

TAIWAN FUTURES EXCHANGE CORPORATION STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 4,166,662	\$ 3,987,762
Adjustments for:		
Depreciation expenses	160,435	149,029
Amortization expenses	23,860	17,125
Interest income	(852,512)	(468,996)
Interest expenses	296,662	95,257
Expected credit (reversed) loss	(142)	420
Dividend income	(1,705)	(47)
Gain on disposal of equipment	(107)	(100)
Net loss (gain) on financial assets at fair value through profit or loss	12,812	(2,159)
Net changes in operating assets and liabilities		
Increase in financial assets at fair value through profit or loss	(35,548)	(24,553)
(Increase) decrease in accounts receivable	(22,670)	32,516
(Increase) decrease in prepayments and other current assets	(1,025)	9,122
Decrease (increase) in clearing margins	18,293,813	(28,579,086)
Increase (decrease) in accounts payable	1,405	(447)
Increase in accrued expenses	18,625	2,838
Increase in accrued pension liabilities	16,102	17,077
(Decrease) increase in futures traders' equity	(18,293,813)	28,579,086
Increase (decrease) in other current liabilities	2,326	(89)
Cash generated from operations	3,785,180	3,814,755
Income tax paid	(871,020)	(824,077)
Interest paid	(104,286)	(104,161)
Interest received	795,593	486,494
Net cash generated from operating activities	<u>3,605,467</u>	<u>3,373,011</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets measured at cost	(2,600,000)	(1,336,173)
Proceeds from repayments of financial assets at amortized cost	401,025	-
Payments for equipment	(62,710)	(19,011)
Proceeds from sale of equipment	108	104
Decrease (increase) in refundable deposits	9,321	(22,343)
Payments for intangible assets	(19,810)	(10,645)
(Increase) decrease in other financial assets	(284,000)	862,533
Increase in compensation reserve fund	(500,000)	-
Increase in prepayments for equipment	(87,136)	(110,290)
Dividends received	1,705	47
Net cash used in investing activities	<u>(3,141,497)</u>	<u>(635,778)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(109,253)	(103,521)
Increase in guarantee deposits received	586	12,698
Cash dividends paid	(1,322,574)	(1,196,983)
Net cash used in financing activities	<u>(1,431,241)</u>	<u>(1,287,806)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	<u>(967,271)</u>	<u>1,449,427</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,101,221</u>	<u>651,794</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,133,950</u>	<u>\$ 2,101,221</u>