Code:6026

Grand Fortune Securities Co., Ltd. and subsidiary

2024 and 2023 2nd Season Consolidated Financial Statements and Auditor's Report

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Independent Auditors' Report

To Grand Fortune Securities Co., Ltd.

Opinion

We have audited the accompanying separate balance sheets of Grand Fortune Securities Co., Ltd. (the "Company") as of June 30, 2024, June 30 and December 31 in 2023, and the related separate statements of comprehensive income from April 1 to June 30 in 2024 and 2023, of changes in equity and of cash flows for the years then ended from Jan. 1 to June 30 in 2024 and 2023, and notes to the separate financial statements, including a summary of significant accounting policies.

In the opinion of our accountant, the aforementioned consolidated financial statements have been prepared in all material respects in accordance with the Securities Brokerage Financial Reporting Standards and International Accounting Standard 34 "Interim Financial Reporting" as recognized and issued by the Financial Supervisory Commission, and are sufficient to present fairly the consolidated financial position of Grand Fortune Securities Co., Ltd. as of June 30, 2024, December 31, 2023, and June 30, 2023, as well as the consolidated financial performance for the periods from April 1, 2024, to June 30, 2024, and January 1, 2023, to June 30, 2023, and the consolidated cash flows for the period from January 1, 2024, to June 30, 2024, and January 1, 2023, to June 30, 2023.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report. We are independent of the Company in accordance with the Code of Professional Ethics for Certified Public Accountant of Republic of China, and we 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements for the 2nd season in 2024. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the separate financial statements in 2nd season in 2024 are stated as follows:

Evaluation of fair value of financial assets

At the end of June 30, 2024, Grand Fortune Securities Co., Ltd.'s financial assets, belonging to level 3 amount, reached NT$654,446 thousands. The impact of estimating the fair value of financial assets that either do not have orderly transactions between market participants or are not traded in active markets is considered significant to the consolidated financial statements.

Fair value of the above-mentioned assets is mainly derived from the company's price appraisal models that will be based on the inputs, if observable directly or indirectly, and the inputs will be adjusted if not observable. As the selections and adjustments of inputs are highly decided by the management team's assumption and judgment, we thereby treat the evaluation as a key audit matter.

The significant accounting judgment for the fair value of financial assets held by Grand Fortune Securities Co., Ltd. and its subsidiaries accounted for using equity method, as well as the key source of estimates and assumptions of uncertainty are stated in the Note V of the separate financial statements, and disclosures of fair value of financial instruments are in the Note XXXII of the separate financial statements.

The primary audit procedures performed by this accountant on the aforementioned key audit matters include:

1. Considering how the management selected appropriate valuation methods, assessing the key assumptions adopted, and reviewing the management's approval for the fair value.

2. Selecting sample to re-evaluate and make comparison about the results being approved by the management, while also analyzing the reasonableness and difference at the models being used by the management to determine the acceptable scope.

Other matter

Grand Fortune Securities Co., Ltd. has prepared the individual financial reports of the second quarter of 2024 and 2023, and the audit report with unqualified opinion issued by the accountant has been recorded for reference.

Responsibilities of management and those charged with governance for the separate financial statement

The responsibility of management is to prepare consolidated financial statements that present fairly, in all material respects, in accordance with the Securities Brokerage Financial Reporting Standards and the International Accounting Standard 34 "Interim Financial Reporting" as recognized and issued by the Financial Supervisory Commission. Management is also responsible for maintaining necessary internal controls related to the preparation of consolidated financial statements to ensure that they are free from material misstatements due to fraud or error.

In preparing the separate financial statement, the management is responsible for assessing Grand Fortune Securities Co., Ltd.'s ability to continue as a going concern, disclose related matters, and use the going concern basis for accounting, unless the management either intends to liquidate Grand Fortune Securities Co., Ltd or to cease operations, or has no realistic alternative but to do so.

Those charged with governance in Grand Fortune Securities Co., Ltd., including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 ROC GAAS 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 based on these financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

1. Identify and assess the risks of material misstatement of the separate 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 Grand Fortune Securities Co., Ltd.'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 Grand Fortune Securities Co., Ltd.'s ability to

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate 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 auditor's report. However, future events or conditions may cause Grand Fortune Securities Co., Ltd. to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Grand Fortune Securities Co., Ltd. to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of audit for Grand Fortune Securities Co., Ltd. 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 separate financial statements of 2nd season in 2024 and are therefore the key audit matters. We describe these matters in our auditor's 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.

Deliotte Taiwan
Accountant: Xie jian-xin

Accountant: Chen qiang-xun

Approval number from the Securities and Futures Commission
Tai-Tsai-Cheng (6) 0920123784

Approval number from the Financial Supervisory Commission
Jin-Kwong-Cheng No. 1060023872

August 14, 2024

Grand Fortune Securities Co., Ltd. and subsidiary Consolidated balance sheet

June 30, 2024, December 31, 2023, and June 30 ,2023

Unit: NT$1,000

		June 30, 2024		December 31, 2023		June 30, 2023	
Code	Asset	Amount	%	Amount	%	Amount	%
	Current assets						
111100	Cash and cash equivalents (Note 6)	$ 431,044	3	$ 375,585	3	$ 517,251	5
112000	Financial assets at fair value through profit or loss - current (Note 5,7,32)	2,772,687	21	2,808,083	22	2,042,874	17
113200	Financial assets at fair value through other comprehensive income – current (Note 5,8,9,32,33,34)	2,725,814	21	2,817,841	22	2,751,433	24
113300	Financial assets at amortized cost – current (Note 10)	37,000	-	46,000	-	46,000	-
114010	Bond investment with sell-back (Note11)	3,073,042	23	2,107,795	16	2,355,433	20
114030	Securities financing receivables (Note 12)	1,364,984	10	1,146,862	9	1,276,204	11
114130	Accounts Receivable (Note 12,33)	627,021	5	507,631	4	1,057,096	9
114170	Other accounts receivable (Note 12,33)	21,767	-	20,135	-	25,577	-
114600	Income tax assets for the current period	-	-	472	-	501	-
119000	Other current assets (Note 19,34)	998,598	8	1,789,924	14	982,796	8
110000	Total current assets	12,051,957	91	11,620,328	90	11,055,165	94
	Non-current assets						
122000	Financial assets measured at fair value through profit and loss－non-current (Note 5,7,32)	43,625	-	55,978	1	123,404	1
123200	Financial assets measured at fair value through other comprehensive gains and losses—Non-current (Note 5,8,32)	179,988	1	147,223	1	77,000	1
124100	Investment using the equity method (Note 14)	663,189	5	669,601	5	101,423	1
125000	Real estate and equipment (Note 15)	18,230	-	20,963	-	25,589	-
125800	Right-of-use asset (Note 16)	50,310	1	64,130	1	68,671	1
127000	Intangible assets (Note 17)	12,789	-	13,967	-	13,920	-
128000	Deferred tax assets (Note 4)	1,078	-	1,920	-	474	-
129010	Operating margin (Note 18)	180,000	2	180,000	1	180,000	2
129020	Settlement fund (Note 18)	41,922	-	39,266	-	39,266	-
129030	Refundable deposits (Note 18)	8,284	-	9,187	-	9,187	-
129070	Net defined benefit assets－non-current (Note 4)	15,838	-	15,838	-	15,866	-
129990	Other non-current assets (Note 19)	7,565	-	84,540	1	40,040	-
120000	Total non-current assets	1,222,818	9	1,302,613	10	694,840	6
906001	Total assets	$ 13,274,775	100	$ 12,922,941	100	$ 11,750,005	100
Code	Liabilities and Equity						
	Current liabilities						
211200	Commercial Promissory Note Payable (Note 20)	$ -	-	$ 300,000	2	$ -	-
214010	Debt with repurchased bonds (Note 21)	5,659,146	43	4,746,879	37	4,551,208	39
214040	Securities lending margin	-	-	217	-	102	-
214050	Guarantee price payable for securities lending	-	-	240	-	113	-
214130	Accounts payable (Note 22)	557,533	4	388,149	3	895,389	8
214170	Other payable (Note 23)	771,351	6	321,454	3	190,375	2
214600	Current income tax liabilities	66,278	1	62,980	1	43,029	-
216000	Leasing liability current (Note 16)	30,331	-	30,033	-	29,043	-
219000	Other current liabilities (Note 24)	547,351	4	1,339,308	10	584,008	5
210000	Total Current liabilities	7,631,990	58	7,189,260	56	6,293,267	54
	Non-current liability						
226000	Leasing liability－Non-current (Note 16)	21,593	-	35,965	-	41,904	-
906003	Total liability	7,653,583	58	7,225,225	56	6,335,171	54
	Equity attributable to owners of the parent company (Note 25)						
301010	Common stock	3,961,619	30	3,961,619	31	3,961,619	34
302000	Capital reserve	153,832	1	153,832	1	151,241	1
	Retained earning						
304010	Statutory surplus reserve	162,932	1	89,964	1	89,964	1
304020	Special surplus reserve	776,875	6	630,981	5	630,981	5
304040	Undistributed surplus	523,242	4	729,681	5	330,313	3
304000	Total retained earning	1,463,049	11	1,450,626	11	1,051,258	9
	Other rights						
305140	Financial assets measured at fair value through other comprehensive gains and losses-unrealized net benefit	42,692	-	131,639	1	116,605	1
300000	Total parent company equity	5,621,192	42	5,697,716	44	5,280,723	45
306000	Non-controlling interests (Note 13,25)	-	-	-	-	134,111	1
906004	Total equity	5,621,192	42	5,697,716	44	5,414,834	46
906002	Total liabilities and equity	$ 13,274,775	100	$ 12,922,941	100	$ 11,750,005	100

The notes attached are included in the consolidated financial statements

Chairman: Huang Bing-Jing Manager: Lin Ying Ming Accounting Supervisor ：Zhu Shicheng

Grand Fortune Securities Co., Ltd. and subsidiary
Consolidated statements of comprehensive income
April 1 to June 30 ,2024 & 2023, Jan. 1 to Jun. 30 ,2024&2023
(Review only, not GAAP)

Unit: NT$1,000
Earnings per share: NT$

Code		April 1 to June 30 ,2024 Amount	%	April 1 to June 30 ,2023 Amount	%	Jan. 1 to Jun. 30 ,2024 Amount	%	Jan. 1 to Jun. 30 ,2023 Amount	%
	Income								
401000	Brokerage fee	$ 40,726	10	$ 31,150	15	$ 80,278	10	$ 51,586	9
404000	Underwriting	94,485	22	45,431	22	149,344	18	63,204	10
411000	Profit from stock trading-self trading (Note 26)	72,788	17	29,581	14	250,762	31	110,835	18
412000	Profit from stock trading-Underwriting (Note 26)	49,138	12	10,264	5	116,789	14	23,081	4
421100	Stock registrar fee	41,101	10	36,191	17	80,532	10	71,206	12
421200	Interest income (Note 26)	31,402	7	26,006	12	59,465	7	50,199	8
421300	Dividend Income	7,146	2	12,266	6	9,396	1	13,192	2
421500	The net benefit of operating securities measured at fair value through profit and loss (Note 26)	45,193	11	1,348	1	17,389	2	202,071	33
421751	Realized net benefits (losses) from investments in debt instruments measured at fair value through other comprehensive gains and losses	(5,489)	(1)	(1,597)	(1)	(5,434)	-	(1,978)	-
424100	Futures commission income	133	-	70	-	205	-	130	-
424800	Management fee	778	-	956	-	1,527	-	1,391	-
424900	Consultant fee (Note 33)	25,987	6	4,023	2	32,273	4	8,404	1
425300	Expected credit impairment loss (Note 9,12)	(768)	-	(551)	-	665	-	(310)	-
428000	Other Income (Note 26)	19,239	4	14,309	7	24,422	3	19,944	3
400000	Total Income	421,859	100	209,447	100	817,613	100	612,955	100
	Expenses and costs								
501000	Brokerage Business Expenditure	2,893	1	1,799	1	6,025	1	2,961	1
502000	Trading Expenditure	108	-	10	-	199	-	10	-
503000	Refinancing Handling Fee Expense	-	-	8	-	6	-	9	-
521200	Financial Cost (Note 26)	17,866	4	15,647	7	34,766	4	32,536	5
531000	Employee benefit (Note 26,29)	131,409	31	85,929	41	232,945	29	180,264	30
532000	Depreciation and amortization expenses (Note 15,16,17,26)	11,561	3	12,048	6	23,184	3	24,264	4
533000	Other expenses	32,573	8	25,138	12	58,450	7	44,870	7
500000	Total expenses and cost	196,410	47	140,579	67	355,575	44	284,914	47
5XXXXX	Business interest	225,449	53	68,868	33	462,038	56	328,041	53
	Non-operating profit /loss								

601000	Share of losses of affiliated companies recognized using the equity method (Note 14)	5,734	2	138	-	(4,228)	-	(466)	-
602000	Other benefits and losses (Note 26)	5,198	1	7,779	4	9,498	1	12,164	2
600000	Total non-operating profit and loss	10,932	3	7,917	4	5,270	1	11,698	2
902001	Net profit before tax	236,381	56	76,785	37	467,308	57	339,739	55
701000	Income tax (Note 4,27)	(34,942)	(8)	(24,140)	(12)	(69,661)	(8)	(48,690)	(8)
902005	Net profit	201,439	48	52,645	25	397,647	49	291,049	47
	Other comprehensive gains and losses								
	Items not reclassified to profit or loss								
805540	Unrealized appraised net benefits of equity investments	21,764	5	(31,045)	(14)	46,987	6	49,316	8
805550	Share of other comprehensive profit and loss of affiliates recognized by the equity method-not reclassified to profit and loss (Note 14)	1,968	-	(4,128)	(2)	(2,811)	(1)	11,291	2
	Items that may be reclassified to profit and loss in the future								
805615	Through other comprehensive gains and losses, the unrealized net benefit of the debt instrument investment measured at fair value	(8,916)	(2)	6,649	3	(11,260)	(1)	25,192	4
805000	Total other comprehensive profit and loss	14,816	3	(28,524)	(13)	32,916	4	85,799	14
902006	Total comprehensive profit and loss	$ 216,255	51	$ 24,121	12	$ 430,563	53	$ 376,848	61
	Net profit attributable to								
913100	Parent company	$ 201,439	48	$ 120,815	58	$ 397,647	49	$ 302,599	49
913200	Non-controlling interests (Note 13)	-	-	(68,170)	(33)	-	-	(11,550)	(2)
913000		$ 201,439	48	$ 52,645	25	$ 397,647	49	$ 291,049	47
	The total comprehensive profit and loss is attributable to								
914100	parent company	$ 216,255	51	$ 92,291	44	$ 430,563	53	$ 388,398	63
914200	Non-controlling interests (Note 13)	-	-	(68,170)	(32)	-	-	(11,550)	(2)
914000		$ 216,255	51	$ 24,121	12	$ 430,563	53	$ 376,848	61
	Earnings per share (Note 28)								
975000	Basic earnings per share	$ 0.51		$ 0.30		$ 1.00		$ 0.80	
985000	Diluted earnings per share	$ 0.51		$ 0.30		$ 1.00		$ 0.80	

The notes attached are included in the consolidated financial statements

Chairman: Huang Bing-jing　　Manager: Lin Ying Ming　　Accounting Supervisor ：Zhu Shicheng

Grand Fortune Securities Co., Ltd. and subsidiary
Consolidated statements of change in equity
Jan. 1 to June 30 2024 and 2023

Unit: NT$1,000
Earnings per share: NT$

		Equity attributable to owners of the parent company							
				Capital reserve (Note25)			Other rights (Note25)		
Code		Common stock (Note25)	stock dividends to be distributed (Note25)	Statutory surplus reserve	Special surplus reserve	Undistributed surplus (Accumulated Deficit to be Offset)	Financial assets measured at fair value through other comprehensive gains and losses Unrealized (Loss) Gain	Non-controlling interests (Note13&25)	Total
A1	Beginning balance (Jan. 1, 2023)	$3,601,619	$147,600	$ 290,386	$ 630,981	($ 200,422)	$ 58,520	$ 253,661	$ 4,782,345
	2022 Loss offset								
B13	Statutory surplus reserve	-	-	(200,422)	-	200,422	-	-	-
D1	Net profit (Jan. 1 to Jun..31 ,2023)	-	-	-	-	302,599	-	(11,550)	291,049
D3	Other comprehensive profit and loss after tax (Jan. 1 to June.30 ,2023)	-	-	-	-	-	85,799	-	85,799
D5	Total comprehensive profit and loss (Jan. 1 to June.30 ,2023)	-	-	-	-	302,599	85,799	(11,550)	376,848
E1	cash capital increase	360,000	-	-	-	-	-	-	360,000
N1	Share-based payment transaction	-	3,641	-	-	-	-	-	3,641
T1	Capital Reduction with Repayment to Subsidiary	-	-	-	-	-	-	(108,000)	(108,000)
Q1	Disposal of equity instruments at fair value through other comprehensive profit or loss	-	-	-	-	27,714	(27,714)	-	-
Z1	End Balance (June 30 ,2023)	$ 3,961,619	$ 151,241	$ 89,964	$ 630,981	$ 330,313	$ 116,605	$ 134,111	$ 5,414,834
A1	Beginning balance (Jan. 1, 2024)	$ 3,961,619	$ 153,832	$ 89,964	$ 630,981	$ 729,681	$ 131,639	$ -	$ 5,697,716
	2023 surplus distribution								

B1	statutory surplus reserve	-	-	72,968	-	(72,968)	-	-	-
B3	special surplus reserve	-	-	-	145,894	(145,894)	-	-	-
B5	Parent company shareholder cash dividend	-	-	-	-	(507,087)	-	-	(507,087)
		-	-	72,968	145,894	(725,949)	-	-	(507,087)
D1	Net loss (Jan. 1 to Jun..31 ,2024)	-	-	-	-	397,647	-	-	397,647
D3	Other comprehensive profit and loss after tax (Jan. 1 to Jun .30 ,2024)	-	-	-	-	-	32,916	-	32,916
D5	Total comprehensive profit and loss (Jan. 1 to Jun.30 ,2024)	-	-	-	-	397,647	32,916	-	430,563
Q1	Disposal of equity instruments at fair value through other comprehensive profit or loss	-	-	-	-	121,863	(121,863)	-	-
Z1	End Balance (June.30 ,2024)	$ 3,961,619	$ 153,832	$ 162,932	$ 776,875	$ 523,242	$ 42,692	$ -	$5,621,192

The notes attached are included in the consolidated financial statements.

Chairman: Huang Bing-Jing Manager: Lin Ying Ming Accounting Supervisor ：Zhu Shicheng

Grand Fortune Securities Co., Ltd. and subsidiary Consolidated statements of cash flows

January 1 to June 30, 2024, and 2023

(Review only, not GAAP)

Unit: NT$1,000

Code		Jan. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2023
	Cash flow from operating activities		
A10000	Net profit before tax	$ 467,308	$ 339,739
A20010	income deduction		
A20100	Depreciation	20,322	21,793
A20200	Amortization fee	2,862	2,471
A20300	Expected credit impairment loss	(665)	310
A20400	Measure the net benefit of financial assets and reliability at fair value through profit and loss	(17,389)	(202,071)
A20900	Interest cost	34,766	32,536
A21200	Interest income (including financial income)	(64,284)	(57,253)
A21300	Stock dividend	(9,396)	(13,192)
A21900	Employee stock option compensation cost	-	3,641
A22300	Share of losses of affiliated companies recognized using the equity method	4,228	466
A60000	Net changes in operating assets and liabilities		
A61110	Financial assets measured at fair value through profit and loss	65,138	(283,028)
A61130	Bond investment with sell-back	(965,247)	702,522
A61150	Securities financing receivables	(217,009)	(466,217)
A61170	Guaranteed price of refinancing receivable	-	66
A61250	Accounts receivable	(119,825)	(755,490)
A61290	Other account receivable	722	-
A61365	Financial assets measured at fair value through other comprehensive gains and losses	94,976	(527,189)
A61370	Other current assets	791,326	84,385
A61990	Other non-current assets	76,975	-
A62110	Debt with repurchased bonds	912,267	(58,465)
A62160	Securities lending margin	(217)	(2,490)
A62170	Guarantee price payable for securities lending	(240)	(2,654)
A62230	Accounts payable	169,384	658,979
A62270	Other payables	(57,190)	(3,504)
A62320	Other current liabilities	(791,957)	(95,966)

(Continued)

Code		Jan. 1 to Mar. 31, 2024	Jan. 1 to Mar. 31, 2023
A33000	Cash inflow (outflow) from operations	396,855	(620,611)
A33100	Interest charged	$ 58,288	$ 39,779
A33200	Dividends received	8,278	5,788
A33500	Income tax paid	(65,049)	(74,134)
AAAA	Net cash flow from operating activities	398,372	(649,178)
	Cash flow from investing activities		
B00050	Decrease in financial assets measured at amortized cost	9,000	66,500
B01800	Increase in investments using the equity method	(30,000)	-
B01900	Decrease in investments using the equity method	17,307	-
B02700	Decrease in financial assets measured at amortized cost	(2,580)	(2,413)
B03500	Increase from investment using the equity method	(13,806)	(739)
B03600	Increase from real estate and equipment (Note 30)	11,150	435
B03800	Gain from settlement fund	903	250
B04500	Losses from Settlement fund	(1,684)	(2,723)
B06700	Increased margin deposit	-	(30,000)
B07500	Received Intangible assets	4,760	7,049
B07600	Receive dividends from affiliated companies	12,066	2,930
BBBB	Decrease in other non-current assets	7,116	41,289
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	4,720,000	160,000
C00200	Decrease in short-term borrowings	(5,020,000)	(160,000)
C04020	Leasing liability	(15,263)	(15,762)
C04600	Cash capital increase	-	360,000
C05600	Interest paid	(34,766)	(32,536)
C09900	Subsidiary reduced capital and returned share monies	-	(108,000)
CCCC	Net cash outflow from financing activities	(350,029)	203,702
EEEE	Cash and cash equivalents reduction (net)	55,459	(404,187)
E00100	Beginning balance of Cash and cash equivalents	375,585	921,438
E00200	End balance of cash and cash equivalents	$ 431,044	$ 517,251

The notes attached are included in the consolidated financial statements

Chairman: Huang Bing-Jing   Manager: Lin Ying Ming   Accounting Supervisor ：Zhu Shicheng

Grand Fortune Securities Co., Ltd.
Notes to The Consolidated Financial Statements
2024 and 2023 (from January 1 to June 30)
(Unless otherwise stated, the unit of NT dollar amount is based on NT$1,000)
(Review only, not GAAP)

I. Company History

Grand Fortune Securities Co., Ltd. (or the Parent Company), along with the Company-controlled subsidiaries (or the Group), was originally set up as the name of San Yang Securities on September 5, 1989, and was named as Grand Fortune Securities Co., Ltd on August 12, 2003.

The Company, being an integrated securities house, runs businesses of (I) underwriting of marketable securities, (II) proprietary trading, (III) brokerage of marketable securities, (IV) stock registrar, and (V) other securities-related business approved by the regulators. The Company's stock was listed on January 27, 2016, at the Taipei Stock Exchange. The consolidated financial statement is stated by the NT dollar currency.

II. Date of authorization and procedure for the consolidated financial statements

The Board of Director authorized the statement on August 13, 2024.

III. Application and interpretations of new standards and amended regulations

(I). First-time adoption of the IFRS endorsed by the Financial Supervisory Commission (FSC), IAS, IFRIC, SIC and IFRSs. The new and amended regulations have no significant impact to the Company's accounting policy.

Except for the following explanations, the application of the revised IFRSs approved and issued by the FSC will not result in a material change in the accounting policies of the amalgamating company:

(II).

New, rectified and amended regulations and interpretations	Effective date via the announcement of the IASB
Amendment of IAS 21 Lack of Convertibility	January 1, 2025 (Note)

Note: Effective for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendment, comparative periods shall not be restated. Instead, the cumulative effect of applying the amendment shall be recognized in retained earnings or in the exchange differences on translating foreign operations (as appropriate) at the date of initial application, along with the affected related assets and liabilities.

As of the date of approval for the issuance of these consolidated financial statements, the consolidated company has assessed that the amendments to the aforementioned standards and interpretations have no significant impact on the financial position and financial performance.

(III) The new IFRS rules announced by IASB.

New, rectified and amended regulations and interpretations	Effective date via the announcement of the IASB (Note)
"Annual Improvements to IFRS Standards - Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments of IFRS 10 and IAS 28 about the assets sales and investment	Not decided yet
Insurance contract under IFRS 17	January 1, 2023
Amendments of IFRS 17	January 1, 2023
Amendment of IFRS 17 about first be applied to IFRS 17 and IFRS 9-comparasion information	January 1, 2023

IFRS 18 "Presentation and Disclosure of Financial Statements"	January 1, 2027
IFRS 19 "Non-Publicly Accountable Subsidiaries: Disclosure"	January 1, 2027

Note: Unless otherwise specified, the aforementioned newly issued/amended/revised standards or interpretations are effective for annual reporting periods beginning on or after the respective dates.

1. IFRS 18 "Presentation and Disclosure of Financial Statements"
IFRS 18 will replace IAS 1 "Presentation of Financial Statements." Key changes under this standard include:
*The income statement should classify income and expense items into categories such as operating, investing, financing, income tax, and discontinued operations.
*The income statement should present operating profit or loss, profit or loss before financing and income tax, and subtotals and totals of profit or loss.
* Guidelines are provided to enhance aggregation and disaggregation requirements: Consolidated entities must identify assets, liabilities, equity, income, expenses, and cash flows from individual transactions or other events and classify and aggregate them based on shared characteristics, ensuring that each line item in the primary financial statements has at least one similar characteristic. Items with different characteristics must be disaggregated in the primary financial statements and notes. Entities should only label items as "other" when no more informative label can be found.
* Enhanced disclosure of performance measures defined by management: When a consolidated entity communicates publicly outside of financial statements or with users of financial statements about management's views on a specific aspect of the entity's overall financial performance, it must disclose information about management-defined performance measures in a single note to the financial statements. This includes descriptions of the measures, how they are calculated, reconciliations to IFRS-defined subtotals or totals, and the tax and non-controlling interest effects of the related adjustments.

2. Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"
These amendments primarily modify the classification requirements for financial assets. If a financial asset includes a contingent feature that changes the timing or amount of contractually specified cash flows, and the nature of the contingent feature is not directly related to changes in the fundamental credit risk or costs (such as the debtor achieving specific carbon emission reductions), the contractually specified cash flows may still qualify as solely payments of principal and interest on the principal amount outstanding if the following two conditions are met:
*The contractually specified cash flows, both before and after the occurrence of the contingent event, are solely payments of principal and interest on the principal amount outstanding; and
*The contractually specified cash flows in all possible scenarios are not significantly different from those of a financial instrument with the same contract terms but without the contingent feature.

The amendments also provide that when an entity uses an electronic payment system to settle a financial liability in cash, the entity may choose to derecognize the financial liability before the settlement date if the following conditions are met:

*The entity does not have the practical ability to withdraw, stop, or cancel the payment instruction;
*The entity does not have the practical ability to access the cash that will be used for settlement due to the payment instruction; and
*The settlement risk associated with the electronic payment system is not significant.

Up to the date of the report printed, the above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

IV. <u>Summary of significant accounting policy</u>

(I). Compliance statement

This consolidated financial report has been prepared in accordance with the Financial Reporting Standards for Securities Firms and IAS 34 "Interim Financial Reporting", which has been approved and issued by the Financial Supervisory Commission. This consolidated financial report does not contain all the IFRSs disclosures required by the full annual financial report.

(II). Basis of preparation

Except for the financial assets at fair value and the net defined benefit assets based on the book value of benefit obligation less the fair value of plan assets, the separate statement is prepared under the historical cost method.

The different levels, from level 1 to level 3, that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset of liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

(III). Basis of consolidation

1. Basis for preparation of consolidated financial statement

The consolidated financial statement includes all the financial statements from the Parent Company and its controlling interest.

Financial statements of subsidiaries are adjusted in conformity with the accounting policies adopted in the consolidated financial statements.

Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests, even the non-controlling interests result into a loss.

2. Subsidiaries included in the consolidated financial statements:
Please see the Note XIII and Note XXXIX in table 1 for details of subsidiary background, shareholding ratio and business scope.

(IV) Other significant accounting policies
Except for the following explanation, please refer to the summary explanation of significant accounting policies in the 2023 Consolidated Financial Report.

1. Criteria for the Classification of Assets and Liabilities into Current and Non-Current:
Current Assets include:
(1) Assets held primarily for trading purposes
(2) Assets expected to be realized within 12 months after the balance sheet date; and
(3) Cash and cash equivalents (excluding those restricted for exchange or settlement of liabilities beyond 12 months after the balance sheet date).

Current Liabilities include:
(1) Liabilities held primarily for trading purposes;
(2) Liabilities due for settlement within 12 months after the balance sheet date; and
(3) Liabilities for which the entity does not have an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Assets or liabilities that do not fall under the above definitions of current assets or current liabilities are classified as non-current assets or non-current liabilities.

2. Defined benefits post-retirement benefits
The pension cost in the interim period is calculated based on the actuarially determined pension cost rate at the end of the previous year, from the beginning of the year to the end of the current period, and is subject to significant market fluctuations in the current period, as well as major plan revisions, settlements or other significant changes. One-time items to be adjusted.

3. Income Tax
Income tax expense is the sum of current income tax and deferred income tax. Income tax for the

interim period is assessed on an annual basis and is calculated on the interim pre-tax benefit at the tax rate applicable to the expected total annual earnings.

V. Critical accounting judgments, estimates and key sources of assumption uncertainty

When the merged company adopts accounting policies, for information that is difficult to obtain from other sources, management must make relevant judgments, estimates, and assumptions based on historical experience and other pertinent factors. Actual results may differ from these estimates.

The management will continue to review its estimates and assumption.

Measurement at fair value
The primary sources of uncertainty in estimates and assumptions

The Group must have appropriate measurement methods to estimate the fair value, if financial assets become inactive in an active market, or list in an inactive market.

In the cases that the Level 1 input value is not available to get the fair value, the Group will consider the investee's financial condition and operation results, as well as comparable price quotes and targets to be used as Level 1 input value. A change of fair value will be seen, if the Level 1 input led to results that are different from expected. Please see Note XXXII for the descriptions of input and technologies for fair value.

VI. Cash and cash equivalents

	June 30, 2024	December 31, 2023	June 30, 2023
Cash			
Petty cash	$ 230	$ 230	$ 230
Bank check deposit	822	1,337	836
Bank demand deposit	241,120	288,543	331,062
Cash equivalents (Investment with original maturity period within three months)			
Commercial papers	179,872	85,475	185,123
Bank fixed deposit	9,000	-	-
	$ 431,044	$ 375,585	$ 517,251

Range of interest rates:

	June 30, 2024	December 31, 2023	June 30, 2023
Commercial papers	1.00%~1.29%	0.89%～1.14%	0.82%~1.07%
Bank fixed deposit	1.51%	-	-

VII. Financial instruments at fair value through profit or loss

Financial assets at fair value through profit or loss – current

	June 30, 2024	December 31, 2023	June 30, 2023
Mandatorily measured at fair value through profit or loss			
Operating Securities -Proprietary	$ 1,530,269	$ 1,297,637	$ 1,253,971
Operating Securities -Underwriting	1,242,418	1,510,446	788,903
	$ 2,772,687	$ 2,808,083	$ 2,042,874

	June 30, 2024	December 31, 2023	June 30, 2023
Proprietary			

Stock-TWSE	$ 509,720	$ 408,841	$ 243,115
Stock-TPEX	159,230	97,344	219,351
Bond-TPEX	109,621	109,527	13,009
Stock-Emerging Market	496,197	545,413	511,085
Stock-Unlisted companies	73,861	7,421	12,976
Foreign Depositary Receipts	-	-	15,000
	1,348,629	1,168,546	1,014,536
Business securities			
－Self-assessment adjustment	181,640	129,091	239,435
	$ 1,530,269	$ 1,297,637	$ 1,253,971
Underwriting			
Stock-TWSE	$ 1,181,310	$ 1,452,051	$ 421,846
Stock-TPEX	-	-	15,100
Bond-TPEX	92,085	70,934	251,144
	1,273,395	1,522,985	688,090
Business securities			
－Underwriting Evaluation Adjustment	(30,977)	(12,539)	100,813
	$ 1,242,418	$ 1,510,446	$ 788,903

As of June 30, 2024, and December 31, 2023, and June 30, 2023, the cost of the self-operated department's bond investments was NT$99,543,000, NT$99,935,000, and NT$0, respectively. These bonds have been sold with repurchase agreements.

Financial assets at fair value through profit or loss – non-current

	June 30, 2024	December 31, 2023	June 30, 2023
Mandatory to measure at fair value through profit and loss			
Private Equity-TWSE lock-up period (until Jan. 9, 2020)	$ 14,065	$ 14,065	$ 5,500
Private Equity-TPEX lock-up period (until Jan. 15, 2021)	26,704	26,704	5,600
Domestic Unlisted - Stocks	10,071	10,071	74,948
Foreign Unlisted - Stocks	9,145	4,776	-
Evaluation adjustment	(16,360)	362	37,356
	$ 43,625	$ 55,978	$ 123,404

VIII. Financial assets at fair value through other comprehensive income

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets			
Debt Instrument Investments	$ 2,483,110	$ 2,563,869	$ 2,513,054
Equity Instrument investment	242,704	253,972	238,379
	$ 2,725,814	$ 2,817,841	$ 2,751,433
Non-current asets			
Equity Instrument investment	$ 179,988	$ 147,223	$ 77,000

(I) Investment by debt instruments

	June 30, 2024	December 31, 2023	June 30, 2023
Current investment			
Domestic investment			
Government bonds	$ 2,501,291	$ 2,302,724	$ 2,254,464
Corporate bonds	-	268,053	267,511
Allowance for loss	(1,166)	(1,153)	(1,205)
Evaluation adjustment	(17,015)	(5,755)	(7,716)
	$ 2,483,110	$ 2,563,869	$ 2,513,054

For the credit risks and assessment of impairment from the debt instruments at fair value through other compressive income, please see Note IX.

As of June 30, 2024, and December 31, 2023, and June 30, 2023, the cost of the debt instruments measured at fair value through other comprehensive income was NT$2,501,293,000, NT$2,560,779,000, and NT$2,111,978,000, respectively. These instruments have been sold with repurchase agreements.

A portion of the consolidated company's government bonds has been provided to the central bank as collateral for bond trading. Please see Note XXXIV.

(II), Investment by equity instruments

	June 30, 2024	December 31, 2023	June 30, 2023
Current Investment			
Domestic investment			
Stock- TWSE	$ 3,543	$ 1,417	$ 2,903
Stock- OTC market	32,248	40,892	47,767
Stock- Emerging market	143,970	118,566	108,568
Foreign investment			
Depositary Receipts	$ -	$ 4,365	$ 9,444
Evaluation adjustment	62,943	88,732	69,697
	$ 242,704	$ 253,972	$ 238,379
Non-current investment			
Domestic investment			
Private Equity-TWSE	$ -	$ 6,000	$ 6,000
Stock-Unlisted companies	191,000	115,235	29,000
Evaluation adjustment	(11,012)	25,988	42,000
	$ 179,988	$ 147,223	$ 77,000

For the purposes of strategic investment, the Group is of the view that the measurement for the above-mentioned equity instruments into profit or loss will be different from its original financial planning. As such, the instruments are measured at fair value through other comprehensive income.

IX. **Credit risk management for investment by debt instruments**

Information of financial assets using debt instruments at fair value through other comprehensive income

	June 30, 2024	December 31, 2023	June 30, 2023
Book value	$ 2,501,291	$ 2,570,777	$ 2,521,975
Allowance for loss	(1,166)	(1,153)	(1,205)
Amortized cost	2,500,125	2,569,624	2,520,770
Fair value adjustment	(17,015)	(5,755)	(7,716)
	$ 2,483,110	$ 2,563,869	$ 2,513,054

The bond department of the Group establishes its regulations for the up-ceiling and risk management in terms of bond investments that will be targeted at bonds with credit ratings at or over twA-, as well as debt instruments guaranteed by banks. Information of credit rating is offered by independent credit rating institutions and is provided to the Group for review at the end of a fiscal year. As such, a change of credit rating in the debt instruments will be informed to the risk management units in the written forms.

The Group will measure the estimated credit loss of the debt instruments in a 12-month or a duration period, by taking into considerations historical default rate, financial background of debtors and industry outlook faced by the debtor.

Mechanism of credit risk rating currently used by the Group

Credit rating	Definition	Period to recognize the estimated credit loss
Normal	Solid solvent condition shown by debtor with low credit loss risk	12-month
Abnormal	Rising credit risk since the initial recognition	Credit loss in the duration period (Not impaired)
Default	Proof of credit loss	Credit loss in the duration period (Already impaired)
Write-off	Proof of debtors' financial troubles and difficulties for the Group to reclaim investment	Immediately

The total of book value in debt instruments investment and expected ratio of credit loss

June 30, 2024

Credit rating	Expected ratio of credit loss	Total book value
Normal	0.0080%~0.1820%	$ 2,501,291

December 31, 2023

Credit rating	Expected ratio of credit loss	Total book value
Normal	0%～0.2080%	$ 2,570,777

June 30, 2023

Credit rating	Expected ratio of credit loss	Total book value
Normal	0%~0.2080%	$ 2,521,975

The allowance of loss from credit loss by the Group's investment using debt instruments at fair value through other comprehensive income

	Status of credit rating		
	Normal	Abnormal	Default
Beginning balance (Jan. 1, 2024)	$ 1,153	$ -	$ -
Withdrawal	13	-	-
Ending balance (June 30, 2024)	$ 1,166	$ -	$ -
Beginning balance (Jan. 1, 2023)	$ 1,039	$ -	$ -
Withdrawal	166	-	-
Ending balance (June 30, 2023)	$ 1,205	$ -	$ -

X. Other financial assets – current

	June 30, 2024	December 31, 2023	June 30, 2023
Over-3-month time deposits	$ 37,000	$ 46,000	$ 46,000

Range of Interest rates

	June 30, 2024	December 31, 2023	June 30, 2023
Over-3-month time deposits	1.365%~1.510%	1.24%～1.51%	1.135%~1.26%

XI. Liabilities from bonds sold under repurchase agreements

	June 30, 2024	December 31, 2023	June 30, 2023
Government bond	$ 2,501,134	$ 1,455,518	$ 1,553,567
Corporate bond	571,908	652,277	801,866

	June 30, 2024	December 31, 2023	June 30, 2023
	$ 3,073,042	$ 2,107,795	$ 2,355,433

The Group's liabilities from bonds sold under repurchase agreements are the liabilities that will mature in one year. The pre-set repurchase price and interest rates are stated as below.

	June 30, 2024	December 31, 2023	June 30, 2023
Pre-set repurchase price	$ 3,076,084	$ 2,110,040	$ 2,357,967
Interest rate	1.380%~1.575%	1.220%~1.400%	1.265%~1.430%

The above-mentioned bond investments with repurchase on June 30, 2024, and December 31, 2023 and June 30, 2023, have all been sold with repurchase.
The combined company assessed that as of June 30, 2024, and December 31, 2023 and June 30, 2023, there was no need to set aside allowance losses for bond investments with put backs.

XII. Receivable securities margin loans/accounts receivable/other receivables/overdue receivables

(I) Receivable securities margin loans

	June 30, 2024	December 31, 2023	June 30, 2023
Receivable securities margin loans	$ 1,365,226	$ 1,148,217	$ 1,277,712
Minus: Allowance of loss	(242)	(1,355)	(1,508)
	$ 1,364,984	$ 1,146,862	$ 1,276,204

The above-mentioned receivable securities margin loans are secured by stocks that are bought by clients in margin accounts. The Group everyday reviews clients' maintenance ratios in margin accounts and will inform them to keep the ratios at over 130%.

(II) Information about accounts receivable, other receivables and overdue receivables

	June 30, 2024	December 31, 2023	June 30, 2023
Accounts receivable			
Settlement accounts receivable-entrusted	$ 378,606	$ 176,420	$ 316,654
Settlement accounts receivable - non-entrusted	45,998	34,162	113,776
Delivery price	114,386	203,364	582,545
Related party transactions	20,822	36,120	-
Other	68,613	58,534	44,864
- Allowance for loss	(1,404)	(969)	(743)
	$ 627,021	$ 507,631	$ 1,057,096
Other receivables			
Interest	$ 20,519	$ 19,283	$ 18,119
Dividend	1,118	-	7,404
Related party transactions	40	61	-
Others	90	791	54
	$ 21,767	$ 20,135	$ 25,577
Overdue receivables			
Overdue receivables	$ 23,707	$ 23,707	$ 23,707
Less: Allowance for loss－collection	(23,707)	(23,707)	(23,707)
	$ -	$ -	$ -

To mitigate credit risk, the consolidated entity, in addition to having relevant internal controls and procedures for determining and approving credit limits, reviews the recoverable amounts of receivables on a case-by-case basis as of the balance sheet date to ensure that appropriate impairment losses have been recognized for any receivables that are deemed unrecoverable.

The consolidated entity recognizes allowance for receivables based on the expected credit losses over the remaining life of the receivables. The expected credit loss over the remaining life is determined by considering information such as the customer's past default records, current financial condition, and industry economic conditions and outlook, with expected credit loss rates established based on the aging of the receivables.

Estimated allowance of loss from receivable securities margin loans and account receivables

June 30, 2024

	Securities margin	Securities settlement payment	Others: Non-overdue	Others: Overdue 1 ~ 90 days	Others: Overdue 91 ~ 120 days	Others: Overdue 121 ~ 180 days	Others: Overdue days in excess of 180 days	Total
Expected credit loss ratio	0.018%	0%	0%~0.50%	0.98%~11.78 %	50.98%	67.55%~87.64 %	100%	
Total Book value	$1,365,226	$ 538,990	$ 66,606	$ 21,787	$ 258	$ 458	$ 326	$1,993,651
Allowance for loss (expected credit loss during the duration)	(242)	-	(166)	(431)	(131)	(350)	(326)	(1,646)
Amortized cost	$1,364,984	$ 538,990	$ 66,440	$ 21,356	$ 127	$ 108	$ -	$1,992,005

December 31, 2023

	Securities margin	Securities settlement payment	Others: Within the time limit	Others: Overdue 1 ~ 90 days	Others: Overdue 91 ~ 120 days	Others: Overdue 121 ~ 180 days	Others: Overdue more then 180 days	Total
Expected credit loss rate	0.118%	0%	0%~0.6%	1.21%~15.41 %	64.84%	75.77%~97.0 1%	100%	
Total nominal value	$1,148,217	$413,946	$ 70,415	$ 24,089	$ 107	$ 33	$ 10	$1,656,817
Allowance for loss (expected credit loss during the duration)	(1,355)	-	(95)	(769)	(70)	(25)	(10)	(2,324)
Amortized cost	$1,146,862	$413,946	$ 70,320	$ 23,320	$ 37	$ 8	$ -	$1,654,493

June 30, 2023

	Securities margin	Securities settlement payment	Others: Within the time limit	Others: Overdue 1 ~ 90 days	Others: Overdue 91 ~ 120 days	Others: Overdue 121 ~ 180 days	Others: Overdue more then 180 days	Total
Expected credit loss rate	0.118%	0%	0%~0.82%	1.53%~14.0 5%	62.36%	78.92%~87. 28%	100%	
Total nominal value	$1,277,712	$1,012,975	$ 28,825	$ 15,782	$ 49	$ 91	$ 117	$2,335,551
Allowance for loss (expected credit loss during the duration)	(1,508)	-	(153)	(365)	(30)	(78)	(117)	(2,251)
Amortized cost	$1,276,204	$1,012,975	$ 28,672	$ 15,417	$ 19	$ 13	$ -	$2,333,300

Change of estimated allowance of loss from receivable securities margin loans and account receivables

	Jan. 1 to June 30, 2024	Jan. 1 to June 30, 2023
Beginning Balance	$ 2,324	$ 2,107
Provision of impairment losses for the current year	(678)	144
Ending Balance	$ 1,646	$ 2,251

Change of estimated allowance of loss from overdue receivables

	Jan. 1 to June 30, 2024	Jan. 1 to June 30, 2023
Beginning Balance	$ 23,707	$ 23,707

Plus (less): the impairment loss is listed for the current year		
Less: (returning benefits)	-	-
Ending Balance	$ 23,707	$ 23,707

Overdue receivables come from the defaults of margin trading and overdue account receivables and are fully recognized in allowance of loss.

XIII. Subsidiary

(I) Subsidiaries included in the consolidated financial statements

Subsidiaries included in the consolidated financial statements

Name of investor	Name of subsidiary	Business	Stake (%) June 30, 2024	Stake (%) December 31, 2023	Stake (%) June 30, 2023	Note
Grand Fortune Securities Co., Ltd	Grand Fortune Securities Investment Service Co., Ltd	Securities consulting	100%	100%	100%	1
	Grand Fortune Management Corporation	Start-up	100%	100%	100%	3 & 4
	Foryou Capital Corporation	Investment consulting and management	100%	100%	100%	4
Grand Fortune Management Corporation	Beiley Biofund Inc.	Start-up	3	3	58.76%	2,3,5
	Foryou Capital Corporation	General investments.	-	-	-	4

(II) Beiley Biofund Inc was formerly known as Grand Fortune Venture Capital Co., Ltd. In June 2023, a resolution was passed at its shareholders' meeting to transform into a sustainable biotechnology venture capital company. The name was changed to Beiley Biofund Inc. on May 22, 2024.

(III) In March 2023, Grand Fortune Management Corporation underwent a corporate reorganization through a non-cash capital increase. The parent company used its entire 50.51% equity stake in Beiley Biofund Inc to offset NT$380,047 thousand of the capital increases for Grand Fortune Management Corporation. Following the reorganization, Grand Fortune Management Corporation directly held a 58.76% equity stake in Beiley Biofund Inc Additionally, Bailing Biotechnology conducted a cash capital increase on October 4, 112. Since the consolidated company did not subscribe to Beiley Biofund Inc shares in proportion to its shareholding, the equity stake decreased from 58.76% to 24.39%, resulting in the loss of control over Beiley Biofund Inc.

(IV) In March 2023, the merged company underwent an organizational restructuring through a non-cash capital reduction method. Grand Fortune Management Corporation offset its entire ownership stake in Foryou Capital Corporation to repay the parent company's capital reduction. Following the organizational restructuring, the parent company directly holds a 100% ownership stake in Foryou Capital Corporation.

(V) In June 2023, Beiley Biofund Inc. conducted a cash capital reduction of NT$261,893 thousand, returning NT$108,000 thousand to non-controlling interests in proportion to their shareholdings.

(VI) Subsidiaries not included into the consolidated financial statements: None.

(VII) Subsidiaries with non-controlling interests that are material to the Group:

Name of subsidiary	% Of stakes and voting rights in non-controlling interest June 30, 2023
Beiley Biofund Inc	41.24%

For information of operation locations and company registration of countries, please see Note XXXIX, Table 1

Name of subsidiary	Profit or loss distributed to non-controlling interests Apr. 1 to June 30, 2023	Jan.1 to June 30, 2023
Beiley Biofund Inc	($ 68,170)	($ 11,550)

Name of subsidiary	non-controlling interests June 30, 2023
Beiley Biofund Inc	$ 134,111

The following summary financial information is compiled based on the amount before the elimination of inter-company transactions

Beiley Biofund Inc

	June 30, 2023
Current assets	$ 339,035
Non-current assets	72,258
Current liabilities	(86,084)
Non-current liability	-
Equity	$ 325,209
Equity attributable to:	
owners of parent	$ 191,098
Non-controlling interests in Beiley Biofund Inc	134,111
	$ 325,209

	April 1 to June 30, 2023	Jan.1 to June 30, 2023
Revenue	($ 115,810)	$ 25,052
Net profit this year	($ 165,308)	($ 27,948)
Other comprehensive income	-	-
Total comprehensive income	($ 165,308)	($ 27,948)
Net profit attributable to:		
Owners of parent	($ 97,138)	($ 16,398)
Non-controlling interests in Beiley Biofund Inc	(68,170)	(11,550)
	($ 165,308)	($ 27,948)
Net profit attributable to:		
Owners of parent	($ 97,138)	($ 16,398)
Non-controlling interests in Beiley Biofund Inc	(68,170)	(11,550)
	($ 165,308)	($ 27,948)

	Jan. 1 to June 30, 2023
Cash Flow	
Operating activities	$ 217,552
Investing activities	67,327
Financing activities	(261,893)
Cash used in (net)	$ 22,986

XIV. Investment under the equity method

Investment in associates

	June 30, 2024	December 31, 2023	June 30, 2023
Material affiliated enterprises			
Beiley Biofund Inc	$ 517,754	$ 517,412	$ -
Separate and non-major associates			
Foryou Capital Corporation	36,116	68,512	55,488
Foryou Private Equity Limited Partnership	109,319	83,677	45,935
	$ 663,189	$ 669,601	$ 101,423

(I) Material affiliated enterprises

Name of subsidiary	Nature of business	Region	Shareholding and voting rights percentage		
			June 30, 2024	December 31, 2023	June 30, 2023
Beiley Biofund Inc	Venture capital	Taiwan	24.39%	24.39%	Note XIII(III)

1. For information regarding the nature of business, primary place of business, and the country of registration for the aforementioned affiliated enterprises, please refer to Schedule 1 in Note 39.
2. Investments accounted for using the equity method, as well as the consolidated company’s share of the profit or loss and other comprehensive income, are recognized based on the financial statements of the affiliated enterprises audited by an accountant for the same period.
3. The following summary financial information is prepared based on the affiliated enterprise's IFRS financial statements and reflects adjustments made under the equity method.

Beiley Biofund Inc

	June 30, 2024	December 31, 2023
Current assets	$ 1,742,858	$ 1,947,400
Non-current assets	386,151	177,003
Current liabilities	(5,303)	(1,573)
Non-current liabilities	(532)	(1,058)
Equity	$ 2,123,174	$ 2,121,772
Company’s ownership percentage	24.39%	24.39%
Company’s share of equity	$ 517,754	$ 517,412
Unrealized gains or losses from forward/backward transactions	-	-
Carrying amount of investment	$ 517,754	$ 517,412

	April 1 to June 30, 2024	Jan.1 to June 30, 2024
Revenue	$ 41,332	$ 4,994
Net profit for the year	$ 39,486	$ 1,402
Other comprehensive income	-	-
Total comprehensive income	$ 39,486	$ 1,402

(II)Information about separate and non-major associates

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to Jun. 30, 2024	Jan.1 to Jun. 30, 2023
Profit or loss recognized by the Group				
Net Loss this FY	($ 3,895)	$ 138	($ 4,570)	($ 466)
Other comprehensive income	1,968	(4,128)	(2,811)	11,291
Total comprehensive income	($ 1,927)	($ 3,990)	($ 7,381)	$ 10,825

1. In March 2024, Grand Fortune Management Corporation increased its investment in Foryou Private Equity Limited Partnership by NT$30,000 thousand in cash.
2. In May 2024, Foryou venture capital Limited Partnership conducted a cash capital reduction of NT$180,000 thousand, returning NT$17,307 thousand to Grand Fortune Management Corporation based on its proportionate share.
3. The shares from the investments under the equity method to the Group's resulting profit or loss and other comprehensive income are based on the associates' same-period financial statements provided by CPAs.
4. For information of operation locations and registration of countries by associates, please see Note XXXIX, Table 1

XV. **Property and equipment**

	June 30, 2024	December 31, 2023	June 30, 2023
Self-owned			
Office equipment	$ 7,844	$ 8,094	$ 9,608
Transportation equipment	773	254	342
Lease improvement	9,613	12,615	15,639
	$ 18,230	$ 20,963	$ 25,589

	Office equipment	Transportation Equipment	Lease improvement	total
Cost				
Beginning balances (Jan. 1, 2024)	$ 18,844	$ 1,486	$ 21,486	$ 41,816
Increase	1,951	629	-	2,580
Ending balances (Jun. 30, 2024)	20,795	2,115	21,486	44,396
Accumulated depreciation				
Beginning balances (Jan. 1, 2024)	10,750	1,232	8,871	20,853
Depreciation	2,201	110	3,002	5,313
Ending balances (Jun. 30, 2024)	12,951	1,342	11,873	26,166
Net (Jun. 30, 2024)	$ 7,844	$ 773	$ 9,613	$ 18,230
Cost				
Beginning balances (Jan. 1, 2023)	$ 20,026	$ 1,486	$ 26,671	$ 48,183
Increase	1,193	-	1,220	2,413
Ending balances (Jun 30, 2023)	21,219	1,486	27,891	50,596
Accumulated depreciation				
Beginning balances (Jan. 1, 2023)	9,310	1,055	8,402	18,767
Depreciation	2,301	89	3,850	6,240
Ending balances (Jun. 30, 2023)	11,611	1,144	12,252	25,007
Net (Jun. 30, 2023)	$ 9,608	$ 342	$ 15,639	$ 25,589

Depreciation of property and equipment are recognized on a straight-line basis in the durable period as follows:

Office equipment	Three to five years
Transportation Equipment	Five years
Lease improvement	Three to five years

As of June 30, 2024, and December 31, 2023 and June 30, 2023, there is no sign of impairment of the above property and equipment.

XVI. **Lease agreement**

(I) Right-of-use assets

	June 30, 2024	December 31, 2023	June 30, 2023
Book amount of right-of-use asset	$ 49,212	$ 62,931	$ 67,291
Building	1,098	1,199	1,380
Transportation Equipment	$ 50,310	$ 64,130	$ 68,671

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Addition of right-of-use assets			$ 1,189	$ 343
Depreciation expense right-of-use asset				
Building	$ 7,213	$ 7,418	$ 14,425	$ 14,836
Transportation Equipment	227	358	584	717
	$ 7,440	$ 7,776	$ 15,009	$ 15,553

Except for the addition and recognition of depreciation costs mentioned above, no significant re-leasing and impairment costs occurred at the Group's right-of-use assets in Jan. 1 and June 30, 2024 and 2023.

(II) Lease liabilities

	June 30, 2024	December 31, 2023	June 30, 2023
Book amount of leasing liability			
Current	$ 30,331	$ 30,033	$ 29,043
Non-current	$ 21,593	$ 35,965	$ 41,904

The discount rate for the lease liability is as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Building	1.05%~1.86%	1.05%～1.36%	1.05%~1.38%
Transportation Equipment	1.05%~1.86%	1.05%～1.27%	1.05%~1.36%

(III) Major leasing activities and clauses

The Group rents buildings as the places for its offices and operation centers, with leasing contracts running from two to five years. As of the end of the contracts, the Group has no preferential rights to purchase the buildings.

(IV) Other leasing information

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Short term leasing expense	$ 278	$ 82	$ 283	$ 93
Low value assets leasing expense	$ 45	$ 49	$ 79	$ 77
Total cash outflow amount for leasing			$ 15,970	$ 16,368

The Group will not recognize the right-of-use assets and leasing liabilities that are qualified to be exempted from recognitions, when the Group uses short-term leasing for transportation equipment and leases low-price assets.

XVII. Intangible assets

	June 30, 2024	December 31, 2023	June 30, 2023
Net value of computer software	$ 12,789	$ 13,967	$ 13,920

	Jan 1 to June 30, 2024	Jan 1 to June 30, 2023
Cost		
Beginning Balance	$ 27,411	$ 22,947
Acquired separately	1,684	2,723
Ending Balance	29,095	25,670
Accumulated amortization		
Beginning Balance	13,444	9,279
amortized expense	2,862	2,471
Ending Balance	16,306	11,750
Year-end net amount:	$ 12,789	$ 13,920

The computer software is amortized by a straight-line basis in three to five years.

XVIII. Operation bond, clearing and settlement fund, and refundable deposits

	June 30, 2024	December 31, 2023	June 30, 2023
Operating margin	$ 180,000	$ 180,000	$ 180,000
Settlement fund	$ 41,922	$ 39,266	$ 39,266
Refundable deposits			
Leasing	$ 7,092	$ 7,998	$ 7,998
Self-regulatory fund	660	660	660
Others	532	529	529
	$ 8,284	$ 9,187	$ 9,187

According to the laws, the operating bond includes the Group’s cash, government bonds or financial debentures pledged in the government-designated financial institutions as statutory deposits, when the Group was established and sets up branches to engage in futures trading and fully designated investment businesses. The government bond being deposited by the Group in June 30, 2024, Dec. 31, 2023, and June 30, 2023 was in the form of time deposits which carried annual interest rates at between 0.535%～1.705%、0.420%～1.580% and 0.420%～1.580%.

Clearing and settlement fund is the statutory fund being deposited by the Group to the Taiwan Stock Exchange and Taipei Stock Exchange when dealing in stock brokerage business.

XIX. Other assets

	June 30, 2024	December 31, 2023	June 30, 2023
Collection of cash dividend	$ 528,053	$ 1,316,106	$ 579,154
Pledged time deposits	417,500	450,000	397,500
Prepayment of investment funds	40,855	84,500	40,000
Collection of underwriting shares	9,458	18,626	-
Collect Underwriting Subscription Funds	3,855	1,399	-
Advance payment	2,998	2,670	3,935
Others	3,444	1,163	2,247
	$ 1,006,163	$ 1,874,464	$ 1,022,836

	June 30, 2024	December 31, 2023	June 30, 2023
Current	$ 998,598	$ 1,789,924	$ 982,796
Non-Current	7,565	84,540	40,040
	$ 1,006,163	$ 1,874,464	$ 1,022,836

(I) Interest rates of pledged time deposits in June 30, 2024, Dec. 31, 2023, and June 30, 2023 respectively stood at 0.36%-1.70%, 0.36%-1.60%, and 0.30%-1.575%.
(II) For the Group's deposits for banking loans, please see Note XXXIV.

XX. Commercial paper payable

	June 30, 2024	December 31, 2023	June 30, 2023
Guaranteed borrowing			
bank borrowing	$ -	$ 300,000	$ -

The interest rates for bank borrowings are as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Guaranteed borrowing	-	1.65%～1.88%	-

The pledge provided by the Merger Company for the payment of commercial promissory, please see Note XXXIV.

XXI. Liabilities from bonds sold under repurchase agreements

	June 30, 2024	December 31, 2023	June 30, 2023
Government bond	$ 2,591,309	$ 1,786,042	$ 1,790,210
Corporate bond	3,067,837	2,960,837	2,661,646
Financial debentures	-	-	99,352
	$ 5,659,146	$ 4,746,879	$ 4,551,208

The Group's liabilities from bonds sold under repurchase agreements are the liabilities that will mature in one year. The pre-set repurchase price and interest rates are stated as below.

	June 30, 2024	December 31, 2023	June 30, 2023
Pre-set repurchase price	$ 5,665,732	$ 4,751,737	$ 4,556,051
Interest rate	1.300%~1.550%	1.150%~1.400%	1.250%~1.410%

XXII. Accounts payable

	June 30, 2024	December 31, 2023	June 30, 2023
Account payable for settlement – entrusted	$ 373,404	$ 381,218	$ 881,207
Account payable for settlement – non-entrusted	45,685	6,931	14,182
delivery consideration	138,444	-	-
	$ 557,533	$ 388,149	$ 895,389

XXIII. Other accounts payable

	June 30, 2024	December 31, 2023	June 30, 2023
Payable dividends	$ 507,087	$ -	$ -
Payable salary, bonus and remuneration	237,282	295,936	166,871
Business tax	3,731	4,153	2,702
Others	23,251	21,365	20,802

	June 30, 2024	December 31, 2023	June 30, 2023
	$ 771,351	$ 321,454	$ 190,375

XXIV. Other current liabilities

	June 30, 2024	December 31, 2023	June 30, 2023
Temporary collection-dividend distribution	$ 528,053	$ 1,316,106	$ 579,154
Advance receipts for underwriting shares	9,458	18,626	-
Other advance payments (Note33)	3,718	-	-
Others	6,122	4,576	4,854
	$ 547,351	$ 1,339,308	$ 584,008

XXV. Equity

(I) Share capital

Common shares

	June 30, 2024	December 31, 2023	June 30, 2023
Authorized shares (in 1000 shares)	700,000	500,0000	500,000
Authorized share capital	$ 7,000,000	$ 5,000,000	$ 5,000,000
Total number of issued share (in 1000 shares)	396,162	396,162	396,162
Issued share capital	$ 3,961,619	$ 3,961,619	$ 3,961,619

The parent company, by a resolution of the shareholders' meeting on April 30, 2024, decided to increase the authorized capital to NT$7,000,000 thousand, and completed the change of registration on June 11, 2024.

On December 12, 2022, the parent company, by a resolution of the board of directors, decided to carry out a cash capital increase by issuing 36,000 thousand new shares, with a par value of NT$10 per share. The aforementioned cash capital increase was approved by the FSC No. 1110367678 dated January 11, 2023, and became effective. The capital increase base date was set for March 29, 2023, with an issuance price of NT$10 per share, and the change of registration was completed on April 12, 2023.

Based on the face value of NT$10 per shares, each share is entitled with a vote and dividend.

(II) Capital reserve

	June 30, 2024	December 31, 2023	June 30, 2023
Used to cover accumulated loss or to issue new stocks or cash to employees (1)			
Stock issue premium	$ 138,759	$ 138,759	$ 138,759
Transactions in treasury stocks	1,658	1,658	1,658
The difference between the actual acquisition price of the subsidiary's equity and the book value	5,450	5,450	5,450
Expired stock options	996	996	996
Only to cover losses			
Changes in equity ownership of subsidiary (2)	6,435	6,435	3,844
Invalid subscription rights (3)	534	534	534
	$ 153,832	$ 153,832	$ 151,241

(1) Such capital surplus may be used to offset losses and may also be utilized for the payment of cash dividends or capitalization, provided that the annual capitalization is subject to a fixed percentage of paid-in capital when capitalizing.
(2) This type of capital surplus represents the equity impact recorded when there is a change in subsidiary equity due to the fact that the parent company has not actually acquired or disposed of subsidiary shares at the time of the equity transaction.
(3) According to the Ministry of Economic Affairs issued by the Ministry of Economic Affairs on September 21, 2017, FSC No. 10602420200, the shareholders did not receive the incentives within the time limit, should be recognized as capital reserves.

Change of capital reserve from Jan. 1 to June 30 in 2024 and 2023

	stock issue premium	Transactions in treasury stocks	Difference between consideration and carrying number of subsidiaries acquired or disposed	Invalid subscription rights	Recognition of changes in ownership interest in subsidiaries	Dividends not received by shareholders over time	Share-based payment transaction	Total
Beginning balances (Jan. 1, and June 30 2024)	$138,759	$ 1,658	$ 5,450	$ 996	$ 6,435	$ 534	$ -	$153,832
Balances (Jan. 1, 2023)	$135,118	$ 1,658	$ 5,450	$ 996	$ 3,844	$ 534	$ -	$147,600
Recognizing employee stock option compensation expense.	-	-	-	-	-	-	3,641	3,641
Cash capitol	3,641	-	-	-	-	-	(3,641)	-
Ending Balances (June 30, 2023)	$138,759	$ 1,658	$ 5,450	$ 996	$ 3,844	$ 534	$ -	$151,241

(III) Retained earnings and dividend policy

According to the parent company’s amendment of the Articles of Incorporation at the shareholder meeting on May 31, 2019 and the Company Act, Article 240, the parent company may authorize the board of directors, approved by most of the directors at a meeting attended by two-thirds or more of the total number of the directors, to distribute dividend and bonus. The board of directors, according to the Company Act, Article 241, may propose to distribute cash dividend, out of all or a portion of its legal reserves and capital reserve, with the proposal reported to the shareholder meeting.

According to the amendment of the Articles of Incorporation by the parent company in respect of dividend policy, the net profit earned in a fiscal year shall be reserved to cover accumulated loss in prior years, and then appropriated by 10% for legal reserves and 20% for special reserves. After setting aside or reversing special reserves, the remaining profit shall be added by the undistributed profit in the beginning of the fiscal year and be available for being paid out, through the earnings distribution proposal initiated by the board of director. A payout in the form of stock dividend is needed to be approved by the shareholder meeting. In respect of a payout in the form of cash dividend, the board of director will make a resolution that will be reported to the shareholder meeting.

According to the amendment of the Articles of Incorporation by the parent company in respect of dividend policy, the net profit earned in a fiscal year shall be reserved to cover accumulated loss in prior years, and then appropriated by 10% for legal reserves and 20% for special reserves. After setting aside or reversing special reserves, the remaining profit shall be added by the undistributed profit in the beginning of the fiscal year and be available for being paid out, through the earnings distribution proposal initiated by the board of director. A payout of bonus to shareholders is needed to be approved by the shareholder meeting. For the parent company’s policy regarding the remuneration to employee and director. The employee and director compensation distribution policy of the parent company's bylaws can be found in Note 26 (6) - Employee Benefits.

The parent company’s dividend policy, based on the stable growth of future business, the healthy conditions of long-term financial structure and the maximization of shareholder interest, is carried out on a balanced manner to include cash and stock dividend. The dividend shall not be less than 10% of distributable profit in the current year, but the distributable profit, if less than 1% of share capital, will not be paid out and will be accumulated into retained earnings. In distribution, the cash dividend shall not be less than 10% of total dividend, while the cash dividend, if less than NT$1 per share, shall be paid out in the form of stock dividend.

The total of legal reserve is set aside at a level no more than the paid-in capital and can be used to erase the accumulated loss. If without a company loss, the company may capitalize or pay out dividend out of the excess when legal reserve exceeds the 25% portion of the paid-in capital.

In accordance with the regulations, 20% of annual net profit must be set aside as special reserve. Special reserve will not be set aside if the amount reaches the paid-in capital.

The parent company, in accordance with FSC No. 1100365484, stipulates that the special surplus reserve should be withdrawn and reversed.

The parent company's proposal for covering the loss for the FY2022 was approved by the shareholders' meeting on April 14, 2023. The loss will be covered using statutory surplus reserves amounting to NT$200,422 thousand.
Distribution from FY2023 earnings set by the parent company at shareholder meetings as follow:

	Earning distribution	Cash dividend per share (NT$)
Legal reserve	$ 72,968	
Special reserve	145,936	
Cash dividend	(42)	
Stock dividend	507,087	$1.28

(1) Provision is made in accordance with the regulations of the securities firm management rules.
(2) In accordance with FSC No. 1080321644, the amount is reversed within the scope of special surplus reserves set aside for responding to financial technology developments.

The aforementioned cash dividends were resolved for distribution by the Board of Directors on March 12, 2024. The remaining profit distribution items were also resolved at the annual shareholders' meeting on April 30, 2024.

(IV) Other equity

Unrealized profit or loss of financial assets at fair value through other comprehensive income

	Jan 1 to June 30, 2024	Jan 1 to June 30, 2023
Beginning balance	$ 131,639	$ 58,520
Current year		
Unrealized profits and losses		
Bond	(16,707)	23,048
Equity	46,987	49,316
Change in allowance of loss by debt instrument	13	166
Share of profit of associates accounted for under equity method	(2,811)	11,291
Remeasurement		
Disposal in debt instrument	5,434	1,978
Other comprehensive income	32,916	85,799
Equity instruments accumulate loss transfer to keep surplus	(121,863)	(27,714)
Ending balance	$ 42,692	$ 116,605

(V) Non-controlling interests

	Jan 1 to June 30, 2023
Beginning balance	$ 253,661
Profit attributable to non-controlling interests	
Net profit	(11,550)
Cash divined	-
Reduction of share capital and repayment of capital by subsidiary.	(108,000)
Ending balance	$ 134,111

XXVI. Consolidated net profit (Loss)

(I) Gain or loss from sale of securities

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Revenue - proprietary	$ 1,574,477	$ 1,788,281	$ 3,759,013	$ 4,195,407
Cost - proprietary	(1,501,689)	(1,758,700)	(3,508,251)	(4,084,572)
	$ 72,788	$ 29,581	$ 250,762	$ 110,835
Revenue - underwriting	$ 279,766	$ 42,087	$ 597,900	$ 87,027
Cost - underwriting	(230,628)	(31,823)	(481,111)	(63,946)
	$ 49,138	$ 10,264	$ 116,789	$ 23,081

(II) Interest income

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Interest income on held-to-maturity bonds	$ 13,781	$ 9,027	$ 25,904	$ 14,575
Interest income from bond investments	10,242	8,794	20,311	16,194
Interest income from financing	7,379	8,185	13,250	19,430
	$ 31,402	$ 26,006	$ 59,465	$ 50,199

(III) Net gain or loss on operating securities at fair value through profit or loss

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Operating securities - proprietary	($ 17,421)	($ 63,640)	$ 35,827	$ 101,974
Operating securities - underwriting	62,614	64,988	(18,438)	100,097
	$ 45,193	$ 1,348	$ 17,389	$ 202,071

(IV) Other operating revenue

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Other services	$ 19,092	$ 14,237	$ 24,150	$ 19,783
Foreign currency exchange gains	7	3	16	2
Default trade	(11)	(12)	(11)	(13)
Others	151	81	267	172
	$ 19,239	$ 14,309	$ 24,422	$ 19,944

(V) Financial costs

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Interest costs from bonds sold under repurchase agreement				
Debt with repurchased bonds	$ 16,391	$ 15,347	$ 31,115	$ 31,988
Interest of leasing liability	1,311	93	3,306	112
Borrowing costs	164	207	345	436
	$ 17,866	$ 15,647	$ 34,766	$ 32,536

(VI) Employee benefit expense

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Salary and Wages	$ 111,782	$ 69,760	$ 196,620	$ 145,141
Directors' remuneration	6,845	5,880	13,932	12,589
Insurance	8,274	6,022	13,136	10,371
Retirement benefits	2,346	2,262	4,763	4,555
Share-Based Payment - Equity Delivery (Note29)	-	-	-	3,641
Other personal expenditure	2,162	2,005	4,494	3,967
	$ 131,409	$ 85,929	$ 232,945	$ 180,264

The Company, if profitable in a fiscal year, shall appropriate net profit by between 1.5% to 2.5% as the employee remuneration that will be decided by the board of director, and paid out either through the form of cash or stock dividend. The Company shall appropriate net profit by 1.5% to 2.5% as the remuneration to directors. The dividend payout to employee and director is required to be reported in the shareholder meetings, after the company's accumulated loss is erased by the net profit.

For the parent company, the estimated employee compensation for the period from January 1, 2024, to June 30, 2024, is NT$7,000 thousand, and the estimated director compensation is NT$7,000 thousand. For the period from January 1, 2023, to June 30, 2023, the estimated employee compensation is NT$5,000 thousand, and the estimated director compensation is NT$5,000 thousand. These estimates are based on the aforementioned regulations and anticipated future payout amounts.

A change of the value in the consolidated financial statements, if occurring after being audited and reported, will be adjusted in the next fiscal year, according to accounting method.

In the FY2023, employee compensation and director's remuneration were approved by the board of directors on January 29, 2023, as follows:

	FY2023	
	Cash	Stock
To Employees	$ 10,560	$ -
To Directors	10,560	-

In terms of FY2021 remunerations, there is no difference between the amounts being decided by the board of directors and being recognized in financial statements.

The resolved amounts for employee compensation and director compensation for the FY2023 are consistent with the amounts recognized in the consolidated financial statements for the same year.

For information about the parent company's payout of remunerations to employees and directors, please visit the MOPS website.

(VII) Depreciation and amortization expense

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Real estate and equipment	$ 2,687	$ 2,994	$ 5,313	$ 6,240
Right-of-use asset	7,440	7,776	15,009	15,553
Intangible assets	1,434	1,278	2,862	2,471
	$ 11,561	$ 12,048	$ 23,184	$ 24,264

(VIII) Other gain and loss

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Financial income	$ 2,815	$ 4,360	$ 4,819	$ 7,054
Others	2,383	3,419	4,679	5,110
	$ 5,198	$ 7,779	$ 9,498	$ 12,164

XXVII. **Income tax**

(I) Components of income tax expenses

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Current income tax				
Current income tax on profits for the year	$ 35,226	$ 16,537	$ 69,095	$ 45,837
Deferred income tax	(281)	424	(281)	424
Unappropriated retained earnings	5	-	5	-
Deferred income tax for the year	34,950	16,961	68,819	46,261
Recognition of income tax on profit or loss				
Current income tax	(8)	7,179	842	2,429
Current income tax on profits for the year	$ 34,942	$ 24,140	$ 69,661	$ 48,690

(II) Income tax assessment

The profit tax filing cases for the parent company and its subsidiaries, including Grand Fortune Securities Investment Consulting Co., Ltd., Grand Fortune Management Corporation, and Foryou Capital Corporation, have all been approved by the tax authorities up to the FY 2022.

XXVIII. **Earnings per share**

The earnings and weighted average number of ordinary shares used to calculate earnings per share are as follows:

Net profit

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
Net profit attributable to owner of the parent company	$ 201,439	$ 120,815	$ 397,647	$ 302,599

Shares

Unit: 1,000 shares

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
The weighted average number of common shares used to calculate basic earnings per share	396,162	396,162	396,162	378,858
The impact of potentially dilutive common shares with dilutive effects:				
Employee remuneration’s	225	190	354	190

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to June 30, 2024	Jan.1 to June 30, 2023
The weighted average number of common shares used to calculate diluted earnings per share.	396,387	396,352	396,516	379,048

If the parent company has the option to distribute employee compensation in the form of shares or cash, for the purpose of calculating diluted earnings per share, it is assumed that employee compensation will be distributed in shares. The weighted average number of shares outstanding will include these potential ordinary shares that have a dilutive effect when calculating diluted earnings per share. When calculating diluted earnings per share before the decision on the number of shares to be issued for employee compensation in the next year, the dilutive effect of these potential ordinary shares will also be considered.

XXIX. **Share-based payment agreement**

Cash capital increase to retain employee stock options

On December 12, 2022, the parent company passed the resolution of the board of directors to issue new shares through cash capital increase, and in accordance with Article 267 of the Company Law, 10% of the total issued new shares were reserved for subscription by employees of the parent company and affiliated companies. If the employees give up the subscription or there is still less than one share of abnormal shares after patching up, authorize the chairman to contact a specific person to subscribe for them.

The relevant information about the parent company's cashes capital increase on February 3, 2023 to retain the employee subscription rights is as follows:

	Jan,1 to June 30, 2023	
ESOP	Unit (1,000)	Weighted average strike price (NT)
Beginning outstanding	-	$ -
Current period grant	4,233	10
Current period exercise	(4,233)	10
Ending outstanding	-	

The parent company retains the employee subscription rights due to the cash capital increase and adopts the Black-Scholes-Merton evaluation model. The input values used in the evaluation model are as follows:

	Feb. 3, 2023
Giving day stock price (NT$)	$ 10.7
Execution price (NT$)	$ 10
Expected share price volatility	27.59%
Expected duration	49 days
Expected dividend rate	-
Risk free rate	0.76%

The cost of remuneration recognized by the combined company from January 1 to June 30, 2023 was NT$ 3,641,000.

XXX. **Cash flow information**

(I) Non-Cash Transaction

The cash dividends declared by the Board of Directors remain unpaid as of June 30, 2024 (see Notes XXIII and XXV).

(II)Change of liabilities by financing activities

Jan 1 to Jun. 30, 2024

	Jan 1, 2024	Cash flow	Non-cash changes Add Lease	June 30,2024
Short-term Loan	$ 300,000	($ 300,000)	$ -	$ -
Leasing liability	65,998	(15,263)	1,189	51,924
	$ 365,998	($ 315,263)	$ 1,189	$ 51,924

Jan 1 to June 30, 2023

	Jan 1, 2023	Cash flow	Non-cash changes Add Lease	June 30,2023
Leasing liability	$ 86,366	($ 15,762)	$ 343	$ 70,947

XXXI. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern that will provide returns for shareholders and maintain an optimal structure in equity and liabilities. The Group's overall strategy has not changed.

The parent company continues to keep its own capital at enough level, to upgrade its business plan, operation budget, capital management and capital allocation.

(I). The goal of capital management

Subject to Regulations Governing Securities Firms, the parent company reports to regulators its capital adequacy ratio which is set by the company to be no less than 200%. When the ratio hits the alert level of 250%, the risk management committee will hold a meeting with business departments, to adjust portfolio positions and keep the ratio over the alert level.

(II) Policy and procedure of capital management

Through assessment of its qualified capital adequacy ratio and cash equivalents in operation risks (including market, credit and business risks), the Group evaluates its capability in facing a financial stress test and its appropriateness in risk management, to lay the groundworks for the portfolio and risk management policies among business departments.

(III). Capital adequacy ratio

The capital adequacy ratios reported by the parent company to the Taiwan Stock Exchange as of June 30, 2024, and December 31, 2023, and June 30, 2023, are as follows:

Adequacy ratio of regulatory own capital on June 30, 2024 $\dfrac{\text{Net of qualified regulatory own capital}}{\text{Cash equivalents in operation risks}}$ = 337%

Adequacy ratio of regulatory own capital on December 31, 2023 $\dfrac{\text{Net of qualified regulatory own capital}}{\text{Cash equivalents in operation risks}}$ = 356%

Adequacy ratio of regulatory own capital on June 30, 2023 $\dfrac{\text{Net of qualified regulatory own capital}}{\text{Cash equivalents in operation}}$ = 447%

risks

XXXII. Financial instruments

(I). Fair value information

1. Financial instruments not measured at fair value

The Group is of the view that the book value of financial assets and liabilities not measured at fair value is closer to fair value.

2. Financial instruments measured at recurring basis

(1). At fair value level

June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit and loss				
Stocks listed in TWSE, TPEX and Emerging Market	$ 2,258,287	$ 30,720	$ 236,747	$ 2,525,754
Bonds – listed in TPEX	200,380	-	-	200,380
Domestic un-listed stocks	-	-	83,048	83,048
American Depositary Receipt	-	-	7,130	7,130
Total	$ 2,458,667	$ 30,720	$ 326,925	$ 2,816,312
Financial assets measured at fair value through other comprehensive gains and losses				
Equity				
—Domestic unlisted stocks	$ 95,171	$ -	$ 147,533	$ 242,704
— American Depositary Receipt	-	-	179,988	179,988
Bond				
Debt instrument investments				
—Domestic Corporate bond	944,056	1,539,054	-	2,483,110
Total	$ 1,039,227	$ 1,539,054	$ 327,521	$ 2,905,802

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit and loss				
Domestic listed (exchange and over-the-counter) and emerging stock shares	$2,141,588	$ 41,353	$ 476,852	$2,659,793
Domestic Bond- TPEX	177,832	-	-	177,832
Domestic unlisted stocks	-	-	21,882	21,882
Foreign unlisted Stocks	-	-	4,554	4,554
Total	$2,319,420	$ 41,353	$ 503,288	$2,864,061
Financial assets measured at fair value through other comprehensive gains and losses				
Equity				
—Domestic Bond- TPEX	$ 87,159	$ 37,600	$ 109,159	$ 233,918

	Level 1	Level 2	Level 3	Total
—Domestic unlisted stocks	-	-	109,623	109,623
—Foreign unlisted Stocks	57,654	-	-	57,654
Bond investment				
—Domestic government Bond	266,660	-	-	266,660
—Domestic corporate bond	798,013	1,499,196	-	2,297,209
Total	$1,209,486	$1,536,796	$ 218,782	$2,965,064

June 30, 2023

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit and loss				
Domestic listed (exchange and over-the-counter) and emerging stock shares	$1,356,849	$ 41,074	$ 336,728	$1,734,651
Domestic Bond- TPEX	276,814	-	-	276,814
Domestic unlisted stocks	-	-	92,172	92,172
Foreign unlisted Stocks	62,641	-	-	62,641
Total	$1,696,304	$ 41,074	$ 428,900	$2,166,278
Financial assets measured at fair value through other comprehensive gains and losses				
Equity				
—Domestic Bond- TPEX	$ 82,449	$ 48,000	$ 118,346	$ 248,795
—Domestic unlisted stocks	-	-	29,000	29,000
—Foreign unlisted Stocks	37,584	-	-	37,584
Bond investment				
—Domestic government Bond	266,630	-	-	266,630
—Domestic corporate bond	1,502,850	743,574	-	2,246,424
Total	$1,889,513	$ 791,574	$ 147,346	$2,828,433

The transfers between fair value hierarchy levels for the period from January 1 to June 30, 2024 and from January 1 to June 30, 2023 primarily resulted from certain financial assets held by the merged company. These transfers were made to assess whether the investments in active market instruments, where orderly trading occurs between market participants, should be classified within different hierarchy levels.

(2). Transactions of financial instruments measured at fair value by the Level 3

Jan 1 to June 31, 2024

	Financial assets measured at fair value through profit or loss-Equity	Financial assets measured at fair value through other comprehensive profit or loss-Equity	Total
Beginning balance	$ 503,288	$ 218,782	$ 722,070
Buy	418,453	144,000	562,453
Sanction	3,098	-	3,098
dispose	(301,449)	(42,310)	(343,759)
Transfer out	(291,365)	-	(291,365)
Recognized in profit/loss	(5,100)	-	(5,100)
Recognized in other comprehensive profit/loss	-	7,049	7,049
Ending balance	$ 326,925	$ 327,521	$ 654,446

Jan 1 to June 30, 2023

Financial assets	Financial assets	Total

	measured at fair value through profit or loss-Equity	measured at fair value through other comprehensive profit or loss-Equity	
Beginning balance	$ 567,186	$ 110,343	$ 677,529
Buy	206,330	74,885	281,215
Transfer in	7,144	-	7,144
Sanction	(311,383)	(24,459)	(335,842)
Transfer out	(36,562)	(33,926)	(70,488)
Recognized in profit/loss	(3,815)	-	(3,815)
Recognized in other comprehensive profit/loss	-	20,503	20,503
Ending balance	$ 428,900	$ 147,346	$ 576,246

(3). The methods that are used to measure the Level 2 fair value

The methods are in relation to the market's value of financial assets that are equipped with standard clauses and terms.

(4). The methods and input for valuation in the Level 3

Investments in domestic OTC stocks and domestic unlisted (or non-OTC) stocks, where orderly market participant quotes cannot be obtained in active markets, are valued at fair value using the comparable listed company method. Investments in foreign private equity funds are valued at fair value using the asset-based approach.

The comparable listed company method involves referencing the trading prices and implied valuation multiples of stocks of companies engaged in similar or identical businesses in active markets, and adjusting for liquidity discounts to determine the value of the target company. The primary unobservable input in this method is the liquidity discount.

The asset-based approach involves assessing the total market value of the individual assets and liabilities covered by the valuation target. It also considers discounts for lack of control and liquidity to reflect the overall value of the business or enterprise.

(II). Classification of financial instruments

Financial assets	June 30, 2024	Dec 31, 2023	June 30, 2023
Financial assets measured at fair value through profit and loss			
Mandatory financial assets measured at fair value through profit and loss	$ 2,816,312	$ 2,864,061	$ 2,166,278
Measured by amortized cost (Note 1)	6,745,285	6,218,592	6,482,668
Financial assets measured at fair value through other comprehensive gains and losses	2,905,802	2,965,064	2,828,433
Financial liability			
Measured by amortized cost (Note 2)	6,777,441	6,791,582	6,046,768

Note 1: The balance means the financial assets being amortized at costs, including cash and cash equivalents, receivable securities margin loans, account receivables, other receivables, other financial assets-current, collateralized time deposits under the other current assets, collection of payment, money pending settlement, deposits for business guarantee, and refundable deposits.

Note 2: The balance means the financial liabilities being amortized at costs, including bond repurchase liabilities, deposits for securities short sale, payable money for securities collateralized in short sale, account payable, other payable items (not including salary, bonus, remuneration and tax payment), as well as those items under current liabilities account, including temporary collections for stock dividend, tender offer and receipt of advanced fee in underwriting.

(III). Purpose and policy of financial risk management

The Group’s major financial instruments include equity/debt investments, account receivable, account payable, lease liabilities, with major risk exposures related to market risk (including currency exchange rate, interest rate and price movement), credit and liquidity.

1. Market risk

The Group’s financial risks that arise from operating activities include the movements of currency exchange rate, interest rate and price of financial products.

The Group’s management and measurement in reaction to risk exposures are unchanged.

(1). Currency exchange rate risk

As of the balance sheet date, the carrying amounts of financial assets and financial liabilities exposed to interest rate risk for the consolidated entity are as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Interest rate risk with respect to fair value:			
- Financial assets	$ 5,655,480	$ 4,772,024	$ 4,868,487
- Financial liabilities	5,659,146	4,796,878	4,551,208
Interest rate risk with			
respect to cash flows:	250,120	288,543	331,062
- Financial assets	-	250,000	-

Sensitivity analysis

The analysis is based on the non-derivative instruments exposed under the interest rate at the end of the financial reporting period. The Group analyzes the sensitivity ratio on the basis of every increase or decrease in interest rate by 20 basis points, suggesting its assessment for the reasonable range of interest rate.

A. Interest rate risk at fair value

The fair value of the Company’s bond investment is under the impact of market’s interest rate change, as interest rates carried in some of the investments are fixed.

If market interest rates increase or decrease by 20 basis points, the comprehensive income for the periods from January 1 to June 30, 2024 and 2023 will decrease or increase by NT$22,533 thousand and NT$21,317 thousand, respectively, due to changes in the fair value of bond investments.

The consolidated company is exposed to fair value interest rate risk due to its holdings in puttable bonds and callable bonds. However, the company strictly controls authorized positions to effectively manage the interest rate risk associated with these activities.

B. Interest rate risk at cash flow

In the case that the market’s interest rate increases or decreases by 20 basis points, while other conditions remain unchanged, the Group’s pre-tax profit will increase or decrease by

NT$250 thousands and NT$331 thousands from Jan. 1 to June 30 in 2024 and 2023. The changes are based on the Group's risk exposures faced by demand deposits and foreign exchange-based deposits.

(2). Other risks in price movement

The risk refers to the risk of the Group's equity instruments, and convertible bonds exposed under price movements.

Sensitivity analysis

The analysis is based on the price risk exposure impacting financial assets at fair value through profit or loss at the end of financial reporting period. After considering the change of government policy in the securities market, the Group in June 30, 2024 and 2023 came up with its assessment by using the sensitivity ratio at a reasonable level of a 10% increase or decrease.

If the prices of investment securities, convertible bonds, and private equity funds increase or decrease by 10%, the pre-tax net profit for the periods from January 1 to June 30, 2024, and 2023, will increase or decrease by NT$281,631 thousand and NT$216,628 thousand, respectively, due to changes in the fair value of financial instruments measured at fair value through profit or loss. The other comprehensive income will increase or decrease by NT$290,580 thousand and NT$282,843 thousand, respectively, due to changes in the fair value of financial assets measured at fair value through other comprehensive income.

2. Credit risk

Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties on the contract obligations. At the end of the financial reporting period, the main factor for the Group to face the credit risk is related to the book value of financial assets in the consolidated balance sheet.

To reduce the risk of the financial loss, the Group adopts a policy by taking the full number of collaterals and reviewing the clients' ratings through accessible financial information and bilateral transaction records. The Group continues to monitor the credit risk as well as credit ratings of counterparties.

3. Liquidity risk

To sustain operation and reduce the impact from the volatility of cash flow, the Group maintains enough level of cash and cash equivalents, monitors the usage of banking financing loans, and ensures the compliance of loan contracts.

(1). Table of liquidity and interest rate risks.

The table refers to the maturity analysis for the non-derivative financial liabilities that are pre-determined in repayment dates and are compiled on the basis of non-discounted cash flow.

June 30, 2024

	Less than 1 month	1~3 months	3 mon. ~1 year	1~5 years	5 years ~
Non-derivative financial liabilities					
Interest-rate free liabilities	$ 1,625,382	$ -	$ -	$ -	$ -
Lease liability	2,562	5,124	23,091	21,781	-
Fixed interest rate instruments	5,364,001	301,731	-	-	-
	$ 6,991,945	$ 306,855	$ 23,091	$ 21,781	$ -

December 31, 2023

	Less than 1 month	1~3 months	3 mon. ~1 year	1~5 years	5 year ~
Non-derivative financial liabilities					
Interest-rate free liabilities	$1,744,703	$ -	$ -	$ -	$ -
Leasing liability	2,624	5,246	22,763	36,318	-
Floating rate instruments	250,000	-	-	-	-
Fixed interest rate instruments	4,761,588	40,149	-	-	-
	$6,758,915	$ 45,395	$ 22,763	$ 36,318	$ -

June 30, 2023

	Less than 1 month	1~3 months	3 mon. ~1 year	1~5 years	5 years ~
Non-derivative financial liabilities					
Interest-rate free liabilities	$ 1,495,560	$ -	$ -	$ -	$ -
Lease liability	2,699	5,076	21,894	42,268	-
Fixed interest rate instruments	4,155,331	400,720	-	-	-
	$ 5,653,590	$ 405,796	$ 21,894	$ 42,268	$ -

(2). Amount of financing loans

	June 30, 2024	December 31, 2023	June 30, 2023
Collateralized loans			
- Used amount	$ -	$ 300,000	$ -
- Unused amount	1,565,000	1,285,000	1,250,000
	$ 1,565,000	$ 1,585,000	$ 1,250,000

XXXIII. Transaction with related parties

All transactions, account balances, revenues, and expenses between the company and its subsidiaries have been eliminated in consolidation and are therefore not disclosed in these notes. Apart from those already disclosed in other notes, the transactions between the consolidated company and other related parties are as follows:

(I). Name and relation of the related parties

Name of related party	Relation with the Group
Foryou venture capital Limited Partnership	Associate
Foryou Private Equity Limited Partnership	Associate
Beiley Biofund Inc.	Since October 4, 2023, the entity has been an affiliate of the consolidated company.

(II). Revenue

Account item	Name of associate	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to Jun. 30, 2024	Jan.1 to Jun. 30, 2023
Consulting fee	Foryou venture capital Limited Partnership	$ 21,226	$ 2,118	$ 23,702	$ 4,594
Consulting fee	Foryou Private Equity Limited Partnership	$ 4,761	$ 1,905	$ 8,571	$ 3,810

Main revenue generated from related party is consulting fee that is separately negotiated under contract price and is paid in a period same as that from non-related parties.

(III). Non-operating gains and losses

Account item	Name of associate	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to Jun. 30, 2024	Jan.1 to Jun. 30, 2023
Other non-operating income	Beiley Biofund Inc.	$ 120	$ -	$ 240	$ -

(IV) Receivables from related parties

Types of related parties	June 30, 2024	December,31, 2023	June 30, 2023
Accounts receivable			
Associate	$ 20,822	$ 36,120	$ -
Another receivable			
Associate	$ 40	$ 61	$ -

(V) Acquisition of financial assets

January1 to June 30, 2023

Category of related parties	Accounting items or account items	Number of shares traded	Target	Purchase price or acquisition cost
Associate	Financial assets measured at fair value through profit or loss－Current	805,000	TFBS Bioscience	$ 45,885

(VI) Other

Item	Types of related parties	June 30, 2024	December,31, 2023	June 30, 2023
Pre-receivable	Associate	$ 378	$ -	$ -

(VII). Remuneration to management

	April 1 to June 30, 2024	April 1 to June 30, 2023	Jan.1 to Jun. 30, 2024	Jan.1 to Jun. 30, 2023
Salary	$ 13,951	$ 10,467	$ 28,335	$ 22,922
Allowance for business execution	31	63	105	133
Share-based payment	-	-	-	559
	$ 13,982	$ 10,530	$ 28,440	$ 23,614

Remunerations granted to directors and the management team are determined by personal performances and market conditions.

XXXIV. Assets collateralized as security

To secure short-term borrowings and financing, the Group applies with the banks to issue guaranteed commercial papers by providing the following assets as collaterals as stated at the end of financial reporting period.

	June 30, 2024	December 31, 2023	June 30, 2023
Time deposits (classified in other current assets)	$ 417,500	$ 450,000	$ 397,500
Financial assets measured at fair value through other comprehensive income	-	9,991	9,998
	$ 417,500	$ 459,991	$ 407,498

XXXV. Significant contingent liabilities and unrecognized contract commitments: None

XXXVI. Significant disaster loss: None

XXXVII. Significant everts after the end of the financial reporting period

On July 11, 2024 the parent company decided by the board of directors to issue its first domestic unsecured convertible bonds. The total issuance amount is NT$500,000,000, with each convertible bond having a face value of NT$100,000, a coupon rate of 0%, and a term of three years. The issuance will be conducted through a public auction with a minimum bid price set at no less than 100% of the face value. The actual total issuance amount will be determined based on the results of the auction.

XXXVIII. Information about significant foreign currency-based assets

The following information is presented in foreign currencies other than the functional currency, and the disclosed exchange rates refer to the rates at which these foreign currencies are translated into the functional currency. Significant foreign currency assets are as follows:

June 30, 2024

Unit: foreign currency / NT$1,000

Foreign currency-based assets	Foreign currency	Exchange rate	Book value
Non-Currency Item			
US dollar	$ 220	32.40	$ 7,130

December 31, 2023

Unit: foreign currency / NT$1,000

Foreign currency-based assets	Foreign currency	Exchange rate	Book value
Non-Currency Item			
US dollar	$ 2,026	30.74	$ 62,208

June 30, 2023

Unit: foreign currency / NT$1,000

Foreign currency-based assets	Foreign currency	Exchange rate	Book value
Non-Currency Item			
US dollar	3,225	31.08	100,225

XXXIX. Supplementary disclosures

(I). Significant transactions information

1. Financing provided to other parties: None
2. Endorsement and guarantees provided: None
3. Acquisition of real estate properties at costs of at least NT$300 million or 20% of the paid-in capital: None
4. Disposal of real estate properties at prices of at least NT$300 million or 20% of the paid-in capital: None

5. Rebate of transaction fee to related parties by over NT$5 million: None
6. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: None
7. Significant business relation, transaction and cash amounts in parent-subsidiary company and intercompany: Please see Table 2.

(II) information on investees

1. When directly or indirectly having significant influence or control over the investee company, the relevant information of the investee company shall be disclosed: Table 1.
2. For those with direct or indirect control over the investee company, relevant information on the major transactions of the investee company:
   (1) Invested company's capital loan to others: none.
   (2) The investee company endorses guarantees for others: none.
   (3) The amount of real estate acquired by the investee company is NT$300 million or more than 20% of the paid-in capital: none.
   (4) The amount of real estate disposed of by the investee company is NT$300 million or more than 20% of the paid-in capital: none.
   (5) The total transaction fee discount between the investee company and its related parties is more than NT$5 million: none.
   (6) The investee company's receivables from related parties' amount to NT$100 million or more than 20% of the paid-in capital: none. (III). Information about overseas branches and representative offices: None

(IV). Information about investment in China: None

(V). Information about major shareholder: For information about names, holdings and stake by the shade holders with an over-5% stakes, please see Table 3.

XXXX. Department information

The information is provided to the Group's policy-making team for the purpose of resource allocation and performance assessment. The departments that are required to report operation information are stated below.

Brokerage: Brokerage for marketable securities trading.
Underwriting: Underwriting for marketable securities.
Proprietary trading: Trading of marketable securities for its own account.
Others: Operating activities not belonging to brokerage, underwriting and proprietary trading.

Revenue and operating results by department

Information by the Group's departments that is required for reporting

	Jan. 1 to June 30, 2024					
	Brokerage Dept.	Underwriting Dept.	Investment Dept.	Others	Elimination of Inter-department Transaction	Total
Revenue from non-corporate customers	$ 111,943	$ 353,144	$ 333,957	$ 23,839	$ -	$ 822,883
Inter-departmental revenue	-	-	-	9,030	(9,030)	-
Total Revenue	111,943	353,144	333,957	32,869	(9,030)	822,883
Expenses	(45,725)	(93,760)	(47,339)	(177,781)	9,030	(355,575)
Profit/Loss	$ 66,218	$ 259,384	$ 286,618	($ 144,912)	$ -	$ 467,308

	Jan. 1 to June 30, 2023					
	Brokerage Dept.	Underwriting Dept.	Investment Dept.	Others	Elimination of Inter-department Transaction	Total
Revenue from non-	$ 69,586	$ 278,591	$ 224,297	$ 52,179	$ -	$ 624,653

corporate customers						
Inter-departmental revenue	-	-	-	63,253	(63,253)	-
Total Revenue	69,586	278,591	224,297	115,432	(63,253)	624,653
Expenses	(37,508)	(85,159)	(40,385)	(185,115)	63,253	(284,914)
Profit/Loss	$ 32,078	$ 193,432	$ 183,912	($ 69,683)	$ -	$ 339,739

Note: The Group's policy-making team will not rely on the assets and liabilities in departments to make decisions, so that there is no need to disclose the assets and liabilities in departments.

Grand Fortune Securities Co., Ltd. and subsidiary
Information about names and locations
From January 1 to June 30, 2024

Table 1

Unit: NT$1,000, unless otherwise note

vesting Company	Names of investee	Location	Set-up date	FSC's approval number	Main operation	Initial investment amount		Investment amount at end of current year			Revenue by investee at end of current year	Profit or loss by investee	Recognition of profit or loss in current year	Cash dividend in current year	Remark
						End of current year	End of last year	Shares	Stake %	Book value					
Grand Fortune Securities Co., Ltd	Grand Fortune Securities Investment Consulting Co., Ltd.	Taiwan	Mar. 5,2010	(Note 2)	Securities Consultant Business	$79,544	$79,544	9,480,000	100	$99,374 (Note1)	$10,498	$136	$136 (Note 1)	$1,242	Subsidiary
	Grand Fortune Management Corporation	Taiwan	Oct.15, 2013	FSC No. 1020029470 (Note 5)	Investment advisory and management consulting services	512,304	512,304	61,945,139	100	800,414 (Note1)	21,376	6,728	6,728 (Note 1)	-	Subsidiary
	Foryou Capital Corporation	Taiwan	Jan. 22 2020	(Note5)	General Investment Business	200,000	200,000	25,905,420	100	363,777 (Note1)	-	(12,746)	(12,746) (Note 1)	-	Subsidiary
Grand Fortune Venture Capital Consultant Co., Ltd	Beiley Biofund Inc.	Taiwan	Oct.15, 2013	FSC No. 1020029470	Venture Capital	420,612	420,612	48,773,889	24.39	517,754	4,994	1,402	342	-	Associates accounted for using equity method
	Foryou venture capital Limited Partnership	Taiwan	Mar. 13, 2019	(Note 5)	General Investment Business	32,692	50,000	(Note 3)	9.62	36,116	1,260	(42,259)	(4,064)	11,652	Associates accounted for using equity method (Note 4)
	Foryou Private Equity Limited Partnership	Taiwan	Aug. 9, 2022	(Note 5)	General Investment Business	100,000	70,000	(Note 3)	10	109,319	3,543	(5,064)	(506)	414	Subsidiary (Note 4)

Note 1: Inclusion in the preparations of the consolidated financial statements
Note 2: Acquired in March 2010
Note 3: A partnership
Note 4: 1. GP 2. Following June, 1, 2018, FSC No. 1070320901
Note 5: In accordance with the approval from October 24, 107 FSC. No. 1070334245, Grand Fortune Management Corporation was authorized to conduct a cash capital increase and proceed with reinvestment according to the funding purposes outlined in its investment plan.

Grand Fortune Securities Co., Ltd. and subsidiary
Transactions between parent company and subsidiary
From January 1 to June 30, 2024

Table 2

Unit: NT$1,000, unless otherwise noted

Number (Note 1)	Company name	Related party	Relation (Note 2)	Transaction			
				Item	Amount (Note3)	Condition (Note 4)	% Of consolidated revenue or assets
0	Grand Fortune Securities Co., Ltd	Grand Fortune Securities Investment Service Co., Ltd	1	Labor cost	$ 8,970	—	1
			1	Other receivables	31	—	-
			1	Other business revenue	30	—	-
		Grand Fortune Management Corporation	1	Other receivables	14	—	-
			1	Other business revenue	30	—	-
		Foryou Capital Corporation.	1	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Current	52,500	—	-
1	Grand Fortune Securities Investment Consulting Co., Ltd.	Parent Company	2	Consulting fee	8,970	—	1
			2	Other payables	31	—	-
			2	Other operating expenses	30	—	-
2	Grand Fortune Management Corporation	Parent Company	2	Labor cost	30	—	-
			2	Other payables	14	—	-
3	Foryou Capital Corporation	Parent Company	2	Financial assets measured at fair value through other comprehensive income - non-current.	52,500	—	-

Note 1: Grand Fortune Securities Co., Ltd. and its subsidiaries are coded as follows:
1. Parent company is coded 0
2. The subsidiaries are coded consecutively beginning from 1 in the order presented in the table above.

Note 2: Transactions are categorized as follows:
1. Parent company to subsidiary
2. Subsidiary to parent company
3. Subsidiary to subsidiary

Note 3: Inclusion in the preparations of the consolidated financial statements

Note 4: Transactions are negotiated between parent company and subsidiary

Grand Fortune Securities Co., Ltd. and subsidiary
Information for major shareholder
June 30, 2024

Table 3

Name of major shareholder	Shares	
	Holdings (shares)	Stake (%)
Huang Hisen-Hua	28,320,243	7.14%

Note 1: Provided by Taiwan Depository & Clearing Corp. at the last trading day in each quarter, the information indicates major shareholders with a combined stake of over 5% that is shown by the paperless registration (including treasury stock) of holdings in common and preferred shares. A difference might exist about the holdings amount at between the securities house' financial statements and the paperless registration being completed.

Note 2: If entrusted, the holdings of the shareholder must be disclosed separately at the trustee's account. For information about a transfer by an over-10%-stake insider, along with personal holdings and shares being entrusted, please refer to the MOPS website.