

TAIWAN FUTURES EXCHANGE CORPORATION STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 3,810,700	\$ 4,166,662
Adjustments for:		
Depreciation expenses	185,412	160,435
Amortization expenses	31,323	23,860
Interest income	(2,148,046)	(852,512)
Interest expenses	1,094,526	296,662
Expected credit loss (reversed)	219	(142)
Dividend income	(3,143)	(1,705)
Gain on disposal of equipment	(221)	(107)
Net (gain) loss on financial assets at fair value through profit or loss	(19,899)	12,812
Net gain on lease modification	(173)	-
Net changes in operating assets and liabilities		
Increase in financial assets at fair value through profit or loss	(54,721)	(35,548)
Decrease (increase) in accounts receivable	59,289	(22,670)
Increase in prepayments and other current assets	(10,800)	(1,025)
(Increase) decrease in clearing margins	(7,993,694)	18,293,813
Increase in accounts payable	662	1,405
(Decrease) increase in accrued expenses	(2,946)	18,625
Increase in accrued pension liabilities	8,068	16,102
Increase (decrease) in futures traders' equity	7,993,674	(18,293,813)
Increase in other current liabilities	1,859	2,326
Cash generated from operations	<u>2,952,089</u>	<u>3,785,180</u>
Income tax paid	(930,440)	(871,020)
Interest paid	(674,044)	(104,286)
Interest received	<u>2,067,697</u>	<u>795,593</u>
Net cash generated from operating activities	<u>3,415,302</u>	<u>3,605,467</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in other financial assets	(2,925,152)	(284,000)
Purchase of financial assets measured at cost	(800,000)	(2,600,000)
Proceeds from repayments of financial assets at amortized cost	1,699,956	401,025
Payments for equipment	(10,321)	(62,710)
Proceeds from sale of equipment	224	108
Increase in compensation reserve fund	(57)	(500,000)
Increase in prepayments for equipment	(26,099)	(87,136)
Payments for intangible assets	(12,899)	(19,810)
(Increase) decrease in refundable deposits	(3,919)	9,321
Dividends received	3,143	1,705
Net cash used in investing activities	<u>(2,075,124)</u>	<u>(3,141,497)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(108,341)	(109,253)
(Decrease) increase in guarantee deposits received	(4,059)	586
Cash dividends paid	<u>(1,292,343)</u>	<u>(1,322,574)</u>
Net cash used in financing activities	<u>(1,404,743)</u>	<u>(1,431,241)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(64,565)	(967,271)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,133,950</u>	<u>2,101,221</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,069,385</u>	<u>\$ 1,133,950</u>