

Stock Code: 6016

Concord Securities Co., Ltd.

Handbook for the 2026 Annual Meeting of Shareholders (Translation)

Time and Date: 9:00 a.m., Thursday, June 4, 2026

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.

2026 Annual Shareholders' Meeting Agenda

Time: 9:00 a.m., Thursday, June 4, 2026

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. 2025 Operating Report.
2. Audit Committee's review of the 2025 annual final accounting books and statements.
3. Report on 2025 employees' and directors' remuneration.
4. Report on the remuneration to directors paid by the Company in 2025.

Acknowledged matters

1. 2025 Business Report and Financial Statements.
2. Profit Distribution Proposal 2025.

Matters for Discussion

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

Extemporary motions

Adjournment

Reported matters

I. 2025 Operating Report.

Description:

The 2025 Business Report is attached as Appendix 1 (pages 8 ~ 11).

II. Audit Committee's review of the 2025 annual final accounting books and statements.

Description:

Audit Committee's Review Report is attached as Appendix 2 (pages 12).

III. Report on 2025 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 2025, the company listed NT\$37,986,000 in employee remuneration at 2.5% and NT\$74,453,000 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 2025.

IV. Report on the remuneration to directors paid by the Company in 2025.

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 (2025), 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. For the proposed individual remuneration amounts of directors and independent directors for the 2025, please refer to Appendix 3 of this Handbook.(pages13~14)

Acknowledged matters:

Proposal 1: Proposed by the Board of Directors

Proposal: 2025 Business Report and Financial Statements.

Description:

1. The Company's 2025 parent company only financial statements and consolidated financial statements have been audited by CPAs Cheng Cheng-Hsiu and Huang Hsiu-Chun of Deloitte & Touche, and an audit report has been issued. Together with the business report and financial statements, they have been approved by the Board of Directors and subsequently reviewed by the Audit Committee.
2. For the aforementioned statements, please refer to Appendix 1 (pages 8~11) and Appendix 4 (pages15~37) of this Handbook.

Resolution:

Proposal 2: Proposed by the Board of Directors

Proposal: Profit Distribution Proposal 2025.

Description:

1. The Company has prepared the 2025 earnings distribution proposal in accordance with the Articles of Incorporation, as approved by the Board of Directors. Please refer to page 4 of this Handbook.
2. It is proposed to appropriate NT\$964,666,684 from the distributable earnings of 2025, as follows:
 - (1) The cash dividends of NT\$106,422,304 were distributed at NT\$0.155 per share. The amount was rounded up to the nearest dollar. 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\$858,244,380 (equivalent to NT\$1.250 per share, or 125 shares for every one thousand shares).
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
2025

(Unit: NTDS)

Items	Total
Unappropriated earnings, beginning	3,312,582
Retained earnings due to actuarial losses	13,995,861
Unappropriated earnings after adjustment	17,308,443
Net profit for the year ended December 31, 2025	1,362,688,230
legal reserve	(137,668,409)
special reserve	(275,336,818)
Distributable earnings	966,991,446
Shareholders' dividends – cash dividend (NT\$0.155 per share)	(106,422,304)
Shareholders' dividends – stock dividend (NT\$1.250 per share)	(858,244,380)
Undistributed surplus at the end of the period	2,324,762

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: 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\$858,244,380 from the distributable profits of FY2025. Each share has a par value of NT\$10, resulting in an issuance of 85,824,438 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 125 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: Amendment to the Company's "Procedures for Acquisition or Disposal of Assets" is submitted for resolution.

Description:

1. According to the Letter No. Chin-Kuan-Cheng-Fa-Zi-1140383333 dated July 24, 2025, the Company hereby proposes to amend the articles of the Company's "Procedures for the Acquisition and Disposal of Assets".
2. Key amendments: For companies with paid-in capital exceeding NT\$50 billion, when acquiring or disposing of equipment for operational use or right-of-use assets from non-related parties, if the transaction amount reaches 5% or more of paid-in capital, public announcement and filing are required.
3. For the comparison table of the amended provisions, please refer to

Appendix 5 (pages 38) of this Handbook.

Resolution:

Proposal 3: Proposed by the Board of Directors

Proposal : Proposal for lifting the non-compete restriction on Directors and their representatives, please approve.

Description:

1. The Company shall comply with the Paragraph 1, Article 209 of the Company Act.
2. The current directors and their representatives, due to their new concurrent positions in other companies with business scopes similar to that of the Company, propose that the shareholders' meeting approve lifting the restrictions on their non-compete agreements, with details as shown in the attached table, provided this does not harm the Company's interests.

Details of positions held by directors and their representatives relieved from non-competition restrictions

Title	Name	Position(s) held concurrently in other companies
Director	Tai Hsin Investment Co., Ltd. Representative Chang, Jinn-Der	Director of Crown Global Business Consulting Ltd. Director of Guan De Investment Co., Ltd.
Director	Tai Ming Development Co., Ltd. Representative:Lee, Chuang-Yuan	Director of Daye International Investment Co., Ltd.
Director	Ma, Pei-Chun	Supervisor of Gold Mountain Investment Co., Ltd.
Independent Director	Chiang, Ya-Chi	Director of Ai am Possible Ltd.

Resolution:

Extemporary motions

Adjournment

Appendices

1.2025 Annual Business Report

[General Macroeconomic Environment and Management Policy]

Looking back on 2025, despite the continued shadow over global markets cast by geopolitical risks, uncertainties surrounding U.S. President Donald Trump’s tariff policies, and the challenges of divergent global economic growth, global equity markets still recorded an average increase of 21% (as measured by the MSCI World Index). In Asia, Korean equities delivered the strongest performance, rising by more than 75% for the year, while Japanese and Taiwanese equities rose by 28% and 26%, respectively. This performance was primarily driven by large-scale advancement of AI infrastructure construction by major global cloud service providers (CSPs), the steady commencement of interest rate cuts by major global central banks, and continued optimization of corporate fundamentals.

Although global economic growth remained divergent in 2025, abundant liquidity—resulting from interest rate cuts by major central banks and a weaker U.S. dollar—drove both equity markets and commodities (excluding oil prices) to repeatedly reach new highs. Looking ahead to 2026, supported by continued dual stimulus from fiscal and monetary policies in the United States, economic growth is expected to accelerate compared to 2025. Equity markets will remain the core of capital allocation, particularly the technology sector benefiting from the wave of AI infrastructure development. However, the variability and unpredictability of Trump’s policies remain among the greatest risks to the global economy and financial markets in 2026.

In summary of Taiwan’s equity market performance in 2025, on April 2, U.S. President Trump announced the imposition of large-scale “reciprocal tariffs” on nearly all countries with trade deficits, triggering extreme panic over an escalation of the global trade war. Following the Qingming Festival holiday, the Taiwan stock market plunged by 3,907 points within just three trading days after reopening. Fortunately, the Trump administration subsequently suspended the implementation of the new tariffs and signaled room for negotiation. Coupled with the strong development trend of AI, the Taiwan stock market, led by TSMC, quickly recovered its losses and continued to rise to new historical highs. However, traditional industries showed no signs of recovery, with most sectors such as petrochemicals, construction, and steel remaining weak.

According to statistics for Taiwan’s equity market in 2025, the average daily trading value of the centralized market and over-the-counter market (excluding bonds) was NT\$530.866 billion, representing a slight increase of 1.53% from NT\$522.865 billion in 2024. The total market capitalization of

listed and OTC companies reached NT\$101.76 trillion, representing a 26.5% increase from NT\$80.44 trillion at the end of the previous year. The market closed at 28,963 points in 2025, with an annual high of 29,009 points, representing an increase of 5,928 points, or 25.74%. The cumulative total trading value of the centralized market in 2025 was NT\$101.08 trillion, an increase of NT\$1.27 trillion compared to NT\$99.81 trillion in 2024.

The Company has consistently upheld its business philosophy of “integrity, prudence, service, and sustainability,” and adopts “creating happiness and pursuing mutual prosperity” as the Group’s development vision. Through outstanding leadership, it unites its team and is committed to building a corporate culture of “trust and transparency,” while pursuing the provision of optimal capital market investment services through precise strategies and operating models. In addition, the Company will continue to strengthen its core competitiveness to optimize its diversified revenue structure, actively promote digital financial transformation and integration of Group resources, and provide high value-added financial solutions that exceed customer expectations, thereby achieving the objectives of stable profitability and sustainable operations.

[Business Operations and Achievements]

In recent years, the Company has continuously required its business units to actively develop diversified revenue streams to increase sources of profitability. In terms of brokerage business, the Company’s market share in 2025 was 0.76%, and its margin financing balance market share was 1.68%. The Company will continue to expand segregated account services to increase profitability and integrate resources across the Group to provide one-stop comprehensive services.

In terms of underwriting business, the Company focuses on developing projects in industries such as AI, circular economy, and ESG. The primary sources of profit are capital gains from emerging stock positions and SPO positions. In 2025, domestic IPO lead underwriter mandates signed include Tianming, Xuanjie, and Hecang. IPO co-underwriting cases include Jifengyun Chuang, Lega Regeneration, Fengyu, Liwei, and Huikang Life KY. For SPO cases, the Company acted as lead underwriter for Dongli CB, Dongli cash capital increase, and Tongtai cash capital increase, and participated in 19 co-underwriting cases.

In terms of proprietary trading business, in 2025, inflation moderated and the trend of interest rate cuts continued. The U.S. economy and labor market demonstrated resilience exceeding expectations, and major global cloud service providers (CSPs) advanced AI infrastructure construction on a large

scale, creating a thriving global equity market environment. For Taiwan equity investments, under the AI investment trend, the proprietary trading department actively deployed in investment opportunities across supply chains such as advanced packaging, CPO, and thermal solutions. For overseas investments, the Company is optimistic about autonomous driving, robotics, and other Physical AI applications, adopting a more proactive investment strategy to expand annual profit potential.

In terms of bond business, global inflation declined significantly in 2025, and market focus shifted to the pace of interest rate cuts. The Central Bank of Taiwan's monetary policy shifted from tightening to a neutral and observant stance. Interest rates stabilized at relatively high levels, and the central bank no longer frequently employed monetary tools, gradually alleviating pressure on funding costs. Market expectations of peak interest rates led to a return of buying interest and increased enthusiasm in bond auctions, with bond market liquidity improving significantly. As the yield curve became flatter, investment strategies shifted toward swing trading and long-term positioning, with profit momentum significantly improving compared to the previous year.

In terms of new financial product business, on the product side, the Company focused on developing customized leveraged equity options. In 2025, total equity options issuance across the market reached NT\$115.3 billion, surpassing the NT\$100 billion milestone for the first time. The Company's transaction volume amounted to NT\$44.1 billion, ranking first in the market. The Company will continue to expand distribution channels and initiate direct sales business to drive growth in both transaction volume and inventory levels. In terms of trading business, the Company continues to develop ETF arbitrage trading operations and optimize multiple strategy trading modules to strengthen the research and development and service capabilities of new financial product strategies.

[Profitability]

The Company's consolidated operating revenue for 2025 was NT\$4,001,016 thousand, consolidated net income after tax was NT\$1,367,550 thousand, and earnings per share were NT\$1.98. As of the end of 2025, total equity attributable to the parent company amounted to NT\$11,222,718 thousand, with net asset value per share of NT\$16.35. In terms of consolidated financial ratios, the current ratio and debt ratio were 118.04% and 78.79%, respectively, indicating that the Company's overall financial structure remains sound. In 2025, the Company obtained a national long-term credit rating of A- (tw) and a national short-term credit rating of F2 (tw) from Fitch Ratings, with the outlook maintained as stable.

2. Audit Committee's Review Report

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

The Board of Directors has prepared the Corporation's 2025 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,
2026 Annual Shareholders' Meeting

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

March 6, 2026

3.2025 Remuneration of Directors and Independent Directors

Concord Securities Co., Ltd.

2025 Remuneration of Directors and Independent Directors

December 31, 2025; 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)		The Corporation		All Companies Listed in the Financial Reports		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	Cash	Stock	Cash	Stock					
	Tai Hsin Investment Co., Ltd.	1,210	1,210			41,363	41,363	0	0	42,573	3.12%	42,573	3.12%									42,573	3.12%	42,573	3.12%	None
Chairperson	Representative : Cheng, Ta-Yu	36,774	37,054					1,471	1,483	38,245	2.81%	38,537	2.83%									38,245	2.81%	38,537	2.83%	None
Director	Representative : Lee, Chin-Shen	1,225	1,369					38	54	1,263	0.09%	1,423	0.10%									1,263	0.09%	1,423	0.10%	None
Director	Representative : Jinnder Chang	1,225	1,225					39	39	1,264	0.09%	1,264	0.09%									1,264	0.09%	1,264	0.09%	None
Corporate Director	Tai Ming Development Co., Ltd.		0			8,273	8,273	0	0	8,273	0.61%	8,273	0.61%									8,273	0.61%	8,273	0.61%	None
	Representative: Li, Chuang-Yuan	1,225	1,225					39	39	1,264	0.09%	1,264	0.09%									1,264	0.09%	1,264	0.09%	None
Director	Ma, Pei-Chun	1,225	1,225			8,273	8,273	35	35	9,533	0.70%	9,533	0.70%									9,533	0.70%	9,533	0.70%	None
	Shikai Investment Corporation		0			8,273	8,273	0	0	8,273	0.61%	8,273	0.61%									8,273	0.61%	8,273	0.61%	None
Director	Representative : Cheng, Tai-Cheng	1,210	1,635					35	47	1,245	0.09%	1,682	0.12%	5,514	5,514	78	78	240	240			7,077	0.52%	7,514	0.55%	None
	De Ye Investment Co., Ltd.	1,210	1,210			8,273	8,273	0	0	9,483	0.70%	9,483	0.70%									9,483	0.70%	9,483	0.70%	None
Director	Representative : Yang, Min-Wang	15	15					30	30	45	0.00%	45	0.00%									45	0.00%	45	0.00%	None
Independent Director	Chang, Yao-Ren	1,365	1,365					100	100	1,465	0.11%	1,465	0.11%									1,465	0.11%	1,465	0.11%	None
Independent Director	Huang, Hsiu-Hui	1,365	1,365					109	109	1,474	0.11%	1,474	0.11%									1,474	0.11%	1,474	0.11%	None
Independent Director	Huang, Su-Hui	1,365	1,365					95	95	1,460	0.11%	1,460	0.11%									1,460	0.11%	1,460	0.11%	None
Independent Director	Chiang, Ya-Chi	1,365	1,365					65	65	1,430	0.10%	1,430	0.10%									1,430	0.10%	1,430	0.10%	None

1. Please describe the policy, system, standards, and structure for the payment of remuneration to independent directors, and explain the correlation between the amount of remuneration paid and such factors as the duties assumed, risks undertaken, and time invested: The remuneration policy for the Company's independent directors is handled entirely in accordance with the Company's Regulations Governing Salaries and Remuneration for Directors; when independent directors perform their duties for the Company, the Company may, regardless of whether it records a profit or loss, pay remuneration of up to NT\$1.8 million per year, to be paid in installments, and the Remuneration Committee may make adjustments at its discretion based on their degree of participation in the Company's operations and the value of their contributions. In addition, fees for the execution of duties include attendance fees for each committee meeting in the amount of NT\$2,000 to NT\$5,000 per meeting. When performing duties for the Company, independent directors may, based on actual needs, claim reimbursement for transportation expenses and travel expenses against supporting documentation. 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: A compensation of NT\$1,440 thousand was provided to the chauffeur of the chairman of the board of directors, but is not included in the calculation of remuneration.

Note 2: The business execution expenses of the chairman include NT\$1,436 thousand of car rental and fuel expenses. In addition, as of December 31, 2025, the original purchase cost and the carrying amount of the vehicles provided for the Chairman were NT\$5,880 thousand and NT\$4,165 thousand, respectively; but these amounts were not included in the calculation of remuneration.

Note 3: 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, 2025 and 2024, 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, 2025 and 2024, 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, 2025. 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, 2025 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, 2025 and 2024, 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, 2025 and 2024, the total investments in subsidiaries amounted to \$590,406 thousand and \$580,674 thousand, accounting for 1.34% and 1.61% of total assets, respectively; for the years ended December 31, 2025 and 2024, the share of the comprehensive income of these subsidiaries amounted to \$9,732 and \$7,602 thousand, respectively, both accounting for 0.60% of the total comprehensive income.

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, 2025 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 Hsiu-Chun Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 6, 2026

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, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,088,473	2	\$ 1,417,390	4
Financial assets at fair value through profit or loss - current	15,433,190	35	11,959,097	33
Financial assets at fair value through other comprehensive income - current	1,881,294	4	160,279	-
Margin loans receivable	8,358,619	19	8,069,999	22
Refinancing margin	760	-	83	-
Refinancing collateral receivable	633	-	69	-
Security borrowing collateral price	366,112	1	117,763	-
Security borrowing margin	339,146	1	336,720	1
Notes receivable	49	-	207	-
Accounts receivable	9,246,256	21	4,984,296	14
Prepayments	11,206	-	10,179	-
Other receivables	8,447	-	8,586	-
Restricted assets - current	110,213	-	181,932	1
Amounts held for each customer in the account	810,358	2	539,176	2
Other current assets	102,349	-	252,497	1
Total current assets	37,757,105	85	28,038,273	78
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current	2,115,580	5	3,858,566	11
Investments accounted for using equity method	2,195,901	5	2,094,627	6
Property and equipment	804,013	2	795,500	2
Right-of-use assets	72,780	-	74,335	-
Investment property	545,182	1	553,957	1
Intangible assets	12,144	-	16,515	-
Deferred tax assets	23,879	-	22,758	-
Net defined benefit assets-non-current	9,262	-	-	-
Other non-current assets	650,276	2	610,015	2
Total non-current assets	6,429,017	15	8,026,273	22
TOTAL	\$ 44,186,122	100	\$ 36,064,546	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 1,120,000	2	\$ 1,205,000	3
Commercial paper payable	8,828,093	20	7,522,937	21
Financial liabilities at fair value through profit or loss - current	2,779,382	6	2,482,618	7
Liabilities for bonds with attached repurchase agreements	5,168,664	12	5,320,733	15
Securities financing refundable deposits	259,580	1	329,420	1
Deposits payable for securities financing	332,116	1	356,103	1
Securities lending refundable deposits	12,399	-	37,435	-
Equity for each customer in the account	810,038	2	539,030	1
Accounts payable	9,744,172	22	4,943,195	14
Other payables	736,947	2	616,078	2
Other financial liabilities - current	1,338,931	3	1,415,192	4
Current tax liabilities	113,317	-	141,059	-
Provisions - current	23,091	-	22,522	-
Lease liabilities - current	32,021	-	26,019	-
Other current liabilities	92,590	-	194,704	1
Total current liabilities	31,391,341	71	25,152,045	70
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current	1,480,324	4	1,039,128	3
Provisions - non-current	15,995	-	14,509	-
Lease liabilities - non-current	38,756	-	46,148	-
Deferred tax liabilities	32,946	-	59,767	-
Guarantee deposits received	4,042	-	3,822	-
Net defined benefit liabilities - non-current	-	-	17,751	-
Total non-current liabilities	1,572,063	4	1,181,125	3
Total liabilities	32,963,404	75	26,333,170	73
EQUITY				
Share capital	6,865,955	16	6,241,777	17
Capital surplus	175,331	-	175,331	-
Retained earnings				
Legal reserve	446,757	1	337,355	1
Special reserve	1,502,621	3	1,283,817	4
Unappropriated retained earnings	1,379,996	3	1,096,136	3
Total retained earnings	3,329,374	7	2,717,308	8
Other equity	852,058	2	596,960	2
Total equity	11,222,718	25	9,731,376	27
TOTAL	\$ 44,186,122	100	\$ 36,064,546	100

(With Deloitte & Touche auditors' report dated March 6, 2026)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
REVENUE				
Brokerage handling fee revenue	\$ 1,087,967	31	\$ 1,230,362	37
Income from securities lending	44,905	1	42,366	1
Revenue from underwriting commission	24,926	1	18,042	1
Gains on sale of operating securities, net	502,368	14	1,676,831	51
Revenue from providing agency service for stock affairs	31,002	1	30,699	1
Interest income	458,561	13	442,127	13
Dividend income	535,177	15	185,680	6
Valuation gains on operating securities at fair value through profit or loss, net	929,830	27	144,094	4
Losses on covering of borrowed securities and bonds with resale agreements - short sales, net	(88,837)	(2)	(7,266)	-
Valuation gains (losses) on borrowed securities and bonds with resale agreements - short sales at fair value through profit or loss, net	(38,717)	(1)	24,839	1
Realized gains (losses) on investments in debt instruments measured at fair value through other comprehensive income, net	54,490	2	(27,758)	(1)
Gains (losses) on issuance of call (put) warrants, net	103	-	(261,357)	(8)
Futures commission income	8,133	-	10,122	-
Losses on derivative instruments - futures, net	(66,648)	(2)	(229,953)	(7)
Losses on derivative instruments - OTC, net	(91,345)	(3)	(88,983)	(3)
Impairment gain and reversal of impairment loss	257	-	4,433	-
Other operating income	86,026	3	115,559	4
Total revenue	3,478,198	100	3,309,837	100
COSTS AND EXPENSES				
Brokerage handling fee expenses	(105,895)	(3)	(118,640)	(4)
Proprietary handling fee expenses	(7,328)	-	(8,115)	-
Refinancing handling fee expenses	(357)	-	(197)	-
Finance costs	(305,022)	(9)	(249,283)	(8)
Loss from securities borrowing transactions	(44,782)	(1)	(40,140)	(1)
Securities commission expenses	(6,932)	-	(7,588)	-
Clearing and settlement expenses	(3,822)	-	(2,269)	-
Other operating costs	(32,666)	(1)	(31,081)	(1)
Employee benefits expenses	(1,291,251)	(37)	(1,296,680)	(39)
Depreciation and amortization expenses	(83,120)	(3)	(94,225)	(3)
Other operating expenses	(470,385)	(14)	(493,695)	(15)

(Continued)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Total costs and expenses	\$ (2,351,560)	(68)	\$ (2,341,913)	(71)
OPERATING PROFIT	<u>1,126,638</u>	<u>32</u>	<u>967,924</u>	<u>29</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of subsidiaries accounted for using equity method	109,604	3	122,537	4
Other gains and losses	<u>170,786</u>	<u>5</u>	<u>160,328</u>	<u>5</u>
Total non-operating income and expenses	<u>280,390</u>	<u>8</u>	<u>282,865</u>	<u>9</u>
PROFIT BEFORE INCOME TAX	1,407,028	40	1,250,789	38
INCOME TAX EXPENSE	<u>(44,340)</u>	<u>(1)</u>	<u>(158,308)</u>	<u>(5)</u>
NET PROFIT FOR THE YEAR	<u>1,362,688</u>	<u>39</u>	<u>1,092,481</u>	<u>33</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Gains on remeasurement of defined benefit plans	16,959	1	1,579	-
Unrealized gains on investments in equity instruments measured at fair value through other comprehensive income	131,672	4	119,578	4
Share of other comprehensive income or loss of subsidiaries accounted for using equity method	42,679	1	46,763	1
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(3,392)</u>	<u>-</u>	<u>(316)</u>	<u>-</u>
	<u>187,918</u>	<u>6</u>	<u>167,604</u>	<u>5</u>
Items that may be reclassified subsequently to profit or loss				
Exchange differences on the translation of foreign operations	(810)	-	3,787	-
Unrealized gains (losses) on investments in debt instruments measured at fair value through other comprehensive income	<u>81,986</u>	<u>2</u>	<u>(14,749)</u>	<u>-</u>
	<u>81,176</u>	<u>2</u>	<u>(10,962)</u>	<u>-</u>

(Continued)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Other comprehensive income for the year, net of income tax	<u>\$ 269,094</u>	<u>8</u>	<u>\$ 156,642</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,631,782</u>	<u>47</u>	<u>\$ 1,249,123</u>	<u>38</u>
EARNINGS PER SHARE				
Basic	<u>\$ 1.98</u>		<u>\$ 1.59</u>	
Diluted	<u>\$ 1.98</u>		<u>\$ 1.58</u>	

(With Deloitte & Touche auditors' report dated March 6, 2026)

(Concluded)

CONCORD SECURITIES CO., LTD.

**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

	Retained Earnings				Other Equity			Total Equity
	Share Capital	Capital Surplus	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 ON JANUARY 1, 2024	\$ 5,944,550	\$ 175,331	\$ 239,393	\$ 1,087,890	\$ 979,629	\$ 1,165	\$ 440,691	\$ 8,868,649
Appropriation for 2023 earnings								
Legal reserve	-	-	97,962	-	(97,962)	-	-	-
Special reserve	-	-	-	195,927	(195,927)	-	-	-
Cash dividends - ordinary shares	-	-	-	-	(386,396)	-	-	(386,396)
Share dividends - 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	-	-	-	-	1,538	3,787	151,317	156,642
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	1,094,019	3,787	151,317	1,249,123
BALANCE ON DECEMBER 31, 2024	6,241,777	175,331	337,355	1,283,817	1,096,136	4,952	592,008	9,731,376
Appropriation for 2024 earnings								
Legal reserve	-	-	109,402	-	(109,402)	-	-	-
Special reserve	-	-	-	218,804	(218,804)	-	-	-
Cash dividends - ordinary shares	-	-	-	-	(140,440)	-	-	(140,440)
Share dividends - ordinary shares	624,178	-	-	-	(624,178)	-	-	-
Net profit for the year ended December 31, 2025	-	-	-	-	1,362,688	-	-	1,362,688
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	13,996	(810)	255,908	269,094
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	1,376,684	(810)	255,908	1,631,782
BALANCE ON DECEMBER 31, 2025	<u>\$ 6,865,955</u>	<u>\$ 175,331</u>	<u>\$ 446,757</u>	<u>\$ 1,502,621</u>	<u>\$ 1,379,996</u>	<u>\$ 4,142</u>	<u>\$ 847,916</u>	<u>\$ 11,222,718</u>

(With Deloitte & Touche auditors' report dated March 6, 2026)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,407,028	\$ 1,250,789
Adjustments for:		
Depreciation expense	72,430	83,786
Amortization expense	10,690	10,439
Expected credit gain	(257)	(4,433)
Net gain on financial assets and liabilities at fair value through profit or loss	(890,979)	(168,941)
Finance costs	305,022	249,283
Interest income (including financial income)	(483,725)	(461,410)
Dividend income	(556,350)	(204,659)
Share of profit of subsidiaries accounted for using equity method	(109,604)	(122,537)
Gain on disposal of property, plant and equipment	-	(83)
Loss (gain) on disposal of investments	920	(3,542)
Gain on lease modification	-	(160)
Changes in operating assets and liabilities		
Increase in financial assets at fair value through profit or loss	(2,545,319)	(676,748)
Increase in margin loans receivable	(288,592)	(1,537,048)
Decrease (increase) in refinancing margin	(677)	442
Decrease (increase) in refinancing collateral receivable	(564)	368
Increase in security borrowing collateral price	(248,349)	(38,766)
Increase in security borrowing margin	(2,426)	(264,860)
Decrease (increase) in notes receivable	158	(137)
Decrease (increase) in accounts receivable	(4,272,721)	1,177,035
Increase in prepayments	(1,027)	(2,815)
Increase in net defined benefit assets	(9,262)	-
Decrease in other receivables	347	5,307
Increase in amounts held for each customer in the account	(271,182)	(351,642)
Decrease (increase) in other current assets	221,867	(62,524)
Increase (decrease) in liabilities for bonds with attached repurchase agreements	(152,069)	153,952
Increase in financial liabilities at fair value through profit or loss	699,243	384,299
Increase (decrease) in securities financing refundable deposits	(69,840)	56,989
Increase (decrease) in deposits payable for securities financing	(23,987)	53,624
Decrease in securities lending refundable deposits	(25,036)	(32,733)
Increase (decrease) in accounts payable	4,800,311	(819,412)
Increase in other payables	120,442	155,160
Decrease in net defined benefit liabilities	(792)	(1,830)
Increase (decrease) in provisions	569	(383)
Decrease in other financial liabilities	(76,261)	(1,110,515)
Increase in equity for each customer in the account	271,008	351,227
Increase (decrease) in other current liabilities	(102,114)	80,201
Cash used in operations	(2,221,098)	(1,852,277)
Interest received	494,482	450,176
Dividends received	535,170	184,228

(Continued)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Interest paid	\$ (303,773)	\$ (251,627)
Income tax paid	<u>(103,416)</u>	<u>(85,794)</u>
Net cash used in operating activities	<u>(1,598,635)</u>	<u>(1,555,294)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(1,920,926)	(2,030,115)
Proceeds from disposal of financial assets at fair value through other comprehensive income	2,158,120	1,579,348
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	1,263	3,509
Investments accounted for using equity method	(35,000)	-
Acquisition of property and equipment	(40,346)	(21,320)
Proceeds from disposal of property and equipment	5	157
Increase in clearing and settlement fund	(10,941)	-
Decrease in clearing and settlement fund	-	1,222
Increase in refundable deposits	(19,436)	-
Decrease in refundable deposits	-	12,061
Acquisition of intangible assets	(4,658)	(7,423)
Increase in other non-current assets	(11,545)	(3,372)
Dividends received	<u>107,182</u>	<u>88,966</u>
Net cash generated from (used in) investing activities	<u>223,718</u>	<u>(376,967)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	-	405,000
Decrease in short-term borrowings	(85,000)	-
Increase in commercial papers payable	1,305,000	1,765,000
Increase in guarantee deposits received	220	10
Payments of lease liabilities	(30,175)	(45,272)
Cash dividends paid	<u>(140,440)</u>	<u>(386,396)</u>
Net cash generated from financing activities	<u>1,049,605</u>	<u>1,738,342</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(3,605)</u>	<u>8,283</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(328,917)	(185,636)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,417,390</u>	<u>1,603,026</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,088,473</u>	<u>\$ 1,417,390</u>

(With Deloitte & Touche auditors' report dated March 6, 2026)

(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, 2025 and 2024, 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, 2025 and 2024, 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, 2025. 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, 2025 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, 2025 and 2024, 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, 2025 and 2024, the total assets of these subsidiaries and investments in associates amounted to \$599,748 thousand and \$587,527 thousand, accounting for 1.13% and 1.31% of consolidated total assets, respectively; for the years ended December 31, 2025 and 2024, no operating revenue was recognized, and the share of the comprehensive income of these associates accounted for using equity method amounted to \$9,843 thousand and \$7,602 thousand, respectively, both accounting for 0.60% of the consolidated total comprehensive income.

We have also audited the parent company only financial statements of Concord Securities Co., Ltd. as of and for the years ended December 31, 2025 and 2024 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, 2025 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 Hsiu-Chun Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 6, 2026

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, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,324,316	2	\$ 1,618,988	4
Financial assets at fair value through profit or loss - current	15,593,935	29	12,090,064	27
Financial assets at fair value through other comprehensive income - current	1,881,294	4	160,279	-
Margin loans receivable	8,358,619	16	8,069,999	18
Refinancing margin	760	-	83	-
Refinancing collateral receivable	633	-	69	-
Customer margin account	8,775,351	16	8,396,485	19
Security borrowing collateral price	366,112	1	117,763	-
Security borrowing margin	339,146	1	336,720	1
Notes and accounts receivable	9,251,177	17	4,986,875	11
Prepayments	12,939	-	11,662	-
Other receivables	107,538	-	87,968	-
Other financial assets - current	584,000	1	636,433	2
Current tax assets	5,669	-	-	-
Restricted assets - current	112,213	-	183,932	-
Amounts held for each customer in the account	810,358	2	539,176	1
Other current assets	102,385	-	252,641	1
Total current assets	<u>47,626,445</u>	<u>89</u>	<u>37,489,137</u>	<u>84</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current	2,541,631	5	4,240,022	10
Investments accounted for using equity method	597,797	1	585,898	1
Property and equipment	1,040,096	2	1,038,025	2
Right-of-use assets	78,308	-	83,267	-
Investment property	315,174	1	317,957	1
Intangible assets	57,639	-	64,377	-
Deferred tax assets	26,817	-	24,486	-
Net defined benefit assets - non-current	6,846	-	-	-
Other non-current assets	926,684	2	872,967	2
Total non-current assets	<u>5,590,992</u>	<u>11</u>	<u>7,226,999</u>	<u>16</u>
TOTAL	<u>\$ 53,217,437</u>	<u>100</u>	<u>\$ 44,716,136</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 1,122,000	2	\$ 1,218,700	3
Commercial paper payable	8,828,093	17	7,522,937	17
Financial liabilities at fair value through profit or loss - current	2,779,382	5	2,482,618	5
Liabilities for bonds with attached repurchase agreements	5,168,664	10	5,320,733	12
Securities financing refundable deposits	259,580	-	329,420	1
Deposits payable for securities financing	332,116	1	356,103	1
Securities lending refundable deposits	12,399	-	37,435	-
Futures traders' equity	8,801,268	17	8,410,985	19
Equity for each customer in the account	810,038	2	539,030	1
Accounts payable	9,760,086	18	4,957,977	11
Other payables	825,543	2	706,331	2
Other financial liabilities - current	1,338,931	2	1,415,192	3
Current tax liabilities	113,317	-	147,822	-
Provisions - current	28,000	-	27,358	-
Lease liabilities - current	35,125	-	29,551	-
Other current liabilities	132,898	-	230,155	-
Total current liabilities	<u>40,347,440</u>	<u>76</u>	<u>33,732,347</u>	<u>75</u>
NON-CURRENT LIABILITIES				
Long-term borrowings	7,000	-	-	-
Financial liabilities at fair value through profit or loss - non-current	1,480,324	3	1,039,128	3
Provisions - non-current	15,995	-	14,509	-
Lease liabilities - non-current	41,322	-	51,567	-
Deferred tax liabilities	32,945	-	60,074	-
Guarantee deposits received	2,719	-	2,478	-
Net defined benefit liabilities - non-current	-	-	20,680	-
Total non-current liabilities	<u>1,580,305</u>	<u>3</u>	<u>1,188,436</u>	<u>3</u>
Total liabilities	<u>41,927,745</u>	<u>79</u>	<u>34,920,783</u>	<u>78</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION				
Share capital	6,865,955	13	6,241,777	14
Capital surplus	175,331	-	175,331	1
Retained earnings				
Legal reserve	446,757	1	337,355	1
Special reserve	1,502,621	3	1,283,817	3
Unappropriated retained earnings	1,379,996	2	1,096,136	2
Total retained earnings	3,329,374	6	2,717,308	6
Other equity	852,058	2	596,960	1
Total equity attributable to owners of the Corporation	11,222,718	21	9,731,376	22
NON-CONTROLLING INTERESTS				
Total equity	<u>66,974</u>	<u>-</u>	<u>63,977</u>	<u>-</u>
TOTAL	<u>\$ 53,217,437</u>	<u>100</u>	<u>\$ 44,716,136</u>	<u>100</u>

(With Deloitte & Touche auditors' report dated March 6, 2026)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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

	2025		2024	
	Amount	%	Amount	%
REVENUE				
Brokerage handling fee revenue	\$ 1,601,102	40	\$ 1,833,748	46
Income from securities lending	44,905	1	42,366	1
Revenue from underwriting commission	24,926	1	18,042	-
Gains on sale of operating securities, net	502,368	13	1,676,831	43
Revenue from providing agency service for stock affairs	30,966	1	30,663	1
Interest income	458,561	11	442,127	11
Dividend income	535,177	13	185,680	5
Valuation gains on operating securities at fair value through profit or loss, net	929,830	23	144,094	4
Losses on covering of borrowed securities and bonds with resale agreements - short sales, net	(88,837)	(2)	(7,266)	-
Valuation gains (losses) on borrowed securities and bonds with resale agreements - short sales at fair value through profit or loss, net	(38,717)	(1)	24,839	1
Realized gains (losses) on investments in debt instruments measured at fair value through other comprehensive income, net	54,490	1	(27,758)	(1)
Gains (losses) on issuance of call (put) warrants, net	103	-	(261,357)	(7)
Losses on derivative instruments - futures, net	(65,601)	(2)	(223,047)	(6)
Losses on derivative instruments - OTC, net	(91,345)	(2)	(88,983)	(2)
Impairment gain and reversal of impairment loss (impairment loss)	(6,389)	-	4,109	-
Other operating income	109,477	3	144,149	4
Total revenue	4,001,016	100	3,938,237	100
COSTS AND EXPENSES				
Brokerage handling fee expenses	(202,609)	(5)	(233,560)	(6)
Proprietary handling fee expenses	(7,422)	-	(8,438)	-
Refinancing handling fee expenses	(357)	-	(197)	-
Finance costs	(320,855)	(8)	(260,653)	(6)
Loss from securities borrowing transactions	(44,782)	(1)	(40,140)	(1)
Futures commission expenses	(62,763)	(2)	(71,859)	(2)
Clearing and settlement expenses	(66,575)	(2)	(77,535)	(2)
Other operating costs	(39,805)	(1)	(40,303)	(1)
Employee benefits expenses	(1,507,996)	(38)	(1,532,070)	(39)
Depreciation and amortization expenses	(99,410)	(2)	(110,052)	(3)
Other operating expenses	(559,650)	(14)	(584,558)	(15)

(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Total costs and expenses	\$ (2,912,224)	(73)	\$ (2,959,365)	(75)
OPERATING PROFIT	<u>1,088,792</u>	<u>27</u>	<u>978,872</u>	<u>25</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of associates accounted for using equity method	12,275	-	9,977	-
Other gains and losses	<u>333,511</u>	<u>9</u>	<u>299,564</u>	<u>8</u>
Total non-operating income and expenses	<u>345,786</u>	<u>9</u>	<u>309,541</u>	<u>8</u>
PROFIT BEFORE INCOME TAX	1,434,578	36	1,288,413	33
INCOME TAX EXPENSE	<u>(67,028)</u>	<u>(2)</u>	<u>(190,440)</u>	<u>(5)</u>
NET PROFIT FOR THE YEAR	<u>1,367,550</u>	<u>34</u>	<u>1,097,973</u>	<u>28</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Gains on remeasurement of defined benefit plans	17,519	1	1,939	-
Unrealized gains on investments in equity instruments measured at fair value through other comprehensive income	176,267	4	168,161	4
Share of other comprehensive income or loss of associates accounted for using equity method	(376)	-	(34)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(3,504)</u>	<u>-</u>	<u>(388)</u>	<u>-</u>
	<u>189,906</u>	<u>5</u>	<u>169,678</u>	<u>4</u>
Items that may be reclassified subsequently to profit or loss				
Exchange differences on the translation of foreign operations	(810)	-	3,787	-
Unrealized gains (losses) on investments in debt instruments measured at fair value through other comprehensive income	<u>81,986</u>	<u>2</u>	<u>(14,749)</u>	<u>-</u>
	<u>81,176</u>	<u>2</u>	<u>(10,962)</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>271,082</u>	<u>7</u>	<u>158,716</u>	<u>4</u>

(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,638,632</u>	<u>41</u>	<u>\$ 1,256,689</u>	<u>32</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,362,688	34	\$ 1,092,481	28
Non-controlling interests	<u>4,862</u>	<u>-</u>	<u>5,492</u>	<u>-</u>
	<u>\$ 1,367,550</u>	<u>34</u>	<u>\$ 1,097,973</u>	<u>28</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,631,782	41	\$ 1,249,123	32
Non-controlling interests	<u>6,850</u>	<u>-</u>	<u>7,566</u>	<u>-</u>
	<u>\$ 1,638,632</u>	<u>41</u>	<u>\$ 1,256,689</u>	<u>32</u>
EARNINGS PER SHARE				
Basic	<u>\$ 1.98</u>		<u>\$ 1.59</u>	
Diluted	<u>\$ 1.98</u>		<u>\$ 1.58</u>	

(With Deloitte & Touche auditors' report dated March 6, 2026)

(Concluded)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Corporation					Other Equity		Total	Non-controlling Interests	Total Equity
	Share Capital	Capital Surplus	Retained Earnings			Exchange Differences on the Translation of Foreign Operations	Unrealized Gains on Financial Assets at Fair Value Through Other Comprehensive Income			
			Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE ON JANUARY 1, 2024	\$ 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 for 2023 earnings										
Legal reserve	-	-	97,962	-	(97,962)	-	-	-	-	-
Special reserve	-	-	-	195,927	(195,927)	-	-	-	-	-
Cash dividends - ordinary shares	-	-	-	-	(386,396)	-	-	(386,396)	-	(386,396)
Share dividends - 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 ON 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
Appropriation for 2024 earnings										
Legal reserve	-	-	109,402	-	(109,402)	-	-	-	-	-
Special reserve	-	-	-	218,804	(218,804)	-	-	-	-	-
Cash dividends - ordinary shares	-	-	-	-	(140,440)	-	-	(140,440)	-	(140,440)
Share dividends - ordinary shares	624,178	-	-	-	(624,178)	-	-	-	-	-
Net profit for the year ended December 31, 2025	-	-	-	-	1,362,688	-	-	1,362,688	4,862	1,367,550
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	13,996	(810)	255,908	269,094	1,988	271,082
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	1,376,684	(810)	255,908	1,631,782	6,850	1,638,632
Change in non-controlling interests	-	-	-	-	-	-	-	-	(3,853)	(3,853)
BALANCE ON DECEMBER 31, 2025	\$ 6,865,955	\$ 175,331	\$ 446,757	\$ 1,502,621	\$ 1,379,996	\$ 4,142	\$ 847,916	\$ 11,222,718	\$ 66,974	\$ 11,289,692

(With Deloitte & Touche auditors' report dated March 6, 2026)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,434,578	\$ 1,288,413
Adjustments for:		
Depreciation expense	79,439	91,528
Amortization expense	19,971	18,524
Expected credit loss (gain)	6,389	(4,109)
Net gain on financial assets and liabilities at fair value through profit or loss	(903,710)	(165,030)
Finance costs	320,855	260,653
Interest income (including financial income)	(644,594)	(596,804)
Dividend income	(566,222)	(211,478)
Share of profit of associates accounted for using equity method	(12,275)	(9,977)
Gain on disposal of property and equipment	(17)	(85)
Loss (gain) on disposal of investments	3,398	(3,548)
Gain on lease modification	-	(179)
Changes in operating assets and liabilities		
Increase in financial assets at fair value through profit or loss	(2,564,844)	(716,135)
Increase in margin loans receivable	(288,592)	(1,537,048)
Decrease (increase) in refinancing margin	(677)	442
Decrease (increase) in refinancing collateral receivable	(564)	368
Increase in customer margin account	(378,866)	(2,087,689)
Increase in futures exchanges margins receivable	(6,646)	(324)
Increase in security borrowing collateral price	(248,349)	(38,766)
Increase in security borrowing margin	(2,426)	(264,860)
Decrease (increase) in notes receivable	158	(137)
Decrease (increase) in accounts receivable	(4,275,221)	1,176,041
Increase in prepayments	(1,277)	(2,420)
Increase in net defined benefit assets	(6,846)	-
Decrease (increase) in other receivables	(17,237)	36,344
Decrease in other financial assets	52,433	28,187
Increase in amounts held for each customer in the account	(271,182)	(351,642)
Decrease (increase) in other current assets	221,975	(62,463)
Decrease (increase) in liabilities for bonds with attached repurchase agreements	(152,069)	153,952
Increase in financial liabilities at fair value through profit or loss	699,243	384,299
Increase (decrease) in securities financing refundable deposits	(69,840)	56,989
Increase (decrease) in deposits payable for securities financing	(23,987)	53,624
Decrease in securities lending refundable deposits	(25,036)	(32,733)
Increase in futures traders' equity	390,283	2,062,562
Increase (decrease) in accounts payable	4,801,443	(820,276)
Increase in other payables	118,595	162,314
Decrease in net defined benefit liabilities	(3,161)	(2,179)
Increase (decrease) in provisions	642	(382)
Decrease in other financial liabilities	(76,261)	(1,110,515)
Increase in equity for each customer in the account	271,008	351,227

(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Increase (decrease) in other current liabilities	\$ (97,257)	\$ 85,524
Cash used in operations	(2,216,746)	(1,807,788)
Interest received	653,226	581,921
Dividends received	535,170	184,228
Interest paid	(319,416)	(262,582)
Income tax paid	<u>(140,166)</u>	<u>(118,062)</u>
Net cash used in operating activities	<u>(1,487,932)</u>	<u>(1,422,283)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(1,920,926)	(2,030,115)
Proceeds from disposal of financial assets at fair value through other comprehensive income	2,158,120	1,579,348
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	1,263	3,509
Acquisition of property and equipment	(43,230)	(22,781)
Proceeds from disposal of property and equipment	61	160
Increase in clearing and settlement fund	(15,105)	-
Decrease in clearing and settlement fund	-	1,553
Increase in refundable deposits	(28,859)	-
Decrease in refundable deposits	-	21,752
Acquisition of intangible assets	(11,441)	(18,322)
Increase in other non-current assets	(11,545)	(4,052)
Dividends received	<u>31,045</u>	<u>25,798</u>
Net cash generated from (used in) investing activities	<u>159,383</u>	<u>(443,150)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	-	409,200
Decrease in short-term borrowings	(96,700)	-
Increase in commercial paper payable	1,305,000	1,765,000
Proceeds from long-term borrowings	7,000	-
Increase in guarantee deposits received	241	10
Payments of lease liabilities	(33,767)	(49,314)
Cash dividends paid	(140,440)	(386,396)
Change in non-controlling interests	<u>(3,853)</u>	<u>(3,135)</u>
Net cash generated from financing activities	<u>1,037,481</u>	<u>1,735,365</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	<u>(3,604)</u>	<u>8,325</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(294,672)	(121,743)

(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>\$ 1,618,988</u>	<u>\$ 1,740,731</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,324,316</u>	<u>\$ 1,618,988</u>

(With Deloitte & Touche auditors' report dated March 6, 2026)

(Concluded)

5. Table of Comparison of Amendments to the Procedures for Acquisition or Disposal of Assets

Revised Article	Current Version	Explanation
<p>Article 15 Procedures for Information Disclosure The procedures for information disclosure shall be handled in accordance with the following provisions:</p> <p>I. Items to be publicly announced and reported, and the standards for such announcement and reporting</p> <p>(I) (Omitted) (II) (Omitted) (III) (Omitted) (IV) Acquisition or disposal of equipment for operational use or right-of-use assets thereof, where the counterparty is not a related party, and the transaction amount reaches any of the following thresholds:</p> <ol style="list-style-type: none"> 1. For a public company with paid-in capital of less than NT\$10 billion, the transaction amount reaches NT\$500 million or more. 2. For a public company with paid-in capital of NT\$10 billion or more but less than NT\$50 billion, the transaction amount reaches NT\$1 billion or more. 3. <u>For a public company with paid-in capital of NT\$50 billion or more, the transaction amount reaches 5% or more of the Company's paid-in capital.</u> <p>(The following omitted)</p>	<p>Article 15 Procedures for Information Disclosure The procedures for information disclosure shall be handled in accordance with the following provisions:</p> <p>I. Items to be publicly announced and reported, and the standards for such announcement and reporting</p> <p>(I) (Omitted) (II) (Omitted) (III) (Omitted) (IV) Acquisition or disposal of equipment for operational use or right-of-use assets thereof, where the counterparty is not a related party, and the transaction amount reaches any of the following thresholds:</p> <ol style="list-style-type: none"> 1. For a public company with paid-in capital of less than NT\$10 billion, the transaction amount reaches NT\$500 million or more. 2. For a public company with paid-in capital of NT\$10 billion or more the transaction amount reaches NT\$1 billion or more. <p>(The following omitted)</p>	<p>A new tier has been added under Paragraph 1, Subparagraph 1, Item 4, Point 3 for companies with paid-in capital reaching NT\$50 billion, specifying that only transactions amounting to 5% of paid-in capital are required to be reported. Paragraph 1, Subparagraph 1, Item 4, Point 2 has been amended accordingly..</p>
<p>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 22nd amendment, and on June 8, 2022, as the 23rd amendment. , and on June 6, 2024, as the 24th amendment. The 25th amendment was made on May 26, 2025. <u>The twelfth amendment was made on June 4, 2026.</u></p>	<p>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 22nd amendment, and on June 8, 2022, as the 23rd amendment. , and on June 6, 2024, as the 24th amendment.</p>	<p>Amendment numbers and dates have been added.</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 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.

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.

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.

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 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.

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.

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 *The Company Act*, 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 *The Company Act*. When a director is unable to attend the Board Meeting, the designation proxy shall be made in accordance with Article 205 of *The Company Act*.

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.

Chapter Five Managerial Officers

Article 22 The Company shall have one President, several Vice Presidents, Assistant Vice Presidents and Managers pursuant to Article 29 of *The Company Act*.

Chapter Six Accounting

Article 23 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 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.

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.

Article 25-1 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.The 25th amendment was made on May 26, 2025.

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 notice to convene a meeting of shareholders, and shall not be brought up as extemporaneous 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 extemporaneous 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.

Article 14

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. Procedures for Acquisition or Disposal of Assets (Before Amendment)

Article 1: Purpose

These Procedures are especially provided for the protection of investors' interests, effective control of risk, and compliance to openness of information for the public.

Article 2: Source of law

These Procedures are in accordance with "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" stipulated by the Financial Supervisory Commission, R.O.C., where financial laws or regulations provide otherwise, such provisions shall govern.

Article 3: Scope of assets

The term "scope of assets" as used in these Procedures includes the following:

1. Negotiable securities: including long- and short-term investment in stock, bond, corporate bond, financial debenture, securities of outstanding fund, depositary receipt, call (put) warrant, beneficiary securities, and asset backed securities.
2. Real estate property (including land, house, building, investment property and construction business inventory) and equipment.
3. Membership certificate.
4. Intangible asset: including patency, copyright, trade mark right, and franchise.
5. Right-of-use assets.
6. Financial institutes' debentures (including account receivable, foreign exchange buying discount, loan, and non-accrual debt).
7. Financial derivatives.
8. Asset acquired or disposed due to legal merger, division, acquisition, or receiving shares.
9. Other major assets.

Article 4: Definitions

Terms used in these Procedures are defined as follows:

1. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rates, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.
3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
5. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
6. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
7. Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.

8. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
9. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

Article 5: Unless otherwise provided by laws and regulations, the Company shall handle the total amount of real estate and right-of-use assets or securities acquired by the Company for non-business use, as well as the limit of individual securities, in accordance with the following provisions:

1. The total amount of non-business use real estate and right-of-use assets thereof shall not be higher than 20% of the Company's net value.
2. The total investment in long-term and short-term securities shall not be higher than 40% of the Company's net value.
3. The amount of investment in individual securities shall not be higher than 30% of the Company's net value.

Except as otherwise provided by laws and regulations, the total amount of non-business use real estate, right-of-use assets, or securities acquired by the Company's subsidiaries, as well as the limits of individual securities, shall be handled in accordance with the following provisions:

1. The total amount of non-business use real estate and right-of-use assets thereof shall not be higher than 5% of its net value.
2. The total investment in long-term and short-term securities shall not be higher than 40% of its net value.
3. The amount of investment in individual securities shall not be higher than 30% of its net value.

Article 6: The professional appraiser responsible for our Company's appraisal report and the CPA, attorney, or security underwriter responsible for opinion statement regarding to our Company, and their associated appraisers, accountants, lawyers, security underwriters, shall meet the following requirements:

1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
2. May not be a related party or de facto related party of any party to the transaction.
3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of each industrial association which they join and the following:

1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
2. When executing a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
3. They shall undertake an item-by-item evaluation of the adequacy and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is adequate and reasonable, and that they have complied with applicable laws and regulations.

Article 7: Appraisal report or CPA opinion statement may be replaced with a certificate issued by the court if asset is acquired or disposed by way of court-administered foreclosure.

Article 8: Procedure for acquiring or disposing real estate property or equipment or right-of-use assets
 Procedure for acquiring or disposing real estate property or equipment or right-of-use assets, shall be handled in accordance with the following provisions:

1. Appraisal and operational procedure
 Our Company's acquisition or disposal of real estate property or equipment or right-of-use assets

- shall comply with our Company's internal control system and equipment rules.
2. Trade terms and conditions and credit limit decision-making procedure
 - (1) Acquisition or disposal of asset shall first refer to announced present value, assessed value, actual transaction prices of the neighboring area to determine transaction terms and conditions and price. An analysis report is to be delivered to the decision-maker and the amount shall comply with our Company's hierarchical authorization system.
 - (2) Acquisition or disposal of other equipment or right-of-use assets shall choose one method among price inquiry, price competition, price negotiation, or bidding, and the amount shall comply with our Company's hierarchical authorization system.
 3. Execution unit

When our Company acquires or disposes real estate property or equipment or right-of-use assets, the user unit and the Administration Department shall be responsible for execution after approval is obtained through the due process stipulated in the previous paragraph.
 4. Appraisal report for real estate property or other equipment or right-of-use assets

The transaction amount of our Company's acquisition or disposal of real estate property or equipment or right-of-use assets exceeding 20% of our Company's paid-up capital or TWD 300 million shall require a price appraisal report issued by a professional appraiser and compliance to the followings:

 - (1) If a limited price, specific price, or special price is used as a reference for the Transaction price, the same transaction shall require approval from the board meeting in advance. The same shall apply to future change of terms and conditions for transaction.
 - (2) Appraisals from two or more professional appraisers are required for transaction with amount exceeding TWD 1 billion.
 - (3) Unless otherwise the appraisal for asset acquisition is higher than transaction amount or the appraisal result of asset disposal is lower than transaction amount, if the professional appraiser's appraisal result applies to any of the following situation, the accountant shall present opinion regarding to the cause of difference and the adequacy of the transaction price:
 - i. The difference between appraisal result and transaction amount is 20% or more of the transaction price;
 - ii. The difference between/among two or more professional appraisers' appraisal results is 10% or more of the transaction price.
 - (4) The time between the date of appraisal report issued by a professional appraiser and the date of contract execution should not exceed 3 months. However, if the applicable announced present value for the same period does not exceed 6 months, the original professional appraiser may present opinion statement.

Article 9: Procedure for acquiring or disposing securities investment

Procedure for acquiring or disposing securities investment, shall be handled in accordance with the following provisions:

1. Assessment and operational procedure

Our Company's purchase and sale of both long- and short-term securities shall comply with our Company's internal control system and investment rules.
2. Decision-making procedure for transaction terms and conditions and credit authorization
 - (1) Trade of securities conducted at the stock exchange market or through a business site of a securities dealer shall be determined by the responsible unit with reference to the market status. The transaction amount shall comply with internal authorization rules.
 - (2) Trade of securities conducted not at the stock exchange market or not through a business site of a securities dealer shall use the target company's latest financial statements audited, attested, or scrutinized by a CPA as reference for transaction assessment with considerations of net value per share, profitability, and future potential of the target company. The amount concerned shall also comply with internal authorization system.
3. Execution unit

When our Company acquires or disposes securities investment, the respective execution unit shall be responsible for execution.
4. Obtaining accountant's opinion

A transaction with amount exceeding 20% of our Company's paid-up capital or TWD 300 million shall require the accountant to present opinion regarding to the reasonability of the transaction price prior to the actual occurrence date. However, if the said securities may enhance the public price quotations in the market or comply with the Financial Supervisory Commission regulations in any of the following situations:

 - (1) Acquiring securities with cash through IPO or fund raising.
 - (2) The company partaking in the buying of the target increases capital by cash in accordance with the governing laws and issues securities at par value.

- (3) The company being invested and partaking direct or indirect in a 100% divestment increases capital by cash and issues securities, or 100% of the subsidiaries are involved in the subscription of cash to increase the issuance of securities.
- (4) Listed, OTC, emerging market securities traded at the stock exchange market or securities dealer's business site.
- (5) Bonds that are callable or puttable public bonds.
- (6) Public Offering of Fund
- (7) Listed (OTC) company shares acquired or disposed in accordance with the listed (OTC) securities subscription rules or auction rules stipulated by the Stock Exchange Market or GreTai Securities Market.
- (8) Securities acquired through stock warrant as a result of a listed company increasing capital by cash, or subscribe for corporate bonds in Taiwan (including financial bonds), and the said securities acquired are not privately raised securities.
- (9) Subscription of mutual fund prior to the establishment of the same fund as stipulated by Article 11-1 of the Securities Investment Trust and Consulting Act and the FSC Mandate Jin-Guan-Jheng No. 0930005249 of Nov. 1, 2004.
- (10) Subscription or buy-back of offshore and onshore private fund, of which scope of investment is the same as public fund, except securities margin transactions and open position of securities, if the trust agreement already prescribed the investment strategy.

Article 10: Procedure for transaction with stakeholder

Procedure for transaction with stakeholder, shall be handled in accordance with the following provisions:

1. Our Company's acquisition or disposal of asset from or with stakeholders shall comply with, in addition to Article 8、9 and 11 pertaining to the procedure for real estate property acquisition and disposal, the following rules for the decision-making procedure and reasonability of the transaction's terms and conditions. If the amount reaches amount of 20% of our Company's paid-up capital or TWD 300 million or 10% of our Company's total asset, then an appraisal report issued by a professional appraiser or opinion stated by an accountant is required according to Article 8、9 and 11 for real estate property acquisition and disposal. In addition, when identifying the counterparty's identity as a stakeholder shall take into account not only the legal formality, but also de facto relation.
2. Assessment and operational procedure
 - (1) Our Company's intends to acquire or dispose of real property from or to a related party, or when it intends to acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following information have been approved by the audit committee and resolved by the board of directors:
 - i. The purpose, necessity, and expected benefit of the asset acquisition or disposal.
 - ii. The reason for choosing a stakeholder as transaction counterparty.
 - iii. The information regarding to assessing the reasonability of the intended transaction's terms and conditions in accordance with Paragraph 3, Subparagraph (1) to (4) of this Article.
 - iv. The date and price of the property originally acquired by the stakeholder, and the counterparty's relation with our Company and the stakeholder.
 - v. Monthly cash flow forecasts for the 12 months from the month when the agreement is expected to be executed. The necessity of the transaction and the reasonability of the capital maneuver shall be assessed as well.
 - vi. Appraisal report issued by a professional appraiser or opinion presented by accountant shall be obtained in accordance with Paragraph 1 of this Article.
 - vii. Restrictions or other important considerations applicable to the transaction in concern.
 - (2) The president is authorized by the board of directors to make decision with discretion for acquisition or disposal of business machine and equipment of a certain value between our Company and subsidiary, provided the transaction is reported afterwards to the board for approval.
 - (3) If independent directors are already in place, their opinions as the previous Paragraph may concern shall be thoroughly considered. Any objection or reserve opinion raised by an independent director shall be recorded in the meeting record of the board meeting.
 - (4) The Company and its subsidiary that is not itself a public company in Taiwan involving

- the transaction in item (1), subparagraph 2, paragraph 1 of this article where the transaction amount reaches 10 percent or more of the Company's total assets, the Company may not proceed to enter into a transaction contract or make a payment until the matters referred to in item (1), subparagraph, paragraph 1 have been submitted to a shareholders' meeting for approval; provided, this shall not apply to transactions between the Company and its subsidiaries, or between subsidiaries
- (5) The calculation of the transaction amounts referred to in item (1) and (4), subparagraph 2, paragraph 1 shall be done in accordance with item (7), subparagraph 1, paragraph 1, Article 15, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been submitted to the shareholders' meeting, reviewed by the audit committee, and reported to the board of directors for a resolution need not be counted toward the transaction amount
3. Assessment of the reasonability of the transaction
- (1) Our Company's acquisition or disposal of real estate from or with stakeholder shall require assessment on the reasonability of transaction cost pursuant to the following methods:
- i. Adding necessary capital interest and costs to be carried by the buyer as the laws may require to the stakeholder's transaction price. The term of necessary capital interest cost shall be the weighted average interest of the fiscal year for the loan borrowed by the Company for the purchase of asset, and may not exceed the maximum loan interest rate for non-financial business announced by the Ministry of Finance.
 - ii. If the stakeholder has ever pledged the target with a financial institute, then assess the total value of the target appraised by the same financial institute for the mortgage. The total accumulated loan granted by the same financial institute on the same target shall be 70% or more of the assessed value of the target and the loan has been made for longer than one year. However, if the financial institute is a stakeholder to either party of the transaction, then this rule does not apply.
- (2) For joint acquisition of a same land and house, the separate assessments for the transaction cost of the land and the house shall be made pursuant to any of the above methods.
- (3) Our Company's acquisition of real estate property from a stakeholder shall require assessment on the real estate property cost pursuant to Subparagraphs (1) and (2), Paragraph 3 of this Article, and a secondary review and opinion from accountant are required.
- (4) If the assessment on the real estate property that our Company is to acquire from a stakeholder pursuant to Subparagraphs (1) and (2), Paragraph 3 of this Article suggests the cost is lower than the transaction cost, then follow Subparagraph (5), Paragraph 3 of this Article. However, this rule does not apply to the following situations, provided objective evidence, real estate professional appraiser's and accountant's opinions on reasonability are obtained:
- i. The stakeholder builds building on the raw land acquired or leased shall prove any of the following qualification:
 - (i) The raw land is appraised pursuant to the methods provided in the previous Article, while the cost of the house shall be the stakeholder's construction cost plus reasonable construction profit, and the sum of the two exceeds the actual transaction price. The term reasonable construction profit shall be the average gross profit from operation of the construction department of the stakeholder over the past 3 years, or the construction industry gross profit ratio announced by the Ministry of Finance, whichever is lower.
 - (ii) The assessment on the transaction of other property having comparable acreage on other floor or in adjacent area to the property in concern traded by other non-stakeholders, with terms and conditions complying with common practice in real estate transactions, suggests similar terms and conditions.
 - (iii) The assessment on other property on other floor leased to a non-stakeholder in the past one year, with terms and conditions complying with common practice in real estate transactions and referencing to price difference due to floor number, suggests similar terms and conditions.
 - ii. Our Company presents evidence that proves the transaction terms and conditions for the acquisition of property from a stakeholder are comparable to other transactions property of comparable acreage in adjacent area made between other non-stakeholders. The term transactions in adjacent area shall mean, principally, a property locating on the same or neighboring block with a distance to the target property in concern does not exceed 500 meters and the announced present values are comparable. The term comparable acreage shall mean the transactions of property, having acreage no less

than 50% of the target property's acreage, made between other non-stakeholders. The term one year shall be the past year before the actual occurrence date of the property acquisition.

- (5) Our Company's acquisition of real estate property from a stakeholder shall require completing the following tasks if the assessment made in accordance with Subparagraphs (1) to (4) Paragraph 3 of this Article suggests a price lower than transaction price:
 - i. Regarding to the recognition of special reserve, pursuant to Paragraph 1, Article 40 of the Securities Exchange Act, our Company may not distribute or transfer as common stock for distribution the difference of the real estate transaction's transaction price and assessed cost. A listed company investing in our Company and adopting equity method for assessment shall recognize the special reserve at the shareholding ratio in accordance with Paragraph 1, Article 41 of the Securities Exchange Act.
 - ii. The audit committee shall observe Article 218 of the Company Act.
 - iii. According to this subparagraphs i and ii, should be reported to the shareholders' meeting and disclose the details of the transaction in the annual report and the prospectus.

In addition, our Company and the listed company investing in our Company adopting equity method for investment assessment and having recognized the special reserve abovementioned may not use the said special reserve until the asset purchased at a high price has been recognized as loss or disposal due to price fall or adequately compensated or redeemed, or there is other evidence confirming that there was nothing unreasonable about the transaction, and approved by the FSC.
- (6) Our Company acquiring real estate property from a stakeholder having any of the following situations shall comply with Paragraphs 1 and 2 of this Article regarding to the assessment and operation procedures, and Subparagraphs (1), (2), and (3), Paragraph 3 of this Article concerning the assessment on transaction reasonability do not apply:
 - i. The stakeholder acquires the real estate property through heritage or gift.
 - ii. The stakeholder's acquisition date of the real estate property has been more than 5 years from the current transaction's agreement execution date.
 - iii. The real estate property is acquired by executing a joint property development agreement with a stakeholder or a construction project commissioned to the stakeholder on own land or leased land.
- (7) Subparagraph (5), Paragraph 3 of this Article shall be also observed if other evidence is in place proving that the transaction in which our Company acquires real estate property from a stakeholder does not conform to common practice.

Article 11: Procedure for Acquisition or Disposal of intangible assets or right-of-use assets thereof or memberships

Procedure for Acquisition or Disposal of intangible assets or right-of-use assets thereof or memberships, shall be handled in accordance with the following provisions:

1. Assessment and operational procedure
Our Company's acquisition or disposal of intangible assets or right-of-use assets thereof or memberships shall comply with our Company's internal control system for fixed asset cyclical procedure.
2. Transaction terms and conditions and authorization granting procedure
The procedure provided by our Company or other procedures require by the laws for asset acquisition and disposal shall require approval by the board. An objection raised by a director, whether documented or in the form of written affidavit, shall be presented to the audit committee. In addition, if our Company already has independent directors in place, their opinions and reasoning shall be thoroughly considered and documented in the meeting record, whether for or against, regarding to asset acquisition or disposal.
3. Execution unit
Our Company acquiring or disposing intangible assets or right-of-use assets thereof or memberships shall obtain approval according to the authorization level abovementioned and the user unit and finance or administration department shall be responsible for execution.
4. Appraisal and opinion report by expert on intangible assets or right-of-use assets thereof or memberships .Our Company acquiring or disposing intangible assets or right-of-use assets thereof or memberships with transaction amount of 20% of our Company's paid-up capital or TWD 300 million or more, unless the said transaction is made with the government, shall have the accountant to present opinion on the reasonability of the transaction price prior to the actual occurrence date.

Article 12: Procedure for acquiring or disposing financial institute debenture

Basically our Company does not engage in transactions of acquisition or disposal of financial

institute debenture. If such transaction is ever to be engaged in the future, it shall first require approval from the board, followed by respective assessment and operational procedure and governed.

Article 13: Procedure for acquiring or disposing derivatives

The company engages in derivatives trading in accordance with other laws and regulations in accordance with the securities financial franchise business, and are exempt from the provisions of “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” Chapter II, Section IV herein.

Article 14: Procedure for merger, division, acquisition, or share receiving

Procedure for merger, division, acquisition, or share receiving, shall be handled in accordance with the following provisions:

1. Assessment and operational procedure

- (1) Our Company handling merger, division, acquisition, or share receiving shall summon lawyers, accountants, and underwriters for meeting to determine the legal process and time schedule and organize a task force to execute in accordance with the legal process. Our Company shall also have the accountants, lawyers, and underwriters to share their opinions regarding to the reasonableness of share exchange ratio, purchase price, distribution of cash or other property among shareholders, followed by proposing the same to the board of directors for approval. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by a company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the public company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.
- (2) Prior to shareholders' meeting, our Company shall produce public document to the shareholders, stating important information pertaining to any merger, division, or acquisition and expert opinions as stipulated in Subparagraph 1 of this Article, as reference for decision on the said merger, division, or acquisition proposal, and deliver the said document together with shareholders' meeting notice to the shareholders. However, this does not apply to the merger, division, or acquisition the laws do not require decision in shareholders' meeting. The companies participating in the said merger, division, or acquisition shall immediately explain to the public about the reason, afterward handling, and intended shareholder's meeting schedule if the company's shareholders' meeting fails to proceed with the meeting or reach a resolution due to quorum problem, insufficient votes, or other legal restrictions, or proposition being vetoed.

2. Other instructions are as follows:

- (1) Board meeting date: Unless otherwise stipulated by laws or excused by FSC in advance for special reason, the companies participating in a merger, division, or acquisition shall begin their board meeting and shareholders' meeting on the same day to determine the said merger, division, and acquisition. Unless otherwise stipulated by laws or excused by FSC in advance for special reason, the company participating in receiving shares shall also begin its board meeting on the same day.
- (2) The listed companies or companies traded at securities brokers' business sites, participating in a merger, division, acquisition, or share receiving, shall keep the following information in their archive for at least 5 years for future reference:
 - i. Personnel basic information: including the names, job titles, Citizen ID (passport number for foreigner) of the persons who plan and/or execute the merger, division, acquisition, or share receiving prior to the disclose of the said transaction.
 - ii. Important dates: including the execution dates of letter of intent, memorandum, commissioning of financial or legal consultants, execution of agreements, and board meetings.
 - iii. Important document and meeting record: including the plan for merger, division, acquisition, or share receiving, letter of intent, memorandum, important agreements, and board meetings' meeting records.
- (3) The listed companies or companies traded at the securities brokers' business sites participating in the merger, division, acquisition, or share receiving shall deliver the basic identification data for personnel and dates of material events information stipulated in Subparagraphs 1 and 2 of the previous Paragraph to the Commission through internet reporting system in the form stipulated within 2 days from the approval resolution is made by the board meeting.
- (4) The listed or OTC-traded companies participating in the merger, division, acquisition, or share receiving shall make and enter into agreement with the non-listed or non-OTC-traded

- participating companies in accordance with Subparagraph 1.2.
- (5) Non-disclosure agreement: All persons participating or having the knowledge of the said merger, division, acquisition, or share receiving plan shall execute a written guarantee not to disclose the said plan before the plan is officially disclosed to the public, and may not engage in the trade under his/her own name or other people's names the shares or equity-equivalent securities of the companies participating in the merger, division, acquisition, or share receiving.
 - (6) Principles for share exchange or purchase price determination and change: The companies participating in the merger, division, acquisition, or share receiving shall have their respective accountants, lawyers, and securities underwriters to present their opinions regarding to the reasonability of the share exchange ratio, purchase price, cash or other property distributed among shareholders before the board meeting, and such companies shall disclose these opinions in their shareholders' meetings. Basically, share exchange ratio or purchase price may not be changed without justifiable cause unless otherwise the conditions to the said change has been agreed in the agreement and disclosed to the public. Share exchange ratio and purchase price may be changed if:
 - i. Increasing capital by cash, issuing convertible bond, free-gratis, warrant bonds, preferred shares with warrants, warrants, and other equitable securities.
 - ii. Disposal of company's major asset to have impact on the company's financial standing.
 - iii. Major disaster, critical change of technology, or other incident that has impact on the company's shareholders' interest or securities prices.
 - iv. Any of the companies participating in the merger, division, acquisition, or share receiving
 - v. adjusting its treasury stocks as adjustment. The main entity or number of companies participating in the merger, division, acquisition, or share receiving has changed.
 - vi. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.
 - (7) The companies participating in the merger, division, acquisition, or share receiving, should clearly state the following information:
 - i. Measure for breaching;
 - ii. The principles for handling the equitable securities already issued by the eliminating company due to merger or division or treasury stocks already bought back;
 - iii. The quantity of treasury stocks to be bought back and the principles for handling the said stocks after the participating companies have determined the share exchange ratio and record date;
 - iv. The handling method for change of the main entity or number of participating companies;
 - v. Estimated plan execution progress and completion date;
 - vi. Handling procedure for failure to meet the plan's deadline, and estimated date of shareholders' meeting as required by the laws.
 - (8) After the information of the merger, division, acquisition, or share receiving is disclosed to the public, a participating company wishes to engage in a merger, division, acquisition, or share receiving with other companies, unless otherwise the number of participating company decreases and the shareholders' meeting has determined and authorized the board of directors to change the authority, our company is not required to summon a shareholders' meeting to re-determine, and the procedure or legal action already completed for the original plan of merger, division, acquisition, or share receiving shall be re-do by our company.
 - (9) Our Company shall make and enter into agreement with non-listed companies participating in the merger, division, acquisition, or share receiving and observe Paragraph 2 (1) of this Article regarding to the board meeting date, Subparagraph (5) regarding to the non-disclosure agreement, and Subparagraph (8) regarding to the change of the number of companies participating in the merger, division, acquisition, or share receiving.

Article 15: Procedure for information disclosure

Procedure for information disclosure, shall be handled in accordance with the following provisions:

1. Information to be reported and the report standard

- (1) Acquisition or disposal of real property or right-of-use assets from or to a related party or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase

- and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
- (2) Merger, demerger, acquisition, or transfer of shares.
 - (3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.
 - (4) Acquired or disposed is equipment/machinery or right-of-use assets for business use, the trading counterparty is not a related party, and the transaction amount meets any of the following criteria:
 - i. For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
 - ii. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.
 - (5) Acquisition of property by way of commissioned project on own land, commissioned project on leased land, joint construction and split house, joint construction and allocation of ownership percentage, and joint construction and separate sale and furthermore the transaction counterparty is not a related party; the Company's planned committed transaction amount is more than TWD 500 million.
 - (6) Asset transactions other than the ones stated in the previous 5 subparagraphs, a financial institute disposing debt or investment in Mainland China area with transaction amount exceeding 20% of paid-up capital or TWD 300 million. However, this rule does not apply to the followings:
 - i. Trading of domestic government bonds or foreign government bonds with a credit rating not less than our sovereign rating level.
 - ii. Where done by professional investors-securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds or offering of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of securities investment trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.
 - iii. Trading of bonds under repurchase/resale agreements, or repurchase of money market funds issued by domestic securities investment trust enterprises.
 - (7) The transaction amount is calculated according to the method in below, and the abovementioned within one year shall be the year before the record date of the actual happening of this transaction. The part announced in compliance with the regulations is not included.
 - i. Amount per each transaction.
 - ii. Amount accumulated for acquiring or disposing a property of the same nature from the same counterparty within one year.
 - iii. Amount accumulated for acquiring or disposing (separately accumulated for acquisition and disposal) the same property development or right-of-use assets within one year.
 - iv. Amount accumulated for acquiring or disposing (separately accumulated for acquisition and disposal) the same securities.
2. Time limit for public disclosure and reporting
Our Company shall disclose to the public and complete reporting within 2 days from the occurrence date of property acquisition or disposal to which transaction amount the disclosure and reporting standards apply as stipulated in Paragraph 1 of this Article.
3. Disclosure and reporting procedure
- (1) Our Company shall disclose and report the related information at the website designated by the FSC.
 - (2) Our Company shall upload the information of the derivatives transactions made by our Company and subsidiary not domestically listed as of the end of the previous month as stipulated by the FSC, in the form stipulated, by the 10th day of each month.
 - (3) When our company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.
 - (4) Unless otherwise stipulated by laws, our Company shall keep the contracts, meeting records, memorandum, appraisal report, accountant/lawyer/securities broker opinion

regarding to our Company's acquisition or disposal of asset in archive at our Company for at least 5 years.

- (5) Where any of the following circumstances occurs with respect to a transaction that our company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:
- i. Change, termination, or rescission of a contract signed in regard to the original transaction.
 - ii. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
 - iii. Change to the originally publicly announced and reported information.

4. Disclosure format

As the competent authority may stipulate.

Article 16: The Company's control procedures for the acquisition and disposal of assets by its subsidiaries shall comply with the following:

1. The acquisition or disposition of assets by the foreign subsidiaries of the Company shall also be handled in accordance with the relevant provisions of this procedure, if subsidiary are domestic company shall set the Regulations Governing the Acquisition and Disposal of Assets by Public Companies for its Procedure for Property Acquisition and Disposal.
2. Our Company shall act on behalf of a subsidiary that is not a listed company and its acquisition or disposal of property is subject to reporting standard stipulated by the Regulations Governing the Acquisition and Disposal of Assets by Public Companies for disclosure and reporting.
3. The declaration standard to a subsidiary t base on paid-in capital or total assets of our company.
4. Subsidiaries shall self-inspect whether the adopted procedures for the acquisition and disposal of assets are in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and whether the relevant matters on a transaction involving the acquisition or disposal of assets are handled in accordance with the adopted procedures.
5. The Company's internal audit shall review the subsidiary's self-inspection report and other relevant matters.

Article 17: Penalty

Employee handling acquisition and disposal of asset who violates these Procedures shall be subject to penalty provided by our Company's Employee Management Rules depending on the severity. The said violation will be considered in the scheduled review.

Article 18: Implementation and amendment

Our Company's Procedures for Asset Acquisition or Disposal shall be agreed upon by the Audit Committee and approved by the board of directors with carbon copies delivered to the audit committee, and will be proposed to the shareholders' meeting for approval. Amendment shall follow the same procedure. Our Company shall deliver any objection raised by any director, documented, or made in written statement to the audit committee. If Independent directors are already in place, their opinions, for or against, shall be given thorough considerations in the board's review of the Procedures for Asset Acquisition and Disposal and recorded in the board meeting's record.

Article 19: Miscellaneous

Any issue not comprehensively covered in these Procedures shall be governed by the applicable laws.

Article 20: These Procedures shall be implemented after the approval from the board of directors and the shareholders' meeting. Amendment shall follow the same procedure. These Procedures are promulgated on May 30, 2003. The first amendment is made on June 15, 2007. The second amendment is made on June 15, 2010. The third amendment is made on June 22, 2012. The fourth amendment is made on June 20, 2014. The fifth amendment is made on June 12, 2015. The sixth amendment is made on June 16, 2016. The seventh amendment is mad on June 08, 2018. The eighth amendment is mad on June 06, 2019. The ninth amendment is mad on June 05, 2020. The tenth amendment is mad on June 08, 2022. The eleventh amendment is mad on June 06, 2024.

9.Shareholding of Directors

As of April 6, 2026 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	11,179,941
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.	26,182,062
Director	Shikai Investment Corporation Representative : Cheng, Tai-Cheng	11,828,679
Director	De Ye Investment Co., Ltd. Representative : Yang, Min-Wang	189,577
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
Total		49,380,259

Description: 1.The current number of outstanding shares of the Company is 686,595,508. 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 21,971,056.

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