Stock Code:6026

Grand Fortune Securities Co., Ltd. and Subsidiaries

Consolidated Financial Statements and Auditors' Report

2024 and 2023

Address: 5th, 6th, 7th Floors, No. 6, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei City

TEL:02-23836888

Notice to Readers

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

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REPRESENTATION LETTER

For the year ended December 31, 2024, the entities required to be included in the consolidated financial statements of affiliated enterprises, in accordance with the "Regulations Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises," are the same as those already included in the consolidated financial statements of the parent and subsidiaries under International Financial Reporting Standard 10. As all required disclosures for the consolidated financial statements of affiliated enterprises have been fully addressed in the consolidated financial statements of the parent and subsidiaries, the Company has determined that separate consolidated financial statements for affiliated enterprises are not necessary.

Very truly yours,

Company Name: Grand Fortune Securities Co., Ltd.

Chairman: Huang Bing-Jing

March 15, 2025

Independent Auditors' Report

To The Board of Directors and Shareholders of Grand Fortune Securities Co., Ltd.

Audit opinion

We have audited the accompanying consolidated balance sheets of Grand Fortune Securities Co., Ltd. and its subsidiaries (the Group) as of December 31, 2024 and 2023, the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years ended December 31, 2024 and 2023, and the related notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and consolidated cash flows for the years ended December 31, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretations Bulletin endorsed and issued into effect by the Financial Supervisory Commission.

Basis for the Audit Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards. The responsibilities of the auditor under those standards will be further described in the section on the auditors' responsibilities for the audit of the consolidated financial statements. The personnel of the firm to which our accountant belongs, who are subject to independence regulations, have maintained impartial independence with the Group in accordance with the Code of Ethics for Professional Accountants and have fulfilled other responsibilities under those regulations. The accountant believes that sufficient and appropriate audit evidence has been obtained to provide a basis for the audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the Group's Consolidated Financial Statements for the Year Ended December 31, 2024. These matters were addressed in the context of the audit of the consolidated financial statements as a whole and in forming the audit opinion, and the auditor does not provide a separate opinion on these matters.

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the Group's Consolidated Financial Statements for the Year Ended December 31, 2024, and are addressed as follows:

Key audit matters - estimation of fair value of financial assets

As of December 31, 2024, the Group held financial assets classified as level 3 valued at NT$721,086 thousand. The estimation of the fair value of these financial assets, for which quoted prices in orderly transactions among market participants are not available in active markets, has a significant impact on the consolidated financial statements.

The Group primarily uses valuation models to determine the fair value of the aforementioned financial instruments. If the parameters used in the valuation models are not directly or indirectly observable inputs, adjustments are required. Since the selection and adjustment of these parameters involve significant management estimates and judgments, we have determined this to be a key audit matter.

Refer to Note 5 of the Notes to Consolidated Financial Statements for an explanation of the material accounting judgments and key sources of estimation and uncertainty related to the fair value of financial instruments for the Group. Disclosure of the fair value of financial instruments is referenced in Notes 34 of the Notes to Consolidated Financial Statements.

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

1. Understand management's decisions and approval regarding valuation models and their assumptions, the controls related to changes in valuation models and their assumptions, and management's review of the valuation results.
2. Select samples for recalculation and compare with management's evaluation results, including reviewing their evaluation methods, understanding and assessing the reasonableness of key evaluation assumptions, and verifying whether the recalculated differences fall within an acceptable scope of review.

Other Matter

Grand Fortune Securities Co., Ltd. has prepared the standalone financial statements for the years ended December 31, 2024 and 2023, and we have issued an unqualified audit report thereon for reference.

Responsibilities of Management and Governance Units for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretations Bulletin endorsed and issued into effect by the Financial Supervisory Commission. Management must also maintain the necessary internal control related to the preparation of consolidated financial statements to ensure that there are no material misstatements caused by fraud or error.

When preparing the consolidated financial statements, management's responsibilities also include assessing the ability of the Group to continue as a going concern, the disclosure of related matters, and the adoption of the going concern basis of accounting, unless management intends to liquidate the Group or to cease operations, or has no realistic alternative but to liquidate or cease operations.

The governance units of the Group, including the audit committee, are responsible for overseeing the financial reporting process.

Independent Auditor's Responsibility for Auditing the Consolidated Financial Statements

The purpose of the auditor's audit of the consolidated financial statements is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report. Reasonable assurance is a high level of assurance, but an audit conducted in accordance with auditing standards does not guarantee that a material misstatement in the consolidated financial statements will be detected. Misstatements may arise from fraud or error. If an individual amount or aggregate of misstatements can reasonably be expected to influence the economic decisions of users of the consolidated financial statements, they are considered to be material.

When conducting audits in accordance with auditing standards, we exercised professional judgment and maintained professional skepticism. The auditor also performed the following tasks:

1. Identified and assessed the risks of material misstatement of the consolidated financial statements due to fraud or error; designed and implemented appropriate responses to the assessed risks; and obtained sufficient and appropriate audit evidence to provide a basis for the audit opinion. Because fraud may involve collusion, forgery, intentional omission,

misrepresentation, or the override of internal controls, the risk of not detecting material misstatements due to fraud is higher than that due to error.

2. Obtained an understanding of internal control relevant to the audit in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluated the appropriateness of the management's adopted accounting policies and the reasonableness of its accounting estimates and related disclosures.
4. Based on the audit evidence obtained, concluded on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty existed related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If the auditor believed that a material uncertainty existed related to those events or conditions, they were required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures were inadequate, to modify the audit opinion. The accountant's conclusion was based on the audit evidence obtained as of the date of the independent auditors' report. However, future events or conditions may cause the Group to no longer be able to continue as a going concern.
5. Evaluated the overall presentation, structure, and content of the consolidated financial statements, including the related notes, and whether the consolidated financial statements appropriately represented the related transactions and events.
6. Obtained sufficient and appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

The matters communicated by the accountant with the governing body include the planned audit scope and timing, as well as significant audit findings, including any significant deficiencies in internal control identified during the audit process.

The accountant also provides the governing body with a statement of compliance with the independence requirements by the personnel of the accounting firm to which the accountant belongs, as per the Code of Ethics for Professional Accountants regarding independence, and communicates all relationships and other matters that may be perceived to affect the accountant's independence (including related safeguards) with the governing body.

Key audit matters are those matters that, in our professional judgment, were determined based on our communication with the governing units and were of most significance in the audit of the Group's Consolidated Financial Statements for the Year Ended December 31, 2024. The accountant describes these matters in the audit report, unless law or regulation prohibits public disclosure of a specific matter, or in extremely rare circumstances, the accountant determines not to communicate a specific matter in the audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche Taipei, Taiwan

Accountant Hsieh Chien-Hsin	Accountant Chen Chiang-Hsun
Number of the Securities and Futures Bureau's approval document Tai-Chai-Jeng-Leo-Zi No. 0920123784	Number of the Financial Supervisory Commission's approval document Jing-Guan-Jeng-Sheng-Zi No. 1060023872

March 15, 2025

Grand Fortune Securities Co., Ltd. and Subsidiaries

CONSOLIDATED BALANCE SHEET

December 31, 2024 and 2023

Unit: NT$1,000

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets				
111100	Cash and cash equivalents (Note 4 and 6)	$ 588,054	5	$ 375,585	3
112000	Financial assets at FVTPL - Current (Notes 4,5 ,7, 34)	1,686,663	14	2,808,083	22
113200	Financial assets at FVTOCI - Current (Notes 4, 5, 8, 9, 34, 35, 36)	3,048,275	24	2,817,841	22
113300	Financial assets at amortized cost - Current (Notes 4, 10, 34)	46,000	-	46,000	-
114010	Bonds with repurchase agreement investments (Notes 4 and 11)	2,524,504	20	2,107,795	16
114030	Securities financing receivables (Notes 4, 12)	1,213,464	10	1,146,862	9
114130	Accounts receivable (Notes 4, 12, 35)	450,978	4	507,631	4
114170	Other receivables (Notes 4, 12, 35)	29,159	-	20,135	-
114600	Income tax assets (Note 28)	8,614	-	472	-
119000	Other current assets (Notes 19, 36)	1,588,135	13	1,789,924	14
110000	Total current assets	11,183,846	90	11,620,328	90
	Non-current assets				
122000	Financial assets at FVTPL - Non-current (Notes 4, 5, 7, 34)	89,346	1	55,978	1
123200	Financial assets at FVTOCI - non-current (Notes 4, 5, 8, 34)	194,383	2	147,223	1
124100	Investments accounted for using equity method (Notes 4, 14)	673,922	5	669,601	5
125000	Property, plant, and equipment (Notes 4, 15)	16,112	-	20,963	-
125800	Right-of-use assets (Notes 4, 16)	36,290	-	64,130	1
127000	Intagible assets (Notes 4, 17)	11,772	-	13,967	-
128000	Deferred income tax assets (Notes 4, 28)	1,656	-	1,920	-
129010	Operating deposits (Note 18)	180,000	2	180,000	1
129020	Settlement fund (Note 18)	40,119	-	39,266	-
129030	Refundable deposits (Note 18)	8,246	-	9,187	-
129070	Net defined benefit assets - Non-current (Notes 4, 25)	17,962	-	15,838	-
129990	Other non-current assets (Note 19)	40	-	84,540	1
120000	Total non-current assets	1,269,848	10	1,302,613	10
906001	Total	$ 12,453,694	100	$ 12,922,941	100

Code	Liabilities and equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities				
211100	Short-term loans (Note 20)	$ -	-	$ 300,000	2
212000	Financial liabilities at FVTPL (Notes 4, 7, 34)	49,946	-	-	-
214010	Liabilities from bonds purchased under resale agreements (Notes 4, 21)	4,799,538	39	4,746,879	37
214040	Margin deposits for short sales	1,798	-	217	-
214050	Margin deposits for short sales (Note 4)	1,987	-	240	-
214130	Accounts payable (Note 22)	299,102	3	388,149	3
214170	Other payables (Note 23)	293,867	2	321,454	3
214600	Income tax payable (Note 28)	85,773	1	62,980	1
216000	Lease liabilities - Current (Notes 4, 16)	30,730	-	30,033	-
219000	Other current liabilities (Note 24)	1,170,065	9	1,339,308	10
210000	Total current liabilities	6,732,806	54	7,189,260	56
	Non-current liabilities				
226000	Lease liabilities - Non-current (Notes 4, 16)	6,845	-	35,965	-
906003	Total liability	6,739,651	54	7,225,225	56
	Equity attributable to shareholders of the parent (Note 26)				
301010	Common stock	3,961,619	32	3,961,619	31
302000	Capital surplus	153,832	1	153,832	1
	Retained earnings				
304010	Legal reserve	162,932	2	89,964	1
304020	Special reserve	776,875	6	630,981	5
304040	Unappropriated earnings	619,859	5	729,681	5
304000	Total	1,559,666	13	1,450,626	11
	Others				
305140	Unrealized net gain on financial assets at FVTOCI	38,926	-	131,639	1
906004	Total equity	5,714,043	46	5,697,716	44
906002	Total	$ 12,453,694	100	$ 12,922,941	100

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

Chairman: Huang Bing-Jing　　Manager: Huang Bing-Jing　　Accounting Supervisor: Chu Shih-Cheng

Grand Fortune Securities Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

January 1 to December 31, 2024 and 2023

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

Code		2024 Amount	2024 %	2023 Amount	2023 %
	Income (Note 4)				
401000	Brokerage commission income	$ 135,462	12	$ 118,841	9
404000	Underwriting revenue	239,818	21	258,932	19
411000	Net gains on the sale of securities - proprietary trading (Note 27)	476,710	41	330,871	24
412000	Net gains on the sale of securities - underwriting (Note 27)	148,431	13	65,279	5
421100	Stock transfer agency fee income (Note 35)	165,895	14	149,207	11
421200	Interest income (Note 27)	123,994	11	105,483	8
421300	Dividend income	35,242	3	41,967	3
421500	Net gain (loss) on trading securities at FVTPL (Note 27)	(289,785)	(25)	197,483	14
421750	Net loss on investments in debt instruments at FVTOCI	(6,839)	(1)	(3,705)	-
424100	Futures commission revenue	440	-	367	-
424800	Management fee income	6,870	1	4,524	-
424900	Consulting fee income (Note 35)	60,991	5	56,155	4
425300	Expected credit loss and reversal gain (Notes 9, 12)	1,476	-	(331)	-
428000	Other operating income (Notes 27, 35)	53,622	5	40,786	3
400000	Total income	1,152,327	100	1,365,859	100
	Expenses and costs				
501000	Brokerage handling fee expenses	9,747	1	7,326	-
502000	Proprietary trading handling fee expenses	375	-	86	-
503000	Securities lending handling fee expenses	8	-	24	-
521200	Finance Costs (Note 27)	71,513	6	63,814	5
531000	Employee benefits expenses (Notes 4, 27, 30)	385,612	34	423,690	31
532000	Depreciation and amortization expense (Notes 15, 16, 17, 27)	46,451	4	47,676	3
533000	Other operating expenses	116,063	10	103,940	8
500000	Total expenses and costs	629,769	55	646,556	47
5XXXXX	Operating profit	522,558	45	719,303	53

(Concluded)

(Concluded)

Code		2024 Amount	2024 %	2023 Amount	2023 %
	Non-operating income and expenses				
601000	Share of profit of equity-method associates (Notes 4, 14)	$ 11,377	1	$ 9,161	1
602000	Other income and expenses (Notes 27, 35)	20,528	2	8,921	-
600000	Total non-operating income and expenses	31,905	3	18,082	1
902001	Income before income tax	554,463	48	737,385	54
701000	Income tax expense (Notes 4, 28)	(116,570)	(10)	(103,682)	(8)
902005	Net income for the year	437,893	38	633,703	46
	Other comprehensive income (loss)				
	Items that will not be reclassified subsequently to profit or loss:				
805510	Remeasurements of defined benefit plans (Notes 4, 25)	1,933	-	(226)	-
805540	Unrealized valuation gain on investments in equity instruments at FVTOCI	81,728	7	111,035	8
805550	Share of other comprehensive income (loss) of equity-method associates - items that will not be reclassified subsequently to profit or loss (Notes 4, 14)	13,317	1	39,235	3
	Items that may be reclassified subsequently to profit or loss:				
805615	Unrealized gain (loss) on debt instruments at FVTOCI	(11,457)	(1)	27,153	2
805000	Total other comprehensive income (loss)	85,521	7	177,197	13
902006	Total comprehensive income (loss) for the year	$ 523,414	45	$ 810,900	59
	NET INCOME ATTRIBUTABLE TO:				
913100	Shareholders of the parent	$ 437,893	38	$ 625,603	46
913200	Non-controlling interests (Notes 13, 26)	-	-	8,100	-
913000		$ 437,893	38	$ 633,703	46

(Concluded)

(Concluded)

Code		2024 Amount	2024 %	2023 Amount	2023 %
	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
914100	Shareholders of the parent	$ 523,414	45	$ 802,800	59
914200	Non-controlling interests (Notes 13, 26)	-	-	8,100	-
914000		$ 523,414	45	$ 810,900	59
	Earnings per share (Note 29)				
975000	Basic EPS	$ 1.11		$ 1.61	
985000	Diluted EPS	$ 1.10		$ 1.61	

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

Chairman: Huang Bing-Jing Manager: Huang Bing-Jing Accounting Supervisor: Chu Shih-Cheng

Grand Fortune Securities Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

January 1 to December 31, 2024 and 2023

Unit: NT$1,000

		Equity Attributable to Shareholders of the Parent							
				Retained Earnings (Note 26)			Other Equity (Note 26)		
Code		Capital Stock (Note 26)	Capital Surplus (Note 26)	Legal Reserve	Special reserve	Unappropriated earnings (accumulated deficit)	Unrealized Gain (Loss) on Financial Assets at FVTOCI	Non-controlling Interests (Notes 13, 26)	Total equity
A1	Balance at January 1, 2023	$ 3,601,619	$ 147,600	$ 290,386	$ 630,981	($ 200,422)	$ 58,520	$ 253,661	$ 4,782,345
	2022 surplus distribution								
B1	Legal reserve	-	-	(200,422)	-	200,422	-	-	-
D1	Net profit for 2023	-	-	-	-	625,603	-	8,100	633,703
D3	Other comprehensive income for 2023	-	-	-	-	(226)	177,423	-	177,197
D5	Total comprehensive income for 2023	-	-	-	-	625,377	177,423	8,100	810,900
E1	Cash capital increase	360,000	-	-	-	-	-	-	360,000
M7	Recognition of changes in ownership interest in subsidiaries	-	2,591	-	-	-	-	3,692	6,283
N1	Share-based payment	-	3,641	-	-	-	-	-	3,641
O1	Changes in non-controlling interests	-	-	-	-	-	-	(157,453)	(157,453)
T1	Capital reduction of subsidiaries and return of capital	-	-	-	-	-	-	(108,000)	(108,000)
Q1	Disposal of equity instruments at fair value through other comprehensive profit or loss	-	-	-	-	104,304	(104,304)	-	-
Z1	Balance at December 31, 2023	3,961,619	153,832	89,964	630,981	729,681	131,639	-	5,697,716
	2023 surplus distribution								
B1	Legal reserve	-	-	72,968	-	(72,968)	-	-	-
B3	Special reserve	-	-	-	145,894	(145,894)	-	-	-
B5	Cash dividends to shareholders of the parent company	-	-	-	-	(507,087)	-	-	(507,087)
		-	-	72,968	145,894	(725,949)	-	-	(507,087)
D1	Net profit for 2024	-	-	-	-	437,893	-	-	437,893
D3	Other comprehensive income for 2024	-	-	-	-	1,933	83,588	-	85,521
D5	Total comprehensive income for 2024	-	-	-	-	439,826	83,588	-	523,414
Q1	Disposal of equity instruments at fair value through other comprehensive profit or loss	-	-	-	-	176,301	(176,301)	-	-
Z1	Balance at December 31, 2024	$ 3,961,619	$ 153,832	$ 162,932	$ 776,875	$ 619,859	$ 38,926	$ -	$ 5,714,043

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

Chairman: Huang Bing-Jing Manager: Huang Bing-Jing Accounting Supervisor: Chu Shih-Cheng

Grand Fortune Securities Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

January 1 to December 31, 2024 and 2023

Unit: NT$1,000

Code		2024	2023
	Cash flows from operating activities		
A10000	Income before income tax for the year	$ 554,463	$ 737,385
A20010	Revenue and expense items		
A20100	Depreciation expense	40,718	42,511
A20200	Amortization expense	5,733	5,165
A20300	Expected credit loss and reversal gain	(1,476)	331
A20400	Net loss (gain) on financial assets and liabilities at FVTPL	289,785	(197,483)
A20900	Interest expense	71,513	63,814
A21200	Interest income (including financial income)	(134,854)	(119,097)
A21300	Dividend income	(35,242)	(41,967)
A21900	Compensation cost of employee stock options	-	9,924
A22300	Share of profits from equity-accounted associates	(11,377)	(9,161)
A23100	Gain on disposals of investments	-	(205)
A23200	Loss on disposal of equity-accounted subsidiaries	-	27,668
A29900	Leases Modifications profit	-	(187)
A29900	Bargain purchase gain	-	(12,868)
A60000	Net change in operating assets and liabilities:		
A61110	Financial assets at FVTPL	798,286	(1,337,823)
A61130	Bonds purchased under resale agreements	(416,709)	950,160
A61150	Securities financing receivables	(65,247)	(336,722)
A61170	Receivables from refinancing collateral	-	66
A61250	Accounts receivable	56,558	(206,251)
A61280	Net defined benefit assets	(191)	(198)
A61290	Other receivables	583	(798)
A61365	Financial assets at FVTOCI	(207,107)	(600,088)
A61370	Other current assets	167,289	(722,902)
A61990	Other non-current assets	84,500	(94,500)
A62110	Liabilities from bonds sold under repurchase agreements	52,659	137,206
A62130	Financial liabilities measured at fair value through profit or loss	49,927	-

(Concluded)

(Concluded)

Code		2024	2023
A62160	Margin deposits for short sales	$ 1,581	($ 2,375)
A62170	Margin deposits for short sales	1,747	(2,527)
A62230	Accounts payable	(89,047)	151,739
A62270	Other payables	(27,587)	127,725
A62320	Other current liabilities	(169,243)	664,093
A33000	Cash inflows (outflows) generated from operations	1,017,262	(767,365)
A33100	Interest received	114,411	93,967
A33200	Dividends received	35,242	41,967
A33500	Income taxes paid	(101,655)	(110,640)
AAAA	Net cash inflows (outflows) from operating activities	1,065,260	(742,071)
	Cash flows from investing activities		
B00050	Decrease in financial assets at amortized costs	-	66,500
B01800	Increase in investments accounted for using equity method	(30,000)	(30,000)
B01900	Decrease in investments accounted for using equity method	29,807	-
B02300	Net cash outflows from the disposal of a subsidiary	-	(304,933)
B02700	Increase from real estate and equipment	(6,075)	(3,062)
B03500	Gain from settlement fund	(18,961)	(1,747)
B03600	Losses from Settlement fund	18,108	1,443
B03800	Reduction in deposited margin	941	250
B04500	Received Intangible assets	(3,538)	(5,464)
B07500	Interest received	10,836	13,541
B07600	Dividends received from associates	20,566	2,930
B09900	Decrease in other current assets	34,500	-
BBBB	Net cash inflows (outflows) from investing activities	56,184	(260,542)
	Cash flows from financing activities		
C00100	Increase in short-term loans	6,150,000	2,270,000
C00200	Decrease in short-term loans	(6,450,000)	(1,970,000)
C04020	Repayment of the principal portion of lease liabilities	(30,375)	(31,426)
C04500	Cash dividends	(507,087)	-
C04600	Cash capital increase	-	360,000
C05600	Interest paid	(71,513)	(63,814)
C09900	Capital reduction of subsidiaries and return of non-controlling interests	-	(108,000)
CCCC	Net cash inflows (outflows) from financing activities	(908,975)	456,760

(Concluded)

(Concluded)

Code		2024	2023
EEEE	Net increase (decrease) in cash and cash equivalents amount	$ 212,469	($ 545,853)
E00100	Cash and cash equivalents, beginning of period	375,585	921,438
E00200	Cash and cash equivalents, end of period	$ 588,054	$ 375,585

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

Chairman: Huang Bing-Jing   Manager: Huang Bing-Jing   Accounting Supervisor: Chu Shih-Cheng

Grand Fortune Securities Co., Ltd. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

January 1 to December 31, 2024 and 2023

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

I. Company history

Grand Fortune Securities Co., Ltd. (the "Parent Company") was established on September 5, 1989, originally under the name San Yang Securities Corporation, and was renamed Grand Fortune Securities Co., Ltd. on August 12, 2003. The Parent Company and its subsidiaries are collectively referred to as the "Group."

The Parent Company is a comprehensive securities firm, and its business operations include: 1. Underwriting securities; 2. Proprietary trading of securities; 3. Brokerage trading of securities; 4. Stock affairs agency; 5. Other securities-related businesses approved by the government authorities. The Parent Company's shares were listed on the Taipei Exchange (TPEx) on January 27, 2016.

This consolidated financial report is expressed in the functional currency of the Parent Company, the New Taiwan Dollar.

II. Authorization of financial statements

The accompanying consolidated financial report was approved by the Board of Directors on February 25, 2025.

III. Application of New and Revised International Financial Reporting Standards

(I) Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the amendments to the IFRS accounting standards endorsed and issued into effect by the FSC did not have a material impact on the accounting policies of the Group.

(II) The IFRS accounting standards endorsed by the FSC with effective date starting 2025

New, amended and revised standards and interpretations	Effective date issued by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the amendments of application guidance on the classification of financial assets.	January 1, 2026 (Note 2)

Note1. Applied for annual reporting periods beginning on or after January 1, 2025. On initial application of the amendment, the comparative periods should not be restated. Instead, the impact should be recognized in retained earnings or the foreign currency translation reserve under equity, as appropriate, as well as in the related affected assets and liabilities on the date of initial application.

Note2. Applied for annual reporting periods beginning on or after January 1, 2026, with the option for entities to early adopt on January 1, 2025. On initial application of the amendment, it should be applied retrospectively, but there is no need to restate comparative periods. The impact of initial application should be recognized on the date of initial application. However, if an entity can restate without the use of hindsight, it may choose to restate the comparative periods.

As of the date the consolidated financial statements were authorized for issue, the Group assessed that the amendments to the aforementioned standards or interpretations will not have a material impact on its financial position and financial performance.

(III) The IFRSs issued by IASB, but not yet endorsed and issued into effect by the FSC

New, amended and revised standards and interpretations	Effective date issued by IASB (Note)
Annual Improvements to IFRS Standards – 11th Edition	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the amendments of application guidance on the derecognition of Financial liabilities.	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts involving Power Purchase Agreements with physical delivery"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined.
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 — Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless otherwise stated, the aforementioned New, Amended and Revised Standards or Interpretations are effective for annual reporting periods beginning on or after the respective dates.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements," and the main changes in the standard include:

- The income statement should classify revenue and expense items into operating, investing, financing, income tax, and discontinued operations categories.
- The income statement should present operating profit or loss, pre-tax profit or loss before financing, as well as subtotals and totals of profit or loss.
- Provide guidance to enhance aggregation and disaggregation rules: The Group must identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or Other Matters, and classify and aggregate them based on common characteristics, so that each line Item reported in the primary financial statements has at least one similar characteristic. Items with dissimilar characteristics should be disaggregated in the primary financial statements and notes. The Company labels such Items as "Other" only when no more informative label can be identified.
- Disclosure of performance measurement defined by management: When the Group conducts public communications outside of financial statements and communicates management's perspective on a specific aspect of the overall financial performance of the Group to users of the financial statements, it should disclose information related to the performance measurement defined by management in a single note of the financial statements. This includes the description of the measurement, how it is calculated, its reconciliation with the sub-totals or totals specified by IFRS accounting standards, and the impact of related reconciling items on income tax and non-controlling interests.

As of the date the consolidated financial statements were authorized for issue, the Group continues to evaluate the impact of the amendments to various standards or interpretations on its financial position and financial performance. The related impact will be disclosed when the evaluation is completed.

IV. Summary of Significant Accounting Policies

(I) Statement of compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Firms and IFRSs endorsed and issued into effect by the FSC.

(II) Basis of preparation

Except for financial instruments that are measured at fair value and net defined benefit assets recognized based on the present value of defined benefit obligations less the fair value of plan assets, these consolidated financial statements are prepared on a historical cost basis.

Fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
2. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
3. Level 3 inputs are unobservable inputs for the asset or liability.

(III) The criteria for distinguishing between current and non-current assets and liabilities.

Current assets include:

1. Assets held 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 for trading purposes;
2. Liabilities due for settlement within 12 months after the balance sheet date (which are considered current liabilities even if long-term refinancing or payment rescheduling agreements have been completed after the balance sheet date but before the authorization of financial statements), and
3. Liabilities for which there is no substantive right to defer settlement beyond 12 months after the balance sheet date.

Assets or liabilities not classified as the aforementioned current assets or current liabilities are categorized as non-current assets or non-current liabilities.

(IV) Basis of consolidation

1. The basis of preparation for the consolidated financial statements

This consolidated financial report includes the financial statements of the Parent Company and the entities controlled by the Parent Company. The consolidated statements of comprehensive income include the operating profit and loss of the disposed subsidiary up to the disposal date within the current period. The financial statements of the subsidiary have been properly adjusted to ensure their accounting policies are consistent with those of the Group. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. The total comprehensive income of the subsidiary is attributed to the shareholders of the Parent Company and non-controlling interests, even if the non-controlling interests result in a deficit balance.

When changes in equity of subsidiaries by the Group do not result in a loss of control, they are accounted for as equity transactions. The carrying amount of the Group and non-controlling interests has been adjusted to reflect their relative changes in equity in the subsidiary. The difference between the adjustment amount of the non-controlling Interests and the fair value of the consideration paid or received is recognized directly in equity and attributed to the shareholders of the Group.

The Group adopts the book value method to account for business combinations under common control (group reorganizations), as the ultimate controllers remain the same, which does not affect the preparation of consolidated financial statements.

When the Group loses control of a subsidiary, the gain or loss on disposal is the difference between: (1) the fair value of the consideration received plus the fair value of any retained investment in the former subsidiary on the date control is lost, and (2) the total carrying amount of the former subsidiary's assets (including goodwill) and liabilities and non-controlling interests on the date control is lost. The accounting treatment for all amounts related to the subsidiary recognized in other comprehensive income or loss by the Group is based on the same principles that must be followed for the direct disposal of related assets or liabilities by the Group.

The remaining investment in the former subsidiary is measured at fair value on the date control is lost and is used as the original recognition amount for investment in associates.

2. For details of subsidiaries, ownership percentages, and business nature, please refer to Notes 13 and Table 1 of Note 41.

(V) Foreign Currencies (In Thousands)

When each entity prepares financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are translated into the functional currency at the exchange rate on the transaction date.

Monetary items denominated in foreign currencies are translated at the closing exchange rate on each balance sheet date. Such exchange differences are recognized in profit or loss in the year in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the year except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in foreign currencies are not retranslated.

(VI) Securities financing, short selling, refinancing, and re-lending of securities

The Group's financing funds for securities investors is recorded as securities financing receivables. The securities purchased by the financier with financing are used as collateral. The Group records these collaterals as pleaded securities under memorandum entries, which will be returned upon full settlement by the financier.

The Group conducts securities financing operations. If there is a funding requirement, it borrows funds from a securities finance company through refinancing, recording the liabilities as payable for refinancing collateral, and uses all the stocks acquired through refinancing as collateral.

If the overall collateral maintenance ratio of the financier falls below the required ratio and remains insufficient after disposition, and the financier does not make up the payment within the deadline, the remaining balance of the securities financing receivables is reclassified as collections of overdue receivables. If the securities in the financier's margin account are not disposable, the remaining balance of the securities financing receivables is reclassified as other receivables or collections of overdue receivables.

The Group conducts securities lending operations. If there is a need, and it borrows securities from the securities finance company through refinancing, the margin or refinancing difference delivered is recorded as refinancing collateral. Stocks used to offset margin deposits for short sales are classified as refinancing collateral and are recorded as a memorandum entry. The proceeds from short sales charged to clients are used as collateral payments to securities finance companies for refinancing securities and are recorded as receivables from refinancing collateral.

(VII) Associate

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor a joint venture.

Investments accounted for using the equity method are investments in associates.

Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Company's share of profit or loss and other comprehensive income of the associate as well as the distribution received. In addition, changes in the equity of associates attributable to the Group are recognized based on the ownership percentage.

The excess of the acquisition cost over the Group's share of the net fair value of identifiable assets and liabilities of the associate at the acquisition date is recognized as goodwill, which is included in the carrying amount of the investment and is not amortized. If the Group's share of the net fair value of identifiable assets and liabilities exceeds the acquisition cost, the difference is recognized in profit or loss of the period.

When an associate issues new shares and the Group does not subscribe in proportion to its ownership percentage, resulting in a change in the ownership percentage and a corresponding increase or decrease in the net equity value of the investment, the change is adjusted in the capital surplus under "Adjustments to share of changes in equities of associates" and in "Investments accounted for using the equity method." However, if the ownership equity in the associate decreases due to not subscribing or acquiring according to the ownership percentage, the amounts recognized in other comprehensive income related to the associate shall be reclassified according to the reduced proportion. The accounting treatment follows the same principles that apply if the associate directly disposes of the related assets or liabilities. If the aforementioned adjustments require a debit to capital surplus and the capital surplus balance arising from investments accounted for using the equity method is insufficient, the difference shall be debited to retained earnings.

When the Group assesses impairment, the entire carrying amount of the investment is treated as a single asset and compared with its recoverable amount in conducting the impairment test. Any recognized impairment loss is not allocated to any individual assets that constitute part of the carrying amount of the investment, including goodwill. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

When a consolidated entity transacts with an associate, profits and losses resulting from the transactions with the associate are recognized in the Company's consolidated financial statements only to the extent of interests in the associate that are not owned by the Company.

(VIII) Real estate and equipment

Real estate and equipment are recognized at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Real estate and equipment are depreciated on a straight-line basis over their useful lives, with each significant part depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

When real estate and equipment are derecognized, the difference between the net disposal proceeds and the asset carrying amount is recognized in profit or loss.

(IX) Intangible assets

<u>Software and system design costs</u>

Intangible assets with finite useful lives acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized using the straight-line method over the following estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period by the Company, with the effect of any changes in estimate being accounted for on a prospective basis. Except when the Group expects to dispose of the intangible asset before the end of its economic life, the residual value of intangible assets with finite useful lives is estimated to be zero.

When intangible assets are derecognized, the difference between the net disposal proceeds and the asset carrying amount is recognized in profit or loss for the year.

(X) Impairment of real estate and equipment, right-of-use assets, and intangible assets.

The Group assesses at each balance sheet date whether there is any indication that property, plant, and equipment, right-of-use assets, and intangible assets may have been impaired. If any indication of impairment exists, the recoverable amount of the asset is estimated. If the real estate and equipment, right-of-use assets, and intangible assets show a significant impairment in their carrying value when measured against their recoverable amount, a loss is recognized for the portion of the impairment. If the recoverable amount of real estate and equipment, right-of-use assets, and intangible assets increases in the future, the reversal of the impairment loss is recognized as a gain. However, after the reversal of the impairment loss, the carrying amount of real estate and equipment, right-of-use assets, and intangible assets must not exceed the carrying value of the asset, net of any depreciation or amortization, if no impairment loss had been recognized.

(XI) Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instruments.

At initial recognition, if financial assets or financial liabilities are not classified as financial assets and financial liabilities at fair value through profit or loss (FVTPL), they are measured at fair value plus transaction costs directly attributable to the acquisitions or issuance of the financial assets or financial liabilities. Transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities at FVTPL are immediately recognized in profit or loss.

1. Financial assets

The regular way purchase or sale of financial assets is accounted for using trade date accounting recognition and derecognition.

(1) Measurement categories

The types of financial assets held by the Group include financial assets at FVTPL, financial assets at amortized costs, investments in debt instruments at FVTOCI, and investments in equity instruments at FVTOCI.

A. Financial assets at FVTPL

Financial assets at FVTPL are primarily financial assets mandatorily measured at FVTPL. Financial assets mandatorily measured at FVTPL include equity instruments investments of the consolidated companies not designated as equity instruments measured at fair value through other comprehensive income, and debt instrument investments that do not meet the criteria for classification as measured at amortized cost or measured at FVTOCI.

Financial assets at FVTPL are measured at fair value, with any remeasurement gains or losses recognized in profit or loss (including any dividends or interest generated from such financial assets). For the determination of fair value, please refer to Note 34.

B. Financial assets at amortized costs

Financial assets that meet the following conditions are subsequently measured at amortized cost:

a. Held under a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
b. Contractual terms give rise to cash flows on specified dates, which are solely payments of principal and interest on the outstanding principal amount.

Financial assets at amortized cost (including cash and cash equivalents and accounts receivable measured at amortized cost, etc.) are measured at amortized cost, which is the total carrying amount determined using the effective interest method after initial recognition, less any impairment loss. Any foreign exchange gains or losses are recognized in profit or loss.

Except for the following two situations, interest income is calculated by applying the effective interest rate to the total carrying amount of the financial assets:

a. For purchased or originally incurred credit-impaired financial assets, interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial assets.
b. For financial assets that were not purchased or originally incurred as credit-impaired but subsequently become credit-impaired, interest income should be calculated by applying the effective interest rate to the amortized cost of the financial assets starting from the reporting period following the credit impairment.

Credit-impaired financial assets are defined as those where the issuer or debtor is experiencing significant financial difficulty, is in default, is likely to file for bankruptcy or undergo other financial reorganization, or when the active market for the financial asset disappears due to financial difficulties.

Cash equivalents include commercial paper and time deposits with original maturities of 3 months or less from the acquisition date, which are highly liquid, readily convertible to known amounts of cash, and subject to an insignificant risk of changes in value,, and are used to meet short-term cash commitments.

C. Investments in debt instruments at FVTOCI

If the debt instruments invested in by the Group meet the following two conditions, they are classified as financial assets at FVTOCI:

a. Held under a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
b. Contractual terms give rise to cash flows on specified dates, which are solely payments of principal and interest on the outstanding principal amount.

Investments in debt instruments at FVTOCI are measured at fair value. Changes in the carrying amount of these investments related to interest income calculated using the effective interest method, foreign exchange gains and losses, and impairment losses or reversal gains are recognized in profit or loss. Other changes are recognized in other comprehensive income and are reclassified to profit or loss upon disposal of the investment.

D. Investments in equity instruments at FVTOCI

At initial recognition, the Group may make an irrevocable election to designate investments in equity instruments, which are neither held for trading nor contingent consideration recognized by an acquiree in a business combination, to be measured at FVTOCI.

Investments in equity instruments at FVTOCI are measured at fair value, with subsequent fair value changes reported in other comprehensive income (loss) and accumulated in equity. Upon disposal of investments, the cumulative gains or losses are transferred directly to retained earnings and are not reclassified to profit or loss.

Dividends from investments in equity instruments at FVTOCI are recognized in profit or loss when the right to receive payment is established, unless the dividend clearly represents a recovery of part of the investment cost.

(2) Impairment of financial assets

On each balance sheet date, the Group assesses the expected credit losses for financial assets at amortized costs (including accounts receivable) and impairment losses on investments in debt instruments at FVTOCI.

Accounts receivable are recognized as less: loss allowance based on lifetime expected credit loss. Other financial assets are first assessed to determine whether there has been a significant increase in credit risk since initial recognition. If there has not been a significant increase, they are recognized as less: loss allowance based on 12 months expected credit loss. If there has been a significant increase, they are recognized as less: loss allowance based on lifetime expected credit loss.

Expected credit loss is the weighted average credit loss with the risk of occurrence of default as the weight. The 12 months expected credit loss represents the expected credit loss from possible default events on financial instruments that may occur within 12 months after the reporting date, whereas the lifetime expected credit loss represents the expected credit loss from all possible default events over the expected life of the financial instruments.

For the purposes of internal credit risk management, without considering the collateral held, the Group determines that the following situations represent that the financial assets are in default:

A. There is internal or external information indicating that the debtor will be unable to repay the debt.

B. Past due more than 180 days, unless there is reasonable and verifiable information indicating that a later default criterion is more appropriate.

Impairment losses for all financial assets are deducted from their carrying amount through an allowance account, except for the allowance losses of investments in debt instruments at FVTOCI, which are recognized in other comprehensive income and do not reduce their carrying amount.

(3) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

When financial assets measured at amortized cost are fully derecognized, the difference between their carrying amount and the consideration received is recognized in profit or loss. When investments in debt instruments at FVTOCI are fully derecognized, the difference between their carrying amount, plus any cumulative gain or loss previously recognized in other comprehensive income, and the consideration received is recognized in profit or loss.

2. Equity instruments

Equity instruments issued by a group entity are recognized at the proceeds received, net of direct issue costs.

The reacquisition of the Group's own equity instruments is recognized and deducted under equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company’s own equity instruments.

3. Financial liabilities

(1) Subsequent measurement

Except for Financial liabilities measured at fair value through profit or loss, all financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities measured at fair value through profit or loss are held for trading.

Financial liabilities held for trading are measured at fair value, with interest recognized in finance costs, and gains or losses from remeasurement recognized in profit or loss.

For the determination of fair value, please refer to Note 34.

(2) Derecognition of financial liabilities

When a financial liability is derecognized, the difference between its carrying amount and the consideration paid (including any transferred non-cash assets or liabilities assumed) is recognized in profit or loss.

(XII) Revenue recognition

The Company identifies the contract with the customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

Service revenue is recognized when the service is provided.

(XIII) Conditional transactions

Repurchase and resale agreement transactions of a financing nature are recorded as bonds purchased under resale agreements and liabilities from bonds sold under repurchase agreements, with interest income and interest expenses recognized at the agreed interest rates.

(XIV) Leases Modifications

On the contract inception date, the Group assesses whether the contract is or contains a lease.

The Company as a Lessee

Except for lease payments on leases of low-value underlying assets and short-term leases, which are recognized as expenses on a straight-line basis over the lease term, other leases are recognized as right-of-use assets and lease liabilities on the commencement date of the lease.

Right-of-use assets are initially measured at cost, which includes the original measurement of lease liabilities, lease payments made before the commencement date less any lease incentives received, initial direct costs, and estimated costs for dismantling and removing the underlying asset. Subsequently, they are measured at cost less accumulated depreciation and accumulated impairment losses, and adjusted for remeasurement of lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheet.

The right-of-use assets are depreciated on a straight-line basis from lease commencement date until the earlier of the end of their useful life or the lease term.

Lease liabilities are initially measured at the present value of the lease payments. If the interest rate implicit in the lease is readily determinable, lease payments are discounted using that rate. If the rate is not readily determinable, the lessee's incremental borrowing rate is used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, and interest expense is apportioned over the lease term. If the lease term or the index or rate used to determine lease payments changes, resulting in a change in future lease payments, the Group remeasures the lease liabilities and adjusts the right-of-use assets accordingly. However, if the carrying amount of the right-of-use assets has been reduced to zero, the remaining remeasurement amount is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheet.

(XV) Employee benefits

1. Short-term employee benefits

   Liabilities related to short-term employee benefits are measured at the undiscounted amount expected to be paid in exchange for employee services.

2. Post-employment benefits

   The pension for the defined contribution retirement plans is recognized as an expense when the pension contribution amount is allocated over the period employees provide services.

   The defined benefit cost of defined benefit retirement plans (including service cost, net interest, and remeasurement) is actuarially determined using the projected unit credit method. Service cost (including current service cost, past service cost, and settlements) and net interest on net defined benefit liability (asset) are recognized as employee benefits expenses when they occur, when the plan is amended or curtailed, and when settlements occur. Remeasurement amounts (including actuarial gains and losses, changes in the effect of the asset ceiling, and the return on plan assets excluding interest) are recognized in other comprehensive income when they occur and included in retained earnings; they are not reclassified to profit or loss in subsequent periods.

   Net defined benefit liability (asset) is the shortfall (surplus) of contributions in defined benefit retirement plans. Net defined benefit assets must not exceed the present value of the contributions refunded from the plan or that reduce future contributions.

(XVI) Share-based payment arrangements

Employee stock options granted to employees.

Employee stock options are expensed on a straight-line basis over the vesting period based on the fair value of the equity instruments at the grant date and the best estimate of the expected vesting quantity, with simultaneous adjustments to the capital surplus for employee stock options. If they vest immediately on the grant date, the expense is fully recognized on the grant date.

Employee stock options granted to employees by the Group consider the date on which the employee's subscription to shares is confirmed as the grant date. On each balance sheet date, the Group revises the estimated number of expected vested employee stock options. If there is a revision of the originally estimated quantity, the impact is recognized in profit or loss, ensuring that the cumulative expense reflects the revised estimate, with corresponding adjustments to the capital surplus for employee stock options.

Employee stock options granted to employees.

(XVII) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

1. Current income tax expense

The Group determines the current income (loss) in accordance with the regulations established by each tax jurisdiction, based on which payable (recoverable) income tax is calculated.

The additional income tax on unappropriated earnings calculated in accordance with the Income Tax Act of the Republic of China is recognized in the year when the shareholders' meeting resolves it.

Adjustments of income taxes payable for prior years are included in the current income tax expense.

2. Deferred income tax

Deferred income tax is calculated based on the temporary differences arising from the carrying amount of assets and liabilities in the consolidated financial statements and the tax bases used to calculate taxable income.

Deferred income tax liabilities are generally recognized for all taxable temporary differences, while deferred income tax assets are recognized to the extent it is probable that taxable income will be available against which the deductible temporary differences and loss carryforwards can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered. An unrecognized deferred income tax asset is also reviewed at each balance sheet date and increased to the extent that it becomes probable taxable income will be available in the future to allow the benefit of all or part of the asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates expected to apply in the period when the liability is settled or the asset realized, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. Current and deferred income tax

Current and deferred income tax are recognized in profit or loss, but those related to items recognized in other comprehensive income or loss are recognized in other comprehensive income or loss.

V. Critical accounting judgements and key sources of estimation and uncertainty

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. The actual results may differ from the estimates.

Management will continually review estimates and underlying assumptions.

Key sources of estimation and uncertainty

Fair value measurement

When the financial assets held do not have quoted prices in orderly transactions among market participants in active markets, the Group must determine the appropriate valuation techniques to estimate fair value.

If Level 1 inputs are unavailable in estimating fair value, the Group determines inputs by referring to the analysis of the financial condition and operating results of the investees, quoted prices of similar equity instruments in active markets, and valuation multiples of comparable companies. If the actual future changes in inputs differ from expectations, it may result in changes in fair value.

For an explanation of fair value valuation techniques and inputs, please refer to Note 34.

VI. Cash and Cash Equivalents

	December 31, 2024	December 31, 2023
Cash		
Petty cash	$ 230	$ 230
Bank check deposits	1,389	1,337
Bank current deposits	306,813	288,543
Cash equivalents (investments with an original maturity date of less than 3 months)		
Commercial paper	279,622	85,475
	$ 588,054	$ 375,585

Interest Rate are as follows:

	December 31, 2024	December 31, 2023
Commercial paper	1.30%～1.33%	0.89%～1.14%

VII. Financial instruments at FVTPL

Financial assets - current

	December 31, 2024	December 31, 2023
Mandatorily measured at FVTPL		
Net amount of trading securities - proprietary trading	$ 534,023	$ 1,297,637
Net amount of trading securities - underwriting	1,152,640	1,510,446
	$ 1,686,663	$ 2,808,083
Proprietary trading		
Listed market - stocks	$ 34,424	$ 408,841
Over-the-counter market - stocks	-	97,344
Over-the-counter market - bonds	8,660	109,527
Emerging stock board - stocks	439,654	545,413
Domestic non-publicly traded equity investments - Stocks	1,861	7,421
	484,599	1,168,546
Adjustment of trading securities - proprietary trading valuation	49,424	129,091
	$ 534,023	$ 1,297,637

Underwriting		
Listed market - stocks	$ 1,114,952	$ 1,452,051
Over-the-counter market - stocks	13,647	-
Over-the-counter market - bonds	230,098	70,934
	1,358,697	1,522,985
Adjustment of trading securities - underwriting valuation	(206,057)	(12,539)
	$ 1,152,640	$ 1,510,446

Financial liabilities - current

	December 31, 2024	December 31, 2023
Held for trading financial liabilities		
Bonds to be covered	$ 49,965	$ -
Valuation adjustment	(19)	-
	$ 49,946	$ -

As of December 31, 2024 and 2023, the costs of the aforementioned proprietary trading department's bond investments, which amounted to NT$0 thousand and NT$99,935 thousand, respectively, had been disposed of under repurchase agreements.

Financial assets - Non-current

	December 31, 2024	December 31, 2023
Mandatorily measured at FVTPL		
Domestic investment		
Centralized market - Private equity	$ 14,065	$ 14,065
Over-the-counter market - Private equity	26,704	26,704
Domestic non-publicly traded equity investments - Stocks	53,272	10,071
Foreign investment		
Private equity fund	11,562	4,776
Valuation adjustment	(16,257)	362
	$ 89,346	$ 55,978

VIII. Financial assets at FVTOCI

	December 31, 2024	December 31, 2023
Current		
Investments in debt instruments	$ 2,879,280	$ 2,563,869
Investments in equity instruments	168,995	253,972
	$ 3,048,275	$ 2,817,841
Non-current		
Investments in equity instruments	$ 194,383	$ 147,223

(I) Investments in debt instruments

	December 31, 2024	December 31, 2023
Current		
Domestic investment		
Government bonds	$ 197,106	$ 268,053
Corporate bonds	2,700,323	2,302,724
Loss allowance	(937)	(1,153)
Valuation adjustment	(17,212)	(5,755)
	$ 2,879,280	$ 2,563,869

Refer to Note 9 for information relating to the credit risk management and impairment assessment of investments in debt instruments at FVTOCI.

As of December 31, 2024 and 2023, the costs of the aforementioned investments in debt instruments at FVTOCI, which amounted to NT$2,297,431 thousand and NT$2,560,779 thousand, respectively, had been disposed of under repurchase agreements.

Some government bonds of the Group have been provided to the Central Bank as collateral for bond transactions, please refer to Note 36.

(II) Investments in equity instruments

	December 31, 2024	December 31, 2023
Current		
Domestic investment		
Listed market - stocks	$ 3,049	$ 1,417
Over-the-counter market - stocks	-	40,892
Emerging stock board - stocks	118,323	118,566
Foreign investment		
Depositary Receipts	-	4,365
Valuation adjustment	47,623	88,732
	$ 168,995	$ 253,972
Non-current		
Domestic investment		
Centralized market - Private equity preferred stocks	$ -	$ 6,000
Domestic non-publicly traded equity investments - Stocks	198,525	115,235
Valuation adjustment	(4,142)	25,988
	$ 194,383	$ 147,223

The Group has invested in the aforementioned equity instruments for strategic purposes. The management of the Group believes that recognizing the fair value fluctuations of these investments in profit or loss would not be consistent with the investment plan. Therefore, these investments have been designated as measured at FVTOCI.

IX. Credit risk management of investments in debt instruments

The relevant information on debt instruments invested by the Group classified as financial assets at FVTOCI is as follows:

	December 31, 2024	December 31, 2023
Total carrying amount.	$ 2,897,429	$ 2,570,777
Loss allowance	(937)	(1,153)
Amortized cost	2,896,492	2,569,624
Fair value adjustment	(17,212)	(5,755)
	$ 2,879,280	$ 2,563,869

The Group has established a "Bond Department Investment Limits and Risk Management Policy" which adopts a policy of investing only in debt instruments with a credit rating of twA- or higher or that are bank-guaranteed. Credit rating information is provided by independent rating agencies. The Group regularly acquires credit rating information at the end of each year. If there is a change in transaction limits due to a change in a counterparty's credit rating, the risk management unit must be notified in writing.

The Group takes into account the historical probability of default and loss given default for each rating provided by external rating agencies, the current financial condition of debtors, and the industry outlook to assess the 12-month expected credit loss or lifetime expected credit loss on investments in debt instruments.

The current credit risk assessment policies are as follows:

Category	Description	Basis for recognizing expected credit loss
Performing	The debtor's credit risk is low and has sufficient ability to repay contractual financing cash flows.	12 months expected credit loss
Doubtful	There has been a significant increase in credit risk since initial recognition.	Lifetime expected credit loss-not credit impaired
In default	There is already evidence of credit impairment.	Lifetime expected credit loss-credit impaired
Write-off	Evidence indicates that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The total carrying amount of investments in debt instruments by category and the applicable expected credit loss ratio are as follows:

December 31, 2024

Category	Expected credit loss ratio	Total carrying amount. At FVTOCI
Performing	0%~0.1265%	$ 2,897,429

December 31, 2023

Category	Expected credit loss ratio	Total carrying amount. At FVTOCI
Performing	0%~0.2080%	$ 2,570,777

The changes in the loss allowance for investments in debt instruments at FVTOCI invested by the Group are summarized by credit risk rating as follows:

	Category		
	Performing (12 months expected credit loss)	Doubtful (Lifetime expected credit loss-not credit impaired)	In default (Lifetime expected credit loss-credit impaired)
Balance at January 1, 2024	$ 1,153	$ -	$ -
Reversal for the year	(216)	-	-
Balance at December 31, 2024	$ 937	$ -	$ -
Balance at January 1, 2023	$ 1,039	$ -	$ -
Provision for the year	114	-	-
Balance at December 31, 2023	$ 1,153	$ -	$ -

X. Financial Assets at Amortized Cost - Current

	December 31, 2024	December 31, 2023
Bank time deposits with original maturity dates exceeding 3 months.	$ 46,000	$ 46,000

Interest Rate are as follows:

	December 31, 2024	December 31, 2023
Bank time deposits with original maturity dates exceeding 3 months.	1.365%～1.635%	1.24%～1.51%

XI. Bonds purchased under resale agreements

	December 31, 2024	December 31, 2023
Government bonds	$ 1,174,207	$ 1,455,518
Corporate bonds	1,350,297	652,277
	$ 2,524,504	$ 2,107,795

All of the Group's investments in bonds purchased under resale agreements are all due within one year. The agreed repurchase prices and interest rate information are as follows:

	December 31, 2024	December 31, 2023
agreed resale prices	$ 2,527,453	$ 2,110,040
Interest rate	1.500%～1.650%	1.220%～1.400%

The aforementioned bonds purchased under resale agreements (Note 4 and 10) as of December 31, 2024 and 2023, had been entirely disposed of under repurchase agreements.

The Group has evaluated that as of December 31, 2024 and 2023, no loss allowance is required for investments in bonds under repurchase agreement.

XII. Securities financing receivables / accounts receivable / other receivables / receivables for collection

(I) The details of securities financing receivables are as follows:

	December 31, 2024	December 31, 2023
Securities financing receivables	$ 1,213,464	$ 1,148,217
Less: loss allowance	-	(1,355)
	$ 1,213,464	$ 1,146,862

The aforementioned securities financing receivables are secured by the stocks purchased through client financing.

The Group calculates the collateral maintenance ratio daily in accordance with the "Regulations Governing the Conduct of Securities Trading Margin Purchase and Short Sale Operations by Securities Firms." When the collateral maintenance ratio falls below 130 percent, the client is notified to make up the margin shortfall.

(II) The details of accounts receivable, other receivables, and receivables for collection are as follows:

	December 31, 2024	December 31, 2023
Accounts receivable		
Receivables from entrusted settlements	$ 286,072	$ 176,420
Receivables from non-entrusted settlements	68,688	34,162
Consideration for settlement	601	203,364

(Concluded)

(Concluded)

	December 31, 2024	December 31, 2023
Related party transactions (Note 35)	$ 37,025	$ 36,120
Others	59,656	58,534
Less: loss allowance	(1,064)	(969)
	$ 450,978	$ 507,631
Other receivables		
Interest	$ 28,890	$ 19,283
Related party transactions (Note 35)	40	61
Others	229	791
	$ 29,159	$ 20,135
Receivables for collection		
Receivables for collection	$ 23,707	$ 23,707
Less: loss allowance	(23,707)	(23,707)
	$ -	$ -

In order to mitigate credit risk, the Group has established internal control systems and procedures for determining credit limits and approving credit. Additionally, on the balance sheet date, the Group individually reviews the recoverable amount of accounts receivable to ensure that irrecoverable accounts receivable have been adequately provided for impairment.

The Company always recognizes lifetime Expected Credit Loss (i.e. ECL) for trade receivables, lease receivables and contract assets. The lifetime expected credit loss is determined by considering information such as the customer's past default records, current financial condition, industry economic situation, and outlook, and is established based on the number of days the accounts receivable are past due to set the expected credit loss ratio.

The Group measures the loss allowance for securities financing receivables and accounts receivable as follows:

December 31, 2024

			Others					
	Securities financing loans	Securities settlement funds	Not past due	Past due 1-90 days	Past due 91-120 days	Past due 121-180 days	Past due more than 180 days	Total
Expected credit loss ratio	0%	0%	0%~0.82%	1.6%~18.1%	61.81%	79.1%~87.4%	100%	
Total carrying amount.	$ 1,213,464	$ 355,361	$ 83,258	$ 12,907	$ 221	$ 295	$ -	$ 1,665,506
Less: loss allowance (Lifetime expected credit loss)	-	-	(210)	(484)	(137)	(233)	-	(1,064)
Amortized cost	$ 1,213,464	$ 355,361	$ 83,048	$ 12,423	$ 84	$ 62	$ -	$ 1,664,442

December 31, 2023

	Securities financing loans	Securities settlement funds	Others					Total
			Not past due	Past due 1-90 days	Past due 91-120 days	Past due 121-180 days	Past due more than 180 days	
Expected credit loss ratio	0.118%	0%	0%~0.6%	1.21%~15.41%	64.84%	75.77%~97.01%	100%	
Total carrying amount.	$ 1,148,217	$ 413,946	$ 70,415	$ 24,089	$ 107	$ 33	$ 10	$ 1,656,817
Less: loss allowance (Lifetime expected credit loss)	(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

Movements of the loss allowance for accounts receivable and securities financing receivables are as follows:

	2024	2023
Beginning balance	$ 2,324	$ 2,107
Provision for the year impairment (reversal gains)	(1,260)	217
Ending balance	$ 1,064	$ 2,324

Receivables for collection are transferred from credit transaction default amounts and overdue accounts receivable, with sufficient less: loss allowance provisioned. Receivables for collection in 2024 and 2023 have not changed.

XIII. Subsidiary

(I) Subsidiaries included in the consolidated financial report

The main body of the consolidated financial report is as follows:

Investor Company	Investee	Main business	Percentage of Ownership December 31, 2024	Percentage of Ownership December 31, 2023	Note
Grand Fortune Securities Co., Ltd.	Grand Fortune Securities Investment Advisory Co., Ltd. (Grand Fortune Investment Advisory)	Securities investment advisory	100%	100%	—
	Grand Fortune Venture Capital Management Consulting Co., Ltd. (Grand Fortune Venture Management)	Investment advisory and management consulting	100%	100%	3 & 4
	Grand Fortune Venture Capital Co., Ltd. (Grand Fortune Venture Capital)	General investment activities	100%	100%	2 & 4
Grand Fortune Venture Management	Grand Fortune Venture Capital	General investment activities	-	-	4

(II) Grand Fortune Venture Capital Co., Ltd., formerly known as Fuyou Capital Co., Ltd., passed a resolution to revise its business strategy at the shareholders' meeting in October 2024 and officially changed its name on October 24, 2024.

(III) In March 2023, Grand Fortune VC Management underwent an organizational restructuring through a non-cash capital increase. The Parent Company used its 50.51% stake in Beili Biotech Venture Capital Co., Ltd. (originally named Beili Biotech Investment Co., Ltd.; hereinafter referred to as Beili Biotech) to offset the capital increase payment to Grand Fortune VC Management, amounting to NT$380,047 thousand. After the restructuring, Grand Fortune VC Management directly held a 58.76% stake in Beili Biotech. Additionally, Beiley Biofund conducted a cash capital increase on October 4, 2023. Due to the Group's failure to subscribe to Beili Biotech according to the ownership percentage, the ownership percentage decreased from 58.76% to 24.39%, resulting in the loss of control over Beili Biotech. For an explanation on the loss of control over Beili Biotech, please refer to Note 31.

(IV) In March 2023, Grand Fortune VC Management underwent an organizational restructuring through a non-cash capital reduction. Grand Fortune VC Management used its entire stake in Grand Fortune VC to offset the capital reduction payment to the Parent Company. After the restructuring, the Parent Company directly held 100% of the equity in Grand Fortune VC.

(V) In June 2023, Beili Biotech conducted a cash capital reduction of NT$261,893 thousand, and returned capital of NT$108,000 thousand to non-controlling interests based on the ownership percentage.

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

(VII) Information on subsidiaries with significant non-controlling interests

	Profit Attributable to Non-Controlling Interests
Investee	January 1 to October 4, 2023
Beili Biotech	$ 8,100

The following summarized financial information is prepared based on the amounts before the elimination of intercompany transactions:

	January 1 to October 4, 2023
Income	$ 73,031
Net income for the year	$ 19,703
Other comprehensive income (loss)	-
Total comprehensive income (loss)	$ 19,703
Net Income Attributable to:	
Shareholders of the parent	$ 11,603
Non-controlling interests of Beili Biotech	8,100
	$ 19,703
Total comprehensive income	

Shareholders of the parent	$ 11,603
Non-controlling interests of Beili Biotech	8,100
	$ 19,703

Financing cash flow	
Operating activities	$ 200,663
Investing activities	2,129
Financing activities	1,418,108
Net cash inflows	$ 1,620,900

XIV. Investments Accounted for Using Equity Method

Associate

	December 31, 2024	December 31, 2023
Material associates		
Beili Biotech	$ 536,633	$ 517,412
Individually immaterial associates		
Fuyou Venture Capital Limited Partnership (Fuyou VC)	39,672	68,512
Fuyou Private Equity Limited Partnership (Fuyou Private Equity)	97,617	83,677
	$ 673,922	$ 669,601

(I) Material associates

Company	Main business	Location	% of Ownership and Voting Rights December 31, 2024	December 31, 2023
Beili Biotech	Venture capital investment	Taiwan	24.39%	24.39%

1. For the business nature, principal business locations, and country of registration information of the aforementioned associates, please refer to Table 1 of Note 41.
2. Investments accounted for using the equity method, along with the Group's share of profits and other comprehensive income (loss), are recognized based on the financial statements of the associate audited by accountants for the same period.
3. The following summarized financial information is prepared based on the associate's IFRS financial statements and reflects adjustments made when applying the equity method.

Beili Biotech

	December 31, 2024	December 31, 2023
Current assets	$ 1,763,738	$ 1,947,400
Non-current assets	485,338	177,003
Current liabilities	(48,486)	(1,573)

Non-current liabilities	-	(1,058)
Equity	$ 2,200,590	$ 2,121,772
% of ownership by the Company	24.39%	24.39%
Equity attributable to the Company	$ 536,633	$ 517,412
Unrealized gain / (loss) on upstream / downstream transactions	-	-
Carrying amount of investment	$ 536,633	$ 517,412

	2024	October 4 to December 31, 2023
Income	$ 122,843	$ 66,469
Net income for the year	$ 78,818	$ 68,912
Other comprehensive income (loss)	-	-
Total comprehensive income (loss)	$ 78,818	$ 68,912
Dividends received from Beili Biotech	$ -	$ -

(II) Summary information of individually immaterial associates

	2024	2023
The share attributable to the Group		
Net loss for the year	($ 7,843)	($ 7,643)
Other comprehensive income (loss)	13,317	39,235
Total comprehensive income (loss)	$ 5,474	$ 31,592

1. In March 2024 and June 2023, Grand Fortune VC Management increased the capital of Fuyou Private Equity by NT$30,000 thousand in cash, respectively.
2. In May and November 2024, Fuyou VC conducted cash capital reductions ofNT$180,000 thousandand NT$130,000 thousand, respectively, returning capital of NT$17,307 thousand and NT$12,500 thousand to Grand Fortune VC Management according to the investment proportion.
3. Investments accounted for using the equity method, along with the Group's share of profits and other comprehensive income (loss), are recognized based on the financial statements of the associate audited by independent auditors for the same period.
4. For the business nature, principal business locations, and country of registration information of the aforementioned associates, please refer to Table 1 of Note 41.

XV. Real estate and equipment

	December 31, 2024	December 31, 2023
Assets used by the Company		
Office equipment	$ 8,196	$ 8,094
Transport equipment	643	254
Leases modifications improvement	7,273	12,615
	$ 16,112	$ 20,963

	Office equipment	Transport equipment	Leases modifications improvement	Total
Cost				
Balance at January 1, 2024	$ 18,844	$ 1,486	$ 21,486	$ 41,816
Additions	4,682	628	765	6,075
Disposals or retirements	(1,735)	-	-	(1,735)
Balance at December 31, 2024	21,791	2,114	22,251	46,156
Accumulated depreciation				
Balance at January 1, 2024	10,750	1,232	8,871	20,853
Depreciation	4,580	239	6,107	10,926
Disposals or retirements	(1,735)	-	-	(1,735)
Balance at December 31, 2024	13,595	1,472	14,978	30,044
Net amount as of December 31, 2024	$ 8,196	$ 643	$ 7,273	$ 16,112
Cost				
Balance at January 1, 2023	$ 20,026	$ 1,486	$ 26,671	$ 48,183
Additions	1,842	-	1,220	3,062
Disposals or retirements	(3,024)	-	(6,405)	(9,429)
Balance at December 31, 2023	18,844	1,486	21,486	41,816
Accumulated depreciation				
Balance at January 1, 2023	9,310	1,055	8,402	18,767
Depreciation	4,464	177	6,874	11,515
Disposals or retirements	(3,024)	-	(6,405)	(9,429)
Balance at December 31, 2023	10,750	1,232	8,871	20,853
Net amount as of December 31, 2023	$ 8,094	$ 254	$ 12,615	$ 20,963

Real estate and equipment are depreciated on a straight-line basis over the following useful lives:

Office equipment	3-5 Years
Transport equipment	5 years
Leases modifications improvement	2-5 Years

As of December 31, 2024 and 2023, there were no indications of impairment on the aforementioned real estate and equipment.

XVI. Lease arrangements

(I) Right-of-use assets

	December 31, 2024	December 31, 2023
Carrying amounts		
Buildings	$ 34,776	$ 62,931

	December 31, 2024	December 31, 2023
Transport equipment	1,514	1,199
	$ 36,290	$ 64,130

	2024	2023
Additions to right-of-use assets	$ 1,952	$ 13,483
Depreciation of right-of-use assets		
Buildings	$ 28,861	$ 29,567
Transport equipment	931	1,429
	$ 29,792	$ 30,996

Except for the additions and recognized depreciation expense listed above, there were no significant subleases or impairments of the Group's right-of-use assets for the years ended December 31, 2024, and 2023.

(II) Lease liabilities

	December 31, 2024	December 31, 2023
Carrying amounts of lease liabilities		
Current	$ 30,730	$ 30,033
Non-current	$ 6,845	$ 35,965

	December 31, 2024	December 31, 2023
Buildings	1.05%～1.86%	1.05%～1.36%
Transport equipment	1.27%～1.86%	1.05%～1.27%

(III) Key lease activities and terms

The Group leases buildings for use as offices and business premises with lease terms of 2 to 5 years. The Company does not have a preferential right to purchase the leased buildings at the end of the lease terms.

(IV) Other lease information

	2024	2023
Expenses relating to short-term leases	$ 550	$ 193
Expenses relating to leases of low-value assets	$ 194	$ 146
Total cash outflow for leases	$ 31,731	$ 32,612

The Group has elected to apply the recognition exemption for leases of land and buildings that qualify as short-term leases and certain office equipment leases that qualify as low-value asset leases, and therefore does not recognize the related right-of-use assets and lease liabilities for these leases.

XVII. Intangible Assets

	December 31, 2024	December 31, 2023
Net amount of software and systems	$ 11,772	$ 13,967

	2024	2023
Cost		
Beginning balance	$ 27,411	$ 22,947
Acquired separately	3,538	5,464
Derecognition	(1,473)	(1,000)
Ending balance	29,476	27,411
Accumulated amortization		
Beginning balance	13,444	9,279
Amortization expense	5,733	5,165
Derecognition	(1,473)	(1,000)
Ending balance	17,704	13,444
Net amount at the end of the year.	$ 11,772	$ 13,967

The aforementioned software is amortized on a straight-line basis over 3-5 years.

XVIII. Business deposits, settlement fund, and refundable deposits

	December 31, 2024	December 31, 2023
Business guarantee deposit	$180,000	$180,000
Settlement fund	$ 40,119	$ 39,266
Refundable deposits		
Leases Modifications	$ 7,057	$ 7,998
Self-regulatory fund	660	660
Others	529	529
	$ 8,246	$ 9,187

The operating deposits primarily refer to statutory deposits placed by the Group in cash, government bonds, or financial bonds with financial institutions designated by the competent authority. This is in accordance with the Regulations Governing Securities Firms, the Regulations Governing the Operation of Futures Introducing Broker Business by Securities Firms, and the Regulations Governing the Conduct of Discretionary Investment Business by Securities Investment Trust Enterprises and Securities Investment Consulting Enterprises. They must be provided upon company registration, establishment of branch offices, or when engaging in futures trading auxiliary services and discretionary investment business. The aforementioned operating deposits of the Group were paid as time deposits, with annual interest rates ranging from 0.535% to 1.705% and 0.420% to 1.580% as of December 31, 2024 and 2023, respectively.

The settlement fund primarily refers to the statutory fund deposited by the Group in accordance with the Regulations Governing Securities Firms. When operating brokerage services, it is deposited with the Taiwan Stock Exchange and the Taipei Exchange before or after commencing operations.

XIX. Other Assets

	December 31, 2024	December 31, 2023
Receive stock dividend.	$ 662,164	$ 1,316,106
Pledged fixed deposits	415,500	450,000
Receive underwriting payments.	291,742	18,626
Receive public tender offer payments.	212,048	-
Prepayments	3,175	2,670
Pending settlement funds	2	1,399
Prepayments for investments	-	84,540
Others	3,544	1,123
	$ 1,588,175	$ 1,874,464
Current	$ 1,588,135	$ 1,789,924
Non-current	40	84,540
	$ 1,588,175	$ 1,874,464

(I) The market interest rate range for pledged time deposits as of December 31, 2024 and 2023 was between 0.54% and 1.725% and between 0.36% and 1.60%, respectively.

(II) The amount provided by the Group as collateral for bank credit lines, please refer to Note 36.

XX. Short-term loans

	December 31, 2024	December 31, 2023
Secured loans		
Bank loans	$ -	$ 300,000

The interest rate for bank loans is as follows:

	December 31, 2024	December 31, 2023
Secured loans	-	1.65%~1.88%

For the collateral provided by the Group for the above bank loans, please refer to Note36.

XXI. Liabilities from bonds sold under repurchase agreements

	December 31, 2024	December 31, 2023
Government bonds	$ 1,364,098	$ 1,786,042
Corporate bonds	3,435,440	2,960,837
	$ 4,799,538	$ 4,746,879

Bonds with repurchase agreement liabilities of the Group are all due within one year. The agreed repurchase prices and interest rate information are as follows:

	December 31, 2024	December 31, 2023
Agreed repurchase prices	$ 4,805,332	$ 4,751,737
Interest rate	1.420%~1.640%	1.150%~1.400%

XXII. Accounts payable

	December 31, 2024	December 31, 2023
Payables from entrusted settlements	$ 111,391	$ 381,218
Payables from non-entrusted settlements	11,530	6,931
Consideration for settlement	176,181	-
	$ 299,102	$ 388,149

XXIII. Other payables

	December 31, 2024	December 31, 2023
Salary, bonus, and compensation payable	$ 272,149	$ 295,936
Business tax	2,200	4,153
Others	19,518	21,365
	$ 293,867	$ 321,454

XXIV. Other current liabilities

	December 31, 2024	December 31, 2023
Temporary receipts - distribute dividends	$ 662,164	$ 1,316,106
Temporary receipts - public tender offer payments	212,048	-
Advance receipt of underwriting payments.	291,742	18,626
Others	4,111	4,576
	$ 1,170,065	$ 1,339,308

XXV. Post-employment benefits plan

(I) Defined contribution plans

The pension system applicable to the Group under the "Labor Pension Act" is a government-managed defined contribution retirement plan, where 6% of the employees' monthly salary is contributed to individual accounts at the Bureau of Labor Insurance.

(II) Defined benefit plans

The retirement pension system operated by the Parent Company within the Group under the "Labor Standards Act" of R.O.C. is a government-managed defined benefit retirement plan. The payment of employee pensions is calculated based on years of service and the average salary over the 6 months prior to the approved retirement date. Additionally, 2% of the total monthly salary of employees is allocated to a pension fund, which is deposited into a special account at Taiwan Bank in the name of the Labor Retirement Reserve Supervisory Committee. Before the end of the year, if it is estimated that the balance of the special account is insufficient to cover the benefits for workers who are expected to meet the retirement conditions within the next year, the shortfall will be fully contributed by the end of March of the following year. The special account is entrusted to the Bureau of Labor Funds, MOL. The Company has no right to influence the investment management strategy.

The amount of the defined benefit plan included in the consolidated balance sheet is as follows:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 4,232	$ 4,311
The fair value of plan assets	(22,194)	(20,149)
Contribution surplus	(17,962)	(15,838)
Asset ceiling	-	-
Net defined benefit assets	($ 17,962)	($ 15,838)

Changes in net defined benefit assets are as follows:

	Present value of defined benefit obligations	The fair value of plan assets	Net defined benefit assets
Balance at January 1, 2024	$ 4,311	($ 20,149)	($ 15,838)
Interest expense (income)	51	(242)	(191)
Recognized in profit or loss	51	(242)	(191)
Remeasurements			
Return on plan assets	-	(1,803)	(1,803)
Actuarial gains - changes in financial assumptions	(110)	-	(110)
Actuarial gains - experience adjustments	(20)	-	(20)
Recognized in other comprehensive income or loss	(130)	(1,803)	(1,933)
Balance at December 31, 2024	$ 4,232	($ 22,194)	($ 17,962)
Balance at January 1, 2023	$ 3,861	($ 19,727)	($ 15,866)
Interest expense (income)	48	(246)	(198)
Recognized in profit or loss	48	(246)	(198)
Remeasurements			
Return on plan assets	-	(176)	(176)
Actuarial losses - changes in financial assumptions	16	-	16

Actuarial losses - experience adjustments	386	-	386
Recognized in other comprehensive income or loss	402	(176)	226
Balance at December 31, 2023	$ 4,311	($ 20,149)	($ 15,838)

The Company's pension system due to the Labor Standards Act is exposed to the following risks:

1. Investment risk: The Bureau of Labor Funds, Ministry of Labor, invests the labor pension fund through self-management and outsourcing in domestic and foreign equity securities, debt securities, and bank deposits. However, the amount allocated for the Group's plan assets is derived from revenues calculated at an interest rate not lower than the 2-year time deposit rate of local banks.
2. Interest rate risk: A decline in the interest rates of government bonds/corporate bonds will increase the present value of defined benefit obligations. However, the returns on the plan assets' debt investments will also increase, partially offsetting the impact on the net defined benefit liability.
3. Salary risk: The calculation of the present value of defined benefit obligations is based on the future salaries of plan members. Therefore, an increase in the salaries of the plan members will increase the present value of defined benefit obligations.

The present value of the defined benefit obligation of the Company is actuated by a qualified actuary, and the significant assumptions for the measurement date are as follows:

	December 31, 2024	December 31, 2023
Discount rate	1.60%	1.20%
Expected salary increase rate	2.00%	2.00%

If there are reasonably possible changes in each significant actuarial assumption, with all other assumptions held constant, the resulting increase (decrease) in the present value of defined benefit obligations would be as follows:

	December 31, 2024	December 31, 2023
Discount rate		
Additions	($ 66)	($ 79)
Deductions	$ 68	$ 81
Expected salary increase rate		
Additions	$ 68	$ 80
Deductions	($ 66)	($ 78)

Since actuarial assumptions may be interrelated, the likelihood of a change in a single assumption is low; therefore, the above sensitivity analysis may not reflect the actual change in the present value of defined benefit obligations.

	December 31, 2024	December 31, 2023
Estimated amount to be paid within 1 year	$ -	$ -
The average maturity of the present value of defined benefit obligations	6 years	7 years

XXVI. Equity

(I) Capital stock

Common stock

	December 31, 2024	December 31, 2023
Authorized shares (in thousands)	700,000	500,000
Authorized capital	$ 7,000,000	$ 5,000,000
Issued and paid shares (in thousands)	396,162	396,162
Issued capital	$ 3,961,619	$ 3,961,619

On April 30, 2024, the Parent Company's shareholders' meeting resolved to increase the authorized capital to NT$7,000,000 thousand, and the change was registered on June 11, 2024.

On December 12, 2022, the Parent Company's Board of Directors resolved to conduct a capital increase by issuing 36,000 thousand new shares, each with a par value of NT$10. The aforementioned cash capital increase case was declared effective by the Financial Supervisory Commission on January 11, 2023, with Approval No. 1110367678, designating March 29, 2023, as the capital increase record date. The issuance price per share was set at NT$10, and the change registration was completed on April 12, 2023.

A holder of issued common shares with par value of NT$10 is entitled to vote and to receive dividends.

(II) Capital surplus

	December 31, 2024	December 31, 2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
Additional paid-in capital	$ 138,759	$ 138,759
Treasury stock transactions	1,658	1,658
From difference between the consideration paid and the	5,450	5,450

carrying amount of the subsidiaries' net assets during actual acquisitions		
Expired stock options	996	996
May only be used to offset a deficit		
Recognition of changes in ownership interest in subsidiaries (2)	6,435	6,435
Shareholders' unclaimed dividend due to statute of limitations (3)	534	534
	$ 153,832	$ 153,832

1. Such capital surplus may be used to offset a deficit and, when the Company incurs no loss, may be distributed as cash dividends or transferred to share capital. However, if transferred to share capital, it is limited to a certain percentage of the Company's paid-in capital each year.
2. Such capital surplus arises from the impact on equity transactions recognized due to changes in the subsidiary's equity when the parent company has not actually made acquisitions of or disposals or retirements of the subsidiary's equity.
3. According to the Ministry of Economic Affairs' interpretation issued on September 21, 2017, with reference number 10602420200, dividends unclaimed by shareholders past the statutory period should be recognized as capital surplus.

The changes in capital surplus for 2024 and 2023 are as follows:

	Additional paid-in capital	Treasury stock transactions	From difference between the consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisitions	Expired stock options	Recognition of changes in ownership interest in subsidiaries	Shareholders' unclaimed dividend due to statute of limitations	Share-based payment arrangements	Total
Balance at January 1 and December 31, 2024	$ 138,759	$ 1,658	$ 5,450	$ 996	$ 6,435	$ 534	$ -	$ 153,832
Balance at January 1, 2023	$ 135,118	$ 1,658	$ 5,450	$ 996	$ 3,844	$ 534	$ -	$ 147,600
Recognize compensation cost of employee stock options	-	-	-	-	-	-	3,641	3,641
Cash capital increase	3,641	-	-	-	-	-	(3,641)	-
Adjustment for recognition of changes in ownership interest in subsidiaries due to cash capital increase reserved for employee stock options.	-	-	-	-	2,591	-	-	2,591
Balance at December 31, 2023	$ 138,759	$ 1,658	$ 5,450	$ 996	$ 6,435	$ 534	$ -	$ 153,832

(III) Retained earnings and dividend policy

The Parent Company stipulates in its Articles of Incorporation, in accordance with Article 240 of the Company Act, authorizing the Board of Directors, to distribute dividends and bonuses, or all or part of the legal capital reserve and capital surplus as specified in Article 241 of the Company Act by way of cash, with the approval of a resolution passed by the majority of attending directors at a meeting attended by more than two-thirds of the directors, and report to the shareholders' meeting.

According to the earnings distribution policy stipulated in the Parent Company's amended Articles of Incorporation, the after-tax earnings of the annual financial statements should first be used to offset losses from previous years, then 10% should be set aside as legal reserve, 20% as special reserve, and after making provisions or reversals for the special reserve as required by laws or regulations, the remaining amount, together with the beginning balance of unappropriated earnings, forms the distributable earnings. After retaining a portion as deemed necessary, the Board of Directors shall propose a plan for the appropriation of earnings. If the distribution is to be made by issuing new shares, it should be approved by the shareholders' meeting before distribution. If the distribution is to be made by way of cash, the Board of Directors may be authorized to make a special resolution, and report to the shareholders' meeting. Refer to Note 27(6) for the employee benefits expenses regarding the Parent Company's policy on the allocation of compensation to employees and directors.

According to the Parent Company's Articles of Incorporation, considering the stable development of future business and maintaining a sound long-term financial structure to maximize shareholders' benefits, the distribution of dividends to shareholders shall adopt a balanced policy of cash and stock dividends. Appropriations of earnings should be no less than 10% of the distributable earnings for the year. However, if the distributable earnings are less than 1% of the paid-in capital, a resolution can be made to transfer all to retained earnings without distribution. In the appropriation of earnings, the cash dividends shall not be less than 10% of the total dividends. However, if the cash dividend per share is less than NT$1, the entire distribution may be made in stock dividends.

The statutory surplus reserve shall be allocated until the balance reaches the total amount of the company's paid-in capital. The statutory surplus reserve may be used to offset a deficit. When the company incurs no loss, the portion of the statutory surplus reserve exceeding 25% of the total paid-in capital may be allocated to share capital or distributed in cash.

In accordance with the Regulations Governing Securities Firms, the allocation for the Special surplus reserve should be made at 20% of the annual after-tax earnings. However, if the accumulated amount has reached the amount of the paid-in capital, further allocation may be exempted.

When the Parent Company sets aside a special reserve for the net debit balance of previous accumulated other equity deductions, it only allocates from the prior period's unappropriated earnings.

The Parent Company's proposal for deficit compensation for the years ended December 31, 2022, was resolved by the shareholders' meeting on April 14, 2023, to offset the deficit with a legal reserve of NT$200,422 thousand.

The Parent Company's earnings appropriations for the year ended December 31 2023, are as follows:

	Proposal for Appropriations of Earnings	Dividends per share (NT$)
Legal reserve	$ 72,968	
Special surplus reserve (1)	145,936	
Special surplus reserve (2)	(42)	
Stock dividend	507,087	$ 1.28

1. Provisions made in accordance with the Regulations Governing Securities Firms.
2. In accordance with Financial Supervisory Commission Approval No. 1080321644, the reversal within the special surplus reserve is made under the scope of review related to developments in financial technology.

The aforementioned stock dividend was resolved to be distributed by the Board of Directors on March 12, 2024, and the remaining appropriations of earnings items were approved in the shareholders' meeting on April 30, 2024.

The Board of Directors of the Parent Company proposed the appropriations of earnings for the year ended December 31, 2024, on March 15, 2025, as follows:

	Proposal for Appropriations of Earnings	Dividends per share (NT$)
Legal reserve	$ 61,613	
Special surplus reserve (1)	123,226	
Special surplus reserve (2)	(212)	
Stock dividend	435,233	$ 1.10

The aforementioned stock dividend was resolved to be distributed by the Board of Directors, and the remaining matters are pending approval at the shareholders' meeting scheduled for May 2, 2025.

(IV) Others

Unrealized gain (loss) on financial assets at FVTOCI

	2024	2023
Beginning balance	$ 131,639	$ 58,520
Generated during the year		
Unrealized gain or loss		
Debt instruments	(18,080)	23,334
Equity instruments	81,728	111,035
Loss allowance adjustments from debt instruments	(216)	114
Share of associates accounted for using the equity method	13,317	39,235
Reclassification adjustment		
Disposals or retirements of debt instruments	6,839	3,705
Other comprehensive income for the year	83,588	177,423
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposal	(176,301)	(104,304)
Ending balance	$ 38,926	$ 131,639

(V) Non-controlling Interests

	2023
Beginning balance	$ 253,661
Share attributable to non-controlling interests	
Net income (loss) for the year	8,100
Capital reduction of subsidiaries and return of capital	(108,000)
Adjustment from changes in equity of subsidiaries	3,692
Disposal of subsidiary - Loss of control	(157,453)
Ending balance	$ -

XXVII. Consolidated net income

(I) Net gain on disposal of securities

	2024	2023
Income - proprietary trading	$ 7,044,375	$ 6,062,333
Cost - proprietary trading	(6,567,665)	(5,731,462)
	$ 476,710	$ 330,871
Income - underwriting	$ 857,032	$ 730,381
Cost - underwriting	(708,601)	(665,102)
	$ 148,431	$ 65,279

(II) Interest income

	2024	2023
Interest income from financing	$ 50,729	$ 36,893
Interest income from bond investments	42,864	34,577
Interest income from bonds purchased under resale agreements	30,401	34,013
	$ 123,994	$ 105,483

(III) Gain (loss) on trading securities at FVTPL, net

	2024	2023
Trading securities - proprietary trading	($ 96,286)	$ 210,738
Trading securities - underwriting	(193,518)	(13,255)
Bonds to be covered	19	-
	($ 289,785)	$ 197,483

(IV) Other operating income

	2024	2023
Other services	$ 52,906	$ 40,349
Foreign exchange gain, net	17	9
Bad debt loss	(9)	(19)
Others	708	447
	$ 53,622	$ 40,786

(V) Finance costs

	2024	2023
Interest expenses on liabilities from bonds sold under repurchase agreements	$ 67,182	$ 61,268
Loan cost	3,719	1,699
Interest on lease liabilities	612	847
	$ 71,513	$ 63,814

(VI) Employee benefits expenses

	2024	2023
Salary expenses	$ 308,619	$ 325,385
Compensation to directors	36,565	50,723
Insurance premium	22,273	19,826
Retirement benefits	9,552	9,385
Share-based payments - Equity-settled (Note 30)	-	9,924
Other employee expenses	8,603	8,447
	$ 385,612	$ 423,690

If the Parent Company has profits in a year, 1.5% to 2.5% should be allocated as the profit sharing bonus to employees, which may be distributed by resolution of the Board of Directors in the form of stock or cash. The beneficiaries may include employees of subsidiaries who meet certain conditions. Additionally, the Board of Directors may resolve to allocate 1.5% to 2.5% of the said profit amount as compensation to directors. The proposal for allocation of employee compensation and director remuneration shall be reported to the shareholders' meeting. However, when the company still has accumulated losses, it shall first reserve the amount to offset the losses before allocating employee compensation and compensation to directors according to the aforementioned ratio.

The estimated profit sharing bonus to employees and compensation to directors of the Parent Company for the years ended December 31, 2024, and 2023 were approved by the Board of Directors on January 17, 2025, and January 29, 2024, respectively, as follows:

Estimated ratio

	2024	2023
Profit sharing bonus to employees	1.5%	1.5%
Compensation to directors	1.5%	1.5%

	2024		2023	
	Cash	Stock	Cash	Stock
Profit sharing bonus to employees	$ 8,640	$ -	$ 10,560	$ -
Compensation to directors	8,640	-	10,560	-

If there is a change in the proposed amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in accounting estimate.

Please refer to the Taiwan Stock Exchange's "Market Observation Post System" for information on the profit sharing bonus to employees and compensation to directors resolved by the Parent Company's Board of Directors.

(VII) Depreciation and amortization expenses

	2024	2023
Real estate and equipment	$ 10,926	$ 11,515
Right-of-use assets	29,792	30,996
Intangible assets	5,733	5,165
	$ 46,451	$ 47,676

(VIII) Other gains and losses

	2024	2023
Financial income	$ 10,860	$ 13,615
Bargain purchase gain (Note 31)	-	12,868

Net gain on disposals of investments	-	205
Lease modifications and rent concessions benefits	-	187
Loss on disposal of a subsidiary (Note 31)	-	(27,668)
Others (Note 35)	9,668	9,714
	$ 20,528	$ 8,921

XXVIII. Income tax

(I) Income tax expense recognized in profit or loss

The main components of income tax expense are as follows:

	2024	2023
Current income tax expense		
Generated in the current year	$ 116,587	$ 102,278
Adjustments on prior years	(281)	421
	116,306	102,699
Deferred income tax		
Generated in the current year	264	983
Income tax expense recognized in profit or loss	$ 116,570	$ 103,682

The reconciliation of accounting income and current income tax expense is as follows:

	2024	2023
Income before income tax	$ 554,463	$ 737,385
Income tax calculated on income before income tax at the statutory tax rate	$ 110,892	$ 147,477
Expenses and losses not deductible in determining taxable income	77,285	11,016
Tax-exempt income	(132,206)	(90,607)
Unrecognized deductible temporary differences	-	(901)
Additional tax payable under the minimum tax act	60,880	36,276
Adjustments of the current income tax expense from prior years in the current period.	(281)	421
Income tax expense recognized in profit or loss	$ 116,570	$ 103,682

(II) Current income tax assets and liabilities

	December 31, 2024	December 31, 2023
Income tax assets and liabilities		
Receivables from tax refunds	$ 8,614	$ 472
Income tax payable		
Income taxes payable	$ 85,773	$ 62,980

(III) Deferred income tax assets

Changes in deferred income tax assets are as follows:

2024

Deferred income tax assets	Beginning Balance	Recognized in Profit or Loss	Ending balance
Temporary differences			
Expected credit impairment loss	$ 1,920	($ 264)	$ 1,656

2023

Deferred income tax assets	Beginning Balance	Recognized in Profit or Loss	Ending balance
Temporary differences			
Expected credit impairment loss	$ 2,903	($ 983)	$ 1,920

(IV) Income tax examination

The business income tax returns of the Parent Company and its subsidiaries Grand Fortune VC Management, Grand Fortune Investment Advisory, and Grand Fortune VC have all been approved by the tax authorities up to December 31, 2022.

XXIX. Earnings Per Share

The earnings and weighted average number of common shares used in the calculation of earnings per share are as follows:

Net income for the year

	2024	2023
Net income used in the computation of basic and diluted EPS	$ 437,893	$ 625,603

Shares/ Units (In Thousands)

	2024	2023
Weighted average number of common shares outstanding used in the computation of basic EPS	396,162	387,581
Effects of all dilutive potential common shares:		
Profit sharing bonus to employees	417	409
Weighted average number of common shares used in the computation of diluted EPS	396,579	387,990

If the Parent Company can choose to distribute the profit sharing bonus to employees in the form of stock or cash, it is assumed for the calculation of diluted EPS that the profit sharing bonus to employees will be distributed in the form of stock. When the potential common stock has a dilutive effect, it is included in the weighted average number of shares outstanding for calculating the diluted EPS. When calculating diluted EPS before the determination of the number of shares to be distributed as the profit sharing bonus to employees in the subsequent year, the dilutive effect of such potential common stock is also taken into account.

XXX. Share-based payment arrangements

(I) Capital increase of the Parent Company with employee stock retention

On December 12, 2022, the Parent Company's Board of Directors resolved to conduct a capital increase by issuing new shares, and in accordance with Article 267 of the Company Act, 10% of the total amount of newly issued shares was reserved for subscription by employees of the Group. If any employees waive their subscription rights or there are odd shares that do not sum up to a whole share, the Chairman is authorized to negotiate with specific persons for subscription.

The relevant information regarding the cash capital increase reserved for employee stock option granted by the Parent Company on February 3, 2023, is as follows:

	2023	
Employee stock options	Units (In Thousands)	Weighted average exercise price (NT$)
Outstanding at the beginning of the year	-	$ -
Issuance of shares for the year	4,233	10
Exercise for the year	(4,233)	10
Outstanding at the end of the year	-	

The Parent Company cash capital increase reserved for employee stock options is evaluated using the Black-Scholes-Merton valuation model. The input parameters applied is as follows:

	February 3, 2023
Stock price at grant date (NT$)	$ 10.7
Exercise price (NT$)	$ 10
Expected stock price volatility	27.59%
Expected life	49 days
Expected dividend rate	-
Risk-free interest rate	0.76%

The remuneration cost recognized by the Group for the year ended December 31 2023 was NT$3,641 thousand.

(II) Adjustment for changes in equity of subsidiaries due to cash capital increase with employee stock options

On August 8, 2023, Beili Biotech's Board of Directors resolved to conduct a cash capital increase by issuing new shares, and in accordance with Article 267 of the Company Act, 15% of the total amount of newly issued shares was reserved for subscription by employees of the Group. If any employees waive their subscription rights or there are odd shares that do not sum up to a whole share, the Chairman is authorized to negotiate with specific persons for subscription.

On August 8, 2023, the information related to the cash capital increase reserved for employee stock options provided by Beiley Biofund is as follows:

	2023	
Employee stock options	Units (In Thousands)	Weighted average exercise price (NT$)
Outstanding at the beginning of the year	-	$ -
Issuance of shares for the year	15,709	10
Exercise for the year	(14,849)	10
Abandonment for the year	(860)	10
Outstanding at the end of the year	-	

Beiley Biofund's cash capital increase reserved for employee subscription rights is evaluated using the Black-Scholes-Merton model. The input values used in the evaluation model are as follows:

	August 8, 2023
Stock price at grant date (NT$)	$ 10
Exercise price (NT$)	$ 10
Expected stock price volatility	31.03%
Expected life	38 days
Expected dividend rate	-
Risk-free interest rate	0.94%

The remuneration cost recognized by the Group for the year ended December 31 2023 was NT$6,283 thousand.

XXXI. Disposal of Subsidiary - Loss of Control

Beili Biotech's Board of Directors resolved in August 2023 to conduct a cash capital increase, with October 4, 2023 set as the base date for the increase. Due to the Group's failure to subscribe to Beili Biotech according to the ownership percentage, the ownership percentage decreased from 58.76% to 24.39%, resulting in the loss of control over Beili Biotech. Please refer to Note 13.

(I) Analysis of assets and liabilities related to loss of control

	Beili Biotech
Current assets	
Cash and cash equivalents	$ 4,933
Financial assets at FVTPL	330,118
Income tax assets and liabilities	39
Other current assets	10,168
Non-current assets	
Financial assets at FVTPL	22,511
Other non-current assets	10,000
Current liabilities	
Other payables	(150)
Other current liabilities	(4,759)
Net assets dispose of	$ 372,860

(II) Loss on disposal of a subsidiary

	Beili Biotech
Consideration for participating in cash capital increase	($ 300,000)
Net assets dispose of	(372,860)
Non-controlling Interests	157,453
Fair value of the remaining investment	487,739
Loss on disposal	($ 27,668)

The Group recognized a loss on investment disposal of NT$27,668 thousand due to the aforementioned loss of control transaction, and a bargain purchase gain of NT$12,868 thousand was recognized by measuring the identifiable net assets of the remaining investment at fair value on the date control was lost.

(III) Net cash outflows from the disposal of a subsidiary

	Beili Biotech
Consideration for participating in cash capital increase	($ 300,000)
Cash and cash equivalents from disposals	(4,933)
	($ 304,933)

XXXII. Cash flow information

Reconciliation of liabilities arising from financing activities

2024

			Non-cash changes		
	January 1, 2024	Financing cash flow	Additions for the Year	Deductions for the Year	December 31, 2024
Short-term loans	$ 300,000	($ 300,000)	$ -	$ -	$ -
Lease liabilities	65,998	(30,375)	1,952	-	37,575
	$ 365,998	($ 330,375)	$ 1,952	$ -	$ 37,575

2023

			Non-cash changes		
	January 1, 2023	Financing cash flow	Additions for the Year	Deductions for the Year	December 31, 2023
Short-term loans	$ -	$ 300,000	$ -	$ -	$ 300,000
Lease liabilities	86,366	(31,426)	13,483	(2,425)	65,998
	$ 86,366	$ 268,574	$ 13,483	($ 2,425)	$ 365,998

XXXIII. Capital risk management

The Company conducts capital management to ensure that the companies within the group can proceed before continuing operations, by maximizing the debt and equity balances to maximize shareholder compensation. The overall strategy of the combined company will remain unchanged for the foreseeable future.

The Parent Company conducts capital management based on each business development plan and operating budget, considering various risk controls and financial market regulations to achieve optimal capital allocation prudently. The Parent Company continues to maintain sufficient own capital.

(I) Objectives of capital management

The Parent Company, in accordance with the relevant provisions of the "Regulations Governing Securities Firms," cooperates with the competent authority to calculate and report the own capital adequacy ratio using the advanced method. The management objective for the Parent Company's capital adequacy ratio is not to fall below 200%. When it reaches the warning level of 250%, the Risk Management Committee must convene, and each business department should discuss its positions and make adjustments to keep the capital adequacy ratio above the warning threshold.

(II) Capital management policies and procedures

By calculating the eligible own capital and the notional amounts of various operational risks (notional amounts of market risk, credit risk, and operational risk), the overall risk tolerance and the appropriateness of risk management are assessed, serving as the basis for adjustments to the proprietary positions and risk management policies of various businesses.

(III) Capital adequacy ratio

The capital adequacy ratio reported by the Parent Company to the Taiwan Stock Exchange on December 31, 2024, and December 31, 2023, is as follows:

$$\text{Capital adequacy ratio on December 31, 2024} = \frac{\text{Net eligible capital}}{\text{Equivalent amount of operational risk}} = 493\%$$

$$\text{Capital adequacy ratio on December 31, 2023} = \frac{\text{Net eligible capital}}{\text{Equivalent amount of operational risk}} = 356\%$$

XXXIV. Financial Instruments

(I) Information on fair value

1. Fair value of financial instruments that are not measured at fair value

The Group considers that the carrying amounts of financial assets and liabilities not measured at fair value approximate their fair values.

2. Fair value of financial instruments that are measured at fair value on a recurring basis

(1) Fair value hierarchy

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic publicly traded and Emerging Stock Board - stocks	$ 1,117,260	$ 35,079	$ 332,591	$ 1,484,930
Domestic bonds - Over-the-counter market	231,725	-	-	231,725
Domestic non-publicly traded equity investments - Stocks	-	-	49,544	49,544
Foreign private equity fund	-	-	9,810	9,810
Total	$ 1,348,985	$ 35,079	$ 391,945	$ 1,776,009
Financial assets at FVTOCI				
Investments in equity instruments				
- Domestic publicly traded and Emerging Stock Board - Stocks	$ 34,237	$ -	$ 134,758	$ 168,995
- Domestic non-publicly traded equity investments - Stocks	-	-	194,383	194,383
Investments in debt instruments				
- - Domestic government bonds	192,864	-	-	192,864
- - Domestic corporate bonds	1,095,435	1,590,981	-	2,686,416
Total	$ 1,322,536	$ 1,590,981	$ 329,141	$ 3,242,658
Financial liabilities measured at fair value through profit or loss				
Bonds to be covered	$ 49,946	$ -	$ -	$ 49,946

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic publicly traded and Emerging Stock Board - stocks	$ 2,141,588	$ 41,353	$ 476,852	$ 2,659,793
Domestic bonds - Over-the-counter market	177,832	-	-	177,832
Domestic non-publicly traded equity investments - Stocks	-	-	21,882	21,882
Foreign private equity fund	-	-	4,554	4,554
Total	$ 2,319,420	$ 41,353	$ 503,288	$ 2,864,061
Financial assets at FVTOCI				
Investments in equity instruments				
- Domestic publicly traded and Emerging Stock Board - Stocks	$ 87,159	$ 37,600	$ 109,159	$ 233,918
- Domestic non-publicly traded equity investments - Stocks	-	-	109,623	109,623
- Foreign depositary receipts	57,654	-	-	57,654
Investments in debt instruments				
- Domestic government bonds	266,660	-	-	266,660
- Domestic corporate bonds	798,013	1,499,196	-	2,297,209
Total	$ 1,209,486	$ 1,536,796	$ 218,782	$ 2,965,064

Transfers between fair value hierarchy levels for the years ended December 31, 2024, and 2023 primarily resulted from the determination of whether certain Emerging Stock Board stocks held by the Group were traded in active markets, based on the orderly transaction volume among market participants.

(2) Reconciliation of Level 3 fair value measurements of financial assets

2024

	Financial assets at FVTPL - equity instruments	Financial Assets at FVTPL - Private Equity Fund	Financial assets at FVTOCI - Equity Instruments	Total
Beginning balance	$ 498,734	$ 4,554	$ 218,782	$ 722,070
Purchase	644,456	6,786	151,525	802,767
Transfer in	3,487	-	-	3,487
Disposals or retirements	(382,120)	-	(68,596)	(450,716)
Transfer out	(338,163)	-	-	(338,163)
Recognized in profit or loss	(44,259)	(1,530)	-	(45,789)
Recognized in other comprehensive income or loss	-	-	27,430	27,430
Ending balance	$ 382,135	$ 9,810	$ 329,141	$ 721,086

2023

	Financial assets at FVTPL - equity instruments	Financial Assets at FVTPL - Private Equity Fund	Financial assets at FVTOCI - Equity Instruments	Total
Beginning balance	$ 567,186	$ -	$ 110,343	$ 677,529
Purchase	771,983	4,776	185,120	961,879
Transfer in	8,302	-	-	8,302
Disposals or retirements	(689,373)	-	(38,728)	(728,101)
Transfer out	(142,507)	-	(47,484)	(189,991)
Recognized in profit or loss	60,654	(222)	-	60,432
Recognized in other comprehensive income or loss	-	-	9,531	9,531
Disposal of subsidiary - Loss of control	(77,511)	-	-	(77,511)
Ending balance	$ 498,734	$ 4,554	$ 218,782	$ 722,070

(3) Valuation techniques in Level 2 fair value measurement

Corporate bond investments are referenced to the theoretical prices derived from market interest rates published by the Taipei Exchange to arrive at their fair values.

Domestic listed stocks, OTC-listed stocks, and private placement stocks are evaluated using the Black-Scholes-Merton valuation model, based on the transaction prices in active markets, strike price, volatility, risk-free interest rate, and expected life.

(4) Valuation techniques and inputs used in Level 3 fair value measurement

Investments in domestic Emerging Stock Board stocks and non-publicly traded domestic stocks, for which quoted prices in orderly transactions among market participants in active markets are not available, are valued using a comparable publicly listed company approach to determine the fair value of the investment targets. Investments in foreign private equity funds are valued using the asset approach and the income approach to calculate their fair value.

The comparable publicly traded company method refers to valuing the target company by considering the trading prices of stocks of companies engaged in the same or similar business in active markets, the value multiples implied by those prices, and accounting for the discount for lack of marketability. The main unobservable input is the discount for lack of marketability.

The income approach involves calculating the present value of expected returns from holding an investment by discounting the projected cash flows.

The asset approach evaluates the total market value of the individual assets and liabilities covered by the valuation subject, considering discounts for lack of control and current liquidity discounts to reflect the overall value of the enterprise or business.

(II) Categories of financial instruments

Financial assets	December 31, 2024	December 31, 2023
FVTPL		
Mandatorily measured at FVTPL financial assets	$ 1,776,009	$ 2,864,061
Financial assets at amortized cost (Note 1)	6,661,980	6,218,592
Financial assets at FVTOCI	3,242,658	2,965,064

(Concluded)

(Concluded)

Financial liabilities	December 31, 2024	December 31, 2023
FVTPL		
Held for trading	$ 49,946	$ -
Amortized cost (Note 2)	6,287,897	6,791,582

Note1. The balance includes cash and cash equivalents, financial assets at amortized cost - current, bonds with repurchase agreement investments, securities financing receivables, accounts receivable, other receivables, pledged time deposits under other current assets, collected amounts, settlement amounts, and operating deposits, settlement fund and refundable deposits as financial assets measured at amortized cost.

Note2. The balance includes short-term loans, liabilities from bonds sold under repurchase agreements, margin deposits for short sales, margin deposits for short sales, accounts payable, other payables (excluding salaries, bonuses, compensation, and taxes), and Financial liabilities at amortized costs under other current liabilities, including temporary receipts - distribute dividends, temporary receipts - public tender offer payments, and advance receipt of underwriting payments.

(III) Financial risk management objectives and policies

The major financial instruments of the Group include equity and debt investments, accounts receivable, accounts payable, and lease liabilities, with the primary risks being market risk (including interest rate risk and other price risk), credit risk, and liquidity risk.

1. Market risk

The primary financial risks borne by the Group's operating activities are interest rate risk and financial product price change risk.

There is no change in the risk of the Company's market risk related to financial instruments and the management and measurement of such risks.

(1) Interest rate risk

The carrying amounts of the Company’s financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	December 31, 2024	December 31, 2023
Subject to fair value interest rate risk		
- Financial assets	$ 5,403,784	$ 4,772,024
- Financial liabilities	4,849,484	4,796,878
Subject to cash flow interest rate risk		
- Financial assets	306,813	288,543
- Financial liabilities	-	250,000

Sensitivity analysis

The following sensitivity analysis is determined based on the interest rate risk of non-derivative instruments as of the balance sheet date. The Group uses a rate of change of an interest rate increase/decrease of 20 basis points, which also represents management's assessment of the reasonably possible scope of change in interest rates.

A. Subject to fair value interest rate risk

The bond investments undertaken by the Group include some fixed-rate bonds, thus changes in market interest rates will cause the fair value of those bond investments to fluctuate accordingly.

If market interest rates increase/decrease by 20 basis points, the comprehensive income for 2024 and 2023 will decrease/increase by NT$27,744 thousand and NT$27,263 thousand, respectively, due to changes in the fair value of bond investments.

The Group is exposed to fair value interest rate risk due to holding bonds with repurchase agreement investments and bonds with repurchase agreement liabilities. However, the Group strictly controls the authorized positions to effectively manage the interest rate risk of such transactions.

B. Subject to cash flow interest rate risk

If the interest rate increases/decreases by 20 basis points, with all other variables remaining constant, the Group's pre-tax net income for years ended December 31, 2024 and 2023 will increase/decrease by NT$614 thousand and NT$77 thousand, respectively. The exposure mainly arises from the interest rate risk of the Group's demand deposits and loan deposits.

(2) Other price risk

The Group is exposed to price risk due to investments in equity securities, convertible bonds, and private equity funds.

Sensitivity analysis

The following sensitivity analysis is based on the price risk of investments in financial assets at FVTPL as of the balance sheet date. After considering the impact of changes in securities market policies, the Group used a rate of change of an increase/decrease in prices of 10% for the years ended December 31, 2024 and 2023. This also represents management's assessment of the reasonably possible scope of change in prices.

If the prices of investment securities, convertible bonds, and private equity funds increase/decrease by 10%, the pre-tax income for the year ended December 31, 2024 will increase/decrease by NT$177,601 thousand due to changes in the fair value of investments in financial instruments mandatorily measured at FVTPL. Other comprehensive income (loss) will increase/decrease by NT$324,266 thousand due to changes in the fair value of financial assets at FVTOCI.

If the prices of investment securities, convertible bonds, and private equity funds increase/decrease by 10%, the pre-tax income for the year ended December 31, 2023 will increase/decrease by NT$286,406 thousand due to changes in the fair value of financial instruments mandatorily measured at FVTPL. Other comprehensive income (loss) will increase/decrease by NT$296,506 thousand due to changes in the fair value of financial assets at FVTOCI.

2. Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in financial losses to the Group. As of the balance sheet date, the Group's maximum exposure to credit risk that may result in financial losses due to counterparties' failure to fulfill obligations mainly arises from:

Asset carrying amounts of financial assets recognized in the consolidated balance sheets.

The policy adopted by the Group is to obtain adequate collateral to mitigate the risk of financial loss due to default and to use other publicly available financial information and mutual transaction records to rate customers. The Group continuously monitors credit exposures and the credit ratings of counterparties.

3. Liquidity risk

The Group manages and maintains adequate levels of cash and cash equivalents to support operations and mitigate the impact of fluctuations in financing cash flow. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

(1) Table of liquidity and interest rate risk

The table below provides a maturity analysis of the Group's non-derivative financial liabilities based on agreed repayment periods, and is prepared using undiscounted cash flows of financial liabilities.

December 31, 2024

	Less Than 1 Month	1 to 3 months	3 months to 1 year	1-5 Years	More than 5 Years
Non-derivative financial liabilities					
None-interest-bearing liabilities	$ 1,488,359	$ -	$ -	$ -	$ -
Lease liabilities	2,592	5,183	23,389	6,799	-
Fixed-rate instruments	4,804,924	50,354	-	-	-
	$ 6,295,875	$ 55,537	$ 23,389	$ 6,799	$ -

December 31, 2023

	Less Than 1 Month	1 to 3 months	3 months to 1 year	1-5 Years	More than 5 Years
Non-derivative financial liabilities					
None-interest-bearing liabilities	$ 1,744,703	$ -	$ -	$ -	$ -
Lease liabilities	2,624	5,246	22,763	36,318	-
Floating-rate instruments	250,000	-	-	-	-
Fixed-rate instruments	4,761,588	40,149	-	-	-
	$ 6,758,915	$ 45,395	$ 22,763	$ 36,318	$ -

(2) Financing limit

	December 31, 2024	December 31, 2023
Secured limit		
- Amount used	$ -	$ 300,000
- Amount unused	1,555,000	1,285,000
	$ 1,555,000	$ 1,585,000

XXXV. Transaction with related parties

(I) Related party name and relationship

Related party name	Relationship with the Company
Fuyou Venture Capital Limited Partnership (Fuyou VC)	Affiliated company
Fuyou Private Equity Limited Partnership (Fuyou Private Equity)	Affiliated company
Beili Biotech Venture Capital Investment Co., Ltd. (Beili Biotech)	An associate of the Group since October 4, 2023.

(II) Income

Item	Related Party Categories/Name	2024	2023
Consulting fee income	Fuyou VC	$ 42,896	$ 45,520
Consulting fee income	Fuyou Private Equity	$ 18,095	$ 10,635
Stock agency fee income	Affiliated company	$ -	$ 132
Other operating income	Affiliated company	$ 24	$ 21

Revenue from related parties comprises consultancy fees, stock agency fee income, and information technology service fees, which are agreed upon individually based on contract prices. The payment terms are not significantly different from those with non-related parties.

(III) Non-operating income and expenses

Item	Related party name	2024	2023
Other non-operating income	Beili Biotech	$ 480	$ 120

(IV) Receivables from related parties

Related party categories	December 31, 2024	December 31, 2023
Accounts receivable		
Affiliated company	$ 37,025	$ 36,120
Other receivables		
Affiliated company	$ 40	$ 61

Receivables from related parties are not guaranteed, and other receivables are of an agent nature. As of December 31, 2024 and 2023, no loss allowance was recognized.

(V) Acquisitions of financial assets

2023

Related party categories	Item	Number of shares traded	Transaction target	Acquisition consideration
Affiliated company	Financial assets at FVTOCI - current	805,000	TFBS Bioscience, Inc.	$ 45,885

(VI) Compensation of key management personnel

	2024	2023
Salary	$ 85,556	$ 90,340
Execution of business expenses	273	280
Share-based payment	-	1,511
	$ 85,829	$ 92,131

The remuneration of directors and other key management personnel is determined based on individual performance and market trends.

XXXVI. Pledged assets

The Group provided the following assets to financial institutions as collateral at the balance sheet date for the application of issuing guaranteed commercial paper, obtaining short-term bank loans, and financing limits:

	December 31, 2024	December 31, 2023
Time deposits (classified under other current assets)	$ 415,500	$ 450,000
Financial assets at FVTOCI	-	9,991
	$ 415,500	$ 459,991

XXXVII. Significant contingent liabilities and unrecognized commitments: None.

XXXVIII. Significant disaster losses: None.

XXXIX. Significant subsequent events: None.

XL. Significant Foreign Currency Assets and Liabilities Information

The following information was summarized according to the foreign currencies other than the functional currency of the Group. The exchange rates disclosed were used to translate the foreign currencies into the functional currency. The significant financial assets denominated in foreign currencies were as follows:

December 31, 2024

Units: Each Foreign Currency/In Thousands of New Taiwan Dollars

Financial assets	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
Non-monetary items			
USD	$ 293	32.67	$ 9,810

December 31, 2023

Units: Each Foreign Currency/In Thousands of New Taiwan Dollars

Financial assets	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
Non-monetary items			
USD	$ 2,026	30.74	$ 62,208

XLI. Additional Disclosures

(I) Information related to material transactions

1. FLoans provided: None.
2. Endorsements/guarantees provided: None.
3. Acquisition of individual real estate properties at costs of at least NT$300 million or 20% of the paid-in capital: None.
4. Disposals of real estate at amounts of at least NT$300 million or 20% of the paid-in capital: None.
5. Fee discounts for transactions with related parties amounting to NT$5 million or more: None.
6. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: None.
7. Intercompany relationships and significant intercompany transactions and amounts: Table 2.

(II) Information on investments in associates and joint ventures

1. When having significant influence or control, directly or indirectly, over the investee company, relevant information of the investee company should be disclosed: See Table 1.
2. Information related to material transactions of investee companies where the Company has direct or indirect control:
   (1) Investee Company's financings provided: None.
   (2) Endorsements/guarantees provided by the investee company: None.
   (3) Acquisition of individual real estate properties at costs of at least NT$300 million or 20% of the paid-in capital: None.
   (4) Disposals of real estate at amounts of at least NT$300 million or 20% of the paid-in capital: None.
   (5) Total discounts on transaction fees for related party transactions amounting to at least NT$5 million: None.
   (6) Receivables from related parties for the investee company amounting to at least NT$100 million or 20% of the paid-in capital: None.

(III) Information on the establishment of overseas branches and representative offices: None.

(IV) Information on investment in Mainland China: None.

(V) Information of major shareholders: A list of all shareholders with ownership of 5 percent or greater, showing their names, the number of shares, and the percentage of ownership held by each shareholder is provided in Table 3.

XLII. SEGMENT INFORMATION

The information provided to chief operating decision makers for resource allocation and assessment of segment performance focuses on the types of services provided. The reportable segments of the Group are as follows:

Brokerage Department: Brokerage trading of securities.

Underwriting Department: Underwriting of securities.

Proprietary Trading Department: Proprietary trading of securities.

Others: Operational activities not related to the Brokerage Department, Underwriting Department, and Proprietary Trading Department.

Department revenue and operating results

The information of the Group's continuing operations is analyzed by reportable segments as follows:

	2024					
	Brokerage Department	Underwriting Department	Proprietary Trading Department.	Others	Eliminate Inter-Segment Revenue and Losses	Total
Revenue from external customers	$ 197,090	$ 415,373	$ 483,973	$ 87,796	$ -	$ 1,184,232
Inter-segment revenue	-	-	-	18,060	(18,060)	-
Total revenue	197,090	415,373	483,973	105,856	(18,060)	1,184,232
Expenses	(86,421)	(188,237)	(98,277)	(274,894)	18,060	(629,769)
Segment profit (loss)	$ 110,669	$ 227,136	$ 385,696	($ 169,038)	$ -	$ 554,463

	2023					
	Brokerage Department	Underwriting Department	Proprietary Trading Department.	Others	Eliminate Inter-Segment Revenue and Losses	Total
Revenue from external customers	$ 164,120	$ 515,572	$ 546,727	$ 157,522	$ -	$ 1,383,941
Inter-segment revenue	-	-	-	72,283	(72,283)	-
Total revenue	164,120	515,572	546,727	229,805	(72,283)	1,383,941
Expenses	(79,933)	(181,919)	(80,114)	(376,873)	72,283	(646,556)
Segment profit (loss)	$ 84,187	$ 333,653	$ 466,613	($ 147,068)	$ -	$ 737,385

Note: The Group's operating decision makers do not use the assets and liabilities of the operating segments as a basis for decision-making; therefore, the assets and liabilities of the operating segments are not required to be disclosed.

Grand Fortune Securities Co., Ltd. and Subsidiaries

Names, locations, and related information of investees over which the Company exercises significant influence (excluding information on investment in Mainland China)

January 1 to December 31, 2024

Table 1.

Unit: Amounts in NT$ thousands, unless specified otherwise

Investor Company	Investee Company	Location	Date of establishment	FSC approval document number and date	Principal business items	Original Investment Amount		Ending balance			Revenue of investee company for the current period	Profit (loss) of investee ompany for the current period	Recognized investment profit (loss) for the current period	Cash dividends for the current period	Note
						End of current period	End of last year	Shares	Percentage	Carrying Amount					
Parent Company	Grand Fortune Securities Investment Advisory Co., Ltd.	Taiwan	March 5, 2010	(Note 2)	Securities investment advisory services	$ 79,544	$ 79,544	9,480,000	100	$ 101,885 (Note 1)	$ 24,810	$ 2,648	$ 2,648 (Note 1)	$ 1,242	Subsidiary
	Grand Fortune Venture Capital Management Consulting Co., Ltd.	Taiwan	October 24, 2013	August 22, 2013, Jin-Guan-Jeng-Chuan-Zi No. 1020029470	Investment advisory and management consulting services	512,304	512,304	61,945,139	100	845,045 (註 1)	52,740	35,232	35,232 (Note 1)	-	Subsidiary
	Grand Fortune Venture Capital Co., Ltd. (Note 6)	Taiwan	January 22, 2020	(Note 5)	General investment business	200,000	200,000	25,905,420	100	384,865 (註 1)	5,222	(8,845)	(8,845) (Note 1)	-	Subsidiary
Grand Fortune Venture Capital Management Consulting Co., Ltd.	Beiley Biofund (Note 7)	Taiwan	October 15, 2013	August 22, 2013, Jin-Guan-Jeng-Chuan-Zi No. 1020029470	Venture capital business	420,612	420,612	50,059,788	24.39	536,633	122,843	78,818	19,220	-	Associates accounted for using the equity method
	Fuyou Venture Capital Limited Partnership	Taiwan	March 13, 2019	(Note 5)	General investment business	20,193	50,000	(Note 3)	9.62	39,672	6,041	(68,414)	(6,578)	16,652	Associates accounted for using the equity method (Note 4)
	Fuyou Private Equity Limited Partnership	Taiwan	August 9, 2022	(Note 5)	General investment business	100,000	70,000	(Note 3)	10	97,617	7,441	(12,650)	(1,265)	3,914	Associates accounted for using the equity method (Note 4)

Note1. During the preparation of this consolidated financial report, the write-offs have already been consolidated.

Note2. The Parent Company acquired the entity from Yousheng Investment Advisory (later renamed Grand Fortune Investment Advisory) in March 2010; therefore, there is no original investment approval number from the Financial Supervisory Commission.

Note3. It is a limited partnership.

Note4. Grand Fortune Venture Capital Management Consulting Co., Ltd. serves as the General Partner (GP).

Note5. Approved by the Financial Supervisory Commission on October 24, 2018, with Jin-Guan-Jeng-Chuan-Zi No. 1070334245, Grand Fortune Venture Management was permitted to conduct a cash capital increase and reinvest according to the funding uses outlined in its investment proposal.

Note6. Approved by the Financial Supervisory Commission on September 26, 2024, with Jin-Guan-Jeng-Chuan-Zi No. 1130355705, agreed to be renamed as Grand Fortune Venture Capital Co., Ltd.

Note7. Approved by the Financial Supervisory Commission on February 16, 2024, with Jin-Guan-Jeng-Chuan-Zi No. 1130332829, agreed to be renamed as Beiley Biofund.

Grand Fortune Securities Co., Ltd. and Subsidiaries

Intercompany Relationships and Significant Transactions

January 1 to December 31, 2024

Table 2.

Unit: Amounts in NT$ thousands, unless specified otherwise

STATEMENT (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Intercompany Transactions			
				Financial Statements Item	Amount (Note 3)	Terms (Note 4)	% of Consolidated Net Revenue or Total Assets
0	Grand Fortune Securities Co., Ltd.	Grand Fortune Investment Advisory	1	Service expenses	$ 17,940	—	2
			1	Other receivables	45	—	-
			1	Other operating income	60	—	-
		Grand Fortune Venture Management	1	Other operating income	60	—	-
			1	Other receivables	70	—	-
		Grand Fortune Venture Capital	1	Financial assets at FVTOCI - current	52,500	—	-
1	Grand Fortune Investment Advisory	Parent Company	2	Consulting fee income	17,940	—	2
			2	Other operating expenses	60	—	-
			2	Other payables	45	—	-
2	Grand Fortune Venture Management	Parent Company	2	Service expenses	60	—	-
			2	Other payables	70	—	-
4	Grand Fortune Venture Capital	Parent Company	2	Financial assets at FVTOCI - Non-current	52,500	—	-

Note1. The business transaction information between the Parent Company and its subsidiaries should be noted separately in the No. column, and the method for filling in the numbers is as follows:

1. The Parent Company is assigned number 0.
2. Subsidiaries are numbered sequentially starting with Arabic numeral 1 for each company.

Note2. The relationship with the counterparty falls into one of three categories, please indicate the type only:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note3. During the preparation of this consolidated financial report, the write-offs have already been consolidated.

Note4. The terms of intercompany transactions between the parent company and subsidiary are determined by mutual agreement.

Grand Fortune Securities Co., Ltd.

Information on major shareholders

December 31, 2024

Table 3.

Shareholders	Shares	
	Total shares owned (shares)	Ownership percentage
Huang Hsien-Hua	30,247,243	7.63%

Note1. The information on major shareholders in this table is calculated by the clearing company based on the last business day of each quarter, showing the holders of common stock of the securities firm that have completed non-physical registration and delivery (including treasury stock) of 5% or greater. As for the capital stock recorded in the financial reports of securities firms and the actual number of shares delivered through non-physical registration by the securities firms, there may be discrepancies due to differences in the basis of preparation or calculation.

Note2. If the aforementioned data involves shareholders entrusting their holdings to a trust, it is disclosed under individual sub-accounts for the trustor through a trust account established by the trustee. As for shareholders who, in accordance with securities trading laws, declare insider shareholdings exceeding 10%, their shares include personal holdings plus the shares delivered to a trust over which they have the right to make decisions regarding the trust assets. For information on insider shareholding declarations, please refer to the Market Observation Post System.