of financial assets and other related receivables are as follows:

March 31, 2024

	12 Months Expected Credit Loss	**Lifetime Expected Credit Loss (Credit Risk Significantly Increase)**	**Lifetime Expected Credit Loss (Credit Risk Has Been Impaired)**
Measured fair value through other comprehensive income	0.00%-0.03%	-	-
Measured at amortized cost	0.00%-0.21%	2.17%-2.31%	4.31%-7.97%
Other receivables	0.00%-0.21%	2.17%-2.31%	100%

December 31, 2023

	12 Months Expected Credit Loss	**Lifetime Expected Credit Loss (Credit Risk Significantly Increase)**	**Lifetime Expected Credit Loss (Credit Risk Has Been Impaired)**
Measured fair value through other comprehensive income	0.00%-0.03%	-	-
Measured at amortized cost	0.00%-0.22%	2.26%-2.41%	5.57%-9.02%
Other receivables	0.00%-0.22%	2.26%-2.41%	100%

March 31, 2023

	12 Months Expected Credit Loss	**Lifetime Expected Credit Loss (Credit Risk Significantly Increase)**	**Lifetime Expected Credit Loss (Credit Risk Has Been Impaired)**
Measured fair value through other comprehensive income	0.00%-0.01%	-	-
Measured at amortized cost	0.00%-0.08%	2.50%-2.67%	4.01%-7.61%
Other receivables	0.00%-0.08%	2.50%-2.67%	100.00%

KGI Life Insurance has considered the impact of the war between Russia and Ukraine and has made appropriate provision for impairment. KGI Life Insurance will continue to the follow-up on the development of the conflict and take the impact of this incident into consideration when evaluating the expected credit losses of relevant financial assets.

Changes in allowance losses for the three months ended March 31, 2024 and 2023 are as follows:

	12 Months Expected Credit Loss	Lifetime Expected Credit Loss - Collective	Lifetime Expected Credit Loss - Individual	Impairment Recognized In Accordance with IFRS 9	Different of Impairment Recognized In Accordance with Guidelines for Handling Assessment of Assets, Loans Overdue, Receivable on Demand and Bad Debts By Insurance Enterprises	Total
January 1, 2024	$ 2	$ 101	$ 53	$ 156	$ 2,573	$ 2,729
Change due to financial assets recognized at the beginning of the period						
Change to duration expected credit loss	-	-	-	-	-	-
Change to 12 months expected credit loss	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Impairment recognized in accordance with Guidelines for Handling Assessment of Assets, Loans Overdue, Receivable on Demand and Bad Debts by Insurance Enterprises	-	-	-	-	(260)	(260)
Change in exchange rate and others	-	262	(2)	260	-	260
March 31, 2024	$ 2	$ 363	$ 51	$ 416	$ 2,313	$ 2,729
January 1, 2023	$ 4	$ 146	$ 328	$ 478	$ 3,793	$ 4,271
Change due to financial assets recognized at the beginning of the period						
Change to duration expected credit loss	-	-	-	-	-	-
Change to 12 months expected credit loss	-	-	-	-	-	-
Disposal	-	-	(26)	(26)	-	(26)
Impairment recognized in accordance with Guidelines for Handling Assessment of Assets, Loans Overdue, Receivable on Demand and Bad Debts by Insurance Enterprises	-	-	-	-	(380)	(380)
Change in exchange rate and others	-	420	(14)	406	-	406
March 31, 2023	$ 4	$ 566	$ 288	$ 858	$ 3,413	$ 4,271

The allowance loss of KGI Life Insurance's accounts receivables arising from other transactions are measured by lifetime expected credit loss. Changes in allowance losses of receivables for the three months ended March 31, 2024 and 2023 are as follows:

	For the Three Months Ended March 31	
	2024	2023
The beginning of the period	$ 6,287	$ 5,004
Addition (reversal)	(438)	1,932
The ended of the period	$ 5,849	$ 6,936

4) The information on the total book value and credit risk ratings of financial assets

a) Financial assets at fair value through other comprehensive income, financial assets measured at amortized cost and related other receivables

March 31, 2024

	12 Months Expected Credit Loss	Lifetime Expected Credit Loss (Credit Risk Significantly Increase)	Lifetime Expected Credit Loss (Credit Risk Has Been Impaired)	Total
Investment grade				
Financial assets at fair value through other comprehensive income	$ 44,415,359	$ -	$ -	$ 44,415,359
Financial assets measured at amortized cost	1,626,362,182	2,855,719	-	1,629,217,901
Other receivables	13,128,170	61,325	-	13,189,495
Non-investment grade				
Financial assets at fair value through other comprehensive income	-	-	-	-
Financial assets measured at amortized cost	7,151,175	-	16,667,041	23,818,216
Other receivables	54,505	-	1,657,537	1,712,042

December 31, 2023

	12 Months Expected Credit Loss	Lifetime Expected Credit Loss (Credit Risk Significantly Increase)	Lifetime Expected Credit Loss (Credit Risk Has Been Impaired)	Total
Investment grade				
Financial assets at fair value through other comprehensive income	$ 46,271,401	$ -	$ -	$ 46,271,401
Financial assets measured at amortized cost	1,577,491,606	2,743,733	-	1,580,235,339
Other receivables	13,799,110	23,167	-	13,822,277
Non-investment grade				
Financial assets at fair value through other comprehensive income	-	-	-	-
Financial assets measured at amortized cost	6,879,509	-	16,030,940	22,910,449
Other receivables	138,213	-	1,407,956	1,546,169

March 31, 2023

	12 Months Expected Credit Loss	Lifetime Expected Credit Loss (Credit Risk Significantly Increase)	Lifetime Expected Credit Loss (Credit Risk Has Been Impaired)	Total
Investment grade				
Financial assets at fair value through other comprehensive income	$ 23,148,596	$ -	$ -	$ 23,148,596
Financial assets measured at amortized cost	1,567,938,943	2,718,785	-	1,570,657,728
Other receivables	13,956,055	58,381	-	14,014,436
Non-investment grade				
Financial assets at fair value through other comprehensive income	-	-	-	-
Financial assets measured at amortized cost	6,621,486	-	15,936,174	22,557,660
Other receivables	49,424	-	846,483	895,907

Note 1: Including securities serving as collateral deposits.

Note 2: KGI Life Insurance's investment grade based on rating of the credit rating agencies: Investment grade means credit rating reaches at least BBB-granted by a credit rating agency; Non-investment grade means no credit rating or credit rating lower than BBB-granted by a credit rating agency.

b) Guarantee loans and related other receivables

March 31, 2024

Credit Risk Ratings	Measurement of Expected Credit Loss	Guarantee Loans	Other Receivables
Low credit risk	12 months expected credit loss	$ 156,935	$ 190
Credit risk significantly increase	Lifetime expected credit loss	-	-
Impairment	Lifetime expected credit loss	805	-
Total book value		$ 157,740	$ 190

December 31, 2023

Credit Risk Ratings	Measurement of Expected Credit Loss	Guarantee Loans	Other Receivables
Low credit risk	12 months expected credit loss	$ 174,363	$ 211
Credit risk significantly increase	Lifetime expected credit loss	-	-
Impairment	Lifetime expected credit loss	834	-
Total book value		$ 175,197	$ 211

March 31, 2023

Credit Risk Ratings	Measurement of Expected Credit Loss	Guarantee Loans	Other Receivables
Low credit risk	12 months expected credit loss	$ 241,677	$ 277
Credit risk significantly increase	Lifetime expected credit loss	527	3
Impairment	Lifetime expected credit loss	4,536	5
Total book value		$ 246,740	$ 285

c. Liquidity risk

KGI Bank and subsidiaries

1) The source and definition of liquidity risk

Liquidity risk of KGI Bank refers to the risks of bearing profit or capital loss because of the inability to obtain funds with reasonable price to meet the financial obligation with a reasonable time, such as early termination of deposits, deteriorating of the source and condition of financing from banks influenced by specific market, abnormal recover of funds due to default from borrowers, inability to liquidate financial instruments and early exertion of rights of rescission of interest sensitive product by the assured. The aforementioned situation may reduce cash source of loan, transactions and investment. In some extreme cases, the lack of liquidity may result in a decrease in the overall position of the balance sheet, sale of assets and failure to perform loan commitments.

2) Management policy of liquidity risk

KGI Bank's liquidity risk management uses gap limit management strategy, which is the net cumulative mismatch of inflows and outflows, and calculates the maximum cumulative cash outflow (MCO) to monitor the daily funding gap by each currency as a basis for controlling the liquidity risk. For Liquidity gap management, KGI Bank also actively deconcentrates funding sources, distributes the fund maturity date based on the gap report, disperses the call loans (lending) from counterparties and increases the renewal rate of enterprises' deposits to enhance the stability of the resources of funds.

3) Maturity analysis of financial assets and non-derivative financial liabilities held for liquidity risk management

a) Financial assets held for liquidity management

The KGI Bank holds cash and highly liquid and high-grade profit-generating assets to pay off obligations and meet any potential emergency funding needs in the market environment. The assets held for liquidity management include cash and cash equivalents, due from the Central Bank and call loans to banks, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, securities purchased under resell agreement, accounts receivable, and discounts and loans, etc.

b) Maturity analysis of non-derivative financial liabilities

The following tables show the cash outflows on the KGI Bank's non-derivative financial liabilities based on the remaining period from the balance sheet date to the maturity date of the contract. However, because the amounts disclosed were based on contractual cash flows, some of them will not match the amounts shown in the balance sheets.

Maturity analysis of KGI Bank's non-derivative financial liabilities in New Taiwan dollars

(In Thousands of New Taiwan Dollars)

March 31, 2024	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Deposits from the Central Bank and banks	$ 3,700,000	$ -	$ -	$ 180,556	$ -	$ 3,880,556
Notes and bonds issued under repurchase agreement	11,698,465	29,930	-	-	-	11,728,395
Deposits and remittances	51,905,322	80,022,084	72,781,726	115,973,509	38,119,810	358,802,451
Loans payable	-	700,000	-	-	27,203,884	27,903,884
Other capital outflow on maturity	1,021,533	585,693	397,005	1,709,826	3,271,699	6,985,756
Total	$ 68,325,320	$ 81,337,707	$ 73,178,731	$ 117,863,891	$ 68,595,393	$ 409,301,042

(In Thousands of New Taiwan Dollars)

December 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Deposits from the Central Bank and banks	$ 3,623,296	$ -	$ -	$ 157,260	$ -	$ 3,780,556
Notes and bonds issued under repurchase agreement	8,698,692	-	-	-	-	8,698,692
Deposits and remittances	55,272,822	73,546,061	62,980,713	111,858,526	36,810,638	340,468,760
Loans payable	-	-	700,000	-	26,263,333	26,963,333
Other capital outflow on maturity	2,626,137	384,345	432,566	3,655,769	3,320,676	10,419,493
Total	$ 70,220,947	$ 73,930,406	$ 64,113,279	$ 115,671,555	$ 66,394,647	$ 390,330,834

(In Thousands of New Taiwan Dollars)

March 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Deposits from the Central Bank and banks	$ -	$ -	$ -	$ 180,556	$ -	$ 180,556
Notes and bonds issued under repurchase agreement	6,962,738	-	-	-	-	6,962,738
Deposits and remittances	69,815,939	93,837,770	62,858,749	105,225,827	34,804,648	366,542,933
Loans payable	-	-	-	333,333	25,510,000	25,843,333
Other capital outflow on maturity	2,459,584	568,411	432,498	1,430,313	3,674,397	8,565,203
Total	$ 79,238,261	$ 94,406,181	$ 63,291,247	$ 107,170,029	$ 63,989,045	$ 408,094,763

Maturity analysis of KGI Bank's non-derivative financial liabilities in U.S. dollars

(In Thousands of U.S. Dollars)

March 31, 2024	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Deposits from the Central Bank and banks	$ -	$ 75,000	$ 30,000	$ -	$ -	$ 105,000
Notes and bonds issued under repurchase agreement	325,586	216,339	709,019	-	-	1,250,944
Deposits and remittances	1,654,498	1,970,857	917,068	1,754,299	3,540	6,300,262
Other capital outflow on maturity	27,038	43,107	21,779	6,282	18,494	116,700
Total	$ 2,007,122	$ 2,305,303	$ 1,677,866	$ 1,760,581	$ 22,034	$ 7,772,906

(In Thousands of U.S. Dollars)

December 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Deposits from the Central Bank and banks	$ 100,000	$ -	$ -	$ -	$ -	$ 100,000
Notes and bonds issued under repurchase agreement	298,098	-	587,875	-	-	885,973
Deposits and remittances	1,619,948	1,822,766	1,292,314	1,576,855	6,067	6,317,950
Other capital outflow on maturity	73,896	46,193	26,474	4,537	83,522	234,622
Total	$ 2,091,942	$ 1,868,959	$ 1,906,663	$ 1,581,392	$ 89,589	$ 7,538,545

(In Thousands of U.S. Dollars)

March 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Deposits from the Central Bank and banks	$ 245,000	$ 60,000	$ -	$ -	$ -	$ 305,000
Notes and bonds issued under repurchase agreement	115,479	391,521	372,816	-	-	879,816
Deposits and remittances	1,647,501	1,587,244	495,889	1,418,043	7,650	5,156,327
Loans payable	-	-	-	-	-	-
Other capital outflow on maturity	93,397	50,918	36,425	3,601	25,761	210,102
Total	$ 2,101,377	$ 2,089,683	$ 905,130	$ 1,421,644	$ 33,411	$ 6,551,245

4) Maturity analysis of derivative financial instruments

The valuation of the maturity of the contracts is essential for presenting the financial instruments on the balance sheet. The amount disclosed in the balance sheet is prepared based on the cash flows of the contract. Thus, a part of the amount disclosed deviates from the balance sheet.

Maturity analysis of KGI Bank's derivative financial instruments in New Taiwan dollars

(In Thousands of New Taiwan Dollars)

March 31, 2024	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at fair value through profit or loss						
Foreign exchange derivatives instruments						
Cash outflow	$ (192,994,867)	$ (286,105,693)	$ (240,749,573)	$ (123,538,003)	$ (2,871,790)	$ (846,259,926)
Cash inflow	193,675,473	273,621,437	207,688,747	100,474,889	3,521,530	778,982,076
Interest rate derivatives instruments						
Cash outflow	(292,369)	(597,768)	(89,131)	-	(21,606,462)	(22,585,730)
Cash inflow	585,056	546,751	79,083	1,857	-	1,212,747
Financial instruments for hedging						
Interest rate derivatives instruments						
Cash outflow	-	(58,885)	-	-	-	(58,885)
Cash inflow	-	3,896	39,914	80,765	-	124,575
Cash outflow subtotal	(193,287,236)	(286,762,346)	(240,838,704)	(123,538,003)	(24,478,252)	(868,904,541)
Cash inflow subtotal	194,260,529	274,172,084	207,807,744	100,557,511	3,521,530	780,319,398
Net cash flow	$ 973,293	$ (12,590,262)	$ (33,030,960)	$ (22,980,492)	$ (20,956,722)	$ (88,585,143)

(In Thousands of New Taiwan Dollars)

December 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at fair value through profit or loss						
Foreign exchange derivatives instruments						
Cash outflow	$ (247,346,473)	$ (357,827,293)	$ (197,160,030)	$ (51,215,570)	$ (4,457,110)	$ (858,006,476)
Cash inflow	223,894,441	329,846,705	202,847,428	43,550,175	3,559,260	803,698,009
Interest rate derivatives instruments						
Cash outflow	(362,820)	(579,060)	(52,050)	-	(22,163,586)	(23,157,516)
Cash inflow	260,457	529,826	42,797	1,857	-	834,937
Financial instruments for hedging						
Interest rate derivatives instruments						
Cash outflow	-	(59,068)	-	-	-	(59,068)
Cash inflow	-	80,853	3,896	39,914	-	124,663
Cash outflow subtotal	(247,709,293)	(358,465,421)	(197,212,080)	(51,215,570)	(26,620,696)	(881,223,060)
Cash inflow subtotal	224,154,898	330,457,384	202,894,121	43,591,946	3,559,260	804,657,609
Net cash flow	$ (23,554,395)	$ (28,008,037)	$ 5,682,041	$ (7,623,624)	$ (23,061,436)	$ (76,565,451)

(In Thousands of New Taiwan Dollars)

March 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at fair value through profit or loss						
Foreign exchange derivatives instruments						
Cash outflow	$ (188,113,368)	$ (219,286,807)	$ (173,707,573)	$ (166,949,146)	$ (708,600)	$ (748,765,494)
Cash inflow	200,775,181	220,620,649	160,559,099	146,991,760	830,937	729,777,626
Interest rate derivatives instruments						
Cash outflow	(385,849)	(459,862)	(73,131)	-	(22,230,175)	(23,149,017)
Cash inflow	287,098	416,507	65,462	-	1,857	770,924
Financial instruments for hedging						
Interest rate derivatives instruments						
Cash outflow	-	(53,242)	-	-	-	(53,242)
Cash inflow	-	3,885	39,696	80,853	-	124,434
Cash outflow subtotal	(188,499,217)	(219,799,911)	(173,780,704)	(166,949,146)	(22,938,775)	(771,967,753)
Cash inflow subtotal	201,062,279	221,041,041	160,664,257	147,072,613	832,794	730,672,984
Net cash flow	$ 12,563,062	$ 1,241,130	$ (13,116,447)	$ (19,876,533)	$ (22,105,981)	$ (41,294,769)

Maturity analysis of KGI Bank's derivative financial instruments in U.S. dollars

(In Thousands of U.S. Dollars)

March 31, 2024	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at fair value through profit or loss						
Foreign exchange derivatives instruments						
Cash outflow	$ (7,848,434)	$ (9,527,766)	$ (7,165,602)	$ (3,626,803)	$ (143,047)	$ (28,311,652)
Cash inflow	8,281,433	10,410,212	8,025,267	4,370,240	113,028	31,200,180
Interest rate derivatives instruments						
Cash outflow	(10,803)	(32,904)	(17,368)	(17,785)	(481,056)	(559,916)
Cash inflow	3,306	15,047	1,169	2,246	60	21,828
Others						
Cash outflow	(1,104)	-	-	-	-	(1,104)
Cash inflow	1,764	-	-	-	-	1,764
Financial instruments for hedging						
Interest rate derivatives instruments						
Cash outflow	(2,933)	(2,110)	(5,406)	(8,042)	(1,131)	(19,622)
Cash inflow	-	-	-	-	-	-
Cash outflow subtotal	(7,863,274)	(9,562,780)	(7,188,376)	(3,652,630)	(625,234)	(28,892,294)
Cash inflow subtotal	8,286,503	10,425,259	8,026,436	4,372,486	113,088	31,223,772
Net cash flow	$ 423,229	$ 862,479	$ 838,060	$ 719,856	$ (512,146)	$ 2,331,478

(In Thousands of U.S. Dollars)

December 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at fair value through profit or loss						
Foreign exchange derivatives instruments						
Cash outflow	$ (8,287,630)	$ (11,254,792)	$ (7,087,053)	$ (1,788,597)	$ (130,228)	$ (28,548,300)
Cash inflow	9,112,005	12,799,175	7,090,356	1,961,756	163,228	31,126,520
Interest rate derivatives instruments						
Cash outflow	(17,563)	(30,352)	(14,445)	(20,658)	(459,669)	(542,687)
Cash inflow	3,534	14,590	1,554	2,832	60	22,570
Others						
Cash outflow	(1,054)	-	-	-	-	(1,054)
Cash inflow	1,723	-	-	-	-	1,723
Financial instruments for hedging						
Interest rate derivatives instruments						
Cash outflow	(1,307)	(3,923)	(6,711)	(8,396)	-	(20,337)
Cash inflow	-	-	-	-	-	-
Cash outflow subtotal	(8,307,554)	(11,289,067)	(7,108,209)	(1,817,651)	(589,897)	(29,112,378)
Cash inflow subtotal	9,117,262	12,813,765	7,091,910	1,964,588	163,288	31,150,813
Net cash flow	$ 809,708	$ 1,524,698	$ (16,299)	$ 146,937	$ (426,609)	$ 2,038,435

(In Thousands of U.S. Dollars)

March 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at fair value through profit or loss						
Foreign exchange derivatives instruments						
Cash outflow	$ (7,889,999)	$ (7,953,776)	$ (5,670,691)	$ (5,650,097)	$ (64,000)	$ (27,228,563)
Cash inflow	7,719,950	8,265,700	6,240,740	6,411,301	65,000	28,702,691
Interest rate derivatives instruments						
Cash outflow	(15,683)	(38,651)	(19,888)	(17,568)	(409,538)	(501,328)
Cash inflow	2,374	9,303	1,318	4,159	478	17,632
Others						
Cash outflow	(1,967)	-	-	-	-	(1,967)
Cash inflow	2,045	-	-	-	-	2,045
Financial instruments for hedging						
Interest rate derivatives instruments						
Cash outflow	(3,005)	(1,905)	(4,828)	(14,182)	(1,121)	(25,041)
Cash inflow	-	-	-	-	-	-
Cash outflow subtotal	(7,910,654)	(7,994,332)	(5,695,407)	(5,681,847)	(474,659)	(27,756,899)
Cash inflow subtotal	7,724,369	8,275,003	6,242,058	6,415,460	65,478	28,722,368
Net cash flow	$ (186,285)	$ 280,671	$ 546,651	$ 733,613	$ (409,181)	$ 965,469

5) Maturity analysis of off-balance sheet items

The table below shows KGI Bank's maturity analysis of the off-balance sheet items based on the remaining time between the reporting date and the contractual period. For the issued financial guarantee contracts, the maximum guaranteed amount included in the guarantee may be required to be fulfilled in the earliest period.

March 31, 2024	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Irrevocable loan commitments, guarantees and letters of credit	$ 9,823,882	$ 7,293,114	$ 4,312,586	$ 4,934,207	$ 20,218,582	$ 46,582,371

December 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Irrevocable loan commitments, guarantees and letters of credit	$ 10,934,968	$ 5,726,275	$ 3,386,863	$ 5,195,508	$ 18,493,768	$ 43,737,382

March 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Irrevocable loan commitments, guarantees and letters of credit	$ 11,404,524	$ 5,626,970	$ 3,364,085	$ 6,569,216	$ 20,570,468	$ 47,535,263

6) Disclosures required by the Regulations Governing the Preparation of Financial Reports by Public Banks

a) Maturity analysis of KGI Bank's assets and liabilities in New Taiwan dollars

(In Thousands of New Taiwan Dollars)

March 31, 2024	0-10 Days	11-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Main capital inflow on maturity	$ 127,404,756	$ 207,461,583	$ 338,647,329	$ 256,976,932	$ 155,057,139	$ 254,155,184	$ 1,339,702,923
Main capital outflow on maturity	99,658,013	185,727,777	412,630,018	353,466,772	294,574,904	315,177,692	1,661,235,176
Gap	27,746,743	21,733,806	(73,982,689)	(96,489,840)	(139,517,765)	(61,022,508)	(321,532,253)

(In Thousands of New Taiwan Dollars)

March 31, 2023	0-10 Days	11-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Main capital inflow on maturity	$ 115,399,975	$ 208,288,624	$ 279,003,436	$ 211,183,667	$ 207,040,467	$ 216,691,558	$ 1,237,607,727
Main capital outflow on maturity	91,857,281	198,770,181	357,679,529	276,175,592	327,675,653	302,242,265	1,554,400,501
Gap	23,542,694	9,518,443	(78,676,093)	(64,991,925)	(120,635,186)	(85,550,707)	(316,792,774)

b) Maturity analysis of KGI Bank's assets and liabilities in U.S. dollars

(In Thousands of U.S. Dollars)

March 31, 2024	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Main capital inflow on maturity	$ 8,982,607	$ 11,005,129	$ 8,219,711	$ 4,992,107	$ 3,524,365	$ 36,723,919
Main capital outflow on maturity	10,145,528	12,418,345	9,497,959	6,494,248	3,437,319	41,993,399
Gap	(1,162,921)	(1,413,216)	(1,278,248)	(1,502,141)	87,046	(5,269,480)

(In Thousands of U.S. Dollars)

March 31, 2023	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Main capital inflow on maturity	$ 8,710,594	$ 8,760,907	$ 6,507,326	$ 6,683,678	$ 3,605,158	$ 34,267,663
Main capital outflow on maturity	10,331,873	10,723,702	7,362,336	8,440,876	3,962,194	40,820,981
Gap	(1,621,279)	(1,962,795)	(855,010)	(1,757,198)	(357,036)	(6,553,318)

KGI Securities and subsidiaries

1) Cash flow analysis

Statement of Cash Flow Analysis for Financial Assets

(In Thousands of New Taiwan Dollars)

March 31, 2024	Collection Period					Total
	Spot	In 3 Months	3 Months-12 Months	Over 1 Year-5 Years	Over 5 Years	
Cash and cash equivalents	$ 13,311,285	$ 9,899,348	$ 2,125,500	$ -	$ -	$ 25,336,133
Financial assets measured at FVTPL - current	98,118,172	2,129,060	514,116	1,539,282	216,318	102,516,948
Financial assets measured at FVTOCI - current	28,566,522	4,236,928	1,833,062	791,861	-	35,428,373
Financial assets for hedging - current	-	25,853	42,631	85,219	141,461	295,164
Securities purchased under resell agreement	-	13,305,847	-	-	-	13,305,847
Receivables	78,702,674	16,462,383	47,065,187	26,266	-	142,256,510
Customer margin accounts	37,168,705	19,450,425	-	-	-	56,619,130
Stock borrowing collateral price and security lending deposits	1,253,882	13,683,858	30,462,474	-	-	45,400,214
Other current assets	37,017,157	1,382,745	1,400,439	10,975	-	39,811,316
Financial assets measured at FVTPL - non-current	-	-	-	644,591	3,365,093	4,009,684
Financial assets measured at FVTOCI - non-current	-	-	-	8,333,860	1,891,688	10,225,548
Amortized cost financial assets - non-current	-	-	-	159,950	-	159,950
Other non-current assets	-	-	1,000	46,562	3,283,965	3,331,527
Total	$ 294,138,397	$ 80,576,447	$ 83,444,409	$ 11,638,566	$ 8,898,525	$ 478,696,344
Percentage	61.45%	16.83%	17.43%	2.43%	1.86%	100.00%

Statement of Cash Flow Analysis for Financial Liabilities

(In Thousands of New Taiwan Dollars)

March 31, 2024	Payment Period					Total
	Spot	In 3 Months	3 Months-12 Months	Over 1 Year-5 Years	Over 5 Years	
Short-term borrowings	$ -	$ 23,300,968	$ -	$ -	$ -	$ 23,300,968
Commercial paper payable	-	33,705,531	49,804	-	-	33,755,335
Financial liabilities measured at FVTPL - current	10,983,630	5,937,746	4,703,753	9,352,291	2,958,869	33,936,289
Financial liabilities for hedging - current	-	9,542	(24,249)	11,996	27,680	24,969
Bonds issued under repurchase agreements	-	90,727,146	-	-	-	90,727,146
Payables	86,513,124	12,496,411	2,627,968	-	-	101,637,503
Guarantee deposits received from security lending	-	5,594,122	53,442,842	-	-	59,036,964
Futures customers' equity	39,169,737	15,720,961	-	-	-	54,890,698
Specialized, sub-account customers' equity	12,044,332	-	-	-	-	12,044,332
Amounts collected for others/other payables/other current liabilities	1,847,972	1,310,164	4,419,677	1,916	805	7,580,534
Other financial liabilities - current	-	3,443,146	341	1,202	2,012	3,446,701
Lease liabilities - current	-	93,211	275,724	-	-	368,935
Current portion of long-term liabilities	-	-	2,600,000	-	-	2,600,000
Bonds payable	-	-	-	6,300,000	-	6,300,000
Lease liabilities - non-current	-	-	-	739,852	42,369	782,221
Other non-current liabilities	-	-	34	488,405	87,947	576,386
Total	$ 150,558,795	$ 192,338,948	$ 68,095,894	$ 16,895,662	$ 3,119,682	$ 431,008,981
Percentage	34.93%	44.63%	15.80%	3.92%	0.72%	100.00%

Statement of Capital Liquidation Gap

(In Thousands of New Taiwan Dollars)

March 31, 2024	Collection and Payment Period					Total
	Spot	In 3 Months	3 Months-12 Months	Over 1 Year-5 Years	Over 5 Years	
Cash inflow	$ 294,138,397	$ 80,576,447	$ 83,444,409	$ 11,638,566	$ 8,898,525	$ 478,696,344
Cash outflow	150,558,795	192,338,948	68,095,894	16,895,662	3,119,682	431,008,981
Amount of cash flow gap	$ 143,579,602	$ (111,762,501)	$ 15,348,515	$ (5,257,096)	$ 5,778,843	$ 47,687,363

Statement of Cash Flow Analysis for Financial Assets

(In Thousands of New Taiwan Dollars)

December 31, 2023	Collection Period					Total
	Spot	In 3 Months	3 Months-12 Months	Over 1 Year-5 Years	Over 5 Years	
Cash and cash equivalents	$ 10,037,260	$ 9,520,318	$ 2,923,691	$ -	$ -	$ 22,481,269
Financial assets measured at FVTPL - current	76,963,679	1,129,294	1,004,377	936,684	578,656	80,612,690
Financial assets measured at FVTOCI - current	27,599,150	3,722,283	1,964,654	-	-	33,286,087
Financial assets for hedging - current	-	5,844	24,409	89,245	120,396	239,894
Securities purchased under resell agreement	-	13,170,322	-	-	-	13,170,322
Receivables	47,576,229	20,235,947	39,192,357	25,767	-	107,030,300
Customer margin accounts	36,415,662	17,313,993	-	-	-	53,729,655
Stock borrowing collateral price and security lending deposits	830,337	6,787,630	32,435,987	-	-	40,053,954
Other current assets	35,637,707	1,623,995	908,831	10,598	-	38,181,131
Financial assets measured at FVTPL - non-current	-	-	-	729,806	3,269,791	3,999,597
Financial assets measured at FVTOCI - non-current	-	-	-	9,613,790	1,462,383	11,076,173
Amortized cost financial assets - non-current	-	-	-	153,675	-	153,675
Other non-current assets	1,000	7	-	45,837	3,416,562	3,463,406
Total	$ 235,061,024	$ 73,509,633	$ 78,454,306	$ 11,605,402	$ 8,847,788	$ 407,478,153
Percentage	57.69%	18.04%	19.25%	2.85%	2.17%	100.00%

Statement of Cash Flow Analysis for Financial Liabilities

(In Thousands of New Taiwan Dollars)

December 31, 2023	Payment Period					Total
	Spot	In 3 Months	3 Months-12 Months	Over 1 Year-5 Years	Over 5 Years	
Short-term borrowings	$ -	$ 17,638,644	$ -	$ -	$ -	$ 17,638,644
Commercial paper payable	-	16,090,485	9,960	-	-	16,100,445
Financial liabilities measured at FVTPL - current	7,846,978	5,767,223	5,733,971	6,542,240	2,920,190	28,810,602
Financial liabilities for hedging - current	-	(23,560)	(18,902)	120,117	27,536	105,191
Bonds issued under repurchase agreements	-	87,999,165	-	-	-	87,999,165
Payables	58,544,804	14,513,175	4,203,477	-	-	77,261,456
Guarantee deposits received from security lending	-	13,081,865	37,456,994	-	-	50,538,859
Futures customers' equity	36,010,210	15,444,771	-	-	-	51,454,981
Specialized, sub-account customers' equity	12,648,551	-	-	-	-	12,648,551
Amounts collected for others/other payables/other current liabilities	1,637,643	1,231,265	5,029,805	1,873	796	7,901,382
Other financial liabilities - current	-	1,056,144	785,763	1,086	1,992	1,844,985
Lease liabilities - current	-	93,196	270,171	-	-	363,367
Current portion of long-term liabilities	-	-	2,600,000	-	-	2,600,000
Bonds payable	-	-	-	6,300,000	-	6,300,000
Lease liabilities - non-current	-	-	-	784,968	47,709	832,677
Other non-current liabilities	-	-	-	523,765	74,574	598,339
Total	$ 116,688,186	$ 172,892,373	$ 56,071,239	$ 14,274,049	$ 3,072,797	$ 362,998,644
Percentage	32.15%	47.62%	15.45%	3.93%	0.85%	100.00%

Statement of Capital Liquidation Gap

(In Thousands of New Taiwan Dollars)

December 31, 2023	Collection and Payment Period					Total
	Spot	In 3 Months	3 Months-12 Months	Over 1 Year-5 Years	Over 5 Years	
Cash inflow	$ 235,061,024	$ 73,509,633	$ 78,454,306	$ 11,605,402	$ 8,847,788	$ 407,478,153
Cash outflow	116,688,186	172,892,373	56,071,239	14,274,049	3,072,797	362,998,644
Amount of cash flow gap	$ 118,372,838	$ (99,382,740)	$ 22,383,067	$ (2,668,647)	$ 5,774,991	$ 44,479,509

Statement of Cash Flow Analysis for Financial Assets

(In Thousands of New Taiwan Dollars)

March 31, 2023	Collection Period					Total
	Spot	In 3 Months	3 Months-12 Months	Over 1 Year-5 Years	Over 5 Years	
Cash and cash equivalents	$ 15,483,791	$ 12,771,181	$ 2,217,182	$ -	$ -	$ 30,472,154
Financial assets measured at FVTPL - current	69,617,620	870,430	1,074,802	1,092,028	134,271	72,789,151
Financial assets measured at FVTOCI - current	28,617,610	4,012,963	300,785	-	-	32,931,358
Financial assets for hedging - current	-	28,874	26,075	307,103	18,464	380,516
Securities purchased under resell agreement	-	9,961,416	-	-	-	9,961,416
Receivables	44,531,827	16,750,519	27,377,573	26,900	-	88,686,819
Customer margin accounts	31,302,557	28,113,241	-	-	-	59,415,798
Stock borrowing collateral price and security lending deposits	2,278,571	13,408,562	24,482,411	-	-	40,169,544
Other current assets	33,209,947	1,723,454	409,427	7,744	-	35,350,572
Financial assets measured at FVTPL - non-current	-	-	-	520,090	3,107,956	3,628,046
Financial assets measured at FVTOCI - non-current	-	-	-	8,900,644	1,096,230	9,996,874
Other non-current assets	-	200	1,007	41,300	3,788,770	3,831,277
Total	$ 225,041,923	$ 87,640,840	$ 55,889,262	$ 10,895,809	$ 8,145,691	$ 387,613,525
Percentage	58.06%	22.61%	14.42%	2.81%	2.10%	100.00%

Statement of Cash Flow Analysis for Financial Liabilities

(In Thousands of New Taiwan Dollars)

March 31, 2023	Payment Period					Total
	Spot	In 3 Months	3 Months-12 Months	Over 1 Year-5 Years	Over 5 Years	
Short-term borrowings	$ -	$ 17,578,135	$ -	$ -	$ -	$ 17,578,135
Commercial paper payable	-	8,090,881	-	-	-	8,090,881
Financial liabilities measured at FVTPL - current	12,695,111	5,633,579	5,475,714	10,978,811	2,547,562	37,330,777
Financial liabilities for hedging - current	-	51,725	3,540	81,465	35,757	172,487
Bonds issued under repurchase agreements	-	72,519,435	2,811,754	-	-	75,331,189
Payables	61,149,327	13,489,159	2,585,936	-	-	77,224,422
Guarantee deposits received from security lending	-	6,329,476	40,887,198	-	-	47,216,674
Futures customers’ equity	30,903,539	28,575,828	-	-	-	59,479,367
Specialized, sub-account customers’ equity	5,080,364	-	-	-	-	5,080,364
Amounts collected for others/other payables/other current liabilities	801,380	701,071	4,819,410	1,922	852	6,324,635
Other financial liabilities - current	-	1,173,925	1,265,171	1,084	2,007	2,442,187
Lease liabilities - current	-	134,653	360,031	-	-	494,684
Current portion of long-term liabilities	-	-	-	-	-	-
Bonds payable	-	-	-	6,200,000	2,700,000	8,900,000
Lease liabilities - non-current	-	-	-	945,692	51,889	997,581
Other non-current liabilities	-	-	-	428,348	61,688	490,036
Total	$ 110,629,721	$ 154,277,867	$ 58,208,754	$ 18,637,322	$ 5,399,755	$ 347,153,419
Percentage	31.87%	44.44%	16.77%	5.37%	1.55%	100.00%

Statement of Capital Liquidation Gap

(In Thousands of New Taiwan Dollars)

March 31, 2023	Collection and Payment Period					Total
	Spot	In 3 Months	3 Months-12 Months	Over 1 Year-5 Years	Over 5 Years	
Cash inflow	$ 225,041,923	$ 87,640,840	$ 55,889,262	$ 10,895,809	$ 8,145,691	$ 387,613,525
Cash outflow	110,629,721	154,277,867	58,208,754	18,637,322	5,399,755	347,153,419
Amount of cash flow gap	$ 114,412,202	$ (66,637,027)	$ (2,319,492)	$ (7,741,513)	$ 2,745,936	$ 40,460,106

KGI Securities has established statement of capital liquidation gap to estimate how all financial assets and liabilities in future cash flows can affect KGI Securities and subsidiaries when it comes to fund dispatching. Cash flow gap statement from March 31, 2024, December 31, 2023 and March 31, 2023, show that the sums from deducting cash outflow from cash inflow are $47,687,363 thousand, $44,479,509 thousand and $40,460,106 thousand, respectively, all indicating sufficient fund liquidity.

Although an analysis of funds gap shows that the cash outflow during partial periods. Net cash inflow calculated from net spot financial assets are sufficient to cover the net cash outflows generated from subsequent periods, an indicator of sufficient fund liquidity.

2) Control mechanism of capital liquidity risk

The independent fund-dispatching department established by KGI Securities takes into consideration the needs of net cash flow and their timings from various departments and predicts future cash flows based on the requests submitted by departments with a need for funds. The department has also established a simulation analysis mechanism for capital flows after considering short-term capital dispatching in Taiwan as well as international or cross-market transactions in order to better predict futures needs of funds and set up contingency measures.

KGI Securities also offers suggestions over a secure amount of reserve fund and reports it to the RMC. The department reviews the standard amount of reserve capital and will take the following action if available capitals are below 120% of the safe reserve amount:

a) Except all due payments and those whose use of capital cannot be restricted due to the nature of their business, all the requests for capitals from all business departments need to be approved by the fund-dispatching department in order to maintain a safe amount of reserve capital.

b) Fund-dispatching department will propose contingency measures to the RMC, which includes disposal of low yield or unnecessary assets, expanding repurchase agreements with the Central Bank of Taiwan, financing from securities finance corporations or exploring other fund-raising methods that will increase available funds to KGI Securities.

CDIB Capital Group and subsidiaries

The management of liquidity risk is aimed to deal with financing CDIB Capital Group's operations and mitigate the effects of fluctuations in cash flows by monitoring and maintaining a level of cash and cash equivalents. The management of CDIB Capital Group and subsidiaries supervise the use of bank financing lines and ensure compliance with the terms of the loan contracts.

Bank borrowings is an important source of liquidity for CDIB Capital and subsidiaries. For the unused financing amount of CDIB Capital and subsidiaries, please refer to the table below:

Bank Financing	**March 31, 2024**	**December 31, 2023**	**March 31, 2023**
Unsecured bank overdraft facilities, reviewed annually:			
Used amounts	$ 4,986,446	$ 4,345,948	$ 3,698,994
Unused amounts	14,951,604	15,347,377	13,553,156
	$ 19,938,050	$ 19,693,325	$ 17,252,150

CDIB Capital Group and subsidiaries' Management policies of liquidity risk are as follows:

1) Disposal of capital surplus should consider possible future capital requirements, diversification of capital sources and reasonable liquidity of liability structure.

2) Pursuant to liquidity risk control, CDIB Capital Group uses performance index of financial structure and dispatching of funds to set up a system to monitor daily funding gap.

As of March 31, 2024, December 31, 2023 and March 31, 2023, CDIB Capital Group and subsidiaries' other financial liabilities are $0 thousand, and will be paid by financial assets and the rest of non-derivative financial liabilities are $7,708,610 thousand, $7,301,161 thousand and $6,094,429 thousand, respectively, and are mainly all current liabilities.

<u>KGI Life Insurance</u>

1) Liquidity risks are classified to "funding liquidity risk" and "market liquidity risk." "Funding liquidity risk" represents that KGI Life Insurance is not able to obtain sufficient funds at a reasonable funding cost to meet the demands within reasonable time. "Market liquidity risk" represents the risk that KGI Life Insurance sells at loss to meet the demand for cash.

   KGI Life Insurance assesses the characteristics of business, monitors short-term cash flows, and constructs the completed mechanism of liquidity risk management. Furthermore, KGI Life Insurance manages market liquidity risk cautiously by considering market trading volumes and adequacy of holding positions with symmetric. To decentralize market risk when investment and to maintain investment each aspect (such as asset category, maturity, region, currency and tools) diversification. Planning emergency financing plan in order to assess how KGI Life Insurance in the long term illiquid environment still regularly operate to pay emergency and major funding requirements.

   KGI Life Insurance regularly monitors market liquidity and formulates plans to use the funds depending on market conditions and funding demand arrangements for liquidity assets portfolio. To deal with possible liquidity risk early, KGI Life Insurance reports duration of assets and liabilities quarterly, creates cash flow model and reviews cash flow status regularly.

2) Financial assets held for managing liquidity risk and maturity analysis of non-derivative financial liabilities

   a) Financial assets held for managing liquidity risk

      KGI Life Insurance holds cash, highly liquid and superior assets to deal with payment obligation and the potential urgent funds needs to dispatch in the market environment. Financial assets for managing liquidity risk are cash and cash equivalents, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortized cost, etc.

   b) Maturity analysis of non-derivative financial liabilities

      The analysis of cash outflows to KGI Life Insurance is listed below and based on the residual term from the date of balance sheet to the maturity. The disclosed amount is in accordance with cash flows on contracts, so the partial disclosed items are not the same as related items in the balance sheet.

      <u>Non-derivative financial instruments</u>

	March 31, 2024			
	In 1 Year	**1-5 Years**	**Over 5 Years**	**Total**
Payables	$ 13,614,075	$ 23,081	$ -	$ 13,637,156
Bonds payable	-	-	20,000,000	20,000,000
Lease liabilities	146,595	391,439	3,719,103	4,257,137

	December 31, 2023			
	In 1 Year	**1-5 Years**	**Over 5 Years**	**Total**
Payables	$ 14,285,297	$ 20,903	$ -	$ 14,306,200
Bonds payable	-	-	20,000,000	20,000,000
Lease liabilities	147,991	396,225	3,627,254	4,171,470

	March 31, 2023			
	In 1 Year	**1-5 Years**	**Over 5 Years**	**Total**
Payables	$ 11,296,895	$ 69,208	$ -	$ 11,366,103
Bonds payable	-	-	10,000,000	10,000,000
Lease liabilities	151,707	441,312	3,689,594	4,282,613

c) Maturity analysis of derivative financial liabilities

KGI Life Insurance operates derivatives including foreign exchange derivative instruments (such as currency forward contracts, foreign exchange forward).

KGI Life Insurance has enough operating capital, including cash and cash equivalents, and highly liquid securities, such as government bonds to pay the investment and liabilities at maturity. Therefore, the risk of liquidity is extremely low. KGI Life Insurance enters into forward contracts and cross currency swaps derivative financial instruments, whose currencies are highly liquid, so the possibility of selling out and the risk of market liquidity are low. The forward contracts and cross currency swaps will be operated continually and the capital is enough to pay for settlement, so the risk of capital liquidity is low.

KGI Life Insurance's maturity structure of derivative financial liabilities is as follows:

	March 31, 2024				
	In 90 Days	**91-180 Days**	**181 Days - 1 Year**	**Over 1 Year**	**Total**
Financial liabilities at fair value through profit or loss	$ 9,836,586	$ 3,665,293	$ 3,725,418	$ -	$ 17,227,297

	December 31, 2023				
	In 90 Days	**91-180 Days**	**181 Days - 1 Year**	**Over 1 Year**	**Total**
Financial liabilities at fair value through profit or loss	$ 5,424,429	$ 141,855	$ 45,853	$ -	$ 5,612,137

	March 31, 2023				
	In 90 Days	**91-180 Days**	**181 Days - 1 Year**	**Over 1 Year**	**Total**
Financial liabilities at fair value through profit or loss	$ 3,612,596	$ 1,683,876	$ 332,300	$ -	$ 5,628,772

d. Market risk

KGI Bank and subsidiaries

1) Source and definition of market risk

Market risk is defined as an unfavorable change in macroeconomic and financial market variables, (such as interest rates, exchange rates, stock prices and commodity prices) which may cause a potential loss on balance sheet and off-balance sheet items.

2) Risk management policies

In order to have a common-language of market risk management, definition, communication and measurement, then comply with the requirements of the governing authorities, KGI Bank has developed "Market Risk Management Standard" based on Regulations Governing the Capital Adequacy Ratio of Banks (the CAR Regulations) related market risk calculation tables announced by the FSC, international standards, and CDFH's market risk management policy framework.

The "Market Risk Policy" is applicable to "Trading Book" positions defined by the Regulations Governing the Capital Adequacy Ratio of the KGI Bank related market risk calculation tables and the KGI Bank's book management approach to financial instrument handling.

Following the "Market Risk Policy", the KGI Bank sets up the "Market Risk Management Procedure to Trading Activities" to manage market risk throughout the Firm. This procedure includes risk identification and assessment, risk measurement, risk monitoring and response, risk reporting and contingency management processes.

3) The procedure of market risk measuring, monitoring, and reporting

The KGI Bank's market risk limits include position sensitivities, stop-loss limits, Value-at-Risk (VaR).

Risk factors analyzed through the KGI Bank's risk measurement systems are sufficient to determine all market risks of trading positions on balance sheet, including interest rates risk, foreign exchange risk, equity risk and commodity risk, as well as volatility risks which arise out of the option transactions.

The KGI Bank's market risk report includes profit or loss on trading positions, limits usage, stress testing, trading portfolio risk assessment, as well as significant exception if any.

The risk management unit of the KGI Bank independently performs daily market risk limit controls, and monthly reports to both the Risk Management Committee and Risk Management Committee of parent company, CDFH. Besides, the above reports are regularly presented to the Board for reference.

4) Mitigation of risks or hedging of market risk, and monitoring strategy and procedure

The KGI Bank's market risk positions or hedging positions are marked to market on a daily base through techniques such as model evaluation. All market parameters are updated at least daily in accordance with changes in market conditions to conduct value assessment of products. Market Risk Limits are reviewed and controlled based on the revaluation results of risk value, position sensitivity and profit and loss figure on the daily basis.

5) Valuation techniques of market risk

The KGI Bank uses the VaR model and stress testing to evaluate the potential and extreme risk of trading portfolios. Through variations of the assumptions on market conditions, these techniques can be used to assess the market risk of positions held and the maximum expected loss.

VaR is calculated using a one-day time horizon with a 95% confidence level.

(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31, 2024			**For the Year Ended December 31, 2023**			**For the Three Months Ended March 31, 2023**		
	Average	**Highest**	**Lowest**	**Average**	**Highest**	**Lowest**	**Average**	**Highest**	**Lowest**
Interest rate risk	$ 13,218	$ 27,796	$ 6,797	$ 13,066	$ 41,141	$ 6,565	$ 20,076	$ 41,141	$ 12,782
Equity risk	7,107	17,997	1,952	4,816	14,619	155	5,717	14,619	1,831
Exchange rate risk	12,027	21,983	3,777	17,665	29,632	6,664	16,593	23,987	8,005

6) Interest rate risk in banking book

The scope of interest rate risk in banking book includes interest rate sensitivity of assets and liabilities, but do not include risk management of trading book. Interest rate risk in banking book measures the adverse effects on net interest income of assets, liabilities and off-balance sheet as a result of adverse fluctuations in interest. Risk assessment not only builds the sensitivity gap between assets and liabilities, but also quantifies through the dimension of retained earnings and economic value perspectives.

7) Interest rate risk management of the banking book

The interest rate risk management strategy involving the Bank's banking book is to minimize the negative impact of changes in interest rates on net interest income and the net economic value of equity. The asset-liability management committee (ALMCO) approves the annual banking book interest rate risk limits and monitors the Bank's interest rate risk exposures every day. The interest rate risk management processes involving the banking book include risk identification, risk measurement, risk control, risk monitor and others. The unit monitoring the banking book interest rate risk reports interest rate risk exposures regularly to ALMCO, and adjust the structure of assets and liabilities according to the report, lowering the amount of exposure. For risk monitoring, the asset and liability management system outputs an analysis report, which is provided to the interest rate risk execution unit and top management. If risk missing or excess of limit occurred from monitor, written notices will be passed to interest rate risk implementation units to adjust and improve the program reported to ALMCO.

8) The effect of interest rate benchmark reform

KGI Bank is exposed to USD LIBOR which is subject to interest rate benchmark reform. The exposures arise on derivatives and non-derivative financial assets and liabilities. SOFR (Secured Overnight Financing Rate) is expected to replace USD LIBOR. There are key differences between USD LIBOR and SOFR. USD LIBOR is "forward looking", which implies market expectation over future interest rates, and includes a credit spread over the risk-free rate. SOFR is currently a "backward-looking" rate, based on interest rates from actual transactions, and excludes a credit spread. To transition existing contracts and agreements that reference USD LIBOR to SOFR, adjustments for these differences might need to be applied to SOFR to enable the two benchmark rates to be economically equivalent.

KGI Bank has established a LIBOR conversion task force, is responsible for promoting cross-departmental conversion work, drafting conversion plans and time schedule planning, conducting impact assessments. This task force also focuses on product conversion business strategy adjustments, customer communication, system, operating process changes, evaluation, risk models, financial reports and tax implications. This task force reports to the Risk Management Committee and the Board of Directors on the implementation situation quarterly. KGI Bank has completed all the aforementioned assessments and conversion work, which the financial instruments subject to interest rate benchmark reform have been quoted using other benchmark interest rate.

9) Concentration of currency risk information

The financial assets and liabilities denominated in foreign currency and with material influence on KGI Bank and subsidiaries were as follows:

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	March 31, 2024		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
Financial assets			
Monetary items			
USD	$ 5,582,046	31.99	$ 178,569,662
HKD	4,675,776	4.09	19,114,571
AUD	758,645	20.82	15,794,994
ZAR	4,787,439	1.69	8,076,409
CNY	1,482,879	4.41	6,535,641
EUR	159,713	34.45	5,502,115
JPY	19,029,024	0.21	4,022,736
GBP	36,812	40.36	1,485,745
SGD	20,035	23.71	475,037
Investments accounted for using the equity method			
CNY	1,832,921	4.41	8,078,415
Financial liabilities			
Monetary items			
USD	8,366,059	31.99	267,630,239
CNY	3,020,600	4.41	13,312,991
AUD	449,721	20.82	9,363,190
EUR	224,701	34.45	7,740,955
JPY	19,088,212	0.21	4,035,248
ZAR	1,929,328	1.69	3,254,777
HKD	144,925	4.09	592,455
SGD	9,211	23.71	218,391
GBP	4,704	40.36	189,870
NZD	5,640	19.09	107,671
CAD	4,493	23.61	106,083

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	December 31, 2023		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
<u>Financial assets</u>			
Monetary items			
USD	$ 5,649,095	30.74	$ 173,624,921
HKD	4,484,610	3.93	17,642,454
AUD	615,877	21.01	12,939,567
CNY	2,073,549	4.33	8,981,368
ZAR	4,779,130	1.66	7,928,576
JPY	22,592,142	0.22	4,911,532
EUR	134,594	34.03	4,580,229
GBP	40,631	39.20	1,592,738
SGD	18,345	23.32	427,812
Investments accounted for using the equity method			
CNY	1,793,443	4.33	7,768,118
<u>Financial liabilities</u>			
Monetary items			
USD	8,133,968	30.74	249,997,520
CNY	3,292,090	4.33	14,259,360
AUD	346,265	21.01	7,275,027
EUR	200,468	34.03	6,821,920
JPY	17,459,474	0.22	3,795,690
ZAR	2,024,312	1.66	3,358,334
HKD	131,698	3.93	518,100
SGD	9,130	23.32	212,908
GBP	4,049	39.20	158,726
NZD	5,821	19.50	113,503

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	March 31, 2023		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
Financial assets			
Monetary items			
USD	$ 5,636,702	30.45	$ 171,660,118
HKD	4,588,110	3.88	17,801,867
CNY	1,992,014	4.43	8,827,810
AUD	374,795	20.33	7,619,592
ZAR	4,392,191	1.71	7,510,646
EUR	194,742	33.14	6,453,735
JPY	15,087,332	0.23	3,448,964
GBP	39,019	37.65	1,469,066
SGD	44,874	22.91	1,028,072
Investments accounted for using the equity method			
CNY	1,041,655	4.43	4,616,199
Financial liabilities			
Monetary items			
USD	7,101,016	30.45	216,254,350
CNY	2,382,609	4.43	10,558,768
AUD	267,635	20.33	5,441,020
EUR	136,774	33.14	4,532,688
ZAR	1,912,005	1.71	3,269,529
JPY	8,405,471	0.23	1,921,491
HKD	234,586	3.88	910,194
GBP	7,231	37.65	272,250
SGD	9,108	22.91	208,660
NZD	8,258	19.04	157,224
CAD	4,621	22.47	103,824

10) Disclosure required by the Regulations Governing the Preparation of Financial Reports by Public Banks.

a) Analysis of KGI Bank’s interest rate-sensitive assets and liabilities (New Taiwan dollars)

March 31, 2024

Item	1 to 90 Days	91 to 180 Days	181 Days to 1 Year	Over 1 Year	Total
Interest rate-sensitive assets	$ 413,091,438	$ 36,140,536	$ 20,088,310	$ 61,878,815	$ 531,199,099
Interest rate-sensitive liabilities	169,181,134	193,731,448	27,455,801	29,558,341	419,926,724
Interest rate sensitivity gap	243,910,304	(157,590,912)	(7,367,491)	32,320,474	111,272,375
Net worth					73,033,489
Ratio of interest rate-sensitive assets to liabilities (%)					126.50
Ratio of interest rate-sensitive gap to net worth (%)					152.36

March 31, 2023

Item	1 to 90 Days	91 to 180 Days	181 Days to 1 Year	Over 1 Year	Total
Interest rate-sensitive assets	$ 361,130,878	$ 42,061,478	$ 22,923,446	$ 56,940,252	$ 483,056,054
Interest rate-sensitive liabilities	204,374,077	164,166,745	21,782,145	27,230,575	417,553,542
Interest rate sensitivity gap	156,756,801	(122,105,267)	1,141,301	29,709,677	65,502,512
Net worth					65,795,840
Ratio of interest rate-sensitive assets to liabilities (%)					115.69
Ratio of interest rate-sensitive gap to net worth (%)					99.55

Note 1: The above amounts included only New Taiwan dollar amounts held by KGI Bank excluded contingent assets and contingent liabilities.

Note 2: Interest rate-sensitive assets and liabilities are interest-earning assets and interest-bearing liabilities with revenues or costs affected by interest rate changes.

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

Note 4: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets/Interest rate-sensitive liabilities (interest rate-sensitive assets and interest rate-sensitive liabilities in New Taiwan dollars).

b) Analysis of KGI Bank's interest rate-sensitive assets and liabilities (U.S. dollars)

March 31, 2024

(In Thousands of U.S. Dollars, %)

Item	1 to 90 Days	91 to 180 Days	181 Days to 1 Year	Over 1 Year	Total
Interest rate-sensitive assets	$ 2,154,388	$ 239,735	$ 464,806	$ 2,284,598	$ 5,143,527
Interest rate-sensitive liabilities	5,442,749	1,608,480	1,097,451	3,540	8,152,220
Interest rate sensitivity gap	(3,288,361)	(1,368,745)	(632,645)	2,281,058	(3,008,693)
Net worth					(52,676)
Ratio of interest rate-sensitive assets to liabilities (%)					63.09
Ratio of interest rate-sensitive gap to net worth (%)					-

March 31, 2023

(In Thousands of U.S. Dollars, %)

Item	1 to 90 Days	91 to 180 Days	181 Days to 1 Year	Over 1 Year	Total
Interest rate-sensitive assets	$ 2,455,022	$ 268,051	$ 103,206	$ 2,412,402	$ 5,238,681
Interest rate-sensitive liabilities	5,120,810	833,673	835,904	7,650	6,798,037
Interest rate sensitivity gap	(2,665,788)	(565,622)	(732,698)	2,404,752	(1,559,356)
Net worth					(62,707)
Ratio of interest rate-sensitive assets to liabilities (%)					77.06
Ratio of interest rate-sensitive gap to net worth (%)					-

Note 1: The above amounts included only U.S. dollars amounts held by KGI Bank, excluded contingent assets and contingent liabilities.

Note 2: Interest rate-sensitive assets and liabilities are interest-earning assets and interest-bearing liabilities with revenues or costs affected by interest rate changes.

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

Note 4: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets/Interest rate-sensitive liabilities (interest rate-sensitive assets and interest rate-sensitive liabilities in U.S. dollars).

KGI Securities and subsidiaries

Market risk is the risk of potential loss or change in valuation for securities or financial products that KGI Securities and subsidiaries hold due to the fluctuations of the market risk factors. Such factors include interest rates (including credit spread) and risk of equity securities and exchange rates and commodity risk.

KGI Securities and subsidiaries utilize risk factor sensitivity and value at risk to measure and contain market risks. KGI Securities and subsidiaries also holds regular stress test to help the management understand the estimated influence on the income of investment portfolio under potential extreme events or circumstances.

1) Risk factor sensitivity

   Using product identification and analysis procedure held by KGI Securities and subsidiaries, the corresponding market risk factor can be determined. Individual risk factor’s entire exposure can be measured by observing how the value of a financial instrument changes as each risk factor changes. KGI Securities and subsidiaries monitor the following risk factor sensitivities:

   a) Interest rate risk sensitivity: Measured by the change of present value of future cash flows of the measured holding with each yield curve or credit spread moved 0.01% horizontally.

   b) Equity securities risk sensitivity: Measured by the change of the value of investment portfolio with the price of the underlying assets linked to the equity securities (as the potential loss amount given that the TAIEX and stock of respective companies drop 1%), which could divided into two types by distribution of financial instrument:

      i. Equity delta: Measured by the change of present value of stock with the price of the underlying assets linked to the equity securities. (As the potential loss amount given that the TAIEX and stock of respective companies drop 1%).

      ii. Debt delta: Measured by the change of present value of bond with the price of the underlying assets linked to the debt securities. (As the potential loss amount given that the beneficiary certificates and funds, included preferred stocks and bond ETF drop 1%).

   c) Exchange rate risk sensitivity: Measured by the change of present values of corresponding holdings of currencies with exchange rate for each currency (as the potential loss amount given that the foreign currencies depreciate 1% against NTD).

   d) Commodity risk sensitivity: Measured by the change of present values of corresponding holdings of currencies with commodity for each currency (as the potential loss amount given that commodity currencies depreciate 1% against NTD).

The risk sensitivities in the portfolio held by KGI Securities and subsidiaries are as follows:

Comparisons of Risk Sensitive Factors

(In Thousands of New Taiwan Dollars)

Risk Sensitivity	March 31, 2024	December 31, 2023	March 31, 2023
Interest rate risk	$ 4,269	$ 6,641	$ 1,827
Equity securities risk			
Equity delta	6,481,770	5,479,505	4,142,133
Debt delta	75,563	(832,977)	160,928
Exchange rate risk	855,231	1,073,704	2,654,254
Commodity risk	(1,257)	(3,091)	(49,429)

2) Value at risk

Value at risk ("VAR") is a statistical measurement used to measure the maximum potential loss of a portfolio in a certain future time horizon and confidence level. KGI Securities and subsidiaries uses parametric in estimating a value at risk at 99% of confidence interval at duration of 1 day. This means that among 100 trading days, 1 trading day might see the loss of the positions exceeding the value at risk estimated the day before. KGI Securities and subsidiaries continue to conduct backtesting daily to ensure the effectiveness of the estimations made by the risk value model.

The comparison of risk value in the trading portfolio held by KGI Securities and subsidiaries were as follows:

	For the Three Months Ended March 31, 2024			March 31, 2024
	Average VAR	Minimum VAR	Maximum VAR	Ending VAR
Equity securities	$ 145,280	$ 92,283	$ 204,608	$ 189,150
Interest rate	164,549	105,019	245,733	224,615
Exchange rate	55,090	40,893	77,626	48,521
Commodity	9,426	423	19,123	516

	For the Three Months Ended March 31, 2023			March 31, 2023
	Average VAR	Minimum VAR	Maximum VAR	Ending VAR
Equity securities	$ 159,890	$ 109,442	$ 213,482	$ 123,285
Interest rate	140,097	35,314	187,413	124,994
Exchange rate	56,808	42,368	76,810	46,167
Commodity	4,267	608	14,286	14,286

3) Stress test

Stress test is one of the tools for risk management. It mainly evaluates the effects extreme changes in market risk factors in an investment portfolio to help KGI Securities' board of directors and management understand how potential extreme incidents can affect the market risk sensitivity and the profit/loss of an investment portfolio.

The main methods of stress test are historic analysis and hypothetical scenarios analysis. The results will be regularly reported to the risk management committee and the board of directors of KGI Securities.

4) The financial assets and liabilities denominated in foreign currency and with material influence on KGI Securities and subsidiaries were as follows:

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	March 31, 2024		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
Financial assets			
Monetary items			
USD	$ 3,602,061	31.99	$ 115,233,181
EUR	518,467	34.45	17,861,214
HKD	466,922	4.09	1,909,183
JPY	6,091,026	0.21	1,288,190
AUD	22,455	20.82	467,509
CNY	56,516	4.41	249,096
Nonmonetary items			
USD	2,023,471	31.99	64,729,178
CNY	852,005	4.41	3,755,122
AUD	36,915	20.82	768,566
EUR	6,054	34.45	208,549
Investments accounted for using the equity method			
USD	89,402	31.99	2,859,970
Financial liabilities			
Monetary items			
USD	6,015,232	31.99	192,430,528
EUR	522,750	34.45	18,008,746
HKD	424,724	4.09	1,736,675
JPY	5,904,942	0.21	1,248,851
AUD	57,453	20.82	1,196,180
Nonmonetary items			
USD	411,724	31.99	13,171,062

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	December 31, 2023		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
Financial assets			
Monetary items			
USD	$ 3,377,834	30.74	$ 103,805,241
EUR	502,731	34.03	17,107,841
HKD	337,680	3.93	1,326,923
JPY	5,271,627	0.22	1,145,084
CNY	46,258	4.33	200,354
AUD	7,813	21.01	164,154
ZAR	63,668	1.66	105,626
Nonmonetary items			
USD	1,944,146	30.74	59,751,690
CNY	948,079	4.33	4,106,510
EUR	3,630	34.03	123,528
Investments accounted for using the equity method			
USD	91,205	30.74	2,803,191
Financial liabilities			
Monetary items			
USD	5,601,009	30.74	172,134,529
EUR	504,768	34.03	17,177,139
HKD	308,668	3.93	1,212,789
JPY	5,056,938	0.22	1,098,412
AUD	5,641	21.01	118,524
Nonmonetary items			
USD	354,417	30.74	10,893,010

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	March 31, 2023		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
<u>Financial assets</u>			
Monetary items			
USD	$ 3,842,810	30.45	$ 117,028,048
EUR	507,302	33.14	16,812,012
HKD	338,330	3.88	1,312,450
JPY	3,281,879	0.23	750,854
AUD	23,690	20.33	481,619
CNY	35,058	4.43	155,364
Nonmonetary items			
USD	1,942,464	30.45	59,154,349
CNY	608,108	4.43	2,694,890
Investments accounted for using the equity method			
USD	91,682	30.45	2,792,089
<u>Financial liabilities</u>			
Monetary items			
USD	6,004,156	30.45	182,849,689
EUR	502,973	33.14	16,668,529
HKD	298,961	3.88	1,159,700
JPY	3,153,996	0.23	721,620
AUD	24,975	20.33	507,746
Nonmonetary items			
USD	486,988	30.45	14,830,737

CDIB Capital Group and subsidiaries

Market risk is defined as an unfavorable change in financial market variables, (such as interest rates, exchange rates, stock prices and commodity prices) which may cause a potential loss on financial assets held for trading. Market risk as explained as follows:

1) Exchange rate risk

The financial assets and liabilities denominated in foreign currency and with material influence on CDIB Capital Group and subsidiaries were as follows:

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	March 31, 2024		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
Financial assets			
Monetary items			
USD	$ 295,739	31.99	$ 9,460,682
KRW	22,268,145	0.02	528,245
CNY	99,024	4.41	436,437
AUD	10,462	20.82	217,811
Nonmonetary items			
USD	331,737	31.99	10,612,268
CNY	142,985	4.41	630,190
EUR	8,516	34.45	293,364
KRW	9,432,563	0.02	223,759
Investment accounted for using the equity method			
USD	55,964	31.99	1,790,280
CNY	427,321	4.41	1,883,202
Financial liabilities			
Monetary items			
USD	49,437	31.99	1,581,474

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	December 31, 2023		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
Financial assets			
Monetary items			
USD	$ 267,148	30.74	$ 8,210,796
CNY	315,435	4.33	1,366,276
KRW	22,249,692	0.02	527,674
AUD	10,445	21.01	219,440
Nonmonetary items			
USD	281,479	30.74	8,651,245
CNY	169,951	4.33	736,126
EUR	8,492	34.03	288,988
KRW	9,125,463	0.02	216,419
Investment accounted for using the equity method			
USD	62,690	30.74	1,926,781
CNY	439,088	4.33	1,901,690
Financial liabilities			
Monetary items			
USD	41,965	30.74	1,289,793

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	March 31, 2023		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
Financial assets			
Monetary items			
USD	$ 257,925	30.45	$ 7,854,852
CNY	306,347	4.43	1,357,610
KRW	22,242,437	0.02	519,227
AUD	10,429	20.33	212,031
Nonmonetary items			
USD	243,595	30.45	7,418,444
CNY	148,440	4.43	657,828
GBP	8,876	37.65	334,198
KRW	9,348,504	0.02	218,231
Investment accounted for using the equity method			
USD	67,388	30.45	2,052,231
CNY	424,206	4.43	1,880,080
Financial liabilities			
Monetary items			
USD	31,021	30.45	944,717

Sensitivity analysis

The following table details CDIB Capital Group and subsidiaries' sensitivity to a 1% increase and decrease in New Taiwan dollars (the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and their adjusted translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates a decrease (increase) in pre-tax profit (loss) associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit (loss), and the balances below would be negative.

	Impact on Profit or Loss	
	For the Three Months Ended March 31	
	2024	**2023**
Monetary items		
USD	$ 78,792	$ 69,101
KRW	5,282	5,192
CNY	4,098	13,299
AUD	2,178	2,120

2) Interest rate risk

The primary financial assets of CDIB Capital Group and subsidiaries with exposure to interest rates as of March 31, 2024, December 31, 2023 and March 31, 2023 were cash in banks. Management believes that interest rate changes would have been no significant effect on CDIB Capital Group and subsidiaries.

3) Other price risk

CDIB Capital Group and subsidiaries were exposed to equity price risk through its investments in principal investment business. CDIB Capital Group manages this exposure by setting risk acceptance limitation concerning industry, country, affiliated groups, and the same group.

If equity prices had been 1% higher/lower, the post-tax income for the three months ended March 31, 2024 and 2023 would increase/decrease by $181,372 thousand and $159,513 thousand, respectively as a result of the changes in fair value of financial assets at fair value through profit or loss.

KGI Life Insurance

1) Market risk refers to financial assets and liabilities due to market risk factors volatility, making the change of the value to cause the risk of loss.

KGI Life Insurance has built value at risk (VaR) model. All financial assets involve market risks regularly monitor by risk management system and calculate the VaR. Risk control indices are notional amount and VaR. It will issue risk management reports and execute routine control and process when over limit. We also report VaR, the use of risk limits and the results of backtesting regularly to the board of directors or risk management committee.

2) Exchange rate risk

KGI Life Insurance’s exchange rate risk is primarily related to foreign currency assets and foreign currency liabilities in its accounts. If the foreign currency assets and foreign currency liabilities are part of the same currency, it will have a natural hedging effect, and the remaining parts may have the risk of value changes due to the exchange rate changes. KGI Life primarily uses foreign exchange and foreign exchange derivatives to avoid exchange rate risks, and controls it in accordance with relevant laws and requirements for internal control.

3) Interest rate risk

Interest rate risk refers to the risk resulting from changes in market interest rates which causes fluctuations in the fair value of financial instruments. KGI Life Insurance manages interest rate risk by combinations of fixed and floating interest rate products. Because they do not meet the requirements for hedge accounting, hedge accounting is not adopted.

4) Equity price risk

KGI Life Insurance holds equity securities of listed and unlisted companies, and OTC-traded and non-OTC traded companies. The price of such equity securities will be affected by uncertainties about the future value of the underlying investment. KGI Life Insurance diversified its investment and set investment limits for a single equity security to manage price risk of equity securities. Portfolio information of equity securities is required to be regularly reported to senior executives of KGI Life Insurance. The Board of Directors should authorize the senior executives to review and approve the equity securities of all investment decisions.

5) Value at risk

Value-at-risk is the maximum loss on the portfolio with a given probability defined as the confidence level, over a given period of time. KGI Life Insurance uses 99% VaR to measure the market risk over the next ten days.

VaR model must be able to reasonably and appropriately measure the maximum potential risk of financial instruments and investment portfolio. VaR model used to manage risk must perform model validation and backtesting to show that the model can reasonably and effectively measure the maximum potential risks of the financial instruments or investment portfolio.

6) Stress testing

KGI Life Insurance measures and evaluates potential risks of the occurrence of extreme and abnormal events regularly in addition to Value at Risk models. Stress testing measures the potential impact on the value of the investment portfolio when extreme fluctuations of financial variables occur.

KGI Life Insurance performs stress testing regularly by using “Simple Sensitivity” and “Scenario Analysis” methods. The test is capable of representing the position loss resulted from the movement of a specific risk factor under different kinds of historical scenarios:

a) Simple sensitivity

Simple Sensitivity measures the dollar amount change for the portfolio value from the movement of specific risk factors.

b) Scenario analysis

Scenario Analysis measures the dollar amount changes for the total value of investment positions if stress scenarios occur. The types of scenario include:

i. Historical scenario:

Adding fluctuating risk factors to a specific historical event, KGI Life Insurance simulates what the dollar amount of losses for the current investment portfolio would be in the same period of time.

ii. Hypothetical scenario:

KGI Life Insurance makes hypothesis with rational expectations from the extreme market movements to assess the dollar amount of losses for the investment position by taking into consideration the movement of relevant risk factors.

Risk management department performs the stress testing with historical and hypothetical scenarios regularly. KGI Life Insurance's risk analysis, early warning, and business management are in accordance with the stress testing report.

Summary of Factor Sensitivity Analysis

March 31, 2024

Risk Factors	Changes (+/-)	Changes in Income	Changes in Equity
Equity risk (stock index)	+1%	$ -	$ 1,925,532
Interest rate risk (yield curve)	+1BP	-	(263,364)
Exchange risk (foreign exchange rate)	+1% (NTD for each currency appreciates 1%)	(3,626,158)	(1,000,050)

December 31, 2023

Risk Factors	Changes (+/-)	Changes in Income	Changes in Equity
Equity risk (stock index)	+1%	$ -	$ 1,729,025
Interest rate risk (yield curve)	+1BP	-	(252,065)
Exchange risk (foreign exchange rate)	+1% (NTD for each currency appreciates 1%)	(2,948,656)	(918,611)

March 31, 2023

Risk Factors	Changes (+/-)	Changes in Income	Changes in Equity
Equity risk (stock index)	+1%	$ -	$ 2,547,106
Interest rate risk (yield curve)	+1BP	-	(69,704)
Exchange risk (foreign exchange rate)	+1% (NTD for each currency appreciates 1%)	(1,734,763)	(1,646,285)

7) KGI Life Insurance's foreign currency financial assets and liabilities with significant influence as of March 31, 2024, December 31, 2023 and March 31, 2023 are as follows:

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	March 31, 2024		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
Financial assets			
Monetary items			
USD	$ 45,862,344	31.99	$ 1,467,136,370
AUD	5,786,421	20.81	120,431,036
Non-monetary items			
USD	2,058,467	31.99	65,850,357
Financial labilities			
Monetary items			
USD	4,914	31.99	157,208

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	December 31, 2023		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
Financial assets			
Monetary items			
USD	$ 46,360,071	30.74	$ 1,424,876,796
AUD	5,851,455	21.00	122,870,020
Non-monetary items			
USD	1,933,365	30.74	59,421,973
Financial labilities			
Monetary items			
USD	237,747	30.74	7,307,158

(In Thousands of Foreign Currencies/New Taiwan Dollars)

	March 31, 2023		
	Foreign Currency	**Exchange Rate (Dollar)**	**New Taiwan Dollar**
Financial assets			
Monetary items			
USD	$ 45,537,377	30.45	$ 1,386,795,280
AUD	5,760,600	20.33	117,136,611
Non-monetary items			
USD	2,644,126	30.45	80,524,218
Financial labilities			
Monetary items			
USD	19,984	30.45	608,600

The above information is disclosed based on the carrying amount of the foreign currencies, which has been translated to functional currency.

e. Transfers of financial assets

KGI Bank and subsidiaries

Transferred financial assets not qualifying for full derecognition

Among daily operations of KGI Bank, most of the transactions of transferred financial assets not qualifying for full derecognition are debt securities under repurchase agreements. As KGI Bank's right to receive cash flows of the financial assets transferred to the counterparties, and reflecting the obligation to repurchase the transferred financial assets for a fixed price at a future date, the transferred financial assets cannot be used, sold or pledged in the duration of the transaction. KGI Bank does not derecognize it entirely because KGI Bank remains exposed to interest rate risk and credit risk on these pledged instruments.

Related information of financial assets and liabilities not qualifying for full derecognition was listed below:

March 31, 2024					
Category	**Carrying Amount of Transferred Financial Assets**	**Carrying Amount of Related Financial Liabilities**	**Fair Value of Transferred Financial Assets**	**Fair Value of Related Financial Liabilities**	**Fair Value of Net Position**
Notes and bonds issued under repurchase agreements					
Financial assets at amortized cost	$ 2,587,456	$ 2,324,782	$ 2,411,090	$ 2,324,782	$ 86,308
Financial assets at FVTPL	3,886,890	3,890,947	3,886,890	3,890,947	(4,057)
Financial assets at FVTOCI	57,332,521	55,245,991	57,332,521	55,245,991	2,086,530

December 31, 2023					
Category	**Carrying Amount of Transferred Financial Assets**	**Carrying Amount of Related Financial Liabilities**	**Fair Value of Transferred Financial Assets**	**Fair Value of Related Financial Liabilities**	**Fair Value of Net Position**
Notes and bonds issued under repurchase agreements					
Financial assets at amortized cost	$ 1,075,645	$ 927,945	$ 1,000,876	$ 927,945	$ 72,931
Financial assets at FVTPL	1,508,805	1,510,123	1,508,805	1,510,123	(1,318)
Financial assets at FVTOCI	42,234,199	40,142,911	42,234,199	40,142,911	2,091,288

March 31, 2023					
Category	**Carrying Amount of Transferred Financial Assets**	**Carrying Amount of Related Financial Liabilities**	**Fair Value of Transferred Financial Assets**	**Fair Value of Related Financial Liabilities**	**Fair Value of Net Position**
Notes and bonds issued under repurchase agreements					
Financial assets at amortized cost	$ 1,408,685	$ 1,263,616	$ 1,329,438	$ 1,263,616	$ 65,822
Financial assets at FVTPL	1,800,367	1,747,391	1,800,367	1,747,391	52,976
Financial assets at FVTOCI	36,450,191	35,136,321	36,450,191	35,136,321	1,313,870

KGI Securities and subsidiaries

1) Transferred financial assets not qualifying for full derecognition

Among daily operations of KGI Securities and subsidiaries, most of the transactions of transferred financial assets not qualifying for full derecognition are debt securities held by counterparties as collateral under repurchase agreements or equity securities lent under securities lending agreements. As the substance of these transactions is secured borrowing, securities that has transferred to counterparties during the transaction causes KGI Securities and subsidiaries' right to receive cash flows of the financial assets transferred to the counterparties; KGI Securities and subsidiaries only recognized related liabilities reflecting the obligation to repurchase the transferred financial assets at a fixed price in the future, and the transferred financial assets cannot be used, sold or pledged in the duration of the transaction. KGI Securities and subsidiaries do not derecognize it entirely because KGI Securities and subsidiaries remain exposed to interest rate risk, credit risk and market risk on these pledged instruments.

Related information of financial assets and liabilities not qualifying for full derecognition was listed below:

March 31, 2024					
Category	**Carrying Amount of Transferred Financial Assets**	**Carrying Amount of Related Financial Liabilities**	**Fair Value of Transferred Financial Assets**	**Fair Value of Related Financial Liabilities**	**Fair Value of Net Position**
Financial assets at FVTPL					
Transactions with agreements	$ 30,253,232	$ 29,703,845	$ 30,253,232	$ 29,703,845	$ 549,387
Financial assets at FVTOCI					
Transactions with agreements	31,426,270	28,977,631	31,426,270	28,977,631	2,448,639
Financial assets at amortized cost					
Transactions with agreements	6,557,114	6,552,921	6,557,114	6,552,921	4,193

December 31, 2023					
Category	**Carrying Amount of Transferred Financial Assets**	**Carrying Amount of Related Financial Liabilities**	**Fair Value of Transferred Financial Assets**	**Fair Value of Related Financial Liabilities**	**Fair Value of Net Position**
Financial assets at FVTPL					
Transactions with agreements	$ 28,152,330	$ 27,529,289	$ 28,152,330	$ 27,529,289	$ 623,041
Financial assets at FVTOCI					
Transactions with agreements	29,901,195	27,651,012	29,901,195	27,651,012	2,250,183
Financial assets at amortized cost					
Transactions with agreements	4,772,444	4,457,915	4,772,444	4,457,915	314,529

March 31, 2023					
Category	**Carrying Amount of Transferred Financial Assets**	**Carrying Amount of Related Financial Liabilities**	**Fair Value of Transferred Financial Assets**	**Fair Value of Related Financial Liabilities**	**Fair Value of Net Position**
Financial assets at FVTPL					
Transactions with agreements	$ 20,894,848	$ 20,261,736	$ 20,894,848	$ 20,261,736	$ 633,112
Financial assets at FVTOCI					
Transactions with agreements	28,551,193	27,289,463	28,551,193	27,289,463	1,261,730
Financial assets at amortized cost					
Transactions with agreements	4,681,030	4,726,955	4,681,030	4,726,955	(45,925)

2) Transferred financial assets qualifying for full derecognition

KGI Securities uses convertible bonds acquired by an underwriter or dealer as the trading object of the asset swap transaction, then KGI Securities receives consideration by selling it, and exchange interests arise from convertible bonds for compensation interests according to the contracts, and has the right to redeem the bonds at any time before the maturity date. KGI Securities does not retain the control over the transferred assets and derecognizes them since counterparties have the ability to sell financial assets to third party and no restrictions will be made to counterparties. KGI Securities still retain the call option of the object, and the maximum exposure of the loss is the book value of the pledged instruments.

Related information of transferred financial assets and liabilities qualifying for full derecognition are as follows:

Period	Types of Continuing Involvement	Outflows of Repurchased Transferred (Derecognized) Financial Assets	Book Value of Continuing Involvement in the Balance Sheet	Fair Value of Continuing Involvement		Maximum of Loss Exposure
			Financial Assets at FVTPL	Assets	Liabilities	
March 31, 2024	Call option	$ 12,934,500	$ 2,886,440	$ 2,886,440	$ -	$ 2,886,440
December 31, 2023	Call option	12,434,300	2,504,819	2,504,819	-	2,504,819
March 31, 2023	Call option	11,248,300	1,997,424	1,997,424	-	1,997,424

The following table is repurchased transferred (derecognized) financial assets' undiscounted cash flow maturity analysis. Information of cash flow is disclosed according to the circumstances of every balance sheet day.

Period	Types of Continuing Involvement	Spot	3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
March 31, 2024	Call option	$ -	$ 126,000	$ 3,305,900	$ 9,502,600	$ -	$ 12,934,500
December 31, 2023	Call option	-	934,500	3,133,500	8,366,300	-	12,434,300
March 31, 2023	Call option	-	390,800	3,341,400	7,516,100	-	11,248,300

The following table shows gains or losses recognized from continuing involvement - call option at the assets transferred day, continuing involvement of derecognized financial assets until balance sheet day and revenues and expenses recognized during the period.

Period	Types of Continuing Involvement	Gains or Losses Recognized at Balance Sheet Day	Revenues or Expenses Recognized from Continuing Involvement of Derecognized Financial Assets Until Balance Sheet Day	Revenues or Expenses Recognized During the Period
March 31, 2024	Call option	$ 77,221	$ 415,712	$ 492,933
December 31, 2023	Call option	159,316	(98,652)	60,664
March 31, 2023	Call option	(39,493)	(45,399)	(84,892)

f. Offsetting financial assets and financial liabilities

KGI Bank and subsidiaries

KGI Bank and subsidiaries have enforceable master netting arrangements or similar agreements signed with counterparty, and the financial assets and financial liabilities can be offset when both sides of the transaction have decided to, but gross settlements if have not. One can choose net settlement if the other side of the transaction is in the breach of contract.

Related information of offsetting financial assets and financial liabilities were as follows:

March 31, 2024						
Financial Assets Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Assets (a)**	**Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet (b)**	**Net Amounts of Financial Assets Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note 1)	**Cash Collateral Received**	
Securities purchased under resell agreements	$ 48,433,257	$ -	$ 48,433,257	$ 48,433,257	$ -	$ -
Derivative instruments (Note 2)	28,617,383	-	28,617,383	7,109,211	618,859	20,889,313
Total	$ 77,050,640	$ -	$ 77,050,640	$ 55,542,468	$ 618,859	$ 20,889,313

March 31, 2024						
Financial Liabilities Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Liabilities (a)**	**Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet (b)**	**Net Amounts of Financial Liabilities Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note 1)	**Cash Collateral Pledged**	
Notes and bonds purchased under repurchase agreements	$ 61,461,720	$ -	$ 61,461,720	$ 61,208,147	$ 253,573	$ -
Derivative instruments (Note 2)	27,738,524	-	27,738,524	7,109,211	5,810,832	14,818,481
Total	$ 89,200,244	$ -	$ 89,200,244	$ 68,317,358	$ 6,064,405	$ 14,818,481

December 31, 2023						
Financial Assets Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Assets (a)**	**Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet (b)**	**Net Amounts of Financial Assets Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note 1)	**Cash Collateral Received**	
Securities purchased under resell agreements	$ 42,097,729	$ -	$ 42,097,729	$ 42,097,729	$ -	$ -
Derivative instruments (Note 2)	30,011,713	-	30,011,713	8,646,423	2,566,513	18,798,777
Total	$ 72,109,442	$ -	$ 72,109,442	$ 50,744,152	$ 2,566,513	$ 18,798,777

December 31, 2023						
Financial Liabilities Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Liabilities (a)**	**Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet (b)**	**Net Amounts of Financial Liabilities Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note 1)	**Cash Collateral Pledged**	
Notes and bonds purchased under repurchase agreements	$ 42,580,979	$ -	$ 42,580,979	$ 42,580,979	$ -	$ -
Derivative instruments (Note 2)	29,931,131	-	29,931,131	8,646,423	2,947,399	18,337,309
Total	$ 72,512,110	$ -	$ 72,512,110	$ 51,227,402	$ 2,947,399	$ 18,337,309

March 31, 2023						
Financial Assets Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Assets (a)**	**Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet (b)**	**Net Amounts of Financial Assets Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note 1)	**Cash Collateral Received**	
Securities purchased under resell agreements	$ 22,788,294	$ -	$ 22,788,294	$ 22,694,404	$ 93,890	$ -
Derivative instruments (Note 2)	15,463,404	-	15,463,404	6,320,928	897,975	8,244,501
Total	$ 38,251,698	$ -	$ 38,251,698	$ 29,015,332	$ 991,865	$ 8,244,501

March 31, 2023						
Financial Liabilities Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Liabilities (a)**	**Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet (b)**	**Net Amounts of Financial Liabilities Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note 1)	**Cash Collateral Pledged**	
Notes and bonds purchased under repurchase agreements	$ 38,147,328	$ -	$ 38,147,328	$ 38,142,455	$ 4,873	$ -
Derivative instruments (Note 2)	14,792,955	-	14,792,955	6,320,928	3,008,246	5,463,781
Total	$ 52,940,283	$ -	$ 52,940,283	$ 44,463,383	$ 3,013,119	$ 5,463,781

Note 1: Financial instruments include master netting arrangements and non-cash collateral.

Note 2: Derivative instruments include hedging derivative financial.

KGI Securities and subsidiaries

KGI Securities and subsidiaries’ transactions of derivative assets and liabilities do not correspond to the provisions of IAS, only in the circumstances of default, insolvency or bankruptcy will KGI Securities and subsidiaries have the rights to offset derivative assets and liabilities.

KGI Securities and subsidiaries have signed securities repurchase contracts with counterparties, and the agreements stating that KGI Securities and subsidiaries to provide securities as collateral, meanwhile KGI Securities and subsidiaries signed securities resell contracts with counterparties and receive securities as collateral which do not recognized in the balance sheet. Such contracts do not correspond to the provisions of IAS and bear the right to offset only in the circumstances of default, insolvency or bankruptcy, therefore, related securities sell with repurchase agreements and securities purchased with resell agreement are presented in the balance sheet respectively.

Related information of offsetting financial assets and financial liabilities were as follows:

March 31, 2024						
Financial Assets Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Assets (a)**	**Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet (b)**	**Net Amounts of Financial Assets Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note 1)	**Cash Collateral Received**	
Derivative financial instruments (Note 2)	$ 7,265,903	$ -	$ 7,265,903	$ -	$ 800,134	$ 6,465,769
Securities purchased under resell agreements	13,277,355	-	13,277,355	13,277,355	-	-
Total	$ 20,543,258	$ -	$ 20,543,258	$ 13,277,355	$ 800,134	$ 6,465,769

March 31, 2024						
Financial Liabilities Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Liabilities (a)**	**Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet (b)**	**Net Amounts of Financial Liabilities Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note 1)	**Cash Collateral Pledged**	
Derivative financial instruments (Note 2)	$ 11,747,423	$ -	$ 11,747,423	$ -	$ 2,356,969	$ 9,390,454
Notes and bonds issued under repurchase agreements	90,257,208	-	90,257,208	90,257,208	-	-
Total	$ 102,004,631	$ -	$ 102,004,631	$ 90,257,208	$ 2,356,969	$ 9,390,454

December 31, 2023						
Financial Assets Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Assets (a)**	**Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet (b)**	**Net Amounts of Financial Assets Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note 1)	**Cash Collateral Received**	
Derivative financial instruments (Note 2)	$ 5,870,737	$ -	$ 5,870,737	$ -	$ 1,014,109	$ 4,856,628
Securities purchased under resell agreements	13,142,589	-	13,142,589	13,142,589	-	-
Total	$ 19,013,326	$ -	$ 19,013,326	$ 13,142,589	$ 1,014,109	$ 4,856,628

December 31, 2023						
Financial Liabilities Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	Gross Amounts of Recognized Financial Liabilities (a)	Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet (b)	Net Amounts of Financial Liabilities Presented in the Balance Sheet (c)=(a)-(b)	Amounts not Offset in the Balance Sheet (d)		Net Amount (e)=(c)-(d)
				Financial Instruments (Note 1)	Cash Collateral Pledged	
Derivative financial instruments (Note 2)	$ 10,669,203	$ -	$ 10,669,203	$ -	$ 1,532,523	$ 9,136,680
Notes and bonds issued under repurchase agreements	87,713,610	-	87,713,610	87,713,610	-	-
Total	$ 98,382,813	$ -	$ 98,382,813	$ 87,713,610	$ 1,532,523	$ 9,136,680

March 31, 2023						
Financial Assets Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	Gross Amounts of Recognized Financial Assets (a)	Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet (b)	Net Amounts of Financial Assets Presented in the Balance Sheet (c)=(a)-(b)	Amounts not Offset in the Balance Sheet (d)		Net Amount (e)=(c)-(d)
				Financial Instruments (Note 1)	Cash Collateral Received	
Derivative financial instruments (Note 2)	$ 5,089,834	$ -	$ 5,089,834	$ -	$ 1,314,900	$ 3,774,934
Securities purchased under resell agreements	9,953,844	-	9,953,844	9,953,844	-	-
Total	$ 15,043,678	$ -	$ 15,043,678	$ 9,953,844	$ 1,314,900	$ 3,774,934

March 31, 2023						
Financial Liabilities Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	Gross Amounts of Recognized Financial Liabilities (a)	Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet (b)	Net Amounts of Financial Liabilities Presented in the Balance Sheet (c)=(a)-(b)	Amounts not Offset in the Balance Sheet (d)		Net Amount (e)=(c)-(d)
				Financial Instruments (Note 1)	Cash Collateral Pledged	
Derivative financial instruments (Note 2)	$ 9,863,962	$ -	$ 9,863,962	$ -	$ 967,999	$ 8,895,963
Notes and bonds issued under repurchase agreements	75,261,961	-	75,261,961	75,261,961	-	-
Total	$ 85,125,923	$ -	$ 85,125,923	$ 75,261,961	$ 967,999	$ 8,895,963

Note 1: Financial instruments include master netting arrangements and non-cash collateral.

Note 2: Derivative instruments include hedging derivative financial.

KGI Life Insurance

KGI Life Insurance holds financial instruments in accordance with paragraph 42 of IAS 32 recognized by the FSC and the related assets and liabilities are offset on the balance sheet.

KGI Life Insurance may perform transactions not meeting the requirements of offsetting, but has enforceable master netting arrangement or other similar agreements with the counterparties. When both parties agree to settle in net amount, financial assets and financial liabilities could be offset and settled in net amount, and if not, in total amount. However, if any party in the transaction defaults, the other party can choose net settlement.

Related information about above offsetting financial assets and financial liabilities are as follows:

March 31, 2024						
Financial Assets Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Assets (a)**	**Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet (b)**	**Net Amounts of Financial Assets Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments	**Cash Collateral Received**	
Derivative financial instruments	$ 1,491,239	$ -	$ 1,491,239	$ 1,205,548	$ -	$ 285,691

March 31, 2024						
Financial Liabilities Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Liabilities (a)**	**Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet (b)**	**Net Amounts of Financial Liabilities Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments	**Cash Collateral Pledged**	
Derivative financial instruments	$ 17,227,297	$ -	$ 17,227,297	$ 1,205,548	$ 7,769,892	$ 8,251,857

December 31, 2023						
Financial Assets Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Assets (a)**	**Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet (b)**	**Net Amounts of Financial Assets Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments	**Cash Collateral Received**	
Derivative financial instruments	$ 19,422,920	$ -	$ 19,422,920	$ 3,770,093	$ 8,383,839	$ 7,268,988

December 31, 2023						
Financial Liabilities Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Liabilities (a)**	**Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet (b)**	**Net Amounts of Financial Liabilities Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments	**Cash Collateral Pledged**	
Derivative financial instruments	$ 5,612,137	$ -	$ 5,612,137	$ 3,770,093	$ 159,346	$ 1,682,697

March 31, 2023						
Financial Assets Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Assets (a)**	**Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet (b)**	**Net Amounts of Financial Assets Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments	**Cash Collateral Received**	
Derivative financial instruments	$ 4,785,605	$ -	$ 4,785,605	$ 3,122,533	$ 343,461	$ 1,319,611

March 31, 2023						
Financial Liabilities Subject to Offsetting, Enforceable Master Netting Arrangements or Similar Agreements						
Types of Financial Instruments	**Gross Amounts of Recognized Financial Liabilities (a)**	**Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet (b)**	**Net Amounts of Financial Liabilities Presented in the Balance Sheet (c)=(a)-(b)**	**Amounts not Offset in the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments	**Cash Collateral Pledged**	
Derivative financial instruments	$ 5,628,772	$ -	$ 5,628,772	$ 3,122,533	$ 1,910,473	$ 595,766

52. CAPITAL MANAGEMENT

a. Capital management objective

The basic management objective includes eligible capital to meet the requirements of the regulation and achieve the minimum capital adequacy ratio so as to control all risks within the risk appetite. In order to undertake all kinds of risk, the Group conducts risk management based on the risk portfolio and the assessment of risk characteristics to design the best capital allocation.

b. Capital management procedures

The Group had met the authorities' minimum requirements for capital adequacy ratio and reported to the authority quarterly. Eligible capital and legal capital were calculated according to the "Regulations Governing the Capital Adequacy of Financial Holding Companies".

53. TRUST BUSINESS OPERATIONS UNDER THE TRUST ENTERPRISES ACT

a. The balance sheets and income statements of the trust accounts and trust property accounts of KGI Bank were as follows:

Balance Sheets of Trust Accounts

(In Thousands of New Taiwan Dollars)

Trust Assets	**March 31, 2024**	**December 31, 2023**	**March 31, 2023**
Bank deposits	$ 4,021,126	$ 3,778,800	$ 3,057,159
Short-term investments			
Funds	28,898,830	27,579,033	28,083,640
Bonds	12,135,533	10,711,522	7,811,138
Common shares	181,708	141,482	172,724
Structured notes	195,743	78,457	35,327
Receivables	14,490	72	19,447
Securities under custody	2,440,365	2,867,578	2,312,682
Real estate			
Lands	14,026,335	14,234,149	11,162,998
Buildings and facilities	18,809	16,426	13,083
Intangible assets - surface right	984,534	984,534	984,534
Other assets	39,303	36,981	39,191
Total	$ 62,956,776	$ 60,429,034	$ 53,691,923

Trust Liabilities	**March 31, 2024**	**December 31, 2023**	**March 31, 2023**
Payables	$ 91,496	$ 85,700	$ 97,658
Payables on securities under custody	2,440,365	2,867,578	2,312,682
Other liabilities	63,267	46,923	67,578
Trust capital	60,342,735	57,413,114	51,201,460
Accumulated earnings	18,913	15,719	12,545
Total	$ 62,956,776	$ 60,429,034	$ 53,691,923

Income Statements of Trust Accounts

(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2024	**2023**
Trust income and gains		
Dividend income	$ 6,192	$ 2,257
Interest income	528,408	426,929
Rental income	6,736	6,725
Other income	1,737	1,017
Total trust income and gains	543,073	436,928
Trust expenses		
Properties transaction losses	(364,079)	(676,554)
Administrative expenses	(805)	(1,221)
Other expenses	(4,362)	(2,238)
Total trust expenses	(369,246)	(680,013)
Net income (loss)	$ 173,827	$ (243,085)

The above income (loss) from trust operations were excluded from KGI Bank's income.

Trust Property Accounts

(In Thousands of New Taiwan Dollars)

Investment Portfolio	**March 31, 2024**	**December 31, 2023**	**March 31, 2023**
Bank deposits	$ 4,021,126	$ 3,778,800	$ 3,057,159
Short-term investments			
Funds	28,898,830	27,579,033	28,083,640
Bonds	12,135,533	10,711,522	7,811,138
Common shares	181,708	141,482	172,724
Structured notes	195,743	78,457	35,327
Securities under custody	2,440,365	2,867,578	2,312,682
Real estate			
Lands	14,026,335	14,234,149	11,162,998
Buildings and facilities	18,809	16,426	13,083
Intangible assets - surface right	984,534	984,534	984,534
Other assets	53,793	37,053	58,638
	$ 62,956,776	$ 60,429,034	$ 53,691,923

b. The balance sheets and income statements of the trust accounts and trust property accounts of KGI Securities were as follows:

Balance Sheets of Trust Accounts

(In Thousands of New Taiwan Dollars)

Trust Assets	March 31, 2024	December 31, 2023	March 31, 2023	Trust Liabilities	March 31, 2024	December 31, 2023	March 31, 2023
Bank deposits	$ 2,538,887	$ 2,912,774	$ 1,787,006	Payables	$ 317,305	$ 200,636	$ 66,758
Financial assets				Taxes payable	242	77	384
Bonds	12,788,112	11,356,875	5,045,944	Trust capital	53,784,392	50,099,575	40,642,927
Common shares	18,634,742	15,374,518	13,483,190	Current profit and loss	7,826,097	3,529,082	(215,940)
Funds	23,543,719	19,679,943	17,040,357	Accumulated earnings	2,089,654	1,453,947	1,402,068
Short-term notes	-	-	596,898	Deferred carry forward	1,053	651	10
Structured notes	5,817,095	4,976,816	3,566,792	Other	(190,718)	(530,582)	(172,492)
Receivables	505,470	452,460	203,528				
Total	$ 63,828,025	$ 54,753,386	$ 41,723,715	Total	$ 63,828,025	$ 54,753,386	$ 41,723,715

Income Statements of Trust Accounts

(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31 2024	2023
Trust income		
Interest income	$ 165,467	$ 66,461
Rent income	5,184	8,465
Dividend income	228,819	148,767
Realized gain profit from investment	342,420	128,111
Unrealized gain profit from investment	9,146,179	3,168,767
Other income	1,837,546	959,703
	11,725,615	4,480,274
Trust expenses		
Administrative expenses	718	1,247
Taxes	2,510	1,439
Service fee	15,758	4,916
Realized loss form investment	217,322	227,716
Unrealized loss from investment	3,075,445	3,813,388
Other expenses	587,765	647,508
	3,899,518	4,696,214
Net profit (loss) before income tax	7,826,097	(215,940)
Tax expense	-	-
Net profit (loss) after income tax	$ 7,826,097	$ (215,940)

The above income from trust operations were excluded from KGI Securities' income.

Trust Property Accounts

(In Thousands of New Taiwan Dollars)

Investment Portfolio	March 31, 2024	December 31, 2023	March 31, 2023
Bank deposits	$ 2,538,887	$ 2,912,774	$ 1,787,006
Financial assets			
Bonds	12,788,112	11,356,875	5,045,944
Common shares	18,634,742	15,374,518	13,483,190
Funds	23,543,719	19,679,943	17,040,357
Short-term notes	-	-	596,898
Structured notes	5,817,095	4,976,816	3,566,792
	$ 63,322,555	$ 54,300,926	$ 41,520,187

54. DISCLOSURE REQUIRED UNDER ARTICLE 46 OF THE FINANCIAL HOLDING COMPANY ACT

The Corporation do not need to disclosure anything in this period.

55. CONDENSED INDIVIDUAL BALANCE SHEETS AND STATEMENTS OF COMPREHENSIVE INCOME OF GROUP

Please refer to Table 6 (attached).

56. ALLOCATION OF REVENUE, COST AND EXPENSE RESULTING FROM COOPERATION AND RESOURCES SHARING IN THE GROUP

a. Business or trading behaviors

Please refer to Note 45 for related-party transactions.

b. Integrate business activities

The Corporation has become a full-functioning financial platform for its customers by improving the overall business performance of the Corporation through integrating the insurance, investment, trust custody and channel of banking, securities and life insurance.

c. Cross utilization of information or locations and business utilities

In compliance with Article 43 of "Financial Holding Companies Act", "Financial Holding Subsidiaries Cross-selling Activities Acts", "Self-disciplinary Standards" and other related regulations from FSC, the Corporation has advocated cross-selling activities among China development Financial Holdings and its Subsidiaries. In addition, the Corporation and its subsidiaries, which joined the cross selling business disclosure protection measures of customer information on official website (http://www.cdibh.com/chhtml/content/1513) to limit the use of the data, secure the customer information and related rights when handling cross-selling activities.

d. Allocation of revenues, costs, expenses, profits and losses

Revenue, costs, expenses, profits or losses arising from integrated business activities among subsidiaries are allocated to each subsidiary based on the related business features or other reasonable allocation methods.

57. CONTINGENCIES AND COMMITMENTS, DISASTER DAMAGES AND SUBSEQUENT EVENTS OF SUBSIDIARIES

Please refer to Note 47 to the consolidated financial statements. Information on disaster damages: None.

58. SUBSIDIARIES' ASSET QUALITY, MANAGEMENT, PROFITABILITY, LIQUIDITY AND SENSITIVITY TO MARKET RISK

Please refer to Notes 48 and 51 to the consolidated financial statements.

59. SPECIFIC RISK FROM FUTURES DEALING

The futures dealer needs to maintain adequate liquidity in case of its clients fail to fulfill the contracts in the futures transactions with the features of low financial leverage nature and unpredictable market fluctuation. If the dealing business fails to maintain the amount of margin, the open contracts may be closed. Thus, the margin may be lost entirely and may require further payment of deficiency.

60. FINANCIAL RATIOS OF FUTURES-DEALING SUBSIDIARIES

The following financial ratios of KGI Securities' futures department and KGI Futures Corp. are in compliance with the requirements of the Rules Governing Futures Commission Merchants.

a. KGI Securities' futures department

Rule No.	Formula	March 31, 2024 Formula	%	December 31, 2023 Formula	%	March 31, 2023 Formula	%	Standard	Meet Standard
17	Equities / Total liabilities minus customers' equity accounts	$2,242,010 / $87,934	=25.50	$2,229,746 / $114,785	=19.43	$2,222,522 / $495,200	=4.49	≧1	Yes
17	Current assets / Current liabilities	$3,726,282 / $87,648	=42.51	$2,783,912 / $114,785	=24.25	$3,148,781 / $494,891	=6.36	≧1	Yes
22	Equities / Capital stock	$2,242,010 / $400,000	=560.50%	$2,229,746 / $400,000	=557.44%	$2,222,522 / $400,000	=555.63%	≧60% ≧40%	Yes
22	Adjusted net capital / Client and proprietary account	$1,556,248 / $1,150,970	=135.21%	$1,950,528 / $204,319	=954.65%	$1,259,730 / $311,275	=404.70%	≧20% ≧15%	Yes

b. KGI Futures Corp.

Rule No.	Formula	March 31, 2024 Formula	%	December 31, 2023 Formula	%	March 31, 2023 Formula	%	Standard	Meet Standard
17	Equities / Total liabilities minus customers' equity accounts	$4,553,751 / $1,012,288	=4.50	$4,316,835 / $662,463	=6.52	$4,180,063 / $665,399	=6.28	≧1	Yes
17	Current assets / Current liabilities	$41,071,987 / $38,163,332	=1.08	$39,651,351 / $36,941,969	=1.07	$34,513,655 / $31,874,656	=1.08	≧1	Yes
22	Equities / Capital stock	$4,553,751 / $760,000	=599.18%	$4,316,835 / $760,000	=568.00%	$4,180,063 / $760,000	=550.01%	≧60% ≧40%	Yes
22	Adjusted net capital / Client and proprietary account	$3,651,223 / $8,303,500	=43.97%	$3,768,955 / $8,699,781	=43.32%	$3,658,300 / $6,568,231	=55.70%	≧20% ≧15%	Yes

61. ADDITIONAL DISCLOSURES

a. and b. following are the additional disclosures required for the Group:

1) Financing provided: Not applicable to the Corporation, KGI Bank and KGI Life Insurance. For other subsidiaries' information: Please refer to Table 1 (attached).

2) Collaterals/guarantees provided: Not applicable to the Corporation, KGI Bank and KGI Life Insurance. For other subsidiaries' information: Please refer to Table 2 (attached).

3) Marketable securities held: Not applicable to the Corporation, KGI Bank, KGI Securities and partial subsidiaries and KGI Life Insurance. For other subsidiaries' information: Please refer to Table 3 (attached).

4) Marketable securities were acquired and disposed of, at cost or prices of at least NT$300 million or 10% of the issued capital (subsidiaries acquired and disposed of marketable securities, at cost or price of at least NT$300 million or 10% of the issued capital): None.

5) Acquisition of individual real estate at cost of at least NT$300 million or 10% of the paid-in capital: For the Group's information: None.

6) Disposal of individual real estate at price of at least NT$300 million or 10% of the issued capital: For the Group's information: None.

7) Discount on service fees received from related parties amounting to NT$5 million: For the Group's information: None.

8) Receivables from related parties amounting to NT$300 million or 10% of the issued capital: Please refer to Note 45 and Table 4 (attached).

9) Sale of nonperforming loans: None.

10) For related information on the subsidiaries' securitization products approved under the Regulation on Financial Asset Securitization: None.

11) Other significant transactions which may affect the decisions of financial statement users: None.

12) The information of investees: The Corporation do not need to disclosure anything in this period.

13) Derivative transactions of the Group: Please refer to Notes 8, 49 and 51 of the consolidated financial statements.

c. Investments in mainland China: Please refer to Table 7 (attached).

d. Business relationships and significant transactions among the Group: Please refer to Table 8 (attached).

e. Information of major shareholders: None.

62. SEGMENT INFORMATION

The reportable segments of the Corporation are Commercial banking, Securities, Venture Capital and Insurance. Under the Banking Act of the Republic of China and relevant regulations, Commercial banking engaged in consumer banking, corporate banking and global market and financial institution. Under the Securities and Exchange Act and relevant regulations, Securities engaged in wealth management business, trading business and investment banking business. Venture Capital engaged in investment business directly. Insurance department operates life insurance business based on the provisions of the insurance law.

The accounting policies of the operating segments are the same as the Corporation's accounting policies described in Note 4. The Corporation uses income after tax as the measurement for segment profit and the basis of performance assessment. The net profit and income before income tax are composed of revenues and expenses directly attributable to an operating segment.

Segment Revenues and Results

Following were analysis of the Group's operating revenue and results by reportable segments:

	Commercial Banking	Securities	Venture Capital	Insurance	Other	Total
For the three months ended March 31, 2024						
Interest profit (loss), net	$ 1,787,325	$ 611,276	$ 79,518	$ 16,009,772	$ (165,124)	$ 18,322,767
Noninterest profits (loss) and gains, net	2,069,407	6,565,286	387,367	(11,302,833)	(349,816)	(2,630,589)
Net revenue (loss)	3,856,732	7,176,562	466,885	4,706,939	(514,940)	15,692,178
Reversal of (allowance) for bad debts and losses on commitments and guarantees, net	(394,553)	(4,327)	-	438	-	(398,442)
Net change in reserve for insurance liabilities	-	-	-	3,213,437	-	3,213,437
Operating expenses	(1,746,850)	(4,076,769)	(304,765)	(1,767,909)	(715,322)	(8,611,615)
Net profit (loss) before income tax	1,715,329	3,095,466	162,120	6,152,905	(1,230,262)	9,895,558
Income tax benefit (expense)	(223,413)	(263,403)	(35,998)	(837,300)	(319,673)	(1,679,787)
Net profit (loss) for the period	$ 1,491,916	$ 2,832,063	$ 126,122	$ 5,315,605	$ (1,549,935)	$ 8,215,771
For the three months ended March 31, 2023						
Interest profit (loss), net	$ 2,024,939	$ 601,683	$ 55,917	$ 15,295,969	$ (169,276)	$ 17,809,232
Noninterest profits (loss) and gains, net	1,336,982	4,788,288	1,446,163	(13,173,069)	(599,811)	(6,201,447)
Net revenue (loss)	3,361,921	5,389,971	1,502,080	2,122,900	(769,087)	11,607,785
Reversal of (allowance) for bad debts and losses on commitments and guarantees, net	93,270	(1,022)	-	(1,932)	-	90,316
Net change in reserve for insurance liabilities	-	-	-	(846,221)	-	(846,221)
Operating expenses	(1,624,747)	(3,343,236)	(474,044)	(1,491,691)	(572,089)	(7,505,807)
Net profit (loss) before income tax	1,830,444	2,045,713	1,028,036	(216,944)	(1,341,176)	3,346,073
Income tax benefit (expense)	(234,364)	(214,024)	(89,118)	568,700	127,307	158,501
Net profit (loss) for the period	$ 1,596,080	$ 1,831,689	$ 938,918	$ 351,756	$ (1,213,869)	$ 3,504,574

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

FINANCINGS PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars)

No.	Financier	Counter-party	Financial Statement Account	Related-party	Maximum Balance for the Period	Ending Balance	Actual Amount Drawn Down	Interest Rate	Nature of Financing Provided	Transaction Amount	Financing Reasons	Allowance for Bad Debt	Collateral		Financial Limit for Each Borrowing Company	Limit on Financier's Total Financing
													Item	Value		
1	KGI International Holdings Limited	KGI Asia Limited	Receivables, net	Yes	$ 1,599,500	$ 1,599,500	$ -	Floating	Short-term financing	$ -	Working capital	$ -	-	$ -	$ 19,071,702 (Note 1)	$ 19,071,702 (Note 1)
2	KGI International (Hong Kong) Limited	PT KGI Sekuritas Indonesia	Receivables, net	Yes	511,840	511,840	511,840	7.22%	Short-term financing	-	Working capital	-	-	-	6,672,826 (Note 2)	6,672,826 (Note 2)

Note 1: KGI International Holdings Limited's financing limit is based on the "Loan of Funds Making Guideline". The guideline states that, for each and for all of the borrowing companies, the total amount available for financing should not exceed the net worth of the financing company.

Note 2: KGI International (Hong Kong) Limited's financing limit is based on the "Loan of Funds Making Guideline". The guideline states that, for each and for all of the borrowing companies, the total amount available for financing should not exceed the net worth of the financing company.

Note 3: Those that have been included in the consolidated financial statement have been completely written off.

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

COLLATERALS/GUARANTEE PROVIDED
MARCH 31, 2024
(In Thousands of New Taiwan Dollars)

No.	Collaterals/Guarantee Provider	Counter-party		Limits on Each Counter-party's Collateral/ Guarantee Amounts	Maximum Balance for the Period	Ending Balance	Actual Amount Drawn Down	Carrying Value (as of Balance Sheet Date) of Properties Guaranteed by Collateral	Ratio of Accumulated Amount of Collateral to Net Asset Value of the Latest Financial Statement	Maximum Collateral/ Guarantee Amounts Allowable	Provision of Endorsements by Parent Company to Subsidiary	Provision of Endorsements by Subsidiary to Parent Company	Provision of Endorsements to the Company in Mainland China
		Name	Nature of Relationship										
1	KGI Securities Co., Ltd	KGI Securities (Singapore) Pte. Ltd.	Note 1	$ 5,955,915	$ 869,013	$ 860,673	$ 860,673	$ -	1.45%	$ 23,823,659 (Note 2)	No	No	No
2	KGI International Holdings Limited	KGI Asia Limited	Note 1	19,071,702	1,279,600	1,279,600	-	-	6.71%	19,071,702 (Note 3)	No	No	No
		KGI International Finance Limited	Note 1	19,071,702	639,800	639,800	-	-	3.35%	19,071,702 (Note 3)	No	No	No
		KGI Finance Limited	Note 1	19,071,702	79,975	79,975	-	-	0.42%	19,071,702 (Note 3)	No	No	No
		KGI International (Hong Kong) Limited	Note 1	19,071,702	2,008,715	2,008,302	-	-	10.53%	19,071,702 (Note 3)	No	No	No
		KGI Securities (Singapore) Pte. Ltd.	Note 1	19,071,702	4,158,700	4,158,700	-	-	21.81%	19,071,702 (Note 3)	No	No	No
		KGI Asia (Holdings) Pte. Ltd.	Note 1	19,071,702	4,272,004	4,243,393	2,698,237	-	22.25%	19,071,702 (Note 3)	No	No	No
3	CDIB Capital Group	CDIB Capital Investment I Limited	Note 1	7,560,961	1,599,500	1,599,500	-	-	5.32%	12,033,336 (Note 4)	No	No	No
		CDIB Global Markets Limited	Note 1	6,927,335	1,599,500	1,599,500	-	-	5.32%	12,033,336 (Note 4)	No	No	No

Note 1: The Group has directly or indirectly over 50% voting right of the company.

Note 2: The limit of maximum guarantee provided by KGI Securities Co., Ltd is based on "Corporate Endorsement, Guarantee Making Guideline". For each company, the amount of guarantee should not exceed 10% of the guarantee provider's net asset value. The total amount available for collaterals or guarantee should not exceed 40% of the guarantee provider's net asset value.

Note 3: The limit of maximum guarantee provided by KGI International Holdings Limited is based on the "Corporate Endorsement, Guarantee Making Guideline". For each and all company, the amount of guarantee provided should not exceed the guarantee provider's net asset value.

Note 4: The limit of maximum guarantee provided by CDIB Capital Group is based on "Financing Provided, Corporate Endorsement, Guarantee Making Guideline". For each company, the amount of financing and guarantee provided should limit on the amount of each counterparty's net investment in principle. The total amount of financing or guarantee provided should not exceed 40% of the guarantee provider's net asset value among recent financial report. CDIB Capital Group provided guarantees to CDIB Capital Investment I Limited and CDIB Global Market Limited by sharing credit lines, total NT$1,599,500 thousand.

TABLE 3

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
MARCH 31, 2024
(In Thousands of New Taiwan Dollars/Foreign Currencies)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	March 31, 2024				Note
				Shares/Face Value/Units	Carrying Value	Percentage of Ownership (Note 2)	Fair Value	
CDIB Capital Group	Stocks							
	Logitech Inc.	-	Financial assets at fair value through profit or loss	3,261,773	$ 11,618	10.69	$ 11,618	
	Solar Fine Chemical Co., Ltd.	-	Financial assets at fair value through profit or loss	241,403	2,484	10.83	2,484	
	Dee Van Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss	4,225,979	61,841	6.04	61,841	
	General Life Biotechnology Co., Ltd.	-	Financial assets at fair value through profit or loss	2,520,000	25,729	8.40	25,729	
	AMIA Co.	-	Financial assets at fair value through profit or loss	6,000,000	167,700	8.58	167,700	
	Up Scientech Materials Corp.	-	Financial assets at fair value through profit or loss	4,186,209	80,478	6.97	80,478	
	Eastern Electronic Co., Ltd.	-	Financial assets at fair value through profit or loss	4,348,680	37,032	6.47	37,032	
	ASIA BEST LIFE CARE CO., LTD.	-	Financial assets at fair value through profit or loss	8,243,507	84,317	4.81	84,317	
	Taiwan Speciality Chemicals Corporation	-	Financial assets at fair value through profit or loss	2,598,638	480,748	1.88	480,748	
	Jochu Technology Co., Ltd.	-	Financial assets at fair value through profit or loss	3,274,720	77,120	3.67	77,120	
	Kaohsiung Rapid Transit Corporation.	-	Financial assets at fair value through profit or loss	3,845,330	8,735	1.38	8,735	
	DragonJet Corporation	-	Financial assets at fair value through profit or loss	3,534,481	27,193	4.77	27,193	
	EVA Technologies Co., Ltd.	-	Financial assets at fair value through profit or loss	2,150,536	13,971	10.43	13,971	
	ASIA BEST HEALTHCARE CO., LTD.	-	Financial assets at fair value through profit or loss	12,612	1,423	4.72	1,423	
	Eden (Cayman) Biotech, Inc.	-	Financial assets at fair value through profit or loss	8,382,844	65,014	3.55	65,014	
	Eastern Power and Electric Company Limited	-	Financial assets at fair value through profit or loss	805,416	13,665	12.00	13,665	
	Pyxis Oncology Inc.	-	Financial assets at fair value through profit or loss	87,841	11,971	0.22	11,971	
	Chime Biologicis Limited	-	Financial assets at fair value through profit or loss	8,382,844	105,007	3.55	105,007	
	Beauty Essentials International Ltd.	-	Financial assets at fair value through profit or loss	86,503,067	109,859	8.13	109,859	
	United Renewable Energy Co., Ltd. - Private Placement	-	Financial assets at fair value through profit or loss	2,079,360	21,466	0.13	21,466	
	CDIB Capital Innovation Accelerator Ltd.	Associate	Financial assets at fair value through profit or loss	33,953,998	585,943	35.71	585,943	
	CDIB & Partners Investment Holding Corporation	Associate	Investments accounted for using the equity method	313,200,000	5,240,039	28.71	5,240,039	
	CDIB Capital Creative Industries Limited	Associate	Investments accounted for using the equity method	31,622,000	181,704	38.80	181,704	
	CDIB Capital Healthcare Ventures Limited	Associate	Investments accounted for using the equity method	8,633,571	498,788	21.86	498,788	
	CDIB Bio Science Ventures I, Inc.	Associate	Investments accounted for using the equity method	4,431,405	4,049	20.00	4,049	
	CDIB Capital Management Corporation	Subsidiary	Investments accounted for using the equity method	23,093,889	550,995	100.00	550,995	
	CDIB Venture Capital Corporation	Subsidiary	Investments accounted for using the equity method	535,493,708	6,332,440	100.00	6,332,440	
	CDIB Venture Capital (Hong Kong) Corporation Limited	Subsidiary	Investments accounted for using the equity method	925,000,000	3,473,130	100.00	3,473,130	
	CDIB Capital Investment II Limited	Subsidiary	Investments accounted for using the equity method	45,000,000	1,888,505	100.00	1,888,505	
	CDIB Global Markets Limited	Subsidiary	Investments accounted for using the equity method	339,392	6,927,335	100.00	6,927,335	
	CDIB Capital Investment I Limited	Subsidiary	Investments accounted for using the equity method	132,800,000	7,560,961	100.00	7,560,961	
	CDIB Capital International Corporation	Subsidiary	Investments accounted for using the equity method	4,700,000	488,645	100.00	488,645	
CDIB Capital Management Inc.	Stocks							
	EVA Technologies Co., Ltd.	-	Financial assets at fair value through profit or loss	297,623	1,934	1.44	1,934	
	CDIB Capital Innovation Advisors Corporation	Subsidiary	Investments accounted for using the equity method	1,200,000	13,685	60.00	13,685	
	CDIB Capital Creative Industries Limited	Associate	Investments accounted for using the equity method	815,002	4,683	1.00	4,683	
	CDIB Capital Healthcare Ventures Limited	Associate	Investments accounted for using the equity method	395,001	22,820	1.00	22,820	
	CDIB Private Equity (Hong Kong) Corporation Limited	Subsidiary	Investments accounted for using the equity method	51,900,000	351,086	100.00	351,086	
	Funds							
	CDIB Capital Growth Partners L.P.	Associate	Financial assets at fair value through profit or loss	-	45,277	-	45,277	
	CDIB Capital Healthcare Ventures II Limited Partnership	Associate	Financial assets at fair value through profit or loss	-	36,175	-	36,175	
	CDIB & Innolux Limited Partnership	Associate	Financial assets at fair value through profit or loss	-	14,557	-	14,557	
	CDIB & Innolux II Limited Partnership	Associate	Financial assets at fair value through profit or loss	-	6,444	-	6,444	
	CDIB-Mac Limited Partnership	Associate	Financial assets at fair value through profit or loss	-	2,713	-	2,713	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	March 31, 2024				Note
				Shares/Face Value/Units	Carrying Value	Percentage of Ownership (Note 2)	Fair Value	
CDIB Private Equity (Hong Kong) Corporation Limited	Stocks							
	CDIB Private Equity (China) Corporation	Subsidiary	Investments accounted for using the equity method	-	HK$ 70,232	100.00	HK$ 70,232	
	CDIB Private Equity Management (Fujian) Enterprise (Limited Partnership)	Subsidiary	Investments accounted for using the equity method	-	HK$ 6,425	56.00	HK$ 6,425	
	CDIB Yida Private Equity Management (Kunshan) Enterprise (Limited Partnership)	Subsidiary	Investments accounted for using the equity method	-	HK$ 3,850	27.08	HK$ 3,850	
CDIB Private Equity (China) Corporation	Stocks							
	CDIB Private Equity (Fujian) Co., Ltd.	Subsidiary	Investments accounted for using the equity method	-	CNY 14,057	70.00	CNY 14,057	
	CDIB Yida Private Equity (Kunshan) Co., Ltd.	Subsidiary	Investments accounted for using the equity method	-	CNY 13,516	65.00	CNY 13,516	
	CDIB Private Equity (Kunshan) Corporation	Subsidiary	Investments accounted for using the equity method	-	CNY 4,571	100.00	CNY 4,571	
	CDIB Guoke Private Equity (Kunshan) Co., Ltd.	Subsidiary	Investments accounted for using the equity method	-	CNY 6,591	65.00	CNY 6,591	
CDIB Private Equity (Fujian) Co., Ltd.	Stocks							
	CDIB Private Equity Management (Fujian) Enterprise (Limited Partnership)	Subsidiary	Investments accounted for using the equity method	-	CNY 2,128	20.00	CNY 2,128	
CDIB Yida Private Equity (Kunshan) Co., Ltd.	Stocks							
	CDIB Yida Private Equity Management (Kunshan) Enterprise (Limited Partnership)	Subsidiary	Investments accounted for using the equity method	-	CNY 7,691	58.33	CNY 7,691	
	Funds							
	Kunshan Yida Healthcare Private Equity Enterprise (Limited Partnership)	Associate	Financial assets at fair value through profit or loss	-	CNY 4,480	-	CNY 4,480	
CDIB Yida Private Equity Management (Kunshan) Enterprise (Limited Partnership)	Funds							
	CDIB Yida Private Equity (Kunshan) Enterprise (Limited Partnership)	Associate	Investments accounted for using the equity method	-	CNY 11,699	-	CNY 11,699	
CDIB Guoke Private Equity (Kunshan) Co., Ltd.	Funds							
	Kunshan Taiwanese Business Development Investment Fund Partnership (Limited Partnership)	Associate	Financial assets at fair value through profit or loss	-	CNY 7,031	-	CNY 7,031	
CDIB Private Equity Management (Fujian) Enterprise (Limited Partnership)	Funds							
	CDIB Private Equity (Fujian) Enterprise (Limited Partnership)	Associate	Investments accounted for using the equity method	-	CNY 4,481	-	CNY 4,481	
CDIB Venture Capital Corporation	Stocks							
	Azotek Co., Ltd.	-	Financial assets at fair value through profit or loss	989,400	14,908	1.62	14,908	
	ASIA BEST LIFE CARE CO., LTD.	-	Financial assets at fair value through profit or loss	8,243,507	84,317	4.81	84,317	
	WIADVANCE TECHNOLOGY CORPORATION	-	Financial assets at fair value through profit or loss	650,000	97,500	2.92	97,500	
	Changpin wind power Ltd.	-	Financial assets at fair value through profit or loss	4,200,000	105,945	17.50	105,945	
	Qian-Kun Energy Co., Ltd.	Associate	Financial assets at fair value through profit or loss	6,860,000	68,600	49.00	68,600	
	Evergreen Aviation Technologies Corp.	-	Financial assets at fair value through profit or loss	1,498,000	163,282	0.40	163,282	
	Fukuta Co., Ltd.	-	Financial assets at fair value through profit or loss	2,306,529	232,201	4.52	232,201	
	Sustainable Development Co., Ltd.	-	Financial assets at fair value through profit or loss	1,180,645	25,284	1.59	25,284	
	Hephas Energy Co., Ltd.	-	Financial assets at fair value through profit or loss	696,000	75,400	2.52	75,400	
	Sino-American Silicon Products Inc.	-	Financial assets at fair value through profit or loss	3,114,000	667,953	0.53	667,953	
	M2Communication, Inc.	-	Financial assets at fair value through profit or loss	162,815	1,417	1.61	1,417	
	Taiwan Speciality Chemicals Corporation	-	Financial assets at fair value through profit or loss	177,785	32,890	0.13	32,890	
	GSD Technologies Co., Ltd.	-	Financial assets at fair value through profit or loss	2,306,603	91,803	6.23	91,803	
	APEX Dynamics, Inc.	-	Financial assets at fair value through profit or loss	178,000	43,432	0.22	43,432	
	Yang Bao Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss	5,995,683	479,655	8.75	479,655	
	Taiwan Microloops Corp.	-	Financial assets at fair value through profit or loss	1,045,316	75,660	2.05	75,660	
	Poju International Co., Ltd.	-	Financial assets at fair value through profit or loss	2,666,000	50,694	5.68	50,694	
	Asia Best Healthcare Co., Ltd.	-	Financial assets at fair value through profit or loss	12,612	1,423	4.72	1,423	
	Viscovery (Cayman) Holding Company Limited	-	Financial assets at fair value through profit or loss	195,317	-	2.68	-	
	KKday.com International Company Limited	-	Financial assets at fair value through profit or loss	3,000,000	26,102	0.93	26,102	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	March 31, 2024				Note
				Shares/Face Value/Units	Carrying Value	Percentage of Ownership (Note 2)	Fair Value	
CDIB Venture Capital Corporation	Stocks							
	Crescendo Lab	-	Financial assets at fair value through profit or loss	3,195	$ 5,110	2.40	$ 5,110	
	21st Financial Technology Co., Ltd.	-	Financial assets at fair value through profit or loss	5,244,745	1,279,457	7.23	1,279,457	
	Apollomics, Inc.	-	Financial assets at fair value through profit or loss	419,338	10,061	0.48	10,061	
	Hartec Asia Pte. Ltd.	-	Financial assets at fair value through profit or loss	2,800,000	54,746	10.23	54,746	
	Fractyl Health, Inc.	-	Financial assets at fair value through profit or loss	608,375	136,817	1.28	136,817	
	Achieve Made International Limited	-	Financial assets at fair value through profit or loss	98,355	6,875	3.30	6,875	
	Soar Taiwan Co., Ltd.	Associate	Financial assets at fair value through profit or loss	6,678,487	66,785	14.87	66,785	
	iCHEF Co., Ltd. - preferred stock	-	Financial assets at fair value through profit or loss	11,167,513	94,065	40.74	94,065	
	4Gamers Entertainment Inc. - preferred stock	-	Financial assets at fair value through profit or loss	24,000	16,891	20.00	16,891	
	Asia Parents Holdings Limited - preferred stock	-	Financial assets at fair value through profit or loss	248,889	17,914	14.74	17,914	
	Kneron Holding Corporation - preferred stock	-	Financial assets at fair value through profit or loss	1,391,752	296,851	2.90	296,851	
	Elixiron Immunotherapeutics (Cayman) Limited - preferred stock	-	Financial assets at fair value through profit or loss	4,559,686	108,889	26.09	108,889	
	Crescendo Lab - preferred stock	-	Financial assets at fair value through profit or loss	8,000	12,796	16.00	12,796	
	21st Financial Technology Co., Ltd.-preferred stock	-	Financial assets at fair value through profit or loss	823,362	200,859	75.00	200,859	
	Zentera Systems, Inc. - preferred stock	-	Financial assets at fair value through profit or loss	993,379	47,985	22.05	47,985	
	FUNP Co., Ltd. - preferred stock	-	Financial assets at fair value through profit or loss	400,000	46,066	13.86	46,066	
	Achieve Made International Limited - preferred stock	-	Financial assets at fair value through profit or loss	168,138	11,753	6.67	11,753	
	PChome Online Inc. - Private Placement	-	Financial assets at fair value through profit or loss	1,875,293	56,230	1.30	56,230	
	United Renewable Energy Co., Ltd. - Private Placement	-	Financial assets at fair value through profit or loss	831,744	8,586	0.05	8,586	
	United Renewable Energy Co., Ltd. - Private Placement	-	Financial assets at fair value through profit or loss	2,056,941	21,234	0.13	21,234	
	KKday.com International Company Limited - Preferred Stock CC	-	Financial assets at fair value through profit or loss	813,859	7,081	0.08	7,081	
	Elixiron Immunotherapeutics (Cayman) Limited - Preferred Stock A	-	Financial assets at fair value through profit or loss	2,679,133	63,980	13.03	63,980	
	AmazingTalker - Preferred Stock A	-	Financial assets at fair value through profit or loss	4,282,655	63,980	12.90	63,980	
	FunNow Ltd. - Preferred Stock A	-	Financial assets at fair value through profit or loss	1,851,840	82,226	20.00	82,226	
	4Gamers Entertainment Inc. - Preferred Stock B	-	Financial assets at fair value through profit or loss	8,727	6,142	4.80	6,142	
	KKday.com International Company Limited - Preferred Stock B	-	Financial assets at fair value through profit or loss	5,654,616	49,200	8.66	49,200	
	TXONE NETWORKS INC. - Preferred Stock B	-	Financial assets at fair value through profit or loss	663,072	116,664	2.90	116,664	
	FunNow Ltd. - Preferred Stock B	-	Financial assets at fair value through profit or loss	435,730	19,347	3.36	19,347	
	Traveler Co., Ltd. - Preferred Stock B	-	Financial assets at fair value through profit or loss	32,077	51,594	10.85	51,594	
	KKday.com International Company Limited - Preferred Stock C	-	Financial assets at fair value through profit or loss	7,655,502	66,609	2.31	66,609	
	Traveler Co., Ltd - Preferred Stock C	-	Financial assets at fair value through profit or loss	7,955	12,795	3.20	12,795	
	Achieve Made International Limited - Preferred Stock E	-	Financial assets at fair value through profit or loss	336,276	23,505	10.00	23,505	
	Viscovery (Cayman) Holding Company Limited - Preferred Stock AA	-	Financial assets at fair value through profit or loss	300,000	4,679	15.00	4,679	
	FunNow Ltd. - Preferred Stock BB	-	Financial assets at fair value through profit or loss	576,370	25,592	12.50	25,592	
	Kuo Heng Investment Holding Corp.	Associate	Investments accounted for using the equity method	5,000,000	-	14.29	-	
	Funds							
	CDIB Capital Growth Partners L.P.	Associate	Financial assets at fair value through profit or loss	-	1,112,889	-	1,112,889	
	CDIB Capital Healthcare Ventures II Limited Partnership	Associate	Financial assets at fair value through profit or loss	-	413,480	-	413,480	
	CDIB & Innolux Limited Partnership	Associate	Financial assets at fair value through profit or loss	-	410,787	-	410,787	
	CDIB & Innolux II Limited Partnership	Associate	Financial assets at fair value through profit or loss	-	106,331	-	106,331	
CDIB Venture Capital (Hong Kong) Corporation Limited	Funds							
	CDIB Private Equity (Fujian) Enterprise (Limited Partnership)	Associate	Investments accounted for using the equity method	-	HK$ 165,696	-	HK$ 165,696	
	CDIB Yida Private Equity (Kunshan) Enterprise (Limited Partnership)	Associate	Investments accounted for using the equity method	-	HK$ 279,496	-	HK$ 279,496	
	Kunshan Yida Healthcare Private Equity Enterprise (Limited Partnership)	Associate	Financial assets at fair value through profit or loss	-	HK$ 141,752	-	HK$ 141,752	
CDIB Capital Investment I Limited	Stocks							
	Best Inc.	-	Financial assets at fair value through profit or loss	75,000	US$ 167	0.38	US$ 167	
	Loopin Cayman Limited	-	Financial assets at fair value through profit or loss	1,893,948	US$ 500	3.79	US$ 500	
	K Health, Inc.	-	Financial assets at fair value through profit or loss	4,834	US$ 141	0.05	US$ 141	
	CCAP Best Logistics Holdings Limited	-	Financial assets at fair value through profit or loss	1,000	US$ 61	12.50	US$ 61	
	Viking 3 Holdings Corporation - Preferred stock	-	Financial assets at fair value through profit or loss	18,000,000	US$ -	100.00	US$ -	
	Rokid Corporation Ltd - Preferred stock	-	Financial assets at fair value through profit or loss	615,642	US$ 6,351	0.78	US$ 6,351	
	K Health, Inc. - Preferred Stock C	-	Financial assets at fair value through profit or loss	496,376	US$ 14,451	1.50	US$ 14,451	
	CDIB X Finance I Holding Limited	Subsidiary	Investments accounted for using the equity method	5,500	US$ 151	100.00	US$ 151	
	SCBS 1 Holding Corporation	Subsidiary	Investments accounted for using the equity method	3,828	US$ 1,560	100.00	US$ 1,560	
	CDIB NY 5 LLC	Subsidiary	Investments accounted for using the equity method	-	US$ 18,430	-	US$ 18,430	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	March 31, 2024				Note
				Shares/Face Value/Units	Carrying Value	Percentage of Ownership (Note 2)	Fair Value	
CDIB Capital Investment I Limited	Funds							
	KKR X-Ray Co-invest L.P.	-	Financial assets at fair value through profit or loss	-	US$ 3,848	-	US$ 3,848	
	KKR Talk Co-invest L.P.	-	Financial assets at fair value through profit or loss	-	US$ 34,174	-	US$ 34,174	
	CC KDC CO-INVEST LP	-	Financial assets at fair value through profit or loss	-	US$ 37,245	-	US$ 37,245	
	Alpine Investors Iceman CV-A, LP	-	Financial assets at fair value through profit or loss	-	US$ 2,021	-	US$ 2,021	
	Eve & Partners Limited Partnership	Associate	Financial assets at fair value through profit or loss	-	US$ 185	-	US$ 185	
	CDIB Capital Global Opportunities Fund L.P.	Associate	Financial assets at fair value through profit or loss	-	US$ 22,304	-	US$ 22,304	
	CDIB Capital Asia Partners L.P.	Associate	Investments accounted for using the equity method	-	US$ 55,964	-	US$ 55,964	
	Corporate bond							
	Konew Capital International Limited	-	Financial assets at fair value through profit or loss	28,170,208	US$ 28,641	-	US$ 28,641	
	CDIB Real Estate Credit Ltd.	-	Amortized cost financial assets	21,877,744	US$ 21,878	-	US$ 21,878	
SCBS 1 Holding Corporation	Stocks							
	Simplify Compliance Holdings, LLC	-	Financial assets at fair value through profit or loss	2,833,333	US$ 1,464	2.91	US$ 1,464	
CDIB X Finance I Holding Limited	Corporate bond							
	Xian Group Limited	-	Amortized cost financial assets	5,000,000	US$ 193	-	US$ 193	
CDIB Capital Investment II Limited	Stocks							
	Great Rich Technologies Limited	-	Financial assets at fair value through profit or loss	1,660,000	US$ 4,007	2.46	US$ 4,007	
	Techmate Korea Daebu Co., Ltd.	-	Financial assets at fair value through profit or loss	45,600	US$ 2,988	10.00	US$ 2,988	
	Indostar Capital	-	Financial assets at fair value through profit or loss	631,701	US$ 4,807	9.05	US$ 4,807	
	NY4 Holdings Corporation - Preferred stock	-	Financial assets at fair value through profit or loss	8,080,000	US$ 9,648	100.00	US$ 9,648	
	Indostar Everstone - Preferred stock	-	Financial assets at fair value through profit or loss	860,332	US$ 6,516	88.76	US$ 6,516	
	CDIB TMK Finance Holding Limited	Subsidiary	Investments accounted for using the equity method	19,182.53	US$ 22,398	100.00	US$ 22,398	
CDIB TMK Finance Holding Limited	Corporate bond							
	Techmate Korea Daebu Co., Ltd.	-	Amortized cost financial assets	22,789,140,793	US$ 16,513	-	US$ 18,543	
CDIB Global Markets Limited	Stocks							
	Osaro, Inc.	-	Financial assets at fair value through profit or loss	51,095	US$ 418	0.59	US$ 418	
	Big Commerce Holdings, Inc.	-	Financial assets at fair value through profit or loss	30,361	US$ 208	0.04	US$ 208	
	Eventbrite, Inc.	-	Financial assets at fair value through profit or loss	24,904	US$ 138	0.03	US$ 138	
	ContextLogic, Inc.	-	Financial assets at fair value through profit or loss	3,240	US$ 18	0.01	US$ 18	
	Flemingo International (BVI) Ltd. - preferred stock	-	Financial assets at fair value through profit or loss	1,048	US$ 18,981	50.19	US$ 18,981	
	Osaro, Inc. - Preferred stock A	-	Financial assets at fair value through profit or loss	588,739	US$ 244	3.27	US$ 244	
	Osaro, Inc. - Preferred stock BB	-	Financial assets at fair value through profit or loss	577,524	US$ 558	3.16	US$ 558	
	CDIB Pearl Holding Limited	Subsidiary	Investments accounted for using the equity method	34,000	US$ 40,500	100.00	US$ 40,500	
	Corporate bond							
	42Matraville Investment Trust	-	Amortized cost financial assets	10,625,714	US$ 6,776	-	US$ 7,323	
	Weave Living Real Estate II Limited	-	Amortized cost financial assets	2,076,944	US$ 2,050	-	US$ 2,077	
	Weave Living Real Estate Limited	-	Amortized cost financial assets	6,881,539	US$ 6,794	-	US$ 6,882	
	Weave Living Real Estate SG Limited	-	Amortized cost financial assets	540,067	US$ 533	-	US$ 540	
	Funds							
	Huaxing Capital Partners II LP	-	Financial assets at fair value through profit or loss	-	US$ 3,460	-	US$ 3,460	
	Alpha Intelligence Capital Fund II, SCSp, SICAV-RAIF	-	Financial assets at fair value through profit or loss	-	US$ 6,434	-	US$ 6,434	
	AIC Tahoe, Limited Partnership	Associate	Financial assets at fair value through profit or loss	-	US$ 9,490	-	US$ 9,490	
	Convertible (exchange) corporate bond							
	Amber Investment Partners Limited	Associate	Financial assets at fair value through profit or loss	-	US$ 45,137	-	US$ 45,137	
	Orchid Investment Holdings	Associate	Financial assets at fair value through profit or loss	-	US$ 26,509	-	US$ 26,509	
	CDIB Medtech Holdings Limited	Associate	Financial assets at fair value through profit or loss	-	US$ 19,000	-	US$ 19,000	
	CDIB Medtech Investment Partners Limited	Associate	Financial assets at fair value through profit or loss	-	US$ 47,500	-	US$ 47,500	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	March 31, 2024				Note
				Shares/Face Value/Units	Carrying Value	Percentage of Ownership (Note 2)	Fair Value	
CDIB Pearl Holding Limited	Funds							
	KKR Asian Fund III L.P.	-	Financial assets at fair value through profit or loss	-	US$ 1,415	-	US$ 1,415	
	Ardian Buyout Fund VII A S.L.P.	-	Financial assets at fair value through profit or loss	-	US$ 3,246	-	US$ 3,246	
	Permira VII L.P.1	-	Financial assets at fair value through profit or loss	-	US$ 2,403	-	US$ 2,403	
	Insight Partners (Cayman) XI, L.P.	-	Financial assets at fair value through profit or loss	-	US$ 3,989	-	US$ 3,989	
	TA XIII-B, L.P.	-	Financial assets at fair value through profit or loss	-	US$ 2,871	-	US$ 2,871	
	WARBURG PINCUS GLOBAL GROWTH, L.P.	-	Financial assets at fair value through profit or loss	-	US$ 4,307	-	US$ 4,307	
	EQT IX (No. 1) EUR SCSp	-	Financial assets at fair value through profit or loss	-	US$ 3,521	-	US$ 3,521	
	KKR European Fund V (USD) SCSp	-	Financial assets at fair value through profit or loss	-	US$ 2,487	-	US$ 2,487	
	Carlyle Partners VII, L.P.	-	Financial assets at fair value through profit or loss	-	US$ 4,238	-	US$ 4,238	
	KKR Health Care Strategic Growth Fund L.P.	-	Financial assets at fair value through profit or loss	-	US$ 1,565	-	US$ 1,565	
	Thoma Bravo Fund XIII-A, L.P.	-	Financial assets at fair value through profit or loss	-	US$ 3,548	-	US$ 3,548	
	The Veritas Capital Fund VII, L.P.	-	Financial assets at fair value through profit or loss	-	US$ 4,761	-	US$ 4,761	
CDIB Real Estate Credit Ltd	Corporate bond							
	Sino Money Investments Limited	-	Amortized cost financial assets	4,986,569	US$ 4,923	-	US$ 4,987	
	StorHub Hong Kong I Limited	-	Amortized cost financial assets	1,291,923	US$ 1,266	-	US$ 1,292	
	StorHub Hong Kong IV Limited	-	Amortized cost financial assets	2,101,959	US$ 2,059	-	US$ 2,102	
	StorHub Hong Kong VI Limited	-	Amortized cost financial assets	5,477,324	US$ 5,365	-	US$ 5,477	
	StorHub Hong Kong V Ltd	-	Amortized cost financial assets	6,580,216	US$ 6,446	-	US$ 6,580	
	StorHub Hong Kong III Ltd	-	Amortized cost financial assets	2,235,102	US$ 2,189	-	US$ 2,235	
	StorHub Hong Kong VII Ltd	-	Amortized cost financial assets	4,127,132	US$ 4,043	-	US$ 4,127	
	Belcher I (BVI) Limited	-	Amortized cost financial assets	3,576,203	US$ 3,503	-	US$ 3,576	
	Belcher II (BVI) Limited	-	Amortized cost financial assets	1,493,073	US$ 1,463	-	US$ 1,493	
	Belcher III (BVI) Limited	-	Amortized cost financial assets	1,458,242	US$ 1,428	-	US$ 1,458	
CDIB Capital International Corporation	Stocks							
	CDIB Capital International (Hong Kong) Corporation Limited	Subsidiary	Investments accounted for using the equity method	15,400,000	US$ 7,894	100.00	US$ 7,894	
	CDIB Buyout Partners Limited	Subsidiary	Investments accounted for using the equity method	50,000	US$ 92	100.00	US$ 92	
	CDIB Capital International (USA) Corporation	Subsidiary	Investments accounted for using the equity method	8,000,000	US$ 3,376	100.00	US$ 3,376	
	CDIB Capital Asia Partners Limited	Subsidiary	Investments accounted for using the equity method	200	US$ 131	100.00	US$ 131	
	CDIB Intelligence Partners Limited	Subsidiary	Investments accounted for using the equity method	-	US$ -	100.00	US$ -	(Note 5)
	CDIB Asia Secured Credit Opportunities GP Ltd.	Subsidiary	Investments accounted for using the equity method	-	US$ -	100.00	US$ -	(Note 6)
	CDIB Real Estate Credit Ltd	Subsidiary	Investments accounted for using the equity method	5,000	US$ (593)	100.00	US$ (593)	
China Development Asset Management Corp.	Stocks							
	IBF Securities Co., Ltd.	-	Financial assets at fair value through profit or loss	10,712,984	107,646	0.93	107,646	
	Chinfon Commercial Bank	-	Financial assets at fair value through profit or loss	5,026,269	-	0.86	-	
	Pine Street Asset Management Corp.	-	Financial assets at fair value through other comprehensive income	3,886,190	19,475	12.25	19,475	
CDIB Management Consulting Corp.	Stocks							
	CDC Finance & Leasing Corp.	Subsidiary	Investments accounted for using the equity method	76,704,787	938,889	100.00	938,889	
	CDIB International Leasing Corp.	Subsidiary	Investments accounted for using the equity method	-	158,682	100.00	158,682	
CDC Finance & Leasing Corp.	Stocks							
	Pacific Electric Wire and Cable Co., Ltd.	-	Financial assets at fair value through other comprehensive income	546,231	11,846	0.07	11,846	
Richpoint Company Limited	Stocks							
	KG Investments Holdings Limited	Subsidiary	Investments accounted for using the equity method	156,864,163	US$ 605,077	100.00	US$ 605,077	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	March 31, 2024				Note
				Shares/Face Value/Units	Carrying Value	Percentage of Ownership (Note 2)	Fair Value	
KGI Venture Capital Co., Ltd.	Stocks							
	Young Shine Electric Co., Ltd.	-	Financial assets at fair value through profit or loss	353,000	$ 45,714	1.76	$ 45,714	
	Yield Microelectronics Corp.	-	Financial assets at fair value through profit or loss	425,000	51,000	1.59	51,000	
	Welltech Energy Inc.	-	Financial assets at fair value through profit or loss	2,200,000	48,008	5.63	48,008	
	Santi Renewable Energy Co., Ltd.	-	Financial assets at fair value through profit or loss	800,000	23,368	0.25	23,368	
	Formosa Pharmaceutical, Inc.	-	Financial assets at fair value through profit or loss	50,000	2,645	0.04	2,645	
	JHU JIAN	-	Financial assets at fair value through profit or loss	374,000	53,400	0.82	53,400	
	Gingy Technology Inc.	-	Financial assets at fair value through profit or loss	43,775	114	0.60	114	
	Sustainable Development Co., Ltd.	-	Financial assets at fair value through profit or loss	1,096,810	23,489	1.48	23,489	
	Yongda Food Technology Co., Ltd.	-	Financial assets at fair value through profit or loss	1,100,000	8,925	4.02	8,925	
	ChenFeng Optronics Corporation	-	Financial assets at fair value through profit or loss	2,984,842	119,394	2.97	119,394	
	Nfore Technology Co., Ltd.	-	Financial assets at fair value through profit or loss	500,000	30,094	1.43	30,094	
	Rapidtek Technologies Inc.	-	Financial assets at fair value through profit or loss	120,000	11,896	0.40	11,896	
	Evergreen Aviation Technologies Corp.	-	Financial assets at fair value through profit or loss	130,600	14,235	0.03	14,235	
	Airoha Technology Corp.	-	Financial assets at fair value through profit or loss	49,000	30,331	0.03	30,331	
	Deluxe Technology Group Co., Ltd.	-	Financial assets at fair value through profit or loss	632,307	6,959	0.82	6,959	
	etreego co., ltd.	-	Financial assets at fair value through profit or loss	8,539,344	162,248	3.23	162,248	
	ITH CORPORATION	-	Financial assets at fair value through profit or loss	2,000,000	64,760	0.44	64,760	
	Top Bright Holding Co., Ltd.	-	Financial assets at fair value through profit or loss	131,000	15,065	0.32	15,065	
	Win Way Technology Co., Ltd.	-	Financial assets at fair value through profit or loss	16,000	11,504	0.05	11,504	
	Drewloong Precision, Inc.	-	Financial assets at fair value through profit or loss	83,000	14,276	0.21	14,276	
KGI Securities Investment Trust Co., Ltd.	Stocks							
	FundRich Securities	-	Financial assets at fair value through other comprehensive income	227,406	3,247	0.38	3,247	
	Funds							
	KGI Victory Money Market Fund	Funds managed by KGI Securities Investment Trust	Financial assets at fair value through profit or loss	2,226,784	26,576	0.45	26,576	

Note 1: The Group recognized the related income or loss of investees as required by regulations.

Note 2: The preferred shares held divided by the number of preferred shares outstanding is the percentage of ownership.

Note 3: No securities were treated as collaterals or warrants.

Note 4: The above companies which are the subsidiaries of the Corporation were eliminated from the consolidated financial statements.

Note 5: CDIB Intelligence Partners Limited conducted registration establishment on February 28, 2020, however, CDIB Intelligence Partners Limited had not invested any capital as of March 31, 2024.

Note 6: CDIB Asia Secured Opportunities GP Ltd. conducted registration establishment on September 9, 2021, however, CDIB Asia Secured Opportunities GP Ltd. had not invested any capital as of March 31, 2024.

(Concluded)

TABLE 4

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO NT$300 MILLION OR 10% OF THE PAID-IN CAPITAL
MARCH 31, 2024
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Year	Allowance for Bad Debts
					Amount	Action Taken		
The Corporation	CDIB Capital Group	Subsidiary	$ 546,126 (Note 1)	-	$ -	-	$ -	$ -
	KGI Bank	Subsidiary	1,262,018 (Note 2)	-	-	-	-	-
	KGI Securities Co., Ltd.	Subsidiary	2,093,911 (Note 2)	-	-	-	-	-
KGI Life Insurance Co., Ltd.	The Corporation	The parent company	3,337,226 (Note 3)	-	-	-	-	-
KGI Bank	KGI Securities Co., Ltd.	Subsidiary of the parent company	1,066,697	-	-	-	1,066,697	-
KGI Futures Co., Ltd.	KGI Securities Co., Ltd.	The parent company	445,805	-	-	-	445,805	-
KGI International (Hong Kong) Limited	PT KGI Sekuritas Indonesia	Subsidiary of the parent company	514,705	-	-	-	2,865	-
	KGI Future (Hong Kong) Limited	Subsidiary of the parent company	366,069	-	-	-	366,069	-
	KGI Asia Limited	Subsidiary of the parent company	1,649,627	-	-	-	1,649,627	-

Note 1: Tax receivable result from linked-tax system.

Note 2: Tax receivable result from directors' remuneration and linked-tax system.

Note 3: Receivable result from rental receivables and linked-tax system.

Note 4: The above companies which are the subsidiaries of the Corporation were eliminated from the consolidated financial statements.

TABLE 5

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

SUBSIDIARIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023

Consolidated entities

Investor Company	Subsidiaries	Main Business and Products	Percentage of Ownership			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
The Corporation	CDIB Capital Group	Venture fund	100.00	100.00	100.00	
	KGI Securities Co., Ltd.	Financial service	100.00	100.00	100.00	
	KGI Bank	Commercial bank	100.00	100.00	100.00	
	China Development Asset Management Corp.	Trading and management of nonperforming loans of financial institutions	100.00	100.00	100.00	
	KGI Life Insurance Co., Ltd.	Life insurance	100.00	100.00	100.00	
	KGI Securities Investment Trust Co., Ltd.	Securities investment and trusts	100.00	100.00	-	(Note 1)
CDIB Capital Group	CDIB Capital Management Corporation	Management and consulting	100.00	100.00	100.00	
	CDIB Venture Capital Corporation	Venture fund	100.00	100.00	100.00	
	CDIB Venture Capital (Hong Kong) Corporation Limited	Venture fund	100.00	100.00	100.00	
	CDIB Global Markets Limited	Investment	100.00	100.00	100.00	
	CDIB Capital Investment I Limited	Investment	100.00	100.00	100.00	
	CDIB Capital Investment II Limited	Investment	100.00	100.00	100.00	
	CDIB Capital International Corporation	Private equity advisory service	100.00	100.00	100.00	
CDIB Capital International Corporation	CDIB Capital International (Hong Kong) Corporation Limited	Private equity advisory service	100.00	100.00	100.00	
	CDIB Capital International (USA) Corporation	Private equity advisory service	100.00	100.00	100.00	
	CDIB Capital Asia Partners Limited	Private equity advisory service	100.00	100.00	100.00	
	CDIB Intelligence Partners Limited	Private equity advisory service	100.00	100.00	100.00	(Note 2)
	CDIB Buyout Partners Limited	Private equity advisory service	100.00	100.00	100.00	
	CDIB Asia Secured Credit Opportunities GP Ltd.	Private equity advisory service	100.00	100.00	100.00	(Note 3)
	CDIB Real Estate Credit Ltd.	Investment	100.00	100.00	-	
CDIB Capital Investment I Limited	SCBS 1 Holding Corporation	Investment holdings	100.00	100.00	100.00	
	CDIB X Finance I Holding Limited	Investment	100.00	100.00	100.00	
	CDIB NY 5 LLC	Investment holdings	98.15	98.13	-	
CDIB Global Markets Limited	CDIB Pearl Holding Limited	Investment	100.00	100.00	-	
CDIB Capital Investment II Limited	CDIB TMK Finance Holding Limited	Investment	100.00	100.00	100.00	
CDIB Capital Management Corporation	CDIB Private Equity (Hong Kong) Corporation Limited	Management and consulting	100.00	100.00	100.00	
	CDIB Capital Innovation Advisors Corporation	Management and consulting	60.00	60.00	60.00	

(Continued)

Investor Company	Subsidiaries	Main Business and Products	Percentage of Ownership			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
CDIB Private Equity (Hong Kong) Corporation Limited	CDIB Yida Private Equity Management (Kunshan) Enterprise (Limited Partnership)	Fund management	27.08	27.08	27.08	
	CDIB Private Equity (China) Corporation	Management and consulting	100.00	100.00	100.00	
	CDIB Private Equity Management (Fujian) Enterprise (Limited Partnership)	Fund management	56.00	56.00	56.00	
CDIB Private Equity (China) Corporation	CDIB Yida Private Equity (Kunshan) Co., Ltd.	Fund management	65.00	65.00	65.00	
	CDIB Private Equity (Fujian) Co., Ltd.	Fund management	70.00	70.00	70.00	
	CDIB Private Equity (Kunshan) Corporation	Fund management	100.00	100.00	100.00	
	CDIB Guoke Private Equity (Kunshan) Co., Ltd.	Fund management	65.00	65.00	65.00	
CDIB Private Equity (Fujian) Co., Ltd.	CDIB Private Equity Management (Fujian) Enterprise (Limited Partnership)	Fund management	20.00	20.00	20.00	
CDIB Yida Private Equity (Kunshan) Co., Ltd.	CDIB Yida Private Equity Management (Kunshan) Enterprise (Limited Partnership)	Fund management	58.34	58.34	58.34	
KGI Securities Co., Ltd.	Richpoint Company Limited	Investment holdings	100.00	100.00	100.00	
	KGI Securities Investment Advisory Co., Ltd.	Security investment consulting	100.00	100.00	100.00	
	KGI Insurance Brokers Co., Ltd.	Life/property insurance brokers	100.00	100.00	100.00	
	KGI Venture Capital Co., Ltd.	Venture fund	100.00	100.00	100.00	
	KGI Securities Investment Trust Co., Ltd.	Securities investment and trusts	-	-	100.00	(Note 1)
	KGI Futures Co., Ltd.	Futures investment services	99.61	99.61	99.61	
KGI Futures Co., Ltd.	KGI Information Technology Co., Ltd.	Management and consulting software services, data processing digital information supply services	100.00	100.00	100.00	
Richpoint Company Limited	KG Investments Holdings Limited	Investment holdings	100.00	100.00	100.00	
KG Investments Holdings Limited	KGI International Holdings Limited	Investment holdings	100.00	100.00	100.00	
KGI International Holdings Limited	KGI Limited	Investment holdings	100.00	100.00	100.00	
	KGI International Limited	Investment holdings	100.00	100.00	100.00	
KGI Limited	KGI Futures (Hong Kong) Limited	Futures brokerage and settlement services	100.00	100.00	100.00	
	Global Treasure Investments Limited	Investment services	100.00	100.00	100.00	
	KGI Investments Management Limited	Insurance brokerage	100.00	100.00	100.00	
	KGI International Finance Limited	Investment and financing services	100.00	100.00	100.00	
	KGI Hong Kong Limited	Management and consulting	100.00	100.00	100.00	
	KGI Asia Limited	Securities investment	100.00	100.00	100.00	
	KGI Capital Asia Limited	Securities investment	100.00	100.00	100.00	
	KGI Asset Management Limited	Asset management	100.00	100.00	100.00	
	KGI Nominees (Hong Kong) Limited	Trust agent	100.00	100.00	100.00	
KGI International Limited	KGI Asia (Holdings) Pte. Ltd.	Investment holdings	100.00	100.00	100.00	

(Continued)

Investor Company	Subsidiaries	Main Business and Products	Percentage of Ownership			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
KGI Capital Asia Limited	KGI International (Hong Kong) Limited	Derivative product services	100.00	100.00	100.00	
	KGI Finance Limited	Investment and financing services	100.00	100.00	100.00	
	PT KGI Sekuritas Indonesia	Securities investment	99.00	99.00	99.00	
KGI Asia (Holdings) Pte. Ltd.	KGI Securities (Singapore) Pte. Ltd.	Securities and futures investment services	100.00	100.00	100.00	
KGI Bank	CDIB Management Consulting Corporation	Management and consulting	100.00	100.00	100.00	
CDIB Management Consulting Corporation	CDC Finance & Leasing Corp.	Leasing	100.00	100.00	100.00	
	CDIB International Leasing Corp.	Leasing	100.00	100.00	100.00	

Note 1: KGI Securities Investment Trust Co., Ltd. was converted to the Company’s direct ownership on July 1, 2023, after KGI Securities Co., Ltd. reduced its capital in-kind against its shares.

Note 2: CDIB Intelligence Partners Limited conducted registration of establishment on February 28, 2020, however, CDIB Intelligence Partners Limited had not invested any capital as of March 31, 2024.

Note 3: CDIB Asia Secured Credit Opportunities GP Ltd. conducted registration of establishment on September 9, 2021, however, CDIB Asia Secured Credit Opportunities GP Ltd. had not invested any capital as of March 31, 2024.

(Concluded)

TABLE 6

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

CONDENSED BALANCE SHEETS AND STATEMENTS OF COMPREHENSIVE INCOME

The Corporation

1. Balance sheets

(In Thousands of New Taiwan Dollars)

Assets	**March 31, 2024**	**December 31, 2023**	**March 31, 2023**
Cash and cash equivalents	$ 1,314,834	$ 2,002,156	$ 3,393,487
Receivables, net	325,638	228,464	239,017
Current tax assets	4,581,796	4,173,995	4,207,416
Investments accounted for using the equity method, net	348,546,446	319,738,518	290,908,459
Other financial assets	300	300	300
Right-of-use assets, net	774,575	791,777	844,377
Property and equipment, net	264,274	276,339	276,892
Other assets, net	146,100	151,899	178,584
Total	$ 355,953,963	$ 327,363,448	$ 300,048,532
Liabilities and Equity			
Liabilities			
Commercial paper payable, net	$ 9,399,835	$ 9,899,637	$ 9,899,796
Payables	1,878,035	1,892,539	1,628,908
Current tax liabilities	4,187,164	3,400,058	3,368,879
Bonds payable	48,000,000	48,000,000	48,000,000
Other borrowings	1,000,000	500,000	3,299,831
Lease liabilities	829,165	851,987	895,255
Other liabilities	19,937	593	17,434
Total liabilities	65,314,136	64,544,814	67,110,103
Equity			
Capital			
Common stock	168,321,806	168,345,806	168,453,886
Preferred stock	15,821,424	15,821,424	15,821,424
Share capital awaiting retirement	-	(6,000)	(23,000)
Capital surplus	33,582,435	33,588,602	33,618,500
Retained earnings			
Legal reserve	15,613,641	15,613,641	13,703,864
Special reserve	48,976,557	48,976,557	410,006
Unappropriated earnings	28,593,695	19,775,079	54,344,769
Other equity	(20,269,731)	(39,296,475)	(53,391,020)
Total equity	290,639,827	262,818,634	232,938,429
Total	$ 355,953,963	$ 327,363,448	$ 300,048,532

(Continued)

2. Statements of comprehensive income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31	
	2024	**2023**
REVENUES		
Share of profit of subsidiaries, associates and joint ventures	$ 9,306,210	$ 4,127,164
Others	5,246	11,789
Total revenues	9,311,456	4,138,953
EXPENSES AND LOSSES		
Operating expenses	(549,045)	(402,627)
Others	(168,624)	(173,901)
Total expenses and losses	(717,669)	(576,528)
NET PROFIT BEFORE INCOME TAX	8,593,787	3,562,425
INCOME TAX EXPENSE	(379,885)	(60,000)
NET PROFIT FOR THE PERIOD	8,213,902	3,502,425
OTHER COMPREHENSIVE INCOME (LOSS)		
Items that will not be reclassified subsequently to profit or loss, net of income tax		
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures	2,043,349	62,584
Income tax relating to the items that will not be reclassified subsequently to profit or loss	(349,844)	257,503
Items that will be reclassified subsequently to profit or loss, net of income tax		
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures	18,581,803	21,252,027
Income tax relating to the items that may be reclassified subsequently to profit or loss	(745,899)	(871,800)
Other comprehensive income (loss) for the period, net of income tax	19,529,409	20,700,314
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	$ 27,743,311	$ 24,202,739
BASIC EARNINGS PER SHARE	$0.49	$0.21
DILUTED EARNINGS PER SHARE	$0.49	$0.21

(Continued)

3. Statements of changes in equity

(In Thousands of New Taiwan Dollars, Except Per Share Amount)

	Equity Attributable to Owners of the Parent												
	Capital				Retained Earnings			Other Equity					
	Common Stock	Preferred Stock	Share Capital Awaiting Retirement	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets at Fair Value through Other Comprehensive Income	Other Comprehensive Income Reclassified Using the Overlay Approach	Equity on Hedging Instruments	Others	Total Equity
BALANCE AT JANUARY 1, 2023	$ 168,453,886	$ 15,821,424	$ -	$ 33,626,805	$ 13,703,864	$ 410,006	$ 50,476,328	$ (1,116,811)	$ (13,728,907)	$ (58,042,885)	$ 3,301	$ (943,738)	$ 208,663,273
Net change in equity of associates and joint ventures	-	-	-	(14)	-	-	-	-	-	-	-	-	(14)
Net profit for the three months ended March 31, 2023	-	-	-	-	-	-	3,502,425	-	-	-	-	-	3,502,425
Other comprehensive income (loss) for the three months ended March 31, 2023, net of income tax	-	-	-	-	-	-	-	(331,234)	1,582,449	19,448,673	426	-	20,700,314
Total comprehensive income (loss) for the three months ended March 31, 2023	-	-	-	-	-	-	3,502,425	(331,234)	1,582,449	19,448,673	426	-	24,202,739
Share-based payments	-	-	(23,000)	(8,291)	-	-	1,700	-	-	-	-	125,578	95,987
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	387,872	-	(387,872)	-	-	-	-
Net change in special reserve of subsidiaries	-	-	-	-	-	-	(23,556)	-	-	-	-	-	(23,556)
BALANCE AT MARCH 31, 2023	$ 168,453,886	$ 15,821,424	$ (23,000)	$ 33,618,500	$ 13,703,864	$ 410,006	$ 54,344,769	$ (1,448,045)	$ (12,534,330)	$ (38,594,212)	$ 3,727	$ (818,160)	$ 232,938,429
BALANCE AT JANUARY 1, 2024	$ 168,345,806	$ 15,821,424	$ (6,000)	$ 33,588,602	$ 15,613,641	$ 48,976,557	$ 19,775,079	$ (1,364,704)	$ (11,632,625)	$ (25,848,289)	$ 2,067	$ (452,924)	$ 262,818,634
Net profit for the three months ended March 31, 2024	-	-	-	-	-	-	8,213,902	-	-	-	-	-	8,213,902
Other comprehensive income (loss) for the three months ended March 31, 2024, net of income tax	-	-	-	-	-	-	-	1,653,020	339,554	17,536,700	135	-	19,529,409
Total comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	-	-	8,213,902	1,653,020	339,554	17,536,700	135	-	27,743,311
Share-based payments	(24,000)	-	6,000	(6,167)	-	-	1,100	-	-	-	-	100,949	77,882
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	603,614	-	(603,614)	-	-	-	-
BALANCE AT MARCH 31, 2024	$ 168,321,806	$ 15,821,424	$ -	$ 33,582,435	$ 15,613,641	$ 48,976,557	$ 28,593,695	$ 288,316	$ (11,896,685)	$ (8,311,589)	$ 2,202	$ (351,975)	$ 290,639,827

(Continued)

4. Statements of cash flows

(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before income tax	$ 8,593,787	$ 3,562,425
Adjustments for:		
Depreciation and amortization expenses	34,623	32,057
Interest expense	166,874	170,527
Interest income	(5,092)	(6,305)
Share-based payment compensation cost	8,299	15,401
Share of profit of subsidiaries, associates and joint ventures	(9,210,036)	(4,090,164)
Changes in operating assets and liabilities		
Receivables	(97,939)	23,247
Other assets	356	(63,627)
Payables	(119,917)	(282,704)
Other liabilities	19,343	16,380
Interest paid	(56,568)	(63,024)
Interest received	5,856	6,917
Income tax (paid) refund	(579)	11,378
Net cash used in operating activities	(660,993)	(667,492)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	-	(1,967)
Others	(3,959)	(2,410)
Net cash used in investing activities	(3,959)	(4,377)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in commercial paper payable	(499,802)	1,999,908
Increase (decrease) in other borrowings	500,000	(2,000,021)
Others	(22,568)	(16,300)
Net cash used in financing activities	(22,370)	(16,413)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(687,322)	(688,282)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,002,156	4,081,769
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 1,314,834	$ 3,393,487

(Continued)

KGI Bank

1. Condensed balance sheets

(In Thousands of New Taiwan Dollars)

	March 31, 2024	**December 31, 2023**	**March 31, 2023**
Cash and cash equivalents, due from the Central Bank and call loans to banks	$ 50,539,711	$ 49,575,159	$ 48,485,378
Financial assets at fair value through profit or loss	44,937,958	42,955,118	29,521,381
Financial assets at fair value through other comprehensive income	138,106,386	133,337,278	150,879,118
Debt instruments measured at amortized cost	70,496,405	68,412,429	58,990,607
Financial assets for hedging	747,567	598,459	1,580,411
Securities purchased under resell agreements	48,433,257	42,097,729	22,788,294
Receivables, net	21,739,962	22,224,114	20,856,591
Discounts and loans, net	423,333,830	396,926,437	389,162,708
Investments accounted for using the equity method, net	10,096,687	9,707,896	6,387,402
Other financial assets, net	3,220,310	8,745,840	3,102,120
Property and equipment, net	5,114,786	5,160,635	5,321,198
Right-of-use assets, net	2,868,271	2,966,024	3,244,448
Investment property, net	1,742,262	1,746,097	1,594,484
Deferred tax assets	529,942	514,773	634,863
Other assets, net	8,270,145	5,230,544	5,572,473
Total assets	$ 830,177,479	$ 790,198,532	$ 748,121,476
Deposits from the Central Bank and banks	$ 7,790,431	$ 7,027,312	$ 9,469,026
Financial liabilities at fair value through profit or loss	26,888,365	29,320,808	14,070,003
Financial liabilities for hedging	850,159	610,323	722,952
Notes and bonds issued under repurchase agreements	61,461,720	42,580,979	38,147,328
Payables	5,983,447	7,762,608	9,124,419
Current tax liabilities	1,187,110	915,572	1,032,695
Deposits and remittances	582,433,727	558,509,663	540,574,333
Bank debentures payable	24,423,846	24,747,803	24,692,489
Principal received on structured notes	40,331,709	40,405,562	39,775,578
Provisions	383,617	363,837	365,699
Lease liabilities	3,043,992	3,131,049	3,403,187
Deferred tax liabilities	211,088	238,817	166,785
Other liabilities	3,839,869	5,365,041	2,690,806
Total liabilities	758,829,080	720,979,374	684,235,300
Common stock	46,061,623	46,061,623	46,061,623
Capital surplus	7,444,674	7,432,078	7,394,331
Retained earnings	21,362,355	19,289,870	15,323,569
Other equity	(3,520,253)	(3,564,413)	(4,893,347)
Total equity	71,348,399	69,219,158	63,886,176
Total liabilities and equity	$ 830,177,479	$ 790,198,532	$ 748,121,476

(Continued)

2. Condensed statements of comprehensive income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31	
	2024	**2023**
Interest revenue	$ 6,105,029	$ 5,209,618
Interest expense	(4,434,826)	(3,261,689)
Interest profit, net	1,670,203	1,947,929
Noninterest profits and gains, net	2,245,976	1,418,065
Total net revenues	3,916,179	3,365,994
Reversal of (allowance) for bad debts and losses on commitments and guarantees, net	(387,424)	95,004
Operating expenses	(1,840,398)	(1,697,047)
Net profit before income tax	1,688,357	1,763,951
Income tax expense	(219,486)	(229,321)
Net profit for the period	1,468,871	1,534,630
Other comprehensive income (loss) for the period, net of income tax	647,774	866,295
Total comprehensive income (loss) for the period	$ 2,116,645	$ 2,400,925
Basic earnings per share	$0.32	$0.33

(Continued)

KGI Securities Co., Ltd.

1. Condensed balance sheets

(In Thousands of New Taiwan Dollars)

	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	$ 321,823,519	$ 262,149,935	$ 221,861,819
Noncurrent assets	39,245,160	38,246,547	38,033,745
Total assets	$ 361,068,679	$ 300,396,482	$ 259,895,564
Current liabilities	$ 289,591,672	$ 232,389,779	$ 193,277,917
Noncurrent liabilities	8,468,364	8,447,555	11,133,618
Total liabilities	298,060,036	240,837,334	204,411,535
Common stock	18,174,785	18,174,785	18,787,366
Capital surplus	7,380,787	7,355,031	7,226,783
Retained earnings	39,439,912	36,542,080	32,854,753
Others	(1,986,841)	(2,512,748)	(3,384,873)
Total equity	63,008,643	59,559,148	55,484,029
Total liabilities and equity	$ 361,068,679	$ 300,396,482	$ 259,895,564

2. Condensed statements of comprehensive income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31	
	2024	2023
Revenues	$ 6,971,937	$ 4,502,775
Costs and expenses	(4,764,023)	(3,549,967)
Profit from operations	2,207,914	952,808
Share of profit (loss) of subsidiaries, associates and joint ventures	556,882	689,481
Other income and loss	376,928	404,601
Total non-operating income or loss	933,810	1,094,082
Net profit before income tax	3,141,724	2,046,890
Income tax expense	(243,892)	(155,243)
Net profit for the period	2,897,832	1,891,647
Other comprehensive income (loss) for the period, net of income tax	525,907	373,155
Total comprehensive income (loss) for the period	$ 3,423,739	$ 2,264,802
Basic earnings per share	$1.59	$1.01

(Continued)

CDIB Capital Group

1. Condensed balance sheets

(In Thousands of New Taiwan Dollars)

	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	$ 322,767	$ 340,376	$ 336,424
Noncurrent assets	35,884,024	34,682,472	34,075,487
Total assets	$ 36,206,791	$ 35,022,848	$ 34,411,911
Current liabilities	$ 4,445,218	$ 4,387,538	$ 4,456,964
Noncurrent liabilities	558,433	551,969	576,572
Total liabilities	5,003,651	4,939,507	5,033,536
Common stock	20,411,159	20,411,159	20,411,159
Capital surplus	733,998	722,753	673,097
Retained earnings	8,424,081	8,295,313	8,090,168
Others	1,633,902	654,116	203,951
Total equity	31,203,140	30,083,341	29,378,375
Total liabilities and equity	$ 36,206,791	$ 35,022,848	$ 34,411,911

2. Condensed statements of comprehensive income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31	
	2024	2023
Operating revenues	$ 275,261	$ 1,231,839
Operating expenses	(119,796)	(216,100)
Gross profit	155,465	1,015,739
Non-operating income and expenses	(13,598)	(14,715)
Profit from operations	141,867	1,001,024
Income tax expense	(13,099)	(68,253)
Net profit for the period	128,768	932,771
Other comprehensive income (loss) for the period, net of income tax	979,786	37,412
Total comprehensive income (loss) for the period	$ 1,108,554	$ 970,183
Basic earnings per share	$0.06	$0.46

(Continued)

China Development Asset Management Corp.

1. Condensed balance sheets

(In Thousands of New Taiwan Dollars)

	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	$ 231,934	$ 303,357	$ 282,909
Noncurrent assets	1,546,697	1,608,103	1,658,176
Total assets	$ 1,778,631	$ 1,911,460	$ 1,941,085
Current liabilities	$ 179,682	$ 337,165	$ 157,568
Noncurrent liabilities	99,142	101,126	107,086
Total liabilities	278,824	438,291	264,654
Common stock	1,133,600	1,133,600	1,133,600
Capital surplus	139,538	139,538	139,538
Retained earnings	254,571	227,933	432,211
Others	(27,902)	(27,902)	(28,918)
Total equity	1,499,807	1,473,169	1,676,431
Total liabilities and equity	$ 1,778,631	$ 1,911,460	$ 1,941,085

2. Condensed statements of comprehensive income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31	
	2024	2023
Revenues and gains	$ 59,590	$ 75,974
Expenses and losses	(26,189)	(32,473)
Net profit before income tax	33,401	43,501
Income tax expense	(6,763)	(8,305)
Net profit for the period	26,638	35,196
Other comprehensive income (loss) for the period, net of income tax	-	-
Total comprehensive income (loss) for the period	$ 26,638	$ 35,196
Basic earnings per share	$0.23	$0.31

(Continued)

KGI Life

1. Condensed balance sheets

(In Thousands of New Taiwan Dollars)

	March 31, 2024	December 31, 2023	March 31, 2023
Cash and cash equivalents	$ 35,434,908	$ 49,203,474	$ 60,961,525
Receivables	21,436,173	22,786,016	23,894,849
Current tax assets	3,291,946	2,690,111	2,102,475
Financial assets at fair value through profit or loss	418,576,854	403,552,413	385,475,438
Financial assets at fair value through other comprehensive income	69,558,232	71,658,283	51,874,924
Financial assets measured at amortized cost	1,636,604,280	1,594,184,323	1,583,128,273
Investments accounted for using the equity method, net	2,323,168	2,118,503	2,210,048
Investment property	69,560,801	69,752,774	67,736,263
Loans	34,025,798	33,964,918	32,861,007
Reinsurance assets	1,093,395	1,011,096	915,587
Property and equipment	10,523,214	10,606,865	11,548,345
Right-of-use assets	4,876,806	4,899,638	5,025,123
Intangible assets	500,531	461,140	483,405
Deferred tax assets	20,098,511	17,773,544	14,991,401
Other assets	15,449,198	7,886,366	9,772,460
Separate account product assets	119,961,900	115,525,739	107,267,130
Total assets	$ 2,463,315,715	$ 2,408,075,203	$ 2,360,248,253
Payables	$ 13,637,156	$ 14,306,200	$ 11,366,103
Current tax liabilities	6,895	6,895	288,601
Financial liabilities at fair value through profit or loss	17,227,297	5,612,137	5,628,772
Bonds payables	20,000,000	20,000,000	10,000,000
Lease liabilities	1,990,722	1,959,693	2,027,526
Insurance liabilities	2,087,729,396	2,071,434,364	2,078,356,779
Foreign exchange valuation reserve	13,896,058	9,768,788	9,534,483
Provisions	138,867	146,416	164,261
Deferred tax liabilities	16,733,148	11,980,157	6,853,419
Other liabilities	1,195,021	8,997,759	2,269,291
Separate account product liabilities	119,961,900	115,525,739	107,267,130
Total liabilities	2,292,516,460	2,259,738,148	2,233,756,365
Common stock	49,206,531	49,206,531	49,206,531
Capital surplus	7,432,105	7,414,749	7,364,821
Retained earnings	123,778,597	118,629,526	108,243,576
Others	(9,617,978)	(26,913,751)	(38,323,040)
Total equity	170,799,255	148,337,055	126,491,888
Total liabilities and equity	$ 2,463,315,715	$ 2,408,075,203	$ 2,360,248,253

(Continued)

2. Condensed statements of comprehensive income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31	
	2024	**2023**
Operating revenues	$ 60,484,410	$ 53,203,628
Operating costs	(52,636,949)	(51,897,635)
Operating expenses	(1,868,067)	(1,554,178)
Profit (loss) from operations	5,979,394	(248,185)
Non-operating income and expenses	6,977	574
Income (loss) from continuing operations before income tax	5,986,371	(247,611)
Income tax (expense) benefit	(837,300)	568,700
Net income	5,149,071	321,089
Other comprehensive income (loss) for the period, net of income tax	17,295,773	19,506,251
Total comprehensive income (loss) for the period	$ 22,444,844	$ 19,827,340
Basic earnings per share	$1.05	$0.07

(Continued)

KGI Securities Investment Trust Co., Ltd.

1. Condensed balance sheets

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	March 31, 2024	**December 31, 2023**	**March 31, 2023**
Current assets	$ 549,690	$ 565,193	$ 528,129
Noncurrent assets	162,014	125,293	153,709
Total assets	$ 711,704	$ 690,486	$ 681,838
Current liabilities	$ 124,463	$ 128,694	$ 99,492
Noncurrent liabilities	338	410	-
Total liabilities	124,801	129,104	99,492
Common stock	300,000	300,000	300,000
Capital surplus	132,912	131,381	126,898
Retained earnings	153,018	129,028	154,702
Others	973	973	746
Total equity	586,903	561,382	582,346
Total liabilities and equity	$ 711,704	$ 690,486	$ 681,838

2. Condensed statements of comprehensive income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31	
	2024	**2023**
Operating revenues	$ 182,631	$ 158,255
Operating expense	(154,509)	(128,973)
Profit from operations	28,122	29,282
Non-operating income and expenses	1,819	1,019
Income from continuing operations before income tax	29,941	30,301
Income tax expense	(5,950)	(6,169)
Net income	23,991	24,132
Other comprehensive income (loss) for the year, net of income tax	-	-
Total comprehensive income (loss) for the year	$ 23,991	$ 24,132
Basic earnings per share	$0.80	$0.80

(Concluded)

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
MARCH 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Name	Main Businesses and Products	Total Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2024	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Note 2)	Carrying Value as of March 31, 2024	Accumulated Inward Remittance of Earnings as of March 31, 2024
					Outflow	Inflow						
Beauty Essential International (Shanghai) Ltd.	Sale and R&D of the cosmetics.	US$ 2,000 thousand	Note 1,b,1)	US$ 2,262 thousand	$ -	$ -	US$ 2,262 thousand	(Note 3)	8.86	$ -	$ 67,536	$ -
Beauteek (Shanghai) Co., Ltd.	Cosmetics and skin care products sales.	US$ 1,700 thousand	Note 1,b,1)	US$ 53 thousand	-	-	US$ 53 thousand	(Note 3)	-	-	1,657	-
Hartec Technology (Kunshan) Co., Ltd.	NB EMI sputtering.	US$ 17,130 thousand	Note 1,b,2)	US$ 3,000 thousand	-	-	US$ 3,000 thousand	(Note 3)	10.23	-	96,030	-
Jiangyin Suda Huicheng Composite Material Co., Ltd.	Lithium battery with extruded composite film.	CNY 19,812 thousand	Note 1,b,10)	US$ 4,645 thousand	-	-	US$ 4,645 thousand	(Note 3)	4.11	-	142,052	-
CDIB Private Equity (China) Corporation	Management and consulting.	US$ 7,000 thousand	Note 1,b,6)	US$ 7,000 thousand	-	-	US$ 7,000 thousand	$ (2,255)	100.00	(2,255)	287,097	-
CDIB Private Equity (Fujian) Co., Ltd.	Fund management.	CNY 10,000 thousand	Note 4	-	-	-	-	(209)	70.00	(147)	61,955	-
CDIB Private Equity Management (Fujian) Enterprise (Limited Partnership)	Fund management.	CNY 12,000 thousand	Note 1,b,6)	CNY 6,686 thousand	-	-	CNY 6,686 thousand	(1,293)	70.00	(905)	32,829	-
CDIB Private Equity (Fujian) Enterprise (Limited Partnership)	Equity investment.	CNY 560,000 thousand	Note 1,b,5),6)	CNY 350,000 thousand	-	-	CNY 350,000 thousand	(130,385)	-	(46,027)	697,114	-
CDIB Yida Private Equity (Kunshan) Co., Ltd.	Fund management.	CNY 7,000 thousand	Note 5	-	-	-	-	(3,667)	65.00	(2,384)	59,568	-
CDIB Yida Private Equity Management (Kushan) Enterprise (Limited Partnership)	Fund management.	CNY 12,000 thousand	Note 1,b,6)	CNY 3,250 thousand	-	-	CNY 3,250 thousand	(221)	65.00	(144)	37,770	-
CDIB Yida Private Equity (Kushan) Enterprise (Limited Partnership)	Equity investment.	CNY 713,367 thousand	Note 1,b,5),6)	CNY 300,000 thousand	-	-	CNY 300,000 thousand	(17,153)	-	(5,206)	1,186,088	-
Kunshan Yida Healthcare Private Equity Enterprise (Limited Partnership)	Equity investment.	CNY 422,000 thousand	Note 1,b,5),6)	CNY 123,857 thousand	-	-	CNY 123,857 thousand	(432,226)	-	(145,043)	599,225	-
CDIB Private Equity (Kunshan) Corporation	Fund management.	CNY 10,000 thousand	Note 1,b,6)	-	-	-	-	(2,706)	100.00	(2,706)	20,146	-
CDIB Guoke Private Equity (Kunshan) Co., Ltd.	Fund management.	CNY 10,000 thousand	Note 1,b,6)	-	-	-	-	345	65.00	224	29,047	-
Kunshan Taiwanese Business Development Investment Fund Partnership (Limited Partnership)	Equity investment.	CNY 117,600 thousand	Note 1,b,6)	-	-	-	-	5,472	-	326	30,987	-
Lightel Technologies (Shenzhen) Inc.	Fiber optic components, fiber optic equipment and instruments and LED lamps.	US$ 4,100 thousand	Note 1,b,7)	US$ 337 thousand	-	-	US$ 337 thousand	(Note 3)	11.58	-	9,857	-
Jiangsu Stonehenge Industrial Holding Ltd.	Business in research, development and manufacture of electro optic technology, process on TFT-LCD optical, functional film material, and production and marketing of other plastic product.	HK$ 761,576 thousand	Note 1,b, 4),11)	US$ 9,248 thousand	-	-	US$ 9,248 thousand	(Note 3)	5.46	-	299,947	-

(Continued)

Investee Company Name	Main Businesses and Products	Total Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2024	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Note 2)	Carrying Value as of March 31, 2024	Accumulated Inward Remittance of Earnings as of March 31, 2024
					Outflow	Inflow						
Best Logistics Technology (China) Co., Ltd.	Business in research, development, technical services, computer information, network logistics technology and wholesale and retail of general labor supplies, household appliances and building materials.	US$ 183,000 thousand	Note 1,b, 3), 8)	US$ 211 thousand	$ -	$ -	US$ 211 thousand	(Note 3)	-	$ -	$ 6,669	$ -
Suyin KGI Consumer Finance Co., Ltd.	Consumer financial business.	CNY 4,200,000 thousand	Note 1,a	CNY 1,580,487 thousa1nd	-	-	CNY 1,580,487 thousa1nd	$ 481,674	37.63	172,388 (Note 2,b,2)	8,078,415	-
CDIB International Leasing Corporation	Financial leasing and management business consulting.	CNY 187,750 thousand	Note 1,a	US$ 30,000 thousand	-	-	US$ 30,000 thousand	522	100.00	522 (Note 2,b,2)	158,682	-
CCB Life Insurance Company Limited	Life insurance.	CNY 7,120,461 thousand	Note 1,a	12,880,969	-	-	12,880,969	(5,139,368)	19.90	-	10,679,273	229,387
Changzhou Cheng Xing Environmental Protection Technology Co., Ltd.	Business in packaging technology development, and related transfer services consulting.	US$ 22,000 thousand	Note 1,b,9)	US$ 454 thousand	-	-	US$ 454 thousand	(Note 3)	0.82	-	1,888	-
Cheng Zong Environmental Protection Technology (Shanghai) Co., Ltd.	Business in Packaging materials, plastic products, machinery and equipment, providing molds and related products wholesale, commission agents.	US$ 6,500 thousand	Note 1,b, 9)	US$ 120 thousand	-	-	US$ 120 thousand	(Note 3)	0.82	-	498	-
Taro Technology (Hangzhou) Co., Ltd.	Business in software; network engineering; intelligent robot; development of hi-tech product; technical services; transfer of technological achievements.	US$ 30,000 thousand	Note 1,b, 3), 12)	US$ 2,000 thousand	-	-	US$ 2,000 thousand	(Note 3)	1.01	-	60,772	-
Rokid Business (Hangzhou) Co., Ltd.	Business in software; network engineering; intelligent robot; development of hi-tech product; technical services; transfer of technological achievements.	US$ 15,000 thousand	Note 1,b, 3), 12)	US$ 3,000 thousand	-	-	US$ 3,000 thousand	(Note 3)	1.01	-	91,158	-
Ningbo DINGYAO Transmission Machinery Co., Ltd.	Business in machinery and equipment; hi-tech product.	CNY 500 thousand	Note 1,b, 13)	US$ 159 thousand	-	-	US$ 159 thousand	(Note 3)	2.90	-	4,390	-
Kunshan Beiju Machine Co., Ltd.	Business in welding fixture and fixture for inspection.	US$ 8,000 thousand	Note 1,b, 13)	US$ 812 thousand	-	-	US$ 812 thousand	(Note 3)	5.68	-	22,482	-
Kunshan Royal Precision Tools Corporation Ltd.	Business in belt-driven Spindle.	US$ 3,956 thousand	Note 1,b, 13)	US$ 526 thousand	-	-	US$ 526 thousand	(Note 3)	5.68	-	14,563	-
Kunshan XIJU Machinery Co., Ltd.	Business in CNC machine accessories.	US$ 5,619 thousand	Note 1,b, 13)	US$ 290 thousand	-	-	US$ 290 thousand	(Note 3)	5.68	-	8,038	-
Dongguan NANJU Machinery Co., Ltd.	Business in machinery equipment and its accessories.	CNY 1,500 thousand	Note 1,b, 13)	US$ 42 thousand	-	-	US$ 42 thousand	(Note 3)	3.97	-	1,168	-
Chongqing TAIJU Machinery Co., Ltd.	Business in import and export of goods, production and sales; CNC; machining center; tool magazine.	US$ 591 thousand	Note 1,b, 13)	US$ 49 thousand	-	-	US$ 49 thousand	(Note 3)	3.97	-	1,345	-
Elixiron Immunotherapeutics Inc.	Research and development of new drugs for cancer and antiviral immunity.	CNY 6,332 thousand	Note 1,b, 14)	US$ 196 thousand	-	-	US$ 196 thousand	(Note 3)	9.32	-	5,462	-
Jieshou Kaitai Resources Recycling Co.	Synthetic fiber manufacturing, fabric textile processing, technical services, development, consultation, exchange, transfer, promotion.	US$ 50 thousand	Note 1,b, 3),10)	US$ 5 thousand	-	-	US$ 5 thousand	(Note 3)	10.06	-	154	-
Shanghai Luojin Data Information Co.	Data technology, software, information technology, network technology and technology development, technology consulting, technology services and transfer market information in the field of computer technology.	CNY 47,874 thousand	Note 1,b, 3),15)	US$ 5,000 thousand	-	-	US$ 5,000 thousand	(Note 3)	2.13	-	138,965	-

(Continued)

Investee Company Name	Main Businesses and Products	Total Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2024	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Note 2)	Carrying Value as of March 31, 2024	Accumulated Inward Remittance of Earnings as of March 31, 2024
					Outflow	Inflow						
Hunan Xingsheng Optimal Network Technology Co., Ltd.	Network technology, development of credit management software.	CNY 15,000,000 thousand	Note 1,b, 3),16)	US$ 2,375 thousand	$ -	$ -	US$ 2,375 thousand	(Note 3)	0.14	$ -	$ 66,450	$ -
Hunan Jiazhen Logistics Co., Ltd.	General cargo transportation, logistics information service.	CNY 1,000,000 thousand	Note 1,b, 3),16)	US$ 2,375 thousand	-	-	US$ 2,375 thousand	(Note 3)	0.14	-	66,450	-
Hunan Youxuan Dayun Information Technology Co., Ltd.	Development of information technology, information technology consulting.	CNY 28,000,000 thousand	Note 1,b, 3),16)	US$ 2,375 thousand	-	-	US$ 2,375 thousand	(Note 3)	0.14	-	66,450	-

Accumulated Investment in Mainland China as of March 31, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Limit on Investment
$27,277,070	$29,311,108	$174,383,896

Note 1: The investment types are as follows:

a. Direct investments.

b. Reinvested through a third area by:

1) Beauty Essentials International Ltd.
2) Hartec Asia Pte Ltd.
3) CDIB Capital Investment I Limited
4) CDIB Capital Investment II Limited.
5) CDIB Venture Capital (Hong Kong) Corporation Limited.
6) CDIB Private Equity (Hong Kong) Corporation Limited.
7) Lightel Technologies, Inc.
8) Best Logistics.
9) Deluxe Technology Group Co., Ltd.
10) CDIB Capital Asia Partners L.P.
11) Great Rich Technologies Limited
12) Rokid Corporation Limited.
13) POJU (Cayman) International Co., Ltd
14) Elixiron Immunotherapeutics (Cayman) Limited.
15) Loopin Cayman Limited.
16) KKR X-Ray Co-invest L.P.

c. Other.

Note 2: In the column "Investment Gain"

a. If it is in preparation and there is no investment gain, it should state clearly.

b. Investment Gain recognition was based on the following and should state clearly.

1) Financial statements audited by an international CPA firm having a cooperative relation with CPA firms in the Republic of China;
2) Financial statements audited by the CPA firm of the parent company in Taiwan;
3) Other.

Note 3: Investee Company was not significantly influenced by the Company; therefore the Group cannot acquire the related financial information.

Note 4: In 2017, CDIB Private Equity (Fujian) Co., Ltd. was transferred and invested by CDIB Private Equity (China) Corporation.

Note 5: In 2017, CDIB Yida Private Equity (Kunshan) Co., Ltd. was transferred and invested by CDIB Private Equity (China) Corporation.

Note 6: Subsidiary of the Corporation formerly indirectly invested in GSD Industrial (China) Co., Ltd. through its subsidiary's investment in GSD Technologies Co., Ltd. has been listed on the Taiwan Stock Exchange on September 21, 2018, refer to its financial report for the information.

(Concluded)

TABLE 8

CHINA DEVELOPMENT FINANCIAL HOLDING CORPORATION AND SUBSIDIARIES

BUSINESS RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Trader Company	Related Party	Flow of Transactions (Note 2)	Financial Statement Accounts	Amounts	Trading Terms	Transaction Amount/Total Consolidated Revenue or Total Consolidated Assets (Note 3)
0	The Corporation	KGI Bank	1	Current tax assets	$ 1,181,920	Note 4	0.03%
1	KGI Bank	The Corporation	2	Current tax liabilities	1,181,920	Note 4	0.03%
0	The Corporation	KGI Securities Co., Ltd.	1	Current tax assets	1,982,911	Note 4	0.05%
2	KGI Securities Co., Ltd.	The Corporation	2	Current tax liabilities	1,982,911	Note 4	0.05%
0	The Corporation	CDIB Capital Group	1	Current tax assets	546,126	Note 4	0.01%
3	CDIB Capital Group	The Corporation	2	Current tax liabilities	546,126	Note 4	0.01%
0	The Corporation	CDIB Capital Group	1	Current tax liabilities	219,957	Note 4	0.01%
3	CDIB Capital Group	The Corporation	2	Current tax assets	219,957	Note 4	0.01%
0	The Corporation	KGI Life Insurance Co., Ltd.	1	Current tax liabilities	3,285,720	Note 4	0.09%
4	KGI Life Insurance Co., Ltd.	The Corporation	2	Current tax assets	3,285,720	Note 4	0.09%
0	The Corporation	KGI Bank	1	Cash and cash equivalents	1,298,473	Note 4	0.03%
1	KGI Bank	The Corporation	2	Deposits and remittances	1,298,473	Note 4	0.03%
0	The Corporation	KGI Securities Co., Ltd.	1	Receivables, net	111,000	Note 4	0.00%
2	KGI Securities Co., Ltd.	The Corporation	2	Payables	111,000	Note 4	0.00%
0	The Corporation	KGI Life Insurance Co., Ltd.	1	Receivables, net	132,174	Note 4	0.00%
4	KGI Life Insurance Co., Ltd.	The Corporation	2	Payables	132,174	Note 4	0.00%
2	KGI Securities Co., Ltd.	KGI Bank	3	Other financial assets	1,525,731	Note 4	0.04%

(Continued)

No. (Note 1)	Trader Company	Related Party	Flow of Transactions (Note 2)	Financial Statement Accounts	Amounts	Trading Terms	Transaction Amount/Total Consolidated Revenue or Total Consolidated Assets (Note 3)
2	KGI Securities Co., Ltd.	KGI Bank	3	Cash and cash equivalents	$ 1,473,421	Note 4	0.04%
2	KGI Securities Co., Ltd.	KGI Bank	3	Other assets	13,627,347	Note 4	0.36%
1	KGI Bank	KGI Securities Co., Ltd.	3	Deposits and remittances	16,626,499	Note 4	0.40%
2	KGI Securities Co., Ltd.	KGI Bank	3	Other financial liabilities	297,073	Note 4	0.01%
1	KGI Bank	KGI Securities Co., Ltd.	3	Financial assets at fair value through profit or loss	297,073	Note 4	0.01%
4	KGI Life Insurance Co., Ltd.	KGI Bank	3	Cash and cash equivalents	5,690,943	Note 4	0.15%
1	KGI Bank	KGI Life Insurance Co., Ltd.	3	Deposits and remittances	5,690,943	Note 4	0.15%
1	KGI Bank	KGI Life Insurance Co., Ltd.	3	Financial assets at fair value through profit or loss	605,234	Note 4	0.02%
4	KGI Life Insurance Co., Ltd.	KGI Bank	3	Financial liabilities at fair value through profit or loss	605,234	Note 4	0.02%
5	China Development Asset Management Corp.	KGI Bank	3	Cash and cash equivalents	126,187	Note 4	0.00%
1	KGI Bank	China Development Asset Management Corp.	3	Deposits and remittances	126,187	Note 4	0.00%
6	CDIB Capital Management Corporation	KGI Bank	3	Cash and cash equivalents	208,921	Note 4	0.01%
1	KGI Bank	CDIB Capital Management Corporation	3	Deposits and remittances	208,921	Note 4	0.01%
7	CDIB Capital International Corporation	KGI Bank	3	Cash and cash equivalents	823,216	Note 4	0.02%
1	KGI Bank	CDIB Capital International Corporation	3	Deposits and remittances	823,216	Note 4	0.02%
8	CDIB Venture Capital (Hong Kong) Corporation Limited	KGI Bank	3	Cash and cash equivalents	1,074,178	Note 4	0.03%
1	KGI Bank	CDIB Venture Capital (Hong Kong) Corporation Limited	3	Deposits and remittances	1,074,178	Note 4	0.03%
1	KGI Bank	KGI Securities Co., Ltd.	3	Receivables, net	1,005,072	Note 4	0.03%
2	KGI Securities Co., Ltd.	KGI Bank	3	Payables	1,005,072	Note 4	0.03%
9	KGI Futures Co., Ltd.	KGI Bank	3	Cash and cash equivalents	264,408	Note 4	0.01%
1	KGI Bank	KGI Futures Co., Ltd.	3	Deposits and remittances	264,408	Note 4	0.01%

(Continued)

No. (Note 1)	Trader Company	Related Party	Flow of Transactions (Note 2)	Financial Statement Accounts	Amounts	Trading Terms	Transaction Amount/Total Consolidated Revenue or Total Consolidated Assets (Note 3)
20	CDIB Capital Investment II Limited	KGI Bank	3	Cash and cash equivalents	$ 267,514	Note 4	0.01%
1	KGI Bank	CDIB Capital Investment II Limited	3	Deposits and remittances	267,514	Note 4	0.01%
21	CDIB TMK Finance Holding Limited	KGI Bank	3	Cash and cash equivalents	128,349	Note 4	0.00%
1	KGI Bank	CDIB TMK Finance Holding Limited	3	Deposits and remittances	128,349	Note 4	0.00%
1	KGI Bank	KGI Life Insurance Co., Ltd.	3	Service and commission, net - revenues	143,018	Note 4	0.91%
4	KGI Life Insurance Co., Ltd.	KGI Bank	3	Service and commission, net - expenses	143,018	Note 4	0.91%
2	KGI Securities Co., Ltd.	KGI Futures Co., Ltd.	3	Cash and cash equivalents	409,958	Note 4	0.01%
9	KGI Futures Co., Ltd.	KGI Securities Co., Ltd.	3	Other financial liabilities	409,958	Note 4	0.01%
2	KGI Securities Co., Ltd.	KGI Futures Co., Ltd.	3	Financial assets at fair value through profit or loss	107,026	Note 4	0.00%
9	KGI Futures Co., Ltd.	KGI Securities Co., Ltd.	3	Other financial liabilities	107,026	Note 4	0.00%
2	KGI Securities Co., Ltd.	KGI Futures Co., Ltd.	3	Payables	122,645	Note 4	0.00%
9	KGI Futures Co., Ltd.	KGI Securities Co., Ltd.	3	Receivables, net	122,645	Note 4	0.00%
2	KGI Securities Co., Ltd.	KGI International (Hong Kong) Limited	3	Other liabilities	283,207	Note 4	0.01%
13	KGI International (Hong Kong) Limited	KGI Securities Co., Ltd.	3	Receivables, net	283,207	Note 4	0.01%
9	KGI Futures Co., Ltd.	KGI Securities (Singapore) Pte. Ltd.	3	Other financial assets	588,568	Note 4	0.02%
10	KGI Securities (Singapore) Pte. Ltd.	KGI Futures Co., Ltd.	3	Other financial liabilities	588,568	Note 4	0.02%
9	KGI Futures Co., Ltd.	KGI Securities (Singapore) Pte. Ltd.	3	Cash and cash equivalents	159,423	Note 4	0.00%
10	KGI Securities (Singapore) Pte. Ltd.	KGI Futures Co., Ltd.	3	Other financial liabilities	159,423	Note 4	0.00%
9	KGI Futures Co., Ltd.	KGI Securities (Singapore) Pte. Ltd.	3	Other financial liabilities	149,498	Note 4	0.00%
10	KGI Securities (Singapore) Pte. Ltd.	KGI Futures Co., Ltd.	3	Other financial assets	149,498	Note 4	0.00%
9	KGI Futures Co., Ltd.	KGI Securities (Singapore) Pte. Ltd.	3	Financial assets at fair value through profit or loss	138,452	Note 4	0.00%

(Continued)

No. (Note 1)	Trader Company	Related Party	Flow of Transactions (Note 2)	Financial Statement Accounts	Amounts	Trading Terms	Transaction Amount/Total Consolidated Revenue or Total Consolidated Assets (Note 3)
10	KGI Securities (Singapore) Pte. Ltd.	KGI Futures Co., Ltd.	3	Other financial liabilities	$ 138,452	Note 4	0.00%
9	KGI Futures Co., Ltd.	KGI Futures (Hong Kong) Limited	3	Other financial assets	843,591	Note 4	0.02%
11	KGI Futures (Hong Kong) Limited	KGI Futures Co., Ltd.	3	Other financial liabilities	843,591	Note 4	0.02%
12	KGI Asia Limited	KGI Securities (Singapore) Pte. Ltd.	3	Other liabilities	193,797	Note 4	0.01%
10	KGI Securities (Singapore) Pte. Ltd.	KGI Asia Limited	3	Receivables, net	193,797	Note 4	0.01%
12	KGI Asia Limited	KGI International (Hong Kong) Limited	3	Payables	1,537,819	Note 4	0.04%
13	KGI International (Hong Kong) Limited	KGI Asia Limited	3	Receivables, net	1,537,819	Note 4	0.04%
12	KGI Asia Limited	KGI International (Hong Kong) Limited	3	Other liabilities	111,810	Note 4	0.00%
13	KGI International (Hong Kong) Limited	KGI Asia Limited	3	Receivables, net	111,810	Note 4	0.00%
12	KGI Asia Limited	KGI International (Hong Kong) Limited	3	Financial liabilities at fair value through profit or loss	211,521	Note 4	0.01%
13	KGI International (Hong Kong) Limited	KGI Asia Limited	3	Financial assets at fair value through profit or loss	211,521	Note 4	0.01%
14	KGI Finance Limited	KGI International Holdings Limited	3	Cash and cash equivalents	575,648	Note 4	0.02%
15	KGI International Holdings Limited	KGI Finance Limited	3	Commercial paper payable, net	575,648	Note 4	0.02%
11	KGI Futures (Hong Kong) Limited	KGI Securities (Singapore) Pte. Ltd.	3	Other financial liabilities	559,281	Note 4	0.01%
10	KGI Securities (Singapore) Pte. Ltd.	KGI Futures (Hong Kong) Limited	3	Other financial assets	559,281	Note 4	0.01%
11	KGI Futures (Hong Kong) Limited	KGI International Holdings Limited	3	Cash and cash equivalents	799,512	Note 4	0.02%
15	KGI International Holdings Limited	KGI Futures (Hong Kong) Limited	3	Commercial paper payable, net	799,512	Note 4	0.02%
11	KGI Futures (Hong Kong) Limited	KGI International (Hong Kong) Limited	3	Other financial liabilities	366,069	Note 4	0.01%
13	KGI International (Hong Kong) Limited	KGI Futures (Hong Kong) Limited	3	Receivables, net	366,069	Note 4	0.01%
13	KGI International (Hong Kong) Limited	KGI International Holdings Limited	3	Cash and cash equivalents	4,701,129	Note 4	0.12%
15	KGI International Holdings Limited	KGI International (Hong Kong) Limited	3	Commercial paper payable, net	4,701,129	Note 4	0.12%

(Continued)

No. (Note 1)	Trader Company	Related Party	Flow of Transactions (Note 2)	Financial Statement Accounts	Amounts	Trading Terms	Transaction Amount/Total Consolidated Revenue or Total Consolidated Assets (Note 3)
13	KGI International (Hong Kong) Limited	PT KGI Sekuritas Indonesia	3	Receivables, net	$ 514,705	Note 4	0.01%
16	PT KGI Sekuritas Indonesia	KGI International (Hong Kong) Limited	3	Payables	2,865	Note 4	0.00%
16	PT KGI Sekuritas Indonesia	KGI International (Hong Kong) Limited	3	Other borrowings	511,842	Note 4	0.01%
17	KGI International Finance Limited	KGI International Holdings Limited	3	Cash and cash equivalents	223,863	Note 4	0.01%
15	KGI International Holdings Limited	KGI International Finance Limited	3	Commercial paper payable, net	223,863	Note 4	0.01%
18	KGI Hong Kong Limited	KGI Asia Limited	3	Service and commission, net	364,487	Note 4	2.32%
12	KGI Asia Limited	KGI Hong Kong Limited	3	Operating expense	364,487	Note 4	2.32%
19	CDIB Capital Investment I Limited	CDIB Real Estate Credit Ltd.	3	Financial assets measured at amortized cost	699,869	Note 4	0.02%
22	CDIB Real Estate Credit Ltd.	CDIB Capital Investment I Limited	3	Bonds payable	699,869	Note 4	0.02%

Note 1: The consolidated entities are identified in the No. column as follows: Parent company - 0; subsidiaries - numbered from 1 by company.

Note 2: Transaction flows are as follows: (1) from parent to subsidiary; (2) from subsidiary to parent; and (3) between subsidiaries.

Note 3: The ratio is calculated as follows: For asset and liability accounts - Transaction amount in the ending period/Total consolidated assets; for income and expense accounts - Transaction amount in the midterm/Total consolidated net profit.

Note 4: The transaction criteria for related parties are similar to those for third parties.

Note 5: Transactions each amounted to at least NT$100 million.

(Concluded)