

Concord Securities Co. Ltd

Minutes for the 2024 Annual General Shareholders' Meeting

Time : 9:00 a.m., Thursday, June 6, 2024

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

Meeting convening method : A physical shareholders' meeting.

Resolution:

Attendants: Total Shares Represented by Shareholders and Proxies Present: 441,945,410 shares, (43,396,524 shares exercised via electronic transmission) accounted for 74.34% of the total shares issued (594,454,986 shares)

Chairperson : Cheng, Ta-Yu

Recorder : Chang, Meng Ya

Attendance of directors:

Zhongyang Investment Co., Ltd. Representative : Cheng, Ta-Yu

Zhongyang Investment Co., Ltd. Representative : Chang, Jinn-De

Taiming Development Co., Ltd. Representative : Li, Chuang-Yuan

Shikai Investment Co., Ltd. Representative : Chen, Qiong-Ling

De Ye Investment Co., Ltd. Representative : Yang, Min-Wang

Jia Yi Corp. Representative : Tsai, Sung-Po

Yuan Long Development Co., Ltd. Representative : Ma, Pei-Chun

Attendance of independent directors : Chang, Yao-Ren 、 Huang, Hsiu-Hui

Other Attendance :

Deloitte & Touche Cheng-Hsiu Chang Accountant

Chungtao-Legal Attorneys-at-Law Han-Yun Cheng lawyer

1. Chairman of the Meeting announced that the shareholding of shareholders present has met the regulatory requirement so that the Meeting begins.
2. Opening speech of the Chairman (Omitted)

Reported matters

1 、 2023 Business Report.

Description:

The 2023 Business Report is attached Please refer to Annexes 2.

2 、 Audit Committee's Review Report on the 2023 Financial Statements.

Description:

Audit Committee's Review Report is attached Please refer to Annexes 2.

3 、 2023 Employees and remuneration to directors assigned case report.

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 2023, the company listed NT\$28,111,000 in employee remuneration at 2.5% and NT\$55,097,000 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 2023.

4 、 Other reporting matters.

None

Shareholder Questions : none

Company reply: not applicable

Acknowledged matters:

Proposal 1: Proposed by the Board of Directors

Proposal: 2023 Business Report and Financial Statements

Description:

1. Concord Securities Co., Ltd's Financial Statements, including the balance sheet, income statement, statement of changes in shareholders' equity, and statement of cash flows, were audited by independent auditors, Cheng-Hsiu Chang and Pi-Yu Chuang of Deloitte & Touche. The business report has been reviewed by the audit committee and the resolution of the board of directors has been passed.
2. Please refer to Annexes 1 to 3.
3. Kindly acknowledge.

Resolution :

Voting Results:

Shares represented at the time of voting : 441,945,410

Voting Results*		% of the total represented share present
Votes in favor	410,011,142 votes (11,481,653 votes)	92.77%
Votes against	77,766 votes (77,766 votes)	0.01%
Votes abstained/No votes	31,856,502 votes (31,837,105 votes)	7.20%
Votes invalid	0 votes	0%
The proposal was approved after voting.		

*including votes casted electronically (numbers in brackets)

Shareholder Questions : none

Company reply: not applicable

Proposal 2: Proposed by the Board of Directors

Proposal: Proposal for distribution of earnings for FY2023 is presented for approval.

Description:

1. The net profit for the FY2023 amounted to NT\$999,752,060.

Pursuant to the relevant provisions of the Company Act and the Company's Articles of Incorporation, the earnings distribution plan for FY2023 has been prepared, as detailed in the attached table.

2. It is proposed to allocate NT\$683,623,231 from the distributable profits for FY2023, with the distribution as follows:
 - (1) Allocate cash dividends of NT\$386,395,741, at NT\$0.65 per share, rounding down to the nearest integer.
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\$297,227,490 (equivalent to NT\$0.5 per share, or 50 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

2023

(Unit: NTD\$)

Items	Total
Unappropriated earnings, beginning	0
Retained earnings due to actuarial losses	(20,123,050)
Unappropriated earnings after adjustment	(20,123,050)
Net profit for the year ended December 31, 2023	999,752,060
legal reserve	(97,962,901)
special reserve	(195,925,802)
Distributable earnings	685,740,307
Distributable items: NT\$0.65 cash dividend per share	(386,395,741)
Distributable items: NT\$0.50 stock dividends per share	(297,227,490)
Undistributed surplus at the end of the period	2,117,076

Chairman: Cheng, Ta-Yu President: Chiu, Jung-Cheng Head of Accounting: Ho, Chia-Lin

5. Kindly acknowledge.

Resolution :

Voting Results:

Shares represented at the time of voting : 441,945,410

Voting Results*		% of the total represented share present
Votes in favor	410,670,278 votes (12,140,789 votes)	92.92%
Votes against	77,585 votes (77,585 votes)	0.01%
Votes abstained/No votes	31,197,547 votes (31,178,150 votes)	7.05%
Votes invalid	0 votes	0%
The proposal was approved after voting.		

*including votes casted electronically (numbers in brackets)

Shareholder Questions : none

Company reply: not applicable

Matters for Discussion

Proposal 1: Proposed by the Board of Directors

Proposal: Proposal: Discussion on the Transfer of Retained Earnings to Capital Increase and Issuance of New Shares.

Description:

1. To meet the Company's operational needs, it is proposed to allocatedividends totaling NT\$297,227,490 from the distributable profits of FY2023. Each share has a par value of NT\$10, resulting in an issuance of 29,722,749 new shares for capital increase.
2. The allotment of new shares for capital increase will be based on theproportion of shareholdings listed in the shareholder registry on the ex-rights date. Each one thousand shares will be entitled to fifty 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 increaseshall 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.
6. Please proceed to resolve.

Resolution :

Voting Results:

Shares represented at the time of voting : 441,945,410

Voting Results*		% of the total represented share present
Votes in favor	410,636,030 votes (12,106,541 votes)	92.91%
Votes against	115,357 votes (115,357 votes)	0.02%
Votes abstained / No votes	31,194,023 votes (31,174,626 votes)	7.05%
Votes invalid	0 votes	0%
The proposal was approved after voting.		

*including votes casted electronically (numbers in brackets)

Shareholder Questions : none

Company reply: not applicable

Proposal 2: Proposed by the Board of Directors

Proposal: The Amendment of “Articles of Incorporation”

Description:

1. Pursuant to the letter Zheng-Gui-Jian-Zi No. 11200681002 issued by the Taipei Exchange on September 1, 2023 and the latest amendments to the Company Act, certain articles of the Company's Articles of Incorporation are revised accordingly.
2. In line with the "Corporate Governance 3.0 -Sustainable

Development Roadmap" and the "Action Plan for the Sustainable Development of TWSE/TPEX-Listed Companies (2023)", the function of independent directors and audit committees for financial and insurance industry companies listed in TPEX will be strengthened. Starting from 2024, the number of independent director positions shall not be less than one-third of the overall members of the Board of Directors.

3. Please refer to Annexes 4.

4. Please proceed to resolve.

Resolution :

Voting Results:

Shares represented at the time of voting : 441,945,410

Voting Results*		% of the total represented share present
Votes in favor	410,662,513 votes (12,133,024 votes)	92.92%
Votes against	83,396 votes (83,396 votes)	0.01%
Votes abstained/No votes	31,199,501 votes (31,180,104 votes)	7.05%
Votes invalid	0	0%
The proposal was approved after voting.		

*including votes casted electronically (numbers in brackets)

Shareholder Questions : none

Company reply: not applicable

Proposal3: Proposed by the Board of Directors

Proposal:The Amendment of “The Operational procedures for Acquisition and Disposal of Assets ”

Description:

1. In accordance with Article 7, Paragraph 1, Subparagraph 5 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", the Company's article 5 of the "Procedures for the Acquisition or Disposal of Assets" is revised.
2. Establish the total amount of non-business real estate and its right-of-use assets or securities, and the limit for individual securities.
3. Please refer to Annexes 5.
4. Please proceed to resolve.

Resolution :

Voting Results:

Shares represented at the time of voting : 441,945,410

Voting Results*		% of the total represented share present
Votes in favor	410,661,757 votes (12,132,268 votes)	92.92%
Votes against	84,705 votes (84,705 votes)	0.01%
Votes abstained/No votes	31,198,948 votes (31,179,551 votes)	7.05%
Votes invalid	0 votes	0%
The proposal was approved after voting.		

*including votes casted electronically (numbers in brackets)

Shareholder Questions : none

Company reply: not applicable

Proposal 4: Proposed by the Board of Directors

Proposal : The 13th Election of Directors (including Independent Directors)

Description:

1. The term of the 12th board will expire on July 11, 2024.
Accordingly, the Company shall re-elect the board members.
2. According to Article 16 of the Company's Articles of Incorporation, we propose a 11-member board for the thirteenth board, including 4 independent board members. The duration of the term is from June 6, 2024 to June 5, 2027.
3. Please refer to the List of candidates for the Board of Directors as follow. The candidates' qualifications are listed in Appendix6.
4. Please cast your vote.

Candidates nominated by the Board of Directors

NO	Position	Name
1	Director	Zhongyang Investment Co., Ltd. Representative : Cheng, Ta-Yu
2	Director	Zhongyang Investment Co., Ltd. Representative : Chang, Jinn-Der
3	Director	Zhongyang Investment Co., Ltd. Representative : Lee, Chin-Sheng
4	Director	Taiming Development Co., Ltd.
5	Director	Shikai Investment Co., Ltd Representative : Cheng, Tai-Cheng
6	Director	De Ye Investment Co., Ltd Representative : Yang, Min-Wang
7	Director	Ma, Pei-Chun
8	Independent Director	Chang, Yao-Ren
9	Independent Director	Huang, Hsiu-Hui
10	Independent Director	Huang, Su-Hui
11	Independent Director	Chiang, Ya-Chi

Results of Election :

List of Directors Elected :

Position	Name	Numbers of Votes Received	Elected
Director	Zhongyang Investment Co., Ltd. Representative : Cheng, Ta-Yu	519,571,686	Yes
Director	Zhongyang Investment Co., Ltd. Representative : Chang, Jinn-Der	399,716,087	Yes
Director	Zhongyang Investment Co., Ltd. Representative : Lee, Chin-Sheng	396,639,986	Yes
Director	Taiming Development Co., Ltd.	396,723,439	Yes
Director	Shikai Investment Co., Ltd Representative : Cheng, Tai-Cheng	396,943,295	Yes
Director	De Ye Investment Co., Ltd Representative : Yang, Min-Wang	396,979,867	Yes
Director	Ma, Pei-Chun	396,629,099	Yes
Independent Director	Chang, Yao-Ren	398,878,770	Yes
Independent Director	Huang, Hsiu-Hui	396,853,250	Yes
Independent Director	Huang, Su-Hui	396,769,353	Yes
Independent Director	Chiang, Ya-Chi	396,630,953	Yes

Proposal 5: Proposed by the Board of Directors
Proposal :Proposal of Release the Prohibition on Directors from Participation in Competitive Business

Description:

1. Pursuant to Article 209 of the Company Act, a director acting on his/her own or on behalf of another person to engage in business overlapping with our Company's scope of business shall be required to explain such act to the shareholders' meeting and request for permission prior to such act.
2. As business need, the shareholders' approval to release the prohibition on directors, provided no damage is made to our Company's interest, is kindly requested.
3. Contents of non-competition clauses for director candidates (including independent director candidates) Please refer to Annexes7.
4. Please proceed to resolve.

Resolution :

Voting Results:

Shares represented at the time of voting : 441,945,410

Voting Results*		% of the total represented share present
Votes in favor	410,217,360 votes (11,687,871 votes)	92.82%
Votes against	376,765 votes (376,765 votes)	0.08%
Votes abstained / No votes	31,351,285 votes (31,331,888 votes)	7.09%
Votes invalid	0 votes	0%
The proposal was approved after voting.		

*including votes casted electronically (numbers in brackets)

Shareholder Questions : none

Company reply: not applicable

Other motions and extemporary motions

None

Adjournment : June 6, 2024 at 9:27 am.

Appendices

1.2023 Annual Business Report

【General Macroeconomic Environment and Management Policy】

Reflecting on the year 2023, the global economy and industry experienced profound changes due to the COVID-19 pandemic, which is no longer deemed an international public health emergency. However, geopolitical tensions have escalated, notably with the ongoing conflict between Russia and Ukraine, which has persisted in a stalemate, and the eruption of conflicts in the Middle East in October. Additionally, ongoing geopolitical competition between the United States and China has contributed to a sluggish economic recovery in 2023. The U.S. Fed has continued to force interest rate hikes, causing bond prices to continue to fall. The extent of the rate hikes, both short-term and long-term, surpassed market forecasts, resulting in brief yet acute turbulence in the banking sectors of both the United States and Europe. Fortunately, this disruption remained contained within these regions, preventing the onset of another financial crisis. Despite signs of a slowdown in global economic growth, indicators consistently showed ongoing expansion. Labor markets remained robust, with most countries experiencing stock market gains throughout the year, with only a few exceptions. In 2023, Taiwan's stock market experienced a dynamic trajectory shaped by the rise of generative AI technology in the first half of the year. This propelled related industries to a strong position initially. However, uncertainty surrounding the Federal Reserve's interest rate hikes and economic challenges in China dampened investor confidence, prompting profit-taking in AI technology stocks. Consequently, the Taiwanese stock market faced three consecutive months of decline in the latter half of the year. Yet, with US inflation easing and the US dollar index and bond yields retracting from their peaks, alongside nearing completion of inventory clearance in AI-related and consumer electronics sectors, November witnessed a notable V-shaped reversal in the market. Additionally, foreign investors displayed increased interest, purchasing stocks worth NT\$240 billion in November, marking the highest single-month investment in history. Statistics for the full year indicate that the total average daily trading volume in the centralized and OTC markets (excluding bonds) was NT\$357.59 billion, an increase of 17.58% compared to the previous year. The index rose by 3,793.12 points, or 26.8%, for the year, achieving the second-highest growth rate among global stock markets,

trailing only behind Japan. At its peak, the index reached 17,945.70 points, ultimately closing at 17,930.81 points. Moreover, the total market capitalization of listed stocks reached NT\$56.84 trillion, representing a significant growth of 28.4% from the end of the previous year, which stood at NT\$44.27 trillion.

The Company has always upheld its steadfast commitment to the core principles of "integrity, stability, service, and sustainability" within our business policy. Guided by our vision for sustainable development, centered on "innovation, friendliness, and mutual benefit," we have established five key objectives: "environmental sustainability," "customer value," "happy workplace," "social prosperity," and "corporate governance." Through the integration of these sustainable development goals and the implementation of strategies that encompass environmental (E), social (S), and governance (G) aspects, we pursue steady advancement, driven by the collective dedication of our team and the unwavering support of our customers. The Company will continue to focus on core areas to build diversified income streams, implement operational plans, enhance profitability, and prioritize customer-centric approaches. We are committed to the development of digital finance and will implement Group resource integration strategies to provide convenient, diverse, and competitive products, as well as high-value financial services that exceed customer expectations.

【Business Operations and Achievements】

In recent years, we have consistently encouraged our business units to actively diversify income sources to enhance profitability. In the brokerage business, our market share for FY2023 reached 0.99%, while our financing balance market share stood at 1.87%. Currently, we are proactively expanding into wealth management services and further expanding customer ledger account services to drive profitability. Despite challenges in overseas expansion due to the pandemic, our domestic IPO lead underwriting contracts have shown robust performance. We've secured lead underwriting contracts for notable projects such as Sung Ching Environmental Technology, Study123, TPIsoftware, Lydsec, and KeKe MedTech, and successfully completed IPO co-underwriting contracts for projects like Aplus, Gogolook, Bosssdom, Grandsys, Frontier, Taiwan Environment Scientific, APEX, and Prolight Opto.

In terms of proprietary trading, in FY2023, led by the Federal Reserve (FED), interest rates of major economies remained relatively high. However, the necessity for continued interest rate hikes decreased due to ongoing inflation cooling. Coupled with resilient economic fundamentals, asset valuations in major global markets gradually adjusted upwards. Our proprietary trading department benefited from adept portfolio management, allowing us to expand profitability throughout the year amidst the stock market recovery.

In the bond business, our operations witnessed improvement during the 2023, largely attributed to the nearing conclusion of the global central bank interest rate hike cycle. Specifically, the decision of Taiwan's Central Bank to halt interest rate hikes after the first quarter played a pivotal role in stabilizing the interest rate risk within the Taiwan bond market.

Regarding our new financial product business, in 2023, our company issued a total of 602 warrants, amounting to NT\$3.303 billion. However, amidst a bullish market environment, there was a notable surge in speculative trading volume of warrants on a daily basis, impacting warrant profitability. Consequently, we adjusted our warrant market-making and issuance strategies to adopt a more conservative approach. Nevertheless, our proprietary leveraged equity option business continued to exhibit steady growth. Moreover, the trading strategies of institutional clients diversified, contributing to increased transactions and trading volume for convertible bonds (CB) and short-selling strategy-oriented investors. These trends served as the primary drivers of business growth, highlighting the evolving landscape of financial product trading.

【Profitability】

The Company reported consolidated revenue of NT\$3,424,191,000 in FY2023, net income after tax of NT\$1,004,267,000, translating to profit per share of NT\$1.68. At the end of FY2023, the total equity was NT\$8,868,649,000 and the net value per share was NT\$14.92. In terms of financial ratios, the Company has a current ratio of 112.81% and a debt ratio of 77.85%, showing a stable overall financial structure. The Company obtained a domestic long-term rating of A-(tw) and a domestic short-term rating of F2(twn) affirmed by Fitch Ratings in 2023, with the outlook remaining stable.

【Business Outlook】

Looking ahead to 2024, it is anticipated to be a year full of challenges and opportunities; ESG (Environmental, Social, and Governance) has become an important consideration in the Company's business development and investment planning. In addition to continuing to strengthen corporate governance and uphold the Company's four operating principles, we envisage to enhance group resource integration and implement sustainable development goals. We will adopt a professional and pragmatic approach, along with an innovative spirit, to leverage group-wide resource integration to address the unknown headwinds in the market. Through optimizing digital services and establishing differentiated service models for wealth management clients, we aim to assist clients in making the most informed investment and financial planning decisions. This will help establish long-term partnerships with clients for mutual growth. Furthermore, we will continue to strengthen oversight and management of the performance of various business units and entities, implement risk control and internal control mechanisms, and enhance the competitiveness of various business operations. Moving forward, we are well-poised to explore collaborative ventures and pursue new investment opportunities aligned with our Group's strategic development. This proactive approach is geared towards diversifying revenue streams and enhancing the Company's brand reputation. Furthermore, we remain steadfast in our commitment to inclusive finance, integrating principles of legal compliance, ESG considerations, and fair customer treatment into all facets of our corporate operations. By aligning with these values and practices, we are dedicated to advancing towards the sustainable business objectives of Concords Securities.

Concord Securities Co., Ltd.

Chairman	Cheng, Ta-Yu
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President	Chiu, Jung-Cheng
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Head of Accounting	Ho, Chia-Lin
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2. Audit Committee's Review Report

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

The Board of Directors has prepared the Corporation's 2023 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,
2024 Annual Shareholders' Meeting

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

February 27, 2024

3.INDEPENDENT AUDITORS’ REPORT

The Board of Directors and the 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, 2023 and 2022, 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 “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, 2023 and 2022, 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, 2023. 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, 2023 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 the equity method included in the parent company only financial statements for the years ended December 31, 2023 and 2022, 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, 2023 and 2022, the total investments in subsidiaries amounted to \$573,072 thousand and \$547,497 thousand, accounting for 1.70% and 1.77% of total assets, respectively; for the years ended December 31, 2023 and 2022, the share of the comprehensive income or loss of these subsidiaries amounted to \$25,575 thousand and \$(18,032) thousand, which accounted for 2.48% and 15.65% of the total comprehensive income or loss, respectively.

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 27, 2024

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.

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, 2023 and 2022, 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, 2023 and 2022, 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, 2023. 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, 2023 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 the equity method included in the Group's consolidated financial statements for the years ended December 31, 2023 and 2022, 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, 2023 and 2022, the total assets of these subsidiaries and investments in associates amounted to \$580,106 thousand and \$548,093 thousand, accounting for 1.44% and 1.53% of consolidated total assets, respectively; for the years ended December 31, 2023 and 2022, no operating revenue was recognized, and the share of the comprehensive income or loss of these associates accounted for using the equity method amounted to \$25,575 thousand and (\$18,032) thousand, which accounted for 2.47% and 16.72% of the consolidated total comprehensive income or loss, respectively.

We have also audited the parent company only financial statements of Concord Securities Co., Ltd. as of and for the years ended December 31, 2023 and 2022 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, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 27, 2024

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CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,603,026	5	\$ 4,398,025	14
Financial assets at fair value through profit or loss - current	11,124,625	33	7,885,625	26
Financial assets at fair value through other comprehensive income - current	498,471	1	177,633	1
Margin loans receivable	6,533,218	19	4,229,493	14
Refinancing margin	525	-	40,461	-
Refinancing collateral receivable	437	-	31,124	-
Security borrowing collateral price	78,997	-	960,904	3
Security borrowing margin	71,860	-	1,046,647	3
Notes receivable	70	-	95	-
Accounts receivable	6,148,628	18	4,422,355	14
Prepayments	7,364	-	8,031	-
Other receivables	9,695	-	7,037	-
Restricted assets - current	167,040	1	165,705	1
Amounts held for each customer in the account	187,534	1	-	-
Other current assets	204,865	1	160,445	-
Total current assets	26,636,355	79	23,533,580	76
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current	10,041	-	-	-
Financial assets at fair value through other comprehensive income - non-current	2,972,337	9	3,181,959	10
Investments accounted for using equity method	1,995,314	6	1,976,551	7
Property and equipment	809,656	2	806,045	3
Right-of-use assets	93,806	-	108,173	-
Investment property	555,947	2	559,069	2
Intangible assets	16,718	-	18,973	-
Deferred tax assets	36,127	-	27,539	-
Net defined benefit assets - non-current	-	-	3,854	-
Other non-current assets	622,791	2	637,675	2
Total non-current assets	7,112,737	21	7,319,838	24
TOTAL	\$ 33,749,092	100	\$ 30,853,418	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 800,000	3	\$ 690,000	2
Commercial paper payable	5,761,973	17	5,222,701	17
Financial liabilities at fair value through profit or loss - current	1,984,310	6	2,522,930	8
Liabilities for bonds with attached repurchase agreements	5,166,781	15	4,498,096	15
Securities financing refundable deposits	272,431	1	675,595	2
Deposits payable for securities financing	302,479	1	620,246	2
Refinancing borrowings	-	-	100,240	-
Securities lending refundable deposits	70,168	-	16,185	-
Equity for each customer in the account	187,803	1	-	-
Accounts payable	5,761,253	17	3,562,940	12
Other payables	460,580	1	199,782	1
Other financial liabilities - current	2,525,707	8	3,622,333	12
Current tax liabilities	120,453	-	34,665	-
Provisions - current	21,832	-	21,608	-
Lease liabilities - current	46,384	-	45,145	-
Other current liabilities	114,503	-	126,976	-
Total current liabilities	23,596,657	70	21,959,442	71
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current	1,177,976	4	913,241	3
Provisions - non-current	15,083	-	12,560	-
Lease liabilities - non-current	44,843	-	62,159	-
Deferred tax liabilities	20,912	-	63,871	1
Guarantee deposits received	3,812	-	3,811	-
Net defined benefit liabilities - non-current	21,160	-	-	-
Total non-current liabilities	1,283,786	4	1,055,642	4
Total liabilities	24,880,443	74	23,015,084	75
EQUITY				
Share capital	5,944,550	18	5,944,550	19
Capital surplus	175,331	-	175,320	1
Retained earnings				
Legal reserve	239,393	1	265,503	1
Special reserve	1,087,890	3	1,087,890	3
Unappropriated retained earnings (accumulated deficits)	979,629	3	(26,110)	-
Total retained earnings	2,306,912	7	1,327,283	4
Other equity	441,856	1	391,181	1
Total equity	8,868,649	26	7,838,334	25
TOTAL	\$ 33,749,092	100	\$ 30,853,418	100

TThe accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated February 27, 2024)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
REVENUE				
Brokerage handling fee revenue	\$ 962,600	34	\$ 846,984	63
Income from securities lending	43,940	2	43,420	3
Revenue from underwriting commission	33,033	1	34,993	3
Gains (losses) on sale of operating securities, net	297,332	11	(1,827,681)	(137)
Revenue from providing agency service for stock affairs	28,565	1	26,669	2
Interest income	350,093	12	349,939	26
Dividend income	1,632,764	58	1,448,951	109
Valuation gains (losses) on operating securities at fair value through profit or loss, net	393,698	14	(650,731)	(49)
Gains (losses) on covering of borrowed securities and bonds with resale agreements - short sales, net	(61,058)	(2)	16,012	1
Valuation gains (losses) on borrowed securities and bonds with resale agreements - short sales at fair value through profit or loss, net	(70,314)	(3)	140,680	10
Realized losses on investments in debt instruments measured at fair value through other comprehensive income, net	(5,506)	-	-	-
Gains (losses) on issuance of call (put) warrants, net	(97,412)	(3)	423,225	32
Futures commission income	8,677	-	11,724	1
Losses on derivative instruments - futures, net	(156,293)	(6)	(28,461)	(2)
Gains (losses) on derivative instruments - OTC, net	(585,419)	(21)	368,562	28
Impairment gain and reversal of impairment loss (impairment loss)	(615)	-	1,319	-
Other operating income	49,244	2	127,426	10
Total revenue	2,823,329	100	1,333,031	100
COSTS AND EXPENSES				
Brokerage handling fee expenses	(90,492)	(3)	(75,484)	(6)
Proprietary handling fee expenses	(9,870)	-	(11,821)	(1)
Refinancing handling fee expenses	(350)	-	(737)	-
Finance costs	(207,589)	(8)	(96,540)	(7)
Loss from securities borrowing transactions	(7,415)	-	(4,558)	-
Securities commission expenses	(6,189)	-	(6,370)	(1)
Clearing and settlement expenses	(4,316)	-	(3,880)	-
Other operating costs	(29,859)	(1)	(20,027)	(2)
Employee benefits expenses	(1,092,872)	(39)	(736,097)	(55)
Depreciation and amortization expenses	(92,648)	(3)	(79,319)	(6)
Other operating expenses	(505,497)	(18)	(493,249)	(37)

(Continued)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
Total costs and expenses	<u>(2,047,097)</u>	<u>(72)</u>	<u>(1,528,082)</u>	<u>(115)</u>
OPERATING PROFIT (LOSS)	<u>776,232</u>	<u>28</u>	<u>(195,051)</u>	<u>(15)</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of subsidiaries accounted for using equity method	114,660	4	91,850	7
Other gains and losses	<u>150,344</u>	<u>5</u>	<u>108,724</u>	<u>8</u>
Total non-operating income and expenses	<u>265,004</u>	<u>9</u>	<u>200,574</u>	<u>15</u>
PROFIT BEFORE INCOME TAX	1,041,236	37	5,523	-
INCOME TAX EXPENSE	<u>(41,484)</u>	<u>(2)</u>	<u>(154,258)</u>	<u>(11)</u>
NET PROFIT (LOSS) FOR THE YEAR	<u>999,752</u>	<u>35</u>	<u>(148,735)</u>	<u>(11)</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Gains (losses) on remeasurement of defined benefit plans	(24,158)	(1)	133,142	10
Unrealized gains (losses) on investments in equity instruments measured at fair value through other comprehensive income	19,485	1	(29,820)	(2)
Share of other comprehensive income or loss of subsidiaries accounted for using equity method	(16,386)	(1)	48,731	3
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>4,832</u>	<u>-</u>	<u>(26,628)</u>	<u>(2)</u>
	<u>(16,227)</u>	<u>(1)</u>	<u>125,425</u>	<u>9</u>
Items that may be reclassified subsequently to profit or loss				
Exchange differences on the translation of foreign operations	(449)	-	9,046	1
Unrealized gains (losses) on investments in debt instruments measured at fair value through other comprehensive income	<u>47,228</u>	<u>2</u>	<u>(100,992)</u>	<u>(8)</u>
	<u>46,779</u>	<u>2</u>	<u>(91,946)</u>	<u>(7)</u>

(Continued)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
Other comprehensive income for the year, net of income tax	<u>30,552</u>	<u>1</u>	<u>33,479</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 1,030,304</u>	<u>36</u>	<u>\$ (115,256)</u>	<u>(9)</u>
EARNINGS (LOSS) PER SHARE				
Basic	<u>\$ 1.68</u>		<u>\$ (0.25)</u>	
Diluted	<u>\$ 1.68</u>		<u>\$ (0.25)</u>	

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated February 27, 2024)

(Concluded)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	Share Capital	Capital Surplus	Retained Earnings			Other Equity		Total Equity
			Legal Reserve	Special Reserve	Unappropriated Retained Earnings (Accumulated Deficits)	Exchange Differences on the Translation of Foreign Operations	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2022	\$ 5,944,550	\$ 175,320	\$ 132,144	\$ 821,171	\$ 1,338,562	\$ (7,432)	\$ 470,680	\$ 8,874,995
Appropriation of 2021 earnings								
Legal reserve	-	-	133,359	-	(133,359)	-	-	-
Special reserve	-	-	-	266,719	(266,719)	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(921,405)	-	-	(921,405)
Net loss for the year ended December 31, 2022	-	-	-	-	(148,735)	-	-	(148,735)
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	107,646	9,046	(83,213)	33,479
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	(41,089)	9,046	(83,213)	(115,256)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(2,100)	-	2,100	-
BALANCE AT DECEMBER 31, 2022	5,944,550	175,320	265,503	1,087,890	(26,110)	1,614	389,567	7,838,334
Compensation of 2022 deficits								
Legal reserve used to offset accumulated deficits	-	-	(26,110)	-	26,110	-	-	-
Other changes in capital surplus								
Unpaid dividends	-	11	-	-	-	-	-	11
Net profit for the year ended December 31, 2023	-	-	-	-	999,752	-	-	999,752
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	(20,123)	(449)	51,124	30,552
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	979,629	(449)	51,124	1,030,304
BALANCE AT DECEMBER 31, 2023	<u>\$ 5,944,550</u>	<u>\$ 175,331</u>	<u>\$ 239,393</u>	<u>\$ 1,087,890</u>	<u>\$ 979,629</u>	<u>\$ 1,165</u>	<u>\$ 440,691</u>	<u>\$ 8,868,649</u>

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated February 27, 2024)

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,041,236	\$ 5,523
Adjustments for:		
Depreciation expense	82,935	72,666
Amortization expense	9,713	6,653
Expected credit loss (gain)	615	(1,319)
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	(326,451)	512,992
Finance costs	207,589	96,540
Interest income (including financial income)	(374,716)	(359,621)
Dividend income	(1,648,691)	(1,470,404)
Share of profit of subsidiaries accounted for using equity method	(114,660)	(91,850)
Gain on disposal of investments	(95)	-
Changes in operating assets and liabilities		
Decrease (increase) in financial assets at fair value through profit or loss	(2,852,262)	45,922
Decrease (increase) in margin loans receivable	(2,303,647)	3,401,223
Decrease (increase) in refinancing margin	39,936	(33,551)
Decrease (increase) in refinancing collateral receivable	30,687	(24,392)
Decrease (increase) in security borrowing collateral price	881,907	(437,881)
Decrease (increase) in security borrowing margin	974,787	(572,090)
Decrease in notes receivable	25	51
Decrease (increase) in accounts receivable	(1,718,281)	2,441,183
Decrease in prepayments	667	174
Decrease (increase) in net defined benefit assets	3,854	(3,854)
Decrease (increase) in other receivables	(3,549)	428
Decrease in other financial assets	-	64,360
Decrease (increase) in other current assets	(233,289)	1,689,819
Increase in liabilities for bonds with attached repurchase agreements	668,685	399,629
Increase (decrease) in financial liabilities at fair value through profit or loss	(344,199)	294,669
Increase (decrease) in securities financing refundable deposits	(403,164)	361,694
Increase (decrease) in deposits payable for securities financing	(317,767)	116,413
Decrease in refinancing borrowings	(100,240)	(1,700,316)
Increase in securities lending refundable deposits	53,983	16,185
Increase (decrease) in accounts payable	2,199,049	(2,161,627)
Increase (decrease) in other payables	260,834	(462,542)
Decrease in net defined benefit liabilities	(2,998)	(70,369)
Increase in provisions	224	887
Increase (decrease) in other financial liabilities	(1,096,626)	2,865,655
Increase in equity for each customer in the account	187,803	-
Decrease in other current liabilities	(12,473)	(1,548,361)
Cash generated from (used in) operations	(5,208,579)	3,454,489
Interest received	368,642	356,484
Dividends received	1,631,165	1,448,632
(Continued)		

CONCORD SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
Interest paid	(198,294)	(107,326)
Income tax paid	<u>(2,411)</u>	<u>(104,305)</u>
Net cash generated from (used in) operating activities	<u>(3,409,477)</u>	<u>5,047,974</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(1,130,755)	(1,059,750)
Proceeds from disposal of financial assets at fair value through other comprehensive income	1,081,902	147,249
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	3,509	1,526
Acquisition of property and equipment	(34,592)	(47,349)
Decrease in clearing and settlement fund	6,131	5,842
Increase in refundable deposits	-	(131,288)
Decrease in refundable deposits	10,901	-
Acquisition of intangible assets	(5,995)	(8,697)
Increase in other non-current assets	(3,611)	(2,615)
Dividends received	<u>95,438</u>	<u>86,822</u>
Net cash generated from (used in) investing activities	<u>22,928</u>	<u>(1,008,260)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	110,000	-
Decrease in short-term borrowings	-	(960,000)
Increase in commercial papers payable	530,000	1,073,000
Increase in guarantee deposits received	1	17
Payments of lease liabilities	(48,814)	(43,055)
Cash dividends paid	-	(921,405)
Unpaid dividends	<u>11</u>	<u>-</u>
Net cash generated from (used in) financing activities	<u>591,198</u>	<u>(851,443)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>352</u>	<u>12,186</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(2,794,999)</u>	<u>3,200,457</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>4,398,025</u>	<u>1,197,568</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,603,026</u>	<u>\$ 4,398,025</u>

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated February 27, 2024)

(Concluded)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,740,731	4	\$ 4,588,277	13
Financial assets at fair value through profit or loss - current	11,220,151	28	7,935,375	22
Financial assets at fair value through other comprehensive income - current	498,471	1	177,633	1
Margin loans receivable	6,533,218	16	4,229,493	12
Refinancing margin	525	-	40,461	-
Refinancing collateral receivable	437	-	31,124	-
Customer margin account	6,308,796	16	4,790,287	13
Futures exchanges margins receivable	-	-	12	-
Security borrowing collateral price	78,997	-	960,904	3
Security borrowing margin	71,860	-	1,046,647	3
Notes and accounts receivable	6,150,076	15	4,428,567	12
Prepayments	9,242	-	9,149	-
Other receivables	116,465	-	54,615	-
Other financial assets - current	664,620	2	646,120	2
Current tax assets	-	-	1,263	-
Restricted assets - current	169,040	-	167,705	1
Amounts held for each customer in the account	187,534	1	-	-
Other current assets	205,070	1	160,577	-
Total current assets	33,955,233	84	29,268,209	82
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current	10,041	-	-	-
Financial assets at fair value through other comprehensive income - non-current	3,305,210	8	3,535,019	10
Investments accounted for using equity method	575,955	2	546,741	1
Property and equipment	1,055,970	3	1,051,657	3
Right-of-use assets	98,910	-	117,489	-
Investment property	318,400	1	319,975	1
Intangible assets	60,377	-	65,137	-
Deferred tax assets	38,443	-	29,090	-
Net defined benefit assets - non-current	-	-	3,854	-
Other non-current assets	896,474	2	909,856	3
Total non-current assets	6,359,780	16	6,578,818	18
TOTAL	\$ 40,315,013	100	\$ 35,847,027	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 809,500	2	\$ 690,000	2
Commercial paper payable	5,761,973	14	5,222,701	15
Financial liabilities at fair value through profit or loss - current	1,984,310	5	2,522,930	7
Liabilities for bonds with attached repurchase agreements	5,166,781	13	4,498,096	13
Securities financing refundable deposits	272,431	1	675,595	2
Deposits payable for securities financing	302,479	1	620,246	2
Refinancing borrowings	-	-	100,240	-
Securities lending refundable deposits	70,168	-	16,185	-
Futures traders' equity	6,348,423	16	4,769,767	13
Equity for each customer in the account	187,803	1	-	-
Accounts payable	5,776,899	14	3,580,010	10
Other payables	543,264	1	277,062	1
Other financial liabilities - current	2,525,707	6	3,622,333	10
Current tax liabilities	128,563	-	54,513	-
Provisions - current	26,666	-	26,186	-
Lease liabilities - current	49,889	-	49,337	-
Other current liabilities	144,630	1	162,146	-
Total current liabilities	30,099,486	75	26,887,347	75
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current	1,177,976	3	913,241	3
Provisions - non-current	15,083	-	12,560	-
Lease liabilities - non-current	46,483	-	67,305	-
Deferred tax liabilities	20,912	-	63,871	-
Guarantee deposits received	2,468	-	2,468	-
Net defined benefit liabilities - non-current	24,410	-	2,464	-
Total non-current liabilities	1,287,332	3	1,061,909	3
Total liabilities	31,386,818	78	27,949,256	78
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION				
Share capital	5,944,550	15	5,944,550	17
Capital surplus	175,331	-	175,320	-
Retained earnings				
Legal reserve	239,393	1	265,503	1
Special reserve	1,087,890	3	1,087,890	3
Unappropriated retained earnings (accumulated deficits)	979,629	2	(26,110)	-
Total retained earnings	2,306,912	6	1,327,283	4
Other equity	441,856	1	391,181	1
Total equity attributable to owners of the Corporation	8,868,649	22	7,838,334	22
NON-CONTROLLING INTERESTS	59,546	-	59,437	-
Total equity	8,928,195	22	7,897,771	22
TOTAL	\$ 40,315,013	100	\$ 35,847,027	100

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' report dated February 27, 2024)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
REVENUE				
Brokerage handling fee revenue	\$ 1,541,164	45	\$ 1,543,234	75
Income from securities lending	43,940	1	43,420	2
Revenue from underwriting commission	33,033	1	34,993	2
Gains (losses) on sale of operating securities, net	297,332	9	(1,827,681)	(89)
Revenue from providing agency service for stock affairs	28,529	1	26,633	1
Interest income	350,093	10	349,939	17
Dividend income	1,632,764	48	1,448,951	71
Valuation gains (losses) on operating securities at fair value through profit or loss, net	393,698	11	(650,731)	(32)
Gains (losses) on covering of borrowed securities and bonds with resale agreements - short sales, net	(61,058)	(2)	16,012	1
Valuation gains (losses) on borrowed securities and bonds with resale agreements - short sales at fair value through profit or loss, net	(70,314)	(2)	140,680	7
Realized losses on investments in debt instruments measured at fair value through other comprehensive income, net	(5,506)	-	-	-
Gains (losses) on issuance of call (put) warrants, net	(97,412)	(3)	423,225	21
Losses on derivative instruments - futures, net	(148,135)	(4)	(15,172)	(1)
Gains (losses) on derivative instruments - OTC, net	(585,419)	(17)	368,562	18
Futures administrative fee revenues	-	-	1	-
Impairment gain and reversal of impairment loss (impairment loss)	(639)	-	3,707	-
Other operating income	<u>72,121</u>	<u>2</u>	<u>151,005</u>	<u>7</u>
Total revenue	<u>3,424,191</u>	<u>100</u>	<u>2,056,778</u>	<u>100</u>
COSTS AND EXPENSES				
Brokerage handling fee expenses	(195,570)	(6)	(199,517)	(10)
Proprietary handling fee expenses	(10,464)	-	(12,584)	(1)
Refinancing handling fee expenses	(350)	-	(737)	-
Finance costs	(210,147)	(6)	(96,734)	(5)
Loss from securities borrowing transactions	(7,415)	-	(4,558)	-
Futures commission expenses	(79,194)	(3)	(88,377)	(4)
Clearing and settlement expenses	(71,541)	(2)	(85,498)	(4)
Other operating costs	(36,919)	(1)	(25,542)	(1)
Employee benefits expenses	(1,305,767)	(38)	(965,708)	(47)
Depreciation and amortization expenses	(106,779)	(3)	(92,252)	(4)
Other operating expenses	<u>(592,775)</u>	<u>(18)</u>	<u>(587,321)</u>	<u>(29)</u>

(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
Total costs and expenses	<u>(2,616,921)</u>	<u>(77)</u>	<u>(2,158,828)</u>	<u>(105)</u>
OPERATING PROFIT (LOSS)	<u>807,270</u>	<u>23</u>	<u>(102,050)</u>	<u>(5)</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit or loss of associates accounted for using equity method	25,425	1	(8,844)	-
Other gains and losses	<u>237,966</u>	<u>7</u>	<u>147,558</u>	<u>7</u>
Total non-operating income and expenses	<u>263,391</u>	<u>8</u>	<u>138,714</u>	<u>7</u>
PROFIT BEFORE INCOME TAX	1,070,661	31	36,664	2
INCOME TAX EXPENSE	<u>(66,394)</u>	<u>(2)</u>	<u>(180,364)</u>	<u>(9)</u>
NET PROFIT (LOSS) FOR THE YEAR	<u>1,004,267</u>	<u>29</u>	<u>(143,700)</u>	<u>(7)</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Gains (losses) on remeasurement of defined benefit plans	(25,198)	-	134,620	6
Unrealized gains (losses) on investments in equity instruments measured at fair value through other comprehensive income	(702)	-	25,910	1
Share of other comprehensive income or loss of associates accounted for using equity method	3,789	-	(5,836)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>5,040</u>	<u>-</u>	<u>(26,924)</u>	<u>(1)</u>
	<u>(17,071)</u>	<u>-</u>	<u>127,770</u>	<u>6</u>
Items that may be reclassified subsequently to profit or loss				
Exchange differences on the translation of foreign operations	(449)	-	9,046	1
Unrealized gains (losses) on investments in debt instruments measured at fair value through other comprehensive income	<u>47,228</u>	<u>1</u>	<u>(100,992)</u>	<u>(5)</u>
	<u>46,779</u>	<u>1</u>	<u>(91,946)</u>	<u>(4)</u>

(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	2023		2022	
	Amount	%	Amount	%
Other comprehensive income for the year, net of income tax	<u>29,708</u>	<u>1</u>	<u>35,824</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 1,033,975</u>	<u>30</u>	<u>\$ (107,876)</u>	<u>(5)</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 999,752	29	\$ (148,735)	(7)
Non-controlling interests	<u>4,515</u>	<u>-</u>	<u>5,035</u>	<u>-</u>
	<u>\$ 1,004,267</u>	<u>29</u>	<u>\$ (143,700)</u>	<u>(7)</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,030,304	30	\$ (115,256)	(5)
Non-controlling interests	<u>3,671</u>	<u>-</u>	<u>7,380</u>	<u>-</u>
	<u>\$ 1,033,975</u>	<u>30</u>	<u>\$ (107,876)</u>	<u>(5)</u>
EARNINGS (LOSS) PER SHARE				
Basic	<u>\$ 1.68</u>		<u>\$ (0.25)</u>	
Diluted	<u>\$ 1.68</u>		<u>\$ (0.25)</u>	

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

(With Deloitte & Touche auditors' report dated February 27, 2024)

(Concluded)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation									
						Other Equity		Total	Non-controlling Interests	Total Equity
						Exchange Differences on the Translation of Foreign Operations	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income			
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficits)					
BALANCE AT JANUARY 1, 2022	\$ 5,944,550	\$ 175,320	\$ 132,144	\$ 821,171	\$ 1,338,562	\$ (7,432)	\$ 470,680	\$ 8,874,995	\$ 54,985	\$ 8,929,980
Appropriation of 2021 earnings										
Legal reserve	-	-	133,359	-	(133,359)	-	-	-	-	-
Special reserve	-	-	-	266,719	(266,719)	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(921,405)	-	-	(921,405)	-	(921,405)
Net loss for the year ended December 31, 2022	-	-	-	-	(148,735)	-	-	(148,735)	5,035	(143,700)
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	107,646	9,046	(83,213)	33,479	2,345	35,824
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	(41,089)	9,046	(83,213)	(115,256)	7,380	(107,876)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(2,100)	-	2,100	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	(2,928)	(2,928)
BALANCE AT DECEMBER 31, 2022	5,944,550	175,320	265,503	1,087,890	(26,110)	1,614	389,567	7,838,334	59,437	7,897,771
Compensation of 2022 deficits										
Legal reserve used to offset accumulated deficits	-	-	(26,110)	-	26,110	-	-	-	-	-
Other changes in capital surplus										
Unpaid dividends	-	11	-	-	-	-	-	11	-	11
Net profit for the year ended December 31, 2023	-	-	-	-	999,752	-	-	999,752	4,515	1,004,267
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	(20,123)	(449)	51,124	30,552	(844)	29,708
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	979,629	(449)	51,124	1,030,304	3,671	1,033,975
Change in non-controlling interests	-	-	-	-	-	-	-	-	(3,562)	(3,562)
BALANCE AT DECEMBER 31, 2023	\$ 5,944,550	\$ 175,331	\$ 239,393	\$ 1,087,890	\$ 979,629	\$ 1,165	\$ 440,691	\$ 8,868,649	\$ 59,546	\$ 8,928,195

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

(With Deloitte & Touche auditors' report dated February 27, 2024)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,070,661	\$ 36,664
Adjustments for:		
Depreciation expense	90,388	81,017
Amortization expense	16,391	11,235
Expected credit loss (gain)	639	(3,707)
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	(327,775)	514,989
Finance costs	210,147	96,734
Interest income (including financial income)	(457,427)	(387,663)
Dividend income	(1,657,038)	(1,478,597)
Share of loss (profit) of associates accounted for using equity method	(25,425)	8,844
Loss on disposal of property and equipment	-	9
Loss (gain) on disposal of investments	633	(33)
Changes in operating assets and liabilities		
Decrease (increase) in financial assets at fair value through profit or loss	(2,897,443)	18,799
Decrease (increase) in margin loans receivable	(2,303,647)	3,401,223
Decrease (increase) in refinancing margin	39,936	(33,551)
Decrease (increase) in refinancing collateral receivable	30,687	(24,392)
Decrease (increase) in customer margin account	(1,518,509)	412,822
Decrease (increase) in futures exchanges margins receivable	(12)	2,402
Decrease (increase) in security borrowing collateral price	881,907	(437,881)
Decrease (increase) in security borrowing margin	974,787	(572,090)
Decrease in notes receivable	25	51
Decrease (increase) in accounts receivable	(1,713,542)	2,437,950
Decrease (increase) in prepayments	(93)	30
Decrease (increase) in net defined benefit assets	3,854	(3,854)
Decrease (increase) in other receivables	(59,045)	33,303
Increase in other financial assets	(18,500)	(257,360)
Decrease (increase) in other current assets	(233,362)	1,689,706
Increase in liabilities for bonds with attached repurchase agreements	668,685	399,629
Increase (decrease) in financial liabilities at fair value through profit or loss	(344,199)	294,669
Increase (decrease) in securities financing refundable deposits	(403,164)	361,694
Increase (decrease) in deposits payable for securities financing	(317,767)	116,413
Decrease in refinancing borrowings	(100,240)	(1,700,316)
Increase in securities lending refundable deposits	53,983	16,185
Increase (decrease) in futures traders' equity	1,578,656	(375,484)
Increase (decrease) in accounts payable	2,197,625	(2,162,897)
Increase (decrease) in other payables	266,238	(528,596)
Decrease in net defined benefit liabilities	(3,252)	(97,900)
Increase in provisions	480	979
Increase (decrease) in other financial liabilities	(1,096,626)	2,865,655

(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
Increase in equity for each customer in the account	187,803	-
Decrease in other current liabilities	(17,516)	(1,546,162)
Cash generated from (used in) operations	(5,221,057)	3,190,519
Interest received	447,657	383,275
Dividends received	1,631,165	1,448,632
Interest paid	(200,768)	(107,389)
Income tax paid	(38,353)	(78,711)
Net cash generated from (used in) operating activities	(3,381,356)	4,836,326
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(1,130,755)	(1,059,750)
Proceeds from disposal of financial assets at fair value through other comprehensive income	1,081,902	147,249
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	3,509	1,526
Acquisition of property and equipment	(40,082)	(48,581)
Proceeds from disposal of property and equipment	-	5
Decrease in clearing and settlement fund	1,936	17,257
Increase in refundable deposits	-	(124,503)
Decrease in refundable deposits	14,065	-
Acquisition of intangible assets	(10,166)	(16,030)
Increase in other non-current assets	(4,084)	(3,705)
Dividends received	24,274	29,646
Net cash used in investing activities	(59,401)	(1,056,886)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	119,500	-
Decrease in short-term borrowings	-	(960,000)
Increase in commercial paper payable	530,000	1,073,000
Payments of lease liabilities	(53,091)	(47,332)
Cash dividends paid	-	(921,405)
Change in non-controlling interests	(3,562)	(2,928)
Unpaid dividends	11	-
Net cash generated from (used in) financing activities	592,858	(858,665)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	353	12,236
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,847,546)	2,933,011
		(Continued)

CONCORD SECURITIES CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>4,588,277</u>	<u>1,655,266</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,740,731</u>	<u>\$ 4,588,277</u>

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

(With Deloitte & Touche auditors' report dated February 27, 2024)

(Concluded)

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

Revised Article	Current Version	Explanation
<p>Article 16</p> <p>The Company shall have 5 to 15 Directors. The number of independent directors shall be no less than three and shall represent no less than <u>one-third</u> 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.</p>	<p>Article 16</p> <p>The Company shall have 5 to 15 Directors. The number of independent directors shall be no less than three and shall represent no less than one <u>fifth of</u> 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.</p>	<p>In compliance with legal amendments, it is stipulated that the number of independent directors in financial and insurance companies listed on the OTC market shall not be less than one-third starting from the year 2024.</p>
<p>Article 27</p> <p>These Articles of Incorporation were enacted on October 7th, 1990, and were amended on June 20th, 1991, as the 1st amendment; on November 17th, 1992, as the 2nd amendment; on March 30th, 1995, as the 3rd amendment; on May 22, 1997, as the 4th amendment; on April 24th, 1998, as the 5th amendment; on May 15th, 1999, as the 6th amendment; on June 29th, 2000, as the 7th amendment; on December 12th, 2000, as the 8th amendment; on May 31st, 2002, as the 9th amendment; on May 30th, 2003, as the 10th amendment; on May 27th, 2004, as the 11th amendment; on June 17th, 2005, as the 12th amendment; on June 9th, 2006, as the 13th amendment; on June 15th, 2007, as the 14th amendment; on June 13th, 2008, as the 15th amendment; on June 15th, 2010, as the 16th amendment; on June 22th, 2012, as the 17th amendment; on June 20th, 2014, as the 18th amendment, and on June 12th, 2015, as the 19th amendment, and on June 17th, 2016, as the 20th amendment, and on June 5th, 2020, as the 21st amendment., and on July 12, 2021, as the 22nd amendment, and on June 8, 2022, as the 23rd amendment. , and on June 6, 2024, as the 24th amendment.</p>	<p>Article 27</p> <p>These Articles of Incorporation were enacted on October 7th, 1990, and were amended on June 20th, 1991, as the 1st amendment; on November 17th, 1992, as the 2nd amendment; on March 30th, 1995, as the 3rd amendment; on May 22, 1997, as the 4th amendment; on April 24th, 1998, as the 5th amendment; on May 15th, 1999, as the 6th amendment; on June 29th, 2000, as the 7th amendment; on December 12th, 2000, as the 8th amendment; on May 31st, 2002, as the 9th amendment; on May 30th, 2003, as the 10th amendment; on May 27th, 2004, as the 11th amendment; on June 17th, 2005, as the 12th amendment; on June 9th, 2006, as the 13th amendment; on June 15th, 2007, as the 14th amendment; on June 13th, 2008, as the 15th amendment; on June 15th, 2010, as the 16th amendment; on June 22th, 2012, as the 17th amendment; on June 20th, 2014, as the 18th amendment, and on June 12th, 2015, as the 19th amendment, and on June 17th, 2016, as the 20th amendment, and on June 5th, 2020, as the 21st amendment., and on July 12, 2021, as the 22st amendment. and on June 8, 2022, as the 23st amendment.</p>	<p>Add the amendment date hereof and the times of amendment.</p>

5. The Table for Amended Articles of “The Operational procedures for Acquisition and Disposal of Assets”

Revised Article	Current Version	Explanation
<p>Article 5</p> <p>Unless otherwise provided by laws and regulations, the Company shall handle <u>the total amount</u> of real estate and <u>right-of-use assets or securities</u> acquired by the Company for non-business use, as well as <u>the limit of individual securities</u>, in accordance with the following provisions:</p> <p>1.<u>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.</u></p> <p>2.<u>The total investment in long-term and short-term securities shall not be higher than 40% of the Company’s net value.</u></p> <p>3.<u>The amount of investment in individual securities shall not be higher than 30% of the Company’s net value.</u></p> <p><u>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:</u></p> <p>1.<u>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.</u></p> <p>2.<u>The total investment in long-term and short-term securities shall not be higher than 40% of its net value.</u></p> <p>3.<u>The amount of investment in individual securities shall not be higher than 30% of its net value.</u></p>	<p>Article 5</p> <p><u>Limits for Investment in Non-Business Use Real Estate and Securities</u></p> <p><u>The limits of the assets specified in Article 3 above obtained by the Company and its subsidiaries shall be determined in accordance with applicable laws and regulations or internal tiered authorization procedures established by the Company.</u></p>	<p>Establish the total allowable amount of non-business use real estate and its right-of-use assets or securities, and the limit for individual securities.</p>
<p>Article 20</p> <p>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 March 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 made on June 08, 2018. The eighth amendment is made on June 06, 2019. The ninth amendment is made on June 05, 2020. The tenth amendment is made on June 8, 2022.</p> <p>11th amendment is made on June 6, 2024</p>	<p>Article 20</p> <p>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 March 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 made on June 08, 2018. The eighth amendment is made on June 06, 2019. The ninth amendment is made on June 05, 2020. The tenth amendment is made on June 8, 2022</p>	<p>Add the amendment date hereof and the times of amendment</p>

6. The List of candidates for Directors

Candidates nominated by the Board of Directors

Candidates	Names	Education	Experience	Current Job
Director	Zhongyang Investment Co., Ltd. Representative : Cheng, Ta-Yu	MA in Management Information System, Fairleigh Dickinson University	<ul style="list-style-type: none"> Chairman of Concord Securities Co., Ltd. Vice President of Concord Securities Co., Ltd Chairman of Concord Futures Co., Ltd Vice President of Concord Futures Co., Ltd 	<ul style="list-style-type: none"> Chairman of Concord Securities Co., Ltd. Director of TPEIA Director of TWSA Vice Convener of the R&D Committee of TWSA Convener of Education and Training Committee of TWSA Chairman of TWNJABA
Director	Zhongyang Investment Co., Ltd. Representative : Chang, Jinn-Der	Ph.D. in Accounting, United States International University, Ph.D. in Law, NCCU	<ul style="list-style-type: none"> Chairman of CPA ASSOCIATIONS R.O.C.(TAIWAN) Dean of Dept. of Accounting, Chinese Culture University Chair Professor and Dean of School of Management, Chaoyang University of Technology Chair Professor, Department of Accounting and Information Science, Asia University Adjust Professor of Department of Law, National Chung Hsing University Independent Director of Concord Securities Co., Ltd. 	<ul style="list-style-type: none"> Director of Concord Securities Co., Ltd. President of CROWN&CO., CPAs Chairman of Guanbao International Consulting Co., Ltd. Independent Director of Ju-kao Engineer Co., Ltd Independent Director of Pharma Essentia Co., Ltd Independent Director Hua Eng Wire & Cable Co., Ltd. Chairman of University Cultural and Educational Foundation Director of NCCU Academic Foundation Arbiter of Chinese Arbitration Association, Taipei Arbiter of Taiwan Arbitration Association
Director	Zhongyang Investment Co., Ltd. Representative : Lee, Chin-Sheng	Ph.D. in Management Science, National Chiao Tung University	<ul style="list-style-type: none"> Director and Associate Professor of School of Finance , MCU Professor of Department of Finance, TKU Professor of Department of Management Science, National Chiao Tung University Independent Director of Concord Securities Co., Ltd. 	<ul style="list-style-type: none"> Professor of Department of Finance of MCU Dean of the School of Fintech of MCU Director of Concord Securities Co., Ltd. Director of Ennorise Co., Ltd. Director of PinBao Construction Co., Ltd. Director of YungChiy International Development Co., Ltd. Supervisor of MOAI Green Power Co., Ltd. Supervisor of YAPP Marketing Co., Ltd. Director of Hongbao Asset Management Consulting Co., Ltd. Supervisor of YeDanHon Biotechnology Co., Ltd. Supervisor of Popeye-Marine Co., Ltd. Supervisor of Concord Capital Management Corp.

Candidates	Names	Education	Experience	Current Job
Director	Taiming Development Co., Ltd.	NA	NA	NA
Director	Shikai Investment Co., Ltd Representative : Cheng, Tai-Cheng	MBA ,Duke University	<ul style="list-style-type: none"> ● Investment Analyst, Hangzhou Zhijiage Investment Management Co., Ltd. ● Assistant Manager of Strategic Planning Division, China Development Financial Holding Co., Ltd. 	<ul style="list-style-type: none"> ● Supervisor of Concord Futures Corp. ● Senior Manager, Proprietary Trading Dept., Concord Securities Co., Ltd. ● Director, Shikai Investment Co., Ltd.
Director	De Ye Investment Co., Ltd. Representative : Yang, Min-Wang	Bachelor of Public Finance, FCU	<ul style="list-style-type: none"> ● Chief Administration Officer of Yuanta Financial Holdings 	<ul style="list-style-type: none"> ● Director of Concord Securities Co., Ltd ● Chairman of Heyi Investment Co., Ltd. ● Chairman of De Ye Investment Co., Ltd ● Chairman of Dezhan Investment Company
Director	Ma, Pei-Chun	BA in Economics, Carnegie Mellon University	<ul style="list-style-type: none"> ● Director of Federal Corporation 	<ul style="list-style-type: none"> ● Director of Concord Securities Co., Ltd. ● Director of Yuan Long Development Co., Ltd. ● Director of Ta Tien Investment Co., Ltd. ● Director of Ta Yuan Construction Co., Ltd. ● Director of Foundation of Chinese Culture ● Director of Taiwan Happylife Service Development Association ● Supervisor of JunTeng Asset Management Co., Ltd. ● Supervisor of Lohas Social Enterprise Co., Ltd.

Candidates	Names	Education	Experience	Current Job
Independent Director	Chang, Yao-Ren	Bachelor of Civil and Construction Engineering, NTUST	<ul style="list-style-type: none"> ● Assistant Engineer, Department of State House, Taipei City Government ● General Manager of Bao Ku Construction Co., Ltd. ● President of Chung Hsin Rotary Club ● Chief Technician of SGM Stone Co., Ltd. ● Chief Technician of Jin-Fu-Hsiang Construction Co., Ltd. 	<ul style="list-style-type: none"> ● Independent Director of Concord Securities Co., Ltd. ● Partner of Yun Cheng United Accounting Firm ● Chief Technician of Mao Jan Construction Co., Ltd.
Independent Director	Huang, Hsiu-Hui	Ph.D. in Law, NCCU Master in Science and Technology Law, NYUST Master in Finance, CYUT	<ul style="list-style-type: none"> ● Counselor, Taichung City Government ● Part-time Lecturer of CYUT ● Part-time Lecturer in Securities & Exchange Act and Financial Regulations of AU 	<ul style="list-style-type: none"> ● Independent Director of Concord Securities Co., Ltd. ● Chairman of Green Synergy Biotech Trade Co., Ltd. ● Attorney-at-Law, YUNG-LIU AND COS-IP LAW OFFICE ● Member of the Employment Discrimination Evaluation Committee of CTSP, NSTC ● Member of Gender Equality and Sexual Harassment Investigation Team in Taichung of Customs Administration of the Ministry of Finance
Independent Director	Huang, Su-Hui	PhD, Graduate Institute of Management, College of Management, NYUST	<ul style="list-style-type: none"> ● Special Assistant, Finance Department, Ease International Co., Ltd. ● Special Assistant to the Chairman of Taiwan Branch, Jumbo Home Deco. Corporation Taiwan Branch ● Special Assistant to the Chairman of Sheen World Technology Corporation ● Director of Audit Department, PwC Taiwan ● Senior Auditor, Deloitte Taiwan ● Assistant Professor of CYUT 	<ul style="list-style-type: none"> ● CEO of Taiwan Institute of Business ● Representative of Ju Rui Ltd.
Independent Director	Chiang, Ya-Chi	EMBA, NCCU	<ul style="list-style-type: none"> ● Director and CEO of VA Product Inc. ● CEO of Studio A 	<ul style="list-style-type: none"> ● Chairman, Jingfu Investment Co., Ltd.

7.Details of positions held by director candidates relieved from non-competition restrictions

Candidates	Names	Position(s) held concurrently in other companies
Director	Zhongyang Investment Co., Ltd. Representative : Cheng, Ta-Yu	<ul style="list-style-type: none"> ● Director of TPEIA ● Director of TWSA ● Vice Convener of the R&D Committee of TWSA ● Convener of Education and Training Committee of TWSA ● Chairman of TWNJABA
Director	Zhongyang Investment Co., Ltd. Representative : Chang, Jinn-Der	<ul style="list-style-type: none"> ● President of CROWN&CO., CPAs ● Chairman of Guanbao International Consulting Co., Ltd. ● Independent Director of Ju-kao Engineer Co., Ltd ● Independent Director of Pharma Essentia Co., Ltd ● Independent Director Hua Eng Wire & Cable Co., Ltd. ● Chairman of University Cultural and Educational Foundation ● Director of NCCU Academic Foundation ● Arbiter of Chinese Arbitration Association, Taipei ● Arbiter of Taiwan Arbitration Association
Director	Zhongyang Investment Co., Ltd. Representative : Lee, Chin-Sheng	<ul style="list-style-type: none"> ● Professor of Department of Finance of MCU ● Dean of the School of Fintech of MCU ● Director of Ennorise Co., Ltd. ● Director of PinBao Construction Co., Ltd. ● Director of YungChiy International Development Co., Ltd. ● Supervisor of MOAI Green Power Co., Ltd. ● Supervisor of YAPP Marketing Co., Ltd. ● Director of Hongbao Asset Management Consulting Co., Ltd. ● Supervisor of YeDanHon Biotechnology Co., Ltd. ● Supervisor of Popeye-Marine Co., Ltd. ● Supervisor of Concord Capital Management Corp.
Director	Shikai Investment Corporation Representative : Cheng, Tai-Cheng	<ul style="list-style-type: none"> ● Supervisor of Concord Futures Corp. ● Senior Manager, Proprietary Trading Dept., Concord Securities Co., Ltd. ● Director, Shikai Investment Co., Ltd.
Director	De Ye Investment Co., Ltd. Representative : Yang, Min-Wang	<ul style="list-style-type: none"> ● Chairman of Heyi Investment Co., Ltd. ● Chairman of De Ye Investment Co., Ltd ● Chairman of Dezhan Investment Company
Director	Ma, Pei-Chun	<ul style="list-style-type: none"> ● Director of Yuan Long Development Co., Ltd. ● Director of Ta Tien Investment Co., Ltd. ● Director of Ta Yuan Construction Co., Ltd. ● Director of Foundation of Chinese Culture ● Director of Taiwan HappyLife Service Development Association ● Supervisor of JunTeng Asset Management Co., Ltd. ● Supervisor of Lohas Social Enterprise Co., Ltd.

Candidates	Names	Position(s) held concurrently in other companies
Independent Director	Chang, Yao-Ren	<ul style="list-style-type: none"> ● Partner of Yun Cheng United Accounting Firm ● Chief Technician of Mao Jan Construction Co., Ltd.
Independent Director	Huang, Hsiu-Hui	<ul style="list-style-type: none"> ● Chairman of Green Synergy Biotech Trade Co., Ltd. ● Attorney-at-Law, YUNG-LIU AND COS-IP LAW OFFICE ● Member of the Employment Discrimination Evaluation Committee of CTSP, NSTC ● Member of Gender Equality and Sexual Harassment Investigation Team in Taichung of Customs Administration of the Ministry of Finance
Independent Director	Huang, Su-Hui	<ul style="list-style-type: none"> ● CEO of Taiwan Institute of Business ● Representative of Ju Rui Ltd.
Independent Director	Chiang, Ya-Chi	<ul style="list-style-type: none"> ● Chairman of Jingfu Investment Co., Ltd.