

Code:6026

Grand Fortune Securities Co., Ltd. and subsidiary
2025 and 2024 2nd Season Consolidated Financial Statements and
Auditor's Report

Address: Floor 5, 6, 7, No. 6, Sec. 1, Chongxiao West Rd., Taipei City, Taiwan (R.O.C.)

Tel : 02-23836888

Not audited by the CPA, this English report is provided only for readers' reference and is based on the content of the Chinese report being audited by the CPA. The Chinese report will prevail, should there be any difference between English and Chinese reports.

INDEX

<u>Item</u>	<u>Page</u>	<u>Note of financial report</u>
I. Cover		
II. Index	1	
III. Independent Auditors' Report	2-5	
IV. Consolidated balance sheet	6	
V. Consolidated statements of comprehensive income	7-9	
VI. Consolidated statements of change in equity	10-11	
VII. Consolidated statements of cash flows	12-13	
VIII. Notes to The Consolidated Financial Statements	14	
1. Company History	14	I
2. Date of authorization and procedure for the consolidated financial statements	14	II
3. Application and interpretations of new standards and amended regulations	14-15	III
4. Summary of significant accounting policy	15-16	IV
5. Critical accounting judgments, estimates and key sources of assumption uncertainty	16	V
6. Explanation of important accounting items	17-42	VI-XXX
7. Transaction with related parties	42-43	XXXI
8. Assets collateralized as security	43	XXXII
9. Significant contingent liabilities and unrecognized contract commitments	43	XXXIII
10. Significant disaster	43	XXXIV
11. Significant events after the end of the financial reporting period	43	XXXV
12. Information about significant foreign currency-based assets	44	XXXVI
13. Supplementary disclosures	43-44	XXXVII
(1) Significant transactions information and	43-44	XXXVII
(2) information on investees	43-44	XXXVII
(3) Information about overseas branches and representative offices	43-44	XXXVII
(4) Information about investment in China	43-44	XXXVII
(5) Transactions between parent company and subsidiary	43-44	XXXVII
(6) Information about major shareholder	43-44	XXXVII
14. Department information	44	XXXVIII

Independent Auditors' Report

To Grand Fortune Securities Co., Ltd.

Opinion

We have audited the accompanying consolidated Balance Sheets of Grand Fortune Securities Co., Ltd. (the "Company") as of June 30, 2025, June 30 and December 31 in 2024, and the related consolidated statements of comprehensive income from April 1 to June 30 in 2025 and 2024, of changes in equity and of cash flows for the years then ended from January 1 to June 30 in 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In the opinion of our accountant, the aforementioned consolidated financial statements have been prepared in all material respects in accordance with the Securities Brokerage Financial Reporting Standards and International Accounting Standard 34 "Interim Financial Reporting" as recognized and issued by the Financial Supervisory Commission, and are sufficient to present fairly the consolidated financial position of Grand Fortune Securities Co., Ltd. as of June 30, 2025, December 31, and June 30, 2024, as well as the consolidated financial performance for the periods from April 1 to June 30, 2025, and January 1 to June 30, 2024, and the consolidated cash flows for the period from January 1 to June 30, 2025 and 2024.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report. We are independent of the Company in accordance with the Code of Professional Ethics for Certified Public Accountant of Republic of China, and we fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matters for the separate financial statements in 2nd season in 2025 are stated as follows:

Evaluation of fair value of financial assets

At the end of June 30, 2025, Grand Fortune Securities Co., Ltd.'s financial assets, belonging to level 3 amount, reached NT\$720,565 thousand. The impact of estimating the fair value of financial assets that either do not have orderly transactions between market participants or are not traded in active markets is considered significant to the consolidated financial statements.

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

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

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

1. Considering how the management selected appropriate valuation methods, assessing the key assumptions adopted, and reviewing the management's approval for the fair value.
2. Selecting samples to re-evaluate and make comparisons about the results being approved by the management, while also analyzing the reasonableness and difference at the models being used by the management to determine the acceptable scope.

Other matter

Grand Fortune Securities Co., Ltd. has prepared the individual financial reports of the second quarter of 2025 and 2024, and the audit report with unqualified opinion issued by the accountant has been recorded for reference.

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements

are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ROC GAAS will always detect a material mistake when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of 2nd season in 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Taiwan
Accountant: Liao Wan-Yi

Accountant: Xie Jian-Xin

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

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

August 12, 2025

Grand Fortune Securities Co., Ltd. and subsidiary Consolidated balance sheet
June 30, 2025, December 31, 2024, and June 30,2024

Unit: NT\$1,000

		June 30, 2025		December 31, 2024		June 30, 2024	
Code	Asset	Amount	%	Amount	%	Amount	%
Current assets							
111100	Cash and cash equivalents (Note 6)	\$ 747,196	6	\$ 588,054	5	\$ 431,044	3
112000	Financial assets at fair value through profit or loss - current (Note 5,7,30)	1,998,325	16	1,686,663	14	2,772,687	21
113200	Financial assets at fair value through other comprehensive income current (Note 5,8,9,30)	2,735,734	23	3,048,275	24	2,725,814	21
113300	Financial assets at amortized cost – current (Note 10)	46,000	-	46,000	-	37,000	-
114010	Bond investment with sell-back (Note11)	2,919,315	24	2,524,504	20	3,073,042	23
114030	Securities financing receivables (Note 12)	534,220	4	1,213,464	10	1,364,984	10
114130	Accounts Receivable (Note 12,31)	538,936	5	450,978	4	627,021	5
114170	Other accounts receivable (Note 12,31)	37,818	-	29,159	-	21,767	-
114600	Income tax assets for the current period	8,614	-	8,614	-	-	-
119000	Other current assets (Note 19,32)	<u>1,322,442</u>	<u>11</u>	<u>1,588,135</u>	<u>13</u>	<u>998,598</u>	<u>8</u>
110000	Total current assets	<u>10,888,600</u>	<u>89</u>	<u>11,183,846</u>	<u>90</u>	<u>12,051,957</u>	<u>91</u>
Non-current assets							
122000	Financial assets measured at fair value through profit and loss-non-current (Note 5,7,30)	179,733	1	89,346	1	43,625	-
123200	Financial assets measured at fair value through other comprehensive gains and losses—Non-current (Note 5,8,30)	184,501	2	194,383	2	179,988	1
124100	Investment using the equity method (Note 14)	671,604	6	673,922	5	663,189	5
125000	Real estate and equipment (Note 15)	12,253	-	16,112	-	18,230	-
125800	Right-of-use asset (Note 16)	22,477	-	36,290	-	50,310	1
127000	Intangible assets (Note 17)	9,554	-	11,772	-	12,789	-
128000	Deferred tax assets (Note 4,27)	2,949	-	1,656	-	1,078	-
129010	Operating margin (Note 18)	180,000	2	180,000	2	180,000	2
129020	Settlement fund (Note 18)	40,688	-	40,119	-	41,922	-
129030	Refundable deposits (Note 18)	8,774	-	8,246	-	8,284	-
129070	Net defined benefit assets-non-current (Note 4)	17,962	-	17,962	-	15,838	-
129990	Other non-current assets (Note 19)	<u>1,517</u>	<u>-</u>	<u>40</u>	<u>-</u>	<u>7,565</u>	<u>-</u>
120000	Total non-current assets	<u>1,332,012</u>	<u>11</u>	<u>1,269,848</u>	<u>10</u>	<u>1,222,818</u>	<u>9</u>
906001	Total assets	<u>\$ 12,220,612</u>	<u>100</u>	<u>\$ 12,453,694</u>	<u>100</u>	<u>\$ 13,274,775</u>	<u>100</u>
Liabilities and Equity							
Current liabilities							
212000	Financial Liabilities at Fair Value Through Profit or Loss (Note 7,30)	\$ -	-	\$ 49,946	-	\$ -	-
214010	Debt with repurchased bonds (Note 20)	4,799,658	40	4,799,538	39	5,659,146	43
214040	Securities lending margin	961	-	1,798	-	-	-
214050	Guarantee price payable for securities lending	1,062	-	1,987	-	-	-
214130	Accounts payable (Note 21)	546,716	5	299,102	3	557,533	4
214170	Other payable (Note 22)	634,487	5	293,867	2	771,351	6
214600	Current income tax liabilities	22,075	-	85,773	1	66,278	1
216000	Leasing liability current (Note 16)	17,618	-	30,730	-	30,331	-
219000	Other current liabilities (Note 23,31)	<u>881,406</u>	<u>7</u>	<u>1,170,065</u>	<u>9</u>	<u>547,351</u>	<u>4</u>
210000	Total Current liabilities	<u>6,903,983</u>	<u>57</u>	<u>6,732,806</u>	<u>54</u>	<u>7,631,990</u>	<u>58</u>
Non-current liability							
226000	Leasing liability-Non-current (Note 16)	<u>5,596</u>	<u>-</u>	<u>6,845</u>	<u>-</u>	<u>21,593</u>	<u>-</u>
906003	Total liability	<u>6,909,579</u>	<u>57</u>	<u>6,739,651</u>	<u>54</u>	<u>7,653,583</u>	<u>58</u>
Equity attributable to owners of the parent company (Note 24)							
301010	Common stock	<u>3,961,619</u>	<u>32</u>	<u>3,961,619</u>	<u>32</u>	<u>3,961,619</u>	<u>30</u>
302000	Capital reserve	<u>153,832</u>	<u>1</u>	<u>153,832</u>	<u>1</u>	<u>153,832</u>	<u>1</u>
Retained earning							
304010	Statutory surplus reserve	224,545	2	162,932	2	162,932	1
304020	Special surplus reserve	899,889	8	776,875	6	776,875	6
304040	Undistributed surplus	<u>31,499</u>	<u>-</u>	<u>619,859</u>	<u>5</u>	<u>523,242</u>	<u>4</u>
304000	Total retained earning	<u>1,155,933</u>	<u>10</u>	<u>1,559,666</u>	<u>13</u>	<u>1,463,049</u>	<u>11</u>
Other rights							
305140	Financial assets measured at fair value through other comprehensive gains and losses-unrealized net benefit	<u>39,649</u>	<u>-</u>	<u>38,926</u>	<u>-</u>	<u>42,692</u>	<u>-</u>
906004	Total equity	<u>5,311,033</u>	<u>43</u>	<u>5,714,043</u>	<u>46</u>	<u>5,621,192</u>	<u>42</u>
906002	Total liabilities and equity	<u>\$ 12,220,612</u>	<u>100</u>	<u>\$ 12,453,694</u>	<u>100</u>	<u>\$ 13,274,775</u>	<u>100</u>

The notes attached are included in the consolidated financial statements

Chairman: Huang Bing-Jing

Manager: Chen Sung-Cheng

Accounting Supervisor : Zhu Shicheng

Grand Fortune Securities Co., Ltd. and subsidiary
Consolidated statements of comprehensive income
April 1 to June 30, 2025, and 2024, January 1 to June 30, 2025, and 2024
(Review only, not GAAP)

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

Code		April 1 to June 30, 2025		April 1 to June 30, 2024		January1 to June 30, 2025		January1 to June 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
	Income								
401000	Brokerage fee	\$ 21,875	18	\$ 40,726	10	\$ 43,495	14	\$ 80,278	10
404000	Underwriting	22,194	19	94,485	22	147,082	48	149,344	18
411000	Profit from stock trading-self trading (Note 25)	(42,451)	(36)	72,788	17	(95,811)	(31)	250,762	31
412000	Profit from stock trading-Underwriting (Note 25)	17,013	14	49,138	12	21,592	7	116,789	14
421100	Stock registrar fee	47,513	40	41,101	10	90,915	30	80,532	10
421200	Interest in income (Note 25)	27,391	23	31,402	7	59,207	19	59,465	7
421300	Dividend Income	5,244	4	7,146	2	6,332	2	9,396	1
421500	The net benefit of operating securities measured at fair value through profit and loss (Note 25)	(3,771)	(3)	45,193	11	(7,824)	(3)	17,389	2
421751	Realized net loss on debt instrument investments measured at fair value through other comprehensive income	(3,355)	(3)	(5,489)	(1)	(3,799)	(1)	(5,434)	-
424100	Futures commission income	150	-	133	-	239	-	205	-
424800	Management fee	586	1	778	-	1,396	1	1,527	-
424900	Consultant fee (Note 31)	5,708	5	25,987	6	15,087	5	32,273	4
425300	Expected credit impairment loss (Note 9,12)	(629)	-	(768)	-	(547)	-	665	-
428000	Other Income (Note 25)	<u>21,799</u>	<u>18</u>	<u>19,239</u>	<u>4</u>	<u>27,583</u>	<u>9</u>	<u>24,422</u>	<u>3</u>
400000	Total Income	<u>119,267</u>	<u>100</u>	<u>421,859</u>	<u>100</u>	<u>304,947</u>	<u>100</u>	<u>817,613</u>	<u>100</u>
	Expenses and costs								
501000	Brokerage Business Expenditure	1,459	1	2,893	1	2,863	1	6,025	1
502000	Trading Expenditure	19	-	108	-	134	-	199	-
503000	Reverse repo handling fee expense	6	-	-	-	19	-	6	-

521200	Financial Cost (Note 25)	19,948	17	17,866	4	40,288	13	34,766	4
531000	Employee benefit (Note 25)	82,374	69	131,409	31	172,365	56	232,945	29
532000	Depreciation and amortization expenses (Note 15, 16, 17, 25)	11,739	10	11,561	3	23,474	8	23,184	3
533000	Other expenses	<u>23,169</u>	<u>19</u>	<u>32,573</u>	<u>8</u>	<u>50,473</u>	<u>17</u>	<u>58,450</u>	<u>7</u>
500000	Total expenses and cost	<u>138,714</u>	<u>116</u>	<u>196,410</u>	<u>47</u>	<u>289,616</u>	<u>95</u>	<u>355,575</u>	<u>44</u>
5XXXXX	Business interest	(<u>19,447</u>)	(<u>16</u>)	<u>225,449</u>	<u>53</u>	<u>15,331</u>	<u>5</u>	<u>462,038</u>	<u>56</u>
	Non-operating profit /loss								
601000	Share of losses of affiliated companies recognized using the equity method (Note 14)	(<u>5,447</u>)	(<u>5</u>)	5,734	2	11,625	4	(<u>4,228</u>)	-
602000	Other benefits and losses (Note 25, 31)	<u>7,950</u>	<u>7</u>	<u>5,198</u>	<u>1</u>	<u>13,993</u>	<u>4</u>	<u>9,498</u>	<u>1</u>
600000	Total non-operating profit and loss	<u>2,503</u>	<u>2</u>	<u>10,932</u>	<u>3</u>	<u>25,618</u>	<u>8</u>	<u>5,270</u>	<u>1</u>
902001	Net profit before tax (loss)	(<u>16,944</u>)	(<u>14</u>)	236,381	56	40,949	13	467,308	57
701000	Income tax (Note 4, 26)	(<u>4,208</u>)	(<u>4</u>)	(<u>34,942</u>)	(<u>8</u>)	(<u>25,549</u>)	(<u>8</u>)	(<u>69,661</u>)	(<u>8</u>)
902005	Net profit (loss)	(<u>21,152</u>)	(<u>18</u>)	<u>201,439</u>	<u>48</u>	<u>15,400</u>	<u>5</u>	<u>397,647</u>	<u>49</u>
	Other comprehensive gains and losses								
	Items not reclassified to profit or loss								
805540	Unrealized appraised net benefits of equity investments (loss)	(<u>3,631</u>)	(<u>3</u>)	21,764	5	9,149	3	46,987	6
805550	Share of other comprehensive profits and loss of affiliates recognized by the equity method-not reclassified to profit and loss (Note 14)	(<u>2,364</u>)	(<u>2</u>)	1,968	-	206	-	(<u>2,811</u>)	(<u>1</u>)
	Items that may be reclassified to profit and loss in the future								
805615	Through other comprehensive gains and losses, the unrealized net benefit of the debt instrument investment measured at fair value	<u>6,549</u>	<u>6</u>	(<u>8,916</u>)	(<u>2</u>)	<u>7,467</u>	<u>3</u>	(<u>11,260</u>)	(<u>1</u>)
805000	Total other comprehensive profit and loss	<u>554</u>	<u>1</u>	<u>14,816</u>	<u>3</u>	<u>16,822</u>	<u>6</u>	<u>32,916</u>	<u>4</u>

902006	Total comprehensive profit and loss	(\$ 20,598)	(17)	\$ 216,255	51	\$ 32,222	11	\$ 430,563	53
913100	Net profit attributable to Parent company	(\$ 21,152)	(18)	\$ 201,439	48	\$ 15,400	5	\$ 397,647	49
914100	The total comprehensive profit and loss is attributable to Parent company	(\$ 20,598)	(17)	\$ 216,255	51	\$ 32,222	11	\$ 430,563	53
975000	Earnings per share (Note 28) Basic earnings per share	(\$ 0.05)		\$ 0.51		\$ 0.04		\$ 1.00	
985000	Diluted earnings per share			\$ 0.51		\$ 0.04		\$ 1.00	

The notes attached are included in the consolidated financial statements

Chairman: Huang Bing-Jing

Manager: Chen Sung-Cheng

Accounting Supervisor: Zhu Shicheng

Grand Fortune Securities Co., Ltd. and subsidiary
Consolidated statements of change in equity
January 1 to June 30, 2025, and 2024

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

		Retained earnings (Note 24)				Other rights (Note 24)		
						through other comprehensive income		
		Common stock (Note 24)	Capital reserve (Note 24)	Statutory surplus reserve	Special surplus reserve	Undistributed surplus	Financial Fair Value Measurement Asset unrealized (gain) loss	
Code							Total equity	
A1	Beginning balance (January 1, 2024)	\$ 3,961,619	\$ 153,832	\$ 89,964	\$ 630,981	\$ 729,681	\$ 131,639	\$ 5,697,716
	2023 Annual profit distribution							
B1	Legal reserve	-	-	72,968	-	(72,968)	-	
B3	Special reserve	-	-	-	145,894	(145,894)	-	
B5	Cash dividends	-	-	-	-	(507,087)	-	(507,087)
		-	-	72,968	145,894	(725,949)	-	(507,087)
D1	Net profit (January 1 to June 30,2024)	-	-	-	-	397,647	-	397,647
D3	Total comprehensive profit and loss (January 1 to June 30,2024)	-	-	-	-	-	32,916	32,916
D5	Total comprehensive profit and loss (January 1 to June 30,2024)	-	-	-	-	397,647	32,916	430,563
Q1	Disposal of equity instruments at fair value through other comprehensive profit or loss	-	-	-	-	121,863	(121,863)	-
Z1	End Balance (June 30 ,2024)	\$ 3,961,619	\$ 153,832	\$ 162,932	\$ 776,875	\$ 523,242	\$ 42,692	\$ 5,621,192
A1	Beginning balance (January 1, 2025)	\$ 3,961,619	\$ 153,832	\$ 162,932	\$ 776,875	\$ 619,859	\$ 38,926	\$ 5,714,043
	2024 Annual profit distribution							

B1	Legal reserve	-	-	61,613	-	(61,613)	-	-
B3	Special reserve	-	-	-	123,014	(123,014)	-	-
B5	Cash dividends	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(435,232)</u>	<u>-</u>	<u>(435,232)</u>
		<u>-</u>	<u>-</u>	<u>61,613</u>	<u>123,014</u>	<u>(619,859)</u>	<u>-</u>	<u>(435,232)</u>
D1	Net profit (January 1 to June 30, 2025)	-	-	-	-	15,400	-	15,400
D3	Other comprehensive profit and loss after tax (Jan. 1 to Jun. 30 ,2025)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,822</u>	<u>16,822</u>
D5	Total comprehensive profit and loss (January 1 to June 30, 2025)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,400</u>	<u>16,822</u>	<u>32,222</u>
Q1	Disposal of equity instruments at fair value through other comprehensive profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,099</u>	<u>(16,099)</u>	<u>-</u>
Z1	End Balance (June 30 ,2025)	<u>\$ 3,961,619</u>	<u>\$ 153,832</u>	<u>\$ 224,545</u>	<u>\$ 899,889</u>	<u>\$ 31,499</u>	<u>\$ 39,649</u>	<u>\$ 5,311,033</u>

The notes attached are included in the consolidated financial statements.

Chairman: Huang Bing-Jing

Manager: Chen Sung-Cheng

Accounting Supervisor : Zhu Shicheng

**Grand Fortune Securities Co., Ltd. and
subsidiary Consolidated statements of cash flows**
January 1 to June 30, 2025, and 2024
(Review only, not GAAP)

Unit: NT\$1,000

Code		January1 to June 30, 2025	January1 to June 30, 2024
	Cash flow from operating activities		
A10000	Net profit before tax	\$ 40,949	\$ 467,308
A20010	income deduction		
A20100	Depreciation	20,506	20,322
A20200	Amortization fee	2,968	2,862
A20300	Expected credit impairment loss	547	(665)
A20400	Measure the net benefit of financial assets and reliability at fair value through profit and loss	7,824	(17,389)
A20900	Interest cost	40,288	34,766
A21200	Interest in income (including financial income)	(67,382)	(64,284)
A21300	Stock dividend	(6,332)	(9,396)
A22300	Share of losses of affiliated companies recognized using the equity method	(11,625)	4,228
A23300	Gains on financial instruments measured at fair value under non- operating activities	(266)	-
A60000	Net changes in operating assets and liabilities		
A61110	Financial assets measured at fair value through profit and loss	(409,588)	65,138
A61130	Bond investment with sell-back	128,960	(965,247)
A61150	Securities financing receivables	679,244	(217,009)
A61250	Accounts receivable	(88,509)	(119,825)
A61290	Other account receivable	138	722
A61365	Financial assets measured at fair value through other comprehensive gains and losses	(184,728)	94,976
A61370	Other current assets	265,693	791,326
A61990	Other non-current assets	(1,477)	76,975
A62110	Debt with repurchased bonds	120	912,267
A62130	Financial Liabilities at Fair Value Through Profit or Loss	(49,965)	-
A62160	Securities lending margin	(837)	(217)
A62170	Guarantee price payable for securities lending	(925)	(240)
A62230	Accounts payable	247,614	169,384
A62270	Other payables	(\$ 94,612)	(\$ 57,190)
A62320	Other current liabilities	(288,659)	(791,957)
A33000	Cash inflow (outflow) from operations	229,946	396,855

(Continued)

Code		January1 to March 31, 2025	January1 to March 31, 2024
A33100	Interest charged	68,117	58,288
A33200	Dividend charged	2,828	8,278
A33500	Income tax paid	(90,540)	(65,049)
AAAA	Net cash flow from operating activities	<u>210,351</u>	<u>398,372</u>
	Cash flow from investing activities		
B00050	Decrease in financial assets measured at amortized cost	-	9,000
B01800	Increase in investments accounted for using the equity method	-	(30,000)
B01900	Decrease in investments accounted for using the equity method	-	17,307
B02700	Acquisition of property and equipment	(1,773)	(2,580)
B03500	Increase in Settlement and Clearing Fund	(15,244)	(13,806)
B03600	Decrease in Settlement and Clearing Fund	14,675	11,150
B03700	Increase in Guarantee Deposits Paid	(528)	-
B03800	Decrease in Guarantee Deposits Paid	-	903
B04500	Losses from Settlement fund	(750)	(1,684)
B07500	Received Intangible assets	8,121	4,760
B07600	Dividends received from related parties	-	12,066
BBBB	Decrease in other non-current assets	<u>4,501</u>	<u>7,116</u>
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	360,000	4,720,000
C00200	Decrease in short-term borrowings	(360,000)	(5,020,000)
C04020	Leasing liability	(15,422)	(15,263)
C05600	Interest paid	(40,288)	(34,766)
CCCC	Net cash outflow from financing activities	(<u>55,710</u>)	(<u>350,029</u>)
EEEE	Cash and cash equivalents reduction (net)	159,142	55,459
E00100	Beginning balance of Cash and cash equivalents	<u>588,054</u>	<u>375,585</u>
E00200	End balance of cash and cash equivalents	<u>\$ 747,196</u>	<u>\$ 431,044</u>

The notes attached are included in the consolidated financial statements

Chairman: Huang Bing-Jing Manager: Chen Sung-Cheng Accounting Supervisor: Zhu Shicheng

Grand Fortune Securities Co., Ltd.
Notes to The Consolidated Financial Statements
2025 and 2024 (from January 1 to June 30)
(Unless otherwise stated, the unit of NT dollar amount is based on NT\$1,000)
(Review only, not GAAP)

I. Company History

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

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

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

The Board of Director authorized the statement on August 12, 2025.

III. Application and interpretations of new standards and amended regulations

- (I). First-time adoption of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC), and Standing Interpretations Committee (SIC) Interpretations as Endorsed and Promulgated by the Financial Supervisory Commission

Amendments of IAS 21 about "Lack of Exchangeability"

The application of the amendments of IAS 21 about "Lack of Exchangeability" will not result in significant changes to the accounting policies of the consolidated company.

- (II) IFRS Accounting Standards Endorsed by the FSC applicable in 2026

New, rectified and amended regulations and interpretations	Effective Date announced by IASB
Amendment of IFRS 9 and 7 about revisions to the application guidance on the classification of financial assets under "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments of IFRS 9 and 7 of "Contracts referencing nature-dependent electricity"	January 1, 2026
"Annual Improvements to IFRS Standards – Volume 11"	January 1, 2026
Insurance contract under IFRS 17	January 1, 2023
Amendments of IFRS 17	January 1, 2023
Amendment of IFRS 17 about first be applied to IFRS 17 and IFRS 9-comparison information	January 1, 2023

As of the date of authorization for issuance of these consolidated financial statements, the Group is still assessing the impact of the amendments on its financial position and financial performance.

- (III). The new IFRS rules announced by IASB but not endorsed by FSC

New, rectified and amended regulations and interpretations	Effective Date announced by IASB (Note)
Amendment of IFRS 10 and IAS 28 about asset transfers or contributions between an investor and its associate or joint venture	Not decided yet

Amendment of IFRS 18 about presentation and disclosure in financial statements	January 1, 2027
Amendment of IFRS 19 about disclosure of subsidiaries without public accountability	January 1, 2027

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

Amendment of IFRS 18 about presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 "Presentation of Financial Statements." The main changes introduced by this standard include:

- * The income statement should categorize income and expense items into operating, investing, financing, income tax, and discontinued operations.
- *The income statement should present subtotals and totals for operating profit or loss, profit or loss before financing and income tax, and total profit or loss.
- *Guidance is provided to enhance aggregation and disaggregation requirements: a consolidated entity must identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events and classify and aggregate them based on shared characteristics. Each line reported in the primary financial statements must have at least one similar characteristic. Items with different characteristics should be disaggregated in the primary financial statements and the notes. The label "other" should only be used when a more informative label cannot be found.
- *Enhanced disclosure of management-defined performance measures: a consolidated entity should disclose information about performance measures defined by management in a single note to the financial statements when such measures are used in public communications outside the financial statements and when communicating management's view of a particular aspect of the consolidated entity's overall financial performance to users of the financial statements. This disclosure should include a description of the measure, how it is calculated, its reconciliation to the nearest subtotal or total specified by IFRS accounting standards, and the effects of income tax and non-controlling interests on the reconciling items.

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

IV. Summary of significant accounting policy

(I). Compliance statement

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

(II). Basis of preparation

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

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

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

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

Level 3: Unobservable inputs for the asset or liability.

(III). Basis of consolidation

1. Basis for preparation of consolidated financial statement

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

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

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

2. Subsidiaries included in the consolidated financial statements:

Please see Note XIII and Note XXXVII in table 1 for details of subsidiary background, shareholding ratio and business scope.

(IV) Other significant accounting policies

Except for the following explanation, please refer to the summary explanation of significant accounting policies in the 2024 Consolidated Financial Report.

1. Defined benefits, post-retirement benefits

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

2. Tax Income

Income tax expense is the sum of current income tax and deferred income tax. Income tax for the interim period is assessed on an annual basis and is calculated on the interim pre-tax benefit at the tax rate applicable to the expected total annual earnings.

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

The preparation of these consolidated financial statements requires management to make critical judgements, estimates and assumptions by applying the historical experiences and other relevant factors. The resulting accounting estimates and assumptions might be different from the actual results.

When developing significant accounting estimates, the merged company considers the potential impact of financial market fluctuations on related key estimates, such as cash flow projections, growth rates, discount rates, and profitability. Management will continue to review the estimates and underlying assumptions on an ongoing basis.

Sources of Estimation and Assumption Uncertainty
Measurement at fair value

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

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

VI. Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash			
Petty cash	\$ 230	\$ 230	\$ 230
Bank check deposit	966	1,389	822
Bank demand deposit	316,288	306,813	241,120
Cash equivalents (Investment with original maturity period within three months)			
Commercial papers	429,712	279,622	179,872
Time Deposit	-	-	9,000
	<u>\$ 747,196</u>	<u>\$ 588,054</u>	<u>\$ 431,044</u>

Range of interest rates:

	June 30, 2025	December 31, 2024	June 30, 2024
Commercial papers	1.28%~1.40%	1.30%~1.33%	1.00%~1.29%
Time Deposit	-	-	1.51%

VII. Financial instruments at fair value through profit or loss

Financial Assets – Current

	June 30, 2025	December 31, 2024	June 30, 2024	Note
Mandatorily measured at fair value through profit or loss				
Open-end Funds	\$ 200,266	\$ -	\$ -	(1)
Operating Securities-Proprietary	583,800	534,023	1,530,269	(2)
Operating Securities-Underwriting	1,214,259	1,152,640	1,242,418	(2)
	<u>\$ 1,998,325</u>	<u>\$ 1,686,663</u>	<u>\$ 2,772,687</u>	

(1) Open-end Funds

	June 30, 2025	December 31, 2024	June 30, 2024
Open-end Funds	\$ 200,000	\$ -	\$ -
Open-end Funds Evaluated Adjustment	266	-	-
	<u>\$ 200,266</u>	<u>\$ -</u>	<u>\$ -</u>

(2) Business Securities

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Proprietary</u>			
Stock-TWSE	\$ 90,490	\$ 34,424	\$ 509,720
Stock-TPEX	8,982	-	159,230
Bond-TPEX	23,052	8,660	109,621
Stock-Emerging Market	426,757	439,654	496,197
Stock-Unlisted companies	1,861	1,861	73,861
	551,142	484,599	1,348,629
Business Securities			
– Self-assessment adjustment	<u>32,658</u>	<u>49,424</u>	<u>181,640</u>

	\$ 583,800	\$ 534,023	\$ 1,530,269
<u>Underwriting</u>			
Stock-TWSE	\$ 989,449	\$ 1,114,952	\$ 1,181,310
Stock-TPEX	28,398	13,647	-
Bond-TPEX	403,996	230,098	92,085
	<u>1,421,843</u>	<u>1,358,697</u>	<u>1,273,395</u>
Business Securities			
-Underwriting Evaluation Adjustment	(207,584)	(206,057)	(30,977)
	<u>\$ 1,214,259</u>	<u>\$ 1,152,640</u>	<u>\$ 1,242,418</u>

As of June 30, 2025, June 30 and December 31, 2024, the above-mentioned self-supporting department bond investment costs were NT\$ 4,053, NT\$0, NT\$99,543 thousand had all been sold with repurchase.

Financial Liabilities – Current

	June 30, 2025	December 31, 2024	June 30, 2024
Financial Liabilities Held for Trading			
Repurchase of Bonds	\$ -	\$ 49,965	\$ -
Valuation Adjustment	-	(19)	-
	<u>\$ -</u>	<u>\$ 49,946</u>	<u>\$ -</u>

Financial Assets – Non-Current

	June 30, 2025	December 31, 2024	June 30, 2024
Mandatory measure at fair value through profit and loss			
Domestic investment			
TWSE -Private Equity	\$ 14,065	\$ 14,065	\$ 14,065
TPEX - Private Equity	26,704	26,704	26,704
Unlisted company-Stock	133,171	53,272	10,071
Foreign Investment			
Private Equity	11,562	11,562	9,145
Evaluation Adjustment	(5,769)	(16,257)	(16,360)
	<u>\$ 179,733</u>	<u>\$ 89,346</u>	<u>\$ 43,625</u>

VIII. Financial assets at fair value through other comprehensive income

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current assets</u>			
Debt Instrument Investment	\$ 2,589,646	\$ 2,879,280	\$ 2,483,110
Equity Instrument Investments	146,088	168,995	242,704
	<u>\$ 2,735,734</u>	<u>\$ 3,048,275</u>	<u>\$ 2,725,814</u>
<u>Non-Current</u>			
Equity Instrument Investments	<u>\$ 184,501</u>	<u>\$ 194,383</u>	<u>\$ 179,988</u>

(I) Investment in debt instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current investment</u>			
Domestic investment			
Government bonds	\$ 2,600,324	\$ 2,700,323	\$ 2,501,291
Corporate bonds	-	197,106	-
Allowance for loss	(933)	(937)	(1,166)

Evaluation adjustment	(<u>9,745</u>)	(<u>17,212</u>)	(<u>17,015</u>)
	\$ <u>2,589,646</u>	\$ <u>2,879,280</u>	\$ <u>2,483,110</u>

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

As of June 30, 2025, and December 31, and June 30, 2024, the above-mentioned debt investments measured at fair value through other comprehensive gains and losses amounted to NT\$1,900,326, NT\$2,297,431 and NT\$2,501,291 thousand respectively. Sold with buyback conditions.

(II) Investment in equity instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current Investment</u>			
Domestic investment			
Stock- TWSE	\$ 10,787	\$ 3,049	\$ 3,543
Stocks-OTC Market	-	-	32,248
Stock- Emerging market	88,363	118,185	143,970
Evaluation adjustment	<u>46,938</u>	<u>47,761</u>	<u>62,943</u>
	\$ <u>146,088</u>	\$ <u>168,995</u>	\$ <u>242,704</u>
<u>Non-current investment</u>			
Domestic investment			
Stock-Unlisted companies	\$ 194,025	\$ 198,525	\$ 191,000
Evaluation adjustment	(<u>9,524</u>)	(<u>4,142</u>)	(<u>11,012</u>)
	\$ <u>184,501</u>	\$ <u>194,383</u>	\$ <u>179,988</u>

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

IX. Credit risk management for investment by debt instruments

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

	June 30, 2025	December 31, 2024	June 30, 2024
Book value	\$ 2,600,324	\$ 2,897,429	\$ 2,501,291
Allowance for loss	(<u>933</u>)	(<u>937</u>)	(<u>1,166</u>)
Amortized cost	2,599,391	2,896,492	2,500,125
Fair value adjustment	(<u>9,745</u>)	(<u>17,212</u>)	(<u>17,015</u>)
	\$ <u>2,589,646</u>	\$ <u>2,879,280</u>	\$ <u>2,483,110</u>

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

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

Mechanism of credit risk rating currently used by the Group:

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

The total of book value in debt instruments investment and the expected ratio of credit loss as follows:

June 30, 2025

Credit rating	Expected ratio of credit loss	Total book value
Normal	0.008%~0.1320%	\$ 2,600,324

December 31, 2024

Credit rating	Expected ratio of credit loss	Total book value
Normal	0%~0.1265%	\$ 2,897,429

June 30, 2024

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

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

	Status of credit rating		
	Normal (12-month expected credit losses)	Abnormal (Credit loss in the duration period, and credit not impaired)	Default (Credit loss in the duration period, and credit impaired)
Beginning balance (January 1, 2025)	\$ 937	\$ -	\$ -
Withdrawal	(4)	-	-
Ending balance (June 30, 2025)	<u>\$ 913</u>	<u>\$ -</u>	<u>\$ -</u>
Beginning balance (January 1, 2024)	\$ 1,153	\$ -	\$ -
Withdrawal	(13)	-	-
Ending balance (June 30, 2024)	<u>\$ 1,166</u>	<u>\$ -</u>	<u>\$ -</u>

X. Financial assets measured at amortized cost – current

	June 30, 2025	December 31, 2024	June 30, 2024
Over-3-month time deposits	<u>\$ 46,000</u>	<u>\$ 46,000</u>	<u>\$ 37,000</u>
Range of Interest rates			
Over-3-month time deposits	<u>1.365%~1.635%</u>	<u>1.365%~1.635%</u>	<u>1.24%~1.51%</u>

XI. Liabilities from bonds sold under repurchase agreements

	June 30, 2025	December 31, 2024	June 30, 2024
Government bond	\$ 1,930,006	\$ 1,174,207	\$ 2,501,134
Corporate bond	989,309	1,350,297	571,908
	<u>\$ 2,919,315</u>	<u>\$ 2,524,504</u>	<u>\$ 3,073,042</u>

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

	June 30, 2025	December 31, 2024	June 30, 2024
Pre-set repurchase price	<u>\$ 2,923,073</u>	<u>\$ 2,527,453</u>	<u>\$ 3,076,084</u>
Interest rate	1.440%~1.660%	1.500%~1.650%	1.380%~1.575%

The above-mentioned bond investment with repurchase on June 30, 2025, and December 31 and June 30, 2024, have all been repurchased and sold.

Assessed by the merged company on June 30, 2025, and December 31 and June 30, 2024, there is no need to provide for the allowance of loss of bond investment with sales.

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

(I) Receivable securities margin loans

	June 30, 2025	December 31, 2024	June 30, 2024
Receivable securities margin loans	\$ 534,220	\$ 1,213,464	\$ 1,365,226
Minus: Allowance of loss	<u>-</u>	<u>-</u>	<u>(242)</u>
	<u>\$ 534,220</u>	<u>\$ 1,213,464</u>	<u>\$ 1,364,984</u>

The above-mentioned receivable securities margin loans are secured by stocks that are bought by clients in margin accounts. In accordance with the "Operating Rules for Securities Firms Handling Margin Purchases and Short Sales of Securities," the merged company calculates the maintenance margin ratio daily. When the maintenance margin ratio falls below 130%, the company notifies the client to make up the margin shortfall.

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

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Accounts receivable</u>			
Settlement accounts receivable-entrusted	\$ 359,715	\$ 286,072	\$ 378,606
Settlement accounts receivable - non-entrusted	13,079	68,688	45,998
Consideration transferred	71,008	601	114,386
Related party transactions	40,589	37,025	20,822
Other	56,160	59,656	68,613
Less: Allowance for loss	<u>(1,615)</u>	<u>(1,064)</u>	<u>(1,404)</u>
	<u>\$ 538,936</u>	<u>\$ 450,978</u>	<u>\$ 627,021</u>
<u>Other receivables</u>			
Interest	\$ 20,034	\$ 28,890	\$ 20,519
Dividend	17,653	-	1,118
Related party transactions	40	40	40
Others	91	229	90
	<u>\$ 37,818</u>	<u>\$ 29,159</u>	<u>\$ 21,767</u>
<u>Overdue receivables</u>			
Overdue receivables	\$ 23,707	\$ 23,707	\$ 23,707
Less: Allowance for loss	<u>(23,707)</u>	<u>(23,707)</u>	<u>(23,707)</u>

\$ _____

To mitigate credit risk, in addition to establishing relevant internal control systems and procedures for determining credit limits and approving credit, the consolidated entity conducts a thorough review of the recoverable amounts of receivables as of the balance sheet date to ensure that appropriate impairment losses have been recognized for receivables deemed uncollectible.

The consolidated entity recognizes an allowance for expected credit losses on receivables based on the expected credit losses over the lifetime of the receivables. Expected credit losses over the lifetime are determined by considering information such as the customer's past default history, current financial condition, industry and economic outlook, etc. The expected credit loss rate is then set based on the number of days passed due to the receivables.

The consolidated entity measures the allowance for doubtful accounts and doubtful receivables as follows:

June 30, 2025

			Others					
	Securities margin	Securities settlement payment	Non-overdue	Overdue 1 ~ 90 days	Overdue 91 ~ 120 days	Overdue 121 ~ 180 days	Overdue days more than 180 days	Total
Expected credit loss ratio	0%	0%	0%~0.82%	1.61%~15.65%	56.87%	77.63%~85.01%	100%	
Total Book value	\$ 534,220	\$ 443,802	\$ 71,351	\$ 24,549	\$ 103	\$ 633	\$ 113	\$ 1,074,771
Allowance for loss (expected credit loss during the duration)	-	-	(199)	(707)	(59)	(537)	(113)	(1,615)
Amortized cost	\$ 534,220	\$ 443,802	\$ 71,152	\$ 23,842	\$ 44	\$ 96	\$ -	\$ 1,073,156

December 31, 2024

			Others					
	Securities margin	Securities settlement payment	Within the time limit	Overdue 1 ~ 90 days	Overdue 91 ~ 120 days	Overdue 121 ~ 180 days	Overdue more than 180 days	Total
	0%	0%	0%~0.82%	1.6%~18.1%	61.81%	79.1%~87.4%	100%	
Expected credit loss rate								
Total nominal value	\$ 1,213,464	\$ 355,361	\$ 83,258	\$ 12,907	\$ 221	\$ 295	\$ -	\$ 1,665,506
Allowance for loss (expected credit loss during the duration)	-	-	(210)	(484)	(137)	(233)	-	(1,064)
Amortized cost	\$ 1,213,464	\$ 355,361	\$ 83,048	\$ 12,423	\$ 84	\$ 62	\$ -	\$ 1,664,442

June 30, 2024

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

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

	January 1 to June 30, 2025	January 1 to June 30, 2024
Beginning Balance	\$ 1,064	\$ 2,324
Loss: Reversal of Impairment Loss for the Current Period	<u>551</u>	(<u>678</u>)
Ending Balance	\$ <u>1,615</u>	\$ <u>1,646</u>

Collection receivables represent amounts transferred from defaulted amounts under margin transactions and overdue receivables, with full allowance for doubtful accounts recognized.

There were no changes in the allowance for doubtful accounts related to collection receivables during the periods from January 1 to June 30 in both 2025 and 2024.

XIII. Subsidiary

(I) Subsidiaries included in the consolidated financial statements

Subsidiaries included in the consolidated financial statements

Name of investor	Name of subsidiary	Business	Stake (%)			Note
			Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024	
Grand Fortune Securities Co., Ltd	Grand Fortune Securities Investment Consulting Co., Ltd.	Securities consulting	100%	100%	100%	—
	Grand Fortune Management Corporation	Investment advisors and management consultants	100%	100%	100%	—
	Grand Fortune Venture Capital Corporation	General Investments	100%	100%	100%	(2)

(II) Grand Fortune Venture Capital Corporation, formerly known as Foryou Capital Corporation, resolved to resolved to change its business strategy at its shareholders' meeting in October 2024 and officially changed its name to "Grand Fortune Venture Capital Corporation" on October 24, 2024. The parent company made a cash capital increase of NT\$200,000 thousand to Grand Fortune Venture Capital Corporation in May 2025.

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

XIV. Investment under the equity method

Investment in associates

	June 30, 2025	December 31, 2024	June 30, 2024
Significant associated companies			
Beiley Biofund Inc.	\$ 541,767	\$ 536,633	\$ 517,754
Separate and non-major associates			
Foryou Venture Investment Limited Partnership	33,470	39,672	36,116
Foryou private equity Limited partnership	96,367	97,617	109,319
	<u>\$ 671,604</u>	<u>\$ 673,922</u>	<u>\$ 663,189</u>

(1) Information about separate and non-major associates

Name	Nature of business	Region	% Of equity ownership and voting rights		
			June 30, 2025	December 31, 2024	June 30, 2024
Beiley Biofund Inc.	Star up	Taiwan	24.39%	24.39%	24.39%

1. For information on operation locations and registration of countries by associates, please see Note XXXVII, Table 1
2. The investments accounted for using the equity method and the share of profits and other comprehensive income from the merger company are recognized based on the financial statements of the associated enterprise for the same period, as audited by the accountants.
3. The following summarized financial information is prepared based on the financial statements of the associated company in accordance with IFRS accounting standards and includes adjustments made for equity method accounting.

Beiley Biofund Inc.

	June 30, 2025	December 31, 2024	June 30, 2024
Current Assets	\$ 1,408,727	\$ 1,763,738	\$ 1,742,858
Non-Current assets	882,951	485,338	386,151
Current liabilities	(70,034)	(48,486)	(5,303)
Non-current liabilities	-	-	(532)
Equity	<u>\$ 2,221,644</u>	<u>\$ 2,200,590</u>	<u>\$ 2,123,174</u>
Ownership percentage of the Company	24.39%	24.39%	24.39%
Equity attributable to the Company	\$ 541,767	\$ 536,633	\$ 517,754
Unrealized gain/loss on forward/swap transactions	-	-	-
Carrying number of investments	<u>\$ 541,767</u>	<u>\$ 536,633</u>	<u>\$ 517,754</u>

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Revenue	(\$ 9,581)	\$ 41,332	\$ 76,171	\$ 4,994
Net loss for the current year	(\$ 22,487)	\$ 39,486	\$ 51,846	\$ 1,402
Other comprehensive income	-	-	-	-
Total comprehensive income	(\$ 22,487)	\$ 39,486	\$ 51,846	\$ 1,402

- (2) Summarized information for individually immaterial associated companies

	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Share of profit attributable to the consolidated entity				
Net loss for the current year	\$ 36	(\$ 3,895)	(\$ 1,019)	(\$ 4,570)
Other comprehensive income	(2,364)	1,968	206	(2,811)
Total comprehensive income	(\$ 2,328)	(\$ 1,927)	(\$ 813)	(\$ 7,381)

1. Grand Fortune Management Corporation made a cash capital increase of NT\$30,000 thousand to Foryou Private Equity Limited Partnership in March 2024.

2. Foryou venture capital Limited Partnership carried out a cash capital reduction of NT\$180,000 thousand and returned NT\$17,307 thousand to Grand Fortune Management Corporation in proportion to its capital contribution in May 2024.
3. The investments accounted for using the equity method and the share of profits and other comprehensive income from the merger company are recognized based on the financial statements of the associated enterprise for the same period, as audited by the accountants.
3. For information on operation locations and registration of countries by associates, please see Note XXXVII, Table 1.

XV. Property and equipment

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Self-owned</u>			
Office equipment	\$ 7,341	\$ 8,196	\$ 7,844
Transportation equipment	556	643	773
Lease improvement	4,356	7,273	9,613
	<u>\$ 12,253</u>	<u>\$ 16,112</u>	<u>\$ 18,230</u>

	Office equipment	Transportation Equipment	Lease improvement	total
<u>Cost</u>				
Beginning balances (Jan. 1, 2025)	\$ 21,791	\$ 2,114	\$ 22,251	\$ 46,156
Increase	1,505	-	268	1,773
Ending balances (Jun. 30, 2025)	<u>23,296</u>	<u>2,114</u>	<u>22,519</u>	<u>47,929</u>
<u>Accumulated depreciation</u>				
Beginning balances (Jan. 1, 2025)	13,595	1,471	14,978	30,044
Depreciation	2,360	87	3,185	5,632
Ending balances (Jun. 31, 2025)	<u>15,955</u>	<u>1,558</u>	<u>18,163</u>	<u>35,676</u>
Net (Jun. 30, 2025)	<u>\$ 7,341</u>	<u>\$ 556</u>	<u>\$ 4,356</u>	<u>\$ 12,253</u>
<u>Cost</u>				
Beginning balances (Jan. 1, 2024)	\$ 18,844	\$ 1,486	\$ 21,486	\$ 41,816
Increase	1,951	629	-	2,580
Ending balances (Jun. 30, 2024)	<u>20,795</u>	<u>2,115</u>	<u>21,486</u>	<u>44,396</u>
<u>Accumulated depreciation</u>				
Beginning balances (Jan. 1, 2024)	10,750	1,232	8,871	20,853
Depreciation	2,201	110	3,002	5,313
Ending balances (Jun. 30, 2024)	<u>12,951</u>	<u>1,342</u>	<u>11,873</u>	<u>26,166</u>
Net (Jun. 30, 2024)	<u>\$ 7,844</u>	<u>\$ 773</u>	<u>\$ 9,613</u>	<u>\$ 18,230</u>

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

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

XVI. Lease agreement

(I) Right-of-use assets	June 30, 2025	December 31, 2024	June 30, 2024
Book amount of right-of-use asset			
Building	\$ 20,343	\$ 34,776	\$ 49,212
Transportation Equipment	<u>2,134</u>	<u>1,514</u>	<u>1,098</u>

	<u>\$ 22,477</u>	<u>\$ 36,290</u>	<u>\$ 50,310</u>	
	<u>Apr. 1 to Jun. 30, 2025</u>	<u>Apr. 1 to Jun. 30, 2024</u>	<u>Jan. 1 to Jun. 30, 2025</u>	<u>Jan. 1 to Jun. 30, 2024</u>
Addition of right-of-use assets			<u>\$ 1,061</u>	<u>\$ 1,189</u>
Depreciation expense right-of-use asset				
Building	\$ 7,217	\$ 7,213	\$ 14,433	\$ 14,425
Transportation Equipment	<u>250</u>	<u>227</u>	<u>441</u>	<u>584</u>
	<u>\$ 7,467</u>	<u>\$ 7,440</u>	<u>\$ 14,874</u>	<u>\$ 15,009</u>

Except for the addition and recognition of depreciation costs mentioned above, no significant re-leasing and impairment costs occurred at the Group's right-of-use assets on Jan. 1 and Jun.30, 2025, and 2024.

(II) Lease liabilities

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Book amount of leasing liability			
Current	<u>\$ 17,618</u>	<u>\$ 30,730</u>	<u>\$ 30,331</u>
Non-current	<u>\$ 5,596</u>	<u>\$ 6,845</u>	<u>\$ 21,593</u>

The discount rate for the lease liability is as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Building	1.05%~1.86%	1.05%~1.86%	1.05%~1.86%
Transportation Equipment	1.27%~1.86%	1.27%~1.86%	1.05%~1.86%

(III) Major leasing activities and clauses

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

(IV) Other leasing information

	<u>Apr. 1 to Jun. 30, 2025</u>	<u>Apr. 1 to Jun. 30, 2024</u>	<u>Jan. 1 to Jun. 30, 2025</u>	<u>Jan. 1 to Jun. 30, 2024</u>
Short term leasing expense	<u>\$ 240</u>	<u>\$ 278</u>	<u>\$ 278</u>	<u>\$ 283</u>
Low value assets leasing expense	<u>\$ 48</u>	<u>\$ 45</u>	<u>\$ 82</u>	<u>\$ 79</u>
Total cash outflow amount for leasing			<u>\$ 15,970</u>	<u>\$ 15,970</u>

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

XVII. Intangible assets

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Net value of computer software	<u>\$ 9,554</u>	<u>\$ 11,772</u>	<u>\$ 12,789</u>

	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
<u>Cost</u>		
Beginning Balance	\$ 29,476	\$ 27,411
Acquired separately	<u>750</u>	<u>1,684</u>
Ending Balance	<u>30,226</u>	<u>29,095</u>
<u>Accumulated amortization</u>		
Beginning Balance	17,704	13,444
amortized expense	<u>2,968</u>	<u>2,862</u>
Ending Balance	<u>20,672</u>	<u>16,306</u>
Year-end net amount:	<u>\$ 9,554</u>	<u>\$ 12,789</u>

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

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

	June 30, 2025	December 31, 2024	June 30, 2024
Operating margin	\$ 180,000	\$ 180,000	\$ 180,000
Delivery and Settlement Fund	<u>\$ 40,688</u>	<u>\$ 40,119</u>	<u>\$ 41,922</u>
Refundable deposits			
Leasing	\$ 7,202	\$ 7,057	\$ 7,092
Self-regulatory fund	660	660	660
Others	<u>912</u>	<u>529</u>	<u>532</u>
	<u>\$ 8,774</u>	<u>\$ 8,246</u>	<u>\$ 8,284</u>

According to the laws, the operating bond includes the Group's cash, government bonds or financial debentures pledged in the government-designated financial institutions as statutory deposits, when the Group was established and set up branches to engage in futures trading and fully designated investment businesses. The government bond being deposited by the Group on June 30, 2025, December 31 and June 30, 2024, was in the form of time deposits which carried annual interest rates at between 0.660%~1.705%、0.535%~1.705% and 0.535%~1.705%.

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

XIX. Other assets

	June 30, 2025	December 31, 2024	June 30, 2024
Collection of public acquisition funds	\$ -	\$ 212,048	\$ -
Collection of cash dividend	870,061	662,164	528,053
Pledged time deposits	434,500	415,500	417,500
Pre-paid money	7,457	3,175	2,998
Money pending settlement	6,640	2	3,855
Prepayment of investment	1,477	-	40,855
Collect underwriting funds	-	291,742	9,458
Others	<u>3,824</u>	<u>3,544</u>	<u>3,444</u>
	<u>\$ 1,323,959</u>	<u>\$ 1,588,175</u>	<u>\$ 1,006,163</u>
Current	\$ 1,322,442	\$ 1,588,135	\$ 998,598
Non-Current	<u>1,517</u>	<u>40</u>	<u>7,565</u>
	<u>\$ 1,323,959</u>	<u>\$ 1,588,175</u>	<u>\$ 1,006,163</u>

(I) Interest rates of pledged time deposits on June 30, 2025, December 31 and June 30, 2024, respectively stood at 0.59%~1.75%、0.54%~1.725% and 0.36%~1.70%.

(II) For the Group's deposits for the purpose of banking loans, please see Note XXXII.

XX. Liabilities from bonds sold under repurchase agreements

	June 30, 2025	December 31, 2024	June 30, 2024
Government bond	\$ 1,929,917	\$ 1,364,098	\$ 2,591,309
Corporate bond	2,869,741	3,435,440	3,067,837
	<u>\$ 4,799,658</u>	<u>\$ 4,799,538</u>	<u>\$ 5,659,146</u>

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

	June 30, 2025	December 31, 2024	June 30, 2024
Pre-set repurchase price	<u>\$ 4,805,167</u>	<u>\$ 4,805,332</u>	<u>\$ 5,665,732</u>
Interest rate	1.25%~1.60%	1.420%~1.640%	1.300%~1.550%

XXI. Accounts payable

	June 30, 2025	December 31, 2024	June 30, 2024
Account payable for settlement-entrusted	\$ 380,186	\$ 111,391	\$ 373,404
Account payable for settlement-non-entrusted	109,721	11,530	45,685
Delivery consideration	<u>56,809</u>	<u>176,181</u>	<u>138,444</u>
	<u>\$ 546,716</u>	<u>\$ 299,102</u>	<u>\$ 557,533</u>

XXII. Other accounts payable

	June 30, 2025	December 31, 2024	June 30, 2024
Payable Dividends	\$ 435,232	\$ -	\$ 507,087
Payable salary, bonus and remuneration	179,202	272,149	237,282
Business tax	2,031	2,200	3,731
Others	<u>18,022</u>	<u>19,518</u>	<u>23,251</u>
	<u>\$ 634,487</u>	<u>\$ 293,867</u>	<u>\$ 771,351</u>

XXIII. Other current liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Temporary collection- Dividend Distribution	\$ 870,061	\$ 662,164	\$ 528,053
Temporary collection- Public Acquisition shares	-	212,048	-
Advance receipts for underwriting	-	291,742	9,458
Others	<u>11,345</u>	<u>4,111</u>	<u>9,840</u>
	<u>\$ 881,406</u>	<u>\$ 1,170,065</u>	<u>\$ 547,351</u>

XXIV. Equity

(I) Share capital

Common shares

	June 30, 2025	December 31, 2024	June 30, 2024
Authorized shares (in 1000 shares)	700,000	700,000	700,000
Authorized share capital	\$ 7,000,000	\$ 7,000,000	\$ 7,000,000
Total number of issued shares (in 1000 shares)	396,162	396,162	396,162
Issued share capital	\$ 3,961,619	\$ 3,961,619	\$ 3,961,619

On April 30, 2024, the parent company resolved at its shareholders' meeting to increase its authorized capital to NT\$7,000,000 thousand, and the change was officially registered on June 11, 2024.

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

(II) Capital Reserve

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Used to cover accumulated loss or to issue new stocks or cash to employees (1)</u>			
Stock issue premium	\$ 138,759	\$ 138,759	\$ 138,759
Transactions in treasury stocks	1,658	1,658	1,658
The difference between the actual acquisition price of the subsidiary's equity and the book value	5,450	5,450	5,450
Invalid subscription rights	996	996	996
<u>only to cover losses</u>			
Changes in ownership interests in subsidiaries (2)	6,435	6,435	6,435
Dividends not received by shareholders overdue (3)	534	534	534
	<u>\$ 153,832</u>	<u>\$ 153,832</u>	<u>\$ 153,832</u>

- (1) The capital reserve can be used to cover accumulated loss or to issue new stocks or cash to employees, and recapitalization of the surplus annually is limited to a certain ratio over the paid-in capital.
- (2) Recognition of changes in ownership interest in subsidiaries means the changes occurring in subsidiaries when the parent company has not actually acquired or disposed of the ownership in the subsidiaries.
- (3) According to the Ministry of Economic Affairs issued No. 10602420200 on September 21, 2017, dividends not received by shareholders over time should be recognized as capital reserves.

(III) Retained earnings and dividend policy

The parent company has stipulated in its Articles of Incorporation that, in accordance with Article 240 of the Company Act, the Board of Directors is authorized, with the attendance of at least two-thirds of the directors and the approval of a majority of the attending directors, to distribute dividends and bonuses, as well as all or part of the legal reserve and capital reserve as prescribed in Article 241 of the Company Act, in the form of cash. Such distributions should be reported to the shareholders' meeting.

According to the amendment of the Articles of Incorporation by the parent company in respect of dividend policy, the net profit earned in a fiscal year shall be reserved to cover accumulated loss in prior years and then appropriated by 10% for legal reserves and 20% for special reserves. After setting aside or reversing special reserves, the remaining profit shall be added by the undistributed profit at the beginning of the fiscal year and be available for being paid out, through the earnings distribution proposal initiated by the board of

directors. A payout of bonus to shareholders needs to be approved by the shareholder meeting. For the parent company's policy regarding the remuneration to employees and director, please see Note XXV (6) for employee benefit expense.

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

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

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

When the Company makes appropriations from the net decrease in the balance of accumulated other comprehensive income, it only appropriates from undistributed profits of prior periods.

Distribution from 2024 and 2023 earning distribution as below:

	Earning distribution		Shares (NT\$)	
	2024	2023	2024	2023
Legal Reserve	\$ 61,613	\$ 72,968		
Special Reserve (1)	123,226	145,936		
Special Reserve (2)	(212)	(42)		
Cash Dividend	435,233	507,087	\$ 1.10	\$ 1.28

(1) Appropriated in accordance with the regulations of the Securities Dealers Management Rules.

(2) Reversed within the scope of special surplus reserves provided for in FSC Letter No. 1080321644, in response to the development of financial technology.

The cash dividends above were resolved for distribution by the Board of Directors on March 15, 2025, and March 12, 2024, respectively. The remaining items of earnings distribution for the 2024 and 2023 were approved at the shareholders' meetings held on May 2, 2025, and April 30, 2024, respectively.

(IV) Other equity

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

	January 1 to June 30, 2025	January 1 to June 30, 2024
Beginning balance	\$ 38,926	\$ 131,639
Current year		
Unrealized profits and losses		
Bond	3,672	(16,707)
Equity	9,149	46,987
Change in allowance of loss by debt instrument	(4)	13
Share of profit of associates accounted for under equity method	206	(2,811)
Remeasurement		

Disposal in debt instrument	<u>3,799</u>	<u>5,434</u>
Other comprehensive income	<u>16,822</u>	<u>32,916</u>
Equity instruments accumulate loss transfer to keep surplus	(<u>16,099</u>)	(<u>121,863</u>)
Ending balance	<u>\$ 39,649</u>	<u>\$ 42,692</u>

XXV. Consolidated Net Profit

(I) Net Gain (Loss) on Disposal of Securities

	Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Revenue—Proprietary	\$ 821,052	\$ 1,574,477	\$ 2,047,981	\$ 3,759,013
Cost—Proprietary	(<u>863,503</u>)	(<u>1,501,689</u>)	(<u>2,143,792</u>)	(<u>3,508,251</u>)
	(<u>\$ 42,451</u>)	<u>\$ 72,788</u>	(<u>\$ 95,811</u>)	<u>\$ 250,762</u>
Revenue—underwriting	\$ 172,167	\$ 279,766	\$ 402,033	\$ 597,900
Cost—underwriting	(<u>155,154</u>)	(<u>230,628</u>)	(<u>380,441</u>)	(<u>481,111</u>)
	<u>\$ 17,013</u>	<u>\$ 49,138</u>	<u>\$ 21,592</u>	<u>\$ 116,789</u>

(II) Interest income

	Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Interest income from bond investments	\$ 10,775	\$ 10,242	\$ 22,077	\$ 20,311
Interest in income from bonds with repurchase agreements	11,217	7,379	21,537	13,250
Interested in income from financing activities	<u>5,399</u>	<u>13,781</u>	<u>15,593</u>	<u>25,904</u>
	<u>\$ 27,391</u>	<u>\$ 31,402</u>	<u>\$ 59,207</u>	<u>\$ 59,465</u>

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

	Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Operating securities--proprietary	\$ 29,708	(\$ 17,421)	(\$ 6,278)	\$ 35,827
Operating securities--underwriting	(33,479)	62,614	(1,527)	(18,438)
Bonds to Be Replenished	<u>-</u>	<u>-</u>	(<u>19</u>)	<u>-</u>
	(<u>\$ 3,771</u>)	<u>\$ 45,193</u>	(<u>\$ 7,824</u>)	<u>\$ 17,389</u>

(IV) Other operating revenue

	Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Other services	\$ 21,158	\$ 19,092	\$ 26,810	\$ 24,150
Foreign currency exchange gains (loss)	(33)	7	(13)	16
Default trade	3	(11)	(22)	(11)
Others	<u>671</u>	<u>151</u>	<u>808</u>	<u>267</u>

Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
<u>\$ 21,799</u>	<u>\$ 19,239</u>	<u>\$ 27,583</u>	<u>\$ 24,422</u>

(V) Financial costs

	Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Interest expense on bond borrowings under repurchase agreements	\$ 19,850	\$ 16,391	\$ 39,986	\$ 31,115
Interest in leasing liability	84	164	188	345
Borrowing costs	<u>14</u>	<u>1,311</u>	<u>114</u>	<u>3,306</u>
	<u>\$ 19,948</u>	<u>\$ 17,866</u>	<u>\$ 40,288</u>	<u>\$ 34,766</u>

(VI) Employee benefit expense

	Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Salary and Wages	\$ 66,570	\$ 111,782	\$ 143,289	\$ 196,620
Directors' remuneration	8,122	8,274	12,653	13,136
Insurance	3,480	6,845	7,966	13,932
Retirement benefits	2,395	2,346	4,758	4,763
Other personal expenditure	<u>1,807</u>	<u>2,162</u>	<u>3,699</u>	<u>4,494</u>
	<u>\$ 82,374</u>	<u>\$ 131,409</u>	<u>\$ 172,365</u>	<u>\$ 232,945</u>

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

In accordance with the amendment to the Securities and Exchange Act in August 2024, the parent company resolved at the shareholders' meeting on May 2, 2025, to amend its Articles of Incorporation to specify that no less than 10% of the total employee remuneration shall be allocated to grassroots employees. The estimated employee remuneration (including grassroots employee remuneration) and director remuneration recognized by the parent company for the periods from January 1 to June 30, 2025, and 2024 are as follows:

Estimated Allocation Ratio

	January 1 to June 30, 2025	January 1 to June 30, 2024
Employee Remuneration	1.5%	1.5%
Director Remuneration	1.5%	1.5%

Amount

	Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Employee Remuneration	(\$ 294)	\$ 3,400	\$ 571	\$ 7,000
Director Remuneration	(\$ 294)	\$ 3,400	\$ 571	\$ 7,000

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

The parent company's employee remuneration and director remuneration for the years 2024 and 2023 were respectively approved by the Board of Directors on January 17, 2025, and January 29, 2024, as follows:

(Unit: NT\$1,000)

	2024		2023	
	Cash	Stocks	Cash	Stocks
Employee Remuneration	\$ 8,640	\$ -	\$ 10,560	\$ -
Director Remuneration	8,640	-	10,560	-

The amounts resolved for distribution as employee remuneration and director remuneration for the years 2024 and 2023 are consistent with the amounts recognized in the consolidated financial statements for the respective years.

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

(VII) Depreciation and amortization expenses

	Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Real estate and equipment	\$ 2,788	\$ 2,687	\$ 5,632	\$ 5,313
Right-of-use asset	7,467	7,440	14,874	15,009
Intangible assets	<u>1,484</u>	<u>1,434</u>	<u>2,968</u>	<u>2,862</u>
	<u>\$ 11,739</u>	<u>\$ 11,561</u>	<u>\$ 23,474</u>	<u>\$ 23,184</u>

(VIII) Other gain and loss

	Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Financial income	\$ 4,889	\$ 2,815	\$ 8,175	\$ 4,819
Gains on financial instruments measured at fair value through non-operating activities	266	-	266	-
Others (Note 31)	<u>2,795</u>	<u>2,383</u>	<u>5,552</u>	<u>4,679</u>
	<u>\$ 7,950</u>	<u>\$ 5,198</u>	<u>\$ 13,993</u>	<u>\$ 9,498</u>

XXVI. Income tax

(I) Components of income tax expenses

	Apr. 1 to Jun. 30, 2025	Apr. 1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Current income tax				
Generated in current period	\$ 5,854	\$ 35,226	\$ 27,472	\$ 69,095
Generated in previous period	(630)	(281)	(630)	(281)
Additional tax on undistributed earnings	<u>-</u>	<u>5</u>	<u>-</u>	<u>5</u>
	5,224	34,950	26,842	68,819
Deferred income tax				
Generated in current period	(<u>1,016</u>)	(<u>8</u>)	(<u>1,293</u>)	<u>842</u>

	Apr. 1 to Jun. 30, 2025	Apr.1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Recognition of income tax on profit or loss	\$ <u>4,208</u>	\$ <u>34,942</u>	\$ <u>25,549</u>	\$ <u>69,661</u>

(II) Income tax assessment

The parent company's tax assessments have been finalized up to FY2022. For the subsidiaries Grand Fortune Securities Investment Consulting Co., Ltd., Grand Fortune Management Corporation, and Foryou Capital Corporation, their corporate income tax filings have been finalized by the tax authorities up to FY2023.

XXVII. Earnings per share

Calculations of earnings per share and average shares weighted average shares are as follows:

Net profit

	Apr. 1 to Jun. 30, 2025	Apr.1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Jan. 1 to Jun. 30, 2024
Net profit attributable to owners of the parent company	(\$ <u>21,152</u>)	\$ <u>201,439</u>	\$ <u>15,400</u>	\$ <u>397,647</u>

Shares

	Apr. 1 to Jun. 30, 2025	Apr.1 to Jun. 30, 2024	Jan. 1 to Jun. 30, 2025	Unit: 1,000 shares Jan. 1 to Jun. 30, 2024
Weighted average shares (common shares) used to calculate basic EPS	<u>396,162</u>	396,162	396,162	396,162
Assumed conversion of all dilutive potential ordinary shares-				
Employee remuneration's		<u>225</u>	<u>88</u>	<u>354</u>
Weighted average shares (common shares) to calculate diluted EPS		<u>396,387</u>	<u>396,250</u>	<u>396,516</u>

When paying out remunerations to employees in the form of stock, the parent company will first take into consideration a potentially diluted effect that will come from the shares being added into the weighted average outstanding shares, so that the company's diluted EPS will be available. The diluted effect will remain under consideration in the next fiscal year.

XXVIII. Cash flow information

Cash dividends approved by the Company's Board of Directors have not yet been distributed as of June 30, 2025 (see Notes XXII and XXIV).

January 1 to June 30, 2025

	January 1, 2025	Cash flow	Non-cash Change New Lease	June 30, 2025
Lease liabilities	\$ <u>37,575</u>	(\$ <u>15,422</u>)	\$ <u>1,061</u>	\$ <u>23,214</u>

January 1 to June 30, 2024

	January 1, 2024	Cash flow	Non-cash Change New Lease	June 30, 2024
Short-term Loan	\$ 300,000	(\$ 300,000)	\$ -	\$ -
Leasing liability	<u>65,998</u>	(<u>15,263</u>)	<u>1,189</u>	<u>51,924</u>
	<u>\$ 365,998</u>	(<u>\$ 315,263</u>)	<u>\$ 1,189</u>	<u>\$ 51,924</u>

XXIX. Capital risk management

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

The parent company manages its capital based on business development plans and operating budgets, while considering various risk controls and relevant financial market regulations, to prudently achieve optimal capital allocation. The parent company continuously maintains adequate own capital.

(I). The goal of capital management

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

(II) Policy and procedure of capital management

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

(III). Capital adequacy ratio

The capital adequacy ratio reported by the parent company to the TWSE on June 30, 2025, and December 31, 2024, and June 30, 2024, is as follows:

Adequacy ratio of regulatory own capital on June 30, 2025	$\frac{\text{Net of qualified regulatory own capital}}{\text{Cash equivalents in operation risks}} = 444\%$
Adequacy ratio of regulatory own capital on December 31, 2024	$\frac{\text{Net of qualified regulatory own capital}}{\text{Cash equivalents in operation risks}} = 493\%$
Adequacy ratio of regulatory own capital on June 30, 2024	$\frac{\text{Net of qualified regulatory own capital}}{\text{Cash equivalents in operation risks}} = 337\%$

XXX. Financial instruments

(I). Fair value information

1. Financial instruments not measured at fair value

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

2. Financial instruments measured on a recurring basis

(1). At fair value level

June 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Stocks listed in TWSE, TPEX and Emerging Market	\$1,137,725	\$ -	\$305,576	\$1,443,301
Bonds – listed in TPEX	382,198	-	-	382,198
Domestic un-listed stocks	-	-	137,708	137,708
Foreign Private Equity Fund	-	-	14,585	14,585
Beneficiary certificates of funds	200,266	-	-	200,266
Total	<u>\$1,720,189</u>	<u>\$ -</u>	<u>\$457,869</u>	<u>\$2,178,058</u>
<u>Financial assets measured at fair value through other comprehensive gains and losses</u>				
Equity				
—Stocks listed in TWSE, TPEX and Emerging Market	\$ 67,893	\$ -	\$ 78,195	\$146,088
—Stocks unlisted in TWSE	-	-	184,501	184,501
Debt				
—Domestic Corporate bond	802,483	1,787,163	-	2,589,646
Total	<u>\$870,376</u>	<u>\$1,787,163</u>	<u>\$262,696</u>	<u>\$2,920,235</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value through profit and loss</u>				
Stocks listed in TWSE, TPEX and Emerging Market	\$1,117,260	\$ 35,079	\$332,591	\$1,484,930
Domestic Bond- TPEX	231,725	-	-	231,725
Domestic unlisted stocks	-	-	49,544	49,544
Foreign Private Equity Fund	-	-	9,810	9,810
Total	<u>\$1,348,985</u>	<u>\$ 35,079</u>	<u>\$391,945</u>	<u>\$1,776,009</u>
<u>Financial assets measured at fair value through other comprehensive gains and losses</u>				
Equity				
--Stocks listed in TWSE, TPEX and Emerging Market	\$ 34,237	\$ -	\$134,758	\$ 168,995
--Domestic unlisted stocks	-	-	194,383	194,383
Debt				
--Domestic Government Bonds	192,864	-	-	192,864
--Domestic Corporate Bonds	1,095,435	1,590,981	-	2,686,416
Total	<u>\$1,322,536</u>	<u>\$1,590,981</u>	<u>\$329,141</u>	<u>\$3,242,658</u>

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value through profit and loss</u>				
Bonds Subject to Replenishment	\$ 49,946	\$ -	\$ -	\$ 49,946

June 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through profit or loss</u>				
Stocks listed in TWSE, TPEX and Emerging Market	\$2,258,287	\$ 30,720	\$236,747	\$2,525,754
Bonds – listed in TPEX	200,380	-	-	200,380
Domestic un-listed stocks	-	-	83,048	83,048
Foreign Private Equity Fund	-	-	7,130	7,130
Total	<u>\$2,458,667</u>	<u>\$ 30,720</u>	<u>\$326,925</u>	<u>\$2,816,312</u>

Financial assets measured at fair value through other comprehensive gains and losses

Equity

—Stocks listed in TWSE, TPEX and Emerging Market	\$ 95,171	\$ -	\$147,533	\$242,704
—Domestic unlisted stocks	-	-	179,988	179,988

Debt

— Domestic Corporate Bonds	<u>944,056</u>	<u>1,539,054</u>	<u>-</u>	<u>2,483,110</u>
Total	<u>\$1,039,227</u>	<u>\$1,539,054</u>	<u>\$327,521</u>	<u>\$2,905,802</u>

The transfers between fair value hierarchy levels from January 1 to June 30, 2025, and 2024 mainly occurred due to the merger company's holdings of certain over the counter (OTC) stocks. The determination of whether the transfers were due to investments in active markets with orderly transactions among market participants was based on assessing the trading volumes in those markets.

(2). Transactions of financial instruments measured at fair value by Level 3
January 1 to June 30, 2025

	Financial assets measured at fair value through profit/loss- Equity Instrument	Financial assets measured at fair value through other comprehensive profit/loss- Private Equity Funds	Financial assets measured at fair value through other comprehensive profit/loss- Equity Instrument	Total
Beginning balance	\$382,135	\$ 9,810	\$329,141	\$721,086
Buy	315,113	-	34,397	349,510
Transfer in	3,422	-	-	3,422
Sanction	(218,154)	-	(33,559)	(251,713)
Transfer out	(24,341)	-	(62,232)	(86,573)
Recognized in profit/loss	(14,891)	4,775	-	(10,116)
Recognized in other comprehensive income	<u>-</u>	<u>-</u>	<u>(5,051)</u>	<u>(5,051)</u>
Ending balance	<u>\$443,284</u>	<u>\$14,585</u>	<u>\$262,696</u>	<u>\$720,565</u>

January 1 to June 30, 2024

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

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

The fair value of corporate bond investments is calculated by reference to theoretical market interest rate prices published in the over-the-counter market.

The valuation of domestic listed private equity investment stocks adopts the Black-Scholes-Merton model, which is based on the transaction price, exercise price, volatility, risk-free interest rate and duration of the investment target in the active market.

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

For investments in domestic emerging stocks and domestic unlisted (OTC) stocks that are unable to obtain orderly trading quotations among market participants in an active market, the fair value of the investment targets is calculated using the comparable listed and OTC company method; the fair value of foreign private equity funds is calculated using the asset method and the income method.

The value of the target company can be determined by analogy with the laws of listed OTC companies, referring to the trading prices of the stocks of enterprises engaged in the same or similar businesses in active markets, the value multipliers implied by such prices, and considering the liquidity discount. The main unobservable input is a liquidity discount.

The income approach calculates the present value of the income expected to be obtained from holding the investment by discounting cash flows.

The asset approach is to evaluate the total market value of the individual assets and liabilities covered by the valuation target and consider the deduction for non-control and liquidity to reflect the overall value of the enterprise or business.

(II). Classification of financial instruments

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Financial assets			
Financial assets measured at fair value through profit and loss			

Financial assets measured at fair value	\$ 2,178,058	\$ 1,776,009	\$ 2,816,312
Financial assets measured at amortized cost (Note 1)	6,364,148	6,661,980	6,745,285
Financial assets measured at fair value through other comprehensive income	2,920,235	3,242,658	2,905,802
<u>Financial liability</u>			
Financial assets measured at fair value through profit or loss – held for trading	\$ -	\$ 49,946	\$ -
Measured by amortized cost (Note 2)	6,236,480	6,287,897	6,777,441

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

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

(III). Purpose and policy of financial risk management

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

1. Market risk

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

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

(1). Interest rate risk

Below is the Group's book value of financial assets and liabilities exposed under the interest rate risk at the end of the financial reporting period.

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value interest rate risk			
--Financial assets	\$ 5,508,961	\$ 5,403,784	\$ 5,655,480
--Financial liability	4,799,658	4,849,484	5,659,146
Interest rate risk with cash flow			
--Financial assets	316,288	306,813	250,120

Sensitivity analysis

The analysis is based on the non-derivative instruments exposed under the interest rate at the end of the financial reporting period. The Group analyzes the sensitivity ratio based on every

increase or decrease in interest rate by 20 basis points, suggesting its assessment of the reasonable range of interest rates.

A. Interest rate risk at fair value

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

In cases where the market's interest rate increases/decreases by 20 basis points, the change of fair value through other comprehensive income in bond investment will decrease/increase by NT\$19,473 thousand and NT\$22,533 thousand from January 1 to June 30 in 2025 and 2024 respectively.

The consolidated entity is exposed to fair value interest rate risk arising from bond investments with repurchase agreements and bond liabilities with reverse repurchase agreements. However, the consolidated entity strictly controls authorized positions to effectively manage the interest rate risk associated with such transactions.

B. Interest rate risk at cash flow

In the case that the market's interest rate increases/decreases by 20 basis points, while other conditions remain unchanged, the Group's pre-tax profit will increase or decrease by NT\$316 thousand and NT\$250 thousand from January 1 to June 30 in 2025 and 2024. The changes are based on the Group's risk exposures faced by demand deposits and foreign exchange-based deposits.

(2). Other risks in price movement

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

Sensitivity analysis

The analysis is based on the price risk exposure impacting financial assets at fair value through profit or loss at the end of the financial reporting period. After considering the change of government policy in the securities market, the Group on June 30, 2025, and 2024 came up with its assessment by using the sensitivity ratio at a reasonable increase/decrease level of a 10%.

If the prices of investment securities and convertible corporate bonds increase/decrease by 10%, the pre-tax net profit for the periods from January 1 to June 30, 2025, and 2024 will increase/decrease by NT\$ 217,806 thousand and NT\$ 281,631 thousand respectively, due to the fair value changes of financial instruments measured at fair value through profit or loss. The other comprehensive income will increase/decrease by NT\$292,024 thousand and NT\$290,580 thousand, respectively, due to the fair value changes of financial assets measured at fair value through other comprehensive incomes.

2. Credit risk

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

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

3. Liquidity risk

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

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

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

June 30, 2025

	Less than 1 month	1~3 months	3 mon. ~1 year	1~5 years	5 years ~
<u>Non-derivative financial liabilities</u>					
Non-interest-bearing liabilities	\$1,872,054	\$ -	\$ -	\$ -	\$ -
lease liabilities	2,608	5,215	9,949	5,672	-
Fixed interest rate instruments	<u>4,764,997</u>	<u>40,170</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$6,639,659</u>	<u>\$ 45,385</u>	<u>\$ 9,949</u>	<u>\$ 5,672</u>	<u>\$ -</u>

December 31, 2024

	Less than 1 month	1~3 months	3 mon. ~1 year	1~5 years	5 years ~
<u>Non-derivative financial liabilities</u>					
Non-interest-bearing liabilities	\$1,488,359	\$ -	\$ -	\$ -	\$ -
Lease liabilities	2,592	5,183	23,389	6,799	-
Fixed interest rate instruments	<u>4,804,924</u>	<u>50,354</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$6,295,875</u>	<u>\$ 55,537</u>	<u>\$ 23,389</u>	<u>\$ 6,799</u>	<u>\$ -</u>

June 30, 2024

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

(2). Amount of loans

	June 30, 2025	December 31, 2024	June 30, 2024
Collateralized loans			
--Used amount	\$ -	\$ -	\$ -
--Unused amount	<u>1,680,000</u>	<u>1,555,000</u>	<u>1,565,000</u>
	<u>\$ 1,680,000</u>	<u>\$ 1,555,000</u>	<u>\$ 1,565,000</u>

XXXI. Transaction with related parties

(I). Name and relation of the related parties

<u>Name of related party</u>	<u>Relation with the Group</u>
Foryou Venture Capital Limited Partnership	Associated Enterprise
Foryou private equity limited partnership	Associated Enterprise
Beiley Biofund Inc.	Associated Enterprise

(II). Revenue

<u>Account item</u>	<u>Name of associate</u>	<u>Apr. 1 to Jun. 30, 2025</u>	<u>Apr.1 to Jun. 30, 2024</u>	<u>Jan. 1 to Jun. 30, 2025</u>	<u>Jan. 1 to Jun. 30, 2024</u>
Consulting fee	Foryou Venture Capital Limited Partnership	\$ 946	\$ 21,226	\$ 5,563	\$ 23,702
Consulting fee	Foryou private equity limited partnership	\$ 4,762	\$ 4,761	\$ 9,524	\$ 8,571

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

(III). Non-operating income and expenses

<u>Accounting item</u>	<u>Name of related party</u>	<u>Apr. 1 to Jun. 30, 2025</u>	<u>Apr.1 to Jun. 30, 2024</u>	<u>Jan. 1 to Jun. 30, 2025</u>	<u>Jan. 1 to Jun. 30, 2024</u>
Other non-operating income	Beiley Biofund Inc.	\$ 480	\$ 120	\$ 600	\$ 240

(IV). Accounts Receivable

<u>Related Parties Category</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Accounts Receivable			
Associated Enterprise	\$ 40,589	\$ 37,025	\$ 20,822
Other Receivable			
Associated Enterprise	\$ 40	\$ 40	\$ 40

The above other receivables are of a collection-and-payment nature, and no allowance for doubtful accounts was recognized as of June 30, 2025, December 31, 2024, and June 30, 2024.

(V) Other

<u>Accounting item</u>	<u>Name of related party</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Pre-received item	Related	\$ -	\$ -	\$ 378

(VI). Remuneration to management

	<u>Apr. 1 to Jun. 30, 2025</u>	<u>Apr.1 to Jun. 30, 2024</u>	<u>Jan. 1 to Jun. 30, 2025</u>	<u>Jan. 1 to Jun. 30, 2024</u>
Salary	\$ 6,476	\$ 13,951	\$ 15,248	\$ 28,335
Allowance for business execution	63	31	179	105
	\$ 6,539	\$ 13,982	\$ 15,427	\$ 28,440

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

XXXII. Assets collateralized as security

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

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits (classified in other current assets)	\$ 434,500	\$ 415,500	\$ 417,500

XXXIII. Significant contingent liabilities and unrecognized contract commitments: None**XXXIV. Significant disaster loss: None****XXXV. Significant events after the end of the financial reporting period: None****XXXVI. Information about significant foreign currency-based assets**

Below is the summary of the foreign currency-based assets not expressed in functional currency. The exchange rate is based on the significant foreign currency-based assets being swapped into the functional currency.

June 30, 2025

	Foreign currency	Exchange rate	Unit: foreign currency / NT\$1,000 Book value
<u>Foreign currency-based assets</u>			
<u>Non-Currency Item</u>			
US dollar	\$ 549	29.525	\$ 14,585

December 31, 2024

	Foreign currency	Exchange rate	Unit: foreign currency / NT\$1,000 Book value
<u>Foreign currency-based assets</u>			
<u>Non-Currency Item</u>			
US dollar	\$ 293	32.67	\$ 9,810

June 30, 2024

	Foreign currency	Exchange rate	Unit: foreign currency / NT\$1,000 Book value
<u>Foreign currency-based assets</u>			
<u>Non-Currency Item</u>			
US dollar	\$ 220	32.40	\$ 7,130

XXXVII. Supplementary disclosures**(I). Significant transactions information**

1. Financing provided to other parties: None
2. Endorsement and guarantees provided: None
3. Acquisition of real estate properties at costs of at least NT\$300 million or 20% of the paid-in capital: None
4. Disposal of real estate properties at prices of at least NT\$300 million or 20% of the paid-in capital: None
5. Rebate of transaction fee to related parties by over NT\$5 million: None
6. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
7. Significant business relations, transaction and cash amounts in parent-subsidary companies and intercompany: Please see Table 2.

(II) information on investees

1. When directly or indirectly having significant influence or control over the investee company, the relevant information of the investee company shall be disclosed: Table 1.

2. For those with direct or indirect control over the investee company, relevant information on the major transactions of the investee company:

(1) Invested company's capital loan to others: none.

(2) The investee company endorses guarantees for others: none.

(3) The amount of real estate acquired by the investee company is NT\$300 million or more than 20% of the paid-in capital: none.

(4) The amount of real estate disposed of by the investee company is NT\$300 million or more than 20% of the paid-in capital: none.

(5) The total transaction fee discount between the investee company and its related parties is more than NT\$5 million: none.

(6) The investee company's receivables from related parties' amount to NT\$100 million or more than 20% of the paid-in capital: none.

(III). Information about overseas branches and representative offices: None

(IV). Information about investment in China: None

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

XXXVIII. Department information

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

Brokerage: Brokerage for marketable securities trading.

Underwriting: Underwriting for marketable securities.

Proprietary trading: Trading of marketable securities for its own account.

Others: Operating activities not belonging to brokerage, underwriting and proprietary trading.

Revenue and operating results by department

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

	January 1 to June 30, 2025				Elimination of Inter-department Transaction	Total
	Brokerage Dept.	Underwriting Dept.	Investment Dept.	Others		
Revenue from non-corporate customers	\$ 63,953	\$ 286,368	(\$ 77,710)	\$ 57,954	\$ -	\$ 330,565
Inter-departmental revenue	-	-	-	9,030	(9,030)	-
Total Revenue	63,953	286,368	(77,710)	66,984	(9,030)	330,565
Expenses	(34,818)	(97,425)	(49,806)	(116,597)	9,030	(289,616)
Profit/Loss	\$ 29,135	\$ 188,943	(\$ 127,516)	(\$ 49,613)	\$ -	\$ 40,949

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

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

Grand Fortune Securities Co., Ltd. and subsidiary
Information about names and locations
From January 1 to June 30, 2025

Table 1

Unit: NT\$1,000, unless otherwise noted

Investing Company	Names of investee	Location	Set-up date	FSC's approval number	Main operation	Initial investment amount		Investment amount at end of current year			Revenue by investee at end of current year	Profit or loss by investee	Recognition of profit or loss in current year	Cash dividend in current year	Remark
						End of current year	End of last year	Shares	Stake %	Book value					
Parent Company Grand Fortune Management Corporation	Grand Fortune Securities Investment Consulting Co., Ltd	Taiwan	Mar.5, 2000	(Note 2)	Securities Investment Advisory Business	\$ 79,544	\$ 79,544	9,480,000	100	\$ 99,288 (Note 1)	\$10,366	(\$ 214)	(\$ 214) (note 1)	\$ -	Subsidiary
	Grand Fortune Management Corporation	Taiwan	Oct. 24, 2013	FSC Ruling Jin-Kwong-Cheng No. 1020029470	Investment and management consulting	512,304	512,304	67,228,600	100	883,788 (Note 1)	34,726	38,537	38,537 (note 1)	-	Subsidiary
	Grand Fortune Venture Capital Corporation	Taiwan	Jan. 22, 2020	(Note 5)	Venture Capital	400,000	200,000	52,909,700	100	579,015 (Note 1)	603	(1,321)	(1,321) (note 1)	-	Subsidiary
	Beiley Biofund Inc.	Taiwan	Oct.15, 2013	FSC Ruling Jin-Kwong-Cheng No. 1020029470 (Note 5)	Investment business	420,612	420,612	50,059,788	24.39	541,766	76,171	51,846	12,643	-	Associates accounted for using equity method
	Foryou venture capital Limited Partnership	Taiwan	Mar. 13, 2019	(Note 5)	Venture Capital	20,193	20,193	(Note 3)	9.62	33,470	1,103	(5,778)	(555)	-	Associates accounted for using equity method (note 4)
	Foryou Private Equity Limited Partnership	Taiwan	Aug. 9, 2022	(Note 5)	Venture Capital	100,000	100,000	(Note 3)	10	96,367	4,674	(4,626)	(463)	-	Associates accounted for using equity method (Note 4)

Note 1: Offsetting has been done during the preparation of these consolidated financial statements.

Note 2: The acquisition from Yousheng Securities Consulting (later renamed as Grand Fortune Venture Capital Consultant Co., Ltd) by the parent company in March 2000 does not have a FSC approval reference number for the original investment.

Note 3: It is a limited partnership.

Note 4: Grand Fortune Venture Management Co., Ltd. acts as the general partner (GP).

Note 5: According to the FSC's letter No. 1070334245 issued on October 24, 2018, Grand Fortune Venture Capital Consultant Co., Ltd. was granted approval to conduct cash capital increase and make investments in accordance with its investment plan.

Grand Fortune Securities Co., Ltd. and subsidiary
Transactions between parent company and subsidiary
From January 1 to June 30, 2025

Table 2

Unit: NT\$1,000, unless otherwise noted

Number (Note 1)	Company name	Related party	Relation (Note 2)	Transaction			
				Item	Amount (Note3)	Condition (Note 4)	% Of consolidated revenue or assets
0	Grand Fortune Securities Co., Ltd	Grand Fortune Securities Investment Consulting Co., Ltd.	1	Labor cost	\$ 8,970	—	3
			1	Other account receivables	24	—	-
			1	Other business revenue	30	—	-
			1	Other account receivables	7	—	-
			1	Other business revenue	30	—	-
1	Grand Fortune Securities Investment Consulting Co., Ltd.	Grand Fortune Management Corporation	1	Other business revenue	30	—	-
		Grand Fortune Venture Capital Corporation	1	Financial assets at fair value through other comprehensive income – current	34,397		
		Parent Company	2	Consulting fee	48,970	—	3
2	Grand Fortune Management Corporation	Parent Company	2	Other payables	24	—	-
			2	Other operating expenses	30	—	-
			2	Labor cost	30	—	-
3	Grand Fortune Venture Capital Corporation	Parent Company	2	Other payables	7	—	-
			2	Financial assets at fair value through other comprehensive income – non current	34,397	—	-

Note 1: Grand Fortune Securities Co., Ltd. and its subsidiaries are coded as follows:
1. Parent company is coded 0
2. The subsidiaries are coded consecutively beginning from 1 in the order presented in the table above.
Note 2: Transactions are categorized as follows:
1. Parent company to subsidiary
2. Subsidiary to parent company
3. Subsidiary to subsidiary
Note 3: Inclusion in the preparations of the consolidated financial statements
Note 4: Transactions are negotiated between the parent company and subsidiary

Grand Fortune Securities Co., Ltd. and subsidiary
Information for major shareholders
June 30, 2025

Table 3

Name of major shareholder	Shares	
	Holdings (shares)	Stake (%)
Huang Hsien-Hua	30,247,243	7.63%

Note 1: Provided by Taiwan Depository & Clearing Corp. on the last trading day in each quarter, the information indicates major shareholders with a combined stake of over 5% that is shown by the paperless registration (including treasury stock) of holdings in common and preferred shares. A difference might exist between the holdings amount at between the securities house’s financial statements and the paperless registration being completed.
Note 2: If entrusted, the holdings of the shareholder must be disclosed separately in the trustee’s account. For information about a transfer by an over-10%-stake insider, along with personal holdings and shares being entrusted, please refer to the MOPS website.