

Concord Securities Co., Ltd.

Handbook for the 2025 Annual Meeting of Shareholders (Translations)

Time and Date: 9:00 a.m., Monday, May 26, 2025

Location: B2., No. 176, Sec.1, Keelung Rd., Xinyi Dist., Taipei City, Taiwan.

Shareholders meeting will be held by means of physical shareholders meeting

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Concord Securities Co., Ltd.

2025 Annual Shareholders' Meeting Agenda

Time: 9:00 a.m., Monday, May 26, 2025

Location: B2, No.176, Sec.1, Keelung Rd., Hsin-yi Dist., Taipei City

Shareholders meeting will be held by means of physical shareholders meeting

Call the Meeting to Order

Chairperson Remarks

Reported matters

1. 2024 Operating Report.
2. Audit Committee's review of the 2024 annual final accounting books and statements.
3. Report on 2024 employees' and directors' remuneration.
4. Report on the remuneration to directors paid by the Company in 2024.

Acknowledged matters

1. 2024 Business Report and Financial Statements.
2. Profit Distribution Proposal 2024.

Matters for Discussion

1. The company's Convert surplus to capital increase and issue new shares.
2. The company's Amendment of “Articles of Association”.
3. Discussion to approve the lifting of non-competition restrictions for directors.

Extemporaneous motions

Adjournment

Reported matters

I. 2024 Operating Report.

Description:

The 2024 Business Report is attached as Appendix 1 (pp. 9 ~ 13).

II. Audit Committee's review of the 2024 annual final accounting books and statements.

Description:

Audit Committee's Review Report is attached as Appendix 2 (pp.14).

III. Report on 2024 employees' and directors' remuneration.

Description:

1. According to article 25 of the Articles of Incorporation, if the company is profitable for the year, it shall pay 1% to 3% of the employee's compensation, and not more than 5% of the directors' remuneration.
2. From the net profit before tax in 2024, the company listed NT\$33,768,000 in employee remuneration at 2.5% and NT\$66,186,000 in directors' compensation at 4.9%, both in cash.
3. The above allocation amounts are consistent with the estimated expense amount recognized in the financial statements for Fiscal Year 2024.

IV. Report on the remuneration to directors paid by the Company in 2024.

Description:

1. The remuneration to directors and independent directors of the Company shall be paid in accordance with the Articles of Incorporation and the Regulations Governing the Remuneration to Directors. The policy, system, standards and structure in place for paying remuneration to directors and the relationship of factors such as the duties and risks undertaken and time invested:
 - (1) Remuneration: When directors and independent directors perform their

duties in the Company, regardless of the Company's operating profit or loss, they are paid monthly based on the usual salary level in the industry and are paid within the scope of their remuneration. They also receive compensation for attending meetings based on the number of meetings they actually attend.

- (2) Remuneration to directors: According to the Articles of Incorporation of the Company, if the Company makes a profit for the year, no more than 5% of the profit shall be allocated as the remuneration to directors. For the current year (2024), based on the appropriated amount, the remuneration to each individual director will be distributed in accordance with the Regulations Governing the Remuneration to Directors and will be weighted based on the extent of his/her participation in the Company's operations and the value of his/her contribution.
2. Please refer to Appendix 3 (pp. 15 ~ 16) of this Handbook for the proposed individual remuneration to directors and independent directors for 2024.

Acknowledged matters:

Proposal 1: Proposed by the Board of Directors

Proposal: 2024 Business Report and Financial Statements

Description:

1. Concord Securities Co., Ltd's 2024 Financial Statements, including the balance sheet, income statement, statement of changes in shareholders' equity, and statement of cash flows, were audited by independent auditors, Cheng-Hsiu Chang and Pi-Yu Chuang of Deloitte & Touche. The business report has been reviewed by the audit committee and the resolution of the board of directors has been passed.
2. Please refer to Appendix 1, Appendix 4 (pp.9~13 、 17~ 38) of this manual for the above statements.

Resolution:

Proposal 2: Proposed by the Board of Directors

Proposal: Profit Distribution Proposal 2024.

Description:

1. The net profit for the FY2024 amounted to NT\$1,092,480,602 Pursuant to the relevant provisions of the Company's Articles of Incorporation, the earnings distribution plan for FY2024 has been prepared, as detailed in the attached table.
2. It is proposed to allocate NT\$764,617,720 from the distributable profits for FY2024, with the distribution as follows:
 - (1) The cash dividends of NT\$140,439,990 were distributed at NT\$0.225 per share. The amount was rounded up to the nearest dollar. For fraction amounts less than one New Taiwan Dollar (NT\$1) will be aggregated as miscellaneous income in the Company's other non-operating income.
 - (2) Allocate stock dividends of NT\$624,177,730 (Each share will receive a distribution of NT\$1, equivalent to a stock dividend of 100 shares for every 1,000 shares held.)
3. The Board of Directors is authorized by the shareholders to fix ex-dividend date and conduct dividend distribution;
4. If the change in the company's share capital affects the number of outstanding shares and the dividend ratio to shareholders changes accordingly, the shareholders' meeting shall be requested to authorize the board of directors to deal with the issue.

Concord Securities Co., Ltd.
Earnings Distribution Table
2024

(Unit: NTD\$)

Items	Total
Unappropriated earnings, beginning	2,117,076
Retained earnings due to actuarial losses	1,538,294
Unappropriated earnings after adjustment	3,655,370
Net profit for the year ended December 31, 2024	1,092,480,602
legal reserve	(109,401,890)
special reserve	(218,803,780)
Distributable earnings	767,930,302
Distributable items: NT\$0.225 cash dividend per share	(140,439,990)
Distributable items: NT\$1 stock dividends per share	(624,177,430)
Undistributed surplus at the end of the period	3,312,582

Chairman: Cheng, Ta-Yu

President: Chen, Chih-Hao

Head of Accounting: Ho, Chia-Lin

Resolution:

Matters for Discussion

Proposal 1: Proposed by the Board of Directors

Proposal: Proposal: The company's Convert surplus to capital increase and issue new shares.

Description:

1. To meet the Company's operational needs, it is proposed to allocate dividends totaling NT\$624,177,730 from the distributable profits of FY2024. Each share has a par value of NT\$10, resulting in an issuance of 62,417,773 new shares for capital increase.
2. The allotment of new shares for capital increase will be based on the proportion of shareholdings listed in the shareholder registry on the ex-rights date. Each one thousand shares will be entitled to 100 shares at no cost. Fractional shares will be rounded down to the nearest integer. Shareholders are allowed to register for the consolidation of fractional shares with the Company's stock transfer agent within five days from the date of suspension of stock transfers. For fractional shares that do not amount to a full share, the Chairman is authorized to negotiate with specific individuals for their purchase at par value. Shareholders participating in the allocation of stock dividends with fractional shares will have the remaining fractional amounts treated as expenses for the allotment process.
3. The rights and obligations of the newly issued shares in this capital increase shall be regarded the same as those of the previously issued shares. Upon the approval of the general shareholders' meeting and the submission to the competent authorities for approval, the Board of Directors is authorized to determine the base date, distribution date and other related matters for the allotment of shares for capital increase.
4. In the event that the number of outstanding shares in circulation is affected due to factors such as the buyback of company shares, transfer of treasury shares, cancellation, cash increase of capital, or other factors, resulting in changes in the shareholder's share allotment ratio, it is proposed that the Board of Directors be authorized to handle matters related to adjusting the shareholder's allotment ratio.
5. If changes are required due to statutory regulations or approvals from the competent authority, it is proposed that the Board of Directors be authorized to make necessary amendments.

Resolution:

Proposal 2: Proposed by the Board of Directors
Proposal: The company's Amendment of “Articles of Association”, please approve.

Description:

1. To comply with the amendments to Article 14 of the Securities and Exchange Act, the Company proposed to amend the Article 25 of the Articles of Incorporation to specify that if the Company makes a profit in a year, a certain percentage of the profit shall be distributed as remuneration to the non-executive employees. The Company proposed to appropriate no less than 20% of the employee compensation to its non-executive employees.
2. Please refer to Appendix 5 (PP.39) of this Handbook for the Comparison table of the amendments of the “Articles of Incorporation”.

Resolution:

Proposal 3: Proposed by the Board of Directors
Proposal : Discussion to approve the lifting of non-competition restrictions for directors , please approve.

Description:

1. The Company shall comply with the Paragraph 1, Article 209 of the Company Act.
2. Chairman Cheng, Ta-Yu, concurrently holds other positions in other companies. Without prejudice to the interests of the Company, the Company has proposed to lift the non-compete restriction on director at the shareholders’ meeting.
3. The content of lifting non-compete restriction:
Chairman Cheng, Ta-Yu is the representative of the corporate director of Concord Futures Co., Ltd.

Resolution:

Extemporaneous motions

Adjournment

Appendices

1.2024 Annual Business Report

[General Macroeconomic Environment and Management Policy]

As we look back to 2024, despite ongoing challenges such as the Russia-Ukraine and Israel-Palestine conflicts, Germany's economic downturn and political crisis, and China's slowing economy, global stock markets still achieved an average gain of over 17%. This was largely driven by the rapid advancement of AI technology, multiple interest rate cuts by the Federal Reserve, and record-breaking corporate earnings growth. The sustained strength of the U.S. economy was the primary driver of the rise in U.S. stocks, attracting more global capital into U.S. assets and pushing the U.S. dollar up by 6.6% against other currencies. The bond prices in the global bond market did not rise as expected, especially after Trump's victory, as the US Fed's "hawkish cut" policy affected the overall decline. The US 10-year bond yield rose to more than 4.5%, and the market's expectation for the interest rate cut slowed down, pushing up short-term interest rates.

In summary of 2024, the TAIEX, and OTC index all hit a record high of 24,416.67 and 282.32 in July, respectively. However, the central bank of Japan made an unexpected interest rate hike in August, which caused a reversal of the JPY carry trade, resulting a drastic fluctuation in the global stock market. The S&P 500 and the TAIEX showed a decline of more than 5% and 10%, respectively. Fortunately, the Bank of Japan made a public announcement to stabilize the market, then the Fed initiated a rate cut, which caused the global stock market to gradually recover from its decline. This economic boom was mainly driven by AI and high-end semiconductors. The momentum from technology products was huge, but the recovery of the traditional industry was relatively slow. For example, Formosa Plastics and China Steel Corporation continued to decline, and their performance was rather weak. Based on the statistics of Taiwan stock market, the average daily trading volume of the centralized and OTC market (excluding bonds) was NT\$522.865 billion, a significant increase of 46.22% from 2023. The total market value of

TWSE/TPEX listed stocks was NT\$80.44 trillion, a 28.4% increase from the NT\$62.63 trillion at the end of last year. The highest TAIEX was 24,416.67, and closed at 23,035.1. The index rose 28.47% to 5,104.29. TAIEX ranked No. 2 among the major indexes in the world, only 28.64% lower than the NASDAQ. In 2024, the total trading amount of the stock market was NT\$99.8 trillion, an increase of NT\$32.6 trillion compared to NT\$67.2 trillion in 2023.

The Company has always upheld its steadfast commitment to the core principles of “integrity, stability, service, and sustainability” within our business policy. With the vision of “Building Happiness and Pursuing Mutual Benefits” as the Group's vision for development, we emphasize on building “trusting and transparent” company culture, shaping our team with firm leadership and formulating the strategy and operating model to pursue the vision, in order to provide the excellent investment services in the capital markets. The Company will continue to focus on core areas to build diversified income streams, promote operational plans, enhance profitability, and prioritize customer-centric approaches. We are committed to the development of digital finance and will implement Group resource integration strategies to provide convenient, diverse, and competitive products, as well as high-value financial services that exceed customer expectations.

[Business Operations and Achievements]

Over the past few years, we have consistently encouraged our business units to actively diversify income sources to enhance profitability. In the brokerage business, our market share for FY2024 reached 0.87%, while our financing balance market share stood at 1.81%. Currently, we are continuing promoting customer ledger account services to drive profitability and combine the resources of various units of the Group to provide one-stop services. In terms of underwriting services, the Company focuses on the development of AI-related and circular economy, ESG and other industrial fields. The main profits come from the capital gains of emerging positions and SPO positions. In 2024, the Company has led IPO underwriting contracts in Taiwan, including MARX, MICROIP,

Micro Electricity, Beast Kingdom and Smedtrum. The IPO co-underwriting contracts include HUSHAN, TRIO and TPIsoftware. For the SPO case, we organized the fundraising campaign for BTL and participated in 25 co-organized contracts. In terms of proprietary trading, as inflation has calmed down and the interest rate cut started, the U.S. economy has become more resilient than expected, and the development of AIGC has been upgraded from a PC to an AI Server, not only did the stock prices of U.S. AI-related manufacturers rise dramatically, but also Taiwanese related manufacturers started to make substantial business contributions. The Proprietary Trading Dept. is able to capture investment opportunities in the supply chain of advanced packaging, CPO, and heat dissipation, which benefit from the AI Server's performance improvement. Overseas investment research focuses on the three main axes on AI implementation, such as Robotaxi, robotics, and Apple intelligence, and therefore adopts a more aggressive investment strategy to expand profit margins throughout the year; for bond business, the decline in global inflation in 2024 has been slowed down, so the global bond market has been deeply affected by this decline. Taiwan's central bank unexpectedly decided to raise interest rates by 0.125 percentage during its first-quarter board meeting, pushing bond yields higher. Additionally, the board approved to increase reserve requirement ratio by 0.25 percentage in second and third quarters. The ongoing tightening of monetary policy has continued to drive up funding costs. Confidence among bond market

participants remained weak, leading to lower demand in bond auctions. This made it difficult for yields to decline, and with poor market liquidity; thus, constraining the profit margins. With respect of financial derivatives, the Company issued a total of 102 warrants in a total amount of NT\$0.52 billion in 2024. The number of warrants issued ranked 15th place in the industry. In addition to the existing warrants issuance and market making businesses, the Company will continue to development the business of proprietary leveraged equity option business and ETF arbitrage, and optimize a variety of strategic

trading modules to strengthen the R&D and service of new financial products.

[Profitability]

The Company's consolidated operating revenue for 2024 was NT\$3,938,237 thousand, consolidated net income after tax NT\$1,097,973 thousand, and earnings per share NT\$1.75. At the end of 2024, the equity attributable to the parent company was NT\$9,731,376 thousand, with the net worth per share NT\$15.59. In terms of the consolidated financial ratios, the Company has a current ratio of 111.14% and a debt ratio of 78.09%, showing the Company's stable overall financial structure. The Company obtained a national long-term rating of A- (tw) and a national short-term rating of F2(tw) affirmed by Fitch Ratings in 2024, with the outlook remaining stable.

[Business Outlook]

Looking ahead to 2025, it is anticipated to be a year full of challenges and opportunities; the Company will focus on digital finance, risk mitigation, and ESG as the core pillars of its operations. It is committed to developing a digital financial ecosystem that meets future demands by providing a comprehensive product platform. The Company will continue to strengthen its team to enhance overall well-being, striving for mutual success among the public and within the organization. ESG (Environmental, Social, and Governance) has become an important consideration in the Company's business development and investment planning. The Company focuses on five key goals for sustainable growth: environmental sustainability, customer value, happy workplace, social prosperity, and corporate governance. By bringing teams together and building shared values, we take a practical and innovative approach to business. We use our group's resources to adapt to market changes and help clients make the best investment and financial decisions. At the same time, we continue to improve oversight, risk control, and internal management to keep our business competitive and strong. Moving forward, we are well-poised to explore collaborative ventures and pursue new investment opportunities aligned with our Group's strategic development. This proactive approach is geared towards diversifying

revenue streams and enhancing the brand reputation. Furthermore, we remain steadfast in our commitment to inclusive finance, integrating principles of legal compliance, ESG considerations, and fair customer treatment into all facets of our corporate operations. By aligning with these values and practices, we are dedicated to advancing towards the sustainable business objectives of Concorde Securities.

Concord Securities Co., Ltd.

Chairman	Cheng, Ta-Yu
President	Chen, Chih-Hao
Head of Accounting	Ho, Chia-Lin

2. Audit Committee's Review Report

Concord Securities Co., Ltd. Audit Committee's Review Report

The Board of Directors has prepared the Corporation's 2024 Business Report, Financial Statements and Earnings Distribution Table. The financial statements have been audited by Deloitte & Touche, for which they issued an auditors' report. The above reports have been reviewed and complied with regulations by the Audit Committee. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

Sincerely,
2025 Annual Shareholders' Meeting

Concord Securities Co., Ltd.
Convener of the Audit Committee
Chang, Yao-Ren

March 11, 2025

3.2024 Remuneration of Directors and Independent Directors

Concord Securities Co., Ltd.

2024 Remuneration of Directors and Independent Directors

December 31, 2024; Expressed in thousands of NTS

Title	Name	Remuneration to Directors								Total Remuneration (A + B + C + D) and the Percentage of Net Income				Relevant Remuneration Received by Directors Who Are Also Employees								Total Remuneration (A + B + C + D + E + F+ G) and the Percentage of Net Income				Remuneration Received from An Invested Company Other than the Corporation's Subsidiary
		Compensation (A)		Severance (B)		Compensation to Directors (C)		Allowance (D)						Salary, Bonus, Allowance (E)		Severance (F)		Compensation to Employees (G)								
		The Corporation	All Companies Listed in the Financial Reports	The Corporation	All Companies Listed in the Financial Reports	The Corporation	All Companies Listed in the Financial Reports	The Corporation	All Companies Listed in the Financial Reports	The Corporation	All Companies Listed in the Financial Reports	The Corporation	All Companies Listed in the Financial Reports	The Corporation	All Companies Listed in the Financial Reports	The Corporation		All Companies Listed in the Financial Reports		The Corporation	All Companies Listed in the Financial Reports					
																Cash	Stock	Cash	Stock							
	Tai Hsin Investment Co., Ltd.	577	577	0	0	20,954	20,954	0	0	21,531	1.97%	21,531	1.97%	0	0	0	0	0	0	0	0	21,531	1.97%	21,531	1.97%	None
Chairperson	Representative: Cheng, Ta-Yu (Note1)	27,775	27,856	0	0	0	0	1,457	1,460	29,232	2.68%	29,316	2.68%	0	0	0	0	0	0	0	0	29,231	2.68%	29,316	2.68%	None
Director	Representative: Lee, Chin-Shen (Note1)	592	630	0	0	0	0	26	32	618	0.06%	662	0.06%	0	0	0	0	0	0	0	0	618	0.06%	662	0.06%	None
Director	Representative: Jinnder Chang (Note1)	592	592	0	0	0	0	25	25	617	0.06%	617	0.06%	0	0	0	0	0	0	0	0	617	0.06%	617	0.06%	None
Corporate Director	Tai Ming Development Co., Ltd.	0	0	0	0	4,191	4,191	0	0	4,191	0.38%	4,191	0.38%	0	0	0	0	0	0	0	0	4,191	0.38%	4,191	0.38%	None
	Representative: Li, Chuang-Yuan (Note1)	592	592	0	0	0	0	25	25	617	0.06%	617	0.06%	0	0	0	0	0	0	0	0	617	0.06%	617	0.06%	None
Director	Ma, Pei-Chun (Note1)	592	592	0	0	4,191	4,191	25	25	4,808	0.44%	4,808	0.44%	0	0	0	0	0	0	0	0	4,808	0.44%	4,808	0.44%	None
	Shikai Investment Corporation	0	0	0	0	4,191	4,191	0	0	4,191	0.38%	4,191	0.38%	0	0	0	0	0	0	0	0	4,191	0.38%	4,191	0.38%	None
Director	Representative : Cheng, Tai-Cheng (Note1)	592	1,042	0	0	0	0	25	37	617	0.06%	1,079	0.10%	4,721	4,721	76	76	130	0	130	0	5,544	0.51%	6,006	0.55%	None
	De Ye Investment Co., Ltd.	577	577	0	0	4,191	4,191	0	0	4,768	0.44%	4,768	0.44%	0	0	0	0	0	0	0	0	4,768	0.44%	4,768	0.44%	None
Director	Representative : Yang, Min-Wang (Note1)	15	15	0	0	0	0	25	25	40	0.00%	40	0.00%	0	0	0	0	0	0	0	0	40	0.00%	40	0.00%	None
	Zhong Yang Investment Co., Ltd. (Note3)	633	633	0	0	14,235	14,235	20	20	14,888	1.36%	14,888	1.36%	0	0	0	0	0	0	0	0	14,888	1.36%	14,888	1.36%	None
Chairperson	Representative: Cheng, Ta-Yu (Note2)	3,634	3,701	0	0	0	0	5	8	3,639	0.33%	3,709	0.34%	0	0	0	0	0	0	0	0	3,639	0.33%	3,709	0.34%	None
Director	Representative: Lee, Chin-Shen (Note2)	633	669	0	0	0	0	24	28	657	0.06%	697	0.06%	0	0	0	0	0	0	0	0	657	0.06%	697	0.06%	None

Director	Representative: Jinnder Chang (Note2)	633	633	0	0	0	0	25	25	658	0.06%	658	0.06%	0	0	0	0	0	0	0	658	0.06%	658	0.06%	None
Corporate Director	Tai Ming Development Co., Ltd.	0	0	0	0	2,847	2,847	0	0	2,847	0.26%	2,847	0.26%	0	0	0	0	0	0	0	2,847	0.26%	2,847	0.26%	None
	Representative: Li, Chuang-Yuan (Note2)	633	633	0	0	0	0	25	25	658	0.06%	658	0.06%	0	0	0	0	0	0	0	658	0.06%	658	0.06%	None
	Yuan Long Development Co., Ltd.	347	347	0	0	2,847	2,847	20	20	3,214	0.29%	3,214	0.29%	0	0	0	0	0	0	0	3,214	0.29%	3,214	0.29%	None
Director	Representative : Ma, Pei-Chun (Note2)	287	287	0	0	0	0	5	5	292	0.03%	292	0.03%	0	0	0	0	0	0	0	292	0.03%	292	0.03%	None
	Shikai Investment Co., Ltd.	0	0	0	0	2,847	2,847	0	0	2,847	0.26%	2,847	0.26%	0	0	0	0	0	0	0	2,847	0.26%	2,847	0.26%	None
Director	Representative : Chen, Qiong-Ling (Note2)	633	633	0	0	0	0	25	25	658	0.06%	658	0.06%	0	0	0	0	0	0	0	658	0.06%	658	0.06%	None
	Te Yeh Investment Co., Ltd.	633	633	0	0	2,847	2,847	0	0	3,480	0.32%	3,480	0.32%	0	0	0	0	0	0	0	3,480	0.32%	3,480	0.32%	None
Director	Representative: Yang, Ming-Wang (Note2)	0	0	0	0	0	0	25	25	25	0.00%	25	0.00%	0	0	0	0	0	0	0	25	0.00%	25	0.00%	None
	Jia Yi Corp.	0	0	0	0	2,847	2,847	0	0	2,847	0.26%	2,847	0.26%	0	0	0	0	0	0	0	2,847	0.26%	2,847	0.26%	None
Director	Representative: Tsai, Sung-Po (Note2)	633	633	0	0	0	0	25	25	658	0.06%	658	0.06%	0	0	0	0	0	0	0	658	0.06%	658	0.06%	None
Independent Director	Chang, Yao-Ren (Note1 、2)	1,365	1,365	0	0	0	0	142	142	1,507	0.14%	1,507	0.14%	0	0	0	0	0	0	0	1,507	0.14%	1,507	0.14%	None
Independent Director	Huang, Hsiu-Hui (Note1 、2)	1,365	1,365	0	0	0	0	137	137	1,502	0.14%	1,502	0.14%	0	0	0	0	0	0	0	1,502	0.14%	1,502	0.14%	None
Independent Director	Huang, Su-Hui (Note1)	660	660	0	0	0	0	65	65	725	0.07%	725	0.07%	0	0	0	0	0	0	0	725	0.07%	725	0.07%	None
Independent Director	Chiang, Ya-Chi (Note1)	660	660	0	0	0	0	48	48	708	0.06%	708	0.06%	0	0	0	0	0	0	0	708	0.06%	708	0.06%	None

1. Please specify the remuneration policy, system, standards, and structure for independent directors, and describe the relevance to the amount of remuneration based on responsibilities, risks, time invested, and other factors:
The Company's remuneration policy for independent directors shall be handled by the Company's Regulations for Compensation of Directors. When an independent director performs his/her duties, regardless of profit or loss in the company's operation, the maximum annual compensation by the company is NT\$1,800,000 divided into separate payments, which may be adjusted as appropriate by the remuneration committee based on his/her participation in the company's operation and value of contribution. In addition, the allowance for conducting business shall include attendance pay at the committees, which is NT\$2,000~5000 each time, as transportation expenses and travel expenses may be reimbursed based on actual needs when performing the company duties. No additional director allowance, severance, bonuses, pension, the profit distribution as remuneration to directors, special disbursement, and other allowance for independent directors.

2. Except as disclosed in the table above, remuneration received by the directors of the Company for services rendered in the most recent year (such as acting as consultants in a non-employee capacity of the parent company/all companies in the financial statements/invested business, etc.): None

Note 1: On June 6, 2024, the Company re-elected its 13th term Board of Directors for the period from June 6, 2024 to June 5, 2027.

Note 2: The 12th term Board of Directors were dismissed on June 6, 2024.

Note 3: Zhong Yang Investment Co., Ltd. was renamed to Tai Hsin Investment Co., Ltd. on June 19, 2024.

Note 4: A compensation of NT\$1,273 thousand was provided to the chauffeur of the chairman of the board of directors, but is not included in the calculation of remuneration.

Note 5: The business execution expenses of the chairman include NT\$1,432 thousand of car rental and fuel expenses. In addition, as of December 31, 2024, the original purchase cost and the carrying amount of the vehicles provided for the Chairman were NT\$5,880 thousand and NT\$5,145 thousand, respectively; but these amounts were not included in the calculation of remuneration.

Note 6: The above table is in thousand dollars, and the amount is rounded off to the nearest NTD.

4.INDEPENDENT AUDITORS’ REPORT

The Board of Directors and Shareholders
Concord Securities Co., Ltd.

Opinion

We have audited the accompanying parent company only financial statements of Concord Securities Co., Ltd. (the “Corporation”), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the “parent company only financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matter paragraph), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Corporation as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms and other regulations.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the parent company only financial statements section of our report. We are independent of the Corporation in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion based on our audits and the reports of other auditors.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Corporation's financial statements for the year ended December 31, 2024 is as follows:

Accuracy of Brokerage Handling Fee Revenue

The calculation of discounts on brokerage handling fee revenue is complicated since it varies based on counterparties, ways of placing orders and transaction volume, and any calculation errors in the discounts will affect the accuracy of brokerage handling fee revenue. Therefore, the accuracy of brokerage handling fee revenue is identified as a key audit matter.

Refer to Notes 4, 22 and 27 to the parent company only financial statements for the accounting policies and disclosures related to brokerage handling fee revenue.

The control procedures for the input of discount rates have a significant impact on the calculation accuracy of brokerage handling fee revenue. We evaluated the design and implementation effectiveness of the recognition of discounts on brokerage handling fee revenue procedures and the related controls by performing tests of controls. Moreover, we verified the correctness of the recorded brokerage handling fee revenue by performing our own calculations on sampled transactions.

Other Matter

We did not audit the parent company only financial statements of some investments accounted for using equity method included in the parent company only financial statements for the years ended December 31, 2024 and 2023, but such financial statements were audited by other auditors. Therefore, our opinion, insofar as it relates to the amounts and other relevant information of the aforementioned investee companies as disclosed in the notes, is based solely on the reports of other auditors. As of December 31, 2024 and 2023, the total investments in subsidiaries amounted to \$580,674 thousand and \$573,072 thousand, accounting for 1.61% and 1.70% of total assets, respectively; for the years ended December 31, 2024 and 2023, the share of the comprehensive income of these subsidiaries amounted to \$7,602 thousand and \$25,575 thousand, which accounted for 0.60% and 2.48% of the total comprehensive income, respectively.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms and other regulations, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Cheng-Hsiu Chang and Pi-Yu Chuang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 11, 2025

Notice to Readers

The accompanying parent company only financial statements are intended only to present the 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 audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only 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' report and parent company only financial statements shall prevail.

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,417,390	4	\$ 1,603,026	5
Financial assets at fair value through profit or loss - current	11,959,097	33	11,124,625	33
Financial assets at fair value through other comprehensive income - current	160,279	-	498,471	1
Margin loans receivable	8,069,999	22	6,533,218	19
Refinancing margin	83	-	525	-
Refinancing collateral receivable	69	-	437	-
Security borrowing collateral price	117,763	-	78,997	-
Security borrowing margin	336,720	1	71,860	-
Notes receivable	207	-	70	-
Accounts receivable	4,984,296	14	6,148,628	18
Prepayments	10,179	-	7,364	-
Other receivables	8,586	-	9,695	-
Restricted assets - current	181,932	1	167,040	1
Amounts held for each customer in the account	539,176	2	187,534	1
Other current assets	<u>252,497</u>	<u>1</u>	<u>204,865</u>	<u>1</u>
Total current assets	<u>28,038,273</u>	<u>78</u>	<u>26,636,355</u>	<u>79</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current	-	-	10,041	-
Financial assets at fair value through other comprehensive income - non-current	3,858,566	11	2,972,337	9
Investments accounted for using equity method	2,094,627	6	1,995,314	6
Property and equipment	795,500	2	809,656	2
Right-of-use assets	74,335	-	93,806	-
Investment property	553,957	1	555,947	2
Intangible assets	16,515	-	16,718	-
Deferred tax assets	22,758	-	36,127	-
Other non-current assets	<u>610,015</u>	<u>2</u>	<u>622,791</u>	<u>2</u>
Total non-current assets	<u>8,026,273</u>	<u>22</u>	<u>7,112,737</u>	<u>21</u>
TOTAL	<u>\$ 36,064,546</u>	<u>100</u>	<u>\$ 33,749,092</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 1,205,000	3	\$ 800,000	3
Commercial paper payable	7,522,937	21	5,761,973	17
Financial liabilities at fair value through profit or loss - current	2,482,618	7	1,984,310	6
Liabilities for bonds with attached repurchase agreements	5,320,733	15	5,166,781	15
Securities financing refundable deposits	329,420	1	272,431	1
Deposits payable for securities financing	356,103	1	302,479	1
Securities lending refundable deposits	37,435	-	70,168	-
Equity for each customer in the account	539,030	1	187,803	1
Accounts payable	4,943,195	14	5,761,253	17
Other payables	616,078	2	460,580	1
Other financial liabilities - current	1,415,192	4	2,525,707	8
Current tax liabilities	141,059	-	120,453	-
Provisions - current	22,522	-	21,832	-
Lease liabilities - current	26,019	-	46,384	-
Other current liabilities	<u>194,704</u>	<u>1</u>	<u>114,503</u>	<u>-</u>
Total current liabilities	<u>25,152,045</u>	<u>70</u>	<u>23,596,657</u>	<u>70</u>
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current	1,039,128	3	1,177,976	4
Provisions - non-current	14,509	-	15,083	-
Lease liabilities - non-current	46,148	-	44,843	-
Deferred tax liabilities	59,767	-	20,912	-
Guarantee deposits received	3,822	-	3,812	-
Net defined benefit liabilities - non-current	<u>17,751</u>	<u>-</u>	<u>21,160</u>	<u>-</u>
Total non-current liabilities	<u>1,181,125</u>	<u>3</u>	<u>1,283,786</u>	<u>4</u>
Total liabilities	<u>26,333,170</u>	<u>73</u>	<u>24,880,443</u>	<u>74</u>
EQUITY				
Share capital	<u>6,241,777</u>	<u>17</u>	<u>5,944,550</u>	<u>18</u>
Capital surplus	<u>175,331</u>	<u>-</u>	<u>175,331</u>	<u>-</u>
Retained earnings				
Legal reserve	337,355	1	239,393	1
Special reserve	1,283,817	4	1,087,890	3
Unappropriated retained earnings	<u>1,096,136</u>	<u>3</u>	<u>979,629</u>	<u>3</u>
Total retained earnings	<u>2,717,308</u>	<u>8</u>	<u>2,306,912</u>	<u>7</u>
Other equity	<u>596,960</u>	<u>2</u>	<u>441,856</u>	<u>1</u>
Total equity	<u>9,731,376</u>	<u>27</u>	<u>8,868,649</u>	<u>26</u>
TOTAL	<u>\$ 36,064,546</u>	<u>100</u>	<u>\$ 33,749,092</u>	<u>100</u>

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
REVENUE				
Brokerage handling fee revenue	\$ 1,230,362	37	\$ 962,600	34
Income from securities lending	42,366	1	43,940	2
Revenue from underwriting commission	18,042	1	33,033	1
Gains on sale of operating securities, net	1,676,831	51	297,332	11
Revenue from providing agency service for stock affairs	30,699	1	28,565	1
Interest income	442,127	13	350,093	12
Dividend income	185,680	6	1,632,764	58
Valuation gains on operating securities at fair value through profit or loss, net	144,094	4	393,698	14
Losses on covering of borrowed securities and bonds with resale agreements - short sales, net	(7,266)	-	(61,058)	(2)
Valuation gains (losses) on borrowed securities and bonds with resale agreements - short sales at fair value through profit or loss, net	24,839	1	(70,314)	(3)
Realized losses on investments in debt instruments measured at fair value through other comprehensive income, net	(27,758)	(1)	(5,506)	-
Losses on issuance of call (put) warrants, net	(261,357)	(8)	(97,412)	(3)
Futures commission income	10,122	-	8,677	-
Losses on derivative instruments - futures, net	(229,953)	(7)	(156,293)	(6)
Losses on derivative instruments - OTC, net	(88,983)	(3)	(585,419)	(21)
Impairment gain and reversal of impairment loss (impairment loss)	4,433	-	(615)	-
Other operating income	<u>115,559</u>	<u>4</u>	<u>49,244</u>	<u>2</u>
Total revenue	<u>3,309,837</u>	<u>100</u>	<u>2,823,329</u>	<u>100</u>
COSTS AND EXPENSES				
Brokerage handling fee expenses	(118,640)	(4)	(90,492)	(3)
Proprietary handling fee expenses	(8,115)	-	(9,870)	-
Refinancing handling fee expenses	(197)	-	(350)	-
Finance costs	(249,283)	(8)	(207,589)	(8)
Loss from securities borrowing transactions	(40,140)	(1)	(7,415)	-
Securities commission expenses	(7,588)	-	(6,189)	-
Clearing and settlement expenses	(2,269)	-	(4,316)	-
Other operating costs	(31,081)	(1)	(29,859)	(1)
Employee benefits expenses	(1,296,680)	(39)	(1,092,872)	(39)
Depreciation and amortization expenses	(94,225)	(3)	(92,648)	(3)
Other operating expenses	<u>(493,695)</u>	<u>(15)</u>	<u>(505,497)</u>	<u>(18)</u>
Total costs and expenses	<u>(2,341,913)</u>	<u>(71)</u>	<u>(2,047,097)</u>	<u>(72)</u>

(Continued)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING PROFIT	<u>967,924</u>	<u>29</u>	<u>776,232</u>	<u>28</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of subsidiaries accounted for using equity method	122,537	4	114,660	4
Other gains and losses	<u>160,328</u>	<u>5</u>	<u>150,344</u>	<u>5</u>
Total non-operating income and expenses	<u>282,865</u>	<u>9</u>	<u>265,004</u>	<u>9</u>
PROFIT BEFORE INCOME TAX	1,250,789	38	1,041,236	37
INCOME TAX EXPENSE	<u>(158,308)</u>	<u>(5)</u>	<u>(41,484)</u>	<u>(2)</u>
NET PROFIT FOR THE YEAR	<u>1,092,481</u>	<u>33</u>	<u>999,752</u>	<u>35</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Gains (losses) on remeasurement of defined benefit plans	1,579	-	(24,158)	(1)
Unrealized gains on investments in equity instruments measured at fair value through other comprehensive income	119,578	4	19,485	1
Share of other comprehensive income or loss of subsidiaries accounted for using equity method	46,763	1	(16,386)	(1)
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(316)</u>	<u>-</u>	<u>4,832</u>	<u>-</u>
	<u>167,604</u>	<u>5</u>	<u>(16,227)</u>	<u>(1)</u>
Items that may be reclassified subsequently to profit or loss				
Exchange differences on the translation of foreign operations	3,787	-	(449)	-
Unrealized gains (losses) on investments in debt instruments measured at fair value through other comprehensive income	<u>(14,749)</u>	<u>-</u>	<u>47,228</u>	<u>2</u>
	<u>(10,962)</u>	<u>-</u>	<u>46,779</u>	<u>2</u>
Other comprehensive income for the year, net of income tax	<u>156,642</u>	<u>5</u>	<u>30,552</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,249,123</u>	<u>38</u>	<u>\$ 1,030,304</u>	<u>36</u>

(Continued)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
EARNINGS PER SHARE				
Basic	<u>\$ 1.75</u>		<u>\$ 1.60</u>	
Diluted	<u>\$ 1.74</u>		<u>\$ 1.60</u>	

(Concluded)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	Share Capital	Capital Surplus	Retained Earnings			Other Equity		Total Equity
			Legal Reserve	Special Reserve	Unappropriated Retained Earnings (Accumulated Deficits)	Exchange Differences on the Translation of Foreign Operations	Unrealized Gains on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2023	\$ 5,944,550	\$ 175,320	\$ 265,503	\$ 1,087,890	\$ (26,110)	\$ 1,614	\$ 389,567	\$ 7,838,334
Compensation of 2022 deficits								
Legal reserve used to offset accumulated deficits	-	-	(26,110)	-	26,110	-	-	-
Other changes in capital surplus								
Unpaid dividends	-	11	-	-	-	-	-	11
Net profit for the year ended December 31, 2023	-	-	-	-	999,752	-	-	999,752
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,123)</u>	<u>(449)</u>	<u>51,124</u>	<u>30,552</u>
Total comprehensive income (loss) for the year ended December 31, 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>979,629</u>	<u>(449)</u>	<u>51,124</u>	<u>1,030,304</u>
BALANCE AT DECEMBER 31, 2023	5,944,550	175,331	239,393	1,087,890	979,629	1,165	440,691	8,868,649
Appropriation of 2023 earnings								
Legal reserve	-	-	97,962	-	(97,962)	-	-	-
Special reserve	-	-	-	195,927	(195,927)	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(386,396)	-	-	(386,396)
Share dividends of ordinary shares	297,227	-	-	-	(297,227)	-	-	-
Net profit for the year ended December 31, 2024	-	-	-	-	1,092,481	-	-	1,092,481
Other comprehensive income for the year ended December 31, 2024, net of income tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,538</u>	<u>3,787</u>	<u>151,317</u>	<u>156,642</u>
Total comprehensive income for the year ended December 31, 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,094,019</u>	<u>3,787</u>	<u>151,317</u>	<u>1,249,123</u>
BALANCE AT DECEMBER 31, 2024	<u>\$ 6,241,777</u>	<u>\$ 175,331</u>	<u>\$ 337,355</u>	<u>\$ 1,283,817</u>	<u>\$ 1,096,136</u>	<u>\$ 4,952</u>	<u>\$ 592,008</u>	<u>\$ 9,731,376</u>

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,250,789	\$ 1,041,236
Adjustments for:		
Depreciation expense	83,786	82,935
Amortization expense	10,439	9,713
Expected credit loss (gain)	(4,433)	615
Net gain on financial assets and liabilities at fair value through profit or loss	(168,941)	(326,451)
Finance costs	249,283	207,589
Interest income (including financial income)	(461,410)	(374,716)
Dividend income	(204,659)	(1,648,691)
Share of profit of subsidiaries accounted for using equity method	(122,537)	(114,660)
Gain on disposal of property, plant and equipment	(83)	-
Gain on disposal of investments	(3,542)	(95)
Gain on lease modification	(160)	-
Changes in operating assets and liabilities		
Increase in financial assets at fair value through profit or loss	(676,748)	(2,852,262)
Increase in margin loans receivable	(1,537,048)	(2,303,647)
Decrease in refinancing margin	442	39,936
Decrease in refinancing collateral receivable	368	30,687
Decrease (increase) in security borrowing collateral price	(38,766)	881,907
Decrease (increase) in security borrowing margin	(264,860)	974,787
Decrease (increase) in notes receivable	(137)	25
Decrease (increase) in accounts receivable	1,177,035	(1,718,281)
Decrease (increase) in prepayments	(2,815)	667
Decrease in net defined benefit assets	-	3,854
Decrease (increase) in other receivables	5,307	(3,549)
Increase in amounts held for each customer in the account	(351,642)	(187,534)
Increase in other current assets	(62,524)	(45,755)
Increase in liabilities for bonds with attached repurchase agreements	153,952	668,685
Increase (decrease) in financial liabilities at fair value through profit or loss	384,299	(344,199)
Increase (decrease) in securities financing refundable deposits	56,989	(403,164)
Increase (decrease) in deposits payable for securities financing	53,624	(317,767)
Decrease in refinancing borrowings	-	(100,240)
Increase (decrease) in securities lending refundable deposits	(32,733)	53,983
Increase (decrease) in accounts payable	(819,412)	2,199,049
Increase in other payables	155,160	260,834
Decrease in net defined benefit liabilities	(1,830)	(2,998)
Increase (decrease) in provisions	(383)	224
Decrease in other financial liabilities	(1,110,515)	(1,096,626)
Increase in equity for each customer in the account	351,227	187,803
Increase (decrease) in other current liabilities	80,201	(12,473)
Cash used in operations	(1,852,277)	(5,208,579)
Interest received	450,176	368,642
Dividends received	184,228	1,631,165
Interest paid	(251,627)	(198,294)

(Continued)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Income tax paid	<u>(85,794)</u>	<u>(2,411)</u>
Net cash used in operating activities	<u>(1,555,294)</u>	<u>(3,409,477)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(2,030,115)	(1,130,755)
Proceeds from disposal of financial assets at fair value through other comprehensive income	1,579,348	1,081,902
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	3,509	3,509
Acquisition of property and equipment	(21,320)	(34,592)
Proceeds from disposal of property and equipment	157	-
Decrease in clearing and settlement fund	1,222	6,131
Decrease in refundable deposits	12,061	10,901
Acquisition of intangible assets	(7,423)	(5,995)
Increase in other non-current assets	(3,372)	(3,611)
Dividends received	<u>88,966</u>	<u>95,438</u>
Net cash generated from (used in) investing activities	<u>(376,967)</u>	<u>22,928</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	405,000	110,000
Increase in commercial papers payable	1,765,000	530,000
Increase in guarantee deposits received	10	1
Payments of lease liabilities	(45,272)	(48,814)
Cash dividends paid	(386,396)	-
Unpaid dividends	<u>-</u>	<u>11</u>
Net cash generated from financing activities	<u>1,738,342</u>	<u>591,198</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>8,283</u>	<u>352</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(185,636)</u>	<u>(2,794,999)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,603,026</u>	<u>4,398,025</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,417,390</u>	<u>\$ 1,603,026</u>

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Shareholders
Concord Securities Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Concord Securities Co., Ltd. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, other regulations, International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion based on our audits and the reports of other auditors.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2024 is as follows:

Accuracy of Brokerage Handling Fee Revenue

The calculation of discounts on brokerage handling fee revenue is complicated since it varies based on counterparties, ways of placing orders and transaction volume, and any calculation errors in the discounts will affect the accuracy of brokerage handling fee revenue. Therefore, the accuracy of brokerage handling fee revenue is identified as a key audit matter.

Refer to Notes 4, 27 and 32 to the consolidated financial statements for accounting policies and disclosures related to brokerage handling fee revenue.

The control procedures for the input of discount rates have a significant impact on the calculation accuracy of brokerage handling fee revenue. We evaluated the design and implementation effectiveness of the recognition of discounts on brokerage handling fee revenue procedures and the related controls by performing tests of controls. Moreover, we verified the correctness of the recorded brokerage handling fee revenue by performing our own calculations on sampled transactions.

Other Matter

We did not audit the financial statements of some of the Group's subsidiaries and investments accounted for using equity method included in the Group's consolidated financial statements for the years ended December 31, 2024 and 2023, but such financial statements were audited by other auditors. Therefore, our opinion, insofar as it relates to the amounts and other relevant information of the aforementioned investee companies as disclosed in the notes, is based solely on the reports of other auditors. As of December 31, 2024 and 2023, the total assets of these subsidiaries and investments in associates amounted to \$587,527 thousand and \$580,106 thousand, accounting for 1.31% and 1.44% of consolidated total assets, respectively; for the years ended December 31, 2024 and 2023, no operating revenue was recognized, and the share of the comprehensive income of these associates accounted for using equity method amounted to \$7,602 thousand and \$25,575 thousand, which accounted for 0.60% and 2.47% of the consolidated total comprehensive income, respectively.

We have also audited the parent company only financial statements of Concord Securities Co., Ltd. as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion with Other Matter paragraph.

Responsibilities of Management and Those Charged with Governance for 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 Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, and other regulations, IFRS, IAS, IFRIC and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Cheng-Hsiu Chang and Pi-Yu Chuang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 11, 2025

Notice to Readers

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 audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' 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' report and consolidated financial statements shall prevail.

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,618,988	4	\$ 1,740,731	4
Financial assets at fair value through profit or loss - current	12,090,064	27	11,220,151	28
Financial assets at fair value through other comprehensive income - current	160,279	-	498,471	1
Margin loans receivable	8,069,999	18	6,533,218	16
Refinancing margin	83	-	525	-
Refinancing collateral receivable	69	-	437	-
Customer margin account	8,396,485	19	6,308,796	16
Security borrowing collateral price	117,763	-	78,997	-
Security borrowing margin	336,720	1	71,860	-
Notes and accounts receivable	4,986,875	11	6,150,076	15
Prepayments	11,662	-	9,242	-
Other receivables	87,968	-	116,465	-
Other financial assets - current	636,433	2	664,620	2
Restricted assets - current	183,932	-	169,040	-
Amounts held for each customer in the account	539,176	1	187,534	1
Other current assets	<u>252,641</u>	<u>1</u>	<u>205,070</u>	<u>1</u>
Total current assets	<u>37,489,137</u>	<u>84</u>	<u>33,955,233</u>	<u>84</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current	-	-	10,041	-
Financial assets at fair value through other comprehensive income - non-current	4,240,022	10	3,305,210	8
Investments accounted for using equity method	585,898	1	575,955	2
Property and equipment	1,038,025	2	1,055,970	3
Right-of-use assets	83,267	-	98,910	-
Investment property	317,957	1	318,400	1
Intangible assets	64,377	-	60,377	-
Deferred tax assets	24,486	-	38,443	-
Other non-current assets	<u>872,967</u>	<u>2</u>	<u>896,474</u>	<u>2</u>
Total non-current assets	<u>7,226,999</u>	<u>16</u>	<u>6,359,780</u>	<u>16</u>
TOTAL	<u>\$ 44,716,136</u>	<u>100</u>	<u>\$ 40,315,013</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 1,218,700	3	\$ 809,500	2
Commercial paper payable	7,522,937	17	5,761,973	14
Financial liabilities at fair value through profit or loss - current	2,482,618	5	1,984,310	5
Liabilities for bonds with attached repurchase agreements	5,320,733	12	5,166,781	13
Securities financing refundable deposits	329,420	1	272,431	1
Deposits payable for securities financing	356,103	1	302,479	1
Securities lending refundable deposits	37,435	-	70,168	-
Futures traders' equity	8,410,985	19	6,348,423	16
Equity for each customer in the account	539,030	1	187,803	1
Accounts payable	4,957,977	11	5,776,899	14
Other payables	706,331	2	543,264	1
Other financial liabilities - current	1,415,192	3	2,525,707	6
Current tax liabilities	147,822	-	128,563	-
Provisions - current	27,358	-	26,666	-
Lease liabilities - current	29,551	-	49,889	-
Other current liabilities	<u>230,155</u>	<u>-</u>	<u>144,630</u>	<u>1</u>
Total current liabilities	<u>33,732,347</u>	<u>75</u>	<u>30,099,486</u>	<u>75</u>
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current	1,039,128	3	1,177,976	3
Provisions - non-current	14,509	-	15,083	-
Lease liabilities - non-current	51,567	-	46,483	-
Deferred tax liabilities	60,074	-	20,912	-
Guarantee deposits received	2,478	-	2,468	-
Net defined benefit liabilities - non-current	<u>20,680</u>	<u>-</u>	<u>24,410</u>	<u>-</u>
Total non-current liabilities	<u>1,188,436</u>	<u>3</u>	<u>1,287,332</u>	<u>3</u>
Total liabilities	<u>34,920,783</u>	<u>78</u>	<u>31,386,818</u>	<u>78</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION				
Share capital	<u>6,241,777</u>	<u>14</u>	<u>5,944,550</u>	<u>15</u>
Capital surplus	<u>175,331</u>	<u>1</u>	<u>175,331</u>	<u>-</u>
Retained earnings				
Legal reserve	337,355	1	239,393	1
Special reserve	1,283,817	3	1,087,890	3
Unappropriated retained earnings	<u>1,096,136</u>	<u>2</u>	<u>979,629</u>	<u>2</u>
Total retained earnings	<u>2,717,308</u>	<u>6</u>	<u>2,306,912</u>	<u>6</u>
Other equity	<u>596,960</u>	<u>1</u>	<u>441,856</u>	<u>1</u>
Total equity attributable to owners of the Corporation	9,731,376	22	8,868,649	22
NON-CONTROLLING INTERESTS	<u>63,977</u>	<u>-</u>	<u>59,546</u>	<u>-</u>
Total equity	<u>9,795,353</u>	<u>22</u>	<u>8,928,195</u>	<u>22</u>
TOTAL	<u>\$ 44,716,136</u>	<u>100</u>	<u>\$ 40,315,013</u>	<u>100</u>

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
REVENUE				
Brokerage handling fee revenue	\$ 1,833,748	46	\$ 1,541,164	45
Income from securities lending	42,366	1	43,940	1
Revenue from underwriting commission	18,042	-	33,033	1
Gains on sale of operating securities, net	1,676,831	43	297,332	9
Revenue from providing agency service for stock affairs	30,663	1	28,529	1
Interest income	442,127	11	350,093	10
Dividend income	185,680	5	1,632,764	48
Valuation gains on operating securities at fair value through profit or loss, net	144,094	4	393,698	11
Losses on covering of borrowed securities and bonds with resale agreements - short sales, net	(7,266)	-	(61,058)	(2)
Valuation gains (losses) on borrowed securities and bonds with resale agreements - short sales at fair value through profit or loss, net	24,839	1	(70,314)	(2)
Realized losses on investments in debt instruments measured at fair value through other comprehensive income, net	(27,758)	(1)	(5,506)	-
Losses on issuance of call (put) warrants, net	(261,357)	(7)	(97,412)	(3)
Losses on derivative instruments - futures, net	(223,047)	(6)	(148,135)	(4)
Losses on derivative instruments - OTC, net	(88,983)	(2)	(585,419)	(17)
Impairment gain and reversal of impairment loss (impairment loss)	4,109	-	(639)	-
Other operating income	<u>144,149</u>	<u>4</u>	<u>72,121</u>	<u>2</u>
Total revenue	<u>3,938,237</u>	<u>100</u>	<u>3,424,191</u>	<u>100</u>
COSTS AND EXPENSES				
Brokerage handling fee expenses	(233,560)	(6)	(195,570)	(6)
Proprietary handling fee expenses	(8,438)	-	(10,464)	-
Refinancing handling fee expenses	(197)	-	(350)	-
Finance costs	(260,653)	(6)	(210,147)	(6)
Loss from securities borrowing transactions	(40,140)	(1)	(7,415)	-
Futures commission expenses	(71,859)	(2)	(79,194)	(3)
Clearing and settlement expenses	(77,535)	(2)	(71,541)	(2)
Other operating costs	(40,303)	(1)	(36,919)	(1)
Employee benefits expenses	(1,532,070)	(39)	(1,305,767)	(38)
Depreciation and amortization expenses	(110,052)	(3)	(106,779)	(3)
Other operating expenses	<u>(584,558)</u>	<u>(15)</u>	<u>(592,775)</u>	<u>(18)</u>
Total costs and expenses	<u>(2,959,365)</u>	<u>(75)</u>	<u>(2,616,921)</u>	<u>(77)</u>

(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING PROFIT	<u>978,872</u>	<u>25</u>	<u>807,270</u>	<u>23</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit or loss of associates accounted for using equity method	9,977	-	25,425	1
Other gains and losses	<u>299,564</u>	<u>8</u>	<u>237,966</u>	<u>7</u>
Total non-operating income and expenses	<u>309,541</u>	<u>8</u>	<u>263,391</u>	<u>8</u>
PROFIT BEFORE INCOME TAX	1,288,413	33	1,070,661	31
INCOME TAX EXPENSE	<u>(190,440)</u>	<u>(5)</u>	<u>(66,394)</u>	<u>(2)</u>
NET PROFIT FOR THE YEAR	<u>1,097,973</u>	<u>28</u>	<u>1,004,267</u>	<u>29</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Gains (losses) on remeasurement of defined benefit plans	1,939	-	(25,198)	-
Unrealized gains (losses) on investments in equity instruments measured at fair value through other comprehensive income	168,161	4	(702)	-
Share of other comprehensive income or loss of associates accounted for using equity method	(34)	-	3,789	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(388)</u>	<u>-</u>	<u>5,040</u>	<u>-</u>
	<u>169,678</u>	<u>4</u>	<u>(17,071)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss				
Exchange differences on the translation of foreign operations	3,787	-	(449)	-
Unrealized gains (losses) on investments in debt instruments measured at fair value through other comprehensive income	<u>(14,749)</u>	<u>-</u>	<u>47,228</u>	<u>1</u>
	<u>(10,962)</u>	<u>-</u>	<u>46,779</u>	<u>1</u>
Other comprehensive income for the year, net of income tax	<u>158,716</u>	<u>4</u>	<u>29,708</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,256,689</u>	<u>32</u>	<u>\$ 1,033,975</u>	<u>30</u>

(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,092,481	28	\$ 999,752	29
Non-controlling interests	<u>5,492</u>	<u>-</u>	<u>4,515</u>	<u>-</u>
	<u>\$ 1,097,973</u>	<u>28</u>	<u>\$ 1,004,267</u>	<u>29</u>
TOTAL COMPREHENSIVE INCOME				
ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,249,123	32	\$ 1,030,304	30
Non-controlling interests	<u>7,566</u>	<u>-</u>	<u>3,671</u>	<u>-</u>
	<u>\$ 1,256,689</u>	<u>32</u>	<u>\$ 1,033,975</u>	<u>30</u>
EARNINGS PER SHARE (Note 29)				
Basic	<u>\$ 1.75</u>		<u>\$ 1.60</u>	
Diluted	<u>\$ 1.74</u>		<u>\$ 1.60</u>	

(Concluded)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation									
						Other Equity				
			Retained Earnings							
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficits)	Exchange Differences on the Translation of Foreign Operations	Unrealized Gains on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2023	\$ 5,944,550	\$ 175,320	\$ 265,503	\$ 1,087,890	\$ (26,110)	\$ 1,614	\$ 389,567	\$ 7,838,334	\$ 59,437	\$ 7,897,771
Compensation of 2022 deficits										
Legal reserve used to offset accumulated deficits	-	-	(26,110)	-	26,110	-	-	-	-	-
Other changes in capital surplus										
Unpaid dividends	-	11	-	-	-	-	-	11	-	11
Net profit for the year ended December 31, 2023	-	-	-	-	999,752	-	-	999,752	4,515	1,004,267
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	(20,123)	(449)	51,124	30,552	(844)	29,708
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	979,629	(449)	51,124	1,030,304	3,671	1,033,975
Change in non-controlling interests	-	-	-	-	-	-	-	-	(3,562)	(3,562)
BALANCE AT DECEMBER 31, 2023	5,944,550	175,331	239,393	1,087,890	979,629	1,165	440,691	8,868,649	59,546	8,928,195
Appropriation of 2023 earnings										
Legal reserve	-	-	97,962	-	(97,962)	-	-	-	-	-
Special reserve	-	-	-	195,927	(195,927)	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(386,396)	-	-	(386,396)	-	(386,396)
Share dividends of ordinary shares	297,227	-	-	-	(297,227)	-	-	-	-	-
Net profit for the year ended December 31, 2024	-	-	-	-	1,092,481	-	-	1,092,481	5,492	1,097,973
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	1,538	3,787	151,317	156,642	2,074	158,716
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	1,094,019	3,787	151,317	1,249,123	7,566	1,256,689
Change in non-controlling interests	-	-	-	-	-	-	-	-	(3,135)	(3,135)
BALANCE AT DECEMBER 31, 2024	\$ 6,241,777	\$ 175,331	\$ 337,355	\$ 1,283,817	\$ 1,096,136	\$ 4,952	\$ 592,008	\$ 9,731,376	\$ 63,977	\$ 9,795,353

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,288,413	\$ 1,070,661
Adjustments for:		
Depreciation expense	91,528	90,388
Amortization expense	18,524	16,391
Expected credit loss (gain)	(4,109)	639
Net gain on financial assets and liabilities at fair value through profit or loss	(165,030)	(327,775)
Finance costs	260,653	210,147
Interest income (including financial income)	(596,804)	(457,427)
Dividend income	(211,478)	(1,657,038)
Share of profit of associates accounted for using equity method	(9,977)	(25,425)
Gain on disposal of property and equipment	(85)	-
Loss (gain) on disposal of investments	(3,548)	633
Gain on lease modification	(179)	-
Changes in operating assets and liabilities		
Increase in financial assets at fair value through profit or loss	(716,135)	(2,897,443)
Increase in margin loans receivable	(1,537,048)	(2,303,647)
Decrease in refinancing margin	442	39,936
Decrease in refinancing collateral receivable	368	30,687
Increase in customer margin account	(2,087,689)	(1,518,509)
Increase in futures exchanges margins receivable	(324)	(12)
Decrease (increase) in security borrowing collateral price	(38,766)	881,907
Decrease (increase) in security borrowing margin	(264,860)	974,787
Decrease (increase) in notes receivable	(137)	25
Decrease (increase) in accounts receivable	1,176,041	(1,713,542)
Increase in prepayments	(2,420)	(93)
Decrease in net defined benefit assets	-	3,854
Decrease (increase) in other receivables	36,344	(59,045)
Decrease (increase) in other financial assets	28,187	(18,500)
Increase in amounts held for each customer in the account	(351,642)	(187,534)
Increase in other current assets	(62,463)	(45,828)
Increase in liabilities for bonds with attached repurchase agreements	153,952	668,685
Increase (decrease) in financial liabilities at fair value through profit or loss	384,299	(344,199)
Increase (decrease) in securities financing refundable deposits	56,989	(403,164)
Increase (decrease) in deposits payable for securities financing	53,624	(317,767)
Decrease in refinancing borrowings	-	(100,240)
Increase (decrease) in securities lending refundable deposits	(32,733)	53,983
Increase in futures traders' equity	2,062,562	1,578,656
Increase (decrease) in accounts payable	(820,276)	2,197,625
Increase in other payables	162,314	266,238
Decrease in net defined benefit liabilities	(2,179)	(3,252)
Increase (decrease) in provisions	(382)	480
Decrease in other financial liabilities	(1,110,515)	(1,096,626)

(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Increase in equity for each customer in the account	351,227	187,803
Increase (decrease) in other current liabilities	<u>85,524</u>	<u>(17,516)</u>
Cash used in operations	(1,807,788)	(5,221,057)
Interest received	581,921	447,657
Dividends received	184,228	1,631,165
Interest paid	(262,582)	(200,768)
Income tax paid	<u>(118,062)</u>	<u>(38,353)</u>
Net cash used in operating activities	<u>(1,422,283)</u>	<u>(3,381,356)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(2,030,115)	(1,130,755)
Proceeds from disposal of financial assets at fair value through other comprehensive income	1,579,348	1,081,902
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	3,509	3,509
Acquisition of property and equipment	(22,781)	(40,082)
Proceeds from disposal of property and equipment	160	-
Decrease in clearing and settlement fund	1,553	1,936
Decrease in refundable deposits	21,752	14,065
Acquisition of intangible assets	(18,322)	(10,166)
Increase in other non-current assets	(4,052)	(4,084)
Dividends received	<u>25,798</u>	<u>24,274</u>
Net cash used in investing activities	<u>(443,150)</u>	<u>(59,401)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	409,200	119,500
Increase in commercial paper payable	1,765,000	530,000
Increase in guarantee deposits received	10	-
Payments of lease liabilities	(49,314)	(53,091)
Cash dividends paid	(386,396)	-
Change in non-controlling interests	(3,135)	(3,562)
Unpaid dividends	<u>-</u>	<u>11</u>
Net cash generated from financing activities	<u>1,735,365</u>	<u>592,858</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>8,325</u>	<u>353</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(121,743)	(2,847,546)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,740,731</u>	<u>4,588,277</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,618,988</u>	<u>\$ 1,740,731</u> (Concluded)

5.The Table for Amended Articles of “Articles of Incorporation”

Revised Article	Current Version	Explanation
<p>Article 25</p> <p>If the Company makes profit in the year, it shall allocate 1% to 3% as employee remuneration, and no less than 20% of such employee remuneration shall be distributed to non-executive employees in the form of stock or cash as resolved by the Board of Directors. The subject of distribution must be Company employees meeting certain conditions. The board of directors may pass a resolution to allocate no more than 5% of the aforesaid profit as remuneration for the directors and supervisors. Proposals for the distribution of employee and director remuneration shall be submitted to the shareholders' meeting.</p> <p><u>The aforementioned profit is defined as the net profit before deducting employees' and directors' remuneration. However, priority shall be given to reserving funds to cover accumulated losses and then allocate employee and director remuneration according to the preceding ratios.</u></p>	<p>Article 25</p> <p>If the Company makes profit in the year, it shall allocate 1% to 3% to non-executive employees in the form of stock or cash as resolved by the Board of Directors. The subject of distribution must be Company employees meeting certain conditions. The board of directors may pass a resolution to allocate no more than 5% of the aforesaid profit as remuneration for the directors and supervisors. Proposals for the distribution of employee and director remuneration shall be submitted to the shareholders' meeting.</p> <p><u>If the Company has cumulated losses, the priority shall be given to reserving funds to cover accumulated losses and then allocate employee and director remuneration according to the preceding ratios.</u></p>	<p>1. To allocate a certain percentage of the annual earnings for adjusting the salary or distributing remuneration to non-executive employees in line with the amendments to the laws and regulations.</p> <p>2. According to Article 235-1 of the Company Act, describe the definition of “when the Company makes a profit in the year”.</p>
<p>Article 27</p> <p>These Articles of Incorporation were enacted on October 7th, 1990, and were amended on June 20th, 1991, as the 1st amendment; on November 17th, 1992, as the 2nd amendment; on March 30th, 1995, as the 3rd amendment; on May 22, 1997, as the 4th amendment; on April 24th, 1998, as the 5th amendment; on May 15th, 1999, as the 6th amendment; on June 29th, 2000, as the 7th amendment; on December 12th, 2000, as the 8th amendment; on May 31st, 2002, as the 9th amendment; on May 30th, 2003, as the 10th amendment; on May 27th, 2004, as the 11th amendment; on June 17th, 2005, as the 12th amendment; on June 9th, 2006, as the 13th amendment; on June 15th, 2007, as the 14th amendment; on June 13th, 2008, as the 15th amendment; on June 15th, 2010, as the 16th amendment; on June 22th, 2012, as the 17th amendment; on June 20th, 2014, as the 18th amendment, and on June 12th, 2015, as the 19th amendment, and on June 17th, 2016, as the 20th amendment, and on June 5th, 2020, as the 21st amendment., and on July 12, 2021, as the 22nd amendment, and on June 8, 2022, as the 23rd amendment. , and on June 6, 2024, as the 24th amendment. <u>The 25th amendment was made on May 26, 2025.</u></p>	<p>Article 27</p> <p>These Articles of Incorporation were enacted on October 7th, 1990, and were amended on June 20th, 1991, as the 1st amendment; on November 17th, 1992, as the 2nd amendment; on March 30th, 1995, as the 3rd amendment; on May 22, 1997, as the 4th amendment; on April 24th, 1998, as the 5th amendment; on May 15th, 1999, as the 6th amendment; on June 29th, 2000, as the 7th amendment; on December 12th, 2000, as the 8th amendment; on May 31st, 2002, as the 9th amendment; on May 30th, 2003, as the 10th amendment; on May 27th, 2004, as the 11th amendment; on June 17th, 2005, as the 12th amendment; on June 9th, 2006, as the 13th amendment; on June 15th, 2007, as the 14th amendment; on June 13th, 2008, as the 15th amendment; on June 15th, 2010, as the 16th amendment; on June 22th, 2012, as the 17th amendment; on June 20th, 2014, as the 18th amendment, and on June 12th, 2015, as the 19th amendment, and on June 17th, 2016, as the 20th amendment, and on June 5th, 2020, as the 21st amendment., and on July 12, 2021, as the 22nd amendment, and on June 8, 2022, as the 23rd amendment. , and on June 6, 2024, as the 24th amendment.</p>	<p>Add the amendment date hereof and the times of amendment.</p>

6. Articles of Incorporation

Chapter One General Provisions

- Article 1 The Company shall be incorporated as a company limited by shares under The Company Act and its name shall be "Concord Securities Co., Ltd." (hereinafter referred to as the "Company").
- Article 2 The scope of business of the Company shall be as follows:
- I. H301011 Securities merchant .
 - II. H408011 Futures introducing broker.
 - III. H401011 Futures commission merchants (business is limited by the approval of the competent authorities) .
- Article 2-1 The Company shall engage in the following business activities::
- I. To accept orders to trade securities on the centralized securities exchange market.
 - II. To trade securities on its own account on the centralized securities exchange market.
 - III. To underwrite securities.
 - IV. To accept orders to trade securities at its own business location.
 - V. To trade securities on its own account at its own business location.
 - VI. To act as an agent in stock and equity-related affairs.
 - VII. To take charge of securities margin-purchase and short-sale business.
 - VIII. To engage in securities-related futures brokerage and services.
 - IX. To accept orders to trade foreign securities.
 - X. To engage in securities-related futures proprietary trading.
 - XI. To engage in other business which is approved by the competent authority.
- Article 3 The head office of the Company is established in Taipei and may, subject to business requirement with the resolution of the Board of Directors and the approval of competent authority, set up branch office(s) in/outside Taiwan.
- Article 4 (Deleted)
- ### Chapter Two Shares
- Article 5 The total authorized capital of the Company shall be NT\$15 billion, divided into 1500 million shares with a par value of NT\$10 each, which the Board has been authorized to issue in stages, of which 200 million shares shall be reserved for exercising options.
- Article 5-1 The Company may, with the resolution of the most recent shareholders' meeting which is attended by shareholders holding at least 50% of the issued capital stock and resolved by more than two-thirds of the voting rights by shareholders attending the meeting, transfer the treasury shares to its employees at a price lower than the average repurchased price.
- Article 5-2 The Company may, with the resolution of a shareholders' meeting which is attended by shareholders holding at least 50% of the issued capital stock and resolved by more than two-thirds of the voting rights by shareholders attending the meeting, issue employee stock options to its employees at a price below the market price and by installments within one year of the said shareholders' meeting.
- Article 6 The share certificates issued and printed by The Company shall be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance.
- For the shares to be issued by a company, the Company may be exempted from printing any share certificate for the shares issued.
- The Company not printing its share certificate in accordance with the provision of the preceding paragraph shall register the issued shares with a centralized securities depository enterprise and follow the regulations of that enterprise.

Article 7	The Company's administration of shareholder services shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" issued by the competent authority.
Article 8	(Deleted)
Article 9	(Deleted)
Article 10	(Deleted)
Article 11	Registration of share transfers shall be suspended in the following circumstances: for a 60-day period prior to an annual meeting of the shareholders; for a 30-day period prior to a special meeting of the shareholders; and for a 5-day period prior to the record date for distribution of dividend, bonuses or other benefits.
	Chapter Three Shareholders' Meetings
Article 12	<p>Shareholders' meetings of the Company are of two types, namely: (1) annual meetings and (2) special meetings. Annual meetings shall be convened, by the Board of Directors, within six (6) months after the close of each fiscal year. Special meetings shall be convened at such time as necessary in accordance with the relevant laws, rules and regulations.</p> <p>Electronic voting at the shareholders' meeting shall be applied as one of the methods for the Company's shareholders to exercise their voting rights. The relevant operations shall be handled in accordance with the regulations required by the securities competent authority.</p> <p>The Company may hold its shareholders' meeting by means of visual communication network or other methods promulgated by the central competent authority. For the conditions, operating procedures, and other matters for compliance that shall be satisfied for holding the shareholders' meeting by means of visual communication network, the Company shall comply with the provisions otherwise prescribed by the competent authority in charge of securities affairs.</p>
Article 13	If a shareholder is unable to attend a meeting, he or she may appoint a proxy to attend and vote on behalf of the shareholder at the shareholders' meeting by completing and submitting to the Company, a form prescribed by the Company stating the scope of authorization. All proxy appointments must comply with Article 177 of The Company Act and Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.
Article 14	Except where other legal requirements apply, shareholders of the Company shall be entitled to one vote for each share held at the shareholders' meeting.
Article 15	Unless otherwise required by The Company Act, all resolutions of a shareholders' meeting of the Company shall be passed at a meeting attended by shareholders holding at least 50% of the issued capital stock and resolved by more than 50% of the shareholders attending the meeting.
	Chapter Four Directors and the board of directors
Article 16	<p>The Company shall have 5 to 15 Directors. The number of independent directors shall be no less than three and shall represent no less than one-third of the total number of directors. Directors shall be elected on candidate list by the shareholders at a shareholders' meeting. The total percentage of shareholdings by all Directors must comply with the relevant rules and regulations.</p> <p>The election of directors (including independent directors) shall make use of a candidate nomination system pursuant to the provisions of Article 192-1 of the Company Act. The receipt, announcement etc. of nominations for directorship candidates shall be handled in accordance with the relevant rules and regulations prescribed by the securities governing authorities.</p>
Article 17	The tenure of offices for Directors shall be three years and the Directors shall be eligible for re-election and re-appointment.
Article 18	Where vacancies of the Board of Directors exceed one-third of the total number of the Directors or all the independent directors are dismissed, the Board shall convene a special shareholders' meeting within 60 days to elect new Directors to fill the vacancies until the incumbent term expires. With respect to a director appointed by a corporate

	shareholder or its representative, the corporate shareholder may re-appoint its representative at any time due to a change in official functions and duties of the original representative until the incumbent term expires.
Article 19	The Board shall be formed by the directors. A Chairman and a Vice Chairman shall be elected from the Directors by a majority vote of the Directors at a Board meeting attended by at least two thirds of all the Directors. The Chairman shall have the right to execute the resolutions of the Board of Directors and the shareholders' meeting. The Chairman of the Board shall chair all shareholders' and directors' meetings internally and represent the Company externally.
Article 19-1	The resolutions of the Board, unless otherwise required by <i>The Company Act</i> , shall be resolved by a simple majority of the Directors at a Board meeting attended by at least 50% of all the Directors. If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. If the Board meeting is held in the form of a video conference, participation via video conference is deemed as participation in person.
Article 19-2	Board meetings shall be convened in accordance with The Company Act. The notice of the Board meetings may be made and delivered by writing, email or facsimile to the Directors.
Article 19-3	The Company shall establish an Audit Committee pursuant to the provisions of Article 14-4 of the Securities and Exchange Act. The Audit Committee and its members shall fulfill their supervisory duties pursuant to the relevant provisions of the Company Act, the Securities and Exchange Act, and other relevant laws and regulations. The number and tenure of office of audit committee members, powers of the audit committee, rules of procedure for meetings of the audit committee shall be defined in an audit committee charter in accordance with Regulations Governing the Exercise of Powers by Audit Committees of Public Companies.
Article 20	When the Chairman of the Board is on leave or unable to perform his duties, the designation proxy shall be made in accordance with Article 208 of <i>The Company Act</i> . When a director is unable to attend the Board Meeting, the designation proxy shall be made in accordance with Article 205 of <i>The Company Act</i> .
Article 21	The Board is authorized to determine the remuneration of the Directors of the Company (including independent directors) according to individual degrees of participation and value of contribution in business operation of the Company, as well as levels of remuneration generally adopted in the industry.
Article 21-1	The Company may purchase liability insurance for Directors to cover legal obligations and liabilities arisen from performing their duties during their terms of occupancy.
Article 22	Chapter Five Managerial Officers The Company shall have one President, several Vice Presidents, Assistant Vice Presidents and Managers pursuant to Article 29 of <i>The Company Act</i> .
Article 23	Chapter Six Accounting The fiscal year for The Company must start on January 1st of each year and end on December 31st of the same year.
Article 24	After the close of each fiscal year, The Board shall prepare the following financial statements and documents: I. Business report II. Financial statements III. Proposal of allocation of profit or covering of losses.
Article 25	If making any profits in a fiscal year, the Company shall set aside from 1% to 3% of the profits for employees' compensation following the board resolution to distribute in stock or cash dividend for eligible employees of the Company and subsidiaries. The board resolution in remuneration to directors may not exceed five percent of the profit. The employees' compensation and remuneration to directors shall be proposed by the Board of Directors and resolved in the shareholders' meeting. If the Company has cumulated losses, the profit shall be first utilized for making up losses for previous years and then following the afore-mentioned percentage to

- Article 25-1 distribute the employees' compensation and remuneration to directors.
Where the Company made profit after the close of a fiscal year after the yearly settlement of accounts, the profit shall be first utilized for paying taxes, making up losses for previous years, setting aside reserves as follow:
I. Statutory surplus reserves (Legal reserve): 10% of the profit
II. Special reserve: 20% of the profit
However, if the accumulated amount of reserves reaches or exceeds the paid-in capital amount, no further fund needs to be set aside. The reminders shall be set aside according to the regulation or reverse to special reserve. IF there is a balance in the remaining of the profit combining with the cumulated un-appropriated retained earnings, the board may stipulate the distribution plan and propose to distribute the shareholders' dividend bounce in the resolution of the shareholders' meeting.
Our dividend policy, considering the necessity, future business development plan, investment environment, funding need, competitiveness in international wide and the interest of shareholders, The un-appropriated retained earnings shall be used as the basis for the distribution of dividends and bonus to shareholders, subject to no less than 50% of the basis. The board of directors is authorized to make no distribution of dividends and bonus to shareholders when the un-appropriated retained earnings are less than 0.5% of paid-in capital. The board may resolve to distribute dividends and bonus to shareholders in stock or cash dividend. Cash dividend may not be less than 10% of total dividend.
- Chapter Seven Bylaws**
- Article 26 Matters not specifically provided for in these Articles of Incorporation shall be governed by The Company Act, The Securities and Exchange Act and other relevant legislations.
- Article 27 These Articles of Incorporation were enacted on October 7th, 1990, and were amended on June 20th, 1991, as the 1st amendment; on November 17th, 1992, as the 2nd amendment; on March 30th, 1995, as the 3rd amendment; on May 22, 1997, as the 4th amendment; on April 24th, 1998, as the 5th amendment; on May 15th, 1999, as the 6th amendment; on June 29th, 2000, as the 7th amendment; on December 12th, 2000, as the 8th amendment; on May 31st, 2002, as the 9th amendment; on May 30th, 2003, as the 10th amendment; on May 27th, 2004, as the 11th amendment; on June 17th, 2005, as the 12th amendment; on June 9th, 2006, as the 13th amendment; on June 15th, 2007, as the 14th amendment; on June 13th, 2008, as the 15th amendment; on June 15th, 2010, as the 16th amendment; on June 22th, 2012, as the 17th amendment; on June 20th, 2014, as the 18th amendment, and on June 12th, 2015, as the 19th amendment, and on June 17th, 2016, as the 20th amendment, and on June 5th, 2020, as the 21st amendment., and on July 12, 2021, as the 22st amendment, and on June 8, 2022, as the 23st amendment. , and on June 6, 2024, as the 24th amendment.

7. Rules of Procedure for Shareholders Meeting

- Article 1 To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2 The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 3 Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.
- This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent it entrusted as well as being distributed on-site at the meeting place.
- The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
- Matters pertaining to election or discharge of directors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185, Articles 26-1 and 43-6 of the Securities and Exchange Act or Article 56-1 and Article 60-2 Regulations Governing the Offering and Issuance of Securities by Securities Issuers hereof shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.
- If the cause(s) or subject(s) of the shareholders' meeting has been indicated the full re-election of directors and the date of appointment, the appointment date may not be changed by extemporary motions or other means after the re-election of the shareholders' meeting in the same meeting.
- A shareholder holding one percent or more of the total number of issued shares may submit to The Company a written proposal for discussion at a regular shareholders meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any

subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Shareholders may propose to urge the Company to promote public interests or fulfill its social responsibilities. The procedure shall be in accordance with Article 172-1 of the Company Act. The number of items is limited to one only, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission, written or electronic; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda

Article 4

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronic means, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5

The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6

This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification. This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book,

annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7

If a shareholders' meeting is called by the board of directors, the board chairman shall preside at the said shareholders' meeting. In case the chairman is on leave of absence, or cannot exercise his powers and authority, an agent acting on his behalf shall be appointed according to the regulations in the Company Act. It is advisable that shareholders meetings convened by the board of directors be attended by a majority of the directors.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and announce relevant information such as the number of non-voting rights and the number of shares present at the same time.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set

by the board of directors. Relevant motions, including temporary motions and amendments to the original motions, should be decided on a case-by-case basis. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the attending shareholders may elect a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 11

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12

Voting at a shareholders meeting shall be calculated based the number of shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

A shareholder shall be entitled to one vote for each share held, except where other legal

requirements apply.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. It is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

If no attending shareholder voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection or abstention, which involves in those exercised by correspondence or electronic means, the proposal shall be brought to a vote.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by The Company,

and the voting results shall be announced on-site immediately, including the names of those elected and unsuccessfully elected as directors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes in accordance with Article 183 of the Company Act.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. When there are directors elected, the number of votes for each candidate should be disclosed. The minutes shall be retained for the duration of the existence of this Company.

If no attending shareholder voices an objection following an inquiry by the chair, the proposal will be deemed approved, and the statement "consultation by Chairman without any opposition raised" should be documented in the minutes of meeting. If there is an objection, the meeting minutes shall record the method of voting adopted therefore and the total number of votes for the proposal.

Article 16

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taipei Exchange (or GreTai Securities Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period..

Article 17

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

Article 20

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings. These Rules of Procedure for Shareholders Meeting were enacted on June 13th, 2008, and were amended on June 15th, 2011, as the 1st amendment; on June 22th, 2012, as the 2nd amendment; on June 14th, 2013, as the 3rd amendment; on June 20, 2014, as the 4th amendment; on June 12, 2015, as the 5th amendment; on June 5, 2020, as the 6th amendment; on July 12, 2021, as the 7th amendment.

8.Shareholding of Directors

As of March 28, 2025 the book closure date for the Annual General Shareholders' Meeting, the individual and total shareholding of the directors as recorded in the shareholder registry are as follows:

Title	Name	The recorded shares held until the date of closure
Chairman of the Board	Tai Hsin Investment Co., Ltd. Representative : Cheng, Ta-Yu	10,163,583
Director	Tai Hsin Investment Co., Ltd. Representative : Chang, Jinn-Der	
Director	Tai Hsin Investment Co., Ltd. Representative : Lee, Chin-Sheng	
Director	Taiming Development Co., Ltd.	23,801,875
Director	Shikai Investment Corporation Representative : Cheng, Tai-Cheng	10,753,345
Director	De Ye Investment Co., Ltd. Representative : Yang, Min-Wang	172,343
Director	Ma, Pei-Chun	0
Independent Director	Chang, Yao-Ren	0
Independent Director	Huang, Hsiu-Hui	0
Independent Director	Huang, Su-Hui	0
Independent Director	Chiang, Ya-Chi	0
The recorded shares held by Board of Directors until the date of closure (March 28,2025)		44,891,146

Description: 1. The current number of outstanding shares of the Company is 624,177,735. In accordance with Article 26 of the Securities and Exchange Act and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum number of shares that should be held by all directors in the aggregate is 19,973,687.

2.The Company has established an Audit Committee; therefore, the minimum shareholding requirement for supervisors is not applicable.