PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

PRESIDENT SECURITIES CORPORATION

Declaration of Consolidated Financial Statements of Affiliated Enterprises

The companies included in the consolidated financial statements of affiliated enterprises prepared by the Company for 2023 (from January 1, 2023 to December 31, 2023) in accordance with Article 33 of the "Regulations Governing the Preparation of Financial Reports by Securities Firms" and "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are identical with those to be included in the consolidated financial statements of the parent company and subsidiaries in accordance with IFRS 10,"Consolidated Financial Statements". The relevant information to be disclosed in the consolidated financial statements of affiliated enterprises has already been disclosed in the consolidated financial statements of the parent company and subsidiaries. Therefore, the Company does not prepare the consolidated financial statements of affiliated enterprises separately.

Hereby declare

PRESIDENT SECURITIES CORPORATION

Responsible person:

LIN, CHUNG-SHEN

March 4, 2024

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR23003601

To the Board of Directors and Shareholders of PRESIDENT SECURITIES CORPORATION

Opinion

We have audited the accompanying consolidated balance sheets of President Securities Corporation and subsidiaries (the "Group") as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms, and Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

Fair value measurement of unlisted stocks without active market

Description

Please refer to Note 4(8) for the accounting policies on unlisted stocks without active market (shown as "financial assets at fair value through other comprehensive income") and Note 5(2) for details of critical accounting judgements, estimates and assumption uncertainty. As at December 31, 2023, the unlisted stocks without active market held by the Group totaled 1,168,288 thousand New Taiwan Dollars and were shown as "financial assets at fair value through other comprehensive income" (Level 3 fair value).

Due to the lack of an active market, the fair value of the unlisted stocks held by the Group was determined using valuation method. Management measured their fair value by using comparable listed companies in the market approach. The main assumptions of the market approach are calculated based on the latest related parameters of comparable listed companies in similar industries and considering discounts on market liquidity or assessment of risk.

Above-mentioned estimation of fair value involves various assumptions and material unobservable inputs, which has high uncertainty and relies on the subjective judgement of management. Any changes in judgements and estimates may affect the ultimate result of accounting estimates and have an impact on the financial statements of the Group. Thus, we have included the fair value measurement of unlisted stocks without active market as a key audit matter in our audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding and assessed policy documents, internal control system, fair value measurement models and approval processes that are related to fair value measurement of unlisted stocks;
2. Ascertained whether the measurement methods used by the management is commonly used by the industry;
3. Assessed the reasonableness of parameter of similar companies used by management;
4. Examined inputs and calculation formulas used in valuation models and agreed such data to supporting documents.

Impairment assessment of investments accounted for under the equity method

Description

Please refer to Note 4(14) for accounting policies on investments accounted for under the equity method and its impairment, Note 5(2) for the uncertainty of accounting estimates and assumptions applied on asset impairment, and Note 6(11) for details of investments accounted for under the equity method.

The Group held 42.49% of equity of Uni-President Asset Management Corp. which was accounted for under the equity method, and the excess of the carrying amount over the share of the investee company's net assets is mainly goodwill. As of December 31, 2023, the amount was 797,207 thousand New Taiwan Dollars. Impairment assessment is based on the expected future cash flow of the investee, discounted at an appropriate discount rate, to measure the recoverable amount of the cash generating unit.

The recoverable amount of the investee is based on its expected future cash flows which involve multiple estimates and assumptions on discount rate and financial forecast. These are subjective judgements, have a high degree of uncertainties, and are material to the recoverable amount. Thus, we consider the impairment assessment of investments accounted for under the equity method as one of the matters of most significance to our audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained the impairment assessment report prepared by an external valuation expert who was commissioned by the management and reviewed the achievement of the past financial forecast to assess its execution;
2. Assessed the reasonableness of expected future cash flows, discount rate and other significant assumptions applied in the cash flow model;
3. Inspected valuation model parameters, formula setting and the accuracy of calculation.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of President Securities Corporation, as at and for the years ended December 31, 2023 and 2022.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statement that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these

matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Se-Kai

Independent Auditors

Lo, Chiao-Sen

For and on behalf of PricewaterhouseCoopers, Taiwan

March 4, 2024

The accompanying consolidated financial statements are not intended to present the financial position and finance performance and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or the Standards on Auditing of the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
110000	**Current assets**					
111100	Cash and cash equivalents	6(1)	$ 5,509,978	4	$ 6,194,573	6
112000	Financial assets at fair value through profit or loss - current	6(2)	53,698,997	38	24,395,868	26
113200	Financial assets at fair value through other comprehensive income - current	6(3)	3,078,680	2	2,497,782	3
114030	Margin loans receivable	6(4)	17,395,242	12	10,533,221	11
114040	Refinancing security deposits		1,982	-	94,136	-
114050	Receivables from refinance guaranty		1,476	-	72,399	-
114060	Receivable of securities business money lending		9,247,169	7	4,094,908	4
114070	Customer margin account	6(5)	20,526,117	15	20,783,255	22
114090	Receivables from security lending		451,397	-	1,159,577	1
114100	Security lending deposits		475,705	-	3,377,630	4
114110	Notes receivable		1,475	-	763	-
114130	Accounts receivable	6(6)	19,095,101	14	10,140,951	11
114140	Accounts receivable-related parties	6(6)	1,191	-	1,195	-
114150	Prepayments		49,546	-	38,289	-
114170	Other receivables	6(7)	74,632	-	60,108	-
114600	Current tax assets		125	-	43	-
119000	Other current assets	6(8)	1,725,872	1	1,950,961	2
110000	**Total current assets**		131,334,685	93	85,395,659	90
120000	**Non-current assets**					
122000	Financial assets at fair value through profit or loss - non-current	6(2)	118,280	-	99,283	-
123200	Financial assets at fair value through other comprehensive income - non-current	6(3)	1,168,288	1	1,179,907	1
124100	Investments accounted for under the equity method	6(11)	3,412,924	3	3,512,098	4
125000	Property and equipment, net	6(12)	2,645,077	2	2,609,642	3
125800	Right-of-use assets	6(13)	132,026	-	165,557	-
126000	Investment property	6(15)	184,153	-	266,302	-
127000	Intangible assets	6(16)	292,437	-	246,506	-
128000	Deferred tax assets	6(47)	130,674	-	106,146	-
129000	Other assets - non-current	6(17)	1,246,679	1	1,309,762	2
120000	**Total non-current assets**		9,330,538	7	9,495,203	10
906001	**Total Assets**		$ 140,665,223	100	$ 94,890,862	100

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PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
210000	**Current liabilities**					
211100	Short-term loans	6(18)	$ 6,944,759	5	$ 275,000	-
211200	Commercial papers payable	6(19)	21,130,934	15	5,827,431	6
212000	Financial liabilities at fair value through profit or loss - current	6(20)	10,471,312	7	9,157,320	10
214010	Bonds sold under repurchase agreements	6(21)	19,140,506	14	6,965,424	7
214040	Deposits on short sales		921,093	1	1,809,356	2
214050	Short sale proceeds payable		1,163,504	1	1,809,962	2
214070	Guarantee deposit received on borrowed securities		1,632,008	1	1,806,591	2
214080	Futures traders' equity	6(5)	20,497,894	14	20,763,586	22
214090	Equity for each customer in the account		852,083	1	265,926	-
214130	Accounts payable	6(22)	17,091,415	12	10,852,394	12
214150	Advance receipts		3,642	-	2,276	-
214160	Collections on behalf of third parties		614,380	-	744,720	1
214170	Other payables	6(23)	2,259,582	2	1,582,207	2
214200	Other financial liabilities - current	6(24)	5,224,019	4	2,784,086	3
214600	Current tax liability		265,324	-	161,117	-
216000	Current lease liabilities		58,542	-	72,740	-
219000	Other current liabilities		84,055	-	83,213	-
210000	**Total current liabilities**		108,355,052	77	64,963,349	69
220000	**Non-current liabilities**					
225100	Non-current provisions		15,507	-	15,418	-
226000	Non-current lease liabilities		68,894	-	86,061	-
228000	Deferred tax liabilities	6(47)	19,173	-	11,618	-
229000	Other liabilities-non-current	6(25)	64,489	-	7,928	-
220000	**Total non-current liabilities**		168,063	-	121,025	-
906003	**Total Liabilities**		108,523,115	77	65,084,374	69
300000	Equity attributable to owners of the parent company					
301000	Capital					
301010	Common stock	6(27)	14,558,313	10	14,558,313	15
302000	Capital reserve	6(27)	91,261	-	91,261	-
304000	Retained earnings	6(27)(28)				
304010	Legal reserve		3,959,127	3	3,877,849	4
304020	Special reserve		9,253,546	7	9,090,989	10
304040	Unappropriated earnings		2,752,936	2	816,933	1
305000	Other equity interest		1,434,309	1	1,283,747	1
300000	**Total**		32,049,492	23	29,719,092	31
306000	**Non-controlling interests**		92,616	-	87,396	-
906004	**Total Equity**		32,142,108	23	29,806,488	31
906002	**Total liabilities and equity**		$ 140,665,223	100	$ 94,890,862	100

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

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

	Items	Notes	Year ended December 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
400000	Revenues					
401000	Brokerage handling fee revenue	6(29)	$ 3,518,253	37	$ 3,278,162	52
404000	Revenues from underwriting business	6(30)	104,284	1	86,465	1
406000	Net gain (loss) on wealth management		55,919	1	38,150	1
410000	Net gain (loss) on sale of operating securities	6(31)	2,326,012	24	(3,228,826)	(51)
421100	Revenue from providing agency service for stock affairs		91,663	1	88,720	1
421200	Interest income	6(32)	1,366,104	14	943,535	15
421300	Dividend income		3,662,857	38	1,278,136	20
421500	Net valuation gain (loss) on operating securities at fair value through profit or loss	6(33)	1,728,970	18	(940,274)	(15)
421600	Net gain (loss) on covering of borrowed securities and bonds with resale agreements-short sales	6(34)	(60,644)	(1)	482,271	8
421610	Net valuation gain (loss) on borrowed securities and bonds with resale agreements-short sales at fair value through profit or loss	6(35)	(1,376,328)	(14)	1,381,017	22
421750	Net realized gain on financial liabilities measured at fair value through other comprehensive income	6(36)	(143,436)	(1)	-	-
422000	Net gain (loss) on issuance of ETNs		(295,958)	(3)	546,571	9
422100	Administrative and handling fee revenues from issuance of ETNs		8,683	-	11,799	-
422200	Net gain (loss) from issuance of call (put) warrants	6(37)	(221,645)	(2)	1,473,984	24
424400	Net gain (loss) from derivatives	6(38)	(1,792,083)	(19)	158,289	3
425300	Expected credit impairment loss and reversal of impairment gain	6(39)	(16,996)	-	22,291	-
428000	Other operating income	6(40)	586,928	6	651,046	10
	Total revenues		9,542,583	100	6,271,336	100
500000/ 501000/ 502000/	Expenditures and expenses					
503000	Handling charges	6(41)	(566,639)	(6)	(550,760)	(9)
507000	ETNs administrative expenses		(8,484)	-	(9,634)	-
521200	Financial costs	6(42)	(934,881)	(10)	(183,332)	(3)
524100	Futures commission expense		(90,785)	(1)	(108,088)	(2)
524300	Expense of clearing and settlement		(124,702)	(2)	(144,658)	(2)
528000	Other operating expenditure		(492)	-	(2)	-
531000	Employee benefits expense	6(43)	(3,149,201)	(33)	(2,516,485)	(40)
532000	Depreciation and amortization	6(44)	(313,273)	(3)	(276,298)	(4)
533000	Other operating expenses	6(45)	(2,032,604)	(21)	(1,784,465)	(29)
	Total expenditures and expenses		(7,221,061)	(76)	(5,573,722)	(89)

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PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

	Items	Notes	Year ended December 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
	Operating profit		$ 2,321,522	24	$ 697,614	11
601000	Share of the profit or loss of associates and joint ventures accounted for under the equity method	6(11)	124,630	2	(97,702)	(1)
602000	Other gains and losses	6(46)	768,343	8	373,789	6
902001	**Profit before tax**		3,214,495	34	973,701	16
701000	Income tax (expense) benefit	6(47)	(324,740)	(4)	(237,456)	(4)
902005	**Net income**		$ 2,889,755	30	$ 736,245	12
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
805510	Gain (loss) on remeasurements of defined benefit plans		($ 158,746)	(2)	$ 102,649	1
805540	Net unrealized gain (loss) from investments in equity instruments at fair value through other comprehensive income		84,763	1	(68,904)	(1)
805550	Other comprehensive gain (loss) of associates and joint ventures accounted for under the equity method		(6,620)	-	1,945	-
805599	Income tax (expense) benefit relating to components of other comprehensive income	6(47)	31,749	-	(20,530)	-
	Items may be reclassified to profit of loss subsequently					
805610	Translation gain (loss) on the financial statements of foreign operating entities		(59,037)	-	168,819	3
805615	Net unrealized gain (loss) from investments in debt instruments at fair value through other comprehensive income		126,397	1	(126,051)	(2)
805000	Current other comprehensive income (loss) (post-tax)		$ 18,506	-	$ 57,928	1
902006	**Total current comprehensive income**		$ 2,908,261	30	$ 794,173	13
	Income (loss) attributable to:					
913100	Parent company		$ 2,878,951	30	$ 729,368	12
913200	Non-controlling interests		$ 10,804	-	$ 6,877	-
	Current comprehensive income (loss) attributable to:					
914100	Parent company		$ 2,898,174	30	$ 787,029	13
914200	Non-controlling interests		$ 10,087	-	$ 7,144	-
	Earnings per share	6(48)				
975000	Basic earnings per share (in dollars)		$ 1.98		$ 0.50	
985000	Diluted earnings per share (in dollars)		$ 1.97		$ 0.50	

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

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
				Retained earnings			Other equity interest				
	Notes	Common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings	Translation gain and loss on the financial statements of foreign operating entities	Unrealised gain or loss on financial assets measured at fair value through other comprehensive income	Total	Non-controlling interests	Total equity
For the year ended December 31, 2022											
Balance at January 1, 2022		$ 14,558,313	$ 91,261	$ 3,487,748	$ 8,314,199	$ 3,922,562	($ 65,809)	$ 1,375,310	$ 31,683,584	$ 83,046	$ 31,766,630
Net income for the year ended December 31, 2022		-	-	-	-	729,368	-	-	729,368	6,877	736,245
Other comprehensive income (loss) for the year ended December 31, 2022		-	-	-	-	83,415	168,819	(194,573)	57,661	267	57,928
Total comprehensive income (loss)		-	-	-	-	812,783	168,819	(194,573)	787,029	7,144	794,173
Appropriations of 2021 earnings:	6(28)										
Legal reserve		-	-	390,101	-	(390,101)	-	-	-	-	-
Special reserve		-	-	-	776,790	(776,790)	-	-	-	-	-
Cash dividends		-	-	-	-	(2,751,521)	-	-	(2,751,521)	-	(2,751,521)
Changes in non-controlling interests		-	-	-	-	-	-	-	-	(2,794)	(2,794)
Balance at December 31, 2022		$ 14,558,313	$ 91,261	$ 3,877,849	$ 9,090,989	$ 816,933	$ 103,010	$ 1,180,737	$ 29,719,092	$ 87,396	$ 29,806,488
For the year ended December 31, 2023											
Balance at January 1, 2023		$ 14,558,313	$ 91,261	$ 3,877,849	$ 9,090,989	$ 816,933	$ 103,010	$ 1,180,737	$ 29,719,092	$ 87,396	$ 29,806,488
Net income for the year ended December 31, 2023		-	-	-	-	2,878,951	-	-	2,878,951	10,804	2,889,755
Other comprehensive income (loss) for the year ended December 31, 2023		-	-	-	-	(131,339)	(59,037)	209,599	19,223	(717)	18,506
Total comprehensive income (loss)		-	-	-	-	2,747,612	(59,037)	209,599	2,898,174	10,087	2,908,261
Appropriations of 2022 earnings:	6(28)										
Legal reserve		-	-	81,278	-	(81,278)	-	-	-	-	-
Special reserve		-	-	-	162,557	(162,557)	-	-	-	-	-
Cash dividends		-	-	-	-	(567,774)	-	-	(567,774)	-	(567,774)
Changes in non-controlling interests		-	-	-	-	-	-	-	-	(4,867)	(4,867)
Balance at December 31, 2023		$ 14,558,313	$ 91,261	$ 3,959,127	$ 9,253,546	$ 2,752,936	$ 43,973	$ 1,390,336	$ 32,049,492	$ 92,616	$ 32,142,108

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

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 3,214,495	$ 973,701
Adjustments			
Income and expenses having no effect on cash flows			
Net valuation (gain) loss on operating securities at fair value through profit or loss	6(2)(33)	(1,728,970)	940,274
Net valuation (gain) loss on borrowed securities and bonds with resale agreements-short sales at fair value through profit or loss	6(35)	1,376,328	(1,381,017)
Expected impairment loss and reversal of impairment gain	6(39)	17,916	(20,944)
Depreciation	6(44)	234,094	218,824
Amortization	6(44)	79,179	57,474
Financial expense	6(42)	934,881	183,332
Interest income (include financial income)	6(32)(46)	(1,939,759)	(1,173,506)
Dividend income		(3,695,724)	(1,307,234)
Share of the profit of associates and joint ventures accounted for under the equity method	6(11)	(124,630)	97,702
(Gain) loss on disposal of property and equipment	6(12)	89	4
(Gain) loss from lease modification		(1)	(98)
(Gain) loss on valuation of non-operating financial instrument	6(46)	(9,112)	12,551
Impairment loss of non-financial assets		-	15,244
Changes in assets/liabilities relating to operating activities			
Changes in operating assets			
Financial assets at fair value through profit or loss		(27,583,578)	8,211,928
Financial assets at fair value through other comprehensive income		(356,049)	(2,259,620)
Bonds purchased under resale agreements		-	27,401
Margin loans receivable		(6,880,485)	7,830,648
Refinancing security deposits		92,154	(64,206)
Receivables from refinance guaranty		70,923	(47,466)
Receivable of securities business money lending		(5,152,261)	(2,512,915)
Customer margin account		257,138	552,277
Receivables from security lending		708,180	(758,558)
Security lending deposits		2,901,925	(1,940,335)
Notes receivable		(712)	56
Accounts receivable		(8,795,781)	6,619,848
Accounts receivable-related parties		4	(48)
Prepayments		(10,977)	(13,277)
Other receivables		9,420	(2,273)
Other current assets		225,089	7,011,085
Net changes in liabilities relating to operating activities			
Financial liabilities at fair value through profit or loss		(62,336)	2,365,735
Bonds sold under repurchase agreements		12,175,082	(2,677,616)
Deposits on short sales		(888,263)	606,769
Short sale proceeds payable		(646,458)	250,800
Guarantee deposit received on borrowed securities		(174,583)	(162,616)
Futures traders' equity		(265,692)	(564,588)
Equity for each customer in the account		586,157	167,930
Accounts payable		6,183,634	(7,548,751)
Advance receipts		1,366	(1,761)
Collections on behalf of third parties		(130,340)	(4,997,380)
Other payables		668,702	(1,048,366)
Other financial liabilities - current		2,439,933	(2,199,053)
Other current liabilities		842	(635)

(Continued)

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
Cash (outflow) inflow generated from operations		($ 26,268,180)	$ 5,461,320
Interest received		1,742,307	1,167,360
Dividends received		3,851,936	1,501,361
Income tax paid		(205,839)	(679,619)
Net cash flows (used in) from operating activities		(20,879,776)	7,450,422
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investments accounted for under the equity method		-	(656,781)
Acquisition of property and equipment	6(12)	(65,232)	(106,194)
Acquisition of intangible assets	6(16)	(30,338)	(51,645)
(Increase) decrease in other non-current assets		(46,982)	72,822
(Increase) decrease in prepayment for equipment		(127,016)	(201,230)
Net cash flows used in investing activities		(269,568)	(943,028)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in short-term loans		6,669,759	(315,000)
Increase (decrease) in commercial papers payable		15,320,000	(2,820,000)
Increase (decrease) in other non-current liabilities		(3,564)	(328)
Payments of lease liabilities		(76,663)	(93,056)
Interest paid		(870,191)	(166,292)
Distribution of cash dividends		(567,774)	(2,751,521)
Changes in non-controlling interest		(4,867)	(2,794)
Net cash flows from (used in) financing activities		20,466,700	(6,148,991)
Effect of exchange rate changes on cash and cash equivalents		(1,951)	79,158
Net (decrease) increase in cash and cash equivalents		(684,595)	437,561
Cash and cash equivalents at beginning of year		6,194,573	5,757,012
Cash and cash equivalents at end of year		$ 5,509,978	$ 6,194,573

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

PRESIDENT SECURITIES CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

1) President Securities Corporation (the "Company") was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) on December 17, 1988 and was renamed as President Securities Corporation on March 4, 1989. The Company started commercial operations on April 3, 1989. As of December 31, 2023, the Company had 31 operating branches (including the Head Office), and established Offshore Securities Unit in July 2014.

2) The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in underwriting of securities, dealing or brokerage business of securities at the securities exchange markets and business premises, registration and transfer agency service for securities, margin loans and short sales business of securities, securities lending and borrowing business, futures introducing brokerage services, futures dealing, issuance of call (put) warrants, new financial instrument transactions, wealth management business, and trust business.

3) The Company's shares are listed on the Taiwan Stock Exchange.

4) The number of employees of the Group were 1,690 and 1,714 as of December 31, 2023 and 2022, respectively.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on March 4, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments that came into effect as endorsed by FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023
Amendments to IAS 12, 'International tax reform - pillar two model rules'	May 23, 2023

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

2) Effect of new issuances of or amendments to IFRS Accounting Standards effect as endorsed by the FSC but not yet adopted by the Group.

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'	January 1, 2023
Amendment to IAS 21, 'Lack of Convertibility'	January 1, 2025

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms, and Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, and the International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the Financial Supervisory Commission (collectively referred herein as the "IFRSs") .

2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
   (A) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
   (B) Financial assets at fair value through other comprehensive income.
   (C) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligations.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:
   (A) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
   (B) Intercompany transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(C) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(D) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

(E) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss, on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

(Blank below)

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) December 31, 2023	Ownership (%) December 31, 2022
The Company	President Futures Corp. (President Futures)	Futures brokerage and dealer	96.69%	96.69%
〃	President Capital Management Corp. (President Capital Management)	Securities investment consulting	100%	100%
〃	President Securities (HK) Ltd.(President Securities (HK)) (Note 1)	Securities dealer, brokerage, underwriting and consulting	100%	100%
〃	President Insurance Agency Corp. (President Insurance Agency)	Insurance Agent	100%	100%
〃	PSC Venture Capital Investment Company Limited (President Venture Capital)	Consultation of investment management and venture capital; other unprohibited or unrestricted businesses beyond the permit	100%	100%
〃	President Wealth Management(HK) Ltd.(President Wealth Management (HK)) (Note 1)	Wealth management	100%	100%
〃	President Securities (Nominee) Ltd. (President Securities (Nominee)) (Note 1)	Nominee Service	100%	100%

Note1：Subsidiary President Securities (HK) Ltd., President Wealth Management (HK) Ltd. and President Securities (Nominee) Ltd. were approved by the board of directors in March 2022 to deal with the dissolution and liquidation matters, and the liquidation process are all currently in progress, of which President Wealth Management (HK) Ltd. and President Securities (Nominee) Ltd. had remitted all funds on account on April 27, 2023 for the subsequent liquidation process.

4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(A) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

(B) Assets held mainly for trading purposes;

(C) Assets that are expected to be realized within twelve months from the balance sheet date;

(D) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(A) Liabilities that are expected to be paid off within the normal operating cycle;

(B) Liabilities arising mainly from trading activities;

(C) Liabilities that are to be paid off within twelve months from the balance sheet date;

(D) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

5) Translation of foreign currency transactions

A. Foreign currency translation and presentation

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the "functional currency"). Functional currency and bookkeeping currency of the Company and its domestic subsidiaries are all New Taiwan Dollars; functional currency and bookkeeping currency of overseas subsidiaries-President Securities (HK), President Wealth Management (HK), and President Securities (Nominee) are Hong Kong Dollars. The consolidated financial statements are presented in New Taiwan Dollars.

B. Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated by the closing exchange rate at balance sheet date. The closing exchange rate is determined by the market exchange rate. Non-monetary assets and liabilities denominated in foreign currencies which are carried at historical cost are translated by the exchange rates prevailing at the original transaction date. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation

differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income.

C. Translation of foreign operations

The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(A) Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

(B) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

(C) All resulting exchange differences are recognized in other comprehensive income.

6) Cash and cash equivalents

A. In the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments.

B. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits maturing within one year that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

7) Financial assets and financial liabilities at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

D. The Group recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

8) Financial assets at fair value through other comprehensive income

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:

(A) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and

(B) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, available-for-sale financial assets are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:

(A) The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(B) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognized in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

9) Notes and accounts receivable, other receivables and margin loans receivable

A. Accounts and notes receivable and margin loans receivables entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

10) Bonds sold under repurchase agreements and bonds purchased under resale agreements

Bond transactions under repurchase or resale agreements are stated at the amount of actual payment or receipt. When transactions of bonds with a condition of resale agreements occur, the actual payment or receipt shall be recognized in 'bonds purchased under resale agreements' under current assets. When transactions of bonds with a condition of repurchase agreements occur, the actual payment or receipt shall be recognized in 'bonds sold under repurchase agreements' under current liabilities. Any difference between the actual payment/receipt and predetermined redemption (repurchase) price is recognized in interest income or interest expense.

11) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income, at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other

hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

12) Derecognition of financial instruments

A. Derecognition of financial assets

The Group derecognizes a financial asset when one of the following conditions is met:

(A) The contractual rights to receive cash flows from the financial asset expire.

(B) The contractual rights to receive cash flows from the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

(C) The contractual rights to receive cash flows of the financial asset have been transferred; however, the Group has not retained control of the financial asset.

B. Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged or cancelled or expires.

13) Offsetting financial instruments-associates

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

14) Investments accounted for under the equity method-associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred statutory/constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity that are not recognized in profit or loss or other comprehensive income of the associate and such changes not affecting the Group's ownership percentage of the associate, the Group recognizes its share of change in equity of the associate in 'capital reserve' in proportion to its ownership.

D. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset

transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. When there are objective evidences of impairment, at balance sheet date, the Group considers the whole investment carrying amount as single asset, and compares its recoverable amount (value in use or fair value less costs of disposal) with the carrying amount, to test its impairment. Value in use is determined by the present value of the Group's share of the expected future cash flow from the associates. If the recoverable amount is less than its carrying amount, an impairment loss should be recognized. The loss will not be allocated to any of the components (including goodwill), which comprise the carrying amount of the investment. An impairment loss recognized in prior periods shall be reversed if circumstances of impairment no longer exist or have decreased.

15) Property and equipment

A. Property and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property and equipment are subsequently measured using the cost model and depreciated using the straight-line method to allocate their cost over their estimated useful lives.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property and equipment are as follows:

	Useful lives
Buildings	5~50 years
Equipment	3~10 years
Leasehold improvements	3~5 years

E. When an asset is sold or retired, the cost and accumulated depreciation are removed from the respective accounts and the resulting gain or loss is included in current operations.

16) Leasing arrangements (lessee)－right-of-use assets/ lease liabilities

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are mainly comprised of fixed payments.

The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising mainly the amount of the initial measurement of lease liability.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

17) Investment property

A. Investment property of the Group is the property held either to earn long-term rental income or for capital appreciation or for both.

B. Part of the property may be held by the Group for self-use purpose and the remaining are used to generate rental income or capital appreciation. If the property held by the Group can be sold individually, then the accounting treatment should be made respectively. If each part of the property cannot be sold individually and the self-use proportion is not material, then the property is deemed as investment property in its entirety.

C. When the future economic benefit related to the investment property is highly likely to flow into the Group and the costs can be reliably measured, the investment property shall be recognized as assets. When the future economic benefit generated from subsequent costs is highly likely to flow into the entity and the costs can be reliably measured, the subsequent expenses of the assets shall be capitalized. All maintenance cost are recognized in profit or loss as incurred.

D. Investment property is subsequently measured using the cost model. Depreciated cost is used to calculate amortization expense after initial measurement. The depreciation method, remaining useful life and residual value should apply the same rules as applicable for property and equipment.

18) Intangible assets

A. The cost of computer software is amortized using the straight-line method over the useful lives based on acquisition cost, with an amortization period of 4 years.

B. Membership in a foreign futures exchange is stated at acquisition cost and has an indefinite useful life as it was assessed to generate continuous net cash inflow in the foreseeable future. It is not amortized, but is tested annually for impairment.

C. In accordance with IFRS 3 'Business combinations' as endorsed by FSC, goodwill arises when the acquisition cost exceeds the fair value of identifiable assets and liabilities of the consolidated subsidiary on the consolidation date. The goodwill arising from the consolidated subsidiary is included in the intangible asset. Goodwill is tested annually for impairment and any impairment loss will be recognized when impairment occurs. Impairment losses on goodwill are not reversed.

19) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

B. The recoverable amounts of goodwill, intangible assets with an indefinite useful life and intangible assets that have not yet been available for use are evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognized in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

20) Financial liabilities at fair value through profit or loss

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges.

B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

21) Contingent liabilities

Contingent liability is a possible obligation that arises from past event, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Or it could be a present obligation as a result of past event but the payment is not probable or the amount cannot be measured reliably. The Group did not recognize any contingent liabilities but made appropriate disclosure in compliance with relevant regulations.

22) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employee. The Group recognized expense as it can no longer withdraw an offer of termination benefit or it recognizes relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

C. Pensions

(A) Defined contribution plans

Effective July 1, 2005, the Group established the defined contribution plan for employees of R.O.C. nationality. The employees have the option to participate in the New Plan. Under the New Plan, the Company contributes monthly an amount equivalent to 6% of employees' salaries to the employees' personal pension accounts with the "Bureau of Labor Insurance". Benefits accrued under the New Plan are portable upon termination of employment. Net defined benefit asset can only be recognized when there is a cash refund or elimination in the future accrued pension liabilities.

(B) Defined benefit plans

a.In a defined benefit plan, the pension paid is determined based on the amount that an employee shall receive upon retirement, which could vary with age, work seniority and salary compensations. The Group recognizes the accrued pension

obligations in the consolidated balance sheet based on the net amount of actuarial present value of defined benefit obligation less the fair value of fund, which is adjusted with the net of past service cost recognized as liabilities. Defined benefit obligation is assessed annually using projected unit credit method by the actuary. The present value of the defined benefit obligation is determined using the market yield of government bonds of a currency and term consistent with the currency and term of the employment benefit obligations.

b. Remeasurement arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

D. Employees' remuneration and directors' remuneration

Employees' and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

23) Revenues and expenses

The Group's revenues and expenses are recognized as incurred, which mainly include:

A. Gains (losses) on sale of securities, securities brokerage fees, and commissions on brokerage and trading are recognized on the transaction date.

B. Underwriting fees and related service charges: application fees are recognized upon collection; underwriting fees and service charges are recognized when the contract is completed.

C. Gains (losses) on futures contracts: The margin of futures transaction is recognized as cost. Costs and expenses are recognized as incurred.

D. Operating expenses: operating expenses refer to required expenses invested in the Group's operations, which primarily include employee benefit expense, depreciation and amortization, and other business and administrative expenses.

24) Income tax

A. Current income tax

Income tax payable (refundable) is calculated on the basis of the tax laws enacted in the countries where a company operates and generates taxable income. Except for the transactions or other matters directly recognized in other comprehensive income or equity, in which cases the related income taxes in the period are recognized in other comprehensive income or directly derecognized from equity, all the others should be recognized as income or expense for the period.

B. Deferred income tax

Deferred income tax assets and liabilities are measured based on the tax rate of the anticipated period that the future assets realization or the liabilities settlement requires, which is based on the effective or existing tax rate at the consolidated balance sheet date. The carrying amounts and temporary differences of assets and liabilities included in the consolidated balance sheet are calculated using the balance sheet method and recognized as deferred income tax. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit (loss) and does not give rise to equal taxable and deductible temporary differences. Deferred income tax assets are recognized only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. If the future taxable income is probable to provide unused loss carryforwards or deferred income tax credit which can be realized in the future, the proportion of realization is deemed as deferred income tax asset.

C. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions for income tax liabilities where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

D. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

25) Share capital

A. Incremental costs directly attributable to the issuance of new shares are shown as a deduction, net of tax, from equity. Dividends from common stocks are recognized as equity in the financial period in which they are approved by the Company's shareholders. If the date of dividends declared is later than the consolidated balance sheet date, common stocks are disclosed in the subsequent events.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders.

Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

26) Earnings per share

A. Earnings per share is calculated by dividing net income by the weighted average number of shares outstanding during the year after taking into consideration the retroactive effect of stock dividends and capital reserve capitalized.

B. When the Group calculates earnings per share, basic earnings per share and diluted earnings per share for all potential ordinary shares shall all be disclosed in accordance with IAS 33 "Earnings per share".

27) Operating segments

The Group's operating segments are reported in a manner consistent with the internal reports provided to the Chief Operating Decision-Maker. The Group's performance of segment profit (loss) is assessed based on the profit (loss) before tax, but not segment income, assets and liabilities. The Chief Operating Decision-Maker is responsible for allocating resources and assessing performance of the operating segments.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

1) As the consolidated financial statements of the Group may be affected by the adoption of accounting policy, accounting estimate and assumption, the Group's management shall properly exercise its professional judgement, estimates, and assumptions on the information of the key risks that is obtained from other resources and could affect the carrying amounts of financial assets and liabilities in the next fiscal year while adopting critical accounting policies as stated in Note 4. Estimates and assumptions of the Group are the best estimates made in compliance with IFRSs as endorsed by the FSC. Estimates and assumptions are made based on past experience and other factors (including the influence of COVID 19) deemed relevant; however, the actual results may differ from the estimates. The Group evaluates the estimates and assumptions on an ongoing basis and recognizes the adjustment of the estimates only in the period which is affected by the adjustment. If the adjustment simultaneously affects both the current and future periods, it should be recognized in both periods.

2) Relevant information on key assumptions to be made in the future, key sources of assumption uncertainty made at balance sheet date, and assumptions and estimates that may cause key risks that could affect the carrying amounts of financial assets and liabilities are as follows:

A. Fair value of financial instruments

Financial instruments with no active market or quoted price use valuation technique to

determine the fair value. Under such condition, fair value is assessed through the observable information or models of similar financial instruments. If there is no observable input available in a market, the fair value of financial instrument is assessed through appropriate assumptions. When valuation models are adopted to determine the fair value, all the models should be calibrated to ensure that the output can actually reflect actual information and market price. Models should try to take only observable information as much as possible.

B. Expected credit losses

For financial assets, the measurement of expected credit losses uses complex models and multiple assumptions. These models and assumptions take into account future macro-economic conditions and credit behaviors of borrowers (e.g. probability of customer default and loss). Please refer to Note 12(2) for detailed information on parameters, assumptions, and estimation methods used in measuring expected credit losses and disclosure of the sensitivity of credit loss to the aforementioned factors.

The measurement of expected credit losses according to applicable accounting rules involves significant judgement in several areas, for example:

(A)The criteria used to judge whether there is significant increase in credit risk.

(B)The selection of appropriate models and assumptions for measuring expected credit losses.

For judgements and estimations of the above expected credit losses, please refer to Note 12(2).

C. Impairment assessment on investment accounted for under the equity method

When there are impairment indicators that show the investments accounted for under equity method are impaired and the carrying amount can no longer be recovered, the Group will assess the impairment of the investment. The Group assesses its share of the recoverable amount which is based on the discounted value of expected cash flow, and assess the reasonableness of relevant assumptions, including revenue growth rate, operating profit margin, net profit margin, financial forecast, and discount rate.

D. Impairment assessment of goodwill

The periodic impairment assessment of goodwill includes allocation of assets, liabilities, and goodwill to brokerage segment, and determines the recoverable amount based on brokerage segment’s present value of expected future cash flow. The periodic assessment also analyzes reasonableness of relevant assumptions, including expected future trading volumes, market share, segment’s operating profit margin, and discount rates.

6. DETAILS OF SIGNIFICANT ACCOUNTS

1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Petty cash	$ 150	$ 150
Checking deposits	608,351	533,970
Current deposits:		
Deposits denominated in NTD	811,348	565,586
Deposits denominated in foreign currencies	722,937	1,432,460
Time deposits	3,367,192	3,662,407
Total	$ 5,509,978	$ 6,194,573

As of December 31, 2023 and 2022, the annual interest rates of time deposits, including foreign time deposits were 0.555%~5.500% and 0.335%~5.150%, respectively.

2) Financial assets at fair value through profit or loss

	December 31, 2023	December 31, 2022
Current items:		
Financial assets mandatorily measured at fair value through profit or loss:		
Security lending		
Security lending	$ 89,389	$ 208
Adjustment of security lending	(1,613)	(45)
Total	87,776	163
Open-ended funds, money market instruments and securities investment by brokers		
Open-ended mutual funds beneficiary	240,985	156,336
Exchange-traded funds	65,080	36,450
Subtotal	306,065	192,786
Adjustment of open-ended funds, money market instruments and securities investment by brokers	11,488	(2,653)
Total	317,553	190,133
Trading securities - dealer		
Listed (TSE and OTC) stocks	6,431,803	2,701,353
Government bonds	1,693,534	850,036
Corporate bonds	4,054,695	1,575,767
Convertible corporate bonds	1,358,491	487,753
Emerging stocks	259,975	156,736
Overseas stocks	12,310,430	3,838,545
Exchange-traded funds	2,572,774	2,375,510
Unlisted stocks	170,943	138,121
Subtotal	28,852,645	12,123,821
Adjustment of trading securities - dealer	623,506	(107,376)
Total	29,476,151	12,016,445

	December 31, 2023	December 31, 2022
Trading securities - underwriter		
Listed (TSE and OTC) stocks	$ 95,604	$ 2,122
Convertible corporate bonds	602,696	728,535
Subtotal	698,300	730,657
Adjustment of trading securities - underwriter	175,242	58,520
Total	873,542	789,177
Trading securities - hedging		
Listed (TSE and OTC) stocks	8,028,344	2,758,422
Convertible corporate bonds	9,315,389	3,371,436
Corporate bonds	100,000	-
Warrants	15,694	24,283
Overseas stocks	104,122	190,309
Exchange traded funds	15,141	7,320
Subtotal	17,578,690	6,351,770
Adjustment of trading securities - hedging	527,952	(287,674)
Total	18,106,642	6,064,096
Options bought - futures	5,547	11,935
Futures Margin - Own Funds	4,830,957	5,318,882
Derivative financial instrument assets - OTC	829	5,037
Total	$ 53,698,997	$ 24,395,868

	December 31, 2023	December 31, 2022
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss:		
Trading securities - dealer - government bonds	$ 49,829	$ 49,779
Unlisted stocks	435	2,609
Others	50,000	35,000
Subtotal	100,264	87,388
Adjustment of trading securities	18,016	11,895
Total	$ 118,280	$ 99,283

a. For the years ended December 31, 2023 and 2022, net realized and unrealized gains (losses) on financial assets and liabilities at fair value through profit or loss amounted to $317,007 and ($115,169) respectively.

b. Details of the Group's financial assets at fair value through profit or loss pledged to others as collateral are provided in Note 8.

c. Information relating to credit risk is provided in Note 12(2).

3) Financial assets at fair value through other comprehensive income

	December 31, 2023	December 31, 2022
Current items:		
Equity instruments:		
Trading securities - dealer		
Listed (TSE and OTC) stocks	$ 189,812	$ 189,812
Adjustment of trading securities - dealer	205,719	109,338
Subtotal	395,531	299,150
Debt instruments:		
Trading securities - dealer		
Overseas bonds	2,681,326	2,317,088
Adjustment of trading securities - dealer	1,823	(118,456)
Subtotal	2,683,149	2,198,632
Total	$ 3,078,680	$ 2,497,782

	December 31, 2023	December 31, 2022
Non-current items:		
Equity instruments:		
Unlisted stocks	$ 37,565	$ 37,565
Adjustment of trading securities	1,130,723	1,142,342
Total	$ 1,168,288	$ 1,179,907

a. The Group has elected to classify stocks investments that are considered to be strategic investments and receive steady dividend as financial assets at fair value through other comprehensive income. The fair value of such investments amounts to $1,563,819 and $1,479,057 as at December 31, 2023 and 2022, respectively.

b. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

Equity instruments at fair value through other comprehensive income	Year ended December 31, 2023	Year ended December 31, 2022
Fair value change recognised in other comprehensive income - parent company	$ 85,564	($ 69,100)
Fair value change recognised in other comprehensive income - non-controlling interest	(801)	196
Total	$ 84,763	($ 68,904)
Dividend income recognised in profit or loss		
Held at end of period	$ 34,087	$ 34,609

Debt instruments at fair value through other comprehensive income	Year ended December 31, 2023	Year ended December 31, 2022
Fair value change recognised in other comprehensive income	$ 126,397	($ 126,051)
Interest income recognised in profit or loss	$ 95,230	$ 26,163

c. Details of the Group's financial assets at fair value through other comprehensive income pledged to others as collateral are provided in Note 8.

d. Information relating to credit risk is provided in Note 12(2).

4) Margin loans receivable

Margin loans receivable were secured by the securities purchased by customers under margin loans. The annual interest rate was 6.4%.

5) Customer margin account

	December 31, 2023	December 31, 2022
Bank deposit	$ 14,568,406	$ 14,648,460
Futures clearing house	3,207,614	3,713,648
Other futures commission merchant	2,749,733	2,420,946
Securities	364	201
Total	$ 20,526,117	$ 20,783,255

The difference between the customer margin deposits accounts and futures traders' equity as of December 31, 2023 and 2022 were outlined below:

	December 31, 2023	December 31, 2022
Customer margin deposits accounts	$ 20,526,117	$ 20,783,255
Futures trading margins receivable	-	2
Add: Early customer margin deposits	8,915	9,962
Less: Service fee income pending for transfer	(29,470)	(11,628)
Futures exchange tax pending for transfer	(725)	(872)
Net interest income pending for transfer	-	(6,920)
Temporary receipts	(6,943)	(10,213)
Futures trader's equity	$ 20,497,894	$ 20,763,586

6) Accounts receivable

	December 31, 2023	December 31, 2022
Accounts receivable - related parties	$ 1,191	$ 1,195
Accounts receivable - non related parties		
Settlement price receivable-brokers	$ 13,698,197	$ 8,317,064
Settlement price receivable-dealer	1,473,114	87,067
Settlement price receivable-foreign bonds	916,071	757,711
Spot exchange receivable, foreign currencies	37,393	47,624
Interest receivable	478,227	315,061
Settlement price	1,780,200	438,735
Others	712,540	178,348
Subtotal	19,095,742	10,141,610
Less: Allowance for uncollectable accounts	(641)	(659)
Total	$ 19,095,101	$ 10,140,951

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	December 31, 2023					
	Up to 30 days	31 to 90 days	91 to 180 days	181 days to 12 months	More than 12 months	Total
Accounts receivable						
Accounts receivable - related parties	$ 763	$ 428	$ -	$ -	$ -	$ 1,191
Accounts receivable - non related parties	18,635,202	119,962	151,182	122,488	66,908	19,095,742
Total	$ 18,635,965	$ 120,390	$ 151,182	$ 122,488	$ 66,908	$ 19,096,933

	December 31, 2022					
	Up to 30 days	31 to 90 days	91 to 180 days	181 days to 12 months	More than 12 months	Total
Accounts receivable						
Accounts receivable - related parties	$ 1,195	$ -	$ -	$ -	$ -	$ 1,195
Accounts receivable - non related parties	9,837,104	46,581	52,096	95,860	109,969	10,141,610
Total	$ 9,838,299	$ 46,581	$ 52,096	$ 95,860	$ 109,969	$ 10,142,805

Note：The above ageing analysis was based on invoice date.

B. Information relating to credit risk is provided in Note 12(2).

7) Other receivables

	December 31, 2023	December 31, 2022
Interest receivable	$ 54,949	$ 31,085
Others	19,958	29,378
Subtotal	74,907	60,463
Less: Allowance for uncollectible accounts	(275)	(355)
Total	$ 74,632	$ 60,108

Information relating to credit risk is provided in Note 12(2).

8) Other current assets

	December 31, 2023	December 31, 2022
Pending settlements	$ 282,289	$ 196,758
Pledged time deposits	400,000	400,000
Deposits-in for foreign currency securities	47,264	808,290
Underwriting share proceeds collected on behalf of customers	90,245	249,404
Amounts held for each customer in the account	852,083	265,926
Others	53,991	30,583
Total	$ 1,725,872	$ 1,950,961

9) Transfer of financial assets

A. During the Group's activities, the transferred financial assets that do not meet derecognition conditions are mainly debt instruments with purchase agreements or debt instruments lent out in accordance with securities borrowing and lending agreement. The cash flow of the contract has been transferred and related liabilities of transferred financial assets that will be repurchased at a fixed price in the future have been reflected. The Group may not use, sell or pledge the transferred financial assets during the valid period of the transaction. The financial assets were not derecognized as the Group is still exposed to interest rate risk and credit risk.

B. Financial assets that do not meet the derecognition conditions and related financial liabilities are analysed below:

	December 31, 2023	
Financial assets category	Carrying amount of transferred financial assets	Carrying amount of related financial liabilities
Financial assets measured at fair value through profit or loss		
Repurchase agreement	$ 17,723,768	$ 16,573,700
Financial assets measured at fair value through other comprehensive income		
Repurchase agreement	2,651,447	2,566,806

	December 31, 2022	
Financial assets category	Carrying amount of transferred financial assets	Carrying amount of related financial liabilities
Financial assets measured at fair value through profit or loss		
Repurchase agreement	$ 4,814,535	$ 4,738,787
Financial assets measured at fair value through other comprehensive income		
Repurchase agreement	2,198,632	2,226,637

10) Offsetting financial assets and financial liabilities

A. The Group has transactions that are or are similar to net settled master netting arrangements but do not meet the offsetting criteria, i.e. derivative financial instruments, resale and repurchase agreements. If one party breaches the contract, the counterparty can choose to use net settlement for the above transactions.

B. The offsetting of financial assets and financial liabilities are set as follows:

(1)Financial assets

December 31, 2023						
				Not set off in the balance sheet		
Description	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Financial instruments	Cash collateral received	Net amount
Derivative financial instruments	$ 829	$ -	$ 829	$ 829	$ -	$ -

December 31, 2022						
				Not set off in the balance sheet		
Description	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Financial instruments	Cash collateral received	Net amount
Derivative financial instruments	$ 5,037	$ -	$ 5,037	$ 5,037	$ -	$ -

(2) Financial liabilities

December 31, 2023						
				Not set off in the balance sheet		
Description	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Financial instruments	Cash collateral received	Net amount
Derivative financial instruments	$ 33,039	$ -	$ 33,039	$ 829	$ -	$ 32,210
Bonds sold under repurchase agreements	13,998,281	-	13,998,281	13,998,281	-	-
Total	$ 14,031,320	$ -	$ 14,031,320	$ 13,999,110	$ -	$ 32,210

December 31, 2022						
				Not set off in the balance sheet		
Description	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Financial instruments	Cash collateral received	Net amount
Derivative financial instruments	$ 8,320	$ -	$ 8,320	$ 5,037	$ -	$ 3,283
Bonds sold under repurchase agreements	4,718,843	-	4,718,843	4,718,843	-	-
Total	$ 4,727,163	$ -	$ 4,727,163	$ 4,723,880	$ -	$ 3,283

11) Investments accounted for under the equity method

	December 31, 2023	December 31, 2022
Uni-President Asset Management Corp.	$ 797,207	$ 748,080
Jin Yuan President Securities Co., Ltd.	2,615,717	2,764,018
	$ 3,412,924	$ 3,512,098

A. The Group's share of its associates' profits or losses recognized in long-term equity investment accounted for under the equity method for the years ended December 31, 2023 and 2022 were $124,630 and ($97,702), respectively.

B. The Group holds 42.49% of the equity of Uni-President Asset Management Corp., making it the single largest shareholder of the company, while the other equity is mainly held by the other 19 shareholders. Half of the voting rights of the shareholders attending the shareholders meeting exceeds the voting rights of the Group, and the Group does not take an active role in the management of the company. This shows that the Group has no actual ability to direct relevant activities. The Group has no control over Uni-President Asset Management Corp., but has significant influence over it.

C. The financial information of the Group's principal associates is summarized as follows:

(a) The basic information of the associates that are material to the Group is as follows:

Company name	Principal place of businesss	Shareholding ratio		Nature of relationship	Methods of measurement
		December 31, 2023	December 31, 2022		
Uni-President Asset Management Corp.	Taipei city	42.49%	42.49%	Associate	Equity method
Jin Yuan President Securities Co., Ltd. (Note)	Xiamen	49%	49%	Associate	Equity method

Note: The Company participated in the cash capital increase of Jin Yuan President Securities Co., Ltd. in proportion to its shareholdings in the third quarter of 2022.

(b) The summarized financial information of the associates that are material to the Group is as follows:

Balance sheet

	Uni-President Asset Management Corp.	
	December 31, 2023	December 31, 2022
Current assets	$ 1,132,776	$ 944,707
Non-current assets	822,436	784,976
Current liabilities	(443,166)	(334,677)
Non-current liabilities	(58,583)	(57,145)
Total net assets	$ 1,453,463	$ 1,337,861
Share in associate net assets	$ 617,685	$ 568,558
Goodwill and others	179,522	179,522
Carrying amount of the associate	$ 797,207	$ 748,080

Balance sheet

	Jin Yuan President Securities Co., Ltd.	
	December 31, 2023	December 31, 2022
Current assets	$ 5,641,883	$ 6,937,077
Non-current assets	243,503	233,398
Current liabilities	(487,824)	(1,491,521)
Non-current liabilities	(59,363)	(38,100)
Total net assets	$ 5,338,199	$ 5,640,854
Share in associate net assets	$ 2,615,717	$ 2,764,018
Carrying amount of the associate	$ 2,615,717	$ 2,764,018

Statement of comprehensive income

	Uni-President Asset Management Corp.	
	Year ended December 31, 2023	Year ended December 31, 2022
Revenue	$ 1,589,484	$ 1,269,129
Profit for the period from continuing operations	$ 526,229	$ 435,683
Other comprehensive income (loss) - net of tax	(15,577)	4,577
Total comprehensive income (loss)	$ 510,652	$ 440,260
Dividends received from associates	$ 167,887	$ 199,809

	Jin Yuan President Securities Co., Ltd.	
	Year ended December 31, 2023	Year ended December 31, 2022
Revenue	$ 462,028	$ 119,529
Loss for the period from continuing operations	($ 212,561)	($ 577,258)
Total comprehensive income (loss)	($ 212,561)	($ 577,258)

12) Property and equipment

	Year ended December 31, 2023				
January 1	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	$ 1,680,129	$ 1,140,158	$ 500,641	$ 47,035	$ 3,367,963
Accumulated depreciation and impairment	-	(520,097)	(206,465)	(31,759)	(758,321)
Total	$ 1,680,129	$ 620,061	$ 294,176	$ 15,276	$ 2,609,642
January 1	$ 1,680,129	$ 620,061	$ 294,176	$ 15,276	$ 2,609,642
Additions	-	670	63,014	1,548	65,232
Disposal	-	-	(89)	-	(89)
Reclassifications	57,922	25,340	39,571	681	123,514
Depreciation	-	(41,255)	(107,050)	(4,917)	(153,222)
December 31	$ 1,738,051	$ 604,816	$ 289,622	$ 12,588	$ 2,645,077

	Year ended December 31, 2023				
December 31	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	$ 1,738,051	$ 1,176,715	$ 564,286	$ 34,050	$ 3,513,102
Accumulated depreciation and impairment	-	(571,899)	(274,664)	(21,462)	(868,025)
Total	$ 1,738,051	$ 604,816	$ 289,622	$ 12,588	$ 2,645,077

	Year ended December 31, 2022				
January 1	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	$ 1,680,129	$ 1,110,116	$ 313,717	$ 35,121	$ 3,139,083
Accumulated depreciation and impairment	-	(488,075)	(177,406)	(26,474)	(691,955)
Total	$ 1,680,129	$ 622,041	$ 136,311	$ 8,647	$ 2,447,128
January 1	$ 1,680,129	$ 622,041	$ 136,311	$ 8,647	$ 2,447,128
Additions	-	2,701	101,862	1,631	106,194
Disposal	-	-	(4)	-	(4)
Reclassifications	-	34,671	133,157	9,581	177,409
Depreciation	-	(39,352)	(77,150)	(4,583)	(121,085)
December 31	$ 1,680,129	$ 620,061	$ 294,176	$ 15,276	$ 2,609,642

December 31	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	$ 1,680,129	$ 1,140,158	$ 500,641	$ 47,035	$ 3,367,963
Accumulated depreciation and impairment	-	(520,097)	(206,465)	(31,759)	(758,321)
Total	$ 1,680,129	$ 620,061	$ 294,176	$ 15,276	$ 2,609,642

A. No interest was capitalized for property and equipment for the years ended December 31, 2023 and 2022.

B. The information on property and equipment pledged or restricted as of December 31, 2023 and 2022 is described in Note 8.

13) Leasing arrangements－lessee

A. The Group leases various assets including buildings, machinery and equipment, business vehicles and multifunction printers. Rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2023	December 31, 2022
	Carrying Amount	Carrying Amount
Buildings	$ 111,575	$ 141,233
Transportation equipment (Business vehicles)	15,296	16,576
Office equipment (Photocopiers)	5,155	7,748
Total	$ 132,026	$ 165,557

	Year ended December 31, 2023	Year ended December 31, 2022
	Depreciation charge	Depreciation charge
Buildings	$ 69,325	$ 86,236
Transportation equipment (Business vehicles)	6,693	6,655
Office equipment (Photocopiers)	2,810	2,748
Total	$ 78,828	$ 95,639

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets amounted to $45,385 and $66,442, respectively.

D. The information on income and expense accounts relating to lease contracts is as follows:

Items affecting profit or loss	Year ended December 31, 2023	Year ended December 31, 2022
Interest expense on lease liabilities	$ 1,106	$ 1,234
Expense on short-term lease contracts	10,358	4,241
Expense on variable lease payment	116	100

E. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases amounted to $88,243 and $ 98,631, respectively.

14) Leasing arrangements – lessor

A. The Group leases various assets including office and parking space. Rental contracts are typically made for periods of 1 and 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the years ended December 30, 2023 and 2022, the Group recognized rent income in the amount of $15,597 and $17,980, respectively, based on the operating lease agreement, which does not include variable lease payments.

C. The maturity analysis of the lease payments under the operating leases is as follows:

	December 31, 2023	December 31, 2022
2023	$ -	$ 18,299
2024	4,488	4,850
2025	2,420	-
2026	2,420	-
2027	2,420	-
2028	1,638	-
Total	$ 13,386	$ 23,149

15) Investment property

	Year ended December 31, 2023		
January 1	Land	Buildings	Total
Cost	$ 198,099	$ 107,076	$ 305,175
Accumulated depreciation and impairment	-	(38,873)	(38,873)
Total	$ 198,099	$ 68,203	$ 266,302
January 1	$ 198,099	$ 68,203	$ 266,302
Reclassifications	(57,923)	(22,182)	(80,105)
Depreciation	-	(2,044)	(2,044)
December 31	$ 140,176	$ 43,977	$ 184,153
December 31	Land	Buildings	Total
Cost	$ 140,176	$ 72,533	$ 212,709
Accumulated depreciation and impairment	-	(28,556)	(28,556)
Total	$ 140,176	$ 43,977	$ 184,153

	Year ended December 31, 2022		
January 1	Land	Buildings	Total
Cost	$ 198,099	$ 107,076	$ 305,175
Accumulated depreciation and impairment	-	(36,773)	(36,773)
Total	$ 198,099	$ 70,303	$ 268,402
January 1	$ 198,099	$ 70,303	$ 268,402
Reclassifications	-	-	-
Depreciation	-	(2,100)	(2,100)
December 31	$ 198,099	$ 68,203	$ 266,302
December 31	Land	Buildings	Total
Cost	$ 198,099	$ 107,076	$ 305,175
Accumulated depreciation and impairment	-	(38,873)	(38,873)
Total	$ 198,099	$ 68,203	$ 266,302

A. For the years ended December 31, 2023 and 2022, rental income from the lease of the investment property were $13,189 and $16,661 respectively, and direct operating expenses arising from the investment property were $3,632 and $3,667, respectively.

B. Details of fair value of investment property are provided in Note 12(5).

16) Intangible assets

	Year ended December 31, 2023			
January 1	Computer software	Goodwill	Customer relationships and others	Total
Cost	$ 362,033	$ 42,004	$ 89,929	$ 493,966
Accumulated amortization and impairment	(193,242)	-	(54,218)	(247,460)
Total	$ 168,791	$ 42,004	$ 35,711	$ 246,506
January 1	$ 168,791	$ 42,004	$ 35,711	$ 246,506
Additions	30,338	-	-	30,338
Reclassifications	94,670	-	-	94,670
Amortization	(79,059)	-	(18)	(79,077)
December 31	$ 214,740	$ 42,004	$ 35,693	$ 292,437

December 31	Computer software	Goodwill	Customer relationships and others	Total
Cost	$ 472,236	$ 42,004	$ 89,929	$ 604,169
Accumulated amortization and impairment	(257,496)	-	(54,236)	(311,732)
Total	$ 214,740	$ 42,004	$ 35,693	$ 292,437

	Year ended December 31, 2022			
January 1	Computer sofware	Goodwill	Customer relationships and others	Total
Cost	$ 273,340	$ 42,004	$ 89,929	$ 405,273
Accumulated amortization and impairment	(155,606)	-	(54,199)	(209,805)
Total	$ 117,734	$ 42,004	$ 35,730	$ 195,468
January 1	$ 117,734	$ 42,004	$ 35,730	$ 195,468
Additions	51,645	-	-	51,645
Reclassifications	56,564	-	-	56,564
Amortization	(57,152)	-	(19)	(57,171)
December 31	$ 168,791	$ 42,004	$ 35,711	$ 246,506

December 31	Computer software	Goodwill	Customer relationships and others	Total
Cost	$ 362,033	$ 42,004	$ 89,929	$ 493,966
Accumulated amortization and impairment	(193,242)	-	(54,218)	(247,460)
Total	$ 168,791	$ 42,004	$ 35,711	$ 246,506

A. No interest was capitalized for intangible assets for the years ended December 31, 2023 and 2022.

B. Goodwill and customer relationships were acquired through acceptance of transfer of the securities brokerage business of Standard Chartered (Taiwan) Bank's retail banking business, and were all allocated to the Group's brokerage segment.

C. The recoverable amount of goodwill was periodically determined based on its value in use. Calculations of value in use after-tax cash flow projections are based on financial budgets approved by the management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below.

The recoverable amount calculated based on the value in use exceeded the carrying amount, thus the goodwill was not impaired. The key assumptions used for calculation of value in use are as follows:

	Brokerage Segment	Brokerage Segment
	Year ended December 31, 2023	Year ended December 31, 2022
Growth rate	0.00%	0.00%
Discount rate	12.68%	13.26%

Management determined the growth rate based on past performance and its expectations of market development. The discount rates were based on the weighted average financing cost rates determined by the Company's capital asset pricing model. The discount rates also reflect specific risks related to relevant operating segments.

17) Other non-current assets

	December 31, 2023	December 31, 2022
Operation guaranteed deposits	$ 655,000	$ 655,000
Clearing and settlement fund	308,649	316,017
Refundable deposits	225,738	196,823
Deferred expenses	22	131
Prepaid pension expenses	4,013	77,193
Prepayment for equipment	50,757	62,098
Overdue receivables	1,965	8,224
Others	2,500	2,500
Subtotal	1,248,644	1,317,986
Less: Allowance for uncollectible accounts	(1,965)	(8,224)
Total	$ 1,246,679	$ 1,309,762

18) Short-term loans

	December 31, 2023	December 31, 2022
Unsecured loans	$ 6,944,759	$ 275,000

As of December 31, 2023 and 2022, the interest rates of short-term loans, including foreign interest rates were 1.650%~5.910% and 1.700%, respectively.

19) Commercial papers payable

	December 31, 2023	December 31, 2022
Face value	$ 21,150,000	$ 5,830,000
Less: discount on commercial papers payable	(19,066)	(2,569)
Total	$ 21,130,934	$ 5,827,431

As of December 31, 2023 and 2022, the interest rates of commercial papers, including foreign interest rates were 1.460%~1.580% and 1.250%~1.400%, respectively.

20) Financial liabilities at fair value through profit or loss - current

	December 31, 2023	December 31, 2022
Liabilities on sale of borrowed securities - hedged	$ 490,037	$ 1,769,451
Valuation adjustment on liabilities on sale of borrowed securities - hedged	27,380	(47,847)
Liabilities on sale of borrowed securities - non-hedged	5,270,361	6,668,328
Valuation adjustment on liabilities on sale of borrowed securities - non-hedged	389,037	(912,064)
Subtotal	6,176,815	7,477,868
Issuance of call (put) warrants	14,926,912	8,388,823
Loss (gain) on price fluctuation	(2,567,109)	(3,700,001)
Market value (A)	12,359,803	4,688,822
Warrants redeemed	(13,268,465)	(6,461,030)
Loss on price fluctuation	1,944,352	2,084,404
Market value (B)	(11,324,113)	(4,376,626)
Warrants - net (A+B)	1,035,690	312,196
Options sold - TAIFEX	9,671	3,970
Outstanding Liability for Issuance of ETNs	492,775	971,128
Valuation adjustment on outstanding Liability for Issuance of ETNs	59,115	(198,830)
Subtotal	551,890	772,298
Derivative financial liabilities - OTC	2,697,246	590,988
Total	$ 10,471,312	$ 9,157,320

Among the warrants issued by the Group, except for contract-based warrants which are European-style warrants, all other warrants are American-style warrants. Warrants are stated as liabilities for issuance of warrants at issuance price prior to expiration. Upon repurchase of warrants after issuance, the repurchased amounts are recognized as warrants repurchase and charged as a deduction to liabilities for issuance of warrants. The warrants have six to twelve months exercise period from the date of issuance. The issuer has the option to settle either by cash or stock delivery.

21) Bonds sold under repurchase agreements

	December 31, 2023	December 31, 2022
Government bonds	$ 1,673,927	$ 919,875
Corporate bonds	3,738,850	1,001,131
Bank debentures	100,000	100,408
International bonds	664,516	225,167
Foreign bonds	12,963,213	4,718,843
Total	$ 19,140,506	$ 6,965,424

The above bonds sold under repurchase agreements as of December 31, 2023 and 2022 were due within one year and were contracted to be repurchased at the agreed-upon price plus interest charge on the specific date after the transaction. The total repurchase amounts were $19,322,093 and $7,016,989, respectively, and the annual interest rates in every currency were shown as follows:

Currency	December 31, 2023	December 31, 2022
NTD	0.97%~1.41%	0.72%~1.22%
Foreign currencies (Note)	2.20%~5.80%	1.40%~4.80%

Note：Foreign currencies include AUD, EUR, USD, GBP, RMB and NZD.

22) Accounts payable

	December 31, 2023	December 31, 2022
Settlement accounts payable - brokered trading	$ 14,683,802	$ 7,705,822
Settlement proceeds	838,340	1,252,785
Settlement accounts payable - operating	244,238	935,022
Settlement accounts payable - foreign bonds	977,154	703,424
Spot exchange payable, foreign currencies	37,386	47,566
Others	310,495	207,775
Total	$ 17,091,415	$ 10,852,394

23) Other payables

	December 31, 2023	December 31, 2022
Salary and bonus payable	$ 1,397,414	$ 952,907
Employees' and directors' remuneration payable	143,088	49,470
Others	719,080	579,830
Total	$ 2,259,582	$ 1,582,207

24) Other financial liabilities - current

	December 31, 2023	December 31, 2022
Principal guaranteed notes (PGN) - fixed income	$ 5,224,019	$ 2,784,086

The Group deals in equity-linked products and combines fixed income instruments with call or put options. These products are categorized into ELN (Equity-Linked Notes) and PGN (Principal Guaranteed Notes). On trade date, the contracted amounts are collected in full from the counterparties.

The payout amount on maturity will depend on the price fluctuation of the instruments linked to these contracts and be calculated as trading price less option strike price on maturity. All the linked products are financial instruments under the supervision of the SFB (Securities and Futures Bureau).

25) Other liabilities-non-current

	December 31, 2023	December 31, 2022
Guarantee deposits received	$ 4,188	$ 7,056
Net defined benefit obligation	60,301	872
Total	$ 64,489	$ 7,928

26) Pension plan

A. Defined benefit plans

(A) The Group has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. The Group contributes monthly an amount which ranges between 2.0% and 4.8% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the supervisory committee of workers' retirement reserve fund, and with Cathay United Bank, under the name of the management committee of employees' retirement fund. Also, the Group would assess the balance in the aforementioned labor pension reserve account by the end of March 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Group will make contributions to cover the deficit by next March.

(B) The amounts recognized in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Net present value of defined benefit liabilities	$ 857,243	$ 721,282
Fair value of plan assets	(800,955)	(797,603)
Net defined benefit (assets) liabilities	$ 56,288	($ 76,321)

(C) Movements in net defined benefit liabilities (assets) are as follows:

Year ended December 31, 2023	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities (assets)
Balanced at January 1	$ 721,282	($ 797,603)	($ 76,321)
Current service cost	1,286	-	1,286
Interest expense (income)	10,118	(11,184)	(1,066)
	732,686	(808,787)	(76,101)
Remeasurements:			
Returned on plan assets (excluding amounts included in interest income or expense)	-	(543)	(543)
Change in financial assumptions	11,606	-	11,606
Experience adjustments	147,683	-	147,683
	159,289	(543)	158,746
Pension fund contribution	-	(26,357)	(26,357)
Paid pension	(34,732)	34,732	-
	(34,732)	8,375	(26,357)
Balanced at December 31	$ 857,243	($ 800,955)	$ 56,288

Year ended December 31, 2022	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities (assets)
Balanced at January 1	$ 846,969	($ 785,320)	$ 61,649
Current service cost	3,336	-	3,336
Interest expense (income)	4,261	(3,948)	313
	854,566	(789,268)	65,298
Remeasurements:			
Returned on plan assets (excluding amounts included in interest income or expense)	-	(46,653)	(46,653)
Change in financial assumptions	(4,832)	-	(4,832)
Experience adjustments	(51,164)	-	(51,164)
	(55,996)	(46,653)	(102,649)
Pension fund contribution	-	(38,970)	(38,970)
Paid pension	(77,288)	77,288	-
	(77,288)	38,318	(38,970)
Balanced at December 31	$ 721,282	($ 797,603)	($ 76,321)

(D) The Bank of Taiwan was commissioned to manage the Fund of the Group's defined benefit pension plan in accordance with the Fund's annual investment and utilization plan and "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund" (Article 6: The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilization of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks.

If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator.

The Group has no right to participate in managing and operating that fund and hence the Group is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilization Report published by the government. In addition, for retirement fund deposits with Cathay United Bank, under the name of the management committee of employees' retirement fund, the fund invests in time deposit accounts under Cathay United Bank.

(E) The principal actuarial assumptions used were as follows:

	Year ended December 31, 2023	Year ended December 31, 2022
Discount rate	1.20%~1.30%	1.30%~1.50%
Future salary increases	3.00%~3.50%	2.00%~3.50%

Assumptions regarding future mortality rate are set based on the Taiwan Standard Ordinary Experience Mortality Table (2021) for the years ended December 31, 2023 and 2022. Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023				
Effect on present value of defined benefit obligation	($ 14,512)	$ 14,901	$ 12,448	($ 12,205)
December 31, 2022				
Effect on present value of defined benefit obligation	($ 13,755)	$ 14,154	$ 12,063	($ 11,804)

(F) Pension fund contribution plans to pay $25,973 for the year ended December 31, 2024.

B. Defined contribution plans:

Effective from July 1, 2005, the Group established a defined contribution plan pursuant to the "Labor Pension Act", which covers employees with R.O.C. nationality and those who chose or are required to apply the "Labor Pension Act". The contributions are made monthly based on not less than 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The payment of pension benefits is based on the employees' individual pension fund accounts and the cumulative profit in such accounts. The employees can choose to receive such pension benefits monthly or in lump sum. The pension costs under defined contribution pension plans of the Group for the years ended December 31, 2023 and 2022 were $79,997 and $81,369, respectively.

C. President Securities (HK), President Wealth Management (HK), and President Securities (Nominee) have defined benefit pension plans in accordance with local laws, and recognized the current pension expenses by contributing to the accrued pension assets. President Securities (HK) recognized pension expenses of $6,559 and $6,292, respectively, for the years ended December 31, 2023 and 2022.

27) Equity

A. Common stock

(A) As of December 31, 2023, the Company's authorized capital was $15,000,000 with a par value of $10 (in dollars) per share. As of December 31, 2023 and 2022, the common stocks issued and the outstanding common stocks were all 1,455,831 thousand shares.

B. Capital reserve

	Share premium	Treasury share transactions	Expired stock options	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Total
December 31, 2023	$ 24,663	$ 65,675	$ 483	$ 440	$ 91,261
December 31, 2022	$ 24,663	$ 65,675	$ 483	$ 440	$ 91,261

Pursuant to the R.O.C. Company Law, capital reserve arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided it should not exceed 10% of the paid-in capital each year. Capital reserve should not be used to cover accumulated deficit unless the legal reserve is insufficient.

C. Legal reserve

Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

D. Special reserve

In accordance with the "Rules Governing the Administration of Securities Firms", 20% of the current year's earnings, after paying all taxes and offsetting prior years' operating losses, and plus the items other than the after-tax net profit for the period, that are included in the unappropriated earnings of the period, if any, shall be set aside as special reserve until the cumulative balance equals the total amount of paid-in capital. The special reserve shall be used exclusively to cover accumulated deficit or to increase capital and shall not be used for any other purpose. Such capitalization shall not be permitted unless the Company had already accumulated a special reserve of at least 25% of its paid-in capital stock and only quarter of such special reserve may be capitalized.

In accordance with the regulations, the Company shall set aside an equivalent amount of special reserve from accumulated unappropriated retained earnings of the current year based on the decreased amount of equity. If there is any subsequent reversal of the decrease in equity, the earnings may be distributed based on the reversal proportion.

In accordance with Jing-Guan-Zheng-Chuan Letter No. 10500278285 dated August 5, 2016, securities firms should set aside 0.5% to 1% of net income after tax as special reserve, upon the distribution of earnings from 2016 to 2018. From fiscal year 2017, special reserve as mentioned above may be reversed based on an amount equal to employees' transformation training expenditure, transfer and arrangement expenditure arising from the development of Fintech. Further, according to Jing-Guan-Zheng-Chuan Letter No. 1080321644 dated July 10, 2019, securities firms are no longer required to set aside special reserve starting from 2019. And the special reserve, within the balance of special reserve set aside in the previous years, could be reversed at the same amount for the aforementioned expenditures.

28) Unappropriated earnings and dividends policy

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be used to pay all taxes and offset prior years' operating losses first, and then set aside as legal reserve, accounted for as 10% of the remaining amount, and special reserve, accounted for as 20% of the remaining amount. Upon provision or reversal of special reserve in accordance with the law, any remaining amount together with unappropriated earnings at beginning of the period shall be distributed according to the following resolution adopted at the stockholders' meeting: Distribution shall not be made if the balance of distributable earnings is less than 5% of paid-in capital.

B. In addition, the total amount of dividends declared every year shall be at least 70% of distributable earnings, of which stock dividends shall be at least 50% and cash dividends shall be lower than 50%.

C. The Company may determine a better proportion of cash and stock dividends distribution based on its actual operating conditions and capital utilization plan for the following year.

D. The earnings distribution for 2022 as resolved by the shareholders on May 31, 2023; the appropriation of 2021 earnings was resolved by the shareholders on June 23, 2022. Details are as follows:

	For the year ended December 31, 2022		For the year ended December 31, 2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Provision of legal reserve	$ 81,278		$ 390,101	
Provision of special reserve	162,557		780,203	
Reversal of special reserve (Note)	-		(3,413)	
Cash dividends	567,774	$ 0.39	2,751,521	$ 1.89
Total	$ 811,609		$ 3,918,412	

Note: Special reserve was provided for employees' transition for financial technology development according to Jing-Guan-Zheng-Chuan Letter No. 1080321644 and can be reversed for employees' transition.

E. The earnings distribution for 2023 as resolved by the Board of Directors on March 4, 2024 is set forth below:

	Year ended December 31, 2023	
	Amount	Dividends per share (in dollars)
Provision of legal reserve	$ 274,761	
Provision of special reserve	549,523	
Cash dividends	1,921,697	$ 1.32
Total	$ 2,745,981	

29) Brokerage handling fee revenue

	Year ended December 31, 2023	Year ended December 31, 2022
Revenues from brokered trading - TWSE	$ 1,954,288	$ 1,705,981
Revenues from brokered trading - OTC	666,523	559,912
Revenues from brokered trading - Futures	722,947	884,067
Others	174,495	128,202
Total	$ 3,518,253	$ 3,278,162

30) Revenues from underwriting business

	Year ended December 31, 2023	Year ended December 31, 2022
Revenues from underwriting securities on a firm commitment basis	$ 49,979	$ 54,137
Others	54,305	32,328
Total	$ 104,284	$ 86,465

(Blank below)

31) Net gain (loss) on sale of operating securities

	Year ended December 31, 2023	Year ended December 31, 2022
Dealers:		
-TAIEX	$ 1,633,061	($ 1,344,995)
-OTC	313,461	(158,417)
-Overseas trading	19,264	(292,708)
Subtotal	1,965,786	(1,796,120)
Underwriters:		
-TAIEX	8,417	22,207
-OTC	126,471	36,833
Subtotal	134,888	59,040
Hedging:		
-TAIEX	(84,153)	(1,207,720)
-OTC	300,284	(282,485)
-Overseas trading	9,207	(1,541)
Subtotal	225,338	(1,491,746)
Total	$ 2,326,012	($ 3,228,826)

32) Interest income

	Year ended December 31, 2023	Year ended December 31, 2022
Interest income from margin loans	$ 712,126	$ 740,032
Interest income from bonds	504,694	149,628
Others	149,284	53,875
Total	$ 1,366,104	$ 943,535

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

	Year ended December 31, 2023	Year ended December 31, 2022
Gain (loss) on sale of securities - dealer	$ 796,622	($ 285,124)
Gain (loss) on sale of securities - underwriting	116,722	(62,951)
Gain (loss) on sale of securities - hedging	815,626	(592,199)
Total	$ 1,728,970	($ 940,274)

34) Net gain (loss) on covering of borrowed securities and bonds with resale agreements - short sales

	Year ended December 31, 2023	Year ended December 31, 2022
Gain (loss) from the bond investments under resale agreements	$ -	$ 103
Gain (loss) from securities borrowing transactions	(53,396)	319,042
Gain (loss) from covering	(7,248)	163,126
Total	($ 60,644)	$ 482,271

35) Net valuation gain (loss) on borrowed securities and bonds with resale agreements-short sales at fair value through profit or loss

	Year ended December 31, 2023	Year ended December 31, 2022
Valuation gain (loss) from securities borrowing transactions	($ 1,309,405)	$ 1,324,819
Valuation gain (loss) from covering	(66,923)	56,198
Total	($ 1,376,328)	$ 1,381,017

36) Net realized gain on financial liabilities measured at fair value through other comprehensive income

	Year ended December 31, 2023	Year ended December 31, 2022
Foreign bonds	($ 143,436)	$ -

37) Net gain (loss) from issuance of call (put) warrants

	Year ended December 31, 2023	Year ended December 31, 2022
Net gain (loss) on changes in fair value of call (put) warrant liabilities and redemption	$ 213,817	$ 1,807,278
Net gain (loss) on exercise of call (put) warrants before maturity	(77,000)	(131,769)
Expenses arising out of issuance of call (put) warrants	(358,462)	(201,525)
Total	($ 221,645)	$ 1,473,984

38) Net gain (loss) from derivatives

	Year ended December 31, 2023	Year ended December 31, 2022
Futures contract gain (loss)	($ 1,369,810)	$ 55,440
Option trading gain (loss)	134,769	53,547
OTC option trading gain (loss)	(411,351)	16,713
Net gain (loss) on foreign exchange derivatives	82,302	25,695
Asset SWAP	(100,497)	39,382
Others	(127,496)	(32,488)
Total	($ 1,792,083)	$ 158,289

39) Expected credit impairment loss and reversal of impairment gain

	Year ended December 31, 2023	Year ended December 31, 2022
Impairment (loss) and reversal of impairment gain	($ 17,916)	$ 20,944
Recovery of bad debts	920	1,347
Total	($ 16,996)	$ 22,291

40) Other operating income

	Year ended December 31, 2023	Year ended December 31, 2022
Income from securities lending	$ 389,677	$ 370,505
Net currency exchange gain (loss)	(58,210)	94,199
Handling fee revenues from funds	83,196	67,203
Others	172,265	119,139
Total	$ 586,928	$ 651,046

41) Handling charges

	Year ended December 31, 2023	Year ended December 31, 2022
Brokerage handling fee expense	$ 419,215	$ 409,885
Dealer handling fee expense	145,504	138,193
Refinancing processing fee expense	1,920	2,682
Total	$ 566,639	$ 550,760

42) Financial costs

	Year ended December 31, 2023	Year ended December 31, 2022
Interest expense from repurchase agreements	$ 417,306	$ 62,250
Loans interest expense	407,569	68,390
Other interest expense	110,006	52,692
Total	$ 934,881	$ 183,332

43) Employee benefits expense

	Year ended December 31, 2023	Year ended December 31, 2022
Salaries	$ 2,781,292	$ 2,122,677
Labor and health insurance	162,323	166,909
Pension	86,776	91,309
Other employee benefits	118,810	135,590
Total	$ 3,149,201	$ 2,516,485

A. In accordance with the Company's Article of Incorporation, the remainder of the year-end income before taxes less income before appropriating employees' compensation and directors' remuneration, if any, shall appropriate an employees' compensation no less than 1.6% and directors' remuneration no more than 2%. However, when the Company has an accumulated deficit, earnings to cover the deficit shall first be retained before appropriating employees' compensation and directors' remuneration.

B. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at $62,370 and $19,014, respectively; directors' remuneration was accrued at $62,370 and $19,014, respectively. The aforementioned amounts were recognized in salary expenses.

C. For the year ended December 31, 2023, employees' compensation was estimated at 2% and directors' remuneration at 2%, based on the period-end income before taxes less income before appropriating employees' compensation and directors' remuneration.

D. The actual distributed amount of employees' and directors' remuneration for 2022 as resolved by the Board of Directors was in agreement with the estimates in the 2022 financial statements.

E. Information on the appropriation of the Company's earnings as resolved by the Board of Directors would be posted in the "Market Observation Post System" on the Taiwan Stock Exchange official website.

44) Depreciation and amortization

	Year ended December 31, 2023	Year ended December 31, 2022
Depreciation	$ 234,094	$ 218,824
Amortization	79,179	57,474
Total	$ 313,273	$ 276,298

45) Other operating expenses

	Year ended December 31, 2023	Year ended December 31, 2022
Taxes	$ 893,480	$ 736,328
Security lending expenses	225,029	243,737
Computer information expenses	221,751	194,045
TDCC service fee	96,964	81,298
Postage	94,871	94,919
Others	500,509	434,138
Total	$ 2,032,604	$ 1,784,465

46) Other gains and losses

	Year ended December 31, 2023	Year ended December 31, 2022
Financial income	$ 573,654	$ 229,971
Net gain (loss) on disposal of investments	2,859	(7,691)
Net gain (loss) on valuation of non-operating financial instruments	9,112	(12,551)
Net currency exchange gain (loss)	634	13,514
Impairment loss	-	(15,244)
Other non-operating revenues	182,084	165,790
Total	$ 768,343	$ 373,789

47) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31, 2023	Year ended December 31, 2022
Current tax:		
Current tax on profits for the periods	$ 344,905	$ 196,858
Prior year income tax underestimation (overestimation)	(35,000)	(1,834)
Tax on undistributed surplus	59	-
Total current tax	309,964	195,024
Deferred taxes:		
Temporary differences	14,776	42,431
Total deferred taxes	14,776	42,431
Income tax expense (gain)	$ 324,740	$ 237,456

(b) The income tax expense relating to components of other comprehensive income is as follows:

	Year ended December 31, 2023	Year ended December 31, 2022
Remeasurement of defined benefit obligations	($ 31,749)	$ 20,530

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2023	Year ended December 31, 2022
Tax calculated based on profit before tax and statutory tax rate	$ 711,284	$ 239,111
Expenses disallowed by tax regulation	(119,097)	(131,483)
Prior year income tax overestimation	(35,000)	(1,834)
Tax exempt income by tax regulation	(232,506)	131,662
Tax on undistributed surplus	59	-
Income tax expense	$ 324,740	$ 237,456

C. Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits are as follows:

	Year ended December 31, 2023			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Deferred tax assets:				
-Temporary differences:				
Valuation loss from financial instruments	$ 7,925	($ 7,925)	$ -	$ -
Pension	94,692	139	31,713	126,544
Other	3,529	601	-	4,130
Subtotal	$ 106,146	($ 7,185)	$ 31,713	$ 130,674
Deferred tax liabilities:				
-Temporary differences:				
Valuation gain from financial instruments	$ -	($ 11,362)	$ -	($ 11,362)
Unrealised exchange gain	(9,808)	2,205	-	(7,603)
Pension	(240)	(3)	36	(207)
Other	(1,570)	1,569	-	(1)
Subtotal	($ 11,618)	($ 7,591)	$ 36	($ 19,173)
Total	$ 94,528	($ 14,776)	$ 31,749	$ 111,501

	Year ended December 31, 2022			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Deferred tax assets:				
-Temporary differences:				
Valuation loss from financial instruments	$ 8,375	($ 450)	$ -	$ 7,925
Unrealised exchange loss	33,566	(33,566)	-	-
Pension	115,133	58	(20,499)	94,692
Other	3,513	16	-	3,529
Subtotal	$ 160,587	($ 33,942)	($ 20,499)	$ 106,146

	Year ended December 31, 2022			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Deferred tax liabilities:				
-Temporary differences:				
Valuation gain from financial instruments	($ 2,250)	$ 2,250	$ -	$ -
Unrealised exchange gain	-	(9,808)	-	(9,808)
Pension	(848)	639	(31)	(240)
Other	-	(1,570)	-	(1,570)
Subtotal	($ 3,098)	($ 8,489)	($ 31)	($ 11,618)
Total	$ 157,489	($ 42,431)	($ 20,530)	$ 94,528

D. As of December 31, 2023, the Company's income tax returns have been approved by the Tax Authority until 2018. The income tax returns through 2021 of all company subsidiaries have been assessed, except for President Futures approval until 2019.

48) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted-average outstanding common shares (In thousands)	Earnings per share (In dollars)
Basic earnings per share			
Net income attributable to common shareholders	$ 2,878,951	1,455,831	$ 1.98
Dilutive effect of common stock equivalents			
Employee bonus	-	3,174	
	$ 2,878,951	1,459,005	$ 1.97

	Year ended December 31, 2022		
	Amount after tax	Weighted-average outstanding common shares (In thousands)	Earnings per share (In dollars)
Basic earnings per share			
Net income attributable to common shareholders	$ 729,368	1,455,831	$ 0.50
Dilutive effect of common stock equivalents			
Employee bonus	-	1,215	
	$ 729,368	1,457,046	$ 0.50

7. RELATED PARTY TRANSACTIONS

1) Names and relationships of related parties

Names of related parties	Relationship with the Company
Uni-President Enterprises Corp.	Entity having significant influence on the Company
Uni-President Asset Management Corp.	Associate
President Tokyo Co., Ltd.	Other related party
President Tokyo Auto Leasing Co., Ltd.	Other related party
ScinoPharm Taiwan, Ltd.	Other related party
Ton Yi Industrial Corp.	Other related party
President Chain Store Corp. (PCSC)	Other related party
Presco Netmarketing Co., Ltd.	Other related party
President Professional Baseball Team Co., Ltd.	Other related party
Q-WARE Systems & Services Corp.	Other related party
Tung Ho Development Co., Ltd.	Other related party
Tainan Spinning Retail and Distribution Co., Ltd.	Other related party
President Information Corp.	Other related party
Cayman President Holdings, Ltd.	Other related party
Fund managed by Uni-President Asset Management Corp.	Security investment trust fund raised by the Uni-President Assets Management Corp.

2) Significant related party transactions and balances

A. Accounts receivable

	December 31, 2023	December 31, 2022
Entity having significant influence on the company:		
Uni-President Enterprises Corp.	$ 332	$ 350
Other related party:		
ScinoPharm Taiwan, Ltd.	322	336
President Chain Store Corp. (PCSC)	434	406
Others	103	103
Total	$ 1,191	$ 1,195

B. Prepayments

	December 31, 2023	December 31, 2022
Other related party:		
Q-WARE Systems & Services Corp.	$ 4,682	$ 7,663
Tung Ho Development Co., Ltd.	600	600
President Chain Store Corp. (PCSC)	157	340
Presco Netmarketing Co., Ltd.	121	8
Others	18	9
Total	$ 5,578	$ 8,620

C. Other receivables

	December 31, 2023	December 31, 2022
Associate:		
Uni-President Assets Management Corp.	$ 4	$ -
Other related party:		
Others	-	14
Total	$ 4	$ 14

D. Acquisition of property and equipment

	Year ended December 31, 2023	Year ended December 31, 2022
Other related party:		
President Information Corp.	$ 2,472	$ -

E. Acquisition of other assets

		Year ended December 31, 2023	Year ended December 31, 2022
	Listed items	Purchase price	Purchase price
Other related party:			
President Information Corp.	Intangible assets	$ 5,363	$ -

F. Guarantee deposit received

	December 31, 2023	December 31, 2022
Associate:		
Uni-President Assets Management Corp.	$ 1,435	$ 1,044
Other related party:		
President Tokyo Co., Ltd.	-	1,418
Total	$ 1,435	$ 2,462

G. Other payables

	December 31, 2023	December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 12	$ -
Presco Netmarketing Co., Ltd.	125	-
Total	$ 137	$ -

H. Lease transactions－lessee

(A) The Group leases business vehicles and multifunction printers, etc., from President Tokyo Co., Ltd. Rental contracts periods are typically 1 to 5 years. Rents are paid monthly.

(B) Right-of-use assets:

a. Acquisition of right-of-use assets

	Year ended December 31, 2023	Year ended December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 5,757	$ 5,392

b. Disposition of right-of-use assets

	Year ended December 31, 2023	Year ended December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 1,290	$ 1,318

(C) Lease liabilities

a. Lease liabilities－current

	December 31, 2023	December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 7,428	$ 7,616
President Tokyo Auto Leasing Co., Ltd.	747	742
Total	$ 8,175	$ 8,358

b. Lease liabilities－non-current

	December 31, 2023	December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 10,152	$ 12,362
President Tokyo Auto Leasing Co., Ltd.	1,445	2,192
Total	$ 11,597	$ 14,554

c. Interest expense

	Year ended December 31, 2023	Year ended December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 162	$ 163
President Tokyo Auto Leasing Co., Ltd.	16	21
Total	$ 178	$ 184

d. Gain from lease modification

	Year ended December 31, 2023	Year ended December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 1	$ 1

I. Handling fee revenue

	Year ended December 31, 2023	Year ended December 31, 2022
Entity having significant influence on the company:		
Uni-President Enterprises Corp.	$ -	$ 4
Security investment trust fund raised by the Uni-President Asset Management Corp.:		
Fund managed by Uni-President Asset Management Corp.	114,007	70,860
Other related party:		
Others	1,559	1,042
Total	$ 115,566	$ 71,906

Terms of handling fee revenue mentioned above are similar to those of transactions with third parties.

J. Net gain (loss) on wealth management - trust income from sales of funds

	Year ended December 31, 2023	Year ended December 31, 2022
Associates:		
Uni-President Assets Management Corp.	$ 17,760	$ 11,157

The revenues were collected on a monthly basis in accordance with contract terms.

K. Other operating revenue - Other

	Year ended December 31, 2023	Year ended December 31, 2022
Associates:		
Uni-President Assets Management Corp.	$ 4,610	$ 2,400

L. Other operating revenue - handling free revenues from underwriting funds

	Year ended December 31, 2023	Year ended December 31, 2022
Associates:		
Uni-President Assets Management Corp.	$ 81,139	$ 64,420

The revenues were collected on a monthly basis in accordance with contract terms.

M.Rent income

	Period	Deposit	Year ended December 31, 2023	Year ended December 31, 2022
Associates:				
Uni-President Assets Management Corp.	2016.01.01~2028.08.31	$ 1,435	$ 7,050	$ 6,492
Other related party:				
President Tokyo Co., Ltd.	2019.04.01~2023.08.31	-	5,961	8,942
Total			$ 13,011	$ 15,434

Rental income mentioned above is derived from leasing part of the Group's office space and business premises to various related parties and calculated as agreed by both parties. Lease payments are collected on schedule in accordance with the terms of the lease contracts.

N. Revenues from underwriting business – other revenues from underwriting business

	Year ended December 31, 2023	Year ended December 31, 2022
Entity having significant influence on the company:		
Uni-President Enterprises Corp.	$ 3,775	$ 450

O. Stock custodian income

	Year ended December 31, 2023	Year ended December 31, 2022
Entity having significant influence on the company:		
Uni-President Enterprises Corp.	$ 4,253	$ 4,231
Associate:		
Uni-President Assets Management Corp.	136	135
Other related party:		
ScinoPharm Taiwan, Ltd.	2,232	2,298
Ton Yi Industrial Corp.	1,253	1,248
President Chain Store Corp. (PCSC)	2,615	2,583
Others	703	669
Total	$ 11,192	$ 11,164

Terms of stock custodian income mentioned above are similar to third parties.

P. Other operating expenses - Other

	Year ended December 31, 2023	Year ended December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 118	$ 290
Presco Netmarketing Co., Ltd.	1,407	11,584
President Professional Baseball Team Corp.	2,677	2,310
Tainan Spinning Retail and Distribution Co., Ltd.	2,000	2,000
Q-WARE Systems & Services Corp.	-	1,663
Others	-	12
Total	$ 6,202	$ 17,859

Q. Financial expense

	Year ended December 31, 2023	Year ended December 31, 2022
Other related party:		
Cayman President Holdings, Ltd.	$ -	$ 58

R. Purchases of trading securities - dealer

	December 31, 2023		
	Ending Shares (In thousands)	Ending Balance	Gain (loss)
Entity having significant influence on the company:			
Uni-President Enterprises Corp.	136	$ 10,149	$ 1,826
Security investment trust fund raised by the Uni-President Asset Management Corp.:			
Fund managed by Uni-President Asset Management Corp.		52,587	7,376
Other related party:			
President Chain Store Corp.	9	2,426	(31)
Others	-	-	11
Total		$ 65,162	$ 9,182

	December 31, 2022		
	Ending Shares (In thousands)	Ending Balance	Gain (loss)
Entity having significant influence on the company:			
Uni-President Enterprises Corp.	72	$ 4,795	($ 588)
Security investment trust fund raised by the Uni-President Asset Management Corp.:			
Fund managed by Uni-President Asset Management Corp.		501,237	(25,384)
Other related party:			
President Chain Store Corp.	21	-	(275)
Others	-	358	726
Total		$ 506,390	($ 25,521)

S. Compensation of key management personnel

The compensation of key management such as directors, general managers, vice general managers were as follows:

	Year ended December 31, 2023	Year ended December 31, 2022
Salary and short-term employee benefits	$ 319,022	$ 172,073
Retirement benefits	1,792	1,567
Other long-term employee benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total	$ 320,814	$ 173,640

8. PLEDGED ASSETS

The Company's assets pledged or restricted for use were as follows:

Assets	December 31, 2023	December 31, 2022	Purposes
Financial assets at fair value through profit or loss - current:			
Trading securities (par value)			
- Corporate bonds	$ 3,735,000	$ 1,000,000	Securities for bonds sold under repurchase agreements
- Government bonds	1,600,200	848,100	Securities for bonds sold under repurchase agreements
- Overseas bonds	11,159,717	2,661,333	Securities for bonds sold under repurchase agreements
- International bonds	725,479	237,302	Securities for bonds sold under repurchase agreements
- Bank debentures	100,000	100,000	Securities for bonds sold under repurchase agreements
Financial assets at fair value through other comprehensive income - current:			
- Overseas bonds (par value)	2,712,153	2,400,355	Securities for bonds sold under repurchase agreements
Others current assets:			
- Pledged demand deposits	91,001	250,167	Collections on behalf of third parties and reimbursement for wages and stocks
- Pledged time deposits	400,000	400,000	Securities for short-term loans and guarantees for issuance of commercial papers
Financial assets at fair value through profit or loss - non -current:			
- Government bonds (par value)	50,000	50,000	Trust fund deposit-out

Assets	December 31, 2023	December 31, 2022	Purposes
Property and equipment			
- Land and buildings (book value)	$ 1,085,689	$ 1,091,048	Securities for short-term loans and guarantees for issuance of commercial papers
Pledged time deposits (stated as other non-current asset)			
- Operating guarantee deposits	655,000	655,000	Security deposits
- Refundable deposits	2,000	2,000	Security deposits

9. SIGNIFICANT COMMITMENTS

None.

10. SIGNIFICANT LOSS FROM NATURAL DISASTER

None.

11. SIGNIFICANT SUBSEQUENT EVENT

None.

12. OTHER

1) Management objective and policy of financial risks

A. Risk management objective

The Group continually strengthens risk culture to every employee and makes sure that the Group can actively develop various businesses under a healthy and effective risk management system. At the same time, by creating value of an entity and continually increasing profit, profit maximization may be achieved within appropriate risk tolerance.

B. Risk management system

In order to ensure the completeness of risk management system, run the balancing mechanism of risk management, and improve the division efficiency of risk management, the Group sets up "Risk Management Policy". Such policy aims to establish internal system compliance and the guiding tools for policies communication within the Group and enable every layer of the Group engaged in different tasks to identify, evaluate, monitor, and control various risks with establishment of consistent compliance rules for risks of each business so that the risks can be controlled within the limits set in advance.

The Group's risk management system covers risks incurred from businesses on and off the balance sheet, such as market risk, credit risk, liquidity risk, operating risk, legal risk, model risk, reputation risk and climate risk, which are all included in the risk management.

C. Risk management organization

Risk management organization: Board of Directors, Risk Management Committee, Risk Control Office, Business units and other related segments (such as Office of Auditing, Office of General Manager, Compliance segment, Legal segment, Finance segment, Settlement segment and General Affair segment) are in charge of planning, supervising and execution.

(A) The Board of Directors should ensure the effectiveness of risk management and be responsible for the ultimate result and the following duties:

a. To establish proper risk management system, operating process, and risk management culture in the Group with allocation of necessary resource for better execution and operation.

b. Policy of risk management review.

c. Review and approval of business application, transaction authorization and risk limit.

(B) The Risk Management Committee reports to the Board of Directors and is responsible for the following:
   a. Review risk management policy.
   b. Review the highest risk tolerance.
   c. Submit regular reports to the Board of Directors in relation to the risk management status of the whole Group.

(C) The General Manager supervises daily risk management of the entire Group and is responsible for the following:
   a. Supervise and monitor daily risk management of the entire Group.
   b. Approval of management exceptions.

(D) Assets and Liabilities Committee reports to the General Manager and is responsible for the following:
   a. Set up the ultimate guidelines for assets and liabilities management of the entire Group.
   b. Analyze and control the entire Group's assets and liabilities portfolio.
   c. Approval of various businesses' quotas.
   d. Gather and analyze information on domestic and offshore interest rate, exchange rate, prosperity fluctuation, political and economic environmental changes, and predict the financial trend in the future.

(E) Risk Control Office implements risk management policy and related regulations and reports to the Risk Management Committee. Risk Control Office also reports daily risk management to the General Manager and is responsible for the following:
   a. Establish Risk Management Policy of the entire Group.
   b. Develop effective method for measurement and risk management in an entity.
   c. Review risk management system of business units.
   d. Generate risk report through information gathering and consolidation.
   e. Analyze various business risks and report to the General Manager.
   f. Report the risk management situation to the Risk Management Committee according to a meeting's nature and needs.
   g. Carry out duties as designated by the Risk Management Committee and control risks of business units.

(F) Auditing Office is responsible for the following:
   a. Execute operating risk control.
   b. Include the risk management system into internal audit program and carry out the daily audit schedule.
   c. Assess the effectiveness of internal control and verify the executed result.

(G) Compliance segment and legal segment under the Office of General Manager are responsible for the following:
   a. Compliance segment should make sure that the business operation and risk management system are in compliance with relevant regulations.
   b. Legal segment is responsible for legal risk control.
   c. Compliance segment also provides services of Anti-Money Laundering and Counter Terrorism Financing, including designs specification and internal control, establishes transaction monitoring, oversees the effective implementation of business units, conducts the employee training and reports any suspicion of money laundering.

(H) Finance segment is responsible for the following:
   a. Verify the correctness of position information and reasonability of profit and loss calculation.
   b. Control and analyze self-owned capital adequacy ratio.
   c. Analyze the appropriateness of structures of the assets and liabilities.

(I) Business units are responsible for the following:
a. Set up risk management details of various businesses according to the risk management policy and other related regulations.
b. Provide sufficient position information and risk control information to the Risk Control Office.

(J) Settlement division is responsible for the following:
a. Clearing and settlement; risk control and management of margin purchase and short sale of securities.
b. Risk control and management of trading middle office and enforcement of rules governing risk management of business segments.

(K) General Affair segment is responsible for the following:
a. Verify and manage greenhouse gas.
b. Sustainable resources management, responsible procurement and supplier management.

D. Risk management policy

In order to ensure the completeness of risk management system, run the balancing mechanism of risk management, and improve the division efficiency of risk management, the Group sets up "Risk Management Policy". Such policy aims to establish internal system compliance and the guiding tools for policies communication within the Group and enable every layer of the Group engaged in different tasks to identify, evaluate, monitor, and control various risks with establishment of consistent compliance rules for risks of each business so that the risks can be controlled within the limits set in advance.

Risk management processes include risk identification, risk evaluation, risk supervision and various risk control. Each kind of risk evaluations and responding strategies are described as follows:

(A) Market risk management

The Group has implemented risk management information system (Risk Manager) in relation to market risk control. All trading positions of the Group have been included in the daily risk control system for the calculation of Value at Risk (VaR). Limit exceeding indicators are mainly the nominal principal, stop-loss, sensitivity (Greeks) and VaR. The risk management report is presented on a daily basis for implementation of regular control and limit exceeding handling procedures.

(B) Credit risk management

In relation to risk control, the quantitative model of default rate adopts KMV model to calculate the default rate of issuers with credit exposure of the issuing company and the trading counterparties, and credit risk of securities disclosed in the report. The credit exposure is mitigated through regular review of credit status.

(C) Fund liquidity risk

Unit in charge of fund procurement regularly predicts future fund demand and supply, and consolidates company guarantee or endorsement and capital lending businesses to monitor the condition of fund procurement on a daily basis.

(D) Operating risks

Settlement segment is responsible for confirming the settlement and clearing, accounts opening and the actual disbursement. Finance segment prepares vouchers based on the actual transaction evidence and compares whether the accounts and cash accounts are matched, and confirms the operating risks of accuracy of the transaction from an accounting perspective. Auditing segment is responsible for internal audit and internal control, and regularly samples and checks the performance of each unit.

(E) Legal risk

Legal segment is responsible for reviewing of the Company's various derivative financial

instrument contracts, ISDA and individual account contracts, etc. and handle all legal-related issues.

(F) Climate risks

Based on the two major risk indicators of climate risk, the physical risk and the transition risk, the potential climate risk on investment position is estimated by different scenario analyses. The Company regularly discloses implementation of climate risk management annually that complies with the policy guidelines set by the competent authorities and initiatives or guidelines internationally and generally recognised to enhance the quality and transparency of information disclosure.

E. Hedging and risk-offsetting strategy

(A) Policies of hedging and risk mitigating are parts of the Group's risk management policies, and the hedging position and hedged trading position are supposed to be one portfolio, of which the gain and loss and risk information are measured on a consolidated basis.

(B) The overall position (hedging position and trading position) is included in the daily risk management system to calculate Value at Risk and other relevant information. Limit exceeding indicators mainly include nominal principal, stop-loss point, price sensitivity and VaR. With the presentation of daily risk management report, routine control and limit exceeding treatment can be executed.

(C) The continued effectiveness of hedging and risk-offsetting strategy is measured by the gain and loss of overall position (hedging position and trading position), in order to track reasonableness of the profit or loss of hedging position and the offsetting relationship with the profit or loss of trading position, and to control them within a reasonable range.

2) Credit risk

A. Source and definition of credit risk

The credit risk exposure of the Group as a result of engagement in financial transactions include issuer's credit risk, credit risk of counterparty and credit risk of underlying assets:

(A) Credit risk of the issuer refers to the issuers of financial debt instruments held by the Group failing to repay its obligation due to the fact that the issuer breaches the contract resulting in the risk of financial loss to the Group.

(B) Credit risk of counterparty refers to risk of financial loss to the Group arising from default by the counterparty of financial instruments on the settlement or payment obligation.

(C) Credit risk of the underlying assets happens when the credit rating of the underlying assets linked to the financial instrument is downgraded by the rating agency or when the losses occur as a result of contract default.

The financial assets held by the Group which could result in credit risk include bank deposit, debt securities, derivatives transactions in OTC, bonds purchased/sold under resale/repurchase agreements, refundable deposit of securities lending, futures trade margins, other refundable deposits and receivables.

B. Maximum credit risk exposure and credit risk concentration

The maximum exposure to credit risk of financial assets in the consolidated balance sheet, without consideration of the collateral or other credit enhancements, is equivalent to the carrying amount. In Taiwan, the sources of credit risk of the Group are primarily resulting from cash deposited with banks or other financial institutions, debt securities issued or guaranteed by a bank, derivative instruments transaction underwritten by the Group, and all counterparties of customer margin deposits accounts being financial institutions. Credit risks of various financial assets are as follows:

(A) Cash and cash equivalents

Cash and cash equivalents include time deposit, demand deposits and checking deposits. Correspondent institutions are mainly domestic financial institutions.

(B) Financial assets at fair value through profit and loss - current

a. Fund

The funds held by the Group are bond funds. As the positions held are not significant, credit risk is deemed low.

b. Commercial papers

The commercial papers held by the Group are under resale agreements. As all the counterparties are financial institutions with good credit, the credit risk from counterparties is extremely low.

c. Debt securities

Debt securities are mainly positions like government bonds, convertible corporate bonds and foreign bonds and the issuers are primarily R.O.C. government, domestic and foreign legal entities. 14% of convertible corporate bond is guaranteed by banks. Details are as follows:

(a) Government bonds

The bonds held by the Group are mostly government bonds (inclusive of central and local government). As a whole, the credit risk of the bonds held by the Group is low.

(b) Corporate bonds

The corporate bonds held by the Group are mainly underlying investment with good credit rating and those with rating above.

(c) Convertible corporate bond

The convertible corporate bonds held by the Group are mostly issued by the domestic legal entities. The Group mitigates highly risky credit exposure of the issuers by control through Taiwan Corporate Credit Risk Index (TCRI).

(d) Foreign bonds

The foreign bonds held by the Group are mainly underlying investment with good credit rating and those with rating above (S&P BB).

(C) Financial assets at fair value through other comprehensive income - current

The foreign government bonds held by the Group are classified as debt instruments at fair value through other comprehensive income. In general, the bonds held by the Group are with lower credit risk.

(D) Derivatives- futures trade margin

When engaging in futures trades in stock exchange market, the Group needs to deposit margin into a margin deposit account of a financial institution designated by the futures merchants as a guarantee to fulfil contractual obligation in the future. As a result, the credit risk is low.

(E) Derivatives-OTC

The Group signs International Swaps and Derivatives Association (ISDA) agreements with each counterparty when engaging in OTC derivatives as an agreement regarding such transactions for both parties. In the agreement, it provides a fundamental contractual model for OTC derivative transactions. If any party breaches the contract or terminates the transactions early, then all the open interest covered in the agreement should be settled by net amount as bound in the contract. When the ISDA agreement is signed, the Credit Support Annex (CSA) is also signed. According to the CSA, collateral will be transferred from a party to the other during transaction process to mitigate the risk of counterparty in open interest. Please refer to Note 6(10).

Types of OTC derivative transactions in which the Group is engaged include structured notes and swap transaction. The counterparties are all from financial service industry and mainly located in Taiwan, United States, and United Kingdom.

(F) Bonds investment under a resale agreement

Bonds sold under a resale agreement are the bonds that the client sold to the Group at a price, interest rate, length of period as agreed by two parties and the client shall repurchase the bonds at the specified price upon maturity. The Group needs to assume credit risk from counterparties when underwriting such business, as the payment being delivered to the other party. With consideration of good collateral obtained, the net of credit risk exposure from counterparties can be effectively reduced. As all the counterparties are financial institutions with good credit rating, the credit risks from counterparties are extremely low. Please refer to Note 6(10).

(G) Margin loans receivable

Margin loans receivable are the loans provided to the client in order to process businesses of margin trading and short sale using the securities purchased through financing as collateral. The Group monitors the clients' margin ratio through information system on a daily basis. As the margin ratio of margin trading is set at 130% according to Regulations Governing the Conduct of Securities Trading Margin Purchase and Short Sale Operations by Securities Firms, the credit risk is extremely low.

(H) Receivables of securities business money lending

Receivables of securities business money lending are the non-restricted purpose loan business and monetary financing business, pursuant to an agreement between a securities firm and a customer, using customer securities and other commodities as collateral. The Group regularly assesses its customer line of credit and implements appropriate credit control. As the margin ratio of margin trading is set at 130% according to Regulations Governing the Conduct of Securities Trading Margin Purchase and Short Sale Operations by Securities Firms, the credit risk is extremely low.

(I) Guaranteed price for securities lending

Guaranteed price for securities lending is the sale price of the Group's securities sold by other securities firms through margin trading after deduction of securities transactions tax and service fee, which is deposited in other securities firms as collateral. As all the counterparties are financial institutions with good credit rating, the credit risk from counterparties is extremely low.

(J) Refundable deposits for securities lending

Refundable deposits for securities lending are the margins deposited in other securities firm as collateral when the Group's securities are sold. As all the counterparties are financial institutions with good credit, the credit risk from counterparties is extremely low.

(K) Receivables

Receivables are the credit rights arising from the securities business including settlement receivables of consignment trading, settlement receivables of operating securities sold, financing interest receivables of self-operating credit transaction, receivables of consignment trading for securities, and receivables from banks' underwriting on foreign exchange transactions and foreign fund demand. As the majority of the Group's receivables from the consignment businesses and self-operating businesses are settlement of securities from OTC or TWSE, the credit risk is extremely low. As the foreign exchange transactions are simply the receipt or payment of different currencies and the correspondent banks are of good credit rating, the credit risk is extremely low.

(L) Other current assets

Other current assets are mainly the collateral deposited in the bank for application for short-term debt limit and guarantee for application for issuance of commercial papers. As the correspondent banks are all financial institutions with good credit rating, the credit risk is extremely low.

(M) Financial assets at fair value through profit and loss – non-current

In order to underwrite trust business, the Group deposits central government bonds in the Central Bank as collateral. Regardless of the bonds themselves or the financial institutions where the bonds are deposited, the credit risk is extremely low.

(N) Other non-current assets

Other non-current assets mainly comprise operating guarantee deposits, settlement funds, and refundable deposits. Operating guarantee deposits are mainly deposited in domestic banks with good credit rating. Settlement funds are deposited in securities exchange. Settlement funds are used as compensation when a party to a marketable securities transaction fails to fulfil the settlement obligation. The credit risks from the institutions where these two assets are deposited are extremely low. The refundable deposits refer to cash or other assets which are deposited externally by the Group and can be used as refundable deposits. Because deposits are placed in various financial institutions and each deposit amount is small, the credit risk is dispersed and the credit exposure of overall refundable deposit is extremely low.

C. Expected credit loss assessment

In the assessment of impairment and calculation of expected credit losses, the Group considers reasonable and supporting information about past events, current conditions and future economic conditions. The Group determines at the balance sheet date whether there has been a significant increase in credit risk since initial recognition or whether credit impairment has occurred, and recognizes expected credit loss according to which stage the asset belongs: no significant increase in credit risk or low credit risk at balance sheet date (Stage 1), significant increase in credit risk (Stage 2), and credit impaired (Stage 3). 12-month expected credit losses are recognized for assets in Stage 1, and lifetime expected credit loses are recognized for assets in Stage 2 and Stage 3.

The definition of and expected credit losses recognized for each stage are as follows:

Item	Stage 1	Stage 2	Stage 3
Definition	No significant deterioration of credit quality of the financial asset since initial recognition, or the financial asset is considered low-risk at the balance sheet date.	Significant deterioration of credit quality of the financial asset since initial recognition, but the asset is not yet credit impaired.	The financial asset is credit impaired at the financial reporting date.
Expected credit losses recognition	12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

(A) Judgements of the significant increase in credit risk since initial recognition

Judgements and assumptions used to determine whether the credit risk has a significant increase since initial recognition when the Group calculates expected credit loss under IFRS 9 are as follows:

a. If contractual payments are over 30 days past due according to the payment terms, the financial asset is considered to have significant increase in credit risk since initial recognition.

b. There is significant increase in credit risk at the reporting date if the credit rating of the issuer has been downgraded by more than 2 grades and the final external credit rating at the reporting date is non-investment grade, if the interest payments are over 30 days past due, or if there has been a default in the past.

(B) Definition of default and credit-impaired financial assets

According to the definition of credit impairment set by IFRS 9, a financial asset is credit-impaired when one or more events that have occurred and have a significant impact on the expected future cash flows of the financial asset. The criteria used to judge whether a financial asset is credit-impaired since initial recognition includes but is not limited to the following:

a. Contractual payments or principal or interest payments on bonds are over 3 months (90 days) past due.

b. Bond investment is rated as “in default” by external credit rating agencies.

c. Bond issuer has filed for bankruptcy, restructure, or other debt clearance procedures.

d. Issuer or counterparty has financial difficulties.

(C) Writing-off policy

If any of the following condition applies, the Group will write off the non-recoverable portion of the overdue receivables as bad debt.

a. Debt cannot be fully or partially recovered due to dissolution of, disappearance of, settlement with, bankruptcy declaration by the debtor, or any other reason.

b. The collateral and the assets of the primary and secondary debtors could not be auctioned off after multiple attempts and multiple price discounts, and the Company has not received any real benefits in assuming the collateral.

c. Payments are over two years past due and could not be recovered after attempts to collect.

(D) Measurement of expected credit losses

The Group considers reasonable supporting information which shows significant increase in credit risk since initial recognition when calculating expected credit losses. Main indexes include: internal/external credit rating, information of past due, credit spread, other market information in relation to the borrower, issuer or counterparty, and significant increase in credit risk of other financial instrument of the same borrower.

Investments in bills and bonds

(a)Probability of default was based on external credit rating, which include forward-looking information.

(b)Loss given default was based on the average loss given default of external credit rating of investment position and counterparties.

(c)Exposure at default

Stage 1, Stage 2 and Stage 3: Total carrying amount (including interest receivable).

(E) Consideration of forward-looking information

Historical loss rate (based on the historical experience in the past 3 to 5 years) as obtained and compared with economic environment in the past, nowadays and future (forward-looking factor) to see whether there is any significant change, and then to properly adjust future loss rate standards. If any significant default event occurs, the loss rate in the current year will be included in the calculation of future loss rate standard.

D. Table of movements in loss provision of the Group

(A) For the years ended December 31, 2023 and 2022, there were no changes in the loss allowance for investments in debt instruments measured at fair value through other comprehensive income.

(B) Except for bond interest receivable which was evaluated along with debt investments, the Group applies the simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses for marginal receivables, accounts receivable, other receivable-others and overdue receivables. The movements in loss provision of marginal receivables, accounts receivable, other receivable-others and other non-current assets-overdue receivables of the Group are as follows:

	Year ended December 31, 2023				
	Marginal receivable	Accounts receivable	Other receivable	Other non-current assets-overdue receivables	Total
At January 1	$ 28,315	$ 659	$ 355	$ 8,224	$ 37,553
Provision (reversal of provision) for impairment	18,464	(18)	(80)	(450)	17,916
Derecognized	-	-	-	(5,809)	(5,809)
At December 31	$ 46,779	$ 641	$ 275	$ 1,965	$ 49,660

	Year ended December 31, 2022				
	Marginal receivable	Accounts receivable	Other receivable	Other non-current assets-overdue receivables	Total
At January 1	$ 47,433	$ 742	$ 853	$ 12,517	$ 61,545
Provision (reversal of provision) for impairment	(19,118)	(54)	(317)	(1,455)	(20,944)
Derecognized	-	(29)	(181)	(2,838)	(3,048)
At December 31	$ 28,315	$ 659	$ 355	$ 8,224	$ 37,553

3) Liquidity risk

A. Definition and source of liquidity risk

Liquidity risk refers to possible financial losses arising from the inability to realize the asset or to obtain sufficient fund to fulfil the financial liabilities soon to be matured. Above situations may weaken the sources of cash from the Group’s trading and investment activities.

B. Liquidity risk management procedure and stimulation test

In order to prevent operational crisis as a result of liquidity risk, the Group has established responding crisis process with regular monitoring over liquidity gap of fund.

(A) Procedure

In addition to the operating capital for various business and long-term investment, the Group needs to maintain revolving funds at a certain level for daily operation. The use of remaining fund shall avoid high concentration and should be based on the principle of holding sound earning assets with high liquidity and treated in compliance with policies of the Group.

The responsive unit for fund procurement adjusts the liquidity gap to ensure proper liquidity according to the daily volume and movement in the market.

(B) Stimulation test

a. The Group reviews fund liquidity risk from a perspective of supply and demand of fund every month with simulation analysis of available fund for emergency including scenario analysis of cash, funding limit of financial institutions, margin loans and short sale, and value of disposal of position in order to compute maximum available fund and fund demand. Finally, safety stock of fund is reviewed to monitor liquidity risk.

b. Above liquidity risk is generally reviewed monthly. However, if the available limit of increment banking credit risk in financing limit of a financial institution is lower than a certain amount (that is, the amount may be timely adjusted according to the fund liquidity in the market and the actual fund demand and supply in an entity), the safety stock will be reviewed weekly. After the early warning report for fund is submitted, the head of finance segment will call for a fund control meeting.

c. Other than individual funding liquidity risk of an entity, stress test of minimization funding supply and maximization funding demand in the event of significant crisis is simulated, including:

(a) When there is a significant crisis in the market, the financing limit of the financial institutions and the value of disposal of position can be deemed the minimized ratio of fund supply which is then adjusted according to actual condition to compute the total fund supply under maximum stress.

(b) Except for the operating expense, the stock concept is adopted for the calculation of total fund demand under maximum stress.

(c) The Group should conduct a review to see whether the total minimized fund supply is more than maximized total fund demand. The Group should further review how long (by month) the difference may cover the operating expenses so that the safety stock of fund (by month) under stress test can be computed.

(d) The minimum safety stock of fund under stress test (by month) may be adjusted according to the crisis itself and only operating expense for at least 6 months under a normal stimulation can be deemed safe.

C. Maturity analysis for the financial assets and financial liabilities held for liquidity risk management

(A) The Group holds cash and sound earning assets with high liquidity in order to fulfil the payment obligation and potential emergency fund demand in the market. Financial assets held for liquidity risk management are mainly cash and cash equivalents, among which, all time deposits mature within a year. Financial assets at fair value through profit and loss are mainly listed stocks, convertible bonds and debt securities. As all of them have positions in active market, the liquidity risk is deemed low.

(Blank below)

(B) Maturity analysis for the financial liabilities is as follows:

	December 31, 2023				
	Immediately	Less than 3 months	3-12 months	1-5 years	Total
Short-term loans	$ 1,160,000	$ 5,784,759	$ -	$ -	$ 6,944,759
Commercial papers payable	-	21,150,000	-	-	21,150,000
Financial liabilities at fair value through profit or loss - current					
Non-derivative financial liabilities	6,176,815	-	-	-	6,176,815
Derivative financial liabilities	4,263,589	-	30,908	-	4,294,497
Bonds sold under repurchase agreements	-	19,322,093	-	-	19,322,093
Deposits on short sales	921,093	-	-	-	921,093
Deposits payable for securities financing	1,163,504	-	-	-	1,163,504
Securities lending refundable deposits	-	1,342,474	259,786	29,747	1,632,007
Futures traders' equity	20,497,894	-	-	-	20,497,894
Accounts payable (includes notes payable)	16,960,308	131,107	-	-	17,091,415
Collections on behalf of third parties	514,753	12,739	-	86,888	614,380
Other payables	7,845	370,954	1,880,783	-	2,259,582
Other financial liabilities - current	-	4,442,218	781,801	-	5,224,019
Lease liabilities	-	19,472	39,070	68,894	127,436
Total	$ 51,665,801	$ 52,575,816	$ 2,992,348	$ 185,529	$ 107,419,494

	December 31, 2022				
	Immediately	Less than 3 months	3-12 months	1-5 years	Total
Short-term loans	$ -	$ 275,000	$ -	$ -	$ 275,000
Commercial papers payable	-	5,830,000	-	-	5,830,000
Financial liabilities at fair value through profit or loss - current					
Non-derivative financial liabilities	7,477,868	-	-	-	7,477,868
Derivative financial liabilities	1,679,452	-	-	-	1,679,452
Bonds sold under repurchase agreements	-	7,016,989	-	-	7,016,989
Deposits on short sales	1,809,356	-	-	-	1,809,356
Deposits payable for securities financing	1,809,962	-	-	-	1,809,962
Securities lending refundable deposits	-	829,409	943,904	33,278	1,806,591
Futures traders' equity	20,763,586	-	-	-	20,763,586
Accounts payable (includes notes payable)	10,791,302	61,092	-	-	10,852,394
Collections on behalf of third parties	639,497	17,514	-	87,709	744,720
Other payables	9,064	309,281	1,263,862	-	1,582,207
Other financial liabilities - current	-	2,158,151	625,935	-	2,784,086
Lease liabilities	-	23,767	48,973	86,061	158,801
Total	$ 44,980,087	$ 16,521,203	$ 2,882,674	$ 207,048	$ 64,591,012

4) Market risk

A. Definition of market risk

Market risk refers to the risk of decrease in the Group's revenue or value of investment portfolio as a result of the changes in exchange rate, commodity price, interest rate, and stock price or other market risk factors.

The Group continually exercises risk management tools such as sensitivity analysis, Value at Risk, stress test and so on to completely and effectively measure, monitor and manage market risk.

B. Value at Risk (VaR)

Value at Risk is used to measure the possible maximum potential losses in investment portfolio as a result of movement in market risk factor in a specified period and confidence level. The Group currently uses confidence level of 95% to calculate Value at Risk of one day.

A VaR model must reasonably, completely and accurately measure the maximum potential risks of financial instruments or investment portfolio before being adopted as a risk management model by the Group. The VaR model used in risk management is continually certified and retrospectively tested to demonstrate that the model can reasonably and effectively measure the maximum potential risks of financial instruments or investment portfolios.

Statistical table for one-day VaR of transactions		Statistical table for one-day VaR of transactions	
Year ended December 31, 2023	Amount	Year ended December 31, 2022	Amount
December 31, 2023	$ 91,305	December 31, 2022	$ 33,299
VaR Maximum	204,861	VaR Maximum	167,015
VaR Average	107,305	VaR Average	50,986
VaR Minimum	33,479	VaR Minimum	18,055

Statistical table for VaR of various risk indicators of transactions

Year ended December 31, 2023	Foreign exchange	Interest	Share ownership
December 31, 2023	$ 17,845	$ 31,112	$ 87,296
VaR Maximum	47,965	81,522	218,572
VaR Average	9,805	36,594	99,105
VaR Minimum	1,597	4,778	28,108

Year ended December 31, 2022	Foreign exchange	Interest	Share ownership
December 31, 2022	$ 5,219	$ 27,746	$ 22,775
VaR Maximum	17,197	34,194	167,807
VaR Average	4,335	15,077	48,742
VaR Minimum	857	2,867	16,250

C. Information on gap of foreign exchange risk

The following table summarizes financial instruments of foreign assets or liabilities by currency and the foreign exchange exposure presented by book value as of December 31, 2023 and 2022：

	December 31, 2023						
	USD	EUR	AUD	RMB	HKD	Others	Total
Financial assets in foreign currencies							
Cash and cash equivalents	$ 688,758	$ 5,394	$ 1,562	$ 28,200	$ 856,354	$ 76,679	$ 1,656,947
Financial assets at fair value through profit or loss	10,472,325	2,117,378	882,164	47,581	34,235	694,094	14,247,777
Financial assets at fair value through other comprehensive income - current	1,307,681	-	1,375,468	-	-	-	2,683,149
Investments accounted for under the equity method	-	-	-	2,615,717	-	-	2,615,717
Others	7,462,170	38,366	11,620	3,086	90,733	100,251	7,706,226
Financial liabilities in foreign currencies							
Short-term loans	1,034,759	-	-	-	-	-	1,034,759
Financial liabilities at fair value through profit or loss	63,591	565	91	709	4	10,879	75,839
Bonds sold under repurchase agreements	9,381,587	1,880,550	2,122,450	34,594	-	208,549	13,627,730
Others	9,432,548	29,268	28,693	59,619	102,503	97,809	9,750,440

Note: As of December 31, 2023, foreign exchange rates of the above currencies to TWD were 1 USD = 30.705 TWD; 1 EUR= 33.980 TWD; 1 AUD= 20.980 TWD; 1 RMB= 4.327 TWD; and 1 HKD= 3.929 TWD, respectively.

	December 31, 2022						
	USD	EUR	AUD	RMB	HKD	Others	Total
Financial assets in foreign currencies							
Cash and cash equivalents	$ 1,086,414	$ 4,306	$ 1,854	$ 66,762	$ 1,508,479	$ 44,017	$ 2,711,833
Financial assets at fair value through profit or loss	3,696,267	150,892	414,575	105,713	61,214	280,670	4,709,330
Financial assets at fair value through other comprehensive income - current	1,118,655	-	1,079,977	-	-	-	2,198,632
Investments accounted for under the equity method	-	-	-	2,764,018	-	-	2,764,018
Others	7,579,012	18,804	157,024	3,985	169,872	326,549	8,255,247
Financial liabilities in foreign currencies							
Financial liabilities at fair value through profit or loss	347,447	57	598	1,347	99	1,821	351,369
Bonds sold under repurchase agreements	3,243,659	89,976	1,459,403	81,148	-	69,823	4,944,009
Others	9,408,659	18,296	43,949	206,124	150,830	308,288	10,136,145

Note: As of December 31, 2022, foreign exchange rates of the above currencies to TWD were 1 USD =30.710 TWD; 1 EUR= 32.720 TWD; 1 AUD= 20.830 TWD; 1 RMB= 4.408 TWD; and 1 HKD= 3.938 TWD, respectively.

D. The total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2023 and 2022, amounted to ($57,576) and $107,713, respectively.

5) Fair values and hierarchy information

A. Financial instruments and non-financial instruments not measured at fair value.

Except for those listed in the table below, the carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, bonds purchased under resale agreements, margin loans receivable, refinancing guaranty deposits, guaranteed proceeds receivable from refinancing, guaranteed price deposits for security borrowing, security borrowing deposits, customer margin deposit account, notes and accounts receivable, other receivables, short-term loans, commercial paper payable, bonds sold under repurchase agreements, guarantee deposit received from short sales, guaranteed price deposits received from securities borrowers, security borrowing deposits, equity of futures traders, accounts payable, collection for others, and other payables) approximate their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(5)3.

	Total	Quoted prices of the same assets in active markets (level 1)	Other significant observable inputs (level 2)	Significant non-observable inputs (level 3)
Non-financial assets				
December 31, 2023				
Investment property	$ 515,813	$ -	$ 515,813	$ -
December 31, 2022				
Investment property	743,741	-	743,741	-

The fair value of investment property held by the Group was assessed by external valuation experts using comparison approach and income approach, or the fair value can be assessed based on the market price of the area adjacent to the location where the Group's investment property is located.

B. Valuation techniques

(A)For financial instruments held for trading purposes which are classified as non-derivative instruments, their fair values are based on their quoted prices in an active market. If there is no quoted market price for reference, a valuation technique will be adopted to measure the fair value. Estimates and assumptions of valuation technique adopted by the Group are in agreement with the information of estimates and assumptions adopted by market users for financial instrument pricing and the said information shall be accessible to the Group. For those classified as derivative instruments, their fair values are based on their market prices if their quoted prices are available from an active market. If quoted market prices in an active market are not available, SWAP and IRS are valued at the discounted cash flow method, and options are valued at the Black-Scholes model.

(B)When available-for-sale financial assets have quoted market prices available in an active market, the fair value is determined using the market price.

C. Fair value hierarchy of the financial instruments

(A)Definitions for the hierarchy classifications of financial instruments measured at fair value

a. Level 1

Level 1, are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date. An active market has to satisfy all the following conditions: a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Group's investments in listed stocks, beneficiary certificates, on-the-run Taiwan central government bonds and derivative instruments with quoted market prices, are deemed as level 1.

b. Level 2

Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Investments of the Group such as emerging stock without active markets, off-the-run issue of government bonds, corporate bonds, bank debentures, convertible corporate bonds, currency swaps, interest rate swaps, options, asset swaps, and most derivatives are all classified within level 2. For the years ended December 31, 2023 and 2022, there was no significant transfer of financial instruments between Level 1 and Level 2.

c. Level 3

Unobservable inputs for the assets or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3. For the years ended December 31, 2023 and 2022, some of the unlisted stocks became the emerging stocks, therefore these stocks were transferred from Level 3 to Level 2.

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(B) Hierarchy of fair value estimation of financial instruments

	December 31, 2023			
	Total	Level 1	Level 2	Level 3
Recurring fair value				
Non-derivative financial instruments				
Assets				
Financial assets at fair value through profit or loss - current				
Stock investments	$ 16,227,361	$ 15,988,641	$ 98,555	$ 140,165
Bond investments	29,548,975	7,543,011	22,005,964	-
Others	3,085,328	3,085,328	-	-
Financial assets at fair value through other comprehensive income - current				
Stock investments	395,531	395,531	-	-
Bond investments	2,683,149	2,683,149	-	-
Financial assets at fair value through profit or loss - non-current				
Stock investments	10,004	-	-	10,004
Bond investments	49,776	-	49,776	-
Others	58,500	-	-	58,500
Financial assets at fair value through other comprehensive income- non - current				
Stock investments	1,168,288	-	-	1,168,288
Liabilities				
Financial liabilities at fair value through profit or loss - current	6,176,815	6,176,815	-	-
Derivative financial instruments				
Assets				
Financial assets at fair value through profit or loss - current	4,837,333	4,836,504	829	-
Liabilities				
Financial liabilities at fair value through profit or loss - current	4,294,497	1,597,251	2,697,246	-

	December 31, 2022			
	Total	Level 1	Level 2	Level 3
Recurring fair value				
Non-derivative financial instruments				
Assets				
Financial assets at fair value through profit or loss - current				
Stock investments	$ 5,798,959	$ 5,568,337	$ 90,128	$ 140,494
Bond investments	10,677,908	2,916,006	7,761,902	-
Others	2,583,147	2,583,147	-	-
Financial assets at fair value through other comprehensive income - current				
Stock investments	299,150	299,150	-	-
Bond investments	2,198,632	2,198,632	-	-
Financial assets at fair value through profit or loss - non - current				
Stock investments	16,604	-	-	16,604
Bond investments	49,779	-	49,779	-
Others	32,900	-	-	32,900
Financial assets at fair value through other comprehensive income- non-current				
Stock investments	1,179,907	-	-	1,179,907
Liabilities				
Financial liabilities at fair value through profit or loss - current	7,477,868	7,477,868	-	-
Derivative financial instruments				
Assets				
Financial assets at fair value through profit or loss - current	5,335,854	5,330,817	5,037	-
Liabilities				
Financial liabilities at fair value through profit or loss - current	1,679,452	1,088,464	590,988	-

(C) The following table is the movement of financial assets at Level 3:

Year ended December 31, 2023

		Valuation amount		Increased		Decreased		
	January 1	Recorded in profit or loss	Recorded in other comprehensive income (loss)	Acquired/ Issued	Transfers into level 3	Sold/ Diposed or Settled	Transfers out from level 3	December 31
Financial assets at fair value through profit or loss - current								
Unlisted stocks	$ 140,494	($ 30,455)	$ -	$ 42,351	$ -	($ 7,500)	($ 4,725)	$ 140,165
Financial assets at fair value through profit or loss - non-current								
Venture capital shares	16,604	(4,426)	-	-	-	(2,174)	-	10,004
Others	32,900	10,600	-	15,000	-	-	-	58,500
Financial assets at fair value through other comprehensive income - non-current								
Unlisted stocks	1,179,907	-	(11,619)	-	-	-	-	1,168,288

Year ended December 31, 2022

		Valuation amount		Increased		Decreased		
	January 1	Recorded in profit or loss	Recorded in other comprehensive income (loss)	Acquired/ Issued	Transfers into level 3	Sold/ Diposed or Settled	Transfers out from level 3	December 31
Financial assets at fair value through profit or loss- current								
Unlisted stocks	$ 65,712	($ 433)	$ -	$ 106,765	$ -	($ 3,750)	($ 27,800)	$ 140,494
Financial assets at fair value through profit or loss - non-current								
Venture capital shares	12,650	3,954	-	-	-	-	-	16,604
Others	13,950	(1,050)	-	20,000	-	-	-	32,900
Financial assets at fair value through other comprehensive income - non-current								
Unlisted stocks	1,137,756	-	42,151	-	-	-	-	1,179,907

(Blank below)

(D) The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

December 31, 2023	Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Financial assets at fair value through profit or loss - current					
Unlisted stocks	$ 140,165	Market approach	Price to book ratio multiple	1.78~7.34	The higher the multiple, the higher the fair value
			Price to earnings ratio multiple	32.76	
			Discount for lack of marketability	25%	The higher the discount for lack of marketability, the lower the fair value
			Latest transaction price	Not applicable	Not applicable
Financial assets at fair value through profit or loss - non-current					
Venture capital shares	10,004	Net asset value	Not applicable	Not applicable	Not applicable
Others	58,500	Net asset value	Not applicable	Not applicable	Not applicable
Financial assets at fair value through other comprehensive income - non-current					
Unlisted stocks	1,168,288	Market approach	Market price net profit after tax multiplier	22.62~24.52	The higher the multiple, the higher the fair value
			Price to book ratio multiple	2.48	
			Discount for lack of marketability	25%	The higher the discount for lack of marketability, the lower the fair value

December 31, 2022	Fair value	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Financial assets at fair value through profit or loss - current					
Unlisted stocks	$ 140,494	Market approach	Price to earnings ratio multiple	8.27	The higher the multiple, the higher the fair value
			Price to book ratio multiple	1.43~5.49	
			Discount for lack of marketability	25%	The higher the discount for lack of marketability, the lower the fair value
			Latest transaction price	Not applicable	Not applicable
Financial assets at fair value through profit or loss - non-current					
Venture capital shares	16,604	Net asset value	Not applicable	Not applicable	Not applicable
Others	32,900	Net asset value	Not applicable	Not applicable	Not applicable
Financial assets at fair value through other comprehensive income - non-current					
Unlisted stocks	1,179,907	Market approach	Market price net profit after tax multiplier	23.03~24.62	The higher the multiple, the higher the fair value
			Price to book ratio multiple	2.93~4.92	
			Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value

(E) Valuation process for fair value at Level 3

The parent company's risk management department is responsible for the verification of fair value categorized in Level 3. The department assesses the independence, reliability, consistency and representativeness of the source information, regularly verifies the valuation models and calibrates the parameters to ensure the valuation process and results are in compliance with IFRSs.

(F) For the fair value measurement of Level 3, the sensitivity analysis of the fair value to the reasonable alternative hypothesis shows that the fair value measurement of the financial assets by the Group is reasonable. However, use of different valuation models or assumptions may result in different measurement. The following is the impact to profit or loss or to other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used in valuation models have changed up or down by 1%:

	Recognised in profit or loss		Recognised in other comprehensive income	
December 31, 2023	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets at fair value through profit or loss - current				
Unlisted stocks	$ 1,402	($ 1,402)	$ -	$ -
Financial assets at fair value through profit or loss - non-current				
Venture capital shares	Not applicable	Not applicable	-	-
Others	Not applicable	Not applicable	-	-
Financial assets at fair value through other comprehensive income - non-current				
Unlisted stocks	-	-	11,683	(11,683)

	Recognised in profit or loss		Recognised in other comprehensive income	
December 31, 2022	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets at fair value through profit or loss - current				
Unlisted stocks	$ 1,405	($ 1,405)	$ -	$ -
Financial assets at fair value through profit or loss - non-current				
Venture capital shares	Not applicable	Not applicable	-	-
Others	Not applicable	Not applicable	-	-
Financial assets at fair value through other comprehensive income - non-current				
Unlisted stocks	-	-	11,799	(11,799)

6) Capital management

A. Objective of capital management

(A) The represented capital adequacy ratio basically shall not be lower than 200% in compliance with the warning standard addressed in the “Rules Governing Securities Firms”.

(B) The Group includes all risks involved in the investment position as a part of risk management, such as market risk, credit risk, liquidity risk, operating risk, legal risk, and model risk and so on. Each risk management responsive unit should identify, evaluate, monitor and control various risks in order to enable the Group to defend impact from financial market, reflect the current operating strategies and make the investment portfolio applied to business planning and development.

B. Capital management policy and procedure

In order to secure the long-term and stable development of various businesses and effectively assume risks, the Group manages capital based on the business development, related regulations and financial market environment. Major capital evaluation processes include:

(A) Each segment should provide accurate and valid source of information to maintain calculation accuracy of capital adequacy ratio.

(B) After the reporting at the 10th of each month, capital adequacy ratio should be computed by the end of every month. If the result is close to the legal standard, every unit will be called to attend a meeting for discussion and strategic planning to ensure that the basic objective of capital adequacy ratio is not less than 200%.

(C) Both the risk limits and economic capital of the Group should be agreed by the Board of Directors. The Group should quarterly report details of risk control with disclosure of investment condition in order to assess whether the risk position exceeds the limit and whether the investment direction is in line with the market trend. Within the authorized risk limits, the Group is actively engaged in development of various businesses and continually increases profit, creates company value, and complies with the capital management objective.

The Group calculates and reports the capital adequacy ratio according to “Rules Governing Securities Firms”. As of December 31, 2023 and 2022, the capital adequacy ratios were 299% and 390%, respectively, as required by the regulations.

7) Assets and liabilities of trust accounts

Pursuant to Article 17 of Enforcement Rules of the Trust Enterprise Act, balance sheet, income statement, and property list of trust accounts shall be disclosed in the consolidated financial statements on a semiannual basis.

A. Balance sheet of trust accounts

BALANCE SHEETS

Trust assets	December 31, 2023	December 31, 2022
Bank savings	$ 452,424	$ 367,745
Structured notes	1,740,784	896,553
Stock	1,335,438	1,016,810
Bond	1,175,323	636,044
Repurchased bond	70,050	57,291
Fund	8,855,255	5,138,258
Accounts received	150,322	29,112
Total of trust assets	$ 13,779,596	$ 8,141,813
Trust liabilities and equity	**December 31, 2023**	**December 31, 2022**
Accounts payable	$ 8,089	$ 321
Trust capital	12,580,097	8,797,747
Net income	1,405,404	(631,484)
Accumulated deficit	(213,994)	(24,771)
Total of trust liabilities and equity	$ 13,779,596	$ 8,141,813

B. Income statement of trust accounts

STATEMENTS OF INCOME

Item	Year ended December 31, 2023	Year ended December 31, 2022
Trust income		
Interest income	$ 88,079	$ 74,219
Cash dividends received	32,077	95,093
Investment realised gains - bond	1,529	373
Investment realised gains - stock	8,376	713
Investment realised gains - fund	361,042	151,071
Investment realised gains - structured notes	17,796	8,528
Investment unrealised gains - bond	30,718	2,390
Investment unrealised gains - stock	473,232	210,809
Investment unrealised gains - fund	919,887	112,962
Investment unrealised gains - structured notes	5,746	1,075
Other income	13	12
Subtotal	1,938,495	657,245

Item	Year ended December 31, 2023	Year ended December 31, 2022
Trust expenses		
Administrative expenses	($ 1,508)	($ 1,359)
Service fee	(7,339)	(664)
Other expenses	-	(4)
Investment realised losses - bond	(2,181)	(7,017)
Investment realised losses - stock	(4,553)	(2,551)
Investment realised losses - fund	(92,319)	(95,742)
Investment realised losses - structured notes	-	(307)
Investment unrealised losses - bond	(74,359)	(133,461)
Investment unrealised losses - stock	(33,892)	(73,750)
Investment unrealised losses - fund	(301,863)	(855,494)
Investment unrealised losses - structured notes	(14,697)	(118,272)
Income (loss) before income tax	1,405,784	(631,376)
Income tax expense	(380)	(108)
Net income (loss)	$ 1,405,404	($ 631,484)

C. Property list of trust accounts

PROPERTY LIST OF TRUST ACCOUNTS

Item	December 31, 2023	December 31, 2022
Bank savings	$ 452,424	$ 367,745
Structured notes	1,740,784	896,553
Fund	8,855,255	5,138,258
Bond	1,175,323	636,044
Bonds under repurchase agreements	70,050	57,291
Stock	1,335,438	1,016,810
Others	150,322	29,112
Total	$ 13,779,596	$ 8,141,813

8) Status of the company in the limitations on financial ratios imposed by futures trading act, and the related implementation

The table below is prepared according to "Regulations Governing Futures Commission Merchants".

Article	Calculation formula	December 31, 2023		December 31, 2022		Standard	Enforcement
		Calculation	Ratio	Calculation	Ratio		
17	Stockholders' equity / (Total liability－futures trader's equity)	1,983,329 / 69,475	28.55	2,284,449 / 39,336	58.08	≧1	Met the requirement
17	Current assets / Current liabilities	5,271,642 / 69,475	75.88	5,722,742 / 39,336	145.48	≧1	Met the requirement
22	Stockholders' equity / Minimum paid-in capital	1,983,329 / 400,000	495.83%	2,284,449 / 400,000	571.11%	≧60% ≧40%	Met the requirement
22	Adjusted net capital / Total amount of customer margins required for the open positions of futures traders	1,587,756 / 652,050	243.50%	1,739,987 / 952,910	182.60%	≧20% ≧15%	Met the requirement

9) Status of the subsidiary in the limitations on financial ratios imposed by the futures trading act and the related implementation

The table below is prepared according to "Regulations Governing Futures Commission Merchants".

Article	Calculation formula	December 31, 2023		December 31, 2022		Standard	Enforcement
		Calculation	Ratio	Calculation	Ratio		
17	Stockholders' equity / (Total liability－futures trader's equity)	2,792,215 / 246,091	11.35	2,634,394 / 220,485	11.95	≧1	Met the requirement
17	Current assets / Current liabilities	26,481,027 / 25,018,790	1.06	27,188,183 / 25,901,284	1.05	≧1	Met the requirement
22	Stockholders' equity / Minimum paid-in capital	2,792,215 / 645,000	432.90%	2,634,394 / 645,000	408.43%	≧60% ≧40%	Met the requirement
22	Adjusted net capital / Total amount of customer margins required for the open positions of futures traders	2,442,555 / 4,034,497	60.54%	2,298,983 / 4,226,835	54.39%	≧20% ≧15%	Met the requirement

10) Prospective risk for futures trading

The main risk for futures merchants engaging in futures trading is credit risk, which could happen if the margin call cannot be made when it should have been made. While being consigned to conduct the futures trading, the Group pays attention to the individual margin account on a daily basis and request additional margin call or reduction in trading volume when necessary according to the condition of individual customer transactions in order to control the credit risk accordingly. The main risk faced by the Group while engaging in self-operating businesses is market price risk- that is risk of changes in market prices of futures or options contracts as a result of fluctuation in underlying investment index. Losses may occur if the market index price and underlying investment move adversely. However, the Group has set up stop-loss point to control such risk for reasons of risk management.

(Blank below)

13. OTHER DISCLOSURE ITEMS

1) Information about significant transactions

A. Lending to others: Excluding security margin trading and conditional bond trading business, there is no lending of funds to either the shareholders or other parties.

B. Endorsements and guarantees for others: None.

C. Acquisitions of real estate exceeding $300 million or 20 percent of contributed capital: None.

D. Disposals of real estate exceeding $300 million or 20 percent of contributed capital: None.

E. Purchases or sales transactions discount on brokers' charges with related parties in excess of $5 million: None.

F. Receivables from related parties exceeding $100 million or 20 percent of contributed capital: None.

G.Significant transactions between parent company and subsidiaries

No. (Note1)	Company	Counterparty	Relationship (Note 2)	Details of transactions (Year ended December 31, 2023)			
				Account	Amount	Conditions	Percentage (%) of total consolidated net revenues or assets (Note 3)
0	President Securities Corp.	President Futures Corp.	1	Futures Margin - Own Funds	4,311,941	Note 4	3.07%
0	President Securities Corp.	President Futures Corp.	1	Deposit-out	34,000	Note 4	0.02%
0	President Securities Corp.	President Futures Corp.	1	Accounts receivables	2,999	Note 4	0.00%
0	President Securities Corp.	President Futures Corp.	1	Deposit-in	16,000	Note 4	0.01%
0	President Securities Corp.	President Futures Corp.	1	Other payables	1,721	Note 4	0.00%
0	President Securities Corp.	President Futures Corp.	1	Equity for each customer in the account	8,126	Note 4	0.01%
0	President Securities Corp.	President Futures Corp.	1	Future commission revenue	34,079	Note 4	0.36%
0	President Securities Corp.	President Futures Corp.	1	Clearing charges	20,873	Note 4	0.22%
0	President Securities Corp.	President Futures Corp.	1	Other non-operating revenues - Compensation of directors	4,390	Note 4	0.05%
0	President Securities Corp.	President Futures Corp.	1	Other non-operating rvenues - Rent revenue	1,344	Note 4	0.01%
0	President Securities Corp.	President Capital Management Corp.	1	Expense from investment advisory	50,400	Note 4	0.53%
0	President Securities Corp.	President Capital Management Corp.	1	Other non-operating revenues - Rent revenue	3,835	Note 4	0.04%

Note 1：The numbers in the No. column are represented as follows:

1. The number zero is for parent company.

2. According to the sequential order, subsidiaries are numbered from 1.

Note 2：There are three kinds of transactions between related parties and numbered from 1 to 3 were shown as follows (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.)

1. Parent company to subsidiaries.
2. Subsidiaries to parent company.
3. Subsidiaries to subsidiaries.

Note 3：The calculation basis of the trading amount accounting for the total consolidated net revenues or assets is that the account ending balance is divided by the total consolidated assets if it is attributed to the balance sheet accounts, and the accumulated trading amount of the interim period is divided by the total consolidated net revenues if it is attributed to the profit or loss accounts.

Note 4：All the prices provided between related parties were traded by contracts.

Note 5：Based on materiality, only the amounts of the transactions that were above $1 million would be shown in the table.

2) Related information of investee companies

A. Related information of investee companies

						Original investment		Ending Balance							
Name of the investor	Name of the investee company	Location	Date of registration	Reference number and the date of approval letter issued by FSC	Major operating activities	Balance on December 31, 2023	Balance on December 31, 2022	Shares	Percentage	Book vlaue	Revenue of investee company	Net income (loss) of investee company	Investment income (loss) recognised by the Company	Cash dividends	Notes
President Securities Corp.	President Futures Corp.	Taipei	1994.03.01	1994.03.01 Jing-Tou-Shen (83) Gong-Shang Letter No.1114 (Note 1)	Futures brokerage and dealer	$ 644,650	$ 644,650	63,817,303	96.69%	$ 2,699,883	$ 770,510	$ 326,690	$ 315,877	$ 142,313	Subsidiary of the Company
President Securities Corp.	President Capital Management Corp.	Taipei	1997.04.15	1997.02.25 (86) Tai-Cai-Zheng (4) Letter No.17769	Securities investment consulting	326,000	326,000	30,000,000	100%	310,452	90,814	5,705	5,703	-	Subsidiary of the Company
President Securities Corp.	President Securities (HK) Ltd.	Hong Kong	1994.07.26	1993.11.4 (82) Tai-Cai-Zheng (2) Letter No.40913	Securities dealer, underwriting, brokerage and consulting	848,735	848,735	192,600,000	100%	810,334	769	(12,246)	(10,853)	503,620	Subsidiary of the Company
President Securities Corp.	President Wealth Management (HK) Ltd.	Hong Kong	2002.03.31	2001.12.11 (90) Tai-Cai-Zheng (2) Letter No.166728	Wealth management	92,091	92,091	23,400,000	100%	-	-	180	180	-	Subsidiary of the Company

Name of the investor	Name of the investee company	Location	Date of registration	Reference number and the date of approval letter issued by FSC	Major operating activities	Original investment		Ending Balance			Revenue of investee company	Net income (loss) of investee company	Investment income (loss) recognised by the Company	Cash dividends	Notes
						Balance on December 31, 2023	Balance on December 31, 2022	Shares	Percentage	Book vlaue					
President Securities Corp.	President Securities (Nominee) Ltd.	Hong Kong	1999.08.06	1997.10.27 (86) Tai-Cai-Zheng (2) Letter No.04840	Nominee Service	$ 3,403	$ 3,403	1,000,000	100%	$ -	$ -	$ -	$ -	$ -	Subsidiary of the Company
President Securities Corp.	Uni-President Asset Management Corp.	Taipei	1992.09.03	2000.07.19 (89) Tai-Cai-Zheng (2) Letter No.56407	Investment Trust	667,622	667,622	14,904,630	42.46%	796,561	1,589,484	526,229	223,454	167,751	Associates
President Securities Corp.	President Insurance Agency Corp.	Taipei	2008.04.29	(Note2)	Insurance Agent	10,000	10,000	1,000,000	100%	65,304	119,372	41,625	41,624	33,496	Subsidiary of the Company
President Securities Corp.	PSC Venture Capital Investment Limited Company	Taipei	2013.10.29	2013.08.08 Jing-Guan-Zheng-Chuan Letter No.1020028529	Consultation of investment management and venture capital; other unprohibited or unrestricted businesses beyond the permit	300,000	300,000	30,000,000	100%	246,211	(12,071)	(21,287)	(21,290)	-	Subsidiary of the Company
President Insurance Agency Corp.	Uni-President Asset Management Corp.	Taipei	1992.09.03	2000.07.19 (89) Tai-Cai-Zheng (2) Letter No.56407	Investment Trust	478	478	12,000	0.03%	646	1,589,484	526,229	180	136	Associates

Note 1: As FSC was established in July, 2004, President Futures Corp. was apporved by the Investment Commission, Ministry of Economic Affairs.

Note 2: When securities corporations invest in domestic business within FSC's limitation, there is no need to obtain the approval from FSC in advance, according to Tai-Cai-Zheng (2) Letter No.0930000005. Therefore, there was no reference numbers for President Insurance Agency Corp.

Note 3: Subsidiary President Securities (HK) Ltd., President Wealth Management (HK) Ltd. and President Securities (Nominee) Ltd. were approved by the board of directors in March 2022 to deal with the dissolution and liquidation matters, and the liquidation process are currently in progress, of which President Wealth Management (HK) Ltd. and President Securities (Nominee) Ltd. had remitted all funds on account on April 27, 2023 for the subsequent liquidation process.

B. Lending to others: Excluding security margin trading and conditional bond trading business, there is no lending of funds to either the shareholders or other parties.

C. Endorsements and guarantees for others: None.

D. Acquisitions of real estate exceeding $300 million or 20 percent of contributed capital: None.

E. Disposals of real estate exceeding $300 million or 20 percent of contributed capital: None.

F. Purchases or sales transactions discount on brokers' charges with related parties in excess of $5 million: None.

G. Receivables from related parties exceeding $100 million or 20 percent of contributed capital: None.

H. Accordance with Jing-Guan-Zheng-Chuang Letter No. 10703209011, the Company is required to disclose details of businesses run by foreignenterprises that were incorporated in the countries identified as non-signatories to the IOSCO MMoU or have not obtained securities or futures license of signatories to the IOSCO MMoU:

a) Revenue from engagement in consultation on assets management business, service contents and litigation: None

b) Balance sheets

PRESIDENT WEALTH MANAGEMENT (HK) LTD.

BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

Expressed in HK dollars

	December 31, 2023		December 31, 2022	
Assets	Amount	%	Amount	%
Current assets				
Cash and cash equivalents	$ -	-	$ 15,266,005	99
Other receivables	-	-	115,825	1
Stockholders' current account	15,428,111	100	-	-
Total current assets	15,428,111	100	15,381,830	100
Total assets	$ 15,428,111	100	$ 15,381,830	100
Liabilities and shareholders' equity				
Total liabilities	$ -	-	$ -	-
Shareholders' equity				
Share capital	23,400,000	152	23,400,000	152
Retained earnings				
Accumulated deficit	(7,971,889)	(52)	(8,018,170)	(52)
Total shareholders' equity	15,428,111	100	15,381,830	100
Total liabilities and shareholders' equity	$ 15,428,111	100	$ 15,381,830	100

PRESIDENT SECURITIES (NOMINEE) LTD.
BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

Expressed in HK dollars

Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
Current assets				
Cash and cash equivalents	$ -	-	$ 394,026	100
Stockholders' current account	393,949	100	-	-
Total current assets	393,949	100	394,026	100
Total assets	$ 393,949	100	$ 394,026	100
Liabilities and shareholders' equity				
Total liabilities	$ -	-	$ -	-
Shareholders' equity				
Share capital	1,000,000	254	1,000,000	254
Retained earnings				
Accumulated deficit	(606,051)	(154)	(605,974)	(154)
Total shareholders' equity	393,949	100	394,026	100
Total liabilities and shareholders' equity	$ 393,949	100	$ 394,026	100

c) Statements of comprehensive income

PRESIDENT WEALTH MANAGEMENT (HK) LTD.
STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022

Expressed in HK dollars

Items	Year ended December 31, 2023		Year ended December 31, 2022	
	Amount	%	Amount	%
Expenditures and expenses				
Other operating expenses	($ 4,939)	(11)	($ 54,070)	(37)
Total expenditures and expenses	(4,939)	(11)	(54,070)	(37)
Non-operating gains and losses				
Other gains and losses	51,220	111	199,722	137
Profit before tax	46,281	100	145,652	100
Income tax expense	-	-	-	-
Net income	$ 46,281	100	$ 145,652	100

PRESIDENT SECURITIES (NOMINEE) LTD.
STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022

Expressed in HK dollars

Items	Year ended December 31, 2023		Year ended December 31, 2022	
	Amount	%	Amount	%
Expenditures and expenses				
Other operating expenses	($ 809)	1,051	($ 37,226)	101
Total expenditures and expenses	(809)	1,051	(37,226)	101
Non-operating gains and losses				
Other gains and losses	732	(951)	333	(1)
Loss before tax	(77)	100	(36,893)	100
Income tax expense	-	-	-	-
Net loss	($ 77)	100	($ 36,893)	100

3) Information of overseas branches and representative office: None.

4) Disclosure of investment in Mainland China

a) Information of investment in Mainland China

Investee in Mainland China	Main business activities	Paid-in capital (Note 4)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023
					Remitted to Mainland China	Remitted back to Taiwan						
Jin Yuan President Securities Co., Ltd.	Securities brokering, securities dealing, securities underwriting and sponsoring service	$ 6,490,500	Directly invest in a company in Mainland China	$ 3,138,169	$ -	$ -	$ 3,138,169	($ 212,561)	49%	($ 99,004) The financial statements that are audited by international accounting firm which has cooperative relationship with accounting firm in R.O.C.	$ 2,615,717	$ -

b) Limitation on investment in Mainland China (expressed in thousands of dollars)

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Jin Yuan President Securities Co., Ltd.	$ 3,138,169	$ 3,138,169	$ 19,285,264

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

(1) Directly invest in a company in Mainland China.

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland. (Please indicate investment company in the third area.)

(3) Others.

Note 2: In the ‘Investment income (loss) recognized by the Company for the year ended December 31, 2023’ column:

(1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.

(2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:

a. The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

b. The financial statements that are audited and attested by R.O.C. parent company's CPA.

c. Others.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

Note 4: The paid-in capital of Jin Yuan President Securities Co.,Ltd is CNY 1.5 billion.

5) Major shareholder information

Major shareholder	Number of shares held (thousands)	Shareholding ratio
Uni-President Enterprises Corp.	417,517	28.67%

Note 1: The information of major shareholders in this table is based on the last business day of the end of each quarter by Taiwan Depository and Clearing Corp., which determines shareholders holding more than 5% of ordinary shares and special shares of securities firms that have completed unregistered delivery (including treasury shares). As for the share capital recorded in the financial report of the securities firm and the actual number of shares delivered by the securities firm without physical registration, there may be differences due to different calculation bases.

Note 2: In the case of the above information, if a shareholder delivers shares to the trust, it is disclosed in individual accounts by the trustee who opened the trust account by the trustee. As for the shareholders’ declaration of insider’s shareholding in accordance with the Securities and Exchange Act, their shareholding includes their own shareholding plus the shares delivered to the trust and the right to use the trust property. For information on insider’s equity declaration, please refer to the Market Observation Post System.

14. SEGMENTS INFORMATION

1) General information

Financial information by the Group's segments is disclosed in accordance with IFRS 8. Management has determined the reportable operating segments based on the reports reviewed by the Chief Operating Decision-Maker (CODM) that are used to make strategic decisions. The Group's operating segments are classified into Brokerage, Quantitative Trading, Proprietary Trading, Financial Instrument and Reinvestment according to the sources of income. The remaining operating results which have not reached the threshold requirements are consolidated in 'other operating segments'. Sources of income from products and services rendered by each segment are as follows:

A. Brokerage segment: consigned trading of the listed securities, margin trading and short sale, assistance in futures trading and other instruments trading as approved by the regulations.
B. Quantitative Trading segment: trading of domestic/overseas futures and options, ETF arbitrage, market maker, liquidity provider, hedging, spot/futures arbitrage as approved by Law.
C. Proprietary Trading segment: using the self-owned equity to conduct securities trading such as stocks and bonds trading, and futures and options hedging in Stock Exchange and OTC.
D. Financial Instrument segment: Call (put) warrants (including negotiated warrants) and Callable Bull/Bear Contracts (CBBC) issuance, Structured Notes Trading, equity derivative trading, and Exchange Traded Note (ETN) and other derivative financial products approved by the competent authority.
E. Reinvestment segment: companies reinvested by the consolidated entities.
F. Other operating segments include Capital Market segment, Fixed Income segment and Shareholder Services segment.

2) Segments information

The accounting policies applied to the Group's operating segments and summary of accounting policies disclosed in the notes to the financial statements are consistent and identical. The operating gains and losses are measured by the amount before tax and used as basis for performance appraisal. Income and expense attributable to each operating segment are attributed to the segmental gains and losses. Non-attributable indirect expenses and expenses from logistic support segment are amortized to each operating segment based on reasonable calculation standards and the expense nature. Those that cannot be reasonably amortized are listed under "Others"

3) Profit or loss of segments information

	Year ended December 31, 2023							
	Brokerage segment	Quantitative Trading segment	Proprietary Trading segment	Financial instrument segment	Reinvestment segment	Other operating segments	Others	Total
Segment revenues	$ 3,948,469	$ 982,468	$ 1,403,427	$ 996,066	$ 969,396	$ 1,320,353	($ 77,596)	$ 9,542,583
Segment profit or loss	$ 960,832	$ 265,138	$ 964,435	$ 277,818	$ 425,799	$ 402,810	($ 82,337)	$ 3,214,495

	Year ended December 31, 2022							
	Brokerage segment	Quantitative Trading segment	Proprietary Trading segment	Financial instrument segment	Reinvestment segment	Other operating segments	Others	Total
Segment revenues	$ 3,668,448	$ 627,072	$ 266,990	$ 491,449	$ 1,112,953	$ 24,897	$ 79,527	$ 6,271,336
Segment profit or loss	$ 902,387	$ 70,029	$ 49,274	$ 9,197	$ 191,359	($ 356,285)	$ 107,740	$ 973,701

Note 1: As operating income (loss) in total is consistent with consolidated statement of comprehensive income, there is no need for adjustment.

Note 2: The Company measures the performance of reportable operating segment based on specific performance indicators instead of assets and liabilities. The performance of reportable operating segment is regularly reviewed and assessed by the CODM as a reference for making resources allocation decision.

4) Information on products and services

The Group's segments are based on different products and services, and had been disclosed in general information. It discloses the types of products and services of the Group's segments source of income. There is no additional disclosure requirement on the income information of products and services.

5) Geographical information

The Group's external customer income from a single foreign country is immaterial, so it would not be disclosed.

6) Major customer information

The Group did not have any significant customers that account for more than 10% of its revenue, so it would not be disclosed.