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2023 ANNUAL REPORT

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

2023 Annual Report is available at: Taiwan Stock Exchange Market Observation Post System
http://mops.twse.com.tw/

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I. A Letter to Shareholders

Dear Shareholders,

In 2023, the COVID-19 pandemic has begun to subside, and the global economy has started to recover. However, factors such as high inflation, high-interest rates, and mainland China's underperformance in the post-pandemic economy have affected global demand for consumer goods, resulting in a slowdown in global manufacturing activity. In addition, strained relations between the United States and China have led to economic sanctions, including bans on semiconductors and rare earth metals. Ongoing conflicts in Ukraine, the Israeli-Palestinian conflict, and the Red Sea crisis also contributed to geopolitical turmoil in global financial markets. The impact of central bank interest rate increases is beginning to be felt. In the United States, community banks such as Silicon Valley Bank faced a liquidity crisis due to deposit outflows and subsequently announced their closure. In Europe, Credit Suisse Group AG suffered substantial losses and failed to regain investor confidence despite emergency loans from the Swiss National Bank. Meanwhile, in mainland China, the bursting of the real estate bubble triggered financial crises and forced bankruptcy in several real estate companies, leading to market turbulence.

On the domestic front, according to statistics released by the Directorate General of Budget, Accounting, and Statistics of the Executive Yuan at the end of February, the economic growth rate in 2023 declined to 1.31% from 2.59% in 2022. This decline was attributed to global inflation and interest rate pressures at the beginning of the year, which suppressed global final demand and weakened export momentum as companies adjusted their inventories. While consumer spending was buoyed by services such as restaurants and entertainment, business investment remained conservative, mitigating some effects on domestic demand. In the stock market, semiconductor and electronic component stocks saw a surge driven by the proliferation of artificial intelligence themes, leading to the weighted Taiwan Stock Index rising from 14,137 points to 17,930 points, marking a 26.8% increase. Market volume also witnessed a significant rise, with the average daily trading volume of the listed and OTC markets climbing from NT$305.2 billion to NT$359 billion, representing a 17.6% increase.

Amidst the favorable backdrop of steadily rising stock prices and trading volumes, our Company has delivered remarkable performance. The total annual revenue for 2023 stands at NT$8,678,717 thousand, comprising operating revenue of NT$1,314,338 thousand and operating expenses of NT$4,925,656 thousand. The non-operating net income amounts to NT$681,049 thousand, resulting in a pre-tax net income of NT$3,119,772 thousand and an after-tax net income of NT$2,878,951 thousand, equivalent to NT$1.98 per share after tax.

In the brokerage business, our market share reached 2.86% in 2023, positioning us eighth in the market. Both the average balance and market share of credit business, such as financing, experienced year-on-year increases. Moreover, our vigorous promotion of wealth management, insurance and trust services continues to contribute steadily profits to the Company. Amidst intense industry competition, we persistently optimize our platforms and system functionalities to enhance differentiated services and meet customer demands. Leveraging operational data and analysis, we grasp customers' behavioral preferences and employ precision marketing to deliver high-quality service experiences and convenient digital financial services. Furthermore, the Company received notable recognition for its wealth management business, securing three awards in Wealth Magazine's Wealth Management Awards: Best Print Marketing, Best Wealth Enhancement, and Best Public Welfare Promotion. Additionally, we attained the top position in the Best Customer Satisfaction Award , and ranked third in the Best Wealth Enhancement Award in Business Today Magazine's 17th Wealth Management of Banks and Securities.

In our underwriting business, we handled 18 lead cases and 20 co-lead cases throughout the year. The total underwriting amount reached NT$3.87 billion, placing us 10th in the industry. Our underwriting team operates with a lean organizational structure, conducting comprehensive evaluations and meticulously selecting cases. We offer guidance to high-quality companies looking to enter the capital market, assisting them in raising funds and enhancing their financial structure and business expansion.

In terms of proprietary-related businesses, the Stock Proprietary Trading Department excels at understanding market trends and industry dynamics. They combine fundamental and technical analysis to capture mainstream trends effectively, such as AI and semiconductors, showcasing outstanding operational performance. Despite the challenging operating environment in the global bond market, the Bond Proprietary Trading Department consistently seizes opportunities for declining market yields, contributing to the company's profitability. The Futures Proprietary Trading Business utilizes quantitative analysis *techniques and expertise to continuously seek arbitrage opportunities across commodities, time zones and markets, ensuring stable profits for the company in the long term. The Financial Products Business takes advantage of the recovery of the Taiwan stock market to issue warrants, ranking 7th in the industry in terms of warrant issuance amount. They also timely issue structured products to meet customers' diverse investment needs.*

Given the Company's market position and robust capital level, Taiwan Ratings Corporation has assigned a long-term credit rating of "twA" and a short-term credit rating of "twA-1" to our Company, with a "Stable" outlook. We have established a comprehensive risk management mechanism and adhere to an integrated management model for the overall operations of securities firms. In 2023, our efforts in risk management were recognized with the highest accolades. While we prioritize profitability, we also prioritize employee health, offering annual health check-ups, establishing an employee fitness center and organizing health competitions to actively promote a healthy workplace. We are honored to have once again received the Gold Award in the Happy Enterprise Gold Award from 1111 Job Bank. Furthermore, we fulfill our social responsibility by implementing diligent governance policies. During the investment evaluation process, we consider the performance of investment targets in sustainable issues such as the environment, society and corporate governance. In the 2023 Institutional Investor Stewardship Information Disclosure Evaluation conducted by the Taiwan Stock Exchange, we were distinguished as an excellent securities firm.

Looking ahead to 2024, the high interest rate environment will continue to constrain investment and consumer demand. However, as inflationary pressures gradually abate, monetary policy in various countries is expected to ease gradually, and the economic outlook can be cautiously optimistic. In the United States, the labor market remains strong, and consumer spending should be supported by expectations of a gradual decline in inflation. Nevertheless, the upcoming presidential election introduces a degree of uncertainty. In mainland China, domestic demand is slowly recovering on the back of expansionary policies, but external demand remains weak. In addition, the property market remains sluggish and economic growth is expected to remain stagnant. In Taiwan, benefits from expected recovery in global commodity demand and the continued expansion of applications in emerging technologies, such as artificial intelligence and high-performance computing, export momentum is expected to rebound. Meanwhile, the continued improvement in the employment environment and the increase in wage levels are also expected to effectively support consumer spending momentum. The "Directorate General of Budget, Accounting and Statistics" estimates that the economic growth rate will accelerate to 3.43% this year.

Facing future opportunities and challenges, our management team is committed to ongoing pursuit of excellence. We will implement robust risk management and internal control mechanisms, bolster the Company's operational capabilities, and enhance our business competitiveness. Prioritizing our customers' needs and experiences, we will offer comprehensive financial services tailored to meet their diverse wealth management requirements. These efforts will fuel the Company's growth, elevate operational performance, and ultimately, create maximum value for the Company and its shareholders.

I hereby extend my most sincere gratitude to our shareholders for your long-term trust and support of President Securities. I wish you all good health and prosperity.

Lin　　　　Sen Bu

Chairman: Lin, Kuan-Chen　　　　President: Tsai, Sen-Bu

II. Company Profile

Incorporated

1988

President Securities Co., Ltd. was incorporated through the memorandum of Securities and Futures Commission, Ministry of Finance with the letter No. (77) Taiwan-Finance-Securities-(II)-20093 in November 19th.

1989

Amended business name to President Securities Corp. on March 4th.

Commencement of official operations on April 3rd.

1991

Merged with Tung-Hsin, Tung-Yung, Tung-Wen, Tung-Ku, Tung-Fu, Tung-Yu, Tung-Hsing, Tung-Wang, Tung-Lai securities agencies.

Founding capital of NT$1.4 billion increased to actual paid-in capital of NT$3.362 billion after the merger.

1994

Performed capital infusion; capital stock after infusion amounted to NT$4.02 billion.

1995

Increased capital to NT$7.03 billion.

Became the first Asian securities company to acquire the ISO9002 service quality certification.

Established new branches in SanMin, Xin Taichung, and Hsinying, bringing the total number of branches to 16.

1996

Established new branches in Yenping, Taoyuan, Sanchung, Tunghsing, and Fengyuan.

2007

Long-term credit rating was upgraded from twA- to twA, and short-term credit rating was upgraded from twA-2 to twA-1.

Converted retained earnings to paid-in capital, capital stock after infusion amounted to NT$11.768 billion.

2008

Issued the first unsecured convertible corporate bond in Taiwan, and received NT$ 3 billion from the offering in May.

Established PSC Xiamen business office in China on August 22nd.

Converted retained earnings to paid-in capital, capital stock after infusion amounted to NT$12.157 billion.

2009

Executed capital reduction through cancellation of treasury stock, capital stock after asset reduction amounted to NT$11.857 billion.

2010

Obtained trust business license issued by FSC.

Converted retained earnings to paid-in capital, capital stock after infusion amounted to NT$12.319 billion.

2011

Established remuneration Committee.

Converted retained earnings to paid-in capital. The capital stock after infusion amounted to NT$13.046 billion.

Conducted a capital reduction by cancelling treasury stocks in December. The capital became NT$12.845 billion.

2012

Converted retained earnings to paid-in capital, capital stock after infusion amounted to NT$13.231 billion.

2013

The total branches remain 35 (including head office.) .

2014

Established an Offshore Securities Unit (OSU) in July .

Established new branches in Xinzhuang, Zhubei, Zhunan, and Xin Taoyuan, bringing the total number of branches to 39.

Acquired the brokerage business of Standard Chartered Bank in Taiwan.

2015

Established an Auditing Committee in June.

Opened a new branch in Pingzhen, bringing our total number of branches to 40 (Including our headquarters) in October.

1997

Executed capital infusion; capital stock after infusion amounted to NT$8.08billion.

Established new branches in Tianmu, Banqiao, Hankou, Tali, and Sanduo. The business offices were increased to 26 (including head office).

1998

Executed capital infusion; capital stock after infusion amounted to NT$10.18 billion in May.

1999

Obtained official approval for OTC listing.

Converted retained earnings to paid-in capital, capital stock after infusion amounted to NT$10.91 billion.

Rated as "twBBB" and "twA-3" for long-term and short-term credits, respectively, by Taiwan Rating Corp.

2000

In August, acquired Ta Feng Securities Co., Ltd.

Converted retained earnings to paid-in capital, capital stock after infusion amounted to NT$12.255 billion.

2001

Executed capital reduction through cancellation of treasury stock, capital stock after asset reduction amounted to NT$11.279 billion.

2002

Listed on TWSE in September.

Executed capital reduction through cancellation of treasury stock, capital stock after asset reduction amounted to NT$11.46 billion.

2003

Obtained business license for structured notes; Fixed Income business unit licensed as the main dealer for business operation of government bonds issued by Central Bank of the Republic of China.

2004

Opened East Tainan Branch, Neihu Branch and Renai Branch. The business offices increased to 35 (including head office).

Long term credit rating was upgraded from twBBB to twBBB+ in September, and was again upgraded to twA- in December.

Executed capital reduction through cancellation of treasury stock, capital stock after asset reduction amounted to NT$11.4499 billion.

2006

Obtained business license for wealth management.

Received the 6th annual National Charity Award, and was the only for-profit business entity among twelve recipients.

Executed capital reduction through cancellation of treasury stock, capital stock after asset reduction amounted to NT$11.37 billion.

2016

Conducted a capital reduction by canceling treasury stocks in February and May. The capital became NT$13.037 billion and NT$12.952 billion.

Converted earnings to paid-in capital in August, growing the capital to NT$13.356 billion.

The branches in Tali, Yenping, and SanMin terminated operations in October , causing that the total number of branches reduced to 37(including our headquarters).

2017

The branch in Zhubei terminated operations in May, causing that the total number of branches reduced to 36(including our headquarters).

The Company transferred earnings to paid-in capital in August. The capital after capital increase was NT$13.904 billion.

2019

Conducted a capital reduction by cancelling treasury stocks in May. After the capital reduction, the total share capital was around NT$13.723 billion; at that time business was terminated at Xindian Branch, bringing the number of branches to 35. Business was terminated at Xinzhuang Branch in July, so that the number of active branches declined to 34. The Fengyuan, Kuting, and Xin Taoyuan branches were closed for business in November, so that the number of branches declined to 31, including the Head Office.

2020

In August, a capitalization of earnings was conducted. After an increase in capital, the share capital was NT$13.98 billion. In September, the first cross-strait joint venture securities firm, Jin Yuan President Securities Corporation Limited, was officially opened.

2021

In September, a capitalization of earnings was conducted. After an increase in capital, the share capital was NT$14.558 billion. In November, established Strategic Development Committee.

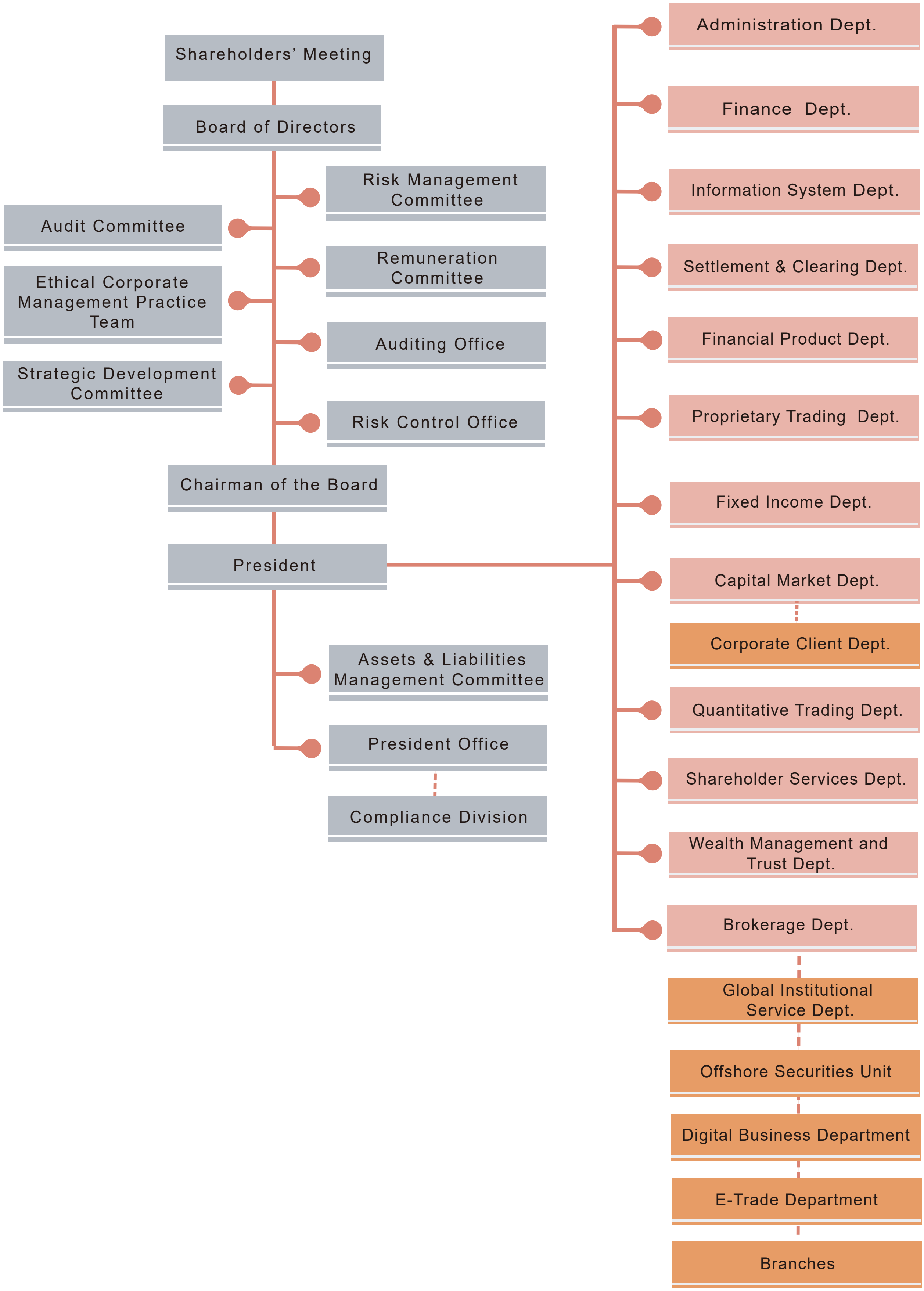
2023

The capital of the company remains at NT$14.558 billion.

III. Corporate Governance

I. Business Organization

A. Organizational Chart



B. Function of Each Division

Division	Function
Brokerage	◆ Accept orders from clients to buy/sell listed securities and forward to TWSE for execution. ◆ Accept orders from clients to buy/sell listed securities and forward to TPEx for execution. ◆ Manage custodial services for clients. ◆ Provide margin financing for securities trading. ◆ Securities borrowing and lending business. ◆ Borrowing or lending money in connection with securities business ◆ Conduct borrowing and lending of funds for unrestricted purposes. ◆ Accepting orders to trade foreign securities. ◆ Futures introducing broker business. ◆ Electronic transaction operations. ◆ Customer service coordination process.
Financial Products	◆ Issue domestic and foreign equity warrants and conduct hedging strategies. ◆ Launch structured products and conduct hedging strategies. ◆ Trading of equity derivatives. ◆ Issuance and hedging of Exchange Traded Notes (ETN) for index investments ◆ Future and spot trading strategy. ◆ Stock market maker business. ◆ Proprietary trading and strategy trading for convertible bonds ◆ Proprietary trading for futures and options in Taiwan and other countries ◆ Design and planning of new financial products and services. ◆ Other derivatives financial products approved by the competent authority.
Proprietary Trading	◆ Trading of publicly listed securities on the TWSE and TPEx, using President Securities' own funds. ◆ Trade futures and options markets as a futures trader. ◆ Expand international investment business involving legally-permitted overseas spot/futures market research and investments.
Fixed Income	◆ Use own capital to trade domestic and foreign corporate and government bonds in the OTC market. ◆ Offer tendering services of Taiwan government bonds. ◆ Repo and Reverse-Repo transactions. ◆ Trade overseas and domestic convertible bonds. ◆ Provide debt capital market services for overseas and domestic issuers. ◆ Provide financial market services and product to financial institutions, corporate clients, and high-net-worth customers. ◆ Provide customized structured products for clients. ◆ Designed Bond Exchange-Traded Notes. ◆ Securities-related spot foreign currency transaction business. ◆ Execute foreign currency funding business between NTD and foreign currencies.
Capital Market (Underwriting)	◆ Assist corporations in application for public listing on TWSE or TPEx. ◆ Assess and advise clients with respect to capital increase plans and applications to convert private equity into publicly traded stocks. ◆ Underwrite domestic and foreign corporate bonds and foreign financial products. ◆ Assist in M&A activities; provide consulting services on corporate finance and other specialized areas. ◆ Other various types of underwriting business and financial advisory business.
Quantitative Trading	◆ Market making and trading of futures and options contracts on the TAIFEX. ◆ Market making and trading of legally-permitted foreign futures and options contracts. ◆ ETF arbitrage, market making, liquidity providing, hedging, and trading. ◆ Spot and futures arbitrage and trading. ◆ Structured products issuing and trading. ◆ Spread and volatility arbitrage of domestic and foreign futures/options products. ◆ Convertible Bond Asset SWAP business.
Shareholder Services	◆ Coordinate shareholder services on behalf of publicly listed companies. ◆ Assist in the coordination of shareholders' meetings. ◆ Coordinate the distribution of cash and/or stock dividends to shareholders. ◆ Manage the issuance and delivery of tax forms to shareholders. ◆ Respond to shareholder enquiries and legal issues.
Wealth Management & Trust	◆ Provide consulting or selling services such as wealth management product asset allocation and financial planning. ◆ Provide a variety of trading services and products for wealth management, including domestic and overseas funds, foreign bonds, structured products, and bonds with repurchasing agreements. ◆ Conduct asset allocation for customers through trusts. ◆ Negotiable securities trust lending business. ◆ Employee stock ownership trust business. ◆ Settlement operations. ◆ Engage in the wealth management business for high asset clients.

II. Directors', Supervisors' and Managers' Information

A. Directors

1. Information Regarding Directors

April 29, 2024

Title	Nationality	Name	Date Elected	Gender/ age	Term (Until)	Date (First Elected)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position with PSC and Other Company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman		Kai Nan Investment Co., Ltd.	2021.7.20		2024.7.19	2000.6.8	40,628,089	2.79	42,253,212	2.90	0	0	0	0	NA	NA	NA	NA	NA
	Republic of China	Delegate: Lin, Kuan-Chen	2021.7.20	M/ 61~70	2024.7.19	2018.6.21	3,100,000	0.21	3,224,000	0.22	1,100,000	0.07	0	0	1. National Taiwan University of Sport 2. Vice Chairman and President of President Securities Corporation 3. Chairman of President Futures Corp. 4. Director of Taiwan Futures Exchange 5. Chairman of Richness Cereal Trading Co., Ltd. 6. Director and President of Fonmau Cereal Industrial Co., Ltd. 7. Director of Q-WARE Systems & Services Corp. 8. Director of President Securities Corporation	1. PSC: Member of Strategic Development Committee 2. Other Company: • Chairman: Richness Cereal Trading Co., Ltd. • Director: President Futures Corp., Taiwan Futures Exchange, Q-WARE Systems & Services Corp., President Securities (HK) Ltd., President Wealth Management (HK) Ltd., Jin Yuan President Securities Ltd. • Director and President: Fonmau Cereal Industrial Co., Ltd.	NA	NA	NA

Title	Nationality	Name	Date Elected	Gender/ age	Term (Until)	Date (First Elected)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position with PSC and Other Company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Director		Kai Nan Investment Co., Ltd.	2021.7.20		2024.7.19	2000.6.8	40,628,089	2.79	42,253,212	2.90	0	0	0	0	NA	NA	NA	NA	NA
	Republic of China	Delegate: Liu, Tsung-Yi	2021.7.20	M/ 51~60	2024.7.19	2015.6.18	0	0	0	0	0	0	0	0	1. Ph.D. in Finance, National Chung Hsing University, R.O.C. 2. MBA of National Taiwan University, R.O.C. 3. Manager of President International Development Corp. 4. Manager of Uni-President Enterprises Corp., Treasury Division 5. Vice President of Uni-President Enterprises Corp., Business Integration Division 6. Director of President Securities Corporation 7. Director of President International Development Corp. 8. Director of Presco Netmarketing, Inc. 9. Director of Kuang Chuan Dairy Co., Ltd. 10. Director of Kuang Chuan Foods Ltd. 11. Director of Tait Marketing & Distribution Co., Ltd. 12. Director of Changhua County Chang Chun-Ya Private Social Welfare Charity Foundation 13. Director of Yantai North Andre Juice Co., Ltd. 14. Director of Champ Green Capital Limited 15. Director of SMS Capital Management Ltd. 16. Director of SMS Investment Management Co., Ltd. 17. Director of SMS Capital Co., Ltd. 18. Director of Shanghai Shunfeng Restaurant Group Co., Ltd. 19. Director of Huasui Tomato Investment Company 20. Director of Woongjin Foods Co., Ltd. 21. Director of Daeyoung Foods Co., Ltd. 22. Director of Uni-President (Korea) Co., Ltd. 23. President of Champ Green (Shanghai) Consulting Co., Ltd. 24. Director and President of United Advisor Venture Management Ltd.	1. PSC: Member of Strategic Development Committee 2. Other Company: • Senior Vice President: Uni-President Enterprises Corp. • President: Champ Green (Shanghai) Consulting Co., Ltd. • Chairman: United Advisor Venture Management Ltd. • Director: President International Development Corp., Presco Netmarketing, Inc., Kuang Chuan Dairy Co., Ltd., Kuang Chuan Foods Ltd., Tait Marketing & Distribution Co., Ltd., Presicarre Co., Changhua County Chang Chun-Ya Private Social Welfare Charity Foundation, Yantai North Andre Juice Co., Ltd., Champ Green Capital Limited, PAYUNi Co., Ltd., Shanghai Shunfeng Restaurant Group Co., Ltd., Huasui Tomato Investment Company, Woongjin Foods Co., Ltd., Daeyoung Foods Co., Ltd., Uni-President (Korea) Co., Ltd.	NA	NA	NA

Title	Nationality	Name	Date Elected	Gender/ age	Term (Until)	Date (First Elected)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position with PSC and Other Company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Director	Republic of China	Delegate: Chen, Kuo-Hui	2021.7.20	M/ 51~60	2024.7.19	2017.11.3	0	0	0	0	0	0	0	0	1. MBA of University of Strathclyde 2. CFO of Uni-President Enterprises Corp. 3. CFO of Uni-President China Holdings Ltd. 4. Director of President Securities Corporation 5. Director of Uni-President China Holdings Ltd.	1. PSC: Member of Strategic Development Committee 2. Other Company: • Senior Vice President: Uni-President Enterprises Corp. • Director: Uni-President China Holdings Ltd., President Enterprises (China) Investment Co., Ltd., Uni-President Hong Kong Holdings Limited, Uni-President (Vietnam) Co., Ltd., President International Development Corp., Uni-President (Singapore) Pte. Ltd., Presicarre Co. • Chairman: Kai Yu (BVI) Investment Co., Ltd., Tone Ren Enterprise Co., Ltd. • Supervisor: Champ Green (Shanghai) Consulting Co., Ltd., United Advisor Venture Management Co., Ltd.	NA	NA	NA
	Republic of China	Delegate: Hsieh Hung, Hui-Tzu	2021.7.20	F/ 61~70	2024.7.19	2001.3.21	55,660	0	57,886	0	18,607	0	0	0	1. M.S., Dept. of Business Administration, National Cheng Kung University 2. Vice President of ScinoPharm Taiwan Ltd. (Administraion Center) 3. Vice President of President International Development Corp.(F&A Divison) 4. Chief Audit Officer of President Chain Store Corp. 5. Director of President Securities Corporation	1. PSC: NA 2. Other Company: NA	NA	NA	NA
	Republic of China	Delegate: Lu, Li-An	2021.7.20	F/ 51~60	2024.7.19	2015.6.18	0	0	0	0	0	0	0	0	1. Master of Business Administration/Institute of Financial Management, National Sun Yat-sen University 2. Vice President of IBT Securities Co., Ltd. 3. Assistant Manager of Taiwan International Securities Corporation 4. Division Head of Treasury Division, Uni-President Enterprises Corp. 5. Director of President Transnet Corp., President Collect Service Corp. 6. Supervisor of Tong Kuan Enterprise Co., Ltd. 7. Director of President Securities Corporation	1. PSC: NA 2. Other Company: • President : ScinoPharm Taiwan, Ltd. • Director: President Transnet Corp. • Supervisor: Tong Kuan Enterprise Co., Ltd. • Supervisor: Taiwan Bio Industry Organization.	NA	NA	NA

Title	Nationality	Name	Date Elected	Gender/ age	Term (Until)	Date (First Elected)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position with PSC and Other Company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Director	Republic of China	Delegate: Chen, Ching-Yi	2021.7.20	F/ 41~50	2024.7.19	2019.6.18	0	0	0	0	0	0	0	0	1. Fu Jen Catholic University bachelor degree of Economics 2. Director of PK Venture Capital Corp. 3. Director of President Securities Corporation 4. Finance Deputy Manager of Apacer Technology Inc. 5. Treasury Division Manager of Uni-President Enterprises Corp.	1. PSC: NA 2. Other Company: • Management Division Vice President: President Tokyo Corp. President Tokyo Auto Leasing Corp.	NA	NA	NA
	Republic of China	Delegate: Chen, Yi-Ling	2021.7.20	F/ 41~50	2024.7.19	2019.6.18	0	0	0	0	0	0	0	0	1. University of Dallas Master of Business Administration 2. Director of President Securities Corporation 3. Financial Planning Division Manager of Uni-President Enterprises Corp.	1. PSC: NA 2. Other Company: • Financial Planning Division Manager: Uni-President Enterprises Corp.	NA	NA	NA
Director		Canking Investment Co., Ltd.	2021.7.20		2024.7.19	1988.11.26	17,257,228	1.18	17,947,517	1.23	0	0	0	0	NA	NA	NA	NA	NA
	Republic of China	Delegate: Teng, Wen-Hwi	2021.7.20	F/ 51~60	2024.7.19	2018.6.21	2,367,084	0.16	2,461,767	0.16	0	0	0	0	1. Ph.D., University of San Francisco 2. Master, Harvard University 3. MBA, George Washington University 4. Senior Executive Officer Ministry of Education 5. Assistant professor of National Taipei University of Education 6. Chairman of Canking Investment Co., Ltd. 7. Director of President Securities Corporation	1. PSC: NA 2. Other Company: • Chairman: Canking Investment Co., Ltd.	NA	NA	NA

Title	Nationality	Name	Date Elected	Gender/ age	Term (Until)	Date (First Elected)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position with PSC and Other Company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Director		Hui Tung Investment Co., Ltd.	2021.7.20		2024.7.19	1994.10.29	10,403,534	0.71	10,819,675	0.74	0		0	0	NA	NA	NA	NA	NA
	Republic of China	Delegate: Lee, Chi-Ming	2021.7.20	M/ 41~50	2024.7.19	2018.6.21	0	0	0	0	0	0	0	0	1. Department of International Business Soochow University 2. Vice Chairman of Hui Tung Enterprise Corp. 3. Director of HHB Geriatric Healthcare Corp. 4. Director of Hui Tung Investment Co., Ltd. 5. Director of Japan Asia Specialities Co., Ltd. 6. Director of President Securities Corporation	1. PSC: NA 2. Other Company: • Chairman: Chieforce Corp. • Vice Chairman: Hui Tung Enterprise Corp. • Director: Hui Tung Investment Co., Ltd., HHB Geriatric Healthcare Corp., Japan Asia Specialities Co., Ltd., Zhao Tung Corp., Chao Tung Corp., Union Chinese Corp., Point Deco Co., Ltd., Huai Ren International Co., Ltd. • Supervisor: Chang Kun Housing Corp. Chang Kun Ivesting Corp.	NA	NA	NA
Director		Leg Horn Investment Co., Ltd.	2021.7.20		2024.7.19	1988.11.26	12,656,178	0.86	13,162,425	0.90	0	0	0	0	NA	NA	NA	NA	NA
	Republic of China	Delegate: Chang, Ming-Chen	2021.7.20	F/ 71~80	2024.7.19	1990.3.30	1,209,383	0.08	1,257,758	0.08	0	0	0	0	1. BBA in Business Administration, Soochow University 2. Accounting Manager of Leg Horn Investment Co., Ltd. 3. Director of Leg Horn Investment Co., Ltd. 4. Director of President Securities Corporation	1. PSC: NA 2. Other Company: • Accounting Manager: Leg Horn Investment Co., Ltd.	NA	NA	NA
Director		Ta Le Investment Holding Co., Ltd.	2021.7.20		2024.7.19	2000.6.8	7,316,067	0.50	4,850,749	0.33	0	0	0	0	NA	NA	NA	NA	NA
	Republic of China	Delegate: Lee, Yee-Ching	2022.7.1	M/ 61~70	2024.7.19	2022.7.1	0	0	0	0	0	0	0	0	1. J.D., University of Berkeley 2. Chairman of Ta Le Investment Holding Co., Ltd 3. Chairman of Litz's Enterprise Ltd 4. Director of Lian Teh Iindustrial Development Foundation 5. President of Uni-President Asset Management Corp. 6. President of President Capital Management Corp. 7. Vice President of President Securities Corporation	1. PSC: NA 2. Other Company: • Chairman: Ta Le Investment Holding Co., Ltd., Litz's Enterprise Ltd. • Director: Lian Teh Iindustrial Development Foundation	NA	NA	NA

Title	Nationality	Name	Date Elected	Gender/ age	Term (Until)	Date (First Elected)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position with PSC and Other Company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Director		China F.R.P Corp.	2021.7.20		2024.7.19	1994.10.29	10,200,000	0.70	10,400,000	0.71	0	0	0	0	NA	NA	NA	NA	NA
	Republic of China	Delegate: Lee, Shu-Fen	2021.7.20	F/ 71~80	2024.7.19	2015.6.18	0	0	5,000	0	0	0	0	0	1. Ming Chuan University 2. Accounting Deputy Manager, Auditing Manager of Eternal Materials Co., Ltd. 3. Director of President Securities Corporation	1. PSC: NA 2. Other Company: • Consultant: China F.R.P Corporation • Employee: Kao Ying-Shih Chinese Culture Collection Educational Foundation of Kaohsiung.	NA	NA	NA
Director	Republic of China	Duh, Bor-Tsang	2021.7.20	M/ 61~70	2024.7.19	2012.6.22	4,273,744	0.29	4,444,693	0.30	2,334,693	0.16	0	0	1. Master of Business Administration, University of Dallas 2. Chairman of Shun Fu Tai Industrial Co., Ltd. 3. Chairman of Yao-Jun Technology Inc. 4. Chairman of My-Semi Inc. 5. Director of President Securities Corporation 6. Director of Shin Lin Investment Inc., Morioka Investment Inc., Lillian Investment Co., Ltd., Midori Inc. 7. Supervisor of Konten Networks Inc., NANTEX Industry Co., Ltd.	1. PSC: NA 2. Other Company: • Chairman: Shun Fu Tai Industrial Co., Ltd., Yao-Jun Technology Inc. • Director: Midori Inc., NANTEX Industry Co., Ltd. • Supervisor: Lillian Investment Co., Ltd.	NA	NA	NA
Director	Republic of China	Lee, Tzong-Shiun	2021.7.20	M/ 51~60	2024.7.19	2021.7.20	836,911	0.05	870,387	0.05	0	0	0	0	1. The University of California Irvine Paul Merage School of Business, MBA 2. Supervisor of Grown Field Co., Ltd. 3. Chairman of Fu Huey Inc 4. Director of Teh Long Warehousing & Stevedoring Co., Ltd.	1. PSC: NA 2. Other Company: • Chairman: Fu Huey Inc • Director: Teh Long Warehousing & Stevedoring Co., Ltd. • Supervisor: Grown Field Co., Ltd.	NA	NA	NA
Director	Republic of China	Juang, Jing-Yau	2021.7.20	M/ 51~60	2024.7.19	2018.6.21	3,060	0	3,182	0	0	0	0	0	1. Golden Gate University, MBA in Finance 2. Chairman of United Investment Ptd. Ltd. 3. Vice President of Tainan Spinning Co., Ltd. 4. Director of President Securities Corporation 5. President of T.S. Retail and Distribution Co. Ltd.	1. PSC: NA 2. Other Company: • Chairman: United Investment Pte. Ltd., United Investment Pte. Ltd.(Taipei) • Director and President: T.S. Retail and Distribution Co. Ltd. • Director: Q-Ware Systems & Services Corp., Eten Technologies Inc., NANTEX Industry Co., Ltd., Nan Fan Development Co., Ltd., Nan Fan Housing Co., Ltd., Universal Venture Capital Investment Corp. • Vice President: Tainan Spinning Co., Ltd.	NA	NA	NA

Title	Nationality	Name	Date Elected	Gender/ age	Term (Until)	Date (First Elected)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position with PSC and Other Company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Independent Director	Republic of China	Liang, Yann-Ping	2021.7.20	F/ 51~60	2024.7.19	2015.6.18	0	0	0	0	0	0	0	0	1. MBA, George Washington University 2. Department of Finance, Shih Hsin University Associate Professor / Assistant Professor 3. Independent Director of President Securities Corporation 4. Vice President of Hua Nan Investment Trust 5. Vice President of Polaris Securities Investment Trust 6. Chairman of Department of Finance, MingDao University	1. PSC: Member of Audit Committee / Remuneration Committee / Risk Management Committee / Strategic Development Committee / Supervisory personnel of Trust 2. Other Company: • Associate Professor: Shih Hsin University • Member of Self-disciplinary Committee: Unique Satellite Television (USTV)	NA	NA	NA
Independent Director	Republic of China	Pai, Chun-Nan	2021.7.20	M/ 71~80	2024.7.19	2018.6.21	0	0	0	0	0	0	0	0	1. Ph.D. in Law, Chinese Culture University 2. Vice Chariman of China Petrochemical Development Corporation 3. Chariman of The First Leasing Corp. 4. Chairman of Bo-Meng Investment Co., Ltd. 5. Independent Director of President Securities Corporation 6. Independent Director of Megaforce Company Ltd. 7. Director of Core Pacific City Company Ltd. 8. Director of Taivex Therapeutics Corporation 9. Director of Wei Lih Food Industrial Co., Ltd.	1. PSC: Member of Audit Committee / Remuneration Committee / Risk Management Committee / Strategic Development Committee 2. Other Company: • Vice Chairman: China Petrochemical Development Corporation • Director: Wei Lih Food Industrial Co., Ltd., BES Engineering Corp, Feida Intelligent Technology Co., Ltd.	NA	NA	NA
Independent Director	Republic of China	Song, Yung-Fong	2021.7.20	M/ 61~70	2024.7.19	2018.6.21	0	0	0	0	0	0	0	0	1. The University of Iowa, MBA 2. Assistant Vice President of BNP Paribas Taiwan 3. Executive Director of Goldman Sachs (Asia) 4. Director of SG Warburg Securities Ltd. Taiwan 5. Vice Chairman of ABN AMRO Bank, Taipei Branch 6. Managing Director of CIMB Securities, Taiwan 7. CIO and Executive Vice President of Chunghwa Telecom Co., Ltd. 8. Director of Chunghwa Investment Company 9. President of Chunghwa Investment Company 10. Managing Director of Deutsche Bank Taiwan 11. Independent Director of President Securities Corp.	1. PSC: Member of Audit Committee / Remuneration Committee / Risk Management Committee / Strategic Development Committee 2. Other Company: • Partner: FCC Partners (TAIPEI) INC., Oasis New Energy Inc. • Supervisor: Zhi Nong Green Power Investment Co., Ltd.	NA	NA	NA

Title	Nationality	Name	Date Elected	Gender/ age	Term (Until)	Date (First Elected)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Current Position with PSC and Other Company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Independent Director	Republic of China	Horng, Yuan-Chuan	2021.7.20	M/ 71~80	2024.7.19	2018.6.21	0	0	0	0	0	0	0	0	1. Department of Economics, Soochow University 2. Independent Director of Himax Technologies, Inc. 3. Vice President of Finance Division of China Steel Corporation 4. Chairman of Gains Investment Corp. 5. Director of Kaohsiung Rapid Transit Corporation 6. Independent Director of President Securities Corporation	1. PSC: Member of Audit Committee / Remuneration Committee / Risk Management Committee / Strategic Development Committee / Supervisory personnel of Trust / Offshore Structured Products review team 2. Other Company: • Independent Director: Himax Technologies, Inc.	NA	NA	NA

Note: The percentages of shares are calculated based on PSC's capital: 1,455,831,343 shares

2. Major Shareholders of PSC′s Institutional Shareholders

April 29, 2024

PSC's Institutional Shareholders (Note1)	Major Shareholders of PSC's Institutional Shareholders (Holding Percentage) (Note2)
Leg Horn Investment Co., Ltd.	Chang, Pin-Tang (45.55%), Chang, Benjamin Pin-Yen (49.75%)
Hui Tung Investment Co., Ltd.	Lee, Tong-Liang (44.88%), Hsu, Jui-Chung (15%), Lee, Pei-Shan (12.44%), Lee, Chi-Hung (12.44%), Lee, Chi-Ming (12.44%)
Ta Le Investment Holding Co., Ltd.	Ou Yang, Li-Chen (26.54%), Lee, Chia-Rong (7.69%), Lee, Yee-Ching(55.78%), Kao, Kuo-Lun(3.08%), Lee, Agnes(1%), Lee, Alexander (3.15%), Kao, Fu-Ting(0.92%), Kao, Fu-Yu(0.92%), Kao, Fu-Cheng (0.92%)
Kai Nan Investment Co., Ltd.	Uni-President Enterprises Corp. (100%)
Canking Investment Co., Ltd.	Teng, Wen-Hwi (26.35%), Teng, Jun-Tse (26.69%), Teng, Wen-Hsuan (26.35%), Yang, Yu-Chiao (10.67%)
China F.R.P Corp.	Kao, Ying-Shih (21.26%), Jia Cheng Enterprise Ltd.(18.95%), Kao, Kuo-Lun(13.42%), Strong Team International Inc.(8.89%), Lee, Chia-Rong (6.39%), Di Yi Internation Enterprise Inc. (4.09%), Kao, Fu-Cheng(3.64%), Kao, Fu-Ting(2.8%), Kao, Fu-Yu(2.7%), Yang, Chin-Lan(2.27%)

Note 1: As the Company's Directors and Supervisors belong to institutional shareholder representatives, the name of the institutional shareholders.

Note 2: The name of the major shareholders of the institutional shareholders and their shareholding ratio. If the major shareholders are corporations, their information is listed in the table below.

Institutional Shareholders of the Major Shareholders

April 29, 2024

Institutional Shareholders	Major Shareholders of the Institutional Shareholders (Holding Percentage) (Note)
Uni-President Enterprises Corp.	Kao Chyuan Inv. Co., Ltd. (5.00%), Cathay Life Insurance Co.,Ltd. (4.52%), BNP Paribas - Hong Kong Branch (3.02%), Hou, Po-Ming (2.60%), Hou, Po-Yu (2.27%), Chunghwa Post Co., Ltd.(1.91%), Labor Pension Fund-New Scheme (1.83%), Goverment of Singapore (1.68%), Kao, Shiow-Ling (1.64%), Labor Pension Fund Supervisory Committee-Labor Retirement Fund (1.44%)
Jia Cheng Enterprise Ltd.	Kao, Fu-Ting (1.89%), Kao, Kuo-Lun (13.85%), Lee, Chia-Rong (13.79%), New Genius Ltd (61.65%), Phuket Investments Limited (8.82%)
Strong Team International Inc.	Kao, Kuo-Lun (40.52%), Lee, Chia-Rong (37.48%), Jia Cheng Enterprise Ltd. (19.55%), Chen, Chen-Ju (0.01%), Lai, Jia-Huei (2.44%)
Di Yi Internation Enterprise Inc.	Kao, Kuo-Lun (20.60%), Lee, Chia-Rong (79.40%)

Note: Name and holding percentage of the top ten shareholders of the Company's institutional shareholders.

3. Professional qualifications and independence analysis of directors

(1) Information disclosure for the professional qualification of Directors and independence of Independent Directors:

Criteria / Name	Professional Qualification Requirements and Work Experience	Independence Disclosure	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Lin, Kuan-Chen Delegate of Kai Nan Investment Co., Ltd.	I have over 5 years of working experience and professional business management expertise; I graduated from National Taiwan University of Sport. I possess extensive working experience in securities dealers; I held positions as the Vice Chairman and President of President Securities Corporation; currently, I am the representative of Kai Nan Investment Co., Ltd., the corporate chairman of the Company, and the Company's Chairman. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2), (3), (7), (8), and (12), Director is the Chairman of the Company, Chairman of Richness Cereal Trading Co, President of Fonmau Cereal Industrial Co., Ltd., Director of President Futures Corp., one of the top ten natural person shareholder of the Company, and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Liu, Tsung-Yi Delegate of Kai Nan Investment Co., Ltd.	I have over 20 years of working experience and professional knowledge in finance and accounting. I hold a Ph.D. in Finance from National Chung Hsing University, R.O.C. In addition to my academic background, I have extensive experience in finance and business, including serving as Senior Vice President at Uni-President Enterprises Corp. Currently, I serve as a Director of several companies, including President International Development Corp., Presco Netmarketing, Inc., Kuang Chuan Dairy Co., Ltd., and Kuang Chuan Foods Ltd. I am also the representative of Kai Nan Investment Co., Ltd., the Company's corporate Director. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2), (5), and (12), is the Director of the Company, hold position in the Uni-President Enterprises Corporation, a corporate shareholder holding over 5% of the Company's issued shares, and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Chen, Kuo-Hui Delegate of Kai Nan Investment Co., Ltd.	I have over 10 years of working experience and professional business management expertise; I graduated with an MBA from the University of Strathclyde, possessing extensive working experience in financial management. I held the position as the CFO of Uni-President China Holdings Ltd. Currently, I am the Director of Uni-President China Holdings Ltd. and President International Development Corp., and am the representative of Kai Nan Investment Co., Ltd., the Company's corporate Director. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2), (5), and (12), is the Director of the Company, hold position in the Uni-President Enterprises Corporation, a corporate shareholder holding over 5% of the Company's issued shares, and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Hsieh Hung, Hui-Tzu Delegate of Kai Nan Investment Co., Ltd.	I have over five years of working experience and professional business management (business, legal, and financial and accounting) expertise; I graduated with the M.S., Dept. of Business Administration, National Cheng Kung University. I possess extensive business management (business, legal, financial and accounting) working experience; I held positions as the Vice President of ScinoPharm Taiwan Ltd.(Administration Center), Vice President of President International Development Corp. (F&A Divison), Chief Audit Officer of President Chain Store Corp., Director of President Securities Corporation, and Chief of CSR/Assistant Vice President for projects of President Chain Store Corp., and retired in 2023/7/1. Currently, I am the representative of Kai Nan Investment Co., Ltd., the Company's corporate Director. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2), and (12), is the Director of the Company, and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0

Criteria / Name	Professional Qualification Requirements and Work Experience	Independence Disclosure	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Lu, Li-An Delegate of Kai Nan Investment Co., Ltd.	I have over 20 years of working experience and professional financial and accounting as well as legal expertise; I possess the Master of Business Administration/Institute of Financial Management, National Sun Yat-sen University. I possess extensive working experience in financial and accounting as well as business; I held the position as the chief of finance of Uni-President Enterprises Corp. Currently, I am the President of ScinoPharm Taiwan Ltd., Director of President Transnet Corp., and Supervisor of Tong Kuan Enterprise Co., Ltd., and am the representative of Kai Nan Investment Co., Ltd., the Company's corporate Director. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2), (5), and (12), is the Director of the Company, hold position in the Uni-President Enterprises Corporation, a corporate shareholder holding over 5% of the Company's issued shares, and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Chen, Ching-Yi Delegate of Kai Nan Investment Co., Ltd.	I graduated from Fu Jen Catholic University with a bachelor's degree in Economics; I have over 20 years of experience in traditional industries and electronic industries, and possess professional financial and accounting expertise for business management; I held positions as the Finance Deputy Manager of Apacer Technology Inc. and Director of PK Venture Capital Corp.; currently, I am the Management Division Vice President of President Tokyo Corp., and the representative of Kai Nan Investment Co., Ltd., the Company's corporate Director. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2), (5), and (12), is the Director of the Company, hold position in the Uni-President Enterprises Corporation, a corporate shareholder holding over 5% of the Company's issued shares, and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Chen, Yi-Ling Delegate of Kai Nan Investment Co., Ltd.	I have over five years of working experience and professional business, legal, and accounting expertise; I graduated from the University of Dallas Master of Business Administration, and am a professional practitioner holding the CPA certificate of the Republic of China. Currently, I am the Financial Planning Division Manager of Uni-President Enterprises Corp., and the representative of Kai Nan Investment Co., Ltd., the Company's corporate Director. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2), (5), and (12), is the Director of the Company, hold position in the Uni-President Enterprises Corporation, a corporate shareholder holding over 5% of the Company's issued shares, and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Teng, Wen-Hwi Delegate of Canking Investment Co., Ltd.	I have over 10 years of working experience and professional business management, commercial law, and accounting expertise; I graduated with a Ph.D. from the University of San Francisco; I held the position as a lecturer at the National Taipei University of Education, and have extensive working experience in business management; currently, I am the Chairman of Canking Investment Co., Ltd., and am the representative of Canking Investment Co., Ltd., the Company's corporate Director. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2), (3), and (12), is the Director of the Company, one of the top ten natural person shareholder of the Company, and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Lee, Chi-Ming Delegate of Hui Tung Investment Co., Ltd.	I have over five years of working experience and professional business expertise; I graduated from the Department of International Business of Soochow University. I have extensive working experience in business. Currently, I am the Vice Chairman of Hui Tung Enterprise Corp., Director of Hui Tung Investment Co., Ltd., Director of HHB Geriatric Healthcare Corp., and Director of Japan Asia Specialities Co., Ltd., and am the representative of Hui Tung Investment Co., Ltd., the Company's corporate Director. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2) and (12), is the Director of the Company and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Chang, Ming-Chen Delegate of Leg Horn Investment Co., Ltd.	I have over five years of working experience and professional accounting expertise; I graduated from BBA in Business Administration, Soochow University and have extensive working experience in accounting; I held the position as the Accounting Manager of Leg Horn Investment Co., Ltd.; currently, I am the Director of President Securities Corporation, and am the representative of Leg Horn Investment Co., Ltd., the Company's corporate Director.Not been a person of any conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2) and (12), is the Director of the Company and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Lee, Yee-Ching Delegate of Ta Le Investment Holding Co., Ltd.	I have over 20 years of working experience and professional management expertise; I hold a J.D in Law. from the University of Berkeley. Currently, I serve as the Chairman of Ta Le Investment Holding Co., Ltd., and I am also the representative of Ta Le Investment Holding Co., Ltd., the Company's corporate Director. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2) and (12), is the Director of the Company and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Lee, Shu-Fen Delegate of China F.R.P Corp.	I have over five years of working experience and professional financial, accounting, and business expertise; I graduated from Ming Chuan University. I possess extensive working experience in financial, accounting, and business; I held positions as the Accounting Deputy Manager of Eternal Materials Co., Auditing Manager of Eternal Materials Co., Ltd., and Director of President Securities Corporation. Currently, I am the Consultant of China F.R.P. Corporation, and am the representative of China F.R.P Corp, the Company's corporate Director. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2) and (12), is the Director of the Company and the representative of the corporate shareholder of the Company as stated in Article 27, the Director complies with the specifications of independence in Note 1.	0
Duh, Bor-Tsang	I have over five years of working experience, and have professional business management expertise; I graduated with a Master of Business Administration at the University of Dallas, and possess extensive working experience in business management; I held positions as the Director of Shin Lin Investment Inc., Morioka Investment Inc., and Lillian Investment Co., Ltd. Currently, I am the Chairman of Shun Fu Tai Industrial Co., Ltd. and Yao-Jun Technology Inc., as well as the Director of My-Semi Inc., Midori Inc., and NANTEX Industry Co., Ltd., and the Director of the Company. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2) and (3), is the Director of the Company, one of the top ten natural person shareholder of the Company, the Director complies with the specifications of independence in Note 1.	0

Criteria / Name	Professional Qualification Requirements and Work Experience	Independence Disclosure	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Lee, Tzong-Shiun	I have over five years of working experience, and have professional business management expertise; I graduated from The University of California Irvine Paul Merage School of Business with an MBA, and possess extensive working experience in business management; I held positions as a supervisor in Grown Field Co., Ltd. and the Director of Teh Long Warehousing & Stevedoring Co., Ltd. Currently, I am the Chairman of Fu Huey Inc., and the Director of the Company. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2) is the Director of the Company, the Director complies with the specifications of independence in Note 1.	0
Juang, Jing-Yau	I have over five years of working experience and professional financial expertise; I graduated from Golden Gate University in Finance with an MBA, and possesses extensive working experience in finance; I held positions as the Chief of Finance at Tainan Spinning Co., Ltd., and the Director of NANTEX Industry Co., Ltd. and Nan Fan Housing Co., Ltd. Currently, I am the Director and President of T.S. Retail and Distribution Co., and the Director of the Company. I do not meet any of the conditions defined in Article 30 of the Company Act.	Apart from Notes 1(2) is the Director of the Company, the Director complies with the specifications of independence in Note 1.	0
Liang, Yann-Ping	I have over five years of working experience and professional financial and economics, as well as accounting expertise; I graduated from the George Washington University with an MBA, and possess extensive working experience in financial practices; I held positions as the Vice President of Hua Nan Investment Trust and Vice President of Polaris Securities Investment Trust; currently, I am the Associate Professor of Department of Finance at Shih Hsin University, Independent Director of President Securities Corporation, and a member of the Audit Committee, Remuneration Committee, and Risk Management Committee. I do not meet any of the conditions defined in Article 30 of the Company Act.	1. The Director, its spouse, or its relatives within the second degree of kinship not being a Director, supervisor, or employee of the Company or its affiliates. 2. The Director, its spouse, or its relatives within (or under other's names) the second degree of kinship has no shareholding in the Company. 3. Not being a director, supervisor, or employee of any company with particular relationships with the Company. 4. The compensation received from providing business, legal, financial, and accounting services to the Company or its affiliates for the past two years was NT$0. 5. According to the above, I complied with the independence criteria.	0
Pai, Chun-Nan	I graduated from the Institute of Economics at National Taiwan University and hold a Ph.D. in Law from the Chinese Culture University; I have provided services in public and private enterprises for over 40 years and hold teaching position at National Taiwan University, National Taiwan Normal University, Soochow University, and Fu Jen University for teaching financial and economic courses. Currently, I am the Vice Chairman of China Petrochemical Development Corporation, the Company's Independent Director , and a member of the Audit Committee, Remuneration Committee, and Risk Management Committee (also the convenor). I do not meet any of the conditions defined in Article 30 of the Company Act.	1. The Director, its spouse, or its relatives within the second degree of kinship not being a Director, supervisor, or employee of the Company or its affiliates. 2. The Director, its spouse, or its relatives within (or under other's names) the second degree of kinship has no shareholding in the Company. 3. Not being a director, supervisor, or employee of any company with particular relationships with the Company. 4. No compensation received from providing business, legal, financial, and accounting services to the Company or its affiliates for the past two years. 5. According to the above, I complied with the independence criteria.	0
Song, Yung-Fong	I have over 30 years of working experience and professional business management, business, legal, and accounting expertise; I graduated from The University of Iowa; after graduating with MBA, I held management positions in major investment banks or foreign-invested banks worldwide, such as holding positions as Vice President, Managing Director, and Executive Director at BNP Paribas Taiwan, Goldman Sachs (Asia), SG Warburg Securities Ltd. Taiwan, Deutsche Bank Taiwan, ABN AMRO Bank (Taipei Branch), and CIMB Securities, Taiwan, and became the CIO and Executive Vice President of Chunghwa Telecom Co., Ltd. in 2017. Currently, I am the Company's Independent Director and a member of the Audit Committee, Remuneration Committee, and Risk Management Committee. I do not meet any of the conditions defined in Article 30 of the Company Act.	1. The Director, its spouse, or its relatives within the second degree of kinship not being a Director, supervisor, or employee of the Company or its affiliates. 2. The Director, its spouse, or its relatives within (or under other's names) the second degree of kinship has no shareholding in the Company. 3. Not being a director, supervisor, or employee of any company with particular relationships with the Company. 4. The compensation received from providing business, legal, financial, and accounting services to the Company or its affiliates for the past two years was not more than half a million. 5. According to the above, I complied with the independence criteria.	0
Horng, Yuan-Chuan	I have over five years of working experience in finance and accounting; I graduated from the Department of Economics, Soochow University; currently, I am the Independent Director of Himax Technologies, Inc.; I held positions as the Vice President of Finance Division of China Steel Corporation and Chairman of Gains Investment Corp.; I am the Company's Independent Director, and a member of the Audit Committee, Remuneration Committee, and Risk Management Committee. I do not meet any of the conditions defined in Article 30 of the Company Act.	1. The Director, its spouse, or its relatives within the second degree of kinship not being a Director, supervisor, or employee of the Company or its affiliates. 2. The Director, its spouse, or its relatives within (or under other's names) the second degree of kinship has no shareholding in the Company. 3. Not being a director, supervisor, or employee of any company with particular relationships with the Company. 4. Not provided business, financial, and accounting services to the Company or its affiliates for the past two years. The compensation was NT$0. 5. According to the above, I complied with the independence criteria.	1

Note1: The independence criteria are as follows:

1. Not an employee of the Company or any of its affiliates.
2. Not a director or supervisor of the Company or any of its affiliates. (However, if the independent directors engaged concurrently by the Company, its parent company, and its subsidiary or a subsidiary under the same parent company in accordance with this Act or local laws and regulations, this requirement shall not apply).

3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or ranking in the top 10 in holdings.

4. Not a manager of the 1st subparagraph, or a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of the persons 2nd and 3rd subparagraphs above.

5. Not a director, supervisor, or employee of a corporate shareholder who directly holds more than 5% of the Company's total issued shares, who is among the top five shareholders, or who designates his or her representative to serve as a director or supervisor of the Company in accordance with Paragraph 1 or 2, Article 27 of the Company Act; (however, if the independent directors engaged concurrently by the Company, its parent company, and its subsidiary or a subsidiary under the same parent company in accordance with this Act or local laws and regulations, this requirement shall not apply).

6. Not a director, supervisor, or employee of another company where a majority of the Company's director seats or voting shares and those of another company are controlled by the same person; (however, if the independent directors engaged concurrently by the Company, its parent company, and its subsidiary or a subsidiary under the same parent company in accordance with this Act or local laws and regulations, this requirement shall not apply.)

7. Not a director (or a managing director), supervisor, or employee of another company or institution where the Chairman, the President, or person holding an equivalent position of the Company and a person in an equivalent position at another company or institution are the same person or spouses; (however, if the independent directors engaged concurrently by the Company, its parent company, and its subsidiary or a subsidiary under the same parent company in accordance with this Act or local laws and regulations, this requirement shall not apply.)

8. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution which has a financial or business relationship with the Company.(However, if a specific company or institution holds more than 20% and no more than 50% of the total issued shares of the Company and if the independent directors engaged concurrently by the Company, its parent company, and its subsidiary or a subsidiary under the same parent company in accordance with this Act or local laws and regulations, this requirement shall not apply.)

9. Not a professional individual, or a spouse, who is an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that provides auditing services, commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the Company, the cumulative amount of payments obtained in the past two years has not exceeded NT$ 500,000. These restrictions do not apply to people whose duties are performed in accordance with the Securities and Exchange Act and the Business Mergers And Acquisitions Act or members of the Tender Offer Review Committee or the M&A Special Committee.

10. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.

11. Not been a person of any conditions defined in Article 30 of the Company Act.

12. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.

(2) Diversity and independence of the Boardof the Board:

■ Diversity of the Board:

In order to increase the effectiveness of the Board of Directors and facilitate the healthy growth of its composition and structure, our Company has implemented a diversification policy in line with "Corporate Governance Best Practice Principles."Abiding by article 20 of our Principles for Corporate Governance, in respect of the Company's business development needs, and shareholders' shareholding and practical operational needs, Propose an appropriate diversification policy that includes the following two dimensions to ensure that our Company's directors achieve specific management objectives in terms of professionalism and diversity:

(1) Basic Conditions and Values: Gender, age, etc.

(2) Professional Knowledge and Skills: This section should include information about professional background, such as law, accounting, industry, finance, marketing or technology. It should also highlight professional skills and industry experience.

Currently, there are 19 Directors in the Company, including 4 independent Directors, backgrounds in finance, accounting, business administration, law, and investment, as well as rich industry experience in securities and futures, mutual funds, food, retail, trade, warehousing, technology, chemicals, optoelectronics. The 4 independent directors accounting for 21% of total Directors, there's 3 with a term of 4-6 years, and 1 with a term of 7-9 years, adhering to the target of proportion and terms of years (within 3 terms). The Company also emphasize the gender equality among Directors. The target regarding percentage of female Director is 30% or above. In the current term, there are 8 female Directors, including 1 Independent Director, stand for 42% of total board membership.

Name	Gender	Age			Professional Background (Educational & Experience)	Diverse Industry Experience	Comprehensive Abilities								
		Below 30	30~49	More than 50			1. Operational Judgement	2. Accoutning & Financial Analysis	3. Operating Management	4. Crisis Management	5. Industrial Knowledge	6. International Points of View	7. Leadership	8. Decision-making Ability	9. Risk Management Konwledge & Ability
Lin, Kuan-Chen	M			✓	Sports, Investment	Commodities, Securities and Futures	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liu, Tsung-Yi	M			✓	Financial Management	FMCG, Mergers and Acquisitions	✓	✓	✓	✓	✓	✓	✓	✓	✓

Name	Gender	Age			Professional Background (Educational & Experience)	Diverse Industry Experience	Comprehensive Abilities								
		Below 30	30~49	More than 50			1. Operational Judgement	2. Accoutning & Financial Analysis	3. Operating Management	4. Crisis Management	5. Industrial Knowledge	6. International Points of View	7. Leadership	8. Decision-making Ability	9. Risk Management Konwledge & Ability
Chen, Kuo-Hui	M			✓	Financial Management ,Business Administration, Investment	Food, Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hsieh Hung, Hui-Tzu	F			✓	Business Administration	Retail, Biological Technology	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lu, Li-An	F			✓	Business Management, Financial & Investment Management	Finanace, Food, Pharmacy	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chen, Ching-Yi	F		✓		Economic, Finance	Venture Capital, Electronic Technology, Food	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chen, Yi-Ling	F		✓		Accounting, Management	Food	✓	✓	✓	✓	✓	✓	✓	✓	✓
Teng, Wen-Hwi	F			✓	Business Administration, Education, Investment	University Faculty, Trade, Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lee, Chi-Ming	M		✓		International Trade	Wholesale, Trade, Construction, Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chang, Ming-Chen	F			✓	Accounting, Management	Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lee, Yee-Ching	M			✓	J.D.	President of Investment Trust	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lee, Shu-Fen	F			✓	Financial Management	Material Industry	✓	✓	✓	✓	✓	✓	✓	✓	✓
Duh, Bor-Tsang	M			✓	International Business Administration	Wholesale & Retail, Technical, Chemical Industry, Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lee, Tzong-Shiun	M			✓	Business Administration	Trade, Transportation, Storage	✓	✓	✓	✓	✓	✓	✓	✓	✓
Juang, Jing-Yau	M			✓	Financial Management	Securities , Textile, Retail	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liang, Yann-Ping	F			✓	Financial Management	University Faculty, Investment Trust, Communication Media	✓	✓	✓	✓	✓	✓	✓	✓	✓
Pai, Chun-Nan	M			✓	Finance, Economic, Investment, Bank, Law	Business Investment, Financial Investment, Securities, University Faculty	✓	✓	✓	✓	✓	✓	✓	✓	✓
Song, Yung-Fong	M			✓	Business Administration, Investment	Telecommunications, Investment Banking, Securities	✓	✓	✓	✓	✓	✓	✓	✓	✓
Horng, Yuan-Chuan	M			✓	Financial Management, Investment Management	Steel	✓	✓	✓	✓	✓	✓	✓	✓	✓

- Independence of the Board:

The Company has set up four independent directors. Qualification check for independent directors shall be conducted during the selection and tenure, and a declaration shall be issued. Each independent director must submit a declaration that meets the requirements for independence. Independent Directors often raise constructive questions, express opinions independent of the operating team or other Directors in the Board and various committees under the Board, and request supplementary information from the operating team for explanation.

The education and experience of all directors of the Company are disclosed on the Company’s website and the annual report of the shareholders’ meeting (see Chapter III for details). The relationships among the directors are also disclosed in the annual report of the shareholders’ meeting, where there is no spousal relationship or family relationship within the second degree of kinship, which complies with the requirements of paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.

B. Information regarding directors, supervisors, management team and branch manager

March 31, 2024

Title	Nationality/ Country of Origin	Name	Gender	Date Elected	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			The status of obtaining employee stock option certificates by Managers
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	Republic Of China	Tsai, Sen-Bu	M	2018.06.29	332,307	0.02	0	0	0	0	1. Vice President of President Securities Corporation 2. Senior Deputy Manager of China Bills Finance Corp.	1. Director of President Futures Corp. 2. Director of President Securities (HK) Ltd. 3. Director of President Wealth Management (HK) Ltd. 4. Director of Jin Yuan President Securities Ltd.	NA	NA	NA	NA
Proprietary Trading Department Executive Vice President	Republic Of China	Yang , Kai-Chih	M	2018.08.29	144,717	0	0	0	0	0	1. Vice President of President Securities Corporation 2. Assistant Vice President of President Securities Corporation	Director of President Futures Corp.	NA	NA	NA	NA
Finance Department Vice President	Republic Of China	An, Chi-Li	F	2004.06.30	165,738	0	0	0	0	0	1. Assistant Vice President of MasterLink Securities Corp. 2. SVP of Ta Chong Bank LTD. 3. Head of Treasury of Barclays Bank PLC 4. Treasurer of Societe Generale	1. Director of President Securities (HK) Ltd. 2. Director of President Wealth Management (HK) Ltd. 3. Supervisor of President Insurance Agency Co., Ltd 4. Chief supervisor of Jin Yuan President Securities Ltd.	NA	NA	NA	NA
Quantitative Trading Department Vice President	Republic Of China	Huang, Jung-Jen	M	2009.03.26	113,883	0	0	0	0	0	1. Vice President of Oriental Securities Corporation. 2. Assistant Vice President of MasterLink Securities Corporation.	N/A	NA	NA	NA	NA
Financial Product Department Vice President	Republic Of China	Pu, Chien-Heng	M	2019.03.22	0	0	0	0	0	0	1. Professional Vice President of President Securities Corporation 2. Assistant Manager of Capital Securities Corporation.	N/A	NA	NA	NA	NA
Capital Market Department Vice President	Republic Of China	Wei, Chih-Hsu	M	2020.11.10	0	0	0	0	0	0	1. Vice President of Taishin Securities Corporation. 2. Sales Assistant Vice President of Taiwan Securities Corporation.	Director of Fortune Industries Inc.	NA	NA	NA	NA
Fixed Income Department Vice President	Republic Of China	Yeh, Ming-Chieh	M	2020.12.24	0	0	0	0	0	0	1. Senior Assistant Vice President of President Securities Corporation 2. Assistant Vice President of President Securities Corporation	N/A	NA	NA	NA	NA
Administration Department Vice President	Republic Of China	Yu, Hung-Chieh	M	2024.01.01	872	0	0	0	0	0	1. Senior Assistant Vice President of President Securities Corporation 2. Assistant Vice President of President Securities Corporation	Director of President Insurance Agency Co., Ltd.	NA	NA	NA	NA
Shareholder Services Department Sales Vice President	Republic Of China	Chueh, Chih-Chung	M	2021.04.01	78,989	0	0	0	0	0	1. Assistant Vice President of President Securities Corporation 2. Senior Vice President of Capital Securities Corporation.	N/A	NA	NA	NA	NA

Title	Nationality/ Country of Origin	Name	Gender	Date Elected	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			The status of obtaining employee stock option certificates by Managers
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Auditing Office Chief Auditor	Republic Of China	Hsu, Wen-Ling	F	2023.02.23	22,120	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Information System Department Senior Assistant Vice President	Republic Of China	Lin, Jung-Hui	M	2020.07.01	89	0	0	0	0	0	1. Assistant Vice President of President Securities Corporation 2. Senior Manager of President Securities Corporation	Director of President Futures Corp.	NA	NA	NA	NA
Quantitative Trading Department Senior Assistant Vice President	Republic Of China	Lee, Chien-Hsin	M	2022.02.01	0	0	0	0	0	0	1. Assistant Vice President of President Securities Corporation 2. Senior Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Quantitative Trading Department Senior Assistant Vice President	Republic Of China	Chien, Pang-Yen	M	2022.02.01	0	0	0	0	0	0	1. Assistant Vice President of President Securities Corporation 2. Professional Assistant Vice President of President Securities Corporation	N/A	NA	NA	NA	NA
Corporate Client Department Senior Assistant Vice President	Republic Of China	Fan,Tsung-En	M	2022.12.01	0	0	0	0	0	0	1. Senior Manager of Far Eastern International Bank 2. Assistant Vice President of KGI Bank	N/A	NA	NA	NA	NA
President Office Corporate Governance Senior Assistant Vice President	Republic Of China	Chen, Nai-Chen	F	2023.04.01	98,902	0	0	0	0	0	1. Assistant Vice President of President Securities Corporation 2. Senior Manager of President Securities Corporation	1. Director (Representative of President Securities) of HuaVI Venture Capital Co.,Ltd 2. Owner of Chen-Yung Hikes	NA	NA	NA	NA
Finance Department Assistant Vice President	Republic Of China	Su, Wei-Lun	M	2016.06.20	0	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Financial Product Department Assistant Vice President	Republic Of China	Chang, Chung-Lin	M	2016.08.01	0	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Manager of President Securities Corporation	Director of Shan Ben Engineering Co., Ltd.	NA	NA	NA	NA
Shareholder Services Department Assistant Vice President	Republic Of China	Chang,Shao-Ping	M	2016.09.01	829	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Settlement & Clearing Department Assistant Vice President	Republic Of China	Wu, Sheng-Yu	M	2019.06.18	17,080	0	0	0	0	0	1. Assistant Vice President of President Futures Corp. 2. Manager of President Futures Corp.	N/A	NA	NA	NA	NA
Capital Market Department Assistant Vice President	Republic Of China	Chen, Chia-Chang	M	2019.07.01	0	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Manager of President Securities Corporation	N/A	NA	NA	NA	NA

Title	Nationality/ Country of Origin	Name	Gender	Date Elected	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			The status of obtaining employee stock option certificates by Managers
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Capital Market Department Assistant Vice President	Republic Of China	Chiang, Chang-Kuen	M	2020.04.10	0	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Information System Department Assistant Vice President	Republic Of China	Hu, I-Der	M	2020.07.01	123	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Capital Market Department Assistant Vice President	Republic Of China	Lin, Wei-Hung	M	2021.03.04	0	0	0	0	0	0	1. Assistant Vice President of Taishin Securities Corporation 2. Manager of Mercuries Life Insurance	N/A	NA	NA	NA	NA
Settlement & Clearing Department Assistant Vice President	Republic Of China	Huang, Chi-Ming	M	2021.08.01	0	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Risk Control Office Assistant Vice President	Republic Of China	Chang, Ping-Chuan	M	2022.07.01	16,007	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Corporate Client Department Assistant Vice President	Republic Of China	Yu, Yi-Cheng	M	2022.12.01	0	0	0	0	0	0	1. OBU personnel of CTBC Securities 2. Assistant Vice President of KGI Bank	Person in charge of JiaShing Electrical and Plumbing store	NA	NA	NA	NA
General Affairs Department Assistant Vice President	Republic Of China	Chen, Shu-Fen	F	2023.04.01	3,120	0	30,000	0	0	0	1. Senior Manager of President Securities Corporation 2. Senior Manager of President Insurance Agency Corp.	N/A	NA	NA	NA	NA
Capital Market Department Assistant Vice President	Republic Of China	Hsu, Hui-Chun	F	2023.04.01	0	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Sales Assistant Vice President of Taishin Securities Corporation	N/A	NA	NA	NA	NA
Compliance Division Senior Manager	Republic Of China	Su, Yung-Hsin	F	2024.01.01	512	0	0	0	0	0	1. Manager of President Securities Corporation 2. Senior Deputy Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Brokerage Department Vice President	Republic Of China	Chang, Hung-Shuo	M	2021.05.06	1,490	0	0	0	0	0	1. Supervisor Vice President of President Securities Corporation 2. Assistant Vice President of Hua Nan Financial Holdings	Director of President Insurance Agency Corp.	NA	NA	NA	NA

Title	Nationality/ Country of Origin	Name	Gender	Date Elected	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			The status of obtaining employee stock option certificates by Managers
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Brokerage Department District Supervisor	Republic Of China	Lin, Li-Lin	F	2014.04.01	6,481	0	0	0	0	0	1. Assistant Vice President of President Securities Corporation 2. Manager of Dafeng Securities Corporation	N/A	NA	NA	NA	NA
Brokerage Department Vice District Supervisor	Republic Of China	Hsu, Sheng-Hsiang	M	2023.06.01	0	0	0	0	0	0	1. Senior Assistant Vice President of KGI Securities Corporation 2. Sales Manager President of Cathay Securities Corp.	N/A	NA	NA	NA	NA
Acting Brokerage Department Vice District Supervisor	Republic Of China	Lin, Yu-Ju	F	2024.03.05	0	0	0	0	0	0	1. Branch Assistant Vice President of President Securities Corporation 2. Senior Deputy Manager of KGI Securities Corporation	N/A	NA	NA	NA	NA
Acting Brokerage Department Vice District Supervisor	Republic Of China	Cheng,Chih-Ming	M	2024.03.05	0	0	0	0	0	0	1. Sales Vice President of MEGA Securities 2. Senior Vice President of SinoPac Securities Corporation.	N/A	NA	NA	NA	NA
Brokerage Department Product Origination and Management Division Deputy General Manager	Republic Of China	Wang, Ssu-Wei	F	2023.09.01	0	0	0	0	0	0	1. Senior Assistant Vice President of KGI Securities Corporation 2. Senior Manager of Grand Cathay Securities Corporation	Person in charge of Fitness Beauty Ltd.	NA	NA	NA	NA
Global Institutional Service Department Senior Assistant Vice President	Republic Of China	Wang Shi-Cheng	M	2021.10.01	0	0	0	0	0	0	1. Assistant Vice President of Jih Sun Securities Corporation 2. Assistant Vice President of President Securities Corporation	Supervisor of Gee Sheng Enterprise Co., Ltd.	NA	NA	NA	NA
Brokerage Department Debit Center Assistant Vice President	Republic Of China	Chu, Chen-Pu	M	2020.07.01	0	0	0	0	0	0	1. Sales Manager President of Cathay Securities Corp. 2. Specialist of Fubon Securities Corporation	N/A	NA	NA	NA	NA
Brokerage Department Digital Business Department Assistant Vice President	Republic Of China	Wei, Lien	F	2022.04.11	0	0	0	0	0	0	1. Assistant Vice President of O-Bank 2. Senior Vice President of Anue Investment Advisors Co., Ltd.	N/A	NA	NA	NA	NA
Brokerage Department Digital Finance Department Assistant Vice President	Republic Of China	Liu, Chun-Liang	M	2023.04.01	0	0	0	0	0	0	1. Manager of President Securities Corporation 2. Manager of SinoPac Securities Corporation	N/A	NA	NA	NA	NA

Title	Nationality/ Country of Origin	Name	Gender	Date Elected	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			The status of obtaining employee stock option certificates by Managers
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Wealth Management and Trust Department Deputy Manager	Republic Of China	Kao, Hsiu-Lin	F	2022.06.01	1,788	0	2,080	0	0	0	1. Assistant Manager of President Securities Corporation 2. Project Assistant Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Tunghsing Equity Department Manager	Republic Of China	Chiu, Shyh-Tyng	M	2022.01.01	253,000	0	0	0	0	0	1. District Assistant Vice President of President Securities Corporation. 2. Assistant Vice President of President Securities Corporation	N/A	NA	NA	NA	NA
Tunghsing Equity Department Manager	Republic Of China	Tsai, Shu-Mei	F	2016.04.01	12	0	0	0	0	0	1. Manager of President Securities Corporation 2. Senior Deputy Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Tunghsing Equity Department Business Section 1 Manager	Republic Of China	Kao, Jung	M	2022.01.01	29	0	0	0	0	0	1. Project Assistant Vice President of President Securities Corporation 2. Branch Assistant Vice President of President Securities Corporation	N/A	NA	NA	NA	NA
Kaohsiung Branch Manager	Republic Of China	Wu, Huan-Chung	M	2013.04.01	0	0	0	0	0	0	1. Assistant Vice President of KGI Securities Corporation. 2. Manager of Taiwan Securities Corporation.	N/A	NA	N/A	NA	NA
Dunnan Branch Manager	Republic Of China	Chiang, Wen-Ling	F	2023.06.01	0	0	0	0	0	0	1. Manager of KGI Securities Corporation 2. Sales Deputy Manager of Taishin International Bank	N/A	NA	NA	NA	NA
Zhongli Branch Manager	Republic Of China	Chiang, Tsong-Shyan	M	2007.12.19	0	0	0	0	0	0	1. Manager of President Securities Corporation 2. Manager of Kurn Bern Machinery Company	N/A	NA	NA	NA	NA
Chengzhong Branch Manager	Republic Of China	Cheng,Chih-Ming	M	2022.05.06	0	0	0	0	0	0	1. Sales Vice President of MEGA Securities 2. Senior Vice President of SinoPac Securities Corporation	N/A	NA	NA	NA	NA
Tainan Branch Manager	Republic Of China	Hsieh,Chia-Hsi	M	2019.01.01	0	0	0	0	0	0	1. Deputy Manager of President Securities Corporation 2. Sales Assistant Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Taichung Branch Manager	Republic Of China	Hsu, Jui-Ming	M	2022.07.01	0	0	0	0	0	0	1. Senior Manager of MasterLink Securities Corp. 2. Sales Assistant Vice President of KGI Securities	N/A	NA	NA	NA	NA
Hsinchu Branch Manager	Republic Of China	Lee, Chin-Yi	M	2014.09.01	0	0	0	0	0	0	1. Branch Assistant Vice President of President Securities Corporation 2. Manager of President Securities Corporation	N/A	NA	NA	NA	NA

Title	Nationality/ Country of Origin	Name	Gender	Date Elected	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			The status of obtaining employee stock option certificates by Managers
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chiayi Branch Manager	Republic Of China	Tsai, Ruo-Chen	F	2023.05.05	0	0	0	0	0	0	1. Sales Assistant Vice President of CTBC Securities Corporation 2. Sales Deputy Manager of Concord Securities Corporation	N/A	NA	NA	NA	NA
Pingtung Branch Manager	Republic Of China	Tai, Hung-Da	M	2023.11.09	0	0	0	0	0	0	1. Senior Manager of President Securities Corporation 2. Sales Assistant Vice President of KGI Securities	N/A	NA	NA	NA	NA
Keelung Branch Manager	Republic Of China	Hung, Chien-Han	F	2022.01.01	0	0	0	0	0	0	1. Senior Deputy Manager of President Securities Corporation 2. Deputy Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Yonghe Branch Manager	Republic Of China	Liu, Han-Chou	M	2024.03.05	0	0	0	0	0	0	1. Senior Manager of Fubon Securities Corporation 2. Senior Manager of Jih Sun Securities Corporation	N/A	NA	NA	NA	NA
Xin Taichung Branch Manager	Republic Of China	Chung, Hui-Ju	F	2022.01.01	0	0	0	0	0	0	1. Sales Manager of President Securities Corporation 2. Sales Deputy Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Hsinying Branch Manager	Republic Of China	Chou, Kuo-Hsiang	M	2022.05.06	0	0	0	0	0	0	1. Senior Manager of Taishin International Bank 2. Manager of DBS Bank	N/A	NA	NA	NA	NA
Changhua Branch Manager	Republic Of China	Yu, Fu-Tsun	M	2018.01.01	0	0	0	0	0	0	1. Manager of Yuanta core pacific Securities Corporation. 2. Sales of Yuanta Securities Corporation.	N/A	NA	NA	NA	NA
Taoyuan Branch Manager	Republic Of China	Chiu, Ming-Kai	M	2023.04.01	0	0	0	0	0	0	1. Assistant Vice President of Hua Nan Securities 2. Manager of President Securities Corporation	N/A	NA	NA	NA	NA
Yuanlin Branch Manager	Republic Of China	Chien ,Chu-Wei	M	2024.03.05	0	0	0	0	0	0	1. Deputy Manager of Yuanta Securities 2. Sales Assistant Manager of Yuanta Securities	Person in charge of Jiulong Furniture	NA	NA	NA	NA
Sanchung Branch Manager	Republic Of China	Lin, Pin-Chun	M	2024.03.05	0	0	0	0	0	0	1. Assistant Vice President of SinoPac Securities Corporation 2. Assistant Manager of Mega International Commercial Bank	N/A	NA	NA	NA	NA
Shilin Branch Manager	Republic Of China	Hsu, Fu-Chiang	M	2014.10.01	0	0	0	0	0	0	1. Deputy Manager of Yuanta Securities Corporation. 2. Senior Deputy Manager of KGI Securities	N/A	NA	NA	NA	NA

Title	Nationality/ Country of Origin	Name	Gender	Date Elected	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			The status of obtaining employee stock option certificates by Managers
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Panchiao Branch Manager	Republic Of China	Chiang, Chen-Hsiung	M	2023.06.01	0	0	0	0	0	0	1. Vice President of Jih Sun Securities Corporation 2. Senior Manager of Taishin International Bank .	N/A	NA	NA	NA	NA
Sanduo Branch Manager	Republic Of China	Tseng, Tsung-Yu	M	2023.11.09	0	0	0	0	0	0	1. Senior Manager of SinoPac Securities Corporation 2. Sales Manager of Ta Chong Commercial Bank Corporation	N/A	NA	NA	NA	NA
Szichih Branch Manager	Republic Of China	Chou, Da-Kuang	M	2024.03.05	0	0	0	0	0	0	1. Vice District Supervisor of President Securities Corporation 2. Deputy Manager of Concords Securities Corporation	N/A	NA	NA	NA	NA
Ilan Branch Manager	Republic Of China	Lin, Chia-Hui	F	2023.06.01	0	0	0	0	0	0	1. Deputy Manager of President Securities Corporation 2. Senior Specialist of KGI Securities Corporation	N/A	NA	NA	NA	NA
Nanjing Branch Manager	Republic Of China	Tseng, Chien-Ming	M	2023.06.01	0	0	0	0	0	0	1. Manager of President Securities Corporation 2. Professional Deputy Manager of Bank Sinopac Corporation	N/A	NA	NA	NA	NA
Kinmen Branch Manager	Republic Of China	Kang, Wen-Chieh	M	2022.05.06	0	0	0	0	0	0	1. Manager of Gowin Building Management and Maintenance Co., Ltd. 2. Acting Manager of Capital Securities	N/A	NA	NA	NA	NA
Tucheng Branch Manager	Republic Of China	Lin, Shao-Kang	M	2023.08.24	0	0	0	0	0	0	1. Senior Assistant Vice President of Hua Nan Securities 2. President of King's Town Bank Corporation.	N/A	NA	NA	NA	NA
Songjiang Branch Manager	Republic Of China	Lin, Shih-Wei	M	2023.06.01	0	0	0	0	0	0	1. Sales Deputy Manager of MasterLink Securities Corp. 2. Sales Assistant Manager of Taishin International Bank	N/A	NA	NA	NA	NA
Songjiang Branch Manager	Republic Of China	Huang, Tung-He	M	2024.03.05	0	0	0	0	0	0	1. Sales Deputy Manager of MasterLink Securities Corp. 2. Vice President of Capital Securities Corporation	N/A	NA	NA	NA	NA
Neihu Branch Manager	Republic Of China	Huang, Chih-Hua	M	2023.06.01	0	0	0	0	0	0	1. Manager of KGI Securities Corporation 2. Assistant Manager of Cathay Securities Corp.	N/A	NA	NA	NA	NA
Renai Branch Manager	Republic Of China	Wu, Yueh-Chung	M	2023.04.01	0	0	0	0	0	0	1. Senior Deputy Manager of KGI Securities 2. Manager of Yuanta Commercial Bank	N/A	NA	NA	NA	NA

Title	Nationality/ Country of Origin	Name	Gender	Date Elected	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			The status of obtaining employee stock option certificates by Managers
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Pingzhen Branch Manager	Republic Of China	Li, Shu-Jung	F	2015.10.26	0	0	0	0	0	0	1. Manager of Standard Chartered Bank 2. Teller of Standard Chartered Bank	N/A	NA	NA	NA	NA
Zhunan Branch Manager	Republic Of China	Kuo, Li-Hung	M	2023.05.05	0	0	0	0	0	0	1. Senior Deputy Manager of President Securities Corporation 2. Manager of Jih Sun Securities Corporation	N/A	NA	NA	NA	NA
Offshore Securities Unit Branch Manager	Republic Of China	Chang, Hung-Shuo	M	2020.11.10	1,490	0	0	0	0	0	1. Supervisor Vice President of President Securities Corporation 2. Assistant Vice President of Hua Nan Financial Holdings	Director of President Insurance Agency Corp	NA	NA	NA	NA

Note: The percentages of shares are calculated based on PSC's capital: 1,455,831,343 shares

C. Remuneration of Directors, Supervisors, President, Vice Presidents, and Chief Auditor

1. Remuneration of Directors

1.1 Remuneration of Directors (disclosing the name of each individual)

Unit: NT$ thousands

Title	Name	Remuneration								Total Remuneration (A+B+C+D) and Ratio of Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Total Compensation (A+B+C+D+E+F+G) and Ratio of Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary and parent company
		Base Compensation (A)		Severance Pay (B)		Bonus to Directors (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Profit Sharing- Employee Bonus (G)						
		PSC	Group	PSC	Group	PSC	Group	PSC	Group	PSC	Group	PSC	Group	PSC	Group	PSC		Group		PSC	Group	
																Cash	Stock	Cash	Stock			
Director	Kai Nan Investment Co., Ltd.	33,686	33,686	-	-	32,130	32,130	1,896	1,896	62,713 2.3520%	62,713 2.3520%	-	-	-	-	-	-	-	-	62,713 2.3520%	62,713 2.3520%	None
Except for the information disclosed above, the remuneration received by the Directors of the Company for providing services for all companies listed in the consolidated statements in the most recent year (such as serving as a non-employee consultant): 0																						

Note 1: The following are delegates of Kai Nan Investment Co., Ltd.: Chairman: Lin, Kuan-Chen; Directors: Liu, Tsung-Yi, Chen, Kuo-Hui, Hsieh Hung, Hui-Tzu, Lu, Li-An, Chen, Ching-Yi, Chen, Yi-Ling

Note 2: Compensation was calculated as of December 31, 2023; Compensation distribution proposal is based on said earnings.

Note 3: Total remuneration paid to drivers is NT$1.874 million, which was not included in consideration.

Note 4: In addition to the information disclosed in the table above, the compensation received by the company directors in the most recent fiscal year for services rendered (e.g., acting as a consultant to the parent company/all consolidated companies/transferred investment business for non-employees, etc.)：0

1.2 Remuneration of Directors (Independent Directors Included)

Unit: NT$ thousands

Title	Name	Remuneration								Total Remuneration (A+B+C+D) and Ratio of Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees												Total Compensation (A+B+C+D+E+F+G+H+I) and Ratio of Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary and parent conmpany
		Base Compensation (A)		Severance Pay (B)		Bonus to Directors (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Profit Sharing- Employee Bonus (G)				Exercisable Employee Stock Options (H)		New Restricted Employee Shares (I)				
		PSC	Group	PSC	Group	PSC	Group	PSC	Group	PSC	Group	PSC	Group	PSC	Group	PSC		PSC		PSC	Group	PSC	Group	PSC	Group	
																Cash	Stock	Cash	Stock							
Director	Chang, Ming-Chen Delegate of Leg Horn Investment Co.,Ltd.	2,880	2,880	-	-	30,240	30,240	742	742	33,862 1.1762%	33,862 1.1762%	-	-	-	-	-	-	-	-	-	-	-	-	33,862 1.1762%	33,862 1.1762%	None
Director	Lee, Chi-Ming Delegate of Hui Tung Investment Co.,Ltd.																									
Director	Lee, Yee-Ching Delegate of Ta Le Investment Holding Co., Ltd.																									
Director	Teng, Wen-Hwi Delegate of Canking Investment Co., Ltd.																									
Director	Lee, Shu-Fen Delegate of China F.R.P. Corp.																									
Director	Duh, Bor-Tsang																									
Director	Juang, Jing-Yau																									
Director	Lee, Tzong-Shiun																									
Independent Director	Liang, Yann-Ping	5,760	5,760	-	-	-	-	1,093	1,093	6,853 0.2380%	6,853 0.2380%	-	-	-	-	-	-	-	-	-	-	-	-	6,853 0.2380%	6,853 0.2380%	None
Independent Director	Pai, Chun-Nan																									
Independent Director	Song, Yung-Fong																									
Independent Director	Horng, Yuan-Chuan																									

1. Description of independent directors' remuneration payment policy, system, standards, and structure, as well as the relationship between the amount of remuneration and their responsibilities, risks, and time invested: The Company's policies and standards related to the payment of remuneration for Independent Directors are based on the Company's Articles of Incorporation and the degree of an Independent Directors' contribution to and participation in operations with reference to the standards in the industry.
2. Except for the information disclosed above, the remuneration received by the Directors of the Company for providing services for all companies listed in the consolidated statements in the most recent year (such as serving as a non-employee consultant): 0

Range of remuneration for directors

Range of Remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements
Under NT$ 1,000,000	Delegate of Kai Nan Investment Co., Ltd.: Liu, Tsung-Yi, Hsieh Hung, Hui-Tzu, Lu, Li-An, Chen, Kuo-Hui, Chen, Ching-Yi, Chen, Yi-Ling / Delegate of Canking Investment Co., Ltd.: Teng, Wen-Hwi / Delegate of Leg Horn Investment Co., Ltd.: Chang, Ming-Chen / Delegate of Hui Tung Investment Co., Ltd.: Lee, Chi-Ming / Delegate of Ta Le Investment Holding Co., Ltd.: Lee, Yee-Ching / Delegate of China F.R.P Corp: Lee, Shu-Fen	same as left	same as left	same as left
NT$1,000,000 ~ NT$2,000,000	Liang, Yann-Ping / Pai, Chun-Nan / Song, Yung-Fong / Horng, Yuan-Chuan	same as left	same as left	same as left
NT$2,000,000 ~ NT$3,500,000	0	0	0	0
NT$3,500,000 ~ NT$5,000,000	Canking Investment Co., Ltd. / China F.R.P Corp / Ta Le Investment Holding Co., Ltd. / Leg Horn Investment Co., Ltd. / Hui Tung Investment Co., Ltd. / Juang, Jing-Yau / Duh, Bor-Tsang / Lee, Tzong-Shiun	same as left	same as left	same as left
NT$5,000,000 ~ NT$10,000,000	0	0	0	0
NT$10,000,000~ NT$15,000,000	0	0	0	0
NT$15,000,000 ~ NT$30,000,000	0	0	0	0
NT$30,000,000 ~ NT$50,000,000	Kai Nan Investment Co., Ltd. / Delegate of Kai Nan Investment Co., Ltd.: Lin, Kuan-Chen	same as left	same as left	same as left
NT$50,000,000 ~ NT$100,000,000	0	0	0	0
Over NT$100,000,000	0	0	0	0
Total	25	25	25	25

2. Remuneration of the President, Vice Presidents, and Chief Auditor

Unit: NT$ thousands

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Profit Sharing-Employee Compensation (D)				Total compensation (A+B+C+D) and ratio of net income (%)		Number of employee stock option certificates		Number of restricted stock unit		Whether or not any compensation is received from other re-invested businesses than subsidiaries or parant company
		PSC	Group	PSC	Group	PSC	Group	PSC		Group		PSC	Group	PSC	Group	PSC	Group	
								Cash	Stock	Cash	Stock							
President	Tsai, Sen-Bu	27,397	27,397	1,048	1,048	122,308	122,308	2,764	0	2,764	0	153,517 5.3324%	153,517 5.3324%	0	0	0	0	None
Executive Vice President	Yang, Kai-Chih																	
Vice President	An, Chi-Li																	
Vice President	Huang, Jun-Jen																	
Vice President	Pu, Chien-Heng																	
Vice President	Wei, Chih-Hsu																	
Vice President	Yeh, Ming-Chieh																	
Vice President	Chang, Hung-Shuo																	
Chief Auditor	Hsu, Wen-Ling																	
Chief Information Officer	Lin, Jung-Hui																	

Note : Compensation was calculated as of December 31, 2023; Employee remuneration was estamated based on 2023 estamated statements.

Range of remuneration for president and vice president

Range of Remuneration	Name of President and Vice President	
	The company	Companies in the consolidated financial statements
Under NT$ 1,000,000	0	0
NT$1,000,000 ~ NT$2,000,000	0	0
NT$2,000,000 ~ NT$3,500,000	0	0
NT$3,500,000 ~ NT$5,000,000	Hsu, Wen-Ling	same as left
NT$5,000,000 ~ NT$10,000,000	An, Chi-Li, Lin, Jung-Hui	same as left
NT$10,000,000 ~ NT$15,000,000	Chang, Hung-Shuo, Wei, Chih-Hsu, Yeh, Ming-Chieh	same as left
NT$15,000,000 ~ NT$30,000,000	Yang, Kai-Chih, Huang, Jun-Jen, Pu,Chien-Heng	same as left
NT$30,000,000 ~ NT$50,000,000	Tsai, Sen-Bu	same as left
NT$50,000,000 ~ NT$100,000,000	0	0
Over NT$100,000,000	0	0
Total	10	10

D. Retired Chairman and President Reappointed as Securities Broker Consultants: None.

E. Comparison of Remuneration for Directors, Supervisors, President and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, President and Vice Presidents

1. Ratio of total remuneration paid to directors, supervisors, president and vice presidents to net income

Year	To directors (Note)	To president and vice presidents (Note)
2023	3.77%	5.33%
2022	6.95%	10.98%

Note: Ratio of total remuneration to net income (%)

2. The policies, standards, and portfolios for the payment of remuneration:

(1) According to Article 23 of the Company's Articles of Incorporation, Directors' emoluments are assessed by reference of the Directors' level of participation and contribution, and decided by Board of Directors according to average industry level. When there is profit in current year, the Company shall appropriate no more than 2% of the amount as compensation to Directors according to Article 23 of the Company's Articles of Incorporation. Independent Directors do not participate in earnings appropriation to Directors. The Company regularly assesses the remuneration of the Directors in accordance with “The Performance Evaluation Measures of the Board of Directors”. The relevant performance appraisal and the reasonableness of remuneration are reviewed by the Remuneration Committee and the Board.

(2) The Company has set up various job allowances and bonuses to the Company's managers in accordance with the Company’s remuneration policy to accommodate and reward the employees for their hard work, and such bonuses are also determined based on the Company’s annual operating performance, financial condition, operating condition and individual performance. In addition, if the Company has made a profit for the year, no less than 1.6% of the profit shall be set aside as employee compensation in accordance with Article 23 of the Company's Articles of Incorporation. The performance appraisal results performed by the Company in accordance with the “Personnel Evaluation Measures” are used as a reference for the payment of bonus to the Managers. The performance evaluation items of the Managers include (1) financial indicators (business expansion capability such as revenue achievement rate, net profit after tax achievement rate, market share or market ranking) and (2) non-financial indicators (personnel management ability and improvement of internal process, internal control and risk control capability) and Company core value evaluation. The Company reviews the remuneration system based on actual operation status and relevant laws on a timely basis.

(3) The remuneration package of the Company shall be determined in accordance with the Remuneration Committee's Articles of Incorporation, including cash remuneration, share options, bonus shares, retirement benefits or termination benefits, various allowances and other practical incentives. The scope of remuneration paid to directors and managers is in line with what is defined in Regulations Governing Information to be Published in Annual Reports of Public Companies.

3. Procedures for determining remuneration:

(1) The periodic assessment of the remuneration to Directors and managers are respectively based on the evaluation results performed by the Company’s “The Performance Evaluation Measures of the Board of Directors” and the “Personnel Appraisal Measures” applicable to managers and employees, and the remuneration of the Chairman and President is determined with reference to the general standards of the industry and linked to the Company's operating performance indicators, which will be submitted to the Board for approval.

(2) The performance self-assessment results of the Board of Directors, members of the Board and various functional committees for 2023 were all “exceeded standard”.

(3) The relevant performance appraisal and reasonableness of remuneration of the Directors and managers of the Company are evaluated and reviewed regularly by the Remuneration Committee and the Board on annual basis. In addition to reviewing the personal performance achievement rate and contribution to the Company, the Company’s overall operating performance, future risks and development trends of the industry as well as the actual operating conditions and relevant laws and regulations will be used as reference to timely review the compensation system. Reasonable remuneration shall be given after taking into account the current corporate governance trends so as to strike a balance between the Company’s sustainable operation and risk management. The actual amount of remuneration paid to Directors and Managers for 2023 is reviewed by the Remuneration Committee and proposed to the Board for approval.

4. The correlation between operating performance and future risks:

(1) The review of the remuneration policy, relevant benefit standards and system is based on the Company's overall operating conditions, and the payment standards are approved based on the performance achievement rate and contribution to enhance the effectiveness of the overall organizational team of the Board and the management team. The Company also refers to industry compensation standards to ensure that the remuneration to the Company's management is competitive in the industry so as to retain the best management talent.

(2) The performance targets of the Company’s managers are integrated with “risk control or internal control” to ensure that the possible risks within the scope of their duties are managed and avoided. The appraisal is given based on actual performance, and are linked to the relevant human resources and remuneration policies. Key decisions made by the management of the Company are based on a balanced range of risk factors, the performance of which is reflected in the profitability of the Company, and the remuneration of the management is thus relevant to the performance of risk control.

F. President’s, senior vice presidents’ and senior managers’ remuneration

Unit: NT$ thousands

Title	Name	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income(%)
President	Tsai, Sen-Bu	0	9,662	9,662	0.3556
Proprietary Trading Department Executive Vice President	Yang, Kai-Chih				
Finance Department Vice President	An, Chi-Li				
Quantitative Trading Department Vice President	Huang, Jung-Jen				
Financial Product Department Vice President	Pu, Chien-Heng				
Capital Market Department Vice President	Wei, Chih-Hsu				
Fixed Income Department Vice President	Yeh, Ming-Chieh				
Administration Department Vice President	Yu, Hung-Chieh				
Shareholder Sevices Department Sales Vice President	Chueh, Chih-Chung				
Auditing Office Chief Auditor	Hsu, Wen-Ling				
Information System Department Senior Assistant Vice President	Lin, Jung-Hui				
Quantitative Trading Department Senior Assistant Vice President	Lee, Chien-Hsin				
Quantitative Trading Department Senior Assistant Vice President	Chien, Pang-Yen				
Corporate Client Department Senior Assistant Vice President	Fan, Tsung-En				
President Office Corporate Governance Senior Assistant Vice President	Chen, Nai-Chen				
Finance Department Assistant Vice President	Su, Wei-Lun				
Financial Product Department Assistant Vice President	Chang, Chung-Lin				
Shareholder Services Department Assistant Vice President	Chang, Shao-Ping				
Settlement & Clearing Department Assistant Vice President	Wu, Sheng-Yu				
Capital Market Department Assistant Vice President	Chen, Chia-Chang				
Capital Market Department Assistant Vice President	Chiang, Chang-Kuen				
Information System Department Assistant Vice President	Hu, I-Der				
Capital Market Department Assistant Vice President	Lin, Wei-Hung				
Settlement & Clearing Department Assistant Vice President	Huang Chi-Ming				
Risk Control Office Assistant Vice President	Chang, Ping-Chuan				
Corporate Client Department Assistant Vice President	Yu, Yi-Cheng				

Title	Name	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income(%)
General Affairs Department Assistant Vice President	Chen, Shu-Fen	(same as the last page)			
Capital Market Department Assistant Vice President	Hsu, Hui-Chun				
Compliance Division Senior Manager	Su, Yung-Hsin				
Brokerage Department Vice President	Chang, Hung-Shuo				
Brokerage Department District Supervisor	Lin, Li-Lin				
Brokerage Department Vice District Supervisor	Hsu, Sheng-Hsiang				
Acting Brokerage Department Vice District Supervisor	Lin, Yu-Ju				
Acting Brokerage Department Vice District Supervisor	Cheng,Chih-Ming				
Brokerage Department Product Origination and Management Division Deputy General Manager	Wang, Ssu-Wei				
Global Institutional Service Department Senior Assistant Vice President	Wang, Shi-Cheng				
Brokerage Department Debit Center Assistant Vice President	Chu, Chen-Pu				
Brokerage Department Digital Business Department Assistant Vice President	Wei, Lien				
Brokerage Department Digital Finance Department Assistant Vice President	Liu, Chun-Liang				
Wealth Manager and Trust Department Deputy Manager	Kao, Hsiu-Lin				
Tunghsing Equity Department Manager	Chiu, Shyh-Tyng				
Tunghsing Equity Department Business Section 1 Manager	Kao, Jung				
Tunghsing Equity Department Manager	Tsai, Shu-Mei				
Kaohsiung Branch Manager	Wu, Huan-Chung				
Dunnan Branch Manager	Chiang, Wen- Ling				
Zhongli Branch Manager	Chiang, Tsong-Shyan				
Chengzhong Branch Manager	Cheng, Chih-Ming				
Tainan Branch Manager	Hsieh, Chia-Hsi				
Taichung Branch Manager	Hsu, Jui-Ming				
Hsinchu Branch Manager	Lee, Chin-Yi				
Chiayi Branch Manager	Tsai, Ruo-Chen				
Pingtung Branch Manager	Tai, Hung- Da				

Title	Name	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income(%)
Keelung Branch Manager	Hung, Chien- Han	(same as the last page)			
Yonghe Branch Manager	Liu, Han-Chou				
Xin Taichung Branch Manager	Chung, Hui-Ju				
Hsinying Branch Manager	Chou, Kuo-Hsiang				
Changhua Branch Manager	Yu, Fu-Tsun				
Taoyuan Branch Manager	Chiu, Ming-Kai				
Yuanlin Branch Manager	Chien ,Chu-Wei				
Sanchung Branch Manager	Lin, Pin-Chun				
Shilin Branch Manager	Hsu, Fu-Chiang				
Panchiao Branch Manager	Chiang, Chen -Hsiung				
Sanduo Branch Manager	Tseng, Tsung-Yu				
Szichih Branch Manager	Chou, Da-Kuang				
Ilan Branch Manager	Lin, Chia-Hui				
Nanjing Branch Manager	Tseng, Chien-Ming				
Kinmen Branch Manager	Kang, Wen-Chieh				
Tucheng Branch Manager	Lin, Shao-Kang				
Songjiang Branch Manager	Lin, Shih-Wei				
Songjiang Branch Manager	Huang, Tung-He				
Neihu Branch Manager	Huang, Chih-Hua				
Renai Branch Manager	Wu, Yueh-Chung				
Pingzhen Branch Manager	Li, Shu-Jung				
Zhunan Branch Manager	Kuo, Li-Hung				
Offshore Securities Unit Branch Manager	Chang, Hung-Shuo				

III. Implementation of Corporate Governance

A. Board of Directors Meeting

Total of 5 meetings of the board of directors were held in the year of 2023. Directors' attendance condition:

Title	Name	Attendance in Person	By Proxy	Attendance rate (%)	Remark
Chairman	Lin, Kuan-Chen Delegate of Kai Nan Investment Co., Ltd.	5	0	100%	None
Director	Liu, Tsung-Yi Delegate of Kai Nan Investment Co., Ltd.	5	0	100%	None
Director	Chen, Kuo-Hui Delegate of Kai Nan Investment Co., Ltd.	4	1	80%	None
Director	Hsieh Hung, Hui-Tzu Delegate of Kai Nan Investment Co., Ltd.	5	0	100%	None
Director	Lu, Li-An Delegate of Kai Nan Investment Co., Ltd.	4	1	80%	None
Director	Chen, Ching-Yi Delegate of Kai Nan Investment Co., Ltd.	5	0	100%	None
Director	Chen, Yi-Ling Delegate of Kai Nan Investment Co., Ltd.	5	0	100%	None
Director	Teng, Wen-Hwi Delegate of Canking Investment Co., Ltd.	5	0	100%	None
Director	Lee, Chi-Ming Delegate of Hui Tung Investment Co., Ltd.	5	0	100%	None
Director	Chang, Ming-Chen Delegate of Leg Horn Investment Co., Ltd.	5	0	100%	None
Director	Lee, Yee-Ching Delegate of Ta Le Investment Holding Co., Ltd.	4	1	80%	None
Director	Lee, Shu-Fen Delegate of China F.R.P Corp.	5	0	100%	None
Director	Duh, Bor-Tsang	5	0	100%	None
Director	Lee, Tzong-Shiun	5	0	100%	None
Director	Juang, Jing-Yau	4	1	80%	None
Independent Director	Liang, Yann-Ping	5	0	100%	None
Independent Director	Pai, Chun-Nan	5	0	100%	None
Independent Director	Song, Yung-Fong	5	0	100%	None
Independent Director	Horng, Yuan-Chuan	5	0	100%	None

Other mentionable items:

A. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:

1. Matters referred to in Article 14-3 of the Securities and Exchange Act: PSC held 7 board meetings over the past fiscal year and the contents of the resolutions were refer to Chapter 3 (L) of the annual report. Did not have any matters listed in Article 14-3 of the Securities and Exchange Act or other matters not passed by the independent directors.
2. Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors: None.

B. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified:

1. For the 16th proposal at the 16th meeting of 12th Board of Directors, regarding the proposal of relieveing the non-compete clause of the Company's Directors. The Company has authorized Chairman Lin, Kuan-Chen to act as a Director in the joint venture company Jin Yuan President Securities Corporation Ltd. According to Article 209, Paragraph 1 of the Company Act: "A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval". The proposal of relieveing the non-compete clause for the 13th Director candidate Kuan-Chen Lin to act as the Director of Jin Yuan President Securities Corporation Ltd. In accordance with the provisions of Article 15 of the Company's Rules Governing Board Meetings,the Chairman of the Board desigated Independent Director Pai, Chun-Nan as the acting chairman to preside over the matters related to discussing this proposal. Chairman Lin, Kuan-Chen left the meeting because he was not allowed to participate in the discussion of and voting on this proposal. The proposal has been passed unanimously by the members of the Directors who were present without any objection (the Chairman had recused himself from voting).
2. For the 23rd proposal for the review of the nomination of 13th Directors and Independent Directors at the 16th Board meeting of the 12th Board of Directors, in accordance with the provisions of Article 15 of the Company's Rules Governing Board Meetings, the current Directors and Independent Directors, who have personal interest in nominated candidates for Directors and Independent Directors under review, shall recuse themselves from the review session (as shown below).All nominees have submitted the details of their education, experience, current position, juristic person represented, and other evidences to the Board of Directors for review. Independent Director Pai, Chun-Nan acted on behalf of Chairman Kuan-Chen Lin as chair to host the review when the Chairman recused himself from the review session.The chairman has the assent of all the members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.(Avoidance of directors had recused himself from voting.)

Directors under audition/ Nominee of independent director	Avoidance of interested parties
Delegate of Kai Nan Investment Co., Ltd.: Lin, Kuan-Chen, Chen, Kuo-Hui, Lu, Li-An	Lin, Kuan-Chen, Liu, Tsung-Yi, Chen, Kuo-Hui, Hsieh Hong, Hui-Tzu, Lu, Li-An, Chen, Ching-Yi, Chen, Yi-Ling (Lin, Kuan-Chen desigated Pai, Chun-Nan as the acting chairman.)
Liu, Tsung-Yi Delegate of Kao Chyuan Inv. Co., Ltd.	
Teng, Wen-Hwi Delegate of Canking Investment Co., Ltd.	Teng, Wen-Hwi
Lee, Chi-Ming Delegate of Hui Tung Investment Co., Ltd.	Lee, Chi-Ming
Lee, Shu-Fen	Lee, Shu-Fen
Juang, Jing-Yau	Juang, Jing-Yau
Pai, Chun-Nan	Pai, Chun-Nan
Song, Yung-Fong	Song, Yung-Fong
Horng, Yuan-Chuan	Horng, Yuan-Chuan

C. Companies listed on stock and OTC markets shall disclose information on the evaluation cycle, period, scope, method, and content of the Board's self (or peer) evaluation, and shall complete Schedule 3 (2) on the implementation of the evaluation of the Board of Directors: See chart B on the next page.

D. Measures taken to strengthen the functionality of the board (e.g. The Board of Directors has established an Audit Committee and a Remuneration Committee to assist the board in carrying out its various duties.):

To strengthen the competencies of the Board of Directors and the overall risk management system, the Board of Directors set up Independent Directors and established the Audit Committee, Remuneration Committee, Risk Management Committee, and Strategic Development Committee to meet the governance requirements of listed companies. To enhance the implementation of corporate governance, the Company has established the "Procedures for Handling Material Internal Information", "Sustainable Development Best Practice Principles", "Ethical Corporate Management Best Practice Principles", "Corporate Governance Best Practice Principles", "The Performance Evaluation Measures of the Board of Directors" , and "The Standard Procedures of Demands of Directors", which are implemented by relevant units on a level-by-level basis.

Note: The term of office of the 12th Board of Directors is from July 20, 2021 through July 19, 2024.

Independent director attendance is detailed below:

◎: Attendance in Person; ☆: Proxy Attendance; * : Absence

Board meetings	2023.03.08	2023.05.04	2023.08.24	2023.11.08	2023.12.21
Liang, Yann-Ping	◎	◎	◎	◎	◎
Pai, Chun-Nan	◎	◎	◎	◎	◎
Song, Yung-Fong	◎	◎	◎	◎	◎
Horng, Yuan-Chuan	◎	◎	◎	◎	◎

B. Evaluation of the Board of Directors

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Content
Times / 3 year	2022/9/1~2023/8/31	Board of Directors	Evaluation of external professional institution	1. Composition of the Board of Directors 2. Teaching of the Board of Directors 3. Authorization of the Board of Directors 4. Supervision of the Board of Directors 5. Communication od the Board of Directors 6. Internal controls and risks management 7. Self-Demanding of the Board of Directors 8. Other things like meetings of the Board of Directors and System-supporting
Annually	2022/7/1~2023/6/30	Board of Directors	Internal self-evaluation of the Board of Directors	1. Involvement in the Company's operations 2. Improving decision-making by the Board of Directors 3. Composition and structure of the Board of Directors 4. Election of Directors and their continuing education and training 5. Internal controls
Annually	2022/7/1~2023/6/30	Individual Directors	Self-evaluation of Directors	1. Control over the Company's goals and tasks 2. Understanding of duties and functions of a Director 3. Involvement in the Company's operations 4. Management of internal relations and communication 5. Professional and continuing education and training for Directors 6. Internal Control
Annually	2022/7/1~2023/6/30	Functional committees	Self-evaluation of functional committees	1. Involvement in the Company's operations 2. Understanding of duties and functions of a functional committee 3. Improving decision-making by the functional committees 4. Composition and structure of the functional committees 5. Internal controls

C. Operations of the Audit Committee: Number of Meetings, Actual Attendance Rate of each Independent Director, and other mentionable items

The Company established its Audit Committee in June of 2015. The main key points of functional authority to be audited are as follows:

1. Adoption or amendment of internal control systems in accordance with Article 14-1 of the Securities and Exchange Act.
2. Evaluation of the effectiveness of internal control systems.
3. Adoption or amendment, pursuant to Article 36-1 of the Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
4. Items involving the interests of Directors.
5. Major assets or derivative trading.
6. Major loaning of funds, making of endorsements, or provision of guarantees.
7. Offering, issuance, or private placement of any equity-type securities.
8. Appointment, dismissal, and compensation of CPAs.
9. Appointments and dismissal of finance managers, accounting managers, and internal audit managers.
10. The annual financial statements were signed or sealed by the Chairman, managers, and accounting manager while the second quarter financial statements were audited by CPAs who attested to their accuracy.
11. Other major items required by other companies or the competent authority.

Total of 5 meetings of the Audit Committee were held in the year of 2023. Independent Directors' attendance condition:

Title	Name	Actually Number of Times Attended (B)	Number of Times Attended by Proxy	Actual Attendance Rate (%) (B/A)	Remark
Independent Director	Liang, Yann-Ping	5	0	100%	None
Independent Director	Pai, Chun-Nan	5	0	100%	None
Independent Director	Song, Yung-Fong	5	0	100%	None
Independent Director	Horng, Yuan-Chuan	5	0	100%	None

Other mentionable items:

A. If any of the following circumstances occur, the dates, terms of the meetings, contents of motions, dissenting opinions from independent directors, reserved opinions or major suggestions, the resolutions of the Audit Committee, and the Company's response to the Audit Committee's opinions.

I. Matters referred to in Article 14-5 of the Securities and Exchange Act: Total of 7 meetings were held in 2023 and 2024 to the publish date of the annual report. For matters referred to in Article 14-5 of the Securities and Exchange Act, all members present voted in favor of the resolution without any objection.

II. Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

B. If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.

C. Communications between the independent directors, the Company's internal audit supervisors and CPAs (e.g. the material items, methods and results of audits of corporate finance or operations, etc.):

- Communications with the internal audit supervisors:
  1. Communication methods:
     (1) Every month, the Company compiles an internal audit deficiency report and submits it to the independent directors for review via email.
     (2) The internal audit supervisor of the Company holds at least four regular internal control deficiency review meetings with independent directors every year. During the meetings, the results of the internal audit and the improvement status of the deficiencies mentioned in the correspondence from competent authorities are discussed, and a two-way communication and review process is carried out.
     (3) The Company's Audit Committee is comprised of all independent directors. The internal audit supervisor of the Company attends the Audit Committee at least four times a year to report on internal audit operations.
  2. Summary of communication between independent directors (Audit Committee) and the internal auditor supervisors:

Date of meetings	Communication and results of implementation
2023.02.23 (Independent Directors and Internal Audit Supervisor communicate through the internal control deficiency review meeting)	1. Internal Audit Supervisor reported the tracking status from the last meeting. 2. Internal Audit Supervisor presented the internal audit deficiency report and the improvement status from January 2023 to January 2023. 3. Internal Audit Supervisor presented the Notification Letter from the competent authority containing the deficiency report during November 2022 to January 2023. 4. Independent Directors' suggestions: Regarding the incomplete improvement situation in response to the letter from the competent authority, it is necessary to strengthen the measures for improvement.
2023.02.23 (Internal Audit Supervisor attended and reported at the Audit Committee meeting)	1. Internal Audit Supervisor reported the internal audit business. 2. Independent Directors' suggestions: In relation to the case of the missing emerging stock quotes, the business unit should perform comprehensive inspections and thorough testing of the vendor software tools used.
2023.04.21 (Independent Directors and Internal Audit Supervisor communicate through the internal control deficiency review meeting)	1. Internal Audit Supervisor reported the tracking status from the last meeting. 2. Internal Audit Supervisor presented the internal audit deficiency report and the improvement status from February 2023 to March 2023. 3. Internal Audit Supervisor presented the Notification Letter from the competent authority containing the deficiency report during February 2023 to March 2023. 4. Independent Directors' suggestions: In the future, if the internal audit finds the same type of defects for more than 5 times in the current period, it should be provided to the Administration Department as a reference for the training and education of employees. This will help prevent the recurrence of similar cases.
2023.04.21 (Internal Audit Supervisor attended and reported at the Audit Committee meeting)	1. Internal Audit Supervisor reported the internal audit business. 2. Independent Directors' suggestions:None.

Date of meetings	Communication and results of implementation
2023.08.10 (Independent Directors and Internal Audit Supervisor communicate through the internal control deficiency review meeting)	1. Internal Audit Supervisor presented the internal audit deficiency report and the improvement status from April 2023 to June 2023. 2. Internal Audit Supervisor presented the Notification Letter from the competent authority containing the deficiency report during April 2023 to June 2023. 3. Independent Directors' suggestions: Ask the Company to announce the error-prone branches at the supervisors' meeting to prevent the recurrence of errors.
2023.08.10 (Internal Audit Supervisor attended and reported at the Audit Committee meeting)	1. Internal Audit Supervisor reported the internal audit business. 2. Independent Directors' suggestions: In light of the significant market volatility in July and August, brokerage firms are advised to exercise caution and remind inexperienced young clients of the potential default risk associated with day trading.
2023.10.26 (Independent Directors and Internal Audit Supervisor communicate through the internal control deficiency review meeting)	1. Report on the Violation Case of Subsidiary President Capital Management. 2. Internal Audit Supervisor reported the tracking status from the last meeting. 3. Internal Audit Supervisor presented the internal audit deficiency report and the improvement status from July 2023 to September 2023. 4. Independent Directors' suggestions: In view of the improvement letter from the competent authority of the subsidiary's President Capital Management, the existing staffs should be qualified. Additionally, the recruitment of individuals should be prioritized with analyst qualifications to gain a competitive advantage in driving business development.
2023.10.26 (Internal Audit Supervisor attended and reported at the Audit Committee meeting)	1. Internal Audit Supervisor reported the internal audit business. 2. Independent Directors' suggestions: Please be aware that recent market volatility has been highly unstable. Brokerage firms must closely monitor the default risk associated with client day trading transactions.
2023.12.07 (Independent Directors and Internal Audit Supervisor communicate through the internal control deficiency review meeting)	1. Internal Audit Supervisor reported the tracking status from the last meeting. 2. Internal Audit Supervisor presented the internal audit deficiency report and the improvement status from October 2023 to November 2023. 3. Independent Directors' suggestions: The Company shall warn departments that lack improvements and award those who have improvements in internal control management.
2023.12.07 (Internal Audit Supervisor attended and reported at the Audit Committee meeting)	1. Internal Audit Supervisor reported the internal audit business. 2. Independent Directors' suggestions: Branch office self-inspection personnel should receive assistance and regular guidance.

- Communications with the CPA:

1. Communication methods: The Audit Committee of the Company consists of all the independent directors. The CPA holds a meeting with the Audit Committee at least twice a year. At the meeting, the auditing of the Company's financial status and audit results shall be reported and updates on important regulations shall also be reported.
2. A separate meeting between independent directors (the Audit Committee) and CPA is held at least once a year.
3. Summary of communication between independent directors (the Audit Committee) and CPA and results of implementation:

Date of meetings	Communication and results of implementation
2023.02.23	1. The CPAs reporting audit findings and key audit items of financial statements of 2022. 2. The CPA reports on 2023 planning stage, audit plan, and communication with governance units. 3. The CPA reports latest revisions to financial reporting and securities regulations, and wage guideline set by the Ministry of Labor. 4. The CPA reports that they must obtain approval from governance unit before providing audit clients with non-certified services. 5. The CPA reports information of Audit Quality Indicators (AQIs). 6. Independent Directors' suggestions: None. 7. Reporting to the Board of Directors after approval.
2023.02.23 (Communication Meetings between Independent Directors and the CPA.)	1. The CPA reported on communications with governance units and communicated separately with Audit Committee members. 2. Summary of Independent Director's remarks: Inquired on whether PwC Taiwan has conducted an audit on Jin Yuan President Securities Co., Ltd. The CPA replied: Jinyuan President Securities engages PWC China as its cooperating auditor. PWC China performs review procedures in the 1st and 3rd quarters, and audit procedures in the 2nd and 4th quarters. 3. Independent Directors' suggestions: None.

Date of meetings	Communication and results of implementation
2023.08.10	1. The CPAs reporting audit findings and key audit items of financial statements of 2023 Q2. 2. The CPAs reported matters on governance related to financial reporting that required communication in the first half of 2023. 3. Introduction to the Auditors' Explanatory of the Tax Act and the IFRS Sustainability Disclosure Standard (S1/S2) 4. Independent Directors' suggestions: None. 5. Reporting to the Board of Directors after approval.
2024.02.23	1. The CPAs reporting audit findings and key audit items of financial statements of 2023. 2. The CPA reports on 2024 planning stage, audit plan, and communication with governance units. 3. The auditor explained the accounting treatment of carbon emission trading, important considerations for revising the Corporate Governance Evaluation System, and key factors for revising the Profit-Seeking Enterprise Income Tax Audit criteria. 4. The CPA reports information of Audit Quality Indicators (AQIs). 5. Independent Directors' suggestions: None. 6. Reporting to the Board of Directors after approval.
2024.02.23 (Communication Meetings between Independent Directors and the CPA.)	1. The CPA reported on communications with governance units and communicated separately with Audit Committee members. 2. Summary of Independent Director's remarks: Inquire about the Company's information security concerns and seek professional advice from the CPA. The CPA replied: In recent years, the Company has to develop phased plans for EOS and other related matters due to the issue of information security. As a result, the allocation of Company resources in response to these issues has become more crucial. Furthermore, the sharing of relevant case studies with industry peers also provided for these issues. 3. Independent Directors' suggestions: Please ensure that the Chief Information Security Officer presents a project report at the upcoming Strategy Development Committee meeting. 4. Implementation Status: The Chief Information Security Officer had presented a project report at the Strategy Development Committee meeting on April 25, 2024.

Note: Major Resolutions during the Auditing Meetings in 2023 and 2024 to the publish date of the annual report: Executed according to the resolution of the Audit Committee.

Meeting	Item	Resolution
2023.02.23 The 9th Auditing Meeting of the 3rd Audit Committee	1. Review of 2022 individual financial statements and the consolidated financial statements 2. Evaluation of the independence and competency of CPA. 3. Applications for pre-approval of non-certification services by certified public CPA. 4. Submitted the Overall implementation status for information security. 5. Outsourcing of ESG Reports. 6. Established an ESG Investment Management Policy. 7. Amendment to the Articles of Incorporation. 8. Report of 2022 Legal compliance risk evaluation. 9. Report of 2022 money laundering and terrorist financing risk assessment. 10. Statement of Internal Control over AML/CFT. 11. Submitted the Statement of the 2022 Internal Control System. 12. Amendment to Internal Control System. 13. Implementation and self-evaluation of the Principle of fair treatment to consumers from October to December in 2022.	The Chairman has the assent of all the members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.
2023.04.21 The 10th Auditing Meeting of the 3rd Audit Committee	1. Review of 2022 business report and earnings distribution proposal. 2. Amended the professional investor statement and the KYC review and management procedures. 3. Amendment to anti-money laundering and counter terrorist financing procedures and plans. 4. Execution of Sustainable Development Plan and Annual ESG Initiatives. 5. Revised the policies and strategy of the Principle of fair treatment of consumers. 6. Implementation of the Principle of fair treatment to consumers from January to March in 2023.	The Chairman has the assent of all the members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.
2023.08.10 The 11th Auditing Meeting of the 3rd Audit Committee	1. Review of 2023 Q2 individual financial statements and the consolidated financial statements. 2. Amendment to Internal Control System. 3. Amendment to Procedures for Handling Material Inside Information. 4. Renewal of liability insurance for Directors and important personnel. 5. Implementation of the Principle of fair treatment to consumers from April to June in 2023.	The Chairman has the assent of all the members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.

Meeting	Item	Resolution
2023.10.26 The 12th Auditing Meeting of the 3rd Audit Committee	1. Amendment to Internal Control System. 2. Amendment to the brokerage service fee rate and discount policy. 3. Amended the professional investor statement and the KYC review and management procedures. 4. Amendment to Anti-Money Laundering and Counter-Terrorist Financing Procedures and Plans. 5. Amendment to Corporate Governance Principles. 6. Implementation of the Principle of fair treatment to consumers from July to September in 2023.	The Chairman has the assent of all the members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.
2023.12.07 The 13th Auditing Meeting of the 3rd Audit Committee	1. Reported on 2024 annual audit plan. 2. Establish Guidelines for Financial Business Operations with Related Parties. 3. Amendment to Internal Operating Procedures for the Emerging Stock Market.	The Chairman has the assent of all the members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.
2024.02.23 The 14th Auditing Meeting of the 3rd Audit Committee	1. Review of 2023 individual financial statements and the consolidated financial statements. 2. Evaluation of the independence and competency of CPA. 3. Annual plan for promoting sustainable development and annual execution plans for ESG matters 4. Establish Procedure for Preparation and Assurance for Sustainability Report 5. Amendment to the Articles of Incorporation. 6. Amendment to the Audit Committee Charter. 7. Amendment to the Rules and Regulations for Board Meetings. 8. Report of 2023 Legal compliance risk evaluation. 9. Report of 2023 money laundering and terrorist financing risk assessment. 10. Report of 2023 statement of Internal Control over AML/CFT. 11. Submitted the Statement of the 2023 Internal Control System. 12. Amendment to Internal Control System. 13. Implementation and self-evaluation of the Principle of fair treatment to consumers from October to December in 2023.	The Chairman has the assent of all the members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.
2024.04.25 The 15th Auditing Meeting of the 3rd Audit Committee	1. Amendment to Internal Control System. 2. Review of 2023 business report and earnings distribution proposal. 3. Application for Acquisition and Disposal of UPAMC ETF. 4. Amendments to the regulations on the management of credit transaction account securities quota. 5. Amendments to the statement of applicability of the information security management system. 6. Establishment of the reporting procedure for major incidents 7. Establishment of the guidelines for the implementation of Directors' education. 8. Relieved the non-compete limitation for the Directors. 9. Implementation of the Principle of fair treatment to consumers from January to March in 2024.	The Chairman has the assent of all the members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.

D. Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best -Practice Principles for TWSE/TPEx Listed Companies”

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
I. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies”?	✓		In an effort to implement prudent corporate governance measures in line with the "Principles for Corporate Governance for Securities Firms" and with relevant laws and regulations, President Securities adopted such guidelines by the 13th meeting of the 9th Board of the company held on August 7, 2014, and will abide by said principles. The Principle was amended on November 8, 2023 for the fourth time.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
II. Shareholding structure & shareholders' rights A. Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		A. The Company has a spokesperson and shareholder service personnel to process shareholders' suggestions, questions, and disputes. 2. The Company has established an "Investor Section" and "Investor Mailbox" on the Company website, which are run by the spokesperson and dedicated personnel of the Administration Department. Shareholders' suggestions or disputes are forwarded to relevant departments for processing.	None
B. Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		B. PSC maintains close relationships with key shareholders and assigns dedicated shareholder services personnel to continually monitor any changes in the shareholdings of these key shareholders.	None
C. Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		C. The finance and business of our company and its subsidiaries are in separate operation. In term of management right and obligation there is a clear line between our company and its subsidiaries. All the relations and trades are dealt with in accordance with law. "Surveillance governing internal-control system for subsidiaries" has also been set up as a controlling and governing mechanism for our subsidiaries.	None
D. Does the company establish internal rules against insiders trading with undisclosed information?	✓		D. 1. In an effort to prevent insider trading and to protect the interests of investors, we have adopted and implemented the "Material Event Internal Handling Procedures", which outlines clear division of responsibilities, adequate firewall and confidentiality procedures, the disclosure of material events, educational guidance rules, etc. 2. In order to handle the conflict of interest among internal personnel effectively and protect the rights of customers, the Company introduced "Rules for inspection activity on internal personnel engaged in brokerage trading" requiring the cross comparison of brokerage trading 5 minutes prior to and after the brokerage trading for personnel that have access to customer brokerage trading details. In addition, inspections need to be undertaken on whether or not there is any undisclosed information in the brokerage trading engaged by the representative of companies or the companies he represents to check for any abnormality.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
III. Composition and Responsibilities of the Board of Directors A. Does the Board develop and implement a diversified policy for the composition of its members?	✓		A. In order to increase the effectiveness of the Board of Directors and facilitate the healthy growth of its composition and structure, our Company has implemented a diversification policy in line with "Corporate Governance Best Practice Principles." Abiding by article 20 of our Principles for Corporate Governance, in respect of the Company's business development needs and shareholders' shareholding and practical operational needs. Propose an appropriate diversification policy that includes the following two dimensions to ensure that our Company's directors achieve specific management objectives in terms of professionalism and diversity: (1) Basic Conditions and Values: Gender, age, etc. (2) Professional Knowledge and Skills: This section should include information about professional background, such as law, accounting, industry, finance, marketing or technology. It should also highlight professional skills and industry experience. Currently, there are 19 Directors in the Company, including 4 independent directors, backgrounds in finance, accounting, business administration, law and investment, as well as rich industry experience in securities and futures, mutual funds, food, retail, trade, warehousing, technology, chemicals, optoelectronics. The 4 independent directors accounting for 21% of total Directors and are from the financial, business, legal, and industrial backgrounds; amount of them, there's 3 with a term of 4-6 years, and 1 with a term of 7-9 years, conforming the target of percentage and terms of years (within 3 terms). The Company also emphasize the gender equality among Directors. The target regarding percentage of female Director is 30% or above. For the current term, there are 8 female Directors including 1 Independent Director, stand for 42% of total Directors.	None

Name	Gender	Professional Background (Educational & Experience)	Diverse Industry Experience	Comprehensive Abilities								
				1. Operational Judgement	2. Accoutning & Financial Analysis	3. Operating Management	4. Crisis Management	5. Industrial Knowledge	6. International Points of View	7. Leadership	8. Decision-making Ability	9. Risk Management Konwledge & Ability
Lin, Kuan-Chen	M	Sports, Investment	Commodities, Securities and Futures	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liu, Tsung-Yi	M	Financial Management	FMCG, Mergers and Acquisitions	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chen, Kuo-Hui	M	Financial Management ,Business Administration, Investment	Food, Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hsieh Hung, Hui-Tzu	F	Business Administration	Retail, Biological Technology	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lu, Li-An	F	Business Management, Financial & Investment Management	Finanace, Food, Pharmacy	✓	✓	✓	✓	✓	✓	✓	✓	✓

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	

Name	Gender	Professional Background (Educational & Experience)	Diverse Industry Experience	Comprehensive Abilities								
				1. Operational Judgement	2. Accoutning & Financial Analysis	3. Operating Management	4. Crisis Management	5. Industrial Knowledge	6. International Points of View	7. Leadership	8. Decision-making Ability	9. Risk Management Konwledge & Ability
Chen, Ching-Yi	F	Economic, Finance	Venture Capital, Electronic Technology, Food	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chen, Yi-Ling	F	Accounting, Management	Food	✓	✓	✓	✓	✓	✓	✓	✓	✓
Teng, Wen-Hwi	F	Business Administration, Education, Investment	University Faculty, Trade, Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lee, Chi-Ming	M	International Trade	Wholesale, Trade, Construction, Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chang, Ming-Chen	F	Accounting, Management	Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lee, Yee-Ching	M	J.D. in Law	President of Investment Trust	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lee, Shu-Fen	F	Financial Management	Material Industry	✓	✓	✓	✓	✓	✓	✓	✓	✓
Duh, Bor-Tsang	M	International Business Administration	Wholesale & Retail, Technical, Chemical Industry, Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lee, Tzong-Shiun	M	Business Administration	Trade, Transportation, Storage	✓	✓	✓	✓	✓	✓	✓	✓	✓
Juang, Jing-Yau	M	Financial Management	Securities , Textile, Retail	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liang, Yann-Ping	F	Financial Management	University Faculty, Investment Trust, Communication Media	✓	✓	✓	✓	✓	✓	✓	✓	✓
Pai, Chun-Nan	M	Finance, Economic, Investment, Bank, Law	Business Investment, Financial Investment, Securities, University Faculty	✓	✓	✓	✓	✓	✓	✓	✓	✓
Song, Yung-Fong	M	Business Administration, Investment	Telecommunications, Investment Banking, Securities	✓	✓	✓	✓	✓	✓	✓	✓	✓
Horng, Yuan-Chuan	M	Financial Management, Investment Management	Steel	✓	✓	✓	✓	✓	✓	✓	✓	✓

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
B. Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		B. President Securities Corporation has already appointed independent directors to its Board, established an audit committee, a remuneration committee, a risk management committee, and a strategic development committee. 1. Based on the expertise, consistency, and time-based effectiveness of the Company's business, the Board of Directors has approved the Articles of Organization developed by the Risk Management Committee on June 26, 2008. The Committee has been established within the Board of Directors to supervise day-to-day risk management. The Committee is responsible for the following duties: (1) The establishment of risk management policies and the organization and assignment of duties to related units within the Company. (2) The establishment of risk measurement standards for the Company. (3) The management of limits for the overall risk and departmental risk of the Company. 2. The Risk Management Committee consists of minimum three members. At least half of them are independent directors, and the committee members shall be selected via resolution of Board of Directors. The Risk Management Committee shall convene meetings at least once every quarter to assist the Board of Directors in planning and supervising the Company's related risk management affairs. This committee shall report the implementation of risk management to the Board of Directors periodically and propose suggestions for necessary improvements. 3. Strategy Development Committee: In order to strengthen the medium and long-term strategic development and to deepen the spirit of corporate governance, the Board of Directors resolved the Strategic Development Committee Charter and established Strategic Development Committee in the Board of Directors on November 4, 2021. (1) Overseeing the promotion and implementation of the Company's sustainable development and corporate governance matters. (2) To formulate medium and long-term business operation and strategic development directions of the Company. (3) Study medium and long-term organizational change and transformation plan. (4) Formulating the Company's annual operation plan and budget preparation.	None
C. Has the company formulated the board's performance evaluation measures and evaluation methods? Does the company conduct annual and regular performance evaluations and report the evaluation results to the Board of Directors while adopting the results as a reference for individual directors' remuneration and nomination for re-election?	✓		C. In accordance with the "Code of Practice for Corporate Governance of Securities Firms" and in line with the competent authority's promotion of corporate governance, the Company has formulated the "Measures for Evaluating the Performance of the Board" on August 29, 2018 and performed annual assessment. The Company regularly commissions an external independent professional institution or a team of experts and scholars for assessment at least once every three years. The Company has engaged an external professional institution-Taiwan Corporate Governance Association to conduct the assessment in 2023. The evaluation results of the self-assessment and external assessment of the Board of Directors for this fiscal year will be explained separately as follows.	None

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from "the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Illustration</th></tr>
<tr><td>C. Has the company formulated the board's performance evaluation measures and evaluation methods? Does the company conduct annual and regular performance evaluations and report the evaluation results to the Board of Directors while adopting the results as a reference for individual directors' remuneration and nomination for re-election?</td><td>✓</td><td></td><td>Self-evaluation of the Board of Directors:
1. Assessment Period: July 1, 2022 to June 30, 2023.
2. Directors'self-assessment: The total number of self-assessment items was 25, average score of each indicator ranges from 4.84 to 5, in which 14 Directors received full marks of 5. The average number of self assessment for 5 Directors was more than 4, and the self-assessment results of all Directors were exceeding the standard.
3. Functional committees' self-assessment: The total number of self-assessment items were 23, 20, 19 and 18 for the Audit Committee, the Remuneration Committee, Risk Management Committee and the Strategic Development Committee, respectively, with assessment scores of 5 points, 5 points, 5 points and 4.99 points, respectively, and the evaluation results of all functional committees were exceeding the standards.
4. Board of directors' self-assessment: Total assessment items are 40 items. In addition to "Directors Attending the Shareholders' Meeting", this indicator received a score of 3 points, which is meeting the standard. All the other items received 5 points, and the total evaluation result exceeded the standard.
5. The results of the aforementioned Board performance assessment were reported to the 13th meeting of the 12th Board of Directions on November 8, 2022 for future refenence.
External evaluation:
1. External Professional Organization for Evaluation: Taiwan Corporate Governance Association.
2. Rationale for independence of external organization: The Taiwan Corporate Governance Association (TCGA) is an independent, professional organization that evaluates and assesses the corporate governance system and the performance of the Board of Directors. With reference to the corporate governance principles issued by the Organization for Economic Cooperation and Development (OECD) in 2015, and taking into account the legal environment and characteristics of Taiwanese companies, the association has been providing corporate governance evaluation and assessment services since 2005. Moreover, in 2016, it's services had expanded to include third-party evaluation of the Board of Directors' performance. To date, it has served nearly 600 companies across various industries, including public-owned enterprises, listed companies, over-the-counter (OTC) companies, public offering companies and private companies, with different ownership structures and board compositions.
3. Evaluation Methods and Process:
(1) Assess the review period of data: September 1, 2022 to August 31, 2023.
(2) The Company carried out an online self-assessment procedure: August 24, 2023 to September 1, 2023.
(3) The evaluation committee and commissioners of the Taiwan Corporate Governance Association: September 12, 2023.
(4) On-site visit to the Company by the evaluation committee and commissioners of the Taiwan Corporate Governance Association: September 21, 2023.</td><td>None</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
C. Has the company formulated the board's performance evaluation measures and evaluation methods? Does the company conduct annual and regular performance evaluations and report the evaluation results to the Board of Directors while adopting the results as a reference for individual directors' remuneration and nomination for re-election?	✓		4. Content and Items of the Assessment (1) Composition of the Board of Directors (2) Teaching of the Board of Directors (3) Authorization of the Board of Directors (4) Supervision of the Board of Directors (5) Communication od the Board of Directors (6) Internal controls and risks management (7) Self-Demanding of the Board of Directors (8) Other things like meetings of the Board of Directors and System-supporting 5. General Comments: (1) Our Company's Chairman of the Board places great importance on sustainable development. In response to the regulatory authorities' initiative to publish the Sustainable Development Action Plan for listed and OTC companies in 2023, we have made efforts to significantly reduce the number of seats on the Board of Directors. We plan to ensure that independent directors account for at least one-third of the Board of Directors in the upcoming election next year. The current composition of the Board of Directors is diverse and professional, and the independent directors are eager to shoulder their responsibilities. They actively participate in and contribute to the board's operations, which is commendable. (2) Throughout the period under review, the Company held a series of five separate meetings known as "Internal Control Deficiency Review Meetings" between the audit officer and the independent directors. These meetings included in-depth discussions of the defect summary reports from internal audit findings and regulatory correspondence announcements, Financial Examination's deficiency and remediation reports, and other communication matters.These discussions played a critical role in effectively leveraging the Audit Committee's guidance and oversight functions with respect to internal control systems and financial statements. (3) The Company attaches importance to sustainable development, and in response to the development trend of the financial industry and changes in the market environment. The Company adheres to the sustainable management philosophy of "You care, we act!"and continues to improve its operating strategies. At present, we have established a Sustainable, Financially Responsible Team led by the President, and formulated the "ESG Investment Management Policy". The new policy requires us to evaluate and identify risks based on ESG indicators prior to investment, and regularly review the ESG performance of our investment portfolio after investment. This helps to implement the concept of sustainable financial management, fully incorporate the ESG elements into the Company's investment policy, and implement ESG concepts in our day-to-day operations from top to down. (4) The Company attaches importance to talent development and has established the Brokerage Department Reserve Manager Training Program. This program carefully selects individuals with exceptional performance and strong business acumen. Through apprenticeships, job rotations, mentor counseling, and other "learning-by-doing" methods, we cultivate outstanding talents' abilities in strategic thinking, team management,	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
C. Has the company formulated the board's performance evaluation measures and evaluation methods? Does the company conduct annual and regular performance evaluations and report the evaluation results to the Board of Directors while adopting the results as a reference for individual directors' remuneration and nomination for re-election?			customer management, problem analysis and solving. By arranging complete training courses and diversified channels for further education as supplementation, the strength of sustainable development is cultivated proactively. (5) In 2019, the Company established a Corporate Governance Officer in accordance with the resolution of the Board of Directors. The Corporate Governance Officer is responsible for scheduling the meetings and agendas of the Board of Directors and functional committees, director training, and providing information, etc. Extensive communication takes place with the independent directors regarding the planning of Board meeting topics and schedules. Adjustments or additional explanations are provided in response to questions and opinions raised by the independent directors. This demonstrated the Company's respect for the independent directors, and its commitment to handling proposals with rigor, prudence and diligence. 6. Suggestion: (1) The Company has established a "Strategic Development Committee," which is primarily responsible for overseeing the promotion and implementation of corporate social responsibility and governance issues. The Company has also established a Sustainable Development Integration Team under the President. It regularly reports to the Board of Directors on the results of sustainable development implementation, indicating that your Company's Board of Directors indeed attaches great importance to the issue of sustainable development. It is recommended that your company consider adding "Sustainable Development" to the name of the Strategic Development Committee, which appropriately demonstrate the company's determination and effectiveness in investing in sustainable development. (2) The Company's Board of Directors has established a number of functional committees, and there is a great demand for the diversified professional knowledge and experience of the participating directors. Beside the selection and recruitment of directors should consider their diversified professional background knowledge and professional mix of industrial experience that required by your Company in the next stage, the appropriate arrangement of directors' refresher credit course can also strengthen the diverse capabilities of the directors. (3) Regarding the training of newly appointed directors, although the Company has already provided a director's manual, it is recommended that the Company further develop a "Training System" for New Directors. (e.g., provide necessary documents, arrange presentations on the Company's overview and industry trends, and conduct discussions with key management personnel.) The aim is to assist new directors in quickly understanding the Company's operational status and fulfilling their directorial responsibilities. Additionally, it is suggested that the Company establish an " Material Contingencies Reporting Procedure" to strengthen the standards and processes for handling and reporting related matters. This will ensure that all board members can promptly grasp information on significant material contingencies. The results of the aforementioned Board performance assessment were reported to the 13th meeting of the 12th Board of Directions on November 8, 2022 for future refenerce.	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
C. Has the company formulated the board's performance evaluation measures and evaluation methods? Does the company conduct annual and regular performance evaluations and report the evaluation results to the Board of Directors while adopting the results as a reference for individual directors' remuneration and nomination for re-election?			**Link between performance appraisal and remuneration of Directors and managers:** 1. In accordance with Article 23 of the Company's Articles of Incorporation, in order to motivate employees and the operation team, after deducting employees' and Directors' compensation from current year net income before tax, the Company shall allocate no less than 1.6% of the residual amount as employees' remuneration and no more than 2% as Directors' remuneration. 2. According to "Board of Directors Performance Evaluation Measures", Directors' emoluments are assessed by reference to the Directors' level of participation in the Company's operations and their individual contribution to the Company's performance, their familiarity with the Company's objectives and missions, knowledge of directors' duties and responsibilities, involvement in the Company's operations, internal relationship management and communication, the Directors' professions and continuing education, internal control and other items, the results of which are included in the consideration of performance evaluation and remuneration distribution. 3. Remuneration to Managers includes salaries and bonuses with reference to industry standards, positions, grades, education, working experience, professional skills and responsibilities, etc. The incentive payments take into account the manager's performance evaluation items, which include financial indicators (business development capabilities, such as revenue achievement rate, net profit after tax achievement rate, market share or market ranking, etc.) and non-financial indicators (staff management capabilities and improvement in internal process, internal control and risk control capability). The result of the evaluation will be included in consideration of performance appraisal and compensation. 4. The procedures for determining the remuneration were based on their contribution to the business performance and the performance evaluation measures to provide reasonable remuneration. Relevant performance evaluation and the reasonableness of remuneration were all reviewed by the Remuneration Committee and the Board of Directors; the remuneration system is reviewed at any time depending on the actual operational situations and relevant laws and regulations, so as to balance the Company's sustainable operations and risk control.	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
D. Does the Board of Directors regularly (at least one time a year) evaluate the independence and suitability of CPAs based on AQIs and disclose the evaluation in the annual report?	✓		D. According to the regulation of corporate governance of securities dealers, the Board evaluates and assigns the appointment of independent accountants annually based on Audit Quality Indicators (AQIs). According to article 46 and article 47 of Certified Public Accountant Act, "honesty, impartiality, objectivity and independence," the company sets up the independent items of declaration, which issued by the certified public detached accountants and offer Audit Quality Indicators (AQIs) to PricewaterhouseCoopers Taiwan. Accountant Lin, Se-Kai, Chen, Li-Yuan, and Lo, Chiao-Sen from PricewaterhouseCoopers Taiwan proved to be qualified as CPA for company's financial and tax accountants.	None
IV. Does the company designate an appropriate number of qualified personnel and appoint a corporate governance officer in charge of matters related to corporate governance? These matters include but are not limited to providing directors and supervisors with information needed for the execution of business, assisting directors and supervisors in complying with laws and regulations, handling matters related to the board of directors and the shareholders' meetings in accordance with the related laws, handling company registration and registration changes, and keeping minutes of the board of directors and the shareholders' meetings.	✓		The Company's Board of Directors adopted a resolution on May 3, 2019, that Assistant Vice President Chen, Nai-Chen at the President Office would be appointed as the Corporate Governance Officer in charge of corporate governance-related affairs. Assistant Vice President Chen has served as a supervisor in President Office related to corporate governance for more than three years, as set out in Article 21 in accordance with Article 23 of the "Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers". As a new officer, she will complete 18 hours of professional training courses and at least 12 hours in a year in accordance with paragraph 2 article 24. The Company's corporate governance-related affairs are handled and completed by relevant departments collectively. Corporate governance-related affairs (terms of reference) shall include matters related to holding of meetings of the Board of Directors and shareholders' meetings, minutes recording for meetings of the Board of Directors and shareholders' meetings, assistance to Directors with taking office and continuous education and training, provision of information required for the Directors to conduct business, assistance to Directors with compliance, review of the legal qualifications of independent directors (already presented at a Board meeting in 2023.03.08 and 2023.11.08) and handling of matters related to the change of directors (resignation or reassignment of representatives) and other matters set out in the Company's Articles of Incorporation or contracts.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
IV. Does the company designate an appropriate number of qualified personnel and appoint a corporate governance officer in charge of matters related to corporate governance? These matters include but are not limited to providing directors and supervisors with information needed for the execution of business, assisting directors and supervisors in complying with laws and regulations, handling matters related to the board of directors and the shareholders' meetings in accordance with the related laws, handling company registration and registration changes, and keeping minutes of the board of directors and the shareholders' meetings.			Key points for business execution in 2023: 1. Matters related to meetings of the Board of Directors and shareholders' meetings in accordance with the law. 2. Minutes recording for meetings of the Board of Directors and shareholders' meetings. 3. Assistance to the directors in compliance matters and in continuing education. 4. Provision of the information required for the Directors to conduct business. 5. The legal qualifications of independent directors. 6. Other matters set out in the Company's Articles of Incorporation or contracts. Status of continuing education and training: A total of 18 hours of training was provided during the year. Please refer to the table below.	

Date	Organization	Course	Credit(s)	Credit(s) from Individually Traning
2023.04.27	Taiwan Stock Exchange	Sustainable Development Action Plans for TWSE and TPEx Listed Companies Seminar	3	18
2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3	
2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3	
2023.09.04	Financial Supervisory Commission	14th Taipei Corporate Governance Forum	6	
2023.11.03	Institute of Financial Law and Crime Prevention	Fifth Session of the 2023 Year Corporate Governance Practical Workshop - Principles of Fair Customer Treatment in the Financial Services Industry	3	

Evaluation Item	Yes	No	Abstract Illustration	Deviations
V. Does the company establish a communication channel and build a designated section on its website for stakeholders, as well as handle all the issues they care for in terms of sustainable development?	✓		The Company has established a dedicated Stakeholder section on its website that provides the result of sustainable development in recent years and channels of communication with stakeholders. The Company appropriately responds to important sustainable development topics of concern of all stakeholders. The Company has set up communication mailbox and hotline for different stakeholders as a communication channel. Dedicated personnel are responsible for managing the mailbox and hotline intends to facilitate the smooth and speedy dissemination of opinions. Morover, it also highlights our sustainability achievements in recent years in this area. The communication status and results with stakeholders will be reported to Board of Directors on annual basis. The communication status and results with stakeholders were reported to the Board of Directors on August 24, 2023.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
V. Does the company establish a communication channel and build a designated section on its website for stakeholders, as well as handle all the issues they care for in terms of sustainable development?			A. Shareholders **Issues concerned:** corporate governance, ethical business operation, compliance, risk control/auditing, transparency and disclosure of information, and operational performance **Communication methods:** (1) Company information is provided through investor emails and announcements on the official website. The Company established "the investor section" on our website to provide investors with transparent and comprehensive information. The Company also established the investor relations contact channel to respond to questions raised by shareholders. (2) Announcements of operations and financial performance periodically and the issuance of material information in Chinese and English on the Market Observation Post System. (3) Organization of one institutional investor conference every season to report business status to shareholders. B. Employees **Issues concerned:** operational performance, employee training, assessment, and development, employee remuneration, working hours, labor-management relations, communication channels, and occupational safety and health **Communication methods:** (1) The employee suggestion mailbox and employee complaint mailbox are used for communication. (2) The Company organizes employee seminars and large-scale family day events. The Company also announces internal news reports to facilitate bilateral communication and interaction. C. Clients **Issues concerned:** communication channels, customer privacy protection and information security, brand image, operational performance, service quality, and customer satisfaction **Communication methods:** (1) The Company communicates with customers regularly through the customer service hot line and email and monthly statements are delivered every month. (2) The Company organizes investment and wealth management seminars periodically and organizes large-scale investment seminars to communicate and interact with customers. D. Suppliers **Issues concerned:** ethical business operation, risk control/auditing, and brand image **Communication methods:** (1) The Company organizes periodic price negotiation meetings, announces information on the public tendering information section on the official website, and organizes public tendering briefings. (2) According to the "Regulations for the Procurement and Purchasing Management" revised in 2023, supplier collaboration is conducted through selection and evaluation. The assessment categories include annual assessment, acceptance assessment, incident assessment and sustainability assessment. The results can be divided into three levels of suppliers, namely levels A, B, and C, which are used as the basis for future cooperation.	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
V. Does the company establish a communication channel and build a designated section on its website for stakeholders, as well as handle all the issues they care for in terms of sustainable development?			(3) The Company cooperates with suppliers to jointly commit to fulfilling sustainable development. The materials used in decoration construction and equipment procurement must be green building materials and equipment with environmental protection labels to increase the Company’s dedication to environmental protection, energy conservation, and carbon emissions reduction. E. Competent authority **Issues concerned:** ethical business operation, corporate governance, transparency and disclosure of information, financial and capital market functions maintenance, and financial inclusion, and compliance of regulation. **Communication methods:** The Company participates in courses and seminars organized by the government. We also actively collaborate with the competent authorities in the execution of their business. F. Community/NGO **Issues concerned:** social welfare, responsible Investment/sustainable finance, and environmental protection **Communication methods:** Each year, we host philanthropic events and partner with various charitable organizations, combining our internal and external resources to address societal needs through tangible actions.	
VI. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		Affairs of shareholders' meetings are handled by the Shareholder Services Department of the Company; the Department obtained the certification of the Professional Shareholder Services Institution from Taiwan Depository & Clearing Corporation (TDCC).	None
VII. Information Disclosure				
A. Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		A. On President Securities Corporation website, we have disclosed the Company’s financial and business information, and corporate governance. We also post periodical and non-periodical financial and operational information on the government-operated MOPS website.	None
B. Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		B. Our company has assigned a spokesperson to be responsible for providing information to shareholders and investors. On our website where investors and shareholders can obtain information on the following: (1) Company introduction in English and Chinese. (2) Disclosure of company’s financial and business information, and corporate governance. (3) Investor Suggestion Mailbox, which is manned by Administration Department Personnel who are responsible for replying to all comments received. (4) The Company has disclosed the briefing and video files of institutional investor conference proceedings and other related information on the Company’s website.	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
C. Does the company announce and release its annual financial report within two months after the end of the fiscal year, and announce and release financial reports for the first, second, and third quarters and operating conditions of each month earlier that the required date?		✓	C. The Company has completed the annual financial report filing within the required 75-day period after the end of the fiscal year, as stipulated by the Financial Supervisory Commission’s requirement for listed companies with a capital of over 10 billion.	Based on the evaluation, to disclose financial information in the financial report fully and correctly, it is not yet possible to complete its report in two months with the currently available human.
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	✓		A. Environmental Protection Measures President Securities operate financial services and, therefore, does not produce any environmental pollutants or waste. B. Investor relations Our company has assigned a spokesperson to be responsible for providing information to shareholders and investors, and to post periodical and non-periodical financial and operational information on the government-operated MOPS website. The Company established “the investor section” on our website to provide investors with transparent and comprehensive information. The company will continue to strengthen investor relations and maintain good communication and interaction with investors. C. Employee rights and wellness (1) To boost work efficiency and solidarity among our employees, we place particular emphasis on benefits programs and labor relations, and thus ensure employee welfare in a comprehensive manner. (2) General accident insurance has been purchased for each of our branches and work premises so as to protect customer rights. Employer insurance has also been purchased so as to protect the interests of all employees. D. Rights of the stakeholders We have also taken steps to address corporate responsibility concerns of our stakeholders. We have established a platform with dedicated staff to handle feedback from investors, employees, clients, competent authority and community/NGO so as to maintain strong lines of communication and collect issues of concern of our stakeholders, and review whether our activities respond to stakeholders. This allows us to stay aware of the issues that are of importance to our interested parties and to ensure that all of our actions are responding to the needs of our stakeholders. The communication status and results with stakeholders will be reported to Board of Directors on annual basis. The communication status and results with stakeholders were reported to Board of Directors on August 24, 2023.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			E. Customer policy (1) Policy: "3 Goods and 1 Fair" ─ "Good Quality" , "Good Credibility" , "Good Service", and "Fair Price". This is combined with "Professional Leadership, Kind Service", in providing all customers with comprehensive services. (2) Implementation: We have established a Customer Services Department—The Customer Service Center, providing customer complaint channels, dedicated hotline and personalized service to address customer issues; also, offering relevant product risk warnings reminder on the mailed customer statements. F. Directors training: The Company's Directors shall carry out independent studies and the Company shall also organize related corporate governance courses periodically and invite all Directors to participate in the courses. Take 2023 for example, in addition to the Directors' individual training courses, the Company cooperated with the Taiwan Institute of Directors to jointly organize classes for all directors and managerial officers of the Company. Lawyer Rebecca Hsiao, Lee and Li, Attorneys-at-Law. gave a lecture on "Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0" in May. In addition, Shu Sheng ,Pu, general manager of British Standards Institution north-east Asia, gave a lecture on "Analysis of international climate change development trends and practical cases" in August, to enable the Directors to further understand the spirit of corporate governance and practice. For details of the Directors' on-the-job training in 2023, please refer to Chapter 3 XI. Directors and Corporate Auditors Training. G. Implementation status for Risk Management Policy and Measurement: (1) Risk Management Policy i. Ensure that we can operate various types of business from a position of solid risk management. Using reasonable risk tolerance levels, continue to enhance profitability, create shareholder value, and achieve return on capital targets. ii. Set well-defined risk controls for every business area, implement risk management checks and balances, set clear obligations for each department so as to enhance risk management effectiveness by breaking it down into manageable pieces. iii. Our risk management operations take into accounts all key forms of risk: market risk, credit risk, liquidity risk, operational risk, legal risk, model risk, reputational risk, climate risk. (2) Risk Measurement The company has set risk management principles. In order to ensure that all of our organization's businesses adhere to our operating policies, operating goals, and capital levels, we have set suitability evaluation policies that can react to changes in our business and in the market:	

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	Yes	No	Abstract Illustration	
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			◆ Market risk measurement i. We use RiskMetrics market risk management system to manage our company's exposure to market risk. In addition to producing daily risk value tables, we perform simulation analysis and historical analysis so as to supplement missing risk values. ii. We evaluate the completeness of our evaluation models on various business mareas, and review the assumptions, parameters, and data used for various product models, and then test that the models for the various products are reasonable. iii. We evaluate the effectiveness of risk control models: regularly perform backtesting to ensure the effectiveness of the models used. ◆ Credit risk measurement i. Our company undergoes credit rating evaluations from Moody's, Standard & Poor's, Fitch, Taiwan Ratings Corp, and TCRI. ii. Trading counterparty credit risk: we assess our company's maximum exposure in the event that a trading counterparty defaults, and then use maximum exposure limits set by the board of directors, in determining the credit risk of a trading counterparty. iii. Issuer's Credit Risk: we use KMV model to perform internal evaluations, and combine that with financial data and stock price data, to calculate the probability of a default. Then, based on these measurements, we developed "Z-Score", an in-depth internal evaluation of the company, and then use this to protect ourselves from potential credit risks and potential capital shortfalls. ◆ Operational risk measurement i. Operational risk is the risk that occurs when internal processes, employees, or systems, are inappropriate or cause errors; or risk that is caused by external factors. This type of risk is related to legal risks but not strategic risk or credit risk. ii. We create operations risk policy handbooks that entail every level of operations. iii. Through our risk report and audit report, we ensure that risk is appropriately evaluated, disclosed, and controlled. ◆ Climate risk measurement i. Climate risk assessment method and process: Using risk matrix to identify and evaluate the level of climate risks, prioritizing risks, and defining significant climate risks. The climate risk assessment method should take into account relevant regulations and internationally recognized standards. ii. Identify the correlation between climate risks and other risks, such as credit risk, market risk, operational risk, and liquidity risk. iii. Risk identification and assessment: Identifying and assessing the degree of impact, probability, and potential risks to operational activities caused by climate events.	

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	Yes	No	Abstract Illustration	
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			(3) Risk Management i. Our risk management takes into account market risk, credit risk, liquidity risk, operational risk, legal risk, model risk, reputational risk, and climate risk, etc., for both on-balance sheet business and off-balance sheet businesses. ii. Each day, every level of operations, every manager, and every trader is given fresh figures on position risk and key sensitivity values. Through this, the company's risk controls and trading strategies can be properly analyzed and necessary alerts can initiated. Setting risk control guidelines for each level of operations allows for comprehensive monitoring of risk. (4) Our Risk Management Organization As part of our risk control measures, we have created an independent risk control department and constructed an integrated risk control architecture that encompasses all facets of the organization, including the Board of Directors, the Risk Management Committee, the President Office, the Assets/ Liabilities Management Committee, the Risk Control Office, the Auditing Office, the Compliance Division, the Finance Department, the Business units, Settlement & Clearing Department and the General Affairs Department. Each segment of the company has clearly spelled-out obligations and every level of the company has clearly defined authorities. i. Board of Directors: Audits the company's risk management policy, supervises sales business strategies, approves all business proposals and trading permissions, is ultimately responsible for risk management. ii. Risk Management Committee: Is a functional established by the Board of Directors tasked with integrating all risk management operations, with supervising and assisting all the various risk management and related operations. The committee is also tasked with setting the various risk authorities, limits, and targets, for a centralized supervision of the status of all of the company's risk management efforts. iii. President Office: Supervises the daily implementation of all of the company's risk management operations and authorizes any exceptions to the risk management protocols. iv. Assets/Liabilities Management Committee: Controls the company's overall asset structure, authorizes trading limits for businesses collects and analyzes domestic and international interest rates, exchange rates, and economic changes. v. Risk Control Office: Is responsible for the drafting of risk policies and regulations, for monitoring market and credit risks, for monitoring liquidity risks, for compiling data on operational risk control and management, for constructing and maintaining the risk management system, for implementation of risk management systems and for ensuring company-wide regulatory compliance. vi. Auditing Office: Sets operations risk controls, sets the standards for risk control systems, puts in place internal auditing controls, and implements daily check routines.	

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	Yes	No	Abstract Illustration	
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			vii. Compliance Division: Implements legal risk controls and ensures that all businesses and risk management operations are in compliance with relevant laws and regulations. Compliance Division concurrently is responsible for anti-money laundering and counter terrorist financing, developing relevant regulations and systems, monitoring internal control and transactions, supervising the implementation by business units, holding training sessions, and reporting cases suspicious of money laundering. viii. Finance Department: Monitors capital adequacy rates and liquidity risks, and analyzes the company's asset/liability structure and other key financial ratios. ix. Business units: Based on the company's risk management policies and regulations sets risk management guidelines for various businesses, and produces a report on abnormal risk items for the Risk Control Office. x. Settlement & Clearing Department: Implementation of risk control and management for settlement, clearing, and short-sale business operations. Implementation of risk management and business department risk management for transactions. xi. General Affairs Department: Greenhouse gas inventory and management, resource sustainability management, responsible procurement, and supplier management. H. President Securities Corporation has already purchased liability insurance from ACE insurance and AIG Asia Pacific Insurance Pte. Ltd. for all of its directors, and key employees (Policy Value: US$10 million; Policy Term: September 1, 2023, to September 1, 2024).	
IX. The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange.	✓		In the Corporate Governance Evaluation of 2023, the Company's final evaluation score was 95.02, placing the Company between 6% and 20% of the total listed companies. In the previous evaluation, for any items where the Company did not gain any points. For example, factors to consider include whether the Board of Directors has more than one-third of its members as independent directors, whether the Audit Committee approves the company's mid-term financial statement, and whether resources are allocated to support domestic cultural development projects; and so forth, the Company has actively adjusted its operational policies to improve the effectiveness of corporate governance to achieve the goal of sustainable business management of the Company.	None

E. Composition, responsibilities, and operation of the Remuneration Committee

In accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter" published by the competent authority on March 18, 2011, the Company has completed the discussion and resolution of the proposal by September 30, 2011, as required. Please refer to the description of the Remuneration Committee on page 61 of the Annual Report for the information on the operations.

1. Information Regarding Remuneration Committee

Title	Criteria / Name	Professional Qualification Requirements and Work Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director (convener)	Pai, Chun-Nan	I graduated from the Institute of Economics at National Taiwan University and hold a Ph.D. in Law from the Chinese Culture University; I have provided services in public and private enterprises for over 40 years and hold teaching position at National Taiwan University, National Taiwan Normal University, Soochow University, and Fu Jen University for teaching financial and economic courses. Currently, I am the Vice Chairman of China Petrochemical Development Corporation, the Company's Independent Director , and a member of the Audit Committee, Remuneration Committee, and Risk Management Committee (also the convenor). I do not meet any of the conditions defined in Article 30 of the Company Act.	1. The Director, its spouse, or its relatives within the second degree of kinship not being a Director, supervisor, or employee of the Company or its affiliates. 2. The Director, its spouse, or its relatives within (or under other's names) the second degree of kinship has no shareholding in the Company. 3. Not being a director, supervisor, or employee of any company with particular relationships with the Company. 4. No compensation received from providing business, legal, financial, and accounting services to the Company or its affiliates for the past two years. 5. According to the above, I complied with the independence criteria.	0
Independent Director	Liang, Yann-Ping	I have over five years of working experience and professional financial and economics, as well as accounting expertise; I graduated from the George Washington University with an MBA, and possess extensive working experience in financial practices; I held positions as the Vice President of Hua Nan Investment Trust and Vice President of Polaris Securities Investment Trust; currently, I am the Associate Professor of Department of Finance at Shih Hsin University, Independent Director of President Securities Corporation, and a member of the Audit Committee, Remuneration Committee, and Risk Management Committee. Not been a person of any conditions defined in Article 30 of the Company Act.	1. The Director, its spouse, or its relatives within the second degree of kinship not being a Director, supervisor, or employee of the Company or its affiliates. 2. The Director, its spouse, or its relatives within (or under other's names) the second degree of kinship has no shareholding in the Company. 3. Not being a director, supervisor, or employee of any company with particular relationships with the Company. 4. The compensation received from providing business, legal, financial, and accounting services to the Company or its affiliates for the past two years was NT$0. 5. According to the above, I complied with the independence criteria.	0
Independent Director	Horng, Yuan-Chuan	I have over five years of working experience in finance and accounting; I graduated from the Department of Economics, Soochow University; currently, I am the Independent Director of Himax Technologies, Inc.; I held positions as the Vice President of Finance Division of China Steel Corporation and Chairman of Gains Investment Corp.; I am the Company's Independent Director, and a member of the Audit Committee, Remuneration Committee, and Risk Management Committee.	1. The Director, its spouse, or its relatives within the second degree of kinship not being a Director, supervisor, or employee of the Company or its affiliates. 2. The Director, its spouse, or its relatives within (or under other's names) the second degree of kinship has no shareholding in the Company. 3. Not being a director, supervisor, or employee of any company with particular relationships with the Company. 4. Not provided business, financial, and accounting services to the Company or its affiliates for the past two years. The compensation was NT$0. 5. According to the above, I complied with the independence criteria.	1
Independent Director	Song, Yung-Fong	I have over 30 years of working experience and professional business management, business, legal, and accounting expertise; I graduated from The University of Iowa; after graduating with MBA, I held management positions in major investment banks or foreign-invested banks worldwide, such as holding positions as Vice President, Managing Director, and Executive Director at BNP Paribas Taiwan, Goldman Sachs (Asia), SG Warburg Securities Ltd. Taiwan, Deutsche Bank Taiwan, ABN AMRO Bank (Taipei Branch), and CIMB Securities, Taiwan, and became the CIO and Executive Vice President of Chunghwa Telecom Co., Ltd. in 2017. Currently, I am the Company's Independent Director and a member of the Audit Committee, Remuneration Committee, and Risk Management Committee.	1. The Director, its spouse, or its relatives within the second degree of kinship not being a Director, supervisor, or employee of the Company or its affiliates. 2. The Director, its spouse, or its relatives within (or under other's names) the second degree of kinship has no shareholding in the Company. 3. Not being a director, supervisor, or employee of any company with particular relationships with the Company. 4. The compensation received from providing business, legal, financial, and accounting services to the Company or its affiliates for the past two years was not more than half a million. 5. According to the above, I complied with the independence criteria.	0

2. Operations of the Remuneration Committee

(1) The committee is composed of four members.

(2) Term of the committee members: From July 28, 2021 through July 20, 2024. The Remuneration Committee met 5 times (A) in the most recent year. The qualifications and attendance of the members are listed below:

Title	Name	Attendance in Person (B)	By Proxy	Attendance rate (%) (B/A) (Note)	Remark (Note)
Convener	Pai, Chun-Nan	5	0	100%	Reappointment on 2021.7.28
Member	Liang, Yann-Ping	5	0	100%	Reappointment on 2021.7.28
Member	Horng, Yuan-Chuan	5	0	100%	Reappointment on 2021.7.28
Member	Song, Yung-Fong	5	0	100%	Reappointment on 2021.7.28

Other mentionable items:

1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
2. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.

(3) 2023 remuneration committee proposal discussion and resolution:

Remuneration Committee	Item	Resolution
2023.02.23 The 10th Meeting of the 5th Remuneration Committee	1. The proposal for 2022 bonus distribution ratio for employees and directors. 2. The proposal for 2022 bonus allocation for employees and directors.	Proposal 1~2: All members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.
2023.04.21 The 11th Meeting of the 5th Remuneration Committee	1. Amendment to the Regulations Governing the Board Performance Evaluation. 2. Change of managers. 3. Amendment to Guidelines for Implementing the Company's Accountability System. 4. Dismissal of consultant. 5. The proposal for 2022 bonus distribution to employee and managerial officers.	Proposal 1~5: All members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.
2023.08.10 The 12th Meeting of the 5th Remuneration Committee	1. Change of managers. 2. Periodic review and evaluation of the policy and structure of the remuneration provided to the Company's Directors.	Proposal 1~2: All members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.
2023.10.26 The 13th Meeting of the 5th Remuneration Committee	1. Change of managers.	Proposal 1: All members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.
2023.12.07 The 14th Meeting of the 5th Remuneration Committee	1. Change of managers. 2. Periodic review and evaluation of the policies and structure of the remuneration to the Company's senior executives and managerial officers.	Proposal 1~2: All members of the committee present voted in favor of the resolution without any objection and submitted it to the Board of Directors for discussion.

F. Sustainable development and Deviations from " Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies "

Evaluation Item	Implementation Status			Deviations from Sustainable Development Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
I. Has the company established a dedicated unit or appointed a unit for promoting SD? Is the unit authorized by the Board of Directors to implement SD activities at upper management levels? Does the unit report the progress of such activities to the Board of Directors?	✓		The Company's SD was implemented by the Management Department where SD integration teams are formed in 2018. Based on the content of the work, the Company has established five task forces, namely Corporate Governance, Customer Service, Employee Care, Environmental Protection, and Social Engagement. These teams are responsible for formulating and implementing policies, systems, or related management policies and specific promotion plans for corporate sustainable development, and have formulated a "Code of Practice for Sustainable Development" as approved by the Board of Directors. The Sustainable Development Integration Team holds regular quarterly integration meetings to set objectives, exercise control and review performance in each area of sustainable development, and regularly compiles the results of the implementation of each relevant unit and submits them to the Board of Directors on a quarterly basis. The content includes: (1) identifying sustainability issues that require attention and formulating corresponding action plans; (2) revising sustainability-related goals and policies; (3) overseeing the implementation of sustainable operations, and planning and evaluating the execution progress. Additionally, the year's sustainable development performance execution was compiled into a sustainability report. The Chairman of the Board reviewed this Report before it was submitted and publicly announced. In 2021, a Strategic Development Committee was established in the Board of Directors to supervise the promotion and implementation of corporate social responsibility and corporate governance. The "Report on Sustainable Development in FY 2023" was submitted on December 7, 2023. The Board of Directors oversees our company's implementation of sustainable development. In addition to approving the Sustainable Development Goals, the Board of Directors receives quarterly reports of promoting sustainable development and ESG issues from the Sustainable Development Integration Team. The content includes: (1) identifying sustainability issues that require attention and formulating corresponding action plans; (2) revising sustainability-related goals and policies; (3) overseeing the implementation of sustainable operations, and planning and evaluating the execution progress. The reports were submitted to the Board of Directors on May 4, 2023, August 24, 2023, November 8, 2023, and March 4, 2024, respectively. For the execution status, please refer to the ESG Report and the "Corporate Sustainability Development" section on the Company's website.	None
II. Does the company conduct risk assessments related to environmental, social, and corporate governance issues that are related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	✓		In accordance with the GRI guidelines, our company identifies material sustainability topics through a series of processes, including collecting sustainability issues, conducting impact assessments and confirming material topics. We develop a list of material topics by considering sustainability trends, both domestically and internationally, as well as the priorities of regulatory authorities. The internal impact assessment is conducted by the Sustainability Integration Team to assess the impact of various sustainability issues on our business operations. Once material issues are identified, we develop relevant policies, management guidelines and objectives, as detailed in the SD report.	None

III. Corporate Governance

Evaluation Item	Implementation Status			Deviations from Sustainable Development Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	

Main Topic	Assessment	Risk Management Policies and Strategy
Environment	Climate change and environmental protection	The company is developing policies and strategies designed to address risk factors related to climate, such as heavy rain events, earthquakes, and high temperatures with the goal of maintaining the safety and robustness of the Company's operations. For example, the low-carbon transformation policy on the client side includes the full development of digital financial management. This includes the availability of online signing of a wide variety of consent documents and risk notices required by the appropriate authorities for opening accounts remotely, conducting various transactions directly on mobile devices, and online inquiry used to confirm whether a transaction has been conducted successfully. The goal is to make sure the Company's services will not be affected by climate change and other related events or disasters. As for the Company's operations, the Company will comprehensively review business processes, building materials with green building materials label certification, convert administrative forms into electronic documents, purchase environmentally-friendly labeled products, phase out older energy-consuming equipment and energy-saving lighting year by year to reduce energy consumption, streamline energy expenditures, improve operational efficiency, hire an external certification agency to formally introduce, and complete the IOS14064-1 standard for greenhouse gas inventory. The goal is to reduce the generation of a carbon footprint through such interlocked low-carbon operations.
Social issues	Occupational safety and health	The Company pays attention to the safety of employees' work environment. In addition to minimizing the hazards present in the office environment, the Head Office and all branches have selected and assigned appropriate employees to obtain Fire Safety Manager Certificates and the become qualified as class-2 manager of Occupational safety and health affairs, while formulating fire-fighting plans for the workplace, to maintain a safe office environment. The Company's Head Office and workplaces have each purchased public accident liability insurance to protect rights and interests of clients and to provide employer accident liability insurance to protect employees' rights and interests. A total of four automated extracorporeal defibrillators (AEDs) have been set up on specific floors of the Company's Head Office building, and a total of 71 employees have obtained first-aid safety and health education along with training certificates to ensure the safety of their peers.
	Customer privacy protection and information security	In addition to the independent operation of finance and business, the management rights and responsibilities of the Company and affiliated companies are clearly divided, and their business dealings or transactions are handled in accordance with the relevant laws and regulations. In addition, an "Internal Control System for Supervision and Management of Subsidiaries" has been established to control and manage subsidiaries. The Information System Department of the Company has formally established an information security section assigned to upgrading the previous task-based team to a normal organization. This section is staffed with a dedicated information security supervisor and two dedicated information security personnel to strengthen the maintenance, security, and control of the information systems and the stability of business adjustment The goal is to ensure that the organization carries out information security management operations effectively and provides clients with the most secure information trading environment. Since August 2013, the Company has applied for and obtained the British Standards Institution's ISO 27001: 2005 version of the information security certification for electronic trading systems. It passed the information security certification renewal and obtained the revised ISO 27001: 2013 version of the certification at the end of July 2014. Afterwards, the Company has applied for renewal of the certification annually and applied for review of the certification (enhance) every three years (2016, 2019, 2022 and 2023) to implement the Company's internal matters in a standard and systematic manner to reduce operational errors. The Company has adopted TWCA as the certificate authority for authentication and verification of orders placed. When clients are conducting online transactions, in addition to having the account number and password checked by a securities firm or a futures firm, each transaction needs to be confirmed with a certificate issued by an impartial third party, along with the use of internationally recognized SSL technology for transmission encryption, to increase the degree of security that is valued during online transactions.
Corporate governance	Risk control/ audits	The Company's Board of Directors has established a Risk Management Committee to supervise daily risk management affairs effectively. The risks involved in the Company's business include risks related to the market, credit, liquidity, operations, legal issues, model risks, which have been included in the scope of risk management. In addition, a three-stage defense system for risk management has been implemented. The first-stage defense: When each business unit executes its business, it will monitor risks on its own. The second-stage defense: An independent dedicated unit has been established to formulate and execute risk policies, operating guidelines, and risk control systems as the second-stage of defense in the monitoring of risks. The third-stage defense: The risk management system is integrated into the internal audit system to provide for independent review.

Evaluation Item	Yes	No	Abstract Explanation	Deviations and Reasons
III. Environmental Issues A. Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		A. The Company is a financial services industry with no pollution and waste generated from manufacturing activities. The main source of greenhouse gas emissions is purchased electricity consumption. In order to implement environment protection and carbon emission reduction, the Company has implemented several energy consumption equipment replacement projects.In order to protect the natural environment, demonstrate the organization's improved environmental performance, achieve a balance between the environment, society, and the economy, and to achieve social expectations related to sustainable development, transparency, and responsibility, the Company started to implement ISO 14001 environmental management system since the second half of 2021. The environmental operation control procedure was established, implementing, maintaining, periodically reviewing, and communicating with internal and external stakeholders within defined scope. In 2022, we achieved the ISO 14001 environmental management system certification through SGS verification. The certification is valid from June 14, 2022 to June 14, 2025.	None

Evaluation Item	Implementation Status			Deviations from Sustainable Development Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
B. Does the company establish proper environmental management systems based on the characteristics of their industries?	✓		B. The Company spares no efforts in supporting green environment protection. In order to implement the sustainability policy of waste reduction, the Company placed resource recycling bins at every floor of the Company and strictly and completely enforced garbage sorting and recycling. In addition, the Company purchases products that have energy conservation labels, environmental protection labels, green building materials labels and so on to reduce the impact of the Company's operation on the environment and society. In terms of environmental protection and waste reduction, the Company enhanced the promotion of resource recycling, digitalization of various forms in offices, and external paperless policies, such as the implementation of customer e-statements and electronic order placement. In order to achieve the Company's goal of environment protection, energy saving, and carbon emission reduction. In 2022, the Company's headquarters were 27,700 kg of recyclable paper and there were 25,400 kg of recyclable paper in 2023. Paper has reduced 2,300 kg comparing to previous year, which is a reduction of 12,167 kg carbon emission. The inventory of greenhouse gas emissions was expanded to include branches in 2023, the Company were 26,807 kg of recyclable paper and 71,598 kg of non-recyclable trash. In 2023, the Company has purchased NT$22,591,679 green construction materials, including the information equipment cost NT$11,262,529 and the cost of green building materials was NT$2,537,649. In terms of renewable energy, we began planning for green power procurement in 2023, starting with an analysis of our own electricity consumption and evaluating the green power procurement rate on a yearly basis. Our objective is to increase the portion of the company's green power to 15% by 2030. In 2023, we procured 60,000 kilowatt-hours of green power and the wheeling was starting from May, 2024.	None
C. Does the company evaluate the current and future potential risks and opportunities created by climate change for the company and take measures to respond to climate-related issues?	✓		C. In response to the effects of extreme climates on the planet, introduced 14001 Environmental Management System which identified "climate change and environmental protection" as the risk of all environmental aspects of President Securities Corporation. We are considering how to respond to climates and how to convert risk factors into business opportunities for President Securities Corporation! Low-carbon transformation has become the opportunities of the Company's policy on environmental sustainability. We devote ourselves to the development of digital financial management to achieve the goal of low-carbon transformation. Formulate action plans for paperless operations. In response to the government's energy and environmental policies and regulations, we will strive to achieve sustainable environmental development. The Company formulated the environmental management action plan, including the aspects of energy management, planned the lighting replacement plan, equipment maintenance and inventory check in noise control aspect, establishment of replacement standard to gradually replace air-conditioning equipment.We will carry out various regular reviews to continuously improve our performance as related to environmental issues. We are committed to providing relevant resources designed to continue to promote the following environmental policies.	None

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from Sustainable Development Best Practice Principles of TWSE/GTSM Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Explanation</th></tr>
<tr><td>C. Does the company evaluate the current and future potential risks and opportunities created by climate change for the company and take measures to respond to climate-related issues?</td><td></td><td></td><td>1. Develop a digital financial system to reduce the generation of a carbon footprint.
2. Require the purchase of green-marked products and strictly request procurement of local products.
3. Promote environmental protection management policies regularly and continue to improve our commitment to the environment and wise energy use. In June 2023, the Company issued the first "Report on Climate Change Financial Disclosures" and disclosed it on official website, demonstrating the Company's emphasis on the climate change management issues.</td><td></td></tr>
<tr><td>D. Has the company measured its greenhouse gas emissions, water consumption, and total weight of waste in the past two years, and formulated policies related to energy conservation, carbon reduction, greenhouse gas reduction, water consumption, or other waste management?</td><td>✓</td><td></td><td>D. In an effort to reduce our carbon footprint, the Company adheres to government policies on indoor climate controls, as well as removing and replacing outdated equipment with more energy-efficient models, followed-up by regular inspections. In order to conserve energy as well as to reduce carbon and greenhouse gas emissions, when preparing annual budgets, the Company includes the costs of water and electricity that affect greenhouse gas emissions in the management report. The company regularly encourages employees to reduce the use of elevators as much as possible and adjusts water pressure to reduce water consumption. In order to effectively control greenhouse gas emissions, the Company conducts greenhouse gas inventories in accordance with ISO 14064-1:2018 and tracks the relevant data. Through the process and results of the inventory, the Company was able to obtain a solid understanding of its greenhouse gas emissions, expand the scope of the inventory to include branches and subsidiaries in Taiwan in 2022. With the base year of 2023, the goal of reducing greenhouse gas emissions in Scope 1 and 2 is 1% in 2025, and 2% in 2030. We will continue to promote various measures to reduce environmental impacts, endeavor to reduce greenhouse gas emissions, and move toward the establishment of a green organizational culture.
In 2022, the Company’s headquarters consumed 13,839 cubic meters of water which accounts for 766.68 kg carbon emissions, and 2,548,727 kilowatt-hours of electricity which accounts for 1,297,302 kg emissions. In 2023, the Company’s headquarters consumed 15,783 cubic meters of water which accounts for 874.3 kg carbon emissions, and 2,596,602 kilowatt-hours of electricity which accounts for 1,282,721 kg emissions (Has not yet been externally verified in the fisical year of 2023).
In 2023,the Company's total water consumption is 28,751 cubic meters and the per capita water consumption is 20.36 cubic meters. The total power consumption is 5,646,781 kWh and the per capita power consumption is 3,999.14 kWh.
<table>
<tr><th>Energy Statistics</th><th>2022</th><th>2023</th></tr>
<tr><td>Total external power consumption (kWh)</td><td>5,800,981</td><td>5,646,781</td></tr>
<tr><td>per capita</td><td>4,034.06</td><td>3,999.14</td></tr>
<tr><td colspan="3">A decrease of 0.87% in per capita power consumption</td></tr>
</table>
</td><td>None</td></tr>
</table>

<table>
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<tr><th>Yes</th><th>No</th><th>Abstract Explanation</th></tr>
<tr><td>D. Has the company measured its greenhouse gas emissions, water consumption, and total weight of waste in the past two years, and formulated policies related to energy conservation, carbon reduction, greenhouse gas reduction, water consumption, or other waste management?</td><td>✓</td><td></td><td><table>
<tr><td>Energy Statistics</td><td>2022</td><td>2023</td></tr>
<tr><td>Total company vehicle gasoline consumption (liter)</td><td>16,260.18</td><td>14,366.29</td></tr>
<tr><td>Total diesel consumption (liter)</td><td>480.7</td><td>984.8</td></tr>
<tr><td>Total non-renewable fuel consumption</td><td>16,740.88</td><td>15,351.09</td></tr>
<tr><td colspan="3">A decrease of 8.3%</td></tr>
<tr><td>Water consumption(cubic meters)</td><td>13,839
(Headquarter)</td><td>28,751
(The PSC)</td></tr>
<tr><td>per capita</td><td>21.09</td><td>20.36</td></tr>
<tr><td colspan="3">A decrease of 3.46% in per capita water consumption</td></tr>
</table>
The Company is committed to environmental protection and as set up waste reduction goals. With 2023 as the base year, the goal is to decrease emissions by 1% in 2024 and 2% in 2030. The “Environmental Management Implementation Committee” has introduced ISO14001 environmental management system for management,implementation and audit. In 2022, there were 41,024 kg of headquarter general waste and 62.54 kg per capita. In 2023, there were 71,598 kg of PSC general waste and 50.71 kg per capita, which is a reduction of 18.92% per capita.</td><td>None</td></tr>
<tr><td>IV. Social Issues
A. Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</td><td>✓</td><td></td><td>A. 1. On December 16, 2020, the Company has established "President Securities Corporation Human Right Policy" based on the human right protection spirit and principles disclosed by UN Universal Declaration of Human Rights, the UN Global Compact, and ILO Convention. The Company is devoted to protecting basic human rights.The Company’s human right policy covers eight major aspects, including workplace inclusion, maternity protection, child labor employment, discrimination and sexual harassment, occupational safety management, employee health management, overtime work and labor disputes. Management and alleviation measures have been set up for each aspect.
2. The Company has also established the labor health protection plan, which contains the ergonomic prevention plan, prevention plan for unlawful infringement during work and the prevention plan for diseases due to abnormal workload. In addition to regular annual promotion of the Sexual Harassment Prevention Act, the Company produced audio and video materials on labor rights for employees to understand their rights online at any time. Start from 2022, labor rights have been incorporated into the annual online courses, finished in 2023, enabling employees to gain a comprehensive understanding of their individual rights and responsibilities. The Company arranges annual health checkups for its employees. All of the above measures are means to protect employees' basic human rights.</td><td>None</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from Sustainable Development Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
B. Has the company formulated and implemented reasonable employee benefit measures (including salary, leave, and other benefits), and appropriately reflected operating performance or results in employee compensation?	✓		B. The Company has established various salary and benefit measures for employees in accordance with the Labor Standards Act and relevant regulations, and provides market-competitive benefits to motivate employees, while conducting periodic performance evaluations and linking performance with bonuses. In addition, in accordance with Article 23 of the Company's Articles of Association, in order to motivate employees and the operation team, after deducting employees' and Directors' compensation from current year income before tax, the Company shall set aside no less than 1.6% of the residual amount as employees' remuneration to share surpluses and results with its employees.	None
C. Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		C. 1. We focuses on the safety and health of the employees' working environment. Compliance with occupational safety and health regulations. Aside from improving the dangerous factors within the environment, we also establish health consulting room. We hire a health management specialist and on-site occupational medicine specialist, offer employees wellness consultations, regular online wellness education to increase their knowledge, and occasional health promotion seminars. Additionally, we offer employee health inspections on annual basis, with hope to let employee understand and manage their own health status in advance. President Securities provides health counseling, followed by follow-up health assessments. The workplace is equipped with first aid supplies and AED equipment. In total, 71 colleagues in the company have received training in emergency response and obtained certifications. 2. The Company has obtained several certifications in 2023, including the CHR promise corporation certification from Health Magazine, highest level of lactation facility certification from the Taipei City Government's Department of Health, the Sports Enterprise certification from the Sports Administration (2023-2026), and Healthy Workplace certification from the Health Promotion Administration (2023-2026). 3. Occupational safety and health education training courses are held annually to raise employees' awareness of occupational safety and wellness. Occupational and fire safety are irregularly promoted on the internal website, and workplace safety is reinforced through email communication. Cleaners are also required to keep floors dry and clean at all times, and warning signs are posted to remind employees to exercise caution. In 2023, a total of 33,888 people received workplace safety training, amounting to 2,824 hours. 4.There were no occupational injuries and fire reported in 2023.	None
D. Does the company provide its employees with career development and training sessions?	✓		D. To adapt the financial market trend, the Company has organized a series of courses with a focus on FinTech topics, such as sessions on "Transformation and opportunities for securities industry in the metaverse", and "The application of precision marketing in finance in the age of big data". The Company also developed different training programs for each job category, such as senior executive leadership seminars, management function enhancement training, training for newly-appointed executives, management trainee talent fostering, professional training for sales personnel, problem analysis and resolution, etc. The Company continuously enhance employees' professional knowledge and skills through training and certification of professional capabilities at all levels.	None

Evaluation Item	Implementation Status			Deviations from Sustainable Development Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
E. Does the company comply with relevant laws, regulations, and international standards related to customer health and safety, customer privacy, as well as marketing and labeling of products and services, and does the company formulate relevant protection policies of consumers' rights and interests as well as complaint procedures?	✓		E. The Company implements personal data protection and management measures, abides by the relevant provisions of the Personal Data Protection Act, and protects customers' rights in terms of their personal data. This is designed to reduce the impact of infringement on any personal data files, while continuing to operate and improve the personal data management system. A personal data protection policy statement was issued in 2012. The company-wide "Education and Training Session on the Personal Data Protection Act" is offered at least once a year, and a test will be given after each session to examine the learning efficacy of participants and to ensure that employees have a full understanding of the importance of protecting personal data and understands the operating regulations related to personal data. The Company adheres to financial product responsibility and sales ethics, and has developed and publicized its consumers' rights and interest policy, and implemented the execution of policies on consumers' rights and interests. In order to provide customers with the most comprehensive services, the Company has a dedicated customer service department—the Customer Service Center, which provides customers with complaint channels, dedicated lines, and dedicated personnel to help customers solve their problems. The Customer Service Center is designed to ensure that the Company provides high quality and reliable services to customers. Through the three major operating aspects (personnel, systems, and processes) and the support of superior service systems, customers' needs can be effectively addressed. In the process of providing services, when problems are discovered the processes are constantly improved. The goal is to improve customers' satisfaction with their interaction with the Company, so that the management of customer relationships can reach the best possible state.	None
F. Has the company formulated supplier management policies that requires suppliers to follow relevant regulations on issues, such as environmental protection, occupational safety and health, or labor rights? How are these policies implemented?	✓		F. In order to maintain the quality of suppliers' services, supplier collaboration is conducted through selection and evaluation according to the "Regulations for the Procurement and Purchasing Management" revised in 2023. The assessment categories include annual assessment, acceptance assessment, incident assessment, and sustainability assessment. The results can be divided into three levels of suppliers, namely levels A, B, and C, as the basis for considerations for future cooperation. In addition, the Company has required its main suppliers to sign a Supplier Social Responsibility Commitment Letter. The suppliers are clearly committed to complying with international human rights conventions and labor laws, providing employees with a fair, healthy, and safe workplace environment, prohibiting discrimination and unequal differential treatment, and complying with relevant environmental protection regulations. For suppliers who violate this commitment letter, the Company may request termination of the related contract or suspension of the partnership. The percentage of signing commitment letters was 94.38% in FY 2022 and 95.93% in FY 2023, an increase of 1.55% compared to the previous year, the majority of those who have not signed are foreign manufacturers or doctors. This indicates that the Company has exerted its influence not only to help suppliers understand the Company's concepts of honest management and sustainable development but also to urge them to implement sustainable development. We will work with our partnering suppliers to promote sustainable development in a mutually beneficial manner.	None

Evaluation Item	Implementation Status			Deviations from Sustainable Development Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	

V. Does the company refer to the international common reporting standards or guidelines to compile reports, such as sustainable development reports that disclose the company's non-financial information? Have the quality of the said reports been confirmed a third-party verification entity?

In 2011, the Company published its first "2010 Sustainable Development Report of President Securities Corporation", and has produced subsequent annual reports ever since. An English version of the Sustainability Report has been produced since 2021. The annual sustainability report is available in both Chinese and English on the company's official website, specifically in the "Corporate Sustainability Zone." This allows users to browse the report online as an e-book or download it as a file.

The 2022 Sustainability Report (issued in August 2023) was prepared in accordance with the guidelines and indicators set forth in the 2021 version of the GRI Sustainability Reporting Guidelines issued by the Global Sustainability Standards Board (GSSB). This report also references to the framework of the recommendations on Climate-related Financial Disclosures (TCFD) and the SASB standards for disclosure of relevant ESG information. Moreover, it has been attested by a third-party assurance organization, PricewaterhouseCoopers Accounting Firm (PwC Taiwan), in accordance with Statement of Standard on Attestation Engagements (SSAE) No. 1, "Assurance Cases Involving the Audit or Review of Non-Historical Financial Information," of the Republic of China (Taiwan).

VI. If the Company has established the sustainable development principles based on "the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies", please describe any discrepancy between the Principles and their implementation:

For the implementation of the corporate governance, the Company's Board of Directors approved the "President Securities Sustainable Development Best practice Principles" on July 2, 2012. The principles were first revised at the 9th Meeting of the 12th Board of Directors on December 22. In accordance with the code, we report to the Board of Directors on a regular basis. In 2023, each relevant unit's performance results are summarized and presented to the Board of Directors quarterly. The reports were submitted to the Board of Directors on May 4, 2023, August 24, 2023, November 8, 2023, and March 4, 2024, respectively.

VII. Other important information to facilitate better understanding of the Company's sustainable development practices:

President Securities Corporation has been actively engaged in various aspects of ESG issues and adheres to the concept of "You care, We act!" for sustainable development. President Securities Corporation maintain ongoing communication with its stakeholders and has adopted the four key policies of "CORE" for sustainable development, including caring service, career development, social responsibility, and shared prosperity. Moreover, SDGs of the United Nations Sustainable Development Goals (SDGs) has implemented in various areas of ESG to fully realize the value of corporate sustainability and responded to the government's responsibility to promote sustainability through concrete actions. In 2023, we were ranked in the top 20% of the securities industry in the first Sustainable Finance Evaluation by the Financial Supervisory Commission, recognizing our performance in promoting sustainable finance.

A. Environmental Protection Measures

Although the Company is a securities firm that does not produce any environmental pollutants, we still care deeply about protecting the environment, about reducing our impact on the environment, and about our responsibility for sustainability. In order to properly protect the natural environment, demonstrate the organization's improved environmental performance, achieve a balance between the environment, society, and the economy, and to achieve social expectations related to sustainable development, transparency, and responsibility. ISO14001 Environmental Management System was introduced in 2021. In 2022, we obtained the ISO 14001 environmental management system certification through SGS verification.In 2023, we awarded the label of "Comply with 1.5℃ Temperature Control Target" by CommonWealth Sustainability (CWS).

In line with the government's Green Workplace Initiative, our company complies with the government's guidelines for regulating the temperature of indoor air conditioners. In 2023, we initiated a lights-off campaign to support Earth Day and promote "Lights-off Wednesdays." During the lunch break, non-operational units turn off the lights for one hour to raise employees' awareness of environmental protection and foster the adoption of sustainable habits in daily life. Every day should be treated as Earth Day because it helps us minimize our impact on the environment.

In September 2023, we organized a mountain cleaning event in response to the United Nations Sustainable Development Goals and our commitment to conserving ecology and biodiversity. We invited employees to hike along the trail and pick up trash while providing explanations to help them appreciate the beauty of nature and wildlife. Through this event, we aim to raise public awareness of ecological conservation issues and encourage individuals, groups, and businesses to contribute their resources and efforts to protect Taiwan and promote harmonious coexistence between humans and nature. We also encourage our employees to maintain a work-life balance while fulfilling our commitment to environmental sustainability and the preservation of life on land and biodiversity.

To minimize environmental impact, President Securities Corporation is aligning with the government's environmental protection policies. In addition to promote the reduction of plastic and waste, paperless meetings, and decreased paper usage, President Securities Corporation also encourages the use of eco-friendly cups and utensils, throwing toilet paper in toilets, and green consumerism, with the goal of fostering environmental awareness among employees.

Since November 2023, President Securities Corporation has been ordering conference meals in reusable containers, actively implementing the reduction of disposable utensils.

Evaluation Item	Implementation Status			Deviations from Sustainable Development Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	

Conduct independent maintenance inspections on various equipment regularly and gradually replace energy-consuming devices. In December 2023, to effectively manage the electricity consumption of large-scale energy-consuming equipment, an intelligent energy management system, and multifunctional electricity meters were installed in the headquarters building. This installation enables electricity monitoring to facilitate energy management and achieve carbon reduction goals.

Our company promotes the concept of a circular economy by replacing purchasing with leasing to minimize negative environmental impacts and waste, including government vehicles and office equipment. The office equipment is designed to be energy-efficient, encouraging practices such as double-sided printing, paperless meetings, and merged multi-page printing to reduce carbon dioxide emissions from printing. Government vehicles are being gradually replaced with hybrid-electric vehicles (HEV) in accordance with the lease term, with the aim of achieving a 75% HEV ratio by 2025 and 90% by 2030.

B. Community Participation, Social Contribution, Social Service and Social Welfare

President Securities Corporation has been a long-standing supporter of important social charitable activities and, for its efforts, has been recognized with the 7th annual Wenxin Award and the 6th National Civic Service Award, and Top 50 by the Commonwealth magazine in 2013, 2015, 2016, and 2017. Besides, the Company was recognized and reward by the Taiwan Fund for Children and Families in 2013. President Securities Corporation has won the Gold Award in the Finance and Insurance Industry of the Corporate Sustainability Report Awards of the Taiwan Corporate Sustainability Awards (TCSA) from 2020 to 2023. This represents the highest honor in Taiwan's Sustainable Development report. The performance section of the comprehensive performance report was awarded the Taiwan Excellence Award for Sustainable Business in 2021 and 2023, as well as Taiwan's 2022 Top 100 Sustainability Exemplary Awards. The Company won 2021 TSAA Taiwan Sustainability Action Award-Bronze medal, 2020 PWC CSR Influence Award-Bronze medal, was nominated by 2021 to 2023 PWC CSR Influence Award, and Business Today 15th and 16th wealth management bank and securities companies "Best sustainable development Award" by "PSC donates to Child Welfare League Foundation for every order you place".

Since 2001, The Company has held "Love Delivery Activities" for consecutive 23 years. The Company made a donation of NT$2.5 million to the Taiwan Fund for Children and Families providing schooling subsidies in 2023 in the theme of the "Strive for Progress Scholarship" supports children from economically disadvantaged families in their education by providing learning resources for underprivileged youth. A total of approximately 11,475 elementary school, junior high school, and senior high school students were beneficiaries in the end of 2023. The activities have provided school children from poor families with opportunities to explore different academic disciplines for their own development and growth. For over twenty years, we have helped economically disadvantaged families by providing scholarships and diverse learning opportunities. Our goal is to plant seeds of hope and be a strong support for courageous dreamers. In 2023, we partnered with the Taiwan Fund for Children and Families (TFCF) to produce the microfilm "Listen, Dreams are Dancing!". President Securities Corporation aims to illuminate the dreams in children's hearts, planting sustainable seeds and fostering a cycle of love. Our hope is that all children will be brave enough to dream so that the cycle of love will be sustainable!

An employee blood donation event was held for the first time in 2006 and received an enthusiastic response. Since 2007, the Company has held an employee blood donation event twice a year and extended it to the wider community, which has received a widespread positive response from community residents. Since 2010, the Company has held a blood donation event three times a year. Due to the effects of the COVID-19 pandemic from 2021, the blood donation events were suspended. From 2006 to 2019, a total of 3,517 units of blood had been donated. As a partner of blood donation centers, the Company has been commended by the blood donation centers every year.

In 2023, we collaborated with the Digital Humanitarian Association to promote the prevention of investment fraud. We donated NT$180,000 to care for the physical and mental health of elderly people living alone in rural areas and to support health promotion for the elderly. While promoting health care for the elderly, we also raised awareness of financial fraud through interactive anti-fraud games and video promotions. We also supported the Dawn Project of the National Taipei University of Nursing and Health Sciences by donating NT$100,000 as a scholarship. This scholarship provides financial assistance to low-income households and students, and contributes resources to the training of quality healthcare professionals.

President Securities Corporation upholds the spirit of "giving back to the community what we take", and we continue to dedicate ourselves. to helping disadvantaged groups and to promote social welfare activities.

Evaluation Item	Implementation Status			Deviations from Sustainable Development Best Practice Principles of TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Explanation	

C. Customer Rights

We have assigned a spokesperson to be responsible for providing information to shareholders and investors, and for posting periodical and non-periodical financial and operating information on the government-operated MOPS website. We have also setup an "Investor Section" on our website where investors and shareholders can obtain information on the following:

(1) President Securities' design and sale of financial products adheres to all relevant laws and regulations.

(2) Company introduction in Chinese and English.

(3) Company financial statements.

(4) Board of Director meeting Minutes.

(5) Investor Suggestion Box, which is manned by Public Affairs personnel who are responsible for replying to all comments received.

D. Employee Rights and Hiring Concerns

(1) To boost work efficiency and solidarity among our employees, we place particular emphasis on benefits programs and labor relations, and thus ensure employee welfare in a comprehensive manner.

(2) General accident insurance has been purchased for each of our branches and work premises so as to protect customer rights. Employer insurance has also been purchased so as to protect the interests of all employees.

E. Rights of the stakeholders

The Company respects rights of the stakeholders in expressing their opinions and has established a stakeholder section on the official website to build up a communication channel and to explain the Company's sustainable development ideas and policies. For investors, employees, suppliers, customers, competent authority and community/NGO, the Company has established a communication platform, on which there are dedicated personnel to respond to any questions, to maintain good communication with the employees.

In 2023, the "President Securities Corporation Friends for Sustainability" interactive game was launched. During the four-week promotional campaign, 4,258 Friends of Sustainability participated in the in-class assessment, demonstrating President Securities Corporation's efforts and achievements in sustainable development and fully embracing its sustainable influence.

F. Customer policy

(1) Policy: "3 Goods and 1 Fair" — "Good Quality", "Good Credibility", "Good Service", and "Fair Price". This is combined with "Professional Leadership, Kind Service", in providing all customers with comprehensive services.

(2) Implementation: We have established a Customer Services Department—The Customer Service Center, which offers customers an avenue through which to register complaints, which operates a customer service hotline which is manned by customer service specialists who help to solve customer problems, and which ensures that all account correspondence sent to clients includes clear product risk warnings.

G. Climate information about TWSE/TPEx listed companies

1. Climate information implementation status

Expressly state the supervision and governance of climate-related risks and opportunities by the Board of Directors and management

PSC adopts a rigorous and thorough approach to risk management, and it is particularly proactive and supportive of climate risk issues. The climate change governance framework involves the Board of Directors, Risk Management Committee, TCFD Task Force, and the Sustainable Development Team, each with its respective roles. This ensures that all employees recognize the importance of climate change and work together to address the climate-related issues PSC is faced with.

<table>
<tr><td rowspan="4">Report upward</td><td colspan="2">Board of Directors</td></tr>
<tr><td rowspan="2">Risk Management Committee</td><td>Chairman</td></tr>
<tr><td>President</td></tr>
<tr><td>Risk Control Office
(dedicated to TCFD-related affairs)</td><td>Sustainable Development Team
(dedicated to ESG-related affairs)</td></tr>
</table>

Board of Directors

PSC's Board of Directors serves as the highest governing body for climate-related issues. It is responsible for overseeing corporate social responsibility and sustainability issues, including climate governance, and holds ultimate responsibility for risk management. On December 22, 2022, revisions made to the Risk Management Policy was reviewed and approved, incorporating climate risks into the Company's risk management policy. This entails that all units within the Company must identify, oversee, measure, and monitor climate risks in their day-to-day operations. To ensure stable operations, PSC amended its Risk Management Policy, advocated for the integration of climate risks into the organizational culture, and established a Risk Management Committee. Additionally, the Company reports on climate risk management to the Board of Directors at least once a year.

Risk Management Committee

In charge of reviewing risk management guidelines, determining the maximum risk tolerance, assisting the Board of Directors in the supervision of implementation of climate risk policies and ensuring that risk management aligns with company policies, operational strategies, and goal development. On December 8, 2022, the Risk Management Committee reviewed and approved revisions to the Risk Management Guidelines at the end of 2022. The guidelines specify the assessment methods and processes, identification, measurement, monitoring, and disclosure procedures for climate risks. The Risk Control Office provides a report on the Company's climate risk management execution status to the Risk Management Committee at least once a year to facilitate the achievements of the Company's overall operational objectives.

Risk Control Office

In response to the climate change-related risk management measures required for securities firms by the competent authority, climate risk has been incorporated into the Company's risk management mechanism to address the risks associated with climate change and assess potential opportunities.

The Company executes the following through the Chief Risk Officer：

(1) Identify and assess risks using a climate risk matrix and prioritize the risks by referencing relevant domestic guidelines and internationally recognized standards.

(2) Identify the correlation between climate risks and other risks.

(3) Assess the level of impact, likelihood of occurrence, and potential risks to operational activities posed by climate events.

(4) Key indicators for managing climate risks should take into account the duration of the climate risks impact and industry factors. If a significant risk is identified that may jeopardize financial or business conditions or violate legal compliance, appropriate measures should be taken immediately and reported to the Board of Directors.

(5) The Company complies with the policy guidelines set by the competent authorities and internationally recognized initiatives or guidelines to enhance the quality and transparency of information disclosure.

Sustainable Development Team

The Sustainable Development Team at President Securities Corporation is divided into five promotion teams based on their job responsibilities. These teams are responsible for developing and implementing corporate sustainable development policies, systems and management guidelines, as well as specific promotion plans. These plans are approved by the Board of Directors through the establishment of the "Sustainable Development Best Practice Principles". The Sustainable Development Team holds regular integration meetings every quarter to set goals, monitor progress and evaluate performance in various areas of sustainable work. They also compile and submit quarterly execution results from relevant units to the board of directors, and prepare the annual Sustainable Development Report.

2. **Expressly state how the identified climate risks and opportunities affect the enterprise's business, strategies and finance (short-term, mid-term and longterm)**

Climate Risk Identification

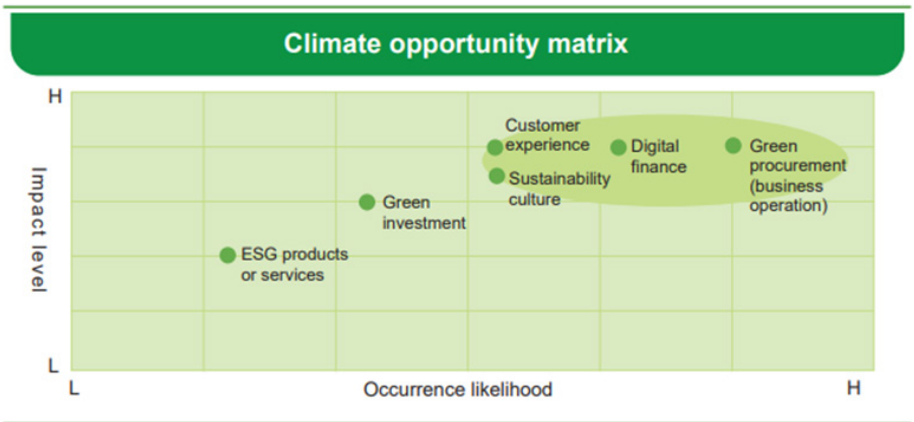
Climate change risks not only affect the operations of financial institutions but also pose significant challenges to investment assets and businesses. For example, fluctuations in the prices of investment targets can impact the Company's profitability. In the wake of changes in climate and the overall market transitioning towards a low-carbon future, varying degrees of impact will be felt at different times, subsequently affecting existing risks such as reputational risk, market risk, and operational risk. Through PSC's climate risk identification process, the potential financial impact on the Company is assessed based on the types of physical and transition risks, allowing for integration and management within the current risk management framework.

	Risk description	Affected aspect	Duration	Related risk	Potential financial impact
Physical risk	Operational disruption for investment targets resulting from extreme weather conditions	Investment business	Mid-term	Market risk	Investment loss
	Disruption for the Company's operational locations	PSC business operation	Mid-term	Operational risk	Increase in operational costs
Transition risk	Costs in response to carbon reduction policies and regulations	Supplier	Mid-term	Operational risk	Increase in procurement costs
	Impact on company reputation resulting from investment in high-pollution industries	PSC business operation	Long-term	Market risk Reputational risk	Investment loss Damage to brand image
	Costs of the industry transitioning to green energy	Supplier	Short-term	Operational risk	Increase in procurement costs

Identification of Climate Opportunities

With the market placing more emphasis on climate and sustainability issues, climate change brings physical and transitional risks, as well as opportunities. Following the resolution of the United Nations COP28 Climate Summit, phasing out fossil fuels has become a consensus among many countries. Additionally, the financial industry must play a positive role by directing funds towards environmentally friendly sectors, such as green energy, electric vehicles, green steel and sustainable agriculture. President Securities is actively involved in responsible finance, greenfinance and digital finance among other related businesses to support the transformation and development of low-carbon technologies, while also addressing climate change.

PSC actively seeks opportunities for climate transformation through questionnaires and interdepartmental integration meetings. This involves collecting and evaluating potential opportunities and policies formulated by each department's expertise. After analysis and discussions by various departments, President Securities has identified projects that are highly likely to have a positive impact and occurrence due to climate change. These projects include green procurement and operations, digital finance, and sustainable culture. Moving forward, all departments of the Company will continue to focus on climate change issues and changes in the financial market, address relevant issues related to climate change and develop response strategies to sustain the development of business opportunities in corresponding areas.



Climate Opportunities analyze				
	Opportunity	**Opportunity description**	**Impact to PSC**	**PSC's Countermeasures**
1	Green Procurement (Operations)	The Potential Benefits of Green Procurement and Green Operations to the Company	Sustainable procurement is a fundamental core value for businesses to promote sustainable development. Prioritizing the purchase of products with a lower environmental impact bolsters the production and use of environmentally friendly products, thereby achieving the benefits of environmental protection.	Passed IS014064-1&IS014001 SGS external verification.
2	Digital Financial	Potential Benefits of Digitizing Operations to the Company	The trend of accelerating digitization in low-carbon transformation not only catalyzed various digital customer experiences, but also becomes evident in administrative processes. It is hoped that greenhouse gas emissions and waste generation would be reduced through the reduction of paper consumption and physical operation processes.	1.Associated Account Review (In Progress), Complaint System, Default System 2.Customers can now electronically apply for daily trading limits. A new feature called "Credit Account" has been added, enabling customers to apply for a securities lending account from the comfort of their homes. Additionally, customers can also arrange for stock lending simultaneously.
3	Sustainable Culture	Potential Benefits of Sustainable Operations to the Company	Relentlessly enhance training for employees on ESG or climate-related issues and cultivate sustainable talent to effectively respond to the low-carbon transition trend and strengthen climate resilience, which in turn creates new business opportunities.	1.Employee education and training on climate risk are scheduled to be launched this fiscal year. 2.Supervisory management training, digital transformation training series, wealth management training series, and reserve supervisor program, among other training programs.
4	Customer Experience	Potential Benefits of Digitizing Customer Service to the Company	In recent years, traditional financial services have been actively seeking opportunities for innovation and transformation. Digital Finance has already become the mainstream, and the trend of low-carbon transformation has been spurred by climate changes. Under these circumstances, the digitization process is accelerating, and consumers' purchasing decisions for goods or services may even be influenced by digital services.	1.The updated version of the PSC mobile trade app was launched at the end of 2022, offering customers a comprehensive financial service solution. 2.Account opening, application submission, electronic billing, account inquiry notifications, digital signing, basic information updates, online deposits and prepayments, and online public acquisitions.
5	Green Investment	Potential Benefits of Green Bonds and Green Energy Investment to the Company	The securities industry can use funds to drive the development of green industries. This includes developing the country's green bond market, encouraging investment and underwriting for green bonds, investing in green energy industries and underwriting for green industry stocks. By doing so, we can guide responsible investment in the capital market.	1.Organizing and underwriting stocks in the green industry will help improve the market position of President Securities' Capital Market Department. 2.Investing in a green energy company before its initial public offering (IPO) is anticipated to generate higher returns once it goes public. 3.Increasing the proportion of green investments and keep up with the current trend is beneficial to the Company's image.
6	ESG Product / Service	Potential Benefits of Rolling Out Innovative Products to the Company	The Company can launch funds or ETNs linked to ESG issues, as well as investment products that are linked to climate-related matters. This can boost the brand perception among the Company's present and potential customers, and indirectly increase in overall revenue.	President TIP FactSet Taiwan Smart Mobility and Electric Vehicles Total Return Index ETN(020030).

Note: The table above please refer to 2023 Task Force on Climate-Related Financial Disclosures ,TCFD .(3-1 Identification of Climate Opportunities)

3. Expressly state the impact to be posed by extreme climate incidents and transformation actions to finance

Please refer to Section 5. Climate Risk Scenario Analysis for details on the impact of transformation risks on the financial situation of the invested company.

4. Expressly state how to integrate the climate risk identification, assessment and management procedures into the entire risk management system

4.1 The Company rigorously and diligently manages climate risks, with the Board of Directors serving as the highest governance body for climate-relatedissues. A top-down approach is adopted in terms of promoting and supporting comprehensive efforts to raise awareness among all employees about the importance of climate change and collectively addressing the climate issues faced by the Company. On December 22, 2022, the Board of Directors approved amendments to the Risk Management Policy, incorporating climate risks into the scope of risk management. On December 8, 2022, the Risk Management Committee approved amendments to the risk management guidelines, inserting provisions for climate risk scenario analysis and climate risk management.

4.2 The climate risk measurement mechanism for investment positions is based on Section VIII, (3) Climate Risk Scenario Analysis of the President Securities Corporation Risk Management Guidelines, where according to Network of Central Banks and Supervisors for Greening the Financial System(NGFS) and Intergovernmental Panel on Climate Change(IPCC), suitable climate scenarios are selected to simulate the profit and loss situation. The Risk Control Office shall report to the Board of Directors on an annual basis.

5. If the scenario analysis is applied to assess PSC’s resilience to deal with climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts applied should be explained.

Given that various countries are gradually implementing carbon pricing mechanisms to achieve global warming mitigation goals, enterprises will face additional compliance costs. PSC has chosen to conduct scenario analysis on carbon cost transition risks to further assess these impacts.

Transition Risk Scenario Analysis

In light of the increasingly stringent carbon emissions regulations, the Company has conducted scenario analysis through a systematic assessment process to understand the potential financial impact of additional compliance costs incurred by investee companies on PSC's investment positions. Climate scenarios are coordinated in the analysis to simulate the potential financial losses under various climate scenarios, including Below 2°C, Net Zero 2050, and Delayed Transition. This information will serve as a criterion for evaluating future investment portfolios and further aid in the development of strategies and measures to enhance the Company's climate risk management.

Scenario Analysis

Quantitative Assessment:The Impact of Carbon Costs on Stock and Corporate Bond Investments

Time of analysis:2025 / 2030 / 2035 / 2040 / 2045 / 2050

Climate scenarios hypothetical

(1) Below 2°C:Achieve net zero carbon dioxide emissions after 2070

(2) Net Zero 2050:Achieve net zero carbon dioxide emissions by 2050

(3) Delayed Transition:Assuming that global carbon dioxide emissions will not decrease before 2030, strong and effective policies will be needed to limit global warming to below 2°C

Assessment Results

In the more stringent 1.5°C scenario (Net Zero 2050), the increase in carbon fee costs resulted in a loss of approximately 154 million investment positions, accounting for approximately 0.48% of the net value of the year [net value 32.049 billion]. According to the evaluation of the Risk Management Committee, the financial impact caused by the transformation risk has not reached 1% of the net value, and it is believed that this risk is still within a controllable range. In the future, the Risk Control Office will continue to track the impact of carbon fee costs on investment positions.

6. If any transformation plan in response to the climate risk management is in place, please describe the contents of the plan, and the indicators and targets used to identify and manage the tangible risk and transformation risk

Climate Strategies

President Securities operates in the financialservices industry with a relatively low environmental impact compared to other industries. As the impact of extreme weather on the Earth intensifies, the responsibility for a sustainable environment becomes a shared goal for every global citizen. President Securities endeavors to transform the Company into a comprehensive green financial enterprise, guided by the corporate social responsibility principle of "You care, we act!". Internally, we are fully implementing energy-saving and carbon reduction measures, and throughout the organization, we are investing in green innovation and transformation with the aim to establish President Securities as an environmentally friendly and dynamic green enterprise.

PSC is committed to environmental sustainability in four key areas: Low Carbon Transformation, Resource Sustainability Management, Green Procurement, and Sustainable Financial Strategy. The Company has established the Eco-Friendly LOHAS Network on its intranet to share new knowledge and environmental awareness with PSC employees, ensuring that every member of PSC can contribute to a more sustainable future by integrating sustainability into their daily lives.

Strategy	Performance of 2023
Low Carbon Transition	A comprehensive review of PSC's business and administrative processes was conducted to digitize paper-based operations entirely, simplify workflows and reduce carbon emissions. In energy and greenhouse gas management, PSC has been conducting greenhouse gas inventories since 2019. In 2020, the scope was expanded to include Scope 3 emissions, and the Company obtained ISO 14064-1 certification. To enhance the greenhouse gas verification coverage in 2023, the Company will expand the verification scope to include both the headquarters and subsidiaries in Taiwan. At the end of the year, the President TIP FactSet Taiwan Smart Mobility and Electric Vehicles Total Return Index ETN had a total of 38,967 issued and circulating shares, with a market value of approximately NT$201 million.
Green Procurement	Based on the procurement standards of green environmental protection, sustainable development and radiation protection, the total green procurement amount in 2023 was NT$22.59 million, with NT$2.54 million for the procurement of green building materials and NT$11.26 million for the purchase of IT equipment.
Sustainable Financial Strategy (Responsible Investment)	The President Securities Corporation Sustainable Finance Guidelines were finalized and put into effect in 2021. President Securities enhanced ESG-related industries and investment targets in 2023, investing NT$2.072 billion in green bonds.

Climate Indicators and Goals

In order to mitigate the impact of climate change on its operations, the Environmental Protection Promotion Team Taskforce provides regular reports to the President on the implementation and effectiveness of various environmental initiatives while the Sustainability Taskforce reports the carbon emissions (CO2e/ton) to the Board of Directors. The specific measures and plans for implementation are outlined below:

(1) Greenhouse gas emissions (Scope 1+2)
Measurement: Carbon dioxide equivalent (ton CO2e)
Goal: Carbon emissions reduced by 1%, and the carbon reduction ratio will be adjusted to 2% after 2030.

(2) Electricity conservation
Measurement: Total consumption of purchased electricity or electricity consumption per capita
Goal: Electricity consumption reduced by 1%

(3) Green procurement
Short-term Goal: Besides purchasing energy-saving equipment, purchase low-pollution, recyclable eco-friendly equipment.
Long-term Goal:
Gradually replace the old split-type air conditioners (R22 Freon) in each floor of our Company, with first-grade or second-grade energy-conserving frequency conversion air conditioning products. Meanwhile, apply for Commodity Tax reduction of National Taxation Bureau, and engage professional consultants to evaluate and assist the Company in energy conservation and improvement plans.
Install air curtains with automatic doors on every floor in the office building.

(4) Engagement and communication
Goal: Ensure that all employees and governance units have a comprehensive understanding of sustainability and climate-related issues, and continue to plan training courses and actively invite relevant personnel to participate.

7. If the internal carbon pricing is applied as a planning tool, please specify the pricing basis

The Company has yet to implement an internal carbon pricing management system.

8. If any climate-related target is set, please specify the activities, scope of GHG emissions, planning schedule and annual achievement progress covered by the target. If carbon offsets or renewable energy certificates (RECs) are used to achieve related goals, please specify the source and quantity of offset carbon reduction limit, or quantity of RECs

The Company has established targets for reduction of greenhouse gas emissions with 2023 as the baseline year, with the goal of achieving a 1% reduction in emissions by 2025 and a 2% reduction by 2030. The inventory of greenhouse gas emissions was initiated in 2017 and expanded to include subsidiaries in 2022.

Inventory scope: covering five companies, namely President Securities, President Insurance, President Capital Management, PSC Venture Capital, and President Futures.

Inventory items: Inclusive of Scope 1, Scope 2, and Scope 3 (which includes but is not limited to activities such as business travel and waste disposal).

Renewable Energy: Procured green electricity with integrated electricity certificates in 2023, and the wheeling was started from May, 2024. The goal is that by 2030, the proportion of green electricity for the head office will be 15%.

9. GHG inventory and assurance status, GHG reduction targets, strategies, and action plans

9-1 GHG accounting and assurance status for latest two years

(1) GHG inventory status

The Company's basic information	According to the roadmap for sustainable development of listed companies, at least the following should be disclosed
■ Companies with a capital of more than NT$10 billion	□ Parent Company Individual Inventory □ Consolidate Financial Report Subsidiary Inventory ■ Parent Company Individual Assurance □ Consolidate Financial Report Subsidiary Assurance

Parent Company	2022		2023	
	Total emissions (Metric tons of CO2e)	Intensity(Metric tons of CO2e/NT$ Million)	Total emissions (Metric tons of CO2e)	Intensity (Metric tons of CO2e/NT$ Million)
Scope 1	215.8710	0.6485	272.32	0.4274
Scope 2	2,952.6994		2,789.51	
Scope 3	251.53		647.55	
Subtotal	3,420.1004		3,709.38	
Consolidated Statements	**2022**		**2023**	
	Total emissions (Metric tons of CO2e)	**Intensity(Metric tons of CO2e/NT$ Million)**	**Total emissions (Metric tons of CO2e)**	**Intensity (Metric tons of CO2e/NT$ Million)**
Scope 1	234.4041	0.6347	291.42	0.4574
Scope 2	3,494.6588		3,313.38	
Scope 3	251.53		759.86	
Total	3,980.5929		4,364.66	

*In 2022, only President Securities underwent third-party verification, and 2023 has not yet been verified by a third party. The revenue of the consolidated financial statements for 2023 is NT$9,542,583,000.

*Scope 3 emissions encompass business travel, general waste collection and disposal, as well as upstream activities in the power sector, data of 2022 only include President Securities.

< Scope 3 of Financed Emissions >

As climate conditions worsen, President Securities is committed to transitioning to net zero and exerting a financial impact in the future. Starting from 2023, President Securities has first followed “Global GHG Accounting and Reporting Standard for the Financial Industry”, announced by Partnership for Carbon Accounting Financials (PCFA), to understand the carbon emissions of its investment positions. According to the standard, the Company conduct the financed emissions inventories based on the regulated asset categories and methodologies specified in the Scope 3. This scope of emissions inventories includes listed or OTC equities and corporate bonds, and sovereign debts, the coverage rate conforms to the PCAF methodology is 81.35%, the coverage rate according to the PCAF methodology for the fiscal year 2023 reached 80.72%, the overall data quality score is 1.8.

Note:

1. The coverage rate conforms to the PCAF methodology = The percentage of the investment business department that conforms to the PCAF methodology out of the total investment business department.

2. The coverage rate according to the PCAF methodology = The ratio of investment positions examined using the PCAF methodology to the total number of investment positions. However, certain investment targets cannot be included in the analysis due to insufficient data availability.

Financed Emissions Information of the Investment Portfolio for 2023

	Listed Equity and Corporate Bonds	Sovereign Bonds	Total
Financed Emissions Note 1 (in metric tons CO2e)	116,303.10	46,150.44	162,453.54
Financed Emissions Intensity Note 2 (in metric tons CO2e / in NTD million)	2.73	7.96	3.35
Data Quality Note 3	1.77	2.00	1.80

Note:
1. The calculation of GHG emissions includes listed equities and corporate bonds (excluding derivatives, ETFs and green bonds), as well as positions held in sovereign bonds through the end of 2023. The calculation is based on the PCAF methodology, using the most recent data available.
2. Financed Emissions Intensity is calculated by dividing financial asset carbon emissions (in metric tons CO2e) by financial asset holdings (in NTD million).
3. According to the PCAF methodology, data quality is rated on a scale of 1 to 5, with 1 being the highest and 5 being the lowest.

(2) GHG assurance status

Year	Assurance Institution	Assurance range	Assurance statement
2022	SGS Taiwan Ltd.	Head Office	ISO 14064-1 Reasonable Assurance Level
2023	DNV Business Assurance	Parent Company and Subsidiaries	ISO 14064-1 Reasonable Assurance Level

*External verification for fiscal year 2023 has yet to be completed, and the complete assurance information will be disclosed in the sustainability report. Subsidiarie include PSC Venture Capital Investment Company Limited, President Insurance Agency Co., Ltd., President Capital Management Corp., President Futures Co., Ltd.

9-2 GHG reduction targets, strategies, and action plans

1. The Company has established targets for reduction of greenhouse gas emissions with 2023 as the baseline year, with the goal of achieving a 1% reduction in emissions by 2025 and a 2% reduction by 2030. The inventory of greenhouse gas emissions was initiated in 2017 and expanded to include subsidiaries in 2022, the scope expanded to achieve a 100% coverage rate in 2023.
2. Replace energy-consuming equipment, implement use of energy-saving equipment, use renewable energy and increase the proportion of hybrid vehicles for official use to reduce emissions.
3. In June 2023, the replacement of energy-saving lighting fixtures were completed for the headquarters and six branch offices in Taipei City. The estimated annual energy savings of 237,250.7kWh and a reduction of 117.44 metric tons of CO2e emissions.
4. In 2023, the green electricity with integration of electricity and certificates were procured 60 thousand kWh, and the wheeling was started from May, 2024. The goal is that by 2030, the proportion of green electricity for the head office will be 15%.
5. Based on the lease agreements, official vehicles will be progressively replaced with hybrid cars. The goal is to increase the portion of hybrid cars up to 75% of the fleet by 2025 and increase to 90% by 2030.

H. Ethical business operation at the Company and related implementation and Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"

1. Ethical business operation

Our company has always applied the principle of "integrity and sustainable management", to serve our customers sincerely. We also inherit the spirit of "3 Goods and 1 Fair". We protect clients' rights with flawless service. We pursue long-term, steady and balanced growth in the spirit of integrity management.

(1) The company has established "Ethical Corporate Management Best Practices Principles", "Guidelines on Ethical Business Practice and Practice", and "Fair Client Treatment Principles", and strives to adhere to these concepts.

(2) The Company's management and financial information are disclosed and transparent in accordance with regulations, and in the 3rd Corporate Governance Evaluation System held by the competent authority, it was honored to be ranked among the top 5%.

(3) Insure company directors, supervisors, and managers' liability insurance, also employees' credit insurance.

(4) The Company is active in participating in community activities, and in fostering sustainable development.

Ethical Corporate Management:

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practices Principles for TWSE listed companies and reasons
	Yes	No	Abstract Illustration	
I. Establishment of ethical corporate management policies and programs				
A. Does the company declare its ethical corporate management policies and procedures, formulate the Ethical Corporate Management Policy approved by the Board of Directors has been formulated, and, in its guidelines and external documents, as well as the commitment from its board and management level to implement the policies?	✓		A. 1. On August 23, 2012, the Board of Directors issued "Ethical Corporate Management Best Practice Principles" and revealed the principle in 2013 shareholders' meeting. This proves the management's commitment to Integrity management. And in March 2020, the Board of Directors approved the establishment of an ethical corporate management task force which served under the Board of Directors. In August 2020, the Board of Directors approved the establishment of "Guidelines on Ethical Business Practice and Practice". In addition, the Company's Sustainable Development report delivers information regarding the Company's efforts in and contributions to fulfilling its social responsibilities to stakeholders. The Company's senior management and board members are responsible during supervision in line with the principle of integrity in the execution of business, in order to create a business environment in support of sustainable development. 2. The Company's Directors, Chairman, President, heads of departments and consultants have all signed the Statement of Compliance with Ethical Corporate Management Policy.	None
B. Has the company established an assessment mechanism designed to address the risk of unethical conduct, regularly analyzed and evaluated business activities with a high risk of unethical conduct within the business scope, as well as formulated unethical conduct prevention programs accordingly? Such measure should at least covers activities stated in Article 2, Paragraph 7 of the ethical corporate management best-practice principles for TWSE listed companies.	✓		B. The Company has explicitly prohibited any direct or indirect offering, promising, requesting, or receiving of any improper benefits. 1. In addition to the Code of Ethical Business Practice, the "Guidelines on Ethical Business Practice and Practice" was updated in August, 2020 to prevent dishonesty. In addition to what is set out in the ethical Corporate Management Best Practice Principles, the Company has clearly stipulated measures in the work rules that are designed to facilitate the adoption of preventive measures and the Company offers education sessions, to implement the ethical corporate management policy. 2. In 2023, based on the risk assessment items for dishonest business activities formulated in 2022, the Company's risk assessment for dishonest business activities was determined to be "low risk."	None
C. Does the company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, rules of appeal, the commitment to implement the policies, and reviewe / revise the policies regularly?	✓		C. To execute integrity management and prevent dishonesty, the company adds related rules to corporate governess (Chapter 10 article 48) in 2012, which authorized by the Ministry of Labor and publicly announced. Later in 2016, the Company established Measures for Whistle-blowing related to Illegal and Unethical Conduct and revised these documents related to the Measures for Reporting of Illegal and Unethical Conduct in 2019. Also, formulated the procedures for ethical management and guidelines for conduct in August, 2020 in order to implement the Company's work rules and ethical corporate management principles, the Company has encouraged the reporting of any illegal and unethical conduct as well as established internal and external reporting channels and processing procedures of the Company to ensure integrity and ethical conduct within the Company.	None

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practices Principles for TWSE listed companies and reasons
	Yes	No	Abstract Illustration	
II. Fufill ethical management				
A. Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		A. 1. Before engaging in any business relationship with any agent, supplier, customer, or any other enterprise, we conduct a thorough examination of that party's creditworthiness, so as to avoid entering into any transactions with non-creditworthy parties. Included in all agreements with third parties are provisions which allow for the early termination of such agreement in the event of any deceitful acts by that party. 2. PSC requires suppliers to sign a commitment to social responsibility and implement our code of conduct for ethical business practices.	None
B. Does the company establish an exclusively dedicated unit supervised by the Board to be in charge of corporate ethical management, and on a regular basis (at least once a year), report the status of unethical conduct prevention programs, and the status of the supervision of implementation of related ethics policies to the Board of Directors?	✓		B. The Company has established the "Ethical Corporate Management Practice Team" under the Board of Directors and appointed the supervisor of Administration Department as the convener, who is responsible for assisting the Board and the management level to establish and supervise the implementation of ethical corporate management policies and protective measures and to ensure the execution of Ethical Corporate Management Best Practice Principles. The team reports to the Board of Directors annually ◆ The implementation of ethical corporate management policies in 2023: 1. Policy announcement: The Company announce and promote the policies to the employees. The Administration Department announced "Developing the corporate culture under ethical corporate management" policy to prevent unethical behavior to 16,992 participants and 1,416 hours in 2023. 2. Training and education: Internal and external promotion, training and education on ethical management held by the Company: Corporate Governance Courses held in 2023,"Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0",with a total of 42 participants and 126 hours; Analysis of international climate change development trends and practical cases and Ethical Corporate Management Best Practice Principles promotion,with a total of 42 participants and 126 hours. Legal compliance for senior executives: Commercial Competition and Fair Trade Law with a total of 55 participants and 165 hours. 3. The Risk Management Information Disclosure was uploaded to the Company's website on June 21, 2023. The content covers four main aspects: climate governance, climate risk management, climate strategy, and climate indicators and targets. 4. As per the specific implementation measures outlined in the "Transition Strategies of Sustainable Development for Securities and Futures Sectors," Measure 5 requires quarterly reporting to the Board of Directors on the effectiveness of the implementation sustainable development and ESG initiatives. In 2023, The reports were submitted to the Board of Directors on May 4, August 24 and November 8, respectively.	None

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practices Principles for TWSE listed companies and reasons
	Yes	No	Abstract Illustration	
B. Does the company establish an exclusively dedicated unit supervised by the Board to be in charge of corporate ethical management, and on a regular basis (at least once a year), report the status of unethical conduct prevention programs, and the status of the supervision of implementation of related ethics policies to the Board of Directors?	✓		5. Ongoing Energy Saving and Carbon Reduction Initiatives: As of November 2023, we have successfully reduced a total of 870,863 sheets of A4 paper, leading to a carbon reduction of 6.619 metric tons of CO_2e. 6. The Company has established clear reporting channels, procedures, confidentiality measures, and a protection mechanism for whistleblowers. (1) Reporting line: (02) 2748-8173 (2) Reporting email: PSC.audit@uni-psg.com (3) In written form: Delivery to auditing office chief auditor. (4) Address: 13F., No. 8, Dongxing Rd., Songshan Dist., Taipei City 105	None
C. Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels for complaints and implement it?	✓		C. President Securities' board is subject to a high degree of self-regulation, whereby any board motion that is suspected of having the potential to create any conflict of interest with the board or with any of its representatives or proxies must undergo evaluation and may not be included in the board agenda or voted upon by such party, and also may not be voted on by any representative or proxy of such party. Board members should exercise self-regulation and should not conspire to support one another's improper actions. In order to enable the Directors' and managers' conduct to be in line with the ethical standards and stakeholders to better understand the Company's ethical standards, the Company has established the "Codes of Ethical Conduct for Directors and Managers of President Securities Corporation" in August 2018.	None
D. Has the company established effective systems for both accounting and internal control to facilitate ethical corporate management, has the internal audit unit developed relevant audit plans based on the assessment results of the analysis of the risk of unethical conduct, and inspect for compliance with the unethical conduct prevention programs accordingly, or has the company appointed CPAs to perform audits.?	✓		D. 1. In 2023, based on the risk assessment items for dishonest business activities formulated in 2022, the Company's risk assessment for dishonest business activities was determined to be "low risk." 2. In order to ensure healthy and honest operations, the auditing office is required to submit a report on the adoption of the company's principles for honest operation in its annual audit report, and should ensure that such principles are included in the company's Work Rules. The Committee should also publish on the company website procedures for reporting problems and the corresponding punishments for such offenses.	None
E. Does the company regularly hold internal and external educational trainings on ethical management?	✓		E. The company regularly publishes "honest operation standards" and "honest operating procedure and regulations", and promotes on the Company Website for all employees.	None

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practices Principles for TWSE listed companies and reasons
	Yes	No	Abstract Illustration	
III. Whistle-blowing system				
A. Does the company establish a clear whistleblowing and reward system and set up a convenient channel for reporting unethical activities and reward system? Can the accused be reached by an appropriate person for follow-up?	✓		The Company has established "Guidelines for Handling Reports of Unlawful or Unethical Behavior". A. We have established a clear channel for receiving complaints: 1. Complaint Hotline: (02) 2748-8173 2. Complaint Email: PSC.audit@uni-psg.com 3. Written Complaints: Complaints can be mailed or faxed to our auditing office.	None
B. Has the company established standard operating procedures for investigating any reported misconduct, follow-up measures to be adopted after investigations, and relevant confidentiality mechanisms?	✓		B. Clear protocols for handling complaints have been established as have confidentiality measures.	None
C. Does the company provide proper whistleblower protection?	✓		C. Clear measures have been put in place to protect those who register complaints.	None
IV. Strengthening information disclosure Does the company disclose its ethical corporate management policies and results of its implementation on the company's website and MOPS?	✓		In keeping with the company's ethical corporate management policies, we endeavor to disclose procedures for ethical corporate management both via intranet and via our offical website (www.pscnet.com.tw).	None
V. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPExListed Companies, please describe any discrepancy between the policies and their implementation: There have been no differences.				
VI. Other important information to facilitate a better understanding of the company's ethical corporate management practices (e.g., review and amend its policies): None.				

I. Corporate Governance Guidelines and Regulations

Except for the Corporate Governance Best Practice Principles, the Company has disclosed relevant rules and regulations that shall be established by law on the Company's website (Investor Section/Corporate Governance) and the Market Observation Post System (MOPS).

J. Other Important Information Regarding Corporate Governance

The Company has disclosed relevant important information regarding corporate governance on the Company's website (Investor Section/Corporate Governance) and the Market Observation Post System (MOPS).

K. Internal Control Systems:

1. Internal Control Declaration:

Internal control declaration

Implementation of the internal control system of President Securities Corporation

Date: March 4, 2024.

The Company hereby declares the following based on its self -assessment result on the internal control system of 2023:

I. The Company is fully aware that the Board of Directors and the management are responsible for the establishment, implementation, and maintenance of the internal control system and it is established accordingly. The purpose of establishing the internal control system is to reasonably ensure the fulfillment of operational effectiveness and efficiency (including profit, performance, and protection of assets safety), financial report reliability, timeliness, transparency and compliance with applicable rules, laws and regulations.

II. The internal control system is designed with inherent limitations. No matter how perfect the internal control system is, it can only provide a reasonable assurance to the fulfillment of the three objectives referred to above. Moreover, the effectiveness of the internal control system could be affected by the changes of environment and circumstances. The Company's internal control system is designed with a self-monitoring mechanism; therefore, the Company will take corrective actions upon identifying any nonconformity.

III. The Company has assessed the design and operating effectiveness of the internal control system in accordance with the criteria provided in the "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets" (referred to as "the Regulations" hereinafter). The criteria defined in "the Regulations" include five elements depending on the management control process: 1. environment control, 2. risk assessment, 3. control process, 4. information and communication, and 5. supervision. Each of the five elements is then divided into a sub-category. Please refer to "the Regulations" for details.

IV. The Company has implemented the criteria of the internal control system referred to above to inspect the design and operating effectiveness of internal control system.

V. The Company, based on the inspection approach referred to above, has concluded that the internal control system (including the supervision and management over the subsidiaries) on December 31, 2023 is reasonably effective in achieving the objectives of operational effectiveness and efficiency, financial report reliability, timeliness, transparency and compliance with applicable rules, laws and regulations. Except for the attachment all above mentioned are valid.

VI. The Statement is the main contents of the Company's annual report and prospectus and will be made public. Any illegalities such as misrepresentations or concealments in the published contents mentioned above will be considered a breach of Articles 20, 32, 171, and 174 of the Securities and Exchange Act and Article 115 of Futures and Exchange Act, and entail legal responsibilities.

VII. The Statement was resolved in the directors' meeting with the 0 objection from the 19 attending board directors on March 4, 2024. The contents of the Statement have been accepted without any objection.

President Securities Corporation
Chairman: Lin, Kuan-Chen
President: Tsai, Sen-Bu
Chief Auditor: Hsu, Wen-Ling
CISO: Lin, Jung-Hui

President Securities Corporation Internal Control System Findings and Remediation Action Plans

Area of Improvement	Improvement Measures	Expected improvement completion time
According to Official Letter No. 11203579781 and No. 11203579782 issued by the Financial Examination Bureau on October 25, 2023, Financial Examination Bureau had demanded the company to improve and imposed a penalty of NT$ 240,000 for the following defects: The sales personnel entrusted with handling client funds have been found to hold onto the funds and fail to submit employee litigation reports within the specified deadline.	The sales personnel have already undergone comprehensive legal compliance education and training. They are required to adhere strictly to the relevant regulations and confirm their compliance by signing.	Has disseminated

Note: The penalties imposed by the Financial Supervisory Commission, including warnings or above or any fine of NT$240,000 or more, shall be listed one by one as well.

2. **If the company has commissioned external auditors to review the company's internal control system, the external auditor's report should be disclosed: Not applicable.**

L. Conviction of corporate or employees' wrongdoings, Company's punishment on employee for violation of internal control, major faults and improvements during recent fiscal period and to the publish date of the annual report. (If the result of any disciplinary action may have a significant impact on shareholders' rights and interests or the price of securities, the content of the said action shall be specified.)

1. Punishments imposed on the Company and its internal personnel in accordance with laws

Major faults	Improvements
According to Official Letter No. Fu—1110503982 issued by the Taiwan Stock Exchange on January 3, 2023: Taiwan Stock Exchange Corporation conducted an audit on Renai Branch on December 9 and 12 in 2022 and found operational deficiencies that need to be addressed. Brokers Li, ○-Wei and Wang, ○-Qi accepted orders to trade securities from an agent without an authorization letter, which is a violation of Article 18, Paragraph 2 and Article 75, Subparagraph 4 of the Operating Rules of the Taiwan Stock Exchange.	1. A warning has been sent to the brokers based on TWSE Letter No. 1110503982. On December 30, 2022, pursuant to Article 50, Chapter 11 of the Company's Working Principles, the following penalties were imposed to the brokers: (1) Sales Associate Manager Li,○-Wei: One minor infraction and two warnings recorded. (2) Sales Junior Manager: Wang,○-Qi: One minor infraction recorded. (3) Branch Associate Manager Chiu,○-Kai: One warning recorded for not fulfilling the management responsibility. 2. To ensure the implementation and compliance of internal control operations of the business and prevent employees from violating laws and regulations by accident, the Company reminded employees again to comply with relevant regulations of the business operations when performing the business.
According to Official Letter No. Fu—1120500557 issued by the Taiwan Stock Exchange on March 2, 2023: On December 27 and 28, 2022, the Taiwan Stock Exchange Corporation conducted an audit on the headquarters and identified operational deficiencies and outstanding matters that need to be addressed: • Pursuant to Article 135, Paragraph 2, and Article 144 of the Operating Rules of the Taiwan Stock Exchange Corporation. • Trading personnel Wu, ○-De violated the following rule: 1. Sales personnel acting as a fund safekeeper for his mother and younger sister is a violation of the provisions of Article 18, Paragraph 2 of the Operating Rules of the Taiwan Stock Exchange Corporation, as well as the Internal Control System Standards of Securities Dealers CA-11210 Trading and Deals (42), which stipulates that the company's responsible persons, all levels of personnel and other employees must not violate Article 18 of the "Regulations Governing Responsible Persons and Associated Persons of Securities Firms" (Subparagraph 11 of Paragraph 2) when accepting customer orders to trade marketable securities or engaging in securities business. "Compliance obligations" and the internal control system established by the Company in accordance with the above-mentioned regulations. 2. For those who are unable to confirm the reason and take appropriate measures and report it regarding the customer's inquiry letter on the account statement, it is a violation of the provisions of Article 18, Paragraph 2 of the Operating Rules of the Taiwan Stock Exchange Corporation, as well as the Internal Control System Standards of Securities Dealers CA-11140 Client Account Management (5)-5, which stipulates that "... for those who have not been delivered and have not replied, the reasons should be identified and reported to the general manager (or the branch manager in the case of a branch) for appropriate action to be taken... ", including the internal control system established by the Company in accordance with the above-mentioned regulations.	1. Pursuant to Article 135 Item 2 and Article 144 of the Operating Rules of the Taiwan Stock Exchange Corporation, as well as TWSE Letter No. 1120500557 and the regulations of the Company, the punishment given to Personnel Wu, ○-De is as follows: (1) Pursuant to TWSE Letter No. 1120500557: The personnel is not allowed to perform the business for one month. (2) According to the provisions of 200-P-114 Rewards and Punishments Regulations 5.13.1: due to conducting the prohibited behaviors in their business, and being punished by the competent authority, besides following the procedures specified in the competent authority's letter, a minor infraction is also recorded. 2. To ensure the implementation and compliance of internal control operations of the business and prevent employees from violating laws and regulations by accident, the Company reminded employees again to comply with relevant regulations of the business operations when performing the business.

Major faults	Improvements
According to Official Letter No. Fu—1120502073 issued by the Taiwan Stock Exchange on 7 July, 2023: 1. The Taiwan Stock Exchange conducted an audit of the Nanjing Branch on June 14 and 15, 2023, and identified operational deficiencies and outstanding matters. (1) Lu, ○-Chi, a former personnel in charge of brokerage trading business, had part-time engagements without prior notification or permission from the Company. (2)The Nanjing Branch failed to file a lawsuit within 5 business days from the date of knowledge or occurrence of the incident. 2. This was handled in accordance with Article 135, Section 2, and Article 144 of the Operating Rules of the Taiwan Stock Exchange Corporation. Violations of the relevant regulations are as per listed below: (1) Pursuant to Article 18, Section 2 of the Operating Rules of the Taiwan Stock Exchange Corporation. (2) Listed below are the standards and regulations of Taiwan Stock Exchange Corporation Internal Control System Standards of Securities Dealers and the internal control system established by the Company in accordance with the aforementioned standards and regulations: 2.1 CW-11000 Personnel Employment Operations (VII), para 6: "Sales personnel shall notify the company in writing prior to any employment engagements outside the company." 2.2 CA-11410 Handling Procedures for Transaction Disputes or Litigation with Customers or Peers (II), where "Litigation with Customers 1. Handling Procedures: ... If a securities firm or its directors, supervisors and employees have a lawsuit with a customer due to securities business, the company shall, within five days from the date of knowledge or occurrence of incident, submit the declaration of lawsuit arising from the securities dealer's and its directors, supervisors and employees in the securities business' and the relevant attachments to Taiwan Stock Exchange Corporation for reporting to the competent authority..."	1. Per Letter No. 1120502073 of the Taiwan Stock Exchange Corporation: the Company was requested to pay attention to improving and implementing the internal control system and a warning should be issued to Lu, ○-Chi. 2. For 2.1 Deficiency : Announcement No. 012 of President Securities Corporation was issued on March 28, 2023, as a warning to former employee Lu, ○-Chi. For 2.2 Deficiency : According to Lu's statement (private commercial dispute), it was acknowledged that there was no involvement in securities business, and no litigation declaration has been filed. However, as the complainant submitted relevant evidence, a supplementary litigation declaration was filed on a prudent basis, on June 12, 2023. Following the recommendation of the competent authority, relevant units were advised to pay attention to improvements.
According to Official Letter No. Fu—1120357978 issued by the Taiwan Stock Exchange on 25 October, 2023: 1. On June 14 and 15 of 2023, the Taiwan Stock Exchange conducted an audit of the Nanjing Branch and discovered that Lu, ○-Chi, a disciplined personnel, had been involved in the handling of client funds. Such action is in violation of Article 18, Section 2, Clause 11 of the "Regulations Governing Responsible Persons and Associated Persons of Securities Firm". 2. According to Article 18, Section 2, Clause 11 of the "Regulations Governing Responsible Persons and Associated Persons of Securities Firms", responsible persons and associated persons of a securities firm may not engage in safekeeping securities, cash, chops or deposit books of customers. Additionally, under Article 56 of the "Securities and Exchange Act", it's regulated that " If any director, supervisor, or employee of a securities firm is found to have committed any act which violates this Act or another related act or regulation, and if such violation may affect the normal operation of the said securities firm, the Competent Authority, in addition to ordering the said securities firm to suspend business operation of such person for not more than one year or discharge such person at any time".	1. Per Letter FSC Securities No. 1120357978 of the Financial Supervisory Commission, Lu, ○-Chi was suspended for a period of 2 months from executing business operations. 2. Former sales representative Lu, ○-Chi, has resigned, effective June 8, 2023, and the resignation was also reported to the Taiwan Stock Exchange for record keeping.
According to Official Letter No. Fu—1130500443 issued by the Taiwan Stock Exchange on 6 February, 2024 1. The Taiwan Stock Exchange conducted an auditat the Sanchong Branch on December 12 and 13 of 2023, and identified operational deficiencies. It was discovered that Chang, ○-Min, former senior manager of Sanchong Branch, had accessed customer transaction records and shared the screenshots with others, which is a violation of the following regulations: (1) Article 18, Section 2 of the Operating Rules of the Taiwan Stock Exchange Corporation. (2) Point 2 of the Operation Directions for Inquiries of Customer Data by Employees of Securities Firms. (3) Article 47 of the Company's Work Rules which states that "employees are prohibited from browsing through documents, correspondence, and account books that are not relevant to their own work. They are also not allowed to share self-created documents with individuals who are not involved in their job responsibilities." 2. The Company should take note of the aforementioned violation of regulations in order to improve and implement internal control systems. Prompt notification of the violation should be given to the branch manager, Chang, ○-Min, and a warning should be issued for the misconduct.	1. Chang, ○- Min, former senior manager of Sanchong Branch, has been transferred from his previous position. In compliance with TWSE Letter No. 1130500443 , Chang, ○-Min, former senior manager of Sanchong Branch, has received a warning. 2. To ensure the implementation and compliance of internal control operations of the business and prevent employees from violating laws and regulations by accident, the Company reminded employees again to comply with relevant regulations of the business operations when executing business operations.

M. Major Resolutions of Shareholders Meeting and Board of Directors Meeting

1. Major resolutions of 2023 General Shareholders Meeting: Executed according to the resolution of the General Shareholders Meeting.

◆ 2023 Annual General Shareholders Meeting

(1) Matters to be ratified

Proposal 1	Proposed for approval of 2022 Business Report and Consolidated and Individual Financial Statements
Explanation	1. 2022 Consolidated and Individual Financial Statements of the Company was audited and certified by accountant Lin, Se-Kai, Lo, Chiao-Sen from PwC. 2. Business Report as well as Consolidated and Individual Financial Statements were approved by the 4th Meeting of the 10th Board of Directors on March 8, 2023, and reviewed by the Audit Committee. 3. Please refer to the Meeting Manual for relevant information.
Resolution	The Company's shareholders present have total votes of 976,150,187 of which approval votes 926,960,387(including electronic votes of 725,200,275), disapproval votes 614,159 (including electronic votes of 614,159), abstention votes/no votes 48,575,641 (including electronic votes of 28,358,945, and invalid votes 0; the approval votes account for 94.960836%, over half of the total votes of the shareholders present. The proposal made by the Board of Directors was approved as it was.
Proposal 2	**Proposed for approval of 2022 profit distribution**
Explanation	1. The Company's 2022 earnings distribution was conducted in accordance with laws and the Company's Articles of Incorporation. (refer to Appendix 4 of the Meeting Manual) 2. For the calculation of the 2022 profit to be distributed, an decreasing adjustment of NT$4,149,902 in the remeasurement of defined benefit plan at the beginning of the period, increasing by NT$83,414,928 as a result of remeasurement of defined benefit plans this period and plus the after-tax net profit of NT$729,368,350 in 2022 ; in addition, setting aside legal reserve (10%) and special reserve (20%), Distributable earnings in 2022 amounted to NT$573,098,196, and the cash dividends to be paid was NT$567,774,224; a cash dividend of NT$0.39 would be paid per share. After approved at the shareholders' meeting, it is planned to invite the shareholders' meeting to authorize the Board of Directors to set the base date for ex-rights, ex-dividends and capital increasing. 3. In the future, if there is a change in the number of outstanding shares, it is planned to authorize the Board of Directors to adjust the allocation ratio according to the total number approved by the the shareholders' meeting via resolution and the number of the Company's ordinary shares actually in circulation on the record date for ex-dividends ; if the dividend allocated to shareholders is less than NT$1, the amount will be transferred to the Company's Employee Welfare Committee.
Resolution	The Company's shareholders present have total votes of 976,150,187, of which approval votes 928,092,021 (including electronic votes of 726,331,909), disapproval votes 655,741 (including electronic votes of 655,741), abstention votes/no votes 47,402,425 (including electronic votes of 27,185,729), and invalid votes 0; the approval votes account for 95.076765%, over half of the total votes of the shareholders present. The proposal made by the Board of Directors was approved as it was.
Execution	On June 2, 2023, the Company announced that the ex-dividend date was July 26, 2023, and the payout of cash dividends was completed on July 18, 2023.

(2) Matters to be discussed

Proposal 1	Amendments to the Articles of Incorporation are proposed for discussion.
Explanation	1. According to the first point of Corporate Governance 3.0 -Sustainable Development Roadmap issued by the FSC. Strengthening duties and functions of boards: TWSE/TPEx-listed financial institutions and insurance companies will, starting in 2024, be required to have independent directors make up no less than one third of the directors (applicable at the end of term for existing directors), and have 50% or more of the independent directors serve no more than three consecutive terms (applicable at the end of term for existing directors). 2. Please refer to the Meeting Manual for the comparison table of the amended articles in Article 13 of the Company's Articles of Incorporation.
Resolution	The Company’s shareholders present have total votes of 976,150,187, of which approval votes 924,716,171 (including electronic votes of 722,956,059), disapproval votes 619,443 (including electronic votes of 619,443), abstention votes/no votes 50,814,573 (including electronic votes of 30,597,877, and invalid votes 0; the approval votes account for 94.730932%, over half of the total votes of the shareholders present. The proposal made by the Board of Directors was approved as it was.

Note: Please refer to the Market Observatory Post System—Annual Reports and Shareholders Meetings (including depositary receipt information) for relevant appendices of the meeting.

2. **Major Resolutions during the Board of Directors Meetings in 2023 and to the Publish Date of the Annual Report: Executed according to the resolution of the Board of Directors Meeting.**

Meeting	Item	Resolution
2023.3.8 The 10th Board meeting of the 12th Board of Directors	1. Review of 2022 Business Report and Consolidated and Individual Financial Statements. 2. Accountant independence and competency evaluation. 3. Report the overall implementation status of information security. 4. Disclosure of qualitative information for risk management. 5. Established an ESG Investment Management Policy. 6. Increased the number of upstream securities firms for commissioned transactions in foreign securities business 7. Proposal for people in authority (managerial officers) to serve as the directors and supervisors concurrently at subsidiaries in which the Company has invested. 8. The proposal for 2022 profit sharing remuneration ratio for employees and directors. 9. The proposal for 2022 profit sharing remuneration for employees and directors. 10. 2022 Earnings Distribution. 11. Amended the Articles of Incorporation. 12. Report 2022 legal compliance risk assessment report. 13. The Company’s 2022 money laundering and terrorist financing risk assessment report. 14. Internal Control Certification on AML/CFT and Insider Trading. 15. Submitted the Statement of the 2022 Internal Control System. 16. Amendment to internal control system. 17. Convene 2023 Annual Shareholders' Meeting. 18. The implementation status from October to December in 2022 and annual self-assessment of the principle of fair treatment to consumers. 19. Applied for credit line for short-term loans from financial institutions. 20. Applied for credit line for short-term loans in foreign currencies from financial institutions for OSU. 21. Applied for foreign currencies interbank call loan limits from financial institutions.	All Directors present voted in favor of the resolution without any objection.
2023.05.04 The 11th Board meeting of the 12th Board of Directors	1. The Chairman of the Board is authorized to set the ex-dividend date after the profit distribution proposal is passed at the shareholders' annual general meeting. 2. Amendment to the Regulations Governing the Board Performance Evaluation. 3. Amendment to the anti-money laundering and counter terrorist financing procedures and plans. 4. Amended the professional investor statement and the KYC review and management procedures. 5. Periodic review for non-restricted purpose loans and application for maintaining credit line . 6. Periodic review of financing limit and application for maintenance of financing limit. 7. Change of managers. 8. Dismissal of consultant. 9. 2022 employee remuneration distribution proposal for managers. 10. Annual plan for promoting sustainable development and annual execution plans for ESG matters. 11. Amendment to Guidelines for Implementing the Company's Accountability System. 12. Amendments to the policies and strategies of the principle of fair hospitality. 13. Implementation of the Principle of fair treatment to consumers from January to March in 2023. 14. Applied for credit line for short-term loans from financial institutions. 15. OSU applied for short-term loan credit line in foreign currencies from financial institutions.	All Directors present voted in favor of the resolution without any objection.

Meeting	Item	Resolution
2023.08.24 The 12th Board meeting of the 12th Board of Directors	1. Discussed the Company's 2023 Q2 individual financial statements and the consolidated financial statements. 2. Amendment to internal control system. 3. Abolish license for concurrently engaged securities investment trust consulting enterprises to handle discretionary investment business in the form of trust. 4. Amendment to Procedures for Handling Material Inside Information. 5. Renewal of liability insurance for Directors and key personnel. 6. Application of increase in the credit lines of non-restricted purpose loans for Neihu Branch customers. 7. Application of increase in the credit lines of non-restricted purpose loans for Panchiao Branch customers. 8. Application of increase in the credit lines of securities lending for company customers. 9. Change of managers. 10. Periodic review and evaluation of the policy and structure for the remuneration of the Company's Directors. 11. The implementation status of the principle of fair treatment to consumers from April to June in 2023. 12. Applied for credit line for short-term loans from financial institutions. 13. OSU applied for short-term loan credit line in foreign currencies from financial institutions. 14. Application for an Increase in the Exemption Quota for the Issuance of Company Securities.	All Directors present voted in favor of the resolution without any objection.
2023.11.08 The 13th Board meeting of the 12th Board of Directors	1. Amendment to internal control system. 2. Amendment to Anti-Money Laundering and Counter-Terrorist Financing Procedures and Plans. 3. Amendment to Corporate Governance Principles. 4. Registration for addition of new business premises of the head office. 5. Change of managers. 6. Amendment to the brokerage service fee rate and discount policy. 7. Amended the professional investor statement and the KYC review and management procedures. 8. Implementation of a Tiered Management Mechanism for Authorization Limits of Securities Business Loans. 9. Periodic review and application for maintaining credit line for non-restricted purpose loans. 10. Periodic review of financing limit and application for maintenance of financing limit. 11. Periodic review and application for maintenance of securities lending limits for domestic legal entities. 12.Application of increase in the credit lines of non-restricted purpose loans for Neihu Branch customers. 13. Application of increase in the credit lines of securities lending for Chengzhong customers. 14. Increased the number of upstream securities firms for accepting orders to trade foreign securities. 15. Implementation of the Principle of fair treatment to consumers from July to September in 2023. 16. Write off bad debt of 2023. 17. Applied for credit line for short-term loans from financial institutions. 18. Applied for credit line for short-term loans in foreign currencies from financial institutions for OSU.	All Directors present voted in favor of the resolution without any objection.

Meeting	Item	Resolution
2023.12.21 The 14th Board meeting of the 12th Board of Directors	1. Report 2024 annual audit plan. 2. Amendment to Internal Operating Procedures for the Emerging Stock Market. 3. Established the limits for the Company's overall and departmental risk in 2024. 4. Periodic review and evaluation of the remuneration policy and structure for the Company's senior executives and managers. 5. Establish Guidelines for Financial Business Operations with Related Parties. 6. 2024 budget and operation plan. 7. Change of managers.	All Directors present voted in favor of the resolution without any objection.
2024.03.04 The 15th Board meeting of the 12th Board of Directors	1. Review of 2023 Business Report and Consolidated and Individual Financial Statements. 2. Accountant independence and competency evaluation. 3. Disclosure of qualitative information for risk management. 4. Application of increase in the credit lines of securities lending for agent's customers. 5. Amendment to Rules for Commission Payments to Brokerage Channel Sales Personnel. 6. Dunnan Branch Office Relocation Proposal. 7. Change of managers. 8. Annual plan for promoting sustainable development and annual execution plans for ESG matters. 9. Establish Procedure for Preparation and Assurance for Sustainability Report. 10. Proposal for people in authority (managerial officers) to serve as the directors and supervisors concurrently at subsidiaries in which the Company has invested. 11. The proposal for 2023 profit sharing remuneration ratio for employees and directors. 12. The proposal for 2023 profit sharing remuneration for employees and directors. 13. 2023 Earnings Distribution. 14. Amended the Articles of Incorporation. 15. Amendment to the Audit Committee Charter. 16. Amendment to the Rules and Regulations for Board Meetings. 17. Report 2023 legal compliance risk assessment report. 18. The Company's 2023 money laundering and terrorist financing risk assessment report. 19. Report 2023 Internal Control Certification on AML/CFT and Insider Trading. 20. Submitted the Statement of the 2023 Internal Control System. 21. Amendment to internal control system. 22. The implementation status from October to December in 2022 and annual self-assessment of the principle of fair treatment to consumers. 23. Applied for credit line for short-term loans from financial institutions. 24. Applied for credit line for short-term loans in foreign currencies from financial institutions for OSU. 25. Convene 2024 Annual Shareholders' Meeting. 26. Proposal regarding the election of the 13th Board of Directors. 27. Nominations for the 13th Board of Directors. 28. List of candidates nominated by the Board of Directors.	All Directors present voted in favor of the resolution without any objection.

Meeting	Item	Resolution
2024.05.08 The 16th Board meeting of the 12th Board of Directors	1. Application for Acquisition and Disposal of UPAMC ETF. 2. Amendment to internal control system. 3. Amendments to the statement of applicability of the information security management system. 4. Establishment of the regulations on the management of credit transaction account securities quota. 5. Application of increase in the credit lines of non-restricted purpose loans for Taichung Branch customers. 6. Proposal of Application for Increase in Dunnan Customer Financing and Margin Loan Limit. 7. Periodic review and application for maintaining credit line for non-restricted purpose loans. 8. Periodic review and application for maintenance of securities lending limits for domestic legal entities. 9. Proposal of periodic review for securities lending limits and application for maintenance of financing limit. 10. Periodic review of financing limit and application for maintenance of financing limit. 11. Increased the number of upstream securities firms for accepting orders to trade foreign securities. 12. Change of managers. 13. Establishment of the reporting procedure for major incidents. 14. Establishment of the guidelines for the implementation of Directors' education. 15. 2023 employee remuneration distribution proposal for managers. 16. Waive the non-compete clause of the Company's Directors. 17. Reviced the minute of 2024 shareholder meeting. 18. The Chairman of the Board is authorized to set the ex-dividend date after the profit distribution proposal is passed at the shareholders' annual general meeting. 19. Implementation of the Principle of fair treatment to consumers from January to March in 2024. 20. Applied for credit line for short-term loans from financial institutions. 21. OSU applied for short-term loan credit line in foreign currencies from financial institutions. 22. Application for an Increase in the Exemption Quota for the Issuance of Company Securities. 23. Review the list of nominees for the 13th Directors and Independent Directors.	For proposal 1 to 15 and 17 to 22, The chairman has the assent of all the Directors present voted in favor of the resolution without any objection. After the Deputy Chairman put forward the 16rd proposal for approval, it was passed unanimously by the Directors present at the meeting without any objections (excluding Chairman who recused himself from voting). After the Chairman put forward the 23rd proposal for approval, it was passed unanimously by the Directors present at the meeting without any objections (excluding Directors who recused themselves from voting).

N. Document or written statement that states different opinions by board members or supervisors against the approved major resolutions by the board meeting in recent fiscal period and to the publish date of the annual report: None.

O. Resignation or Dismissal of the Company's Key Individuals, Including the Chairman, CEO, and Heads of Accounting, Finance, Internal Audit, Corporate Governance Officer and R&D: None.

IV. Information Regarding the Company's Audit Fee and Independent Auditor

A. Range of Auditing Fee

Unit: NT$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remarks
PwC Taiwan	Lin, Se-Kai Lo, Chiao-Sen	2023.01.01- 2023.12.31	5,420	8,056 (Note)	13,476	(Note)

Note: Information Security Testing and Consulting Services, attestation of Tax Returns, transfer pricing profit indicator analysis, sustainability reporting consultancy and assurance report, consultation services on disclosure recommendations for climate-related financial information (TCFD), performed URL penetration tests, certification service for salary information checklist for non-executive full-time employees, tax advisory services for repatriation of profits from Hong Kong subsidiaries.

B. If there is any change in the appointed in dependent auditors and the Company's annual auditing expenses decreased simultaneously, information regarding the amount, percentage and reasons for the decrease in auditing expenses shall be disclosed: None, not Applicable.

C. Auditing expenses decreased by 10% in comparison to the previous year, information regarding the amount, percentage and reason for the decrease in auditing expenses shall be disclosed: None, not Applicable.

V. Replacement of CPA: PwC Taiwan adhered to the provisions of Article 68 of TWSQC1 Quality Control for Public Accounting Firms, the CPA shall be replaced on a regular basis. Starting from the beginning of 2024, the financial report CPA Lo, Chiao-Sen was replaced with Kuo, Puo-Ju.

A. Regarding the Former CPA

<table>
<tr><th>Replacement Year</th><th colspan="4">2024</th></tr>
<tr><td>Replacement reasons and explanations</td><td colspan="4">PricewaterhouseCoopers (PwC) Taiwan job rotation.</td></tr>
<tr><td rowspan="2">Describe whether the Company terminated or the CPA did not accept the appointment</td><td colspan="2">Parties</td><td>CPA</td><td>The Company</td></tr>
<tr><td colspan="2">PricewaterhouseCoopers (PwC) Taiwan job rotation</td><td>Attestation of Financial Statements:
Lin, Se-Kai
Lo, Chiao-Sen</td><td>PSC</td></tr>
<tr><td>Other issues (except for unqualified issues) in the audit reports within the last two years</td><td colspan="4">None</td></tr>
<tr><td rowspan="6">Differences with the company</td><td rowspan="4">Yes</td><td>-</td><td colspan="2">Accounting principles or practices</td></tr>
<tr><td>-</td><td colspan="2">Disclosure of Financial Statements</td></tr>
<tr><td>-</td><td colspan="2">Audit scope or steps</td></tr>
<tr><td>-</td><td colspan="2">Others</td></tr>
<tr><td>None</td><td colspan="3">V</td></tr>
<tr><td colspan="4">Remarks/specify details: None</td></tr>
<tr><td>Other Revealed Matters (The provisions of Item 1-4 of Subsection 6 of Article 10 of the Guidelines shall be disclosed.)</td><td colspan="4">None</td></tr>
</table>

B. Regarding the Successor CPA

Name of accounting firm	PricewaterhouseCoopers (PwC) Taiwan
Name of CPA	Attestation of Financial Statements: Lin, Se-Kai and Kuo, Puo-Ju.
Year of appointment	2024
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

C. The official letter from former CPA in response to the provisions of Item 1 and 2-3 of Subsection 6 of Article 10 of the Guidelines: None.

VI. If the Company's Chairman, President, or managers responsible for financial and accounting affairs have held any position in the accounting firm or its affiliates during the past year, all relevant information should be disclosed: None.

VII. Net Change in shareholdings and in shares pledged by directors, supervisors, manages, and shareholders holding more than a 10% share in the Company.

Unit: Share

Title	Name	2023		As of March 31, 2024	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Director	Kai Nan Investment Co., Ltd.	0	0	0	0
Director	Canking Investment Co., Ltd.	0	0	0	0
Director	Leg Horn Investment Co., Ltd.	0	0	0	0
Director	Hui Tung Investment Co., Ltd.	0	0	0	0
Director	Ta Le Investment Holding Co., Ltd.	(1,954,000)	0	(561,000)	0
Director	China F.R.P. Corp.	0	0	0	0
Director	Duh, Bor-Tsang	0	0	0	0
Director	Juang, Jing-Yau	0	0	0	0
Director	Lee, Tzong-Shiun	0	0	0	0
Independent Director	Pai, Chun-Nan	0	0	0	0
Independent Director	Song, Yung-Fong	0	0	0	0
Independent Director	Horng, Yuan-Chuan	0	0	0	0
Independent Director	Liang, Yann-Ping	0	0	0	0
President	Tsai, Sen-Bu	0	0	0	0
Proprietary Trading Department Executive Vice President	Yang, Kai-Chih	0	0	0	0
Finance Department Vice President	An, Chi-Li	0	0	0	0
Quantitative Trading Department Vice President	Huang, Jung-Jen	0	0	0	0
Financial Product Department Vice President	Pu, Chien-Heng	0	0	0	0
Capital Market Department Vice President	Wei, Chih-Hsu	0	0	0	0
Fixed Income Department Vice President	Yeh, Ming-Chieh	0	0	0	0
Administration Department Vice President	Yu, Hung-Chieh	0	0	(4,000)	0
Shareholder Services Department Sales Vice President	Chueh, Chih-Chung	0	0	(10,000)	0
Auditing Office Chief Auditor	Hsu,Wen-Ling	0	0	0	0
Information System Department Senior Assistant Vice President	Lin, Jung-Hui	0	0	0	0
Quantitative Trading Senior Department Assistant Vice President	Lee, Chien-Hsin	0	0	0	0
Quantitative Trading Senior Department Assistant Vice President	Chien, Pang-Yen	0	0	0	0
Corporate Client Department Assistant Vice President	Fan, Tsung-En	0	0	0	0
President Office Corporate Governance Senior Assistant Vice President	Chen, Nai-Chen	98,498	0	0	0
Finance Department Assistant Vice President	Su, Wei-Lun	0	0	0	0

Title	Name	2023		As of March 31, 2024	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Financial Product Department Assistant Vice President	Chang, Chung-Lin	0	0	(43,925)	0
Shareholder Services Department Assistant Vice President	Chang, Shao-Ping	(53,000)	0	0	0
Settlement & Clearing Department Assistant Vice President	Wu, Sheng-Yu	0	0	0	0
Capital Market Department Assistant Vice President	Chen, Chia-Chang	0	0	0	0
Capital Market Department Assistant Vice President	Chiang, Chang-Kuen	0	0	0	0
Information System Department Assistant Vice President	Hu, I-Der	0	0	0	0
Capital Market Department Assistant Vice President	Lin, Wei-Hung	0	0	0	0
Settlement & Clearing Department Assistant Vice President	Huang, Chi-Ming	0	0	0	0
Risk Control Office Assistant Vice President	Chang, Ping-Chuan	0	0	0	0
Corporate Client Department Assistant Vice President	Yu, Yi-Cheng	0	0	0	0
Corporate Client Department Assistant Vice President	Lee, Yi-Jen (Dismissed in 2023.06.04)	0	0	0	0
General Affairs Department Assistant Vice President	Chen, Shu-Fen	0	0	0	0
Capital Market Department Assistant Vice President	Hsu, Hui-Chun	0	0	0	0
Compliance Division Senior Manager	Su, Yung-Hsin	0	0	0	0
Compliance Division Assistant Vice President	Hung, Ying-Che (Dismissed in 2024.01.01)	0	0	0	0
Brokerage Department Vice President	Chang, Hung-Shuo	0	0	0	0
Brokerage Department District Supervisor	Lin, Li-Lin	0	0	0	0
Brokerage Department District Supervisor	Chien, Chia-Nan (Dismissed in 2023.08.25)	0	0	0	0
Brokerage Department Vice District Supervisor	Hsu, Sheng-Hsiang	0	0	0	0
Acting Brokerage Department Vice District Supervisor	Lin, Yu-Ju	0	0	0	0
Acting Brokerage Department Vice District Supervisor	Cheng,Chih-Ming	0	0	0	0
Brokerage Department Product Origination and Management Division Deputy General Manager	Wang, Ssu-Wei	0	0	0	0
Brokerage Department Digital Business Department Senior Manager	Chen, Yu-Heng (Dismissed in 2023.06.01)	0	0	0	0

Title	Name	2023		As of March 31, 2024	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Global Institutional Service Department Senior Assistant Vice President	Wang, Shi-Cheng	0	0	0	0
Brokerage Department Debit Center Assistant Vice President	Chu, Chen-Pu	0	0	0	0
Brokerage Department Digital Business Department Senior Manager	Wei, Lien	0	0	0	0
Brokerage Department Digital Business Department Senior Manager	Liu, Chun-Liang	0	0	0	0
Wealth Management and Trust Department Assistant Manager	Kao, Hsiu- Lin	0	0	0	0
Tunghsing Equity Department Manager	Chiu, Shyh-Tyng	20,697	0	0	0
Tunghsing Business Section 1 Manager	Kao, Jung	0	0	0	0
Tunghsing Equity Department Manager	Tsai, Shu-Mei	0	0	0	0
Kaohsiung Branch Manager	Wu, Huan-Chung	0	0	0	0
Dunnan Branch Manager	Chiang, Wen- Ling	0	0	0	0
Zhongli Branch Manager	Chiang, Tsong-Shyan	0	0	0	0
Chengzhong Branch Manager	Cheng, Chih-Ming	0	0	0	0
Chengzhong Branch Manager	Chao, Cheng (Dismissed in 2023.05.05)	0	0	0	0
Tainan Branch Manager	Hsieh, Chia-Hsi	(70,400)	0	0	0
Taichung Branch Manager	Hsu, Jui-Ming	0	0	0	0
Hsinchu Branch Manager	Lee, Chin-Yi	0	0	0	0
Chiayi Branch Manager	Tsai, Ruo-Chen	0	0	0	0
Chiayi Branch Manager	Huang, Hsiang-En (Dismissed in 2023.05.05)	0	0	0	0
Pingtung Branch Manager	Tai, Hung- Da	0	0	0	0
Pingtung Branch Manager	Chen, Chia-Yu (Dismissed in 2023.11.09)	0	0	0	0
Keelung Branch Manager	Hung, Chien- Han	0	0	0	0
Yonghe Branch Manager	Liu, Han-Chou	0	0	0	0
Yonghe Branch Manager	Hsh, Hua-Show (Dismissed in 2024.03.05)	0	0	0	0
Yonghe Branch Manager	Wu, Han-Chang (Dismissed in 2023.06.01)	0	0	0	0
Xin Taichung Branch Manager	Chung, Hui-Ju	0	0	0	0
Hsinying Branch Manager	Chou, Kuo-Hsiang	0	0	0	0

Title	Name	2023		As of March 31, 2024	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Changhua Branch Manager	Yu, Fu-Tsun	0	0	0	0
Taoyuan Branch Manager	Chiu, Ming-Kai	0	0	0	0
Yuanlin Branch Manager	Chien ,Chu-Wei	0	0	0	0
Yuanlin Branch Manager	Chiang, Shih-Fang (Dismissed in 2024.03.05)	0	0	0	0
Sanchung Branch Manager	Lin, Pin-Chun	0	0	0	0
Sanchung Branch Manager	Chang, Shih-Min (Dismissed in 2024.01.09)	0	0	0	0
Shilin Branch Manager	Hsu, Fu-Chiang	0	0	0	0
Panchiao Branch Manager	Chiang, Chen-Hsiung	0	0	0	0
Panchiao Branch Manager	Lo, Shih-Hong (Dismissed in 2023.06.01)	0	0	0	0
Sanduo Branch Manager	Tseng, Tsung-Yu	0	0	0	0
Szichih Branch Manager	Chou, Da-Kuang	0	0	0	0
Ilan Branch Manager	Lin, Chia-Hui	0	0	0	0
Ilan Branch Manager	Chiang, Jen-Chu (Dismissed in 2023.06.01)	0	0	0	0
Nanjing Branch Manager	Tseng, Chien-Ming	0	0	0	0
Kinmen Branch Manager	Kang, Wen-Chieh	0	0	0	0
Tucheng Branch Manager	Lin, Shao-Kang	0	0	0	0
Tucheng Branch Manager	Kao, Ming-Chou (Dismissed in 2023.09.01)	0	0	0	0
Songjiang Branch Manager	Lin, Shih-Wei	0	0	0	0
Songjiang Branch Manager	Huang, Tung-He	0	0	0	0
Neihu Branch Manager	Huang, Chih-Hua	0	0	0	0
Renai Branch Manager	Wu, Yueh-Chung	0	0	0	0
Pingzhen Branch Manager	Li, Shu-Jung	0	0	0	0
Zhunan Branch Manager	Kuo, Li-Hung	0	0	0	0
Zhunan Branch Manager	Su,Yung-Sheng (Dismissed in 2023.05.05)	0	0	0	0
Offshore Securities Unit Branch Manager	Chang, Hung-Shuo	0	0	0	0
10% Shareholder	Uni-President Enterprises Corp	0	0	0	0

VIII. Information Disclosing the Relationship between any of the Company's Top Ten Shareholders

As of April 29, 2024

Name	Shareholding		Spouse & Minor		Shareholding by Nominee Arrangement		The relationship between any of the Company's Top Ten Share holders		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
Uni-President Enterprises Corp.	417,516,621	28.678	0	0	0	0	1. President Chain Store Corp. 2. Kai Nan Investment Co., Ltd.	Investees for whom valuation is conducted under the equity method	NA
Lo, Chih-Hsien Delegate of Uni-President Enterprises Corp.	0	0	4,018,979	0.276	0	0	Kao, Shiow- Ling Delegate of Kao Chyuan Inv. Co., Ltd.	Spouse	NA
President Securities Corporation - Trust Account	46,027,175	3.161	0	0	0	0	NA	NA	NA
Kai Nan Investment Co., Ltd.	42,253,212	2.902	0	0	0	0	Uni-President Enterprises Corp.	Note 2	NA
President Chain Store Corp.	40,545,111	2.785	0	0	0	0	Uni-President Enterprises Corp.	Note 2	NA
Lo, Chih-Hsien Delegate of Kai Nan Investment Co., Ltd.	0	0	4,018,979	0.276	0	0	Kao, Shiow- Ling Delegate of Kao Chyuan Inv. Co., Ltd.	Spouse	NA
Tainan Spinning Co., Ltd.	34,096,102	2.342	0	0	0	0	Hsin Yung Hsing Investment Co., Ltd.	Note 3	NA
Eternal Materials Co., Ltd.	33,366,767	2.291	0	0	0	0	NA	NA	NA
Kao Chyuan Inv. Co., Ltd.	32,988,828	2.265	0	0	0	0	NA	NA	NA
Kao, Shiow- Ling Delegate of Kao Chyuan Inv. Co., Ltd.	4,018,979	0.276	0	0	0	0	Lo, Chih-Hsien Delegate of Uni-President Enterprises Corp.	Spouse	NA
Dr. C. Y. Kao's Non-Profit Foundation of Culture & Education (In Memory of His Mother)	18,975,361	1.303	0	0	0	0	NA	NA	NA
Canking Investment Co., Ltd.	17,947,517	1.232	0	0	0	0	NA	NA	NA
Hsin Yung Hsing Investment Co., Ltd.	15,711,845	1.079	0	0	0	0	Tainan Spinning Co., Ltd.	Note 3	NA

Note 1: The shareholding ratio was calculated based on the 1,455,831,343 shares of the share capital of President Securities Corporation.

Note 2: Affiliates of Uni-President Enterprises Corp.

Note 3: Hsin Yung Hsing Investment Co., Ltd. is director of Tainan Spinning Co., Ltd.

IX. Ownership of Shares in Affiliated Enterprises

As of March 31, 2024

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors, Supervisors, Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
President Futures Co., LTD	63,817,303	96.69	0	0	63,817,303	96.69
President Capital Management Corp.	30,000,000	100.00	0	0	30,000,000	100.00
President Securities (Hong Kong) Limited (Note1)	192,600,000	100.00	0	0	192,600,000	100.00
President Wealth Management (HK) Ltd. (Note1)	23,400,000	100.00	0	0	23,400,000	100.00
Jin Yuan President Securities Limited (Note2)	735,000,000	49.00	0	0	735,000,000	49.00
Uni-President Asset Management Corporation	14,904,630	42.46	12,000	0.03	14,916,630	42.49
President Insurance Agency Co., Ltd.	1,000,000	100.00	0	0	1,000,000	100.00
PSC Venture Capital Investment Company Limited	30,000,000	100.00	0	0	30,000,000	100.00

Note 1: President Securities (Hong Kong) Limited, President Wealth Management (Hong Kong) Limited was approved by the board of directors to deal with the dissolution and liquidation matters. The liquidation process is currently in progress.

Note 2: Jin Yuan President Securities Limited has no shares issuin. The Company investment amount is 735,000,000 RMB dollars.

Note 3: President Securities Nominee Limited was liquidated in January, 2024.

X. Name and position of the employees with the top ten amounts of bonuses as well as the total amounts of the top ten bonuses

Unit: NT$ thousands

Name	Title	Bonuses (Note)
Tsai, Sen-Bu	President	810
Chang, Hung-Shuo	Vice President	
Lin, Li-Lin	District Assistant Vice President	
An, Chi-Li	Vice President	
Wei, Chih-Hsu	Vice President	
Yeh, Ming-Chieh	Vice President	
Huang, Jun-Jen	Vice President	
Pu, Chien-Heng	Vice President	
Yang, Kai-Chih	Executive Vice President	
Lin, Jung-Hui	Senior Assistant Vice President	

Note 1: Receive employee bonuses for 2022 in 2023.

Note 2: The sequence is arranged based on the department codes.

XI. Training of Directors and Supervisors

Title	Name	Date of Inauguration	Date	Organization	Course	Credit
Chairman	Lin, Kuan-Chen Delegate of Kai Nan Investment Co., Ltd	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Director	Liu, Tsung-Yi Delegate of Kai Nan Investment Co., Ltd.	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.04.27	Taiwan Institute of Directors	Taiwan's economic prospects under the changing international situation	3
Director	Chen, Kuo-Hui Delegate of Kai Nan Investment Co., Ltd.	2021.07.20	2023.10.26	Taiwan Institute of Directors	Digital innovation and sustainable transformation to create a smart enterprise	3
			2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
			2023.04.27	Taiwan Institute of Directors	Taiwan's economic prospects under the changing international situation	3
Director	Hsieh Hung, Hui-Tzu Delegate of Kai Nan Investment Co., Ltd.	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
			2023.04.27	Taiwan Institute of Directors	Taiwan's economic prospects under the changing international situation	3
Director	Lu, Li-An Delegate of Kai Nan Investment Co., Ltd.	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Director	Chen, Ching-Yi Delegate of Kai Nan Investment Co., Ltd.	2021.07.20	2023.10.26	Taiwan Institute of Directors	Digital innovation and sustainable transformation to create a smart enterprise	3
			2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
			2023.04.27	Taiwan Institute of Directors	Taiwan's economic prospects under the changing international situation	3

Title	Name	Date of Inauguration	Date	Organization	Course	Credit
Director	Chen, Yi-Ling Delegate of Kai Nan Investment Co., Ltd.	2021.07.20	2023.10.26	Taiwan Institute of Directors	Digital innovation and sustainable transformation to create a smart enterprise	3
			2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
			2023.04.27	Taiwan Institute of Directors	Taiwan's economic prospects under the changing international situation	3
Director	Teng, Wen-Hwi Delegate of Kai Nan Investment Co., Ltd.	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Director	Lee, Chi-Ming Delegate of Hui Tung Investment Co., Ltd.	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Director	Chang, Ming-Chen Delegate of Leg Horn Investment Co., Ltd.	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Director	Lee, Yee-Ching Delegate of Ta Le Investment Holding Co., Ltd.	2022.07.01	2023.08.11	Taiwan Corporate Governance Association	Roles and Responsibilities of the Board of Directors/Senior Management in ESG Governance	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Director	Lee, Shu-Fen Delegate of China F.R.P. Corp.	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Director	Duh, Bor-Tsang	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.08.08	Taiwan Institute of Directors	US Inflation, Interest Rates, and Economic Cycles: Observing Taiwan's Macroeconomic Environment	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3

Title	Name	Date of Inauguration	Date	Organization	Course	Credit
Director	Lee, Tzong-Shiun	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Director	Juang, Jing-Yau	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Independent Director	Liang, Yann-Ping	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Independent Director	Pai, Chun-Nan	2021.07.20	2023.11.17	Taiwan Corporate Governance Association	Hostile Takeover, Contest for Corporate Control and Anti-Takeover Mechanism	3
			2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Independent Director	Song, Yung-Fong	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3
Independent Director	Horng, Yuan-Chuan	2021.07.20	2023.08.24	Taiwan Institute of Directors	Analysis of international climate change development trends and practical cases	3
			2023.05.04	Taiwan Institute of Directors	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0	3

XII. Manager Learning

Title	Name	Date	Organization	Credit	Course
Chairman	Lin, Kuan-Chen	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
President	Tsai, Sen-Bu	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Executive Vice President	Yang, Kai-Chih	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Vice President	Huang, Jun-Jen	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
Vice President	Pu, Chien-Heng	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Vice President	Yeh, Ming-Chieh	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Vice President	Chang, Hung-Shuo	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Vice President	Wei, Chih-Hsu	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Securities Association	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Sales Vice President	Chueh, Chih-Chung	2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0

Title	Name	Date	Organization	Credit	Course
Vice President	An, Chi-Li	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Chief Auditor	Hsu, Wen-Ling	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Vice President	Yu, Hung-Chieh	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Senior Assistant Vice President	Lin, Jung-Hui	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Assistant Vice President	Hung, Ying-Che	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Assistant Vice President	Wu, Sheng-Yu	2023.08.24	Taiwan Institute of Directors	3	Analysis of international climate change development trends and practical cases
		2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0
Assistant Vice President	Chang, Ping-Chuan	2023.05.04	Taiwan Institute of Directors	3	Legal compliance and legal responsibilities of directors and supervisors under corporate governance 3.0

IV. Capital Structure

I. Shareholders' equity

A. Source of Capital

Types of shares issued in the most recent year prior to the publication date of this annual report

Month/ Year	Issue Price (Per Share)	Authorized Share Capital		Capital Stock		Remark		
		1,000 shares	Amount (NT$ thousands)	1,000 shares	Amount (NT$ thousands)	Sources of Capital	Capital Increase by Assets Other than Cash	Other
Apr-2009	10	1,500,000	15,000,000	1,185,706	11,857,062	Treasury Stock Retired	None	Note 1
Aug-2010	10	1,500,000	15,000,000	1,231,933	12,319,334	Capital Increase by Earning	None	Note 2
Aug-2011	10	1,500,000	15,000,000	1,304,646	13,046,456	Capital Increase by Earning	None	Note 3
Dec-2011	10	1,500,000	15,000,000	1,284,582	12,845,816	Treasury Stock Retired	None	Note 4
Aug-2012	10	1,500,000	15,000,000	1,323,119	13,231,191	Capital Increase by Earning	None	Note 5
Mar-2016	10	1,500,000	15,000,000	1,303,796	13,037,961	Treasury Stock Retired	None	Note 6
May-2016	10	1,500,000	15,000,000	1,295,248	12,952,481	Treasury Stock Retired	None	Note 7
July-2016	10	1,500,000	15,000,000	1,335,666	13,356,657	Capital Increase by Earning	None	Note 8
Aug-2017	10	1,500,000	15,000,000	1,390,428	13,904,280	Capital Increase by Earning	None	Note 9
May-2019	10	1,500,000	15,000,000	1,372,390	13,723,900	Treasury Stock Retired	None	Note 10
Aug-2020	10	1,500,000	15,000,000	1,399,838	13,998,378	Capital Increase by Earning	None	Note 11
Sep-2021	10	1,500,000	15,000,000	1,455,831	14,558,313	Capital Increase by Earning	None	Note 12

Note 1: Approved by the Financial Supervisory Commission Jin Kuan Cheng3 Tzu No.0980003793 on January 23, 2009.

Note 2: Approved by the Financial Supervisory Commission Jin Kuan Cheng1 Tzu No.0990037293 on July 19, 2010.

Note 3: Approved by the Financial Supervisory Commission Jin Kuan Cheng1 Tzu No.1000033006 on July 15, 2011.

Note 4: Approved by the Financial Supervisory Commission Jin Kuan Cheng1 Tzu No.0970064519 on November 24, 2008 and approved by the Financial Supervisory Commission Jin Kuan Cheng1 Tzu No.1010002095 on January 18, 2012 for the capital change.

Note 5: Approved by the Financial Supervisory Commission Jin Kuan Cheng1 Tzu No.1010030875 on July 12, 2012.

Note 6: Approved by the Financial Supervisory Commission Jin Kuan Cheng Jiao Tzu No.1040048944 on November 23, 2015.

Note 7: Approved by the Financial Supervisory Commission Jin Kuan Cheng Jiao Tzu No.1050010487 on March 31, 2016.

Note 8: Effective after reporting to the Financial Supervisory Commission on July 5, 2016 and approved by Ministry of Economic Affairs Jin So Sun Tzu No.10501197070 on August 10, 2016.

Note 9: Effective after reporting to the Financial Supervisory Commission on July 3, 2017 and approved by Ministry of Economic Affairs Jin So Sun Tzu No.10601121960 on August 28, 2017.

Note 10: Approved by the Financial Supervisory Commission Jin Kuan Cheng Jiao Tzu No.1080305980 on March 5, 2019.

Note 11: Effective after reporting to the Financial Supervisory Commission on June 29, 2020 and approved by Ministry of Economic Affairs Jin So Sun Tzu No.10901155560 on August 24, 2020.

Note 12: Effective after reporting to the Financial Supervisory Commission on July 26, 2021 and approved by Ministry of Economic Affairs Jin So Sun Tzu No.11001166540 on September 17, 2021.

Note 13: As of April 30, 2024, there are no cases where the shares are issued below the par value, and nothing other than cash is used as payments and private placement.

IV. Capital Structure

1. Type of Stock

Unit: Share

Type of Stock	Authorized Share Capital			Remark
	Issued Shares (Note)	Unissued Shares	Total	
Common Stock	1,455,831,343	44,168,657	1,500,000,000	Listed on TWSE

Shelf Registration: None.

B. Structure of Shareholders

As of April 29, 2024

Structure of Shareholders / Quantity	Government Agencies	Financial Institutions	Other Institutional Shareholders	Personal Shareholders	Foreign Institutions and Personal Shareholders	Total
Number of Holders	0	0	300	52,948	201	53,449
Number of Shares	0	0	830,129,832	477,621,129	148,080,382	1,455,831,343
Ownership (%)	0	0	57.021	32.8074	10.1715	100

C. Distribution Profile of Share Ownership

1. Common Shares

As of April 29, 2024

Shareholders Ownership (Unit:Share)	Number of Shareholders	Ownership	Ownership (%)
1 ~ 999	23,501	2,506,459	0.172
1,000 ~ 5,000	18,404	39,791,993	2.733
5,001 ~ 10,000	4,715	34,184,513	2.348
10,001 ~ 15,000	2,236	27,006,461	1.855
15,001 ~ 20,000	976	17,322,285	1.190
20,001 ~ 30,000	1,066	26,137,871	1.795
30,001 ~ 40,000	555	19,175,430	1.317
40,001 ~ 50,000	368	16,580,063	1.139
50,001 ~ 100,000	784	54,749,844	3.761
100,001 ~ 200,000	390	53,575,350	3.680
200,001 ~ 400,000	230	62,962,985	4.325
400,001 ~ 600,000	70	33,367,771	2.292
600,001 ~ 800,000	31	21,208,280	1.457
800,001 ~ 1,000,000	22	19,675,719	1.352
Over 1,000,001	101	1,027,586,319	70.584
Total	53,449	1,455,831,343	100.000

2. Preferred Shares: None.

D. Major Shareholders

As of April 29, 2024

Shareholding Shareholders	Number of Shares	Ownership (%)
Uni-President Enterprises Corp.	417,516,621	28.678
President Securities Corporation - Trust Account	46,027,175	3.161
Kai Nan Investment Co., Ltd.	42,253,212	2.902
President Chain Store Corp.	40,545,111	2.785

Shareholding Shareholders	Number of Shares	Ownership (%)
Tainan Spinning Co., Ltd.	34,096,102	2.342
Eternal Materials Co., Ltd.	33,366,767	2.291
Kao Chyuan Investment Co., Ltd.	32,988,828	2.265
Dr. C. Y. Kao's Non-Profit Foundation of Culture & Education (In Memory of His Mother)	18,975,361	1.303
Canking Investment Co., Ltd.	17,947,517	1.232
Hsin Yung Hsing Investment Co., Ltd.	15,711,845	1.079

Note: The shareholding ratio was calculated based on the 1,455,831,343 shares of the share capital of President Securities Corporation.

E. Market Price Per Share, Net Value, Earnings & Dividends for Latest Two Years

Item \ Years			2022	2023	2024Q1
Market Price Per Share (Note 1)	Highest		21.91	20.75	24.65
	Lowest		13.85	15.11	18.4
	Average		17.12	17.84	22.36
Net Worth Per Share	Before Distribution		20.414	22.015	23.317
	After Distribution (Note 2)		20.024	-	-
Earnings Per Share	Weighted Average Shares (thousand shares)		1,455,831	1,455,831	1,455,831
	Earnings Per Share		0.5	1.98	1.19
Dividends Per Share	Cash Dividends (NT$)		0.39	1.32	-
	Stock Dividends	Retained Earnings	-	-	-
		Additional Paid-in Capital	-	-	-
	Accumulated Undistributed Dividend		-	-	-
Return on Investment	Price/Earnings Ratio (Note 3)		34.24	9.03	-
	Price/Dividend Ratio (Note 4)		43.89	13.55	-
	Cash Dividend Yield (Note 5)		2.28%	7.38%	-

Note 1: The market price per share is adjusted retrospectively based on earnings distribution.

Note 2: The net worth per share after distribution is filled in based on the distribution determined via resolution at the shareholders' meeting in the next year.

Note 3: Price / Earning Ratio = Average Market Price / Earnings per Share

Note 4: Price / Dividend Ratio = Average Market Price / Cash Dividends per Share

Note 5: Cash Dividend Yield Rate = Cash Dividends per Share / Average Market Price

F. Dividend Policy and Implementation Status

1. Dividend Policy

We take a policy of dividend payment to maintain sound long-term financial structure and stabilize continual growth to maximize benefits to shareholders, in the following manners:

(1) With regard to the surplus for the year (net of taxes payable and losses from previous years), after portions have been set aside in surplus reserves in accordance with the law and set aside or transferred to the special reserve in accordance with regulations, the balance and undistributed earnings (beginning of the year) may not be distributed if they do not make up at least five percent of

paid-in capital.

(2) The total amount of dividend shall not be below 70% of the allocable profit as per the preceding paragraph.

(3) Out of the dividend which can be allocated according to the preceding paragraph, stock dividend shall not be below 50% and cash dividend shall not exceed 50%.

(4) Taking the operation situation of the year and the fiscal plan of next year into consideration, the company may decide the best stock and cash dividend on its discretion.

2. Proposed Distribution of Dividend

The Board adopted a proposal for 2023 profit distribution at its Meeting on March 4, 2024, and the proposal to distribute 2023 profits is a cash dividend of NT$1.32 per share.

G. Impacts of Stock Dividends on Operation Results and EPS: Not Applicable.

H. Compensation of Employees, Directors and Supervisors

1. Information Relating to Compensation of Employees, Directors and Supervisors in the Articles of Incorporation

The Board of Directors passed a motion on January 27, 2016 amending the Company’s Articles of Incorporation, which stated the company will distribute compensation to employees and the Directors from pre-tax profits. Where the company has pre-tax profits, the total value of funds to be distributed among employees shall not be less than 1.6% of pre-tax profits; while the total value of funds to be distributed among the Directors shall not be more than 2% of pre-tax profits. If the company has losses carried forward, compensation should only be paid to employees and Directors after funds have been set aside as reserve for such losses. This amendment was approved in the 2016 shareholders’ meeting.

2. Estimate Foundation of Employee Compensation and Directors’ Remuneration

The Company’s profit in 2023 was based on the income before taxes after deducting the bonuses to the employees and Directors; it was estimated that the bonuses for the employees and Directors accounted for 2% of the income before taxes, respectively. If there were differences between the actual amount and the estimated figures, the profit and loss of 2024 would be adjusted accordingly.

3. Profit Distribution of Year 2023 Approved in Board of Directors Meeting for Compensation of Employees and Directors

(1) The amount of bonuses to the employees, Directors, and Supervisors in the forms of cash or shares. If differences are found in the estimated expenses of the year, the differences, cause, and handling of the differences shall be disclosed.

On March 4, 2024, the Board of Directors passed the proposed allocation of 2% employees’ compensation and 2% remuneration for directors and supervisor in 2023 as follows:

Total employees’ compensation of NT$62,369,953 and total directors’ remuneration of NT$62,369,953.There was no difference between the estimates and the actual distributions approved at the Board Meeting for Employee bonus and Director/Supervisor compensation.

(2) Ratio of employee bonuses in shares on net profit and total employee bonuses for the period:

There were no employee bonuses in shares for the current period.

4. Information of 2022 Distribution of Compensation of Employees, Directors and Supervisors

On March 8, 2023, the Board of Directors passed the proposed allocation of employees’ compensation and remuneration for directors and supervisor in 2022 as follows: Employees and directors bonus appropriation ratio was 2%, respectively, and distributed in cash.

Employees’ compensation amounted to NT$19,014,210 while remuneration for directors and supervisors amounted to NT$19,014,210. There was no difference between the estimates and the actual distributions approved at the Board Meeting.

I. Buyback of Treasury Stock: None.

II. Long-Term Borrowings: None.

A. Unpaid corporate bonds: None.

B. Corporate bonds due within one year: None.

III. Issuance of Preferred Stocks: None.

IV. Issuance of Global Depositary Receipts: None.

V. Issuance of Employee's Stock Options: None.

VI. Merge and Acquisition: None.

VII. Working Capital Plans:

Any incomplete share issuance or private placement or any completed share issuance or private placement over the past three years from which benefits have not yet been reported as of March 31, 2024: None.

V. Business Environment

I. Description of Business Activities

A. Business Scope

1. Main areas of Business Operations

- Underwriting business
- Proprietary trading of listed securities
- Brokerage for listed securities
- Proprietary trading of listed securities through retail locations
- Brokerage for listed securities through retail locations
- Self-directed trading of foreign securities
- Consignment trading of foreign securities
- Securities margin purchase and short sale
- Money borrowing or lending in connection with securities business
- Securities borrowing and lending
- Non-restricted purpose loan business
- Shareholder services coordination
- Support for futures trading through equity-related business
- Concurrent operation of futures proprietary trading
- Wealth Management business
- Trust business
- Financial derivatives products approved by the SFC
- Offshore Securities business
- Other relevant operations approved by the competent authority

2. Breakdown of Revenues for Latest Three Years

Unit: NT$ thousands

Item	2021		2022		2023	
	Operating Revenue	%	Operating Revenue	%	Operating Revenue	%
Brokerage	5,547,961	52.45	3,709,607	70.34	4,200,038	48.39
Proprietary Trading	4,604,856	43.53	1,388,875	26.33	4,026,257	46.39
Underwriting	425,188	4.02	175,609	3.33	452,422	5.21
Total	10,578,004	100.00	5,274,091	100.00	8,678,717	100.00

3. Products and Services

We offer a comprehensive range of financial services-brokerage, underwriting, proprietary trading, fixed income dealing, financial product development, wealth management, and shareholder services. The following is a brief description of our primary business units.

Business Area	Products and Services	Description
Brokerage	1. Accept orders from clients to buy/sell listed securities and forward to TWSE for execution. 2. Accept orders from clients to buy/sell listed securities and forward to TPEx for execution. 3. Manage custodial services for clients. 4. Provide margin financing for securities trading. 5. Securities Borrowing and Lending Business. 6. Non-restricted purpose loan business 7. Consignment trading of foreign securities. 8. Futures Introducing Broker Business. 9. Wealth management business.	1. The market share of brokerage business was 2.91% in 2023, ranked 8th among the domestic local securities firms. 2. The Company has 31 branches in total. The market share in a single location is 0.1% and ranked 5th among the top ten domestic local securities firms, indicating that the Company's operational efficiency was better than other firms. 3. The Company has been active in promoting electronic trading, where proportion of transactions through electronic trading in the entire Company was 49.71% in 2016, 54.44% in 2017, 64.79% in average in 2018, 68.29% in 2019, 69.15% in 2020 and 78.44% in 2021, 79.37% in 2022 and 77.72% in 2023. Since 2021, the proportion of transactions conducted through electronic trading at President Securities has consistently exceeded 75%. 4. The trading system has integrated the trading functions of all products, and customers can use the same electronic trading platform for trading securities, futures, options, OTC stocks, sub-brokerage, fund, and overseas futures products. 5. By offering a more all-inclusive market monitoring and order entry environment, we can provide services to a larger client base. 6. We integrate our sales of all types of products available in the market and thereby offer more value to our existing clients.
Proprietary Trading	1. Trading of publicly listed securities on the TWSE and TPEx, using President Securities' own funds. 2. Futures and options markets. 3. Legally-permitted foreign marketable securities trading.	Over the past 10 years, our proprietary trading department has been among the top every year. Regardless of the market trend, our proprietary trading department is able to accurately read the market and adjust its strategy accordingly and pick out the key trends and sectors. And, they are able to match this with effective futures hedging, risk management, and a diverse range of product trading strategies, resulting in big gains, and small losses. This has allowed us to retain a core proprietary trading team with considerable experience, which has become the envy of the industry.
Fixed Income Business	1. Use own capital to trade domestic and foreign corporate and government bonds in the OTC market. 2. Offer tendering services of Taiwan government bonds. 3. Repo and Reverse-Repo transactions. 4. Trade overseas and domestic convertible bonds. 5. Provide debt capital market services for overseas and domestic issuers. 6. To trade government and corporate bonds with customers. 7. Interest rate structured products trading, design and sales. 8. Designed Bond Exchange-Traded Notes	The Fixed Income Department mainly focuses on fixed income proprietary trading business, sales, and DCM business, supplemented with the issuance of structured products. The proprietary trading business is mainly based on foreign currency-denominated notes, supplemented by New Taiwan dollar-denominated notes. The main products are US dollar-denominated and euro-denominated notes. The fixed income sales, underwriting, issuance of structured products and Bond Exchange-Traded Notes are being developed continuously. To expand fee businesses via proprietary trading business support.
Quantitative Trading	1. Futures Proprietary Trading Division: Market making and trading of legally-permitted foreign futures and options contracts. 2. Strategic Trading Division: ETF arbitrage, market making, structured products issuing and trading.	1. Operating Performance: In 2023, profitability of our futures proprietary trading division was among the top in the industry. 2. New Products/Services in Development: As regulators continue to liberalize the industry and allow new financial products, we stand ready to add these new products to our trading and, in turn, to add to our revenue streams.

Business Area	Products and Services	Description
Financial Products	1. Issue domestic and foreign equity warrants and conduct hedging strategies. 2. Launch structured products and conduct hedging strategies. 3. Trading of equity derivatives. 4. Issuance and hedging of Exchange Traded Notes (ETN) for index investments. 5. Futures & spot strategy trading 6. Stock promotion business. 7. Proprietary trading and strategy trading for convertible bonds. 8. Proprietary trading for futures and options in Taiwan and other countries. 9. Design and planning of new financial products and services. 10.Other derivatives financial products approved by the competent authority.	In 2023, our Financial Products Division was primarily engaged in issuing new warrants, structured note products, and other derivative products authorized by the Taiwan's regulators. 1. Market Position (1) Equity Warrants: A total of 5,187 warrants were issued in 2023, for a total dollar value of NT$26,187,233 thousand, ranked 7th in the market.The market share of the firm was approximately 5.13%. The net buy and sell of premium ranked 5th in the entire market, accounting for approximately 8.63% of the market. It was clear that the efficiency of the net sell was high (while the issue amount only accounted for 4.53% of market share, the proportion of net sell was 8.63%). (2) Structured note products: For the year of 2023, the Company undertook contracts amounting to a principal of NT$39,321,659 thousand and was ranked 3rd in the market. A total of NT$5,275,185 thousand in structure note products were outstanding at the end of 2023, ranked 3th in the market. (3) In 2023, the total brokerage transaction volume reached NT$21,287,492 thousand, ranking 2nd in the market. At the end of the year, the outstanding amount was NT$2,636,636 thousand, ranking 1st in the market. (4) Exchange-Traded Notes (ETNs): ETNs are new products that were launched with permission of the competent authority in 2019. As of December 2023, A total of 32 ETNs were outstanded in the entire market.The Company also issued ten diverse ETNs, accounting for approximately 31.25% of the market. 2. New Products/Services in Development In addition to actively promoting the existing call/put warrant business, structured product business, and equity options products, and so on. We keep involving in various business operations (including ETN and market-making for low-volume stocks).The Company will maintain an excellent quality in market making, provide better warrant services to investors, and look forward to building consumer trust in the brand so as to elevate the status of President Securities' warrants in the market. By carefully selecting stock targets, a basket of targets were combined into an ETN to provide investors with a good choice of asset allocation. President Securities plans to develop detailed media-based self-teaching lessons, to make it easier for novice investors to understand the ETN business, so as to continue to differentiate itself from competitors in the sector and to expand its market share of new products.
Underwriting (Capital Market)	1. Assist corporations in application for public listing on TWSE or TPEx. 2. Assess and advise clients with respect to capital increase plans. 3. Underwrite domestic and foreign bonds and issue global or Taiwan depositary receipts. 4. Assist in M&A activities. 5. Assess and advise clients with respect to applications to convert private equity into publicly traded stocks, treasury stocks, capital increase plans and employee's stock options. 6. Other businesses relate to underwriting and consulting.	1. Market Position: In 2023, PSC had 38 lead and co-lead underwriting deals, for a total dollar value of NT$3.870 billion. 2. New Products/Services in Development: Our goal is to provide professional corporate financial services, to simultaneously act as both an effective market maker and also as a top-notch service provider, all with the aim of increasing the company's overall added value. Going forward we will continue to focus our energy on landing mid- and large-sized deals, and will continue to bolster our presence within the Greater China Region, so as to become a more competitive securities firm.

Business Area	Products and Services	Description
Shareholder Services	1. Coordinate shareholder services on behalf of publicly listed companies. 2. Assist in the coordination of shareholders' meetings. 3. Coordinate the distribution of cash and/or stock dividends to shareholders. 4. Manage the issuance and delivery of tax forms to shareholders. 5. Respond to shareholder enquiries and legal issues.	1. The scale of the Company's agency (1) The number of serviced companies in 2023 was 180, where 88 were listed companies, amounted to 48.89%. (2) The number of shareholders of listed companies represented by the agent is relatively large. The average number of shareholders we serviced in 2023 was 2.48 million. 2. Operating Performance (1) The number of serviced companies in 2023 had a 5.88% growth compared to the number of service companies in 2022. (2) The number of shareholders' agents in 2023 had a 5.08% growth comparable to that in 2022, thus allowing us to continuously achieve a high economy of scale and efficient operations. 3. Long-term Objectives: Actively expand the number of serviced companies to increase revenues.
Wealth Management & Trust	1. Provide customers with the most complete asset arrangement and finance service planning service. 2. Provide a variety of trading services and products for wealth management, including domestic and overseas funds, foreign bonds, structured products, and bonds with repurchasing agreements. 3. Conduct asset allocation for customers through trusts. 4. Negotiable securities trust lending business. 5. Employee Stock Ownership Trust business. 6. Engage in the wealth management business for high asset clients.	1. Market Position: At the end of 2023, the number of customers in the wealth management trust account reached 33,255; the client trust assets reached NT$12.755 billion, including NT$12.734 billion for non-discretionary money trust assets and NT$21 million for marketable securities trust assets. The asset size ranked 8th among securities firms. 2. Long-term Objectives: Relentlessly develop a wide range of wealth management products, enhance the advocacy of featured brokerage products, expand customer base, provide convenient trading platforms, meet customer cash flow and financing needs, and offer a broader range of high-quality services.

4. **New Products/Services in Development**

The Company will continue to promote digitalization and adopt information technology to transform internal processes, strengthen digital management capabilities, as well as increase business momentum and decision-making efficiency.

In order to shorten the account opening time for customers, an integrated account-opening platform has been created, integrating all existing types of businesses (securities, sub-brokerage, credit, futures IB, financial instruments, bonds, OSU, and wealth-management trust). All information required for account opening are analyzed and simplified, so that customers can open an account for all businesses by filling out information only once, which greatly enhanced the customer experience.

B. Industry Overview

1. Overall Economic Environment

Over the past year, the impact of central banks raising interest rates to stabilize prices is gradually becoming apparent. In the United States, community banks like Silicon Valley Bank were faced with liquidity crisis due to deposit outflows, and have subsequently announced their closure. In Europe, Credit Suisse suffered significant losses and delayed the release of their financial report. Resistance from major shareholders to increase capital aggravated the situation, and the Swiss government had to intervene and to facilitate the acquisition of Credit Suisse by UBS. In China, multiple real estate companies have delayed the payment of debt interest, leading to financial crisis and turbulence in the market.

As to Taiwan, according to statistics released by the Directorate-General of Budget, Accounting and Statistics of the Executive Yuan on February, the domestic economic growth rate for 2023 was 1.31%. This is mainly due to weak demand in the global end market and continuous inventory adjustments by manufacturers, which have led to a conservative investment trend and a 10.30% decline for the domestic capital for the year. Fortunately, the widespread distribution of cash to the public and the enthusiasm for travel among the people have driven the performance of the retail, catering, travel and accommodation industries, resulting in a growth of 8.32% in private consumption, and supported the economic growth. As for the domestic stock market, it has benefited from the US Federal Reserve's gradual interest rate hikes and the emergence of new applications such as artificial intelligence (AI) and high-performance computing. This has boosted share prices of Taiwan stocks, with the TSEC weighted index increasing from 14,137 points to 17,930 points, a growth of 26.8%. The average daily trading volume on the listed and OTC markets has also increased from NT$305.2 billion to NT$359 billion, a growth of 17.6%.

In looking ahead to 2024, major central banks around the world continue to maintain a high interest rates, while geopolitical conflicts rages on. The global economic growth is likely to limp along impacted by the ongoing economic downturn in China among other uncertainties happening. However, economies such as the United States and India have remained resilient and performed well. The International Monetary Fund (IMF) projected that inflation will east this year unwinding supply-side issues and restrictive monetary policy, bringing about stable economic growth. In Taiwan, there is an expectation of a rebound in global commodity demand. Furthermore, the ongoing expansion of emerging technologies such as artificial intelligence and high-performance computing is anticipated to contribute to the recovery of export momentum. “The Directorate-General of Budget, Accounting, and Statistics” predicts that the economic growth rate will accelerate to 3.43%.

2. Current Status and Future Development

(1) Primary Market

Unit: NT$ 100 Million

Year	Listed Company		Over-The-Counter (OTC) Company		Government Bond		Corporate Bond				
							Ordinary Corporate Bond		Convertible Bond		Total
	Number	Capital	Number	Capital	Number	Net total	Number	Net total	Number	Net total	
2003	669	47,252.8	423	6,394.7	80	25,870.7	2,666	7,998.5	235	1,218.1	9,216.6
2004	697	50,580.8	466	6,261.0	86	28,506.7	2,882	8,993.8	349	1,522.1	10,515.9
2005	691	54,159.6	503	6,431.8	88	31,417.2	2,784	9,355.2	322	1,549.0	10,904.2
2006	688	55,226.7	531	7,262.0	90	33,823.2	2,397	9,710.2	292	1,830.1	11,540.3
2007	698	56,016.2	547	7,148.1	88	35,184.7	1,744	8,773.4	276	2,108.0	10,881.4
2008	718	57,354.4	539	7,030.7	91	37,351.7	1,142	9,476.1	269	1,857.7	11,333.8
2009	741	58,695.9	546	7,727.3	93	39,708.5	783	9,413.9	208	1,405.2	10,819.1
2010	758	59,279.5	564	7,059.9	94	43,341.5	512	10,002.1	246	1,373.7	11,375.8
2011	790	61,523.8	607	7,319.2	97	46,441.5	425	11,242.6	299	1,660.3	12,902.9
2012	809	63,849.5	638	6,674.5	100	49,343.0	433	13,641.2	314	1,594.5	15,235.7
2013	838	66,100.3	658	6,618.5	103	52,209.5	468	15,776.1	294	1,542.4	17,318.5
2014	854	67,834.0	685	6,795.6	108	54,401.7	519	17,197.8	277	1,507.7	18,705.5
2015	874	69,509.0	712	7,061.9	113	55,693.7	500	17,081.5	297	1,554.1	18,635.6
2016	892	70,217.0	732	7,152.6	116	56,053.3	500	16,776.4	270	1,483.1	18,259.5
2017	907	71,361.9	744	7,223.6	119	56,363.3	512	17,436.6	193	1,172.6	18,609.1
2018	928	71,588.9	766	7,385.0	124	56,024.7	535	18,120.0	157	1,173.5	19,293.4
2019	942	71,556.4	775	7,466.6	129	55,509.6	569	19,012.0	166	1,186.1	20,198.1
2020	948	72,383.6	782	7422.4	137	56,244.6	681	23,505.6	193	1,338.2	24,843.8
2021	959	73,852.9	788	7,608.6	156	58,393.6	788	27,169.6	237	1,488.3	28,657.9
2022	971	74,999.0	808	7,420.3	158	59,501.6	841	28,265.9	259	1,828.7	30,094.6
2023	997	76,388.0	816	7,579.1	163	60,601.1	922	32,398.0	268	2,088.1	34,486.1

Reference: Securities and Futures Bureau, FSC

(2) Overview of total market value of the securities market in the past three years

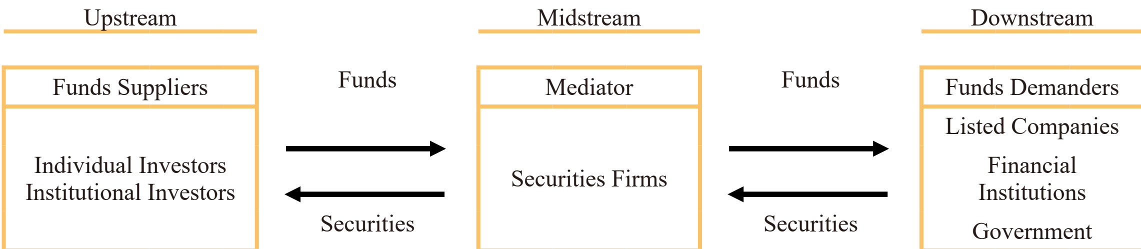
Unit: NT$ billions

Item	2021	2022	2023
Taiwan Stock Exchange			
Stocks	92,289.9	56,080.6	63,170.2
ETF	2,454.5	2,938.1	3,454.3
ETN	13.6	4.1	4.1
Beneficiary Securities	5.3	9.4	36.6
Equity Warrants	681.2	531.2	531.6
TDR	72.5	10.4	9.3
Subtotal	95,517.0	59,573.8	67,206.2
Taipei Exchange			
Stocks	20,276.0	14,878.7	16,847.4
Equity Warrants	177.4	133.7	171.8
ETF	241.1	228.2	1,237.0
ETN	8.6	1.9	1.0
Bonds	29,171.4	29,956.6	29,461.3
Subtotal	49,874.4	45,199.0	47,718.6
Total	145,391.4	104,772.8	114,924.8
TAIEX	18,218.84	14,137.69	17,930.81

Reference: Securities and Futures Bureau, FSC

3. Relationship with Up-, Middle- and Downstream Companies

The securities market is a part of the financial market as a direct transaction channel between fund seekers and fund providers; industrial and commercial enterprises usually raise funds through the issuance of marketable securities, and investing in marketable securities has become an important way for people to manage their savings and personal wealth. The mission of the securities market is to pool savings and turn them into investment, and thus facilitate economic growth.



3. Product Trends and Relevant Competition

◆ **Proprietary Trading**

(1) Equities Markets

Global stock markets experienced a roller coaster ride in 2023, started with federal rate hikes in January, followed by the crisis revolving Silicon Valley Bank's collapse in March, the US government shutdown turmoil in Q2, and the outbreak of Israel-Palestine war in October. However, the Taiwan stock market saw a 27% increase for the year, driven by better-than-expected performance of the US economy. The excellent financial report released by Nvdia in late May had marked the beginning of the rise of AI, coupled with the bolster from Federal Reserve's dovish pivot, the S&P 500 index also saw a 24% increase, while the NASDAQ index had an even higher increase of 43%.

The Magnificent 7 drove the US market stock rally in 2023.TSLA, NVDA, Meta Platforms (META), AAPL, AMZN, MSFT and Alphabet (GOOGL), the combined market value of these seven companies reached $11.5 trillion, accounting a new high of 29% of the S&P 500's market cap, returning 71% in 2023.

AI played a pivotal role in boosting the market. Since the launch of ChatGPT by OpenAI, which is backed by MSFT, discussions surrounding AI in the market has been on the rise. The financial reports of Nvdia and AMD at the end of May greatly surpassed market expectations, shining a spotlight on the AI industry. AI services promoted by MSFT have driven the demand for their cloud product, Azure, and have also spurred other cloud giants like Google, Amazon, and Meta to engage in an intense competition, resulting in a significant increase in the demand for AI servers. This, in turn, brought about a significant increase in demand for the GPU chips manufactured by Nvdia, along with the performance boost and reevaluation of ODM companies in Taiwan. The AI ecosystem has brought tremendous investment opportunities. As the cloud giants have customized requirements for AI computing chips, huge opportunities and growth were created for IC design and IP companies, especially TSMC. This company offers wafer foundry service, and was one of the companies which benefited significantly. There was also huge order demand for companies producing advanced process equipment in Taiwan.

The outbreak of the Israel-Palestine conflict in October once again disrupted the financial markets. Fortunately, it did not escalate into a full-scale war between Israel and Iran, nor did it lead to economic sanctions or an oil embargo. However, it did cause significant market volatility during the fourth quarter. A dovish shift from the Federal Reserve in November sparked a rally in the global stock markets to end the 2023 year on a positive note.

In the face of 2023, colleagues of the Proprietary Trading Department ceaselessly conducted researches, visits and analysis to stay abreast of new international industry trends. The team meticulously analyzed various economic data, carefully interpreted monetary policies of central banks, and seized opportunities to capitalize on investing in the AI stocks as the AI market is poised to skyrocket, thereby maintaining the leading position in the industry. Moving forward, the team will adopt a key operating principle to further delve into research on the global macro economy, and dynamically adjust domestic/foreign positions and strategies to capitalize on every profit opportunity. Along with the diversify investments, and the expansion of profit sources for the department, the team will uphold a consistent competitive advantages.

(2) Risk Management

In addition to using VaR figures provided by the proprietary trading department's risk control office, stop losses and limit alerts are set for the stocks that each trader trades. Each trader is given trading limits and trading performances are updated in real time and, when necessary, trading authorizations can be immediately revoked. The effect of all of these measures is to ensure maximum protections for our shareholders.

(3) Hedging Operations

Futures and options are our primary hedging tools. Inverse ETF and individual stock futures were used as hedging. Going forward, we will continue to use these financial products to adequately hedge our proprietary trading department's exposure.

(4) Technology Research and Development (R&D)

We built an Info-hub to strengthen the integration of different types of information and data, thereby improving the quality of decision-making.

◆ **Fixed Income Dealing**

(1) Outright Purchases and Sales of Government Bonds

The Federal Reserve has signaled plans on rate cuts, although concerns about inflation still persist. The market anticipates that these rate cuts may commence in May, and ongoing data will need to be closely monitored to determine the extent and pace of the cuts. This is expected to be a gradual normalization of interest rate reductions, resulting in US bond trends fluctuating within a certain range, with a preference for buying at higher levels. Due to significant inflationary pressures, the likelihood of interest rate cuts in Taiwan this year is low. However, the chip sector favors a bullish approach in the Taiwan bond market. Nonetheless, the cost of funds remains high, limiting the downward potential, and expectations are for fluctuations within a specific range. With poor liquidity for Taiwan bonds, the preference stratergy is buying during higher levels.

(2) Convertible Bonds, Futures and Options

For convertible bonds, two strategies will be carried out. The first is to invest in bonds with large issuance size and limited downside risk, because better liquidity, capital structure, and limited risk are good for long term strategy to capture the trend. The second is to invest in notes with rally potential for short term trading. Because of high volatility, traders will control total positions for risk managing. The proportion is generally low so as to keep the level of risk under control. In recent years, due to an increase in market activity, the degree of activity in the convertible bond market has gradually increased. With an increase in the number of bonds issued by various industries, conditions are also more conducive to dispersing the allocation of positions to reduce the risk of concentration of individual targeted industries.

(3) Foreign Bonds

As inflation gradually declines and edges towards the Federal Reserve's target, Federal Reserve officials have hinted that the tightening cycle of monetary policy is coming to an end and entering a new phase of easing. The overall market uncertainty has decreased while the current economy still maintains a certain level of resilience. This is favorable for the continuous contraction of credit bond spreads, thus supporting an overall bullish position. However, risks from geopolitical factors continue to arise, and the structure of interest rate-sensitive industries remains weak. Additionally, there is uncertainty surrounding the US presidential election. Therefore, the Fixed Income Department remains focused on maintaining high liquidity in bond holdings, with an emphasis on stability and playing it safe as the current trading strategy.

◆ **Financial Products Business**

(1) Equity Warrants

In 2023, there was a steady growth in Taiwan's equity warrant market, with all securities firms issuing warrant products in response to market demand. A total of 65,269 equity warrants were issued in 2023, for a total dollar value of NT$484.993 billion.

The total dollar value of all equity warrants issued by the company in 2023 was NT$26.1 billion and the market share was 5.13%, ranked 7th in the market. Issue focuses mainly on the selection of stock performance with good Return on Equity (ROE) to create a win-win situation with investors and stable profits through different derivatives, futures, and options, etc., with hope to effectively lower hedging costs.

(2) Structured Note Products

The amount of contracts oustanding by the end of 2023 was NT$68.084 billion, the Company's amount of contracts outstanding by the end of 2023 was NT$5.275 billion and the market share was 7.74%. For a trading volumn of NT$322.437 billion. The Company undertook contracts amounting to a principal of NT$39.232 billion, the market share was 11.80% and was ranked 3rd in the market.

(3) Equity options

This business was launched by the Company in April 2020 for customers. The business is mainly for issuance of over-the-counter (OTC) equity options in the form of long-term options. Call or put options can be issued according to customers' needs. At the end of 2023, the total contract balance outstanding in the market was NT$5.417 billion. The Company's outstanding balance was NT$2.637 billion, with a market share of about 48.67%, ranking 1st in the market. The cumulative total market turnover in 2023 was NT$81.568 billion, and the Company's contract principal reached NT$21.287 billion, with a market share of about 26.10%, ranking 2nd in the market.

(4) Exchange Traded Note (ETNs)

ETNs provide a new product released by the responsible authorities in 2019. As of December 2023, a total of 32 ETNs had been issued on the market, and the Company has also launched 10 main ENT. In addition to the cash dividends, low volatility, and dividend yield indicators as the basis for initial selection, the Company subsequently issued 5G, MSCI technology, Hang Seng tech, U.S. government bonds, Asia Semiconductor, Smart Mobility and Electric Vehicles, IC Design and other domestic and foreign index products with great potential to provide investors with diverse investment options. Through the domestic and foreign indexes in diverse fields linked to the products, the Company's ability to build a system is evident.

Among them, the 10 ETNs issued by the Company are as follows:

Stock Code	Stock Name	Listing Date
020011	President Low Volatility High Dividend 20 TR ETN	2019.12.03
020015	President MSCI USA Minimum Volatility NTR ETN	2020.03.27
020016	President MSCI USA IMI Information Technology NTR ETN	2020.03.27
020018	President Value Growth TR ETN	2020.07.30
020019	President Taiwan 5G TR ETN	2020.07.30
02001B	President US Treasury 7-10 Years Index ETN	2020.12.29
020025	President ICE FactSet Asia Semiconductor NTR Index ETN	2021.07.22
020030	President Smart Mobility and EV TR ETN	2021.11.26
020031	President ICD TW TR ETN	2022.03.31
020033	President HSTECH Futures Index ETN	2022.10.03

◆ **Underwriting Business (Capital Markets)**

(1) Domestic Bond and Equity Underwriting

As of the end of 2023, there were a total of 997 companies listed on the TWSE and a total of 816 companies listed on the Taipei Exchange Market, representing a growth of 2.68% and 0.99% respectively compared to the 971 listed companies and 808 OTC companies at the end of the 2022. The Department has actively fought for cases while maintaining risk management. The President Securities' underwriting cases, which were listed in 2023, included Gudeng Precision Industrial Co., Ltd with NT$1 billion unsecured convertible bonds, SYSGRATION LTD. with NT$500 million unsecured convertible bonds, Excellence Optoelectronics Inc with NT$500 million unsecured convertible bonds, Sumeeko Industries Co., Ltd. with NT$400 million unsecured convertible bonds, PARPRO Co., Ltd. with NT$400 million unsecured convertible bonds. The Company will continue to carefully select industries and focus on company credit risks to provide public listing/OTC listing and fundraising services for companies with healthy finances or those in industries with an excellent outlook.

(2) Financial Advisory

We take great pride in providing professional corporate finance services. In recent years, our financial advisory business has also made great progress and expanded into advisory services dealing with employee stock option exercise prices, offering price for preferred stocks and stock repurchase by listed companies. We will no doubt continue to develop our financial advisory services business with a particular emphasis securities related consulting (i.e., IPOs, mergers, private placements, and other consulting services) around the Greater China Region.

(3) Offshore Underwriting

The Company is actively pursuing public listing and OTC listing operations of Taiwanese companies returning from China, Hong Kong, and Southeast Asia in accordance with market conditions.

(4) Emerging Market Exchange

There were 329 companies listed on the Emerging Stock Board in 2023, a 10.03% increase from 2022 with 299 companies listed. To capture more IPOs, the department has also been actively positioning itself with respect to emerging board targets. However, the IFRS's launch in 2013 has changed the way emerging board stocks will be assessed, and to take risk control into account, the number of officially recommended emerging board companies is 28 at the end of 2023. This year, the division will continue to compete for quality clients while maintaining risk control, and issue recommendations for emerging stocks based on the progress of its client counseling.

◆ **Wealth Management & Trust**

The total assets under overall securities firms' non-discretionary individual management in 2023 was NT$219.113 billion(YoY +14%). The total assets in securities trust management was NT$22.723 billion(YoY -24.4%). The total assets under management was NT$241.844 billion, which was a 9.2% increase of NT$20.343 billion from the NT$221.501 billion at the end of 2022. Among them, the money trust business continued to grow, while the securities trust business shows a decline due to the gradual shift of securities borrowing business to Taiwan Depository and Clearing Corporation's platform.

With an eye on mitigating operational risks and enhancing income stability, the Company have proactively expanded the wealth management services in recent years, prioritizing the income generated from the growth of asset base as well as transaction fees. The assets under the Company's non-discretionary money trusts by the end of 2023 amounted to NT$12.734 billion. The revenue increased by 42% from NT$8.967 billion in 2022. Similarly, the market share has increased from 4.89% to 5.81%. The assets in securities trust management were NT$21 million. The total assets under management were NT$12.755 billion. This ranked the Company 8th among securities firms.

The wealth management platform comprises of a wealth management trust platform and a sub-brokerage platform. Beside the products of domestic and foreign funds, overseas structured products, overseas bonds, and overseas stocks that already exited. New types of products, such as corporate bonds issued by domestic life insurance companies, BLNs linked to corporate bonds, and FLNs linked to ETFs, are launched and introduced to high-net-worth clients, improving their return on assets through leverage. Apart from acquiring goods through trading, we also collaborate with internal product units to meet the customized product needs of high-net-worth clients based on their demands.

C. Research and Development Overview

◆ **In line with the competent authority's requirements for the professionalism of underwriting personnel, this year, based on the courses offered by the Taiwan Securities Association, on-the-job training and further training are arranged; personnel are sent to participate in the professional**

courses offered by the Taiwan Stock Exchange Corporation (TWSE) and Taipei Exchange on a quarterly basis for intermediaries to be equipped with the knowledge of relevant laws and professionalism as the country is increasingly open to overseas business.

◆ **R&D for Derivative Product**

1. Various Technical Expertise and R&D

We have a complete financial engineering team that brings together talented individuals from finance and statistics with access to top-notch trading and valuation software, so that they can develop innovative product and trading strategies. With cutting-edge financial engineering at the forefront, we bring together comprehensive product development and advanced trading experience in designing new products, and in providing sophisticated derivatives products and consulting services for our customers. Plus, every year, we invest heavily in modernizing our warrant software so as to make our systems faster and more stable, and so as to offer a broader range of services to our customers.

2. Our Research Analysts, Their Training, and Our R&D Costs for the Most Recent 5 years

The company has been aggressively developing new products and working diligently to secure regulatory approvals for new products. Over the past 5-year period, we have spent an average of NT$4.5 million per year on R&D efforts.

Unit: Person

Year	2021		2022		2023		Mar. 31, 2024	
Education level	Number of people	%	Number of people	%	Number of people	%	Number of people	%
Master&PhD	44	78.57	45	71.43	44	72.13	44	72.13
Bachelor	9	16.07	14	22.22	15	24.59	15	24.59
Others	3	5.36	4	6.35	2	3.28	2	3.28
Total	56	100.00	63	100.00	61	100.00	61	100.00
Average years of service	5.60		5.72		6.89		7.12	

3. New products or Techniques Successfully Developed Within the Last 5 years

(1) The company has been successful in the design and pricing of many structured note products, equity swaps, credit derivative products, as well as equity-linked derivative products, bonds and interest rates, and we stand ready to issue these products whenever appropriate market timing emerges.

(2) We have successfully developed several market operating strategies, as well as option market making models and strategies.

◆ **Strengthened the electronic trading and relevant information systems**

The electronic trading market continues to grow and the company is able to raise customer service quality through an e-trading platform that is stable, convenient and diversified.

(1) President Securities 2023 Electronic Trading and Information System Relevant R&D Plan

System	R&D Capabilities
Add “eNotice” as electronic notification for shareholder services affairs	1. In line with the ESG sustainable development policy of the Financial Supervisory Commission and the 2050 global net-zero carbon emission trend, investors no longer need to receive a large number of paper notices, but can quickly receive dividend notices through their mobile phones, saving energy and reducing carbon emissions. 2. Modify AS400 column and provide eNotice media file.
Optimization of Comprehensive Ticket Exchange Operation System	New program for comprehensive ticket exchange operation - Interface adjustment and new addition - report revision in “Report” area, in order to cope with the new policy of listed, OTC and emerging stocks. The exchange process of these stocks has been shortened by five days, and should be press release on the day after the book closure date.
Develop Warrant Market Maker Auto Order Cancel System	1. Develop auto order cancel system and build trading session. 2. Connect to Warrant Market Maker System and provide order cancel information. 3. Develop order cancel logic in accordance with warrant market-making regulations and risk control. 4. System integration test and actual application test.

System	R&D Capabilities
Establishment of an off-site backup server room: 2nd level	1. A backup trading server room in a center with a different location has been established as a backup for the main IDC server room in Banqiao. 2. A complete off-site backup mechanism has been established to ensure uninterrupted trading. 3. An offsite backup structure for electronic transactions has been established to increase transaction security.
Build CBAS Business System	Build the CBAS Trading and Accounting System.
Optimization of Debit Center System	1. Add online security lending recall function. 2. Provide lending appointment function while opening online security lending account. 3. Add report program - spread income estimation table. 4. Add English version of the entitlement compensation report. 5. Auto sending function. 6. Pre-calculation of withdrawing excess collateral. 7. Add the request of all function for security lending. 8. Add the individual stock spread income report. 9. Add the security lending agreement query report.
Finance Department-related development projects	1. New expenses application management system. 2. ETN Taxes Declare System. 3. Various types of Income Declare Platform. 4. E-Operation for administrative department expense allocation. 5. Add transaction program of bank performance bond, performance bond related reports, and modification of bank limit settings (calculation).
Settlement & Clearing Department-related development projects	1. Connect to ESOT Execution Report System. 2. Customer of ledgers authorize bank to execute debit operation. 3. E-Pay System add Cathy Bank for underwriting payment. 4. Securities lending-entitlement compensation notice. 5. Seal system add new function of online building /changing customer signature card. 6. Adjust non-restricted purpose loan system. 7. The sub-brokerage customer payment deposits/withdrawals summaries. 8. Tax reduction for securities transaction in warrant hedging accounts. 9. The contract survival of minor customer. 10. E-Counter to change Customer Information File. 11. Develop Asset Middle-Ware.
Brokerage department's relevant development projects	1. Build Retirement Financial System. 2. Auto notification of foreign bond transaction confirmation. 3. E-Trading add SBL short sell function. 4. Apply limit adjustment for customer's commonality account. 5. PSC Financial Department Store application add Foreign Bond and Structured Notes. 6. CRMS of trust add fund portfolio accounting. 7. The contract survival of minor customer.
Conver to new architecture (Angular)	1.Caring for Brokerage Channel Sales System. 2.Collaborative Marketing Management System. 3.Security Lending E-Service System. 4.Annual training plan and budget digitalization. 5.Performance Appraisal System. 6.Digitalize Project Management System. 7.Visit Management System - Cross-System Reference Control Operating System. 8.Non-Taiwan stock market's Futures&Options products flow and inventory digitalization project. 9. Changing Account Assistant Platform.
Deployment of E-service middleware system	Improved the efficiency of data service delivery and unified data management.
Enterprise data platform system construction	Building data platform software, hardware and services, provided quick and convenient data request services for internal company use.

(2) 2023 R&D investment plan and progress

Project Name	Details of Plan and Benefits	Project Plan	Expected Cost Outlay	Current Progress	Expected Completion	Critical Success Factors
System/ Efficiency Optimization and Improvement	1. Meeting Minutes System. 2. Requirements List Management System. 3. AP List Management System. 4. Review Platform for accounting voucher production in trading system.	Improved overall operational and maintenance efficiency and strengthened system integration and functionality.	10 million	Ongoing	Expected to provide services in fourth-quarter, 2024	Completed design process; business process planning
Lightweight Kernel Transformation	1. Load shedding for lightweight kernel of securities entrustment transaction system on AS400. 2. Develop E-Service Middle-Ware.	Improved overall operational and maintenance efficiency and strengthened system integration and functionality.	25 million	Ongoing	Expected to provide services in fourth-quarter, 2024	Completed design process; business process planning
Enterprise data platform system construction	Based on the consultant's design, a data platform is being developed in a sequential manner to improve internal data management and enhance efficiency in data utilization.	Improved overall operational and maintenance efficiency and strengthened system integration and functionality.	20 million	Ongoing	Expected to provide services in fourth-quarter, 2024	Completed design process; business process planning
AML Risk Assessment Adjust plan	Comprehensive review of the content and parameters design for anti-money laundering and counter-terrorist financing risk assessment lists	Respond to the authorities' requirement ,and the risk and security issues regarding e-trading.	5 million	Ongoing	Expected to complete in third-quarter, 2024	Completed design process; business process planning
Optimizing and Refactoring CRMS 2.0	EOS rebuild and optimize for the operating system of CRMS 2.0.	Respond to the roll out of new business areas and improve service quality while optimizing processes and intergrading systems.	20 million	Ongoing	Expected to provide services in fourth-quarter, 2024	Completed design process; business process planning
Foreign Currency Customer Ledgers	Adding new "Foreign Currency Customer Ledgers" function supports customers to exchange currencies from the comfort of their homes, and the currency dealers can also keep the funds, from exchanged currencies, in customers' brokerage accounts. In the near future, the completed establishment will enable customers to follow their own asset allocation, and place orders with selected currency.	Respond to the roll out of new business areas and improve service quality while optimizing processes and intergrading systems.	5 million	Ongoing	Expected to complete in third-quarter, 2024	Completed design process; business process planning
Systematize Default Risk Warning	Online review for default risk warning operation.	Respond to the authorities' requirement ,and the risk and security issues regarding e-trading.	5 million	Ongoing	Expected to complete in fourth-quarter, 2024	Completed design process; business process planning

D. Future Business Development

In an effort to establish our core competiveness, it is essential that we have a clear understanding of future trends in the securities industry and then establish a corresponding business development plan. We must also develop strategies that will allow us to accommodate business areas newly approved by regulators so that we are in a position to move quickly in these new markets. Accordingly, we see our business developing in the following ways:

- Continue to recruit exceptional talent, and thereby improve our competiveness and, in doing so, increase our market share.
- Implement risk management practices and technologies, thereby improving profitability and stabilizing overall business operations.
- Improve IT and enhance e-business infrastructure.
- Offer professional asset management and provide personalized financial planning services.
- Develop foreign market to search for profit opportunity in trading.
- Cultivate talented researchers and thus raise our abilities in designing new products.
- Synergize our business units and enhance our wealth management services.

Business	Short-term Development	Long-term Development
Brokerage	1. Promote marketing activities to increase customer transaction frequency and increase revenue. 2. Enhance the construction of various transaction platforms to provide customers with a more convenient and real-time transaction system. 3. Enhance risk management to lower rates of errors. 4. Optimize the customer relationship management system. 5. Construct a self-help service framework. 6. Communicate with customers and revitalize static accounts. 7. Implement operators' education and training to cultivate versatile operators. 8. Promote the wealth management business and provide customers with professional and diversified financial wealth management services. 9. Promotion of two-way natural person bond loan businesses. 10. Promotion of non-restricted purpose loan business.	1. Provide professional research and service quality to acquire institutional and foreign investor customers. 2. Promote cross (and regional) marketing. 3. Integrate electronic transaction platforms for diversified products. 4. Increase smart self-help services. 5. Conduct periodic personnel training and replace ineffective employees. 6. Promotion and integration of wealth management services.
Proprietary Trading	1. Intensify operations in international stock markets: Include the trading authorization of securities in U.S., Japan, Hong Kong, A shares (Shanghai-Hong Kong-Shenzhen Stock Connect), and overseas fund. 2. Implementation of various instruments: Use foreign options to conduct hedging and non-hedging transactions.	1. Enhance internal division of labor and use the risk management system to increase performance of operations and aid supervisors in adjusting strategies and positions at appropriate times. 2. Conduct more extensive company visits and maintain information exchanges with other companies in the industry to increase the Company's knowledge of individual listed companies and thereby increase profits. 3. Expand international investment businesses in foreign spot transactions as well as research and investment in futures market that are permitted by laws.
Fixed Income Business	1. Diversify the scope of transactions by developing different types of foreign currencies note trading. 2. Increase foreign trade counterparties to acquire better opportunities. 3. Increase Ropo counterparties to enhance foreign currencies funding. 4. Enhance control over the supply end in international bonds to increase opportunities for profits. 5. Increase the proportion of foreign currencies bond trading to achieve better performance than trading in domestic market. 6. Increase the proportion of secured convertible bonds with strictly risk management to keep high profits. 7. Enhance the sales and underwriting capabilities in fixed income products to expand fee profits other than proprietary trading. 8. Expand corporate-related business and high-net-worth customers and strengthen the connection.	1. Construct a complete global financial product database and a comprehensive foreign bond transaction platform. 2. Strengthen the judgment of global trends and risk awareness and strengthen sovereign debt trading to diversify the risks of trading corporate bonds. 3. Expand customers for bonds denominated in foreign currencies and provide them with diversified bond products. 4. Develop a product line for structured products and strengthen the ability to develop products to satisfy risk preferences and requirements of different customers. 5. Increase relevant commission revenue to balance the risk-related revenue from proprietary trading.

Business	Short-term Development	Long-term Development
Financial Products	1. Warrants business (1)Increase the efficiency in the issuance and sales of warrants and carefully formulate issuance strategies based on main investment targets in stocks with good historical performance in shareholders' return on equity. Provide diversified product lines with different strike prices and different maturity dates. (2)Enhance hedging transaction skills and increase the performance of transaction systems to increase profits in warrant hedging. (3)Diversify hedging products and flexibly implement options in stocks with the same targets, convertible bonds, equity options etc. in addition to warrant subjects in current stocks to effectively lower various Greeks risks. 2. Structured products (1)Design products that are suited for various market situations, demand-oriented, and profitable, with the aim of allowing customers to achieve stable profitability through carrying out transactions of quality target products. (2)Provide customized products for individuals and institutions. (3)Establish stable transaction strategies for hedging. 3. ETNs (1)ETNs are guaranteed by the issuer's credit to provide compensation for the indices tracked. Compared with ETFs, there is no tracking error, which can be a good choice for investors in asset allocation. (2)In the future, various types of constituent stocks will be issued. In addition to the existing filtering indicators, such as cash dividends, low volatility and dividend yields, we will gradually develop future-oriented indices, including various industry sectors. We will also aim to issue domestic and foreign target indices with great potential.	1. Provide diversified customized financial products based on customer requirements. 2. Strictly execute risk-monitoring system for derivatives. 3. Diversify hedging products and flexibly implement options in stocks with the same targets, convertible bonds, equity options etc. to effectively lower various Greeks risks of derivatives. 4. Comply with the openness of the competent authority in the future and continue to issue or sell domestic and foreign derivative financial products as an agent. Continue to demonstrate the performance of the Company's financial engineering team and integrate expertise in financial, information, mathematical disciplines to enrich the product line of financial products and disperse revenue sources.
Quantitative Trading	1. Continue to develop transaction strategies and modules to create profits for the department. 2. Strengthen the automated risk control ability for each strategic module. 3. Expand cross-market arbitrage and price difference transactions for foreign products. 4. Actively seek market maker qualifications for domestic and foreign futures and options. 5. Increase the ratio of automated ordering in the department program. 6. Expand the CBAS business to enhance profitability.	1. Enhance strategic real-time measurement and analysis capabilities and build a comprehensive foreign remuneration risk decision-making and analytical system module. 2. Completely systemize and automate the order-placing module and the risk control mechanism.
Underwriting (Capital Market)	1. Respond to changes in the underwriting market, actively seek lead underwriting cases for IPOs, enhance fixed profits; carefully select SPO (including CB and ECB) industries and focus on lowering the Company's credit risks while targeting medium to large projects. 2. Seek public listing (OTC listing) operations of returning Taiwanese companies. 3. Coordinate with OSU operations in expansion of related investment banking operations. Cooperate with the Fixed Income Department to invite foreign financial institutions to issue international bonds in Taiwan.	1. Seek private equity businesses and actively operate related investment banking businesses in the Greater China Region. 2. Collaborate across industries for the group to expand customer base in the Greater China Region.
Shareholder Services	1. Assisting companies with handling stock-related affairs as an agent. 2. Update operating models in accordance with laws at any time.	Actively expand the number of serviced companies.

Business	Short-term Development	Long-term Development
Wealth Management & Trust	1.Continue to increase the product lines, develop differentiated services by enhancing the promotion of unique financial products. 2.We are actively working to increase our market uptake and improve our competitive pricing. 3.Deepen business relationships with professional investors and high-net-worth clients. 4.Strengthen our presence in the corporate market and explore various sources of profit by promoting employee stock trust welfare business.	1.Improving financial services to enhance the convenience of wealth management. 2.Platform upgrade to meet customers' one-stop shopping needs. 3.We aim to recruit exceptional financial consultants and expand our business team. 4.We are in the process of establishing an expert team that will provide customized financial services. 5.Provision of financing and lending services in line with regulatory liberalization. 6.Focus on customers experience, and create professional financial image.

II. Market Conditions

A. Analysis of the Securities Industry

1. Sales and Services Area

Unit: NT$ thousands

Area	2021		2022		2023	
	Amount	%	Amount	%	Amount	%
North	6,313,433	74.28%	3,616,264	74.98%	4,095,805	76.43%
Central	715,446	8.42%	388,712	8.06%	573,576	10.70%
South	1,470,528	17.30%	818,114	16.96%	689,188	12.86%
Total	8,499,407	100%	4,823,090	100%	5,358,569	100%

Note 1: The amounts in the table above are brokerage fee revenue.

Note 2: The distribution area of the headquarters and branches is as follows:

Northern area: Taipei Headquarters and branches in Hsinchu and north of Hsinchu.

Central area: Branches extending from south of Miaoli to north of Chiayi.

Southern area: Branches south of Tainan and in Kinmen.(Included Changhua branch and Yuanlin branch before 2022)

2. Breakdown of Market Share According to Business Area

As of Dec. 31, 2023

Business Area	Component	Market Share	Rank
Brokerage	Equity Brokerage Trading Volume	2.91%	8
	Individual Branch	0.10%	5
Financial Products	Warrants Issued (Volume)	5.13%	7
	Structure Commodity Business Volume	11.80%	3
Fixed Income Business (Conditional and Outright)	Domestic Bonds	0.41%	20
	International Bonds	1.11%	9
Underwriting (Note 1)	Lead Underwriting Deals (No./ Volume)	18 (7.63%)/ 3.363 billion (2.83%)	4/9
	Lead and Co-Lead Underwriting Deals (No./ Volume)	38 (3.82%)/ 3.870 billion (2.59%)	10/10

Note 1 : Due to the difference of calculation base date, the number or volumn of deals may be different from the content of other chapters.

Note 2 : Market share and ranking are base on domestic securities industry's competitors.

3. A Look at Future Growth as well as Supply and Demand in the Market

The Financial Supervisory Commission (FSC) continues to liberalize the business scope and types of securities brokers. Including relaxing the brokers' requirement to provide financial planning, execute or transact asset allocation for their clients in the form of trusts, the expansion of service scope had provided to securities brokers. The securities market is expected to grow continuously, as the increasing demand for financial services, such as Taiwanese investment in overseas markets and diversified financial products.

In the brokerage business, the Financial Supervisory Commission has been studying diversified financial products, such as “permitting securities dealers to launch ETNs” and "Introducing short-term accommodation for on-passage settlement of listed securities for securities firms," rolling out new services and promoting new policies for new opportunities, so as to continue to expand the size of the capital market, build a well-developed securities market, and enhance the competitiveness of the securities and futures industry every year. The opening of new business means new opportunities that could stimulate increased market transactions. The Company has also remained active in planning related business in hopes of providing customers with more comprehensive product services.

In 2023, affected by the Fed's interest rate hike, investors were particularly cautious; however, the AI theme has led to an increase in the trading volume of the Taiwanese stock market compared to last year. The authority also enabled Odd-lot trading during the intraday session on October 26, 2020 and rolling out "Introducing short-term accommodation for on-passage settlement of listed securities for securities firms" in 2022. Such a measure would make people with mediocre incomes easier to invest with a small amount. Thus would attract young people to join the market, slow down the aging trend of Taiwanese stock market, and bring new/young customers for the Company. Short-term accommodation for on-passage settlement funds of listed securities facilitates customers to use funds efficiently and activate the overall trading momentum of the stock market.

In response to Finance 3.0 trends, the Company shall continue to enhance electronic ordering businesses and integrate functions on the transaction platform. The ratio of electronic transaction operations has reached 68.14% in 2019, 69.15% in 2020, 78.44% in 2021, 79.37% in 2022 and 77.72% in 2023. Moreover, we introduced a versatile borrowing service, providing customers with more convenient online borrowing function to facilitate their financial transactions in 2023. We introduced the average price line and dual reporting mode to improve the user experience for our customers, ensuring a smoother experience for our electronic trading customers. In addition, the Company shall continue to develop and optimize a global transaction platform and provide customers with more international and diversified options once business development matures. It shall also provide quality services to increase customer satisfaction and build company reputation to achieve better performance.

As for our underwriting business, with competition for corporate funds raising deals increasingly intense, many corporations are learning that they have many options available to meet their financing needs, and that equity issues are not always their best opinion. As a result, companies that are properly screened and that demonstrate sufficient creditworthiness, as well as the preferred stock that issued by financial holdings companies and commercial banks, can often be better off turning to convertible bonds. Plus, with the number of large companies that have not already publicly listed shrinking and the demand for integration due to competition within industries increasing, financial advisory business and corporate funding such as private equity, mergers and acquisitions, capital reductions are growing.

Also, the Taiwan government has recently been actively encouraging foreign companies to consider Taiwan for primary and secondary listings, forcing most domestic underwriting departments to think more broadly and internationally. Add to this the regulators opening up of Offshore Securities Units (OSU), which allow domestic brokerage houses to become more international in scope. Going forward, the Company intends to pursue more international integrated investment banking business in the Greater China Region, and to pursue more foreign companies to list in Taiwan, thereby breathing new energy into Taiwan’s equity markets.

Regarding proprietary trading, the primary influencing factor in the year 2024 is monetary policy:

According to the latest dot plot from the Federal Reserve (Fed), the Fed is projected to implement its first interest rate cut in 2024, potentially in Q2. It is anticipated that 3 basis points will reduce the interest rate for the entire year, and the annual growth rate of the PCE price index is expected to fall below 2.5% this year. As the result, Fed will have more flexibility for dovish actions. Interestingly, the European Central Bank (ECB) may also initiate its first interest rate cut this year, leading to improved market liquidity compared to the previous year.

Fundamentals: The Federal Reserve (FED) expects the U.S. economy to grow at a rate of 1.4% this year, with the unemployment rate remaining at 4.1%. The probability of an economic slowdown is gradually increasing. In terms of stock market profitability, Factset forecasts 10.6% earnings growth for the S&P 500 Index this year, while Bloomberg forecasts 18.6% earnings growth for the Taiwan Weighted Index. From an industry perspective, cyclical consumer electronics such as PCs, laptops, and smartphones have the opportunity to return to growth this year after inventory destocking last year. In addition, the general server industry is expected to recover. Hardware shipments related to the current market highlight, AI, will also experience a surge after the easing of CoWoS production capacity, driving Taiwan's robust development in assembly ODM, IP and other demand.

Election year: According to statistics, 76 economies will hold general elections this year, including the United States, Europe, the United Kingdom, India and other economies. The U.S. presidential election will be held in November 2024. At present, the Democratic Party has a high probability that Joe Biden will run again, while the Republican Party's internal support rate for Trump is leading with a significant advantage. The 2024 presidential election will likely see a rematch between Trump and Biden, and the industrial and foreign policies proposed by the new leaders of the major economies at that time will be one of the variables for the stock market in the second half of the year.

Despite facing a series of challenges, the Proprietary Trading Department will maintain a rigorous research approach. We will delve into the fundamental essence of the events, develop suitable investment strategies, and operate with prudence rather than impulsiveness, all with the aim of generating greater profits.

As for our financial products business, we will continue to pursue increasingly tailored products to meet the needs of our clients as the regulators open up new areas of business. This will require enhancing our hedging activities a risk management models, so as to lower risk and ensure stable returns. Going forward, as the regulators allow greater access to Offshore Securities Units business, we will pursue global equity business and develop foreign derivatives services so as to better diversify our revenue streams.

Our company has been developing its wealth management trust business, and the assets under management (AUM) have been growing at a rate of over 20% in recent years. In the face of the global financial turmoil, high inflation, and rising interest rates, we meet the asset allocation needs of clients with different risk profiles by providing “house view” recommendations and investment portfolios. When the market experiences significant volatility, we promptly send out major news commentaries to care for and safeguard client assets. Customer satisfaction and asset appreciation are the primary drivers of continuous growth in trust assets.

In our pursuit of expanding our wealth management business, we are committed to assisting our clients in reaching their financial goals through product innovation, top-notch services, and a team of experts. By enhancing the profitability of our wealth management businesses, our object is to generate sustainable value and foster a favorable operational environment.

4. **Market Supply forecast, growth opportunity, and business competitiveness**

(1) Our Competitive Strengths

- Our corporate image is solid.
- We respect professional management and leadership.
- Our horizontal organization and human resource costs are well-controlled.
- Our position management performance is outstanding in winning percentage.
- Our operating costs and risk management are both well-controlled.

(2) Positive Factors

- The global economy is in recovery; consumption and investment are picking up, which will drive domestic economic growth.
- Capital is readily available and the cost of capital is quite low.
- Flexibility in proprietary trading business with industry-leading performance.
- Brand image and channel resources of President Group.

(3) Weakness

- Financial holding companies have the advantage of capital employment and crisscross integration.
- It is hard to mark up brokerage handling charge due to fierce competition.
- The aging of domestic population lowers demand for investments.
- The salary growth rate of the youth population grows slowly and the low amount of savings makes it difficult to begin investments.

(4) Strategies for Dealing with the Weakness Identified

Business Unit	Strategy
Brokerage	1. Encourage various departments and subsidiaries to work together to develop new business. 2. Transformation into a multi-functional branch to expand the market share and profit. 3. Expand our spread trading business, increase mid-level customer trading volumes and position turnovers rates. 4. Enhance internal auditing procedures, reduce client complaints. 5. Customized online brokerage system for institutional and mid-level investors. 6. Increase revenues from securities lending service to investors. 7. Identify under-performing brokers and refocus them towards "Marketing" efforts as a means of making a breakthrough, or refocusing their efforts on cross-selling of non-traditional products. 8. Cultivate all employees' abilities to cross-sell a range of financial products, particularly personal financial planning products and wealth management services. 9. Focus on tiered, wealth management sales efforts that take into consideration client preferences, trading habits, and that provide appropriate product information and that increase trading frequency. 10. Push forward with online brokerage business; implement comprehensive platform that integrates both information and trading systems. Upgrade online trading system stability and order entry quality. 11. Improve our employee training, assistance in preparation for related licenses, performance management, and information system knowledge, to upgrade our brokers' professionalism and productivity. 12. Continue to recruit new employees, cultivate strong management trainees and financial planning professionals who are familiar with a wide range of products. Train back-office staff to take on sales roles thereby streamlining HR costs. 13. Evaluate the feasibility of digitizing all back-office operations so as to increase efficiency and to control costs at individual branches. 14. Implement succession mechanisms for each level of the organization, strengthen our incubation center functions, retain good talent, solid management training programs, set incentive programs, encourage successors, smooth generational gaps. 15. Set break-even point for each branch, consider the linkage between target customers and brokers' performance and branches' operation outcome, evaluate potential for future profitability, and adjust business direction.
Proprietary Trading	1. Strictly implement risk control regulations to effectively reduce the impact of systemic risk. 2. Adopt dynamic inventory stock level in the face of market change, switching between "Range Trading" and "Trend Trading" strategies, thereby maintaining an optimal market position. 3. Improve our research and trading of Emerging Market Exchange equities, foreign-listed equities, and futures markets, to create more diverse sources of revenue. 4. Add quantitative analysis and technical indicator model analysis to our operating systems.
Fixed Income Business	1. Make good use of macroeconomic databases and develop systematic tools to enhance profitability. 2. Appropriately adjust traders' mandate and increase traders' mandates gradually. 3. Enhance traders' decision making and trading ability. 4. Strengthen foreign bond research and trading team to meet the growing needs of expanding businesses. 5. Recruit experts for sales and debt capital market to expand the business scope in fixed income market. 6. Develop structured products in different themes with the advantages in the proprietary trading business. 7. Strengthen corporate-related business and high-net-worth customers and diversify the risk of proprietary trading business.
Financial Products	1. Be more consumer-oriented and develop new products to meet these demands. 2. Strengthen market research and investment analysis of foreign market objectives and issue a variety of derivative products to provide customers with diverse options for asset allocation.
Quantitative Trading	1. Diversify our trading strategies to better react to market changes. 2. Aggressively pursue market-maker roles in foreign futures and options markets. 3. Expand our range of foreign products traded and increase profitability in foreign products. 4. Increase the proportion of order placements via automatic trading programs. 5. Increased the integration of resources across multiple departments, thereby creating better synergies.

Business Unit	Strategy
Underwriting (Capital Markets)	1. Prior to taking initial steps on a given underwriting deal, consultations should be conducted with colleagues throughout the company's various departments and divisions so as to accurately access to the realistic profit opportunities and risks of the deal. Once a deal is ongoing, regular reassessments and revisions should be made in order to ensure the quality of the overall project. 2. When acting as exclusive sales agent for an issue, a risk assessment report must be generated to determine if risks fall within the firm's accepted parameters. Afterwards, daily risk values should be generated and market simulations should be conducted to as so have a clear and timely picture of risk exposure and thus determine when to initiate stop losses or when to take profits. The net effect of all of these efforts will be to lower overall risk while pursuing the largest possible profit. 3. As for the domestic business, customers of several departments, including Brokerage, Corporate Client, Wealth Management, Financial Product, and Shareholder Services have been integrated; platforms for corporate and personal financial services have been established and activated.
Shareholder Services Coordination	1. Improve quality of service: (1) Respond quickly to legal changes which affect procedures and materials. Improve efficiency of training cycles. Develop employee knowledge on various regulations and procedures. Enhance mutual support and flexibility among employees. Increase efficiency of human resource utilization. (2) Enhance inter-department cooperation and verifications, thereby ensuring accuracy and security of processes. 2. Enhance efficiency of operations: Follow the internal objective of "Customer satisfaction, unceasing improvement and innovation", we will keep increasing the satisfaction rate of agency business.
Wealth Management & Trust	1. Help business personnel to obtain the relevant professional licenses and raise their wealth management competence. 2. Offering a wide range of products, and focus more on the depth of product service, and satisfy customers' needs for one-stop shopping. 3. We continuously optimize the ordering environment of various product platforms to offer customers comprehensive and convenient digital financial services. 4. Enhance customer service and enlarge product range to meet the needs of high-net-worth customers.

B. Productions Procedures of Main Products

The Company is a securities service provider. The business and services provided by the Company do not involve the production processes for physical products, so it is not applicable.

C. Supply Status of Main Materials

The securities business and services conducted by the Company are in accordance with the laws and regulations of the competent authority. There is no supply of physical materials, so it is not applicable.

D. Major Suppliers and Clients

The Company's main customers include individuals, legal entities, approved foreign professional investment institutions and natural persons. In the past two years, each customer's purchase (sales) of products failed to reach 10% of the purchase (sales) of products of the Company per year.

E. Production in the Last Two Years

The value of the securities business and services conducted by the Company cannot be provided as in the general manufacturing industry.

F. Shipments and Sales in the Last Two Years

The value of the securities business and services conducted by the Company cannot be provided as in the general manufacturing industry. The revenue and its ratio of the Company's main businesses in the past two years are as follow:

Unit: NT$ thousands

Item	2022	%	2023	%
Brokerage	3,709,607	70.34%	4,200,038	48.39%
Proprietary Trading	1,388,875	26.33%	4,026,257	46.39%
Underwriting	175,609	3.33%	452,422	5.21%

III. Employee Data

Analysis of Average Tenure, Age and Education, for Sales Force in 2021, 2022, and up to March 31, 2024

Unit: Person

Year		2022	2023	2024Q1
Number of Employees	Management	128	122	124
	Regular Staff	1,310	1,290	1,292
	Total	1,438	1,412	1,416
Average Age		46.10	46.10	46.30
Average Tenure		13.11	13.01	12.95
Education (%)	Doctorate Degree	0.14	0.14	0.14
	Master’s Degree	18.08	18.48	18.71
	Bachelor Degree / Junior College Graduate	71.35	71.46	71.40
	Senior High School	10.43	9.92	9.75
	High School or Less	-	-	-

Note: Directors and part-time employees are excluded.

Revenue Per Employee

Unit: NT$ thousands

Item	2022	2023
Revenue Per Employee	3,668	6,146

Note: Revenue per employee = total revenue /number of employees

IV. Environmental Protection and Corporate Citizenship

A. Environmental Protection

Based on governmental order #0950007006, each company is required to disclose in its annual report its compliance with the European Union’s Restriction of hazardous Substances Directive (RoHS). The Company is in the securities service industry, so there is no signification environmental pollution nor losses incurred because of environmental pollution (including no compensation and environmental protection audit results documenting any violation of environmental regulations).

B. Work Environment Safety and Precautions

1. In order to maintain the safety and health of employees, an Occupational Safety and Health Project Section has been set up under the Company’s Department of General Affairs. To promote occupational safety and health services, a Type A occupational safety and health business officer and occupational safety and health administrators have been engaged, which have been registered with the Labor Inspection Office, Taipei City Government.
2. The Company pays attention to safety in the employees’ work environment. Regularly review the hazardous factors in the office environment and make necessary improvements. The headquarters and all branches should send personnel to receive training from fire safety managers and occupational health and safety business supervisors. The purpose is to obtain relevant certification qualifications, and develop fire protection plans for each workplace, and maintain a safe office environment.
3. We have set up a health consultation room, also employed a full-time health manager and a clinical occupational medicine specialist to provide staff health consultation services. Employee health checkups are held on a regular basis every year. In addition to the basic health checkups, we also adjust the checkup items every year, such as fundus photography, thyroid function, gout screening, etc., so that our employees can have a more comprehensive understanding of their own health conditions. The results of the health checkups are documented and managed by health management specialists for follow-up and care.
4. The headquarters building has a lactation room, and has received the highest level of lactation facility certification from the Taipei City Government's Department of Health (2023-2026).

5. In order to promote employee healthcare, we enhance employee health knowledge through online health education. The headquarters building has a 300-square-meter Employee Activity Center, where we have planned exercise spaces such as an aerobic classroom, gymnasium and billiard room, as well as various health-promoting activities to provide employees with all-around health care. The sports atmosphere and culture of President Securities Corporation is driven by senior executives, who have long established a workplace sports culture and actively promoted the cultivation of regular sports habits among employees. Our performance was recognized by the Sports Administration of the Ministry of Education in 2016, 2018, 2020 and 2023, earning us the "Sports Enterprise Certification."
6. The Company's office environment considers the safety of employees to be the top priority. Each entrance and exit is equipped with access control card swiping devices. The entrances and exits of each building are controlled by security personnel during the day, night, and on holidays to ensure the personal safety of employees.
7. In accordance with the requirements of the Building Public Safety Inspection Certification and Filing Regulations, the Company regularly entrusts a professional company to conduct building public safety inspections every two years and has obtained a qualified independent management certificate related to building public safety.
8. The Company's various mechanical and electrical or fire safety equipment (fire alarms or fire extinguishers, and so on) are in compliance with the provisions of the Fire Services Act; the Company outsources regular fire safety equipment maintenance, repairs, and inspections to a third-party institution every year while filing a report to the competent authority.
9. Smoking is completely banned in the Company's business premises in accordance with regulations, and janitors are hired to clean the office environment. Office floors and carpets are cleaned and waxed regularly to ensure a clean and hygienic work environment.
10. The Company provides employees with a safe and healthy workplace. The office is a comfortable space suited for working as it is equipped with a central air-conditioning system and has adequate lighting.
11. The workplace is equipped with first aid supplies and AED equipment. In total, 71 colleagues in the company have received training in emergency response and obtained certifications.

V. Labor Relations & Employee Benefit

A. Employee Benefits, Education and Training

1. Employee Benefits

The company has always maintained a harmonious relationship with its employees. We have spared no expense in providing attractive employee benefits, in providing opportunities for personal growth, in providing a pleasant work environment, and in providing clear and accessible communication channels to all levels of management.

In addition, we go beyond simply offering benefits prescribed by Labor Standard Act, such as annual leave time and number of working hours. Employees also enjoy additional benefits such as group insurance for worker's compensation, accident medical care, and department dining subsidy. As well, we offer employees funds for weddings and in time of bereavement, and organizes and subsidized employee outings aimed at strengthening relationships between the firm and our employees, and among employees themselves.

The company is committed to creating a reasonable, friendly, and efficient work environment for its employees, an environment that includes strong lines of communication for employees to express opinions and suggestions about the firm. With this in mind, the firm has established an "Employee Suggestion Center" and also organizes regular employee workshops to actively solicit, discuss, and then respond to employee concerns and suggestions. The Company has also dedicated itself to building a safe and equal work place with a proper complaint channel.

In January of 2004, the company expanded its employee benefits to include an "Employee Stock Ownership Trust, (ESOT)". Each participating employee may decide his/her own monthly contribution to the trust account, and the Company will also set aside a corresponding amount (subject to an award cap according to his/her job rank) as bonus. The aim of this program is to promote long-term commitments from employees as well as encourage healthy savings habits and encourage responsible retirement planning.

To encourage employees to live healthier lives, the Company provides all employees with a smoke-free work environment and arranges annual health checks for employees to improve their physical health. The arrangements are superior to legal requirements. In addition, the Company also conducts periodic blood donation activities and physical and spiritual health seminars from time to time to improve employees' overall health. The activities include sanitation education, policy, and the environment.

The Company also provides a spacious 200-ping sports center which is equipped with comprehensive sports facilities. It also actively promotes various club activities to promote healthier lifestyles for employees. Essentially, all such benefits and programs are designed to foster a harmonious relationship between employees and the company. In addition, the Company was awarded two stars as Best Companies to work for by Department of Labor, Taipei City Government in 2012.

The Company was also selected as an Enterprise of Happiness by 1111 Job Bank since 2019. Going forward, we are optimistic to continue to improve upon these relationships, always with the ultimate aim of allowing both the company and our employees to enjoy mutual benefit and growth.

2. Education and training courses, expenditures, and number of hours

The Company values education, training, and talent development. The effects of training in 2023 are described as follows:

◆ **Talent training**

(1) Talent development for future channel personnel: To meet the needs of the organization's business development, assist the brokerage department and the settlement department in nurturing new generation of talents to prepare for organizational development.

(2) Nurturing of top talent: In response to future business development and operation challenges, meeting customer needs and promoting organizational performance. the Company launched a talent pool project to recruit excellent young talents, systematically select and nurture them. The Group will also strengthen its ability in precision analysis, identifying issues, and rapidly proposing innovative solutions, so as to cultivate talents required for business development.

◆ **Assist the wealth management business of brokerage channel system promotion.**

(1) Training on financial consultant: In response to the needs of the brokerage business transformation, the Company will expand the development of wealth management business, strengthen the professional competency of the financial consultants, so as to keep pushing the branch entities' expanding wealth management business and ensuring the achievement of wealth management business objectives.

(2) Industry trends: The monthly President Class focuses on analyses of trending industries to provide colleagues with a greater understanding of industry trends to have expertise in wealth management products to provide customers with appropriate financial planning advice and customer service.

◆ **Finance 3.0 Digital Transformation Training Program**

(1) FinTech talks: Cultivate colleagues to be inspired by the current state and application of artificial intelligence, blockchain, and ecosystems in the upcoming FinTech era. We will keep up with the developments of FinTech to facilitate talent development and organizational transformation.

(2) Tableau Training for Digital Tools: Beginning with data connection, Tableau provides a range of applications, including built-in maps, quick table calculations, charts, and the ability to combine multiple measures to integrate data sources. This helps organizations analyze and execute tasks, facilitating decision-making and improving business processes, ultimately enhancing operational efficiency.

◆ **Professional Capability Enhancement Program**

(1) Problem analysis and solving skills: Equip employees with the ability to quickly analyze and identify problems, and effectively propose solutions in response to the rapidly changing environment and the need for organizational business expansion. Employees are therefore familiar with systematic thinking, problem analysis and solution techniques that help them complete work.

(2) Counselor training: In response to the digital transformation needs of each department (process/operation/departmental operation/business), and to accelerate the enhancement of job competencies, we rely on experienced talents in each department to play the role of counselor to lead colleagues to complete their tasks. By using systematic tools/forms/processes to pass on the experience and guidance, and using different communication skills according to the employee's characteristics and backgrounds, this training enable us to establish a trusting relationship and effectively achieve the organizational goals.

(3) Professional competence certification: By promoting the project of elevating professional competence, we encourage colleagues to engage in cross-functional and diverse learning and development, which will booster efficiency and customer satisfaction.

◆ **Program for improving management by supervisors**

(1) New manager training: Assists new managers in developing management fundamentals, including the necessary management mindset for promotion, goal setting, fostering subordinates, performance management and development. They will be able to guide other employees in achieving the organization's goals.

(2) Leadership Excellence Development Program: Based on the long-term stable development of the company and the cultivation of management talents. This program is systematic and planned for the inheritance of experience and distribution of talents, and the continuous cultivation of management talents.

(3) Senior executive leadership forum: Aims to develop strategic thinking, communication and motivational skills, and team leadership in working toward a common goals among senior executives, thereby accelerating organizational transformation while balancing business development.

◆ **E-training**

(1) The training system has been upgraded to version LMS6.8 and its functions are upgraded to improve the Company's management and implementation of training programs. Through the implementation of learning maps and competency modules, we aim to promote professional competency certification. Colleagues are encouraged to pursue diverse career development across various functions and provide personalized learning plans to meet individual needs. Our ultimate objective is to deliver exceptional customer service that effectively addresses the challenges of our business operations.

(2) The Company purchases and produces training materials based on job requirements, integrates free resources, and selects various online materials suitable for various roles to encourage employees to learn on their own at any time. This allows learning to be more diverse and spontaneous.

◆ **The Company received the Taiwan Training Quality Assessment Bronze Award from the Labor Development Department, Ministry of Labor from 2016 to 2023, and won silver award for six consecutive years from 2010 to 2016, and was the only enterprise in the securities industry to receive the Silver Award for six consecutive years. The Company won the bronze award from 2017 to 2023. It developed human-resource development quality management system according to TTQS in consecutive 13 years for consistency and stability.**

B. Retirement System and Implementation Status

1. To encourage employees' long-term services and professional development, protect employee rights, and improve work efficiency, the Company has established the Employee Retirement Regulations in accordance with the approval granted in the National Taxation Bureau's (1989) Cai-Bei-Guo-Shiu-Shen-1 No.112955 . Letter dated November 12, 1989.
2. The Company established the Employee Pension Fund Management Committee on October 11, 1994 with the approval of the Department of Labor of the Taipei City Government. After the implementation of the Labor Standards Act in March 1998, the Company established the Supervisory Committee of Labor Retirement Reserve in accordance with the laws. Related organization charters and retirement regulations have been approved by the Department of Labor of the Taipei City Government. The Company appropriates funds at least 2% to the Trust Department of the Bank of Taiwan according to the appropriation ratio calculated by the actuary.
3. The government implemented the new retirement system in the "Labor Pension Act" in July 2005 to handle employees' retirement. As of today, the Company has close to 1,400 employees enrolled in the new labor pension system. The Company complies with government policies and appropriates 6% of employees' salaries to the pension account in the Bureau of Labor Insurance each month.The appropriation amount for 2023 is 69,761 thousand .
4. Retirement qualifications and principles for payment:

4.1 Voluntary retirement: Employees who met any of the following criteria may apply for voluntary retirement:

A. Those who have served for more than 15 years and are over 55 years old.

B. Completed 25 years of service, regardless of age.

C. Working with the company for at least 10 years and over 60 years old.

4.2 Forced retirement: The Company may request an employee to retire in any of the following situations:

A. Where the employee attains the age of 65.

B. Where the employee with mental or physical disabilities is unable to meet the job requirements.

4.3 The calculation of pension:

A. For employee who joined the Company after July 1, 2005, the pension eligibility follows the Labor Pension Act. During the employment period, the Company shall make monthly contributions based on monthly salary scale set by the Ministry of Labor. A monthly pension of not less than 6% of the salary shall be contributed to the individual pension account established by the Bureau of Labor Insurance.

B. Employees who joined the Company before July 1, 2005 may choose the following two pension rules for their applicable years of service:

(a). Follow the rule of Labor Standards Act: Two bases are given for each full year of service rendered. But for the rest of the period over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The length of service is calculated as half year when it is less than six months and as one year above six months. The basis of salary is based on the average salary of the last six months prior to the employees applying for retirement. Those who choose to apply for this method may opt for the years of service which is after July 1, 2010 according to Labor Pension Act by July 1, 2010.

(b). According to the provisions of the Labor Pension Act, the Company pays monthly salary based on the monthly salary scale as set by the Ministry of Labor from the date the employees opts for it. A monthly pension of not less than 6% shall be contributed by the individual as set by the Bureau of Labor Insurance.

4.4 An additional 20% on top of the amount calculated according to the preceding subparagraph shall be given to employees who are forced to retire due to mental or physical disability caused while executing their duties.

C. Employee Disputes and Protection of Employee Rights

1. In accordance with the Labor Standards Act, the company has instituted its own set of work rules and has submitted a copy of these work rules to the Taipei City Government Department of Labor for approval. In addition to notifying all employees via internet of the content of these work rules, we also have posted a copy of these work rules on rules, we also have posted a copy of these work rules on the company's internal corporate website where employees may view a copy of these rules at any time.
2. The Company maintains harmonious labor relations. In addition to regularly convening labor-management meetings, we also regularly promote labor rights to provide a channel for communication between labor and management, improving the relationship between labor and management.

D. Loss caused by labor dispute in the recent years , and estimate of losses incurred to date or likely to be incurred in the future, and mitigation measures being or to be taken: None.

E. Recent Violations of the Labor Standards Act in Annual Labor Inspections: None.

F. Certification Details of Employees Whose Jobs are Related to the Release of the Company's Financial Information

Certification details of employees whose jobs are related to the release of the Company's financial information are disclosed in the table below. In response to the competent authorities' requirements for risk management implemented by the risk management unit and the qualifications for operators and internal auditors, the Company's relevant personnel have also completed the training and obtained relevant qualifications in accordance with the regulations. Currently, four employees in charge of risk verification have obtained the Financial Risk Manager (FRM) Certificate and two employees in charge of auditing have also obtained Certified Financial Service Auditor (CFSA) Certificate.

Certifications and Qualifications Received by Employees	Risk Controls Office/ 5 employees	
	Qualified	Ratio (%)
Qualification Exam for Senior Securities Specialist	5	100.0
Qualification Exam for Futures	5	100.0
Certificate of Margin Trading and Short Selling	1	20.0
Qualification Exam for Securities Investment Trust and Consulting Professional	3	60.0
Qualification Exam for Personal Insurance Representative	1	20.0
Qualification Exam for Non-Life Insurance Representative	1	20.0
Bill Finance Specialist exam	2	40.0

Certifications and Qualifications Received by Employees	Finance Department/ 37 employees	
	Qualified	Ratio (%)
Qualification Exam for Senior Securities Specialist	30	81.1
Qualification Exam for Securities Specialist	3	8.1
Qualification Exam for Futures	9	24.3
Certificate of Margin Trading and Short Selling	5	13.5
Qualification Exam for Securities Investment Trust and Consulting Professional	9	24.3
Proficiency Test for Trust Operations Personnel	8	21.6
Qualification Exam for Personal Insurance Representative	7	18.9
Basic Proficiency Test for Bank Lending Personnel	1	2.7
Proficiency Test for Financial Planning Personnel	2	5.4
Basic Proficiency Test for Bank Internal Controls	5	13.5
Qualification Exam for Non-Life Insurance Representative	4	10.8
Professional Capacity of Bonds Specialist	1	2.7
Bill Finance Specialist exam	3	8.1
Proficiency test for corporate basic internal control	1	2.7

Certifications and Qualifications Received by Employees	Auditing Office/ 20 employees	
	Qualified	Ratio(%)
Qualification Exam for Senior Securities Specialist	17	85.0
Qualification Exam for Securities Specialist	3	15.0
Qualification Exam for Futures	20	100.0
Certified Public Accountants	1	5.0
Certificate of Margin Trading and Short Selling	12	60.0
Qualification Exam for Securities Investment Trust and Consulting Professional	13	65.0
Proficiency Test for Trust Operations Personnel	17	85.0
Qualification Exam for Personal Insurance Representative	13	65.0
Qualification Test for Sales Personnel of Structured Products	12	60.0
Basic Proficiency Test for Bank Lending Personnel	1	5.0
Proficiency Test for Financial Planning Personnel	5	25.0
Basic Proficiency Test for Bank Internal Controls	9	45.0
Qualification Exam for Non-Life Insurance Representative	13	65.0
Qualification Exam for Stock Affair Specialist	2	10.0
Professional Capacity of Bonds Specialist	1	5.0
Bill Finance Specialist exam	2	10.0
Qualification Exam for Investment-orientated Insurance Product Representative	8	40.0
Proficiency test for corporate basic internal control	4	20.0
Wealth management salespersons	14	70.0
Qualification Exam for Securities Investment Trust and Consulting Regulations	3	15.0
Trust laws exam	2	10.0

G. Conduct and Ethics of Employees

The Company has formulated the “Work Rules” and “The Regulations and Declaration” signed with employees for their conduct and ethics. The content is summarized below:

1. All the Company’s employees shall comply with the following standards and rules in the daily life for the Company’s development and all employees’ welfare:
   (1) Environmental sanitation: Maintain sanitation in the surrounding environment and keep documents and supplies tidy.
   (2) Clothing and appearance: Dress in a simple and tidy manner; have a haircut and shave from time to time; barefoot, slippers, flip-flops, and jeans are prohibited; wear in uniform from Monday through Thursday.
   (3) Interaction with people: Focus on manners, punctuality, and promise-keeping, respect others, cherish public property, work hard, and be efficient.
   (4) Commitment: Be active and responsible at work; do not shirk responsibilities; do not be perfunctory; never put off till tomorrow what may be done today.
   (5) Customer first: Receive customers in a cordial and attentive manner; put services first; place emphasis on customers’ rights and interests.
   (6) Public property: Ensure proper safekeeping and strengthened management of supplies and equipment.
   (7) Profit boosting and cost cutting: Assist in the expansion of business, actively strive for the Company’s interests, reduce and save expenses, as well as eliminate waste.
   (8) The Company strictly prohibits gambling, noise, and physical fights.
2. All of the Company’s employees shall comply with the following service standards and rules for maintaining the Company’s interest.
   (1) During employment, employees shall not take on part-time (concurrent) duties other than the work designated by the Company. If it is not in conflict with the Company’s operating interests and will not interfere with the full-time work, employees shall report to their supervisors beforehand. Except for the purpose of business, employees shall not use the Company’s name without permission.
   (2) Employees shall not look through documents, correspondence, and books of accounts that are not part of their business and present their business documents to irrelevant parties.
   (3) Never leak, transfer, or otherwise the Company’s business or technological secretes, including but not limited to all documents, information, products, or objects or rights with property value, to people.
   (4) Employees guarantee that when leaving the Company, all the Company’s information kept related to the work shall be handed over to the unit supervisor, and that Company’s property and relevant documents shall not be taken away.
   (5) Employees shall not bring prohibited items and flammable materials into the company; they shall not bring people who do not work at the Company to the Company without permission.
   (6) Employees are not allowed to absent the Company’s major meetings without any reason.
   (7) The Company’s employees shall report their duties and business to supervisors from the first level all the way up and shall not bypass supervisors in the middle and report to those at higher levels directly, unless it is an emergency or special circumstance.
   (8) The Company’s employees shall not take the Company’s property or documents out of the Company without permission, unless with the responsible supervisor’s approval.
   (9) The Company’s employees shall not have a loan relationship or guarantee relationship with the Company’s customers.
   (10) The Company has prohibited inappropriate lending or loan brokerage among employees.
   (11) During employment, employees shall comply with the Company’s assignment of work as well as management and supervision; the Company may adjust the employees’ job duties and workplace location based on business needs in accordance with labor laws.
   (12) To protect the Company’s reputation, the Company strictly prohibits employees’ comments that are not verified or may damage the Company’s reputation on any social websites.

3. To maintain the Company's corporate culture, the Company's employees shall comply with the following ethical standards and rules.
   (1) When conducting business, employees shall not directly or indirectly offer, promise to offer, request, or accept any improper benefits, including kickbacks, commissions, facilitation fees, or otherwise offer or accept improper benefits to or from customers, agents, contractors, suppliers, public servants, or other stakeholders.
   (2) When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, employees shall comply with the Political Donations Act and its own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.
   (3) For charitable donations or sponsorships, employees shall comply with relevant laws and regulations and shall commit bribery in disguise.
   (4) Employees shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.
   (5) Managers shall not take advantage of their positions in the Company to obtain improper benefits for themselves, their spouses, parents, children or any other person.
4. I will comply with relevant securities laws; in the case of any violations, I am willing to accept the Company's punishment.
5. If personal behavior is detrimental to the social public order, good social customs, or personal misconduct has constituted sexual harassment of other colleagues, with specific evidence proving that it has damaged a business unit's or colleague's image or reputation, the Company may terminate the employment relationship without notice.
6. I will strictly abide by the Company's regulations on copyright protection, do not use computer programs that are not legally authorized on the Company's personal computers, and will never reproduce or infringe any programs that are legally authorized on the Company's personal computers. If violating the above-mentioned regulations, I am willing to accept the Company's severe punishment and accept all the criminal and civil liability.
7. Corporate information confidentiality
   (1) The ownership, patent rights, and other rights of the business information, research results, or inventions and technologies, which are obtained because of or through my duties, belong to the Company, and I agree to assist the Company in conducting the necessary procedures for obtaining or protecting the rights, whether I am employed.
   (2) I agree that the author of the work, which I plan with the fund from the Company or I accomplish through the equipment or information provided by the Company, is the Company, and that the Company owns the copyright.
   (3) Never help the Company's competitors or provide them with relevant materials or information without approval.
   (4) Never use Company's confidential information to threaten the Company as a means of promotion or getting a pay raise.
   (5) Never investigate (snoop about) the Company's confidential information that is not related to the work; never discuss the Company's confidential information with colleagues.
   (6) The salary and bonuses of the Company's employees are regarded as confidential; I shall not tell other people about my own salary and bonuses and must not inquire about other colleagues' salaries and bonuses.
   (7) If violating the above-mentioned regulations, I am willing to accept the Company's punishment and take the responsibility for compensation for the resulting damage or losses to the Company.
8. Regulations on e-mail

   Comply with the Company's relevant regulations on intranet connected to the Internet and e-mail accounts; any violator is willing to accept the Company's punishment.

H. Internal Legal Compliance and Material Information Management

1. We have set an "internal material information handling procedures" and assigned the Compliance Office to be in charge of internal major information in order to do coordination and prevent internal trading. In addition, our HR promotes education advocacy toward board members, managerial officers, and employees each year. In accordance with the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Listed Companies" and with the "Taiwan Stock Exchange Corporation Procedures for Press Conferences Concerning Material Information of Listed Companies", we have posted all such information on the company's internal corporate website where employees and managers may view it.
2. Within the Office of the CEO, we have established a Legal Compliance Department, which is tasked with ensuring that all of the company's processes and administrative procedures are in compliance with the most recent laws and regulations, that all activities are conducted in accordance with relevant laws and regulations. And in accordance with "Standard Directions for the Content and Procedures of Assessment of Legal Compliance of Securities Firms", this department is also tasked with conducting regular legal compliance evaluations of each department and each branch office and then conducting legal compliance training specific to their needs.
3. We have created a legal compliance section on our internal corporate website where we routinely post information on any recent amendments made to relevant laws and regulations. We have also set up a hotline where employees can call to learn more about insider trading, its key principles, definitions, and the potential civil and criminal exposures involved. All of these measures, taken together, provide our employees with appropriate and adequate legal guidance.In order to enhance the legal compliance awareness of all employees, the Company organizes regular/irregular educational training courses every year on the Financial Consumer Protection Law, Principle of Fair Dealing, Regulations on Anti-Money Laundering and Counter-Terrorist Financing, Personal Data Protection Law, Insider Trading and Material Information Related Regulations, Prevention and Control of Illegal Infringement, Advocacy for Labor Rights and Benefits, and Information Security Awareness etc.
4. To comply with Personal Information Protection Act, we established personal data protection system in 2013. Since 2013, the Company has introduced an information management system with the assistance of an external professional consulting team. The Company has established a personal data protection committee and an emergency response team for personal data protection. Every year, each department is required to inspect and review all personal data collected, processed, and used, as well as reviewing the operating standards.

VI. Information and Communication Security Management

A. Description of the information and communication security risk management framework, information and communication security policies, specific management plans and resources invested in the information and communication security management.

1. Information and Communication Security Risk Management Structure:

At present, the Company's organization related to the daily operations or projects of information security is the Information System Department, and the primary responsible department of information security business is the Information Security Section of such department, which is an independent dedicated unit for information security. Appropriate personnel are designated to act as the head of the dedicated information security unit. There is no part-time information responsibility or other businesses assigned to the unit which have conflict of interests with the duties, and appropriate human resources and equipment are deployed or implemented. Other Sections act as assisting units to execute or implement information security.

2. Information and Communication Security Policy:

The Company has established rules and procedures relating to information assets, risk assessment, application development, network and communication security in accordance with the requirements of the Information Security Management System (ISO27001: 2013) to serve as the basis for daily operation and management. After obtaining the certification on August 23, 2013, BSI has conducted continuing assessment visit every year and re-assessment every three years. Re-assessment was completed on August 25, 2022. The certificate will remain in force from August 25, 2022 until August 24, 2025.

3. **Specific management plans:**

   The Company, through its management, guides and controls the overall information security activities process of the organization, ensures and maintains effective communication with staff at all levels, follows and maintains effective operation and continuous improvement of "Plan", "Do", "Check" and "Act", and strengthens the information security management system.

4. **Resources invested in communication safety management:**

   In view of the increasing threat of cyberattacks recently, in order to ensure that computer systems have certain level of security protection capabilities, it is necessary to upgrade the protection facilities in each aspect from server room, servers and hosts, user equipment, internet and email, so as to implement control measures in the technical and management aspects and improve and enhance the security protection capabilities of the internet and information systems. In addition to completing the revision and formulation of relevant information security management operating rules, the security updates, patches and version upgrades of relevant equipment will be completed gradually. Furthermore, external units are invited to conduct independent inspections, tests, and assessments to early identify potential information security risks.

5. **This year, the information security response concept and respond speed of relevant units were also strengthened through exercises. The information security response strength-ening exercises are as follows:**

   (1) Preventing malicious e-mail and social engineering practice activity.

   (2) The application system backup switch practice activity.

   (3) Distributed Denial of Service (DDoS) Attack practice.

   (4) 2023 Information and Communication Security Report Practice Plan by the Financial Supervisory Commission and its affiliates.

   (5) Information security and health check assessment activity.

   (6) Ultimate objective for securities and futures companies tiered information and communication security protection activity.

   (7) Mobile application APP testing.

   (8) Arranged information security education and training in order to strengthen information security awareness. The training courses include:

   A. Information security incidents and sharing of security concepts.

   B. Use of personal computer and daily information security operations.

   C. Information security skills training and information security concepts.

   D. Email security and prevention of social engineering.

   It aims to improve the security, reliability, availability of information system and reduce the risks that relevant information security incidents may pose to the Company's finance.

B. List of losses, possible effects and countermeasures resulting from major information security incidents in the most recent year up to the publication date of this annual report: None.

VII. Material Contracts and Agreements

A. Operating lease contract: For each leased asset with more than NT$5 million of rent per annum as of the Publish Date of the Annual Report

Unit: NT$

Type	Asset	Area (Ping)	Lease Term	Rental	Lessee	Payment Method	Restrictive Covenant
Assets leased by the Company	Nanjing Branch Office	218	2022.01-2026.12	458,000/month	Chen, Ting-Yuan	Half a year	NA

B. Non-operating lease contract: For each leased asset with more than NT$5 million of rent per annum as of the Publish Date of the Annual Report

Unit: NT$

Type	Asset	Area (Ping)	Lease Term	Rental	Lessee	Payment Method	Restrictive Covenant
Assets leased to other entities	President Securities Building	307.06	2019.04-2024.03	522,000/month	Uni-President Asset Management Corporation	Monthly	NA
Assets leased to other entities	President Securities Building	307.06	2024.04-2028.08	553,000/month	Uni-President Asset Management Corporation	Monthly	NA
Assets leased to other entities	President Securities Building	108.72	2023.09-2028.08	196,000/month	Uni-President Asset Management Corporation	Monthly	NA
Assets leased to other entities	President Securities Building	417.14	2019.04-2024.03 (Note 1)	709,000/month	President Tokyo Corp.	Monthly	NA

Note 1:This contract was terminated early on August 31, 2023.

VI. Financial Information

I. Five-Year Financial Summary

A. Condensed Balance Sheet

1. Consolidated Condensed Balance Sheet – Based on IFRS

Unit: NT$ thousands

Item \ Year		Financial Summary for the last five years (Note1)					2024Q1 (Note1)
		2019	2020	2021	2022	2023	
Current Assets		90,081,974	105,321,883	108,685,040	85,395,659	131,334,685	171,107,548
Property and Equipment (Note2)		2,443,964	2,453,712	2,447,128	2,609,642	2,645,077	2,641,460
Intangible Assets		129,160	151,765	195,468	246,506	292,437	305,047
Other Assets		3,099,302	5,784,405	6,360,263	6,639,055	6,393,024	6,665,598
Total Assets		**95,754,400**	**113,711,765**	**117,687,899**	**94,890,862**	**140,665,223**	**180,719,653**
Current Liabilities	Before distribution	68,821,260	84,087,688	85,708,967	64,963,349	108,355,052	146,440,655
	After distribution	70,193,650	86,187,445	88,460,488	65,531,123	Note3	Note3
Non-Current Liabilities		167,368	144,595	212,302	121,025	168,063	236,744
Total Liabilities	**Before distribution**	**68,988,628**	**84,232,283**	**85,921,269**	**65,084,374**	**108,523,115**	**146,677,399**
	After distribution	**70,361,018**	**86,332,040**	**88,672,790**	**65,652,148**	**Note3**	**Note3**
Equity Attributable to Shareholders of the Parent		26,699,680	29,407,315	31,683,584	29,719,092	32,049,492	33,945,947
Capital Common Stock		13,723,900	13,998,378	14,558,313	14,558,313	14,558,313	14,558,313
Capital Reserve		91,261	91,261	91,261	91,261	91,261	91,261
Retained Earnings	Before distribution	12,362,704	14,483,188	15,724,509	13,785,771	15,965,609	17,691,262
	After distribution	10,715,836	11,823,496	12,972,988	13,217,997	Note3	Note3
Other Equity Interest		521,815	834,488	1,309,501	1,283,747	1,434,309	1,605,111
Treasury Stocks		-	-	-	-	-	-
Non-controlling Interests		66,092	72,167	83,046	87,396	92,616	96,307
Total Equity	**Before distribution**	**26,765,772**	**29,479,482**	**31,766,630**	**29,806,488**	**32,142,108**	**34,042,254**
	After distribution	**25,393,382**	**27,379,725**	**29,015,109**	**29,238,714**	**Note3**	**Note3**

Note 1: Financial information for the years of above-mentioned was audited and certified by CPAs. The financial information for the first quarter of 2024 has been reviewed by CPAs.

Note 2: No asset revaluation has been conducted.

Note 3: Distributed earnings from 2023 have not yet to be approved by shareholders.

2. Individual Balance Sheet

Unit: NT$ thousands

Item \ Year		Financial Summary for the last five years (Note1)					2024Q1 (Note1)
		2019	2020	2021	2022	2023	
Current Assets		71,080,620	79,397,996	83,200,925	61,093,620	107,777,722	146,440,734
Property and Equipment (Note2)		2,270,391	2,270,322	2,271,270	2,413,110	2,460,229	2,458,269
Intangible Assets		70,726	94,479	145,690	187,393	229,816	243,117
Other Assets		7,263,678	9,087,091	9,573,767	10,043,533	9,355,629	9,719,473
Total Assets		**80,685,415**	**90,849,888**	**95,191,652**	**73,737,656**	**119,823,396**	**158,861,593**
Current Liabilities	Before distribution	53,837,030	61,303,138	63,291,750	43,886,283	87,593,299	124,667,097
	After distribution	55,209,420	63,402,895	66,043,271	44,454,057	Note3	Note3
Non-Current Liabilities		148,705	139,435	216,318	132,281	180,605	248,549
Total Liabilities	**Before distribution**	**53,985,735**	**61,442,573**	**63,508,068**	**44,018,564**	**87,773,904**	**124,915,646**
	After distribution	**55,358,125**	**63,542,330**	**66,259,589**	**44,586,338**	**Note3**	**Note3**
Capital Common Stock		13,723,900	13,998,378	14,558,313	14,558,313	14,558,313	14,558,313
Capital Reserve		91,261	91,261	91,261	91,261	91,261	91,261
Retained Earnings	Before distribution	12,362,704	14,483,188	15,724,509	13,785,771	15,965,609	17,691,262
	After distribution	10,715,836	11,823,496	12,972,988	13,217,997	Note3	Note3
Other Equity Interest		521,815	834,488	1,309,501	1,283,747	1,434,309	1,605,111
Treasury Stocks		-	-	-	-	-	-
Non-controlling Interests		-	-	-	-	-	-
Total Equity	**Before distribution**	**26,699,680**	**29,407,315**	**31,683,584**	**29,719,092**	**32,049,492**	**33,945,947**
	After distribution	**25,327,290**	**27,307,558**	**28,932,063**	**29,151,318**	**Note3**	**Note3**

Note 1: Financial information for the years of above-mentioned was audited and certified by CPAs. The financial information for the first quarter of 2024 has been reviewed by CPAs.

Note 2: No asset revaluation has been conducted.

Note 3: Distributed earnings from 2023 have not yet to be approved by shareholders.

VI. Financial Information

B. Condensed Income Statements

1. Consolidated Condensed Income Statements

Unit: NT$ thousands

Year / Item	Financial Summary for the last five years (Note1)					2024Q1 (Note1)
	2019	2020	2021	2022	2023	
Operating Revenue	7,142,397	9,581,272	11,621,619	6,271,336	9,542,583	3,998,116
Gross Profit	5,896,915	8,526,443	10,527,808	5,274,862	7,816,600	3,409,579
Operating Income	2,061,802	3,607,110	4,267,554	697,614	2,321,522	1,592,724
Non-Operating Income	496,006	375,712	401,881	276,087	892,973	251,472
Income Before Tax	**2,557,808**	**3,982,822**	**4,669,435**	**973,701**	**3,214,495**	**1,844,196**
Net Income (Loss) from Operations of Continued Segments	2,373,835	3,614,596	4,011,373	736,245	2,889,755	1,728,458
Net Income (Loss) from Discontinued Operations	-	-	-	-	-	-
Net Income (Loss)	2,373,835	3,614,596	4,011,373	736,245	2,889,755	1,728,458
Other Comprehensive Income (Income after Tax)	-124,296	475,346	380,465	57,928	18,506	171,688
Total Comprehensive Income	**2,249,539**	**4,089,942**	**4,391,838**	**794,173**	**2,908,261**	**1,900,146**
Net Income Attributable to Shareholders of the Parent	2,368,536	3,607,518	4,007,435	729,368	2,878,951	1,725,653
Net Income Attributable to non-controlling Interests	5,299	7,078	3,938	6,877	10,804	2,805
Comprehensive Income Attributable to Shareholders of the Parent	2,244,912	4,080,025	4,376,026	787,029	2,898,174	1,896,455
Comprehensive income attributable to non-controlling interests	4,627	9,917	15,812	7,144	10,087	3,691
Earnings Per Share (Note2)	**1.63**	**2.48**	**2.75**	**0.50**	**1.98**	**1.19**

Note 1: Financial information for the years of above-mentioned was audited and certified by CPAs. The financial information for the first quarter of 2024 has been reviewed by CPAs.

Note 2: Earnings per share is calculated based on the number of shares that were adjusted retrospectively. The unit is NTD.

2. Individual Condensed Income Statements

Unit: NT$ thousands

Item \ Year	Financial Summary for the last five years (Note1)					2024Q1 (Note1)
	2019	2020	2021	2022	2023	
Operating Revenue	6,229,917	8,472,984	10,578,004	5,274,091	8,678,717	3,760,133
Gross Profit	**5,313,631**	**7,832,892**	**9,905,317**	**4,715,091**	**7,364,379**	**3,274,087**
Operating Income	2,024,947	3,522,255	4,262,675	712,155	2,438,723	1,614,871
Non-Operating Income	489,434	404,341	370,104	200,527	681,049	200,638
Income Before Tax	**2,514,381**	**3,926,596**	**4,632,779**	**912,682**	**3,119,772**	**1,815,509**
Net Income (Loss) from Operations of Continued Segments	2,368,536	3,607,518	4,007,435	729,368	2,878,951	1,725,653
Net Income (Loss) from Discontinued Operations	-	-	-	-	-	-
Net Income (Loss)	2,368,536	3,607,518	4,007,435	729,368	2,878,951	1,725,653
Other Comprehensive Income (Income after Tax)	-123,624	472,507	368,591	57,661	19,223	170,802
Total Comprehensive Income	**2,244,912**	**4,080,025**	**4,376,026**	**787,029**	**2,898,174**	**1,896,455**
Earnings Per Share (Note2)	**1.63**	**2.48**	**2.75**	**0.50**	**1.98**	**1.19**

Note 1: Financial information for the years of above-mentioned was audited and certified by CPAs. The financial information for the first quarter of 2024 has been reviewed by CPAs.

Note 2: Earnings per share is calculated based on the number of shares that were adjusted retrospectively. The unit is NTD.

C. Auditors' Opinions from 2019 to 2023

Year	CPA	Audit Opinion
2019	Lin, Se-Kai / Hsiao, Chin-Mu	Unqualified Opinion
2020	Lin, Se-Kai / Lo, Chiao-Sen	
2021	Lin, Se-Kai / Lo, Chiao-Sen	
2022	Lin, Se-Kai / Lo, Chiao-Sen	
2023	Lin, Se-Kai / Lo, Chiao-Sen	

VI. Financial Information

II. Financial Analysis for the Past Five Years

1. Consolidated Financial Analysis for the Past Five Years

Item \ Year		Financial Summary for the last five years (Note1)					2024Q1 (Note1)
		2019	2020	2021	2022	2023	
Financial Structure (%)	Debt Ratio	72.05	74.08	73.01	68.59	77.15	81.16
	Ratio of Long-term Capital to property and equipment	1095.18	1201.42	1298.12	1142.17	1215.17	1288.77
Solvency (%)	Current Ratio	130.89	125.25	126.81	131.45	121.21	116.84
	Quick Ratio	130.86	125.22	126.78	131.39	121.16	116.81
Profitability Analysis	Return on Total Assets (%)	3.37	3.66	3.54	0.83	3.09	1.25
	Return on Stockholders' Equity (%)	9.05	12.85	13.10	2.39	9.33	5.22
	Pre-tax Income to Paid-in Capital (%)	18.64	28.45	32.07	6.69	22.08	12.67
	Profit Ratio (%)	33.24	37.73	34.52	11.74	30.28	43.23
	Earnings Per Share (NT$) (Note2)	1.69	2.58	2.75	0.5	1.98	1.19
Cash Flow (%)	Cash Flow Ratio	-	8.87	2.67	11.47	-	-
	Cash Flow Adequacy Ratio	409.63	459.61	356.40	285.42	194.71	220.12
	Cash Reinvestment Ratio	-	20.81	0.59	16.15	-	-
Other Ratio (%)	Debit to Equity Ratio	257.75	285.73	270.48	218.36	337.64	430.87
	Ratio of Property and Equipment to Total Asset	3.18	2.72	2.67	3.55	2.5	1.95
	Total Underwriting to Quick Assets Ratio	0.88	0.73	1.19	0.78	0.35	0.06
	Total Margin Loan Balance to Equity Ratio	37.45	41.55	57.75	35.34	54.12	56.05
	Total Short Sales Amount to Equity Ratio	7.06	6.14	4.91	6.07	3.62	2.46

Analysis of financial ratio differences for the last two years (for variations above 20%)

(1)Return on Total Assets: Increased mainly due to the increase of net income in 2023 as compared to that in 2022.

(2)Return on Stockholders' Equity: Increased mainly due to the increase of net income in 2023 as compared to that in 2022.

(3)Pre-tax Income to Paid-in Capital: Increased mainly due to the increase of pre-tax income in 2023 as compared to that in 2022.

(4)Profit Ratio: Increased mainly due to the increase of net income in 2023 as compared to that in 2022.

(5)Earnings Per Share: Increased mainly due to the increase of net income in 2023 as compared to that in 2022.

(6)Cash Flow Ratio: Net Cash flow from operating activities turned from net cash inflow in 2022 to net cash outflow in 2023, causing the cash flow ratio to decrease compared with 2022.

(7)Cash Reinvestment Ratio: Net Cash flow from operating activities turned from net cash inflow in 2022 to net cash outflow in 2023, causing the cash flow ratio to decrease compared with 2022.

(8)Debit to Equity Ratio:Increased mainly due to the increase in short-term borrowings, commercial promissory notes payable, liabilities with repurchase bonds and accounts payable in 2023 compared with 2022.

(9)Ratio of Property and Equipment to Total Asset: Increased mainly due to the increase of total asset in 2023 as compared to that in 2022.

(10) Total Underwriting to Quick Assets Ratio: Increased mainly due to the increase of quick assets in 2023 as compared to that in 2022.

(11) Total Margin Loan Balance to Equity Ratio: Increased mainly due to the increase of margin loans receivable in 2023 as compared to that in 2022.

(12) Total Short Sales Amount to Equity Ratio: Decreased mainly due to the decrease of short sale proceeds payable in 2023 as compared to that in 2022.

Note 1: Financial information for the years of above-mentioned was audited and certified by CPAs. The financial information for the first quarter of 2024 has been reviewed by CPAs.

Note 2: Earnings per share is calculated based on the number of shares that were adjusted retrospectively. The unit is NTD.

Note 3: Equations for analysis items:

(1) Financial structure

i. Liability to total assets ratio = Total liabilities/total assets

ii. Ratio of long-term capital to property, plant and equipment = (total equity + non-current liabilities) /net worth of property, plant and equipment

(2) Solvency

i. Current ratio = Current assets / Current liabilities

ii. Quick ratio = (Current assets - inventory - prepaid expenses) / Current liabilities

(3) Profitability

i. Return on assets = [after-tax income (loss) + interest expense × (1- tax rate)]/average total assets

ii. Return on equity = net income / average total equity

iii. Profit margin before tax = net income / net sales

iv. Earnings per share = (profit and loss attributable to owners of the parent – dividends on preferred shares) / weighted average number of issued shares

(4) Cash flow

i. Cash flow ratio = Net cash flow from operating activities / current liabilities

ii. Net cash flow adequacy ratio = Net cash flow from operating activities for the most recent five years / (capital expenditures + inventory increase + cash dividend) for the most recent five years

iii. Cash flow reinvestment ratio = (Net cash flow from operating activities – cash dividend) / (gross property, plant and equipment value + long-term investment + other non-current assets + working capital)

(5) Other ratio

i. Debt to equity ratio = total liabilities/ shareholders' equity

ii. Property and equipment to total assets ratio = net fixed assets / total assets

iii. Total underwriting to quick asset ratio = total underwriting / (current assets - prepayments)

iv. Total margin loan balance to equity ratio = total margin loan balance / shareholders' equity

v. Total short sales amount to equity ratio = total short sales amount / shareholders' equity

2. **Individual Financial Analysis for the Past Five Years**

Item \ Year		Financial Summary for the last five years (Note1)					2024Q1 (Note1)
		2019	2020	2021	2022	2023	
Financial Structure (%)	Debt Ratio	66.91	67.63	66.72	59.70	73.25	78.63
	Ratio of Long-term Capital to property and equipment	1175.99	1295.29	1394.97	1231.57	1302.7	1380.89
Solvency (%)	Current Ratio	132.03	129.52	131.46	139.21	123.04	117.47
	Quick Ratio	131.99	129.48	131.42	139.13	122.99	117.43
Profitability Analysis	Return on Total Assets (%)	4.01	4.44	4.38	1.02	3.7	1.44
	Return on Stockholders' Equity (%)	9.05	12.86	13.12	2.38	9.32	5.23
	Pre-tax Income to Paid-in Capital (%)	18.32	28.05	31.82	4.89	16.75	11.09
	Profit Ratio (%)	38.02	42.58	37.88	13.83	33.17	45.89
	Earnings Per Share (NT$) (Note2)	1.69	2.58	2.75	0.5	1.98	1.19
Cash Flow (%)	Cash Flow Ratio	-	12.60	1.17	16.36	-	-
	Cash Flow Adequacy Ratio	398.27	465.96	335.38	272.35	180.25	193.86
	Cash Reinvestment Ratio	-	21.46	-	14.86	-	-
Other Ratio (%)	Debit to Equity Ratio	202.2	208.94	200.44	148.12	273.87	367.98
	Ratio of Property and Equipment to Total Asset	3.40	3.07	2.97	4.10	2.65	2
	Total Underwriting to Quick Assets Ratio	1.12	0.97	1.55	1.09	0.43	0.07
	Total Margin Loan Balance to Equity Ratio	37.54	41.65	57.9	35.44	54.28	112.69
	Total Short Sales Amount to Equity Ratio	7.07	6.15	4.92	6.09	3.63	1.14

Analysis of financial ratio differences for the last two years (for variations above 20%)

(1)Return on Total Assets: Increased mainly due to the increase of net income in 2023 as compared to that in 2022.

(2)Return on Stockholders' Equity: Increased mainly due to the increase of net income in 2023 as compared to that in 2022.

(3)Pre-tax Income to Paid-in Capital: Increased mainly due to the increase of pre-tax income in 2023 as compared to that in 2022.

(4)Profit Ratio: Increased mainly due to the increase of net income in 2023 as compared to that in 2022.

(5)Earnings Per Share: Increased mainly due to the increase of net income in 2023 as compared to that in 2022.

(6)Cash Flow Ratio: Net Cash flow from operating activities turned from net cash inflow in 2022 to net cash outflow in 2023, causing the cash flow ratio to decrease compared with 2022.

(7)Cash Reinvestment Ratio: Net Cash flow from operating activities turned from net cash inflow in 2022 to net cash outflow in 2023, causing the cash flow ratio to decrease compared with 2022.

(8)Debit to Equity Ratio: Increased mainly due to the increase in short-term borrowings, commercial promissory notes payable, liabilities with repurchase bonds and accounts payable in 2023 compared with 2022.

(9)Ratio of Property and Equipment to Total Asset: Increased mainly due to the increase of total asset in 2023 as compared to that in 2022.

(10) Total Underwriting to Quick Assets Ratio: Increased mainly due to the increase of underwriting amount in 2023 as compared to that in 2022.

(11) Total Margin Loan Balance to Equity Ratio: Increased mainly due to the increase of margin loans receivable in 2023 as compared to that in 2022.

(12) Total Short Sales Amount to Equity Ratio: Decreased mainly due to the decrease of short sale proceeds payable in 2023 as compared to that in 2022.

Note 1: Financial information for the years of above-mentioned was audited and certified by CPAs. The financial information for the first quarter of 2024 has been reviewed by CPAs.

Note 2: Earnings per share is calculated based on the number of shares that were adjusted retrospectively. The unit is NTD.

Note 3: Equations for analysis items:

(1) Financial structure

i. Liability to total assets ratio = Total liabilities/total assets

ii. Ratio of long-term capital to property, plant and equipment = (total equity + non-current liabilities) /net worth of property, plant and equipment

(2) Solvency

i. Current ratio = Current assets / Current liabilities

ii. Quick ratio = (Current assets - inventory - prepaid expenses) / Current liabilities

(3) Profitability

i. Return on assets = [after-tax income (loss) + interest expense × (1- tax rate)]/average total assets

ii. Return on equity = net income / average total equity

iii. Profit margin before tax = net income / net sales

iv. Earnings per share = (profit and loss attributable to owners of the parent – dividends on preferred shares) / weighted average number of issued shares

(4) Cash flow

i. Cash flow ratio = Net cash flow from operating activities / current liabilities

ii. Net cash flow adequacy ratio = Net cash flow from operating activities for the most recent five years / (capital expenditures + inventory increase + cash dividend) for the most recent five years

iii. Cash flow reinvestment ratio = (Net cash flow from operating activities – cash dividend) / (gross property, plant and equipment value + long-term investment + other non-current assets + working capital)

(5) Other ratio

i. Debt to equity ratio = total liabilities/ shareholders' equity

ii. Property and equipment to total assets ratio = net fixed assets / total assets

iii. Total underwriting to quick asset ratio = total underwriting / (current assets - prepayments)

iv. Total margin loan balance to equity ratio = total margin loan balance / shareholders' equity

v. Total short sales amount to equity ratio = total short sales amount / shareholders' equity

III. Audit Committee's Review Report on the Company's 2023 Financial Statement

PRESIDENT SECURITIES CORPORATION

Audit Committee's Review Report

To: The General Meeting of Shareholders as of year 2024

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements, and Earnings Distribution Plan. The financial statements have been audited and certified by Se-Kai, Lin and Chiao-Sen, Lo of PricewaterhouseCoopers Certified Public Accountants, who issued an auditors' report. The aforementioned Business Report, Financial Statements, and Earnings Distribution Plan have been reviewed and determined to be fairly presented as stated by the Audit Committee members. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

President Securities Corporation
Convener of Audit Committee: Lin Yang-ji

April 25, 2024

IV. Financial Difficulties Experienced by the Company or Its Affiliates in the Most Recent Year or up to the Date of Publication of the Report that will Affect the Company's Financial Situation: None.

V. Status of the Achievement in Financial Forecasts for the Latest Two Years: Not Applicable.

VI. Methods and Assumptions used for Evaluating Fair Value of Financial Instruments

A. The fair value of short-term financial instruments is evaluated at their book value since the effect of discounting is not significant. This method is applied to cash and cash equivalents, bonds purchased under resale agreements, margin loans receivable, refinancing guaranty deposits, receivable from refinance guaranty, receivables from security lending, security lending deposits, restricted assets, operation deposits, clearing and settlement fund, short-term loans, commercial paper payable, bonds sold under repurchase agreements, deposits on short sales, guarantee deposit received on borrowed securities, short sale proceeds payable, notes and accounts payable, collection for others, other payables (excluding income tax payable) and deposits received.

B. Financial instruments at fair value through profit and loss, when they are traded in active markets, their fair value are based on their quoted prices. If there are no quoted market prices which can be used as benchmarks, evaluating methods will be adopted to measure the fair value. Estimates and assumptions used in evaluating methods adopted by the Group are consistent with those adopted by market participants for financial instrument pricing.

   Methods of evaluating fair value of financial instruments are as follows:

   1. Equity Securities: Fair value refers to the closing prices as at the balance sheet. For open-ended funds, fair value refers to the net asset value of the fund as at the balance sheet.
   2. Bonds: Government bonds and corporate bonds are based on the market prices derived from average bond yields published by the Taipei Exchange; foreign bonds are based on the transaction prices from Bloomberg.
   3. Interest rate instruments: For IRS, interest rate quotations of CP with same durations in the same markets in the representative quotation system (e.g. Reuters) are used as reference interest rates. In addition, average bid/offer interest rates at certain point of time daily are used as interest rate parameters. Along with other parameters, they are then used in the valuation models to calculate fair value.
   4. Futures: Closing prices of respective futures exchanges on that day.
   5. Options: Closing prices of the exchanges of the options on that day.
   6. Warrants: Closing prices of the instruments in the listed market.
   7. Convertible Bond Asset Swap: Closing prices of the CB and of underlying shares in the listed exchanges are used as parameters along with others in the valuation model to calculate the fair value.
   8. Structured instruments: Closing prices of underlying instruments or bond yields published by the Taipei Exchange are used as parameters along with others in the valuation models to calculate the fair value.
   9. Other derivatives: For listed derivatives, fair value is based on the quoted prices. For unlisted ones, fair value is based on average bid or offer prices from quotation platforms or other quoted prices.

C. For financial assets at fair value through other comprehensive income, if there are quoted prices in active markets, they are used as their fair value. If there are no quoted prices, a valuation methods are adopted to measure the fair value.

VII. Hedge Accounting Applied to Financial Instruments: Not applicable.

VIII. Items That Should Be Included Pursuant to Regulations Governing the Preparation of Financial Reports by Securities Firms

A. Major Businesses

1. Acquisition or merger of other companies in the last 5 Years: None
2. Segmentation in the last 5 years: None
3. Investee companies:

Unit: NT$ thousands

Investee Companies	Original Investment	Investment Shares		December 31, 2023		Accounting Treatment
		Shares	Percentage	Book vlaue	Equity of Investment	
President Futures Co., LTD	$644,650	63,817,303	96.69%	$2,699,883	$2,699,883	Equity Method
President Capital Management Corp.	326,000	30,000,000	100%	310,452	310,452	
President Securities (Hong Kong) Limited	848,735	192,600,000	100%	810,334	810,334	
Uni-President Asset Management Corporation	667,622	14,904,630	42.46%	796,561	617,189	
President Insurance Agency Co., Ltd.	10,000	1,000,000	100%	65,304	65,304	
PSC Venture Capital Investment Company Limited	300,000	30,000,000	100%	246,211	246,211	
President Wealth Management (HK) Ltd.	92,091	23,400,000	100%	0	0	
President Securities (Nominee) Ltd.	3,403	1,000,000	100%	0	0	
Jin Yuan President Securities Limited	3,138,169	-	49%	2,615,717	2,615,717	

Note 1: President Securities (Hong Kong) Limited, President Wealth Management (Hong Kong) Limited was approved by the board of directors to deal with the dissolution and liquidation matters in March, 2022.

Note 2: President Securities Nominee Limited was liquidated in January, 2024.

4. Adjustment in the last 5 years: None
5. Trading of material assets in the last 5 years:
   (1) Asset purchase: No material assets purchased.
   (2) Asset disposal: No material assets disposed.
6. Material change on operation or businesses: None

B. The number of non-management employee, annual welfare budget for employees, and the differences from the previous year

Item \ Year	2023	2022	Difference
The number of non-management employee	1,288	1,309	(21)
Average welfare budget for non-management employee	$ 1,635	$ 1,263	$ 372

C. Risk management countermeasures

To ensure non-stop operation, it is important to strengthen the ability of emergency handling for the Company, to eliminate the risk impacts and resume normal operation. The Company has stipulated the Risk Management Rules that builds up the procedure for handing emergency tasks, which minimizes the damages by handling the problems in real time.

Operational risks include critical changes in the market, abnormal working capital, and big loss in investment, which will impact company operation and causes losses. The Company has stipulated Countermeasures for Operational Risks, which includes processes and procedures to maintain normal operation of the Company.

VII. Financial Status, Operating Results and Risk Management

I. Financial Status

Unit: NT$ thousands

Year / Item	2023 (Note)	2022 (Note)	Fluctuation	
			Amount	Variance (%)
Current Assets	131,334,685	85,395,659	45,939,026	53.80%
Non-Current Assets	9,330,538	9,495,203	-164,665	-1.73%
Total Assets	**140,665,223**	**94,890,862**	**45,774,361**	**48.24%**
Current Liabilities	108,355,052	64,963,349	43,391,703	66.79%
Non-Current Liabilities	168,063	121,025	47,038	38.87%
Total Liabilities	**108,523,115**	**65,084,374**	**43,438,741**	**66.74%**
Capital Stock	14,558,313	14,558,313	0	0.00%
Capital Surplus	91,261	91,261	0	0.00%
Retained Earnings	15,965,609	13,785,771	2,179,838	15.81%
Other Equity	1,434,309	1,283,747	150,562	11.73%
Attributable to Parent's Ownership Interest	**32,049,492**	**29,719,092**	**2,330,400**	**7.84%**
Non-Controlling Interests	**92,616**	**87,396**	**5,220**	**5.97%**
Total Equity	**32,142,108**	**29,806,488**	**2,335,620**	**7.84%**

Note: Financial information for the years of above-mentioned (based on IFRS) was audited and certified by CPAs.

Main reasons for material changes in assets, liabilities and shareholders' equity items within the last two years (changes over 20% between the first and second periods, and the change amount reaches NT$ 10 million), its effects, and future response plans:

(1) Current assets increased mainly due to the increase of financial assets at fair value through profit or loss - current and margin loans receivable in 2023.

(2) Current Liabilities increased mainly due to the increase of commercial paper payable, bonds sold under repurchase agreements,accounts payable in 2023.

(3) Non-Current Liabilities increased mainly due to the increase in net defined benefit liabilities, which had no material impact to the Company.

II. Analysis of Operating Results

Unit: NT$ thousands

Year / Item	2023 (Note)	2022 (Note)	Amount	Variance (%)
Operating Revenue	9,542,583	6,271,336	3,271,247	52.16%
Operating Expenses	7,221,061	5,573,722	1,647,339	29.56%
Operating Income	2,321,522	697,614	1,623,908	232.78%
Non-Operating Income	892,973	276,087	616,886	223.44%
Income before Tax	3,214,495	973,701	2,240,794	230.13%
Income Tax Expense	324,740	237,456	87,284	36.76%
Net Income	2,889,755	736,245	2,153,510	292.50%
Other Comprehensive Income (after Tax)	18,506	57,928	-39,422	-68.05%
Total Comprehensive Income	**2,908,261**	**794,173**	**2,114,088**	**266.20%**
Net Income Attributable to				
Shareholders of the Parent	2,878,951	729,368	2,149,583	294.72%
Non-controlling Interests	10,804	6,877	3,927	57.10%
Comprehensive Income Attributable to				
Shareholders of the Parent	2,898,174	787,029	2,111,145	268.24%
Non-controlling Interests	10,087	7,144	2,943	41.20%

Note: Financial information for the years of above-mentioned (based on IFRS) was audited and certified by CPAs.

Explanation to major variations in the last two years (changes over 20%):

- Operating Revenue: In 2023, the profit from proprietary tradings increased compared to the previous year.
- Operating Expenses: Increase in employee benefit expenses and other operating expenses in 2023.
- Operating Income: In 2023, the profit from proprietary tradings increased compared to the previous year.
- Non-Operating Income: Increase in share of the loss of associates and joint ventures accounted for under the equity method in 2023.
- Income before Tax: In 2023, the profit from proprietary tradings increased compared to the previous year.
- Income Tax Expense: The increase in income tax expenses was due to the increase in profit in 2023.
- Net Income: In 2023, the profit from proprietary tradings increased compared to the previous year.
- Other Comprehensive Income: In 2023, there is a loss on remeasurements of defined benefit plan, which due to the gain in 2022.
- Total Comprehensive Income: In 2023, the profit from proprietary tradings increased compared to the previous year.
- Net profit attributable to shareholders of the parent: In 2023, the profit from proprietary tradings increased compared to the previous year.
- Net profit attributable to non-controlling interests: In 2023, the profit of investment with ownership less than 100% owned increased compared to the previous year, resulting in an increase in non-controlling interests.
- Total comprehensive income attributable to shareholders of the parent: In 2023, the profit from proprietary tradings increased compared to the previous year.
- Total comprehensive income attributable to non-controlling interests: Due to other comprehensive income of subsidiaries accounted for under the equity method in 2023 increased as compared to that in 2022,with a corresponding increased in non-controlling interests.

III. Analysis of Cash Flow

A. Cash Flow Analysis for the Current Year

(1) Operating activities: Net cash outflow from operating activities was NT$20,879,776 thousand, representing an increase of NT$28,330,198 thousand as compared to previous year, which was mainly due to the increase in net cash inflow from operating activities as a result of the increase in financial assets at fair value through profit or loss as compared to the previous year.

(2) Investing activities: Net cash outflow from investing activities was NT$269,568 thousand, representing an decrease of NT$673,460 thousand as compared to previous year, mainly due to no obtaining investment accounted for by equity method which resulted in decrease in net cash outflow from investing activities.

(3) Financing activities:Net cash inflow from financing activities was NT$20,466,700 thousand, representing an increase of NT$26,615,691 thousand as compared to previous year, mainly due to the increase in commercial papers payable which resulted in increase in net cash outflow from financing activities.

B. Remedy for Cash Deficit and Liquidity Analysis

The Company has maintained a good credit relationship with banks for a long time and maintained mid-and short-term credit lines sufficient to meet the Company's funding needs.

Year / Item	2022	2023	Variance (%)
Cash Flow Ratio (%)	11.47	-	-
Cash Flow Adequacy Ratio (%)	285.42	194.71	-31.78%
Cash Reinvestment Ratio (%)	16.15	-	-

Explanation to major variations:
Cash Flow Ratio: The cash flow from main operating activities in 2023 changed from net cash inflow in 2022 to net cash outflow, resulting in an decrease in the cash flow ratio compared with that in 2022.
Cash Reinvestment Ratio: The cash flow from main operating activities in 2023 changed from net cash inflow in 2022 to net cash outflow, resulting in an decrease in the cash reinvestment ratio compared with that in 2022.

C. Cash Flow Analysis for the Coming Year

Unit: NT$ thousands

Estimated Cash and Cash Equivalents, Beginning of Year (1)	Estimated Net Cash Flow from Operating Activities (2)	Estimated Cash Outflow (Inflow) (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Financing Plans
5,509,978	2,198,598	2,258,000	5,450,576	-	-

IV. Effects of Major Capital Expenditures in the Most Recent Fiscal Year on Financial Operations: Not Applicable.

V. Long-term Investment Policy

In 2023, the company's domestic and foreign reinvestment operations maintain steady. Each subsidiary's operations will still be subject to strict risk control with timely stop-loss and stop-gain orders, so as to reduce risk and maintain steady development.

As for our present direct investment policy, we consider all areas of business currently permitted by Taiwan's regulators and look for effective cross-selling strategies and other possible synergies, with the overall aim of best leveraging all of the company's resources. Looking to the coming year, we expect regulators to again open up many new areas of business. We will expand into these new business areas, develop and promote new financial products. The Company will follow the footsteps of open policy, actively develop and promote various financial products to develop international financing and investment business as well as all kinds of businesses in the future Greater China market. In addition, President Securities Nominee Limited was liquidated in January, 2024. President Securities Corporaion also made the decision to dissolve its overseas investment President Securities (Hong Kong) Limited, and President Wealth Management (Hong Kong) Limited in 2022 to simplify the investment structure and improve the overall capital utilization efficiency. The company will more focus on the investment business in mainland China. Going forward, the Company expects to earn considerable profit from the vast China securities market after the joint venture Jin Yuan President Securities Corporation Limited has completed implementation of various businesses and can operate in scale.

The profitability of each investment in 2023 is detailed in VIII. Other Disclosures-Operational Highlights of Affiliated Companies.

VI. Analysis of Risk Management

A. The Company's risk management policies, organizational structure, measurement standards, as well as the impact of various risks and response measures

1. Risk Management Policies

(1) In order to ensure that we have a solid and effective risk management system in place, our system has been developed so as to encompass all of our business areas. Then, with appropriate risk tolerance levels in place, create value for the company, and achieve our return on asset targets.

(2) By constructing risk controls for each individual business area, we are able to achieve a measured approach to risk management. Accordingly, each department is assigned risk parameters based on its respective responsibilities, thereby achieving layered yet comprehensive risk management.

(3) The company's risk management measures take into account the following forms of risk, market risk, credit risk, liquidity risk, operational risk, legal risk, model risk, reputational risk, and climate risk.

2. Related Risk Management System Architecture

(1) Board of Directors: Audits the company's risk management policy, supervises sales business strategies, approves all business proposals and trading permissions, and is ultimately responsible for risk management.

(2) Risk Management Committee: Established by the Board of Directors tasked with integrating all risk management operations, with supervising and assisting all the various risk management and related operations. The committee is also tasked with setting the various risk authorities, limits, and targets, for a centralized supervision of the status of all of the company's risk management efforts.

(3) President Office: Supervises the daily implementation of all the company's risk management operations and authorizes any exceptions to the risk management.

(4) Assets & Liabilities Management Committee: Controls the company's overall asset structure, sets limits for different businesses, collects and analyzes domestic and international interest rates, exchange rates, and economic changes.

(5) Risk Control Office: Is responsible for the drafting of risk policies and regulations, for monitoring market and credit risks, for monitoring liquidity risks, for compiling data on operational risk control and management, for constructing and maintaining the risk management system, for implementation of risk management systems and for ensuring company-wide regulatory compliance.

(6) Auditing Office: Audits operations risk controls, audits the standards for risk controls systems, puts in place internal auditing controls, and implements daily check routines.

(7) Compliance Division: Implements legal risk controls and ensures that all businesses and risk management operations are in compliance with relevant laws and regulations. Compliance Division concurrently is responsible for anti-money laundering and counter-terrorist financing, developing relevant regulations and systems, monitoring internal control and transactions, supervising the implementation by business units, holding training sessions, and reporting cases suspicious of money laundering.

(8) Finance Department: Monitors capital adequacy rates and liquidity risk, and analyzes the company's asset/liability structure and other key financial ratios.

(9) Business units: Based on the company's risk management policies and regulations sets risk management guidelines for various businesses, and produces a report on abnormal risk items for the Risk Control Office.

(10) Settlement & Clearing Department: Implementation of risk control and management for settlement, clearing, and short-sale business operations. Implementation of risk management and business department risk management for transactions.

(11) General Affairs Department's responsibilities: Greenhouse gas inventory and management, Resource sustainability management, Responsible procurement, and Supplier management.

3. Risk Evaluation Standards

The company has set risk management principles. In order to ensure that all of our organizations businesses adhere to our operating policies, operating goals, and capital levels, we must set suitability evaluation policies that can react to changes in our business and in the market:

◆ Market Risk Evaluation

(1) We use RiskMetrics market risk management system to manage our company's exposure to market risk. In addition to producing daily risk value tables, we perform simulation analysis and historical analysis to supplement missing risk values.

(2) We evaluate the completeness of the evaluation models on different business areas, and evaluate the assumptions, parameters, and data for various product models, and then test if the models for the various products are reasonable.

(3) We evaluate the effectiveness of risk control models, and regularly perform Back Testing to ensure the reasonableness of the models used.

◆ Credit Risk Evaluation

(1) Our company undergoes credit rating evaluations from Moody's, Standard & Poor's, Fitch, Taiwan Ratings Corp., and Taiwan Corporate Credit Risk Index(TCRI)

(2) Trading counter-partner credit risk: We assess our company's maximum exposure in the event that the counterparty defaults, and use maximum exposure limits set by the board of directors in determining the credit risk of a trading counterparty.

(3) Issuer's Credit Risk: We use KMV models to perform an internal evaluation, and combine that with financial data and stock price data, to calculate a probability of default. Based on these measurements, we then develop an internal evaluation, Z-Score model, to control the external credit risk gaps from issuers and augment.

◆ Operational Risk Evaluation

(1) Operational risks refer to risks of damage caused by internal operations, inappropriate actions or errors of personnel or systems, or external incidents. The definition includes legal risks but does not include risks in strategies and reputation.

(2) We create operations risk policies handbooks that encompass each level of operations.

(3) Ensure the appropriate measurement, disclosure, and control of the operating quality based on risk assessment reports and auditing reports.

◆ Climate Risk Evaluation

(1) Climate risk assessment method and process: Using risk matrix to identify and evaluate the level of climate risks, prioritizing risks, and defining significant climate risks. The climate risk assessment method should take into account relevant regulations and internationally recognized standards.

(2) Identify the correlation between climate risks and other risks, such as credit risk, market risk, operational risk, and liquidity risk.

(3) Risk identification and assessment: Identifying and assessing the degree of impact, probability, and potential risks to operational activities caused by climate events.

4. Risk Factors and Corresponding Responses

(1) Management Crisis Risk: Management crisis risk refers to significant market changes, a lack of access to capital, or significant losses from direct investments, which affect a company's operations and cause losses.

Response: We have implemented a "Management Crisis Response Policy" that clearly lays out what steps should be followed in the event of a serious crisis so as to ensure normal operation of the company.

(2) Market risk: Market risk refers to dramatic changes in pricing or volatility in interest rates, equities, or foreign exchange rate that can result in serious losses to open positions.

Response: We will attempt to lessen the impact of such market risks through prudent business analysis, product analysis, and process analysis, so as to clearly identify sources of market risk. Based on this, we then set effective management controls; we monitor investment position risk levels, risk structure, and risk changes to ensure that they are all in line with our forecasts.

(3) Credit risk: Credit risk refers to the exposure for underwriters for the terms and conditions of the securities that underwrite and for losses that may result from a counterparty being unable to fulfill its obligations to the security.

Response: In an effort to shield ourselves from potential credit risk, we conduct extensive credit risk evaluations prior to a deal being executed and then conduct repeated evaluations after the deal has been executed. Based on these evaluations and a maximum credit exposure scenario for the counterparty in question, we set credit risk limits for that counterparty. In evaluating the risk to the underwriter for debt-related securities, we look not only at the TCRI rating, but also at default rates based on KMV models.

(4) Operational risk: Operational risk refers to the risk created when internal processes, employees, or systems are inappropriate or cause errors, or the risks caused by external factors. This type of risk is related to legal risks but not strategic risk or credit risk.

Response: In order to reduce the probability of such operation risk occurring, we have created an operating manual that addresses every level of our operations, we perform regular audits of every business segment, as well as every work flow, every legal risk point, and every risk control point. Finally, we compile an audited risk report that helps us to ensure that our operating quality is properly balanced, controlled, and disclosed.

(5) Legal/Regulatory risk: Refers risk related to non-compliance with laws and regulations governing our investment strategies and our business operations, and any resulting corrective orders or penalties from relevant authorities, or any civil or criminal actions taken against us. It also refers to risk related to our inability to perform our obligations under agreements that we have entered into with other parties.

Response: In order to reduce our exposure to legal/regulatory risks, we have created a Compliance Division and Legal Matters Department. Compliance Division ensures that all businesses and risk management operations are in compliance with relevant laws and regulations. Legal Matters Department implements legal risk controls.

(6) Liquidity risk: Liquidity risk refers to position liquidity risks and capital liquidity risks. Sometimes losses can be suffered as a result of illiquid markets that make it difficult to open or close a position at normal market prices requiring that a position be either bought at a premium or sold at a discount. Capital liquidity risks result when positions are increased beyond planned levels, leaving the company with insufficient funds to meet settlement requirements for a position.

Response: In an effort to better manage liquidity risks, we have created centralized risk management standards that take into consideration all departments and that set position limits for each department. We also have a team that performs daily forecasts of capital requirements based on the needs of all company guarantees and service loans, and then monitors daily capital adjustments accordingly. We also produce a monthly "Capital Liquidity Risk Simulation Analysis Table" that analyzes multiple scenarios, forecasts the potential liquidity risks for those scenarios, and estimates the capital levels that each such scenario would require.

(7) Model risk: Model risk refers to potential situations where market values and other variables are beyond normal and predictable conditions and therefore exceed the ability of the model to handle.

Response: We effectively maintain and manage our models with particular emphasis on financial product risk management. We have created a set of "Model Use Management Procedures" that clearly spell out procedures for developing models, for validating models, for managing variables, and for discontinuing the use of problem models.

(8) Climate risks: There are two major types, including physical risks caused by climate change, and transitional risks associated with a low-carbon economy.

Response: Key indicators for managing climate risks should take into account the duration of the climate risk impact and industry factors. If a significant risk is identified that may jeopardize financial or business conditions or violate legal compliance, appropriate measures should be taken immediately and reported to the Board of Directors. In addition, in accordance with regulatory authorities, widely recognized international initiatives or guidelines, the Company regularly discloses the implementation of climate risk management to enhance the quality and transparency of information.

B. An Evaluation of Key Risks

1. Effects of recent interest rates, foreign exchange rate fluctuations, and inflation concerns on our company and our strategies for dealing with these concerns.

(1) Interest rate: Changes in interest rates have a direct impact on the income we derive from our fixed income-related businesses. In addition to conducting our own thorough research on domestic and foreign interest rate trends, we utilize various interest rate derivative tools as well a risk control system that manages our interest rate-related risks, that creates an effective interest rate hedging system for our fixed income-related businesses. Changes in interest rates also affect our company's financing costs. Going forward, we intend to utilize interest rate hedging and other capital raising avenues as ways to control our company's financing costs.

The effects and countermeasures:

i. Bond and Interest Derivative Product Business: The amount of our company's major interest products on March 31, 2024, and the likely loss of NT$305,665 thousand due to the 1% interest rate change (as show in the following table).

Unit: NT$ thousands

Item	Amount	Profit/loss based on 1% Interest rate change
Government bond	299,062	-683
Corporate bond	3,914,222	-16,232
Bank debentures	98,771	-108
International bond	801,631	-8,649
Foreign bond	13,876,630	-279,993
Total	18,990,316	-305,665

Countermeasures: Our Company has risk management rules and operational procedures on government bond, corporate bond, bank debentures, foreign/international bond. Our company has put the interest risk under good control by pre-purchase assessment and risk control afterward.

ii. Borrowing: The main risk of borrowing is the fluctuation of interest rate. Our company can adjust methods, conditions and terms of borrowing according to the likely interest changing trend. We can also avert risks through the product of interest exchange etc.

Our total debt amount of short-term borrowing and payable short-term bill totals NT$39.374 billion on March 2024. They are both borrowing with interest rate risks. With every 1bp change in market interest rate, our company has to pay NT$39.374 thousand more interest every year.

Countermeasures: Looking at a potential rise in interest rates, we will keep a close watch on the markets and on business demands and will make adjustments to our positions accordingly. According to the resolution of the Joint Board of Supervisors of the Central Bank in December 2024, along with the domestic and international economic and financial situation, the domestic inflation rate is expected to gradually decline each quarter this year. However, the higher price increases since 2021, and the proposed increase in domestic electricity prices in April this year, are concerns that may lead to higher inflation expectations. Going forward, the central bank will continue to monitor the adjustment of electricity prices, the transition to net zero, and their subsequent impact on domestic inflation. It will also pay attention to monetary policy developments in major economies, as well as the impact of changes in international commodity prices, geopolitical risks, extreme weather conditions, and other factors on the domestic economic and financial situation. Monetary policy will be adjusted promptly to achieve price stability and financial stability. It is expected that Central Bank will remain interest rates stable over the coming year and that our company's risks related to the changes of the rates will remain low.

(2) Exchange rate: The Company’s principal business targets and place of business are domestic; hence the impact of currency fluctuations is minimal. Potential foreign exchange risks not just include arising from the par of exchange for foreign currency assets, but also that from foreign currency investment with respect to foreign reinvested or reinvested companies (when future earnings are repatriated or disposed). Whenever the company invests in foreign currency assets, FX swaps will always be in place to avoid foreign exchange risk. Since its overseas subsidiaries are running perpetual operations, the impact of exchange rate movements on long-term equity investments is limited to the changes to book value and does not affect profits and losses.

On March 31, 2024, the company’s main exchange rate product positions, and 1% exchange rates fluctuation may result in a loss of NT$300,622 thousand (as show in the following table).

Unit: NT$ thousands

Item	Position	Loss resulted by 1% exchange rates fluctuation
Foreign Stock	1,059,985	-11,980
International Bond	801,631	-8,649
Foreign Bond	13,876,630	-279,993
Total	15,738,246	-300,622

Countermeasures: Our Company’s transactions of foreign stock, international bond, and foreign bond have risk management and standard operating process. The business above was lower the risk of exchange rate by trading foreign exchange swap.

(3) Inflation: The average CPI growth rate from January to March of 2023 was +2.34%, which had no meaningful effect on operations or on profits.

2. Recent High-Risk or High-Leverage Investments, Loans to Third Parties, Pledges Given for Third Parties, Derivative Products Trading Policy and Profitability and Losses, Reasons for Losses and Strategies for Correcting Such Losses Going Forward.

(1) In 2024 Q1, we did not engage in any high-risk or highly-leveraged investments, did not provide any loans to third parties, and did not provide any pledge for any third parties.

(2) We only trade those derivative products which have been approved by the relevant authorities and which are permitted by our company’s Articles of Incorporation. We have also created and followed a “Code of Over-the-Counter Trading of Derivative Financial Products” in an effort to further reduce our exposure to related risk.

3. Future Development Plans and Expected R&D Investments.

To assist with our development of ever-better products and trading strategies, we have assembled a professional financial engineering team, which brings together experts from finance, statistics, mathematics, and information technology, to create trading and valuation software and hardware resources. Our annual spending on human resources and R&D in this area is in the millions of dollars every year. Please see Chapter 5 for more information on the status of our operations and on our R&D efforts.

4. Effects of Significant Policy and Legal Changes both in Taiwan and Abroad and Measure for Dealing with These Issues.

We are constantly on watch for significant policy and legal changes both inside Taiwan and abroad and, to that end, routinely enlists the help of professional legal and accounting firms to assist in evaluating these changes, to help create effective responses to these changes, and to ensure compliance with these changes, thereby working to reduce the effects of policy and legal changes on our business. In recent years, we have been quite effective in adjusting to policy and legal changes both within and beyond Taiwan and, thus, our overall solid financial health has seen little impact from such changes.

- On January 10, 2023, Taiwan Securities Association issued Chung-Cheng-Shan-Yeh(1) Letter No. 1120000164 to amend on Article 27 of the "Regulations Governing Securities Firms Handling Entrusted Trades of Foreign Securities". To protect the rights and interests of investors, the regulation revisions stipulated that the notification scope of private acquisitions in foreign stock markets should be limited to cases of public acquisitions. Unlike public acquisitions, private acquisitions are not required to follow the information disclosure and procedures. However, if investors wish to participate in private acquisitions, records should be kept, and the risks of participation should be disclosed to investors. The Company has instructed the relevant units to handle this in accordance with the regulations and has communicated this requirement to colleagues.
- On February 8, 2023, the Taiwan Stock Exchange Corporation Commission issued Order Tai-Cheng-Fu No. 1120017011 to amend on partial articles of the "Corporate Governance Best-Practice Principles for Securities Firms". The revision of the articles aim at the implementation of specific measures outlined in the "Transition Strategies of Sustainable Development for Securities and Futures Sectors", which require securities firms to establish an accountability system based on planning, execution, inspection and action. Our Company has amended the "President Securities Corporation Corporate Governance Practices Guidelines" through resolution passed during 13th Board meeting of 12th Board of Directors.
- On March 6, 2023, the Financial Supervisory Commission issued Order Jin-Guan-Zeng-Quan No. 1120380899 to announce the amendment on articles 44-9 and 44-21 of the "Regulations Governing the Administration of Shareholder Services of Public Companies". These adjustments regarding the convening of video shareholders' meetings, which strengthen the protection of shareholders' rights and interests. For example, the regulation amend that a video shareholders' meeting should be held by the Board of Directors with the attendance of at least two-thirds of the directors, and the approval of a majority of the directors present. The Company has revised its internal control standards in accordance with the relevant provisions.
- On August 17, 2023, Taiwan Stock Exchange Corporation Commission issued Letter No. 1120014861, announces the amendment of the Taiwan Stock Exchange Guidelines for the Listing Review of Warrants. Articles 12, 14, 16, and 17 have been adjusted to modify the regulations related to hedging transactions. The relevant departments have been instructed to comply with the regulations and notify the staff of this provision.
- On August 31, 2023, the Financial Supervisory Commission issued Jin-Guan-Zeng-Quan Letter No.1120345336 to announce the "Directions for Operations Outsourcing by Securities Firms". Accorddingly, securities firms should adhere to the applicable requirements when delegating others to handle securities business or client information. Our Company has designated responsible units to oversee the planning and implementation process, and continuously monitor the relevant regulations and guidelines.
- On November 2, 2023, the Financial Supervisory Commission issued Order Jin-Guan-Zeng-Quan No.1120351844 to establish "Compliance Directions for Securities Firms Reporting Material Contingencies". It's regulated that securities firms should promptly report any significant incidental occurrences to the relevant departments, and include them in their internal control system. Our Company has instructed the relevant departments to develop internal regulations and has communicated this requirement to our colleagues.
- On November 10, 2023, the Financial Supervisory Commission issued Order Jin-Guan-Fa No. 1120385231 to amend the Articles 10 and 23 of the "Regulations Governing Information to be Published in Annual Reports of Public Companies", and Article 10 and Article 32 Appendix 63, Appendix 63-1 of the "Guidelines for the Items to be Recorded in the Prospectus for the Issuance of Securities by the Company". The modifications mandate the expansion of disclosure in the annual report and prospectus regarding individual director remuneration, fire safety management and carbon reduction goals. The Company has instructed the relevant departments to comply with these regulations and will prepare the necessary documents based on the revised content.
- On November 28, 2023, the Taiwan Stock Exchange Corporation Commission issued Order Tai-Cheng-Fu No. 11200222161 to amend the Articles 2 and 4 of the "Taiwan Stock Exchange Corporation Standards Governing Principal Identification and Management of Credit Line Categorization in the Processing by Securities Firms of Account Opening". In order to improve convenience for investors and offer securities firms a wider range of online account opening and authentication options, securities firms are now permitted to verify the identity of clients using Financial FIDO (Fast Identity Online) authentication. Our Company will assess the potential business opportunities and proceed in accordance with regulations.

- On December 11, 2023, the Taiwan Securities Association issued Chung-Cheng-Shan-Yeh(2) Letter No. 1120006503, to amend the "Regulations on the Management of Advertising, Business Solicitation and Sales Promotion Activities by Members". Regarding the advertising declaration procedure for securities firms, our Company has revised the internal regulations to follow the adjustments, and the revision was completed on January 19, 2024.
- On December 29, 2023, the Taiwan Stock Exchange Corporation Commission issued Order Tai-Cheng-Fu No. 1120024674 to amend on partial articles of the "Guidelines Governing the Creation of Customer Ledgers of Securities Firms' Settlement Accounts". The primary revision is to enable the transfer of funds from electronic payment accounts to contractual accounts that can be used as sub-accounts for delivery accounts. The Company will evaluate the business opportunities and comply with the regulations.

5. Effects of Industry Changes (Including information security risks) and Technological Changes and Measures for Dealing with These Changes.

In response to the changing financial and technological environment, the Company shall create diversified, fast, stable, secure electronic ordering platform and diversified customer financial service as the top development priority. In the pursuit of this goal, the Company shall continue to promote system upgrades and development to steadily increase the ratio of the Company’s electronic orders in the coming years.

In view of the phenomenal growth in the use of mobile devices in the Internet generation, the role of securities dealers is bound to be transformed from a purely “broker and platform” to a “digital business” supported by FinTech and AI. Therefore, the Company has set up the “Digital Financial Division” and “Digital Business Department” , try to transform the physical branches on a trial basis to integrate the virtual and physical channels, so as to promote the digitalization and paperless operations of business procedures. It is planned to gradually complete the online digital services starting from electronic trading in the directions of diverting customer flows, differentiation, and customized services.

To build a data-driven corporate culture amid trends in digital transformation, the Company has been transforming its processes through internal digitalization, with a comprehensive focus on improving existing management systems, operational processes, human resources, and systems. In 2022, the Company initiated the Enterprise Data Platform Construction Project, with the aim of establishing data governance capabilities with data development and continuously expanding data assets. The goal is to establish a data-driven organizational culture and enhance the Company's competitiveness.

In response to the increasing trend of placing orders via mobile devices and customized trading in the overall market, customers are provided with the all-round app of the digital integrated financial investment service platform with the app interface adjusted according to customer feedback. We launched a new educational video channel on our platform to help investors gain a better understanding of platform operations. In addition, we enhanced our operational system to provide a more dynamic and interactive customer service platform for business personnel, with the goal of fostering business growth and generating new business opportunities.

In addition, in response to the FSC’s requirements for strengthening information security in the financial market, the Company will continue to use existing information security management regulations (ISO-27001), internal auditing and periodic reviews by third-party certification institutions to enhance the management system. The Company shall also invest specific amounts in the annual budget on the enhancement of the protection of the information security framework to facilitate business growth and create new business opportunities.

The Company has arranged third parties to conduct tests on the information security operations center (SOC), dual ISP backup architecture, and periodic joint prevention tests. Disaster Recovery server room construction, support code inspection, finished trading host conversion to FIX connection project and APP lab inspection have been completed.The goal is to increase the stability of the information system and prevent risks in external information security attacks in order to achieve the goal of fair transactions with investors and create wealth with customers.

6. Significant Impairment of Corporate Image and Measures for Dealing with that Damage.

Our company has a core philosophy of “Good Quality, Good Credibility, Good Service and Fair Prices”. This is combined with the concept of “Professional Leadership, Kind Service”. the Company has been a long-standing supporter of important social charitable activities and devoted to fulfill corporate social responsibility. Since the date of the establishment, the Company has no negative corporate image issues to report.

7. Expected effect of acquisition and the possible risk: None.

8. Expected effect and possible risk of expanding business locations and the countermeasures: None.

9. Expected effect and possible risk of excessive concentration of purchasing sources and excessive customer concentration: Not Applicable.

10. Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%: None.

11. Effects of, Risks Relating to and Response to the Changes in Management Rights: None.

12. Litigation or Non-litigation Matters

(1) Major lawsuits, non-contentious matters or administrative procedures with a determined court ruling or that are still pending, that may significantly affect the shareholders' equity or the stock price of the Company (over the previous two years and up to the time that this annual report was published):

The major claims	Parties involved in major lawsuits	Date	The current progress	Amount (Unit:NT$)	Remark
Customer Lin, ○-Rou from the Taichung Branch has filed a lawsuit against our Taichung Branch. The lawsuit results from dissatisfaction with offsetting the refundable amount after redeeming the current securities and the overdrawn borrowing fee.	Plaintiffs: Lin, ○-Rou Defendant: PSC	2024.1	This case is first heard at the Taiwan Taichung District Court.	1,000,000	After the evaluation of this case, the case has no material impact on the shareholders' equity of the Company or the price of securities.
As the Company requires presidents to be in service at the time of payment of deferred bonuses, former branch presidents Chen, ○-Long and Huang, ○-Fa were unable to receive the FY 2021 deferred bonuses due to their retirement from the Company and filed a lawsuit to require the Company to pay the bonuses.	Plaintiffs: Chen, ○-Long Huang, ○-Fa Defendant: PSC	2023.3	The plaintiff's claim was dismissed by the Taipei District Court. The court is currently awaiting confirmation as to whether the plaintiff has filed an appeal in accordance with the law.	Chen, ○-Long: 1,781,554 Huang, ○-Fa: 1,231,759	After the evaluation of this case, the case has no material impact on the shareholders' equity of the Company or the price of securities.

The major claims	Parties involved in major lawsuits	Date	The current progress	Amount (Unit:NT$)	Remark
The plaintiff Wang, ○-Cheng (did not open an account at the Company and traded stocks) claimed that he borrowed a customer account from 2004 through 2008 and entrusted business clerk Chu, ○-Jung at the Tucheng Branch to buy and sell stocks. However, Chu, ○-Jung sold the stocks in the account secretly and expropriated the proceeds from the stocks. In addition, due to Chu, ○-Jung's fraud, Wang, ○-Cheng was required to pay a guarantee deposit and suffered loss; thus, he claimed that the Company shall be jointly liable for the indemnity and filed this lawsuit.	Plaintiff: Wang, ○-Cheng Defendant: Chu, ○-Jung, PSC	2010.7	On February 16, 2023, the Supreme Court rejected both parties' appeals, affirming the High Court's original decision. The Company was liable for compensation of NT$4,956,938 , and the interest will be calculated at an annual rate of 5% from September 2, 2010, until the date of settlement, jointly with Chu, ○ Jung.Additionally, we will be jointly responsible for 55% of the litigation costs paid by the plaintiff in the first to third trials.	9,007,179	After the evaluation of this case, the case has no material impact on the shareholders' equity of the Company or the price of securities.
The plaintiff, Ms. Lu, ○-Jen, is a former securities specialist of the Sanchong Branch where she was dismissed by the Company for misconduct in the course of performing his/her business and subsequently filed a lawsuit against the Company for restoration of employment and compensation.	Plaintiffs: Huang Lu, ○-Jen Defendant: PSC	2021.10	The case was concluded by the Taiwan New Taipei District Court on November 22, 2022, and the ruling of the first instance was that the plaintiff's claims were rejected. As the plaintiff did not appeal, the case was closed. The Company was not liable for paying any compensation.	1,000,000	After the evaluation of this case, the case has no material impact on the shareholders' equity of the Company or the price of securities.

The major claims	Parties involved in major lawsuits	Date	The current progress	Amount (Unit:NT$)	Remark
The Trade-Van Information Services Co. claimed that there was damage to the delivery of ballots for its 2020 shareholders' meeting, and filed a civil lawsuit against the Company and its employees to demand joint liability and compensation.	Plaintiff: The Trade-Van Information Services Co. Defendant: Chou, ○-Hung, Gong, ○-Da, Chen, ○-Hua, Lin, ○-Siou, PSC	2020.7	Both parties reached a settlement in the Taipei District Court on September 8, 2021 and the litigation was concluded without compensation.	10,000,000	After the evaluation of this case, the case has no material impact on the shareholders' equity of the Company or the price of securities.
The plaintiffs Huang, Hsiang-○ and Huang, Ching-○ applied for the transfer of ○○ stocks under the name of the successor, but failed to submit the national identity cards of "all inheritors" or the seal certificate issued by the household registration office in accordance with Article 24 of the Regulations Governing the Administration of Shareholder Services of Public Companies; as a result, the transfer could not be completed. Therefore, they filed a civil lawsuit against the Company to request the Company to complete the transfer of inheritance.	Plaintiffs: Huang, Hsiang-○, Huang, Ching-○ Defendant: PSC	2020.11	This case was concluded by the Taiwan Taipei District Court on February 26, 2021, and the ruling of the first instance was that the Company shall transfer the ○ ○ stocks under the name of the successor to the plaintiffs and the Company was not liable for paying any compensation.	328,133	After the evaluation of this case, the case has no material impact on the shareholders' equity of the Company or the price of securities.

(2) Any Company director, supervisor, manager, responsible person, or company shareholder holding more than 10% of the company’s shares that is involved in any judgments already handed down or any ongoing litigation, non-litigation, or administrative action over the previous two years up to the time that this annual report was published, the potential effects on shareholder rights and on the company’s share price, the key facts of the dispute, dollar values involved, the date that the litigation was initiated, the key parties involved, and the current status of said litigation(s): None.

(3) Any company director, supervisor, manager, responsible person, or company shareholder holding more than 10% of the company’s shares that has been found in violation of Article 157 of the Securities and Exchange Act over the previous two-year period and up to the time that this annual report was published, and the current status of any related action taken or being taken against that person: The Company claimed for the disgorgement (NT$ 1,993 for price spread and 53 for interest, NT$ 2,046 in total) from Mr. Li , a legal representative of legal entity shareholderas, in accordance to article 157 of the Securities and Exchange Act on December 25, 2023, the disgorgement (NT$ 4,847 for price spread and 137 for interest, NT$ 4,984 in total) from a manager whose last name is Chang in accordance to article 157 of the Securities and Exchange Act on December 29, 2023, and informed Securities and Futures Investors Protection Center on January 3, 2024. Any similar situation happend from February, 2024 to now: None.

13. Other Important Risks:

(1) Impact and countermeasures for addressing personal data leakage risks:

To ensure the standardization of the collection, processing, and use of personal data, prevent any violation of personal rights, and promote the responsible use of such data, our Company has complied with the provisions of the Personal Data Protection Act. Since 2013, we have worked with external professional consultants to establish a robust personal data management system that effectively protects customers' personal information and transaction data from unauthorized disclosure.

The Company has established a personal data protection committee and an emergency response team to protect personal data. Each year, all departments are required to conduct an inventory and review of the collection, processing, and use of personal data, as well as operational guidelines. The company also effectively manages personal data breach incidents to raise crisis awareness among all employees. Annual privacy training and data breach drills are conducted to improve response capabilities and incident management.

(2) Impact of information system damage on the Company's financial operations and response measures:

The increasingly frequent security attacks may cause disruption to business operations and in turn affect business revenue and damage the corporate image. President Securities Corporation has begun to import the Information Security Management System (ISMS) since 2013, and obtained ISO 27001 certification on August 23, 2013 and continued to maintain the validity of the certification. The extension review was completed on August 10, 2023. The certificate will remain in force from August 25, 2022 until August 24, 2025. The information security governance has been gradually developed and implemented, with the strict requirements of various information security standards.

In view of the increasing threat of cyberattacks recently, to ensure that computer systems have certain security protection capabilities, it is necessary to upgrade the protection capabilities in each aspect from computer facilities, servers and hosts, user equipment, the internet all the way to e-mail, so as to implement control measures in the technical and management aspects and improve and enhance the security protection capabilities of the internet and information systems. In addition to completing the revision and formulation of relevant information security management regulations, the security updates and version upgrades of relevant equipment will be completed gradually. Furthermore, external units are invited to conduct independent inspection, tests, and assessment to identify potential information security risks early.

This year, the information security response speed of relevant units was also strengthened through exercises. The information security response strengthening exercises are as follows:

- Social Engineering Exercises for Prevention of Malicious Email
- The core system disaster recovery has switched to practice activities.
- Distributed Denial-of-Service (DDoS) Attack and Defense Exercises
- 2023 Financial Supervisory Commission and Its Affiliated Institutions (Organizations) Annual Financial Security Notification Exercises
- Information Security and Checkup Assessment
- The ultimate goal of hierarchical security protection in the securities and futures industry is to strengthen information security awareness and arrange information security education and training, which includes:
  - Information on security incidents and sharing of security concepts
  - Personal computer use and daily security operations
  - Information security skills training and information security concepts
  - Mail security and prevention of social engineering

It aims to improve the security, reliability, availability of information systems and reduce the risks that relevant information security incidents may pose to the Company's finance.

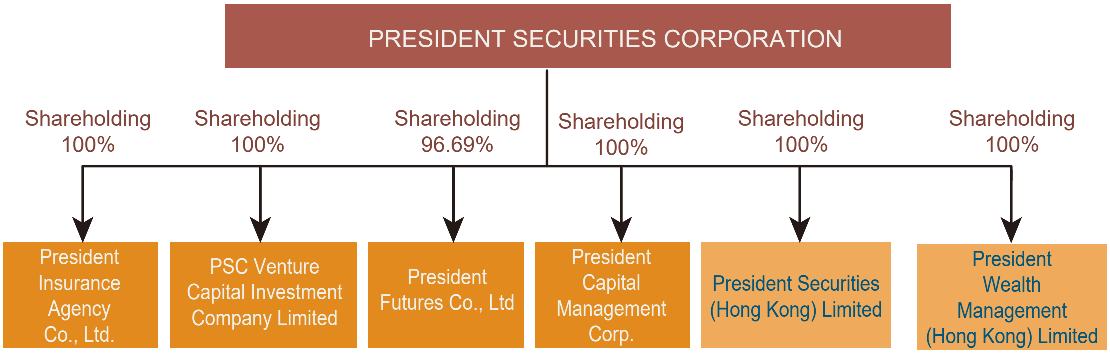
VII. Other significant events: None.

VIII. Other Disclosures

I. Consolidated Business Report of Affiliated Companies, Consolidated Financial Statements of Affiliated Companies, and Reports of Affiliation

A. Summary of Affiliated Companies

1. Affiliated Companies Chart



2. Basic Information of Affiliates

As of April 29, 2024

Company	Established Date	Address	Currency	Paid-in Capital (in thousands)	Main Business
President Futures Co., Ltd	1994.03.01	B1.,No.8, Dongxing Rd., Taipei City	NTD	660,000	Futures and brokerage
President Capital Management Corp.	1997.04.15	3F.,No.8, Dongxing Rd., Taipei City	NTD	300,000	Securities investment and consulting
President Securities (Hong Kong) Limited	1994.07.26	Level 20, Infinitus Plaza 199 Des Voeux Road Central, Sheung Wan, Hong Kong	HKD	192,600	Securities proprietary, brokerage, underwriting ,and consulting (Note 1)
President Wealth Management (Hong Kong) Limited	2002.03.31	Level 20, Infinitus Plaza 199 Des Voeux Road Central, Sheung Wan, Hong Kong	HKD	23,400	Wealth management (Note 1)
President Insurance Agency Co., Ltd.	2008.04.29	4F.,No.8, Dongxing Rd., Taipei City	NTD	10,000	Insurance agent
PSC Venture Capital Investment Company Limited	2013.10.29	2F.,No.8, Dongxing Rd., Taipei City	NTD	300,000	Consultation of investment management and venture capital; other unprohibited or unrestricted businesses beyond the permit

Note 1: President Securities (Hong Kong) Limited, President Wealth Management (Hong Kong) Limited was approved by the board of directors to deal with the dissolution and liquidation matters. The liquidation process is currently in progress.

Note 2: President Securities Nominee Limited was liquidated in January, 2024.

3. Rosters of Directors, Supervisors, and Presidents of PSC's Subsidiaries

As of April 29, 2024

Company	Title	Representative	Holding Shares: Shares	Holding Shares: Shareholding Ratio
President Futures Co., Ltd	Chairman	Huang, Yi-Ming	PSC holds 63,817,303 shares	96.69%
	Director	Lin, Kuan-Chen		
	Director	Tsai, Sen-Bu		
	Director	Yang , Kai-Chih		
	Director	Lin, Jung-Hui		
	President	Wu, Huang-Chi	0	0%
	Supervisor	Yang, Ya-Ting	0	0%
	Supervisor	Kuo, Kuan-Hung	PIDC holds 660,000 shares	1.00%
President Capital Management Corp.	Chairman	Li, Fang-Kuo	PSC holds 30,000,000 shares	100%
	Director	Wu, Fang-Ling		
	Director	Wu, Pai-Cheng		
	President	Liao, Wan-Ting	0	0%
	Supervisor	Pan, Lung-Ching	PSC holds 30,000,000 shares	100%
President Securities (Hong Kong) Limited	Director	Lin, Kuan-Chen	PSC holds 192,600,000 shares	100%
	Director	An, Chi-Li		
	Director	Tsai, Sen-Bu		
President Wealth Management (Hong Kong) Limited	Director	Lin, Kuan-Chen	PSC holds 23,400,000 shares	100%
	Director	An, Chi-Li		
	Director	Tsai, Sen-Bu		
President Insurance Agency Co., Ltd.	Chairman & President	Lu, Hsiang-Chung	PSC holds 1,000,000 shares	100%
	Director	Yu, Hung-Chieh		
	Director	Chang, Hung-Shuo		
	Supervisor	An, Chi-Li		
PSC Venture Capital Investment Company Limited	Chairman	Kuo, Li-Yun	PSC holds 30,000,000 shares	100%
	Director & President	Lu, Mu-Sheng		
	Director	Hou, James		
	Supervisor	Huang, Ya-Ping		

4. **Operational Highlights of Affiliated Companies**

As of December 31, 2023 Unit: thousands

Company	Currency	Capital	Total Assets	Total Liabilities	Total Equity	Operating Revenue	Operating Income	Net Income (Loss)	EPS ($)
President Futures Co., Ltd	NTD	660,000	27,848,141	25,055,925	2,792,216	770,510	(109,853)	326,690	4.95
President Capital Management Corp.	NTD	300,000	343,593	33,145	310,448	90,814	3,304	5,705	0.19
President Insurance Agency Co., Ltd.	NTD	10,000	94,455	29,152	65,303	119,372	43,427	41,625	41.63
PSC Venture Capital Investment Company Limited	NTD	300,000	253,498	7,287	246,211	(12,071)	(21,797)	(21,287)	(0.71)
President Securities (Hong Kong) Limited	HKD	192,600	206,806	562	206,244	3	(11,353)	(3,075)	(0.016)
President Securities Nominee Limited	HKD	1,000	394	0	394	0	0	0	0
President Wealth Management (Hong Kong) Limited	HKD	23,400	15,428	0	15,428	0	(5)	46	0.002

Note 1: Foreign exchange rates:

USD/NTD (2023 average) = 31.1755 ; USD/NTD (end of 2023) = 30.7050

HKD/NTD (2023 average) = 3.9820 ; HKD/NTD (end of 2023) = 3.9290

Note 2: President Securities Nominee Limited was liquidated in January, 2024.

B. Consolidated Financial Statements of Affiliated Companies

In 2023, in accordance with Article 33 of 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, the companies that shall be included in the preparation of the consolidated financial statements of affiliated companies were the same as the companies that shall be included in the consolidated financial statements of the parent company and subsidiaries in accordance with the International Financial Reporting Standards No. 10. Please refer to the Financial Statement of Chapter Six Financial Overview V. The Consolidated Financial Statements of the Parent Company and Subsidiaries Certified by the CPAs for the Year of 2023.

C. Reports of Affiliation

Since the Company is a controlling company, it does not need to prepare such reports.

II. In the most recent year up to the publication date of this annual report, as for the private placement of marketable securities, the quantity approved by the shareholders' meeting or the Board of Directors and the approval date, the basis for price determination and the reasonableness, the specific person selection method, and necessary reasons for the private placement shall be disclosed: None.

III. Holding or disposal of the company's shares by the subsidiaries in the most recent year up to the publication date of this annual report: None.

IV. Other Necessary Supplement

A. KPI Performance Indicator

1. Capital Adequacy Ratio

Within the securities industry, a company's capital adequacy rate is viewed as a key performance indicator. Many BIS regulations require that a securities firm has a minimum capital adequacy rate of 200% in order to be permitted to operate in many key business areas. As such, this level can be seen as an important benchmark in evaluating a securities firm's business performance and risk management measures. As of March 2024, our capital adequacy rate stood at 294%, well above this key 200% level.

2. Market Share Rate

Market share of various business could be used for performance indicators. It could represent company's weighted market share and perceptive of future trend, which help to analyze management performance. Our company's Brokerage market share was 2.91% in 2023, ranked the 8th among domestic competitors. Average single branch market share was 0.10%, ranked the 5th among top 10 domestic competitors. Compared with other securities firms, our performance was more efficient and competitive. Currently our company continues to build comprehensive and personalized information platform to improve stability of electronic transactions and orders, train sales with multiple financial ability, hoping to create more profit for customers and company.

IX. Occurrences of items that may give rises to substantial impact on shareholders' interests and/or stock price as defined in NO.3-2 Article 36 of Securities and Exchange Law in the latest fiscal year including the days counting to the publication of the annual reports: None.

PRESIDENT SECURITIES CORPORATION

PARENT COMPANY ONLY 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.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR23003603

To the Board of Directors and Shareholders of President Securities Corporation

Opinion

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

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for the years than 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.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by 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 parent company only financial statements* section of our report. We are independent of the Company 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 Company's 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The key audit matters of the Company's 2023 parent company only financial statements are stated as follows:

Fair value measurement of unlisted stocks without active market

Description

Please refer to Note 4(7) for the accounting policies on unlisted stocks without active market (shown as "financial assets at fair value through other comprehensive income") and Note 5 for details of significant judgements, estimates and assumption uncertainty. As at December 31, 2023, the unlisted stocks without active market held by the Company totaled 307,448 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 Company was determined using the valuation method. Management measured its fair value by using comparable listed companies in market approach. The main assumption of market approach is calculated based on the latest related parameters of comparable listed companies in similar industries and considering discounts on market liquidity or risk particularity.

Above-mentioned estimation of fair value involves various assumptions and material unobservable inputs, which has high uncertainty and relies on the subjective judgment 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 Company. 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 methods and agreed such data to supporting documents.

Impairment indication assessment of investments accounted for under the equity method

Description

Please refer to Note 4(13) 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(10) for details of investments accounted for under the equity method.

The Company held 42.46% 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 at December 31, 2023, the amount was 796,561 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; and

3.Inspected valuation model parameters, formula setting and the accuracy of calculation.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only 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 parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only 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 Company'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 Company'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 parent company only 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 Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only 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 Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the parent company only 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 parent company only 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 parent company only financial statements are not intended to present the financial position and financial 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 parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about 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
PARENT COMPANY ONLY 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)	$ 3,057,640	3	$ 3,192,794	4
112000	Financial assets at fair value through profit or loss - current	6(2)	53,186,728	44	24,015,200	33
113200	Financial assets at fair value through other comprehensive income - current	6(3)	3,078,680	3	2,497,782	3
114030	Margin loans receivable	6(4)	17,395,242	15	10,533,221	14
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	8	4,094,908	6
114090	Receivables from security lending		451,397	-	1,159,577	2
114100	Security lending deposits		475,705	-	3,377,630	5
114110	Notes receivable		1,475	-	763	-
114130	Accounts receivable	6(5)	19,083,359	16	10,129,755	14
114140	Accounts receivable - related parties	6(5)	4,196	-	4,717	-
114150	Prepayments		44,247	-	33,654	-
114170	Other receivables	6(6)	14,434	-	16,656	-
119000	Other current assets	6(7)	1,733,992	1	1,870,428	2
110000	**Total current assets**		107,777,722	90	61,093,620	83
120000	**Non-current assets**					
122000	Financial assets at fair value through profit or loss - non-current	6(2)	59,780	-	66,383	-
123200	Financial assets at fair value through other comprehensive income - non-current	6(3)	307,448	-	294,855	1
124100	Investments accounted for under the equity method	6(10)	7,544,462	7	8,085,345	11
125000	Property and equipment, net	6(11)	2,460,229	2	2,413,110	3
125800	Right-of-use assets	6(12)	126,293	-	155,095	-
126000	Investment property	6(14)	184,153	-	266,302	-
127000	Intangible assets	6(15)	229,816	-	187,393	-
128000	Deferred tax assets	6(46)	129,269	-	103,665	-
129000	Other assets - non-current	6(16)	1,004,224	1	1,071,888	2
120000	**Total non-current assets**		12,045,674	10	12,644,036	17
906001	**Total Assets**		$ 119,823,396	100	$ 73,737,656	100

(Continued)

PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY 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(17)	$ 6,944,759	6	$ 275,000	-
211200	Commercial papers payable	6(18)	21,130,934	18	5,827,431	8
212000	Financial liabilities at fair value through profit or loss - current	6(19)	10,463,828	9	9,156,084	12
214010	Bonds sold under repurchase agreements	6(20)	19,140,506	16	6,965,424	10
214040	Deposits on short sales		921,093	1	1,809,356	3
214050	Short sale proceeds payable		1,163,504	1	1,809,962	3
214070	Guarantee deposit received on borrowed securities		1,632,008	1	1,806,591	2
214090	Equity for each customer in the account		860,210	1	269,029	-
214130	Accounts payable	6(21)	17,055,597	14	10,730,645	15
214150	Advance receipts		121	-	29	-
214160	Collections on behalf of third parties		612,897	-	743,518	1
214170	Other payables	6(22)	2,079,118	2	1,443,038	2
214200	Other financial liabilities - current	6(23)	5,224,019	4	2,784,086	4
214600	Current tax liability	6(45)	232,902	-	128,431	-
216000	Current lease liabilities		55,596	-	65,653	-
219000	Other current liabilities		76,207	-	72,006	-
210000	**Total current liabilities**		87,593,299	73	43,886,283	60
220000	**Non-current liabilities**					
225100	Non-current provisions		15,507	-	15,418	-
226000	Non-current lease liabilities		66,037	-	82,231	-
228000	Deferred tax liability	6(46)	17,915	-	11,317	-
229000	Other liabilities - non-current	6(24)	81,146	-	23,315	-
220000	**Total non-current liabilities**		180,605	-	132,281	-
906003	**Total Liabilities**		87,773,904	73	44,018,564	60
301000	Capital					
301010	Common stock	6(26)	14,558,313	12	14,558,313	20
302000	Capital reserve	6(26)	91,261	-	91,261	-
304000	Retained earnings	6(26)(27)				
304010	Legal reserve		3,959,127	4	3,877,849	5
304020	Special reserve		9,253,546	8	9,090,989	12
304040	Unappropriated earnings		2,752,936	2	816,933	1
305000	Other equity interest		1,434,309	1	1,283,747	2
906004	**Total equity**		32,049,492	27	29,719,092	40
906002	**Total liabilities and equity**		$ 119,823,396	100	$ 73,737,656	100

PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, earnings per share)

	Items	Notes	2023 AMOUNT	2023 %	2022 AMOUNT	2022 %
400000	Revenues					
401000	Brokerage handling fee revenue	6(28)	$ 2,795,316	32	$ 2,382,066	45
404000	Revenues from underwriting business	6(29)	104,284	1	86,465	2
406000	Net gain (loss) on wealth management		55,919	1	38,150	1
410000	Net gain (loss) on sale of trading securities	6(30)	2,321,554	27	(3,250,617)	(62)
421100	Revenue from providing agency service for stock affairs		91,731	1	88,788	2
421200	Interest revenue	6(31)	1,366,096	16	940,469	18
421300	Dividend revenue		3,662,012	42	1,274,795	24
421500	Net valuation gain (loss) on operating securities at fair value through profit or loss	6(32)	1,746,344	20	(916,440)	(17)
421600	Net gain (loss) on covering of borrowed securities and bonds with resale agreements-short sales	6(33)	(60,644)	(1)	482,271	9
421610	Net valuation gain (loss) on borrowed securities and bonds with resale agreements-short sales at fair value through profit or loss	6(34)	(1,376,328)	(16)	1,381,017	26
421750	Net realized gain (loss) on financial liabilities measured at fair value through other comprehensive income	6(35)	(143,436)	(2)	-	-
422000	Net gain (loss) on issuance of ETNs		(295,958)	(3)	546,571	10
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(36)	(221,645)	(2)	1,473,984	28
424100	Future commission revenue		34,079	-	43,532	1
424400	Net gain (loss) from derivatives	6(37)	(1,816,523)	(21)	123,408	2
425300	Expected credit impairment loss and reversal of impairment gain	6(38)	(17,076)	-	21,973	1
428000	Other operating income	6(39)	424,309	5	545,860	10
	Total revenue		8,678,717	100	5,274,091	100
500000	Expenditures and expenses					
501000/ 502000/ 503000	Handling charges	6(40)	(410,560)	(5)	(364,342)	(7)
507000	ETNs administrative expenses		(8,484)	-	(9,634)	-
521200	Finance costs	6(41)	(873,831)	(10)	(163,518)	(3)
524200	Securities commission expense		(98)	-	(84)	-
524300	Expense of clearing and settlement		(20,873)	-	(21,420)	(1)
528000	Other operating expenditure		(492)	-	(2)	-
531000	Employee benefits expense	6(42)	(2,772,591)	(32)	(2,141,940)	(41)
532000	Depreciation and amortization	6(43)	(275,701)	(3)	(224,108)	(4)
533000	Other operating expense	6(44)	(1,877,364)	(22)	(1,636,888)	(31)
	Total expenditure and expense		(6,239,994)	(72)	(4,561,936)	(87)
	Operating profit		2,438,723	28	712,155	13
601100	Share of the profit or loss of associates and joint ventures accounted for under the equity method	6(10)	455,691	5	32,394	1
602000	Other gains and losses	6(45)	225,358	3	168,133	3
902001	**Profit before tax**		3,119,772	36	912,682	17
701000	Income tax (expense) benefit	6(46)	(240,821)	(3)	(183,314)	(3)
902005	**Net income**		$ 2,878,951	33	$ 729,368	14

(Continued)

PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, earnings per share)

	Items	Notes	2023 AMOUNT	2023 %	2022 AMOUNT	2022 %
	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 plan		($ 161,720)	(2)	$ 99,796	2
805540	Net unrealised gain (loss) from investments in equity instruments at fair value through other comprehensive income	6(3)	108,975	1	(74,826)	(2)
805560	Other comprehensive income (loss) of subsidiaries, associates, and joint ventures accounted for under the equity method - not reclassified to profit or loss		(27,736)	-	9,882	-
805599	Income tax (expense) benefit relating to components of other comprehensive income that will not be reclassified to profit or loss	6(46)	32,344	-	(19,959)	-
	Items may be reclassified to profit of loss subsequently					
805610	Translation gain (loss) on the financial statements of foreign operating entities		(59,037)	(1)	168,819	3
805615	Net unrealised gain (loss) from investments in debt instruments at fair value through other comprehensive income		126,397	2	(126,051)	(2)
805000	Current other comprehensive income (loss) (post-tax)		$ 19,223	-	$ 57,661	1
902006	**Total current comprehensive income (loss)**		$ 2,898,174	33	$ 787,029	15
	Earnings per share	6(47)				
975000	Basic earnings (loss) per share (in dollars)		$ 1.98		$ 0.50	
985000	Diluted earnings (loss) per share (in dollars)		$ 1.97		$ 0.50	

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

				Retained Earnings			Other equity interest		
	Notes	Common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	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
Net income for the year ended December 31, 2022		-	-	-	-	729,368	-	-	729,368
Other comprehensive income (loss) for the year ended December 31, 2022		-	-	-	-	83,415	168,819	(194,573)	57,661
Total comprehensive income (loss)		-	-	-	-	812,783	168,819	(194,573)	787,029
Appropriations of 2021 earnings:	6(26)								
Legal reserve		-	-	390,101	-	(390,101)	-	-	-
Special reserve		-	-	-	776,790	(776,790)	-	-	-
Cash dividends		-	-	-	-	(2,751,521)	-	-	(2,751,521)
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
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
Net income for the year ended December 31, 2023		-	-	-	-	2,878,951	-	-	2,878,951
Other comprehensive income (loss) for the year ended December 31, 2023		-	-	-	-	(131,339)	(59,037)	209,599	19,223
Total comprehensive income (loss)		-	-	-	-	2,747,612	(59,037)	209,599	2,898,174
Appropriations of 2022 earnings	6(26)								
Legal reserve		-	-	81,278	-	(81,278)	-	-	-
Special reserve		-	-	-	162,557	(162,557)	-	-	-
Cash dividends		-	-	-	-	(567,774)	-	-	(567,774)
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

The accompanying notes are an integral part of these parent company only financial statements.

PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY 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		$ 3,119,772	$ 912,682
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)(32)	(1,746,344)	916,440
Net valuation (gain) loss on borrowed securities and bonds with resale agreements-short sales at fair value through profit or loss	6(34)	1,376,328	(1,381,017)
Expected credit impairment loss and reversal of impairment gain	6(38)	17,996	(20,627)
Depreciation	6(43)	209,372	179,026
Amortization	6(43)	66,329	45,082
Financial expense	6(41)	873,831	163,518
Interest income (include financial income)	6(31)(45)	(1,433,328)	(976,711)
Dividend income		(3,674,590)	(1,283,723)
Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(10)	(455,691)	(32,394)
(Gain) loss on disposal of property and equipment	6(12)	12	-
(Gain) loss on disposal of investments		(228)	-
(Gain) loss from lease modification		(1)	(98)
(Gain) loss on valuation of non-operating financial instruments	6(45)	(1,891)	(1,575)
Changes in assets/liabilities relating to operating activities			
Changes in operating assets			
Financial assets at fair value through profit or loss		(27,416,224)	8,353,180
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)
Receivables from security lending		708,180	(758,558)
Security lending deposits		2,901,925	(1,940,335)
Notes receivable		(712)	(293)
Accounts receivable		(8,795,235)	6,452,778
Accounts receivable - related parties		521	75
Prepayments		(10,593)	(12,595)
Other receivables		(1,784)	(2,352)
Other current assets		136,436	6,121,892
Changes in operating liabilities			
Financial liabilities at fair value through profit or loss		(68,584)	2,365,366
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)
Equity for each customer in the account		591,181	171,033
Accounts payable		6,269,564	(6,753,787)
Advance receipts		92	(452)
Collections on behalf of third parties		(130,621)	(4,996,332)
Other payable		630,524	(1,058,011)
Other financial liabilities - current		2,439,933	(2,199,053)
Other current liabilities		4,201	(1,088)

(Continued)

PRESIDENT SECURITIES CORPORATION
PARENT COMPANY ONLY 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		($ 26,149,569)	$ 5,253,250
Interest received		1,263,762	986,104
Dividends received		4,510,095	1,581,926
Income tax paid		(123,012)	(640,299)
Net cash flows (used in) from operating activities		(20,498,724)	7,180,981
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments accounted for under the equity method		-	(656,781)
Acquisition of property and equipment	6(11)	(62,239)	(92,318)
Acquisition of intangible assets	6(15)	(23,205)	(41,626)
(Increase) decrease in other non-current assets		(45,245)	65,734
(Increase) decrease in prepayment for equipment		(114,974)	(179,610)
Proceeds from disposal of investments accounted for using equity method		61,882	-
Net cash flows used in investing activities		(183,781)	(904,601)
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		(2,470)	(104)
Payments of lease liabilities		(68,646)	(67,984)
Interest paid		(812,273)	(147,935)
Distribution of cash dividends	6(28)	(567,774)	(2,751,521)
Net cash flows from (used in) financing activities		20,538,596	(6,102,544)
Effect of exchange rate changes on cash and cash equivalents		8,755	(64,000)
Net (decrease) increase in cash and cash equivalents		(135,154)	109,836
Cash and cash equivalents at beginning of year		3,192,794	3,082,958
Cash and cash equivalents at end of year		$ 3,057,640	$ 3,192,794

PRESIDENT SECURITIES CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 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 is 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 Company were 1,439 and 1,463, as of December 31, 2023 and 2022, respectively.

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

These parent company only 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
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 Company's financial condition and financial performance based on the Company's assessment.

2) Effect of new issuances of or amendments to IFRS Accounting Standards 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 Company's financial condition and financial performance based on the Company'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
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
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1) Compliance statement

The financial statements of the Company 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".

2) Basis of preparation

A. Except for the following items, these 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 International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretation that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

3) 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.

4) Translation of foreign currency transactions

A. Foreign currency translation and presentation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). Functional currency and bookkeeping currency of the Company is New Taiwan Dollars.

B. Foreign currency transactions and balances

Foreign currency transactions denominated in a foreign currency or required to settle in a foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Assets and liabilities denominated in foreign currency 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 re-translated at 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 company 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.

5) Cash and cash equivalents

A. In the 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.

6) Financial assets 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 Company measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value and recognizes the gain or loss in profit or loss.

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

7) 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 Company 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 Company'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, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.

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

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

A. Accounts and notes receivable and margin loans receivables entitle the Company 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.

9) 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.

10) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income, at each reporting date, the Company 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 Company recognizes the impairment provision for lifetime ECLs.

11) Derecognition of financial instruments

A. Derecognition of financial assets

The Company 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 Company 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 Company 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.

12) Offsetting financial instruments

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.

13) Investments accounted for under the equity method/Subsidiaries and associates

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company 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. Investments in subsidiaries are accounted for using the equity method and are initially recognized at cost.

B. Unrealized gains on transactions between the Company and its subsidiaries are eliminated to the extent of the Company's interest in the subsidiaries. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

C. The Company's share of its subsidiaries' 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 Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, including any other unsecured receivables, the Company does not recognize further losses.

D. Associates are all entities over which the Company 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.

E. The Company'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 Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred statutory/constructive obligations or made payments on behalf of the associate.

F. 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 Company's ownership percentage of the associate, the Company recognizes all changes in equity of the associate in 'capital surplus' in proportion to its ownership.

G. Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company'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 Company.

H. According to "Regulations Governing the Preparation of Financial Reports by Securities Firms", the profit or loss for the period and other comprehensive income presented in parent company only financial reports shall be the same as the allocations of profit or loss for the period and of other comprehensive income attributable to owners of the parent presented in the financial reports prepared on a consolidated basis, and the owners' equity presented in the parent company only financial reports shall be the same as the equity attributable to owners of the parent presented in the financial reports prepared on a consolidated basis.

I. When there are objective evidences of impairment, at balance sheet date, the Company 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 Company'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.

14) <u>Property and equipment</u>

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 Company 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	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.

15) 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.

16) Investment property

A. Investment property of the Company 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 Company for self-use purpose and the remaining are used to generate rental income or capital appreciation. If the property held by the Company 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 Company 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 costs 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.

17) 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. 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.

18) Impairment of non-financial assets

A. The Company 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.

19) 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.

20) 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 Company. 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 Company did not recognize any contingent liabilities but made appropriate disclosure in compliance with relevant regulations.

21) 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 Company'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 Company 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 Company 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 Company recognizes the accrued pension obligations in the 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.

22) Revenues and expenses

The Company's revenues and expenses 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 Company's operations, which primarily include employee benefit expense, depreciation and amortization, and other business and administrative expenses.

23) 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 balance sheet date. The carrying amounts and temporary differences of assets and liabilities included in the balance sheet are calculated using the liability 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 Company 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.

24) 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 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.

25) 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 Company 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".

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

1) As the financial statements of the Company may be affected by the adoption of accounting policy, accounting estimate and assumption, the Company'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 Company 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 deemed relevant; however, the actual results may differ from the estimates. The Company 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 the equity method are impaired and the carrying amount can no longer be recovered, the Company will assess the impairment of the investment. The Company 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
Checking deposits	$ 605,453	$ 497,806
Current deposits:		
Deposits denominated in NTD	533,136	318,771
Deposits denominated in foreign currencies	657,601	1,154,652
Time deposits	1,261,450	1,221,565
Total	$ 3,057,640	$ 3,192,794

As of December 31, 2023 and 2022, the annual interest rates of time deposits, including foreign time deposits were 0.555% ~ 5.500%, 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)
Subtotal	87,776	163
Open-ended funds, money market instruments and securities investment by brokers		
Open-ended mutual funds beneficiary certificates	125,000	106,313
Adjustment of open-ended funds, money market instruments and securities investment by brokers	3,836	(3,084)
Total	128,836	103,229

	December 31, 2023	December 31, 2022
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	245,069	140,220
Overseas stocks	12,233,618	3,760,350
Exchange-traded funds	2,572,774	2,375,510
Unlisted stocks	2,052	2,042
Subtotal	28,592,036	11,893,031
Adjustment of trading securities - dealer	722,972	(34,500)
Total	29,315,008	11,858,531
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	91	8,893
Futures guarantee deposits receivable	4,674,005	5,186,074
Derivative financial instrument assets - OTC	829	5,037
Total	$ 53,186,728	$ 24,015,200

	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
Subtotal	50,264	52,388
Adjustment of trading securities	9,516	13,995
Total	$ 59,780	$ 66,383

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 $305,438 and ($148,007), respectively.

b. Details of the Company’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	$ 6,449	$ 6,449
Adjustment of trading securities	300,999	288,406
Total	$ 307,448	$ 294,855

a. The Company has elected to classify stock investments that are considered to be strategic investments or stably receiving dividends as financial assets at fair value through other comprehensive income. The fair value of such investments amounts to $702,979 and $594,005 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 recognized in other comprehensive income	$ 108,975	($ 74,826)
Dividend income recognised in profit or loss		
Held at end of period	$ 14,379	$ 14,439

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

c. Details of the Company’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) Accounts receivable

	December 31, 2023	December 31, 2022
Accounts receivable - related parties	$ 4,196	$ 4,717
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	700,798	167,152
Subtotal	19,084,000	10,130,414
Less: Allowance for uncollectible accounts	(641)	(659)
Total	$ 19,083,359	$ 10,129,755

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	$ 3,767	$ 429	$ -	$ -	$ -	$ 4,196
Accounts receivable - non related parties	18,623,460	119,962	151,182	122,488	66,908	19,084,000
Total	$ 18,627,227	$ 120,391	$ 151,182	$ 122,488	$ 66,908	$ 19,088,196

	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	$ 4,717	$ -	$ -	$ -	$ -	$ 4,717
Accounts receivable - non related parties	9,825,908	46,581	52,096	95,860	109,969	10,130,414
Total	$ 9,830,625	$ 46,581	$ 52,096	$ 95,860	$ 109,969	$ 10,135,131

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

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

6) Other receivables

	December 31, 2023	December 31, 2022
Interest receivable	$ 7,029	$ 11,035
Others	7,405	5,621
Total	$ 14,434	$ 16,656

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

7) Other current assets

	December 31, 2023	December 31, 2022
Pending settlements	$ 282,289	$ 113,139
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	860,210	269,029
Others	53,984	30,566
Total	$ 1,733,992	$ 1,870,428

8) Transfer of financial assets

A. During the Company'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 Company 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 Company 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

Financial assets category	December 31, 2022 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

9) Offsetting financial assets and financial liabilities

A. The Company 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.

(Blank below)

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

10) Investments accounted for under the equity method

	December 31, 2023	December 31, 2022
Subsidiaries		
President Futures Corp.	$ 2,699,883	$ 2,547,290
President Securities (HK) Ltd.	810,334	1,334,862
President Wealth Management (HK) Ltd.	-	60,574
President Securities (Nominee) Ltd.	-	1,552
President Capital Management Corp.	310,452	304,894
President Insurance Agency Corp.	65,304	57,181
PSC Venture Capital Investment Limited Company	246,211	267,501
	4,132,184	4,573,854
Associates		
Uni-President Asset Management Corp.	796,561	747,473
Jin Yuan President Securities Co., Ltd.	2,615,717	2,764,018
	$ 7,544,462	$ 8,085,345

A. The Company'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 $455,691 and $32,394, respectively.

B. 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.

C. The Company holds 42.46% 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 Company, and the Company does not take an active role in the management of the company. This shows that the Company has no actual ability to direct relevant activities. The Company has no control over Uni-President Asset Management Corp., but has significant influence over it.

D. Details of information of subsidiaries are provided in Note 4(3) of consolidated financial statements.

E. The financial information of the Company's principal associates is summarized as follows:

(a) The basic information of the associate that are material to the Company 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	42.46%	42.46%	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 associate that are material to the Company 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 associte's net assets	$ 617,189	$ 568,101
Goodwill and others	179,372	179,372
Carrying amount of the associate	$ 796,561	$ 747,473

	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 associte's 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	$ 167,751	$ 199,648

	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 loss	($ 212,561)	($ 577,258)

11) Property and equipment

	Year ended December 31, 2023				
January 1	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	$ 1,573,570	$ 1,050,881	$ 374,947	$ 22,559	$ 3,021,957
Accumulated depreciation and impairment	-	(478,762)	(115,969)	(14,116)	(608,847)
Total	$ 1,573,570	$ 572,119	$ 258,978	$ 8,443	$ 2,413,110
January 1	$ 1,573,570	$ 572,119	$ 258,978	$ 8,443	$ 2,413,110
Additions	-	670	60,221	1,348	62,239
Disposal	-	-	(12)	-	(12)
Reclassifications	57,922	25,340	37,079	681	121,022
Depreciation	-	(37,701)	(95,144)	(3,285)	(136,130)
December 31, 2023	$ 1,631,492	$ 560,428	$ 261,122	$ 7,187	$ 2,460,229

December 31, 2023	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	$ 1,631,492	$ 1,087,437	$ 442,860	$ 16,486	$ 3,178,275
Accumulated depreciation and impairment	-	(527,009)	(181,738)	(9,299)	(718,046)
Total	$ 1,631,492	$ 560,428	$ 261,122	$ 7,187	$ 2,460,229

	Year ended December 31, 2022				
January 1	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	$ 1,573,570	$ 1,022,169	$ 212,540	$ 17,818	$ 2,826,097
Accumulated depreciation and impairment	-	(450,583)	(93,913)	(10,331)	(554,827)
Total	$ 1,573,570	$ 571,586	$ 118,627	$ 7,487	$ 2,271,270
January 1	$ 1,573,570	$ 571,586	$ 118,627	$ 7,487	$ 2,271,270
Additions	-	2,015	88,922	1,381	92,318
Reclassification	-	34,027	118,345	3,360	155,732
Depreciation	-	(35,509)	(66,916)	(3,785)	(106,210)
December 31, 2022	$ 1,573,570	$ 572,119	$ 258,978	$ 8,443	$ 2,413,110

December 31, 2022	Land	Buildings	Equipment	Leasehold improvements	Total
Cost	$ 1,573,570	$ 1,050,881	$ 374,947	$ 22,559	$ 3,021,957
Accumulated depreciation and impairment	-	(478,762)	(115,969)	(14,116)	(608,847)
Total	$ 1,573,570	$ 572,119	$ 258,978	$ 8,443	$ 2,413,110

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.

12) Leasing arrangements－lessee

A. The Company 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	$ 109,330	$ 135,919
Transportation equipment (Business vehicles)	12,975	13,098
Office equipment (Photocopiers)	3,988	6,078
Total	$ 126,293	$ 155,095

	Year ended December 31, 2023	Year ended December 31, 2022
	Depreciation charge	Depreciation charge
Buildings	$ 63,437	$ 63,056
Transportation equipment (Business vehicles)	5,535	5,495
Office equipment (Photocopiers)	2,226	2,165
Total	$ 71,198	$ 70,716

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets amounted to $42,469 and $44,048, 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	$ 990	$ 1,131
Expense on short-term lease contracts	7,541	4,241
Expense on variable lease payment	116	100

E. For the years ended December 31, 2023 and 2022, the Company’s total cash outflow for leases amounted to $77,293 and $73,456, respectively.

13) Leasing arrangements – lessor

A. The Company leases various assets including office and parking space. Rental contracts are typically made for periods of 1 to 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 31, 2023 and 2022, the Company recognized rent income in the amount of $21,926 and $24,436, 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	$ -	$ 24,585
2024	6,390	10,547
2025	2,564	-
2026	2,528	-
2027	2,420	-
After 2028	1,637	-
Total	$ 15,539	$ 35,132

14) 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
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 $3,550 and $3,667, respectively.

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

15) Intangible assets

	Year ended December 31, 2023			
January 1	Computer software	Goodwill	Customer relationships and others	Total
Cost	$ 215,358	$ 42,004	$ 54,260	$ 311,622
Accumulated amortization and impairment	(70,012)	-	(54,217)	(124,229)
Total	$ 145,346	$ 42,004	$ 43	$ 187,393
January 1	$ 145,346	$ 42,004	$ 43	$ 187,393
Additions	23,205	-	-	23,205
Reclassifications	85,547	-	-	85,547
Amortization	(66,311)	-	(18)	(66,329)
December 31	$ 187,787	$ 42,004	$ 25	$ 229,816

December 31	Computer software	Goodwill	Customer relationships and others	Total
Cost	$ 310,088	$ 42,004	$ 54,260	$ 406,352
Accumulated amortization and impairment	(122,301)	-	(54,235)	(176,536)
Total	$ 187,787	$ 42,004	$ 25	$ 229,816

	Year ended December 31, 2022			
January 1	Computer software	Goodwill	Customer relationships and others	Total
Cost	$ 146,948	$ 42,004	$ 54,260	$ 243,212
Accumulated amortization and impairment	(43,323)	-	(54,199)	(97,522)
Total	$ 103,625	$ 42,004	$ 61	$ 145,690
January 1	$ 103,625	$ 42,004	$ 61	$ 145,690
Additions	41,626	-	-	41,626
Reclassifications	45,159	-	-	45,159
Amortization	(45,064)	-	(18)	(45,082)
December 31	$ 145,346	$ 42,004	$ 43	$ 187,393

December 31	Computer software	Goodwill	Customer relationships and others	Total
Cost	$ 215,358	$ 42,004	$ 54,260	$ 311,622
Accumulated amortization and impairment	(70,012)	-	(54,217)	(124,229)
Total	$ 145,346	$ 42,004	$ 43	$ 187,393

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 Company'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.

16) Other non-current assets

	December 31, 2023	December 31, 2022
Operation guaranteed deposits	$ 505,000	$ 505,000
Clearing and settlement fund	197,244	214,883
Refundable deposits	253,977	216,519
Net defined benefit assets	-	75,993
Prepayment for equipment	45,503	56,993
Overdue receivables	1,965	8,224
Others	2,500	2,500
Subtotal	1,006,189	1,080,112
Less: Allowance for uncollectible accounts	(1,965)	(8,224)
Total	$ 1,004,224	$ 1,071,888

17) 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.

18) 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.

19) 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
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	2,187	2,734
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	$ 10,463,828	$ 9,156,084

Among the warrants issued by the Company, 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.

20) 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.

21) Accounts payable

	December 31, 2023	December 31, 2022
Settlement accounts payable - brokered trading	$ 14,683,802	$ 7,622,204
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	274,677	169,644
Total	$ 17,055,597	$ 10,730,645

22) Other payables

	December 31, 2023	December 31, 2022
Salary and bonus payable	$ 1,270,266	$ 858,972
Employees' and directors' remuneration payable	124,740	38,028
Others	684,112	546,038
Total	$ 2,079,118	$ 1,443,038

23) Other financial liabilities - current

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

The Company 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).

24) Other liabilities-non-current

	December 31, 2023	December 31, 2022
Guarantee deposits received	$ 20,845	$ 23,315
Net defined benefit obligation	60,301	-
Total	$ 81,146	$ 23,315

25) Pension plan

A. Defined benefit plans

(A) The Company 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 Company contributes monthly an amount which ranges 7.2% 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 Company would assess the balance in the aforementioned labor pension reserve account by the end of December 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 Company 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	$ 829,661	$ 691,054
Fair value of plan assets	(769,360)	(767,047)
Net defined benefit (assets) liabilities	$ 60,301	($ 75,993)

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

Year ended December 31, 2023	Present value of defined benefit obiligations	Fair value of plan assets	Net defined benefit liabilities(assets)
Balance at January 1	$ 691,054	($ 767,047)	($ 75,993)
Current service cost	1,286	-	1,286
Interest expense (income)	9,675	(10,738)	(1,063)
	702,015	(777,785)	(75,770)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(658)	(658)
Change in financial assumptions	11,155	-	11,155
Experience adjustments	151,223	-	151,223
	162,378	(658)	161,720
Pension fund contribution	-	(25,649)	(25,649)
Paid pension	(34,732)	34,732	-
	(34,732)	9,083	(25,649)
Balance at December 31	$ 829,661	($ 769,360)	$ 60,301

Year ended December 31, 2022	Present value of defined benefit obiligations	Fair value of plan assets	Net defined benefit liabilities(assets)
Balance at January 1	$ 815,551	($ 757,220)	$ 58,331
Current service cost	3,336	-	3,336
Interest expense (income)	4,077	(3,786)	291
	822,964	(761,006)	61,958
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(44,448)	(44,448)
Change in financial assumptions	(2,457)	-	(2,457)
Experience adjustments	(52,891)	-	(52,891)
	(55,348)	(44,448)	(99,796)
Pension fund contribution	-	(38,155)	(38,155)
Paid pension	(76,562)	76,562	-
	(76,562)	38,407	(38,155)
Balance at December 31	$ 691,054	($ 767,047)	($ 75,993)

(D) The Bank of Taiwan was commissioned to manage the Fund of the Company’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 Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS19 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 Cathy United Bank, under the name of the management committee of employees' retirement fund, the fund invests in time deposit accounts under Cathy United Bank.

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

	Year ended December 31, 2023	Year ended December 31, 2022
Discount rate	1.2%	1.4%
Future salary increases	3.5%	3.5%

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	
December 31, 2023	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
Effect on present value of defined benefit obligation	($ 13,908)	$ 14,277	$ 11,904	($ 11,676)
December 31, 2022				
Effect on present value of defined benefit obligation	($ 13,027)	$ 13,399	$ 11,397	($ 11,157)

(F) Pension fund contribution plans to pay $25,307 for the year ended December 31, 2024.

B. Defined contribution plans:

Effective from July 1, 2005, the Company 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 Company for the year ended December 31, 2023 and 2022 were $69,759 and $71,705, respectively.

26) Equity

A. Common stock

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, employee transfer and settlement 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.

27) 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 and 2021 as resolved by the stockholders' meeting on May 31, 2023 and June 23, 2022. Details are as follows:

	Year ended December 31, 2022		Year ended December 31, 2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 81,278		$ 390,101	
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, 2023 is set forth below:

	Year ended December 31, 2023	
	Amount	Dividends per share (in dollars)
Set aside statutory surplus reserve	$ 274,761	
Provision of special surplus reserve	549,523	
Cash dividend	1,921,697	$ 1.32
	$ 2,745,981	

28) Brokerage handling fee revenue

	Year ended December 31, 2023	Year ended December 31, 2022
Revenues from brokered trading - TWSE	$ 1,954,298	$ 1,706,009
Revenues from brokered trading - OTC	666,523	559,912
Others	174,495	116,145
Total	$ 2,795,316	$ 2,382,066

29) 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

30) Net gain (loss) on sale of trading securities

	Year ended December 31, 2023	Year ended December 31, 2022
Dealers:		
-TAIEX	$ 1,628,603	($ 1,366,791)
-OTC	313,461	(158,417)
-Overseas trading	19,264	(292,703)
Subtotal	1,961,328	(1,817,911)
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	$ 2,321,554	($ 3,250,617)

31) Interest revenue

	Year ended December 31, 2023	Year ended December 31, 2022
Interest income from margin loans	$ 712,126	$ 737,137
Interest income from bonds	504,694	149,628
Others	149,276	53,704
Total	$ 1,366,096	$ 940,469

32) Net valuation gain (loss) on trading 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	$ 813,996	($ 261,290)
Gain (loss) on sale of securities - underwriting	116,722	(62,951)
Gain (loss) on sale of securities - hedging	815,626	(592,199)
Total	$ 1,746,344	($ 916,440)

33) 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

34) 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

35) Net realized gain (loss) 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)	$ -

36) 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

37) Net gain (loss) from derivatives

	Year ended December 31, 2023	Year ended December 31, 2022
Futures contract gain (loss)	($ 1,406,450)	($ 80,486)
Option trading gain (loss)	146,970	154,592
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	(127,497)	(32,488)
Total	($ 1,816,523)	$ 123,408

38) 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	($ 17,996)	$ 20,627
Recovery of bad debt	920	1,346
Total	($ 17,076)	$ 21,973

39) 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)	(58,047)	106,384
Handling fee revenues from funds	83,193	67,176
Others	9,486	1,795
Total	$ 424,309	$ 545,860

40) Handling charges

	Year ended December 31, 2023	Year ended December 31, 2022
Brokerage handling fee expense	$ 266,901	$ 226,837
Dealer handling fee expense	141,739	134,823
Refinancing processing fee expense	1,920	2,682
Total	$ 410,560	$ 364,342

41) Financial costs

	Year ended December 31, 2023	Year ended December 31, 2022
Interest expense from repurchase agreements	$ 417,306	$ 62,250
Loans interest expense	407,662	68,421
Other interest expense	48,863	32,847
Total	$ 873,831	$ 163,518

42) Employee benefits expense

	Year ended December 31, 2023	Year ended December 31, 2022
Salaries	$ 2,458,225	$ 1,802,901
Labor and health insurance	140,343	146,112
Pension	69,982	75,332
Other employee benefits	104,041	117,595
Total	$ 2,772,591	$ 2,141,940

A. In accordance to 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 years 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.

43) Depreciation and amortization

	Year ended December 31, 2023	Year ended December 31, 2022
Depreciation	$ 209,372	$ 179,026
Amortization	66,329	45,082
Total	$ 275,701	$ 224,108

44) Other operating expenses

	Year ended December 31, 2023	Year ended December 31, 2022
Taxes	$ 865,266	$ 704,090
Security lending expenses	225,029	243,737
Computer information expenses	164,216	129,866
TDCC service fee	96,964	81,298
Professional service fee	85,232	84,239
Postage	81,175	80,012
Others	359,482	313,646
Total	$ 1,877,364	$ 1,636,888

45) Other gains and losses

	Year ended December 31, 2023	Year ended December 31, 2022
Financial income	$ 67,232	$ 36,242
Net gain (loss) on disposal of investments	3,880	(8,167)
Net gain (loss) on valuation of non-operating financial instruments	1,891	1,575
Other non-operating revenues	152,355	138,483
Total	$ 225,358	$ 168,133

46) 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	$ 252,292	$ 136,292
Prior year income tax underestimation (overestimation)	(24,868)	3,762
Tax on undistributed surplus earnings	59	-
Total current tax	227,483	140,054
Deferred taxes:		
Origination and reversal of temporary differences	13,338	43,260
Total deferred taxes	13,338	43,260
Income tax expense	$ 240,821	$ 183,314

(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	$ 32,344	$ 19,959

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	$ 623,954	$ 182,638
Expenses disallowed by tax regulaiton	(117,780)	(132,746)
Prior year income tax overestimation	(24,868)	3,762
Tax exempt income by tax regulation	(240,544)	129,760
Tax on undistributed surplus	59	-
Income tax expense	$ 240,821	$ 183,414

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	comprehensive income	December 31
Deffered tax assets:				
Temporary differences:				
Valuation loss from financial instruments	$ 7,341	($ 7,341)	$ -	$ -
Pension	92,795	-	32,344	125,139
Other	3,529	601	-	4,130
Subtotal	$ 103,665	($ 6,740)	$ 32,344	$ 129,269
Deffered tax liabilities:				
Temporary differences:				
Valuation gain from financial instruments	$ -	($ 10,526)	$ -	($ 10,526)
Unrealised exchange gain	(9,747)	2,358	-	(7,389)
Other	(1,570)	1,570	-	-
Subtotal	($ 11,317)	($ 6,598)	$ -	($ 17,915)
Total	$ 92,348	($ 13,338)	$ 32,344	$ 111,354

	Year ended December 31, 2022			
	January 1	Recognized in profit or loss	comprehensive income	December 31
Deffered tax assets:				
Temporary differences:				
Valuation loss from financial instruments	$ 8,375	($ 1,034)	$ -	$ 7,341
Unrealised exchange loss	30,925	(30,925)	-	-
Pension	112,754	-	(19,959)	92,795
Other	3,513	16	-	3,529
Subtotal	$ 155,567	($ 31,943)	($ 19,959)	$ 103,665
Deffered tax liabilities:				
Temporary differences:				
Valuation gain from financial instruments	-	(9,747)	-	(9,747)
Other	-	(1,570)	-	(1,570)
Subtotal	$ -	($ 11,317)	$ -	($ 11,317)
Total	$ 155,567	($ 43,260)	($ 19,959)	$ 92,348

D. As of December 31, 2023, the Company's income tax returns through 2018 have been assessed and approved by the National Tax Authority.

47) 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
President Capital Management Corp.	Subsidiary of the Company PSC
President Futures Corp.	Subsidiary of the Company PSC
President Securities (HK) Ltd.	Subsidiary of the Company PSC
Associates President Insurance Agency Corp.	Subsidiary of the Company PSC
PSC Venture Capital Investment Limited Company	Subsidiary of the Company PSC
President Securities (Nominee) Ltd.	Subsidiary of the Company PSC
President Wealth Management (HK) Ltd.	Subsidiary of the Company PSC
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 Netmarking, Inc.	Other related party
President Professional Baseball Team Co., Ltd.	Other related party
Qware 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
Funds managed by Uni-President Asset Management Corp.	Security investment trust fund raised by the Uni-President Asset Management Corp.

(Blank below)

2) Significant related party transactions and balances

A. Stock trading(shown as Financial assets at fair value through profit or loss)

	Transaction content	Year ended December 31, 2023 Purchase Price	Year ended December 31, 2022 Purchase Price
Subsidiary of the Company PSC:			
Company PSC Venture Capital Investment Limited Company	Chyunn Environment Corporation	$ -	$ 10,500

B. Futures guarantee deposits receivable

	December 31, 2023	December 31, 2022
Subsidiary of the Company PSC:		
President Futures Corp.	$ 4,311,941	$ 4,954,584

C. Accounts receivable

	December 31, 2023	December 31, 2022
Entity having significant influence on the company:		
Uni-President Enterprises Corp.	$ 332	$ 350
Subsidiary of the Company PSC:		
President Futures Corp.	3,005	3,522
Other related party:		
ScinoPharm Taiwan, Ltd.	322	336
President Chain Store Corp. (PCSC)	434	406
Others	103	103
Total	$ 4,196	$ 4,717

D. Prepayments

	December 31, 2023	December 31, 2022
Other related party:		
Qware 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

E. Other receivables

	December 31, 2023	December 31, 2022
Subsidiary of the Company PSC:		
President Futures Corp.	$ 334	$ 300
Others	16	21
Associate:		
Uni-President Assets Management Corp.	4	-
Other related party:		
Others	-	14
Total	$ 354	$ 335

F. Acquisition of property and equipment

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

G. Acquisition of other assets

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

H. Lease transactions－lessee

(A) The Group leases business vehicles and multifunction printers, etc., from President Tokyo Co., Ltd. Rental contracts are typically made for periods of 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.	$ 5,619	$ 3,550

b. Disposals of right-of-use assets:

	Year ended December 31, 2023	Year ended December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 1,290	$ 1,018

(C) Lease liabilities

a. Lease liabilities – current

	December 31, 2023	December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 6,430	$ 6,536
President Tokyo Auto Leasing Co., Ltd.	747	742
Total	$ 7,177	$ 7,278

b. Lease liabilities – non-current

	December 31, 2023	December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 8,609	$ 9,952
President Tokyo Auto Leasing Co., Ltd.	1,445	2,192
Total	$ 10,054	$ 12,144

c. Financial costs

	Year ended December 31, 2023	Year ended December 31, 2022
Other related party:		
President Tokyo Co., Ltd.	$ 143	$ 145
President Tokyo Auto Leasing Co., Ltd.	16	21
Total	$ 159	$ 166

d. Net gain on lease modification

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

I. Refundable deposits

	December 31, 2023	December 31, 2022
Subsidiary of the Company PSC:		
President Futures Corp.	$ 34,000	$ 34,000

J. Equity for each customer in the account

	December 31, 2023	December 31, 2022
Subsidiary of the Company PSC:		
President Futures Corp.	$ 8,126	$ 3,104

K. Accounts payable

	December 31, 2023	December 31, 2022
Subsidiary of the Company PSC:		
President Futures Corp.	$ 1,728	$ 2,127
Other related party:		
President Tokyo Co., Ltd.	12	-
Presco Netmarking,Inc.	125	-
Total	$ 1,865	$ 2,127

L. Guarantee deposit received

	December 31, 2023	December 31, 2022
Subsidiary of the Company PSC:		
President Futures Corp.	$ 16,137	$ 16,137
Others	807	807
Associate:		
Uni-President Assets Management Corp.	1,435	1,044
Other related party:		
President Tokyo Co., Ltd.	-	1,418
Total	$ 18,379	$ 19,406

M. 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
Subsidiary of the Company PSC:		
Others	11	28
Security investment trust fund raised by the Uni-President Asset Management Corp.:		
Funds managed by Uni-President Asset Management Corp.	114,007	70,846
Other related party:		
Others	1,559	1,042
Total	$ 115,577	$ 71,920

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

N. Futures commission income

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary of the Company PSC:		
President Futures Corp.	$ 34,079	$ 43,532

O. 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.

P. Other operating income - handling fee revenues from underwriting fund

	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.

Q. Other income – others

	Year ended December 31, 2023	Year ended December 31, 2022
Associates:		
Uni-President Assets Management Corp.	$ 2,210	$ -

R. Rent income

	Period	Deposit	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary of the Company PSC:				
President Capital Management Corp.	2019.04.01~2024.03.31	$ 627	$ 3,835	$ 3,723
Others		317	2,494	2,732
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			$ 19,340	$ 21,889

Rental income mentioned above is derived from leasing part of the Company'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.

S. 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

T. 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
Subsidiary of the Company PSC:		
Others	68	68
	December 31, 2023	December 31, 2022
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	$ 11,260	$ 11,232

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

U. Other operating expenses- Other

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary of the Company PSC:		
President Capital Management Corp.	$ 50,400	$ 50,576
Other related party:		
President Tokyo Co., Ltd.	118	290
Presco Netmarking, Inc.	1,407	11,584
President Professional Baseball Team Co., Ltd.	2,677	2,310
Tainan Spinning Retail and Distribution Co., Ltd.	2,000	2,000
Qware Systems & Services Corporation	-	1,663
Other	-	12
Total	$ 56,602	$ 68,435

V. Clearing charges-futures

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary of the Company PSC:		
President Futures Corp.	$ 20,873	$ 21,420

W. Financial expense

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

X. 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.:			
Funds managed by Uni-President Asset Management Corp.		42,085	7,376
Other related parties:			
President Chain Store Corp.	9	2,426	(31)
Other	-	-	11
Total		$ 54,660	$ 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.:			
Funds managed by Uni-President Asset Management Corp.		490,857	(25,384)
Other related parties:			
President Chain Store Corp.	-	-	(275)
Other	21	358	726
Total		$ 496,010	($ 25,521)

Y. 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	$ 262,205	$ 129,486
Retirement benefits	1,037	972
Other long-term employee benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total	$ 263,242	$ 130,458

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
Other current assets:			
- 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
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	505,000	505,000	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 Company continually strengthens risk culture to every employee and makes sure that the Company 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 Company sets up "Risk Management Policy". Such policy aims to establish internal system compliance and the guiding tools for policies communication within the Company and enable every layer of the Company 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 Company's risk management system covers risks incurred from businesses in 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 Company 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 Company.

(C) The General Manager supervises daily risk management of the entire Company and is responsible for the following:
  a. Supervise and monitor daily risk management of the entire Company.
  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 Company.
  b. Analyze and control the entire Company'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 Company.
  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 Company sets up “Risk Management Policy”. Such policy aims to establish internal system compliance and the guiding tools for policies communication within the Company and enable every layer of the Company 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 Company has implemented risk management information system (Risk Manager) in relation to market risk control. All trading positions of the Company 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 risk

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 risk

Based on the two major risk indicators of climate rick, the physical risk and the transition risk,the potantiall climate risk on investment position is estimated by different scenario analyses.The Company regularly disdoses implementation of climate risk management annually that complies with the policy guidelines set by the competent authorit ies 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 Company'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) <u>Credit risk</u>

A. Source and definition of credit risk

The credit risk exposure of the Company 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 Company failing to repay its obligation due to the fact that the issuer breaches the contract resulting in the risk of financial loss to the Company.

(B) Credit risk of counterparty refers to risk of financial loss to the Company 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 Company 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 parent company only 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 Company 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 Company, 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 Company are bond funds. As the positions held are not significant, credit risk is deemed low.

b. Commercial papers

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

(b) Corporate bonds

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

(c)Convertible corporate bond

The convertible corporate bonds held by the Company are mostly issued by the domestic legal entities. The Company 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 Company 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 Company are classified as debt instruments at fair value through other comprehensive income. In general, the bonds held by the Company are with lower credit risk.

(D) Derivatives- futures trade margin

When engaging in futures trades in stock exchange market, the Company 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 Company 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(9).

Types of OTC derivative transactions in which the Company is engaged include swap transaction. The counterparties are all from financial service industry and mainly located in Taiwan 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 Company 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 Company 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(9).

(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 Company 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 Company'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 Company'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 Company's receivables from the consignment businesses and self-operating businesses are settlement of securities from OCT 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 or loss – non-current

In order to underwrite trust business, the Company deposits central government bonds in the Central Bank as collateral. Regardless of the bonds themselves or the financial institutions where the bonds 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 Company 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 Company considers reasonable and supporting information about past events, current conditions and future economic conditions. The Company 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 Company 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 Company 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 Company 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 Company

(A) At 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 debt investments and its interest receivable, the Company applies the modified approach to measure the loss allowance at an amount equal to lifetime expected credit losses for receivables and overdue receivables. The movements in loss provision of marginal receivables, accounts receivable, other receivables-others and other non-current assets-overdue receivables of the Company are as follows:

	Year ended December 31, 2023				
	Marginal receivable	Accounts receivable	Other receivables	Other non-current assets-overdue receivables	Total
At January 1	$ 28,315	$ 659	$ -	$ 8,224	$ 37,198
Provision (reversal of provision) for impairment	18,464	(18)	-	(450)	17,996
Derecognised	-	-	-	(5,809)	(5,809)
At December 31	$ 46,779	$ 641	$ -	$ 1,965	$ 49,385

	Year ended December 31, 2022				
	Marginal receivable	Accounts receivable	Other receivables	Other non-current assets-overdue receivables	Total
At January 1	$ 47,433	$ 742	$ -	$ 12,517	$ 60,692
Provision (reversal of provision) for impairment	(19,118)	(54)	-	(1,455)	(20,627)
Derecognised	-	(29)	-	(2,838)	(2,867)
At December 31	$ 28,315	$ 659	$ -	$ 8,224	$ 37,198

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 Company’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 Company 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 Company 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 Company.

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 Company 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 Company should conduct a review to see whether the total minimized fund supply is more than maximized total fund demand. The Company 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 Company 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 or 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.

(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	4,256,105	-	30,908	-	4,287,013
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	29,748	1,632,008
Accounts payable (includes notes payable)	16,960,308	95,289	-	-	17,055,597
Collections on behalf of third parties	514,753	11,256	-	86,888	612,897
Other payables	7,845	227,883	1,843,390	-	2,079,118
Other financial liabilities -current	-	4,442,217	781,802	-	5,224,019
Lease liability	-	18,417	37,179	66,037	121,633
Total	$ 31,160,423	$ 52,394,388	$ 2,953,065	$ 182,673	$ 86,690,549

	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	1,678,216	-	-	-	1,678,216
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	-	829,410	943,903	33,278	1,806,591
Accounts payable (includes notes payable)	10,707,683	22,962	-	-	10,730,645
Collections on behalf of third parties	639,496	16,313	-	87,709	743,518
Other payables	9,063	195,889	1,238,086	-	1,443,038
Other financial liabilities -current	-	2,158,151	625,935	-	2,784,086
Lease liability	-	18,838	46,815	82,231	147,884
Total	$ 24,131,644	$ 16,363,552	$ 2,854,739	$ 203,218	$ 43,553,153

4) Market risk

A. Definition of market risk

Market risk refers to the risk of decrease in the Company'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 Company 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 Company 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 Company. 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

Year ended December 31, 2023	Amount
December 31, 2023	$ 90,608
VaR Maximum	204,472
VaR Average	106,875
VaR Minimum	33,256

Statistical table for one-day VaR of transactions

Year ended December 31, 2022	Amount
December 31, 2022	$ 33,198
VaR Maximum	166,546
VaR Average	50,634
VaR Minimum	17,965

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	$ 86,595
VaR Maximum	47,965	81,522	217,781
VaR Average	9,806	36,593	98,633
VaR Minimum	1,597	4,778	28,063

Statistical table for VaR of various risk indicators of transactions

Year ended December 31, 2022	Foreign exchange	Interest	Share ownership
December 31, 2022	$ 5,219	$ 27,746	$ 22,573
VaR Maximum	17,197	34,194	168,637
VaR Average	4,329	15,077	48,374
VaR Minimum	856	2,867	16,070

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	$ 638,134	$ 5,343	$ 1,562	$ 2,370	$ 54,747	$ 75,195	$ 777,351
Financial assets at fair value through profit or loss	10,394,426	2,117,378	882,164	47,581	34,235	690,695	14,166,480
Financial assets at fair value through comprehensive income - current	1,307,681	-	1,375,468	-	-	-	2,683,149
Investments under the equity method	-	-	-	2,615,717	810,334	-	3,426,051
Others	1,232,702	16,990	10,739	2,167	8,767	8,979	1,280,345
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	3,208,910	7,905	27,812	58,701	33,138	6,576	3,343,041

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	$ 1,011,332	$ 3,991	$ 1,854	$ 18,623	$ 122,097	$ 42,820	$ 1,200,717
Financial assets at fair value through profit or loss	3,633,380	150,892	414,575	105,713	59,561	278,623	4,642,744
Financial assets at fair value through comprehensive income - current	1,118,655	-	1,079,977	-	-	-	2,198,632
Investments under the equity method	-	-	-	2,764,018	1,396,988	-	4,161,006
Others	1,469,878	516	157,024	1,536	25,738	23,730	1,678,422
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	3,307,436	47	43,949	204,959	14,531	5,728	3,576,650

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.

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D. The total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022, amounted to ($58,407) and $106,384, respectively.

5) Fair value 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 Company'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 Company 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 Company'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 Company 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 Company. 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 Company 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 Company'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 Company such as off-the-run issue of emerging stock, 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 Company's investment in unlisted stocks is included in Level 3.

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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	$ 16,066,218	$ 15,988,641	$ 77,577	$ -
Bond investments	29,548,975	7,543,011	22,005,964	-
Others	2,896,610	2,896,610	-	-
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	-
Financial assets at fair value through other comprehensive income-non-current				
Stock investments	307,448	-	-	307,448
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	4,674,925	4,674,096	829	-
Liabilities				
Financial liabilities at fair value through profit or loss - current	4,287,013	1,589,767	2,697,246	-

	December 31, 2022			
	Total	Level 1	Level 2	Level 3
<u>Recurring fair value</u>				
<u>Non-derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss-current				
Stock investments	$ 5,641,044	$ 5,568,337	$ 72,707	$ -
Bond investments	10,677,909	2,916,006	7,761,903	-
Others	2,496,243	2,496,243	-	-
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	-
Financial assets at fair value through other comprehensive income-non-current				
Stock investments	294,855	-	-	294,855
Liabilities				
Financial liabilities at fair value through profit or loss - current	7,477,868	7,477,868	-	-
<u>Derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss-current	5,200,004	5,194,967	5,037	-
Liabilities				
Financial liabilities at fair value through profit or loss - current	1,678,216	1,087,228	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/ disposed or settled	Transfers out from level 3	December 31
Financial assets at fair value through profit or loss - non-current								
Venture capital shares	$ 16,604	($ 4,426)	$ -	$ -	$ -	($ 2,174)	$ -	$ 10,004
Financial assets at fair value through other comprehensive income - non-current								
Unlisted stocks	294,855	-	12,593	-	-	-	-	307,448

	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/ disposed or settled	Transfers out from level 3	December 31
Financial assets at fair value through profit or loss - non-current								
Venture capital shares	$ 12,650	$ 3,954	$ -	$ -	$ -	$ -	$ -	$ 16,604
Financial assets at fair value through other comprehensive income - non-current								
Unlisted stocks	258,627	-	36,228	-	-	-	-	294,855

(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 - non-current					
Venture capital shares	$ 10,004	Net asset value	Not applicable	Not applicable	Not applicable
Financial assets at fair value through other comprehensive income - non-current					
Unlisted stocks	307,448	Market approach	Market price net profit after tax multiplier	22.62~24.52	
			Price to earnings ratio multiplier	2.48	The higher the multiplier, the higher the fair value
			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 - non-current					
Venture capital shares	$ 16,604	Net asset value	Not applicable	Not applicable	Not applicable
Financial assets at fair value through other comprehensive income - non-current					
Unlisted stocks	294,855	Market approach	Market price net profit after tax multiplier	23.03~24.62	
			Price to earnings ratio multiplier	2.93~4.92	The higher the multiplier, the higher the fair value
			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 Company 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 -non-current				
Venture capital shares	Not applicable	Not applicable	$ -	$ -
Financial assets at fair value through other comprehensive income - non-current				
Unlisted stocks	-	-	3,074	(3,074)

	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 -non-current				
Venture capital shares	Not applicable	Not applicable	$ -	$ -
Financial assets at fair value through other comprehensive income - non-current				
Unlisted stocks	-	-	2,949	(2,949)

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 Company 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 Company 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 Company 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 Company should be agreed by the Board of Directors. The Company 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 Company is actively engaged in development of various businesses and continually increases profit, creates company value, and complies with the capital management objective.

The Company 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 parent company only financial statements on a semiannual basis.

A. Balance sheet of trust accounts

BALANCE SHEET

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
Bonds sold under repurchase agreements	70,050	57,291
Fund	8,855,255	5,138,258
Accounts receivable	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 (loss)	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

STATEMENT 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 realized gains - bond	1,529	373
Investment realized gains - stock	8,376	713
Investment realized gains - fund	361,042	151,071
Investment realized gains - structured notes	17,796	8,528
Investment unrealized gains - bond	30,718	2,390
Investment unrealized gains - stock	473,232	210,809
Investment unrealized gains - fund	919,887	112,962
Investment unrealized gains - structured notes	5,746	1,075
Other revenue	13	12
Subtotal	1,938,495	657,245
Trust expenses		
Management fee	(1,508)	(1,359)
Service fee	(7,339)	(664)
Other expenses	-	(4)
Investment realized loss - bond	(2,181)	(7,017)
Investment realized loss - stock	(4,553)	(2,551)
Investment realized loss - fund	(92,319)	(95,742)
Investment realized loss - structured notes	-	(307)
Investment unrealized loss - bond	(74,359)	(133,461)
Investment unrealized loss - stock	(33,892)	(73,750)
Investment unrealized loss - fund	(301,863)	(855,494)
Investment unrealized loss - 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

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

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 are provided in Note 7.

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2) Related information of investee companies

A. Related information of investee companies

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 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	100.00%	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, brokerage, underwriting and consulting	848,735	848,735	192,600,000	100.00%	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	100.00%	-	-	180	180	-	Subsidiary of the Company
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	100.00%	-	-	-	-	-	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	100.00%	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	100.00%	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	526,299	180	136	Associates

Note1：As FSC was established in July, 2004, President Futures Corp. was approved by the Investment Commission, Ministry of Economic Affairs.

Note2：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 Personal Insurance Agency Co., Ltd.

Note3：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.

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-Quan-Zi Letter No. 10300375782, the Company is required to disclose details of businesses run by foreign enterprises 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.

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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				
Current liabilities				
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

	December 31, 2023			December 31, 2022		
Assets		Amount	%		Amount	%
Current assets						
Cash and cash equivalents	$	-	-	$	384,026	100
Stockholders' current account		393,949	100		-	-
Total current assets		393,949	100		384,026	100
Total assets	$	393,949	100	$	384,026	100
Liabilities and shareholders'equity						
Current liabilities						
Total liabilities	$	-	-	$	-	-
Shareholders' equity						
Share capital		1,000,000	254		1,000,000	254
Retained earnings						
Accumulated deficit		(606,051)	(154)		(606,974)	(154)
Total shareholders' equity		393,949	100		393,026	100
Total liabilities and shareholders' equity	$	393,949	100	$	393,026	100

c) Statements of comprehensive income

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

Expressed in HK dollars

Accounts	Year ended December 31, 2023 Amount	%	Year ended December 31, 2022 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 (Loss) before tax	46,281	100	145,652	100
Income tax expense	-	-	-	-
Net income (loss)	$ 46,281	100	$ 145,652	100

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

Expressed in HK dollars

Accounts	Year ended December 31, 2023 Amount	%	Year ended December 31, 2022 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

d) Transactions between related parties and foreign business：None.

3) <u>Information of overseas branches and representative office</u>: None

4) <u>Disclosure of investment in Mainland China</u>

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 years 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 years 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	$ -

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.

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

(Continued)

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)

		Year ended December 31			
		2023		2022	
Items	Notes	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)

(Continued)

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	2023 AMOUNT	2023 %	2022 AMOUNT	2022 %
	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	Year ended December 31 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	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) <u>Cash and cash equivalents</u>

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) <u>Financial assets and financial liabilities at fair value through profit or loss</u>

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) <u>Financial assets at fair value through other comprehensive income</u>

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

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	Not set off in the balance sheet: Financial instruments	Not set off in the balance sheet: Cash collateral received	Net amount
Derivative financial instruments	$ 829	$ -	$ 829	$ 829	$ -	$ -

December 31, 2022

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	Not set off in the balance sheet: Financial instruments	Not set off in the balance sheet: 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	Princial 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 obiligations	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 obiligations	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

	Listed items	Year ended December 31, 2023 Purchase price	Year ended December 31, 2022 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.

(Blank below)

(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
<u>Recurring fair value</u>				
<u>Non-derivative financial instruments</u>				
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	-	-
<u>Derivative financial instruments</u>				
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

	January 1	Valuation amount: Recorded in profit or loss	Valuation amount: Recorded in other comprehensive income (loss)	Increased: Acquired/ Issued	Increased: Transfers into level 3	Decreased: Sold/ Diposed or Settled	Decreased: 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

	January 1	Valuation amount: Recorded in profit or loss	Valuation amount: Recorded in other comprehensive income (loss)	Increased: Acquired/ Issued	Increased: Transfers into level 3	Decreased: Sold/ Diposed or Settled	Decreased: 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: Balance on December 31, 2023	Original investment: Balance on December 31, 2022	Ending Balance: Shares	Ending Balance: Percentage	Ending Balance: 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 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

	December 31, 2023		December 31, 2022	
Assets	Amount	%	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 Amount	%	Year ended December 31, 2022 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 Amount	%	Year ended December 31, 2022 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.