Stock ID: 2852

The First Insurance Co., Ltd.

Financial Statements and Independent Auditor's Report

2025 and 2024

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Independent Auditor's Report

To the management of The First Insurance Co., Ltd.:

Audit opinion

We have audited the balance sheet of The First Insurance Co., Ltd. as of December 31, 2025 and 2024, the statement of comprehensive income, statement of changes in equity, and cash flow statement for the periods January 1 to December 31, 2025 and 2024, and the accompanying footnotes (including a summary of major accounting policies).

In our opinion, all material disclosures of the financial statements mentioned above were prepared in accordance with Regulations Governing the Preparation of Financial Reports by Insurance Enterprises and with the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretation, or SIC Interpretation endorsed by the Financial Supervisory Commission, and presented a fair view of the financial position of The First Insurance Co., Ltd. as of December 31, 2025 and 2024, and business performance and cash flow for periods January 1 to December 31, 2025 and 2024.

Basis of audit opinion

We have conducted our audits in accordance with the Regulation Governing Auditing and Certification of Financial Statements by Certified Public Accountants and applicable auditing standards. Our responsibilities as an auditor under the abovementioned standards will be explained in the Responsibilities paragraph. All relevant personnel of the accounting firm have followed CPA code of ethics and maintained independence from The First Insurance Co., Ltd. when performing their duties. We believe that the evidence obtained provide an adequate and appropriate basis for our opinion.

Key audit issues

Key audit issues are matters that we considered to be the most important, based on professional judgment when auditing the 2025 financial statements of The First Insurance Co., Ltd. These issues have already been addressed when we audited and formed our opinions on the financial statements. Therefore, we do not provide opinions separately for individual issues.

Key audit issues concerning the 2025 financial statements of The First Insurance Co., Ltd. are as follows:

Estimation of not reported (NR) and not settled (NS) reserves

The First Insurance Co., Ltd. has an actuarial team that estimates NR/NS reserves based on previous claims and expenses incurred by the various types of insurance, using methods that conform with actuarial principles. The book value of claim reserves (presented as insurance liability) as of December 31, 2025 amounted to NT$3,801,975 thousand, of which NT$776,591 thousand were insurance incurred by not reported (IBNR). Because the amount was presented based on the actuarial estimate, any change of assumption or any misjudgment may cause significant changes to profit and loss, and therefore has been listed as a key audit issue for the current year.

For more details on the accounting policy and methodology adopted for claim reserve provisioning, please refer to Note 4(12) and Note 5 of the financial statements. For details on amounts and changes, please refer to Note 37(3) of the financial statements.

We have performed tests to gain insight about the design and execution of various procedures and controls the Company had adopted to estimate IBNR reserves. In addition, we obtained data on direct claims paid by the First Insurance Co., Ltd., for various insurance categories and retained materials related to actual losses to verify the integrity of data used in the actuarial estimate. Our actuarial experts assisted us in evaluating whether the methodologies and assumptions undertaken to provide for IBNR reserves were compliant with laws and establishing proprietary models for validating the rationality of the IBNR reserves provided by the Company.

Responsibilities of the management and governing body to the financial statements

Responsibilities of the management were to prepare and ensure fair presentation of financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, international financial reporting standards approved and published by the Financial Supervisory Commission, the International Accounting Standards and interpretations thereof, and exercise proper internal control practices that are relevant to the preparation of financial statements so that the financial statements are free of material misstatements caused by fraud or error.

The management's responsibilities when preparing financial statements also involved: assessing the ability of The First Insurance Co., Ltd. to operate, disclose information and account for transactions as a going concern unless the management intends to liquidate or cease business operations, or is compelled to do so with no alternative solution.

The governing body of The First Insurance Co., Ltd. (including the Audit Committee) is responsible for supervising the financial reporting process.

Responsibilities of the auditor when auditing financial statements

The purposes of our audit were to obtain reasonable assurance of whether the financial statements were prone to material misstatements caused by fraud or error, and issue a report of our audit opinions. We considered assurance to be reasonable only if it is highly credible. However, audit tasks conducted in accordance with applicable auditing principles do not necessarily guarantee detection of all material misstatements within the financial statements. Misstatements can be attributed to fraud or error. Misstatements are considered material if the individual amount or aggregate total is reasonably expected to affect economic decisions of the financial statement user.

When conducting audits in accordance with applicable auditing principles, we exercised judgments and raised doubts as deemed professionally appropriate. We also performed the following tasks as an auditor:

1. Identifying and assessing risks of material misstatement due to fraud or error; designing and executing appropriate responsive measures for the identified risks; and obtaining adequate and appropriate audit evidence to support audit opinions. Fraud may involve conspiracy, forgery, intentional omission, untruthful declaration or breach of internal control, and our audit did not find any material misstatement where the risk of fraud is greater than the risk of error.
2. Developing the required level of understanding on relevant internal controls and designing audit procedures that are appropriate under the prevailing circumstances, but without providing an opinion on the effectiveness of the internal control system of The First Insurance Co., Ltd.
3. Assessing the appropriateness of accounting policies adopted by the management, and the rationality of accounting estimates and related disclosures made.
4. Forming conclusions regarding the appropriateness of management's decision to account for the business as a going concern, and whether there are doubts or uncertainties about the ability of The First Insurance Co., Ltd. to operate as a going concern, based on the audit evidence obtained. We are bound to remind financial statement users and make related disclosures if material uncertainties exist regarding the above-mentioned events or

circumstances and amend audit opinions when the disclosures are no longer appropriate. Our conclusions are based upon audit evidence obtained as of the audit report date. However, occurrences of future events or circumstances may still render The First Insurance Co., Ltd. no longer capable of operating as a going concern.

5. Assessing the overall presentation, structure and contents of the financial statements (including related footnotes), and whether certain transactions and events are presented appropriately in the financial statements.

We have communicated with the governing body about the scope, timing and significant findings (including significant defects identified in the internal control) of our audit.

We have also provided the governance body with a declaration of independence stating that all relevant personnel of the accounting firm have complied with auditors' professional ethics, and communicated with the governance body on all matters that may affect the auditor's independence (including protection measures).

After communicating with the governance body regarding the 2025 financial statements of The First Insurance Co., Ltd, we have identified the key audit issues. These issues have been addressed in our audit report except for: 1. Certain topics that are prohibited by law from disclosing to the public; or 2. Under extreme circumstances, topics that we decided not to communicate in the audit report because of higher negative impacts they may cause than the benefits they bring to the public interest.

Deloitte Taiwan
CPA: Zhao-Mei Chen

CPA: Sheng-Tai Liang

Approval reference of the Securities and Futures Bureau
Tai-Cai-Zheng-VI-Zi No. 0920123784

Approval reference of the Financial Supervisory Commission
Jin-Guan-Zheng-Shen-Zi No. 1100356048

March 11, 2026

The First Insurance Co., Ltd.
Balance Sheet
As at December 31, 2025 and 2024

Unit: NTD thousand

		December 31, 2025		December 31, 2024	
Code	Assets	Amount	%	Amount	%
11000	Cash and cash equivalents (Notes 4 and 6)	$ 2,086,377	10	$ 2,293,568	12
	Receivables				
12100	Notes receivable (Notes 4, 12 and 37)	129,718	1	121,666	1
12200	Premiums receivable (Notes 4, 12, 31 and 37)	123,028	1	115,494	-
12500	Other receivables (Notes 4 and 12)	120,032	-	75,342	-
12000	Total receivables	372,778	2	312,502	1
	Investment				
14110	Financial assets at fair value through profit and loss (Notes 4 and 7)	2,055,381	10	1,615,992	8
14145	Financial assets carried at cost after amortization (Notes 4, 9 and 10)	4,477,529	22	3,697,479	19
14180	Other financial assets (Notes 4, 6 and 11)	4,247,209	21	4,185,665	21
14190	Financial assets at fair value through other comprehensive income (Notes 4, 8 and 10)	2,586,712	13	2,777,227	14
14200	Investment properties (Notes 4 and 13)	900,552	5	898,683	5
14000	Total investment	14,267,383	71	13,175,046	67
	Reinsurance Contracts Assets				
15100	Claims recoverable from reinsurers (Notes 4, 12, 14 and 37)	136,831	1	139,216	1
15200	Reinsurance accounts receivable (Notes 4, 12, 14 and 37)	202,626	1	511,537	3
15300	Reinsurance reserve assets (Notes 4, 14 and 37)	1,909,280	9	2,072,880	10
15000	Total reinsurance contract assets	2,248,737	11	2,723,633	14
16000	Property, plant, and equipment (Notes 4 and 15)	617,658	3	612,125	3
16700	Right-of-use asset (Notes 4 and 16)	3,975	-	2,946	-
17300	Intangible assets (Notes 4 and 17)	17,340	-	21,141	-
17800	Deferred income tax assets (Notes 4 and 26)	12,267	-	13,285	-
	Other assets				
18160	Net defined benefit assets (Note 4 and 22)	30,298	-	11,875	-
18300	Guarantee deposits paid (Notes 8 and 18)	530,977	3	520,373	3
18700	Other assets - Others (Note 19)	29,181	-	20,111	-
18000	Total other assets	590,456	3	552,359	3
1XXXX	TOTAL ASSETS	$ 20,216,971	100	$ 19,706,605	100
Code	Liabilities and equity				
	Payables				
21100	Notes payable	$ 12,101	-	$ 10,811	-
21200	**Insurance claims and benefits payable (Note 37)**	418		-	-
21400	Commission payable (Note 37)	100,077	1	115,006	1
21500	Reinsurance accounts payable (Notes 4 and 37)	288,299	1	283,700	1
21600	Other payables (Note 20)	269,837	1	280,935	1
21000	Total payables	670,732	3	690,452	3
21700	Current income tax liabilities (Notes 4 and 26)	111,896	1	87,818	-
23800	Lease liabilities (Notes 4 and 16)	4,021	-	2,984	-
	Insurance liabilities (Notes 4, 5, 21 and 37)				
24100	Unearned premium reserve	4,463,621	22	4,498,217	23
24200	Claim reserve	3,801,975	19	3,791,510	19
24400	Special claim reserve	1,750,866	9	1,716,506	9
24500	Deficiency reserve	-	-	9,831	-
24000	Total insurance liabilities	10,016,462	50	10,016,064	51
28000	Deferred income tax liabilities (Notes 4 and 26)	92,934	-	99,591	1
	Other liabilities				
25300	Guarantee deposits received	16,941	-	16,232	-
25900	Other liabilities - Others (Note 23)	152,713	1	97,078	1
25000	Total other liabilities	169,654	1	113,310	1
2XXXX	Total liabilities	11,065,699	55	11,010,219	56
31000	Share capital (Note 24)	3,011,638	15	3,011,638	15
	Retained earnings (Note 24)				
33100	Legal reserve	2,038,064	10	1,831,347	10
33200	Special reserve	3,045,593	15	2,780,894	14
33300	Undistributed earnings	693,249	3	839,879	4
33000	Total retained earnings	5,776,906	28	5,452,120	28
34000	Other equity items (Note 24)	362,728	2	232,628	1
3XXXX	Total equity	9,151,272	45	8,696,386	44
	Total liabilities and equity	$ 20,216,971	100	$ 19,706,605	100

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

Chairman: C. H. Lee   Manager: Hsin-Qun Chen   Head of Accounting: Fei-Fen Hsiao

The First Insurance Co., Ltd.
Statement of Comprehensive Income
For periods from January 1 to December 31, 2025 and 2024
Unit: NTD thousand, except EPS which is in dollars

Code		2025 Amount	2025 %	2024 Amount	2024 %	Variation percentage (%)
	Operating revenues (Note 4)					
41110	Written premiums (Notes 31 and 37)	$ 8,810,500	116	$ 8,941,329	115	1
41120	Reinsurance Premium	423,618	6	437,849	5	(3)
41100	Premium revenues	9,234,118	122	9,379,178	120	(2)
51100	Less: reinsurance premiums expense	(2,275,036)	(30)	(2,249,367)	(29)	1
51310	Less: Net change in unearned premium reserve	27,580	-	(123,742)	(1)	122
41130	Retained Earned Premium	6,986,662	92	7,006,069	90	-
41300	Reinsurance commissions received (Note 37)	248,139	3	279,325	4	(11)
41400	Service fee	30,063	1	27,270	-	10
	Net investment gains					
41510	Interest income (Note 25)	200,900	3	188,923	3	6
41521	Gain/loss on financial assets or liabilities at fair value through profit and loss	(32,587)	-	108,484	1	(130)
41527	Realized gains/losses on financial assets at fair value through other comprehensive income (Note 8(1))	116,131	1	90,341	1	29
41550	Gain (loss) on exchange - investment (Note 25)	(42,484)	(1)	18,825	-	(326)
41570	Gains (losses) on investment property (Note 25)	54,518	1	58,122	1	(6)
41585	Expected credit impairment loss (reversal gain) on investment	(470)	-	7,775	-	(106)
41500	Total net investment gains	296,008	4	472,470	6	(37)
	Other operating revenues					
41830	Gain on exchange - non-investment (Note 25)	-	-	11,324	-	(100)
41890	Other operating revenues - Others	686	-	2,593	-	(74)
41800	Total other operating income	686	-	13,917	-	(95)
41000	Total operating revenues	7,561,558	100	7,799,051	100	(3)
	Operating Cost					
	Retained claims and benefits (Notes 31 and 37)					
51200	Insurance claim and benefit payments	4,457,074	59	4,930,084	63	(10)
41200	Less: Claims recovered from reinsurers and benefits	(956,003)	(13)	(1,366,849)	(17)	(30)
51260	Total retained claims and benefits paid	3,501,071	46	3,563,235	46	(2)

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Code		2025 Amount	2025 %	2024 Amount	2024 %	Variation percentage (%)
	Net change in other liabilities (Note 37)					
51320	Net change in claim reserves	$ 167,049	2	$ 338,632	5	(51)
51340	Net change in special claim reserves	34,360	(1)	(143,930)	(2)	124
51350	Net change in premium deficiency reserves	(9,831)	-	9,831	-	(200)
51300	Total net change in other liabilities	191,578	3	204,533	3	(6)
51510	Commission expenses (Note 37)	1,133,705	15	1,202,700	15	(6)
51600	Service charges (Note 37)	110,489	2	122,843	1	(10)
	Other operating costs					
51810	Contribution to insurance stabilization fund (Note 37)	16,024	-	17,137	-	(6)
51830	Interest expenses	20	-	196	-	(90)
51850	Exchange loss – non-investment (Note 25)	7,160	-	-	-	-
51890	Other operating costs – other	16	-	-	-	-
51800	Total other operating costs	23,220	-	17,333	-	34
51000	Total operating costs	4,960,063	66	5,110,644	65	(3)
60000	Gross profit	2,601,495	34	2,688,407	35	(3)
	Operating expenses (Notes 25 and 31)					
58100	Selling expenses	1,362,848	18	1,466,442	19	(7)
58200	Administrative expenses	157,238	2	134,977	2	16
58300	Staff training expenses	2,602	-	2,557	-	2
58400	Expected credit impairment loss on non-investments (Notes 12 and 30)	-	-	3,933	-	(100)
58000	Total operating expenses	1,522,688	20	1,607,909	21	(5)
61000	Operating profit	1,078,807	14	1,080,498	14	-
	Non-operating income and expenses					
59400	Asset retirement loss	(19)	-	(889)	-	(98)
59500	Recovery of bad and overdue debts	68	-	16	-	325
59920	Sundry income	354	-	96	-	269
59990	Other non-operating expenses (Note 16)	(112)	-	(96)	-	17
59000	Total other non-operating income and expenses	291	-	(873)	-	133
62000	Operating income before tax	1,079,098	14	1,079,625	14	-
63000	Income tax expenses (Notes 4 and 26)	198,906	3	176,328	2	13
66000	Current net income	880,192	11	903,297	12	(3)

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Code		2025 Amount	2025 %	2024 Amount	2024 %	Variation percentage (%)
	Other comprehensive income (Note 24)					
83100	Items not reclassified into profit and loss					
83110	Remeasurement of defined benefit plan (Notes 4 and 22)	$ 12,624	-	$ 39,675	-	(68)
83180	Income tax on items not reclassified into profit and loss (Note 26)	(2,525)	-	(7,935)	-	(68)
83190	Gains/losses on valuation of equity instruments at fair value through other comprehensive income	176,787	3	1,050	-	16,737
	Total items not reclassified into profit and loss	186,886	3	32,790	-	470
83200	Items likely to be reclassified into profit and loss					
83290	Gains/losses on debt instruments at fair value through other comprehensive income	20,252	-	(27,017)	-	175
83000	Other comprehensive income - current (net, after tax)	207,138	3	5,773	-	3,488
85000	Total comprehensive income - current	$ 1,087,330	14	$ 909,070	12	20
	Earnings per share (Note 27)					
97500	Basic	$ 2.92		$ 3.00		
98500	Diluted	$ 2.92		$ 3.00		

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

Chairman: C. H. Lee　　Manager: Hsin-Qun Chen　　Head of Accounting: Fei-Fen Hsiao

The First Insurance Co., Ltd.
Statement of Changes in Equity
For periods from January 1 to December 31, 2025 and 2024

Unit: NTD thousand

Code		Share capital	Retained Earnings: Legal reserve	Retained Earnings: Special reserve	Retained Earnings: Undistributed earnings	Other Equity: Unrealized gains/losses on financial assets at fair value through other comprehensive income	Total equity
A1	Balance as of January 1, 2024	$ 3,011,638	$ 1,689,198	$ 2,585,494	$ 484,160	$ 357,141	$ 8,127,631
	Appropriation and distribution of earnings:						
B1	Legal reserve	-	142,149	-	(142,149)	-	-
B3	Special reserve	-	-	195,400	(195,400)	-	-
B5	Cash dividend	-	-	-	(340,315)	-	(340,315)
D1	2024 net income	-	-	-	903,297	-	903,297
D3	2024 other comprehensive income	-	-	-	31,740	(25,967)	5,773
D5	2024 total comprehensive income	-	-	-	935,037	(25,967)	909,070
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	98,546	(98,546)	-
Z1	Balance as of December 31, 2024	3,011,638	1,831,347	2,780,894	839,879	232,628	8,696,386
	Appropriation and distribution of earnings:						
B1	Legal reserve	-	206,717	-	(206,717)	-	-
B3	Special reserve	-	-	264,699	(264,699)	-	-
B5	Cash dividend	-	-	-	(632,444)	-	(632,444)
D1	2025 net income	-	-	-	880,192	-	880,192
D3	2025 other comprehensive income	-	-	-	10,099	197,039	207,138
D5	2025 total comprehensive income	-	-	-	890,291	197,039	1,087,330
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	66,939	(66,939)	-
Z1	Balance as of December 31, 2025	$ 3,011,638	$ 2,038,064	$ 3,045,593	$ 693,249	$ 362,728	$ 9,151,272

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

Chairman: C. H. Lee　　Manager: Hsin-Qun Chen　　Head of Accounting: Fei-Fen Hsiao

The First Insurance Co., Ltd.
Cash Flow Statement
For periods from January 1 to December 31, 2025 and 2024
Unit: NTD thousand

Code		2025	2024
	Cash flow from operating activities		
A10000	Pre-tax profit for the current period	$ 1,079,098	$ 1,079,625
A20010	Income, expenses and losses		
A20100	Depreciation	27,146	29,729
A20200	Amortization	10,575	14,472
A20900	Interest expenses	132	293
A21200	Interest income	(200,900)	(188,923)
A21300	Dividend income	(131,686)	(108,436)
A21400	Net change of various reserves - current	398	(158,993)
A21830	Expected credit impairment loss (reversal gain) on investment	470	(7,775)
A21850	Expected credit impairment loss on non-investments	-	3,933
A22500	Loss on asset disposal	19	889
A22900	Gain on lease modification	-	(24)
A24100	Unrealized (gain) loss on foreign exchange	10,322	(33,285)
A50000	Change in assets/liabilities related to operating activities		
A51110	Notes receivable	(8,052)	49,287
A51120	Premiums receivable	(7,534)	(89,172)
A51130	Other receivables	(35,236)	(4,376)
A51140	Financial assets or liabilities at fair value through profit and loss	(439,389)	379,766
A51141	Financial assets at fair value through other comprehensive income	373,057	(118,206)
A51145	Debt instrument investments measured at cost after amortization	(780,000)	(740,000)
A51990	Net defined benefit assets	(5,799)	(11,875)
A51160	Other financial assets	(70,352)	714,586
A51170	Reinsurance Contracts Assets	474,896	253,773
A51190	Guarantee deposits paid	4,445	(4,754)
A51990	Other assets	(9,070)	(1,991)
A52110	Notes payable	1,290	(27,097)
A52120	Claims payable	418	-
A52140	Commission payable	(14,929)	18,703

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Code		2025	2024
A52150	Reinsurance accounts payable	$ 4,599	($ 29,359)
A52160	Other payables	(15,164)	69,457
A52200	Provisions for employee benefits	-	5,868
A52240	Guarantee deposits received	709	1,048
A52990	Other liabilities	55,635	23,588
A33000	Cash inflow from operating activities	325,098	1,120,751
A33100	Interests received	194,440	182,617
A33200	Dividends received	131,686	108,436
A33300	Interests paid	(132)	(293)
A33500	Income tax paid	(182,992)	(152,777)
AAAA	Net cash inflow from operating activities	468,100	1,258,734
	Cash flow from investing activities		
B02700	Acquisition of property and equipment	(31,529)	(9,739)
B04500	Acquisition of intangible assets	(6,774)	(2,299)
B05400	Acquisition of investment property	(688)	-
BBBB	Cash outflow from investing activities	(38,991)	(12,038)
	Cash flow from financing activities		
C04020	Repayment of lease principal	(2,342)	(3,150)
C04500	Cash dividends paid	(632,444)	(340,315)
CCCC	Cash outflow from financing activities	(634,786)	(343,465)
DDDD	Exchange rate effects on cash	(1,514)	3,333
EEEE	Increase in cash and cash equivalents for the current period	(207,191)	906,564
E00100	Opening cash and cash equivalents	2,293,568	1,387,004
E00200	Closing cash and cash equivalents	$ 2,086,377	$ 2,293,568

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

Chairman: C. H. Lee Manager: Hsin-Qun Chen Head of Accounting: Fei-Fen Hsiao

The First Insurance Co., Ltd.
Notes to financial statements
For periods from January 1 to December 31, 2025 and 2024
(Unless otherwise specified, all amounts are presented in NTD thousands)

1. Corporate history

The First Insurance Co., Ltd. (the Company) was founded in September 1962. It is primarily involved in the offering of non-life insurance products, particularly fire insurance, cargo insurance and automobile insurance. The Company has branches established in Taichung, Kaohsiung, Tainan, Taoyuan and New Taipei City.

On November 28, 2000, the Company received approval from Securities and Futures Commission, Ministry of Finance, to list for trading on Taiwan Stock Exchange Corporation.

This financial report is presented using the Company's functional currency (NTD).

2. Financial statement approval date and procedures

This financial report was passed during the Board of Directors meeting dated March 11, 2026.

3. Adoption of new and amended standards and interpretations

(1) The first-time adoption of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and interpretations (IFRIC) and announcements (SIC) thereof approved by the Financial Supervisory Commission ("FSC") (collectively referred to as "IFRSs" below)

Adoption of FSC-approved amended IFRSs did not result in any material change to the Company's accounting policies.

(2) FSC-approved IFRSs applicable in 2026

New/Amended/Modified Standards and Interpretations	Effective date of IASB announcement
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" concerning the amendments to the application guidelines on classification of financial assets	January 1, 2026
Amendment to IFRS 9 and IFRS 7 "Contract with Natural Power Dependence"	January 1, 2026
“IFRS Annual Improvements - Volume 11”	January 1, 2026
IFRS 17 - "Insurance Contracts" (including amendments for 2020 and 2021)	January 1, 2023

IFRS 17 - "Insurance Contracts" (including amendments for 2020 and 2021)

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts. IFRS 17 applies to insurance contracts issued (including reinsurance contracts issued), reinsurance contracts held, and investment contracts with discretionary participation features, provided that the entity also issues insurance contracts.

IFRS 17 introduces a consistent measurement framework for insurance liabilities, including the General Measurement Model (“GMM”), the Variable Fee Approach (“VFA”), and the Premium Allocation Approach (“PAA”). The VFA applies to insurance contracts with direct participation features. In addition, a group of insurance contracts may apply the PAA as a simplification of the measurement model when specified eligibility criteria are met.

Under the GMM, an entity estimates the present value of future cash flows of a group of insurance contracts using current assumptions, reflecting the amount, timing and uncertainty of those cash flows. A risk adjustment for non-financial risk is included to reflect the compensation the entity requires for bearing uncertainty. The model also incorporates current market interest rates and the effect of embedded options and guarantees in the insurance contracts on future cash flows. Furthermore, the GMM includes a contractual service margin (“CSM”), representing the unearned profit that the entity will recognize as it provides services in the future, which is recognized in profit or loss over the coverage period.

IFRS 17 requires entities to allocate insurance acquisition cash flows to groups of insurance contracts using a systematic and rational method. Insurance acquisition cash flows paid before the recognition of the related group of insurance contracts shall be recognized as an asset and derecognized when those cash flows are included in the measurement of the related group of insurance contracts. At the end of each reporting period, the entity shall assess the insurance acquisition cash flow asset for impairment.

In addition, IFRS 17 prescribes the presentation and disclosure of amounts arising from insurance contracts in the balance sheet and the statement of comprehensive income.

Under IFRS 4, insurance contracts and financial instruments, regardless of whether they contain discretionary participation features, were measured based on the “Reserve Provisioning Methods for Insurance Companies,” and the related reserves were certified by qualified actuaries approved by the Financial Supervisory Commission. Please refer to Note 4 – Summary of Significant Accounting Policies.

The Company has applied IFRS 17 in accordance with its transition provisions. In principle, the Company adopts the full retrospective approach in applying IFRS 17. Where full retrospective application is impracticable, the Company applies the modified retrospective approach or the fair value approach.

Under the full retrospective approach, the Company identifies, recognizes and measures each group of insurance contracts as if IFRS 17 had always been applied, as at January 1, 2025. Under the modified retrospective approach, the Company uses reasonable and supportable information available without undue cost or effort to achieve the closest possible outcome to the full retrospective approach. Under the fair value approach, the Company also uses reasonable and supportable information, and determines the contractual service margin or loss component of the liability for remaining coverage as at January 1, 2025 as the difference between the fair value of the group of insurance contracts and the fulfillment cash flows (“FCF”) measured at that date.

Upon retrospective application of IFRS 17 and restatement of comparative information, retained earnings as at January 1, 2025 are expected to increase by NT$981,039 thousand.

<u>Re-designation of financial assets</u>

On the date of the initial application of IFRS 17, the enterprises which have applied IFRS 9 may re-designate the financial assets that satisfy the requirements referred to in Paragraph C29, IFRS 17. Meanwhile, the initial application of IFRS 17 may choose the adequate Classification Overlay based on the individual financial asset, with respect to the financial assets already derecognized in the comparative period on the date of initial application of IFRS 17, as if the financial asset were re-designated under Paragraph C29, IFRS 17 during the comparative period.

Apart from the impacts mentioned above, the Company has assessed that amendment to other standards will not have a material impact on its financial position and financial performance as of the date of authorization of these financial statements.

(3) IFRSs published by IASB but yet to be approved and issued into effect by FSC

New/Amended/Modified Standards and Interpretations	Effective date of IASB announcement (Note)
Amendments to IFRS 10 and IAS 28 - "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	Undetermined
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Disclosure Initiative - Subsidiaries without Public Accountability: Disclosures" (including amendments for 2025)	January 1, 2027
Amendments to IAS 21 –"Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

Note 1: Unless otherwise specified, all new/amended/modified standards and interpretations above shall take effect from the financial year that begins after the specified date.

Note 2: On September 25, 2025, the FSC announced that Taiwan-based enterprises shall apply IFRS 18 from January 1, 2028, or may choose to adopt the IFRS 18 earlier after the FSC approves it.

IFRS 18 - "Presentation and Disclosure in Financial Statements" and amendments

IFRS 18 will replace IAS 1 - "Presentation of Financial Statements"; key changes of the standard include:

- The Company shall assess whether it has specific main operating activities, such as investing in certain types of assets or providing financing to customers, and accordingly classify income and expense items in the statement of profit or loss into operating, investing, financing, income tax, and discontinued operations categories.
- The income statement should present operating income, profit and loss before financing and tax, and subtotal and total of profit and loss.
- Provide guidance to strengthen aggregation and segmentation requirements: The Company must identify assets, liabilities, equity, income, expenses, losses and cash flows of individual transactions or generated by other events, and classify and summarize them on the basis of common characteristics, so that each line item presented in the main financial report has at least one similar characteristic. Items with any characteristics other than similar ones should be broken down in the main financial statements and notes thereto. The Company marks these items as "Other" only when a more informative mark cannot be found.
- Enhance the disclosure of performance measures defined by management: When the Company is engaged in public communications outside of financial statements and communicates the management's views on a certain aspect of the Company's overall financial performance with users of financial statements, it should disclose

the information about the performance measurement defined by the management in the notes to the financial statements, including the descriptions about the measurement, calculation method, its reconciliation with the subtotal or total expressly stated in the IFRSs, and the impact of income tax and non-controlling interests on related reconciliation items.

In addition, IAS 7 Statement of Cash Flows has been amended as follows:

- When preparing cash flows from operating activities using the indirect method, the Company shall use profit or loss as the starting point for adjustments.
- Interest and dividends received shall be classified as investing activities, whereas interest and dividends paid shall be classified as financing activities. If the Company has assessed that it has specific main operating activities, it shall consider the nature of dividend income, interest income, and interest expense presented in the statement of profit or loss when determining the classification of cash flows from dividends received, interest received, and interest paid in the statement of cash flows. Notwithstanding the above, each of these cash flows shall be classified within a single category of activities in the statement of cash flows.

Apart from the impacts mentioned above, the Company has assessed that amendments to other standards will not have a material impact on its financial position and financial performance as of the date of authorization of these financial statements.

4. Summary of significant accounting policies

(1) Statement of compliance

This financial report has been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Insurance Enterprises and FSC-approved IFRSs.

(2) Basis of preparation

This financial report has been prepared based on historical cost and, except for financial instruments carried at fair value and employee benefit liability reserve.

Fair value measurement can be rated on a level of 1 to 3 depending on the ease of observation and significance of inputs:

1. Level 1 input: Refers to quotations that can be obtained from an active market (unadjusted) on the measurement date for asset or liability of equivalent nature.
2. Level 2 input: Refers to inputs that can be observed directly (i.e. price) or indirectly (i.e. established from price) for an asset or liability, other than Level 1 quotations.
3. Level 3 input: Refers to inputs that cannot be observed for an asset or liability.

(3) Classification of current and non-current assets and liabilities

Due to the distinctive nature of its business activities, the Company does not classify assets and liabilities into current or non-current categories, but instead presents its accounts in the order of relative liquidity.

(4) Foreign currencies

Monetary foreign currency accounts are converted using closing exchange rates as of every balance sheet date. Exchange differences arising from settlement or translation of monetary accounts are recognized in profit and loss in the year occurred.

Foreign currency-denominated non-monetary items carried at fair value are converted using exchange rates as of the date of fair value assessment; exchange differences are recognized in the current profit and loss. However, items with fair value changes recognized in other comprehensive income shall also have exchange differences recognized in other comprehensive income.

Foreign currency-denominated non-monetary items carried at historical cost are converted using exchange rate as of the date of initial transaction. No further re-calculation shall be made.

(5) Property, plant and equipment

Property, plant and equipment are initially recognized at cost, and subsequently presented at cost after accumulated depreciation and impairment.

Each significant part of the property, plants, and equipment is separately depreciated on a straight-line basis over its useful life, except no depreciation is provided for own land. The Company reviews the estimated useful life, residual value and depreciation method at least once at the end of each year. Impacts of changes in accounting estimates are applied prospectively.

Gains or losses arising from decommissioned property, plant and equipment are calculated as the difference between disposal proceeds and the asset's book value, and are recognized in profit and loss in the year occurred.

(6) Investment property

Investment properties are real estate properties held for rental income or capital gain, or both. Investment properties also include land held on hand that the Company has yet to determine their future uses.

Investment properties are initially recognized at cost (including transaction cost) and subsequently presented at cost after accumulated depreciation and impairment. Depreciation is provided on a straight-line basis.

In cases where property, plant, and equipment are reclassified to investment property when it is no longer self-occupied, difference between the original book value and the fair value is recognized in other comprehensive income and accumulated as increase from revaluation under equity. Increase from revaluation is directed transferred to retained earnings when the asset is removed from the balance sheet.

The difference between the disposal proceeds and book value of decommissioned investment property is recognized in profit and loss.

(7) Intangible assets

Intangible assets that are acquired through separate purchase with limited useful life are recognized at cost at initiation, and subsequently presented at cost less accumulated amortization and impairment. Intangible assets are amortized on the straight-line basis over its useful life. The Company reviews the estimated useful life, residual value and method of amortization at least on the last day of each year. It prospectively recognizes the effect of changes in accounting estimates.

The difference between the disposal proceeds and book value of intangible assets removed is recognized in current profit and loss.

(8) Impairment of property, right-of-use assets, investment property & intangible assets (except goodwill)

The Company evaluates all property, right-of-use assets, investment property and intangible assets (except goodwill) for signs of impairment every balance sheet date. Assets that exhibit any sign of impairment will have recoverable amount estimated. If the recoverable amount cannot be estimated on an individual basis, the Company will instead estimate the recoverable amount for the entire cash-generating unit. For shared assets, amortization is allocated on a reasonable and consistent basis to individual cash-generating units.

Recoverable amount is the higher between "fair value less selling costs" and the "utilization value." If recoverable amount of an asset or cash-generating unit falls below its book value, the book value of that particular asset/cash-generating unit shall be reduced to the recoverable amount with impairment losses recognized in profit and loss.

When impairment losses are reversed on a later date, the book value of corresponding assets/cash-generating units shall be adjusted upwards to the recoverable amount. However, the increased book value shall not exceed the book value (less amortization or depreciation) of the asset/cash-generating unit before impairment losses were recognized in the first place. Reversal of impairment loss is recognized in profit and loss.

(9) Financial instruments

Financial assets and financial liabilities are recognized on balance sheet when the Company becomes a party of the contract.

When recognizing financial assets and liabilities at initiation, those that are not designated to be carried at fair value through profit and loss are measured at fair value plus transaction costs that are directly attributable to the acquisition or issuance of financial assets/liabilities. Transaction costs that are directly attributable to the acquisition or issuance of financial assets/liabilities are recognized in profit and loss at the time incurred.

1. Financial assets

Regular transactions of financial asset are recognized on or removed from balance sheet based on principles of trade date accounting.

(1) Measurement categories

Financial assets held by the Company are distinguished into the following categories: financial assets at fair value through profit and loss, financial assets carried at cost after amortization, debt instruments at fair value through other comprehensive income, and equity instruments at fair value through other comprehensive income.

A. Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss mainly comprise financial assets that are mandatory to be measured at fair value with fair value changes recognized through profit and loss. Financial assets that are mandatory to be measured at fair value with fair value changes recognized through profit and loss include: equity instruments that the Company has not specified to carry at fair value through other comprehensive income, and debt instruments that do not satisfy the criteria to be carried at cost after amortization or at fair value through other comprehensive income.

Financial assets at fair value through profit and loss are measured at fair value, with gains and losses (including any dividends or interests generated from the financial asset) recognized in profit and loss. See Note 30 for details regarding the fair value method.

B. Financial assets carried at cost after amortization

Financial asset investments that satisfy both the following conditions are carried at cost after amortization:

a. The financial asset is held for a specific business model, and the purpose of which is to hold the financial asset and collect contractual cash flow; and
b. The contractual terms give rise to cash flows on specific dates, and the cash flows are intended solely to pay principals and interests accruing on outstanding principals.

For financial assets carried at cost after amortization, the effective interest method is used to determine the book value at initiation. They are subsequently presented net of impairments and amortization. Any gain/loss from currency exchange incurred on these financial assets is recognized through profit and loss.

Except for the two circumstances explained below, interest income is calculated by multiplying the book value of financial asset with effective interest rate:

a. Acquisition or creation of credit-impaired financial assets; in which case interest income is calculated by multiplying the cost of financial assets after amortization with credit-adjusted effective interest rate.
b. Financial assets that were not credit-impaired at the time of acquisition or origination, but become credit-impaired on a later date; in which case interest income is calculated by multiplying the cost of financial assets after amortization with the effective interest rate since the reporting period following the credit impairment.

Financial assets are considered credit-impaired if the issuer or debtor exhibits major financial distress, default, likely bankruptcy, financial restructuring or any financial difficulty that may render the financial asset no longer available on the active market.

Cash equivalents include time deposits with less than 3 months until maturity that are highly liquid, readily convertible into defined amounts of cash, and less prone to the risk of fair value changes. Cash equivalents are held for the purpose of meeting the Company's short-term cash commitments.

C. Debt instruments at fair value through other comprehensive income

Debt instrument investments are classified as financial assets at fair value through other comprehensive income if they satisfy both the following conditions:

a. The financial asset is held for a specific business model, and the purpose of which involves collection of contractual cash flow and resale of the financial asset; and
b. The contractual terms give rise to cash flows on specific dates, and the cash flows are intended solely to pay principals and interests accruing on outstanding principals.

Debt instruments at fair value through other comprehensive income are measured at fair value. Book value changes that are attributed to interest income (calculated using the effective interest method), gain/loss on currency exchange and provision/reversal of impairment loss are recognized through profit and loss. All other changes are recognized through other comprehensive income and reclassified into profit and loss when the investment is disposed on a later date.

D. Equity instruments at fair value through other comprehensive income

For equity instruments that are neither held for trading nor recognized/received as a consideration for business acquisition, the Company is entitled to an irrevocable option to account them at fair value through other comprehensive income at initial recognition.

Equity instruments at fair value through other comprehensive income are measured at fair value; subsequent fair value changes are recognized through other comprehensive income and accumulated under other equity. At the time of disposal, cumulative gains/losses are transferred directly into retained earnings and not reclassified into profit and loss.

Dividends from equity instruments at fair value through other comprehensive income are recognized in profit and loss when the entitlement to receive is confirmed, unless the dividends clearly represent a partial recovery of the investment cost.

(2) Impairment of financial assets

On each balance sheet day, the Company assesses impairment losses on financial assets carried at cost after amortization (including notes receivable - net and premiums receivable - net) and debt instruments at fair value through other comprehensive income based on expected credit losses.

Loss provisions on receivables are recognized based on expected credit loss and "Regulation on Asset Valuation, Overdue Collection and Loan Loss Provisioning by Insurance Companies." For other financial assets, the Company first evaluates whether there is significant increase in credit risk since initial recognition. If there is no significant increase in credit risk, loss provisions are recognized based on 12-month expected credit losses; if there is significant increase in credit risk, loss provisions are recognized based on expected credit losses over the remaining duration.

Expected credit losses represent average credit losses weighed against the risk of default. 12-month expected credit losses represent the amount of credit losses that the financial instrument is likely to incur due to default event in the next 12 months, whereas expected credit losses for the remaining duration represent the amount of credit losses that the financial instrument is likely to incur due to all possible default events for the remaining duration.

All impairment losses on financial assets are recognized with book value adjusted through the allowance account. However, loss provisions on debt instruments at fair value through other comprehensive income are recognized through other comprehensive income and do not reduce their book amount.

(3) Removal of financial assets

Financial assets can be removed from balance sheet only if all contractual cash flow entitlements have ended, or if the asset has been transferred with virtually all risks and returns assumed by another party.

When a financial asset carried at cost after amortization is derecognized, the difference between book value and the sum of the consideration received is recognized in profit and loss. When a debt instrument carried at fair value through other comprehensive income is derecognized, the difference between book value and the sum of the consideration received plus any cumulative gains or losses previously recognized under other comprehensive income is recognized in profit and loss. When the investment in equity instruments at fair value through other comprehensive income is derecognized, the accumulated gains or losses therefrom are transferred directly into retained earnings, not reclassified as income.

2. Financial liabilities

(1) Subsequent measurements

Financial liabilities are carried at cost after amortization using the effective interest method.

(2) Removal of financial liabilities

When a financial liability is removed, the difference between book value and the consideration paid (including any non-cash assets transferred or any additional liabilities borne) is recognized in profit and loss.

(10) Ceded reinsurance

The Company makes reinsurance arrangements in accordance with insurance regulations and as needed for its business activities in order to limit possible losses arising from exposure to certain risks. For ceded insurance coverage, the Company may not deny its obligations to insured parties on the basis that its reinsurers have failed to fulfill their obligations.

The Company recognizes reinsurance premiums expense for ceded reinsurance coverage depending on the nature of reinsurance contract. The financial reports have been prepared after taking into consideration the policy period, which matches premium revenues. Reinsurance premiums expenses are estimated on each balance sheet date using rational and systematic methods. All associated revenues (such as: reinsurance commission revenues) are also recognized during the same period. The Company does not defer gains/losses on reinsurance.

Reinsurance reserve assets include: unearned premium reserve, ceded claim reserve and deficiency reserve for ceded coverage. These reserves are made in accordance with Regulations Governing Reserve Provisioning by Insurance Enterprises and terms of the respective reinsurance contracts, and represent the Company's entitlements over the reinsurers.

The Company assesses reinsurance reserve assets, claims recoverable from reinsurers, and reinsurance accounts receivable balances above on a regular basis for signs of impairment or non-recovery. If there is objective evidence to suggest that the Company may be unable to recover all reinsurance contract assets due to occurrence of an event after initial recognition, the Company will recognize cumulative impairments for the recoverable amount that falls short of the book value of the reinsurance reserve assets, provided that impact to the amounts recoverable from reinsurer due to the above event can be measured reliably. Appropriate amounts of doubtful debt are provided for balances of claims recoverable from reinsurers and reinsurance accounts receivable that are no longer deemed recoverable.

(11) Acceptance of residual assets and right of subrogation

The Company recognizes entitlement over insurance claims when such claims become certain (highly likely inflow of future economic benefits) and the amount of which can be measured reliably.

(12) Insurance liabilities

The Company provides insurance liabilities for various insurance contracts according to "Regulations Governing Reserve Provisioning by Insurance Enterprises," "Regulations for the Management of the Various Reserves for Compulsory Automobile Liability Insurance," "Enforcement Rules for the Risk Spreading Mechanism of Residential Earthquake Insurance" and "Regulations for the Management of the Various Reserves for Nuclear Risks Insurance by Non-life Insurance Enterprises." All insurance liabilities have been verified by FSC-certified actuaries. The basis of provision for various insurance liabilities is explained below:

1. Unearned premium reserve

   The Company makes provision of unearned premium reserve for unexpired contracts and existing insurance risks, as calculated based on unexpired risks of each insurance contract. The Company adopts the 24th Method and other methods to provide for and recover unearned premium reserves.

2. Claim reserves

   The Company makes claim reserves using actuarial methods based on past experience and payments. The Company makes two different types of claim reserve: Reported but unpaid claims and Unreported claims. The amount of reserve for Reported but unpaid claims is estimated on a case-by-case basis and provided for different insurance categories.

   Claim reserves on mandatory automobile liabilities insurance are provided according to "Regulations for the Management of the Various Reserves for Compulsory Automobile Liability Insurance."

   Claim reserves on policy-based residential earthquake insurance are provided according to "Enforcement Rules for the Risk Spreading Mechanism of Residential Earthquake Insurance."

   Claim reserves on nuclear risks insurance are provided according to "Regulations for the Management of the Various Reserves for Nuclear Risks Insurance by Non-life Insurance Enterprises."

3. Special claim reserves

   There are two types of special claim reserve: "Special claim reserves for major incidents" and "Special claim reserves for change of risk." Provisions made before January 1, 2011 will continue to be presented as liabilities, whereas new provisions made on and after January 1, 2011 net of income taxes are presented as special reserve under other equity items. Starting from January 1, 2011, offsets or recoveries can be made to special claim reserves that are presented as liabilities. Once the liability has been depleted, the remainder of the offset/recovery net of income taxes can be charged against special claim reserves that are presented under other equity items.

   (1) Special claim reserves for major incidents

       Special claim reserves for major incidents are provided using the percentages specified by the competent authority.

       Any occurrence of government-announced major incident that causes individual insurance companies to pay retained claims amounting to NT$30 million across all insurance categories, and the entire non-life insurance industry to pay claims amounting to NT$2 billion or above across all insurance categories, may be offset against special claim reserves for major incidents.

       Insurance companies that have made special claim reserves for major incidents for more than 15 years may devise a reserve recovery system with the involvement of certified actuaries, and implement with the acknowledgment of the competent authority.

(2) Special claim reserves for change of risk

If the balance of actual claim after offsetting against special claim reserves for major incidents of a particular insurance category is lower than expected claims, the Company shall provide special claim reserves for change of risk on the difference according to rules of the competent authority.

If the balance of actual claim after offsetting against special claim reserves for major incidents of a particular insurance category is higher than expected claims, the Company may offset the difference against special claim reserves for change of risk. If there are insufficient special claim reserves for change of risk to offset a particular insurance category, the Company may offset the excess against special claim reserves for change of risk of other insurance categories. The insurance category and amount of offset shall comply with the rules and are subject to acknowledgment of the competent authority.

The Company shall recover amounts of special claim reserves for change of risk that exceed the requirements imposed by the competent authority per insurance category.

4. Deficiency reserve

The Company assesses future possible claims and expenses for each category of unexpired contracts and existing insurance risks. If the estimated claims and expenses exceed unearned premium reserves plus expected premium revenues, a deficiency reserve shall be provided on the difference for that insurance category.

5. Liabilities adequacy reserve

With regards to contracts that are subject to liability adequacy test under IFRSs 4, the Company performs adequacy tests for recognized insurance liabilities by estimating future cash flows based on information available on each balance sheet date. Liability adequacy reserves are provided for any shortfalls revealed by the test.

(13) Liability adequacy test

On each balance sheet date, the Company follows the practical actuarial principles published by Actuarial Institute of Chinese Taipei to estimate future cash flows of individual insurance contracts. Any shortfall in the book value of recognized insurance liabilities identified from the above is recognized as current expense/loss.

(14) Revenue recognition

The Company recognizes revenues according to IFRSs 4 - "Insurance Contracts."

Revenue and acquisition cost of insurance coverage:

For direct written coverage, premium revenues are recognized on all underwritten and modified coverage approved in the current period. For assumed reinsurance coverage, reinsurance premium revenues are recognized based on the invoice delivery date. Reinsurance premium revenues accruing as of the balance sheet date are estimated using rational and systematic methods. All associated acquisition costs (e.g.: commission expense, agency charge, fee and reinsurance commission expense) are recognized in the period incurred and not deferred.

The unearned premium reserves are calculated the unearned premiums based on the unearned risks and provided for each insurance for the unearned valid contracts or the insurance risks not yet eliminated, and deposited subject to the insurance type.

Unearned premium reserves on mandatory automobile liabilities insurance are provided according to "Regulations for the Management of the Various Reserves for Compulsory Automobile Liability Insurance."

Unearned premium reserves on residential earthquake insurance are provided according to "Enforcement Rules for the Risk Spreading Mechanism of Residential Earthquake Insurance."

Unearned premium reserves on nuclear risks insurance are provided according to "Regulations for the Management of the Various Reserves for Nuclear Risks Insurance by Non-life Insurance Enterprises."

Methods for providing unearned premium reserves are determined by actuarial personnel for the various types of insurance coverage, unless otherwise regulated by law (no change can be made without the authority's approval). The amount of unearned premium reserve is subject to verification and certification by actuarial personnel.

Taxes on insurance revenues are recognized on an accrual basis according to the Value-added and Non-value-added Business Tax Act, the Stamp Tax Act and relevant regulations.

(15) Cost of insurance claims

For direct written coverage, the cost of insurance claims comprises claims payments (including claim-related expenses) incurred and approved in the current period. Amounts that have been ascertained by the claims department but not yet paid by the accounting/finance department and amounts that are not yet ascertained by the claims department are estimated on a case-by-case basis for each insurance category, and recognized as the net change in reported but unpaid claim reserves.

For assumed reinsurance coverage, claims payable to reinsurers are recognized based on the invoice delivery date. Reinsurance claims payable accruing as of the balance sheet date are estimated using rational and systematic methods and recognized as the net change in claim reserves.

For direct written and assumed reinsurance coverage, the amount of unreported insurance claims is calculated category-by-category based on previous claims and expenses using actuarial methods, and recognized as net change in unreported claim reserves.

With regards to claims recoverable from reinsurers on ceded reinsurance coverage, any claims (including claim-related expenses) received are recognized as claims recovered from reinsurers, whereas unpaid and unreported claims (including claim-related expenses) are recognized as net change in claim reserves.

The Company does not apply discounting when calculating claim reserves.

Claim reserves on mandatory automobile liabilities insurance are provided according to "Regulations for the Management of the Various Reserves for Compulsory Automobile Liability Insurance."

Claim reserves on residential earthquake insurance are provided according to "Enforcement Rules for the Risk Spreading Mechanism of Residential Earthquake Insurance."

Claim reserves on nuclear risks insurance are provided according to "Regulations for the Management of the Various Reserves for Nuclear Risks Insurance by Non-life Insurance Enterprises."

(16) Leases

The Company evaluates whether a contract meets the criteria of (or contains arrangements characterized as) lease on the day of establishment.

1. Where the Company is the lessor

All other lease arrangements are classified as operating lease.

In an operating lease arrangement, the amount of proceeds received net of incentives are recognized as income on a straight-line basis over the lease tenor. All initial direct costs incurred in relation to the establishment of operating lease are added to the book value of the underlying asset, and recognized as expenses using the straight-line basis over the lease tenor.

2. Where the Company is the lessee

The Company recognizes right-of-use assets and lease liabilities from the lease start date for each lease arrangement, except for exempted low-value and short-term leases where expenses are recognized on a straight-line basis over the lease tenor.

Right-of-use assets are measured at cost at initiation (including the initial amount of lease liability, lease payments made before the lease start date less the amount of lease incentives received, initial direct cost and estimated cost of recovery for the underlying asset), and subsequently at cost less accumulated depreciation and impairment with adjustments made to the remeasurement account for lease liability.

Right-of-use assets are depreciated on a straight-line basis from the lease start date until the end of useful life or until expiry of the lease tenor, whichever the earlier.

Lease liabilities are carried at the present value of lease payments. Lease payments are discounted at the implicit interest rate if it can be determined easily. If the interest rate cannot be determined easily, the lessee's incremental borrowing rate is used instead.

Subsequently, lease liability is carried at cost after amortization using the effective interest method, whereas interest expense is amortized over the lease tenor. If there is any change to the lease tenor or to the index or fee rate relevant for determining lease payment, the Company will remeasure its lease liabilities and make corresponding adjustments to right-of-use asset. If, however, the book value of right-of-use asset has already been reduced to zero, any subsequent remeasurements are recognized through income statement. With respect to the lease modification not presented as the lease individually, the lease liability remeasurement resulting from the decrease in the scope of lease decreased the right-of-use assets and recognized the gain or loss from termination of the lease in part or in whole, while the lease liability remeasurement resulting from other modifications adjusted the right-of-use assets only. Lease liabilities are presented individually on the standalone balance sheet.

(17) Employee benefits

1. Short-term employee benefit

Liabilities associated with short-term employee benefits are measured at non-discounted amount of cash that the Company expects to pay in exchange for employees' service.

2. Retirement benefits

For defined contribution plans, the amount of contributions made to pension funds over the duration of employees' service are recognized as current period expenses.

For defined benefit plans, the cost of benefit (including service cost, net interest and effect of remeasurement) is estimated using the Projected Unit Credit Method. Service costs (including current service costs) and net interests on net defined benefit plan liabilities are recognized as employee welfare expense at the time incurred or whenever the plan is amended, curtailed or repaid. Effects of remeasurement (including actuarial gains/losses, change in plan asset limits, and return on plan assets net of interest) are recognized under other comprehensive income and added to retained earnings at the time of occurrence. This amount is not reclassified into profit and loss in subsequent periods.

Net defined benefit liability (asset) represents the actual deficit (excess) in the Company’s defined benefit plan. Net defined benefit asset shall not exceed the present value of the provision returned from the plan or the reducible future provision.

(18) Income tax

Income tax expense represents the sum of current income tax and deferred income tax.

1. Current income tax

The current income tax payable is calculated based on the taxable income of the current period. The taxable income may differ from pre-tax profit presented in the statement of comprehensive income because some of the gains, expenses and losses are taxable or deductible in other years, while some are tax-exempted or eligible for tax deductions. The Company's current income tax liabilities are calculated using the tax rate applicable as of the balance sheet date.

The additional income tax on undistributed earnings calculated according to the Income Tax Act of the Republic of China is recognized in the year when the related resolution is made at the shareholders’ meeting.

Adjustments to income taxes reported in previous years are recognized as income tax expenses in the current period the adjustment is made.

2. Deferred income tax

Deferred income taxes are tax effects of temporary differences, given rise by the different book value of assets and liabilities presented in the financial statement and those reported for tax filing. Tax impacts arising from taxable temporary differences are recognized as deferred income tax liabilities; deferred income tax assets are recognized under the condition that the Company is very likely to generate taxable income to realize them in the future.

Book value of deferred income tax asset is re-assessed on every balance sheet date. The Company will reduce book value if it is not highly likely to generate enough taxable income to realize part or all of the assets. Temporary differences that were not initially recognized as deferred income tax assets are also subject to re-assessment on every balance sheet date. These differences may be recognized to increase the book value of deferred income tax asset if the Company considers it highly likely to generate taxable income for full or partial recovery of such asset.

Deferred income tax assets and liabilities are estimated using expected tax rate applicable at the time the liability/asset is expected to be settled/realized. This expected tax rate is determined based on the tax rate and tax laws prevailing as of the balance sheet date. Deferred income tax liabilities and assets represent tax impacts of the method by which the Company expects to recover/settle the book value of its assets and liabilities as of the balance sheet date.

3. Current and deferred income tax for the year

Current and deferred income taxes are recognized in profit and loss, except in cases where items giving rise to the difference are recognized under other comprehensive income; in which case, both current and deferred income taxes shall also be recognized under other comprehensive income.

(19) Coinsurance organization, coinsurance and guarantee fund arrangements

1. Coinsurance contract for mandatory automobile liabilities insurance

The Company has signed a "Mandatory Automobile Liabilities Coinsurance Contract" with all peers that have been approved by the competent authority to engage in mandatory automobile liabilities insurance service. The contract requires all underwritten mandatory automobile liabilities insurance coverage to be subject to coinsurance. Violators will be subject to default penalty, and all contract participants have agreed to auditing by representatives of the coinsurance team. Assumed coinsurance coverage is calculated on a pure premium basis, and allocated at the agreed coinsurance percentage. Coinsurance participants may not exit the arrangement unless due to liquidation or business cessation. Participants will automatically exit the coinsurance arrangement if they stop providing automobile liabilities insurance service. In which case, natural expiry shall apply to unexpired liabilities.

2. Coinsurance contract for residential earthquake insurance

The Company and all industry peers approved by the competent authority to engage in residential fire insurance service have been granted membership to the Residential Earthquake Insurance Fund (Earthquake Insurance Fund), a coinsurance organization. The members have jointly established a "Residential Earthquake Coinsurance Contract" requiring all underwritten residential earthquake insurance coverage to be subject to coinsurance. All contract participants have agreed to audit by representatives of the coinsurance team. Assumed coinsurance coverage is calculated on a pure premium basis; participants bear coinsurance liability for the coverage they assume individually, and are not jointly responsible for the liabilities of others. Participants may exit the coinsurance arrangement by notifying the Earthquake Insurance Fund 3 months before commencement of the next policy year. Exited participants will continue to assume existing shared liabilities until the end of the current year, and shared liabilities outstanding thereafter will be transferred to other coinsurance members. Members shall notify the Earthquake Insurance Fund to withdraw from coinsurance if dissolved due to winding up, dissolution, or business combination. In such case, all assumed coverage remaining in the current year will be transferred to other members of the coinsurance organization starting from the date of winding up/dissolution/business combination announced by the competent authority. The coinsurance organization will convene meetings to discuss the method of transfer. For members that withdraw from the coinsurance due to business combination, any assumed coverage remaining in the current year will be undertaken by surviving companies.

5. Sources of uncertainty to significant accounting judgments, estimates, and assumptions

When applying accounting policies, the management is required to make judgments, estimates, and assumptions based on historical experience or other relevant factors in situations where information cannot be easily obtained from available sources. The actual outcome may differ from initial estimates.

The Company takes into consideration the effects of inflation, market interest rate, and exchange rate variation when making significant accounting estimates such as cash flow, growth rate, discount rate, and profitability. The management will continue to review the estimates and basic assumptions. If a revision of accounting estimate affects only the current period, the effect shall be recognized only for the current period. If a revision of accounting estimate affects current and future periods, the effect shall also be recognized for current and future periods.

Insurance liabilities from insurance contracts

Claim reserves arising from insurance contracts are estimated on each balance sheet date according to insurance regulations. These amounts are verified by FSC-certified actuaries, but due to the estimations involved, the actual amount of liability may be higher or lower than the amount estimated.

6. Cash and cash equivalents

	December 31, 2025	December 31, 2024
Petty cash and cash on hand	$ 812	$ 695
Check and current deposit	1,682,988	1,978,034
Cash equivalents (refers to investments with an initial tenor of 3 months or less)	402,577	314,839
	$ 2,086,377	$ 2,293,568

Foreign currency deposits are placed with domestic banks. As at December 31, 2025 and 2024, the Company held NT$4,247,209 thousand and NT$4,185,665 thousand of time deposit, respectively, that had an initial maturity date of more than 3 months and were classified as other financial assets (refer to Note 11).

7. Financial assets at fair value through profit and loss

	December 31, 2025	December 31, 2024
Mandatory at fair value throughout profit and loss		
Non-derivative financial assets		
– Locally Listed Stocks	$ 323,538	$ 396,645
– Fund beneficiary certificates	1,222,203	918,768
– Real estate investment trust	155,302	151,560
– Domestic bank debentures	354,338	149,019
Subtotal	$ 2,055,381	$ 1,615,992

For the periods from January 1 to December 31, 2025 and 2024, the Company recognized NT$15,555 thousand and NT$18,095 thousand as the revenue from cash dividend, respectively.

8. Financial assets at fair value through other comprehensive income

	December 31, 2025	December 31, 2024
Investment in equity instruments	$ 2,531,270	$ 2,723,474
Investment in debt instruments	55,442	53,753
	$ 2,586,712	$ 2,777,227

(1) Investment in equity instruments

	December 31, 2025	December 31, 2024
Domestic investments		
Public-listed shares	$ 1,116,358	$ 1,561,100
Unlisted shares	1,414,912	1,162,374
	$ 2,531,270	$ 2,723,474

The Company held the abovementioned listed and non-listed common shares as strategic investments and not for trading purpose, and therefore opted to account them at fair value through other comprehensive income.

For the purpose of risk diversification, the Company made a series of adjustments to its investment position between January 1 and December 31, 2025 and 2024. Listed common shares were sold at fair value, and as a result, NT$66,939 thousand and NT$98,546 thousand of other equity items - unrealized gain on financial assets at fair value through other comprehensive income, respectively, were directly recognized in retained earnings according to IFRS 9.

For the periods from January 1 to December 31, 2025 and 2024, the Company recognized NT$116,131 thousand and NT$90,341 thousand as the revenue from cash dividend and acquired NT$47,969 thousand and NT$79,827 thousand as the stock dividends, respectively.

(2) Investment in debt instruments

	December 31, 2025	December 31, 2024
Domestic investments		
Government bonds	$ 533,635	$ 516,898
Less: Amount placed as guarantee deposit	(478,193)	(463,145)
	$ 55,442	$ 53,753

Information on government bond investments as at the balance sheet date:

	December 31, 2025	December 31, 2024
Face value of investment	$ 500,000	$ 500,000
Coupon interest rate	1.625%~2.5%	1.625%~2.5%
Average maturity	13.99 years	14.95 years

Please refer to Note 10 for information relating to credit risk management and impairment assessment of debt instruments at fair value through other comprehensive income.

Please refer to Note 18 for the amount of government bonds placed as guarantee deposits for insurance business as of December 31, 2025 and 2024.

9. Financial assets carried at cost after amortization

	December 31, 2025	December 31, 2024
Domestic investments		
Bank debenture (1)	$ 2,100,000	$ 1,650,000
Corporate bond (2)	2,390,743	2,060,214
Subtotal	4,490,743	3,710,214
Less: loss provisions	(13,214)	(12,735)
	$ 4,477,529	$ 3,697,479

(1) Information on bank debenture investments as of the balance sheet date:

	December 31, 2025	December 31, 2024
Domestic investments		
Face value of investment	$ 2,100,000	$ 1,650,000
Coupon interest rate	1.2%~2.7%	1.2%~2.7%
Average maturity	4.43 years	4.49 years

(2) Information on corporate bond investments as at the balance sheet date:

	December 31, 2025	December 31, 2024
Domestic investments		
Face value of investment	$ 2,395,000	$ 2,065,000
Coupon interest rate	0.70%~3.88%	0.70%~3.75%
Average maturity	7.21 years	6.68 years

(3) Please refer to Note 10 for information relating to credit risk management and impairment assessment of financial assets carried at cost after amortization.

10. Credit risk management of debt instrument investments

Debt instrument investments are classified as financial assets at fair value through other comprehensive income and financial assets carried at cost after amortization:

December 31, 2025

	At fair value through other comprehensive income	At cost after amortization	Total
Cost	$ 558,314	$ 4,490,743	$ 5,049,057
Loss provisions	(132)	(13,214)	(13,346)
Cost after amortization	558,182	$ 4,477,529	5,035,711
Fair value adjustment	(24,547)		(24,547)
	533,635		5,011,164
Amount placed as bond	(478,193)		(478,193)
	$ 55,442		$ 4,532,971

December 31, 2024

	At fair value through other comprehensive income	At cost after amortization	Total
Cost	$ 561,848	$ 3,710,214	$ 4,272,062
Loss provisions	(141)	(12,735)	(12,876)
Cost after amortization	561,707	$ 3,697,479	4,259,186
Fair value adjustment	(44,809)		(44,809)
	516,898		4,214,377
Amount placed as bond	(463,145)		(463,145)
	$ 53,753		$ 3,751,232

Please refer to paragraph 2. Credit risk in Note 30(4) Purpose and policy of financial risk management for the Company's credit risk management policy on debt instruments.

11. Other financial assets

	December 31, 2025	December 31, 2024
Time deposit with initial maturity of more than 3 months		
- NTD	$ 4,165,490	$ 3,890,600
- Foreign currency	81,719	295,065
	$ 4,247,209	$ 4,185,665
Interest rate range - NTD	0.72%~1.725%	0.675%~1.725%
Interest rate range - Foreign currency	3.83%~4.2%	4.4%~5.2%

12. Receivables

(1) Details:

	December 31, 2025	December 31, 2024
Notes receivable		
At cost after amortization		
Arising from business activities	$ 133,287	$ 125,078
Less: loss provisions	(3,569)	(3,412)
	$ 129,718	$ 121,666
Premiums receivable		
At cost after amortization		
Total book value	$ 156,635	$ 152,563
Less: loss provisions	(33,607)	(37,069)
	$ 123,028	$ 115,494
Other receivables		
At cost after amortization		
Interest receivable	$ 77,507	$ 68,053
Securities settlement receivable	34,800	-
Commission receivable from canceled coverage	15,272	10,471
Peer claims advanced by receivables	2,815	1,815
Rent receivable	897	897

Others	8	9
Less: loss provisions	(11,267)	(5,903)
	$ 120,032	$ 75,342

Claims recoverable from reinsurers		
At cost after amortization		
Total book value	$ 137,519	$ 139,916
Less: loss provisions	(688)	(700)
	$ 136,831	$ 139,216
Reinsurance accounts receivable		
At cost after amortization		
Total book value	$ 203,511	$ 514,469
Less: loss provisions	(885)	(2,932)
	$ 202,626	$ 511,537

Claims recoverable from reinsurers and reinsurance accounts receivable are presented under reinsurance contract assets. Please refer to Notes 14 and 37(1) for details on insurance contract receivables and payables, and Note 37(8) for details on claims liabilities reported by policyholders.

(2) Notes, premiums and other receivables

The Company evaluates customers' credit risk based on historical transaction records and customers' financial position. The Company monitors credit risk exposure and dealings with counterparties on an ongoing basis.

The Company makes loss provisions based on the counterpart's previous payment records, financial position, aging analysis and estimation of the unrecoverable amount. Recoverability of receivables and loans is assessed regularly on an item-by-item basis according to "Regulation on Asset Valuation, Overdue Collection and Loan Loss Provisioning by Insurance Companies" and rules concerning expected credit loss stated in IFRS 9. The higher of the two amounts derived above is determined as loss provision.

If there is evidence to suggest that the counterparty is undergoing severe financial crisis and the recoverable amount cannot be reasonably estimated, such as the case of liquidation, the Company will directly offset loss provisions against accounts receivable. In which case, the Company will continue collection efforts on the receivables, and any amounts recovered will be recognized through profit and loss.

The Company takes into account customer's default history and current financial position and industry prospect. Since the Company's credit loss history showed no significant difference in loss pattern across customer groups, the loss rate is not further distinguished between customer groups, and the expected credit loss rate is simply determined as a function of historical average loss rate and historical default rate.

Notes receivable

	December 31, 2025	December 31, 2024
Not yet matured/ redeemed/ collected	$ 133,287	$ 125,078
Returned notes	-	-
Total	$ 133,287	$ 125,078

Premiums receivable

	December 31, 2025	December 31, 2024
0~90 days	$ 123,635	$ 116,000
91 days and above	33,000	36,563
Total	$ 156,635	$ 152,563

Aging analysis for premiums receivable was prepared based on contract effective date.

Other receivables

	December 31, 2025	December 31, 2024
0~90 days	$ 117,105	$ 72,387
91 days and above	14,194	8,858
Total	$ 131,299	$ 81,245

Aging analysis for other receivables was prepared based on bookkeeping date.

Claims recoverable from/payable to reinsurers and reinsurance accounts receivable

	December 31, 2025	December 31, 2024
0~270 days	$ 340,587	$ 650,137
271 days and above	443	4,248
Total	$ 341,030	$ 654,385

Aging analysis for claims recoverable from/payable to reinsurers and reinsurance accounts receivable was prepared based on the bookkeeping date.

(3) Change in loss provisions:

December 31, 2025

Notes receivable

	Not yet matured/ redeemed/ collected	Returned notes	Total
Loss ratio	0.5%~50%	100%	
Total book value	$ 133,287	$ -	$ 133,287
Loss provisions	(3,569)	-	(3,569)
Cost after amortization	$ 129,718	$ -	$ 129,718

Premiums receivable

	0~90 days	91 days and above	Total
Loss ratio	0.5%	2%~100%	
Total book value	$ 123,635	$ 33,000	$ 156,635
Loss provisions	(1,444)	(32,163)	(33,607)
Cost after amortization	$ 122,191	$ 837	$ 123,028

Other receivables

	0~90 days	91 days and above	Total
Loss ratio	0.5%	2%~100%	
Total book value	$ 117,105	$ 14,194	$ 131,299
Loss provisions	(585)	(10,682)	(11,267)
Cost after amortization	$ 116,520	$ 3,512	$ 120,032

Claims recoverable from/payable to reinsurers and reinsurance accounts receivable

	0~270 days	271 days and above	Total
Loss ratio	0.5%	2%~100%	
Claims recoverable from reinsurers	$ 137,519	$ -	$ 137,519
Reinsurance accounts receivable	203,068	443	203,511
Loss provisions	(1,563)	(10)	(1,573)
Cost after amortization	$ 339,024	$ 433	$ 339,457

December 31, 2024

Notes receivable

	Not yet matured/ redeemed/ collected	Returned notes	Total
Loss ratio	0.5%~50%	100%	
Total book value	$ 125,078	$ -	$ 125,078
Loss provisions	(3,412)	-	(3,412)
Cost after amortization	$ 121,666	$ -	$ 121,666

Premiums receivable

	0~90 days	91 days and above	Total
Loss ratio	0.5%	2%~100%	
Total book value	$ 116,000	$ 36,563	$ 152,563
Loss provisions	(1,380)	(35,689)	(37,069)
Cost after amortization	$ 114,620	$ 874	$ 115,494

Other receivables

	0~90 days	91 days and above	Total
Loss ratio	0.5%	2%~100%	
Total book value	$ 72,387	$ 8,858	$ 81,245
Loss provisions	(362)	(5,541)	(5,903)
Cost after amortization	$ 72,025	$ 3,317	$ 75,342

Claims recoverable from/payable to reinsurers and reinsurance accounts receivable

	0~270 days	271 days and above	Total
Loss ratio	0.5%	2%~100%	
Claims recoverable from reinsurers	$ 139,916	$ -	$ 139,916
Reinsurance accounts receivable	510,221	4,248	514,469
Loss provisions	(3,108)	(524)	(3,632)
Cost after amortization	$ 647,029	$ 3,724	$ 650,753

Change in loss provisions by account category:

	2025				
	Notes receivable	Premiums receivable	Other receivables	Claims recoverable from reinsurers	Reinsurance accounts receivable
Opening balance	$ 3,412	$ 37,069	$ 5,903	$ 700	$ 2,932
Plus: Losses/expenses provided in the current period	157	64	5,364	-	-
Less: Losses/expenses reversed in the current period	-	(3,526)	-	(12)	(2,047)
Closing balance	$ 3,569	$ 33,607	$ 11,267	$ 688	$ 885

	2024				
	Notes receivable	Premiums receivable	Other receivables	Claims recoverable from reinsurers	Reinsurance accounts receivable
Opening balance	$ 4,687	$ 33,615	$ 4,393	$ 898	$ 2,490
Plus: Losses/expenses provided in the current period	-	3,454	1,510	-	1,097
Less: Losses/expenses reversed in the current period	(1,275)	-	-	(198)	(655)
Closing balance	$ 3,412	$ 37,069	$ 5,903	$ 700	$ 2,932

Explanation to overdue receivables and loss provisions:

1. Balances of premiums receivable and other receivables as of December 31, 2025 included NT$33,000 thousand and NT$14,194 thousand that were overdue, for which the Company had made loss provisions totaling NT$32,163 thousand and NT$10,682 thousand, respectively. Reinsurance accounts receivable have been assessed for impairment and unrecoverable amounts. The balance includes NT$443 thousand of overdue receivables, for which a loss provision of NT$10 thousand has been made.
2. Balances of notes receivable, premiums receivable, and other receivables as of December 31, 2024 included NT$36,563 thousand and NT$8,858 thousand that were overdue, for which the Company had made loss provisions totaling NT$35,689 thousand, and NT$5,541 thousand, respectively. Reinsurance accounts receivable have been assessed for impairment and unrecoverable amounts. The balance includes NT$4,248 thousand of overdue receivables, for which a loss provision of NT$524 thousand has been made.

13. Investment property

	2025		
	Land	Houses and Buildings	Total
Cost			
Balance as of January 1, 2025	$ 601,190	$ 353,306	$ 954,496
Increase - current period		688	688
Reclassification for the period	6,213	2,045	8,258
Balance as of December 31, 2025	607,403	356,039	963,442
Increase from revaluation			
Balance as of January 1, 2025	163,480	-	163,480
Balance as of December 31, 2025	163,480	-	163,480
Accumulated depreciation			
Balance as of January 1, 2025	-	197,595	197,595
Depreciation	-	6,265	6,265
Reclassification for the period	-	812	812
Balance as of December 31, 2025	-	204,672	204,672
Cumulative impairment			
Balance as of January 1, 2025	15,526	6,172	21,698
Balance as of December 31, 2025	15,526	6,172	21,698
Net balance as of December 31, 2025	$ 755,357	$ 145,195	$ 900,552

	2024		
	Land	Houses and Buildings	Total
Cost			
Balance as of January 1, 2024	$ 600,323	$ 350,170	$ 950,493
Reclassification for the period	867	3,136	4,003
Balance as of December 31, 2024	601,190	353,306	954,496
Increase from revaluation			
Balance as of January 1, 2024	163,480	-	163,480
Balance as of December 31, 2024	163,480	-	163,480
Accumulated depreciation			
Balance as of January 1, 2024	-	188,577	188,577
Depreciation	-	6,227	6,227
Reclassification for the period	-	2,791	2,791
Balance as of December 31, 2024	-	197,595	197,595
Cumulative impairment			
Balance as of January 1, 2024	15,526	6,172	21,698
Balance as of December 31, 2024	15,526	6,172	21,698
Net balance as of December 31, 2024	$ 749,144	$ 149,539	$ 898,683

For reclassification from property, plant and equipment, please refer to Note 15.

Depreciation expenses are provided on investment property on a straight-line basis over the number of useful years shown as follows:

Main structure	50 years
Renovation of exterior wall	42 years
Renovation of interior	10 years
Other constructions	10 years

The fair value of investment property was appraised by independent appraisers, Global Vision Real Estate Appraiser Office and Colliers International Real Estate Appraiser Joint Firm, near each balance sheet date. The appraisal used the important unobservable inputs of the comparison approach, the direct capitalization method of the income approach, and the cost approach, including income capitalization rate (a Level 3 input); the fair values of the investment properties were deemed to be determined using Level 3 inputs, and the main underlying assumption was to take a range of transaction prices or the lowest price for the given property.

The fair value evaluated is as follows:

	December 31, 2025	December 31, 2024
Fair value	$ 3,233,379	$ 3,089,517

Investment properties are leased for 1 to 8 years. All operating lease agreements contain clauses that enable the lessor to adjust rent according to the market rate if the lessee chooses to renew lease at the end of the lease tenor. The lessees are not entitled any privileges to purchase the leased properties at the end of the lease period.

The sum of lease payments collectible on investment properties leased out through operating lease as of December 31, 2025 and 2024 is as follows:

	December 31, 2025	December 31, 2024
Year 1	$ 61,835	$ 65,162
Year 2	54,630	55,777
Year 3	43,173	49,338
Year 4	25,959	59,408
Year 5	9,472	12,997
More than 5 years	25,155	-
	$ 220,224	$ 242,682

14. Reinsurance contract assets

(1) Details:

	December 31, 2025	December 31, 2024
Claims recoverable from reinsurers	$ 136,831	$ 139,216
Reinsurance accounts receivable	202,626	511,537
Reinsurance reserve assets	1,909,280	2,072,880
	$ 2,248,737	$ 2,723,633

Reinsurance accounts with substandard counterparties of ceded coverage have been presented in regulatory reports according to Note 5 of "Substandard Reinsurance Reserve Provisioning for Insurance Companies" and disclosed in financial statements in the form of a footnote.

The Company had no requirement to recognize any unauthorized reinsurance reserves as of December 31, 2025.

Below is a list of substandard reinsurance counterparties that did not meet the credit rating requirements stated in Article 8 of "Regulations Governing Insurance Enterprises Engaging in Operating Reinsurance and Other Risk Spreading Mechanisms" as of December 31, 2025:

Reinsurance counterparty	Insurance category
Tugu Insurance Company Limited	Facultative reinsurance of marine hull insurance

The Company has made provisions for substandard reinsurance reserves totaling NT$2 thousand, including NT$2 thousand of ceded claim reserves for reported and unpaid liabilities. Liabilities and reserves increased by NT$2 thousand, but this provision does not affect the overall presentation of the Company's financial statements, and credit risk exposure is deemed limited and tolerable accordingly.

(2) Please refer to Notes 12 and 37(1) for details and changes in the amount of claims recoverable from reinsurers, reinsurance accounts receivable, and related loss provisions presented above.

(3) Details of reinsurance reserve assets:

	December 31, 2025	December 31, 2024
Ceded unearned premium reserve	$ 978,376	$ 985,392
Ceded claim reserve	930,904	1,087,488
	$ 1,909,280	$ 2,072,880

Please refer to Items (2), (3) and (5) in Note 37 - Disclosure of insurance contract-related information for more details on reinsurance reserve assets presented above.

15. Property, plant, and equipment

	2025			
	Proprietary land	Buildings	Sundry equipment	Total
Cost				
Balance as of January 1, 2025	$ 316,330	$ 322,676	$ 60,192	$ 699,198
Increase - current period	23,215	5,587	2,727	31,529
Decrease - current period	-	(1,196)	(8,196)	(9,392)
Reclassification for the period	(6,213)	(2,045)	-	(8,258)
Balance as of December 31, 2025	333,332	325,022	54,723	713,077
Increase from revaluation				
Balance as of January 1, 2025	123,786	-	-	123,786
Balance as of December 31, 2025	123,786	-	-	123,786
Accumulated depreciation				
Balance as of January 1, 2025	-	172,188	31,999	204,187
Depreciation	-	6,359	12,172	18,531
Decrease - current period	-	(1,177)	(8,196)	(9,373)
Reclassification for the period	-	(812)	-	(812)
Balance as of December 31, 2025	-	176,558	35,975	212,533
Cumulative impairment				
Balance as of January 1, 2025	4,774	1,898	-	6,672
Balance as of December 31, 2025	4,774	1,898	-	6,672
Net balance as of December 31, 2025	$ 452,344	$ 146,566	$ 18,748	$ 617,658

	2024			
	Proprietary land	Buildings	Sundry equipment	Total
Cost				
Balance as of January 1, 2024	$ 317,197	$ 341,776	$ 61,735	$ 720,708
Increase - current period	-	290	9,449	9,739
Decrease - current period	-	(16,254)	(10,992)	(27,246)
Reclassification for the period	(867)	(3,136)	-	(4,003)
Balance as of December 31, 2024	316,330	322,676	60,192	699,198
Increase from revaluation				
Balance as of January 1, 2024	123,786	-	-	123,786
Balance as of December 31, 2024	123,786	-	-	123,786
Accumulated depreciation				
Balance as of January 1, 2024	-	184,401	28,585	212,986
Depreciation	-	6,560	13,789	20,349
Decrease - current period	-	(15,982)	(10,375)	(26,357)
Reclassification for the period	-	(2,791)	-	(2,791)
Balance as of December 31, 2024	-	172,188	31,999	204,187
Cumulative impairment				
Balance as of January 1, 2024	4,774	1,898	-	6,672
Balance as of December 31, 2024	4,774	1,898	-	6,672
Net balance as of December 31, 2024	$ 435,342	$ 148,590	$ 28,193	$ 612,125

Some real properties and equipment were rented in 2025 and 2024, and were reclassified as investment properties accordingly.

Depreciation expenses are provided on property, plant and equipment on a straight-line basis over the number of useful years shown as follows:

Buildings	
Main structure	36 to 50 years
Renovation of interior	10 to 42 years
Other constructions	5 to 15 years
Sundry equipment	3 to 10 years

Property, plant and equipment in 2025 and 2024 exclude capitalized interest.

The Company's property, plant and equipment showed no sign of impairment as of December 31, 2025 and 2024.

16. Lease arrangements

(1) Right-of-use asset

	December 31, 2025	December 31, 2024
Book value of right-of-use assets		
Buildings	$ 2,817	$ 745
Transportation equipment	433	1,081
Sundry equipment	725	1,120
	$ 3,975	$ 2,946

	2025	2024
Additional right-of-use asset	$ 3,379	$ 2,430
Depreciation expense on right-of-use assets		
Buildings	$ 1,307	$ 1,900
Transportation equipment	648	853
Sundry equipment	395	400
	$ 2,350	$ 3,153

The right-of-use assets derecognized upon earlier termination of the lease contract in 2024 was NT$42 thousand. Meanwhile, the gains from lease modification, NT$24 thousand, were recognized as other income.

(2) Lease liability

	December 31, 2025	December 31, 2024
Book value of lease liabilities	$ 4,021	$ 2,984

Discount rate range for lease liabilities:

	December 31, 2025	December 31, 2024
Buildings	3.16%~3.29%	2.79%~3.16%
Transportation equipment	2.93%~3.18%	2.55%~3.18%
Sundry equipment	3.29%	3.29%

	2025	2024
Interest expense on lease liabilities		
Buildings	$ 57	$ 51
Transportation equipment	24	35
Sundry equipment	31	10
	$ 112	$ 96

(3) Other lease information

	2025	2024
Short-term rent expense	$ 4,265	$ 3,710
Total cash (outflow) from lease	($ 6,719)	($ 6,956)

For buildings and transportation equipment rented through short-term lease that conform with relevant criteria, the Company chooses to adopt the exemption rule and forgo recognition of right-of-use asset and lease liabilities.

17. Intangible assets

	Computer software 2025	Computer software 2024
Cost		
Opening balance	$ 73,751	$ 71,452
Additions	6,774	2,299
Disposals	(33,979)	-
Closing balance	46,546	73,751
Accumulated depreciation		
Opening balance	52,610	38,138
Amortization expenses	10,575	14,472
Disposals	(33,979)	-
Closing balance	29,206	52,610
Closing net balance	$ 17,340	$ 21,141

The above computer software is amortized on a straight-line basis over 5 years.

Amortization expenses summarized by function:

	2025	2024
Selling expenses	$ 10,575	$ 14,472

The Company's intangible assets showed no sign of impairment as of December 31, 2025 and 2024.

18. Guarantee deposits paid

	December 31, 2025	December 31, 2024
Guarantee deposit for insurance business - Government bonds	$ 478,193	$ 463,145
Others	52,784	57,228
	$ 530,977	$ 520,373

According to Articles 141 and 142 of the Insurance Act, insurance enterprises are required to place guarantee deposits amounting to 15% of paid-up capital with the treasury. The guarantee deposit will not be refunded unless the insurance enterprise ceases business operations and completes liquidation. The Company had placed the guarantee deposit in the form of government bonds.

19. Other assets - others

	December 31, 2025	December 31, 2024
Prepaid equipment purchase	$ 26,718	$ 17,277
Prepayments	1,890	2,185
Payment in suspense	112	136
Others	461	513
	$ 29,181	$ 20,111

20. Other payables

	December 31, 2025	December 31, 2024
Salary and bonus payable	$ 183,546	$ 191,555
Tax payable	37,189	32,121
Proceeds payable but unpaid to policyholders	27,463	27,474
Share settlements payable	-	4,066
Pension payable	1,950	1,920
Leave encashment payable	47	47
Others	19,642	23,752
	$ 269,837	$ 280,935

21. Insurance liabilities

	December 31, 2024	December 31, 2024
Unearned premium reserve	$ 4,463,621	$ 4,498,217
Claim reserve	3,801,975	3,791,510
Special claim reserve	1,750,866	1,716,506
Deficiency reserve	-	9,831
	$ 10,016,462	$ 10,016,064

Please refer to Items (2) to (5) in Note 37 - Disclosure of insurance contract-related information for more details on insurance liabilities presented above.

22. Retirement benefit plan

(1) Defined contribution plan

The Company is subject to the pension scheme introduced under the "Labor Pension Act." It is a government-managed defined contribution plan, for which the Company contributes an amount equal to 6% of employees' monthly salary into their individual pension accounts held with the Bureau of Labor Insurance.

Please see Note 25(2) for details on pension costs recognized in 2024 and 2023.

(2) Defined benefit plan

The Company is subject to the pension scheme introduced under the "Labor Standards Act," which is a government-managed defined benefit plan. Under this plan, employees' pension benefits are calculated based on their years of service and 6-month average salary leading up to their retirement. The Company makes monthly pension contributions equivalent to 2.5% of employees' monthly salaries into an account held under Bank of Taiwan in the Labor Pension Supervisory Committee's name. In the event that the account is estimated to be short of balance to pay workers who are expected to meet their retirement criteria in the following year, the Company will reimburse the shortfall by no later than the end of March next year. The account is managed by Bureau of Labor Funds, Ministry of Labor. The Company has no influence whatsoever over the investment strategy.

The Company obtained approval under Letter No. 1146022207 issued by the Taipei City Department of Labor to suspend contributions to the labor pension reserve fund for a period of 12 months from April 2025 to March 2026.

Please see Note 25(2) for details on pension costs recognized in 2025 and 2024.

The following amounts relating to the defined benefit plan have been recognized on the balance sheet:

	December 31, 2025	December 31, 2024
Present value of defined benefit obligations	$ 379,066	$ 393,291
Fair value of plan assets	(409,364)	(405,166)
Net defined benefit (assets) liabilities	($ 30,298)	($ 11,875)

Details of changes in net defined benefit (assets) liabilities:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit (assets) liabilities
January 1, 2025	$ 393,291	($ 405,166)	($ 11,875)
Service costs			
Current period service costs	2,262	-	2,262
Interest expense (income)	5,772	(6,013)	(241)
Recognized through profit and loss	8,034	(6,013)	2,021
Remeasurement			
Return on plan assets (excluding discounted interest income)	-	(29,153)	(29,153)
Actuarial gain - change in financial assumption	3,304	-	3,304
Actuarial gain - adjustment based on past experience	13,225	-	13,225
Recognized in other comprehensive income	16,529	(29,153)	(12,624)
Employer's contribution	-	(1,456)	(1,456)
Amount paid with plan assets	(32,424)	32,424	-
Amount paid on the Company's account	(6,364)	-	(6,364)
December 31, 2025	$ 379,066	($ 409,364)	($ 30,298)
January 1, 2024	$ 433,148	($ 399,341)	$ 33,807
Service costs			
Current period service costs	2,892	-	2,892
Interest expense (income)	5,276	(4,913)	363
Recognized through profit and loss	8,168	(4,913)	3,255
Remeasurement			
Return on plan assets (excluding discounted interest income)	-	(36,199)	(36,199)
Actuarial loss - change in financial assumption	(7,206)	-	(7,206)
Actuarial gain - adjustment	3,730	-	3,730

based on past experience			
Recognized in other comprehensive income	(3,476)	(36,199)	(39,675)
Employer's contribution	-	(4,566)	(4,566)
Amount paid with plan assets	(39,853)	39,853	-
Amount paid on the Company's account	(4,696)	-	(4,696)
December 31, 2024	$ 393,291	($ 405,166)	($ 11,875)

The Company is exposed to the following risks due to adoption of pension scheme introduced under the "Labor Standards Act":

1. Investment risks: The Bureau of Labor Funds, Ministry of Labor, manages the labor pension fund either on its own or by engaging outside parties. The labor pension fund is being allocated into equity securities, debt securities and bank deposits local and abroad; however, the Company estimates return on plan assets at a rate no less than the 2-year time deposit rate offered by local banks.
2. Interest rate risk: A decrease in government/corporate bond yield would increase the present value of defined benefit obligations while increasing the return of plan assets invested in debt instruments. The overall effect on net defined benefit obligation is partially offset.
3. Salary risk: The present value of defined benefit obligations is calculated by taking into consideration the participants' future salary levels. An increase in salary level would raise the present value of defined benefit obligations.

The present value of defined benefit obligations is determined based on actuarial estimates made by certified actuaries. Below are the main assumptions used on the date of measurement:

	December 31, 2025	December 31, 2024
Discount rate	1.375%	1.5%
Long-term average salary adjustment	2%	2%

A reasonable change in the main actuarial assumption would increase (decrease) the present value of defined benefit obligations by the following amounts, provided that all other assumptions remain unchanged:

	December 31, 2025	December 31, 2024
Discount rate		
0.25% increase	($ 6,564)	($ 7,008)
0.25% decrease	$ 6,743	$ 7,206
Expected salary increase		
0.25% increase	$ 6,585	$ 7,040
0.25% decrease	($ 6,442)	($ 6,880)

The sensitivity analysis above was prepared by changing one actuarial assumption while holding other actuarial assumptions unchanged. Changes in the present value of defined benefit obligations are also measured using the Projected Unit Credit Method. Methodology and assumption of current period's sensitivity analysis are consistent and unchanged compared to those of the previous period.

	December 31, 2025	December 31, 2024
Expected contribution to plan	$ -	$ 4,484

assets in the next year		
Weighted average duration of defined benefit plan	7.2 years	7.42 years

23. Other liabilities - others

	December 31, 2025	December 31, 2024
Amount collected on behalf	$ 150,573	$ 94,980
Amount received in advance	2,140	2,098
	$ 152,713	$ 97,078

24. Equity

	December 31, 2025	December 31, 2024
Share capital	$ 3,011,638	$ 3,011,638
Retained Earnings	5,776,906	5,452,120
Other Equity	362,728	232,628
	$ 9,151,272	$ 8,696,386

(1) Share capital

Common shares

	December 31, 2025	December 31, 2024
Authorized shares (thousands)	301,163.8	301,163.8
Authorized capital	$ 3,011,638	$ 3,011,638
Shares issued and fully paid up (thousands)	301,163.8	301,163.8
Issued share capital	$ 3,011,638	$ 3,011,638

All issued common shares have a face value of NT$10 per share. Each share is entitled to one voting right and the right to receive dividends.

(2) Retained earnings and dividend policy

According to the earnings appropriation policy of the Articles of Incorporation, annual surpluses concluded by the Company are first subject to taxation and compensation of previous losses, followed by a 20% provision of legal reserve, unless the legal reserve has reached the level of the total capital of the Company, and provision or reversal of special reserve as required by the authority. The Company may retain an appropriate amount of earnings before distributing the remainder to shareholders as dividends.

Refer to Note 25(3) - Employee and director remuneration for the Company's employee and director remuneration policy outlined in the Articles of Incorporation.

In addition to complying with requirements of the Insurance Act (see Note 29), the Company's dividend decisions involve several factors, including the current business environment and growth stage, its future capital requirements and long-term financial plan, and shareholders' needs for cash flow. Payment of cash dividends shall amount to no less than 10% of total dividends.

The Company shall continue providing for legal reserve until the balance equals its paid-up capital. Legal reserves can be taken to offset previous losses. The Company is permitted under Article 241 of the Company Act to distribute legal reserves that it had previously provided according to Article 145-1 of the Insurance Act back to shareholders at the existing shareholding percentage, when the Company has no cumulative losses outstanding. To do so, the Company is required to present documentary proof of its financial position and seek permission from the competent authority before a shareholder meeting in the manners outlined in Letter Jin-Guan-Bao-Cai-Zi No. 10202501991 dated February 8, 2013.

Provision and reversal of special reserves are performed in accordance with Letter Jin-Guan-Bao-Cai-Zi No. 11004920441 and "Q&A on Special Reserves Treatment after adoption of the IFRSs" issued by the authority. If other contra equity items are reversed on a later date, the Company may distribute the amount of reversal back to shareholders.

The following are details of the 2024 and 2023 earnings appropriation resolved during annual general meetings held on June 25, 2025 and June 25, 2024, respectively:

	Earnings appropriation plan		Dividends per share (NT$)	
	2024	2023	2024	2023
Legal reserve	$ 206,717	$ 142,149		
Special reserve (Note 1)	194,478	225,993		
Special reserve (Note 2)	(728)	(1,022)		
Special reserve (Note 3)	1,944	696		
Cash dividends	632,444	340,315	$ 2.1	$ 1.13

Earnings appropriation plan for 2025 was approved under Board of Directors resolution dated March 11, 2026, as follows:

	Earnings appropriation plan	Dividends per share (NT$)
Legal reserve	$ 191,446	
Special reserve (Note 1)	262,844	
Special reserve (Note 3)	2,583	
Dividends	499,932	$ 1.66

Note 1: According to "Regulations Governing Reserve Provisioning by Insurance Enterprises," insurance enterprises are required to make new provisions of special claim reserve for major incidents and change of risk and add them to special reserve at the end of each year, starting from January 1, 2011. As a result, this portion of earnings is unavailable for distribution or other purposes. New provisions amounting to NT$194,478 thousand for 2024 and NT$225,993 thousand for 2023 had been made accordingly and accounted for as of December 31, 2024 and 2023, respectively. Net provisions for 2025 were estimated at NT$262,844 thousand.

Note 2: Represents net special reserve reversed for FinTech development according to Letter Jin-Guan-Bao-Cai-Zi No. 10502066461 and Letter Jin-Guan-Bao-Cai-Zi No. 10804932431 issued by the authority.

Note 3: According to the Letter Jin-Guan-Bao-Cai-Zi No. 10904939031, as of January 1, 2021, in accordance with the “Personal Travel Insurance Accidental Death and Disability Benefit Standards,” 10% of the total premium revenue calculated based on the insured value and number of days of insurance, less the nominal tax rate 20%, shall be stated as the special reserve under the owner’s equity, in terms of the personal travel insurance accidental death and disability insurance policies sold in the current year. New provisions totaling NT$1,944 thousand for 2024 and NT$696 thousand for 2023 had been accounted for as per regulation as at December 31, 2024 and 2023, respectively. Further, the net provision was NT$2,583 thousand in 2025.

(3) Special reserve (including the provision of special reserve required for first-time adoption of IFRSs)

Change of special reserve balance in 2025 and 2024 is explained below:

	Special claim reserve	Financial technology	Provision for the first-time adoption of IFRSs	Travel insurance	Total
2025					
Opening balance	$ 2,725,365	$ 728	$ 51,849	$ 2,952	$ 2,780,894
Current provisions	281,766	-	-	2,583	284,349
Reversals for the current period	(18,922)	(728)	-	-	(19,650)
Closing balance	$ 2,988,209	$ -	$ 51,849	$ 5,535	$ 3,045,593
2024					
Opening balance	$ 2,530,887	$ 1,750	$ 51,849	$ 1,008	$ 2,585,494
Current provisions	217,522		-	1,944	219,466
Reversals for the current period	(23,044)	(1,022)	-	-	(24,066)
Closing balance	$ 2,725,365	$ 728	$ 51,849	$ 2,952	$ 2,780,894

Because the amount of increase in retained earnings after the first-time adoption of IFRSs was relatively low, the Company only provided for special reserve on the NT$51,849 thousand increase in retained earnings that occurred following the adoption of IFRS.

This special reserve can be reversed proportionally back into retained earnings and distributed to shareholders when the underlying assets are used, disposed or reclassified on a later date. Special reserves provided during the first-time adoption of IFRSs can be used to offset losses in subsequent years. If the Company makes earnings in subsequent years at a time when the initial reason for providing special reserves no longer exists, the Company shall make up for the required amount of special reserve before distributing earnings.

In order to support the development of financial technologies and protect the interests of employees, the Company is required to make provisions totaling 0.5% to 1% of after-tax net income to special reserves when distributing earnings between 2016 and 2018. Starting from 2017, the Company may reverse the above special reserve for amounts incurred on the transfer or reassignment of employees that are related to development of financial technology.

(4) Other equity items

Unrealized gains/losses on financial assets at fair value through other comprehensive income

	2025	2024
Opening balance	$ 232,628	$ 357,141
Generated in the current period		
Unrealized gains		
Equity instrument	176,787	1,050
Debt instrument	20,252	(27,017)
Transfer of cumulative gains/losses to retained earnings following disposal of equity instrument	(66,939)	(98,546)
Closing balance	$ 362,728	$ 232,628

25. Net income

(1) Interest income

	2025	2024
Bank deposit	$ 66,539	$ 79,281
Financial Assets at Fair Value through Profit or Loss	11,750	7,978
Debt instruments at fair value through other comprehensive income	6,226	7,632
Financial assets carried at cost after amortization	103,620	82,528
Others	12,765	11,504
	$ 200,900	$ 188,923

(2) Employee benefit expenses

	2025			2024		
	Presented as operating cost	Presented as operating expense	Total	Presented as operating cost	Presented as operating expense	Total
Employee welfare expenses						
Salary	$ 329,471	$ 654,158	$ 983,629	$ 330,309	$ 696,122	$1,026,431
Labor/health insurance premium	-	66,013	66,013	-	66,945	66,945
Pension expense	-	26,764	26,764	-	26,474	26,474
Remuneration to Director	-	16,906	16,906	-	15,323	15,323
Other employee welfare expenses	-	15,339	15,339	-	19,347	19,347
	$ 329,471	$ 779,180	$1,108,651	$ 330,309	$ 824,211	$1,154,520

	2025	2024
Retirement benefit (Note 22)		
Defined contribution plan	$ 24,743	$ 23,219
Defined benefit plan	2,021	3,255
	$ 26,764	$ 26,474

As of December 31, 2025 and 2024, the Company employed a total of 828 and 856 employees, respectively.

(3) Employee and director remuneration

According to the Articles of Incorporation, the Company may allocate employee remuneration at no less than 1% and director remuneration at no higher than 0.6% of pre-tax profit before employee and director remuneration. However, earnings must first be taken to offset cumulative losses, if any, before the remainder is distributed as employee and director remuneration in the above percentages. Pursuant to the amendment to the Securities and Exchange Act in August 2024, the Company has approved the amended Articles of Incorporation in the 2025 shareholders' meeting, stipulating that more than 80% of the said employee remuneration amount shall be distributed to non-executive employees.

2025 and 2024 employee/director remuneration were resolved in Board of directors meetings dated March 11, 2026 and March 11, 2025, respectively. Details are as follows:

Estimated percentage

	2025	2024
Employee remuneration	1%	1%
Director remuneration	0.6%	0.6%

Amount

	2025		2024	
	Cash	Shares	Cash	Shares
Employee remuneration	$ 10,966	$ -	$ 10,972	$ -
Director remuneration	6,580	-	6,583	-

If the amount changes after the financial statements are approved and announced to the public, the difference will be treated as a change in accounting estimate and recognized as a gain or loss in the following year.

The actual amounts of employee remuneration and director remuneration paid for years 2025 and 2024 were indifferent from the amounts recognized in the 2025 and 2024 financial statements.

Please visit "Market Observation Post System" for more information regarding employee/director remuneration resolved during the Company's board of director meetings.

(4) Depreciation and amortization

	2025	2024
Property, Plant and Equipment	$ 18,531	$ 20,349
Investment Property	6,265	6,227
Right-of-use asset	2,350	3,153
Intangible Assets	10,575	14,472
Total	$ 37,721	$ 44,201

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	2025	2024
Depreciation and amortization expenses by function		
Depreciation (classified as operating costs)	$ 6,265	$ 6,227
Depreciation (classified as operating expenses)	20,881	23,502
Amortization (classified as operating expenses)	10,575	14,472
Total	$ 37,721	$ 44,201

(5) Gain/loss on investment property

	2025	2024
Rental income	$ 71,022	$ 72,411
Direct expenses associated with rental income	(16,504)	(14,289)
	$ 54,518	$ 58,122

(6) Gain/loss on foreign exchange

	2025	2024
Total gain on foreign exchange	$ 177,643	$ 178,323
Total (loss) on foreign exchange	(227,287)	(148,174)
Net gain (loss)	($ 49,644)	$ 30,149
Total gain/loss on foreign exchange		
Gain (loss) on exchange - investment (Note)	($ 42,484)	$ 18,825
Gain (loss) on exchange - non-investment	(7,160)	11,324
	($ 49,644)	$ 30,149

Note: Derived from foreign currency time deposits.

26. Income tax

(1) Income tax recognized in profit and loss

Main components of income tax expenses (gains):

	2025	2024
Current income tax		
From current profit	$ 207,826	$ 168,371
Adjustment of previous year figures	(756)	-
Deferred income tax		
From current profit	(8,164)	7,957
Income tax expense recognized in profit and loss	$ 198,906	$ 176,328

Reconciliation of accounting income and income tax expense:

	2025	2024
Operating income before tax	$ 1,079,098	$ 1,079,625
Income tax expense calculated by applying statutory tax rate to pre-tax profit	$ 215,820	$ 215,925
Tax impact of non-deductible expenses and losses	44	1,267
Unrealized tax-exempt (losses) gains	10,810	(12,039)
Expected credit impairment loss (gain) on investment	94	(1,555)
Tax-exempt income	(27,106)	(27,270)
Adjustments to income tax recognized in previous years	(756)	-
Income tax expense recognized in profit and loss	$ 198,906	$ 176,328

(2) Income tax expense (gain) recognized under other comprehensive income:

	2025	2024
Deferred income tax		
From current profit		
– Defined benefit plan remeasurement amount	$ 2,525	$ 7,935

(3) Current Income Tax Liabilities

	December 31, 2025	December 31, 2024
Current Income Tax Liabilities	$ 111,896	$ 87,818

(4) Deferred income tax assets and liabilities

Below are changes in deferred income tax assets and liabilities:

2025

	Opening balance	Recognized through profit and loss	Recognized in other comprehensive income	Closing balance
Deferred Income Tax Assets				
Investment properties	$ 4,340	$ -	$ -	$ 4,340
Property, plant, and equipment	1,334	-	-	1,334
Defined benefit plan	(538)	(1,160)	(2,525)	(4,223)
Payable compensation for unused leave	10	-	-	10
Unrealized loss on exchange	-	2,065	-	2,065
Loss provisions	8,139	602	-	8,741
	$ 13,285	$ 1,507	($ 2,525)	$ 12,267
Deferred income tax liabilities				
Land value increment tax	$ 92,934	$ -	$ -	$ 92,934
Unrealized gain on foreign exchange	6,657	(6,657)	-	-
	$ 99,591	($ 6,657)	$ -	$ 92,934

2024

Deferred Income Tax Assets	Opening balance	Recognized through profit and loss	Recognized in other comprehensive income	Closing balance
Investment properties	$ 4,340	$ -	$ -	$ 4,340
Property, plant, and equipment	1,334	-	-	1,334
Defined benefit plan	8,598	(1,201)	(7,935)	(538)
Payable compensation for unused leave	8	2	-	10
Unrealized loss on exchange	344	(344)	-	-
Loss provisions	7,896	243	-	8,139
	$ 22,520	($ 1,300)	($ 7,935)	$ 13,285

Deferred income tax liabilities	Opening balance	Recognized through profit and loss	Recognized in other comprehensive income	Closing balance
Land value increment tax	$ 92,934	$ -	$ -	$ 92,934
Unrealized gain on foreign exchange	-	6,657	-	6,657
	$ 92,934	$ 6,657	$ -	$ 99,591

(5) Assessment of income tax return

The Company's profit-seeking enterprise income tax returns have been certified by the tax authority up until 2023. The certified amounts were indifferent from the amounts reported.

27. Earnings per share

Earnings and the number of weighted average common shares used for calculating earnings per share are explained below:

Current net income

	2025	2024
Net income used for calculating earnings per share	$ 880,192	$ 903,297

Shares

Unit: thousand shares

	2025	2024
Weighted average common shares used for calculating basic earnings per share	301,164	301,164
Dilutive effect of potential common shares:		
Employee remuneration	479	301
Weighted average common shares used for calculating diluted earnings per share	301,643	301,465

If the Company has the option to distribute employee remuneration either in cash or in shares, then the calculation of diluted earnings per share shall be made by assuming full share-based payment. In which case, the number of potential common shares is added to the calculation of weighted-average outstanding shares as soon as they become dilutive, and this is the basis used for calculating diluted earnings per share. Dilutive effects of potential common shares will continue to be taken into account when calculating diluted EPS for next year's decision of share-based employee remuneration.

28. Cash flow information

Change of liabilities relating to financing activities

2025

	January 1, 2025	Cash flow	New leases	Changes without cash effect: Lease modification	Changes without cash effect: Amortization of interest expense	Changes without cash effect: Others	December 31, 2025
Lease liabilities	$ 2,984	($ 2,342)	$ 3,379	$ -	$ 112	($ 112)	$ 4,021

2024

	January 1, 2024	Cash flow	New leases	Changes without cash effect: Lease modification	Changes without cash effect: Amortization of interest expense	Changes without cash effect: Others	December 31, 2024
Lease liabilities	$ 3,770	($ 3,150)	$ 2,430	($ 66)	$ 96	($ 96)	$ 2,984

29. Capital risk management

Please refer to Note 36(6) for more information on the management of asset and liability risks. According to the Insurance Act, the Company is required to maintain capital at no less than 200% of risk-weighted assets. Failure to maintain the abovementioned ratio will render the Company unable to distribute earnings; in addition, the Company would be required to raise capital within the due dates specified by the competent authority or have business activities and use of capital restricted in certain ways. As of December 31, 2025, the Company had maintained its capital above the percentage stated in the Insurance Act and was not subject to the above treatments.

30. Financial instruments

(1) Fair value information - financial instruments that are not measured at fair value

The management considers that all financial assets and liabilities not measured at fair value have had book values closely resembling their fair values or that their fair values cannot be determined reliably.

(2) Fair value information - financial instruments with fair value measured on a recurring basis

1. Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Locally Listed Stocks	$ 323,538	$ -	$ -	$ 323,538
Fund beneficiary certificates	1,222,203	-	-	1,222,203
Real Estate Investment Trust	155,302	-	-	155,302
Domestic bank debentures	-	-	354,338	354,338
Total	$ 1,701,043	$ -	$ 354,338	$ 2,055,381
Financial assets at fair value through other comprehensive income				
Locally Listed Stocks	$ 1,116,358	$ -	$ -	$ 1,116,358
Domestic unlisted shares	-	-	1,414,912	1,414,912
Domestic Government Bonds	55,442	-	-	55,442
Total	$ 1,171,800	$ -	$ 1,414,912	$ 2,586,712
Guarantee deposits paid				
Domestic Government Bonds	$ 478,193	$ -	$ -	$ 478,193

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Locally Listed Stocks	$ 396,645	$ -	$ -	$ 396,645
Fund beneficiary certificates	918,768	-	-	918,768
Real Estate Investment Trust	151,560	-	-	151,560
Domestic bank debentures	-	-	149,019	149,019
Total	$ 1,466,973	$ -	$ 149,019	$ 1,615,992
Financial assets at fair value through other comprehensive income				
Locally Listed Stocks	$ 1,561,100	$ -	$ -	$ 1,561,100
Domestic unlisted shares	-	-	1,162,374	1,162,374
Domestic Government Bonds	53,753	-	-	53,753
Total	$ 1,614,853	$ -	$ 1,162,374	$ 2,777,227
Guarantee deposits paid				
Domestic Government Bonds	$ 463,145	$ -	$ -	$ 463,145

In periods 2025 and 2024, there was no change of fair value measurement between level 1 and level 2.

2. Reconciliation of level 3 fair value assessment on financial instruments

2025

Financial assets	Measured at fair value through profit and loss	Financial assets at fair value through other comprehensive income	
	Debt instrument	Equity instrument	Total
Opening balance	$ 149,019	$ 1,162,374	$ 1,311,393
Recognized through profit and loss (gain/loss on financial assets or liabilities at fair value through profit and loss)	5,319	-	5,319
Recognized through other comprehensive income (gain/loss on valuation of equity instruments at fair value through other comprehensive income)	-	252,538	252,538
Purchase	200,000	-	200,000
Closing balance	$ 354,338	$ 1,414,912	$ 1,769,250
Unrealized Gains (Losses) at the End of the Period	$ 4,338	$ 725,106	$ 729,444

2024

Financial assets	Measured at fair value through profit and loss	Financial assets at fair value through other comprehensive income	
	Debt instrument	Equity instrument	Total
Opening balance	$ 49,506	$ 1,163,390	$ 1,212,896
Recognized through profit and loss (gain/loss on financial assets or liabilities at fair value through profit and loss)	(487)	-	(487)
Recognized through other comprehensive income (gain/loss on valuation of equity instruments at fair value through other comprehensive income)	-	(1,016)	(1,016)
Purchase	100,000	-	100,000
Closing balance	$ 149,019	$ 1,162,374	$ 1,311,393
Unrealized Gains (Losses) at the End of the Period	($ 981)	$ 472,568	$ 471,587

3. Level 3 fair value measurement technique and input

(1) For investments in domestic unlisted shares, fair value is calculated using the market comparable model. The market comparable model compares the subject to companies involved in the same or similar business activities. Factors such as the price of shares transacted in active market, the value multiples implied in pricing, and liquidity discount are used to determine the value of the subject. Liquidity premium/discount is a significant yet unobservable input.

(2) Bond investment - bank debentures are valued by calculating the present value of expected yields from the investment, which involves discounting of future expected cash flow. Future expected cash flow is a significant yet unobservable input.

(3) Types of financial instrument

	December 31, 2025	December 31, 2024
Financial assets		
Measured at fair value through profit and loss		
Mandatory at fair value throughout profit and loss	$ 2,055,381	$ 1,615,992
Loans and receivables (Note 1)	339,457	650,753
Financial assets carried at cost after amortization (Note 2)	11,236,677	10,546,442
Financial assets at fair value through other comprehensive income		
Investment in equity instruments	2,531,270	2,723,474
Investment in debt instruments (Note 3)	533,635	516,898
Financial liabilities		
Carried at cost after amortization (Note 4)	464,941	481,041

Note 1: The balance includes loans and receivables carried at cost after amortization, such as claims recoverable from reinsurers and reinsurance accounts receivable.

Note 2: Balance includes cash and cash equivalents, notes receivable, premiums receivable, other receivables, investment in debt instruments carried at cost after amortization, other financial assets and refundable deposits (excluding insurance industry guarantee bond in the form of securities), and financial assets carried at cost after amortization.

Note 3: Balance includes debt instruments at fair value through other comprehensive income and insurance enterprise performance bonds placed in the form of securities (presented as guarantee deposits paid).

Note 4: Balance includes notes payable, commission payable, insurance claims and benefits payable, reinsurance account payable, other payables (excluding salary, bonus, tax payable, pension payable and leave encashment payable), guarantee deposits received, and financial liabilities carried at cost after amortization.

(4) Purpose and policy of financial risk management

For the purpose of establishing sound risk management practice, internal risk awareness, and robust risk management framework, the Company has implemented relevant principles and policies along with qualitative and quantitative methods to assess, respond and monitor potential risks. The Company's financial instruments mainly comprise equity and debt investments, receivables, payables, and lease liabilities. Key risk exposures include market risk (exchange rate, interest rate, and price), credit, and liquidity risk.

1. Market risk

Market risk refers to changes in market risk factors such as exchange rate, product price, interest rate, share price etc. that may reduce the Company's profitability or portfolio value. The Company continues to adopt Value at Risk (VaR), stress test and market risk management tools to effectively measure, monitor and manage market risks.

There is no change in how the Company manages and assesses market risk exposure of its financial instruments.

(1) Exchange rate risk

The Company holds assets and liabilities denominated in foreign currencies, which presents the Company with risk of exchange rate variation. As of December 31, 2025 and 2024, the Company had about 1.40% and 2.93% of assets that were not denominated in the functional currency of the transaction entity.

The Company had the following financial assets denominated in foreign currencies that were exposed to material exchange rate risk as at the balance sheet date:

Unit: in thousands of foreign currency or NTD

	December 31, 2025		
Financial assets	Foreign currency	Exchange rate	TWD (NTD)
Monetary items			
Bank deposit and notes receivable			
USD	$ 6,276	31.430	$ 197,242
EUR	11	36.900	422
CNY (RMB)	33	4.496	150
GBP	58	42.330	2,450
HKD	475	4.038	1,916
JPY	21	0.201	4
Other financial assets			
USD	2,600	31.430	81,719

Financial assets	December 31, 2024 Foreign currency	Exchange rate	TWD (NTD)
Monetary items			
Bank deposit			
USD	$ 8,421	32.785	$ 276,084
EUR	27	34.140	929
CNY (RMB)	31	4.478	141
GBP	66	41.190	2,727
HKD	586	4.222	2,472
JPY	21	0.210	4
Other financial assets			
USD	9,000	32.785	295,065

Unrealized foreign currency gain/loss of material impact:

	December 31, 2025		December 31, 2024	
Foreign currency	Exchange rate	Unrealized net gain (loss) on exchange	Exchange rate	Unrealized net gain (loss) on exchange
USD	1:31.430 (USD:TWD)	($ 10,321)	1:32.785 (USD:TWD)	$ 33,073

Sensitivity analysis

The Company is prone to the impact of changes in the USD exchange rate.

The following sensitivity analysis shows the impact of a 1% strengthening/weakening in the foreign currency against NTD (the functional currency) to the Company. 1% is the rate of sensitivity adopted by the management when reporting exchange rate risks. It also represents the management's estimate on the reasonable range of exchange rate variation. The sensitivity analysis only covered monetary items denominated in foreign currencies. The analysis was performed by making a 1% adjustment to the exchange rate applicable at the end of the period. The sensitivity analysis covered foreign currency bank deposit, notes receivable, and other financial assets. The following table shows decrease/increase in pre-tax profit and equity if NTD strengthens against other currencies by 1%. Effects on pre-tax profit and equity following a 1% weakening of the NTD against the respective foreign currencies would be the positive figure of the same amount.

	2025	2024
Gain (loss) on USD	($ 2,790)	($ 5,711)

(2) Interest rate risk

The book values of financial assets and financial liabilities exposed to interest rate risks as at the balance sheet date are presented below:

	December 31, 2025	December 31, 2024
Risk of cash flow changes due to interest rate		
– Financial assets	$ 1,341,032	$ 1,268,077
Risk of fair value changes due to interest rate		
– Financial assets	887,973	665,917
– Financial liabilities	4,021	2,984

Sensitivity analysis

The following sensitivity analysis has been prepared based on interest rate risk exposures of financial assets as at the balance sheet date. The Company had conducted the sensitivity analysis based on 1 basis-point increase/decrease in interest rate, which also represents the management's estimate on the reasonable range of interest rate variation.

A. Risk of cash flow changes due to interest rate

If the interest rate increased/decreased by 1 basis point, the Company's 2025 and 2024 pre-tax profit and equity would increase/decrease by NT$714 thousand and NT$319 thousand, respectively, provided that all other variables remain unchanged. Exposure to interest rate risk is mainly attributed to bank deposits (demand deposits and foreign currency deposits) held on hand.

B. Risk of fair value changes due to interest rate

The Company investments in fixed rate bonds. Changes in market interest rates would cause changes in the fair value of bond investments.

If the market interest rate increased/decreased by 1 basis point, pre-tax profit for 2025 and 2024 would decrease/increase by NT$714 thousand and NT$319 thousand, respectively, due to fair value change in bond investments; meanwhile, other comprehensive income (pre-tax) and equity for 2025 and 2024 would decrease/increase by NT$712 thousand and NT$722 thousand, respectively, due to fair value change in debt instruments carried at fair value through other comprehensive income.

(3) Other price risks

The Company is exposed to the risk of equity price variation due to investment in TWSE/TPEx-listed beneficiary securities and fund beneficiary certificates.

Sensitivity analysis

The sensitivity analysis is based on equity price risks of beneficiary securities and fund beneficiary certificates outstanding as at the balance sheet date.

If prices increased/decreased by 1%, pre-tax profit or loss and shareholders' equity for 2025 and 2024 would increase/decrease by NT$17,010 thousand and NT$14,670 thousand, respectively, due to changes in the fair value of financial assets carried at fair value through profit and loss. Meanwhile, other comprehensive income (pre-tax) and shareholders' equity for 2025 and 2024 would increase/decrease by NT$25,313 thousand and NT$27,235 thousand, respectively, due to changes in the fair value of equity instruments measured at fair value through other comprehensive income.

(4) Value at risk (VaR)

VaR measures the maximum possible losses that a portfolio may incur due to a change in market risk factor, within a specified period of time and Confidence Level. The Company currently calculates VaR of the following day (2 months) at a 95% confidence level.

The VaR model must be able to reasonably, completely and correctly assess maximum potential risks of financial instruments or investment portfolios held on hand to be considered a valid risk management model. When used for risk management, the VaR model must continuously undergo validation and back-testing to ensure that the model remains appropriate and effective in assessing the maximum potential risks of financial instruments or investment portfolios held on hand.

(5) Stress-testing

In addition to the VaR model, the Company conducts stress tests regularly to assess potential risks should an extreme event occur. Stress-testing is intended to measure potential impacts on the value of investment portfolio given extreme changes in a series of financial variables.

Date: December 31, 2025 Unit: NTD thousand

Risk factors	Variation	Portfolio gains/losses
Price risk - at fair value through profit and loss	Down 10%	($ 170,104)
Price risk - at fair value through other comprehensive income	Down 10%	(253,127)
Risk of fair value changes due to interest rate	A 100bps increase in the yield curve	(142,555)
Exchange rate risk - other financial assets	1% strengthening of NTD against all foreign currencies	(2,839)

2. Credit risk

The Company is exposed to credit risks for engaging in treasury transactions, including issuer credit risk, counterparty credit risk, and asset credit risk:

(1) Issuer credit risks are mostly prevalent in treasury debt instruments or bank deposits held on hand, and refer to the possibility of the Company suffering financial losses as a result of the issuer (or guarantor) or bank failing to fulfill repayment (or stand-in payment) obligation due to default, bankruptcy or liquidation.

(2) Counterparty credit risks refer to the possibility of the Company suffering financial losses as a result of the transaction counterparty failing to fulfill settlement or payment obligations on the agreed date.

(3) Asset credit risks refer to the possibility of losses suffered as a result of deteriorated credit quality, credit rating downgrade or occurrence of default event in the underlying asset of a financial instrument.

A. Credit risk concentration analysis

The table below shows financial assets with the largest credit risk exposures by region and industry:

Credit risk exposure – by region

Date: December 31, 2025 Unit: NTD thousand

Financial assets	Taiwan	Asia	America	Europe	Others	Total
Cash and cash equivalents	$ 2,086,377	$ -	$ -	$	$	$ 2,086,377
Financial assets (real property investment trusts and debt instruments) at fair value through profit and loss	509,640	-	-	-	-	509,640
Financial assets (debt instrument) at fair value through other comprehensive income (Note)	533,635	-	-	-	-	533,635
Financial assets carried at cost after amortization	4,477,529	-	-	-	-	4,477,529
Other financial assets (time deposit)	4,247,209	-	-	-	-	4,247,209
Total	11,854,390	-	-	-	-	11,854,390
Regional weight	100%	%	%	%	%	100%

Credit risk exposure – by region

Date: December 31, 2024 Unit: NTD thousand

Financial assets	Taiwan	Asia	America	Europe	Others	Total
Cash and cash equivalents	$ 2,293,568	$ -	$ -	$ -	$ -	$ 2,293,568
Financial assets (real property investment trusts and debt instruments) at fair value through profit and loss	300,579	-	-	-	-	300,579
Financial assets (debt instrument) at fair value through other comprehensive income (Note)	516,898	-	-	-	-	516,898
Financial assets carried at cost after amortization	3,697,479	-	-	-	-	3,697,479
Other financial assets (time deposit)	4,185,665	-	-	-	-	4,185,665
Total	10,994,189	-	-	-	-	10,994,189
Regional weight	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%

Note: includes debt instruments placed as guarantee deposit.

B. Credit risk quality grading

Credit risk quality is internally graded into Class I, II and III. Class I refers to financial assets that exhibit no significant increase in credit risk compared to the date of initial recognition; Class II refers to financial assets that exhibit significant increase in credit risk compared to the date of initial recognition; and Class III refers to financial assets that exhibit objective evidence of credit impairment.

Date: December 31, 2025

Financial assets	I	II	III	Total
Financial assets (debt instrument) at fair value through other comprehensive income (Note)	$ 533,635	$ -	$ -	$ 533,635
Financial assets carried at cost after amortization	4,477,529	-	-	4,477,529
Total	$ 5,011,164	$ -	$ -	$ 5,011,164

Date: December 31, 2024

Financial assets	I	II	III	Total
Financial assets (debt instrument) at fair value through other comprehensive income (Note)	$ 516,898	$ -	$ -	$ 516,898
Financial assets carried at cost after amortization	3,697,479	-	-	3,697,479
Total	$ 4,214,377	$ -	$ -	$ 4,214,377

Note: includes debt instruments placed as guarantee deposit.

Expected credit loss rates for the abovementioned Class I financial assets are 0.0235% ~ 0.60499%.

For information on credit risk management and impairment assessment of receivables, please refer to Note 12(2)~(3).

C. Criteria for significant increase in credit risk since initial recognition

A significant increase in credit risk refers to the situation where the credit rating of a financial asset on the balance sheet date is two grades lower or more than the date of initial recognition, and lower than twBBB. For bonds that are not credit-rated, the issuer's credit rating is used instead.

D. Definition of defaulted and credit-impaired financial assets

The Company assesses financial assets for objective evidence of credit impairment. If there is evidence to suggest impairment, the financial asset will be classified Class III with expected credit losses recognized over the remaining duration.

Objective evidence of credit impairment, as mentioned above, refers to any of the following occurrences:

a. The indicative market price falls below book cost in a continuous downward trend for more than one year, unless there is reason to suggest likely recovery of the indicative market price.
b. The issuer undergoes financial distress and is de-listed or liquidated as a result.
c. Event of default, such as failure to pay interest or principal.
d. The issuer undergoes bankruptcy.

(4) Assessment of expected credit losses

A. Expected credit losses are estimated by multiplying the amount of credit exposure with the probability of default (PD) and loss given default (LGD).

Financial assets that are classified as Class I as at the balance sheet date shall have expected credit losses estimated over the next 12 months.

Financial assets that are classified as Class II as at the balance sheet date shall have expected credit losses estimated over the remaining duration

Financial assets that exhibit objective evidence of credit impairment as at the balance sheet date shall be classified as Class III and have expected credit losses estimated over the remaining duration.

B. Loss provisions variation chart

Reconciliation of opening and closing loss provision balance in 2025:

	12-month expected credit loss I	Expected credit loss over the remaining duration II	Expected credit loss over the remaining duration III	Impairment provided in accordance with IFRS 9 (Subtotal)	Difference with impairments provided in accordance with "Regulation on Asset Valuation, Overdue Collection and Loan Loss Provisioning by Insurance Companies"	Total
Investment in debt instruments						
Opening balance	$ 12,876	$ -	$ -	$ 12,876	$ -	$ 12,876
Variation	470	-	-	470	-	470
Closing balance	$ 13,346	$ -	$ -	$ 13,346	$ -	$ 13,346
Receivables						
Opening balance	$ 6,690	$ -	$ -	$ 6,690	$ 43,326	$ 50,016
Variation	175	-	-	175	(175)	-
Closing balance	$ 6,865	$ -	$ -	$ 6,865	$ 43,151	$ 50,016

Reconciliation of opening and closing loss provision balance in 2024:

	12-month expected credit loss I	Expected credit loss over the remaining duration II	Expected credit loss over the remaining duration III	Impairment provided in accordance with IFRS 9 (Subtotal)	Difference with impairments provided in accordance with "Regulation on Asset Valuation, Overdue Collection and Loan Loss Provisioning by Insurance Companies"	Total
Investment in debt instruments						
Opening balance	$ 20,651	$ -	$ -	$ 20,651	$ -	$ 20,651
Variation	(7,775	-	-	(7,775)	-	(7,775)
Closing balance	$ 12,876	$ -	$ -	$ 12,876	$ -	$ 12,876
Receivables						
Opening balance	$ 7,410	$ -	$ -	$ 7,410	$ 38,673	$ 46,083
Variation	(720	-	-	(720)	4,653	3,933
Closing balance	$ 6,690	$ -	$ -	$ 6,690	$ 43,326	$ 50,016

3. Liquidity risk

(1) Definition of liquidity risk

For each financial instrument, liquidity risk is distinguished between "capital liquidity risk" and "market liquidity risk."

"Capital liquidity risk" refers to the inability to liquidate an asset or obtain sufficient funding to meet obligations upon maturity. "Market liquidity risk" refers to the possibility of incurring losses due to significant price changes when the asset held on hand is being disposed or settled in a market that lacks depth or at a time of disorder.

(2) Liquidity risk management

The Company has implemented a robust capital liquidity risk management system, and adopted market liquidity risk management practices that conform to the volume of market transactions and the positions held on hand. The Company has also devised response plans for extraordinary and emergency liquidity situations where the Company may require additional capital.

(3) The Company maintains adequate position of cash and cash equivalents to support corporate operations and to mitigate effects of cash flow variation.

The following table is a maturity analysis for non-derivative financial liabilities (including notes payable, insurance claims payable, commissions payable, reinsurance account payable, other payables, and lease liabilities) with the pre-arranged repayment date. The analysis has been prepared based on the earliest date the Company may be required to repay, using undiscounted cash flow.

December 31, 2025

	Repayable upon demand or within 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	5 years and above
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 197,265	$ 59,151	$ 191,584	$ 16,941	$ -
Lease liabilities	-	621	1,435	2,118	-
	$ 197,265	$ 59,772	$ 193,019	$ 19,059	$ -

December 31, 2024

	Repayable upon demand or within 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	5 years and above
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 219,845	$ 64,246	$ 180,718	$ 16,232	$ -
Lease liabilities	-	605	1,213	1,265	-
	$ 219,845	$ 64,851	$ 181,931	$ 17,497	$ -

31. Related party transactions

(1) Name and relationship of related parties

Name of related party	Relationship with the Company
Yi Chih Co., Ltd.	Other related parties
OSTA Trading Co., Ltd.	Other related parties
Zong Cheng Enterprise Co., Ltd.	Other related parties
Du Ho Enterprise Co., Ltd.	Other related parties
Chien Yi Industrial Co., Ltd.	Other related parties
Chien Cheng Development Co., Ltd.	Other related parties
Hua Wang Manufacturer Co., Ltd.	Other related parties
Hai Hwa Construction Co., Ltd.	Other related parties
Yi Fang Co., Ltd.	Other related parties
Tsai Cheng Enterprise Co., Ltd.	Other related parties
Fu Bi Shi Construction Co., Ltd.	Other related parties
Tai Jing Apartment Building Management and Maintenance Co., Ltd.	Other related parties
Taiwan Real Estate Management Co., Ltd.	Other related parties
Taiwan Fuji Die Co., Ltd.	Other related parties
Chien Chi Co., Ltd.	Other related parties
Yongji Enterprise Co., Ltd.	Other related parties
Chimax Development Company	Other related parties
Yuanhu Construction Company	Other related parties
CHIMAX Development Company	Other related parties
Yuanrui Investment Co., Ltd.	Other related parties
Pao Shan Construction Co., Ltd.	Other related parties
Teng Hong Co., Ltd.	Other related parties
Jui San Co., Ltd.	Other related parties
Jinshi Construction Co., Ltd.	Other related parties
Jiatai Construction Co., Ltd.	Other related parties
APPIER INC.	Other related parties
AI4See Inc.	Other related parties
Yiguang Enterprise Development Co., Ltd.	Other related parties
Golden Light Enterprise Co., Ltd.	Other related parties
Nan Kuan Development Co., Ltd.	Other related parties
Ju Sheng Investment Co., Ltd.	Other related parties
Yunju Construction Co., Ltd.	Other related parties
Kai Hsuan Co., Ltd.	Other related parties
Tsai Rui Enterprise Co., Ltd.	Other related parties
Chu Kuan Enterprise Co., Ltd.	Other related parties
Song Ye Asset Management Co., Ltd.	Other related parties
Other related parties	Second degree relatives or closer to the company's director, Chairman, President, Manager, or spouse thereof

(2) Major transactions with related parties

1. Premium revenues

Type of related party	2025	2024
Other related parties	$ 4,938	$ 4,868

The above insurance coverage to other related parties were underwritten with the same terms as non-related parties.

2. Insurance claims paid

Type of related party	2025	2024
Other related parties	$ 29	$ 567

The above insurance coverage to other related parties were underwritten with the same terms and claim criteria as non-related parties.

3. Rental expense

Type of related party	2025	2024
Other related parties	$ 12	$ 12

Rental of conference room from the above related parties were undertaken at terms that were not materially different from ordinary transactions.

4. Selling expenses

Type of related party	2025	2024
Other related parties	$ 4,749	$ 4,559

Selling expenses paid to the above related parties were made at terms that were not materially different from ordinary transactions.

5. Premiums receivable

Type of related party	December 31, 2025	December 31, 2024
Other related parties	$ 372	$ 117

The above amounts receivable from related parties were not subject to bad debt provision, based on the Company's assessment.

(3) Remuneration to the executive management

	2025	2024
Short-term employee benefits	$ 64,686	$ 60,494
Retirement benefits	534	2,176
	$ 65,220	$ 62,670

Compensation to directors and members of the executive management is determined by the Remuneration Committee based on individual performance and market trends.

32. Major contingent liabilities and unrecognized contractual commitments

The Company is a non-life insurance company, and had no major commitment or contingent liability as at the balance sheet date apart from those mentioned in other footnotes and the following.

(1) Major unrecognized contractual commitments

As of December 31, 2025 and 2024, the Company had the following expenses that were contracted but unpaid:

Types of unrecognized contractual commitments	December 31, 2025	December 31, 2024
Project consultancy and system installation fees	$ 20,457	$ 39,411
Expenses other than those for the project consultation and system installation	$ 149	$ 565

(2) Contingent liabilities

As of December 31, 2025, the Company is involved in significant legal proceedings related to its insurance business, with total estimated claim payments of NT$28,231 thousand, of which NT$22,046 thousand has been ceded to reinsurance; the remaining amount is covered by loss reserves recognized. The cases are currently under court review.

33. Losses from major disasters: None.

34. Major post-balance sheet events: None.

35. Information on foreign currency-denominated financial assets and liabilities and exchange rate

Please refer to paragraph 1. Market risk in Note 30(4) for foreign currency-denominated financial assets of material impact.

36. Risk management goals, policies, procedures and methods

(1) Risk management policies and goals

The Company has established risk management policies and procedures according to "Risk Management Best Practice Principles for Insurance Enterprises" and "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises" to provide the foundation needed to facilitate proper risk management, business expansion, accomplishment of operational targets, and enhancement of shareholder value. These policies and procedures also provide the basis for other risk management guidelines within the Company.

(2) Risk management framework, organization and responsibilities

1. Risk management framework and organization

The board of directors outlines the Company's risk management policies based on overall operational strategies and the prevailing business environment. The board is ultimately responsible for overall risk management within the Company. A Risk Management Committee has been assembled under the board of directors while a Risk Management Department has been created outside of business units to enable continuous monitoring of the risk management system. The independent director serves as the convener for the Risk Management Committee. The committee's responsibilities are to supervise risk exposures and to ensure that the Company has adequate capital to meet all risks. The Risk Management Department is responsible for executing the risk management policy, consolidating risk information from all departments, and communicating/coordinating across different departments for the execution of risk policies and limits.

2. The responsibilities of each unit are listed as below:

Board of Directors

(1) The board of directors is the highest decision maker of risk management issues, and is ultimately responsible for overall risk management within the Company.

(2) The board is responsible for the establishment of proper risk management systems and cultures, approval and regular review of risk management policies, and making the most efficient allocation of available resources.
(3) The board evaluates risks, consequences and effects from the perspective of the entire organization. It also makes decisions in line with legal capital requirements imposed by the competent authority, while taking into consideration various financial and business rules that are relevant to capital allocation.
(4) The board reviews risk appetite on a yearly basis and makes adjustments as deemed appropriate.
(5) The Chairman is authorized to approve risk management-related policies within the Company.

Risk Management Committee

(1) The committee outlines the Company's risk management policies, framework and organization, and implements quantitative or qualitative standards for the Company's major risk exposures. The committee presents formal reports to the board of directors at least twice a year, and provides the board with relevant updates and recommendation as deemed necessary.
(2) The committee executes the board's risk management decisions and performs full-scale review of the Company's risk management system, implementation and execution at least once a year.
(3) The committee assists and supervises various departments in risk management activities.
(4) The committee assists in the review and establishment of risk limits.
(5) The committee adjusts risk exposure category, risk limit and risk mitigation methods depending on changes in the environment.
(6) The committee coordinates risk management practices and establishes communication and interaction across different departments.
(7) The committee supervises overall risk management of the Company.

Risk Management Department

(1) The department assists in the development of risk management policy, framework and organization, and executes board-approved risk management policy. The department presents regular reports to the Risk Management Committee and subsequently to the board of directors. Upon discovering any substantial risk exposure that is detrimental to the Company's financial position, business performance, or compliance status, the department is required to take appropriate measures and report to the Risk Management Committee immediately, and report to the board of directors afterwards.
(2) The department assists in setting risk limits based on risk appetite.
(3) The department is responsible for consolidating risk information from all departments, and communicating/coordinating across different departments for the execution of risk policies and limits.
(4) The department prepares monthly risk management reports.
(5) The department monitors breach and use of risk limit by business units at least twice a year.
(6) The department assists in stress testing.
(7) The department performs back testing where necessary.
(8) The department resolves breach of risk limit by other units.

(9) Other risk management-related affairs.

Business units

(1) Identify risk and report risk exposure
(2) Assess extent of impact (quantitative or qualitative) in the occurrence of risk event, and convey risk information in a timely and accurate manner.
(3) Review risk exposure and limits at least twice a year to ensure that risk limits are properly executed within business units.
(4) Monitor risk exposure and report limit breach, including actions taken by the business unit in response to the breach.
(5) Assist in the development of risk model. Ensure that the business unit adopts consistent and rational assumptions and basis for its risk assessment and modeling.
(6) Ensure that internal control procedures are effectively executed by the business unit in a manner that complies with laws and the Company's risk management policy.
(7) Assist in the gathering of operational risk-related data.
(8) The head of each business unit shall supervise the transfer of risk management information to the Risk Management Department, and is responsible for the daily risk management, reporting and response of the assigned unit.
(9) The head of each business unit shall assign risk management personnel to assist them in the effective execution of risk management tasks.

Internal audit

Internal auditors are responsible for auditing business activities of high integrity risk in accordance with Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and prevailing regulations. They also assess risk management practices of various business units and the Risk Management Department, and review the design and execution of internal control system. A formal report containing internal auditors' findings is prepared and presented to the board of directors.

(3) Control and disclosure of key risks

The Company has systems and practices in place to manage key risk categories that arise in relation to its business activities, such as market risk, credit risk, liquidity risk, assets and liabilities matching risk, insurance risk and operational risk. These systems and practices are constantly reviewed (including assessment on the effectiveness of risk management system and appropriateness of risk factors) to accommodate the Company's goals, risk exposures and changes in the external environment. The board of directors is reported regularly on the Company's risk management progress, and advised on possible improvements whenever deemed necessary.

(4) Control of insurance contract risks

Insurance contract risks can be distinguished into several risk sub-categories by stages of business activity, including product design and pricing risk, underwriting risk, reinsurance risk, disaster risk, claims risk, and reserve-related risk. Definitions of each risk sub-category are as follows:

1. Insurance risks

Insurance risk refers to the risk of loss caused by unexpected changes after the Company has collected insurance premiums, assumed the transfer of risk from insured parties and become obliged to pay claims and associated expenses.

2. Product design and pricing risks

Product design and pricing risk refers to the risk of using inappropriate or inconsistent information for product design, terms setting and pricing, or the risk of reference information becoming obsolete due to unexpected change in circumstances.

3. Underwriting risks

Underwriting risk refers to the risk of unexpected losses and expenses arising from business solicitation and underwriting review.

4. Reinsurance risks

Reinsurance risk refers to the risk of reinsurers becoming unable to fulfill obligations for undertaking risks beyond capacity without proper reinsurance arrangement, and thereby rendering the Company unable to collect premiums, claims, or expenses from reinsurers.

5. Disaster risks

Disaster risk refers to the risk of one or multiple insurance categories suffering losses due to occurrence of risk events, to the extent that may negatively affect the Company's credit rating or solvency.

6. Claims risks

Claims risk refers to the risk of mishandling customers' claim requests.

7. Reserve-related risks

Reserve-related risk refers to the risk of underestimating liabilities on insurance coverage underwritten by the Company, leaving insufficient reserves to meet future obligations.

The Company has a set of "Insurance Risk Management Guidelines" and systems in place to manage insurance risks. The risk management process includes risk identification, assessment, response, monitoring and reporting.

(5) Control of insurance risk exposure and avoidance of risk concentration

The Company has adopted practices in accordance with "Regulations Governing Insurance Enterprises Engaging in Operating Reinsurance and Other Risk Spreading Mechanisms" to manage the risks of retained, ceded and assumed insurance coverage. Reinsurance plans are devised and executed after taking into consideration the Company's risk tolerance. Please refer to Note 37(9) for retention limits of each insurance category.

(6) Asset and liability management

The Company's insurance liabilities are of short-term nature, which makes liquidity the primary concern in asset and liability management. The Company has identified three liquidity levels: Normal, Cautious and Critical based on the liquidity ratio, and applied different management practices for each of the above levels. The Company tries to maintain liquidity within the Normal level at all times. Any sign of liquidity deteriorating to the Cautious level (before the Critical level) must be reported with asset positions reviewed immediately, followed by a reassessment of asset allocation if necessary. If liquidity deteriorates to the Critical level, an emergency response meeting must be convened immediately to discuss possible solutions.

37. Disclosure of insurance contract-related information

(1) Insurance contract receivables and payables:

Receivables

Insurance category	December 31, 2025		
	Notes receivable	Premiums receivable	Total
Fire Insurance	$ 11,208	$ 69,055	$ 80,263
Marine insurance	25,420	33,928	59,348
Automobile Insurance	85,107	21,615	106,722
Engineering/ liability insurance	8,260	5,323	13,583
Other insurance	3,292	26,714	30,006
	133,287	156,635	289,922
Less: loss provisions	(3,569)	(33,607)	(37,176)
Net amount	$ 129,718	$ 123,028	$ 252,746

Insurance category	December 31, 2024		
	Notes receivable	Premiums receivable	Total
Fire Insurance	$ 9,344	$ 59,358	$ 68,702
Marine insurance	24,064	34,125	58,189
Automobile Insurance	87,147	34,619	121,766
Engineering/ liability insurance	715	3,569	4,284
Other insurance	3,808	20,892	24,700
	125,078	152,563	277,641
Less: loss provisions	(3,412)	(37,069)	(40,481)
Net amount	$ 121,666	$ 115,494	$ 237,160

Commission payable

Insurance category	December 31, 2025	December 31, 2024
Fire Insurance	$ 18,291	$ 21,529
Marine insurance	8,408	9,099
Automobile Insurance	53,319	64,011
Engineering/ liability insurance	3,587	1,803
Other insurance	16,472	18,564
Total	$ 100,077	$ 115,006

Reinsurance accounts receivable (payable) - retained reinsurance

	December 31, 2025	
	Reinsurance accounts receivable	Reinsurance accounts payable
MAT	$ 69,415	$ 20,243
WIL	42,549	5,682
CMP	24,455	57,487
CRC	15,335	69,957
GIB	11,957	5,052
TRI	3,313	21,569
TOH	-	15,754
Others	36,487	92,555
Less: loss provisions	(885)	-
Net amount	$ 202,626	$ 288,299

	December 31, 2024	
	Reinsurance accounts receivable	Reinsurance accounts payable
GUY	$ 139,236	$ 10,927
CRC	106,920	70,865
LOC	84,864	551
GUR	48,638	4,257
CMP	29,732	59,091
TRI	3,186	18,677
TOH	5	23,709
HWW	-	17,664
Others	101,888	77,959
Less: loss provisions	(2,932)	-
Net amount	$ 511,537	$ 283,700

(2) Unearned premium reserve

1. Details of unearned premium reserve:

Insurance category	December 31, 2025	December 31, 2024
One-year commercial fire insurance	$ 248,556	$ 251,299
General automobile hull insurance for private vehicle	1,084,496	1,167,435
General liabilities insurance for private vehicle	1,167,571	1,195,798
Mandatory automobile liabilities insurance for private vehicle	237,354	254,399
Personal accident insurance	309,575	301,075
General liability insurance	227,058	210,175
Other insurance	1,189,011	1,118,036
	$ 4,463,621	$ 4,498,217

Due to the extensive range of insurance categories involved, those balance exceeding 5% of the balance under this category are listed as above separately.

2. Details of retained unearned premium reserve:

Insurance category	December 31, 2025 Unearned premium reserve Direct insurance (1)	Assumed reinsurance (2)	Ceded unearned premium reserve Ceded reinsurance (Note) (3)	Retained insurance (4)=(1)+(2)-(3)
Fire Insurance	$ 619,135	$ 26,091	$ 290,444	$ 354,782
Marine insurance	80,054	303	33,221	47,136
Automobile Insurance	2,576,864	144,204	248,688	2,472,380
Engineering/ liability insurance	406,103	47,220	204,943	248,380
Accident/ health insurance	317,682	2,888	86,777	233,793
Other insurance	237,634	5,443	114,303	128,774
	$ 4,237,472	$ 226,149	$ 978,376	$ 3,485,245

Insurance category	December 31, 2024 Unearned premium reserve Direct insurance (1)	Assumed reinsurance (2)	Ceded unearned premium reserve Ceded reinsurance (Note) (3)	Retained insurance (4)=(1)+(2)-(3)
Fire Insurance	$ 611,943	$ 26,617	$ 258,946	$ 379,614
Marine insurance	77,580	621	27,750	50,451
Automobile Insurance	2,706,831	154,373	330,698	2,530,506
Engineering/ liability insurance	331,362	44,942	158,108	218,196
Accident/ health insurance	309,884	2,242	86,056	226,070
Other insurance	227,632	4,190	123,834	107,988
	$ 4,265,232	$ 232,985	$ 985,392	$ 3,512,825

Note: Presented as reinsurance contract assets.

3. Changes in unearned premium reserve and ceded unearned reserve

Item	2025 Unearned premium reserve	Ceded unearned premium reserve
Opening amount	$ 4,498,217	$ 985,392
Provisions in the current period	4,463,621	978,376
Recoveries in the current period	(4,498,217)	(985,392)
Closing amount	$ 4,463,621	$ 978,376

Item	2024 Unearned premium reserve	2024 Ceded unearned premium reserve
Opening amount	$ 4,424,737	$ 1,035,654
Provisions in the current period	4,498,217	985,392
Recoveries in the current period	(4,424,737)	(1,035,654)
Closing amount	$ 4,498,217	$ 985,392

(3) Claim reserve

1. Details of claim reserve:

Insurance category	December 31, 2025	December 31, 2024
One-year commercial fire insurance	$ 490,867	$ 605,283
General automobile hull insurance for private vehicle	421,476	345,356
General liabilities insurance for private vehicle	1,260,584	1,044,011
Mandatory automobile liabilities insurance for private vehicle	366,737	376,885
Mandatory liabilities insurance for motorcycle	178,347	164,455
General liabilities insurance	260,192	231,110
Commercial earthquake insurance	100,469	266,929
Other insurance	723,303	757,481
	$ 3,801,975	$ 3,791,510

Due to the extensive range of insurance categories involved, those balance exceeding 5% of the balance under this category are listed as above separately.

2. Details of retained claim reserve:

	December 31, 2025			
	Claim reserve		Ceded claim reserve	
Insurance category	Direct underwritten insurance (1)	Assumed reinsurance (2)	Ceded reinsurance (Note) (3)	Retained insurance (4)=(1)+(2)-(3)
Reported but not paid				
Fire Insurance	$ 619,510	$ 1,763	$ 281,710	$ 339,563
Marine insurance	108,513	-	41,911	66,602
Automobile Insurance	1,447,144	51,136	121,838	1,376,442
Engineering/ liability insurance	296,147	7,424	149,903	153,668
Accident/ health insurance	42,385	-	12,877	29,508
Other insurance	159,876	1,779	32,958	128,697

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	2,673,575	62,102	641,197	2,094,480
Not reported				
Fire Insurance	6,717	518	-	7,235
Marine insurance	7,129	-	4,408	2,721
Automobile Insurance	674,071	142,470	207,137	609,404
Engineering/ liability insurance	57,873	1,557	17,213	42,217
Accident/ health insurance	156,507	-	53,073	103,434
Other insurance	19,094	362	7,876	11,580
	921,391	144,907	289,707	776,591
	$ 3,594,966	$ 207,009	$ 930,904	$ 2,871,071

Insurance category	December 31, 2024			
	Claim reserve		Ceded claim reserve	
	Direct underwritten insurance (1)	Assumed reinsurance (2)	Ceded reinsurance (Note) (3)	Retained insurance (4)=(1)+(2)-(3)
Reported but not paid				
Fire Insurance	$ 879,590	$ 5,058	$ 410,502	$ 474,146
Marine insurance	148,116	-	75,918	72,198
Automobile Insurance	1,184,247	53,642	137,048	1,100,841
Engineering/ liability insurance	266,351	7,618	133,171	140,798
Accident/ health insurance	30,600	-	9,129	21,471
Other insurance	172,274	378	34,326	138,326
	2,681,178	66,696	800,094	1,947,780
Not reported				
Fire Insurance	9,012	1,458	-	10,470
Marine insurance	9,820	-	4,811	5,009
Automobile Insurance	663,782	145,940	212,515	597,207
Engineering/ liability insurance	48,975	1,725	13,782	36,918
Accident/ health insurance	142,696	-	46,456	96,240
Other insurance	20,148	80	9,830	10,398
	894,433	149,203	287,394	756,242
	$ 3,575,611	$ 215,899	$ 1,087,488	$ 2,704,022

Note: Presented as reinsurance contract assets.

3. Net change in claim reserves and net change in ceded claim reserves

Insurance category	2025							
	Direct underwritten insurance		Assumed reinsurance		Net change in claim reserves (5)=(1)-(2)	Ceded reinsurance		Net change in ceded claim reserve
	Provisions (1)	Recoveries (2)	Provisions (3)	Recoveries (4)	+(3)-(4)	Provisions (6)	Recoveries (7)	(8)=(6)-(7)
Reported but not paid								
Fire Insurance	$ 619,510	$ 879,590	$ 1,763	$ 5,058	($ 263,375)	$ 281,710	$ 410,502	($ 128,792)
Marine insurance	108,513	148,116	-	-	(39,603)	41,911	75,918	(34,007)
Automobile Insurance	1,447,144	1,184,247	51,136	53,642	260,391	121,838	137,048	(15,210)
Engineering/ liability insurance	296,147	266,351	7,424	7,618	29,602	149,903	133,171	16,732
Accident/ health insurance	42,385	30,600	-	-	11,785	12,877	9,129	3,748
Other insurance	159,876	172,274	1,779	378	(10,997)	32,958	34,326	(1,368)
	2,673,575	2,681,178	62,102	66,696	(12,197)	641,197	800,094	(158,897)
Not reported								
Fire Insurance	6,717	9,012	518	1,458	(3,235)	-	-	-
Marine insurance	7,129	9,820	-	-	(2,691)	4,408	4,811	(403)
Automobile Insurance	674,071	663,782	142,470	145,940	6,819	207,137	212,515	(5,378)
Engineering/ liability insurance	57,873	48,975	1,557	1,725	8,730	17,213	13,782	3,431
Accident/ health insurance	156,507	142,696	-	-	13,811	53,073	46,456	6,617
Other insurance	19,094	20,148	362	80	(772)	7,876	9,830	(1,954)
	921,391	894,433	144,907	149,203	22,662	289,707	287,394	2,313
	$ 3,594,966	$ 3,575,611	$ 207,009	$ 215,899	$ 10,465	$ 930,904	$ 1,087,488	($ 156,584)

Insurance category	2024 Direct underwritten insurance Provisions (1)	Direct underwritten insurance Recoveries (2)	Assumed reinsurance Provisions (3)	Assumed reinsurance Recoveries (4)	Net change in claim reserves (5)=(1)-(2)+(3)-(4)	Ceded reinsurance Provisions (6)	Ceded reinsurance Recoveries (7)	Net change in ceded claim reserve (8)=(6)-(7)
Reported but not paid								
Fire Insurance	$ 879,590	$ 1,156,634	$ 5,058	$ 687	($ 272,673)	$ 410,502	$ 858,772	($ 448,270)
Marine insurance	148,116	45,702	-	-	102,414	75,918	21,078	54,840
Automobile Insurance	1,184,247	1,256,829	53,642	51,422	(70,362)	137,048	176,042	(38,994)
Engineering/ liability insurance	266,351	265,491	7,618	5,303	3,175	133,171	126,320	6,851
Accident/ health insurance	30,600	20,396	-	-	10,204	9,129	6,414	2,715
Other insurance	172,274	30,297	378	290	142,065	34,326	12,866	21,460
	2,681,178	2,775,349	66,696	57,702	(85,177)	800,094	1,201,492	(401,398)
Not reported								
Fire Insurance	9,012	4,675	1,458	192	5,603	-	-	-
Marine insurance	9,820	44,214	-	-	(34,394)	4,811	27,770	(22,959)
Automobile Insurance	663,782	654,702	145,940	144,077	10,943	212,515	225,675	(13,160)
Engineering/ liability insurance	48,975	54,613	1,725	1,302	(5,215)	13,782	17,600	(3,818)
Accident/ health insurance	142,696	139,189	-	-	3,507	46,456	46,789	(333)
Other insurance	20,148	13,752	80	117	6,359	9,830	5,168	4,662
	894,433	911,145	149,203	145,688	(13,197)	287,394	323,002	(35,608)
	$ 3,575,611	$ 3,686,494	$ 215,899	$ 203,390	($ 98,374)	$ 1,087,488	$ 1,524,494	($ 437,006)

Changes in claim reserves and ceded claim reserves:

Item	2025 Claim reserve	2025 Ceded claim reserve
Opening amount	$ 3,791,510	$ 1,087,488
Provisions in the current period	3,801,975	930,904
Recoveries in the current period	(3,791,510)	(1,087,488)
Closing amount	$ 3,801,975	$ 930,904

Item	2024 Claim reserve	2024 Ceded claim reserve
Opening amount	$ 3,889,884	$ 1,524,494
Provisions in the current period	3,791,510	1,087,488
Recoveries in the current period	(3,889,884)	(1,524,494)
Closing amount	$ 3,791,510	$ 1,087,488

(4) Special claim reserve

1. Details of special claim reserve:

Nature	Insurance category	December 31, 2025	December 31, 2024
Major incident	Commercial earthquake insurance	$ 67,084	$ 71,030
	Typhoon and flood insurance	46,978	49,741
		114,062	120,771
Change of risk	Mandatory automobile liabilities insurance for private vehicle	272,437	237,613
	Mandatory automobile liabilities insurance for commercial vehicle	(56,065)	(63,188)
	Mandatory liabilities insurance for motorcycle	575,974	576,168
	Nuclear risks insurance	74,687	74,687
	Commercial earthquake insurance	456,111	456,111
	Typhoon and flood insurance	116,594	116,594
	Government-sponsored earthquake insurance policy	197,532	197,532
	Mandatory micro liabilities insurance for electric bikes	(466)	218
		1,636,804	1,595,735
		$ 1,750,866	$ 1,716,506

2. Details of special claim reserve - mandatory automobile/motorcycle liabilities insurance:

Item	2025	2024
Opening amount	$ 750,811	$ 689,244
Provisions in the current period	46,038	61,867
Recoveries in the current period	(4,969)	(300)
Closing amount	$ 791,880	$ 750,811

3. Special claim reserve - voluntary automobile/motorcycle liabilities insurance

	2025					
	Special claim reserve liability			Special reserve		
Item	Major incident	Change of risk	Total	Major incident	Change of risk	Total
Opening amount	$ 120,771	$ 844,924	$ 965,695	$ 964,862	$ 1,760,503	$ 2,725,365
Provisions in the current period	-	-	-	92,863	188,903	281,766
Recoveries in the current period	(6,709)	-	(6,709)	-	(18,922)	(18,922)
Closing amount	$ 114,062	$ 844,924	$ 958,986	$ 1,057,725	$ 1,930,484	$ 2,988,209

Item	2024					
	Special claim reserve liability			Special reserve		
	Major incident	Change of risk	Total	Major incident	Change of risk	Total
Opening amount	$ 127,480	$ 1,043,712	$ 1,171,192	$ 873,115	$ 1,657,772	$ 2,530,887
Provisions in the current period	-	-	-	91,747	125,775	217,522
Recoveries in the current period	(6,709)	(198,788)	(205,497)	-	(23,044)	(23,044)
Closing amount	$ 120,771	$ 844,924	$ 965,695	$ 964,862	$ 1,760,503	$ 2,725,365

Note 1: "Notes on Major Disaster Reserve Enhancement for Non-life Insurance Companies" issued by the competent authority in Jin-Guan-Bao-Cai-Zi No. 11101405951 dated June 30, 2022 permitted the reclassification of special claim reserves for major incidents to special claim reserves for change of risk. The Company had yet to make full provision of special claim reserves for commercial earthquake and typhoon/flood insurance at that time. It was therefore unable to reclassify balances to special reserves.

Note 2: If the Company had not adopted “Notes on Major Disaster Reserve Enhancement, Notes on Residential Earthquake Coinsurance Members' Reserves, and Rules on Nuclear Risks Insurance Reserves for Non-life Insurance Companies”, the amount of Insurance liability - special claim reserve would have decreased by NT$767,188 thousand and NT$772,556 thousand (net of NT$191,797 thousand and NT$193,139 thousand tax impact) against an increase in special reserve of the same amount as of December 31, 2025 and 2024, respectively; meanwhile, net income for the period from January 1 to December 31, 2025 and 2024 would have fallen by NT$5,368 thousand and NT$164,398 thousand, and earnings per share would have reduced by NT$0.02 and NT$0.55, respectively.

(5) Deficiency reserve

Details of deficiency reserve:

Insurance category	December 31, 2025			
	Deficiency reserve		Deficiency reserve for ceded coverage	
	Direct insurance (1)	Assumed reinsurance (2)	Ceded reinsurance (Note) (3)	Retained insurance (4)=(1)+(2)-(3)
Aviation Insurance	$ 1,998	$ -	$ -	$ 1,998
Engineering insurance	2,875	4,715	-	7,590
Commercial earthquake insurance	149	6	-	155
Health Insurance	88	-	-	88
	$ 5,110	$ 4,721	$ -	$ 9,831

Note: Deficiency reserve for ceded coverage is presented under reinsurance contract assets.

(6) Retained earned premium revenue

The following shows the amount and calculation of retained earned gross premiums for the Company's mandatory and voluntary automobile liabilities insurance in 2025:

Insurance category	Premium revenues (1)	Reinsurance Premium (2)	Reinsurance premiums expense (3)	Retained premium (4)=(1)+(2)-(3)
Mandatory automobile liabilities insurance	$ 708,469	$ 253,395	$ 293,101	$ 668,763
Voluntary automobile liabilities insurance	8,102,031	170,223	1,981,935	6,290,319
	$ 8,810,500	$ 423,618	$ 2,275,036	$ 6,959,082

For the voluntary automobile liabilities insurance, a sum of NT$14,584 thousand was contributed to the stabilization fund using applicable percentages in 2025.

Insurance category	Direct written insurance unearned premium reserve		Assumed reinsurance unearned premium reserve		Net change in unearned premium reserve (9)=(5)-(6)+(7)-(8)
	Provisions (5)	Recoveries (6)	Provisions (7)	Recoveries (8)	
Mandatory automobile liabilities insurance	$ 271,084	$ 287,423	$ 144,204	$ 154,374	($ 26,509)
Voluntary automobile liabilities insurance	3,966,388	3,977,809	81,945	78,611	(8,087)
	$ 4,237,472	$ 4,265,232	$ 226,149	$ 232,985	($ 34,596)

Item	Ceded reinsurance unearned premium reserve		Net change in ceded unearned premium reserve (12)=(10)-(11)	Retained earned gross premium (13)=(4)-(9)+(12)
	Provisions (10)	Recoveries (11)		
Mandatory automobile liabilities insurance	$ 162,668	$ 172,473	($ 9,805)	$ 685,467
Voluntary automobile liabilities insurance	815,708	812,919	2,789	6,301,195
	$ 978,376	$ 985,392	($ 7,016)	$ 6,986,662

The following shows the amount and calculation of retained earned gross premiums for the Company's mandatory and voluntary automobile liabilities insurance in 2024:

Insurance category	Premium revenues (1)	Reinsurance Premium (2)	Reinsurance premiums expense (3)	Retained premium (4)=(1)+(2)-(3)
Mandatory automobile liabilities insurance	$ 749,793	$ 273,874	$ 309,924	$ 713,743
Voluntary automobile liabilities insurance	8,191,536	163,975	1,939,443	6,416,068
	$ 8,941,329	$ 437,849	$ 2,249,367	$ 7,129,811

For the voluntary automobile liabilities insurance, a sum of NT$15,615 thousand was contributed to the stabilization fund using applicable percentages in 2024.

Insurance category	Direct written insurance unearned premium reserve		Assumed reinsurance unearned premium reserve		Net change in unearned premium reserve (9)=(5)-(6) +(7)-(8)
	Provisions (5)	Recoveries (6)	Provisions (7)	Recoveries (8)	
Mandatory automobile liabilities insurance	$ 287,423	$ 317,377	$ 154,374	$ 151,127	($ 26,707)
Voluntary automobile liabilities insurance	3,977,809	3,883,976	78,611	72,257	100,187
	$ 4,265,232	$ 4,201,353	$ 232,985	$ 223,384	$ 73,480

Item	Ceded reinsurance unearned premium reserve		Net change in ceded unearned premium reserve (12)=(10)-(11)	Retained earned gross premium (13)=(4)-(9)+(12)
	Provisions (10)	Recoveries (11)		
Mandatory automobile liabilities insurance	$ 172,473	$ 190,445	($ 17,972)	$ 722,478
Voluntary automobile liabilities insurance	812,919	845,209	(32,290)	6,283,591
	$ 985,392	$ 1,035,654	($ 50,262)	$ 7,006,069

(7) Retained claims

The following shows the amount and calculation of retained claims for the Company's mandatory and voluntary automobile liabilities insurance as of December 31, 2025:

Insurance category	Insurance claims (including claim-related expenses) (1)	Claims paid for reinsurance (2)	Claims recovered from reinsurers (3)	Retained claims (4)=(1)+(2)-(3)
Mandatory automobile liabilities insurance	$ 503,214	$ 245,648	$ 298,681	$ 450,181
Voluntary automobile liabilities insurance	3,659,414	48,798	657,322	3,050,890
	$ 4,162,628	$ 294,446	$ 956,003	$ 3,501,071

The following shows the amount and calculation of retained claims for the Company's mandatory and voluntary automobile liabilities insurance as of December 31, 2024:

Insurance category	Insurance claims (including claim-related expenses) (1)	Claims paid for reinsurance (2)	Claims recovered from reinsurers (3)	Retained claims (4)=(1)+(2)-(3)
Mandatory automobile liabilities insurance	$ 533,124	$ 253,156	$ 319,341	$ 466,939
Voluntary automobile liabilities insurance	4,094,834	48,970	1,047,508	3,096,296
	$ 4,627,958	$ 302,126	$ 1,366,849	$ 3,563,235

(8) Policyholders' reported claims liability

Policyholders' reported and paid/unpaid and unreported claims liability:

	December 31, 2025			
	Insurance claims payable	Claim reserves		
Insurance category	Reported and paid	Reported but not paid	Not reported	Total
Fire Insurance	$ -	$ 621,273	$ 7,235	$ 628,508
Marine insurance	-	108,513	7,129	115,642
Automobile Insurance	-	1,498,280	816,541	2,314,821
Engineering/ liability insurance	-	303,571	59,430	363,001
Accident/ health insurance	-	42,385	156,507	198,892
Other insurance	418	161,655	19,456	181,111
	$ 418	$ 2,735,677	$ 1,066,298	$ 3,801,975

Insurance category	December 31, 2024			
	Insurance claims payable	Claim reserves		
	Reported and paid	Reported but not paid	Not reported	Total
Fire Insurance	$ -	$ 884,648	$ 10,470	$ 895,118
Marine insurance	-	148,116	9,820	157,936
Automobile Insurance	-	1,237,889	809,722	2,047,611
Engineering/ liability insurance	-	273,969	50,700	324,669
Accident/ health insurance	-	30,600	142,696	173,296
Other insurance	-	172,652	20,228	192,880
	$ -	$ 2,747,874	$ 1,043,636	$ 3,791,510

Reinsurance contract asset - claims recoverable from reinsurers for obligatory payments made to policyholders

Insurance category	December 31, 2025 Actual payments	December 31, 2024 Actual payments
Fire Insurance	$ 4,238	$ 11,842
Marine insurance	3,431	527
Automobile Insurance	56,416	78,583
Engineering/ liability insurance	17,742	15,258
Accident/ health insurance	54,367	31,882
Other insurance	1,325	1,824
Subtotal	137,519	139,916
Less: loss provisions	(688)	(700)
Net amount	$ 136,831	$ 139,216

Reinsurance contract asset - please refer to Note 37(3) for the amount of ceded claim reserve provided on policyholders' reported and unpaid and unreported claims liability.

(9) Retention limits by insurance category

Insurance category	2025	2024
Fire Insurance	$ 250,000	$ 250,000
Engineering insurance	250,000	250,000
Liabilities insurance	150,000	150,000
Cargo insurance	75,000	75,000
Marine hull insurance	60,000	60,000
Shipping vessel insurance	60,000	60,000
Automobile hull insurance	20,000	20,000
Automobile third-party liability Insurance (per incident)	211,200	213,400
Automobile passenger liability Insurance (per incident)	672,000	679,000
Personal accident insurance	30,000	30,000
Health Insurance	2,000	2,000

(10) Acquisition costs for insurance contracts

	2025			
Insurance category	Commission expense	Service Charges	Reinsurance commission expense	Total
Fire Insurance	$ 104,976	$ -	$ 939	$ 105,915
Marine insurance	55,261	-	45	55,306
Automobile Insurance	702,354	110,489	-	812,843
Engineering/ liability insurance	74,635	-	25,385	100,020
Accident/ health insurance	127,530	-	-	127,530
Other insurance	42,445	-	135	42,580
	$ 1,107,201	$ 110,489	$ 26,504	$ 1,244,194

	2024			
Insurance category	Commission expense	Service Charges	Reinsurance commission expense	Total
Fire Insurance	$ 102,742	$ -	$ 1,032	$ 103,774
Marine insurance	57,471	-	157	57,628
Automobile Insurance	784,063	122,843	-	906,906
Engineering/ liability insurance	69,057	-	23,399	92,456
Accident/ health insurance	129,529	-	-	129,529
Other insurance	35,114	-	136	35,250
	$ 1,177,976	$ 122,843	$ 24,724	$ 1,325,543

None of the insurance contract acquisition cost above was recognized on a deferred basis.

(11) Insurance profitability analysis

Profitability analysis for direct underwritten insurance:

	2025					
Insurance category	Premium revenues (1)	Net change in unearned premium reserve (2)	Acquisition costs for insurance contracts (3)	Insurance claims (including claim-related expenses) (4)	Net change in claim reserves (5)	Profit (loss) on insurance (6)=(1)-(2)-(3)-(4)-(5)
Fire Insurance	$ 1,339,584	$ 7,192	$ 104,976	$ 479,920	($ 262,375)	$ 1,009,871
Marine insurance	513,619	2,474	55,261	121,347	(42,294)	376,831
Automobile Insurance	5,091,199	(129,967)	812,843	2,854,763	273,186	1,280,374
Engineering/ liability insurance	557,761	74,741	74,635	145,445	38,694	224,246
Accident/ health insurance	836,058	7,798	127,530	468,345	25,596	206,789
Other insurance	472,279	10,002	42,445	92,808	(13,452)	340,476
	$ 8,810,500	($ 27,760)	$ 1,217,690	$ 4,162,628	$ 19,355	$ 3,438,587

	2024					
Insurance category	Premium revenues (1)	Net change in unearned premium reserve (2)	Acquisition costs for insurance contracts (3)	Insurance claims (including claim-related expenses) (4)	Net change in claim reserves (5)	Profit (loss) on insurance (6)=(1)-(2)-(3)-(4)-(5)
Fire Insurance	$ 1,300,553	$ 37,541	$ 102,742	$ 770,301	($ 272,707)	$ 662,676
Marine insurance	461,296	(473)	57,471	81,622	68,020	254,656
Automobile Insurance	5,391,294	(86,607)	906,906	3,195,754	(63,502)	1,438,743
Engineering/ liability insurance	512,178	41,964	69,057	133,573	(4,778)	272,362
Accident/ health insurance	809,668	10,512	129,529	412,090	13,711	243,826
Other insurance	466,340	60,942	35,114	34,618	148,373	187,293
	$ 8,941,329	$ 63,879	$ 1,300,819	$ 4,627,958	($ 110,883)	$ 3,059,556

Profitability analysis for assumed reinsurance:

	2025					
Insurance category	Reinsurance Premium (1)	Net change in unearned premium reserve (2)	Reinsurance commission expense (3)	Claims paid for reinsurance (4)	Net change in claim reserves (5)	Profit (loss) on assumed reinsurance (6)=(1)-(2)-(3)-(4)-(5)
Fire Insurance	$ 52,526	($ 526)	$ 939	$ 5,346	($ 4,235)	$ 51,002
Marine insurance	2,313	(318)	45	(1,712)	-	4,298
Automobile Insurance	253,395	(10,169)	-	245,648	(5,976)	23,892
Engineering/ liability insurance	96,733	2,278	25,385	28,296	(362)	41,136
Accident/ health insurance	5,545	646	-	2,138	-	2,761
Other insurance	13,106	1,253	135	14,730	1,683	(4,695)
	$ 423,618	($ 6,836)	$ 26,504	$ 294,446	($ 8,890)	$ 118,394

Insurance category	2024 Reinsurance Premium (1)	Net change in unearned premium reserve (2)	Reinsurance commission expense (3)	Claims paid for reinsurance (4)	Net change in claim reserves (5)	Profit (loss) on assumed reinsurance (6)=(1)-(2)-(3)-(4)-(5)
Fire Insurance	$ 55,790	$ 666	$ 1,032	$ 25,191	$ 5,637	$ 23,264
Marine insurance	3,589	(464)	157	(139)	-	4,035
Automobile Insurance	273,874	3,246	-	253,157	4,083	13,388
Engineering/ liability insurance	90,467	8,200	23,399	19,211	2,738	36,919
Accident/ health insurance	4,650	(467)	-	2,092	-	3,025
Other insurance	9,479	(1,580)	136	2,614	51	8,258
	$ 437,849	$ 9,601	$ 24,724	$ 302,126	$ 12,509	$ 88,889

Current profit/loss recognized on ceded insurance contracts:

Insurance category	2025 Reinsurance premiums expense (1)	Net change in ceded unearned premium reserve (2)	Reinsurance commission revenues (3)	Claims recovered from reinsurers (4)	Net change in ceded claim reserve (5)	(Profit) loss on ceded reinsurance (6)=(1)-(2)-(3)-(4)-(5)
Fire Insurance	$ 772,804	$ 31,498	$ 23,110	$ 182,181	($ 128,792)	$ 664,807
Marine insurance	203,854	5,471	19,714	42,104	(34,410)	170,975
Automobile Insurance	466,423	(82,010)	55,111	452,628	(20,588)	61,282
Engineering/ liability insurance	284,077	46,835	73,320	64,463	20,163	79,296
Accident/ health insurance	292,553	721	57,523	186,604	10,365	37,340
Other insurance	255,325	(9,531)	19,361	28,023	(3,322)	220,794
	$ 2,275,036	($ 7,016)	$ 248,139	$ 956,003	($ 156,584)	$ 1,234,494

Insurance category	2024 Reinsurance premiums expense (1)	Net change in ceded unearned premium reserve (2)	Reinsurance commission revenues (3)	Claims recovered from reinsurers (4)	Net change in ceded claim reserve (5)	(Profit) loss on ceded reinsurance (6)=(1)-(2)-(3)-(4)-(5)
Fire Insurance	$ 718,979	($ 3,315)	$ 20,964	$ 524,013	($ 448,270)	$ 625,587
Marine insurance	101,306	(2,690)	9,534	27,405	31,881	35,176
Automobile Insurance	625,931	(105,306)	115,508	576,219	(52,154)	91,664
Engineering/ liability insurance	253,954	15,061	63,849	67,170	3,033	104,841
Accident/ health insurance	270,187	7,000	54,376	160,313	2,382	46,116
Other insurance	279,010	38,988	15,094	11,729	26,122	187,077
	$ 2,249,367	($ 50,262)	$ 279,325	$ 1,366,849	($ 437,006)	$ 1,090,461

(12) Information on insurance risks

1. Sensitivity analysis for insurance risks

The Company conducts sensitivity analysis on major assumptions that have the potential to affect claim reserves, such as average cost of claim, claim-related expenses and number of claim cases. Impacts on claim reserves are established by making reasonable and possible changes to one assumption while holding other major assumptions constant. For example, a change to the variable "average cost of claim" would result in a proportional change in claim reserves. Detailed analysis is presented below:

	December 31, 2025				
	Single-variable Variation	Effect on gross claims reserve Increase (decrease)	Effect on net claims reserve Increase (decrease)	Effect on pre-tax profit Increase (decrease)	Pre-tax effect on owners' equity Increase (decrease)
Average cost of claim	5%	$ 160,881	$ 125,803	($ 125,803)	($ 125,803)

	December 31, 2024				
	Single-variable Variation	Effect on gross claims reserve Increase (decrease)	Effect on net claims reserve Increase (decrease)	Effect on pre-tax profit Increase (decrease)	Pre-tax effect on owners' equity Increase (decrease)
Average cost of claim	5%	$ 160,233	$ 117,318	($ 117,318)	($ 117,318)

Note: The above analysis does not include mandatory automobile liabilities insurance, nuclear risks insurance, and government-regulated earthquake insurance.

2. Explanation to concentration of insurance risks

The Company sets retention limits depending on the risks associated with individual insurance categories. Risks are transferred away through the use of reinsurance, which reduces concentration of insurance risks and the impacts they have on the Company. Risk concentration by business category is explained below:

	2025		2025	
Insurance category	Direct written premiums	%	Cumulative retained premiums (Note)	%
Fire Insurance	$ 1,339,584	15.20	$ 619,306	8.90
Marine insurance	513,619	5.83	312,078	4.48
Automobile Insurance	5,091,199	57.79	4,878,171	70.11
Engineering/ liability insurance	557,761	6.33	370,417	5.32
Accident/ health insurance	836,058	9.49	549,050	7.89
Other insurance	472,279	5.36	230,060	3.30
	$ 8,810,500	100.00	$ 6,959,082	100.00

Note: represents the sum of premium revenue, reinsurance premium revenue and reinsurance premium expense.

Claims trends

Trend analysis for claims on direct insurance is as follows:

	December 31, 2025					
	Year count					
Year of accident	1	2	3	4	5	6
≤2020	$ 47,859,135	$ 48,179,548	$ 48,202,225	$ 48,141,620	$ 48,139,335	$ 48,148,942
2021	3,021,786	3,166,186	3,137,368	3,113,026	3,116,916	
2022	3,473,164	3,738,140	3,774,796	3,778,455		
2023	4,250,341	4,259,855	4,196,083			
2024	3,994,805	4,161,308				
2025	3,528,050					

Note: The above table does not include mandatory automobile liabilities insurance, nuclear risks insurance, and government-regulated earthquake insurance.

(13) Credit risk, liquidity risk and market risk of insurance contracts

1. Credit risk of insurance contracts

Reinsurance accounts with substandard counterparties of ceded coverage have been presented in regulatory reports according to Note 5 of "Substandard Reinsurance Reserve Provisioning for Insurance Companies" and disclosed in financial statements in the form of a footnote.

As of December 31, 2025, the Company is not required to recognize a provision for unqualified reinsurance reserves.

Below is a list of substandard reinsurance counterparties that did not meet the credit rating requirements stated in Article 8 of "Regulations Governing Insurance Enterprises Engaging in Operating Reinsurance and Other Risk Spreading Mechanisms" as of December 31, 2025:

Reinsurance counterparty	Insurance category
Tugu Insurance Company Limited	Facultative reinsurance of marine hull insurance

The Company has made provisions for substandard reinsurance reserves totaling NT$2 thousand, including NT$2 thousand of ceded claim reserves for reported and unpaid liabilities. Liabilities and reserves increased by NT$2 thousand, but this provision does not affect the overall presentation of the Company's financial statements, and credit risk exposure is deemed limited and tolerable accordingly.

2. Liquidity risk of insurance contracts

The Company manages the liquidity risk of its insurance contracts in three liquidity levels: Normal, Cautious, and Critical. The Company's liquidity position as of December 31, 2025 was considered to be at the Normal level, which posed no concern of liquidity risk.

3. Market risk of insurance contracts

None of the insurance contracts and reinsurance contracts issued or held by the Company involved any significant market risk.

(14) Assets, liabilities, revenues and costs of mandatory automobile liabilities insurance

1. Assets and liabilities of mandatory automobile liabilities insurance

Unit: NTD thousand

Item	Amount		Item	Amount	
Assets	December 31, 2025	December 31, 2024	Liabilities	December 31, 2025	December 31, 2024
Cash and bank deposits (Note)	$ 1,408,288	$ 1,354,411	Notes payable	$ 57	$ 620
Notes receivable	8,213	5,768	Claims payable	-	-
Premiums receivable	10,595	11,642	Claims payable to reinsurers	-	-
Claims recoverable from reinsurers	23,609	23,725	Reinsurance accounts payable	57,486	59,091
Reinsurance accounts receivable	45,700	52,522	Unearned premium reserve	415,288	441,797
Other receivables	-	-	Claim reserve	582,982	585,699
Financial assets at fair value through other comprehensive income	-	-	Special claim reserve	791,880	750,811
Ceded unearned premium reserve	162,668	172,473	Receipts in suspense and pending settlement	40,732	11,725
Ceded claim reserve	229,352	229,202	Other liabilities	-	-
Payments in suspense and pending settlement	-	-			
Other assets	-	-			
Total assets	$ 1,888,425	$ 1,849,743	Total liabilities	$ 1,888,425	$ 1,849,743

Note: As at December 31, 2025 and 2024, NT$238,288 thousand and NT$438,411 thousand of which were presented as cash, while NT$1,170,000 thousand and NT$916,000 thousand of which were presented as other financial assets, respectively.

2. Revenues and costs of mandatory automobile liabilities insuranceUnit: NTD thousands

	2025	2024
Revenue		
Pure premium revenues	$ 488,469	$ 516,503
Reinsurance Premium	253,395	273,874
Premium revenues	741,864	790,377
Less: reinsurance premiums expense	(293,101)	(309,924)
Net change in unearned premium reserve	16,704	8,735
Retained Earned Premium	465,467	489,188
Interest income	12,764	11,503
Total operating revenues	$ 478,231	$ 500,691
Operating Cost		
Insurance claims (including reinsurance claims, which amounted to NT$245,648 thousand and NT$253,156 thousand, respectively)	$ 748,862	$ 786,280
Less: Claims recovered from reinsurers	(298,681)	(319,341)
Retained claims	450,181	466,939
Net change in claim reserves	(2,867)	(9,337)
Net change in special claim reserves (Note)	41,068	61,567
Total operating costs	$ 488,382	$ 519,169

Note: Pursuant to FSC Order No. Jin-Guan-Bao-Chan-Zi-11004107771, effective April 1, 2021, the Company shall appropriate NT$30 per insurance policy on a monthly basis from the operating expenses of its direct insurance business to this reserve; pursuant to FSC Order No. Jin-Guan-Bao-Chan-Zi-11304922071, effective October 1, 2024, the Company shall appropriate NT$15 per insurance policy on a monthly basis from the operating expenses of its direct insurance business to this reserve, and FSC Order No. Jin-Guan-Bao-Chan-Zi-11004107771 is repealed as of the same date.

38. Other disclosures

(1) Major transactions:

1. Acquisition of real estate properties amounting to more than NT$100 million or 20% of paid-up capital: None.
2. Disposal of real estate properties amounting to more than NT$100 million or 20% of paid-up capital: None.
3. Core business transactions conducted with related parties amount to more than NT$100 million or more than 20% of paid-up capital: None.
4. Related party receivables amounting to more than NT$100 million or 20% of paid up capital: None.
5. Trading of derivatives: None.
6. Others: None.

(2) Information on invested businesses: None.

(3) Information relating to investments and business activities in the Mainland China: None.

39. Segment information

Non-life insurance was the Company's primary and only major business segment in 2025 and 2024, so segment-by-segment disclosure of financial information is not required.

§LIST OF MAJOR ACCOUNTS§

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The First Insurance Co., Ltd.
Cash and cash equivalent accounts
December 31, 2025

Account set 1 Unit: NTD thousands / foreign currency thousands

Item	Summary	Amount
Cash		$ 812
Cheque deposit		744,533
Demand deposit		858,913
Foreign currency deposit	US$2,373, HK$475, GBP$58, JPY$21, EUR$11 and CNY$33	79,542
Cash equivalents		
Time deposit	Time deposits with an original tenor of 3 months or lesser, at the interest rate ranging from 0.72% to 1.29%.	280,000
Time deposit in foreign currency	US$3,900, time deposits with an original tenor of 3 months or lesser, at the interest rate ranging from 3.83% to 4.2%.	122,577
		$ 2,086,377

Note: Foreign currency deposits were valued at spot exchange rates as of the balance sheet date, which were: USD1 = NTD31.43, HKD1 = NTD4.038, GBP1 = NTD42.33, JPY1 = NTD0.2008, EUR1 = NTD36.90, CNY1 = NTD4.496.

The First Insurance Co., Ltd.
Receivable accounts
December 31, 2025

Account set 2 | Unit: NTD thousands unless specified otherwise

Title	Summary	Amount
Notes receivable		
Arising from business activities		
Customer A		$ 39,885
Customer B		13,192
Others		80,210
		133,287
Less: loss provisions		(3,569)
		$129,718
Premiums receivable		
Customer C		$ 24,866
Customer D		10,867
Customer E		10,653
Customer F		10,358
Customer G		8,100
Customer H		91,791
Others		156,635
Less: loss provisions		(33,607)
		$123,028

Note: If the customer's balance exceeds 5% of this category, it is listed as above.

The First Insurance Co., Ltd.
Other receivable accounts
December 31, 2025

Account set 3 | Unit: NTD thousand

Item	Summary	Amount
Other receivables	Interest receivable	$ 77,507
	Stocks settlement receivable	34,800
	Commission receivable from canceled coverage	15,272
	Others	3,720
		131,299
Less: loss provisions		(11,267)
		$ 120,032

Note: If the balance under each item exceeds 5% of this category, it is listed as above.

The First Insurance Co., Ltd.
Financial asset at fair value through profit and loss accounts
December 31, 2025

Account set 4 (此段待檢查)

Unit: NTD thousands unless specified otherwise

Name of financial instrument	Summary: Interest payment date	Summary: Principal repayment date	Shares (thousand units) / lots	Face value ($)	Total value	Interest rate (%)	Acquisition cost	Fair value: Unit price ($)	Fair value: Total value
TWSE/TPEx listed shares									
Hung Sheng	-	-	15,555	10	155,550	-	$ 611,965	20.80	$ 323,538
Subtotal							611,965		323,538
Fund beneficiary certificates									
Yuanta De- Bao Money Market Fund	-	-	7,943	10	79,430	-	100,200	12.70	100,896
FSITC Money Market Fund	-	-	1,072	100	107,200	-	200,436	188.44	202,077
Hua Nan Phoenix Money Market Fund	-	-	17,677	10	176,770	-	299,180	17.21	304,234
Union Money Market Fund	-	-	21,707	10	217,070	-	299,524	13.97	303,280
SinoPac TWD Money Market Fund	-	-	21,152	10	211,520	-	300,000	14.73	311,472
Yuanta Japan Leaders Equity Fund	-	-	18	10	180	-	182	13.40	244
	-	-				-			
Subtotal							1,199,522		1,222,203
Securitized beneficiary certificates									
O-Bank R1	-	-	21,559	10	215,590	-	204,380	7.04	155,302
Subtotal							204,380		155,302
Domestic bank debentures									
Union subordinated bonds	Interests paid once a year in July each year	No maturity date	1	50,000	50,000	1.92%	50,000		49,745
			1	50,000	50,000	3.45%	50,000		51,532
			1	50,000	50,000	4.50%	50,000		50,001
			1	100,000	100,000	4.50%	100,000		100,104
Mega subordinated bonds	Interests paid once a year in December each year	No maturity date	1	100,000	100,000	3.20%	100,000		102,956
Subtotal							350,000		354,338
							2,365,867		$ 2,055,381
Plus: valuation adjustment							(310,486)		
							$ 2,055,381		

The First Insurance Co., Ltd.
Financial asset at cost after amortization accounts
December 31, 2025

Account set 5

Unit: NTD thousands unless specified otherwise

Name of bond	Summary		Lots	Face value	Total value	Interest rate (%)	Loss provisions	Unamortized premium (discount)	Book value	Collateral
	Interest payment date	Principal repayment date								
Corporate bond										
Nan Shan Life Insurance unsecured cumulative subordinated common corporate bonds - Tranche A	January 2025	Maturing January 4, 2034	1	$ 100,000	$ 100,000	3.75	($ 160)	$ -	$ 99,840	None
Unsecured subordinated ordinary corporate bond of Taishin Securities	January 2025	Maturing January 10, 2030	1	100,000	100,000	1.35	(578)	(4,544)	94,878	None
Shinshin Credit Corporation unsecured common corporate bond	April 2025	Maturing April 12, 2026	1	100,000	100,000	1.90	(160)	-	99,840	None
Fubon Life Insurance unsecured cumulative subordinated common corporate bonds - Tranche B	April 2025	Maturing April 22, 2040	1	100,000	100,000	3.85	(160)	-	99,840	None
Cathay Life Insurance unsecured cumulative subordinated common corporate bonds-Class A	April 2025	Maturing April 24, 2034	1	100,000	100,000	3.70	(56)	-	99,944	None
Secured cumulative subordinated corporate bonds of Mercuries Life	April 2025	Maturing April 24, 2035	1	30,000	30,000	3.80	(49)	-	29,951	None
Nan Shan Life Insurance unsecured cumulative subordinated common corporate bonds - Tranche B	April 2025	Maturing April 29, 2040	1	100,000	100,000	3.88	(160)	-	99,840	None
Fubon Life Insurance unsecured cumulative subordinated common corporate bonds - Tranche A	June 2025	Maturing June 12, 2034	1	100,000	100,000	3.70	(160)	-	99,840	None
CTBC Holding unsecured subordinated common corporate bond Type B	June 2025	Maturing June 24, 2030	1	100,000	100,000	1.05	(160)	-	99,840	None
Nan Shan Life Insurance cumulative subordinated corporate bonds with no maturity date	June 2025	No maturity date	1	35,000	35,000	3.50	(57)	287	35,230	None
Nan Shan Life Insurance unsecured cumulative subordinated common corporate bonds - Tranche A	June 2025	Maturing June 28, 2034	1	100,000	100,000	3.75	(56)	-	99,944	None
Taiwan Life Insurance unsecured cumulative subordinated corporate bonds-Class A	July 2024	Maturing July 21, 2033	1	100,000	100,000	3.75	(56)	-	99,944	None
KGI Life Insurance unsecured cumulative subordinated corporate bonds	July 2025	Maturing July 25, 2033	1	100,000	100,000	3.75	(56)	-	99,944	None
Fina Finance & Trading unsecured common corporate bond	July 2025	Maturing July 27, 2026	1	100,000	100,000	0.70	(160)	-	99,840	None
Cathay Life Insurance unsecured cumulative subordinated common corporate bonds-Class A	August 2025	Maturing August 1, 2033	1	100,000	100,000	3.70	(56)	-	99,944	None
Taiwan Cogeneration unsecured common corporate bond	August 2025	Maturing August 14, 2030	1	100,000	100,000	1.00	(160)	-	99,840	None
Unsecured subordinated ordinary corporate bond of SinoPac Securities	August 2025	Maturing August 26, 2029	1	50,000	50,000	2.40	(80)	-	49,920	None
Fubon Life Insurance unsecured cumulative subordinated common corporate bonds - Tranche A	September 2025	Maturing September 5, 2033	1	100,000	100,000	3.70	(56)	-	99,944	None
KGI Life Insurance unsecured cumulative subordinated corporate bonds-Class A	September 2025	Maturing September 13, 2034	1	100,000	100,000	3.75	(56)	-	99,944	None
UMC unsecured common corporate bond	September 2025	Maturing September 15, 2028	1	50,000	50,000	1.62	(28)	-	49,972	None
Fubon Life Insurance unsecured cumulative subordinated common corporate bonds - Tranche A	October 2025	Maturing October 23, 2034	1	100,000	100,000	3.70	(56)	-	99,944	None

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Nan Shan Life Insurance unsecured cumulative subordinated common corporate bonds - Tranche A	October 2025	Maturing October 26, 2033	1	$ 100,000	$ 100,000	3.75	($ 56)	$ -	$ 99,944	None
Fubon Life Insurance unsecured cumulative subordinated common corporate bonds - Tranche A	November 2025	Maturing November 7, 2033	1	100,000	100,000	3.70	(56)	-	99,944	None
Yuanta Futures unsecured subordinated common corporate bond	November 2025	Maturing November 12, 2028	1	100,000	100,000	0.85	(160)	-	99,840	None
Cumulative subordinated corporate bonds of Mercuries Life(三商美邦)	November 2025	No maturity date	1	30,000	30,000	3.70	(182)	-	29,818	None
Nan Shan Life Insurance unsecured cumulative subordinated common corporate bonds - Tranche B	November 2025	Maturing November 25, 2040	1	200,000	200,000	3.88	(321)	-	199,679	None
				2,395,000	2,395,000		(3,399)	(4,257)	2,387,344	
Bank debenture										
Bank Sinopac (2019) Subordinated Bond Issue 2	January 2025	Maturing January 25, 2029	1	100,000	100,000	1.55	(160)	-	99,395	None
O-Bank (2024) Subordinated Bond Issue 1	March 2025	Maturing March 27, 2031	1	100,000	100,000	2.30	(605)	-	99,395	None
COTA Bank (2023) Subordinated Bond Issue 1	April 2025	Maturing April 25, 2030	1	100,000	100,000	2.65	(605)	-	99,395	None
O-Bank (2023) Subordinated Bond Issue 1	April 2025	Maturing April 27, 2030	1	100,000	100,000	2.00	(605)	-	99,840	None
Shin Kong Bank (2024) Subordinated Bond Issue 1	May 2025	Maturing May 7, 2031	1	100,000	100,000	2.70	(160)	-	99,840	None
Yuanta Bank (2025) Subordinated Bond Issue 2	May 2025	Maturing May 29, 2035	1	100,000	100,000	2.35	(160)	-	149,092	None
Bank of Panhsin (2019) Subordinated Bond Issue 1	June 2025	Maturing June 26, 2026	1	150,000	150,000	2.25	(908)	-	49,984	None
TCB Bank (2025) Subordinated Bond Issue 2	June 2025	Maturing June 26, 2030	1	50,000	50,000	1.79	(16)	-	99,395	None
O-Bank (2024) Subordinated Bond Issue 2	June 2025	Maturing June 27, 2031	1	100,000	100,000	2.50	(605)	-	99,840	None
Kaohsiung Bank (2025) Subordinated Bond Issue 1	June 2025	Maturing June 27, 2035	1	100,000	100,000	2.38	(160)	-	49,698	None
Bank of Panhsin (2021) Subordinated Bond Issue 1	June 2025	Maturing June 28, 2028	1	50,000	50,000	1.50	(302)	-	99,395	None
Sunny Bank (2022) Subordinated Bond Issue 2	August 2025	Maturing August 19, 2029	1	100,000	100,000	2.45	(605)	-	99,395	None
Hwatai Bank (2025) Subordinated Bond Issue 1	September 2025	Maturing September 19, 2032	1	100,000	100,000	2.60	(605)	-	149,915	None
Bank Sinopac (2024) Subordinated Bond Issue 1	September 2025	Maturing September 26, 2026	1	150,000	150,000	1.73	(85)	-	99,395	None
O-Bank (2025) Subordinated Bond Issue 1	September 2025	Maturing September 26, 2032	1	100,000	100,000	2.55	(605)	-	99,395	None
O-Bank (2022) Subordinated Bond Issue 1	September 2025	Maturing September 27, 2029	1	100,000	100,000	2.30	(605)	-	198,790	None
Hwatai Bank (2022) Subordinated Bond Issue 1	September 2025	Maturing September 29, 2029	1	200,000	200,000	2.60	(1,210)	-	49,698	None
Hwatai Bank (2020) Subordinated Bond Issue 1	September 2025	Maturing September 30, 2027	1	50,000	50,000	1.25	(302)	-	49,698	None
Hwatai Bank (2021) Subordinated Bond Issue 1	September 2025	Maturing September 30, 2028	1	50,000	50,000	1.30	(302)	-	99,395	None
Hwatai Bank (2024) Subordinated Bond Issue 1	December 2025	Maturing December 23, 2031	1	100,000	100,000	2.50	(605)	-	99,395	None
Taichung Bank (2021) Subordinated Bond Issue 1	December 2025	Maturing December 27, 2028	1	100,000	100,000	1.20	(605)	-	99,395	None
				2,100,000	2,100,000		(9,815)	-	2,090,185	
				$ 4,495,000	$ 4,495,000		($ 13,214)	($ 4,257)	$ 4,477,529	

The First Insurance Co., Ltd.
Financial asset at fair value through other comprehensive income accounts
December 31, 2025

Account set 6

Unit: NTD thousands unless specified otherwise

	Summary								Fair value		
Name of financial instrument	Interest payment date	Principal repayment date	Shares (thousand units) / lots	Face value ($)	Total value	Loss provisions	Valuation allowance adjustment	Acquisition cost	Unit price ($)	Total value	Collateral
TWSE/TPEx listed shares											
Taiwan Cement			5,540	10	$ 55,400	$ -	($ 71,384)	$ 199,912	23.20	$ 128,528	None
Asia Cement Corporation			824	10	8,240	-	(3,094)	33,747	37.20	30,653	None
Nanya			1,035	10	10,350	-	(16,425)	78,732	60.20	62,307	None
Asia Polymer			5,213	10	52,130	-	(82,757)	151,308	13.15	68,551	None
Tahhsin			964	10	9,640	-	(34,003)	96,169	64.50	62,166	None
New Fibers			1,529	10	15,290	-	(4,471)	27,406	15.00	22,935	None
Taiwan Fertilizer			2,273	10	22,730	-	(22,265)	130,914	47.80	108,649	None
CSC			5,155	10	51,550	-	(66,181)	164,126	19.00	97,945	None
Huaku			1,666	10	16,660	-	27,094	166,968	116.50	194,062	None
EVA			305	10	3,050	-	15,190	42,760	190.00	57,950	None
Far Eastern Department Stores Co., Ltd.			7,420	10	74,200	-	(36,300)	199,540	22.00	163,240	None
Continental			5,353	10	53,530	-	(43,366)	162,738	22.30	119,372	None
						-	(337,962)	1,454,320		1,116,358	
Domestic unlisted shares											
Sunny Commercial Bank			119,100	10	1,191,000	-	725,106	689,806	11.88	1,414,912	None
Subtotal of shares						-	387,144	2,144,126		2,531,270	
Government bonds											
2011 A / Issue 7	August 2025	Maturing August 2, 2031	-	50,000	50,000	(12)	797	50,704	102.9786	51,489	Note
2012 A / Issue 4	February 2025	Maturing February 13, 2042	-	150,000	150,000	(40)	(13,920)	169,770	103.8734	155,810	Note
2012 A / Issue 8	August 2025	Maturing August 24, 2042	-	150,000	150,000	(38)	(5,893)	159,010	102.0526	153,079	Note
2013 A / Issue 9	August 2025	Maturing August 2, 2043	-	102,000	102,000	(28)	(3,761)	121,604	115.5048	117,815	Note
2013 A / Issue 9	August 2025	Maturing August 2, 2043	-	48,000	48,000	(14)	(1,770)	57,226	115.5048	55,442	None
						(132)	(24,547)	558,314		533,635	
Less: amount placed as bond						-	22,777	(500,970)		(478,193)	
Subtotal of government bonds						(132)	(1,770)	57,344		55,442	
						($ 132)	$ 385,374	$ 2,201,470		$ 2,586,712	

Note: Pledged as operating bond.

The First Insurance Co., Ltd.
Claim recoverable from reinsurers accounts
December 31, 2025

Account set 7 Unit: NTD thousand

Item	Summary	Amount
Personal accident insurance		$ 31,813
One-year health insurance		22,554
General liabilities insurance for private vehicle		20,997
Mandatory automobile liabilities insurance for private vehicle		15,279
General liabilities insurance		13,254
General automobile hull insurance for private vehicle		10,585
Other insurance		23,037
		137,519
Less: loss provisions		(688)
		$ 136,831

Note: If the balance under each insurance category exceeds 5% of this category, it is listed as above.

The First Insurance Co., Ltd.
Reinsurance accounts receivable and payable
December 31, 2025

Account set 8 Unit: NTD thousand

Summary	Debits	Summary	Credits
Reinsurance accounts receivable		Reinsurance accounts payable	
MAT	$ 69,415	CRC	$ 69,957
WIL	42,549	CMP	57,487
CMP	24,455	TRI	21,569
CRC	15,335	MAT	20,243
GIB	11,957	TOH	15,754
Others	39,800	Others	103,289
	203,511		
Less: loss provisions	(885)		
	$ 202,626		$ 288,299

Note: If the balance of each account exceeds 5% of this category, it is listed as above.

The First Insurance Co., Ltd.
Right-of-use asset variation accounts
January 1 to December 31, 2025

Account set 9 | Unit: NTD thousand

Item	Opening balance	Increase - current period	Decrease - current period	Closing balance	Remarks
Buildings	$ 2,558	$ 3,379	($ 2,000)	$ 3,937	
Transportation equipment	2,462	-	(692)	1,770	
Sundry equipment	1,186	-	-	1,186	
	$ 6,206	$ 3,379	($ 2,692)	$ 6,893	

The First Insurance Co., Ltd.
Right-of-use asset accumulated depreciation variation accounts
January 1 to December 31, 2025 (04/10 checkpoint)

Account set 10 | Unit: NTD thousand

Item	Opening balance	Increases during the current period	Decreases during the current period	Closing balance	Remarks
Buildings	$ 1,813	$ 1,307	($ 2,000)	$ 1,120	
Transportation equipment	1,381	648	(692)	1,337	
Sundry equipment	66	395	-	461	
	$ 3,260	$ 2,350	($ 2,692)	$ 2,918	

The First Insurance Co., Ltd.
Other asset details
December 31, 2025

Account set 11 | Unit: NTD thousand

Title	Summary	Amount
Other assets		
Net defined benefit assets		$ 30,298
Guarantee deposits paid	Insurance operating bond (placed in government bond)	478,193
	Others	52,784
		530,977
Other assets – others	Prepaid equipment purchase	26,718
	Prepaid insurance premiums	879
	Prepaid rent	631
	Payment in suspense	112
	Others	841
		29,181
		$590,456

Note: If the balance under each category exceeds 5% of this category, it is listed as above.

The First Insurance Co., Ltd.
Statement of Notes Payable
December 31, 2025

Account set 12 | Unit: NTD thousand

Name of Manufacturer	Summary	Amount	Remarks
Manufacturer H		$ 3,414	
Manufacturer A		2,212	
Manufacturer I		665	
Others		5,810	
		$ 12,101	

Note: If the balance of each manufacturer exceeds 5% of this category, it is listed as above.

The First Insurance Co., Ltd.
Lease liability accounts
December 31, 2025

Account set 13 Unit: NTD thousand

Item	Summary	Amount
Automobile insurance		$ 418

Note: If the balance under each insurance category exceeds 5% of this category, it is listed as above

The First Insurance Co., Ltd.
Lease liability accounts
December 31, 2025

Account set 14 Unit: NTD thousand

Item	Summary	Lease tenor	Discount rate	Closing balance	Remarks
Buildings	Business locations	March 01, 2024 - November 30, 2028	3.16%~3.29%	$ 2,837	
Transportation equipment	Company car	April 14, 2023 - July 6, 2027	2.93%~3.18%	445	
Sundry equipment	Firewall equipment	November 1, 2024 - October 31, 2027	3.29%	739	
				$ 4,021	

The First Insurance Co., Ltd.
Unearned premium reserve variation accounts
January 1 to December 31, 2025

Account set 15

Unit: NTD thousand

Item	Opening balance	Net change in current period	Other changes	Closing balance	Remarks
Total value:					
One-year residential fire insurance	$ 78,344	$ 3,067	$ -	$ 81,411	
Long-term residential fire insurance	37,422	(8,506)	-	28,916	
One-year commercial fire insurance	251,299	(2,743)	-	248,556	
Long-term commercial fire insurance	132	(42)	-	90	
Inland marine insurance	2,109	232	-	2,341	
Freight insurance	41,200	1,113	-	42,313	
Marine hull insurance	18,308	2,090	-	20,398	
Shipping vessel insurance	16,584	(1,279)	-	15,305	
Aviation Insurance	66,648	(20,880)	-	45,768	
General automobile hull insurance for private vehicle	1,167,435	(82,939)	-	1,084,496	
General automobile hull insurance for commercial vehicle	9,444	(125)	-	9,319	
General liabilities insurance for private vehicle	1,195,798	(28,227)	-	1,167,571	
General liabilities insurance for commercial vehicle	46,730	(2,336)	-	44,394	
Mandatory automobile liabilities insurance for private vehicle	254,399	(17,045)	-	237,354	
Mandatory automobile liabilities insurance for commercial vehicle	28,362	(2,178)	-	26,184	
Mandatory liabilities insurance for motorcycle	155,296	(6,650)	-	148,646	
General liabilities insurance	210,175	16,883	-	227,058	
Professional liability insurance	30,900	9,380	-	40,280	
Engineering insurance	131,609	50,761	-	182,370	
Nuclear risks insurance	3,620	(5)	-	3,615	
Performance bond insurance	4,911	2,157	-	7,068	
Credit insurance	-	-	-	-	
Other property insurance	51,654	10,489	-	62,143	
Personal accident insurance	301,075	8,500	-	309,575	
Commercial earthquake insurance	112,118	183	-	112,301	
Personal omnibus insurance	31,714	16,576	-	48,290	
Commercial omnibus insurance	1,270	119	-	1,389	
Typhoon and flood insurance	73,664	4,191	-	77,855	
Government-sponsored earthquake insurance policy	159,245	14,707	-	173,952	
One-year health insurance	11,051	(56)	-	10,995	
Mandatory micro liabilities insurance for electric bikes	3,740	(636)	-	3,104	
Share of foreign coverage	1,961	(1,397)	-	564	
Total	$ 4,498,217	($ 34,596)	$ -	$ 4,463,621	

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Item	Opening balance	Net change in current period	Other changes	Closing balance	Remarks
Ceded:					
One-year residential fire insurance	$ -	$ -	$ -	$ -	
Long-term residential fire insurance	32,895	(7,195)	-	25,700	
One-year commercial fire insurance	60,172	20,026	-	80,198	
Long-term commercial fire insurance	111	(34)	-	77	
Inland marine insurance	-	235	-	235	
Freight insurance	1,682	4,989	-	6,671	
Marine hull insurance	15,629	(221)	-	15,408	
Shipping vessel insurance	10,439	468	-	10,907	
Aviation Insurance	66,031	(21,022)	-	45,009	
General automobile hull insurance for private vehicle	77,267	(36,161)	-	41,106	
General automobile hull insurance for commercial vehicle	619	(259)	-	360	
General liabilities insurance for private vehicle	77,344	(34,433)	-	42,911	
General liabilities insurance for commercial vehicle	2,995	(1,352)	-	1,643	
Mandatory automobile liabilities insurance for private vehicle	104,880	(6,313)	-	98,567	
Mandatory automobile liabilities insurance for commercial vehicle	8,346	(530)	-	7,816	
Mandatory liabilities insurance for motorcycle	57,680	(2,433)	-	55,247	
General liabilities insurance	71,101	5,980	-	77,081	
Professional liability insurance	11,005	4,230	-	15,235	
Engineering insurance	76,002	36,625	-	112,627	
Nuclear risks insurance	-	-	-	-	
Performance bond insurance	1,111	956	-	2,067	
Credit insurance	-	-	-	-	
Other property insurance	35,724	6,532	-	42,256	
Personal accident insurance	81,109	807	-	81,916	
Commercial earthquake insurance	28,454	4,133	-	32,587	
Personal omnibus insurance	1,855	510	-	2,365	
Commercial omnibus insurance	566	48	-	614	
Typhoon and flood insurance	18,546	3,445	-	21,991	
Government-sponsored earthquake insurance policy	137,314	14,568	-	151,882	
One-year health insurance	4,947	(86)	-	4,861	
Mandatory micro liabilities insurance for electric bikes	1,567	(529)	-	1,038	
Share of foreign coverage	1	-	-	1	
Total	$ 985,392	($ 7,016)	$ -	$ 978,376	

The First Insurance Co., Ltd.
Claim reserve variation accounts
January 1 to December 31, 2025

Account set 16 | Unit: NTD thousand

Item	Opening balance	Net change in current period	Other changes	Closing balance	Remarks
Total value:					
Reported but not paid					
One-year residential fire insurance	$ 22,482	$ 14,202	$ -	$ 36,684	
Long-term residential fire insurance	-	-	-	-	
One-year commercial fire insurance	598,524	(113,081)	-	485,443	
Long-term commercial fire insurance	-	-	-	-	
Inland marine insurance	10	16	-	26	
Freight insurance	142,488	(45,305)	-	97,183	
Marine hull insurance	5,618	5,686	-	11,304	
Shipping vessel insurance	-	-	-	-	
Aviation Insurance	6,722	-	-	6,722	
General automobile hull insurance for private vehicle	341,854	75,102	-	416,956	
General automobile hull insurance for commercial vehicle	12,663	(7,742)	-	4,921	
General liabilities insurance for private vehicle	712,614	198,144	-	910,758	
General liabilities insurance for commercial vehicle	37,385	(6,481)	-	30,904	
Mandatory automobile liabilities insurance for private vehicle	91,045	3,283	-	94,328	
Mandatory automobile liabilities insurance for commercial vehicle	13,018	(530)	-	12,488	
Mandatory liabilities insurance for motorcycle	29,092	(1,517)	-	27,575	
General liabilities insurance	190,886	19,207	-	210,093	
Professional liability insurance	2,563	716	-	3,279	
Engineering insurance	79,607	9,360	-	88,967	
Nuclear risks insurance	913	319	-	1,232	
Performance bond insurance	6,748	1,383	-	8,131	
Credit insurance	-	-	-	-	
Other property insurance	17,479	3,362	-	20,841	
Personal accident insurance	28,525	10,974	-	39,499	
Commercial earthquake insurance	263,642	(164,496)	-	99,146	
Personal omnibus insurance	1,932	4,897	-	6,829	
Commercial omnibus insurance	-	622	-	622	
Typhoon and flood insurance	139,771	(21,261)	-	118,510	
Government-sponsored earthquake insurance policy	-	-	-	-	
One-year health insurance	2,075	811	-	2,886	
Mandatory micro liabilities insurance for electric bikes	218	132	-	350	
Share of foreign coverage	-	-	-	-	
	2,747,874	(12,197)	-	2,735,677	
Not reported					
One-year residential fire insurance	230	168	-	398	
Long-term residential fire insurance	-	-	-	-	

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Item	Opening balance	Net change in current period	Other changes	Closing balance	Remarks
One-year commercial fire insurance	$ 6,759	($ 1,335)	$ -	$ 5,424	
Long-term commercial fire insurance	-	-	-	-	
Inland marine insurance	6	(6)	-	-	
Freight insurance	3,767	(2,713)	-	1,054	
Marine hull insurance	3,631	2,444	-	6,075	
Shipping vessel insurance	2,416	(2,416)	-	-	
Aviation Insurance	6,711	(2,957)	-	3,754	
General automobile hull insurance for private vehicle	3,502	1,018	-	4,520	
General automobile hull insurance for commercial vehicle	130	(77)	-	53	
General liabilities insurance for private vehicle	331,397	18,429	-	349,826	
General liabilities insurance for commercial vehicle	22,367	(8,466)	-	13,901	
Mandatory automobile liabilities insurance for private vehicle	285,840	(13,431)	-	272,409	
Mandatory automobile liabilities insurance for commercial vehicle	29,367	(6,610)	-	22,757	
Mandatory liabilities insurance for motorcycle	135,363	15,409	-	150,772	
General liabilities insurance	40,224	9,875	-	50,099	
Professional liability insurance	2,516	(1,267)	-	1,249	
Engineering insurance	7,910	118	-	8,028	
Nuclear risks insurance	50	4	-	54	
Performance bond insurance	69	101	-	170	
Credit insurance	12	(12)	-	-	
Other property insurance	8,339	190	-	8,529	
Personal accident insurance	120,131	13,028	-	133,159	
Commercial earthquake insurance	3,287	(1,964)	-	1,323	
Personal omnibus insurance	3,616	1,771	-	5,387	
Commercial omnibus insurance	10	38	-	48	
Typhoon and flood insurance	1,432	109	-	1,541	
Government-sponsored earthquake insurance policy	194	(104)	-	90	
One-year health insurance	22,565	783	-	23,348	
Mandatory micro liabilities insurance for electric bikes	1,756	547	-	2,303	
Share of foreign coverage	39	(12)	-	27	
	1,043,636	22,662	-	1,066,298	
	$ 3,791,510	$ 10,465	$ -	$ 3,801,975	
Ceded:					
Reported but not paid					
One-year residential fire insurance	$ -	$ -	$ -	$ -	
Long-term residential fire insurance	-	-	-	-	
One-year commercial fire insurance	300,451	(92,559)	-	207,892	
Long-term commercial fire insurance	-	-	-	-	
Inland marine insurance	-	-	-	-	
Freight insurance	70,318	(38,697)	-	31,621	
Marine hull insurance	5,600	4,690	-	10,290	
Shipping vessel insurance	-	-	-	-	
Aviation Insurance	5,636	-	-	5,636	

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Item	Opening balance	Net change in current period	Other changes	Closing balance	Remarks
General automobile hull insurance for private vehicle	$ 28,054	($ 7,427)	$ -	$ 20,627	
General automobile hull insurance for commercial vehicle	942	(685)	-	257	
General liabilities insurance for private vehicle	59,909	(6,570)	-	53,339	
General liabilities insurance for commercial vehicle	2,773	(1,048)	-	1,725	
Mandatory automobile liabilities insurance for private vehicle	33,331	1,205	-	34,536	
Mandatory automobile liabilities insurance for commercial vehicle	3,586	(94)	-	3,492	
Mandatory liabilities insurance for motorcycle	8,398	(629)	-	7,769	
General liabilities insurance	78,247	7,168	-	85,415	
Professional liability insurance	300	118	-	418	
Engineering insurance	54,624	9,446	-	64,070	
Nuclear risks insurance	-	-	-	-	
Performance bond insurance	2,383	362	-	2,745	
Credit insurance	-	-	-	-	
Other property insurance	9,719	2,449	-	12,168	
Personal accident insurance	8,092	3,348	-	11,440	
Commercial Earthquake Insurance	110,051	(36,233)	-	73,818	
Personal omnibus insurance	69	114	-	183	
Commercial omnibus insurance	1	348	-	349	
Typhoon and flood insurance	16,518	(4,641)	-	11,877	
Government-sponsored earthquake insurance policy	-	-	-	-	
One-year health insurance	1,037	400	-	1,437	
Mandatory micro liabilities insurance for electric bikes	55	38	-	93	
Share of foreign coverage	-	-	-	-	
	800,094	(158,897)	-	641,197	
Not reported					
One-year residential fire insurance	-	-	-	-	
Long-term residential fire insurance	-	-	-	-	
One-year commercial fire insurance	-	-	-	-	
Long-term commercial fire insurance	-	-	-	-	
Inland marine insurance	1	(1)	-	-	
Freight insurance	279	(279)	-	-	
Marine hull insurance	2,703	1,705	-	4,408	
Shipping vessel insurance	1,828	(1,828)	-	-	
Aviation Insurance	6,344	(2,780)	-	3,564	
General automobile hull insurance for private vehicle	-	-	-	-	
General automobile hull insurance for commercial vehicle	-	-	-	-	
General liabilities insurance for private vehicle	27,001	(4,244)	-	22,757	
General liabilities insurance for commercial vehicle	1,682	(764)	-	918	
Mandatory automobile liabilities insurance for private vehicle	124,961	(6,406)	-	118,555	
Mandatory automobile liabilities insurance for commercial vehicle	9,098	(3,561)	-	5,537	
Mandatory liabilities insurance for motorcycle	48,999	9,431	-	58,430	
General liabilities insurance	11,081	3,702	-	14,783	
Professional liability insurance	777	(410)	-	367	

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Item	Opening balance	Net change in current period	Other changes	Closing balance	Remarks
Engineering insurance	$ 1,924	$ 139	$ -	$ 2,063	
Nuclear risks insurance	-	-	-	-	
Performance bond insurance	-	26	-	26	
Credit insurance	-	-	-	-	
Other property insurance	2,414	184	-	2,598	
Personal accident insurance	35,618	6,218	-	41,836	
Commercial Earthquake Insurance	-	-	-	-	
Personal omnibus insurance	1,069	606	-	1,675	
Commercial omnibus insurance	3	10	-	13	
Typhoon and flood insurance	-	-	-	-	
Government-sponsored earthquake insurance policy	-	-	-	-	
One-year health insurance	10,838	399	-	11,237	
Mandatory micro liabilities insurance for electric bikes	774	166	-	940	
Share of foreign coverage	-	-	-	-	
	287,394	2,313	-	289,707	
	$ 1,087,488	($ 156,584)	$ -	$ 930,904	

The First Insurance Co., Ltd.
Special claim reserve variation accounts
January 1 to December 31, 2025

Account set 17

Unit: NTD thousand

Item	Opening balance	Current period variations	Other changes	Closing balance	Remarks
Mandatory automobile liabilities insurance for private vehicle	$ 237,613	$ 34,824	$ -	$ 272,437	
Mandatory automobile liabilities insurance for commercial vehicle	(63,188)	7,123	-	(56,065)	
Mandatory liabilities insurance for motorcycle	576,168	(194)	-	575,974	
Nuclear risks insurance	74,687	-	-	74,687	
Commercial earthquake insurance	527,141	(3,946)	-	523,195	
Typhoon and flood insurance	166,335	(2,763)	-	163,572	
Government-sponsored residential earthquake insurance	197,532	-	-	197,532	
Mandatory micro liabilities insurance for electric bikes	218	(684)	-	(466)	
	$ 1,716,506	$ 34,360	$ -	$ 1,750,866	

The First Insurance Co., Ltd.
Special earnings reserve (for major incidents and change of risk) provision worksheet
January 1 to December 31, 2025

Account set 18 Unit: NTD thousand

		Expected claims			Current period provision for special earnings reserve				
Insurance category	Earned retained premium	Expected loss rate	Amount of expected claims	Retained (actual) claims	Provision rate %	Provision at fixed rate	Provision for below-expectation claims	Income tax effect	Total provisions
One-year residential fire insurance	$ 133,579	55.56%	$ 74,217	$ 39,953	3.00%	$ 4,007	$ 5,139	$ 1,829	$ 7,317
Long-term residential fire insurance	1,303	55,49%	723	79	1.00%	13	97	22	88
One-year commercial fire insurance	330,908	57.09%	188,915	102,753	5.00%	16,545	12,924	5,893	23,576
Long-term commercial fire insurance	(29)	55.17%	(16)	7	5.00%	-	-	-	-
Inland marine insurance	21,873	60.50%	13,233	779	3.00%	656	1,868	505	2,019
Freight insurance	273,038	60.50%	165,188	68,011	5.00%	13,652	14,577	5,646	22,583
Marine hull insurance	9,228	70.30%	6,487	1,775	5.00%	461	707	233	935
Shipping vessel insurance	11,254	70.30%	7,912	(538)	5.00%	563	1,267	366	1,464
Aviation Insurance	1,121	75.29%	844	1,014	7.00%	78	-	15	63
General automobile hull insurance for private vehicle	2,045,417	65.64%	1,342,611	1,161,778	1.00%	20,454	27,125	9,516	38,063
General automobile hull insurance for commercial vehicle	16,568	65.80%	10,902	2,972	1.00%	166	1,190	272	1,084
General liabilities insurance for private vehicle	2,105,817	65.86%	1,386,892	1,276,857	1.00%	21,058	16,505	7,512	30,051
General liabilities insurance for commercial vehicle	83,029	66.77%	55,438	42,642	1.00%	830	1,920	550	2,200
Mandatory automobile liabilities insurance for private vehicle	-	-	-	-	-	-	-	-	-
Mandatory automobile liabilities insurance for commercial vehicle	-	-	-	-	-	-	-	-	-
Mandatory liabilities insurance for motorcycle	-	-	-	-	-	-	-	-	-
General liabilities insurance	234,895	69.87%	164,121	94,357	1.00%	2,349	10,465	2,563	10,251
Professional liability insurance	13,299	69.82%	9,285	307	1.00%	133	1,347	296	1,184
Engineering insurance	86,757	60.95%	52,878	31,210	5.00%	4,338	3,250	1,517	6,071
Nuclear risks insurance	-	-	-	-	-	-	2,640	528	2,112
Performance bond insurance	9,389	72.32%	6,790	1,199	3.00%	282	847	226	903
Credit insurance	-	-	-	(1,325)	3.00%	-	199	40	159
Other property insurance	34,521	71.55%	24,701	21,525	3.00%	1,036	1,406	488	1,954
Personal accident insurance	444,736	0.00%	-	215,770	3.00%	8,929	23,557	6,498	25,988
Commercial earthquake insurance	139,195	60.06%	83,600	23,995	7.00%	9,744	44,704	10,890	43,558
Personal omnibus insurance	62,874	68.30%	42,943	13,849	1.00%	629	4,364	999	3,994
Commercial omnibus insurance	1,458	70.03%	1,021	355	3.00%	44	100	29	115
Typhoon and flood insurance	97,174	60.92%	59,199	30,954	7.00%	6,802	21,183	5,597	22,388
Government-sponsored residential earthquake insurance	-	-	-	-	-	-	38,409	7,682	30,727
One-year health insurance	96,590	80.81%	78,054	82,740	3.00%	3,173	309	696	2,786
Mandatory micro liabilities insurance for electric bikes	-	-	-	-	-	-	-	-	-
Share of foreign coverage	2,737	70.30%	1,924	3,531	0.00%	137	30	34	133
Total	$ 6,256,731		$ 3,777,862	$ 3,216,549		$ 116,079	$ 236,129	$ 70,442	$ 281,766

The First Insurance Co., Ltd.
Special earnings reserve (for major incidents and change of risk) reversal worksheet
January 1 to December 31, 2025

Account set 19

Unit: NTD thousand

Title	Cumulative special earnings reserve from previous period	Cumulative special earnings reserve from previous period plus current provisions	Special reserve reversed in current period					Cumulative special earnings reserve in current period
			Reversal for above-expectation claims	Reversal for excess above earned retained premium	Offset between insurance categories	Income tax effect	Total reversals	
One-year residential fire insurance	$ 85,373	$ 92,690	$ -	$ 2,093	$ -	$ 356	$ 1,737	$ 90,953
Long-term residential fire insurance	2,401	2,489	-	100	-	20	80	2,409
One-year commercial fire insurance	146,376	169,952	-	-	-	-	-	169,952
Long-term commercial fire insurance	457	457	-	-	-	-	-	457
Inland marine insurance	12,461	14,480	-	-	-	-	-	14,480
Freight insurance	190,204	212,787	-	-	-	-	-	212,787
Marine hull insurance	5,039	5,974	-	-	-	-	-	5,974
Shipping vessel insurance	12,165	13,629	-	401	-	80	321	13,308
Aviation Insurance	2,608	2,672	170	-	-	34	136	2,536
General automobile hull insurance for private vehicle	516,977	555,040	-	-	-	-	-	555,040
General automobile hull insurance for commercial vehicle	5,313	6,397	-	-	-	-	-	6,397
General liabilities insurance for private vehicle	181,787	211,838	-	-	-	-	-	211,838
General liabilities insurance for commercial vehicle	19,292	21,492	-	-	-	-	-	21,492
General liabilities insurance	92,897	103,148	-	-	-	-	-	103,148
Professional liability insurance	5,842	7,026	-	-	-	-	-	7,026
Engineering insurance	33,301	39,371	-	-	-	-	-	39,371
Nuclear risks insurance	42,270	44,382	-	-	-	-	-	44,382
Performance bond insurance	7,054	7,957	-	-	-	-	-	7,957
Credit insurance	671	830	-	308	-	62	246	584
Other property insurance	13,563	15,517	-	-	-	-	-	15,517
Personal accident insurance	201,362	227,350	-	19,760	-	3,833	15,927	211,423
Commercial earthquake insurance	490,661	534,219	-	-	-	-	-	534,219
Personal omnibus insurance	16,135	20,129	-	-	-	-	-	20,129
Commercial omnibus insurance	752	867	-	-	-	-	-	867
Typhoon and flood insurance	265,980	288,368	-	-	-	-	-	288,368
Government-sponsored earthquake insurance policy	360,958	391,685	-	-	-	-	-	391,685
One-year health insurance	11,076	13,862	-	-	-	-	-	13,862
Share of foreign coverage	2,390	2,523	-	594	-	119	475	2,048
Total	$ 2,725,365	$ 3,007,131	$ 170	$ 23,256	$ -	$ 4,504	$ 18,922	$ 2,988,209

The First Insurance Co., Ltd.
Other liability accounts
December 31, 2025

Account set 20 | Unit: NTD thousand

Item	Summary	Amount
Other liabilities		
Guarantee deposits received	Rental deposit	$ 16,941
Other liabilities – others	Amount collected on behalf	150,573
	Amount received in advance	2,140
		152,713
		$ 169,654

The First Insurance Co., Ltd.
Retained earned premium accounts
January 1 to December 31, 2025

Account set 21

Unit: NTD thousands unless specified otherwise

Insurance category	Premium revenues	Reinsurance Premium	Reinsurance expenses	Retained premium	Method of provision	Net change in unearned premium reserve	Retained earned premium
One-year residential fire insurance	$ 136,647	$ -	$ -	$ 136,647	Note 9	$ 3,067	$ 133,580
Long-term residential fire insurance	(67)	-	(59)	(8)	Note 1	(1,311)	1,303
One-year commercial fire insurance	601,891	4,141	297,893	308,139	Note 9	(22,769)	330,908
Long-term commercial fire insurance	-	(38)	-	(38)	Note 1	(8)	(30)
Inland marine insurance	22,757	-	887	21,870	Note 5	(3)	21,873
Freight insurance	410,746	2,069	143,652	269,163	Note 5	(3,876)	273,039
Marine hull insurance	47,160	109	35,732	11,537	Note 9	2,311	9,226
Shipping vessel insurance	32,956	135	23,583	9,508	Note 9	(1,747)	11,255
Aviation Insurance	78,331	-	77,068	1,263	Note 9	142	1,121
General automobile hull insurance for private vehicle	2,081,433	-	82,795	1,998,638	Note 9	(46,778)	2,045,416
General automobile hull insurance for commercial vehicle	17,404	-	702	16,702	Note 9	134	16,568
General liabilities insurance for private vehicle	2,198,422	-	86,399	2,112,023	Note 9	6,206	2,105,817
General liabilities insurance for commercial vehicle	85,471	-	3,426	82,045	Note 9	(984)	83,029
Mandatory automobile liabilities insurance for private vehicle	500,319	146,159	197,130	449,348	Note 3	(10,732)	460,080
Mandatory automobile liabilities insurance for commercial vehicle	29,909	26,314	15,633	40,590	Note 3	(1,648)	42,238
Mandatory liabilities insurance for motorcycle	175,634	79,545	79,420	175,759	Note 3	(4,217)	179,976
General liabilities insurance	363,885	13,843	131,929	245,799	Note 9	10,903	234,896
Professional liability insurance	29,696	227	11,474	18,449	Note 9	5,150	13,299
Engineering insurance	164,180	77,387	140,674	100,893	Note 9	14,136	86,757
Nuclear risks insurance	-	5,276	-	5,276	Note 4	(5)	5,281
Performance bond insurance	10,670	3,180	3,260	10,590	Note 9	1,201	9,389
Credit insurance	-	-	-	-	Note 6	-	-
Other property insurance (agriculture + other property)	84,365	5,753	51,639	38,479	Note 9	3,957	34,522
Personal accident insurance	650,260	5,545	203,374	452,431	Notes 5, 7 and 9	7,693	444,738
Commercial earthquake insurance	300,493	9,101	174,350	135,244	Note 9	(3,950)	139,194
Personal omnibus insurance	83,739	-	4,800	78,939	Note 9	16,066	62,873
Commercial omnibus insurance	2,821	-	1,293	1,528	Note 9	71	1,457
Typhoon and flood insurance	212,353	2,833	117,265	97,921	Note 9	746	97,175
Government-sponsored earthquake insurance policy	300,620	39,322	300,620	39,322	Note 2	139	39,183
One-year health insurance	185,798	-	89,179	96,619	Note 9	30	96,589
Mandatory micro liabilities insurance for electric bikes	2,607	1,377	918	3,066	Note 3	(107)	3,173
Share of foreign reinsurance coverage	-	1,340	-	1,340	Note 8	(1,397)	2,737
	$ 8,810,500	$ 423,618	$ 2,275,036	$ 6,959,082		($ 27,580)	$ 6,986,662

Note 1: Provisions for long-term fire insurance were made according to the latest coefficients amended and approved in Letter Tai-Cai-Bao-Zi No. 852363214.

Note 2: For the policy-based earthquake insurance, the Company complies with "Enforcement Rules for the Risk Spreading Mechanism of Residential Earthquake Insurance" stipulated in Instruction Jin-Guan-Bao-Chan-Zi No. 11304909161 dated March 27, 2024 and makes monthly provisions according to the unearned premium reserve sheet that Taiwan Residential Earthquake Insurance Fund distributes to each of its reinsurance members.

Note 3: For mandatory automobile/motorcycle liabilities insurance, provisions are made according to Orders under Jin-Guan-Bao-Chan-Zi No. 11104520199, Jin-Guan-Bao-Chan-Zi No. 11104617461 and Jin-Guan-Bao-Chan-Zi No. 11304922071, whereas insurance coverage is provided in accordance with Instruction Jin-Guan-Bao-Chan-Zi No. 11304929711.

Note 4: For nuclear risks insurance, provisions are made according to "Regulations for the Management of the Various Reserves for Nuclear Risks Insurance by Non-life Insurance Enterprises" stipulated in Instruction Jin-Guan-Bao-Cai-Zi No. 10102517091 dated December 28, 2012.

Note 5: For omnibus travel coverage in freight insurance and accident insurance, provisions are made based on written premiums of active policies using average duration as the assumption, and by following the methods outlined in Letter Tai-Cai-Bao-Zi No. 0920704423 issued by Department of Insurance, Ministry of Finance.

Note 6: For credit insurance, provisions are made according to the percentages that The Non-Life Insurance Association had stipulated for "consumer credit insurance" in September 2001 and for "financial institution small credit insurance" in August 2005.

Note 7: For group coverage in accident insurance and health insurance products, provisions are made according to "Reserve Provisioning Methods for Insurance Companies" outlined in Instruction Jin-Guan-Bao-Cai-Zi No. 11304930751, and the basis of the premium mentioned in Instruction Jin-Guan-Bao-Cai-Zi No. 11004925801 dated June 29, 2021.

Note 8: For coverage assumed through reinsurance, premium reserves are provided according to Article 6 of "Reserve Provisioning Methods for Insurance Companies" stipulated in Jin-Guan-Bao-Cai-Zi No. 11304930751. The Company has adopted the one-twenty-fourth method, and details of implementation are determined by actuarial personnel based on the nature of each insurance category.

Note 9: For other insurance, premium reserves are provided according to Article 6 of "Reserve Provisioning Methods for Insurance Companies" stipulated in Jin-Guan-Bao-Cai-Zi No. 11304930751. The Company has adopted the one-twenty-fourth method; details of implementation are determined by actuarial personnel based on the nature of each insurance category, which have been acknowledged by the Department of Insurance under Letter Tai-Cai-Bao No. 0920704423.

The First Insurance Co., Ltd.
Interest income accounts
January 1 to December 31, 2025

Account set 22 Unit: NTD thousand

Item	Summary	Amount
Interest from bond investments		$ 115,346
Interest from bank deposits		66,539
Interest from mandatory automobile liabilities insurance		12,765
Dividend from securitized real estate beneficiary certificates		6,190
Interest on fund beneficiary certificates		60
		$ 200,900

The First Insurance Co., Ltd.
Gain and loss accounts for financial assets/liabilities at fair value through profit and loss
January 1 to December 31, 2025

Account set 23 Unit: NTD thousand

Item	Summary	Amount
Equity instruments		
Valuation gains/losses		($ 59,371)
Trading gains/losses		5,910
Dividend income		15,555
		(37,906)
Debt instruments		
Valuation gains/losses		5,319
		5,319
		$ 32,587

The First Insurance Co., Ltd.
Realized gain and loss accounts for financial assets/liabilities at fair value through other comprehensive income
January 1 to December 31, 2025

Account set 24 Unit: NTD thousand

Item	Summary	Amount
Equity instrument		
Dividend income		$116,131

The First Insurance Co., Ltd.
Investment property gain and loss accounts
January 1 to December 31, 2025

Account set 25 | Unit: NTD thousand

Item	Summary	Amount
Gain on investment property		
Rental income		$ 71,022
Expenses and losses of investment property		
Expenses on investment property		(10,239)
Depreciation on investment property		(6,265)
		(16,504)
		$ 54,518

The First Insurance Co., Ltd.
Expected credit impairment loss and reversal gain on investment accounts
January 1 to December 31, 2025

Account set 26 | Unit: NTD thousand

Item	Amount of reversal of gains (impairment loss)
Bank debenture	$ 33
Corporate bond	(512)
Government bonds	9
	($ 470)

The First Insurance Co., Ltd.
Retained claim and benefit payment accounts
January 1 to December 31, 2025

Account set 27 | Unit: NTD thousand

Insurance category	Insurance claims (including claim-related expenses)	Claims paid for reinsurance	Claims recovered from reinsurers	Retained claims
01 One-year residential fire insurance	$ 25,751	$ -	$ -	$ 25,751
02 Long-term residential fire insurance	612	-	532	80
03 One-year commercial fire insurance	288,781	2,117	167,137	123,761
04 Long-term commercial fire insurance	-	7	-	7
05 Inland cargo insurance	769	-	-	769
06 Freight insurance	120,094	(1,714)	41,779	76,601
07 Marine hull insurance	484	-	325	159
08 Shipping vessel insurance	-	2	-	2
09 Aviation Insurance	12,757	-	11,618	1,139
10 General automobile hull insurance for private vehicle	1,141,969	-	62,722	1,079,247
11 General automobile hull insurance for commercial vehicle	10,767	-	737	10,030
12 General liabilities insurance for private vehicle	1,138,971	-	86,222	1,052,749
13 General liabilities insurance for commercial vehicle	59,842	-	4,266	55,576
14 Mandatory automobile liabilities insurance for private vehicle	319,788	141,680	192,568	268,900
15 Mandatory automobile liabilities insurance for commercial vehicle	16,633	25,881	8,721	33,793
16 Mandatory liabilities insurance for motorcycle	162,837	77,305	95,018	145,124
17 General liabilities insurance	113,197	6,133	42,616	76,714
18 Professional liability insurance	762	-	212	550
19 Engineering insurance	31,486	21,626	21,635	31,477
20 Nuclear risks insurance	-	537	-	537
21 Performance bond insurance	177	-	55	122
22 Credit Insurance	(1,288)	(37)	(11)	(1,314)
23 Other property insurance	22,031	8,255	9,625	20,661
24 Personal accident insurance	305,275	2,138	105,531	201,882
25 Commercial earthquake insurance	164,776	2,345	14,512	152,609
26 Personal omnibus insurance	10,750	-	2,754	7,996
27 Commercial omnibus insurance	115	-	54	61
28 Typhoon and flood insurance	48,266	2,969	3,928	47,307
29 Government-sponsored earthquake insurance policy	-	877	-	877
30 One-year health insurance	163,070	-	81,073	81,997
31 Share of foreign reinsurance coverage	-	3,543	-	3,543
32 Mandatory micro liability insurance for electric bikes	3,956	782	2,374	2,364
	$ 4,162,628	$ 294,446	$ 956,003	$ 3,501,071

The First Insurance Co., Ltd.
Commission expense accounts
January 1 to December 31, 2025

Account set 28 | Unit: NTD thousand

Item	Summary	Amount
Commission expense		
General automobile hull insurance for private vehicle		$ 345,066
General liabilities insurance for private vehicle		344,416
Personal accident insurance		120,997
Others		296,722
		1,107,201
Reinsurance commission expense		
Engineering insurance		22,812
General liabilities insurance		2,572
Other insurance		1,120
		26,504
		$ 1,133,705

Note: If the balance under each insurance category exceeds 5% of this category, it is listed as above.

The First Insurance Co., Ltd.
Operating expense accounts
January 1 to December 31, 2025

Account set 29 | Unit: NTD thousands unless specified otherwise

	Selling expenses	Administrative expenses	Staff training expenses	Total
Payroll expenses	$ 541,541	$ 156,287	$ -	$ 697,828
Taxes	204,662	-	-	204,662
Advertising	198,052	-	-	198,052
Postage	77,572	-	-	77,572
Other expenses	341,021	951	2,602	344,574
	$1,362,848	$ 157,238	$ 2,602	$1,522,688

The First Insurance Co., Ltd.
Summary of current employee welfare, depreciation and amortization by function
For periods from January 1 to December 31, 2025 and 2024

Account set 30

Unit: NTD thousands, except for Note 2 which is in dollars

	2025			2024		
	Presented as operating cost	Presented as operating expense	Total	Presented as operating cost	Presented as operating expense	Total
Employee welfare expenses						
Salary	$ 329,471	$ 654,158	$ 983,629	$ 330,309	$ 696,122	$ 1,026,431
Labor/health insurance premium	-	66,013	66,013	-	66,945	66,945
Pension expense	-	26,764	26,764	-	26,474	26,474
Remuneration to Director	-	16,906	16,906	-	15,323	15,323
Other employee welfare expenses	-	15,339	15,339	-	19,347	19,347
	$ 329,471	$ 779,180	$ 1,108,651	$ 330,309	$ 824,211	$ 1,154,520
Depreciation	$ 6,265	$ 20,881	$ 27,146	$ 6,227	$ 23,502	$ 29,729
Amortization expenses	$ -	$ 10,575	$ 10,575	$ -	$ 14,472	$ 14,472

Notes:

1. The Company employed a total of 828 employees in the current year and 856 employees in the previous year. The number of directors without concurrent roles as an employee was 14 in both years.
2. Supplementary disclosure under the annual parent company only financial statements:
   (1) Employee welfare expenses averaged NT$1,341,209 per employee in the current year ("Total employee welfare expense for the year - total director remuneration" / "employee count - No. of directors without concurrent role as employee" for the current year).
   Employee welfare expenses averaged NT$1,349,759 per employee in the previous year ("Total employee welfare expense for the previous year - total director remuneration" / "employee count - No. of directors without concurrent role as employee" for the previous year).
   (2) Payroll expenses averaged NT$1,208,389 per employee in the current year (Total payroll expenses in the current year / "employee count - No. of directors without concurrent role as employee" for the current year).
   Payroll expenses averaged NT$1,216,150 per employee in the previous year (Total payroll expenses in the previous year / "employee count - No. of directors without concurrent role as employee" for the previous year).
   (3) Change in average payroll expenses was calculated at 0.64% ("Payroll expense per employee in the current year - payroll expense per employee in the previous year" / "payroll expense per employee in the previous year").
   (4) Please state the Company's remuneration policy (including that for directors, supervisors, managers and employees)
   Remuneration policy:
   Remuneration policy for managers and directors
      1. Evaluation on performance shall be made, and compensation and remuneration shall be determined with reference to the normal compensation and remuneration levels in the industry. The rationality of the association with their individual performance, the Company's business performance, and future risks shall also be taken into account.
      2. The Company shall not encourage acts outside of the Company's risk appetite for additional compensation. The compensation system and performance shall be reviewed regularly to ensure that decisions are made within the Company's risk appetite.
      3. The proportion of dividends to be paid based on their short-term performance and change in timing for payment of compensation and remuneration shall be determined after the characteristics of the industry and the nature of the Company's businesses are considered.

   Remuneration policy for employees

   The employee remuneration primarily consists of monthly salary (monthly salary including the base pay, supervisory allowance, duty allowance, profession allowance), performance bonus and year-end & festival bonus, etc. Meanwhile, according to Article 31 of the Company's Articles of Incorporation, annual profits concluded by the Company are subject to employee remuneration of at least 1%, which the Board of Directors may decide to distribute in cash or shares. Employees who meet certain criteria are entitled to receive remuneration.

The First Insurance Co., Ltd.

Other disclosures of the financial statements and Auditors' review report

2025

The First Insurance Co., Ltd.

Other disclosures of the financial statements and auditors’ review report

To stakeholders of The First Insurance Co., Ltd.:

We have audited the 2025 financial statements of The First Insurance Co., Ltd., in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and applicable auditing standards, and issued the audit report with unqualified opinions on March 11, 2026. The purpose of this audit was to express opinions on the overall financial statement preparation. Attached are other disclosures relating to the 2025 financial report of The First Insurance Co., Ltd. These disclosures have been prepared separately in accordance with Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, which we have reviewed according to Notes on Review of Other Disclosures of Financial Report.

In our opinion, other disclosures relating to the 2025 financial report of The First Insurance Co., Ltd. have been made in accordance with Regulations Governing the Preparation of Financial Reports by Insurance Enterprises; the financial information presented was consistent with the financial statements, and no material amendment was required.

Deloitte Taiwan

CPA: Zhao-Mei Chen　　CPA: Sheng-Tai Liang

March 11, 2026

The First Insurance Co., Ltd.
Other disclosures of the financial report
2025

One. Business activities

I. Major business-related events:

(I) Any merger, acquisition, divestment, change of (equity) ownership by 10% or above, transfer of business activity, investment in affiliated companies, or restructuring in the last 5 years: None.

(II) Any acquisition or disposal of critical assets in the last 5 years:

1. Acquisition of critical assets: None.
2. Disposal of critical assets: None.

(III) Any major change in operations (including marketing system) or business activities: None.

II. Background and compensation of directors (including independent directors), supervisors, President and Executive Vice Presidents:

(I) Compensation to directors (including independent directors)

Unit: NTD thousand

<table>
<tr><th rowspan="3">Title</th><th rowspan="3">Name</th><th colspan="8">Remuneration to Director</th><th colspan="2" rowspan="2">Sum of A, B, C, and D as a percentage of net income</th><th colspan="8">Remuneration for performance of works as employees.</th><th colspan="2" rowspan="2">Sum of A, B, C, D, E, F, and G and relative percentage to net income</th><th rowspan="2">Compensation from parent company or business investments other than subsidiaries</th></tr>
<tr><th colspan="2">Remuneration (A) (Note 1)</th><th colspan="2">Severance payment and pension (B)</th><th colspan="2">Director remuneration (C)</th><th colspan="2">Fees for services rendered (D) (Note 2)</th><th colspan="2">Salaries, bonuses, special allowances etc. (E) (Note 3)</th><th colspan="2">Severance payment and pension (F)</th><th colspan="4">Employee remuneration (G)
The Company / Companies included in the financial statements</th></tr>
<tr><th>The Company</th><th>All companies included in the consolidated statements</th><th>The Company</th><th>All companies included in the consolidated statements</th><th>The Company</th><th>All companies included in the consolidated statements</th><th>The Company</th><th>All companies included in the consolidated statements</th><th>The Company</th><th>All companies included in the consolidated statements</th><th>The Company</th><th>All companies included in the consolidated statements</th><th>The Company</th><th>All companies included in the consolidated statements</th><th>The Company: Amount in cash</th><th>The Company: Amount in stock</th><th>Companies included in the financial statements: Amount in cash</th><th>Companies included in the financial statements: Amount in stock</th><th>The Company</th><th>All companies included in the consolidated statements</th><th></th></tr>
<tr><td rowspan="2">Chairman</td><td>Yi Chih Co., Ltd.</td><td rowspan="15">8,396</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">4,387</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">12,783
1.45%</td><td rowspan="15">-</td><td rowspan="15">2,399</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">35</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">15,217
1.73%</td><td rowspan="15">-</td><td rowspan="15">None</td></tr>
<tr><td>Representative: C. H. Lee</td></tr>
<tr><td rowspan="2">Director</td><td>Chien Yi Industrial Co., Ltd.</td></tr>
<tr><td>Representative: Cheng-Tsung Lee</td></tr>
<tr><td>Director</td><td>Cheng-Tu Lee</td></tr>
<tr><td>Director</td><td>Edward Y. C. Lee</td></tr>
<tr><td rowspan="2">Director</td><td>Chien Cheng Development Co., Ltd.</td></tr>
<tr><td>Representative: Wan-Ling Lee (Note 3)</td></tr>
<tr><td>Director</td><td>Shao-Ying Lee</td></tr>
<tr><td rowspan="2">Director</td><td>Chimax Development Company</td></tr>
<tr><td>Representative: Chi-Chen Tu</td></tr>
<tr><td rowspan="2">Director</td><td>OSTA Trading Co., Ltd.</td></tr>
<tr><td>Representative: Pi-Ju Chuang (Note 4)</td></tr>
<tr><td>Director</td><td>Cheng-Chin Lee</td></tr>
<tr><td>Director</td><td>Chang-Yi Chang</td></tr>
<tr><td>Independent Director</td><td>Jui-Tung Lu (Note 5)</td><td rowspan="6">1,930</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">2,193</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">4,123
0.47%</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">-</td><td rowspan="6">4,123
0.47%</td><td rowspan="6">-</td><td rowspan="6">None</td></tr>
<tr><td>Independent Director</td><td>Jui-Chou Lin</td></tr>
<tr><td>Independent Director</td><td>Hsiu-Mei Lin</td></tr>
<tr><td>Independent Director</td><td>Yi-Lung Lai (Note 5)</td></tr>
<tr><td>Independent Director</td><td>Chiu-Min Lu (Note 5)</td></tr>
<tr><td>Independent Director</td><td>Pi-Feng Hsieh (Note 5)</td></tr>
</table>

1. Please explain the policy, system, standards and structure by which independent director compensation is paid, and association between the amount paid and independent directors' responsibilities, risks and time committed:
   Policy:
   The Company shall evaluate independent directors' performance and determine compensation packages in reference to peer level. The compensation shall take into account individual performance, corporate performance and association with future risks. It shall not encourage independent directors to act outside of the Company's risk appetite for additional compensation. The compensation system and performance shall be reviewed regularly to ensure that decisions are made within the Company's risk appetite.
   System:
   The link between independent directors' compensation and performance is evaluated to ensure the rationality and effectiveness of the performance assessment and compensation system, and thereby maintain competitiveness of the compensation and welfare package offered.
   Standards and structure:
   Independent directors are compensated for the services rendered, and the package includes fixed compensations, travel allowances, remuneration and bonuses.
   Association between the amount paid and the responsibilities assumed, risks undertaken and time committed:
   Linkage between performance of the Company's directors and compensation and remuneration: With respect to remuneration to directors of the Company, in accordance with Article 31 of the Articles of Incorporation, if the Company is profitable in a fiscal year, it may, by board resolution, set aside no more than 0.6% (inclusive) of its surplus profit as remuneration to directors (including independent directors), and a reasonable amount of remuneration shall be paid to a director after taking account of the results of the Company's operations and the director's contribution to the results. With respect to payment of remuneration, the Company uses results of the assessment made under the regulations governing performance evaluation of and compensation and remuneration to the Company's directors as references. In addition to the Company's overall operation performance, future operating risks in and development trends of the industry, the Company also makes reference to directors' performance achievement rates and their contribution to the Company when determining the reasonable compensation to be paid to the directors. The relevant performance evaluation and reasonableness of remuneration shall be subject to review by the Remuneration Committee and the Board of Directors. When appropriate, the Company reviews the remuneration systems in accordance with the relevant laws at any time in light of its actual operating conditions so as to strike a balance between the Company's sustainable operation and risk control.
2. Compensation received by the director for providing service to any company included in the financial statements (e.g., consultancy service without the title of an employee of the Company) in the last year, except those disclosed in the above table: NT$90 thousand.
3. Former representative of director Tian-Ching Yang departed from duty on June 25, 2025, and new representative of director Wan-Ling Lee was elected during the shareholder meeting held on June 25, 2025.
4. Former representative of director Chien-Yi Hsu departed from duty on June 25, 2025, and new representative of director Pi-Ju Chuang was elected during the shareholder meeting held on June 25, 2025.
5. Former independent director Jui-Tung Lu w departed from duty on June 25, 2025, and the new independent directors Yi-Lung Lai, Chiu-Min Lu, and Pi-Feng Hsieh were elected during the shareholder meeting held on June 25, 2025.

Payment scale of remuneration to the Directors of the Company	Name of Director			
	Sum of first 4 compensations (A + B + C + D)		Sum of first 7 remunerations (A + B + C + D + E + F + G)	
	The Company	All companies included in the consolidated statements (I)	The Company	All companies included in the consolidated statements (J)
Below NT$1,000,000	Cheng-Tu Lee, Shao-Ying Lee, Representative of Chimax Development Company: Chi-Chen Tu, Chang-Yi Chang, Y. C. Lee, Cheng-Chin Lee, Representative of Chien Cheng Development Co., Ltd.: Wan-Ling Lee, Representative of OSTA Trading Co., Ltd.: Pi-Ju Chuang, Jui-Tung Lu, Jui-Chou Lin, Hsiu-Mei Lin, Yi-Lung Lai, Chiu-Min Lu, Pi-Feng Hsieh	-	Cheng-Tu Lee, Shao-Ying Lee, Representative of Chimax Development Company: Chi-Chen Tu, Chang-Yi Chang, Cheng-Chin Lee, Representative of Chien Cheng Development Co., Ltd.: Wan-Ling Lee, Representative of OSTA Trading Co., Ltd. Pi-Ju Chuang, Jui-Tung Lu, Jui-Chou Lin, Hsiu-Mei Lin, Yi-Lung Lai, Chiu-Min Lu, Pi-Feng Hsieh	-
NT$ 1,000,000 (inclusive) ~ NT$ 2,000,000 (non-inclusive)	-	-	-	-
NT$2,000,000 (inclusive) ~ NT$3,500,000 (non-inclusive)	Chien Yi Industrial Co., Ltd. Representative: Cheng-Tsung Lee	-	Chien Yi Industrial Co., Ltd. Representative: Cheng-Tsung Lee	-
NT$3,500,000 (inclusive) ~ NT$5,000,000 (non-inclusive)	-	-	-	-
NT$5,000,000 (inclusive) ~ NT$10,000,000 (non-inclusive)	Yi Chi Co., Ltd.; Representative: C. H. Lee	-	Yi Chi Co., Ltd.; Representative: C. H. Lee	-
NT$10,000,000 (inclusive) ~ NT$15,000,000 (non-inclusive)	-	-	-	-
NT$15,000,000 (inclusive) ~ NT$30,000,000 (non-inclusive)	-	-	-	-
NT$30,000,000 (inclusive) ~ NT$50,000,000 (non-inclusive)	-	-	-	-
NT$50,000,000 (inclusive) ~ NT$100,000,000 (non-inclusive)	-	-	-	-
More than NT$100,000,000	-	-	-	-
Total	16	-	16	-

Note 1: Refers to director's compensation in the last year (including salaries, allowances, severance pay, various bonuses and incentives).

Note 2: Refers to compensation paid for services rendered (including travel, special allowances, subsidies, accommodation, corporate vehicle and in-kind benefits). If housing, company car and other means of transportation were provided or the spending is exclusive to particular person, disclosure the nature of the assets provided and the cost thereof, rent actually disbursed or at fair market value, fuel allowance and other subsidies. If a driver was assigned, specify the remuneration to such driver but not include as a part of the remuneration.

Note 3: Refers to any salaries, allowances, severance pay, bonuses, incentives, travel allowances, special allowances, subsidies, accommodation, vehicles, in-kind benefits etc. that the director received in the latest year for assuming the role of a company employee (such as President, Executive Vice President, manager or other employee). If housing, company car and other means of transportation were provided or the spending is exclusive to particular person, disclosure the nature of the assets provided and the cost thereof, rent actually disbursed or at fair market value, fuel allowance and other subsidies. If a driver was assigned, specify the remuneration to such driver but not include as a part of the remuneration.

(II) Compensation to President and Executive Vice Presidents

Unit: NTD thousand

Title	Name	Salaries (A) (Note 1)		Severance payment and pension (B)		Bonuses and special allowances (Note 2) (C)		Remuneration to employees (D)				Sum of A, B, C, and D as a percentage of net income (%)		Quantity of shares entitled under employee stock warrants		Compensation from parent company or business investments other than subsidiaries
								The Company		All companies included in the consolidated statements						
		The Company	All companies included in the consolidated statements	The Company	All companies included in the consolidated statements	The Company	All companies included in the consolidated statements	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All companies included in the consolidated statements	The Company	All companies included in the consolidated statements	
President	Hsin-Qun Chen	18,950	-	-	-	-	-	454	-	-	-	19,404 2.2%	-	-	-	None
Executive Vice President	Ching-Chang Chen (Note 2)															
Executive Vice President	Chang-Hong Chen (Note 2)															
Executive Vice President	Yin-Lung Chen															
Executive Vice President	Jen-Huai Liu															
Executive Vice President	Tung-Ying Wu (Note 3)															
Executive Vice President	Yeong-Rong Hsiao															
Executive Vice President	Shu-Ling Chen															
Executive Vice President	Te-Chun Chiang															
Executive Vice President	Wen-Tung Yen															
Executive Vice President	Jian-Hong Yen															

Brackets along the scale for payments to the Presidents and individual Executive Vice Presidents.	Names of the President and Executive Vice Presidents	
	The Company	All companies included in the consolidated statements (E)
Below NT$1,000,000	-	-
NT$ 1,000,000 (inclusive) ~ NT$ 2,000,000 (non-inclusive)		-
NT$2,000,000 (inclusive) ~ NT$3,500,000 (non-inclusive)	Ching-Chang Chen; Chang-Hong Chen; ;Jen-Huai Liu; Shu-Ling Chen ; Yeong-Rong Hsiao; Wen-Tung Yen; Te-Chun Chiang; Jian-Hong Yan; Tung-Ying Wu	-
NT$3,500,000 (inclusive) ~ NT$5,000,000 (non-inclusive)	Yin-Lung Chen; Hsin-Qun Chen	-
NT$5,000,000 (inclusive) ~ NT$10,000,000 (non-inclusive)	-	-
NT$10,000,000 (inclusive) ~ NT$15,000,000 (non-inclusive)	-	-
NT$15,000,000 (inclusive) ~ NT$30,000,000 (non-inclusive)	-	-
NT$30,000,000 (inclusive) ~ NT$50,000,000 (non-inclusive)	-	-
NT$50,000,000 (inclusive) ~ NT$100,000,000 (non-inclusive)	-	-
More than NT$100,000,000	-	-
Total	11	-

Note: Refers to salaries, allowances, and severance pay made to the President and Executive Vice Presidents in the last year.

Note 2: Former Deputy General Manager Ching-Chang Chen retired upon reaching the mandatory retirement age on October 7, 2025; the appointment of new Deputy General Manager Chang-Hong Chen became effective on October 8, 2025.

Note 3: The appointment of new Deputy General Manager Tung-Ying Wu became effective on December 1, 2025.

(III) Names of managers entitled to employee remuneration and amount entitled

Unit: NTD thousand

Item	Title (Note 1)	Name (Note 1)	Amount in stock	Amount in cash	Total	Total and as a percentage of net income (%)
Manager	President Executive Vice President Executive Vice President Executive Vice President Executive Vice President Executive Vice President Executive Vice President Executive Vice President Executive Vice President Executive Vice President Executive Vice President Region Assistant Vice President Region Assistant Vice President Region Assistant Vice President Region Assistant Vice President Region Assistant Vice President Assistant Vice President Assistant Vice President Assistant Vice President Assistant Vice President Assistant Vice President Assistant Vice President Manager Manager Manager Manager Manager Assistant Vice President, Accounting Dept.	Hsin-Qun Chen Ching-Chang Chen Chang-Hong Chen Yin-Lung Chen Yeong-Rong Hsiao Jen-Huai Liu Wen-Tung Yen Te-Chun Chiang Jian-Hong Yan Shu-Ling Chen Tung-Ying Wu Hsu-Wei Chen Yu-Jen Liu Ting-Hsiang Chao Chien-Sheng Chen Chiung-Chi Chu Neng-Ting Chiang Kun-Ying Yeh Edward Y. C. Lee Chen-Hsiung Lin Chen-Pei Wang Pang-Yi Kao Chuan-Wei Hu Chi-Wen Lin Hsueh-Tung Lee Jui-Yuan Lin Chuan-Huang Liu Fei-Fen Hsiao	-	964	964	964 0.11%

Note 1: Names and titles have been disclosed separately, whereas earnings distribution has been disclosed in aggregate.

(IV) Chairman, President, or any managers involved in financial or accounting affairs being employed by the accounting firm or any of its affiliated enterprises in the last year: None.

(V) Information about retired chairmen and presidents re-hired as consultants: None.

III. Labor-Management Relationship:

(I) Current major labor-management agreements and execution

1. Employee welfare measures:

(1) The welfare measures provided by the Company include:

A. Labor insurance and national health insurance
B. Cash equivalent for Dragon Boat Festival and Mid-Autumn Festival gifts
C. Evaluation bonus, performance bonus, year-end bonus
D. Employee remuneration
E. Reward for excellent SDG project
F. Allowance for language proficiency test
G. Reward for participation in competition
H. Reward and allowance for underwriting & claims license examination
I. Booking of newspapers and magazines
J. Installation of breastfeeding rooms
K. Preferential childcare service organization by contract
L. Health promotion and pressure relieve courses
M. Health checkup leave with pay and subsidy for health checkup
N. Volunteer time off
O. Periodic health management and consulting service provided by occupational physicians and practicing registered nurses by contract
P. Paid leave on birthdays

(2) The welfare measures provided by the Committee

A. Cash gift for marriage
B. Relief fund
C. Family emergency allowance
D. Condolence money or wreaths for funeral
E. Group casualty insurance, cancer insurance and life insurance
F. Childbirth subsidy
G. Scholarship for employees and children
H. Birthday vouchers
I. Employee travel subsidies

2. Training:

The Company's training programs have been designed according to operating strategies and human resource plans. The Company has internal and external professional courses available to help all employees gain professional knowledge, improve work efficiency/quality and develop the professional character needed to compete in the market. The Company also encourages employees to acquire insurance-related certificates, and offers incentives to train professional insurance talents.

The Company completed 788 internal and external training sessions in 2025 for a total of 3,757 hours. Enrollment count totaled 19,597, and NT$1,584 thousand in training expenses were incurred.

3. Pension system:

   The Company has retirement and pension policies in place that apply to all full-time employees. According to the above policies, employees' pension benefits and severance pay are calculated based on their years of service and 6-month average salary leading up to their retirement. Since July 1, 2005, the Company has been making monthly contributions totaling 6% of monthly for all employees who have adopted the new pension system introduced under the Labor Pension Act. These contributions are deposited into employees' individual pension accounts held under the Bureau of Labor Insurance.

4. Other material agreements: None.

(II) Losses suffered in the last 3 years as a result of employment dispute:

1. Losses as a result of employment dispute in the last year up until the publication date of annual report: NT$700,000.
2. Actual or potential losses and response measures: The Company complies with the Labor Standards Act and abides by regulations with respect to employee welfare. Significant attention has been directed to improving the work environment and maintaining productive interactions with employees, therefore the Company considers it extremely unlikely to suffer losses from employment dispute in the future.

(III) Violations of Labor Standards Act found in a labor inspection: None.

IV. Cyber security management:

(I) Cyber security risk management framework:

Roles and functions of the Company’s information security-related organization are stated as follows:

1. Information Security Management Committee: The supreme management of the Resource Management Group shall serve as the Committee's convener, and the CIO as the vice convener. Meanwhile, an executive secretary shall be appointed to coordinate various operations of the Committee. Various insurance departments and information security-related departments shall delegate their representatives to join the Committee.
2. Information Security Taskforce: The convener of Information Security Management Committee shall designate the taskforce leader, and have the leader designate several members responsible for executing the information security operations and promoting related technologies within the units.
3. Asset Inventory-Taking and Risk Evaluation Taskforce: The convener of Information Security Management Committee shall designate the taskforce leader, and have the leader designate several members responsible for taking an inventory of assets and evaluating risks.
4. Document Control Taskforce: The convener of Information Security Management Committee shall designate the taskforce leader, and have the leader designate several members responsible for issuing, recovering, keeping, loaning and destroying the information security management system documents, and managing versions thereof.
5. Audit Taskforce: The convener of Information Security Management Committee shall designate the taskforce leader, and have the leader designate several members responsible for establishing related audit plans and executing the audit operations.

(II) Cyber security policy

The Company's cyber security policy aims to strengthen the information security management and ensure the safety of information and data, system, equipment and network communications, in order to mitigate the risks arising from theft, unfair use, disclosure, tampering, damage or interrupted servicing of information assets caused by human errors, intentional sabotage, failure in equipment or natural calamity effectively. Meanwhile, the policy satisfies the ISMS requirements and ensures the confidentiality, completeness and availability of information assets.

(III) Cyber security management program:

1. Each of the Company's business departments must comply with the related government laws and regulations (e.g. Patent Act, Copyright Act, Personal Data Protection Act, and Enforcement Rules of the Personal Data Protection Act, etc.) when performing its job duties.
2. Establish the Information Security Management Committee responsible for building and promoting the Company's information security management system.
3. Build the context of the organization evaluation mechanism to define the information security policy and scope of the information security management system implementation, and verify the context of the organization and need and expectation of followers.
4. Establish the document control operating procedures to regulate the management principles for preparation, modification, codification and release of the information security system documents.
5. Establish the information asset management mechanism to prepare the overall planning for allocation and effective utilization of limited resources to solve the key security issues.
6. Establish the risk evaluation management regulations and identify the risks over various assets to help take adequate responsive measures, so as to control and mitigate the risks until they are acceptable.
7. Implement the information security education and training related to job duties periodically, and promote the information security policy and related requirements.
8. Establish the physical control room and environmental safety protection measures, and perform maintenance work periodically.
9. Regulate the authority of access to information system, network services and sensitive information specifically to prevent any access without authorization.
10. Establish the operating procedures for access to and development and maintenance of the information system; regulate the bases to be followed by the development or outsourcing of the system specifically; take into account the information security-related issues before construction or launch of the information system or service, in order to prevent any circumstances impairing system security.
11. Establish and execute the information security internal audit activities to practice the information security management system, and take corrective actions against any deficiencies.
12. Establish the business continuity plan for information security and exercise it physically to ensure the Company's business continuity in any contingency.

13. All of the Company's staff shall be obligated to maintain the information security, and shall understand and comply with related information security management requirements, and practice the same when performing their job duties.

(IV) Resources invested in cyber security management

The Company has established the information security dedicated unit responsible for promoting the information security operations, and also acquired the ISO27001 information security system management license. In order to maintain the effect of the license, the Company has executed the ISMS consultancy agreement with CHT, and also established the Information Security Management Committee. The Committee’s convener is served by the managerial officer ranking vice president or above, in order to reflect the support to the information security from the Company's senior management. The management review meeting is convened periodically each year in order to supervise whether the information security procedures are carried out as required. The ISMS management meeting is also arranged from time to time each month. As a result, more than 20 related meetings have been convened, and more than 100 staff engaged in the work to review the validity of the information security protection measures and whether the anticipated goals are achieved or not. Meanwhile, the Company has purchased the data protection insurance from Nan Shan General Insurance Company, with the insured value amounting to US$1 million in total, in order to mitigate the losses to be caused by the cyber security risk.

(V) List any losses suffered by the Company in the most recent year and up to the date of publication of the annual report publication due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken: No significant information security incident occurred to the Company in 2025.

(VI) Financial impacts and response measures due to the cyber security risk:

If the Company is attacked by hackers and, therefore, the Company's important data or customers’ personal data are disclosed, the Company might receive claims made by customers or hackers’ request for ransom. If so, the Company will suffer a damaged reputation as well as lose money.

The responsive measures are 1. Report the case to the competent authority. 2. The Company shall take urgent actions and conduct investigation. 3. Ask any external professional information security entity, or Investigation Bureau or Criminal Investigation Bureau for help. 4. Strengthen the information security and reduce the possibility of attacks based on the analysis on malware samples and related information.

V. Change of President, chief internal auditor and certified actuary in the last 2 years:

	2025	2024
President	Hsin-Qun Chen	Hsin-Qun Chen
Chief internal auditor	Chang-Hong Chen (Note)	Ching-Chang Chen
Certified actuary	Chen-Hsiung Lin	Chen-Hsiung Lin

Note: Former Audit Supervisor Mr. Ching-Chang Chen retired upon reaching the mandatory retirement age on October 7, 2025; the appointment of new Audit Supervisor Mr. Chang-Hong Chen became effective on October 8, 2025.

VI. Changes in reserve provisioning method:

All reserves are provided according to "Reserve Provisioning Methods for Insurance Companies" stipulated by the Financial Supervisory Commission, Executive Yuan, in Instruction Jin-Guan-Bao-Cai-Zi No. 11304930751. Certified actuaries are engaged to certify various reserves provided by the Company.

VII. For non-life insurance companies that had shareholder-resolved increase or reduction of capital or board-resolved issuance of new shares in the last year. any application (or filing) that was not approved (or acknowledged) by the Securities and Futures Bureau, Financial Supervisory Commission, or any situation where change of capital was not approved by the Ministry of Economic Affairs: None.

VIII. Claims amounting to NT$20 million or above paid or recovered from reinsurance in the last 3 years, and analysis of financial impact:

Unit: NTD thousand

Insurance category	Claim case No.	Date of claim payment	Amount of claim	Amount recovered	Financial impact (net loss)
Fire	11A064	Dec. 10, 2025	56,534	56,534	-
Fire	13A163	Mar. 21. 2025	59,765	545	(59,220)
Fire	13A231	May 14, 2025	21,761	17,191	(4,570)
Fire	13A252	Dec. 19, 2025	23,672	2,630	(21,042)
Fire	13A167	Jun.25, 2025	23,147	2,315	(20,832)
Fire	14A169	Dec. 19, 2025	93,391	62,261	(31,130)
Fire	L240183	Mar. 3, 2025	75,397	39,949	(35,448)
Fire	11A064	Sep. 25, 2024	136,309	110,002	(26,307)
Fire	12A072	Dec. 26, 2024	450,121	416,187	(33,934)
Fire	12A162	Dec. 16, 2024	48,902	4,890	(44,012)
Fire	09A138	Dec. 19, 2023	116,552	116,552	-
Fire	10A091	Dec. 27, 2023	76,516	44,516	(32,000)
Fire	11A058	Feb. 28, 2023	25,192	2,519	(22,673)
Fire	11A064	Nov. 1, 2023	67,336	52,185	(15,151)
Fire	12A030	Aug. 16, 2023	34,000	24,100	(9,900)
Fire	12A072	Dec. 27, 2023	40,074	4,007	(36,067)
Engineering/ liability insurance	CAR12/0033	Nov. 21, 2023	51,585	30,713	(20,872)
Marine	L230134	Dec. 18, 2023	46,618	-	(46,618)
Marine	H230001	Dec. 30, 2023	51,642	7,650	(43,992)

IX. Name and credit rating of reinsurers where the amount of reinsurance premium expenses represented 1% or higher of total premium revenues in the last year:

Reinsurance companies	Credit Rating (S & P's Rating)
C.R.C	A
Toa Re (Note)	A
Swiss Re	AA-

Note: Credit rating of Toa Re was downgraded from A+ to A on January 25, 2023.

X. Date and outcome of external credit rating and name of rating agency, if applicable:

Name of rating agency	Date of rating	Rating outcome
Taiwan Ratings	November 20, 2024	tw AA

Two. Market price, dividend and ownership diversity

I. Information relating to market price, net worth, earnings, and dividends per share for the last 2 years

Item \ Year			2025	2024
Market price per share (Note 1)	High		31.00	25.85
	Low		24.10	17.50
	Average		27.16	22.40
Net worth per share (Note 2)	Before dividend		30.39	28.88
	After dividend		Note 8	26.78
Earnings per share	Weighted average outstanding shares (in thousands)		301,164	301,164
	EPS (Note 3)		2.92	3.00
Dividends per share	Cash dividends		Note 8	2.10
	Stock dividends	From earnings	-	-
		From capital reserves	-	-
	Cumulative undistributed dividends (Note 4)		-	-
Analysis of investment returns	P/E ratio (Note 5)		9.30	7.47
	Price to dividends ratio (Note 6)		Note 8	10.67
	Cash dividend yield (Note 7)		Note 8	9.38

* Where stock dividends were paid from earnings or capital reserves, market price and cash dividends per share are adjusted retrospectively for the number of new shares issued.

Note 1: The Table shows the highest and lowest market price of common shares in each year; average market price is calculated by weighing transaction prices against transaction volumes in the respective years.

Note 2: Calculated based on the number of outstanding shares at year-end; amount of distribution resolved in next year's shareholder meeting is presented in the Table.

Note 3: Where stock dividends were issued, EPS are disclosed in amounts before and after retrospective adjustments.

Note 4: If equity securities are issued with terms that allow dividends to be accrued and accumulated until the year the Company makes profit, the amount of cumulative undistributed dividends up till the current year is disclosed separately.

Note 5: P/E ratio = average closing price per share for the year / earnings per share.

Note 6: Price to dividend ratio = average closing price per share for the year / cash dividends per share.

Note 7: Cash dividend yield = cash dividend per share / average closing price per share for the current year.

Note 8: Dividends per share are presented based on the results resolved in shareholder meeting of the following year. The 2025 proposal had yet to be resolved in a shareholders’ meeting.

II. Ownership diversity

Common shares
Face value - NT$10 per share
December 31, 2025

Unit: shares

Shareholding range	Number of shareholders	Shares held	Shareholding percentage (%)
1 to 999	13,873	615,896	0.21%
1,000 to 5,000	6,518	14,048,396	4.67%
5,001 to 10,000	1,314	10,732,887	3.57%
10,001 to 15,000	479	6,155,770	2.04%
15,001 to 20,000	330	6,063,286	2.01%
20,001 to 30,000	280	7,238,084	2.40%
30,001 to 40,000	169	6,052,363	2.01%
40,001 to 50,000	123	5,738,420	1.91%
50,001 to 100,000	178	12,809,632	4.25%
100,001 to 200,000	127	18,130,458	6.02%
200,001 to 400,000	67	19,370,259	6.43%
400,001 to 600,000	26	12,765,970	4.24%
600,001 to 800,000	21	14,648,214	4.86%
800,001 to 1,000,000	16	13,708,384	4.55%
1,000,001 and above	48	153,085,765	50.83%
Total	23,569	301,163,784	100.00%

III. Changes in shareholding of directors (including independent directors), managers and dominant shareholders (with 10% holding interest and above)

Title	Name	Opening shareholding position			Change of shareholding		Closing shareholding position		
		Shares held	Shareholding percentage %	Shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged	Shares held	Shareholding percentage %	Shares pledged
Chairman	Yi Chi Co., Ltd.; Representative: C. H. Lee	4,928,750	1.64%	-	-	-	4,928,750	1.64%	-
Director	Chimax Development Company Representative: Chi-Chen Tu	1,357,389	0.45%	-	-	-	1,357,389	0.45%	-
Director	Chien Yi Industrial Co., Ltd. Representative: Cheng-Tsung Lee	7,385,189	2.45%	-	-	-	7,385,189	2.45%	-
Director	Cheng-Tu Lee	3,000,991	1.00%	-	-	-	3,000,991	1.00%	-
Director	Edward Y. C. Lee	2,893,896	0.96%	-	-	-	2,893,896	0.96%	-
Director	Shao-Ying Lee	195,104	0.06%	-	-	-	195,104	0.06%	-
Director	Chang-Yi Chang	761,739	0.25%	-	-	-	761,739	0.25%	-
Director	Cheng-Chin Lee	347,000	0.12%	-	-	-	347,000	0.12%	-
Director	Chien Cheng Development Co., Ltd. Representative: Wan-Ling Lee (Note 1)	18,806,192	6.24%	-	-	-	18,806,192	6.24%	-
Director	OSTA Trading Co., Ltd. Representative: Bi-Ru Zhuang (Note 2)	15,823,085	5.25%	-	-	-	15,823,085	5.25%	-
Independent Director	Jui-Tung Lu (Note 3)			-	-	-	-	-	-
Independent Director	Lai Yi-Long (Note 4)	459,352	0.15%	-	-	-	459,352	0.15%	-
Independent Director	Chiu-Min Lu (Note 5)	-	-	-	-	-	-	-	-
Independent Director	Hsieh Pi-Feng (Note 6)	-	-		-	-	-	-	-
Independent Director	Rui-Zhou Lin	-	-		-	-	-	-	-
Independent Director	Hsiu-Mei Lin	-	-		-	-	-	-	-
Manager	Hsin-Kun Chen	41,963	0.01%	-	-	-	41,963	0.01%	-
Manager	Yan Wen-Tong	45,608	0.02%	-	(18,000)	-	27,608	0.01%	-
Manager	Ren-Huai Liu	488	-	-	-	-	488	-	-
Manager	Jing-Chang Chen (Note 7)	37,761	0.01%	-	(9,000)	-	28,761	0.01%	-
Manager	Chen-Hsiung Lin	5,000	-	-	3,000	-	8,000	-	-
Manager	Hsu-Wei Chen	28,621	0.01%	-	-	-	28,621	0.01%	-

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Manager	Yeong-Rong Hsiao	-	-	-	-	-	-	-	-
Manager	Edward Y. C. Lee	2,865,896	0.95%	-	-	-	2,893,896	0.96%	-
Manager	Fei-Fen Hsiao	-	-	-	-	-	-	-	-
Manager	Chang-Hung Chen	31,352	0.01%	-	-	-	31,352	0.01%	-
Manager	Te-Chun Chiang	280	-	-	-	-	280	-	-
Manager	Chuan-Wei Hu	-	-	-	-	-	-	-	-
Manager	Tung-Ying Wu	80,000	0.03%	-	-	-	80,000	0.03%	-
Manager	Chien-Sheng Chen	426	-	-	-	-	426	-	-
Manager	Neil Yen	8,000	-	-	-	-	8,000	-	-
Manager	Kun-Ying Yeh	37,000	0.01%	-	(37,000)	-	-	-	-
Manager	Shu-Ling Chen	-	-	-	-	-	-	-	-
Manager	Yin-Lung Chen	-	-	-	-	-	-	-	-
Manager	Hsueh-Tung Li	8,000	-	-	2,000	-	10,000	-	-
Manager	Chen-Pei Wang	-	-	-	-	-	-	-	-
Manager	Yu-Jen Liu	-	-	-	-	-	-	-	-
Manager	Jui-Yuan Lin	7,094	-	-	-	-	7,094	-	-
Manager	Ting-Hsiang Chao	-	-	-	-	-	-	-	-
Manager	Pang-Yi Kao	-	-	-	-	-	-	-	-
Manager	Neng-Ting Chiang	-	-	-	-	-	-	-	-
Manager	Chiung-Chi Chu	5,000	-	-	-	-	5,000	-	-
Manager	Chuan-Huang Liu (Note 8)	-	-	-	-	-	-	-	-
Manager	Chi-Wen Lin (Note 9)	11,888	-		-	-	11,888	-	-

Note 1: The original board representative, Tian-Qing Yang, was removed on June 25, 2025, and the new board representative, Wan-Ling Lee, was elected at the shareholders' meeting on June 25, 2025.

Note 2: The original board representative, Jian-Ti Xu, was removed on June 25, 2025, and the new board representative, Bi-Ru Zhuang, was elected at the shareholders' meeting on June 25, 2025.

Note 3: The former independent director, Rui-Dong Lü, was removed on June 25, 2025.

Note 4: The newly appointed independent director, Yi-Long Lai, assumed office on June 25, 2025.

Note 5: The newly appointed independent director, Qiu-Min Lü, assumed office on June 25, 2025.

Note 6: The newly appointed independent director, Bi-Feng Xie, assumed office on June 25, 2025.

Note 7: The former manager, Jing-Chang Chen, was removed on October 7, 2025.

Note 8: The newly appointed manager, Chuan-Huang Liu, assumed office on December 1, 2025.

Note 9: The newly appointed manager, Chi-Wen Lin, assumed office on December 1, 2025.

IV. Information relevant to the aggregate reporting policy: Not applicable.

Three. Key financial information

I. Summary balance sheet and statement of comprehensive income for the last 5 years

(I) Balance sheet information:

Unit: NTD thousand

Item \ Year		Financial information for the last 5 years				
		2025	2024	2023	2022	2021
Cash		2,086,377	2,293,568	1,387,004	1,335,225	1,665,303
Receivables		372,778	312,502	262,822	241,502	359,391
Financial assets and loans		14,267,383	13,175,046	13,376,806	12,548,364	11,361,974
Reinsurance Contracts Assets		2,248,737	2,723,633	2,977,406	2,245,153	2,105,816
Property, Plant and Equipment		617,658	612,125	624,836	658,434	668,397
Right-of-use asset		3,975	2,946	3,711	5,064	4,659
Intangible Assets		17,340	21,141	33,314	39,759	42,894
Other assets		602,723	565,644	582,880	580,179	652,625
Total assets		20,216,971	19,706,605	19,248,779	17,653,680	16,861,059
Payables		670,732	690,452	654,682	620,246	635,763
Lease liabilities		4,021	2,984	3,770	5,128	4,726
Liability reserves		10,016,462	10,016,064	10,208,864	9,223,339	8,696,978
Other liabilities		374,484	300,719	253,832	242,433	252,174
Total liabilities	Before dividend	11,065,699	11,010,219	11,121,148	10,091,146	9,589,641
	After dividend	Note 2	11,642,663	11,461,463	10,307,984	9,954,049
Share capital		3,011,638	3,011,638	3,011,638	3,011,638	3,011,638
Retained Earnings	Before dividend	5,776,906	5,452,120	4,758,852	4,264,943	4,086,725
	After dividend	Note 2	4,819,676	4,418,537	4,048,105	3,722,317
Other equity items		362,728	232,628	357,141	285,953	173,055
Total equity	Before dividend	9,151,272	8,696,386	8,127,631	7,562,534	7,271,418
	After dividend	Note 2	8,063,942	7,787,316	7,345,696	6,907,010

Note 1: Financial information for the last 5 years, as presented above, has been prepared according to the IFRSs, and audited by the CPA.

Note 2: Distribution of 2025 earnings has yet to be resolved in a shareholders' meeting.

(II) Statement of comprehensive income:

Unit: NTD thousand, except EPS which is in dollars

Item \ Year	Financial information for the last 5 years				
	2025	2024	2023	2022	2021
Revenue	7,561,558	7,799,051	7,394,603	6,932,881	6,539,918
Operating Cost	4,960,063	5,110,644	5,105,494	4,753,447	4,417,945
Operating Expense	1,522,688	1,607,909	1,533,998	1,504,262	1,475,649
Non-operating income and expenses	291	(873)	(643)	(238)	(849)
Operating income before tax	1,079,098	1,079,625	754,468	674,934	645,475
Net Income After Tax	880,192	903,297	636,241	558,847	553,137
Other Comprehensive Income	207,138	5,773	145,694	96,677	61,604
Earnings per share	2.92	3.00	2.11	1.86	1.84

Note 1: Financial information for the last 5 years, as presented above, has been prepared according to the IFRSs and audited by CPA.

II. Analysis of key financial ratios

Analysis \ Year		Financial and operational indicators in the last 5 years				
		2025	2024	2023	2022	2021
Business performance indicators	Variation of written premiums revenue	(1.46)	3.54	9.24	5.99	5.60
	Variation of losses paid	(10.06)	5.43	17.72	1.39	1.04
	Variation of retained premium	(2.39)	3.85	7.52	5.12	6.75
	Net worth ratio	45.27	44.13	42.22	42.84	43.13
Profit indicators	Return on Asset	4.41	4.64	3.45	3.24	3.36
	Return on Equity	9.86	10.74	8.11	7.53	7.88
	Net Investment Income Ratio	1.93	3.13	2.61	1.55	3.35
	Return on Investment	1.83	2.98	2.48	1.46	3.13
	Combined Ratio	88.92	93.16	93.16	93.01	92.87
	Retained Expense Ratio	36.42	37.47	37.07	38.33	39.12
	Retained Earned Loss Ratio	52.50	55.69	56.09	54.68	53.75
Operational indicators	Retained premium to equity ratio	76.04	81.99	84.47	84.43	83.54
	Gross premium to equity ratio	100.91	107.85	111.47	110.21	108.22
	Net reinsurance commission to equity ratio	1.74	2.03	2.63	2.58	2.67
	Insurance liabilities to equity ratio	109.45	115.18	125.19	121.28	117.94
	Percentage of equity variation	5.23	7.00	7.47	4.00	7.53
	Expense ratio	30.14	31.46	31.75	32.98	33.93

Explanation to significant changes in the last two years:

1. Change in Direct Premium Income – Decrease: Primarily due to a smaller increase in premium income from motor insurance during the period.
2. Change in Direct Claims Paid – Decrease: Primarily due to a reduction in claims for fire insurance and motor insurance during the period.
3. Change in Retained Premiums – Decrease: Primarily due to a smaller increase in premium income from fire, marine, and motor insurance during the period.
4. Net Investment Income Ratio – Decrease: Primarily due to a reduction in gains from financial assets measured at fair value through profit or loss and foreign exchange gains on investments compared with the same period last year.
5. Return on Investment – Decrease: Primarily due to a reduction in gains from financial assets measured at fair value through profit or loss compared with the same period last year.
6. Change in Equity – Decrease: Primarily due to a decrease in undistributed earnings compared with the same period last year.

Note 1: Financial statements for the last 5 years, as presented above, have been prepared according to the IFRSs, and audited by the CPA.

Note 2: Formulas for calculation of various analyses:

1. Business performance indicators

(1) Variation of written premiums revenue = (cumulative written premiums revenue in the current period - cumulative written premiums revenue for the previous period) / cumulative written premiums revenue for the previous period

["Written premiums revenue" refers to insurance premium revenues that an insurance company receives for underwriting insurance policy directly to the insured party.]

(2) Variation of losses paid = (cumulative direct losses paid in the current period - cumulative direct losses paid in the previous period) / cumulative direct losses paid in the previous period

["Direct losses paid" refers to claims that an insurance company pays to insured parties of direct written policies for suffering an insured accident.]

(3) Variation of retained premium = (cumulative retained premium in the current period - cumulative retained premium in the previous period) / cumulative retained premium in the previous period
[Retained premium = written premiums revenue + reinsurance premiums revenue - reinsurance premiums expense]
(4) Net worth ratio = owners' equity / total assets excluding investment-linked insurance asset account

2. Profit indicators
(1) ROA = [net income after tax + interest expenses × (1- tax rate)] / average total assets.
[Average total assets = (opening assets + closing assets) / 2]
(2) Return on equity = profit before or after tax / average equity
[Average equity = (current equity + equity for the previous period) / 2]
(3) Net investment income ratio = (current net gain on investments + current gain on disposal of equity instruments measured at fair value through other comprehensive income) / [(opening available capital + closing available capital - current net gain on investments - current gain on disposal of equity instruments measured at fair value through other comprehensive income) / 2]
(4) Return on investment = (current net gain on investments + current gain on disposal of equity instruments measured at fair value through other comprehensive income) / [opening assets + closing assets - current net gain on investments - current gain on disposal of equity instruments measured at fair value through other comprehensive income) / 2]
(5) Combined ratio = retained expense ratio + retained earned loss ratio
(6) Retained expense ratio=retained expenses / retained premium
[Retained premium = written premiums revenue + reinsurance premiums revenue - reinsurance premiums expense]
[Retained expenses = commission and premium expenses + reinsurance commission expenses - reinsurance commission revenues + selling expenses + administrative expenses + depreciation and amortization of self-occupied real estate properties]
(7) Retained earned loss ratio=retained claims / retained earned premiums
[Retained claims = insurance claims paid - claims recovered from reinsurers + net change in claim reserves]
[Retained earned premiums = written premiums revenue + reinsurance premiums revenue - reinsurance premiums expense - net change in unearned premium reserve]

3. Operational indicators
(1) Retained premium to equity ratio=retained premium / equity
(2) Gross premium to equity ratio=(written premiums revenue + reinsurance premiums revenue) / equity

(3) Net reinsurance commission to equity ratio=(unearned premium reserve / retained premium) × reinsurance commission revenues / equity

(4) Insurance liabilities to equity ratio=Liabilities of various insurance category / equity
[Insurance liabilities = special claim reserves + claim reserves + unearned premium reserves + other reserves]

(5) Variation of equity = (current equity - equity for the previous period) / absolute value of equity for the previous period

(6) Expense ratio=expenses / (written premiums revenue + reinsurance premiums revenue)
[Expenses = commission and premium expenses + operating expenses + administrative expenses + depreciation and amortization of self-occupied real estate properties + reinsurance commission expenses]

III. Other information material to understanding the company's financial position, financial performance, cash flow and changes: None.

Four. Analysis of financial position, performance and cash flow

I. Comparative analysis of financial position

Unit: NTD thousand

Item \ Year	2024	2023	Variation	
			Amount	%
Cash and cash equivalents	$ 2,086,377	$ 2,293,568	($ 207,191)	(9)
Receivables	372,778	312,502	60,276	19
Financial assets and loans	14,267,383	13,175,046	1,092,337	8
Reinsurance Contracts Assets	2,248,737	2,723,633	(474,897)	(17)
Property, Plant and Equipment	617,658	612,125	5,533	1
Right-of-use asset	3,975	2,946	1,029	35
Intangible Assets	17,340	21,141	(3,801)	(18)
Other assets	602,723	565,644	37,080	7
Total assets	20,216,971	19,706,605	510,366	3
Payables	670,732	690,452	(19,720)	(3)
Lease liabilities	4,021	2,984	1,037	35
Liability reserves	10,016,462	10,016,064	398	-
Other liabilities	374,484	300,719	73,765	25
Total liabilities	11,065,699	11,010,219	55,480	1
Share capital	3,011,638	3,011,638	-	-
Retained Earnings	5,776,906	5,452,120	324,786	6
Other equity items	362,728	232,628	130,100	56
Total equity	9,151,272	8,696,386	454,886	5

Explanation to subsequent variations in said items by more than 20% and amounting to NT$10 million or more:

1. Other Liabilities – Increase in 2025 compared with 2024: Primarily due to an increase in current income tax liabilities and other temporary receipts during the period.
2. Other Equity Items – Increase in 2025 compared with 2024: Primarily due to an increase in the valuation of equity instruments measured at fair value through other comprehensive income during the period.

II. Analysis of financial performance

Unit: NTD thousand

Item	2025	2024	Variation	Variation %
Revenue	$ 7,561,558	$ 7,799,051	($ 237,493)	(3)
Operating Cost	4,960,063	5,110,644	(150,581)	(3)
Operating Expense	1,522,688	1,607,909	(85,221)	(5)
Operating profit	1,078,807	1,080,498	(1,691)	-
Non-operating income and expenses	291	(873)	1,164	133
Profit Before Tax	1,079,098	1,079,625	(527)	-
Income tax	198,906	176,328	22,578	13
Net Profit for the Period	880,192	903,297	(23,105)	(3)

Explanation to significant variations in said items by 10% or above before and after the period:

1. Non-Operating Income and Expenses – Increase in 2025 compared with 2024: Primarily due to a decrease in asset disposal losses during the period.
2. Income Tax – Increase in 2025 compared with 2024: Primarily due to an increase in income tax expense during the period.

III. Cash flow variation analysis:

(I) Operating activities: Net cash inflow of NT468,100 thousand, primarily due to the combined effect of a decrease in financial assets measured at fair value through other comprehensive income and reinsurance contract assets during the year.

(II) Investing activities: Net cash outflow of NT$38,991 thousand was mainly due to acquisition of property and equipment and intangible assets.

(III) Financing activities: Net cash outflow of NT$634,786 thousand was mainly due to payment of cash dividends.

Five. External auditor's information:

I. Audit fee information

(I) Non-audit remuneration to financial statement auditors, accounting firms and related businesses that amount to one-quarter or higher of audit remuneration:

Unit: NTD thousand

Name of CPA firm	Name of CPA	Examination period	Auditing fee	Non-auditing fee (Note)	Total	Remarks
Deloitte Taiwan	Zhao-Mei Chen,CPA	2025	$ 2,750	$ 980	$ 3,730	
	Sheng-Tai Liang, CPA					

Note: The non-auditing fees consist of NT$650 thousand for the project audit on internal control system, NT$200 thousand for tax certification, NT$100 thousand for re-check on the automobile compulsory liability insurance inspection report, and NT$30 thousand for re-check on the report on salary of full-time non-managerial staff.

(II) Any replacement of accounting firm and reduction in audit remuneration paid compared with the previous year: None.

(III) Any reduction in audit remuneration by more than 15% compared to the previous year: None.

II. Change of CPA: None.