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TAIMING ASSURANCE BROKER CO., LTD.

2023 Annual Report

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Company website: www.tabc.com.tw

Disclaimer

Please note that this English annual report is not a word for word translation of the Chinese version. In the event of any variance, the Chinese text shall prevail.

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Headquarters: 11F., No. 49, Guanqian Rd., Taipei City

Tel: (02) 5558-5988

Address and telephone number of business locations:

<u>Name</u>	<u>Address</u>	<u>Telephone number</u>
Guanqian	6F.-3, No. 49, Guanqian Rd., Taipei City	02-5582-9988
Chongqing	9F., No.83, Sec. 1, Chongqing S. Rd., Taipei City	02-5581-2888
Keelung	9F., No.148, Xin 1st Rd., Keelung City	02-2421-5399
Taoyuan	14F.-3, No. 191, Yong'an Rd., Taoyuan City	03-337-0528
Hsinchu	6F.-2, No. 93, Guanghua Street, Hsinchu City	03-533-0191
Taichung	25F.-2, No. 447, Sec. 3, Wenxin Rd., Taichung City	04-3500-9998
Yunlin	3F., No. 178-18, Gong'an Rd., Huwei Township, Yunlin County	05-6363-900
Chiayi	2F., No.69, Tiyu Rd., Chiayi City	05-223-5268
Chiayi Business Team	4F., No.145, Xingye W. Rd., Chiayi City	05-236-6632
Tainan	5F., No.281, Sec. 2, Fuqian Rd., West Central Dist., Tainan City	06-293-6046
Tainan Business Unit	7F., No.283, Sec. 2, Fuqian Rd., West Central Dist., Tainan City	06-293-4288
Kaohsiung	11F.-2, No. 241, Yixin 1st Rd., Qianzhen Dist., Kaohsiung City	07-955-2888
Pingtung	2F., No. 88-15, Guangdong S. Rd., Pingtung City	08-751-1095

III. Name, address, website and telephone number of stock transfer agency:

Name: Waterland Securities Co., Ltd.

Address: 15F., No. 188, Sec. 5, Nanjing E. Rd., Taipei City

Web: <https://www.ibfs.com.tw>

Tel: (02) 2528-8988

IV. Name of the CPA, name of the CPA firm, address, website, and telephone number for the latest annual financial report:

Name of CPA: Wang-Sheng Lin, Wun-Ya Syu

Name of accounting firm: Deloitte & Touche

Address: 20th Floor, No.100, Songren Road, Shinyi District, Taipei City

Web: <https://www.deloitte.com>

Tel: (02) 2725-9988

V. The name of exchanges where the Company's securities are traded offshore, and the method by which to access information on said offshore securities: None.**VI. Company website: <https://www.tabc.com.tw>**

Taiming Assurance Broker Co., Ltd.

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Chapter 1. Letter to Shareholders

Dear Shareholders,

The Company's 2023 annual operating results, 2024 annual business plan, future development strategies, external competitions, and regulatory environment, and overall business environment are described as follows:

I. Operating Results of the Year Under Review

(I) Business Performance

According to the statistics of the Life Insurance Association of the Republic of China, the overall life insurance first-year premium income decreased by 6.9% in 2023. Traditional life insurance premiums dropped by 2.8%, mainly due to the 57.5% fall in annuity insurance, while investment life insurance premiums were down by 20.6%. The decrease was mainly due to the asset allocation adjustment which affected the sales of annuities in the life insurance industry in 2023, as the declared interest rate adjustments were not as favorable as customers' expectations after the interest rate hike in the US.

In 2023, the Company continued to select products that offer protection and value to customers, focused on product planning, and maintained the diversified business development of life insurance, with a high renewal rate of renewed policies and an overall consolidated effect of capital utilization. In 2023, the Company's consolidated net operating income was NT\$784,350 thousand, an increase of 6.29% compared to the same period the previous year.

In addition to business development, the Company is also committed to corporate innovation and sustainable development, and has been awarded the "Taiwan Excellent Trademark Award - Innovation and Design Merit Award", "National Brand Yushan Award - Outstanding Enterprise Category", "The 16th TCSA Sustainability Reporting Award (2023) - Silver Award in Finance and Insurance", and the "Excellence in Insurance Broker Award", reflecting the Company's business philosophy driven by innovation and the goal of corporate sustainability.

(II) Budget Execution: No financial forecast announcement has been made by the Company and is therefore not applicable.

(III) Financial and Profitability Analysis

Consolidated net operating income of the Company and its subsidiaries in 2023 was NT\$784,350 thousand. Consolidated net profit before tax was NT\$66,820 thousand, and net profit after tax attributable to owners of the Company was NT\$55,088 thousand. Basic earnings per share before tax was NT\$2.67 and NT\$2.2 on an after tax basis.

The Company's assets amounted to NT\$789,540 thousand at the end of 2023 and shareholders' equity amounted to NT\$541,138 thousand.

(IV) Research and Development Status

Information: Introduction of multi-factor authentication mechanism in the business integration system.

Product: Product portfolio research and planning.

Business: Continuing to work with insurance companies on mobile insurance and broker zone SSO mechanism.

II. Business Plan Outline for the Year

(I) Business Strategy for the Year

(1) Training:

The Company organizes tax law training courses, MDRT team elite classes, national joint live morning meetings and recruitment series training courses to optimize the professional functions and recruitment ability of sales staff, as well as providing basic training and professional product courses in the digital academy to provide a comprehensive learning platform for sales staff to build the cornerstone of customer service.

(2) Business Activities:

The Company organizes tax law training courses, MDRT team elite classes, national joint live morning meetings and recruitment series training courses to optimize the professional functions and recruitment ability of sales staff, as well as providing basic training and professional product courses in the digital academy to provide a comprehensive learning platform for sales staff to build the cornerstone of customer service.

(3) Corporate Sustainability:

The Corporate Sustainability Committee steers the Company's focus on the four major issues, namely corporate governance, risk management, social care, and environmental sustainability. It also implements greenhouse gas inventories in phases.

(II) Operating Targets for the Year

- (1) Continued growth in consolidated revenue.
- (2) Policy continuation rates maintained at over 90% of renewal rates.
- (3) MDRT team of 100 people.
- (4) Continuously improve the rate of business fulfilment.

III. Future Corporate Development Strategy

- (I) Continue to focus on product strategies for retirement and protection planning.
- (II) A diversified development strategy for developing cross industry channels and digital technology.
- (III) Combined with the cooperation strategy of insurance brokerage and insurance agency companies for developing the Greater China region.

IV. Influences from External, Regulatory and Overall Business Environment

(I) External Competitive Environment

In the past year, due to the increase in global inflation rate, although it is expected that there will be a relief of interest rate cuts in 2024, the uncertainty of future market interest rates, coupled with the upcoming convergence of the IFRS17 and the life insurance industry converting to the new generation of the solvency system (ICS2.0) in 2026, will bring about a rapid restructuring and adjustment of the structure of the insurance products.

(II) Regulatory Environment

The supervision of insurance companies is rigorous, and the requirements of the competent authorities for fair treatment of customers and the rights of the elderly insured are increasingly being strengthened, with the implementation of related education and training hours, certification, internal control and other auditing measures.

(III) Overall Business Environment

According to life insurance premium statistics in 2023, traditional insurance agents accounted for about 15.44% of the initial annual premium, indicating that there is potential room for traditional insurance agents to expand their market share. In light of the future transformation and rapid adjustment of the structure of insurance products, it highlights that insurance agents are able to quickly adjust to the rapid adjustment of insurance products sold by multiple insurance companies and provide policyholders with a variety of products, which gives them a more competitive advantage. The industry's ability to quickly adjust and provide diversified products to policyholders is a competitive advantage.

In response to the regulations, the Company has built its own digital academy platform to implement relevant education and training for its sales staff. Through online, regional live broadcasts, unit morning meetings and specialized courses, the Company promotes the laws and regulations and strengthens the professionalism of its sales staff, with the protection of the rights and interests of its policyholders as the top priority.

The Company has established a new specialized unit for information security and continues to invest in information security construction and enhance digital technology innovation. The Company aims at a sound capital and financial foundation, business organization development, and opening up opportunities for industry cooperation.

To all our shareholders, ladies and gentlemen, we wish you good health and all the best!

Chairman of the Board:
Cheng-Chih Li

Manager:
Yang-Kuo Chen

Accounting Manager:
Hsin-I Wen

Chapter 2. Company Introduction

I. Date of Incorporation

October 18, 2002

II. Company History

Year	Milestones
2002	Taiming Assurance Broker Co., Ltd. was established with an actual paid-in capital of NT\$ 3,000,000. The Company's main business is life insurance brokerage and property insurance brokerage. Awarded by TransGlobe Life Insurance with a 13-month retention rate of 97.9% for outstanding performance
2005	Signed academic-industrial collaboration contract with the Department of Insurance and Financial Management at Chihlee University of Technology. Investment in Ching-Guan Financial Management Consulting Co., Ltd.
2006	Won the IDA International Dragon Award - Corporate Awards
2008	Won the award of "Business Entity with Excellent Uniform Invoices Performance" from the Ministry of Finance
2009	Won the "Best Insurance Professional of the Year- Support Group Merit Award" from RMIM Inc.
2010	Won the "2010 Taiwan Top Ten Taiwanese Enterprises" from Chinese Humanist Personality Association
2011	Won the "Best Insurance Professional of the Year- Support Group Merit Award" from RMIM Inc.
2012	Won the "2012 Best Performance Award of Brokerage Dealer" from Chinatrust Life Won the "2012 Best Continuance Rate Award of Brokerage Dealer" from Chinatrust Life Won the "5th Taiwan Insurance Excellence Award - Insurance Broker Excellence Silver Award"
2013	Won the "2013 Best Performance Award of Brokerage Dealer, New Contract Quality Award, Health Talent Award" from Chinatrust Life. Won the "Business Quality Management Excellence Award" from TransGlobe. Officially issued stock on Taipei Exchange (5878). Officially listed company on emerging stock market of Taipei Exchange (5878).
2014	Won the "2014 Best Performance Award of Brokerage Dealer, New Contract Quality Award, Health Talent Award" from Chinatrust Life.

Year	Milestones
	<p>Officially registered company at over-the-counter market on Taipei Exchange (5878).</p> <p>Won the “Quality Broker Award” from Farglory Life.</p> <p>Investment in All Safe Co., Ltd.</p>
2015	<p>Won the “2015 Best Performance Award of Brokerage Dealer, New Contract Quality Award, Health Talent Award, and Foreign Currency Talent Award” from Chinatrust Life.</p> <p>Issued the first “Corporate Social Responsibility Report and certified by BSI Taiwan</p>
2016	<p>Investment in Shanghai Lianda Insurance Agency Co., Ltd.</p> <p>Won the “2012 Best Performance Award of Brokerage Dealer” from TLG Insurance Co., Ltd.</p> <p>Won the “2016 Foreign Currency Talent Award, Health Talent Award, Best Continuance Rate Award, Best Performance Award” from Taiwan Life</p> <p>Introduced ISMS Information Security Management System and obtained the International Validation of ISO/IEC27001 Information Security issued by BSI (British Standards Association)</p>
2017	<p>Obtained the pre-assessment of BSI for introduction of BS 10012 PIMS personal information management system.</p> <p>Won the “2017 Insurance Longfeng Award” from RMIM Inc. as the most popular insurance broker among Finance and Insurance Graduate</p> <p>Won the “Progress Award” and ranked top 20% in the 3rd Corporate Governance Evaluation hosted by Taiwan Stock Exchange and Taipei Exchange</p> <p>Awarded “2017 Quality Brokerage Company” from Farglory Life.</p> <p>Won the “2017 Best Performance Award of Brokerage Dealer” from TLG Insurance.</p> <p>Won the “2017 Best Performance Award of Brokerage Dealer” from Taiwan Life Insurance.</p> <p>Won the “2017 Health Talent Award of Coniferin Honorary Assembly as Brokerage Agent” from Taiwan Life Insurance.</p> <p>Investment in shares of Kun Shan Feng Sheng Insurance Agency Ltd.</p> <p>Started online insurance business</p> <p>Won the “Sustainable Excellence Award” from BSI Taiwan.</p> <p>Won the “Insurance Cyber Security Contribution Award” from BSI Taiwan.</p>
2018	<p>Won the “2018 Insurance Longfeng Award” from RMIM Inc. as the most popular insurance broker among Finance and Insurance Graduate</p> <p>Ranked top 5% in the 4th Corporate Governance Evaluation hosted by</p>

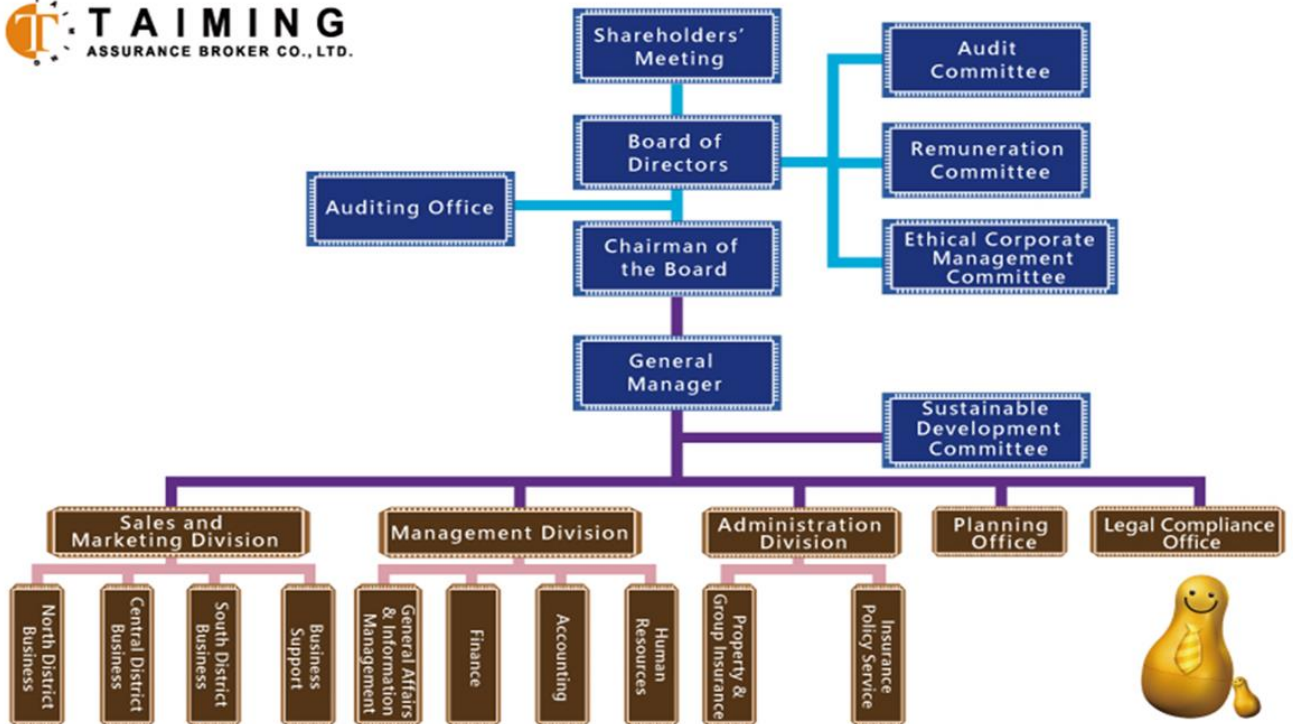
Year	Milestones
	Taiwan Stock Exchange and Taipei Exchange
	Received the “2018 Quality Brokerage Company” from Farglory Life.
	Won the “Sustainable Excellence Award” from BSI Taiwan.
2019	At the extraordinary shareholders’ meeting held on February 20, the shareholders approved the proposed acquisition of all shares and issuance of new shares of Link-Aim Life Insurance Broker Co., Ltd. by way of a share swap for cash and issuance of ordinary shares, so as to become a 100% subsidiary of the Company.
	Ranked top 20% in the 5th Corporate Governance Evaluation hosted by Taiwan Stock Exchange and Taipei Exchange
	Published the fifth CSR Corporate Social Responsibility report
	Officially launched the mobile insurance platform
	Received the “2019 Quality Brokerage Company” from Farglory Life.
	Received the “2019 CTWANT Club” from CTWANT Company
	Won the “2019 Best Performance Award of Brokerage Dealer” from Taiwan Life Insurance
	Won the “2019 Health Talent Award of Coniferin Honorary Assembly as Brokerage Agent” from Taiwan Life Insurance
	Won the “2019 New Contract Entry Quality Award of Coniferin Honorary Assembly as Brokerage Agent” from Taiwan Life Insurance
	Won the “2019 Best Performance Award of Coniferin Honorary Assembly as Brokerage Agent” from TLG Insurance
	Won the “Guardian Archangel” from Huashan Social Welfare Foundation
	Taoyuan and Taichung workplace 2.0 completed and started the new era of mobile office
2020	Won the 2020 Corporate Social Report Bronze Prize of 2020 (13th) Taiwan Corporate Sustainability Awards Finance and Insurance categories
	Received the “2020 Quality Brokerage Company” from Farglory Life.
	“Kun Shan Feng Sheng Insurance Agency Ltd.” renamed “Jiangsu Taiming Insurance Agency Co. Ltd.” on April 15, 2020.
	“Shanghai Lian Da Insurance Agency Co., Ltd.” renamed “Shanghai Taiming Insurance Agency Co., Ltd.” on April 29, 2020.
2021	Won the Insurance Trust and Love Awards - “Best Social Responsibility Award” - Supporting Group - Merit Award
	Won the 2021 TCSA Corporate Social Report Bronze Prize of Taiwan Corporate Sustainability Awards Finance and Insurance categories
	Won the “Guardian Archangel” from Huashan Social Welfare Foundation
	Won the “2021 Best Performance Award of Brokerage Dealer” from Taiwan

Year	Milestones
	Life Insurance
	Won the “2021 Foreign Currency Talent Award of Brokerage Dealer” from Taiwan Life Insurance
	Won the “2021 Best Continuance Rate Award of Brokerage Dealer” from Taiwan Life Insurance
	Won the “2021 Excellent Original Premium Performance Group Award” from Shin Kong Life Insurance
	Won the “2021 Best Partner Award of Brokerage Dealer” from Chinatrust Property Insurance
	Review of self-built digital learning platform through a six-hour law compliance program
	Start of a new era of mobile office, Tainan workplace 2.0 completed
2022	Passed the international standard verification of BS10012 Personal Information Management System (PIMS)
	Won the 19th National Brand Mount Morrison “Outstanding Enterprise” Award
	Won the 2022 TCSA Corporate Social Report Bronze Prize of Taiwan Corporate Sustainability Awards - Class II Civil Prize of Finance and Insurance categories of ESG Report
	Won 2022 Taiwan Excellent Trademark Award - Innovative Design Excellence Award
	Won the “2022 Quality Brokerage Company” from Farglory Life Insurance.
	Won the “2022 Excellent Foreign Currency Premium Performance Group Award” from Shin Kong Life Insurance
	Won the “Guardian Archangel” from Huashan Social Welfare Foundation
	Awarded “2022 Annual Blood Donation Organization of the Year” by Taiwan Blood Foundation, a medical consortium.
2023	Won the 20th National Brand Mount Morrison “Outstanding Enterprise” Award
	Won 25th Insurance Trust and Love Awards - “Best Social Responsibility Award” - Supporting Group - Merit Award

Chapter 3. Corporate Governance Report

I. Organizational Structure

(I) Organizational Structure of the Company



(II) Businesses of Major Departments:

Division	Scope of responsibilities
Auditing Office	Manage the planning and implementation of internal audit activities to assist the Board of Directors and the management to check and evaluate the effectiveness of the internal control system and provide suggestions for improvement in a timely manner.
Legal Compliance Office	Manage legal compliance operations, maintain a clear and appropriate statutory communication, advisory, coordination and communication system, update statutory requirements, conduct regulatory training, money laundering prevention, and Rewards & Disciplinary Committee.
Planning Office	In charge of the promoting business strategy planning and execution project, planning for corporate image, public relations, advertising and project marketing, accelerating execution project.
Department of Business	Manage overall business policies and promote the achievement of business objectives; cooperate with business policy, assist to hold various awards, activities, meetings and other related work.
Department of Administration	To be in charge of the promotion of group insurance business and the planning and implementation of incentive schemes; New contract acceptance and unit assistant management, insured customer service and security change operations.
Department of Management	In charge of financial accounting, sales representatives remuneration management, budget preparation and tracking, stock operations, internal personnel, general affairs and information management.

II. Information on Directors, Supervisors, General Managers, Deputy General Managers, Assistant Managers, and Heads of Departments and Branches

(I) Directors' Information

Book closure date: April 1, 2024

Title (Note 1)	Nationality or place of registration	Name	Gender Age (Note 2)	Elected (Appointed) Date	Term of Office	Date of Initial Elected Date (Note 3)	Shares held when elected		Current number of shares held		Current Shares Held by Spouses and Minor Children		Shares held in the names of others		Main Work (Academic) Experiences (Note 4)	Current concurrent positions held in the Company and other companies	Other Heads, Directors, or Supervisors with a Spouse or Second Degree of Kinship			Remarks: (Note 5)
							Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Title	Name	Relationship	
Chairman of the Board	Republic of China	Taiwan Navigator Asset Investment Co., Ltd.	-	2022.05.26	3 years	2012.11.07	9,025,907	36.07%	9,025,907	36.07%	-	-	-	-	-	-	-	-	-	-
	Republic of China	Representative: Cheng-Chih Li	Male 61-70 years old	2022.05.26	3 years	2012.11.07	887,874	3.55%	892,887	3.57%	384,274	1.54%	-	-	Studied at Construction Group of Public Engineering Department, China University and Technology Sales Manager of TIANJIN EVEST INT'L TRADING CO., LTD. Sales Manager, Niche International Futures Company Congressional Aid to the National Assembly Deputy Director of Training Department, MetLife, Inc. Business Marketing Director, MetLife, Inc. Head of Department of Business, Headquarter of MetLife, Inc. Manager of Banqiao Communications Department, MetLife, Inc.	Chairman of the Company Chairman, Ching-Guan Financial Management Consulting Co., Ltd Chairman, Chanon Investment Co., Ltd. Legal representative of Jiangsu Taiming Insurance Agent Co., Ltd. Legal representative of Jiangsu Taiming Insurance Agent Co., Ltd.	-	-	-	-
Chungtai Navigator Construction Co., Ltd.	Republic of China	Representative: Chia-Keng Li	Female 41-50 years old	2022.05.26	3 years	2022.05.26	-	-	-	-	-	-	-	-	Doctor of Economics, Xiamen University Director, Navigator Construction Co., Ltd. Director, Yong Xin Development Co., Ltd. Supervisor, Taiwan Navigator Asset Investment Co., Ltd. Project Assistant Manager of Taiwan Fire & Marine Insurance Co., Ltd. Senior Assistant Manager and Financial Supervisor of SIRTEC International Co., Ltd.	Director, Navigator Construction Co., Ltd. Director, Yong Xin Development Co., Ltd. Director, Chanon Investment Co., Ltd. Chanon Investment Co., Ltd. Director, Chungtai Navigator Construction Co., Ltd. Chairman, Boutique Hotel Supervisor, Taiwan Navigator Asset Investment Co., Ltd. Director, Jade Investment Co., Ltd. Supervisor, Navigator Investment Development Co., Ltd Director,	Chungtai Navigator Construct ion Co., Ltd.	Mo- Hang Wu	Sisters-in-law	None

Title (Note 1)	Nationality or place of registration	Name	Gender Age (Note 2)	Elected (Appointed) Date	Term of Office	Date of Initial Elected Date (Note 3)	Shares held when elected		Current number of shares held		Current Shares Held by Spouses and Minor Children		Shares held in the names of others		Main Work (Academic) Experiences (Note 4)	Current concurrent positions held in the Company and other companies	Other Heads, Directors, or Supervisors with a Spouse or Second Degree of Kinship			Remarks: (Note 5)
							Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Title	Name	Relationship	
																Chungtai Navigator Construction Co., Ltd.				
Chungtai Navigator Construction Co., Ltd.	Republic of China	Cheng-Rong Enterprise Co., Ltd.	-	2022.05.26	3 years	2013.06.14	47,959	0.19%	47,959	0.19%	-	-	-	-						
	Republic of China	Representative: Mo-Hang Wu	Female 51-60 years old	2022.05.26	3 years	2019.05.31	-	-	-	-	-	-	-	-	EMBA, National Taiwan University Forland Auto Trade Holding Co., Ltd. Corporate Director Representative Representative of Juridical Person Director of Forland Auto Trade Holding Co., Ltd. Legal Representative of Director of Zheng Yang Development Co., Ltd.	Chairman, Jiade Investment Co., Ltd. Director, Yong Xin Development Co., Ltd. Chairman, Navigator Investment Development Co., Ltd. Director, Chanon Investment Co., Ltd. Director, Taiwan Navigator Asset Investment Co., Ltd. Chairman, ShanYue Limited Company Director and legal representative, Peng Cheng Investment Co.,Ltd. Chairman of the Board and legal representative, New Navigator Investment Co.,Ltd. Forland Auto Trade Holding Co., Ltd. Representative of Judicial Person Director AT BOUTIQUE HOTEL Director, legal representative Chairman of the Board of Ling Navigator Investment Co., Ltd. Representative of Juridical Person Director of Forland Auto Trade Holding Co., Ltd. assigned by Navigator Construction Co., Ltd. Director and legal representative of Zheng Yang Development Co.,Ltd.	Chungtai Navigator Construct ion Co., Ltd.	Chia- Keng Li	Sisters-in-law	None
Independent Director	Republic of China	Chien-Hsiang Chang	Male 71-80 years old	2022.05.26	3 years	2019.05.31	-	-	-	-	-	-	-	-	Bachelor of Business Administration, National Taiwan University (Taiwan) Director of SIRTEC International Co., LTD. Supervisor, Taiming Assurance Broker Co., Ltd. General Manager Office of Taiwan Fire & Marine Insurance Co., Ltd.					

Title (Note 1)	Nationality or place of registration	Name	Gender Age (Note 2)	Elected (Appointed) Date	Term of Office	Date of Initial Elected Date (Note 3)	Shares held when elected		Current number of shares held		Current Shares Held by Spouses and Minor Children		Shares held in the names of others		Main Work (Academic) Experiences (Note 4)	Current concurrent positions held in the Company and other companies	Other Heads, Directors, or Supervisors with a Spouse or Second Degree of Kinship			Remarks: (Note 5)
							Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Title	Name	Relationship	
															Deputy General Manager and Management Manager General Audit of The Board of Directors Assistant Manager and Manager of Finance Department					
Independent Director	Republic of China	Tsung-Han Hsieh	Male 41-50 years old	2022.05.26	3 years	2022.05.26	-	-	-	-	-	-	-	-	Master of Resource Management, Fairleigh Dickinson University (FUD), USA. General Manager, Yoosen International Limited General Manager, Jipu Construction Co., Ltd Chairman, Jia Zheng Investment Co., Ltd. Taiming Assurance Broker Co., Ltd. Independent Director	Chairman and General Manager of Kao Enterprise Co., Ltd.	-	-	-	-
Independent Director	Republic of China	Fu-Kuei Huang	Male 61-70 years old	2022.05.26	3 years	2019.05.31	-	-	-	-	-	-	-	-	Department of Accountancy, National Cheng Kung University Financial Assistant Manager, Tailung Capital Inc.	Shouxin Accounting Firm CPA Independent Director of Taiwan Taomee Co., Ltd.	-	-	-	-

Note:1 For juristic person shareholders, their names and representatives shall be stated (for representatives, the names of juristic person shareholders they represent shall be indicated respectively) and filled in Table 1.

Note:2 Please list actual ages and express them in intersectional manner, e.g., 41-50 years old or 51-60 years old.

Note:3 Please list the first date to take the charge of director or supervisor of the Company, and note with illustrations for any disruption of duty occurred.

Note:4 For the experience related to holding the current position, if one has worked in the CPA firm conducting the auditing and attesting business or related company, he/she shall state the job title and responsible position. Assistant vice president, regardless of job title, should also be disclosed.

Note:5 Where the Chairman of the board of directors and the general manager or person of an equivalent post (the highest level manager) of the Company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (for example, increase the number of independent directors, and there shall be more than half of the directors who do not concurrently serve as employees or managers).

Note:6 The term of office of the 8th directors of the Company is from May 26, 2022 to May 25, 2025. The Company established the Audit Committee to replace the Supervisors on December 24, 2013.

Table 1: Major Institutional Shareholders

Book closure date: April 01, 2024

Name of Judicial Person Shareholders (Note 1)	Substantial Shareholders of Judicial Person Shareholders (Note 2)
Taiwan Navigator Asset Investment Co., Ltd.	Navigator Construction Co., Ltd. (28.12%), Jiade Investment Co., Ltd. (23.43%), Mayer Steel Pipe Corporation (14.06%), Dean Development Co., Ltd. (0.78%), Wanshun Investment Co., Ltd. (4.69%), HSIU-HSIU YU (4.69%), Xinliang Investment Co., Ltd. (4.69%), The Sincere Co., Ltd. (9.38%), Wending Venture Capital Co., Ltd. (10.16%).
Cheng-Rong Enterprise Co., Ltd.	Jiade Investment Co., Ltd.(34.483%), Chanon Investment Co., Ltd. (31.034%),Tong Sheng Development Co., Ltd. (34.483%).

Note:1 For Directors and supervisors who are representatives of judicial person shareholders, the name of the shareholder shall be filled.

Note:2 Fill in the name of the substantial shareholders of the judicial person shareholder (top 10 shareholders by shareholding ratio) and their shareholding ratio. If the substantial shareholder is a judicial person, the following Table 2 shall be filled.

Note:3 For institutional shareholders who are not under the organization of the Company, the name and shareholding of the shareholders shall be disclosed (i.e., name of the investor or donor and their investment or donation ratio)

Table 2: Table 1: Major Shareholders of Juristic Person Shareholders

Book closure date: April 1, 2024

Name of Legal Entity (Note 1)	Substantial Shareholders of Legal Entity (Note 2)
Navigator Construction Co., Ltd.	Jian-Cheng Li (41.57%), Tong Sheng Development Co., Ltd (40.79%), Chao-Tzu Li Chen (0.71%), Chia-Keng Li (2.64%), WEI WANG (14.29%)
Jiade Investment Co., Ltd.	Tai-Hung Li (46.85%), Cheng Yang Investment Development Co., Ltd.(48.85%), Chao-Tzu Li Chen (0.5%), Chia-Keng Li (2.5%), Mo-Hang Wu (1%), Wen-Yung Li (0.3%)
Mayer Steel Pipe Corporation	Yuan Chuan Iron & Steel Co., Ltd. (16.61%), Tzu Chi International Co., Ltd. (8.31%), Miramar Hotel Co., Ltd. (6.85%), Xianda Investment Co., Ltd. (6.99%), Dean Development Co., Ltd. (1.06%), Jian Yu Xing Ye Co., Ltd. (1.14%), Yuan Da Investment Co., Ltd. (1.79%), Dewei Investment Co., Ltd. (1.60%), The Sincere Co., Ltd. (2.15%), Fei-Hung Chen(0.81%)

Name of Legal Entity (Note 1)	Substantial Shareholders of Legal Entity (Note 2)
Dean Development Co., Ltd.	Dewei Investment Co., Ltd. (32.31%), Yuan Chuan Iron & Steel Co., Ltd. (12.38%), The Sincere Co., Ltd. (25.63%), Er Xing Development Co., Ltd. (7.22%), Yi-Yun Hong (6.63%), Miramar Hotel Co., Ltd. (5.73%), Mayer Steel Pipe Corporation (1.27%), TZU-Yi Huang (1.22%), Hsiu-Mei Huang (1.59%), Yung-Lun Huang (0.98%)
Wanshun Investment Co., Ltd.	Zhong-Yi Li (8%), Yu-Ying Yang (8%), Yen-Liang Li (84%)
The Sincere Co., Ltd.	Dean Development Co., Ltd. (41.06%), Dexian Co., Ltd. (12.08%), Dewei Investment Co., Ltd. (19.56%), Deanxin Co., Ltd. (18.95%), Yi-Yun Hong (2.31%), Yung-Chieh Huang (1.25%), Chun-Wei Huang (1.19%), Cheng-Wei Li (1.17%), Yuhong Investment Co., Ltd. (0.99%), Ta-Yao Lo (0.53%), Ting-Chun, Ma Wu (0.53%)
Xinliang Investment Co., Ltd.	Zhong-Yi Li (3.2%), Yu-Ying Yang (3.2%), Yen-Liang Li (6%), Yen-Liang Li (5.3%), Yen-Hung Li (41.5%), Yen-Jing Li (40.8%)
Wending Venture Capital Co., Ltd.	SIRTEC International Co., Ltd. (36%), ELAN Microelectronics Corporation (30%), Taiwan Fire & Marine Insurance Co., Ltd. (24.75%), Taiming Assurance Broker Co., Ltd. (6.75%), Taiwan Navigator Asset Investment Co., Ltd. (2.5%)
Chanon Investment Co., Ltd.	Jian-Cheng Li (20.81%), Tai-Hung Li (17.08%), Chia-Keng Li (34.52%), At Boutique Hotel (27.59%)
Tong Sheng Development Co., Ltd.	Jian-Cheng Li (64.07%), Navigator Construction Co., Ltd. (16.95%), Chia-Keng Li (1.69%), Wen-Yung Li (0.34%) Wei Wang (16.95%)

Note:1 If the substantial shareholder in Table 1 is a judicial person, the name of the judicial person shall be filled in.

Note:2 Fill in the name of the substantial shareholders of the judicial person (top 10 shareholders by shareholding ratio) and their shareholding ratio.

Note:3 For institutional shareholders who are not under the organization of the Company, the name and shareholding of the shareholders shall be disclosed (i.e., name of the investor or donor and their investment or donation ratio)

(II) Directors' Information

(1) Disclosure of professional qualifications of the Board of Directors and independence information of independent directors:

Book closure date: April 1, 2024

Name \ Criteria	Professional qualifications and experience (Note 1)	Compliance with independence (Note 2)	Number of independent directorships in other publicly traded companies
Taiwan Navigator Asset Investment Co., Ltd. Representative: Cheng-Chih Li	(1) Extensive experience within the Group, Chairman of the Board of Directors of the Company and the current Vice Chairman of the Insurance Brokers Association of the Republic of China. (2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	Not Applicable	0
Taiwan Navigator Asset Investment Co., Ltd. Representative: Chia-Keng Li	(1) Served as a director of an insurance company for many years, he has deep culture and many years of financial management and operation practice, and can provide supervision and professional advice to the Board of Directors (2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	Not Applicable	0
Cheng-Rong Enterprise Co., Ltd. Designee: Mo-Hang Wu	(1) Served as a director of the Company and is skilled in management, in the future, she will be able to assist in providing professional advice on the overall development and layout of the Group. (2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	Not Applicable	0
Independent Director: Chien-Hsiang Chang	(1) As the convener of the Audit Committee, served as the Deputy General Manager of an insurance company. He is specialized in financial management, business strategy and leadership. (2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.	The independent directors of the Company are all in line with the Article 2, Paragraph 2 and Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies"	0
Independent Director: Fu-Kuei Huang	(1) As a member of the Audit Committee and CPA, possesses expertise in corporate leadership, government strategy and financial accounting (2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.		1
Independent Director: Tsung-Han Hsieh	(1) As a member of the Audit Committee, has served as an Independent Director of the Company and currently serves as the Chairman and General Manager of Kao Enterprise Co., Ltd., specializing in business marketing strategy, risk management and company leadership. (2) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.		0

(2) Diversity and Independence of the Board of Directors:

- A. Diversity and Independence of the Board of Directors: The diversity policy includes, but is not limited to, the election criteria for directors, the professional qualifications and experience that the Board of Directors should have, the composition or ratio of gender, age, nationality, and culture, etc., and the Company's specific goals and their achievement regarding the previous policy.

The Company's "Code of Corporate Governance Practices" stipulates that the composition of the Board of Directors should be diversified. In addition to the fact that a director who is also a manager should not exceed one-third of the total number of directors, the Company should also formulate an appropriate diversification policy with respect to its own operation, business style and development needs, including but not limited to the following two major criteria:

- a. Basic criteria and value: gender, age, nationality, and culture, etc.
- b. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

Members of the Board of Directors shall generally possess the necessary knowledge, skills and qualities to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors should possess the following diverse abilities:

- a. Operational judgment ability.
- b. Accounting and financial analysis ability.
- c. Business management ability.
- d. Crisis management ability.
- e. Industrial knowledge.
- f. International market view.
- g. Leadership.

h. Decision-making ability.

Diversity and Core Competencies of Board Members:

- The Company values gender equality in the composition of the Board members. This year's female directors have increased by 1, totaling 2 seats, with female directors accounting for over 33.3%.
- The proportion of independent directors is 50%; the proportion of directors with employee status: 1/6 (16.67%).
- The members of the Board of Directors possess diverse professional abilities, and the overall abilities of the members are as follows:

Title	Name	Nationality	Gender	Age	Independent Director Tenure		Employee Status	Core Competencies (Top 4)							
					Less than 3 years	6-9 years		Operational judgment ability	Accounting and financial analysis ability	Decision-making ability	Crisis management ability	Industrial knowledge	International market view	Leadership	Information Competency
Chairman of the Board	Cheng-Chih Li	Republic of China	Male	61-70 years old	-	-	Yes	✓			✓	✓	✓	✓	
Chungtai Navigator Construction Co., Ltd.	Chia-Keng Li	Republic of China	Female	41-50 years old	-	-	No	✓		✓			✓	✓	✓
Chungtai Navigator Construction Co., Ltd.	Mo-Hang Wu	Republic of China	Female	51-60 years old	-	-	No	✓			✓	✓	✓	✓	
Independent Director	Chien-Hsiang Chang	Republic of China	Male	71-80 years old	-	✓	No	✓		✓			✓	✓	
Independent Director	Fu-Kuei Huang	Republic of China	Male	61-70 years old	-	✓	No		✓		✓	✓		✓	
Independent Director	Tsung-Han Hsieh	Republic of China	Male	41-50 years old	✓		No	✓			✓		✓	✓	

B. Independence of the Board of Directors: State the number and proportion of independent directors, and explain that the Board of Directors is independent, and explain with reasons whether there are no circumstances as specified in paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act, including a statement of the circumstances in which there is spouse or second-degree relative relationship between directors, supervisors or between directors and supervisors.

a. The current Board of Directors (8th term) of the Company consists of 6 directors, including 3 independent directors (accounting for 50% of the total number of directors).

In the “Governance Practices”, it is stipulated that the Board of Directors of the Company shall guide the corporate strategies, supervise the management levels, and be responsible for the Company and the shareholders. The various work and arrangement of the Board of Directors on the Company’s governance system shall ensure that the Board of Directors exercises its functions and powers in accordance with the provisions of laws and decrees, the Articles of Association or resolutions of the shareholders’ meeting. Taking into account the needs of practical operations in light of the scale of the company’s operation and its major shareholders’ holdings, to determine the appropriate board structure for five or more directors. There is no Director other than the Chairman of the Company who concurrently serves as the Company Manager.

b. The Company’s Directors are highly disciplined. If the proposals by the Board of Directors are of interest to the Directors themselves or the corporates they are representing, and are jeopardizing the Company’s interests, those Directors only make statements and provide answers but not participate in the discussion and voting. During discussion and voting, they shall be evaded and can’t represent other Directors to exercise their voting rights. (Please refer to page 28: Directors abstain from voting as a result of voting proposals).

Note:1 Professional qualifications and experience: state the professional qualifications and experience of individual directors and supervisors. If they are members of the Audit Committee and have accounting or financial expertise, their accounting or financial background and work experience should be stated. In addition, whether there is none of the circumstances in the subparagraph of Article 30 of the Company Act shall be stated.

- Note:2 Independent directors should state their independence, including but not limited to whether they, their spouse, or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliates; The number and proportion of the Company's shares held by relatives (or in the name of others); whether they serve as directors, supervisors or employees that have a specific relationship with the Company (refer to the provisions of Article 3, Paragraph 1, Subparagraph 5 to 8 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies"). The amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years.
- Note:3 The 8th term of office of the Company's directors is from May 26, 2022 to May 25, 2025.

(III) Information on directors, supervisors, general manager, deputy general manager, associate manager, and heads of various departments and branches

Book closure date: April 1, 2024

Title (Note 1)	Nationality	Name	Gender	Elected (Appointed) Date	Shares Held		Shares Held by Spouses and Minor Children		Shares held in the names of others		Main Work (Academic) Experiences (Note 2)	Currently Hold Concurrent Posts in Other Companies	Managers with a Spouse or Second Degree of Kinship			Note: (Note 3)
					Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Title	Name	Relationship	
General Manager	Republic of China	Yang-Kuo Chen	Male	2012.03.16	20,039	0.08%	-	-	-	-	Department of Electronic Engineering, Hwa Hsia University of Technology Manager/Director of Education Training Department, ChinFon Life Insurance Director of Sales Department, ChinFon Life Insurance Director of Training Department, MetLife, Inc. Associate Manager of Education Training Department, MetLife, Inc. Deputy General Manager, Southern Taiwan Business Department, Manulife Deputy General Manager, South District, PCA Life Assurance Co., Ltd.	Supervisor, All Safe Co., Ltd.	-	-	-	-
Deputy General Manager of Department of Management	Republic of China	Shu-Fen Yang	Female	2010.08.01	39,839	0.16%	-	-	-	-	Graduated from the Graduate School of Management, Rutgers University, New Jersey, USA Project Manager, Consulting Department, Jianda United CPA Firm Head of Accounting, Taiwan Express Co., Ltd.	-	-	-	-	-
Department of Business Executive Vice Manager (Note 4)	Republic of China	Wei- Cheng Ho	Male	2023.06.01	-	-	-	-	-	-	Graduated from Economic Department of Tunghai University Sales Director of Cathay Life Insurance Project Manager, Bank Insurance Department, Taiwan Life Insurance Product Manager/Discipline & Guidance Team Leader of SinoPac Life Insurance. Project Manager of Marketing Management Department, Chinatrust Life Insurance Assistant Manager of Business Department and Head of North Division, Taiming Assurance Broker Co., Ltd.	-	-	-	-	-
Auditing Office Associate Manager	Republic of China	Kun-Leng Hsu	Male	2012.11.01	3,780	0.02%	-	-	-	-	Graduated from Insurance Graduate School, National Chengchi University Business Director, Associate Manager, and Deputy Manager, MetLife, Inc. Manager and Business Director, Taiming Assurance Broker. General Manager, Hung Hsiang Insurance Broker	-	-	-	-	-
Assistant Manager of	Republic of China	Ching- Wen Lin	Female	2016.07.01	9,141	0.04%	-	-	-	-	Graduated from Commercial Japanese Department of Yu Da High School of	-	-	-	-	-

Title (Note 1)	Nationality	Name	Gender	Elected (Appointed) Date	Shares Held		Shares Held by Spouses and Minor Children		Shares held in the names of others		Main Work (Academic) Experiences (Note 2)	Currently Hold Concurrent Posts in Other Companies	Managers with a Spouse or Second Degree of Kinship			Note: (Note 3)
					Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Title	Name	Relationship	
Planning Office											Commerce and Home Economics Director of Business Support Office/ Assistant Manager of Administration Division, Manager of Business Support, TABC					
Assistant Manager of Department of Administration	Republic of China	Chang-Wu Chiao	Male	2020.03.01	-	-	-	-	-	-	Department of Economics, Chinese Culture University General Manager, Panhsin Insurance Broker Assistance Manager of Bank Insurance Department, Farglory Life Assistance Manager, Chailease Insurance Broker Sub-manager of Comprehensive Business Department, Panhsin Bank Senior Section Chief of Group Insurance Department, China Life Insurance					
Assistance Manager of Central District Business Department	Republic of China	Chien- Chang Lai	Male	2011.09.01	-	-	-	-	-	-	Mechanical Engineering Department of Chung Chou University of Science and Technology Director, First Life Insurance Manager of Singfor life Insurance Senior Manager of Manulife Life Insurance Manager/Director/Special Assistant of General Manager and Manager of Business Support Office, TABC					
Assistant Manager of Department of Administration	Republic of China	Shen-Tien Chen	Male	2014.05.05	37,155	0.15%	-	-	-	-	Graduated from Graduate School of Risk Management and Insurance, National Kaohsiung First University of Science and Technology Section Chief, Taiwan Life Insurance Deputy Manager, TLG Insurance Co., Ltd.					

Note:1 Shall include information regarding General Manager and Deputy General Manager, Associate Managers, Supervisors of Departments and Branch Agencies. Persons who hold positions equivalent to General Manager and Deputy General Manager, or Associate Managers shall also be disclosed.

Note:2 For the experience related to holding the current position, if one has worked in the CPA firm conducting the auditing and attesting business or related company, he/she shall state the job title and responsible position. Assistant vice president, regardless of job title, should also be disclosed.

Note:3 Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of the Company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (for example, increase the number of independent directors, and there shall be more than half of the directors who do not concurrently serve as employees or managers).

Note:4 He Wei was promoted to the position of Executive Vice President of the Business Department on June 1, 2023.

III. Remuneration of Directors, Supervisors, General Manager and Deputy General Managers in the Most Recent Year

(I) Remuneration of General Directors and Independent Directors (summarized in a manner consistent with the disclosure of names in the hierarchy)

December 31, 2023 Unit: NT\$ thousand

Title	Name (Note 1)	Remuneration to directors						Ratio of Total Remuneration to Net Income (%) of A, B, C, and D (Note 10)		Remuneration Paid to Concurrent Employees						Ratio of Total Remuneration to Net Income (%) of A, B, C, D, E, F, and G (Note 10)		Any remuneration from investing companies other than subsidiaries or from the parent company. (Note 11)		
		Remunerati on (A) (Note 2)		Retirement Pension (B)		Compensation to Director (C) (Note 3)				Business Allowances (D) (Note 4)		Salary, Bonuses, and Allowances (E) (Note 5)		Retirement Pension (F)					Employee compensation (G) (Discussed) (Note 6)	
		The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company		Companies in the consolidated financial statements (Note 7)			The Company	Companies in the consolidated financial statements (Note 7)
Cash amount	Stock amount													Cash amount	Stock amount					
Chungtai Navigator Construction Co., Ltd.	Taiwan Navigator Asset Investment Co., Ltd.	-	-	-	-	1,302	1,302	140	165	1,442 2.62%	1,467 2.66%	2,545	2,545	-	-	-	-	3,987 7.24%	4,012 7.28%	-
	Representative: Cheng-Chih Li (Appointed on May 26, 2022)																			-
	Representative: Chia-Keng Li (Appointed on May 26, 2022)																			-
Chungtai Navigator Construction Co., Ltd.	Cheng-Rong Enterprise Co., Ltd.																			-
	Representative: Mo-Hang Wu (Appointed on May 26, 2022)																			-
Independent Director	Chien-Hsiang Chang (Appointed on May 26, 2022)	-	-	-	-	-	-	1,940	1,940	1,940 3.52%	1,940 3.52%	-	-	-	-	-	-	1,940 3.52%	1,940 3.52%	-
Independent Director	Fu-Kuei Huang (Appointed on May 26, 2022)																			-
Independent Director	Tsung-Han Hsieh (Appointed on May 26, 2022)																			-

2. Please explain the independent director remuneration policy, system, standard, and structure, and the connection between the amount of remuneration and the considered factors such as their job responsibilities, risks, and working time:

The Company pays Director remuneration based on the Regulations Governing Directors' Remuneration. The main principles are:

- (1) Offer attendance fee to the attending Directors on the date of Board meetings;
 - (2) Independent Directors receive transportation fees every month, but do not engage in the annual Director remuneration.
3. Other than disclosure in the above table, remunerations received by company directors for providing services (e.g. providing consulting services as a non-employee) to the Company and companies in the consolidated financial statements in the recent financial statements: None.

Range of Remuneration

Remuneration Ranges for Directors	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company (Note 8)	Companies in the consolidated financial statements (Note 10) (H)	The Company (Note 8)	Companies in the consolidated financial statements (Note 9) (I)
Less than NT\$ 1,000,000	General Directors: Taiwan Navigator Asset Investment Co., Ltd. Representatives: Cheng-Chih Li, Chia-Keng Li Cheng-Rong Enterprise Co., Ltd. Designee: Mo-Hang Wu Independent Directors: Chien-Hsiang Chang, Fu-Kuei Huang, Tsung-Han Hsieh	General Directors: Taiwan Navigator Asset Investment Co., Ltd. Representatives: Cheng-Chih Li, Chia-Keng Li Cheng-Rong Enterprise Co., Ltd. Designee: Mo-Hang Wu Independent Directors: Chien-Hsiang Chang, Fu-Kuei Huang, Tsung-Han Hsieh	General Directors: Taiwan Navigator Asset Investment Co., Ltd. Representative: Chia-Keng Li Cheng-Rong Enterprise Co., Ltd. Designee: Mo-Hang Wu Independent Directors: Chien-Hsiang Chang, Fu-Kuei Huang, Tsung-Han Hsieh	General Directors: Taiwan Navigator Asset Investment Co., Ltd. Representative: Chia-Keng Li Cheng-Rong Enterprise Co., Ltd. Designee: Mo-Hang Wu Independent Directors: Chien-Hsiang Chang, Fu-Kuei Huang, Tsung-Han Hsieh
NT\$1,000,000(inclusive) - NT\$2,000,000(exclusive)	-	-	-	-

Remuneration Ranges for Directors	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company (Note 8)	Companies in the consolidated financial statements (Note 10) (H)	The Company (Note 8)	Companies in the consolidated financial statements (Note 9) (I)
NT\$2,000,000(inclusive) - NT\$3,500,000(exclusive)	-	-	General Directors: Representative of Taiwan Navigator Asset Investment Co., Ltd.: Cheng-Chih Li	General Directors: Representative of Taiwan Navigator Asset Investment Co., Ltd.: Cheng-Chih Li
NT\$3,500,000 (inclusive) - NT\$5,000,000 (exclusive)	-	-	-	-
NT\$5,000,000 (inclusive) - NT\$10,000,000 (exclusive)	-	-	-	-
NT\$10,000,000 (inclusive) - NT\$15,000,000 (exclusive)	-	-	-	-
NT\$15,000,000 (inclusive) - NT\$30,000,000 (exclusive)	-	-	-	-
NT\$30,000,000 (inclusive) - NT\$50,000,000 (exclusive)	-	-	-	-
NT\$50,000,000 (inclusive) - NT\$100,000,000 (exclusive)	-	-	-	-
More than NT\$ 100,000,000	-	-	-	-
Total	6	6	6	6

Note:1 The names of directors shall be listed separately (for institutional shareholders, the names and representatives of institutional shareholders shall be listed separately), and the general directors and independent directors shall be listed separately, and the payment amount of each item shall be disclosed collectively. If a director concurrently serves as general manager or deputy general manager, he should fill in this form and Table (3) below.

Note:2 Remuneration of directors in the most recent year (including salaries, professional allowance, severance pay, bonuses, and performance fees).

Note:3 Remuneration paid to directors in the most recent year upon the approval of Board of Directors.

Note:4 Business expenses paid out to directors in the most recent year (including transport, special expenses, various allowances, accommodation, etc.). If housing, vehicle or other means of transportation, or personal expense is provided, the nature and cost of the asset provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. If a driver is provided, please note the remuneration paid to such driver. However, such remuneration shall not be included.

- Note:5 It means the salary, duty allowance, severance pay, bonus, reward, transportation allowance, special allowance, various allowances, and provision of such tangible objects as dormitory and car received by the directors who acted as employees concurrently (including General Manager, Deputy General Manager, managerial officer and employee) in the most recent year. If housing, vehicle or other means of transportation, or personal expense is provided, the nature and cost of the asset provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. If a driver is provided, please note the remuneration paid to such driver. However, such remuneration shall not be included. Furthermore, any compensation recognized in the IFRS 2 Share-Based Payment section, including issuance of employee stock options, new restricted employee shares and capital increase by stock subscription, should be included in the calculation of remuneration.
- Note:6 If the directors who acted as employees concurrently (including General Manager, Deputy General Manager, managerial officer and employee) received employee bonus (including stock dividend and cash dividend) in the most recent year, please disclose the employee bonus approved by the Board of Directors prior to the motion for allocation of earnings submitted to the shareholders' meeting in the most recent year. If it is impossible to impute the same, the amount to be allocated this year shall be based on that allocated physically last year, and please also specify the Table 1-3.
- Note:7 Total remuneration in various items paid out to this Company's Directors by all companies (including this Company) listed in the consolidated statement shall be disclosed.
- Note:8 The Company shall pay each Director the total amount of remuneration and disclose the name of the Director in the range to which it belongs.
- Note:9 Total remuneration in various items paid to every director of this Company by all companies (including this Company) listed in the consolidated statement shall be disclosed. The name of the director shall also be disclosed in the proper remuneration range.
- Note:10 Due to the adoption of IFRS, the net after-tax profit is the net after-tax profit of individual financial reports for the most recent year (2023), amounting to NT\$55,088 thousand.
- Note:11
- This column should clearly state the amount of remuneration received by the directors of the Company from the invested companies other than the Company's subsidiaries or from the parent company (if no, please fill in "no").
 - If the director receives remuneration from the invested companies other than the Company's subsidiaries or from the parent company, the said remuneration shall be included in Column J in the remuneration range table. The name of the column shall also be changed to "parent company and all reinvested companies".
 - Remuneration in this case shall refer to remuneration, rewards (including remunerations of employees, directors, or supervisors), business allowance, and other related payments received by the Company's Director for being a director, supervisor, or manager of the invested companies other than the Company's subsidiaries or the parent company.
- * The content of remuneration disclosed in this table is derived based on a concept different from the concept of income stipulated in the Income Tax Act. The purpose of the table is for the disclosure of information, instead of levy.

(II) The remuneration for Supervisors (range of remuneration with name disclosure):

The Company has established an Audit Committee, so it is not applicable.

(III) Remuneration of General Managers and Deputy General Manager (summarized in a manner consistent with the disclosure of names in the hierarchy)

December 31, 2023 Unit : NT\$ thousand

Title	Name	Salary (A) (Note 2)		Retirement Pension (B)		Bonus and special allowance (C) (Note 3) Proposed number		Employees' compensation (D) (Note 4) Proposed figure				Ratio of Total Remuneration to Net Income (%) of A, B, C, and D (Note 8)		Any remuneration from investing companies other than subsidiaries or from the parent company. (Note 9)
		The Company	Companies in the consolidated financial statements (Note 5)	The Company	Companies in the consolidated financial statements (Note 5)	The Company	Companies in the consolidated financial statements (Note 5)	The Company		Companies in the consolidated financial statements (Note 5)		The Company	Companies in the consolidated financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
General Manager	Yang-Kuo Chen	5,507	5,507	-	-	896	896	75	-	75	-	6,478 11.76%	6,478 11.76%	-
Deputy General Manager	Shu-Fen Yang													
Executive Vice President	Wei-Cheng Ho													

Table of Remuneration Ranges

Range of Remuneration Paid to Each General Manager and Deputy General Manager of the Company	Names of General Manager or Deputy General Manager	
	The Company (Note 6)	Companies in the consolidated financial statements
Less than NT\$ 1,000,000	-	-
NT\$ 1,000,000 (inclusive) - NT\$ 2,000,000 (exclusive)	Shu-Fen Yang, Wei-Cheng Ho	Shu-Fen Yang, Wei-Cheng Ho
NT\$ 2,000,000 (inclusive) - NT\$ 3,500,000 (exclusive)	Yang-Kuo Chen	Yang-Kuo Chen
NT\$ 3,500,000 (inclusive) - NT\$ 5,000,000 (exclusive)	-	-

Range of Remuneration Paid to Each General Manager and Deputy General Manager of the Company	Names of General Manager or Deputy General Manager	
	The Company (Note 6)	Companies in the consolidated financial statements
NT\$ 5,000,000 (inclusive) - NT\$ 10,000,000 (exclusive)	-	-
NT\$ 10,000,000 (inclusive) - NT\$ 15,000,000 (exclusive)	-	-
NT\$ 15,000,000 (inclusive) - NT\$ 30,000,000 (exclusive)	-	-
NT\$ 30,000,000 (inclusive) - NT\$ 50,000,000 (exclusive)	-	-
NT\$ 50,000,000 (inclusive) - NT\$ 100,000,000 (exclusive)	-	-
More than NT\$ 100,000,000	-	-
Total	3	3

Note:1 The names of General Manager and Deputy General Manager shall be listed separately and the payments shall be disclosed collectively. If a Director is also a General Manager or Deputy General Manager, he/she should be listed in this table as well as in Table (1) above.

Note:2 General Manager and Deputy General Manager's compensations in the most recent year (including salary, professional compensation and severance).

Note:3 Compensations of General Managers/Deputy General Managers concurrently holding positions in the Company shall include bonuses, performance fees, transport fees, special expenses, various subsidies, accommodation, vehicles, and provision of physical items and services. If housing, vehicle or other means of transportation, or personal expense is provided, the nature and cost of the asset provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. If a driver is provided, please note the remuneration paid to such driver. However, such remuneration shall not be included. Furthermore, any compensation recognized in the IFRS 2 Share-Based Payment section, including issuance of employee stock options, new restricted employee shares and capital increase by stock subscription, should be included in the calculation of remuneration.

Note:4 Fill in the amount of profit-sharing employee bonus (including stock and cash) for the General Managers and Deputy General Managers in the most recent year approved by the Board of Directors. If the amount cannot be estimated, the proposed amount of this year shall be calculated according to the proportion of the actual amount of distribution last year, and a separate Form 1-3 shall be filled in. Net profit refers to the after-tax net income for the most recent fiscal year; for those that have already adopted the IFRS principles, net profit refers to the after-tax net income in individual or consolidated financial reports for the most recent fiscal year.

- Note:5 Total remuneration in various items paid out to this Company's General Managers and Deputy General Managers by all companies (including this Company) listed in the consolidated statement shall be disclosed.
- Note:6 The Company shall pay the total amount of remuneration to each General Manager and Deputy General Manager, and disclose the names of the General Managers and Deputy General Managers in the range to which it belongs.
- Note:7 Total compensation of various items paid to every General Manager and Deputy General Manager of this Company by all companies (including this Company) listed in the consolidated statement shall be disclosed. The name of the General Manager and Deputy General Manager shall also be disclosed in the proper compensation range.
- Note:8 Net income refers to the after-tax net income for the most recent fiscal year; for those that have already adopted the IFRS principles, net income refers to the after-tax net income in individual or consolidated financial reports for the most recent fiscal year.
- Note:9
- a. This column should specify the amount of remuneration received by the Company's General Manager and Deputy General Manager from invested enterprises other than subsidiaries or from the parent company (if not, please fill in "None").
 - b. If the General Manager or Deputy General Manager of the Company receives remuneration from the invested companies other than the Company's subsidiaries or from the parent company, the said remuneration shall be included in Column E in the remuneration range table. The name of the column shall also be changed to "parent company and all reinvested companies".
 - c. Remuneration in this case shall refer to remuneration, rewards (including remunerations of employees, directors, or supervisors), business allowance, and other related payments received by the General Manager or Deputy General Manager of the Corporation for being a director, supervisor, or manager of the invested companies other than the Company's subsidiaries or the parent company.
- ※ The content of remuneration disclosed in this table is derived based on a concept different from the concept of income stipulated in the Income Tax Act. The purpose of the table is for the disclosure of information, instead of levy.
- ※ The amount of remuneration disclosed in this table is calculated based on the estimated and accrual basis.

(IV) Names of Managerial Officers Provided with Employee's Remunerations and State of Payments

December 31, 2023 Unit : NT\$ thousand

	Title (note 1)	Name (Note 1)	Stock amount	Cash amount (Note 2)	Total	Total amount as a percentage of after-tax net income (%)
Manager (Note3)	General Manager	Yang-Kuo Chen	-	275	275	0.50%
	Deputy General Manager	Shu-Fen Yang				
	Executive Vice President	Wei-Cheng Ho				
	Associate Manager	Kun-Leng Hsu				
	Associate Manager	Shen-Tien Chen				
	Associate Manager	Ching-Wen Lin				
	Associate Manager	Chien-Chang Lai				
	Associate Manager	Chang-Wu Chiao				
	Accounting Manager	Wen Hsin-I				

Note:1 Names and titles shall be disclosed individually, but the amount of profit distributed shall be disclosed collectively.

Note:2 Note 2: The amount of employees' compensation (including stock and cash) approved by the board of directors for the most recent year is shown. If the amount cannot be estimated, the proposed amount for the current year is calculated based on the proportion of the actual amount distributed in the previous year. Net income after taxes refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after taxes refers to net income after taxes recorded in the parent company only or individual financial statements in the most recent fiscal year

Note:3 The scope of application for the term "managerial officer" shall follow the approved document with Ref. No. Tai Tsai Cheng San Tzu 0920001301 dated March 27, 2003. Its scope of application shall be as follows:

- (1) General Manager and its equivalent
- (2) Deputy General Manager and its equivalent
- (3) Associate Manager and its equivalent
- (4) Supervisor of Finance Department
- (5) Supervisor of Accounting Department

(6) Other Persons Who Manage Affairs and Have Signing Rights of the Company

Note:4 If directors, general managers, and deputy general managers receive employee compensation, including stocks and cash, they should fill in this table in addition to (1) and (3) above.

※ The amount of remuneration disclosed in this table is calculated based on the estimated and accrual basis.

(V) The remuneration of the top five highest-paid executives in the company, including individual names and remuneration methods, is not applicable.

(VI) Comparative descriptions of the analysis of the ratio of the total remuneration paid by the Company and all companies in the consolidated statements to the Directors, Supervisors, General Manager and Deputy General Manager of the Company in the net profit after tax of individual or individual financial reports in the last two years, and descriptions of the policy, standard and combination of remuneration, the procedures for setting remuneration, business performance and the relevance of future risks.

1. The ratios of total remuneration paid by the Company and all companies in the consolidated statements to the Directors, Supervisors, General Manager and Deputy General Manager of the Company in the last two years to net after-tax profit of the individual or individual financial statements are respectively as follows:

NT\$ thousand

Title \ Items	Ratio of total remuneration to net after-tax profit in 2023			Ratio of total remuneration to net after-tax profit in 2022		
	Total Amount	The Company	Companies in the consolidated financial statements	Total Amount	The Company	Companies in the consolidated financial statements
Directors (including independent directors) (Note 1)	3,382	6.14%	6.18%	3,819	5.79%	5.84%

Title \ Items	Ratio of total remuneration to net after-tax profit in 2023			Ratio of total remuneration to net after-tax profit in 2022		
	Total Amount	The Company	Companies in the consolidated financial statements	Total Amount	The Company	Companies in the consolidated financial statements
General Manager and Deputy General Manager (Note 2)	6,478	11.76%	11.76%	4,985	7.56%	7.56%
Supervisor	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Net after-tax profit	55,088			65,951		

Note:1 Directors' remuneration does not include remuneration for concurrent employee. The total remuneration of directors decreased in 2023 compared to the 2022. However, the proportion increased due to the decrease in net profit after tax in 2023.

Note:2 The total remuneration of the General Manager and Deputy General Manager increased in 2023 compared to 2022. This increase is attributed to the promotion of Mr. He Wei from Assistant Manager of the Original Business Department to Executive Deputy General Manager of the Business Department on June 1, 2023. As a result, the number of personnel in 2023 increased to 3, whereas it was 2 in 2022.

2. Policies, standards and combination for the payment of remuneration of Directors, and the relevance of procedures for determining remuneration to business performance and future risks:

(1) Policies, standards and combination for the payment of remuneration:

Director (including Independent Director) remuneration is pursuant to the Articles of Association and the Regulations Governing Directors' Remuneration. The main principles are:

- a. Offer attendance fee to the attending Directors on the date of Board meetings;
- b. Independent Directors receive transportation fees every month, but do not engage in the annual Director

remuneration;

- c. If a director serves as an employee concurrently, other than receiving the attendance fee and director remuneration, their salary as an employee should follow the relevant regulations of the Company.
- d. Director remuneration: Based on the engagement of the company business, contribution, and the common level of counterparts in the industry The Company also considers the Board members' attendance in person at the Board of Directors 'meetings, their service on functional committees such as the Remuneration Committee and the Audit Committee, and their risk exposure as the criteria for approval.

(2) Procedures for determining remuneration:

- a. For the remuneration of the Chairman and Directors (including Independent Directors), it shall be handled under the Articles of Association. If the year gains profit, no more than 5% shall be distributed as Director remuneration. If the Company has a deficit, the amount shall be set aside to cover the loss. The remuneration to the directors shall only be paid in cash.
- b. The Directors' fixed remuneration shall be handled according to the Regulations Governing Directors' Remuneration.

(3) Business performance and future risks:

The remuneration of the Directors of the Company is determined in accordance with the Articles of Association, based on the Company's profit for the year, and is therefore closely related to the operating performance. According to the evaluation items set out in the "Measures for Evaluating the Performance of the Board of Directors and Functional Committees" by the Company, the remuneration shall be determined by the operational engagement of individual directors and their contribution to the company. Performance evaluation mainly focus on the five main aspects of the Board as a whole and the six main aspects assessed by individual Directors:

Five aspects: the participation in the operation of the Company, the quality of the Board of Directors' decision making, composition and structure of the Board of Directors, election and continuing education of the directors, and internal control.

Six aspects: alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control.

3. The Company's policy, criteria and mix of managerial compensation, the procedures for setting compensation, and its relationship to operating performance and future risks:

(1) Policies, criteria and organization of remuneration:

The remuneration structure mainly includes monthly salary, performance bonus, year-end bonus and employee compensation:

- a. The salary system refers to the industry standard and items such as professional title, rank, academic (experience), professional ability and responsibilities
- b. Performance bonuses are based on managers' performance evaluation items, which include financial indicators (such as comprehensive consideration of target achievement rate, operating efficiency, contribution, etc.) and non-financial indicators (such as: assisting the Company to obtain special certification, whether there is a moral hazard event or other risk event that has a negative impact on the Company's image, goodwill, improper internal management, personnel malpractice, etc.).
- c. The number of year-end bonuses and employee remuneration is based on their contribution to the Company's operations and the achievement rate and management indicators set by the employee performance management method to evaluate the performance of the current year, as the payment standard, and the Compensation and Remuneration Committee will make recommendations, which will be issued after the approval of the Board of Directors.

(2) Procedures for determining remuneration:

- a. Employees' remuneration is subject to the Article 18-1 of the Company's Articles of Association. If the Company has a profit in the year, it should allocate 1% to 5% as employees' remuneration (employees include internal managers), but when the Company still has accumulated losses, it should reserve the amount first to make up for the losses.

b. The year-end bonus is determined based on the annual operating performance.

(3) Business performance and future risks:

The employees' remuneration of the Company (employees including internal managers) is provided according to the Company's Articles of Association and based on the Company's profitability, so it is closely related to operating performance. In addition, the Remuneration Committee of the Company conducts annual salary inspections according to their powers, regularly reviews the rationality of salary and remuneration, and the convener reports to the Board of Directors

IV. Corporate Governance Operations

(I) Operations of the Board of Directors

The Board of Directors held 5 meetings in the most recent year (A). The attendance and appearance of directors were as follows:(2023.01.01-2023.12.31)

Title	Name (Note 1)	Times of in person attendance (B)	Times of proxy attendance	Rate of Actual Presence (Attendance) (%) [B/ A] (Note 2)	Note:
Chairman of the Board	Taiwan Navigator Asset Investment Co., Ltd. Representative: Cheng-Chih Li	5	0	100	-
Chungtai Navigator Construction Co., Ltd.	Taiwan Navigator Asset Investment Co., Ltd. Representative: Chia-Keng Li	5	0	100	-
Chungtai Navigator Construction Co., Ltd.	Cheng-Rong Enterprise Co., Ltd. Designee: Mo-Hang Wu	4	1	80	-
Independent Director	Chien-Hsiang Chang	5	0	100	-
Independent Director	Tsung-Han Hsieh	5	0	100	-
Independent Director	Fu-Kuei Huang	5	0	100	-

Other required disclosure:

- I. If the operation of the Board of Directors is under any of the following circumstances, the date, stage, contents of the bill of the Board of Directors, all the opinions of the Independent Directors and the company's treatment of the opinions of the Independent Directors shall be clearly stated:
- (I) Items specified in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee, so it is not applicable.

Date of Meeting (Period)	Proposal Content	Opinions of all independent directors and the Company's subsequent handling of the situation
2023.03.09 (The 5th meeting of the 8th term of the Board of Directors)	<ol style="list-style-type: none"> The performance evaluation result of the Company's Directors and Functional Committee in 2022. Status of Implementation of the 2022 Internal Audit Report. 2022 Business Report and Financial Reports. 	Proceed upon approval of all independent directors

	<ol style="list-style-type: none"> 4. 2022 Financial Report. 5. The draft of the profit distribution for the fiscal year 2022 of the Company. 6. Cash Dividend Distribution for Capital Surplus 7. To determine the date, location, purpose, method of convening, and matters pertaining to the acceptance of shareholder proposals for the Company's 2023 annual general meeting. 8. 2022 Remuneration of employees and Directors. 9. Declaration of the internal control system of the Company in 2022 and the declaration of internal control system for preventing money laundering and combating terrorism of the Company in 2022. 10. The Company's "greenhouse gas inventory and verification process planning" control report. 11. To amend some articles of the Company's "Corporate's Charter". 12. To amend some articles of the Company's "Governance Practices". 13. To amend some articles of the Company's "Rules of Shareholders' Meeting". 14. The Company's Independent Auditor's Report and 'Review Procedures for Pre-approval of Non-assurance Services Provided by Auditors'. 15. The Company's CPA Independence Assessment Report and Audit Quality Indicator Report (AQI Report). 16. Firm and non-firm services and corresponding public fees for the proposed appointment of CPA in 2023. 17. Amendments to certain provisions of the "Regulations Governing the Appointment, Dismissal, Evaluation, and Salary and Remuneration of Audit Personnel" of the Company. 	
<p>2023.05.04 (The 6th meeting of the 8th term of the Board of Directors)</p>	<ol style="list-style-type: none"> 1. The Company's Internal Audit Report for the first quarter of 2023. 2. The Company's consolidated financial statements for the first quarter of 2023. 3. Director remuneration in 2022. 4. Revised Declaration Statement of Internal Control System in 2022. 5. The Company's "greenhouse gas inventory and verification process planning" control report. 6. The Company has applied for the rollover of the original short-term (secured) loan amount of 	<p>Proceed upon approval of all independent directors</p>

	<p>NT\$119,000,000 from Shanghai Commercial and Savings Bank in order to accommodate business expansion.</p> <p>7. Draft of Managerial Compensation Adjustment Amount for 2023.</p>	
<p>2023.08.03 (The 7th meeting of the 8th term of the Board of Directors)</p>	<ol style="list-style-type: none"> 1. The Company's Internal Audit Report for the second quarter of 2023. 2. The Company's 2023 annual "Anti-Money Laundering and Counter-Terrorist Financing Risk Assessment Report". 3. The Company's compliance audit record report for the first half of 2023. 4. The Company's "Anti-Money Laundering and Counter-Terrorist Financing Risk Assessment Report" of first half of 2023. 5. The Company's self-inspection form and legal compliance statement in the first half of 2023. 6. The Company's "greenhouse gas inventory and verification process planning" control report. 7. The Company's consolidated financial statements for the second quarter of 2023. 8. The Company plans to renew the lease of a section of the office space situated on the 11th floor of No. 49 Guanqian Road, Taipei City. This space is currently occupied by All Safe Co., Ltd., which is an equity method investee of the Company. 9. The Company leases the 6th and 11th floors of No. 49 Guanqian Road, Taipei City in order to adjust the basis for rental calculation. 10. The distribution of the Company's 2023 Mid-Autumn Festival bonus. 	<p>Proceed upon approval of all independent directors</p>
<p>2023.11.03 (The 8th meeting of the 8th term of the Board of Directors)</p>	<ol style="list-style-type: none"> 1. Report on the implementation of the internal audit plan in the third quarter of 2023. 2. The Company's 2022 ESG Report. 3. The Company's consolidated financial statements for the third quarter of 2023. 4. Dissolution and liquidation of the Company's subsidiary, Zhen Guan Financial Management Consulting Co., Ltd. ("Zhen Guan Financial"). 5. Proposal for distribution of manager's remuneration in 2022. 	<p>Proceed upon approval of all independent directors</p>
<p>2023.12.28 (The 9th meeting of the 8th term of the Board of Directors)</p>	<ol style="list-style-type: none"> 1. Deloitte & Touche ("Deloitte & Touche") communicated the auditing procedures of the bulletin of auditing standards applicable to the 2023 financial report. 2. The Company's implementation status of 2023 	<p>Proceed upon approval of all independent directors</p>

	<p>sustainable development and 2024 plan, stakeholder concerns and communication channels.</p> <p>3. The Company Directors’ liability insurance amount, coverage, and premium rate.</p> <p>4. The implementation of the Company’s integrity management policy in 2023.</p> <p>5. Implementation of overall information security in 2023.</p> <p>6. The Company’s “Greenhouse Gas Inventory and Verification Process Planning” control report.</p> <p>7. The Company has appointed a dedicated security supervisor and security personnel.</p> <p>8. Revised Content of the Board of Directors’ Self-Assessment Questionnaire Form.</p> <p>9. Ratio of remuneration to Directors and employees in 2023.</p> <p>10. The key performance indicator (KPI) values for the Company in 2024.</p> <p>11. Discussion on proposal for the principle of year-end bonus payment and the proposed payment in 2023.</p> <p>12. 2024 Audit Plan.</p> <p>13. To amend certain articles of the Company’s “Internal Control System”.</p>			
<p>(II) In addition to the preceding matter, other resolutions of the Board of Directors on which independent directors have dissenting opinions or qualified opinions, and that are documented or issued through written statements: None.</p>				
<p>II. Directors abstain from voting as a result of voting proposals, and the name of the Directors, the content of the proposal, reasons for recusal due to conflict of interests and the results of voting counts shall be stated:</p>				
Date of meeting (period)	Directors that should avoid this proposal	Proposal Content	Causes for Avoidance	Voting
2023.05.04 (The 6th meeting of the 8th term of the Board of Directors)	Cheng-Chih Li Chairman of the Board	Draft proposal on manager performance bonus in 2022.	Parties to the proposal	He voluntarily withdrew and did not participate in the voting when discussing and voting on this proposal.
<p>III. The evaluation cycle and period, evaluation scope, method and evaluation content of the Board of Directors’ self-evaluation (evaluation among directors at the same level) and fill in Schedule II Evaluation Implementation of the Board of Directors: refer to</p>				

the schedule for the details of the evaluation of the Board of Directors on page 29 more details.

IV. Objectives of strengthening the functions of the Board of Directors in current and recent years (e.g., establishment of Audit Committee, improvement of information transparency, etc.) and evaluation of performance:

1. The Company has formulated the succession plan for the Succession Plan for Board Members and Key Management Personnel to strengthen the implementation of the functions of the Board of Directors.
2. The performance evaluation result of the Company's Directors and Functional Committee in 2023.
3. The Company purchased directors' liability insurance for all directors. The insurance coverage was reported to the board of directors on December 28, 2023, and the declaration of the insurance coverage was submitted by January 15th of the following year, as required.
4. The Company discloses the Company's important rules and regulations, financial reports, and major resolutions on the Market Observation Post System (MOPS) and the Company's website to enhance the transparency of information.
5. In response to the revision of regulations, the Company has enhanced the enforcement of the board of directors' functions related to regulatory compliance, as outlined in the Company's Articles of Association, Corporate Governance Practices, and Shareholders' Meeting Rules.
6. Handle the shareholder proposals. Shareholders who are entitled to submit proposals may apply for a proposal to the Company for review within the period. The Company will convene a Board of Directors' meeting in accordance with the relevant regulations. There is no shareholder proposal in 2023.
7. To implement corporate governance, improve the effectiveness of the board of directors, and foster a culture of integrity, we have established a 'Committee for Ethical Business Operations'. In 2023, a meeting was conducted to discuss the Company's commitment to and promotion of ethical business practices.
8. The Company has reported the implementation status of 2023 sustainable development and 2024 plan, stakeholder concerns and communication channels to the board of directors, and implemented the focus on ESG.

Note:1 For directors who are juristic persons, the name of institutional shareholders and their representatives should be disclosed.

Note:2 (1) Where a Director or a Supervisor resigns before the end of the fiscal year, the Remarks column shall be filled with the Director's or Supervisor's resignation date, whereas his/her rate of attendance in person (%) shall be calculated based on the number of Board of Directors' meetings held and the actual attendance in person during the period during his/her term of office.

(2) When the election of directors and supervisors is held before the end of the year, the names of both the incoming and outgoing directors and supervisors shall be listed in the remark column with annotations specifying whether the directors and supervisors are outgoing, incoming or re-elected, as well as the date of the election. The actual

attendance rate (%) shall be calculated based on the number of meetings held during the member's service term in the Board of Directors' meeting and the number of actual attendance of this member.

Schedule: Implementation of the evaluation of Board of Directors

Evaluation cycle (Note1)	Period of evaluation (Note2)	Scope of evaluation (Note3)	Evaluation methods (Note4)	Evaluation content (Note5)	Evaluation result
Executed in each year.	2023.01.01 - 2023.12.31	The entire Board	Internal self-evaluation by the Board of Directors	<p>The performance evaluation of the Board of directors shall be based on the Company's situation and needs, and shall include at least the following six aspects:</p> <ol style="list-style-type: none"> (1) The degree of participation in the operation of the Company (2) The improvement of the quality of the Board of Directors' decision-making (3) The compositions and structure of the Board of Directors (4) The selection and continuous improvement of directors (5) Internal Control (6) Focus on sustainable development (ESG) 	The ratings of Board of Directors were all excellent
Executed in each year.	2023.01.01 - 2023.12.31	Functional Committees of directors	Self-evaluation by the directors	<ol style="list-style-type: none"> 1. The performance evaluation indicators of Directors (self-evaluation or evaluation among directors at the same level) should include at least the following seven aspects: <ol style="list-style-type: none"> (1) Mastery of Company goals and missions (2) Awareness of the duties of a director (3) The degree of participation in the operation of the Company (4) Management of internal relationship and communication (5) The director's professionalism and continuing 	<p>The self-evaluation by the directors were significantly excellent</p> <p>The rating of Remuneration Committee was significantly excellent</p> <p>The rating of Audit Committee was significantly excellent</p> <p>The rating of Integrity Management Committee was significantly excellent</p>

Evaluation cycle (Note1)	Period of evaluation (Note2)	Scope of evaluation (Note3)	Evaluation methods (Note4)	Evaluation content (Note5)	Evaluation result
				<p>improvement</p> <p>(6) Internal Control</p> <p>(7) Focus on sustainable development (ESG)</p> <p>2. Functional Committee performance evaluation measures should include at least the following six aspects:</p> <p>(1) The degree of participation in the operation of the Company.</p> <p>(2) Awareness of the duties of Functional Committee.</p> <p>(3) Quality of the Functional Committee' decision-making.</p> <p>(4) Selection of members of Functional Committee.</p> <p>(5) Internal Control.</p> <p>(6) Focus on sustainable development (ESG).</p>	
Executed in each year.	2023.01.01 - 2023.12.31	Functional Committees of directors	Peer Evaluation	<p>1. The performance evaluation indicators of Directors (self-evaluation or evaluation among directors at the same level) should include at least the following seven aspects:</p> <p>(1) Mastery of Company goals and missions</p> <p>(2) Awareness of the duties of a director</p> <p>(3) The degree of participation in the operation of the Company</p> <p>(4) Management of internal relationship and communication</p> <p>(5) The director's professionalism and continuing improvement</p> <p>(6) Internal Control</p>	<p>The rating of peer evaluations by Board of Directors and Remuneration Committee were significant excellent</p> <p>The rating of Audit Committee was significantly excellent</p> <p>The rating of Integrity Management Committee was significantly excellent</p>

Evaluation cycle (Note1)	Period of evaluation (Note2)	Scope of evaluation (Note3)	Evaluation methods (Note4)	Evaluation content (Note5)	Evaluation result
				(7) Focus on sustainable development (ESG) 2. The performance evaluation indicators of the Functional Committee shall include at least the following six aspects: (1) The degree of participation in the operation of the Company. (2) Awareness of the duties of Functional Committee. (3) Quality of the Functional Committee' decision-making. (4) Selection of members of Functional Committee. (5) Internal Control. (6) Focus on sustainable development (ESG).	

The Company's Board of Directors, in accordance with the amended "Performance Evaluation Rules for Directors (Functional Committee)" has implemented the evaluation of corporate sustainability and elevated ESG (environmental protection, social responsibility, and corporate governance) to the board level, setting up the relevant performance and compensation linkages.

The description of performance evaluation results of the Board of Directors and Functional Committee for 2023. are as follows:

On March 5, 2024, the Board of Directors of the Company submitted the performance evaluation results of the Board of Directors and Functional Committee for 2023. The description is as follows:

1. The total average score of the board performance evaluation self-assessment, each board member's self-assessment of performance and the board member's peer performance evaluation self-assessment scores was 96, with all scores rated as significantly superior.
2. In 2022, the total average score of all peer evaluations by the Remuneration Committee was 97 points, and the rating was significantly superior.
3. In 2022, the total average score of all peer evaluations by the Audit Committee was 95 points, and the rating was significantly superior.
4. In 2022, the total average score of all peer evaluations by the Ethical Corporate Management Committee was 92 points, and the rating was significantly superior.

- Note:1 Fill in the implementation cycle of the evaluation of the Board of Directors, for example: once a year.
- Note:2 Fill in the period covered by the evaluation of Board of Directors, e.g., evaluate the effectiveness of the board of directors from January 1 to December 31, 2023.
- Note:3 The scope of evaluation includes the performance evaluation of the Board of Directors, individual board members and functional committees.
- Note:4 The evaluation methods include internal self-evaluation of the Board of Directors, self-evaluation of board members, evaluation among directors at the same level, or appointment of external professional institutions or experts or other appropriate methods.
- Note:5 The evaluation contents shall include at least the following items according to the scope of evaluation:
- (1) Performance evaluation of the Board of Directors: at least including the degree of participation in the operation of the company, the quality of the Board of Directors' decision-making, compositions and structure of the Board of Directors, selection and continuous development of directors, internal control, and focus on sustainable development (ESG).
 - (2) Performance evaluation of the individual Directors: at least including the alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, internal control, and focus on sustainable development (ESG).
 - (3) Performance evaluation of functional committees: degree of participation in the operation of the company, understanding of the responsibilities of functional committees, quality of the functional committees' decision-making, compositions of the functional committee and selection of members, internal control, and focus on sustainable development (ESG).

(II) Operations of the Audit Committee

1. The Company set up an Audit Committee to replace the Supervisors in accordance with the provisions of the Securities Exchange Act on December 24, 2013. The Audit Committee is composed of all independent directors, with one independent director elected as the convener and chairman of the meeting. After the members of the Audit Committee were re-elected by the Directors at the Company's regular meeting of shareholders on May 26, 2022, the term of office of the members of the 4th Audit Committee is from May 26, 2022 to May 25, 2025.

In order to implement the corporate governance spirit, the Audit Committee operates in accordance with the "Organizational Procedures of the Audit Committee" with the supervision on the following matters as the main purpose:

- (1) Proper presentation of the Company's financial statements.
 - (2) Selection and dismissal of CPAs and their Remuneration, independence and performance evaluation
 - (3) Effectiveness assessment of internal control systems, policies and procedures
 - (4) The Company complies with the relevant laws and regulations.
 - (5) Control of existing or potential risks of the Company.
 - (6) Material transactions in assets or derivatives
 - (7) Items that involve the Manager and Directors' own interests
 - (8) Interacting and communicating with managers to focus on business development and business strategies
 - (9) Compliance with Article 36 of the Securities and Exchange Act
2. The highlights of the 2023 Audit Committee's work are as follows:
 - (1) Review of the financial reports for 2022 and the financial reports of the first quarter to the third quarter of 2023.
 - (2) Appointment of CPAs for 2023 and review of fees remuneration.
 - (3) According to the completion of various professional service indicators in 2023 and the evaluation results of the financial and audit directors, the statement of independence issued by the accounting firm of the CPA is taken as the basis for the independence and performance evaluation of the CPA in 2023.

- (4) In accordance with relevant legal provisions, such as the Articles of Association, Corporate Governance Guidelines, and Shareholders' Meeting Rules, as well as certain provisions of the internal control system.
- (5) Items that involve the Directors' own interests.
- (6) Review of significant asset transactions.
- (7) Review of the amendment to the articles of Internal Control System
- (8) Understanding of the audit result and communication with the audit manager to understand the internal control condition
- (9) Communication with the managers to understand the business operation of the Company
- (10) Other significant matters set forth by the Company or the competent authority.

3. A total of 5 (A) meetings were held by the Audit Committee in the most recent year (2023). The attendance of Independent Directors was as follows:

Title	Name	Times of Actual Attendance (B)	Times of proxy attendance	Rate of Attendance in Person (%) [B/A] (Note 1)	Note:
Convenor	Chien-Hsiang Chang	5	0	100	-
Members	Fu-Kuei Huang	4	0	80	-
Members	Tsung-Han Hsieh	5	0	100	-

Other required disclosure:

I. If the operation of the audit committee falls under any of the following circumstances, the meeting date and period of the Audit Committee, the content of the proposals, the independent directors' objections, reservations or major recommendations, the results of the Audit Committee's resolutions, and the Company's comments on the Audit Committee's opinions shall be stated.

(I) Items listed in Article 14-5 of the Securities and Exchange Act:

Audit Committee Meeting Date (Period)	Proposal Content	Audit Committee Resolution	The Company's Handling of the Audit Committee's Opinion
2023.03.09 (The 5th meeting of the 4th term of the Audit Committee)	<ol style="list-style-type: none"> 2022 Internal Audit Report. 2022 statutory compliance audit report. Business Report for 2022. Financial Report for 2022. Draft of the Company's earnings distribution in 2022. Declaration of the internal control system and the declaration of internal control system for preventing money laundering and combating terrorism in 2022. To amend some articles of the Company's "Corporate's Charter". To amend some articles of the Company's "Governance Practices". Revised some provisions of the Company's "Internal Control System" Pre-approved audit methods for non-confirmation services provided by CPA. The Company's CPA Independence Assessment Report and Audit Quality Indicator Report (AQI Report). Approval of the certified and non-certified services and corresponding public fees for the proposed appointment of CPA in 2023. 	Approved by all attending members of the Audit Committee after discussion	Propose for adoption by the Board of Directors Approved by all attending Directors after discussion.
2023.05.04 (The 6th meeting of the 4th term of the Audit Committee)	<ol style="list-style-type: none"> Internal Audit Report for the first quarter of 2023. Consolidated financial statements for the first quarter of 2023. 	Approved by all attending members of the Audit Committee	Propose for adoption by the Board of Directors Approved by all attending

			after discussion	Directors after discussion.
2023.08.03 (The 7th meeting of the 4th term of the Audit Committee)	<div><div>1.</div><div>Internal Audit Report in the second quarter of 2023.</div><div>2.</div><div>Statutory compliance audit report for the first half of 2023.</div><div>3.</div><div>Consolidated financial statements for the second quarter of 2023.</div><div>4.</div><div>The Company leases the 6th and 11th floors of No. 49 Guanqian Road, Taipei City in order to adjust the basis for rental calculation.</div></div>		Approved by all attending members of the Audit Committee after discussion	Propose for adoption by the Board of Directors Approved by all attending Directors after discussion.
2023.11.03 (The 8th meeting of the 4th term of the Audit Committee)	<div><div>1.</div><div>Internal Audit Report for the third quarter of 2023.</div><div>2.</div><div>Consolidated financial statements for the third quarter of 2023.</div><div>3.</div><div>Dissolution and liquidation of the Company’s subsidiary, Zhen Guan Financial Management Consulting Co., Ltd. (“Zhen Guan Financial”).</div></div>		Approved by all attending members of the Audit Committee after discussion	Propose for adoption by the Board of Directors Approved by all attending Directors after discussion.
2023.12.28 (The 9th meeting of the 4th term of the Audit Committee)	<div><div>1.</div><div>Deloitte & Touche communicated the auditing procedures of the bulletin of auditing standards applicable to the 2023 financial report.</div><div>2.</div><div>Annual Budget statement for 2024.</div><div>3.</div><div>Audit plan for 2024.</div><div>4.</div><div>To amend certain articles of the Company’s “Internal Control System”.</div></div>		Approved by all attending members of the Audit Committee after discussion	Propose for adoption by the Board of Directors Approved by all attending Directors after discussion.

(II) Other resolutions passed by two-thirds of all the directors but yet to be approved by the Audit Committee in addition to the above: None.

II. In regards to the recusal of independent directors from voting due to conflict of interests, the name of the independent directors, the proposal, reasons for recusal due to conflict of interests and voting outcomes should be stated: None

III. Communication between the Independent Directors and the internal Audit Supervisor and the CPA:

1. The Audit Supervisor and CPA should communicate directly with the Independent Director according to practical needs and have a good interaction.
2. The internal auditing officer reports to the Audit Committee, the Board of Directors, and independent directors on the audit status and improvement at least once a quarter, and strengthens the audit work in accordance with the instructions and suggestions of independent directors to ensure the effectiveness of the Company's internal control system.
3. Communication between the Audit Committee, independent directors, and the internal auditing officer is summarized as below:

Date	Method	Counterparty	Content	Independent directors' suggestions and the Company's response
2023/03/09	Board of Audit Committee	Audit Supervisor	Statement of Internal Control and Statement of Anti-Money Laundering and Counter-Terrorism Internal Control for 2022	Independent directors had no suggestions at this meeting and submitted it to the Board of Directors for resolutions
			Report on the implementation of the internal audit plan for the first quarter of 2022	
			To amend certain articles of the Company's "Internal Control System"	
		CPAs	Explained and discussed the audit items and results of the 2022 financial statements	Independent directors had no suggestions at this meeting and submitted it to the Board of Directors for resolutions
			CPA independence assessment report and audit quality indicator report	
2023/05/04	Board of Directors, Audit Committee	Auditing officer	Report on the implementation of the internal audit plan for the first quarter of 2023	Independent directors had no suggestions at this meeting and submitted it to the Board of Directors for resolutions
		CPAs	Reviewed the consolidated financial statements for the first quarter of 2023	Independent directors had no suggestions at this meeting and submitted it to the Board of Directors for resolutions
2023/08/03	Board of Directors, Audit Committee	Auditing officer	Report on the implementation of the internal audit plan for the second quarter of 2023	Independent directors had no suggestions at this meeting and submitted it to the Board of Directors for resolutions
		CPAs	Review of the consolidated financial statements for the second quarter of 2023	Independent directors had no suggestions at this meeting and submitted it to the Board of Directors for resolutions
2023/11/03	Board of Directors, Audit Committee	Auditing officer	Report on the implementation of the internal audit plan for the third quarter of 2023	Independent directors had no suggestions at this meeting and submitted it to the Board of Directors for resolutions

		CPAs	Review of the consolidated financial statements for the third quarter of 2023	Independent directors had no suggestions at this meeting and submitted it to the Board of Directors for resolutions
2023/12/28	Board of Directors, Audit Committee	Auditing officer	Adoption of the internal audit plan for 2024	Independent directors had no suggestions at this meeting and submitted it to the Board of Directors for resolutions
		CPAs	Communication of the procedures for the examination of financial reports applicable to the statement of auditing standards for 2023	Independent directors had no suggestions at this meeting and submitted it to the Board of Directors for resolutions
2023/12/28	Independent director (Note)	Auditing officer and CPAs	The independent directors met with the auditing officer and CPAs to communicate with them on business development, finance and internal control of the Company	Compliance with relevant regulations

Note:

On December 28, 2023, the three independent directors met with the auditing officer and CPAs to communicate with the Company's overall operating conditions, and there were no general directors or management during the meeting.

(III) Implementation of corporate governance and the Deviations from the Governance Practices for TWSE/TPEX Listed Companies, and the Reasons

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)
	Yes	No	Summary/Description	
I. Does the Company follow "Practice Principles for TWSE/TPEX Listed Companies" to establish and disclose its Corporate Governance Practices?	✓		In accordance with the "Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies", the Company has formulated its Corporate Governance Best Practice Principles, which was adopted by the Board of Directors and has been amended in accordance with the law, and the revised principles has been disclosed through the Market Observation Post System (MOPS) and the Company's website for compliance.	No discrepancy
II. Equity Structure and Stockholders' Equity of the Company				
(I) Does the Company establish an internal procedure for handling shareholder proposals, inquiries, disputes, and litigations? Are such matters handled according to the internal procedure?	✓		(I) The "Safeguarding Shareholders' Rights and Interests" section of the "Corporate Governance Practices" provides for the implementation of shareholders' rights and interests, and establishes a spokesman and a dedicated unit to deal with shareholder related issues. Shareholder proposals, inquiries, disputes, and litigations are all subject to the "Rules of Procedure for the Shareholders' Meeting", "Measures for the Management of Stock Business Operations", "Rules for the Use of Power of Attorney when attending the Shareholders' Meeting" and other provisions. There is also a "Board Selection Procedure" for the nomination and appointment of directors by shareholders at the shareholders' meeting. Appropriate speaking time is provided for the shareholders to discuss the motions at the shareholders' meeting. The Company is open to accepting and improving the undisputed and feasible suggestions, but the controversial suggestions shall be decided by voting according to the rules of procedure.	No discrepancy
(II) Does the Company have a list of the major	✓		(II) The Company reports the shareholdings of directors, managers and major shareholders holding more than 10% of the shares on a	No discrepancy

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)
	Yes	No	Summary/Description	
shareholders and a list of the ultimate controllers of the major shareholders who actually control the company?			monthly basis, and masters the major shareholders and ultimate controllers.	
(III) Does the Company establish, implement risk management and firewall mechanisms with related companies?	✓		(III) The assets and financial management between the Company and the related companies are subject to independent rights and responsibilities, and there are relevant provisions such as "Operation Rules for Related Party Transaction Management", "Regulations Governing Endorsement Method", "Regulations Governing Method of Capital Loan for Others" and "Supervision and Management Method of Subsidiaries" to establish a risk control and firewall mechanism with the related enterprises. The Company has a Risk Management Committee, and formulated risk management policies for managing risks between related companies.	No discrepancy
(IV) Does the Company stipulate internal rules that prohibit company insiders from trading securities using information not disclosed to the market?	✓		(IV) The Company has established the 'Code of Conduct for Integrity in Business Operations.' The Company has formulated the "Ethical Corporate Management Best Practice Principles", "Code of Ethical Conduct", "Operating Procedure of Internal Major Information Processing and Prevention of Insider Trading Management" and "Integrity Management Policy Operating Procedures and Behavior Guidelines" to establish a good internal major information processing and disclosure mechanism, avoid improper disclosure of information, and ensure the consistency and correctness of the Company's information published to the outside world.	No discrepancy
III. Composition and Responsibilities of the Board of Directors				
(I) Does the Board of Directors	✓		(I) The Board of Directors of the Company shall guide the corporate strategies, supervise the	No discrepancy

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)
	Yes	No	Summary/Description	
formulate diversity policies, specific management objectives and implements them?	✓		<p>management levels, and be responsible for the Company and the shareholders. The various work and arrangement of the Board of Directors on the Company's governance system shall ensure that the Board of Directors exercises its functions and powers in accordance with the provisions of laws and decrees, the Articles of Association or resolutions of the shareholders' meeting.</p> <p>Diversity for Board membership:</p> <ol style="list-style-type: none"> 1. Our female directors account for over 33% or independent directors account for 50% (inclusive) 2. The Company values gender equality in the composition of the Board members. There are at least 2 female directors. 3. The implementation of Board diversity The 8th term of the Board is composed of 6 directors, including 3 independent directors and 2 female director. The members possess expertise in operating management, leading and decision-making, industrial knowledge, and finances and accounting. 4. The proportion of independent directors is 50%. Female directors: 33.3%. Directors with employee status: 1/6 (16.67%). 5. Some directors have implemented the diversification policy for board members, as detailed in the Table for Diversification and Core Competencies of Board Members on pages 13 to 14 of the Annual Report, and disclosed on the Company's official website. 	
(II) In addition to the legally-required Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees?			(II) In addition to the Audit Committee and the Compensation Committee, which were established prior to the statutory provisions and requirements, the Company established the 1st Integrity Management Committee by resolution of the 4th meeting of the 7th Board of Directors held on December 26, 2019. On May 26, 2022, the directors of the shareholders' regular meeting were fully re-elected. The first meeting of the 8th Board of Directors decided to appoint independent directors Chien-Hsiang Chang, Fu-Kuei	No discrepancy

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)																
	Yes	No	Summary/Description																	
(III) Does the Company establish the Procedures for Performance Evaluation of the Board of Directors and evaluation	✓		<p>Huang, and Tsung-Han Hsieh as members of the second Integrity Management Committee of the Company.</p> <p>Duties:</p> <ol style="list-style-type: none">1. Assist in integrating integrity and ethical values into the Company’s business strategy.2. Cooperate with the legal system to ensure the integrity of business related anti-abuse measures.3. Planning whistleblowing system and ensuring its effectiveness.4. Promote and coordinate integrity policy advocacy and training.5. Other matters related to the formulation and supervision of integrity management policies. <p>The term of office of the second Integrity Management Committee is from May 26, 2022 to May 25, 2025.</p> <p>The integrity management meeting was held on December 28, 2023, and the implementation of integrity management in 2023 was reported by the department responsible for the Company’s integrity management</p> <table><tr><th>Title</th><th>Name</th><th>Times of attendance in 2023</th><th>Main expertise</th></tr><tr><td>Independent Director (Convener of the Committee)</td><td>Chien-Hsiang Chang</td><td>1</td><td>Industrial knowledge, leading and decision-making</td></tr><tr><td>Independent Director</td><td>Tsung-Han Hsieh</td><td>1</td><td>Operational management, crisis management</td></tr><tr><td>Independent Director</td><td>Fu-Kuei Huang</td><td>1</td><td>Financial accounting, tax practice</td></tr></table>	Title	Name	Times of attendance in 2023	Main expertise	Independent Director (Convener of the Committee)	Chien-Hsiang Chang	1	Industrial knowledge, leading and decision-making	Independent Director	Tsung-Han Hsieh	1	Operational management, crisis management	Independent Director	Fu-Kuei Huang	1	Financial accounting, tax practice	No discrepancy
Title	Name	Times of attendance in 2023	Main expertise																	
Independent Director (Convener of the Committee)	Chien-Hsiang Chang	1	Industrial knowledge, leading and decision-making																	
Independent Director	Tsung-Han Hsieh	1	Operational management, crisis management																	
Independent Director	Fu-Kuei Huang	1	Financial accounting, tax practice																	
(III) The Company has established the “Procedures for Board Performance Evaluation” and approved in the Board of Directors. The performance evaluation of the Board of Directors and its members shall be performed at least once a year. The Company completed the performance evaluation of the																				

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)
	Yes	No	Summary/Description	
mode, and conduct performance evaluation on the Board of Directors on a regular basis every year, and report the results of performance evaluation to the Board of Directors, and apply the results for reference in respect of individual Directors' remuneration and nomination for reappointment?			<p>7th and 8th Board of Directors and board members before the end of December 2023, and submitted the evaluation results at the 4th meeting of the 8th Board of Directors on March 5, 2024, and disclosed the results on the Company website.</p> <p>In order to implement corporate governance and improve the function of the Board of Directors, the Company has formulated the "Director (Functional Committee) Performance Evaluation Method"; and in order to implement the Company's sustainable development, the Director (Functional Committee) Performance Evaluation Method was revised in December 2022 to promote ESG to the board level and establish relevant performance and compensation related matters; and revised the rating scale to implement specific data for performance evaluation.</p> <p>The performance evaluation of the Board of Directors (Functional Committee) for 2022 was completed by the members of the Board of Directors (Committee), including performance self-evaluation by the Board of Directors, self-evaluation by each director and the performance evaluation by peer directors. The total average self-evaluation score is the annual performance evaluation score. In 2022, the average score of the Board of Directors, Audit Committee, Remuneration Committee, and Integrity Management Committee was above 96 points (inclusive), and the ratings were all excellent, indicating that the operational system of the Board of Directors and Functional Committees is sound and complete.</p> <p>Revised in February 2019 to provide that the performance evaluation of directors should be in compliance with the regulations, including at least one evaluation performed by an external expert team every three years. In 2021, the Company commissioned the China Corporate Governance Association to conduct the board performance evaluation by external experts. The evaluation period and evaluation aspects are as follows:</p>	

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)												
	Yes	No	Summary/Description													
(IV) Does the Company regularly assess the independence of CPAs?	✓		Evaluation period: November 01, 2020 to October 31, 2021. Evaluation aspects and covered content: The evaluation was divided into eight aspects, including the composition, guidance, authorization, supervision, communication, self-discipline, internal control and risk management of the Board of Directors, and other relevant board meetings and support systems. Questionnaires and field interviews were used for evaluation. (Evaluation details are disclosed on the Company’s official website.)	No discrepancy												
			(IV) The Audit Committee of the Company regularly evaluates the independence of CPAs every year, and then submits the evaluation results to the Board of Directors. The Statement of Independence of CPAs and the Audit Quality Index Report (AQI Report) were adopted at the 5th meeting of the 4th Audit Committee on March 9, 2023, and submitted to the 5th meeting of the 8th Board of Directors on March 9, 2023 to evaluate the independence and suitability of accountants.													
			Evaluation Item													
			Criteria for assessing the independence of certified public accountants													
			<table><tr><th>Item</th><th>Evaluation Item</th><th>Evaluation result</th><th>Compliance with Independence</th></tr><tr><td>1</td><td>The accountant, as well as his spouse and minor children, do not have any investment or financial interest in the company.</td><td>No</td><td>Yes</td></tr><tr><td>2</td><td>Neither the accountant, his/her spouse or minor children have any funds or loans from the company. However, this does not apply if the client is a financial institution and has normal contacts.</td><td>No</td><td>Yes</td></tr></table>	Item	Evaluation Item	Evaluation result	Compliance with Independence	1	The accountant, as well as his spouse and minor children, do not have any investment or financial interest in the company.	No	Yes	2	Neither the accountant, his/her spouse or minor children have any funds or loans from the company. However, this does not apply if the client is a financial institution and has normal contacts.	No	Yes	
Item	Evaluation Item	Evaluation result	Compliance with Independence													
1	The accountant, as well as his spouse and minor children, do not have any investment or financial interest in the company.	No	Yes													
2	Neither the accountant, his/her spouse or minor children have any funds or loans from the company. However, this does not apply if the client is a financial institution and has normal contacts.	No	Yes													

Evaluation Item	Operations (Note 1)					Non-implementation and its Reason(s)	
	Yes	No	Summary/Description				
			3	The accounting firm has not issued an assurance report on the effective operation of the designed or assisted financial information system.	No	Yes	
			4	None of the accountants or members of the audit service team have held positions as directors, executives, or positions with significant influence on audit cases in the company, either currently or within the past two years.	No	Yes	
			5	None of the accountants or members of the audit service team have engaged in the promotion or brokerage of the company’s issued stocks or other securities.	No	Yes	
			6	The non-audit services provided by the accounting department to the Company do not directly affect the significant aspects of the audit cases.	No	Yes	
			7	The accountant has not provided auditing services to the company for seven consecutive years.	No	Yes	
			8	None of the accountants or members of the audit team is the spouse, lineal	No	Yes	

Evaluation Item	Operations (Note 1)					Non-implementation and its Reason(s)
	Yes	No	Summary/Description			
				relative by blood, relation by marriage or relative within the second degree of kinship of the Company's director, manager or other personnel having significant influence on the audit case.		
IV. Whether the Company is equipped with competent and appropriate number of corporate governance personnel, and specify the head of corporate governance to be responsible for corporate governance related matters (including but not limited to providing data required by Directors and Supervisors in the execution of business, assisting Directors and Supervisors to comply with laws and regulations, handling relevant matters of meetings of the Board of directors and shareholders' meeting in accordance with laws, and preparing records for the Board of	✓		I.	The Company approved the appointment of the General Manager to be the Head of Corporate Governance at the Board meeting on April 19, 2019. The General Manager has more than three years of experience in the management of business affairs, legal affairs and financing proceedings in the public issuance company. Under his administration, there is a management office to be fully responsible for relevant affairs of corporate governance, and assist in providing the information required by the Directors for the implementation of business and meeting, so as to protect the shareholders' rights and strengthen the functions of Board of Directors. (I) The relevant areas of corporate governance are as follows: 1. Implement compliance with statutory requirements and improve internal management. 2. Carry out works related to the shareholders' meetings. 3. Carry out works related to the Board of Directors and Audit Committee 4. Maintain the information and disclosure on the Company's website in English. 5. Information on the Company's finances, operations, corporate governance, and their effectiveness. 6. Evaluate the performance of the Board of Directors and functional committees and report to the Board of Directors. (II) Execution of business related to corporate governance in 2022:		No discrepancy

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)
	Yes	No	Summary/Description	
Directors and shareholders' meetings, etc.)?			<ol style="list-style-type: none"> 1. Implement compliance with statutory requirements and improve internal management. 2. Carry out works related to the shareholders' meetings. 3. Carry out works related to the Board of Directors and Audit Committee. 4. Maintain the information and disclosure on the Company's website in English. 5. Information and performances related to the Company's financial, operational and corporate governance. 6. Evaluate the performance of the Board of Directors and functional committees and report to the Board of Directors. <p>II. For the training of the head of corporate governance in 2022, please refer to page 43 of the Annual Report.</p>	
V. Has the Company established communication channels and a dedicated section on the company website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers) to respond to material corporate social responsibility issues in a proper manner?	✓		The Company has a spokesperson and a deputy spokesperson. Additionally, a stakeholder section has been established on the company's website to facilitate communication with stakeholders. The Company also actively collects and addresses significant concerns raised by stakeholders, maintaining effective communication with them. The Company has also established a Corporate Sustainable Development Committee, which is responsible for ESG and corporate sustainability issues. It has dedicated teams to address relevant stakeholder issues and facilitate communication.	No discrepancy
VI. Has the Company appointed a professional registrar for its Shareholders' Meetings?	✓		The Company has appointed Waterland Securities Co., Ltd. as the registrar for its shareholders' meetings.	No discrepancy
VII. Information				

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)
	Yes	No	Summary/Description	
(I) disclosure Has the company established a website to disclose information on financial operations and corporate governance?	✓		(I) The Company has a company website (http://www.tabc.com.tw), and a dedicated person is responsible for maintaining and updating important financial, business information and corporate governance information at any time for the reference of shareholders and stakeholders.	No discrepancy
(II) Does the Company adopt other methods of information disclosure (such as setting up an English website, appointing a person to be responsible for the collection and disclosure of company information, implementing a spokesman system, and placing judicial person briefings on the company website)?	✓		(II) The Company has an English website (https://www.tabc.com.tw/Default_en.aspx), and has set up a system of spokespersons and proxy spokespersons to speak on behalf of the Company, and designated personnel for collection of company information and disclosure of them in real time, including information on corporate briefings, etc., and disclosure of major information about the Company in both Chinese and English on the stock exchange's Market Observation Post System	No discrepancy
(III) Does the Company announce and declare the annual financial report within two months after the end of the fiscal year, and announce and declare the first, second and third quarter financial reports and the operating conditions of each month before the prescribed period.		✓	(III) The Company publishes and reports its financial statements and revenue for each month well in advance of the required deadline.	No significant discrepancy

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)
	Yes	No	Summary/Description	
VIII. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (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 purchase of liability insurance for directors and supervisors)?	✓		<ol style="list-style-type: none"> 1. Rights and interests of employees: The Company has set up a "Employee Welfare Committee", and the monthly allocation of staff welfare funds, regular staff welfare activities, each year have detailed welfare planning and budget, to enhance the loyalty of employees. The Company attaches great importance to labor laws and regulations, pays attention to the revision of labor laws and regulations, and cooperates with amendment in a timely manner. Regular labor committee meetings are held to discuss labor related rights and interests. 2. Employee care: To promote interaction and communication with employees, the Company organizes internal employee activities and training, and provides multiple channels such as email, interviews, and meeting communication to ensure timely and transparent information transmission. It also designs a mechanism for employees to provide suggestions as a reference for improving Company policies. 3. Investor relations: The Company attaches importance to shareholders' equity, and immediately announces financial, business and material information on the Market Observation Post System. 4. Supplier relations: The Company has relevant management rules for suppliers, and establishes a long-term close relationship with the suppliers based on a win-win principle for achieving sustainable growth with mutual trust and mutual benefit. 5. Rights of stakeholders: In order to protect the rights and interests of stakeholders, the Company has established various clear communication channels, adheres to the principle of integrity, and fulfills its corporate social responsibility. 6. The training of directors has been conducted in accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies" of the Taiwan Stock Exchange Co., Ltd. Details of directors' training and managers' participation in 	No discrepancy

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)
	Yes	No	Summary/Description	
(Continued 8)			<p>corporate governance are detailed on pages 43 and 62.</p> <p>7. Implementation of risk management policies and risk measurement standards: In accordance with the market economic environment and the company's business objectives, the Company shall pay attention to the relevant risk measurement and limit, and set up the "Operation Rules for Related Party Transaction Management", "Regulations Governing Endorsement Method", "Regulations Governing Method of Capital Loan for Others", "Supervision and Management Method of Subsidiaries", "Operating Procedure of Internal Major Information Processing and Prevention of Insider Trading Management" and other relevant provisions for compliance. In the case of major bills, they are evaluated and analyzed by appropriate authorities and responsible departments and implemented according to the resolutions of the Board of Directors, so as to implement the supervision mechanism and control the implementation of various risk management. The Company regularly carries out internal control evaluation for each department as a preventive control, and the Board of Directors Auditing Office carries out audit control and other related operations.</p> <p>8. Implementation of Customer Policy: The Company adheres to the business philosophy of "Caring for Customers". It not only continuously optimizes administrative procedures to improve customer satisfaction, but also pays more attention to interaction with customers. It regularly conducts customer telephone interviews and handles customer complaints actively and quickly. The toll free hotline 0800 is provided to handle customer issues.</p> <p>9. The Company is insured against Directors' liability insurance, and submitted important contents such as the insured amount, coverage, and premium rate of Director's liability insurance to Board of Directors on December 28, 2023.</p> <p>10. The Company has disclosed corporate</p>	

Evaluation Item	Operations (Note 1)			Non-implementation and its Reason(s)
	Yes	No	Summary/Description	
(Continued 8)			governance information, the structure and independence of the Board of Directors, the operation of the Board of Directors, the further education of Directors and other items in accordance with relevant regulations, and regularly disclosed them on the Market Observation Post System as required by the competent authority.	
IX. Please state the improved situation in relation to the results of the corporate governance assessment issued by the governance center of the Taiwan Stock Exchange Corporation in its recent annual report, and propose priorities and measures for those that have not been improved. (There is no need to fill in the list of companies not included in the evaluation)				
The Company did not score any points in the preliminary evaluation of the 2023 Annual Corporate Governance Assessment, and has prioritized and strengthened the issues and measures:				
Question No.	Indicators		Priorities and Enhancements	
3.2	Has the Company been invited (on its own) to hold at least two corporate presentations, with a gap of more than three months between the first and last corporate presentations of the year under assessment? If a corporate briefing is held at least once every quarter or if a corporate briefing is held specifically to discuss the quarterly operational status, an additional point will be added to the total score. .		The Company plans to conduct a minimum of two corporate briefings in 2024.	

Note:1 The status of operations, whether “yes” or “no” is checked, should be stated in the Summary/Description column.

Note:2 For the information of Diversity of the Board of Directors, please refer to page 13-14.

Note:3 Training of the head of corporate governance

"Serial Number"	Training Agency	Course Name	During the study period.		Training Hours
			From	To	
1	Securities and Futures Institute	2030/2050 Green Industrial Revolution	2023/08/16	2023/08/16	3
2	Securities and Futures Institute	How Should Directors and Supervisors Supervise Corporate Risk Management and Crisis Management?	2023/08/23	2023/08/23	3
3	Taiwan Corporate Governance Association	Practical Sharing of IFRS 17 Implementation in the Property and Casualty Insurance Industry	2023/11/02	2023/11/02	3
4	Taiwan Corporate Governance Association	A Macro Perspective on Global Corporate Sustainability: From Vision 2050 to Action 2021	2023/11/02	2023/11/02	3

Note:4 Succession Plan for Board Members and Key Management Personnel

1. Succession Plan for Board Members

The Company currently has a total of 6 directors (including 3 independent directors), all of whom possess the necessary expertise in business, financial accounting, or business management. In the future, the composition and background of the Board of Directors will continue to be the current structure. With regard to Board Succession Plan, the Company has many senior management professionals and business executives, so the Company has an abundant talent pool to fill future director vacancies. Independent directors need to have work experience in business, legal, finance, accounting, or company operations. There are sufficient professionals in this field, so the succession plan for independent directors comes from the insurance, finance, and other industries.

2. Succession Plan for Key Management Personnel

The Company's employees have job titles and job descriptions for each position, and each department has established information sharing areas and provides internal and external training mechanisms for employees.

The Associate Manager and above of the Company are selected for important management and successors. At present, there are 7 employees, all of whom have appointed duty agents to participate in job training through training courses and meetings.

The Company carries out rotation of key personnel departments according to the development strategy and staff departure status; In addition, the Company has conduct investigation and exchange with subsidiaries at home and abroad, so as to cultivate comprehensive viewpoints and learning, cultivate talents with multi-directional global management ability, and facilitate the inheritance of talents.

(IV) The composition, functions and operation of the Remuneration Committee.

The Remuneration Committee is composed of the entire independent directors and operates pursuant to the Charter of Remuneration Committee. It shall fulfill the duties listed below as a prudent administrator and propose any advice to the Board of Directors for discussion.

- (1) Regular review of the Remuneration Committee charter and suggestions for revision.
- (2) Stipulation and Regular review on policies, systems, standards, and structures of compensation and performance evaluation of directors and managers.
- (3) Regular evaluation and stipulation on the compensation of directors and managers.

1. Information on Members of the Remuneration Committee

Identify (Note 1)	Criteria Name	Professional qualifications and experience (Note 2)	Compliance with independence (Note 3)	Number of other public companies where the individual concurrently serves as a member of the remuneration Committee
Independent Director (Convenor)	Chien-Hsiang Chang	(1) Please refer to page 12 of the Director Information for information regarding professional qualifications, experience, and independence. (2) Each member has met the requirements of Article 3 of the 'Regulations on the Appointment and Compliance Matters of Independent Directors of Publicly Listed Companies' for the two years preceding their appointment and throughout their tenure.		0
Independent Director	Tsung-Han Tsai			0
Independent Director	Fu-Kuei Huang			1

Note:1 Please specify in the form the relevant working years, professional qualifications and experience and independence of the members of the Remuneration Committee. If they are independent directors, please refer to Appendix 1 on page 00 for the information related to directors and supervisors (1). For title, please identify

whether the person is a Director, Independent Director or other (if a convener, please specify).

Note:2 Professional qualifications and experience: describe the professional qualifications and experience of individual Remuneration Committee members.

Note:3 Conditions of independence: state that the members of the Remuneration Committee meet the conditions of independence, including but not limited to whether the members, their spouses, or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliates; the number and proportion of shares of the Company held by the members, their spouses, or relatives within the second degree of kinship (or in the name of others); whether they act as directors, supervisors or employees in a company that has a specific relationship with the Company (refer to Article 6, paragraph 1, subparagraph 5-8 of the “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange”); the amount of remuneration received from the Company or its affiliates for providing business, legal, financial, accounting and other services in the past two years.

Note:4 For disclosure methods, please refer to the Best Practice Reference Examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

2. Information on the operations of the Remuneration Committee:

- (1) The Company's Remuneration Committee consists of three (3) members.
- (2) The term of office of the 3rd term of members: May 26, 2022 to May 25, 2025. The Remuneration Committee convened 5 meetings in the most recent year. The qualification and attendance of members are as follows:

(2023/01/01 - 2023/12/31)

Title	Name	Times of Actual Attendance (B)	Times of proxy attendance	Rate of Attendance in Person (%) [B/A] (Note 1)	Remarks:
Convenor	Chien-Hsiang Chang	5	0	100	-
Members	Fu-Kuei Huang	4	0	80	-
Members	Tsung-Han Hsieh	5	0	100	-

Other required disclosure:

- (1) If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, the Board of Directors should state the date and period of the Board meeting, the contents of the motion, the results of the Board resolution, and the Company's disposition of the Remuneration Committee's opinion (if the Board of Directors approves a compensation package that is superior to the Remuneration Committee's recommendation, the circumstances and reasons for the difference should be stated): None.
- (2) If there are any objections or reservations from the members of the Remuneration Committee, and if such objections or reservations are documented or stated in writing, the Remuneration Committee shall state the date and period of the Remuneration Committee meeting, the content of the motion, the opinions of all the members, and the disposition of the opinions of the members: None.

Note:1 If a member of the Remuneration Committee resigns prior to the year-end date, the date of resignation should be indicated in the Remarks column, and the actual attendance rate (%) should be calculated based on the number of Remuneration Committee meetings held and the actual number of meetings attended by the member during his/her employment.

Note:2 Before the end of the year, if there is a re-election of Remuneration Committee, the new appointed and old appointed Remuneration Committee information shall be recorded and note whether the member is old-appointed, new appointed, consecutive reappointment and the re-election dates. The actual attendance rate (%) was calculated based on the number of meetings held by the Remuneration Committee and the number of meetings actually attended by the employee during his/her term of service.

3. The date, stage, content of the proposal, result of the resolution of the Remuneration Committee, and the Company's treatment of the opinion of the Remuneration Committee:

Remuneration Committee	Proposal Content	Resolution	The Company's handling of the Remuneration Committee's suggestions.
2023.03.09 (The 5th meeting of the 4th term of the Remuneration Committee)	<ul style="list-style-type: none"> ● Proposal for the performance evaluation for Directors and Functional Committees in 2022. ● Discussion on the remuneration to employees and directors in 2022. ● Discussion on the proposal for overall KPI (key performance indicator) execution results in 2022. ● Amendments to certain provisions of the "Regulations Governing the Appointment, Dismissal, Evaluation, and Salary and Remuneration of Audit Personnel" of the Company. 	All members of the committee voted in favor of the proposal without dissent	The proposal was submitted to the Board of Directors and approved by all attending directors.
2023.05.04 (The 6th meeting of the 4th term of the Remuneration Committee)	<ul style="list-style-type: none"> ● Directors' remuneration in 2022. ● Draft proposal on manager performance bonus in 2022. ● The Business Department of the Company recommends Mr. He Wei for promotion to the position of Executive Vice President and proposes his salary and compensation. ● Draft of Managerial Compensation Adjustment Amount for 2023. ● Proposal of payment of bonus at Dragon Boat Festival in 2023. 	All members of the committee voted in favor of the proposal without dissent	The proposal was submitted to the Board of Directors and approved by all attending directors.
2023.08.03 (The 7th meeting of the 4th term of the Remuneration Committee)	<ul style="list-style-type: none"> ● Discussion on the proposal of payment of bonus at Mid-Autumn Festival in 2023. 	All members of the committee voted in favor of the proposal without dissent	The proposal was submitted to the Board of Directors and approved by all attending directors.
2023.11.03 (The 8th meeting of the 4th term of the Remuneration Committee)	<ul style="list-style-type: none"> ● Discussion on the proposed distribution of employee compensation for managers in 2022 based on the employee compensation distribution method and performance evaluation. 	All members of the committee voted in favor of the proposal	The proposal was submitted to the Board of Directors and approved by all attending directors.

Remuneration Committee	Proposal Content	Resolution	The Company's handling of the Remuneration Committee's suggestions.
		without dissent	
2023.12.28 (The 9th meeting of the 4th term of the Remuneration Committee)	<ul style="list-style-type: none"> ● Discussion on the proposed proportion of directors' remuneration and employees' remuneration in 2023. ● Discussion on the proposal for the overall KPI in 2024. 	All members of the committee voted in favor of the proposal without dissent	The proposal was submitted to the Board of Directors and approved by all attending directors.

(V) Implementation of the promotion of sustainable development and the differences and reasons from the Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
<p>I. Does the company establish a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the Board of Directors to handle senior management, and the supervision of the Board of Directors?</p> <p>(Listed and OTC companies should report their execution status, rather than compliance or interpretation.))</p>	✓		<p>I. The Board of Directors of the Company attaches great importance to sustainable development and supervised the General Manager to establish the “Corporate Sustainable Development Committee” on October 28, 2021. The general manager served as the chairman, and the deputy general manager served as the deputy chairman. And establish 6 Sustainable Executive Groups, including the corporate governance and risk management group, customer relationship group, environmental sustainability group, employee care group, social participation group, and business partner group.</p> <p>II. The Board of Directors supervises and reviews the implementation of the Sustainable Development Committee, including social care programs, integrity management education advocacy, and review of sustainable development goals.</p> <p>III. In 2023, the Company made continuous efforts, under the supervision of the board of directors, to achieve sustainability as outlined below: The Sustainable Executive Group</p>	No discrepancy

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
			<p>held two meetings in 2023 to track various sustainable achievements and progress.</p> <p>On December 28, 2023, the General Manager presented a report to the Board of Directors regarding the progress made in implementing sustainable development in 2023 and outlined the plan for promoting sustainable development in 2024.</p> <p>Won the 2023 TCSA Corporate Sustainability Award (The 16th TCSA Sustainability Reporting Awards - Silver Award in Finance and Insurance Industry 2023)</p> <p>Taiwan Life Insurance has been honored with the 2023 Insurance Trust Love Best Social Responsibility Award for its unwavering dedication to sustainable public welfare. This prestigious accolade acknowledges the company's exceptional efforts in promoting social welfare, supporting vulnerable groups, and fostering social well-being.</p> <p>Won the 20th Yushan National Brand Award 2023, Outstanding Enterprise Category</p> <p>Board Report - December 28, 2023</p>	
II. Have the Company conducted risk	✓		1. The boundary of risk assessment: This disclosure information covers the Company's sustainable	No discrepancy

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
assessment on environmental, social, and corporate governance risks related to its operations based on the principle of materiality and established related risk management policies or strategies?			<p>development performance from January to December 2022. The risk assessment boundary is limited by the parent company, which is the same as the boundary of environmental and social sustainability issues that are subsequently disclosed.</p> <p>2. Specify risk assessment criteria, processes, outcomes and risk management policies or strategies for identifying significant issues related to environmental, social and corporate governance:</p> <p>(1) Risk assessment criteria and processes: The Corporate Sustainable Development Committee is based on the principle of significance in the ESG report, and adopts different forms of negotiation for seven major categories of stakeholders, supplemented by online questionnaires to investigate the degree of interest of stakeholders on various sustainability issues. It also requests senior executives of the Company to conduct a questionnaire survey based on the impact of economic, environmental, and social aspects on the Company's operations. At the same time, questionnaire analysis was conducted on</p>	

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
			<p>the concern and impact degree, interview the senior executives, and then jointly discussed with the Corporate Sustainable Development Group.</p> <p>(2) Risk assessment results and risk management strategy: After conducting the above assessment, the Corporate Sustainable Development Committee will identify major issues based on sustainability, significance, integrity and stakeholder concerns, and then confirm the annual strategy in accordance with the "Risk Management Policies and Procedures" approved by the Board of Directors. And the Corporate Sustainable Development Committee shall report the implementation status to the Board of Directors at least once a year.</p> <p>(3) Based on the assessed risks, the annual risk management policy or strategy is as follows: aimed at the three major issues of environment (E), society (S) and corporate governance (G). According to the Company's risk</p>	

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
			<p>management policies and procedures, it covers strategy, operation, finance, hazards, information security, and regulatory compliance and other risks, and assess the risks of each issue in accordance with the principle of materiality.</p> <p>3. The Company's Risk Management Policy and Strategy:</p> <p>(1) To ensure compliance with risk management practices, the Company and its subsidiaries have adopted the 'Risk Management Policy and Procedures' on October 28, 2021. This adoption was approved by the Audit Committee and the Board of Directors. The organizational structure of risk management is determined by the board of directors, which serves as the highest decision-making body for risk management. The board approves risk management policies and frameworks.</p> <p>(2) The Company actively promotes and implements risk management mechanisms. The Committee for Sustainable Development should provide an annual report on the execution status</p>	

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
			<p>to the Board of Directors.</p> <p>(3) Risk Management Execution Status</p> <p>On October 28, 2021, the Audit Committee and the Board of Directors approved the formulation of the “Risk Management Policies and Procedures”.</p> <p>On December 29, 2022, the Audit Committee and the Board of Directors were presented with a proposal to amend certain provisions of the “Risk Management Policies and Procedures”.</p> <p>The Board of Directors was informed about the execution of risk management for the current year (2023) on December 28, 2023.</p> <p>4. In March 2023, the Financial Supervisory Commission officially launched the ‘Sustainable Development Roadmap for Listed Companies’. As a listed company with a paid-in capital of less than NT\$5 billion, the Company (i.e., the parent company) is required to conduct a greenhouse gas inventory in the third phase. This means that the parent company will complete the inventory in 2026, the subsidiary company will complete it in 2027, the parent</p>	

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
			<p>company will complete the verification in 2028, and the subsidiary company will complete the verification in 2029. We will adhere to the reference guidelines and relevant regulations issued by the regulatory authority to ensure compliance. Therefore, we will continue to monitor and verify our greenhouse gas inventory according to the designated schedule.</p> <p>5. The Company conducts risk assessments and addresses any issues that arise, while also disclosing them on its website.</p>	
<p>III. Environmental Issues</p> <p>(I) Has the Company established a suitable environmental management system based on its industrial characteristics?</p>	✓		<p>(I) The Company is a financial service provider engaged in low-carbon industry without production and manufacturing processes. It does not produce wastewater or waste gas that causes environmental pollution, so it adopts paperless, low-carbon and energy conservation as the sustainable development policy, follows the GRI theme indicators, and actively includes energy-saving and carbon reduction measures in its environmental management system and main implementation goals:</p> <p>1. In 2022, the Company continued to promote the</p>	No discrepancy

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
			<p>greenhouse gas inventory certification plan and obtain certification of the Company and its subsidiaries within the statutory period.</p> <ol style="list-style-type: none"> 2. Replace air conditioning and LED lighting in the workplace to save electricity. 3. Actively promote mobile insurance to reduce paper usage and carbon emissions generated by business round-trip. 4. Promote digital schools and online morning meetings, in addition to reducing transportation time for peer learning, and make training materials online, effectively reducing carbon emissions and greenhouse effect. 5. The Company has implemented turning off the lights for one hour at noon to reduce electricity bills and carbon emissions. The conference data has been changed to online provision of non-printed paper, effectively reducing carbon emissions and improving sustainable performance. 6. The Company's environmental management and energy conservation and carbon reduction plans are 	

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
			disclosed in the ESG section of the Company's official website. Due to the characteristics of the industry, the Company has not yet introduced ISO140001, but its ESG sustainable operation planning are in line with the environmental management system indicators, which will be planned according to Company scale and industry trends.	
(II) Is the company committed to improving energy efficiency and using recycled materials with low impact on the environment?	✓		(II) The Company actively promotes various energy reduction measures. It utilizes equipment with high energy efficiency and energy-saving designs to enhance energy utilization efficiency. These measures include paperless operations, power saving, waste reduction, and recycling.	No discrepancy
(III) Has the Company assessed the current and future potential risks and opportunities of climate change, and taken relevant countermeasures?	✓		1. In response to the business risks brought about by climate change, the Corporate Governance and Risk Management Group of the Corporate Sustainable Development Committee is responsible for convening the relevant departments and, with reference to the Task Force on Climate-Related Financial Disclosures (TCFD) framework, identifying potential climate change risks and opportunities through four core elements: "governance," "strategy," "risk	No discrepancy

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
			<p>management," and "indicators and targets", and learning about the impact and influence on the Company's operations through identifying potential risks and opportunities of climate change, and formulating relevant strategies and measures in advance to prevent risks and injuries caused by climate change.</p> <p>2. Identify entity and transformation risks and opportunities based on business types and operating conditions, and actively promote green energy and environmental protection policies. In response to global climate change and the impact of greenhouse effect on the environment, adopt three low-carbon strategies, including green procurement, green operations and green services, so as to reduce climate change risks. In addition to establishing energy-saving and carbon-reduction measures, promoting energy-saving management in offices and public areas, waste reduction and green procurement, and purchasing products with energy-saving and environmental protection labels, we also work with supplier partners who comply with environmental regulations and relevant standards to reduce the financial impact of climate change</p>	

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
			on operations. 3. For more information on climate change related measures, please refer to the Corporate Governance section of the Company's website.	
(IV) Has the Company carried out statistic on the greenhouse gas emissions, water consumption, and total weight of waste over the past two years and established the policies with regard to greenhouse gas reduction, water consumption reduction, and waste management?	✓		(IV) The Company is in the financial services industry and is a low-carbon industry with no production and manufacturing processes. It does not produce waste water or gas that causes environmental pollution. It adopts a paperless, low-carbon, energy-saving and sustainable environmental development policy, and follows the GRI theme indicators and actively includes energy-saving and carbon reduction measures in its environmental management system and main implementation goals. On the Company's official website, corporate governance, energy conservation, carbon reduction, annual greenhouse gas emissions, water consumption, and total waste information are disclosed.	No discrepancy
IV. Social Issues (I) Does the company formulate appropriate management policies and procedures according to	✓		(1) The Company complies with the internationally recognized human rights standards such as the International Bill of Human Rights and the International Convention on Human Rights, and complies with the	No discrepancy

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
relevant regulations and the International Bill of Human Rights?			<p>Labor Standards Act, the Gender Equality in Employment Act and the Labor Safety and Health Act, as well as the local regulations of each business location, and respects and treats all employees with equal opportunities. As of the publication date of the 2023 Annual Report, the Company has no any cases of harassment, discrimination or intimidation in the workplace.</p> <p>(2) The Company established the Labor-Management Committee in accordance with the Labor Standards Act. 2023 marked as the third term of the Committee. Elected by all labor members, the Committee convenes quarterly to report on the Company's operation and HR status, and put forward relevant labor rights and regulations discussion and resolution. The total number of employees covered by collective bargaining agreements is 100%.</p>	
(II) Does the Company formulate and implement	✓		(I) According to the Company's Articles of Association, if the Company makes any profit in the current year, the Company shall	No discrepancy

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
reasonable employee welfare measures (including remuneration, vacation and other benefits, etc.), and appropriately reflect business performance or results in employee compensation?			appropriate 1% to 5% as employee remuneration, and the employee remuneration may be paid in stocks or cash. In addition, the Company conducts performance appraisal for employees every year, pays performance bonus to share the earnings with employees.	
(III) Does the Company provide employees with a safe and healthy working environment, and conduct regular safety and health education for employees?	✓		(II) The Company is a financial services company with an office only working environment. Measures to maintain a safe and healthy working environment for employees are as follows: 1. Annual fire safety inspections are conducted to ensure the personal safety of our office staff. 2. Access control management is implemented in the office and pantry to prevent unauthorized access. 3. Ensure that personal safety protection measures are in place for office staff. 4. Computer room control: to prevent non-relevant personnel from causing damage to the machine and other hazards. 5. Workplace sexual harassment	No discrepancy

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
			<p>prevention measures to protect the equity of the Company's employees.</p> <p>6. In addition to labor insurance for all employees, the Company also applies for employee group accident insurance and travel insurance to protect the rights and interests of employees.</p>	
(IV) Does the company establish effective career development and training plans for its employees?	✓		(III) The Company provides on-the-job trainings or subsidizes external courses to encourage career development for employees.	No discrepancy
(V) Does the Company follow relevant laws and international standards, and formulate relevant policies and complaint procedures for the protection of consumer or customer rights and interests regarding issues such as customer health and safety, customer privacy, marketing and labeling of products and	✓		(IV) The Company has an insurance service department to provide services to customers and handle the problems raised by customers, and designate special personnel to assist in dealing with complaints from customers. Customers can use the toll-free line or email as a communication channel to safeguard their interests. In addition, the Company has set up a special area for interested parties on the website, so that customers can contact the company by telephone, letter and e-mail at any time.	No discrepancy

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
services?				
(VI) Does the Company formulate and implement supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor human rights?	✓		(V) The Company has established the "Supplier and Procurement Management Regulations." According to the "Guidelines for Implementing Supplier Corporate Social Responsibility," this information has been disclosed on the Company's website.	No discrepancy
V. Does the Company prepare ESG Report and other reports that disclose non-financial information by following international reporting standards or guidelines? Has the Company received assurance or certification of the ESG Report from a third party accreditation	✓		(I) This report is compiled in accordance with the Global Sustainability Reporting Institute's GRI Standards 2021 (GRI Sustainability Reporting, GRI Standards), and incorporates sustainability accounting standards to disclose relevant data to strengthen the Company's performance and achievements in sustainability. (II) This report has external warranties to ensure its credibility. A third party impartial verification agency, AFNOR Asia, Ltd., was commissioned to provide external warranties for the report, citing the AA1000AS v3 Standard (AA1000 Assurance)	No discrepancy

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
institution?			<p>stipulated by the global non-profit organization AccountAbility, and taking the Application Type 1 (Type 1) and The Moderate Assurance as the Assurance standard. Therefore, the report is in compliance with AA1000AP (2018). (Note 4)</p> <p>(III) This report has been audited and certified by Deloitte & Touche to be in conformity with the International Financial Reporting Standards (IFRS) for the purpose of auditing and certifying the consolidated financial statements. (Note 5)</p>	
<p>VI. If the Company has established its own sustainable development practice principles according to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”, please provide detailed information on the discrepancies between its operations and the prescribed best practices: No material discrepancy.</p>				
<p>VII. Other important information that facilitates the understanding of the implementation of sustainable development:</p> <p>The Company aligns with the spirit and principles of the SDGs and actively participates in social engagement activities. The Company has dedicated significant resources to address the United Nations Sustainable Development Goals, including poverty eradication (SDG 1), zero hunger (SDG 2), health and well-being (SDG 3), quality education (SDG 4), and terrestrial ecosystems (SDG 15). Over the years, the Company has provided assistance to spinal cord injury patients for 3 consecutive years, organized blood donation campaigns for 12 consecutive years, and donated scholarships to university programs for 18 consecutive years. Additionally, the company supports rural students through monetary and goods donations, as well as assisting elderly individuals living alone in the local community through volunteer services and financial contributions. These efforts not only promote the safety and well-being of local seniors but also contribute to the creation of an age-friendly and sustainable city. After careful evaluation, it has been determined that these initiatives have had no negative impact on the local community. Furthermore, the</p>				

Promoting Item	Implement (Note 1)			Deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary/Description	
company organizes free forums to promote education and environmental conservation, among other diverse ways of utilizing its corporate power to give back to society. The Company aims to collaborate with individuals from all walks of life to create a sustainable, mutually beneficial, and positive society that will endure for generations. With dedication, the Company strives to contribute to society and pursue sustainable happiness.				
Note:1	If “Yes” under the “Status of Operations” is ticked, please explain the key policies, strategies, and measures adopted and their implementation results. If “No” is ticked, please give the reason and specify related policies, strategies, and measures to be adopted in the future However, in promoting Project 1 and 2, the TWSE or TPEX Listed Companies should clarify the governance and supervisory framework for sustainable development, including but not limited to management policies, strategy, target setting, review measures, etc. And the Company shall clarify the risk management policies or strategies and risk evaluation for environmental, social and corporate governance issues related to Company operations.			
Note:2	The principle of materiality refers to environmental, social and corporate governance issues that have significant impacts on the company’s investors and other stakeholders.			
Note:3	For disclosure methods, please refer to the Best Practice Reference Examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.			

Note:4 Develop relevant risk management policies or strategies after assessing risks

Risk Type	Risk Cause Description	Strategy Development and Implementation
Operational Risk	<ol style="list-style-type: none"> 1. Operational Strategy 2. Target Setting 3. Annual Budget 4. Achievement rate of operational objectives 	<ol style="list-style-type: none"> 1. Develop operational strategies annually based on changes in the financial environment and industry development trends 2. Plan overall KPI based on operational strategy and submit to the Board of Directors and Remuneration Committee 3. Set overall and departmental budget data based on goals and operations 4. Review the achievement rate of the previous year's operational goals annually and submit to the Board of Directors and Remuneration Committee
Financial Risk	<ol style="list-style-type: none"> 1. The impact of important domestic and foreign policies and laws on the Company's financial business and countermeasures 2. Mergers and Investments 3. Achievement rate of operational objectives under the influence factors of asset evaluation, credit and solvency, liquidity risk and accounting policies 	<ol style="list-style-type: none"> 1. Simulate the financial department based on operational planning, to consider the impact of current policies and financial environment on the Company's financial operations and capital planning 2. Focus industry development and evaluate possible acquisition opportunities; The main target of the investment is financial bonds and funds with stable interest rate; and long-term investment in real estate rental or own operating units to obtain steady rental revenue 3. The Company has no bank liabilities at present, so the risk of credit and repayment is low. It only carries out liquidity cash forecast management on the payment related to operation, and evaluates the accounting policies in accordance with international accounting standards, so the financial risk is low
Compliance Risk	<ol style="list-style-type: none"> 1. Possible risks arising from failure to comply with various legal norms 2. Any legal risks that may infringe upon the Company's rights and interests 	<ol style="list-style-type: none"> 1. Launch innovative financial services, e-voting, and monitor international trends and legal changes in line with Financial Supervisory Commission (FSC) policies 2. In order to respond to the competent authority for the employee quality and the Company's internal administrative audit control, conduct internal control amendment and implementation
Climate Change Risk	<ol style="list-style-type: none"> 1. Impact of climate anomaly 2. Greenhouse gas emission management, energy conservation and carbon reduction 	<ol style="list-style-type: none"> 1. The Company actively promote mobile insurance to reduce paper usage and carbon emissions generated by business round-trip 2. Promote digital schools and online morning meetings, in addition to reducing transportation time for peer learning, and make training materials online, effectively reducing carbon emissions and greenhouse effect

Risk Type	Risk Cause Description	Strategy Development and Implementation
	management to respond to issues related to climate change and natural disasters	3. The Company has implemented turning off the lights for one hour at noon to reduce electricity bills and carbon emissions. The conference data has been changed to online provision of non-printed paper, effectively reducing carbon emissions and improving sustainable performance
Information Security and Personal Information	1. Information system tested for hacker intrusion 2. Risk of personal data leakage from daily operations or documents	1. Regular review of internal operating systems by the Information Technology Department for hacking and Trojan horse implantation. 2. It is forbidden to mention the contents of confidential documents inside and outside the Company, and the confidential level shall be marked and classified 3. Company computers used by office staff must be kept up to date and regularly inspected by the Information Department. 4. Company computers used by office staff must be kept up to date and regularly inspected by the IT department. 5. Please engage a professional consulting company to conduct an evaluation of the information security management system and provide recommendations for improvement and management.

Note:5 The ESG Report has received assurance or certification from a third party certification institution

Information Type	Compliance With Standards	Certification/Confirmation Institution
Report Information	AA1000AS v3 Assurance Standard - Type 1, Moderate Assurance Level	AFNOR Asia, Ltd.
Sustainable Information	Republic of China Assurance Standards Bulletin No. 1 Cases not related to historical financial information inquiries or reviews	Crowe (TW) CPAs
Financial Data	Adopting International Financial Reporting Standards: International Financial Reporting Standards, IFRS	Deloitte & Touche
Information Security	ISO 27001 Information Security Management System BS 10012 Personal Information Management System	British Standards Institute Taiwan (BSI) AFNOR Asia, Ltd.

(VI) Climate Related Information of TWSE or TPEx Listed Companies

1. Implementation of Climate Related Information:

Items	Implementation
1. Clarify supervision and governance of the Board of Directors and management on climate-related risks and opportunities.	<p>1. Board and management oversight and governance of climate-related risks and opportunities.</p> <p>(1) On March 9, 2023, the 5th meeting of the 8th Board of Directors was held. During the meeting, the “Guidelines for Sustainable Development Practices” were established. These guidelines require the company to assess the potential risks and opportunities of climate change on its current and future operations, and take appropriate measures. The meeting also addressed the planning of greenhouse gas inventory operations.</p> <p>(2) On May 4, 2023, a report on the Company’s greenhouse gas inventory and verification schedule was presented at the 6th meeting of the 8th Board of Directors.</p> <p>(3) On August 3, 2023, a report on the Company’s greenhouse gas inventory and verification schedule was presented at the 7th meeting of the 8th Board of Directors.</p> <p>(4) On December 28, 2023, a report on the implementation of sustainable development in 2023 and the 2024 plan was submitted to the 9th meeting of the 8th Board of Directors, with a special chapter explaining the implementation of risk management and the climate change risks faced by the Company, as well as promoting measures such as energy conservation and carbon reduction to reduce greenhouse gas emissions.</p>
2. Clarify how the identified climate risks and opportunities affect the Company’s business, strategy, and finances (short-term, medium-term, and long-term).	<p>Items 2 through 9 are explained as follows:</p> <p>In March 2023, the Financial Supervisory Commission officially launched the ‘Sustainable Development Roadmap for Listed Companies’. As a listed company with a paid-</p>
3. Clarify the financial impact of	

<p>extreme climate events and transformation actions.</p> <p>4. Clarify how climate risk identification, assessment and management processes are integrated into the overall risk management system.</p> <p>5. If scenario analysis is applied to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used should be explained.</p> <p>6. If there is a transition plan for managing climate-related risks, explain the plan content and the indicators and objectives used to identify and manage physical and transition risks.</p> <p>7. If internal carbon pricing is used as a planning tool, the basis for pricing should be specified..</p> <p>8. If climate-related goals are set, information should be provided on the activities covered, the scope of greenhouse gas emissions, the planning period and the annual progress achieved; If carbon credits or RECs are applied to achieve relevant goals, the limit source and quantity of carbon credits or the quantity of RECs should be stated.</p> <p>9. Greenhouse gas inventory and confirmation (fill in 1-1 separately).</p>	<p>in capital of less than NT\$5 billion, the Company (i.e., the parent company) is required to conduct a greenhouse gas inventory in the third phase. This means that the parent company will complete the inventory in 2026, the subsidiary company will complete it in 2027, the parent company will complete the verification in 2028, and the subsidiary company will complete the verification in 2029. We will adhere to the reference guidelines and relevant regulations issued by the regulatory authority to ensure compliance. Therefore, we will continue to monitor and verify our greenhouse gas inventory according to the designated schedule.</p>
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1-1 Greenhouse gas inventory and confirmation

Filling instructions:

- Information of Category 1 and Category 2 in this form shall be processed in accordance with the schedule specified in Paragraph 2 of Article 10 of this Code. Information of Category 3 shall be disclosed by enterprise voluntarily.
- The Company may conduct greenhouse gas inventory according to the following criteria:
 - Greenhouse Gas Protocol, GHG Protocol.
 - ISO 14064-1 of International Organization for Standardization.
- The confirmation institution shall comply with the relevant requirements of the ESG

Report confirmation set out by Taiwan Stock Exchange Co., Ltd. and the Taipei Exchange (TPEX).

4. Subsidiaries may fill in individually, collectively (e.g., by country and place), or in consolidated (Note 1).
5. The intensity of greenhouse gas emissions can be calculated per unit of product/service or turnover, but at least data calculated based on turnover (NTD million) should be disclosed (Note 2).
6. The proportion of operating sites or subsidiaries that are not included in the inventory calculation shall not exceed 5% of the total emissions. The above-mentioned total emissions refer to the emissions calculated according to the mandatory inventory scope specified in Table 1.
7. The statement of assurance should summarize the content of the assurance report of the assurance organization and attach the complete statement of assurance to the annual report (Note 3).

Basic information of the Company	The following contents shall be disclosed at least in accordance with the sustainable development roadmap of TWSE or TPEX Listed Companies	
<input type="checkbox"/> Companies with capital of over NT\$10 billion (steel and cement industries)	<input type="checkbox"/> Parent company entity audit	<input type="checkbox"/> Consolidated financial reporting subsidiaries audit
<input type="checkbox"/> Companies with a capital of over NT\$5 billion but less than NT\$10 billion	<input type="checkbox"/> Parent company entity audit	<input type="checkbox"/> Consolidated financial reporting subsidiaries audit
<input checked="" type="checkbox"/> Companies with capital less than NT\$5 billion	<p>According to “Sustainable Development Guide map for TWSE- and TPEX-Listed Companies” issued by Financial Supervisory Commission in March 2022, the paid-in capital of the Company is about NT\$250 million, which classifies it with companies with a capital less than NT\$5 billion. According to the regulations, the Company (parent company) should conduct the greenhouse gas inventory in the third phase, and complete the inventory in 2026 and complete the verification in 2028. The Company should complete the inventory of the consolidated subsidiaries statement by 2027 and verification by in 2029 in the fourth phase. The Company will continue to manage the completion of the greenhouse gas inventory and verification process in accordance with the reference guidelines and relevant regulations issued by the competent authorities.</p>	

The following table (Table 1-1) is not required to be filled out since the time frame set forth in Article 10, Paragraph 2 of the Guidelines for Recording of Annual Reports of Public Companies is effective as of January 1, 2024.

Category 1	Total Emissions (mt. CO ₂ e)	Intensity (mt. CO ₂ e/NT\$ million) (Note 2)	Confirmation Institution	Confirmation Status Description (Note 3)
Parent Company				Not Applicable
Subsidiary				
... (Note 1)				
Total				

Category 2	Total Emissions (mt. CO2e)	Intensity (mt. CO2e/NT\$ million) (Note 2)	Confirmation Institution	Confirmation Status Description (Note 3)
Parent Company				Not Applicable
Subsidiary				
... (Note 1)				
Total				
Category 3				

(VII) Implementation of ethical corporate management and difference between the implementation and “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and reasons.

Evaluation Item	Implementation Status (Note)			Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary/Description	
I. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures				No discrepancy
(I) Has the company established the ethical corporate management policies approved by the Board of Directors and specified in its rules and external documents the ethical corporate management policies and practices and the commitment of the board of directors and senior management to rigorous and thorough implementation of such policies?	✓		(I) The Company approved the Ethical Corporate Management Best Practice Principles through resolution of the board meeting on April 29, 2016 and disclosed such principles on the Market Observation Post System and the Company’s website. The Company’s Directors are highly disciplined. If the proposals by the Board of Directors are of interest to the Directors themselves or the corporates they are representing, and are jeopardizing the Company’s interests, those Directors only make statements and provide answers but not participate in the discussion and voting. During discussion and voting, they shall be evaded and can’t represent other Directors to exercise their voting rights.	No discrepancy
(II) Has the Company established a risk assessment mechanism against unethical	✓		(II) The Company formulated the “Procedures for Ethical Management and Guidelines for Conduct” and submitted	No discrepancy

Evaluation Item	Implementation Status (Note)			Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary/Description	
<p>conduct, analyze and assess on a regular basis business activity within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include the preventive measures specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?</p> <p>(III) Has the Company specified in its prevention programs the operating procedures, guidelines, punishments for violations, and a grievance system and implemented them and review the prevention programs on a regular basis?</p>	✓		<p>them to the Board of directors for Approval on December 26, 2019. The Company regularly organizes relevant education training and promotion for employees every year to ensure that all employees of the Company can comply with this standard.</p> <p>(III) In order to prevent the occurrence of non-ethical operation, the Company has formulated the "Procedures for Ethical Management and Guidelines for Conduct", and reduced the risk of various types of non-ethical operation through internal control and routine auditing.</p>	
<p>II. II Implementation of Ethical Corporate Management</p> <p>(I) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p>	✓		<p>(I) The Company has formulated the "Supplier and Procurement Management Measures" to avoid any business transactions with any dishonest agents, suppliers,</p>	No discrepancy

Evaluation Item	Implementation Status (Note)			Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary/Description	
(II) Has the Company set up a dedicated unit under the Board of Directors to promote ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?	✓		<p>customers or other business dealing entities. Once any dealing entity is found with dishonest behaviors, the Company employees shall immediately stop any business interactions with such an entity and categorize it as the dishonored account in order to implement the Company's ethical corporate management policies.</p> <ol style="list-style-type: none"> 1. On December 26, 2019, the 4th meeting of the 7th Board of Directors resolved to establish the 1st Ethical Management Committee. 2. On May 26, 2022, the directors of the shareholders' regular meeting were fully re-elected. The 1st meeting of the 8th Board of Directors decided to appoint independent directors Chien-Hsiang Chang, Fu-Kuei Huang, and Tsung-Han Hsieh as members of the 2nd Integrity Management Committee of the Company. 3. The Compliance Office, which is a specialized unit under the Board of Directors, is designated as the responsible unit for handling the revision, implementation, interpretation, 	<p>No discrepancy</p> <p>No discrepancy</p>

Evaluation Item	Implementation Status (Note)			Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary/Description	
(III) Does the Company have a conflict of interest prevention policy, provide appropriate representation channels, and implement them?			<p>consultation services, and filing of the operational procedures and code of conduct. It is also responsible for supervising the execution of these tasks. The Compliance Office is required to regularly report its execution to the Board of Directors. The execution status was reported to the Board of Directors on December 28, 2023, and disclosed in the Corporate Governance section of the Company's official website.</p> <p>(II) The Company have set out policies to prevent conflicts of interest as per the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and "Procedures for Ethical Management and Guidelines for Conduct". In addition, the Company's personnel who are present at the board meeting shall take avoidance measures in accordance with Article 16 of the Company's "Rules of Procedure for Board of Directors Meetings" concerning the regulations for avoidance of directors on interests they have an interest in the proposal listed by the Board of Directors.</p>	
(III) Has the Company	✓		(III) The Company has established	No

Evaluation Item	Implementation Status (Note)			Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary/Description	
<p>established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?</p> <p>(IV) Does the Company regularly hold internal and external educational training on ethical corporate management?</p>	✓		<p>an effective accounting system and internal control system. The internal auditors will also evaluate the high-risk activities listed in the annual audit plan and prepare the audit results into an audit report which will be submitted to the Audit Committee for review and directors attending the board meeting on a regular basis. In addition, departments are required to self-evaluate their internal control systems each year to ensure the effectiveness of the design and implementation.</p> <p>(IV) The Compliance Office of the Company promotes the training, publicity and education on ethnic corporate management training for all colleagues, and holds the education and training for the ethnic corporate management on a regular basis every year. The education and training situation in 2023 are revealed in the Corporate Governance section of the Company's official website.</p>	discrepancy
<p>III. Implementation of the Company's Whistleblowing System</p> <p>(I) Does the company have a specific whistleblowing and</p>	✓		<p>(I) The Company has formulated the "Measures to Deal with Cases of Illegal and Immoral</p>	No discrepancy

Evaluation Item	Implementation Status (Note)			Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary/Description	
reward system, a convenient whistleblowing channel, and appropriate personnel assigned to handle the whistleblowing?			or Dishonest Behaviors”, specified the prosecution channels and special units for accepting the cases, and set up the whistleblower mailbox on the company website.	No discrepancy
(II) Has the Company established the standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after the investigation, and related confidentiality mechanisms?	✓		(II) The Company has established “Measures to Deal with Cases of Illegal, Unethical or Dishonest Behavior”, which has set out standard investigation procedures and confidentiality mechanism.	No discrepancy
(III) Does the Company take measures to protect the whistleblower against inappropriate disciplinary actions?	✓		(III) The Company has established “Measures to Deal with Cases of Illegal and Immoral or Dishonest Behaviors” and a confidentiality mechanism to protect the whistleblower against inappropriate disciplinary actions.	
IV. Strengthening Information Disclosure Does the Company disclose the contents of the ethical corporate management policies and the results of its implementation on the Company’s website and MOPS?	✓		Please refer to the corporate governance of the Company’s official website and the Market Observation Post System for the relevant provisions of the Company’s Code of Ethical Corporate Management.	No discrepancy
V. If the Company has established its own Ethical Corporate Management Best Practice				

Evaluation Item	Implementation Status (Note)			Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary/Description	
Principles in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”, state the discrepancies between these principles and its implementation: None.				
VI. Other important information to facilitate better understanding of the Company’s corporate conduct and ethics compliance practices (e.g., banks review the company’s corporate conduct and ethics policy): None.				

Notes: Reasons for checks of “Yes” or “No” of status should be specified in “Summary Description” column.

(VIII) Where a company has established a code of corporate governance and relevant regulations, it should disclose its enquiry methods:

The Company has its Corporate Governance Best Practice Principles, which is available on the Company’s website at <https://www.tabc.com.tw>, together with the related internal regulations.

(IX) Other important information to facilitate better understanding of the Company’s corporate governance activities may be disclosed here:

The information regarding further education of the Company’s Directors in 2023 and up to the date of publication of the annual report:

Title	Name	Training Date		Organizer	Course Name	Training Hours	Total training hours of the Year
		From	To				
Representative of Judicial Person Director	Cheng-Chih Li	2023/11/02	2023/11/02	Taiwan Corporate Governance Association	Practical Sharing of IFRS 17 Implementation in the Property and Casualty Insurance Industry	3	6
		2023/11/02	2023/11/02	Taiwan Corporate Governance Association	A Macro Perspective on Global Corporate Sustainability: From Vision 2050 to Action 2021	3	

Title	Name	Training Date		Organizer	Course Name	Training Hours	Total training hours of the Year
		From	To				
Representative of Judicial Person Director	Chia-Keng Li	2023/11/02	2023/11/02	Taiwan Corporate Governance Association	A Macro Perspective on Global Corporate Sustainability: From Vision 2050 to Action 2021	3	6
		2023/11/02	2023/11/02	Taiwan Corporate Governance Association	Practical Sharing of IFRS 17 Implementation in the Property and Casualty Insurance Industry	3	
Designee of Judicial Person Director	Mo-Hang Wu	2023/11/02	2023/11/02	Taiwan Corporate Governance Association	Practical Sharing of IFRS 17 Implementation in the Property and Casualty Insurance Industry	3	6
		2023/11/02	2023/11/02	Taiwan Corporate Governance Association	A Macro Perspective on Global Corporate Sustainability: From Vision 2050 to Action 2021	3	
Independent Director	Chien-Hsiang Chang	2023/09/14	2023/09/14	Securities and Futures Institute	Operations of the Audit Committee	3	6
		2023/09/13	2023/09/13	Securities and Futures Institute	Analysis of Key Points in Corporate Governance Evaluation that Directors and Supervisors Should Pay Attention to	3	
Independent Director	Fu-Kuei Huang	2023/09/14	2023/09/14	Securities and Futures Institute	Operations of the Audit Committee	3	6
		2023/09/06	2023/09/06	Securities and Futures Institute	Rules of Business Judgment and Case Studies	3	
Independent Director	Tsung-Han Hsieh	2023/12/14	2023/12/14	Securities and Futures Institute	Challenges and Opportunities of Sustainable Development Path and Introduction to Greenhouse Gas Inventory	3	6

Title	Name	Training Date		Organizer	Course Name	Training Hours	Total training hours of the Year
		From	To				
		2023/12/14	2023/12/14				
				Securities and Futures Institute	Analysis of Key Points in Corporate Governance Evaluation that Directors and Supervisors Should Pay Attention to	3	

Note: The above training hours, scope, and system of training arrangements all comply with the provisions of the key points for promoting the training of directors of TWSE/TPEX Listed Companies.

(X) Implementation of Internal Control System

1. A. Internal Control Statement

Taiming Assurance Broker Co., Ltd.
Statement of Internal Control System

Date: March 5, 2024

The internal control system of the Company in 2023, based on the results of self-assessment, is hereby stated as follows:

- I. The Company fully understands that the establishment, implementation, and maintenance of Internal Control System (ICS) are the responsibilities of the Company's Board of Directors and managerial officers, and have established the said system accordingly. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
- II. All ICS are bound by natural limitations and regardless of the robustness of designs, effective ICS can only provide reasonable assurance for the three objectives listed above. Efficacy of the ICS will also change with the changing environment or context. Nevertheless, our internal control system contains self-monitoring mechanisms, and TABC takes immediate remedial actions in response to any identified deficiencies.
- III. The Company will refer to the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as "ICS Regulations") to identify assessment items for determining the effectiveness of ICS as well as the performance of design and implementation of the system. The internal control system used in the "Handling Guidelines" is used to determine the item. According to the process of management control, the internal control system is divided into five components: 1. Environment Control, 2. Risk Assessment, 3. Control Operation, 4. Information and Communication, and 5. Supervision Operation. Each constituent element includes a number of categories. Please refer to "Processing Criteria" for the aforementioned categories.
- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
- V. Based on the results of the determination in the preceding paragraph, the Company is of the opinion that, as of December 31, 2023, the internal control

system (including the supervision and management of subsidiaries), including the design and implementation of the internal control system relating to the effectiveness and efficiency of the operations, reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations, is effective and can reasonably assure the achievement of the foregoing goals.

- VI. This Statement will be the main content of the Company's annual report and public statement, and will be made available to the public. If any of the contents disclosed above is found to be false, with concealment or other illegal matters, it will involve legal liabilities under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.
- VII. This Statement was approved by the Board on March 5, 2024, where 0 of the 6 attending Directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

Taiming Assurance Broker Co., Ltd.

Chairman of the Board: Cheng-Chih Li (signature)

General Manager Yang-Kuo Chen (signature)

Taiming Assurance Broker Co., Ltd.

Statement of Internal Control System

Date: March 5, 2024

The internal control system of the Company from January 1 to December 31, 2023, based on the results of self-assessment, is hereby stated as follows:

- I. The Company acknowledges that the establishment, implementation and maintenance of an internal control system is the responsibility of the board of directors and management personnel of the Company, and the Company has established such a system. The objective is to provide reasonable assurance of the achievement of the objectives of operational soundness, reliability of financial reporting and compliance with relevant codes and regulations.
- II. All ICS are bound by natural limitations and regardless of the robustness of designs, effective ICS can only provide reasonable assurance for the three objectives listed above. Efficacy of the ICS will also change with the changing environment or context. Nevertheless, our internal control system contains self-monitoring mechanisms, and TABC takes immediate remedial actions in response to any identified deficiencies.
- III. The Company determined the effectiveness of the design and implementation of the Company's internal control system in accordance with the provisions of the "Regulations Governing the Implementation of Internal Control and Audit System and Business Solicitation System of Insurance Agent Companies and Insurance Broker Companies" (hereinafter referred to as the "Implementation Measures") issued by the Financial Supervisory Commission. The internal control system shall include at least the following constituent elements: 1. Environment Control, 2. Risk Assessment, 3. Control Operation, 4. Information and Communication, and 5. Supervision Operation.
- IV. The Company has inspected the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
- V. Based on the findings of such evaluation, the Company believes that the above mentioned internal control system, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.
- VI. This Statement shall be a major content of the Company's annual report and

prospectus, and shall be publicly disclosed. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

VII. This Statement was approved by the Board on March 5, 2024, where 0 of the 6 attending Directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

Financial Supervisory Commission

Declarant

Chairman of the Board: Cheng-Chih Li (signature)

General Manager: Yang-Kuo Chen (signature)

Auditor: Kun-Leng Hsu (signature)

Compliance Personnel: Shen-Tien Chen (signature)

2. CPA review report on the internal control system: None.

(XI) Penalties imposed on the Company and its internal staff, penalties imposed on its internal staff, and any status of improvements made in the internal control system, major deficiencies and improvements in the most recent year up to the publication date of this annual report: None.

(XII) Important resolutions of the Shareholders' Meeting and the Board of Directors in the most recent year up to the publication date of this annual report:

The Company held the 2023 Annual Shareholders' Meeting on May 31, 2023.

The Important resolutions and implementation are as follow:

Important Resolutions	Implementation
1. Adopted the 2022 Business Report and Financial Reports.	Proceeded according to the content of the resolution.
2. Adopted the 2022 Earnings Distribution Plan. 3. Cash Dividend Distribution for Capital Surplus	On May 31, 2023, the shareholders' meeting authorized the chairman to designate June 15 of the same year as the ex-dividend date. A total of NT\$67,565,618 in cash dividends was distributed, with a dividend of NT\$2.7 per share. This dividend included NT\$2.4 per share from retained earnings, totaling NT\$60,058,327, and NT\$0.3 per share from capital surplus, totaling NT\$7,507,291. The distribution was completed on June 30 of the same year.
4. Approved the amendment of the Company's Articles of Association	The Company has implemented according to the amended procedures and disclosed them on the Company's website, and the change registration was processed and completed with the approval of the Taipei City Government on June 8, 2023.
5. Approved the amendment of the Company's Rules of Procedure for Shareholders' Meetings	The Company has implemented according to the amended procedures and disclosed them on the Company's website.

Significant resolutions by the Board of Directors in 2023 as of the publication of the Annual Report:

Date of Meeting (Period)	Proposal Content
2023.03.09 (The 5th meeting of the 8th term of the Board of Directors)	<ol style="list-style-type: none"> 1. The performance evaluation result of the Company's Directors and Functional Committee in 2022. 2. Status of Implementation of 2022 Internal Audit Report. 3. 2022 Business Report and Financial Reports. 4. 2022 Financial Report. 5. The draft of the profit distribution for the fiscal year 2022 of the Company. 6. Cash Dividend Distribution for Capital Surplus 7. To determine the date, location, purpose, method of convening, and matters pertaining to the acceptance of shareholder proposals for the Company's 2023 annual general meeting. 8. 2022 Remuneration of employees and Directors. 9. Declaration of the internal control system of the Company in 2022 and the declaration of internal control system for preventing money laundering and combating terrorism of the Company in 2022. 10. The Company's "greenhouse gas inventory and verification process planning" control report. 11. To amend the provisions of the Company's Articles of Association. 12. Amendments to certain provisions of the Company's Code of Governance Practices. 13. To amend certain provisions of the Company's "Rules of Procedure for Shareholders' Meetings". 14. The Company's Independent Auditor's Report and 'Review Procedures for Pre-approval of Non-assurance Services Provided by Auditors'. 15. The Company's CPA Independence Assessment Report and Audit Quality Indicator Report (AQI Report). 16. Firm and non-firm services and corresponding public fees for the proposed appointment of CPA in 2023. 17. Amendments to certain provisions of the "Regulations Governing the Appointment, Dismissal, Evaluation, and Salary and Remuneration of Audit Personnel" of the Company.
2023.05.04 (The 6th meeting of the 8th term of the Board of Directors)	<ol style="list-style-type: none"> 1. The Company's Internal Audit Report for the first quarter of 2023. 2. The Company's consolidated financial statements for the first quarter of 2023. 3. Director remuneration in 2022. 4. Revised Declaration Statement of Internal Control System in

Date of Meeting (Period)	Proposal Content
	<p>2022.</p> <ol style="list-style-type: none"> 5. The Company's "Greenhouse Gas Inventory and Verification Process Planning" control report. 6. The Company has applied for the rollover of the original short-term (secured) loan amount of NT\$119,000,000 from Shanghai Commercial and Savings Bank in order to accommodate business expansion. 7. Draft of Managerial Compensation Adjustment Amount for 2023.
<p>2023.08.03 (The 7th meeting of the 8th term of the Board of Directors)</p>	<ol style="list-style-type: none"> 1. The Company's Internal Audit Report for the second quarter of 2023. 2. The Company's 2023 annual "Anti-Money Laundering and Counter-Terrorist Financing Risk Assessment Report". 3. The Company's compliance audit record report for the first half of 2023. 4. Report of the Company's Head of Anti-Money Laundering and Counter-Terrorism for the first half of 2023. 5. Self-audit form of the Company's compliance program for the first half of 2023 and statement of compliance. 6. The Company's "Greenhouse Gas Inventory and Verification Process Planning" control report. 7. The Company's consolidated financial statements for the second quarter of 2023. 8. The Company plans to renew the lease of a section of the office space situated on the 11th floor of No. 49 Guanqian Road, Taipei City. This space is currently occupied by, which is an equity method investee of the Company. 9. The Company leases the 6th and 11th floors of No. 49 Guanqian Road, Taipei City in order to adjust the basis for rental calculation. 10. The distribution of the Company's 2023 Mid-Autumn Festival bonus.
<p>2023.11.03 (The 8th meeting of the 8th term of the Board of Directors)</p>	<ol style="list-style-type: none"> 1. Report on the implementation of the internal audit plan in the third quarter of 2023. 2. The Company's 2022 ESG Report. 3. The Company's consolidated financial statements for the third quarter of 2023. 4. Dissolution and liquidation of the Company's subsidiary, Zhen Guan Financial Management Consulting Co., Ltd. ("Zhen Guan Financial"). 5. Proposal for distribution of manager's remuneration in 2022.
<p>2023.12.28 (The 9th meeting of the 8th term of</p>	<ol style="list-style-type: none"> 1. Deloitte & Touche ("Deloitte & Touche") communicated the auditing procedures of the bulletin of auditing standards applicable to the 2023 financial report.

Date of Meeting (Period)	Proposal Content
the Board of Directors)	<ol style="list-style-type: none"> 2. The Company's implementation status of 2023 sustainable development and 2024 plan, stakeholder concerns and communication channels. 3. The Company Directors' liability insurance amount, coverage, and premium rate. 4. The implementation of the Company's integrity management policy in 2023. 5. Implementation of overall information security on 2023. 6. The Company's "Greenhouse Gas Inventory and Verification Process Planning" control report. 7. The Company has appointed a dedicated security supervisor and security personnel. 8. Revised Content of the Board of Directors' Self-Assessment Questionnaire Form. 9. Ratio of remuneration to Directors and employees in 2023. 10. The key performance indicator (KPI) values for the Company in 2024. 11. Discussion on proposal for the principle of year-end bonus payment and the proposed payment in 2023. 12. 2024 Audit Plan. 13. To amend certain articles of the Company's "Internal Control System".

(XIII) Main content for the resolution with any dissenting opinions or stated in a written statement made by directors or supervisors in the most recent year up to the publication date of this annual report: None.

(XIV) A summary of the resignations and dismissals of the chairman, General Manager, Accounting Manager, financial supervisor, internal auditing supervisor and R&D supervisor in the most recent year up to the publication date of this annual report: None.

V. CPA Fee Information

Unit: NT\$ thousand

Name of CPA Firm	Name of CPA	CPA's Audit Period	Audit Fees	Non-Audit Fees	Total	Note:
Deloitte & Touche	Wang-Sheng Lin	2023.01.01 - 2023.12.31	1,270	210	1,480	Non-audit expenses: NT\$210 thousand for tax visas and reviewing the annual report information for the shareholders' meeting.
	Wun-Ya Syu					

Note: If the Company has replaced the CPAs or accounting firm in the current fiscal year, the audit period shall be listed separately, and the reason for replacement shall be stated in the Remarks column, and the information on audit and non-audit fees paid in sequence shall be disclosed. Non-audit fees should be annotated to explain its service content.

- (I) If there is any change of CPA or CPA firm in the current year, and the CPA fee is less than the previous year, the amount and the service detail shall be stated: None.
- (II) If the audit fee decreases by more than 10% compared with the previous year, the amount, proportion and reason for the decrease of the audit fee shall be disclosed: the amount of audit fees in 2023 was the same as that in 2022.

VI. Information of CPA Replacement

None.

VII. The Company's Chairman of the Board, General Manager, or any Manager Who is Responsible for Finance or Accounting Matters Who Have Been Serving in a CPA's Firm and Its Related Companies within the Past Year Shall Disclose Their Name, Position and Term of Office in the CPA Firm of the CPA or Its Related Companies

None.

VIII. In the most recent year and up to the date of publication of the annual report, transfer of shares and changes in hypothecation of shares held by Directors, managers and shareholders who hold more than 10% of the shares.

(I) Changes in the Shares of Directors, Managers and Substantial Shareholders

Unit: Shares

Title (note 1)	Name	2023		As of April 1, 2024	
		Number of shares held Increase (decrease)	Number of pledged shares Increase (decrease)	Number of shares held Increase (decrease)	Number of pledged shares Increase (decrease)
Representative of juristic person director/Major Shareholder	Taiwan Navigator Asset Investment Co., Ltd.	-	-	-	-
Representative of Judicial Person Director	Cheng-Chih Li	-	-	-	-
Representative of Judicial Person Director	Chia-Keng Li	-	-	-	-
Judicial Person Director	Cheng-Rong Enterprise Co., Ltd.	-	-	-	-
Representative of Judicial Person Director	Mo-Hang Wu	-	-	-	-
Independent Director	Chien-Hsiang Chang	-	-	-	-
Independent Director	Fu-Kuei Huang	-	-	-	-
Independent Director	Tsung-Han Hsieh	-	-	-	-
Manager	Yang-Kuo Chen	-	-	-	-
Manager	Shu-Fen Yang	-	-	-	-
Manager	Kun-Leng Hsu	-	-	-	-
Manager	Shen-Tien Chen	(5,000)	-	-	-
Manager	Chien-Chang Lai	-	-	-	-
Manager	Ching-Wen Lin	-	-	-	-
Manager	Chang-Wu Chiao	-	-	-	-
Manager	Wei-Cheng Ho	-	-	-	-
Accounting Manager	Wen, Hsin-I	(1,000)	-	-	-

Note:1 The shareholders who hold more than 10% of the Company's shares shall be identified as major shareholders and stated separately.

Note:2 Where the counterparts of shares through transfer and pledged under lien are related parties, it is also necessary to complete the following table.

(II) Information on transfer of stock:

The counterparty to the transfer of stock or pledge of stock is not a related party; therefore, this information is not available.

Name (Note 1)	Reasons of share transfer (Note 2)	Trading date	Trading counterpart	Relationship between trading counterpart and the Company, directors, supervisors, manager and shareholders who hold more than 10% of the Company's shares	Number of Shares	Trading Price
-	-	-	-	-	-	-

Note:1 Please specify the names of directors, supervisors, managerial officers, and shareholders who hold more than 10% of the Company's shares.

Note:2 Fill either "Acquisition" or "Disposal"

(III) The transfer of shares or hypothecation of shares: None.

VII. Information regarding the top 10 shareholders by number of shares held, who are related parties, spouses, relatives within the second degree of kinship

As of April 1, 2024 (stock transfer beginning date at the shareholder's regular meeting) Unit: Share; %

Name(Note 1)	Held Shares		Shares Held by Spouse and Minor Children		Shares Held in the Name of Other Persons		Title or name and relationship of top 10 shareholders who are related parties or each other's spouses and relatives within the second degree of kinship (Note 3)		Note:
	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Name (or Name)	Relationship	
Taiwan Navigator Asset Investment Co., Ltd.	9,025,907	36.07	-	-	-	-	None	None	None
Taiwan Navigator Asset Investment Co., Ltd. Representative: Cheng-Chih Li	892,887	3.57	384,274	1.54	-	-	1. Han-Chieh Li 2. Yang-Lung Kuo 3. Hsiu-Chen Lin	1. Elder Sister's Spouse 2. Elder Brother-in-Law of the Spouse 3. Spouses	None
Taiwan Navigator Asset Investment Co., Ltd. Representative: Chih-Chieh Wei	-	-	-	-	-	-	None	None	None
Han-Chieh Li	1,851,082	7.40	-	-	-	-	Cheng-Chih Li	Younger brother of the Spouse	None
Ching Chung Interior Decoration Design Co., Ltd.	1,570,000	6.27	-	-	-	-	None	None	None
Ching Chung Interior Decoration Design Co., Ltd. Representative: Pei-Chin Li	1,311	0.01	-	-	-	-	None	None	None
Taiwan Fire & Marine Insurance Co., Ltd.	1,271,180	5.08	-	-	-	-	None	None	None
Taiwan Fire & Marine Insurance Co., Ltd. Representative: Tai-Hung Li	-	-	-	-	-	-	None	None	None
Cheng-Chih Li	892,887	3.57	-	-	-	-	1. Han-Chieh Li	1. Elder Sister's Spouse	None

							2. Yang-Lung Kuo 3. Hsiu - Chen Lin	2. Elder Brother-in-Law of the Spouse 3. Spouses	
Chen-Jou Ko	755,841	3.02					None	None	None
Chen-Han Ko	732,910	2.93	-	-	-	-	None	None	None
Yuan-Fang Tien	680,678	2.72	-	-	-	-	None	None	None
Yang-Lung Kuo	602,588	2.41	-	-	-	-	Cheng-Chih Li	Younger Brother-in-Law of the Spouse	None
Hsiu- Chen Lin	384,274	1.54	-	-	-	-	Cheng-Chih Li	Spouse	None

VIII. The number of shares held by the company, its Directors, supervisors, managers and enterprises directly or indirectly controlled by the company in the same reinvested enterprise, and the comprehensive shareholding ratio shall be calculated on a consolidated basis

Total equity stake held

Unit: Shares; %

Reinvestment in Other Companies	Investment in the Company		Investments of Directors, Supervisors, Managers and Businesses Directly or Indirectly Controlled		Total Ownership	
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage
-	-	-	-	-	-	-

Note: Investee Accounted for Using Equity Method

Chapter 4. Funding Status

I. Capital and Shares

(I) Sources of Capital

Unit: thousand shares/NT\$ thousand

Month Year	Par Value (NT\$)	Authorized Share Capital		Paid-Up Capital		Note:		
		Shares	Amount	Shares	Amount	Source of Capital	Equity- Settled Share-Based Payment	Others
July 2010	NT\$ 10	15,000	150,000	13,200	132,000	Cash capital increase	-	Note 1
July 2011	NT\$ 10	15,000	150,000	13,900	139,000	Cash capital increase	-	Note 2
July 2012	NT\$ 10	15,000	150,000	14,800	148,000	Cash capital increase	-	Note 3
July 2013	NT\$ 10	20,000	200,000	17,184	171,840	Capital increase from surplus 11,840 and cash increase 12,000	-	Note 4
November 2014	NT\$ 46	20,000	200,000	18,800	188,000	Cash capital increase 16,160	-	Note 5
September 2015	NT\$ 10	30,000	300,000	23,688	236,880	Surplus transferred capital increase 48,880	-	Note 6
June 2019	NT\$ 10	30,000	300,000	25,024	250,243	Consolidated capital increase 13,363		Note 7

Note:1 Taipei City Government Change Registration Number: 09986632010

Note:2 Taipei City Government Change Registration Number: 10086220500

Note:3 Taipei City Government Change Registration Number: 10186255800

Note:4 Taipei City Government Change Registration Number: 10286289700

Note:5 Taipei City Government Change Registration Number: 10389753800

Note:6 Taipei City Government Change Registration Number: 10487453400

Note:7 Taipei City Government Change Registration Number: 10850522710

Unit: Shares

Type of Stock	Authorized Share Capital			Note:
	Outstanding Shares (Note)	Unissued Shares	Total	
Registered Ordinary Shares	25,024,303	4,975,697	30,000,000	Stocks of TPEx-Listed Company

(II) Shareholding Structure

As of April 1, 2024

(Book closure date)

Shareholder Structure Number	Government Agencies	Financial Institutions	Other Juristic Persons	Personal	Foreign Institutions and Foreigners	Total
Number of Persons	-	1	13	1,851	2	1,867
Number of Shares Held	-	1,271,180	11,151,862	12,459,261	142,000	25,024,303
Shareholding ratio	-	5.08%	44.57%	49.78%	0.57%	100.00%

(III) Distribution of Shares

As of April 1, 2024 (the beginning of the date on which transfers ceased at the annual shareholders' meeting): NT\$10 par value per share

Class of Shareholding	Number of Shareholders	Number of Shares Held	Shareholding Percentage (%)
1-999	563	97,411	0.39
1,000-5,000	1,095	2,023,806	8.08
5,001-10,000	109	797,419	3.19
10,001-15,000	23	292,547	1.17
15,001-20,000	17	300,217	1.20
20,001-30,000	15	371,537	1.48
30,001-40,000	15	529,678	2.12
40,001-50,000	3	135,959	0.54
50,001-100,000	7	490,937	1.96
100,001-200,000	4	610,801	2.44
200,001-400,000	7	1,990,918	7.96
400,001-600,000	-	-	-
600,001-800,000	4	2,772,017	11.08
800,001-1,000,000	1	892,887	3.57
1,000,001 or more Grade according to the actual situation	4	13,718,169	54.82
Total	1,867	25,024,303	100.00

(IV) Major Shareholders

As of April 1, 2024 (the beginning of the date on which transfers ceased at the annual shareholders' meeting)

Ownership Name of Major Shareholder	Number of Shares Held	Shareholding ratio (%)
Taiwan Navigator Asset Investment Co., Ltd.	9,025,907	36.07
Han-Chieh Li	1,851,082	7.40
Ching Chung Interior Decoration Design Co., Ltd.	1,570,000	6.27
Taiwan Fire & Marine Insurance Co., Ltd.	1,271,180	5.08
Cheng-Chih Li	892,887	3.57
Chen-Jou Ko	755,841	3.02
Chen-Han Ko	732,910	2.93
Yuan-Fang Tien	680,678	2.72
Yang-Lung Kuo	602,588	2.41
Hsiu -Chen Lin	384,274	1.54

(V) Information on Market Price, Net Value, Surplus and Capital Bonus Per Share

Unit: NT\$; thousand shares

Year			2023- Consolidated	2022- Consolidated	Current year to date March 29, 2024 (Note 8)
Items					
Market price per share (Note 1)	Highest		49.75	50.50	48.60
	Lowest		47.00	46.30	47.50
	Average		47.60	47.60	47.89
Net Worth per Share (Note 2)	Before Distribution		21.62	21.35	-
	After Distribution		19.12	18.65	-
Earnings Per Share	Weighted average number of shares		25,024	25,024	-
	Earnings Per Share (Note 3)	Before retrospective application	2.20	2.64	-
		After retrospective application	2.20	2.63	-
Dividends per Share	Cash dividend		2.50	2.70	-
	Stock Dividends	Stock Dividend from Retained Earnings	-	-	-
		Capital Surplus Distribution	-	-	-
	Accumulated unpaid dividends (Note 4)		62,560(Note 9)	67,566	-
Analysis of return on investment	Price-to-Earnings Ratio (Note 5)		21.63	18.03	-
	Price-to-Dividend Ratio (Note 6)		19.04	17.63	-
	Cash dividend yield (Note 7)		5.25%	5.68%	-

*Where surplus or capital surplus are used for additional share placements, information on retroactively adjusted market prices and cash dividends based on the number of shares issued shall also be disclosed.

Note:1 List the highest and lowest market prices of ordinary shares for each year, and calculate the average market price for each year based on the transaction value and volume of the year.

Note:2 Please fill these rows based on the number of shares that have been issued at the end of the fiscal year and the distribution plan approved at the Board Meeting or Shareholders' Meeting in the subsequent fiscal year.

Note:3 If there is any retrospective adjustment required due to stock dividends, the earnings per share

before and after adjustment should be listed.

Note:4 If there is any requirement for issuing equity securities that require undistributed dividends for the current year to be accumulated to the annual distribution of the retained earnings, it shall separately disclose the accumulated undistributed dividends as of that year.

Note:5 Price/earnings ratio = Average closing price per share for the current fiscal year/earnings per share.

Note:6 Price/dividend ratio = Average closing price per share for the current fiscal year/cash dividend per share.

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

Note:8 As of the date of publication of the annual report, there is no financial report of the first quarter of 2024 audited or reviewed by the CPA.

Note:9 The dividend is determined by the board resolution made on March 5, 2024.

(VI) Dividend Policy and Implementation

1. Dividend policy stipulated in the Company's Articles of Association:

If there is surplus in the Company's final account, priorities should be made to pay taxes and make up for the accumulated losses, and followed by 10% of surplus appropriation as legal surplus reserve, except when legal surplus reserve has reached the Company's total paid-in capital so that continuous contribution is no longer required. When needed, the legal surplus reserve may be transferred or reversed into the special surplus reserve in accordance with the relevant laws and regulations. If there is still a surplus, the Board of Directors shall propose to the shareholders' meeting for distribution of this surplus; surpluses that are distributed in cash shall be resolved by the Board of Directors and reported to the shareholders' meeting in accordance with Article 228-1 and Paragraph 5, Article 240 of the Company Act.

The Company may allocate new shares or cash in the form of legal surplus reserve or capital reserve in accordance with Article 241 of the Company Act. The foregoing, if done in cash, shall authorize a special resolution of the Board of Directors to be reported to the shareholders at a general meeting.

In the volatile business environment, the Company is still in the growth stage. In response to future expansion plans, shareholder dividends may be paid in the form of both cash and stock, of which the ratio of cash dividends to total dividends shall not be less than 40%. However, the shareholders' meeting may have to adjust it according to the actual situation.

2. Board of Directors' Approval of Cash Dividends from Earnings Distribution

Taiming Assurance Broker Co., Ltd.
Table of Distribution of Profits
2023

Unit: NT\$

Items	Amount	
	Subtotal	Total
Unappropriated retained earnings of previous years		1,089,030
Net income after tax	55,087,260	
Less: Re-measurement of defined benefit plan recognized in retained earnings	4,268	
The net income after tax for the year and other profit items other than said net income are included in this year's undistributed earnings.		55,091,528
Legal reserve appropriated (10%)		(5,509,153)
Reversal of special reserve		13,086,512
Retained earnings available for distribution for this period		63,757,917
Distribution project:		
Cash dividend (NT\$2.5 per share)	(62,560,758)	(62,560,758)
Undistributed surplus at the end of the period		1,197,159

Notes:

1. Priority is given to the distribution of earnings for 2023, followed by the earnings for 2022 and prior.
2. The cash dividends are calculated up to NT\$ 1. Decimal points are rounded down and the uncounted shares in fractions of NT\$ 1 is recognized in "other income".
3. Two percent of the total amount is allocated as employee bonuses and distributed in cash in the amount NT\$1,302,011.
Two percent of the total amount is allocated as bonuses to directors and distributed in cash in the amount NT\$1,302,011.
4. The distribution of dividends of the Company is calculated based on the total number of 25,024,303 shares outstanding.
5. As authorized by the Board of Directors, the cash dividend per share is adjusted in accordance with the actual number of shares outstanding on the date of dividend distribution of common shares.

(VII) Effect of the proposed no-compensation stock dividend on the Company's operating results and earnings per share: None.

(VIII) Remuneration of employees and directors

1. The percentage or scope of remuneration of employees and directors are set forth in the Articles of Association

(1) The remuneration of Directors of the Company is determined in accordance with Article 16 of the Company's articles of association. The Company's Directors are determined with reference to the Company's operations and their contributions. The Company is authorized to authorize the Board of Directors to fix the remuneration.

(2) If the Company has profits in a fiscal year, it shall set aside 1% to 5% of the profits as employee compensation and not more than 5% of the profits as director compensation. However, if the Company has accumulated losses, the earnings shall be reserved to make up for the losses first. The remuneration of employees referred to in the preceding paragraph shall be paid in stock or cash, while the Director shall only be paid in cash. The payouts of employee bonus and director compensations shall be determined by the Board of Directors meeting attended by more than two-third of all board members present and agreed upon by no less than one-half of the members present and reported at the shareholder's meeting.

(3) The remuneration of the managers of the Company shall be handled in accordance with Article 17 of the articles of association.

(4) The scope and amount of remuneration of Directors and managers of the Company shall be submitted to the Remuneration Committee for discussion and approval before being submitted to the Board of Directors for resolution.

2. Accounting treatment for the difference between the estimated amount of remuneration of employees and Directors in the current period, the calculation basis of the number of shares allotted with stock dividends and the actual amount allotted and the estimated amount:

The Company's remuneration of employees and directors is calculated by pre-tax net profit of the current year before deducting the remuneration of employees and directors in proportion. If there is any difference between the amount of remuneration of employees and Directors on the approved

annual financial reports and the amount resolved by the Board meeting or the Shareholders' meeting, the differences will be treated as changes in accounting estimates, and adjusted in the next year.

3. Approved distribution of remuneration by the Board of Directors

(1) The amount of remuneration paid to employees, directors and supervisors in cash or stocks. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed

At the 10th meeting of the 8th Board of Directors on March 5, 2024, the Company discussed and approved the compensation of NT\$1,302,011 to employees and NT\$1,302,011 to directors for 2023, totaling NT\$2,604,022. The payments were made in cash and reported to the 2024 annual shareholders' meeting. The sum stated above conformed to the sum recognized for the fiscal year.

(2) Ratio of employees' remuneration allocated in stock to the total of after-tax net profit in the current parent company only or individual financial report and the employee compensation: None.

4. The actual distribution of the remuneration of the employees and the directors in the previous year (including the number of shares, amount and share price). Where there is any difference between the remuneration of the employees, directors and supervisors and that of the recognized, the reasons for the difference and the treatment situation shall be stated

At the 5th meeting of the 8th Board of Directors on March 9, 2023, the Company discussed and approved the compensation of NT\$1,598,558 to employees and NT\$1,598,558 to directors for 2022, totaling NT\$3,197,116. The payments were made in cash and reported to the 2023 annual shareholders' meeting. The sum stated above conformed to the sum recognized for the fiscal year.

Unit: NT\$

	Actual distribution resolved by the shareholders' meeting	Proposed distribution resolved by the Board of Directors	Discrepancy	Reason for the description
Distribution Status	(Cash)	(Cash)		
Employee compensation	1,598,558	1,598,558	0	None
Remuneration of Directors	1,598,558	1,598,558	0	None

(IX) The Company repurchases its shares: None.

II. Issuance of Corporate Bonds

None.

III. Preferred stock handling

None.

IV. Overseas Depository Receipt Shares

None.

V. Processing of Employee Stock Option Certificates

None.

VI. New Shares with Restricted Employee Rights

None.

VII. Status of New Share Issuance in Connection with Mergers and Acquisitions

None.

VIII. The State of Implementation of The Company's Capital Allocation Plans

None.

Chapter 5. Operations Overview

I. Nature of Business

(I) Scope of Business

1. The main business:

H602011 Life Insurance Brokerage

H602021 Property Insurance Brokerage

2. Operating segments:

Total Business Volume in the Last Two Years

Unit: NT\$ thousand

Operating Income	2023		2022	
	Amount	Share Percentage	Amount	Share Percentage
Life Insurance Brokerage Income	359,748	45.87%	287,988	39.03%
Renewed brokerage income	220,440	28.10%	217,638	29.49%
Commission, fees and other income	117,178	14.94%	139,857	18.95%
Property insurance brokerage and other income	86,984	11.09%	92,433	12.53%
Total operating revenue	784,350	100.00%	737,916	100.00%

3. The Company's current products (services):

The categories of the current insurance products under the agency of the Company are as follows:

- (1) Personal insurance products sold by brokers include: personal life insurance, personal injury insurance, personal health insurance, annuity insurance, group insurance and investment insurance, etc.
- (2) Property insurance products sold by brokers include: fire insurance, automobile insurance, liability insurance, injury insurance, health insurance and other property insurances, etc.
- (3) The Company has set up a network insurance platform to provide self-service insurance services for the insured.
- (4) The Company has developed a mobile insurance system that is convenient for clerks to use, speeds up the policy process and conforms to the social trend of paperless environmental protection.

- (5) The Company has developed a legal compliance platform that provides online courses for sales members, Learning is not limited by time and space.
 - (6) Provided the LINE@ app for salesmen to review product details and the complete information of insurance customers.
4. Planned development of new product (service):
- (1) Insurance products are legally developed by insurance companies: Not applicable.
 - (2) Planned development of new service:
 - A. The business integration system continued to upgrade and enabled the organization query feature to optimize the organization management system.
 - B. Connect the intelligent e-system for mobile insurance and marketing support in series
 - C. Continue to expand the number of life insurance and property insurance companies in the mobile insurance platform.
 - D. Modularize business training and online live broadcast of activities to enable departments to import live conferences by themselves.

(II) Industry Overview

1. Current Status and Development of the Industry;

Article 9 of the Insurance Act: The term “insurance broker” as used in this Act means a person who, on the basis of the interests of the insured, negotiates an insurance contract or provides related services and collects a commission or compensation. As of the publication date of this Annual Report, according to the information from the Insurance Business Development Center (Tables 1 and 2), the total number of insurance industry employees was 408,138 in 2022, a decrease of 2.98% compared to the previous year. Of this, 145,668 were registered in the insurance brokerage industry, accounting for 35.69% of the total number of employees, an increase of about 6% compared to the previous year. This indicates the trend of employees switching to the insurance brokerage industry.

The number of the insurance broking companies in Taiwan decreased from 487 in 2019 to 445 in 2022, while the practitioners in insurance broking

increased from 133,601 in 2019 to 145,668 in 2022, which indicates the trend of concentration of large-scale insurance brokers.

As of the publication date of the Annual Report, according to the data from the Insurance Business Development Center, the insurance premium income of the whole insurance sector was NT\$2,555.6 billion in 2022, of which NT\$290.2 billion was premium income from insurance brokers, accounting for about 11.4% of the total premiums. In 2022, the life insurance industry generated an overall premium income of approximately NT\$2,334.4 billion, with NT\$246.4 billion generated through insurance brokers, accounting for approximately 10.6% of the market. The non-life insurance industry had an overall premium income of approximately NT\$221.2 billion, with NT\$43.8 billion generated through insurance brokers, accounting for approximately 19.8% of the market.

As for commission income, the insurance broker sector achieved a total of NT\$26.21 billion, of which life insurance accounted for NT\$20.37 billion and property insurance accounted for NT\$5.84 billion. The commission income of the insurance brokerage sector has maintained a steady growth from NT\$25.97 billion in 2021.

Table 1: Insurance Sector Statistics

Unit: person; NT\$ million

Year	Number of Insurance Companies	Number of Employees	Sales Representatives	Number of Office Staff	Premium income		Insurance sector
					Property insurance	Property insurance	Total premium revenues
2014	54	351,208	309,057	42,151	132,220	2,771,130	2,903,350
2015	54	367,036	324,091	42,945	136,119	2,926,677	3,062,796
2016	54	370,476	325,195	45,281	145,962	3,133,358	3,279,320
2017	54	384,432	338,363	46,069	156,712	3,420,233	3,576,945
2018	55	391,592	344,979	46,613	165,611	3,511,559	3,677,170
2019	54	381,483	368,468	41,107	177,130	3,466,688	3,643,818
2020	53	399,338	385,741	40,957	188,111	3,163,965	3,352,076
2021	53	420,672	379,152	41,520	207,448	2,971,093	3,178,541
2022	52	408,138	366,622	41,516	221,207	2,334,365	2,555,572
2023	52	Note	Note	Note	244,758	2,187,951	2,432,709

※ Source: Taiwan Insurance Institute

Note: As of the publication date of this Annual Report, Taiwan Insurance Institute had only updated the statistics of insurance practitioners up to 2022.

Table 2: Insurance Brokerage Statistics

Unit: person; NT\$ thousand

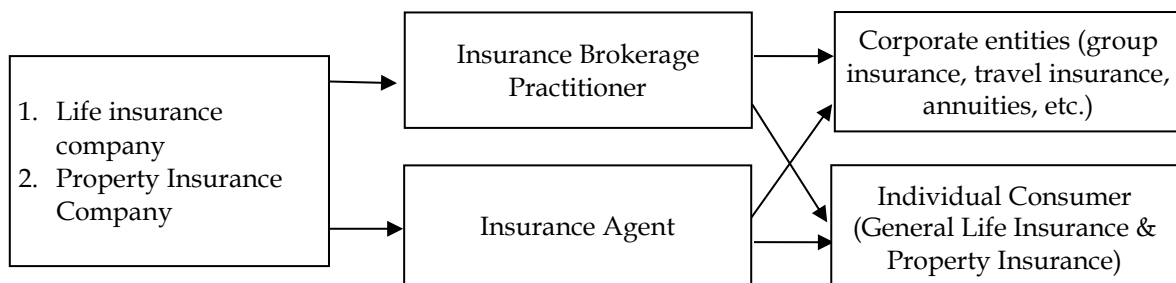
Year	Number of Insurance Companies	Insurance	Market Share (%)		Written Premiums		Commission Income	
		Sales Representatives	Property insurance	Property insurance	Property insurance	Property insurance	Property insurance	Property insurance
2014	488	120,764	19.74	20.29	26,101,507	562,279,203	3,409,251	34,142,540
2015	493	131,370	18.35	19.34	24,975,260	566,095,141	3,577,423	39,781,609
2016	490	137,351	16.51	12.52	24,105,271	392,265,680	3,331,933	28,330,918
2017	485	111,618	18.26	10.15	28,611,385	347,015,788	3,660,049	20,487,730
2018	476	121,105	14.32	10.16	23,709,742	356,906,312	3,730,790	20,180,026
2019	487	133,601	16.29	9.83	28,848,989	340,822,142	4,155,681	22,853,720
2020	483	139,644	17.52	9.33	32,955,430	295,125,417	4,589,219	21,079,944
2021	457	141,779	21.34	10.79	44,275,324	320,704,602	5,444,551	20,530,000
2022	445	145,668	19.79	10.56	43,784,710	246,407,799	5,841,533	20,367,032
2023	Note	Note	Note	Note	Note	Note	Note	Note

※ Source: Taiwan Insurance Institute

Note: As of the publication date of this Annual Report, Taiwan Insurance Institute had only updated the statistics of insurance practitioners up to 2022.

2. Correlation between upper, middle and lower downstream sectors

Upstream-Midstream-Downstream



The Company operates in the insurance brokerage industry. In terms of its upstream and downstream industries, the Company's upstream industries are personal or property and casualty insurance and insurance brokerage.

In the midstream, there are insurance brokers and insurance agents, and in the downstream, there are general consumers or companies.

Legal entity. The Company holds a prominent position within the industry and primarily operates by selling insurance policies in compliance with the law. These policies are offered through formal cooperation agreements with insurance companies.

The salesperson explains the products to the policyholders, providing information about the characteristics and terms of each insurance product.

The products are then analyzed based on the customers' needs.

Develop appropriate insurance policies to meet risk management needs. The Company will deliver the solicited insurance policies and relevant documents to the insurance company.

3. Development trends and competition for the Company's products

According to the statistics from the Life Insurance Association, the premium income of the life insurance industry in 2023 was approximately NT\$516.4 billion, which represented a decrease of about 6.9% compared to the previous year. The traditional life insurance premium income remained higher than the investment-type premium income. This difference can be attributed to the gap between policyholders' expectations of interest rate increases following the United States' announcement of a rate hike and the actual rate adjustments made by insurance companies. Consequently, the premium income of annuity insurers decreased by about 57.5%. However, there was a growth of 10% and 19.4% in health insurance and accident insurance, respectively, due to the discontinuation of policies with immediate payment.

According to the premium amount of life insurance channels in 2023, the market share of each competitive channel is as follows:

Life Insurance Industry in 2023

Statistics on Sources of Annual Premium Income January to December

Unit: NT\$ million

Source	Life insurance company	Bank agency	Traditional agency	Total
Premium income	206,486	215,593	94,326	516,405
Percentage (%)	39.99	41.75	18.27	100

Source: Life Insurance Association

(III) Technology and R&D Overview:

1. Facing changes in current economic situation, changes in social structure, and modifications or issuance of new regulations, the Company will continuously improve business performance and employees' professional quality. Also, the Company will strengthen insurance customer services in order to achieve goals such as business development, stable profitability, and sustainable operation.

(1) Improve the Quality of Administrative Platform

Establish business integration knowledge base system, continuous serial action number of insurers and SSO linkage agent area, providing a real-time business inquiry mechanism, becoming a strong support platform for business marketing and subscriber services.

Salesman operating system is integrated with LINE@ app, official letter and sales performance inquiry functions to help salesmen get the latest information from the Company.

The Company adopted online approval system to increase the administrative efficiency for employees instantly approve application forms or official letters.

(2) Training High-Quality Business Personnel

Through systematic professional training and dedicated courses on market dynamics and changes in product trends, a quality business team is created and more professional managers are developed. Special topic lectures are held time to time for the insured, so that the public can receive financial service information without gaps. This enhances the professional knowledge of consumers to make them have the ability to plan golden retirement life for customers themselves, and become all-round insurance planners.

(3) Comprehensive value-adding services

In the part of customer rights and benefits, the Company sets up a special line for customer protection services, and has a complete and sound "Procedures for Handling Complaints of the Insured", and provides free legal counsel when necessary.

The Company will gather legal and tax related experts to provide professional advisory services to support salesmen's professional capabilities and resolve customer tax issues.

Set up a product planning task force in office and business areas to discuss the combination of products to provide quality services to the insured.

2. R&D personnel and their education background: The Company is in the insurance brokerage sector. Not applicable.
3. R&D expenses invested annually in the last five years: The Company is an insurance broker. Not applicable.

4. Technologies or products successfully developed in the recent 5 years: As the Company is an insurance broker, this item is not applicable.

(IV) Long-Term and Short-Term Business Development Plans

1. Short-term business development plans:

- (1) Corporate Training:

The Company organizes tax law training courses, MDRT team elite classes, national joint live morning meetings and recruitment series training courses to optimize the professional functions and recruitment ability of sales staff, as well as providing basic training and professional product courses in the digital academy to provide a comprehensive learning platform for sales staff to build the cornerstone of customer service.

- (2) Business Activities:

The Company organizes staff and celebrity seminars to motivate top performers to share their energy, and encourages business staff to participate in a variety of business activities such as business commendation meetings, incentive trips, joint recruitment of OPP and promotion teas, and seminars for policyholders; it also gathers strategic consensus through executive meetings to promote the Company's goals.

- (3) Digital Technology:

Promote solid online professional training courses and diversified business activities to promote the steady development of profit targets.

The Company is continuously expanding its number of mobile insurance policies and integrating with insurance company platforms through SSO, which makes it convenient for business partners to utilize the platform.

The Company is implementing a multi-factor authentication system to continuously enhance its security measures.

- (4) Corporate Sustainability:

The company actively promotes corporate social responsibility and implements sustainable development. This is planned by the Corporate Sustainable Development Committee, and each department is responsible for executing sustainable development initiatives within their authority and responsibilities. The progress of the greenhouse gas inventory operation is reported to the board of directors on a quarterly basis.

2. Long-Term Business Development Plans:
 - (1) Continue to focus on product strategies for retirement and coverage planning.
 - (2) A diversified development strategy for developing cross-industry channels and digital technology.
 - (3) Combined with the cooperation strategy of insurance brokerage and insurance agency companies for developing the territory of Greater China.

II. Market and Production & Marketing Overview

(I) Market Analysis

1. Sales (provision) regions for the Company's main products (services):

Units: NT\$ thousand; %

Items \ Year	2023		2022	
	Amount	%	Amount	%
Domestic sales	784,350	100.00	737,916	100.00
Foreign Sales	-	-	-	-
Total	784,350	100.00	737,916	100.00

2. Market Shares:

According to the statistics compiled by the Insurance Industry Development Center, commission income in the insurance brokerage industry in Taiwan for 2023 and 2022 is as follows:

The breakdown of the Company's commission income market share is as follows:

Units: NT\$ thousand; %

Items \ Year	2023		2022	
	Property	Property	Property	Property
Total commission	Note 2	Note 2	5,841,533	20,367,032
Taiming	86,984	697,366	92,433	645,483
Market Shares	-%	-%	1.58%	3.17%

Note:1 Total commission income data source: Taiwan Insurance Institute

Note:2 As of the publication date of this Annual Report, Taiwan Insurance Institute had only updated the statistics of insurance practitioners up to 2022.

3. Future Market Supply & Demand and Growth:

(1) According to the statistics of Taiwan Insurance Institute (TII), there were 445 insurance brokerages in 2022, 12 fewer than in 2021, of which 297 were concurrently engaged in property and life insurance, 1 more than that in 2021. However, the number of insurance sales people in 2022 was 145,668, an increase of 3,889 compared to 2021, showing that under the influence of strict supervision by competent authorities, increased capital and market environment, small and medium-sized insurance brokerages actively adopted inter-bank mergers, and the insurance brokerage sector is developing towards large-scale ones in the future.

- (2) According to population statistics data from the Ministry of the Interior, the population of Taiwan in 2023 was 23.424 million people, which marked an increase of 156,000 people compared to the previous year. This growth ended the period of negative population growth that had been occurring since 2020. Only 136,000 newborns were recorded for the entire year, setting a new record low. On the other hand, due to advancements in medical technology, the proportion of elderly population has increased. The National Development Council estimates that Taiwan will enter an ultra-aging society in 2025, with the population aged 65 and above reaching 20%. The demands for insurance such as retirement, medical care and long-term care will increase in the future. In order to provide the insurance customers with security, the Company will combine the retirement medical product portfolio and provide services in the future, and the demand for insurance will continue to grow.

4. Competitive Niches:

- (1) Regularly disclose financial status to improve the Company's financial transparency.
- (2) The Company owns many insurance products from partnered insurance companies, which provides insurance buyers with professional services as well as one-stop shopping needs. In the meantime, the Company maintains friendly relationship with industry peers to capture the latest market dynamics and information.
- (3) The management team of the Company adheres to the strict management and operation management, which can not only strengthen the service quality of the business team, but also take transparency in financial reporting and information reporting, and cooperate with internal audit and internal control system and law and edict system, which makes the Company stand out in the competitive insurance brokerage industry.
- (4) The increase in unmarried population, change in demographics, and lengthened average life expectancy all caused more aging population year by year. This phenomenon benefits business expansion in healthcare, long-term care and pension schemes.

5. Favorable and unfavorable factors affecting the Company's development prospects and countermeasures:

(1) Favorable Factors

Despite married or unmarried, the entire society is keener on recognizing the issue of retirement because of lengthened average life expectancy, meaning that life after retirement is longer. Moderate reminders on the preparation of expected retirement life easily ring a bell and introduce the concept of retirement insurance schemes to insurance buyers. The Company tailors the golden retirement life for the insured and provides its professional and high-quality "retirement planning", which is the most important action to contribute to the society. Therefore, we cultivate more professional managers and expect to plan exclusive retirement security for more insured.

(2) Unfavorable Factors

- A. Taiwan's insurance penetration is highest in the world, with high national insurance coverage rate and slow growth in the future.
- B. Due to the changes in the structure of insurance products and the impact of IFRS 17 international accounting standards and legal compliance, the product portfolio changed, while the sales selection of products was reduced, making it hard for insurance sales.

(3) Coping Strategies

- A. Increase the professional quality of tax laws and asset inheritance, provide comprehensive portfolio planning for insurance customers, replace short-term products with long-term retirement protection products, and focus on long-term sales.
- B. Increase the market coverage with the overall development of the Asian market.
- C. Collaborate and develop with insurance brokers.

(II) Usage and manufacturing processes of the Company's main products

- 1. Modern society is full of risks and uncertainty, which often impact on our lives and property. The major function of insurance is to diversify potential risks to everyone through the way of self-help, so that an individual avoids the unaffordable impact when accidents happen. Hence, insurance products provide stability to individuals, families and the society.

2. The Company shall, after signing a contract to sell the products of the insurance company, solicit insurance policies from customers through the solicitors of the Company, and deliver the insurance policies and relevant documents to the insurance company. The insurance brokerage sector explains the characteristics and terms of each insurance product according to the interests of the insured, so that the insured can insure the appropriate insurance according to the individual needs, thus ensuring the protection of the individual's future medical treatment and retirement.

(III) Supply Status of Primary Raw Materials: Not applicable.

(IV) Names of customers that accounted for 10% or more of total purchases or sales in any of the two most recent fiscal years, the amount and percentage of purchases or sales, and the reasons for any changes in purchases or sales:

- Names of suppliers that accounted for 10% or more of total purchases in any one year of the preceding two years, and the amount and percentage of purchases, with reasons for any changes:

The Company is in insurance brokerage sector and has no purchase supplier.

- Information on the major customers of goods sold in the latest two years:

This Customer of Goods Sold Is an Insurance Company That Provides Insurance Products for Our Brokerage Sales

Unit: NT\$ thousand; %

Items	2022				2023				Q1 2024 (not applicable)			
	Name	Amount	Ratio of Net Sales for the Year (%)	Relationships with the issuer	Name	Amount	Ratio of Net Sales for the Year (%)	Relationships with the issuer	Name	Amount	Ratio of Net Sales for the Year (%)	Relationships with the issuer
							Note 2				Note 3	
1	TransGlobe Life Insurance Inc.	190,830	25.86	None	TransGlobe Life Insurance Inc.	223,494	28.49	None	-	-	-	-
2	Farglory Life Insurance Inc.	114,365	15.50	None	Allianz Life Insurance	98,810	12.60	None	-	-	-	-
3	Note 1	-	-	None	Farglory Life Insurance Inc.	98,045	12.50	None	-	-	-	-
	Others	432,721	58.64	None	Others	364,001	46.41	None	-	-	-	-
	Net Sales	737,916	100.00	None	Net Sales	784,350	100.00	None	-	-	-	-

Note:1 Names of customers that accounted for 10% or more of the total sales in the last two years, and the amount and percentage of their sales, except for those customers whose names cannot be disclosed due to contractual agreements, or those whose counterparties are individuals or not related parties, which may be identified by code numbers.

Note:2 Reason for increase or decrease: the popularity of insurance products launched by insurance companies varies from year to year, which will affect the increase or decrease of operating income ratio.

As of the date of publication of the Annual Report, if financial information of the Company that are publicly listed or whose shares are traded over the counter has recently been audited or reviewed by CPAs, such information shall be disclosed. As of the date of publication, the Company's financial report for Q1 2024 has not been reviewed by CPAs.

(V) The production value in the last two years: Not applicable as the Company is an insurance brokerage that only agents insurance products for selling, so there is no volume of manufacture

(VI) Sales volume in the last two years: The service payment received by the Company varies with the service type of individual cases, so it cannot be analyzed by table of sales volume and value.

III. Employee Information

Employee statistics in the past two years up to publication date

March 31, 2024 Unit: Employees; age; %

Year		2022	2023	Current year to date March 31, 2024
Number of Employees	Total staff	37	37	35
	Business unit staff	21	20	20
	Total (Note)	58	57	55
Average Age		44.1	46.5	46.2
Average Years of Service		9.8	10.8	11.1
Education distribution ratio (%)	Ph.D.	0	0	0
	Master	6.9	7.0	7.3
	University/College	81.0	80.7	80.0
	Senior High School	12.1	12.3	12.7
	Under Senior High School	0	0	0

The annual report discloses that the number of employees does not include the number of Directors of non-concurrent employees. In 2023, the number of Directors who were not concurrently serving as employees was 5.

IV. Information on Environmental Protection Expenditures

State the total amount of losses (including indemnity) and penalties incurred by the company as a result of environmental pollution in the most recent two years and up to the date of publication of the annual report, and disclose its future countermeasures (including improvement measures) and possible expenditures (including the estimated amount of possible loss, punishment and indemnity without taking countermeasures. If it is impossible to reasonably estimate, it shall state the fact that it is impossible to reasonably estimate): None.

V. Labor Management Relations

- (I) List the employee benefit measures, further education, training, retirement system and its implementation, as well as the agreements between labor and management and various employee rights protection measures of the Company as follows:

1. Employee Welfare and Implementation Status:

The Company formulated the Employee Work Rules in accordance with international regulations and government labor laws, and regards employees as the greatest value of the Company. In addition, an Employee Welfare Committee has been set up in accordance with the Employee Welfare Fund Ordinance. The welfare provided by the Company include:

- (1) Employees are entitled to group insurance.
- (2) Birthday gift money, Mid-Autumn festival and Dragon Boat Festival bonus, year-end bonus and performance bonus.
- (3) Marriage and fertility gift money, funeral solatium and injury solatium.
- (4) Employee health check.
- (5) Irregular activities including birthday parties, festivities and employee excursions, etc.
- (6) Paid physiological leave, family care leave, maternity leave, paternity leave, parental leave, menstrual leave, and “leave without pay” are provided.
- (7) Encourage further education by providing subsidy.

Gender	Category	Number of participants	Total training hours	Average training hours
Female	Manager	3	108.5	36.2
	Non-manager	39	956	24.5
	Total	42	1064.5	25.3
Male	Manager	7	252	36.0
	Non-manager	8	319.5	39.9
	Total	15	571.5	38.1
Total	Total staff	57	1,636	28.7

2. Further Education and Training:

The Company provides equal training opportunities to office employees regardless of gender. Each administrative staff member who works full-time in 2023.

The average training hours was 28.7 hours, representing a 33.5% increase in average training hours. The average training hours for male colleagues was

38.1 hours, while for female colleagues it was 25.3 hours. Course details:

- (1) Internal training: From time to time, during the meetings of each department, the department heads implement professional functions and special function courses, such as: information security law course, personal data protection law course, integrity management code of conduct promotion, fair treatment principle course, money laundering prevention law course, department assistant policy service training and competent authority law promotion and other general knowledge courses. The Company also offers both offline and online courses.
- (2) External training: We provide an annual training subsidy of NT\$4,000 per person, and office colleagues are free to arrange courses for further study according to their job duties and career planning.
- (3) The number of training hours for office employees in 2023 is based on the number of training hours and gender ratio.

3. Retirement System:

- (1) Based on the Labor Standards Act, the Company regularly appropriates labor retirement reserves under a dedicated account at Taiwan Bank, also retains the services of an actuary to assess labor pension reserves and to provide a detailed report for assurance of sufficient reserves.
- (2) Under the Labor Pension Act, for those who choose the new system, the Company may allocate no less than 6% of their monthly labor wages to their labor pension fund account and may also handle retirement-related matters under the Labor Pension Act.
- (3) The Company formulates its retirement system in accordance with the Labor Standards Act and Labor Pension Act.

4. Labor Management Relations:

- (1) Agreements between labor and management

The Company's rules and regulations are based on the Labor Standards Act, and to date, the Company has established work rules for its employees in accordance with the Act.

Labor relations are in a state of harmony.

Regular quarterly meetings are held to coordinate labor-management relations, promote labor-management cooperation, and enhance work efficiency. Representatives from both labor and management are invited

to attend these meetings.

Labor-Management Meeting: Publish the minutes and implementation status of each meeting.

(2) Employee Equity Protection Measures:

The Company complies with the internationally recognized human rights standards such as the International Bill of Human Rights and the International Convention on Human Rights, and complies with the Labor Standards Act, the Gender Equality in Employment Act and the Labor Safety and Health Act, as well as the local regulations of each business location, and respects and treats all employees with equal opportunities. As of the publication date of the 2023 Annual Report, the Company has no any cases of harassment, discrimination or intimidation in the workplace.

The Company established the Labor-Management Committee in accordance with the Labor Standards Act. 2023 marked as the third term of the Committee. Elected by all labor members, the Committee convenes quarterly to report on the Company's operation and HR status, and put forward relevant labor rights and regulations discussion and resolution. The total number of employees covered by collective bargaining agreements is 100%. The Company has workplace sexual harassment prevention measures, complaints and disciplinary measures and pays attention to gender equality, in order to protect the equity of the Company's staff.

- (II) List the losses suffered as a result of labor disputes in the most recent year and up to the date of publication of the annual report, and disclose the estimated amounts and countermeasures that may occur now and in the future, If it cannot be reasonably estimated, it shall state the fact that it cannot be reasonably estimated:

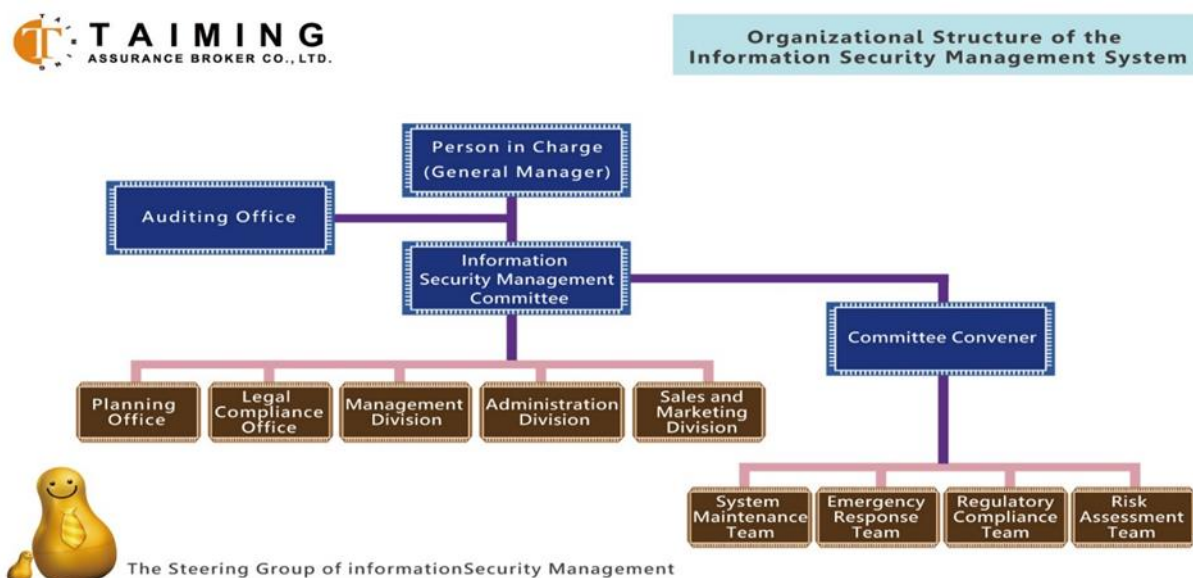
The relationship between management and labor has been harmonious over the years, thus no labor disputes.

VI. Information security management:

- (I) The security risk management structure, security policy, specific management plan and resources invested in security management of the Company:

1. Information security risk management framework

In order to enhance the management of information security, the Company established the Information Security Management Committee in December 2016, which is responsible for reviewing the information security governance policies of all operating sites, supervising the operation of information security management, expecting to establish a comprehensive information security protection mechanism and enhance colleagues' good information security awareness through the management, planning, supervision, and promotion of professional information security units, regularly assessing information security risks and reporting to the Board of Directors. The report was recently submitted at the 9th meeting of the 8th Board of Directors on December 28, 2023. The organizational structure of the Company's Information Security Management Committee is as follows:



2. Information Security Policy:

In order to implement information security management, the Company adopts the management model of “Plan-Do-Check-Act” (PDCA) and establishes an Information Security Management System (ISMS) that meets the requirements of the international standard “ISO/IEC 27001”. We create a reliable information system environment and promote information security management operations. We hope to strengthen information security management through continuous innovation to ensure the confidentiality, integrity and availability of customer information and company information assets.

3. Specific management plan for information security management:

The Company establishes information asset management regulations, sets out the principles for classifying, classifying, labeling, and handling information assets, and handles information asset management and practices accordingly. It is used to protect all kinds of information assets from risks such as human negligence, intentional or natural disasters.

The Company has established an Information Security Management Committee to coordinate, manage, and supervise all information security operations of the Group. From time to time, the Company simulates the social engineering techniques commonly used by hackers and conducts “email social engineering exercises” for employees to expose the patterns of information attacks and raise their alertness, hoping that information security awareness can become the instinct of employees.

In terms of information security management, the Company conducts white hat hacking vulnerability scans, mobile insurance information security reviews, system improvements, and password updates on a regular basis to ensure that every customer’s personal information delivered to the Taiming Insurance Broker is well protected. The number of confirmed complaints relating to violation of customer privacy or loss of customer data during the reporting period was zero.

The Company provides relevant information security promotion and education training courses. Through the operation of the Information Security

Management Committee and the implementation of information security policies, we provide a safe and secure information security environment to ensure the information security of our various services. The subsequent goal is to continue to improve the information security system of each operating base, strengthen the information security protection network, and consolidate and strengthen the information security joint defense mechanism. In the future, in addition to the expansion of information security personnel, we plan to conduct training and certification so that the Company's information security can be completer and more reliable in terms of manpower and capability.

Implementation highlights in 2023

Items	Implementation items
ISO-27001 certified	Continued BSI Information Security Audit International Certification for 2023
Database activity records	Maintain database activity records for more than 12 months
System Version Control	Maintain more than three version backups while system is being modified
System vulnerability scan	Entrust Chunghwa Telecom to conduct a system-wide scan of the head office
Employee education and promotion	Conduct regular training and information security concept promotion
Computer anti-virus	Company-wide unified management of anti-virus system
Computer update	Company-wide unified management system security update
Prevent unauthorized access	Lock USB, external cloud, external mailbox
External connection	VPN encrypted channel control vendors to maintain behavioral security
System development security	Implement development process standards
Power generation unit	Regular maintenance of power generation units to maintain effective system operation
Connection with employees working at home	VPN encrypted channel and home office security
System service monitoring	Import system service monitoring

Items	Implementation items
Information security	Establishment of Information Security Director and specialist personnel
Information security report	Information Security Certification and Reporting Submission

4. Resources invested in the security management of information security

The Company allocates an appropriate budget every year for system, network, and monitoring backup equipment upgrades. Every year, the Company engages with a professional asset security consulting company to guide and inspect its information security testing, and has obtained ISMS ISO27001 Information Security certification, PIMS individual information security certification and 2023 certification.

Since 2019, the Company has been purchasing cybersecurity insurance on an annual basis to mitigate both known and unknown cybersecurity threats. This practice not only reduces operational risks but also fulfills our responsibility to stakeholders, providing dual protection for information security.

- (II) Losses incurred due to major information security incidents in the most recent fiscal year and as of the publishing date of the annual report, and its possible impact and countermeasures: None.

VII. Important Contracts

Nature of Contract	The Principal	Contract Start/End Date	Main Content	Restrictive Covenants
Broker Contract	Global Life Insurance	11/15/2002 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Hontai Life Insurance	12/01/2002 (Automatic renewal) 01/01/2009 (Automatic renewal) 01/01/2013 (Automatic renewal) 01/01/2015 (Automatic renewal) 01/01/2017 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	China Life Insurance	01/01/2004 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Farglory Life Insurance	03/01/2005 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Fubon Life Insurance	05/26/2005 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Shin Kong Life Insurance	07/25/2005 (Automatic renewal) 01/01/2011 (Automatic renewal) 02/01/2013 (Automatic renewal) 12/15/2014 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Chubb International Life (Note 1)	09/01/2006 (Automatic renewal) 10/01/2013 (Automatic renewal) 12/01/2022 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Taiwan Life Insurance (Note 2)	01/05/2012 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Bank Taiwan Life Insurance	01/02/2008 (Automatic renewal) 10/22/2008 (Automatic renewal) 12/25/2012 (Automatic renewal) 08/14/2018 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	AIA Life Insurance	05/17/2011 (Automatic renewal) 03/01/2014 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Allianz Life Insurance	02/01/2007 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Yuanta Life Insurance	01/01/2016 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Cathay Life Insurance	08/01/2016 (Automatic renewal) 05/25/2022 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Prudential Life Insurance	04/13/2018 (Automatic renewal) 01/01/2021 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Taishin Life	09/01/2022 (Automatic renewal)	Solicitation of Life Insurance	-
Broker Contract	Want Want Union Insurance Company (Note 3)	12/15/2004 (Automatic renewal) 07/01/2011 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	Tokio Marine Newa Insurance	04/01/2008 (Automatic renewal) 03/04/2016 (Automatic renewal) 11/06/2019 (Automatic renewal) 07/10/2020 (Automatic renewal) 15/05/2023 (Automatic renewal)	Solicitation of Property Insurance	-

Nature of Contract	The Principal	Contract Start/End Date	Main Content	Restrictive Covenants
Broker Contract	Fubon Property Insurance	01/01/2007 (Automatic renewal) 03/16/2012 (Automatic renewal) 06/24/2022 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	Cathay Century Insurance Co., Ltd.	09/30/2010 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	Taiwan Fire & Marine Insurance	2011/03/07-2014/03/07 02/17/2014 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	Chubb Property Insurance	03/01/2007 (Automatic renewal) 09/01/2009 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	Taian Insurance	12/09/2008 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	CTBC Insurance (Note 4)	04/02/2010 (Automatic renewal) 12/10/2010 (Automatic renewal) 12/06/2017 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	Chung Kuo Insurance	09/29/2010 (Automatic renewal) 08/11/2011 (Automatic renewal) 01/27/2014 (Automatic renewal) 04/06/2016 (Automatic renewal) 11/09/2020 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	Nan Shan General Insurance (Note 5)	10/09/2003 (Automatic renewal) 03/01/2011 (Automatic renewal) 01/01/2012 (Automatic renewal) 10/20/2017 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	South China Insurance	12/14/2009 (Automatic renewal) 12/14/2012 (Automatic renewal) 12/14/2015 (Automatic renewal) 08/01/2022 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	MSIG Mingtai Insurance	01/25/2011 (Automatic renewal) 10/01/2020 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	The First Insurance	04/20/2012 (Automatic renewal) 02/25/2014 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	Shinkong Insurance	11/25/2009 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	Nan Shan Life Insurance	08/04/2008 (Group insurance - Automatic) 06/30/2010 (Group insurance - Automatic)	Solicitation of Group Insurance	-
Broker Contract	BNP Paribas Cardif	06/25/2014 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	Ho Tai Property Insurance (Note 6)	08/01/2014 (Automatic renewal) 08/01/2016 (Automatic renewal) 11/15/2019 (Automatic renewal) 11/09/2020 (Automatic renewal)	Solicitation of Property Insurance	-
Broker Contract	AIG Asia Pacific Insurance	09/01/2016 (Automatic renewal)	Solicitation of Property Insurance	-
Share Conversion	Link-aim Life Insurance Broker	Signing Date 107/12/27	The parties shall agree on the matters	-

Nature of Contract	The Principal	Contract Start/End Date	Main Content	Restrictive Covenants
Contract	Co., Ltd.		of share conversion.	

Note:1 Formerly Zhong Tai Life Insurance, it was officially renamed Chubb Group on September 6, 2016. A contract transfer agreement (Cigna Life) was signed on September 20, 2022, and was renamed as Chubb International Life on December 1, 2022.

Note:2 Formerly ChinaTrust Life Insurance, it was officially renamed as Taiwan Life Insurance on January 1, 2016.

Note:3 The original Union Insurance Company, on July 1, 2011 renamed as Want Want Union Insurance Company and signed a memorandum.

Note:4 Formerly TLG Insurance, it was renamed as CTBC Insurance on January 1, 2021.

Note:5 The memorandum was signed on September 1, 2008 by the former Central Property Insurance, which was renamed as AIA Life Insurance. On March 1, 2011, it was renamed as Mei Ya Property Insurance, and on September 1, 2016, it was renamed as Nan Shan General Insurance.

Note:6 Formerly Zurich Property Insurance, it was renamed as Ho Tai Property Insurance on March 1, 2017.

Chapter 6. Overview of Financial Status

I. Condensed Balance Sheet and Statement of Income for the Last 5 Years

(I) Financial information presented in accordance with International Financial Reporting Standards (IFRS):

1. Consolidated Condensed Balance Sheet:

Unit: NT\$ thousand

Year		Financial Information for the Last 5 Years (Note 1)				
		2019	2020	2021	2022	2023
Items						
Current assets		425,848	424,677	404,434	389,449	406,268
Financial Assets Measured at Cost		-	-	-	-	-
Property and equipment		52,492	51,638	49,449	44,673	41,751
Net Amount of Real Estate Investment		67,944	67,580	67,216	73,553	73,189
Intangible Asset		-	-	-	-	-
Other Assets		263,229	256,790	254,380	266,172	268,332
Total Assets		809,513	800,685	775,479	773,847	789,540
Current Liability	Before Distribution	201,018	193,085	160,090	159,005	166,064
	After Distribution	276,091	273,163	235,163	226,571	(Note2)
Non-Current Liability		72,246	55,071	46,373	80,666	82,338
Total Liabilities	Before Distribution	273,264	248,156	206,463	239,671	248,402
	After Distribution	348,337	328,234	281,536	307,237	(Note2)
Equity Attributable to Owners of Parent Company		536,249	552,529	569,016	534,176	541,138
Equity		250,243	250,243	250,243	250,243	250,243
Capital surplus		92,500	92,500	92,500	95,978	88,471
Retained earnings	Before Distribution	203,600	215,279	209,915	201,041	196,075
	After Distribution	128,527	135,201	134,842	133,475	(Note2)
Other equity interests		(10,094)	(5,493)	16,358	(13,086)	6,349
Treasury Stock		-	-	-	-	-
Non-controlling Interests		-	-	-	-	-
Total Equity	Before Distribution	536,249	552,529	569,016	534,176	541,138
	After Distribution	461,176	472,451	493,943	466,610	(Note2)

Note:1 The financial information has been audited and certified as an unqualified opinion by CPAs Wang-Sheng Lin and Wen-Ya Hsu from Deloitte Taiwan.

Note:2 The 2023 earnings distribution was approved at the 10th meeting of the 8th Board of Directors on March 5, 2024, and presented to the 2024 annual shareholders' meeting.

2. Parent Company Condensed Balance Sheet:

Unit: NT\$ thousand

Year		Financial Information for the Last 5 Years (Note 1)				
		2019	2020	2021	2022	2023
Items						
Current Assets		351,241	349,191	336,488	325,147	324,790
Financial Assets Measured at Cost		-	-	-	-	-
Investments Accounted for Using the Equity Method		120,499	119,715	119,045	117,709	122,738
Property and Equipment		44,783	47,062	46,567	43,171	40,928
Net Amount of Real Estate Investment		67,944	67,580	67,216	73,553	75,239
Intangible Asset		-	-	-	-	-
Other Assets		170,860	167,217	169,749	173,244	177,506
Total Assets		755,327	750,765	739,065	732,824	741,201
Current Liability	Before Distribution	155,717	150,128	128,742	127,900	125,747
	After Distribution	230,790	230,206	203,815	195,466	(Note2)
Non-Current Liability		63,361	48,108	41,307	70,748	74,316
Total Liabilities	Before Distribution	219,078	198,236	170,049	198,648	200,063
	After Distribution	294,151	278,314	245,122	266,214	(Note2)
Equity Attributable to Owners of Parent Company		536,249	552,529	569,016	534,176	541,138
Equity		250,243	250,243	250,243	250,243	250,243
Capital Surplus		92,500	92,500	92,500	95,978	88,471
Retained Earnings	Before Distribution	203,600	215,279	209,915	201,041	196,075
	After Distribution	128,527	135,201	134,842	133,475	(Note2)
Other Equity:		(10,094)	(5,493)	16,358	(13,086)	6,349
Treasury Stock		-	-	-	-	-
Non-controlling Interests		-	-	-	-	-
Equity	Before Distribution	536,249	552,529	569,016	534,176	541,138
	After Distribution	461,176	472,451	493,943	466,610	(Note2)

Note:1 The financial information has been audited and certified as an unqualified opinion by CPAs Wang-Sheng Lin and Wen-Ya Hsu from Deloitte Taiwan.

Note:2 The 2023 earnings distribution was approved at the 10th meeting of the 8th Board of Directors on March 5, 2024, and presented to the 2024 annual shareholders' meeting.

3. Consolidated Condensed Statement of Income:

Unit: NT\$ thousand

Items \ Year	Financial Information for the Last 5 Years (Note 1)				
	2019	2020	2021	2022	2023
Operating Revenue	863,520	914,530	812,570	737,916	784,350
Gross Profit	189,142	198,661	176,402	162,532	145,593
Operating Profit or Loss	85,471	103,135	85,156	66,888	53,750
Non-Operating Income and Expenses	2,626	5,840	7,437	13,184	13,070
Net Income Before Tax	88,097	108,975	92,593	80,072	66,820
Net Income from Continuing Operations in the Current Period	67,512	86,844	74,676	65,951	55,088
Loss from Discontinued Operations	-	-	-	-	-
Net Profit (Loss) for the Current Period	67,512	86,844	74,676	65,951	55,088
Other Comprehensive Income for the Current Period (Net of Tax)	21,884	4,509	21,889	(29,196)	19,439
Total Comprehensive Income in the Current Period	89,396	91,353	96,565	36,755	74,527
Net Income Attributable to Owners of Parent Company	74,501	86,844	74,676	65,951	55,088
Net Income Attributable to Non-Controlling Interests	(6,989)	-	-	-	-
Total Comprehensive Income Attributable to Owners of the Parent Company	96,279	91,353	96,565	36,755	74,527
Total Comprehensive Income Attributable to Non-controlling Interests	(6,883)	-	-	-	-
Earnings Per Share (NT\$)	3.04	3.47	2.98	2.64	2.20

Note:1 The financial information has been audited and certified as an unqualified opinion by CPAs Wang-Sheng Lin and Wen-Ya Hsu from Deloitte Taiwan.

Note:2 The 2023 earnings distribution was approved at the 10th meeting of the 8th Board of Directors on March 5, 2024, and presented to the 2024 annual shareholders' meeting.

4. Parent Company Condensed Statement of Income:

Unit: NT\$ thousand

<div> <div></div> <div>Year</div> </div> <div>Items</div>	Financial Information for the Last 5 Years (Note 1)				
	2019	2020	2021	2022	2023
Operating Revenue	726,599	718,716	595,382	539,769	567,099
Gross Profit	168,220	158,986	143,226	133,726	112,915
Operating Profit or Loss	82,235	74,579	62,809	49,893	32,381
Non-Operating Income and Expenses	10,393	28,774	25,365	26,833	30,165
Net Income Before Tax	92,628	103,353	88,174	76,726	62,546
Net Income from Continuing Operations in the Current Period	74,501	86,844	74,676	65,951	55,088
Loss from Discontinued Operations	-	-			
Net Profit (Loss) for the Current Period	74,501	86,844	74,676	65,951	55,088
Other Comprehensive Income for the Current Period (Net of Tax)	21,778	4,509	21,889	(29,196)	19,439
Total Comprehensive Income in the Current Period	96,279	91,353	96,565	36,755	74,527
Earnings Per Share (NT\$)	3.04	3.47	2.98	2.64	2.20

Note:1 The financial information has been audited and certified as an unqualified opinion by CPAs Wang-Sheng Lin and Wen-Ya Hsu from Deloitte Taiwan.

Note:2 The 2023 earnings distribution was approved at the 10th meeting of the 8th Board of Directors on March 5, 2024, and presented to the 2024 annual shareholders' meeting.

(II) Name and Audit Opinion of the CPA for the Last 5 Years:

1. Names of Certified Public Accountants in the last 5 fiscal years and audit opinions

Audit Year	Auditing CPA Firm	Auditing CPA	Audit Opinion
2019	Deloitte & Touche	Wang-Sheng Lin, Wun-Ya Syu	Unqualified opinion
2020	Deloitte & Touche	Wang-Sheng Lin, Wun-Ya Syu	Unqualified opinion
2021	Deloitte & Touche	Wang-Sheng Lin, Wun-Ya Syu	Unqualified opinion
2022	Deloitte & Touche	Wang-Sheng Lin, Wun-Ya Syu	Unqualified opinion
2023	Deloitte & Touche	Wang-Sheng Lin, Wun-Ya Syu	Unqualified opinion

2. If there has been a change of CPAs in the past five years, an explanation of the reasons for the change of the Company's predecessor and successor CPAs should be provided:

In accordance with changes in internal duties at Deloitte & Touche, the Company's CPAs changed to Wang-Sheng Lin and Wun-Ya Syu as from the first quarter of 2019.

II. Financial Analysis for the Last 5 Years

(I) As per International Financial Reporting Standards (IFRS):

1. Consolidated:

Year Analysis Item		Financial Analysis for the Last 5 Years				
		2019	2020	2021	2022	2023
Financial Structure	Debt-to-Asset Ratio	33.76	30.99	26.62	30.97	31.46
	Ratio of Long-term Capital to Property, Plant and Equipment	1,159.21	1,176.65	1,244.49	1,376.32	1493.32
Solvency	Current Ratio	211.85	219.94	252.63	244.93	244.65
	Quick Ratio	210.97	218.74	250.62	243.32	243.24
	Interest Coverage Ratio	-	-	-	-	-
Operational Performance	Receivables Turnover Rate (Times)	7.32	7.24	7.86	8.12	7.75
	Average Collection Days	50.00	50.00	46.00	44.96	47.09
	Inventory Turnover (Times)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Payables Turnover Rate (Times)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Average Sales Days	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Real Estate and Equipment Turnover Rate (Times)	17.28	17.57	16.08	15.68	18.15
	Total Asset Turnover Rate (Times)	1.19	1.14	1.03	0.95	1.00
Profitability	Return on Assets (%)	9.27	10.79	9.48	8.51	7.05
	Return on Equity (%)	13.66	15.95	13.32	11.96	10.25
	Ratio of Net Profit Before Tax to Paid-Up Capital (%)	35.20	43.55	37.00	32.00	26.70
	Net Profit Margin (%)	7.82	9.50	9.19	8.94	7.02
	Earnings Per Share (NT\$)	3.04	3.47	2.98	2.64	2.20
Cash Flow	Cash Flow Ratio (%)	32.05	60.49	70.64	51.38	38.48
	Cash Flow Adequacy Ratio (%)	117.40	112.11	117.23	115.27	115.57
	Cash Reinvestment Ratio (%)	(1.36)	11.97	9.03	1.88	(1.01)
Leverage	Degree of Operating Leverage	2.06	1.85	2.04	2.35	2.57
	Degree of Financial Leverage	1.00	1.00	1.00	1.00	1.00

Recent Two-Year Financial Ratio Changes (Changes of 20% or more):

Cash flow and cash reinvestment ratio: There was a decrease in net cash inflow from operating activities in 2023 compared to 2022.

Net profit ratio: Decrease in net income after tax for 2023.

2. Parent Company:

Analysis Item \ Year		Financial Analysis for the Last 5 Years				
		2019	2020	2021	2022	2023
Financial Structure	Debt-to-Asset Ratio	29.00	26.40	23.01	27.11	26.99
	Ratio of Long-term Capital to Property, Plant and Equipment	1,338.92	1,276.27	1,310.63	1,401.23	1503.75
Solvency	Current Ratio	225.56	232.60	261.37	254.22	258.29
	Quick Ratio	224.66	231.39	259.25	252.90	257.09
	Interest Coverage Ratio	-	-	-	-	-
Operational Performance	Receivables Turnover Rate (Times)	7.26	7.59	7.60	7.92	7.79
	Average Collection Days	50.00	48.00	48.00	46.07	46.88
	Inventory Turnover(Times)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Payables Turnover Rate(Times)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Average Sales Days	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Real Estate and Equipment Turnover Rate(Times)	15.84	15.65	12.72	12.03	13.49
	Total Asset Turnover Rate(Times)	1.04	0.95	0.80	0.73	0.77
Profitability	Return on Assets(%)	10.67	11.53	10.02	8.96	7.47
	Return on Equity(%)	15.16	15.95	13.32	11.96	10.25
	Ratio of Net Profit Before Tax to Paid-Up Capital(%)	37.02	41.30	35.24	30.66	24.99
	Net Profit Margin(%)	10.25	12.08	12.54	12.22	9.71
	Earnings Per Share (NT\$)	3.04	3.47	2.98	2.64	2.20
Cash Flow	Cash Flow Ratio(%)	42.11	53.02	65.42	48.46	30.81
	Cash Flow Adequacy Ratio(%)	125.54	107.48	104.80	97.71	87.44
	Cash Reinvestment Ratio(%)	(1.12)	1.53	1.32	(4.32)	(9.44)
Leverage	Degree of Operating Leverage	1.96	2.02	2.24	2.58	3.25
	Degree of Financial Leverage	1.00	1.00	1.00	1.00	1.00

Recent Two-Year Financial Ratio Changes (Changes of 20% or more):

Cash flow and cash reinvestment ratio: There was a decrease in net cash inflow from operating activities in 2023 compared to 2022.

Net profit ratio: Decrease in net income after tax for 2023.

Operating leverage: Due to the decrease in operating net income in 2023.

Note:1 Financial information for each year has been audited by CPAs.

Note:2 As of the publication date of the annual report, companies that have been listed or have been traded on TPEx should analyze the financial information of the most recent period audited or reviewed by CPAs.

Note:3 The following formulas should be shown at the end of this table in the annual report:

1. Financial Structure

- (1) Liabilities to Assets Ratio = Total Liabilities / Total Assets.
- (2) Long-Term Capital to Property, Plant, and Equipment Ratio = (Total Equity + Non-Current Liability) / Net Amount of Property, Plant and Equipment.

2. Solvency

- (1) Current Ratio = Current Asset / Current Liability.
- (2) Quick Ratio = Current Asset - Goods on Hand - Prepaid Expense) / Current Liability.
- (3) Interest Coverage Ratio = Net Profit Before Income Tax and Interest Expense / Current Interest Expenditure.

3. Operational Performance

- (1) Accounts Receivable (including receivable and bills receivable arising from business operations) Turnover Rate = Net Sales / Balance of Average Receivable in Various Periods (including accounts receivable and bills receivable arising from business operations).
- (2) Average Collection Days = 365 / Receivables Turnover Rate.
- (3) Inventory Turnover = Cost of Sales / Average Goods on Hand Value.
- (4) Accounts Payable (including payable and bills payable arising from business operations) Turnover Rate = Cost of Sales / Balance of Average Payable in Various Periods (including accounts payable and bills payable arising from business operations).
- (5) Average Sales Days = 365 / Goods on Hand Turnover Rate.
- (6) Property, Plant and Equipment Turnover Rate = Net Sales / Average Net Amount of Property, Plant and Equipment.
- (7) Total Asset Turnover Rate = Net Sales / Average Total Assets.

4. Profitability

- (1) Return on Asset = [Post-Tax Profit or Loss + Interest Expense (1-Tax Rate)] / Average Total Assets.
- (2) Return on Equity = Post-Tax Profit or Loss / Average Total Equity.
- (3) Net Profit Margin = Post-Tax Profit or Loss / Net Sales.
- (4) Earnings Per Share = (Gain or Loss Attributable to Owners of the Parent Company-Preference Dividend) / Weighted Average Number of Issued Shares.

5. Cash Flow

- (1) Cash Flow Ratio = Net Cash Flow from Operating Activities / Current Liability.

- (2) Net Cash Flow Adequacy Ratio = Net Cash Flow from Operating Activities for the Past 5 Years / (Capital Expenditure + Goods on Hand Increase + Cash Dividends) for the Past 5 Years.
 - (3) Cash Flow Reinvestment Ratio = (Net Cash Flow from Operating Activities - Cash Dividend) / (Gross Property, Plant and Equipment + Permanent Investment + Other Noncurrent Assets + Working Capital).
6. Leverage:
- (1) Degree of Operating Leverage = (Net Operating Income - Variable Operating Costs and Expenses) / Operating Profit
 - (2) Degree of Financial Leverage = Operating Profit / (Operating Profit - Interest Expense).

Note:4 Earnings per share are calculated based on the above formula and should be measured with special attention to the following matters:

1. The weighted average is based on the number of ordinary shares, not the number of issued shares at the end of the year.
2. Traders with cash additions or treasury stocks shall calculate a weighted average number of shares, taking into account their current period.
3. Where there is surplus to capital increase or capital reserve to capital increase, when calculating the earnings per share of previous years and half years, it shall be retroactively adjusted according to the proportion of capital increase, and it is not necessary to consider the issuance period of such capital increase.
4. If the preferred stocks are non-convertible accumulated special stocks, the current year dividend (whether or not issued) shall be deducted from the net after-tax profit or increased net after-tax loss. If the preferred stocks are non-cumulative in nature, the dividend of the preferred stocks shall be deducted from the net after-tax profit if there is net after-tax profit; If it is a loss, it needs not be adjusted.

Note:5 The cash flow analysis shall be calculated with special attention to the following matters:

1. Net cash flow of operating activities refers to the net cash inflow of operating activities in the cash flow table.
2. Capital expenditure refers to the annual cash outflow from capital investment.
3. The goods on hand increase are only recorded when the ending balance is greater than the opening balance. If the ending goods on hand decreases, it will be counted as zero.
4. Cash dividends include cash dividends for ordinary shares and preferred stocks.
5. Gross property, plant and equipment refers to the total amount of property, plant and equipment before the deduction of accumulated depreciation.

- Note:6 The issuer shall classify the various operating costs and operating expenses into fixed and variable according to their nature, and shall pay attention to the reasonableness and maintain the consistency if it involves estimation or subjective judgment.
- Note:7 If the Company's shares have no par value or a par value other than NT\$ 10, any calculations that involve paid-up capital ratio shall be replaced with the equity attributable to owners of parent company, as shown in the balance sheet.

III. Report of the Audit Committee on the Review of the Latest Annual Financial Report

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements, and Distribution of Profits to the Audit Committee, among which the Financial Statements have been audited by Wang-Sheng Lin and Wen-Ya Hsu, CPAs of Deloitte & Touche, who issued an audit report accordingly.

The Business Report, Financial Statements, and Distribution of Profits have been examined by the Audit Committee and found to be in order. This report has been prepared in accordance with the relevant provisions of the Securities and Exchange Act and the Company Act and is submitted to the annual shareholders' meeting for ratification.

Sincerely

2024 Shareholders' Meeting of TABC

Convener of the Audit Committee: Chien-Hsiang Chang

March 5, 2024

IV. Financial Statements for the Most Recent Fiscal Year

Statement of Consolidated Financial Statements of Related Companies

For the year 2023 of the Company (from January 1 to December 31, 2023), the company entities that are required to be included in the consolidated financial statements of associates under the "Criteria Governing Preparation of Consolidated Business Report of Affiliated Enterprises, Consolidated Financial Statements of Affiliated Enterprises, and Affiliation Reports" are the same as those required to be included in the parent-subsidary consolidated financial statements under the International Financial Reporting Standards 10. Moreover, the relevant information required to be disclosed for the consolidated financial statements of associates has been fully disclosed in the aforementioned parent-subsidary consolidated financial statements. Consequently, a separate set of consolidated financial statements of associates is not prepared.

Sincerely

Company Name: Taiming Assurance Broker Co., Ltd.

Chairman Cheng-Chin Li

March 5, 2024

Independent Auditors' Review Report

To Taiming Assurance Broker Co., Ltd.:

Audit Opinions

We have reviewed the consolidated balance sheets of Taiming Assurance Broker Co., Ltd. (the "Company") and its subsidiaries (collectively, the "Group") for the years ended December 31 2023 and 2022, and the relevant consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended and relevant notes including a summary of significant accounting policies" (collectively referred to as the financial statements)".

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the financial position of the Company as of December 31, 2023 and 2022 and for the years then ended, and its consolidated financial performance and its consolidated cash flows for the years then ended in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China.

Basis for Opinion

Our CPA has planned and executed audit procedures according to Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards (GAAS). Our responsibility under those standards is further described in the section of "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements". 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 obtained is sufficient and appropriate for us to provide a basis for our audit.

Key Audit Items

Key audit matters refer to the most vital matters in our audit of the consolidated financial statements of the Group for the year ended December 31, 2023 based on our professional judgment. These matters were addressed in our audit of the consolidated financial statements as a whole, and in forming our audit opinion. We do not express a separate opinion on these matters.

Key audit matters of the consolidated financial statements of the Group for the year ended December 31, 2023 are stated as follows:

Revenue recognition

Key audit matters

The Group operating revenue for 2023 totaled NT\$784,350 thousand, in which, NT\$480,838 thousand were commissions for the first year premium and renewed annual premium from the first insurance companies, accounting for 61% of the total revenue.

After identifying the performance obligations of contracts with the customers, the Group decides relevant transaction prices and allocates the transaction prices to the performance obligations, and recognizes revenue when performance obligations are met. The transaction price of the relevant contract is calculated using the information system based on calculation factors such as the premium of the brokerage insurance products and the commission rate agreed with insurance companies. Therefore, the correctness and authenticity of the calculation of the commission revenue from the first year premium and renewed annual premium from the top ten insurance companies recognized are listed as the key audit matters.

The accounting policy on commission revenue assessment is shown in Note 4.

Audit Process Adopted

1. Identify the relevant internal control mechanism built by the management for correct calculation of commission revenue and observe how it operates.
2. Obtain the revenue details of the life insurance and group commission details of the insurance companies from the policy information system to confirm the completeness of the data, select samples, and verify them with the statement details provided by these insurance companies or recalculate to check whether they are consistent with the commissions that include the transaction prices received.
3. Review the calculation table of the transaction prices allocated to each performance obligation and check if the allocation method and logic are consistent.

Other Matters

The Company has also compiled Standalone Financial Statements for the years ended December 31, 2023 and 2022, and they have also received our unqualified audit opinion for your reference.

Responsibilities of the management and governance bodies for the consolidated financial statements

It is the management's responsibility to fairly present the Consolidated Financial Statements in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," as well as International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission, and to maintain internal controls which are necessary for the preparation of the Consolidated Financial Statements so as to avoid material misstatements due to fraud or errors therein.

In preparing the consolidated financial statements, the management is responsible for assessing the ability of the Group in continuing as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless the management intends to liquidate the Company or cease the operations without other viable alternatives.

The governance bodies of the Group (including the Audit Committee) are responsible for supervising the financial reporting process

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance on whether the consolidated financial statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors' report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in 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 the amounts of misstatements, either separately or in aggregate, could reasonably be expected to influence the economic decisions of the users of the consolidated financial statements, they are considered material.

When auditing in accordance with Auditing Standards, we practice professional judgment and maintain professional suspicion. The CPA has also implemented the following procedures:

1. Identify and assess the risks of material misstatement arising from fraud or error within the consolidated financial statements; design and execute countermeasures in response to said risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. As fraud may involve collusion, forgery, deliberate omissions, false statements, or violations of internal controls, the risks of material misstatements due to fraud is greater than that due to errors.
2. Understand the internal control related to the audit in order to design appropriate audit procedures under the circumstances, while 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 the management's adoption of the going concern basis of accounting based on the audit evidence obtained and whether a material uncertainty exists for events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the consolidated financial statements to pay attention to relevant disclosures in said statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Our conclusion is based on the audit evidence obtained as of the date of the audit 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 relevant notes), and whether the consolidated financial statements adequately present the relevant transactions and events.
6. Obtain sufficient and appropriate audit evidence concerning the financial information of entities within the Company, to express an opinion on the consolidated financial statements. We are responsible for guiding, supervising, and performing the audit and forming an audit opinion on the Group. We are responsible

for the guidance, supervision, and implementation of the Group's audit and for forming the audit opinion of the Group.

The matters communicated between us and the governance unit include the planned scope and time of the audit and material audit findings (including the significant deficiencies in the internal control identified during the audit).

We also provide the governing unit with a statement that the firm to which the personnel belong who are subject to independence and has followed the statement of independence in the code of professional ethics and communicate with the governance unit all relationships and other matters (including relevant protective measures) that may be considered to affect the independence of CPAs.

From the matters communicated with the governance bodies, we determined the key audit matters for the audit of the Group's consolidated financial statements for the year ended December 31, 2023. Such matters have been explicitly highlighted in the audit report, but do not include information prohibited by law or, in extremely rare cases and with reasonable anticipation, where we decided not to communicate about specific items in the audit report as the negative effects of such disclosure would exceed the benefits gained for public interest.

Deloitte & Touche

CPA

Wang-Sheng Lin

CPA

Wen-Ya Hsu

Financial Supervisory Commission
Approval Document No.

FSC Letter Jin-Guan-Zheng-Shen
No.1060023872

Securities and Futures Bureau Approval
Document No.

Tai-Cai-Zheng-6 No. 0920123784

March 5, 2024

Notice to Reader:

For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese version shall prevail.

Taiming Assurance Broker Co., Ltd. and Subsidiaries

Consolidated Balance Sheet

For the Years Ended December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

Code	Assets	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%
	Current Assets				
1100	Cash and cash equivalents (Note 4 and 6)	\$ 53,935	7	\$ 107,115	14
1110	Financial assets at fair value through profit and loss- current (Note 4 and 7)	149,697	19	112,961	14
1120	Financial assets at fair value through other comprehensive income- current (Notes 4 and 8)	53,353	7	39,180	5
1140	Contract assets - current (Notes 4 and 18)	33,588	4	35,920	5
1170	Notes and accounts receivable (Notes 4, 9, and 25)	111,585	14	90,632	12
1200	Other Receivables	1,772	-	1,088	-
1470	Other Current assets	2,338	-	2,553	-
11XX	Total Current Assets	<u>406,268</u>	<u>51</u>	<u>389,449</u>	<u>50</u>
	Non-Current Asset				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	102,360	13	99,424	13
1550	Investments accounted for using equity method (Notes 4 and 10)	3,846	1	4,139	1
1560	Contract assets - non-current (Notes 4, and 18)	47,351	6	28,187	4
1600	Immovable property and equipment (Notes 4 and 11)	41,751	5	44,673	6
1755	Right-of-use asset assets (Notes 4, 12, and 25)	31,808	4	50,677	7
1760	Investment property (Notes 4 and 13)	73,189	9	73,553	9
1805	Goodwill (Notes 4 and 24)	68,537	9	68,537	9
1840	Deferred income tax assets (Notes 4 and 21)	2,198	-	2,095	-
1920	Guarantee deposits paid (Note 25)	9,872	1	9,962	1
1990	Other non-current assets (Notes 4 and 16)	2,360	1	3,151	-
15XX	Total Non-Current Assets	<u>383,272</u>	<u>49</u>	<u>384,398</u>	<u>50</u>
1XXX	Total Assets	<u>\$ 789,540</u>	<u>100</u>	<u>\$ 773,847</u>	<u>100</u>
	Liabilities and equity				
	Current Liabilities				
2150	Notes Payable	\$ 12	-	\$ -	-
2200	Other payables (Note 14)	135,598	17	125,848	16
2230	Current income tax liabilities (Notes 4 and 21)	4,503	1	5,032	1
2280	Lease liabilities - current (Notes 4, 12, and 25)	14,807	2	20,288	3
2399	Other current liabilities	11,144	1	7,837	1
21XX	Total Current Liabilities	<u>166,064</u>	<u>21</u>	<u>159,005</u>	<u>21</u>
	Non-Current Liabilities				
2550	Liability reserve - non-current (Note 4 and 15)	10,992	1	10,475	1
2570	Deferred income tax liabilities (Notes 4 and 21)	229	-	206	-
2580	Lease liabilities - non-current (Notes 4, 12, and 25)	17,407	2	30,757	4
2610	Long-term payables (Note 14)	53,049	7	35,503	5
2645	Guarantee deposit received	661	-	508	-
2650	Credit balance of investments under equity method (Note 10)	-	-	3,217	-
25XX	Total Non-current Liabilities	<u>82,338</u>	<u>10</u>	<u>80,666</u>	<u>10</u>
2XXX	Total Liabilities	<u>248,402</u>	<u>31</u>	<u>239,671</u>	<u>31</u>
	Equity attributable to owners of parent (Notes 4 and 17)				
3110	Common Stock	250,243	32	250,243	32
3200	Capital surplus	88,471	11	95,978	13
	Retained earnings				
3310	Legal reserve	126,807	16	120,187	16
3320	Special reserve	13,086	2	-	-
3350	Unappropriated earnings	56,182	7	80,854	10
3300	Total Retained Earnings	196,075	25	201,041	26
3400	Other equity	6,349	1	(13,086)	(2)
31XX	Equity attributable to shareholders of the parent	<u>541,138</u>	<u>69</u>	<u>534,176</u>	<u>69</u>
3XXX	Total Equity	<u>541,138</u>	<u>69</u>	<u>534,176</u>	<u>69</u>
	Total Liabilities and Equity	<u>\$ 789,540</u>	<u>100</u>	<u>\$ 773,847</u>	<u>100</u>

The attached notes are part of the consolidated financial statements.

Chairman of the Board: Cheng-Chih Li

Manager: Yang-Kuo Chen

Accounting Manager: Hsin-I Wen

Taiming Assurance Broker Co., Ltd. and Subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2023 and January 1 to December 31, 2022

Unit: NT\$ thousands, except NT\$ for earnings per share

Code		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Notes 4, 18, and 25)	\$ 784,350	100	\$ 737,916	100
5000	Operating cost (Notes 19 and 25)	<u>638,757</u>	<u>81</u>	<u>575,384</u>	<u>78</u>
5950	Gross Profit from operations	<u>145,593</u>	<u>19</u>	<u>162,532</u>	<u>22</u>
	Operating expenses (Notes 19 and 25)				
6100	Marketing Expenses	7,707	1	5,093	1
6200	Administrative Expenses	<u>84,136</u>	<u>11</u>	<u>90,551</u>	<u>12</u>
6000	Total Operating Expenses	<u>91,843</u>	<u>12</u>	<u>95,644</u>	<u>13</u>
6900	Net operating income	<u>53,750</u>	<u>7</u>	<u>66,888</u>	<u>9</u>
	Non-Operating Income and Expenditure				
7010	Other income (Note 19)	9,340	1	16,734	2
7020	Other gains and losses (Note 19)	6,886	1	(321)	-
7050	Finance costs	(625)	-	(679)	-
7060	Share of profit (loss) of associates and joint ventures accounted for under equity method	(<u>2,531</u>)	<u>-</u>	(<u>2,550</u>)	<u>-</u>
7000	Total Non-operating Income and Expenses	<u>13,070</u>	<u>2</u>	<u>13,184</u>	<u>2</u>
7900	Net profit before income tax	66,820	9	80,072	11
7950	Income tax expense (Notes 4 and 21)	<u>11,732</u>	<u>2</u>	<u>14,121</u>	<u>2</u>
8200	Current Net Income	<u>55,088</u>	<u>7</u>	<u>65,951</u>	<u>9</u>

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Code		2023		2022	
		Amount	%	Amount	%
	Other Comprehensive Income (Loss)				
8310	Items that will not be reclassified to profit or loss				
8311	Remeasurement of defined benefit plans	\$ 5	-	\$ 310	-
8316	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	19,471	3	(29,502)	(4)
8349	Income tax relating to items that are not reclassified	(1)	-	(62)	-
		<u>19,475</u>	<u>3</u>	<u>(29,254)</u>	<u>(4)</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translating the financial statements of foreign operations	(36)	-	58	-
		<u>(36)</u>	<u>-</u>	<u>58</u>	<u>-</u>
8300	Other comprehensive income (net, after tax)	<u>19,439</u>	<u>3</u>	<u>(29,196)</u>	<u>(4)</u>
8500	Total comprehensive income/(loss) for the year	<u>\$ 74,527</u>	<u>10</u>	<u>\$ 36,755</u>	<u>5</u>
	Net profit/(loss) attributable to:				
8610	Owners of the Company	\$ 55,088	7	\$ 65,951	9
8620	Non-controlling interests	-	-	-	-
8600		<u>\$ 55,088</u>	<u>7</u>	<u>\$ 65,951</u>	<u>9</u>
	Total comprehensive income attributable to:				
8710	Owners of the Company	\$ 74,527	10	\$ 36,755	5
8720	Non-controlling interests	-	-	-	-
8700		<u>\$ 74,527</u>	<u>10</u>	<u>\$ 36,755</u>	<u>5</u>
	Earnings per share (Note 22)				
9750	Basic	<u>\$ 2.20</u>		<u>\$ 2.64</u>	
9850	Diluted	<u>\$ 2.20</u>		<u>\$ 2.63</u>	

The attached notes are part of the consolidated financial statements.

Chairman of the Board:
Cheng-Chih Li

Manager:
Yang-Kuo Chen

Accounting
Manager:
Hsin-I Wen

Taiming Assurance Broker Co., Ltd. and Subsidiaries

Consolidated Statement of Changes in Equity

January 1 to December 31, 2023 and January 1 to December 31, 2022

Unit: In Thousands of New Taiwan Dollars

		Equity Attributable to Owners of the Company							
							Other Equity Items		
		Retained earnings					Exchange differences on translating the financial statements of foreign operations	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	Total Equity
Code		Common Stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings			
A1	Balance on January 1, 2022	\$ 250,243	\$ 92,500	\$ 112,716	\$ 5,493	\$ 91,706	(\$ 148)	\$ 16,506	\$ 569,016
	Appropriation of earnings for 2021								
B1	Appropriated as legal capital reserve	-	-	7,471	-	(7,471)	-	-	-
B3	Appropriated as special capital reserve	-	-	-	(5,493)	5,493	-	-	-
B5	Cash dividend attributable to shareholders	-	-	-	-	(75,073)	-	-	(75,073)
	Other changes in capital surplus:								
C7	Changes of associates and joint ventures accounted for under the equity method	-	3,478	-	-	-	-	-	3,478
D1	Net Profit in 2022	-	-	-	-	65,951	-	-	65,951
D3	Other comprehensive after-tax income (loss) in 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>248</u>	<u>58</u>	(<u>29,502</u>)	(<u>29,196</u>)
D5	Total comprehensive income (loss) in 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,199</u>	<u>58</u>	(<u>29,502</u>)	<u>36,755</u>
Z1	Balance on December 31, 2022	250,243	95,978	120,187	-	80,854	(90)	(12,996)	534,176
	Appropriation of earnings for 2022								
B1	Legal reserve	-	-	6,620	-	(6,620)	-	-	-
B3	Appropriated as special capital reserve	-	-	-	13,086	(13,086)	-	-	-
B5	Cash dividend	-	-	-	-	(60,058)	-	-	(60,058)
C15	Distribution of cash dividends from capital surplus	-	(7,507)	-	-	-	-	-	(7,507)
D1	Net Profit in 2023	-	-	-	-	55,088	-	-	55,088
D3	Other comprehensive after-tax income (loss) in 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	(<u>36</u>)	<u>19,471</u>	<u>19,439</u>
D5	Total comprehensive income (loss) in 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,092</u>	(<u>36</u>)	<u>19,471</u>	<u>74,527</u>
Z1	Balance on December 31, 2023	<u>\$ 250,243</u>	<u>\$ 88,471</u>	<u>\$ 126,807</u>	<u>\$ 13,086</u>	<u>\$ 56,182</u>	(<u>\$ 126</u>)	<u>\$ 6,475</u>	<u>\$ 541,138</u>

The attached notes are part of the consolidated financial statements.

Chairman of the Board: Cheng-Chih Li

Manager: Yang-Kuo Chen

Accounting Manager: Hsin-I Wen

Taiming Assurance Broker Co., Ltd. and Subsidiaries

Consolidated Statement of Cash Flows

January 1 to December 31, 2023 and January 1 to December 31, 2022

Unit: In Thousands of New Taiwan Dollars

Code		2023	2022
	Cash flow from operating activities		
A10000	Net Profit Before Tax in this year	\$ 66,820	\$ 80,072
A20010	Income and expenses having no effect on cash flows		
A20100	Depreciation expenses	26,039	26,405
A20200	Amortization	1,115	1,408
A20300	Loss of doubtful debt (reversed interest)	19	(127)
A20400	Net loss (profit) of financial assets at fair value through profit or loss	(6,736)	344
A20900	Finance costs	625	679
A21200	Interest income	(3,563)	(2,504)
A21300	Dividend income	(3,984)	(12,537)
A22300	Share of profit (loss) of associates & joint ventures accounted for using equity method	2,531	2,550
A23100	Loss on disposal of investments	-	117
A29900	Provisions for liability reserve	1,629	1,103
A29900	Profit (loss) of lease modification	(2)	(6)
A29900	Other income	(8)	(2)
A30000	Net changes in operating assets and liabilities		
A31125	Contract Assets	(16,832)	(4,747)
A31150	Notes Receivable and Accounts Receivable	(20,953)	540
A31180	Other Receivables	(62)	968
A31220	Prepaid retirement pension	(109)	(98)
A31240	Other Current assets	215	657
A32130	Notes Payable	12	-
A32180	Other Payables	27,296	4,642
A32200	Liabilities Reserve	(1,112)	(780)
A32230	Other current liabilities	3,307	(868)
A33000	Cash inflow from operating activities	76,247	97,816
A33300	Interest paid	-	(16)
A33500	Income Tax Paid	(12,342)	(16,111)
AAAA	Net cash inflow from operating activities	63,905	81,689

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Code		2023	2022
	Cash flow from investing activities		
B00030	Financial assets measured at FVTOCI - return of capital due to capital reduction	\$ 2,362	\$ 6,750
B00010	Financial assets at fair value through other comprehensive gains and losses	-	(794)
B00100	Acquisition of financial assets at fair value through profit or loss	(40,000)	(10,000)
B00200	Disposal of financial assets at fair value through profit or loss	10,000	34,495
B01800	Acquisition of associates	(5,491)	-
B02700	Acquisition of immovable property and equipment	(1,621)	(516)
B03700	Guarantee deposits paid	90	(20)
B05400	Acquisition of investment properties	-	(6,701)
B06700	Increase in other non-current assets	(210)	(836)
B07500	Interest received	2,922	1,536
B07600	Dividends received	<u>3,984</u>	<u>12,537</u>
BBBB	Net cash generated from (used in) investing activities	(<u>27,964</u>)	<u>36,451</u>
	Cash flows from financing activities		
C00100	Increase in short-term loans	-	10,000
C00200	Decrease in short-term borrowings	-	(10,000)
C03000	Increase in guarantee deposits received	153	-
C04020	Repayment of the principal amount of lease liabilities	(21,709)	(21,306)
C04500	Cash dividends distributed	(<u>67,565</u>)	(<u>75,073</u>)
CCCC	Net cash used in financing activities	(<u>89,121</u>)	(<u>96,379</u>)
EEEE	Net increase (decrease) in cash and cash equivalents	(53,180)	21,761
E00100	Balance of cash and cash equivalents at beginning of year	<u>107,115</u>	<u>85,354</u>
E00200	Balance of cash and cash equivalent at end of year	<u>\$ 53,935</u>	<u>\$ 107,115</u>

The attached notes are part of the consolidated financial statements.

Chairman of the Board:
Cheng-Chih Li

Manager:
Yang-Kuo Chen

Accounting Manager:
Hsin-I Wen

Taiming Assurance Broker Co., Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements

January 1 to December 31, 2023 and January 1 to December 31, 2022

(Unless otherwise stated, the unit shall be thousands of New Taiwan Dollars)

1. Company History

Taiming Assurance Broker Co., Ltd. (hereinafter referred to as "the Company") was formally established in October 2002 in accordance with the provisions of the Company Act. Its main business operations are life insurance and property insurance brokerage, and the insurance broker's professional liability insurance, insurance broker's guarantee insurance and deposit have been insured according to the regulations. The Company's shares have been listed on the Taipei Exchange of Taiwan (TWSE) for the trading of the Taipei Exchange (TPEx) since October 28, 2014. The consolidated financial statements are expressed in the Company's functional currency

2. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements were approved by the Board of Directors on March 5, 2024.

3. Application of Newly Issued and Revised Guidelines and Interpretations

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

The application of the amended IFRSs endorsed and issued into effect by the FSC does not have material impact on the Group's accounting policies.

- b. The IFRSs endorsed by the Financial Supervisory Commission for application in 2024

New, Revised or Amended Standards and Interpretations	Effective Date of IFRSs Published by IASB (Note 1)
Amendments to IFRS 16 "Lease Liability in a Sale-and-leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 1, 2024

New, Revised or Amended Standards and Interpretations	Effective Date of IFRSs Published by IASB (Note 1)
Amendments to IAS 1 "Non-current Liabilities with Contractual Provisions"	January 1, 2024
Amendments to IAS7 and IFRS7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

Note 1. The aforementioned new/revised/amended standards or interpretations shall become effective during the reporting period of the year commencing after each such date, unless otherwise indicated,

Note 2. Sellers (lessees) should retroactively apply the amendments to IFRS 16 to sale-and-leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3. Exemptions to certain disclosure requirements shall apply upon the initial application of this amendment.

As of the date the consolidated financial statements were approved for release, the Group assessed that no significant impact will not incur due to the application of other standards and interpretations on its financial position and financial performance.

c. IFRSs issued by IASB but not yet endorsed by the FSC

New, Revised or Amended Standards and Interpretations	Effective Date of IFRSs Published by IASB (Note 1)
Amendments to "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" IFRS 10 and IAS 28	Pending
IFRS 17 "Insurance Contract"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information	January 1, 2023
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1. The aforementioned new/revised/amended standards or interpretations shall become effective during the reporting period of the year commencing after each such date, unless otherwise indicated.

Note 2. The amendments are applied prospectively for the annual reporting period beginning on or after January 1, 2025. Upon the initial

application of the amendment, the impact on the recognition of amounts shall be reflected in retained earnings as of the initial application date. When the Group expresses currency using a non-functional currency, adjustments to the exchange differences of foreign operations under equity on initial application date will be affected.

As of the date the consolidated financial statements were approved for release, the Group is continuously assessing the possible impact of the application of other standards and interpretations on its financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

4. Summary Statement of Major Accounting Policies

a. Statement of Compliance

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

b. Foundation of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair values, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

Fair value measurements are classified into Levels 1 to 3 according to the observability and importance of relevant input values:

- 1) Level 1 input value: refers to the offered price (unadjusted) of the same asset or liability available in the active market on the measurement date.
- 2) Level 2 input value: the observable input value of an asset or liability, either directly (that is, price) or indirectly (that is, derived from price), other than a Level 1 offered price.
- 3) Level 3 input value: the unobservable input value of an asset or liability.

c. Criteria for Distinguishing Between Current and Non-Current Assets and Liabilities

Current Assets Including:

- 1) Assets held primarily for trading purposes;
- 2) Assets expected to be realized within 12 months after the balance sheet date;
and
- 3) Cash and cash equivalents (except where the exchange or liquidation of liabilities is restricted more than 12 months after the balance sheet date).

Current Liability Including:

- 1) Liabilities that are due for settlement within 12 months after the balance sheet date and
- 2) Liabilities that will be settled unconditionally to meet the repayment terms at least 12 months after the balance sheet date.

Current assets or current liabilities belonging to those described above, are classified as non-current assets or non-current liabilities.

d. Basis of Consolidation

The consolidated financial statements contain the financial statements of the Company and the individuals (subsidiaries) controlled by the Company. The consolidated composite income sheet has included the operating gain or loss of the acquired or disposed subsidiary from the date of acquisition or the date of disposal in the current period. The financial statements of the subsidiaries have been adjusted to align their accounting policies with those of the Group. At the time of the preparation of consolidated financial statements, all transactions, account balances, gains and expense losses between individuals have been eliminated. The total comprehensive income of a subsidiary is attributable to the owners and non-controlling interests of the Company, even if the non-controlling interests thus become deficit balance.

Where the change of ownership interest of the Group in the subsidiary does not result in the loss of control, it is treated as an equity transaction. The carrying amounts of the Group and non-controlling interests have been adjusted to reflect changes in their relative interests in the subsidiaries. The difference between the adjusted amount of the non-controlling interest and the fair value of the consideration paid or received is directly recognized as an interest and belongs to the proprietor of the Company.

Please refer to Note 20 "subsidiaries" and Table II for details of subsidiaries, shareholding ratio, and main business.

e. Foreign Currency

In preparing each entity's financial statements, transactions in currencies other than each entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing on the transaction dates.

Foreign currency monetary items are converted at the closing rate on each balance sheet date. The exchange difference arising from the closing of monetary items or conversion of monetary items shall be recognized as profit or loss in the current period.

The foreign currency non-monetary items measured at the fair value shall be converted at the exchange rate on the day when the fair value is determined, and the exchange difference generated shall be classified as the current gain or loss, but the exchange difference generated shall be classified as the other comprehensive income if the fair value changes are recognized as other comprehensive income.

The foreign currency non-monetary items measured by historical cost are converted at the exchange rate of the trading date and shall not be re-converted. At the time of preparing the consolidated financial statements, the assets and liabilities of the foreign operations are converted to NT\$ at the exchange rate on each balance sheet date. The income and expense items are converted at the current average exchange rate and the resulting exchange difference is included in other comprehensive income.

f. Investment in Affiliated Enterprises

Associates refer to those enterprises that are not subsidiaries but have significant influence on the Group.

The Group adopts the equity method for the investment in associates.

Under the equity method, investments in associates are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of its associates. In addition, changes in the

equity of affiliated enterprises are recognized according to the shareholding ratio.

Any excess of acquisition cost over the Group's share of an associate's or a joint venture's identifiable assets and liabilities measured at the fair value on the date of acquisition is recognized as goodwill. The goodwill shall be included in the carrying amount of the investment but not allowed for amortization. If the Group's share of the net fair value of the identifiable assets and liabilities exceeds the acquisition cost, the excessive amount is recognized immediately in profit or loss.

When the associate issues new shares, if the Group fails to subscribe according to the shareholding ratio, resulting in the change of shareholding ratio and the increase or decrease of the net equity value of the investment, the capital surplus shall be recognized based on the increase or decrease as changes in the net value of equity of the associate under equity method and investment under equity method. However, if the ownership interest of the affiliated enterprise is reduced due to the failure to subscribe or acquire the shares in proportion to the shareholding ratio, the amount recognized in other comprehensive income related to the affiliated enterprise shall be reclassified in proportion to the reduction, and the accounting treatment shall be based on the same basis as the direct disposal of related assets or liabilities by the affiliated enterprise; the adjustment such as referred to in the preceding paragraph shall debit capital surplus, but uses the Equity Method of investment capital surplus produced by lack of balance, the balance debit to retained earnings.

When the Group's share of losses on an associate equal or exceeds its interest in the associate (including any carrying amount of the investment accounted for using the equity method and other long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. The Group shall recognize additional losses and liabilities only to the extent that any legal obligation, constructive obligation or payment has been made on behalf of the affiliated enterprise.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of the impairment loss shall be recognized within the subsequent increase in the recoverable amount of the investment.

The Group ceases to adopt the equity method on the day when its investment ceases to be an associate, and its retained equity in the original associate is measured at fair value. The fair value and the difference between the disposal price and the carrying amount of the investment on the day when the equity method ceases to be adopted are recognized in profit or loss. In addition, the accounting treatment of all amounts recognized in other comprehensive income in relation to the affiliated enterprise shall be based on the same foundation that the affiliated enterprise must follow if it directly disposes of the related assets or liabilities.

g. Property and equipment

Property and equipment are recognized at cost and are subsequently measured at cost minus accumulated depreciation and accumulated impairment losses.

Except for the private land which is not depreciated, property and equipment are depreciated using the straight-line method over their useful lives. Each significant part is depreciated separately. The Group shall conduct at least one annual review at the end of each year to assess the estimated useful life, residual value, and depreciation methods, while applying the effect of changes in accounting estimates prospectively.

When derecognizing property and equipment, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized in loss or profit.

h. Investment Real Estate

Investment real estate is real estate held for rent or capital appreciation or both. Investment real estate also includes land that has not yet been determined for future use.

The self-owned investment real estate is initially measured in terms of costs (including transaction costs) and is subsequently measured in terms of costs minus accumulated depreciation and accumulated impairment losses.

Depreciation of investment real estate is carried out on a straight-line basis.

In the event of the derecognition of investment real estate, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized as gain or loss.

i. Goodwill

The value of goodwill received through business combinations has to be shown as the amount of goodwill recognized on the acquisition date and subsequently evaluated as cost less accumulated impairment loss.

To evaluate impairment, the goodwill is amortized to each cash generating unit or group of cash generating unit (hereinafter "cash-generating units") that the Group expects to benefit from the comprehensive effect of the business combination.

The carrying amount and recoverable amount of the cash-generating units, to which goodwill is allocated, are compared every year (and whenever there are signs of impairment) - 20 - as impairment testing on the units. If the goodwill was obtained by the cash-generating unit through a merger in the current year, an impairment test is to be conducted prior to the end of the current year. If the recoverable amount of a cash-generating unit to which goodwill is allocated is lower than its carrying amount, the impairment loss is firstly added to the carrying amount of the cash-generating unit that got goodwill allocated. Next, the carrying amount of other assets within the cash-generating unit is reduced in proportion to the reduction of the carrying amount of each of the assets. Any impairment loss is recognized directly as profit or loss. Loss in impairment of goodwill cannot be reversed subsequently.

When disposing a certain operation within the cash-generating unit to which goodwill is allocated, the amount of goodwill related to the disposed operation is included in the carrying amount of the operation to determine the gain or loss on disposal.

j. Intangible Asset

Intangible assets with limited useful life acquired separately are initially measured at cost, and are subsequently measured at cost minus accumulated amortization and accumulated impairment losses. Intangible assets are amortized on a straight-line basis over their useful lives, the Group shall, at least on the terminal date of each fiscal year, examine the estimated useful life, residual cost and amortization method and defer the impact of changes in the applicable accounting estimates. Intangible assets with indefinite useful lives are recognized at cost less accumulated impairment loss.

In the event of the derecognition of intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized as gain or loss.

k. Impairment of property and equipment, as well as right-of-use assets, investment property, and intangible assets (excluding goodwill)

The Group assesses if there are any signs of possible impairment in property and equipment, as well as right-of-use assets, investment property, and intangible assets at each balance sheet date. If any indicator of impairment exists, then the recoverable amount of the asset is estimated. If it is not possible to determine the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of the fair value less costs to sell and its use value. If the recoverable amount of an individual asset or cash generating unit is lower than its carrying amount, the carrying amount of the asset or cash generating unit shall be reduced to its recoverable amount, and the impairment loss shall be recognized as gain or loss.

When the impairment loss is subsequently reversed, the carrying amount of the asset or the cash-generating unit is increased to the revised recoverable amount, provided that the increased carrying amount shall not exceed the carrying amount (less amortization or depreciation) of the asset or cash-generating unit, which was not recognized as impairment loss in prior years. Reversal of impairment loss is recognized as gain or loss.

1. Financial Instruments

Financial assets and financial liabilities shall be recognized in the consolidated balance sheet when the Group becomes a party to the contractual provisions of the instruments.

In the initial recognition of financial assets and financial liabilities, if the financial assets or financial liabilities are not measured at fair value through gain or loss, they are directly attributable to the transaction cost measurement of acquiring or issuing financial assets or financial liabilities at fair value. The transaction cost of a financial asset or financial liability that is directly attributable to the acquisition or issuance of a financial asset or financial liability at fair value through profit or loss is immediately recognized as gain or loss.

1) Financial Assets

Conventional transactions of financial assets are recognized and derecognized on the trading day.

a) Measurement Type

The types of financial assets held by the Group are financial assets at fair value through profit or loss, financial assets measured by amortized cost, and equity instruments measured at fair value through other comprehensive income.

i. Financial Assets at Fair Value Through Profit or Loss

Financial assets measured at fair value through gain or loss include financial assets that are forced to be measured at fair value through gain or loss. Financial assets mandatorily at FVTPL include investments in equity instruments not designated by the Group to be measured at fair value through other comprehensive income, and debt instrument investments not subject to classification as measured at amortized cost or to be measured at FVTOCI.

Financial assets measured at fair value through profit and loss are measured at fair value, the dividends and interest generated from those assets are recognized as other income, and the benefits or

losses generated due to the re-measurement of those assets are recognized as other benefits and losses. Please refer to Note 24 for the determination of fair value.

ii. Financial Assets Measured at Amortized Cost

When the Group's investment financial assets meet the following two conditions simultaneously, they are classified as financial assets measured by amortized cost:

- i) It is held under a business model for the purpose of holding financial assets to collect contractual cash flows; and
- ii) The terms of the contract generate a cash flow on a specified date that is solely for the payment of interest on the principal and the amount of principal outstanding.

Financial assets measured at amortized cost (including cash and equivalent cash and accounts receivable measured at amortized cost) are measured at the amortized cost of the total carrying amount determined by the effective interest method after the initial recognition, and any foreign currency exchange gains or losses are recognized as gains or losses.

Except in the following two cases, interest earned is calculated by multiplying the effective interest rate by the total carrying amount of financial assets:

- i) For the purchased or originated credit-impaired financial asset, the interest income is calculated by multiplying the credit-adjusted effective interest rate by the cost of amortization of financial assets.
- ii) For financial asset that is not a purchased or originated credit-impaired but subsequently becomes a credit-impaired financial asset, the interest income is calculated by multiplying the effective interest rate by the amortized cost of financial assets.

The cash equivalents include highly liquid fixed deposits which can be converted into fixed cash at any time within 3 months from the date of acquisition and have little risk of value change, which is used to meet short-term cash commitments.

iii. Measured at Fair Value through Other Comprehensive Income for the Equity Instrument Investment

The Group may, upon initial recognition, make an irrevocable election to designate as at FVTOCI the investments in equity instruments that are not held for trading and the ones that are not recognized by an acquirer in a business combination or with the contingent consideration.

The equity instrument investment measured at fair value through other comprehensive income is measured by fair value, and subsequent changes in fair value are reported to other comprehensive income and accumulated in other equities. In the case of investment disposal, accumulated gains and losses are transferred directly to retained earnings and are not reclassified as gains and losses.

Dividends of investments in equity instruments measured at FVTOCI are recognized in profit or loss when the Group's right to receive dividends is established unless such dividends clearly represent the recovery of a part of the investment cost.

b) Impairment of Financial Assets and Contract Assets

The Group assesses the impairment loss of financial assets measured at amortized cost (including accounts receivable) based on the expected credit loss at each balance sheet date.

The allowance loss for accounts receivable shall be recognized against the lifetime expected credit losses during the term of duration. Other financial assets are first evaluated to see whether the credit risk increases significantly after the initial recognition. If it does not increase significantly, the allowance loss is recognized according to the

expected credit losses of 12 months. If it has increased significantly, the allowance loss is recognized according to the expected credit losses during the term of duration.

Anticipated credit losses are weighted average credit losses based on the risk of default. 12-month expected credit losses are the expected credit losses arising from the default of the financial instrument within 12 months after the reporting date. The expected credit losses during the term of duration represents the expected credit losses caused by all possible defaults of the financial instrument during the period of the expected duration.

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

- i. There is internal or external information indicating that the debtor is unable to repay the debt.
- ii. The financial assets are more than 30 days overdue unless there is reasonable and evidence-based information to indicate that the benchmark for the delayed default is more appropriate.

The Company recognizes an impairment loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of Financial Assets

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

When financial assets measured at the amortized cost is derecognized as a whole, the difference between the carrying amount and the consideration received is recognized as gain or loss. When derecognizing an investment in equity instrument at FVTOCI in its

entirety, the cumulative profit or loss is transferred directly to retained earnings and is not reclassified to profit or loss.

2) Equity Instrument

Debt and equity instruments issued by the Company are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of financial liabilities and equity instruments.

Equity instruments issued by the Group are recognized at the proceeds received, net of the cost of direct issue.

And the Company's own equity instruments shall be recognized and deducted under the equity, and the carrying amount is calculated based on the weighted average of the stock types. The purchase, sale, distribution or cancellation of the Company's own equity instruments is not recognized as gain or loss.

3) Financial Liabilities

a) Subsequent Measure

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of Financial Liabilities

Where financial liabilities are derecognized, the difference between the carrying amount and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized as gain or loss.

m. Liabilities Reserve

The amount recognized as a liability reserve is the best estimate of the expenditure required to meet the obligation at the balance sheet date, taking into account the risk and uncertainty of the settlement obligation. Liability reserve is measured by the discounted present value of the estimated cash flow of the settlement obligation.

Where a part or all of the expenditure required to settle the liability, reserve is expected to be reimbursed to the other party and is almost certain to be received and the amount can be reliably measured, the reimbursement shall be recognized as an asset.

n. Revenue recognition

After the Group identifies its performance obligations in contracts with customers, it allocates the transaction costs to each obligation in the contracts and recognizes revenue upon completion of performance obligations.

In the case of a contract for the transfer of products or services and the receipt of consideration with an interval of less than one year, the significant financial component shall not adjust the transaction price.

Operating income comes from commissions earned by brokers from selling life and property insurance products of various insurance companies. Revenues and accounts receivable recognized by the Group for the sale of a non-multi-year line of underwriters upon completion of underwriting by the insurance company. The amount of revenue recognized from the sale of multi-year insurance products includes the consideration of the change in consideration resulting from the historical continuation of the policy, the recognition of revenue and contract assets over the years, and the transfer of accounts receivable upon completion of the remaining obligations.

o. Lease

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

1) The Group as a Lessor

A lease is classified as a financial lease when its terms transfer almost all the risks and rewards attached to the ownership of the asset to the lessee. All other leases are classified as operating leases.

Operating lease payments less lease incentives are recognized as operating income on a straight-line basis over the duration of such lease. The lease negotiation with a lessee is handled as a new lease from the effective date of the lease modification.

When leases simultaneously include land and building elements, the Group classifies them as finance or operating leases based on whether most risks and rewards from ownership of the elements have been transferred to the lessee. Lease payments are apportioned to land and buildings in proportion to the fair value of land and building lease rights on the contract

establishment date. If lease payments can be apportioned reliably to these two elements, each element is treated according to the applicable lease classification. If lease payments cannot be allocated reliably between the two elements, the entire lease is classified under finance lease. If both elements clearly meet the standards of operating leases, the entire lease is classified under operating lease.

2) The Group as Lessee

The right-of-use asset and lease liability are recognized for all leases at the inception date of such leases, except for leases qualified for recognition exemption, e.g., leases with low-value underlying assets and short-term leases, for which an expense is recognized on a straight-line basis over the lease term.

The right-of-use asset is initially measured at cost (including the initial measured amount of lease liability, the amount of lease payments made to the lessors less lease incentives received prior to the inception of the lease, initial direct costs and the estimated costs of restored underlying assets), and subsequently measured at cost less accumulated depreciation and accumulated impairment, adjusted for any re-measurements of the lease liability. Right-of-use assets are presented on a separate line in the standalone balance sheets.

The right-of-use asset is depreciated on a straight-line basis over the period from the lease commencement date to the end of its useful lives, or to the end of the lease term, whichever is earlier.

Lease liabilities are initially measured at the present value of lease payments (including fixed payments and variable lease payments depending on an index or a rate). If the interest rate implicit in a lease can be easily determined, the lease payment is discounted at the interest rate. If the interest rate cannot be easily determined, the lessee's incremental borrowing rate of interest shall be used.

Subsequently, lease liabilities are measured at the amortized cost using the effective interest rate method, and interest expense is amortized over the

lease term. If changes in the index or rate used to determine the lease payment over the lease term lead to changes in future lease payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets has been reduced to zero, the remaining remeasurement amount is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which they are incurred.

p. Borrowing Costs

The borrowing cost directly attributable to acquisition, construction, or production of assets that meet requirements is considered as part of the cost of the asset until almost all necessary activities for the asset to reach the intended use or sale state have been completed.

The investment income earned from temporary investment of a specific loan before the occurrence of eligible capital expenditure shall be deducted from the cost of loans eligible for capitalization.

Other than stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

q. Employee Benefits

1) Short-Term Employee Benefits

Short-term employee benefit-related liabilities are measured as non-discounted amounts that are expected to be paid in exchange for employee services.

2) Benefits After Retirement

Determining the contribution to a retirement plan is a matter of recognizing the amount of contribution as an expense during the period of service provided by the employee.

Determining the benefit costs of defined benefit retirement plans (including service costs, net interest, and re-measurements) are calculated using the projected unit credit method. The service cost includes the current service

cost and the net interest on the net defined benefit liability (asset), which is recognized as the employee benefit expense when incurred. The re-measurements (including actuarial gains and losses, changes in the effect of the asset ceiling and the return on plan assets after interest deduction) are recognized as other comprehensive income and included as retained earnings at the time of occurrence, and are not reclassified as gains and losses in subsequent periods.

Net defined benefit liabilities (assets) are the deficit (surplus) of defined-benefit retirement plans. Net defined benefit assets shall not exceed the present value of any refunds or reductions in future withdrawals from the plan.

3) Termination Benefits

The Company will recognize the termination benefits liability when it is no longer able to revoke the termination benefits offer or recognize the related restructuring costs (whichever is earlier).

r. Income Tax

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

1) Current Income Tax

The Group determines the current income (loss) in accordance with the laws and regulations established by each income tax filing jurisdiction area, and calculates the payable (recoverable) income tax based on it.

A surtax is imposed on the undistributed earnings pursuant to the Income Tax Act of R.O.C. is recognized via a resolution at the shareholders' meeting. The adjustment of income tax payable in previous years shall be included in the current income tax.

2) Deferred Income Tax

Deferred income tax is calculated on the basis of temporary differences between the carrying amounts of assets and liabilities on the books and the basis on which taxable income is calculated.

Deferred income tax liabilities are generally recognized in respect of all taxable temporary differences, while deferred income tax assets are

recognized when there is a possibility that tax may be provided for the use of the taxable income resulting from a deductible temporary difference.

Taxable temporary differences relating to investment subsidiaries and affiliates are recognized as deferred income tax liabilities, except where the Group can control the point at which the temporary difference reverses and where it is likely that the temporary difference will not reverse in the foreseeable future. The deductible temporary difference relating to such investment shall be recognized as a deferred income tax asset only to the extent that it is likely to have sufficient taxable income to realize the temporary difference and to the extent that it is expected to reverse in the foreseeable future.

The carrying amount of the deferred income tax assets shall be re-examined on each balance sheet date and reduced in respect of those assets for which there is no longer likely to be sufficient tax to recover all or part of the assets. Where deferred income tax assets are not previously recognized as assets, they are also re-examined on each balance sheet date and there is a high probability of future taxation to allow them to recover all or part of their assets and to increase their carrying amounts.

Deferred income tax assets and liabilities are measured by the tax rate of expected settlement of liabilities or realization of assets in the current period. The tax rate is based on the tax rate and tax law enacted or substantially enacted on the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities.

3) Current and Deferred Income Tax

The current and deferred income tax shall be recognized as gain or loss, but the current and deferred income tax shall be recognized as other comprehensive income or directly included in the equity, respectively.

5. Material Sources of Uncertainty in Accounting Judgments, Estimates and Assumptions

In the application of the Group's accounting policies, the management is required to make judgments, estimations, and assumptions about the relevant information that is not readily accessible from other sources based on historical experience and other relevant factors. Actual results may differ from these estimates.

The management will constantly review the estimates and basic assumptions. If the estimated revision only affects the current period, it is recognized in the current revision period; if the revision of the accounting estimate affects both the current and future periods, it is recognized in the current and future periods of the revision.

6. Cash and Cash Equivalent

	December 31, 2023	December 31, 2022
Cash in Treasury and Revolving Fund	\$ 181	\$ 188
Bank Check and Demand Deposit	53,754	106,927
	<u>\$ 53,935</u>	<u>\$ 107,115</u>

7. Financial Instrument Measured at Fair Value Through Profit or Loss - Current

	December 31, 2023	December 31, 2022
<u>Mandatorily Measured at Fair Value Through Gain or Loss</u>		
Fund Beneficiary Certificate	\$ 61,372	\$ 58,019
Bank Debenture	44,937	54,942
Corporate Bonds	43,388	-
	<u>\$ 149,697</u>	<u>\$ 112,961</u>

8. Financial Assets Measured at Fair Value Through Other Comprehensive Income

	December 31, 2023	December 31, 2022
<u>Current</u>		
Investment in Equity Instrument	<u>\$ 53,353</u>	<u>\$ 39,180</u>
<u>Non-Current</u>		
Investment in Equity Instrument	<u>\$ 102,360</u>	<u>\$ 99,424</u>

Investment in Equity Instrument

	December 31, 2023	December 31, 2022
<u>Current</u>		
Domestic Investment		
TWSE-Listed (TPEX-Listed)		
Stocks		
Sirtec International Co. Ltd.	\$ 23,886	\$ 16,414
Taichung Commercial Bank Co., Ltd.	<u>29,467</u>	<u>22,766</u>
	<u>\$ 53,353</u>	<u>\$ 39,180</u>
 <u>Non-Current</u>		
Domestic Investment		
TWSE-Unlisted (TPEX- Unlisted) Stocks		
Top Taiwan X Venture Capital Co., Ltd.	\$ 48,074	\$ 48,174
Chengding Venture Capital Co., Ltd.	<u>54,286</u>	<u>51,250</u>
	<u>\$ 102,360</u>	<u>\$ 99,424</u>

The Group invested in the above-mentioned ordinary shares for medium- to long-term strategic purposes, and expected to make profits in a long term. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believed that recognizing the short-term fair value fluctuations of such investments in profit and loss would be inconsistent with the aforementioned long-term investment strategy.

The Group recognizes dividend income of NT\$3,984,000 and NT\$12,537,000 in 2023 and 2022 respectively, of which NT\$0 and NT\$0 relating to the investments excluded at the end of the year, and NT\$3,984,000 and NT\$12,537,000 relating to the shares still held at December 31, 2023 and December 31, 2022, respectively.

9. Notes Receivable and Accounts Receivable

	December 31, 2023	December 31, 2022
Notes Receivable	\$ 905	\$ 1,766
Accounts Receivable	<u>110,680</u>	<u>88,866</u>
	<u>\$ 111,585</u>	<u>\$ 90,632</u>

The average credit period of the Group for the provision of services shall be 30 days from the date of invoice. When determining the recoverability of accounts receivable, the Group will review any changes in the credit quality of accounts receivable from the original credit date to the balance sheet date one by one at the balance sheet date to ensure that the uncollectible receivables have been listed as impairment losses as appropriate; the management of the Group believes that the Group's credit risk is not material.

The Group has no overdue receivables, and its loss allowance for bad debts as at December 31, 2023 and December 31, 2022 after evaluation is NT\$0.

The Group adopts the simplified method of IFRS 9 to recognize the accounts receivable as the allowance for the loss in accordance with the lifetime expected credit losses during the term of duration. It considers customers' past default records and current financial and industrial economic positions. Due to the historical experience of credit loss of the Group, there is no significant difference in the types of loss among different customer groups. Therefore, the expected credit loss rate is only based on the number of overdue days of accounts receivable.

10. Loan balance of investments under equity method

	December 31, 2023	December 31, 2022
Affiliated Enterprises Not Individually Significant		
All Safe Co., Ltd.	\$ 2,518	\$ 2,494
Shanghai Taiming Insurance Agency Co., Ltd.	1,286	1,645
Jiangsu Taiming Insurance Agency Co., Ltd.	<u>42</u>	<u>-</u>
	<u>\$ 3,846</u>	<u>\$ 4,139</u>
 Jiangsu Taiming Insurance Agency Co., Ltd.	 <u>\$ -</u>	 <u>(\$ 3,217)</u>

Company Name	Percentage of ownership and voting rights	
	December 31, 2023	December 31, 2022
All Safe Co., Ltd.	14.79%	14.79%
Shanghai Taiming Insurance Agency Co., Ltd.	14.94%	14.94%
Jiangsu Taiming Insurance Agency Co., Ltd.	24.90%	24.90%

The shareholding of the Group was reduced from 24.90% to 14.94% because the merged company did not participate in the cash capital increase of Shanghai Taiming Insurance Agency Co., Ltd. in July 2022.

Summary Information on Affiliated Enterprises Not Individually Significant

	2023	2022
Share owned by the Group		
Net Income from continuing operations	(\$ 2,531)	(\$ 2,550)
Other Comprehensive Income (Loss)	(36)	58
Total Comprehensive Income	(\$ 2,567)	(\$ 2,492)

For relevant information on the main business, main place of business, and country where the company is registered for the aforementioned associates, please refer to Table II "Information on Investees" and Table III "Information on Investment in Mainland China" for details.

The share of investment profit and loss and other comprehensive income under the equity method shall be recognized based on the financial reports of the related enterprises audited by CPAs during the same period.

11. Property and equipment

	Self-owned Land	Building	Other Equipment	Leasehold Improvement s	Total
<u>Cost</u>					
Balance on January 1, 2022	\$ 21,460	\$ 27,634	\$ 25,894	\$ 30,865	\$ 105,853
Additions	-	-	-	516	516
Balance on December 31, 2022	<u>\$ 21,460</u>	<u>\$ 27,634</u>	<u>\$ 25,894</u>	<u>\$ 31,381</u>	<u>\$ 106,369</u>
<u>Accumulated Depreciation</u>					
Balance on January 1, 2022	\$ -	\$ 9,173	\$ 23,332	\$ 23,899	\$ 56,404
Depreciation expenses	-	936	988	3,368	5,292
Balance on December 31, 2022	<u>\$ -</u>	<u>\$ 10,109</u>	<u>\$ 24,320</u>	<u>\$ 27,267</u>	<u>\$ 61,696</u>
Net Amount as of December 31, 2022	<u>\$ 21,460</u>	<u>\$ 17,525</u>	<u>\$ 1,574</u>	<u>\$ 4,114</u>	<u>\$ 44,673</u>
<u>Cost</u>					
Balance on January 1, 2023	\$ 21,460	\$ 27,634	\$ 25,894	\$ 31,381	\$ 106,369
Additions	-	-	57	1,564	1,621
Balance on December 31, 2023	<u>\$ 21,460</u>	<u>\$ 27,634</u>	<u>\$ 25,951</u>	<u>\$ 32,945</u>	<u>\$ 107,990</u>
<u>Accumulated Depreciation</u>					
Balance on January 1, 2023	\$ -	\$ 10,109	\$ 24,320	\$ 27,267	\$ 61,696
Depreciation expenses	-	936	793	2,814	4,543
Balance on December 31, 2023	<u>\$ -</u>	<u>\$ 11,045</u>	<u>\$ 25,113</u>	<u>\$ 30,081</u>	<u>\$ 66,239</u>

Net Amount as of					
December 31, 2023	<u>\$ 21,460</u>	<u>\$ 16,589</u>	<u>\$ 838</u>	<u>\$ 2,864</u>	<u>\$ 41,751</u>

In the year of 2023 and 2022, as there is no sign of impairment, the Group did not conduct impairment assessment.

Depreciation of real estate and equipment on a straight line basis is calculated according to the following useful lives:

Building	15 to 30 years
Leasehold Improvements	2 to 5 years
Other Equipment	2 to 10 years

12. Lease Agreement

a. Right-of-Use Assets

	December 31, 2023	December 31, 2022
Carrying amount of right-of-use assets		
Building	\$ 31,413	\$ 49,335
Transportation equipment	<u>395</u>	<u>1,342</u>
	<u>\$ 31,808</u>	<u>\$ 50,677</u>
	2023	2022
Addition of right-of-use assets	<u>\$ 2,240</u>	<u>\$ 51,694</u>
Depreciation expense of right-of-use assets		
Building	\$ 20,184	\$ 19,801
Transportation equipment	<u>948</u>	<u>948</u>
	<u>\$ 21,132</u>	<u>\$ 20,749</u>

b. Lease Liability

	December 31, 2023	December 31, 2022
Carrying amount of lease liabilities		
Current	<u>\$ 14,807</u>	<u>\$ 20,288</u>
Non-Current	<u>\$ 17,407</u>	<u>\$ 30,757</u>

	December 31, 2023	December 31, 2022
Interest expense – lease obligations payable	<u>\$ 617</u>	<u>\$ 661</u>

The discount rate range of lease liabilities is as follows:

	December 31, 2023	December 31, 2022
Building	1.41% ~ 2.16%	1.41% ~ 1.79%
Transportation equipment	1.41%	1.41%

c. Significant leasing activities and terms

The Group has leased certain buildings for office use for a term of 2-5 years. Upon the termination of the lease term, the Group does not have preferential rights to acquire the land and buildings leased, and it is agreed that the Group shall not sublease or transfer all or part of the underlying assets leased without the consent of the lessor.

d. Other leasing information

	December 31, 2023	December 31, 2022
Short-term lease expenses	<u>\$ 90</u>	<u>\$ 90</u>
Lease expenses of low-value assets	<u>\$ 769</u>	<u>\$ 786</u>
Total cash (outflow) for lease	<u>(\$ 22,568)</u>	<u>(\$ 22,182)</u>

All lease commitments during the lease terms beginning after the balance sheet date are as follows:

	December 31, 2023	December 31, 2022
Lease commitments	<u>\$ -</u>	<u>\$ -</u>

13. Investment Property

	Land	Building	Total
<u>Cost</u>			
Balance on January 1, 2022	\$ 65,730	\$ 5,459	\$ 71,189
Additions	<u>6,701</u>	<u>-</u>	<u>6,701</u>
Balance on December 31, 2022	<u>\$ 72,431</u>	<u>\$ 5,459</u>	<u>\$ 77,890</u>
<u>Accumulated Depreciation</u>			

Balance on January 1, 2022	\$ -	\$ 3,973	\$ 3,973
Depreciation expenses	<u>-</u>	<u>364</u>	<u>364</u>
Balance on December 31, 2022	<u>\$ -</u>	<u>\$ 4,337</u>	<u>\$ 4,337</u>
Net Amount as of December 31, 2022	<u>\$ 72,431</u>	<u>\$ 1,122</u>	<u>\$ 73,553</u>
<u>Cost</u>			
Balance on January 1, 2023	\$ 72,431	\$ 5,459	\$ 77,890
Additions	<u>-</u>	<u>-</u>	<u>-</u>
Balance on December 31, 2023	<u>\$ 72,431</u>	<u>\$ 5,459</u>	<u>\$ 77,890</u>
<u>Accumulated Depreciation</u>			
Balance on January 1, 2023	\$ -	\$ 4,337	\$ 4,337
Depreciation expenses	<u>-</u>	<u>364</u>	<u>364</u>
Balance on December 31, 2023	<u>\$ -</u>	<u>\$ 4,701</u>	<u>\$ 4,701</u>
Net Amount as of December 31, 2023	<u>\$ 72,431</u>	<u>\$ 758</u>	<u>\$ 73,189</u>

The lease terms for investment property leases are 2-5 years. The lessee has no preferential right to purchase the investment real estate at the end of the lease term. The total amount of lease payments to be collected in the future for investment property in operating lease is as follows:

	December 31, 2023	December 31, 2022
1st year	\$ 2,212	\$ 1,470
2nd year	<u>8,747</u>	<u>-</u>
	<u>\$ 10,959</u>	<u>\$ 1,470</u>

Depreciation of investment property is depreciated on a straight-line basis according to the following useful lives:

Building	15 Years
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In 2022, due to the severe impact of the COVID-19 pandemic on the market economy, the Company agreed to reduce some of the lease contracts by NT\$585 thousand.

The fair value of investment property is measured at Level 3 inputs by independent appraisers. The valuation is based on the comparative approach and income approach. The fair values as of December 31, 2023 and 2022 were NT\$107,621

thousand and NT\$100,876 thousand, respectively. The important unobservable inputs adopted included discount rate of 2.17% and 2.19%, respectively.

14. Other Payables and Long-Term Payables

	December 31, 2023	December 31, 2022
Commission and Bonus Payable	\$ 155,591	\$ 128,921
Salary and Annual Bonuses Payable	11,706	12,036
Bonuses Payable to Employees and Directors	2,963	3,508
Provident fund of voluntary contribution payable to business representatives	10,992	10,475
Others	<u>7,395</u>	<u>6,411</u>
	<u>\$ 188,647</u>	<u>\$ 161,351</u>
Other Payables - Current	\$ 135,598	\$ 125,848
Long-Term Payables - Non-Current	<u>53,049</u>	<u>35,503</u>
	<u>\$ 188,647</u>	<u>\$ 161,351</u>

15. Liability Reserve - Non-Current

In order to implement the incentive policy for business executives, the Group implemented a matching promotion plan for its executives.

	December 31, 2023	December 31, 2022
Provident Fund Reserve - Voluntary Contribution by Company	<u>\$ 10,992</u>	<u>\$ 10,475</u>

The changes in provident fund reserve are as follows:

	2023	2022
Opening Balance	\$ 10,475	\$ 10,152
Increase	1,629	1,103
Payment	(<u>1,112</u>)	(<u>780</u>)
Ending Balance	<u>\$ 10,992</u>	<u>\$ 10,475</u>

16. Post-employment benefit plans

a. Defined Contribution Plan

The Group adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Group makes monthly contributions to individual pension accounts at 6% of employees' monthly salaries and wages.

b. Defined Benefit Plan

The defined benefit plan adopted by the Company in accordance with the Labor Standards Act is the defined benefit pension plan under the management of the government of R.O.C. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company shall contribute 2% of the employees' total monthly salary to the pension fund, which shall be deposited into the special account of the Bank of Taiwan in the name of the Supervisory Committee of Workers' Retirement Fund. If, before the end of the year, the estimated special account balance is insufficient to pay the workers who are expected to meet the retirement conditions in the previous year, the difference shall be contributed at one time before the end of March of the next year. The pension account is managed by the Bureau of Labor Funds, Ministry of Labor; the Company has no right to influence the investment management strategy.

The amounts included in the consolidated balance sheets in respect of the Company's defined benefit plan are as follows:

	December 31, 2023	December 31, 2022
Present Value of Defined Benefit Obligation	\$ 1,448	\$ 1,417
Fair Value of Plan Assets	(2,594)	(2,449)
Net Defined Benefit Assets	(\$ 1,146)	(\$ 1,032)

The changes of net defined benefit liabilities (assets) are as follows:

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities (Assets)
January 1, 2022	\$ 1,551	(\$ 2,175)	(\$ 624)
Service Cost			
Interest Expense (Income)	12	(17)	(5)

Recognized in profit or loss	<u>12</u>	(<u>17</u>)	(<u>5</u>)
Remeasurement			
Return on Plan Assets			
(Excluding Amounts			
Included in Net Interest)	-	(164)	(164)
Actuarial (gain) loss -			
changes in financial			
assumptions	(162)	-	(162)
Actuarial (gain) loss -			
experience adjustments	<u>16</u>	<u>-</u>	<u>16</u>
Recognized in Other			
Comprehensive Income	(<u>146</u>)	(<u>164</u>)	(<u>310</u>)
Contributions from the			
employer	<u>-</u>	(<u>93</u>)	(<u>93</u>)
December 31, 2022	<u>1,417</u>	(<u>2,449</u>)	(<u>1,032</u>)
Service Cost			
Interest Expense (Income)	<u>21</u>	(<u>37</u>)	(<u>16</u>)
Recognized in profit or loss	<u>21</u>	(<u>37</u>)	(<u>16</u>)
Remeasurement			
Return on Plan Assets			
(Excluding Amounts			
Included in Net Interest)	\$ -	(\$ 15)	(\$ 15)
Actuarial (gain) loss -			
changes in financial			
assumptions	24	-	24
Actuarial (gain) loss -			
experience adjustments	(<u>14</u>)	<u>-</u>	(<u>14</u>)
Recognized in Other			
Comprehensive Income	<u>10</u>	(<u>15</u>)	(<u>5</u>)
Contributions from the			
employer	<u>-</u>	(<u>93</u>)	(<u>93</u>)
December 31, 2023	<u>\$ 1,448</u>	(<u>\$ 2,594</u>)	(<u>\$ 1,146</u>)

Due to the pension plans under the Labor Standards Act, the Company is exposed to the following risks:

- 1) Investment Risk: The Bureau of Labor Funds, Ministry of Labor invested the labor pension fund in domestic (foreign) equity securities, debt securities and bank discount respectively through self-operation and entrusted operation. However, the allocated amount of the Company's plan assets shall be calculated at the interest rate of 2-year fixed deposits at local banks.

- 2) Interest Rate Risk: The decrease of interest rate will increase the present value of the defined benefit obligation. However, the debt investment returns of the plan assets will also increase, which will partially offset the impact of the two on the net defined benefit liability.
- 3) Salary Risk: The calculation of the present value of defined benefit obligation is based on the future salary of plan members. Therefore, an increase in the plan member's salary would increase the present value of the defined benefit obligations.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The critical assumptions made on the measurement date are as follows:

	December 31, 2023	December 31, 2022
Discount Rate	1.375%	1.5%
Expected salary increase rate	2.0%	2.0%

If each of the critical actuarial assumptions is subject to reasonably possible changes, when all other assumptions remain unchanged, the amounts by which the present value of the defined benefit obligation would increase (decrease) are as follows:

	December 31, 2023	December 31, 2022
Discount Rate		
Increase by 0.25%	(\$ <u>47</u>)	(\$ <u>49</u>)
Decrease by 0.25%	<u>\$ 49</u>	<u>\$ 51</u>
Expected salary increase rate		
Increase by 0.25%	<u>\$ 48</u>	<u>\$ 50</u>
Decrease by 0.25%	(\$ <u>46</u>)	(\$ <u>48</u>)

As actuarial assumptions may be correlated, it is unlikely that only a single assumption would occur in isolation of one another, so the sensitivity analysis above may not reflect the actual changes in the present value of the defined benefit obligation.

	December 31, 2023	December 31, 2022
Anticipated Amount of Contribution Within 1 Year	<u>\$ 93</u>	<u>\$ 93</u>
Average Maturity Period of Defined Benefit Obligation	13.3 Years	14.2 Years

17. Equity

a. Share Capital

Ordinary Share

	December 31, 2023	December 31, 2022
Authorized Stock Number (1,000 shares)	<u>30,000</u>	<u>30,000</u>
Authorized Capital Stock	<u>\$ 300,000</u>	<u>\$ 300,000</u>
Number of Shares Issued and Fully Paid (1,000 shares)	<u>25,024</u>	<u>25,024</u>
Issued share capital	<u>\$ 250,243</u>	<u>\$ 250,243</u>

The ordinary shares issued, with a par value of NT\$10 per share, are entitled to one voting right per share and to the right to receive dividends.

b. Capital surplus

	December 31, 2023	December 31, 2022
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)</u>		
Premium on issuance of shares	\$ 35,627	\$ 43,134
Consolidated Excess	46,637	46,637
<u>May be used to offset a deficit only</u>		
Changes of associates and joint ventures accounted for under the equity method (2)	<u>6,207</u>	<u>6,207</u>
	<u>\$ 88,471</u>	<u>\$ 95,978</u>

- 1) Such capital surplus may be used to cover deficiencies or, in the absence of deficiencies, to pay out cash or to set aside capital, subject to a ratio of paid-up capital each year.
- 2) Such capital surplus arises from the effects of changes in ownership interests in affiliated enterprises resulting from equity transactions other than actual disposals or acquisitions of affiliated enterprises accounted for.

c. Retained Earnings and Dividend Policy

Amendment of Articles of Association, which were proposed and approved in the annual shareholders' meetings on May 26, 2022, under the earnings distribution policy as set forth in the Company's Articles of Incorporation, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting accumulated losses, setting aside 10% of the remaining profit as legal reserve. However, when the statutory surplus reserve has reached the total paid in capital of the company, it may be exempted from further allocation, and special surplus reserves may be allocated or converted according to laws and regulations or business needs. If there is still surplus, the board of directors shall prepare a surplus distribution plan. If the surplus distribution is to be distributed in cash, the board of directors shall make a resolution in accordance with Article 228-1 and Article 240, Paragraph 5 of the Company Law, and report to the shareholders' meeting. For the policies on the distribution of remuneration to employees and to directors as set forth in the Company's Articles of Incorporation, refer to Note 19(5) "remuneration to employees and to directors".

As the current industrial environment is constantly changing, in response to the future operation expansion plan, the dividends to shareholders may be paid in the forms of cash and stock, On the principle of distributing cash dividends. The proportion of cash dividends in the total dividends shall be no less than 40%, but the shareholders' meeting may adjust it according to the actual situation.

Under the earnings distribution policy as set forth in the Company's Articles of Incorporation, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting accumulated losses, setting aside 10% of the remaining profit as legal reserve. However, when the statutory surplus reserve has reached the total paid in capital of the company, it may be exempted from further allocation, and special surplus reserves may be allocated or converted according to laws and regulations or business needs. If there is still surplus, the board of directors shall prepare a surplus distribution plan. Submitted to the shareholders' meeting for a resolution on the distribution of shareholder dividends.

As the current industrial environment is constantly changing, in response to the future operation expansion plan, the dividends to shareholders may be paid in the forms of cash and stock. The proportion of cash dividends in the total dividends shall be no less than 50%, but the shareholders' meeting may adjust it according to the actual situation.

Appropriation of earnings to legal reserve shall be made until the legal reserve reaches the total of the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to share capital or distributed in cash.

The Company set aside and reversed a special reserve in accordance with the FSC Letters Jin-Guan-Zheng-Fa No. 1010012865, Jin-Guan-Zheng-Fa No. 1010047490, and Jin-Guan-Zheng-Fa No. 1030006415, as well as the directive, entitled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs".

The Company's earnings distribution plans for the years 2022 and 2021 are as follows:

	Earnings distribution plan		Dividends Per Share (NT\$)	
	2022	2021	2022	2021
Legal reserve	\$ 6,620	\$ 7,471	\$ -	\$ -
Special reserve	13,086	(5,493)	-	-
Cash dividend	60,058	75,073	2.4	3.0

The cash dividends for the fiscal year 2022 were resolved for distribution by the Board of Directors on March 9, 2023, while the remaining earning distribution items were resolved by the shareholders' meeting on May 31, 2023.

The shareholders' meeting resolved on May 31, 2023, to distribute cash dividends from capital surplus of NT\$7,507 thousand, at a rate of NT\$0.3 per share. Therefore, the total cash dividends distributed for the fiscal year 2022 amounted to NT\$67,565 thousand, at a rate of NT\$2.7 per share.

The Company held its shareholders' meeting on May 26, 2022, and passed the resolution for earning distribution for the fiscal year 2021.

The proposal for earnings distribution for 2023 put forth by the Company's Board of Directors on March 5, 2024 is as follows:

	Earnings distribution plan	Dividends Per Share (NT\$)
Legal reserve	\$ 5,509	\$ -
Special reserve	(13,086)	-
Cash dividend	62,561	2.5

The above cash dividends have been resolved by the Board of Directors for distribution and the rest is subject to the resolution of the regular shareholders' meeting to be held on May 30, 2024.

18. Income

	2023	2022
Customer Contract Income		
Commission Income	<u>\$ 784,350</u>	<u>\$ 737,916</u>

For the sale of multi-year insurance products by the broker of the merged company, the Group may, in addition to the initial commission income, receive the commission income on renewal of the policy upon completion of the premium payment in the following year. Therefore, the amount of the revenue recognized by the merged company in 2023 and 2022 under the IFRS15 "Revenue from Customer Contracts" includes the consideration of the changes arising from the historical renewal of the policy.

	December 31, 2023	December 31, 2022
<u>Contract Balance</u>		
Accounts and notes receivable (Notes 9)	<u>\$ 111,585</u>	<u>\$ 90,632</u>
Contract Asset - Current	\$ 33,588	\$ 35,920
Contract Asset - Non-Current	<u>47,351</u>	<u>28,187</u>
	<u>\$ 80,939</u>	<u>\$ 64,107</u>

The changes of contract asset are as follows:

	2023	2022
Opening Balance	\$ 64,107	\$ 59,360
Transfer to Accounts Receivable	(35,921)	(43,481)

Increase	<u>52,753</u>	<u>48,228</u>
Ending Balance	<u>\$ 80,939</u>	<u>\$ 64,107</u>

19. Net Income from Continuing Operations

a. Other income

	<u>2023</u>	<u>2022</u>
Interest income	\$ 3,563	\$ 2,504
Rental Income	1,793	1,693
Dividend income	<u>3,984</u>	<u>12,537</u>
	<u>\$ 9,340</u>	<u>\$ 16,734</u>

b. Other Gains and (Losses)

	<u>2023</u>	<u>2022</u>
Gains on financial assets at fair value through profit and loss	\$ 6,736	(\$ 344)
Other Income and Expenditure - Net Amount	<u>150</u>	<u>23</u>
	<u>\$ 6,886</u>	<u>(\$ 321)</u>

c. Depreciation and Amortization

	2023	2022
Right-of-Use Assets	\$ 21,132	\$ 20,749
Property and equipment	4,543	5,292
Investment Property	364	364
Other non-current assets - intangible assets	<u>1,115</u>	<u>1,408</u>
	<u>\$ 27,154</u>	<u>\$ 27,813</u>
Aggregate depreciation expenses by function		
Operating Cost	\$ 19,223	\$ 19,248
Operating Expenses	<u>6,816</u>	<u>7,157</u>
	<u>\$ 26,039</u>	<u>\$ 26,405</u>
Amortized cost summarized by function		
Operating Cost	\$ 85	\$ 221
Operating Expenses	<u>1,030</u>	<u>1,187</u>
	<u>\$ 1,115</u>	<u>\$ 1,408</u>

d. Employee Benefits Expenses

	2023	2022
Employee Benefits Expenses		
Salary Expenses	\$ 51,135	\$ 51,049
Labor and Health Insurance Expenses	4,977	4,837
Pension expenses	2,389	2,321
Remuneration to directors	3,432	3,879
Other Employee Benefits Expenses	<u>1,743</u>	<u>2,251</u>
Total Employee Benefits Expenses	<u>\$ 63,676</u>	<u>\$ 64,337</u>
Aggregated by Function		
Operating Expenses	<u>\$ 63,676</u>	<u>\$ 64,337</u>

e. Remuneration to employees and directors

The Company shall allocate 1% to 5% of the profit before tax, before deducting remuneration to employees and directors, as remuneration to employees and no more than 5% as remuneration to directors. The compensation for employee and

Directors in 2023 and 2022 respectively was decided by the Board of Directors on March 5, 2024 and March 9, 2023 as follows:

Estimated Ratio

	<u>2023</u>	<u>2022</u>
Remuneration to employees	2%	2%
Remuneration to directors	2%	2%

Amount

	<u>2023</u>	<u>2022</u>
Bonus for Employees	\$ 1,302	\$ 1,599
Remuneration to directors	1,302	1,599

If there is any change in the amount after the publication of the annual consolidated financial statements were approved for release, the differences will be recorded as a change in the accounting estimate and accounted for in the next year.

There is no difference between the amount actually distributed as remuneration to employees and to directors for 2022 and 2021 and the amount recognized on the consolidated financial statements for 2022 and 2021.

For information on the Company's remunerations to employees and directors as resolved by the board of directors, please visit the Market Observation Post System (MOPS) of Taiwan Stock Exchange.

f. Others

	<u>2023</u>	<u>2022</u>
Commission Expenditure	\$ 587,196	\$ 527,167
Provident Fund Expenses	<u>1,629</u>	<u>1,103</u>
	<u>\$ 588,825</u>	<u>\$ 528,270</u>
Aggregated by Function		
Operating Cost	<u>\$ 588,825</u>	<u>\$ 528,270</u>

20. Subsidiaries

a. Subsidiaries included in consolidated financial statements

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

Percentage of ownership

Name of Company	Name of Subsidiary	Nature of Business	December 31, 2023	December 31, 2022
Taiming Assurance Broker Co., Ltd.	Ching-Guan Financial Management Consulting Co., Ltd. (Note 1)	Financial Management	100	100
Taiming Assurance Broker Co., Ltd.	Link-Aim Life Insurance Broker Co., Ltd.	Insurance brokerage	100	100

Note 1. Ching-Guan Financial Management Consulting Co., Ltd., approved for liquidation by the Board of Directors of our company on November 3, 2023, was officially dissolved upon approval by the Taipei City Government on December 6, 2023. As of March 5, 2024, the liquidation process has not yet been completed.

b. Subsidiaries not included in consolidated financial statements: None.

21. Income Tax on Continuing Operations

a. Major components of income tax expenses recognized in profit or loss are as follows:

	2023	2022
Current Income Tax		
Generated During the Year	\$ 11,811	\$ 14,122
Surtax on Undistributed Earnings	2	-
Deferred Income Tax		
Generated During the Year	(81)	(1)
Income Tax Expenses		
Recognized in Profit or Loss	<u>\$ 11,732</u>	<u>\$ 14,121</u>

The adjustment to accounting income and income tax expenses is as follows:

	2023	2022
Net Income Before Tax from Continuing Operations	<u>\$ 66,820</u>	<u>\$ 80,072</u>
Income Tax Expense		
Calculated at Statutory Tax Rate for Net Profit Before Tax	\$ 13,364	\$ 16,026
Tax Exemption Income	(1,632)	(1,905)
Income Tax Expenses		
Recognized in Profit or Loss	<u>\$ 11,732</u>	<u>\$ 14,121</u>

b. Income Tax Recognized in Other Comprehensive Income

	<u>2023</u>	<u>2022</u>
<u>Deferred Income Tax</u>		
Generated During the Year		
Remeasurement of defined benefit plans	(\$ <u>1</u>)	(\$ <u>62</u>)

c. Current Income Tax Liabilities

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current Income Tax Liabilities		
Income Tax Payable	<u>\$ 4,503</u>	<u>\$ 5,032</u>

d. Deferred Income Tax Assets and Liabilities

The changes of deferred tax assets and liabilities is as follows:

2023

	<u>Opening Balance</u>	<u>Recognized in profit or loss</u>	<u>Recognized in Other Comprehen sive Income</u>	<u>Ending Balance</u>
<u>Deferred Income Tax Asset</u>				
Temporary Differences				
Liabilities Reserve	<u>\$ 2,095</u>	<u>\$ 103</u>	<u>\$ -</u>	<u>\$ 2,198</u>
<u>Deferred Income Tax Liabilities</u>				
Temporary Differences				
Defined benefit pension plan	<u>\$ 206</u>	<u>\$ 22</u>	<u>\$ 1</u>	<u>\$ 229</u>

2022

	<u>Opening Balance</u>	<u>Recognized in profit or loss</u>	<u>Recognized in Other Comprehen sive Income</u>	<u>Ending Balance</u>
<u>Deferred Income Tax Asset</u>				
Temporary Differences				
Liabilities Reserve	<u>\$ 2,030</u>	<u>\$ 65</u>	<u>\$ -</u>	<u>\$ 2,095</u>
Allowance for Bad Debts	<u>45</u>	<u>(45)</u>	<u>-</u>	<u>-</u>

	<u>\$ 2,075</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 2,095</u>
Deferred Income Tax Liabilities				
Temporary Differences				
Defined benefit pension plan	<u>\$ 125</u>	<u>\$ 19</u>	<u>\$ 62</u>	<u>\$ 206</u>

e. Income Tax Approval Status

The Company's business income tax settlement and declaration cases have been approved by the Revenue Service Offices until 2021.

22. Earnings Per Share

	Unit: NT\$ Per Share	
	2023	2022
Basic Earnings Per Share	<u>\$ 2.20</u>	<u>\$ 2.64</u>
Diluted Earnings Per Share	<u>\$ 2.20</u>	<u>\$ 2.63</u>

Is used to calculate the earnings per share and the weighted average number of ordinary shares as follows:

Net income for the year

	2023	2022
Net Profit Attributable to the Proprietor of the Company/The Earnings Calculated as Diluted Earnings Per Share	<u>\$ 55,088</u>	<u>\$ 65,951</u>

Number of Shares

	Unit: 1,000 shares	
	2023	2022
Is used to calculate the weighted average number of ordinary shares of basic earnings per share.	25,024	25,024
The effect of potential ordinary share with dilutive effect:		
Remuneration to employees	<u>41</u>	<u>52</u>
Is used to calculate the weighted average number of ordinary	<u>25,065</u>	<u>25,076</u>

shares of diluted earnings per share.

If the Group may choose to pay its employees in stock or cash, when calculating the diluted earnings per share, it is assumed that the employee bonus will be paid in stock, and the weighted average number of outstanding shares in circulation will be included when the potential ordinary shares have dilutive effect, so as to calculate the diluted earnings per share. The dilutive effect of these ordinary common shares will also be taken into account in the calculation of earnings per diluted share prior to the resolution of employee remuneration at the Shareholders' Meeting in the following year.

23. Capital risk management

The Group carries out capital management to ensure that all enterprises within the group can continue to operate under the premise of optimizing the balance of debt and equity, so as to maximize the return on shareholders' equity. The overall strategy of the Group has not changed significantly since its establishment.

The capital structure of the Group consists of the equity (i.e., capital stock, capital surplus, retained earnings and other equity items) attributable to the owner of the Group.

The Group is not subject to any other external capital requirements.

24. Financial Instruments

a. Fair Value Information - Financial Instruments Not Measured at Fair Value

The management of the Group considers that the carrying amounts of financial assets and financial liabilities not measured at fair value are close to their fair value.

b. Fair Value Information - Financial Instruments Measured at Fair Value on a Repeatable Basis

1) Fair Value Hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial Assets at Fair Value</u>				
<u>Through Profit or Loss</u>				
Fund Beneficiary Certificate	\$ 61,372	\$ -	\$ -	\$ 61,372

Bank Debenture	-	44,937	-	44,937
Corporate Bonds	-	43,388	-	43,388
Total	<u>\$ 61,372</u>	<u>\$ 88,325</u>	<u>\$ -</u>	<u>\$ 149,697</u>

Financial Assets Measured at
Fair Value Through Other
Comprehensive Income

Investment in Equity Instrument				
— Domestic listed equity	\$ 53,353	\$ -	\$ -	\$ 53,353
— Domestic Unlisted Stocks	-	-	102,360	102,360
Total	<u>\$ 53,353</u>	<u>\$ -</u>	<u>\$ 102,360</u>	<u>\$ 155,713</u>

December 31, 2022

	Level 1	Level 2	Level 3	Total
<u>Financial Assets at Fair Value Through Profit or Loss</u>				
Fund Beneficiary Certificate	\$ 58,019	\$ -	\$ -	\$ 58,019
Bank Debenture	-	54,942	-	54,942
Total	<u>\$ 58,019</u>	<u>\$ 54,942</u>	<u>\$ -</u>	<u>\$ 112,961</u>

Financial Assets Measured at
Fair Value Through Other
Comprehensive Income

Investment in Equity Instrument				
— Domestic listed equity	\$ 39,180	\$ -	\$ -	\$ 39,180
— Domestic Unlisted Stocks	-	-	99,424	99,424
Total	<u>\$ 39,180</u>	<u>\$ -</u>	<u>\$ 99,424</u>	<u>\$ 138,604</u>

2) Reconciliation on financial instruments measured by Level 3 fair value

2023

Financial Assets	Financial Assets Measured at Fair Value Through Other Comprehensive Income Equity Instrument
Opening Balance	\$ 99,424
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at fair value through other comprehensive income)	5,298
Capital Reduction	(2,362)
Ending Balance	<u>\$ 102,360</u>

Current unrealized other gains or losses recognized in profit or loss	<u>\$ -</u>
--	-------------

2022

Financial Assets	Financial Assets Measured at Fair Value Through Other Comprehensive Income
	Equity Instrument
Opening Balance	\$ 131,606
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at fair value through other comprehensive income)	(25,432)
Capital Reduction	(6,750)
Ending Balance	<u>\$ 99,424</u>
Current unrealized other gains or losses recognized in profit or loss	<u>\$ -</u>

3) The valuation technique and Level 2 fair value inputs

Class of Financial Instruments	Valuation Technique and Input Value
Domestic Bond Investment	Cash Flow Discount Method: discount based on the market rate reflecting the current similar products and credit rating at the end of the debenture issuer's term.

4) The Valuation Technique and Input Value of the Fair Value Measurement of Level 3

Domestic unlisted (non-OTC) equity investment is based on the asset method, and the overall market value of the individual assets and individual liabilities covered by the subject is assessed to reflect the overall value of the enterprise or business. The significant non-observable inputs used are the 10% discount of liquidity and minority interests. If the other inputs remain unchanged, the 1% increase in the liquidity, discount will reduce the fair value as of December 31, 2023 and December 31, 2022 will be reduced by NT\$1,137 and NT\$1,105, respectively.

c. Type of Financial Instrument

	December 31, 2023	December 31, 2022
<u>Financial Assets</u>		
Measured at Fair Value Through Gain or Loss	\$ 149,697	\$ 112,961

Financial assets measured at amortized cost (Note 1)	177,164	208,797
Financial Assets Measured at Fair Value Through Other Comprehensive Income	155,713	138,604
<u>Financial Liabilities</u>		
Measured at amortized cost (Note 2)	189,320	161,859

Note 1. The balance includes financial assets measured at amortized cost, such as cash and cash equivalents, notes receivable, accounts receivable, other receivables, and guarantee deposits paid.

Note 2. The balance includes financial liabilities measured at amortized cost, such as notes payable, other payables, other receivables, long-term payables, and guarantee deposits received.

d. Financial Risk Management Objectives and Policies

The main financial instruments of the Group include equity investment, bills receivable and accounts receivable, bills payable and accounts payable and other payables. The financial management department of the Group provides services to the business units, coordinates the operation of the domestic financial market, and supervises and manages the financial risks related to the operation of the merged company by analyzing the internal risk reports of the risks according to the degree and breadth of risks. Such risks include market risk (including interest rate risk and other price risks), credit risk and liquidity risk. The Company's significant financial plans are reviewed by the Audit Committee and the Board of Directors in accordance with the relevant regulations and internal control system. The Company's Finance Department adheres to the relevant financial operating procedures regarding the overall financial risk management and segregation of rights and responsibilities in the execution of financial plans.

1) Market Risk

a) Interest rate risk

The carrying amounts of financial assets and financial liabilities of the Group subject to interest risk exposure on the balance sheet date are as follows:

	December 31, 2023	December 31, 2022
Interest rate risks with fair value		
— Financial assets	\$ 88,325	\$ 54,942
Interest rate risks with cash flow		
— Financial assets	45,596	99,621

Sensitivity Analysis

The sensitivity analysis is based on the interest rate exposure of non-derivative instruments at the balance sheet date. In reporting the interest rate to the management of the Group, the rate of change adopted is 100 basis points increase or decrease in the interest rate, which also represents the management evaluation of reasonable possible change scope of interest rate.

If the interest rate increases / decreases by 100 basis points, with other variables held constant, the Group's income before tax will increase/decrease by NT\$1,339 thousand and NT\$1,546 thousand for 2023 and 2022, respectively, which is mainly because of the changes in the Group's current bank demand deposits with floating interest rates and changes in the fair value of debt instruments with fixed interest measured at FVTPL.

b) Other price risk

The Company is subject to the equity price exposure arising from the investment in securities.

Sensitivity Analysis

If the equity price rises/falls by 1%, the pre-tax other comprehensive income in 2023 and 2022 will be increased/decreased by NT\$1,557 thousand and NT\$1,386 thousand due to changes in the fair value of

financial assets measured by the fair value through other comprehensive income.

2) Credit Risk

Credit risks refer to risks that cause financial loss of the Group due to the counterparty's delay in performing contractual obligations. As of the balance sheet date, the maximum credit risk exposure (regardless of collateral or other credit enhancement instruments, and the maximum amount of irrevocable exposure) that the Group may cause financial losses due to failure to discharge an obligation by the counterparties and the financial guarantee provided by the merged company mainly comes from the carrying amount of financial assets recognized in the consolidated balance sheet.

3) Liquidity Risk

The Group supports the group-wide business operations and reduces the impact of cash flow fluctuations through appropriate management and the maintenance of sufficient positions cash and cash equivalents. The Group's management supervises bank financing conditions and ensures compliance with loan contracts.

25. Related-party Transactions

The transactions, account balances, income and expenses between the Company and its subsidiaries (which are related parties of the Company) are all eliminated upon consolidated, so they are not disclosed in this note.

The relationship with the Group during the period covered by this consolidated report is as follows:

a. Name of related party and relationship

<u>Name of Related Party</u>	<u>Relationship with the Company</u>
Taiwan Fire & Marine Insurance Company Ltd. All Safe Co., Ltd.	Substantial Related Party
Chien-An Chen Major management personnel	Investee Accounted for Using Equity Method Chairman of the Subsidiary Chairman of the Board, General Managers, Managers, and directors

b. Operating Income

<u>Category/Name of Related Party</u>	<u>2023</u>	<u>2022</u>
Substantial Related Party Taiwan Fire & Marine Insurance Company Ltd.	<u>\$ 13,469</u>	<u>\$ 12,632</u>

c. Receivables from Related Parties

<u>Accounting Items</u>	<u>Category/Name of Related Party</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes Receivable and Accounts Receivable	Substantial Related Party		
	Taiwan Fire & Marine Insurance Company Ltd.	<u>\$ 1,323</u>	<u>\$ 1,398</u>

d. Administrative Expenses

Category/Name of Related Party	2023	2022
Investee Accounted for Using Equity Method		
All Safe Co., Ltd.	\$ <u>18</u>	\$ <u>18</u>

e. Lease Agreement

Category/Name of Related Party	2023	2022
<u>Acquisition of right-of-use assets</u>		
Substantial Related Party		
Taiwan Fire & Marine Insurance Company Ltd.	\$ -	\$ 38,521
Chairman of the Subsidiary		
Chien-An Chen	-	<u>2,123</u>
	<u>\$ -</u>	<u>\$ 40,644</u>

Accounting Items	Category/Name of Related Party	December 31, 2023	December 31, 2022
Lease Liability	Substantial Related Party		
	Taiwan Fire & Marine Insurance Company Ltd.	\$ 24,248	\$ 32,073
	Chairman of the Subsidiary		
	Chien-An Chen	<u>805</u>	<u>1,862</u>
		<u>\$ 25,053</u>	<u>\$ 33,935</u>

Category/Name of Related Party	2023	2022
<u>Interest expenses</u>		
Substantial Related Party		
Taiwan Fire & Marine Insurance Company Ltd.	\$ 403	\$ 352
Chairman of the Subsidiary		
Chien-An Chen	<u>23</u>	<u>12</u>
	<u>\$ 426</u>	<u>\$ 364</u>
<u>Rental Expenses</u>		
Major management personnel	<u>\$ 90</u>	<u>\$ 90</u>

f. Guarantee deposits paid

Accounting Items	Category/Name of Related Party	December 31, 2023	December 31, 2022
Guarantee deposits paid	Chairman of the Subsidiary		
	Chien-An Chen	<u>\$ 180</u>	<u>\$ 180</u>

g. Lease Agreement

Operating lease

The total amount of lease payments received in the future is summarized as follows:

Category/Name of Related Party	December 31, 2023	December 31, 2022
Investee Accounted for Using Equity Method		
All Safe Co., Ltd.	<u>\$ 70</u>	<u>\$ 70</u>

The total rental income is summarized as follows:

Category/Name of Related Party	2023	2022
Investee Accounted for Using Equity Method		
All Safe Co., Ltd.	<u>\$ 102</u>	<u>\$ 102</u>

h. Other Gains and Losses

Category/Name of Related Party	2023	2022
Substantial Related Party		
Taiwan Fire & Marine Insurance Company Ltd.	<u>\$ 174</u>	<u>\$ 18</u>

i. Key Management Remuneration Information

Short-Term Benefits	Employee	2023	2022
		<u>\$ 21,981</u>	<u>\$ 22,272</u>

The remuneration of Directors and other key management levels shall be determined by the Remuneration Committee in accordance with individual performance and market trend and then sent to the Board of Directors for resolution.

26. Pledged Assets

The following assets are provided as collateral for financing borrowings;

	December 31, 2023	December 31, 2022
Investment Property	<u>\$ 73,189</u>	<u>\$ 73,553</u>
Property and equipment	<u>15,073</u>	<u>15,672</u>
	<u>\$ 88,262</u>	<u>\$ 89,225</u>

27. Information on Foreign Currency Assets and Liabilities with Significant Influence

The following information is expressed in aggregate in foreign currencies other than the individual functional currencies of the Group, and the disclosed exchange rate refers to the conversion rate of such foreign currencies into functional currencies.

Foreign Currency Assets with Significant Influence Are as Follows:

	December 31, 2023			December 31, 2022		
	Foreign Currency	Exchang e Rate	Carrying Amount	Foreign Currency	Exchang e Rate	Carrying Amount
<u>Foreign Currency Assets</u>						
<u>Non-Monetary Items</u>						
Investments Accounted for Using Equity Method						
RMB	\$ 307	4.33	\$ 1,328	\$ 373	4.41	\$ 1,645
Loan balance of investments under equity method						
RMB	-	-	-	720	4.41	3,217

28. Additional Disclosures

- a. Information on material transactions and b. reinvestment companies:
 - 1) Loans to others. (None)
 - 2) Endorsement for others. (None)
 - 3) Marketable securities held at the end of period (excluding investments in subsidiaries, related enterprises and joint ventures) (Attachment I)
 - 4) Accumulated purchase or disposal of individual marketable securities equal to or in excess of NT\$300 million or 20% of paid-in capital. (None)
 - 5) Acquisition of property at cost in excess of NT\$300 million or 20% of paid-in capital. (None)
 - 6) Disposal of property at cost in excess of NT\$300 million or 20% of paid-in capital. (None)
 - 7) Purchases or sales to related parties of at least NT\$100 million or 20% of paid-in capital. (None)
 - 8) Accounts receivable from related parties equal to or in excess of NT\$100 million or 20% of paid-in capital. (None)
 - 9) Engaging in derivatives trading. (None)
 - 10) Others: Business relationships, important transactions and the amounts between parent company and subsidiaries (None)
 - 11) Information on Investees. (Attachment II)
- c. Investment Information on Mainland China:
 - 1) Information on any investee company in mainland China; disclose the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Attachment III)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: None

- a) Purchase amount and percentage, and the ending balance and percentage of payables.
 - b) Sales amount and percentage, and the ending balance and percentage of receivables.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) Ending balance of endorsement, guarantee or collateral provided and purposes.
 - e) The maximum balance, ending balance, interest rate range and total amount of current interest of financing.
 - f) Other transactions having a significant impact on profit or loss or financial status of the period, such as providing or receiving services.
- d. Information on major shareholders: Name of shareholders with a shareholding ratio of 5% or more, the amount, and proportion of shares held: (Attachment IV)

29. Segment Information

Information provided to key operational decision makers to allocate resources and evaluate the performance of the department, with emphasis on each type of product or service delivered or provided.

The Group mainly engages in life insurance brokerage and property insurance brokerage business, which can be attributed to a single department. The information of departmental profit and loss, departmental assets and departmental liabilities is consistent with that in the financial statements. Please refer to the consolidated balance sheet and consolidated income statement for details.

Major customer information

Of the total operating revenue of NT\$784,350 thousand and NT\$737,916 thousand in 2023 and 2022, respectively, the amounts of NT\$212,330 thousand and NT\$190,830 thousand were from the largest customer of the Group.

Individual customers accounted for at least 10% of net revenue of the Group were as follows:

	2023	2022
TransGlobe Life Insurance Inc.	\$ 212,330	\$ 190,830
Farglory Life Insurance Co., Ltd.	<u>99,628</u>	<u>114,365</u>
	<u>\$ 311,958</u>	<u>\$ 305,195</u>

Note: The amount of revenue does not amount to 10% of the Group's total revenue.

Taiming Assurance Broker Co., Ltd. and Subsidiaries

Marketable Securities Held at the End of the Period

December 31, 2023

Unit: In Thousands of New Taiwan Dollars

Holding Company	Type and Name of Marketable Securities (Note 1)	Relationships with the issuer of marketable securities	Accounting Subjects	End of Period				Notes
				Unit (1,000) shares	Carrying Amount	Shareholding Ratio %	Fair Value	
Taiming Assurance Broker Co., Ltd.	<u>Fund Beneficiary Certificate</u>							
	Fuh Hwa Rui Hwa Fund	None	Financial Assets at Fair Value Through Profit or Loss - Current	1,931	\$ 22,612		\$ 22,612	
	Fuh Hwa Guardian Fund	"	"	1,092	21,859		21,859	
	Yuanta Taiwan High-yield Leading Company Fund	"	"	500	8,105		8,105	
	Cathay US Real Asset Income Strategy Fund	"	"	808	8,796		8,796	
	<u>Domestic Bank Debenture</u>							
	P06 Taichung Bank 2	None	Financial Assets at Fair Value Through Profit or Loss - Current		44,937		44,937	
	<u>Domestic Corporate Bonds</u>							
	P12 KGI Life 1	None	Financial Assets at Fair Value Through Profit or Loss - Current		11,627		11,627	
	P12 Cathay Life Insurance 1B	"	"		9,956		9,956	
	P12 Shin Kong Life 1	"	"		11,849		11,849	
	<u>Domestic TWSE-Listed (TPEx-Listed) Stocks</u>							
	Sirtec International Co. Ltd.	Substantial Related Party	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Current	798	23,886	0.77%	23,886	
	Taichung Bank	None	"	1,861	29,467	0.04%	29,467	
Link-Aim Life Insurance Broker Co., Ltd.	<u>Domestic TWSE-Unlisted (TPEx-Unlisted) Stocks</u>							
	Top Taiwan X Venture Capital Co., Ltd.	Substantial Related Party	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Non-Current	4,489	48,074	6.75%	48,074	
	Chengding Venture Capital Co., Ltd.	None	"	5,000	54,286	3.70%	54,286	
	<u>Domestic Corporate Bonds</u>							
	P12 Cathay Life Insurance 1B	None	Financial Assets at Fair Value Through Profit or Loss - Current		9,956		9,956	

Taiming Assurance Broker Co., Ltd. and Subsidiaries

Information on investees, location, etc.

2023

Unit: NT\$ 1,000/Share

Name of Company	Name of Investee Company	Location	Main Business Item	Original Investment Amount		Held at the End of The Period			Current Net Income (Loss) of the Investee	Current Investment Income (Loss) Recognized	Notes
				End of Current Period	End of Last Year	Number of Shares	Ratio	Carrying Amount			
Taiming Assurance Broker Co., Ltd.	Ching-Guan Financial Management Consulting Co., Ltd.	Taipei City	Management Consultant	\$ 900	\$ 900	100	100.00	\$ 9	(\$ 20)	(\$ 20)	Subsidiaries
	All Safe Co., Ltd.	Taipei City	Information Software Services	8,135	8,135	814	14.79	2,518	160	24	
	Link-Aim Life Insurance Broker Co., Ltd.	Tainan City	Life insurance and property insurance brokerage business	120,000	120,000	3,000	100.00	118,883 (Note 2)	17,038	17,042	Subsidiaries

Note 1. The above subsidiaries have been incorporated into the consolidated financial statements and the related investments and profits and losses have been written off.

Note 2. The book value includes the investment interest recognized under the equity method of NT\$17,042 thousand and the deduction of the distributed cash dividend of NT\$11,700 thousand.

Taiming Assurance Broker Co., Ltd. and Subsidiaries

Investment Information on Mainland China

2023

Unit: Expressed in Thousands of New Taiwan Dollars, Unless Specified Otherwise

Name of Investee Company in Mainland China	Main Business Item	Paid-Up Capital	Investment Method (Note 1)	Cumulative Amount for Investments at the Beginning of the Period Remitted from Taiwan	Amount of Investment Remitted or Recovered During the Current Period		Cumulative Amount for Investments at the End of the Period Remitted from Taiwan	Profit or loss of investee for the period	Shareholding Ratio of the Company's Direct or Indirect Investments	Investment Profit or Loss Recognized for Current Period (Note 2)	Carrying Amount of Investments at End of Period	Repatriated Income from Investment by the End of Period	Notes
					Remitted	Recovered							
Shanghai Taiming Insurance Agency Co., Ltd.	Insurance agency	RMB 5,000 thousand	(1)	\$ 2,928	\$ -	\$ -	\$ 2,928	(\$ 2,235)	14.94	(\$ 334) (C)	\$ 1,286	\$ -	
Jiangsu Taiming Insurance Agency Co., Ltd.	Insurance agency	RMB 15,000 thousand	(1)	12,061	5,491	-	17,552	(8,919)	24.90	(2,221) (C)	42	-	

Accumulated amount of investment remitted out of Taiwan to Mainland China at the end of the period	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs	Upper Limit on the Amount of Investment in Mainland China Stipulated by the Investment Commission, M.O.E.A.
RMB 4,607 thousand NT\$20,480 thousand	US\$668 thousand	NT\$324,683 thousand

- Note 1. Investment methods can be divided into the following three categories, simply mark the category:

(1) Direct investment in mainland China.

(2) Reinvest in mainland China through a third region company (please specify the investment company in that third region).

(3) Other methods.
- Note 2. In the column of Current Period Recognized Investment Gains and Losses:

(1) If there is no investment gain or loss in preparation, it shall be noted.

(2) The foundation for recognition of investment gains and losses shall be noted in the following three categories.

A. Financial statements audited by an international CPA firm in partnership with an CPA firm of the Republic of China.

B. Financial statements audited by CPA of parent company in Taiwan.

C. Others.

Note 3. In accordance with the "Principles for Review of Investment or Technical Cooperation in Mainland China", the limit is 60% of the combined net value.

Taiming Assurance Broker Co., Ltd. and Subsidiaries

Major Shareholder Information

December 31, 2023

Name of Major Shareholders	Shares	
	Number of shares held	Shareholding Ratio
Taiwan Navigator Asset Investment Co., Ltd.	9,025,907	36.06%
Han-Chieh Li	1,851,082	7.39%
Ching Chung Interior Decoration Design Co., Ltd.	1,570,000	6.27%
Taiwan Fire & Marine Insurance Company Ltd.	1,271,180	5.07%

Note: The major shareholder information in this table is based on Taiwan Depository & Clearing Corporation's data of shareholders who hold more than 5% of the Company's ordinary shares and preferred stock (including treasury shares), for which electronic registration and delivery were completed, on the last business day of the quarter. The share capital recorded in the Company's financial statements and the actual number of shares, for which electronic registration and delivery were completed, may not be consistent due to different bases of preparation and calculation.

V. Parent Company-only Financial Reports Certified by CPAs in the Most Recent Year

Independent Auditors' Review Report

To Taiming Assurance Broker Co., Ltd.:

Audit Opinions

We have audited the accompanying parent company only financial statements of Taiming Assurance Broker Co., Ltd., which comprise the parent company only balance sheets as of December 31, 2023 and 2022, as well as the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

The accountant opinions are that the accompanying parent company only financial statements have been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, making it sufficient to properly express the parent company only financial position of the Company as of December 31, 2023 and 2022, and the parent company only financial performance and parent company only cash flow for the periods from January 1 to December 31, 2023 and 2022.

Basis for Opinion

Our CPA has planned and executed audit procedures according to Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards (GAAS). Our CPA will further explain the responsibilities of auditors during the audit of parent company only financial statements on the principles below. The personnel of the accounting firm to which the CPAs belong, who are subject to independence, are independent from the Taiming Assurance Broker Co., Ltd. in accordance with the code of professional ethics, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained is sufficient and appropriate for us to provide a basis for our audit.

Key Audit Items

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of Taiming Assurance Broker Co., Ltd.'s parent company only financial statements for the year ended December 31, 2023. These items have been covered in the verification process of the overall parent company only financial statements and the audit opinions; hence, the CPA shall not express separate opinions on these items.

Key audit matters for Taiming Assurance Broker Co., Ltd.'s parent company only financial statements for the year ended December 31, 2023 are stated as follows:

Revenue recognition

Key audit matters

Taiming Assurance Broker Co., Ltd.'s operating revenue for 2023 totaled at NT\$567,099 thousand, in which, NT\$326,764 thousand was from the commissions for the first-year premium and renewed annual premium from the insurance companies, accounting for 58% of the total revenue.

For the recognition of the commission revenue of Taiming Assurance Broker Co., Ltd., after the performance obligations of customers' contracts are identified, relevant transaction prices are determined; then, the transaction prices are allocated to each performance obligation, and the revenue is recognized when each performance obligation is met. The transaction price of the relevant contract is calculated using the information system based on calculation factors such as the premium of the brokerage insurance products and the commission rate agreed with insurance companies. Therefore, the correctness and authenticity of the calculation of the commission revenue from the first year premium and renewed annual premium from the top ten insurance companies recognized are listed as the key audit matters.

The accounting policy on commission revenue assessment is shown in Note 4.

Audit Process Adopted

1. Identify the relevant internal control mechanism built by the management for correct calculation of commission revenue and observe how it operates.
2. Obtain the commission revenue details of the life insurance and group commission details of the insurance companies from the policy information system to confirm the completeness of the data, select samples, and verify them with the statement details provided by these insurance companies or recalculate to check whether they are consistent with the commissions received.
3. Review the calculation table of the transaction prices allocated to each performance obligation and check if the allocation method and logic are consistent.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

To ensure that the parent company only financial statements do not contain material misstatements due to fraud or errors, the management is responsible for preparing prudent parent company only financial statements in accordance with the regulations on the preparation of financial reports by securities issuers and to prepare and maintain necessary internal control procedures for the parent company only financial statements.

In preparing the parent company only financial statements, the management's responsibilities also include the assessment of the going concern ability of Taiming Assurance Broker Co., Ltd., the disclosure of relevant matters, and the adoption of the accounting base for going concern, unless the management intends to liquidate Taiming Assurance Broker Co., Ltd. or close the business, or there is no other feasible solution except for liquidation or closing of the business.

The governance unit (including the Audit Committee) of Taiming Assurance Broker Co., Ltd. is responsible for overseeing the financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

The purpose of the CPAs' auditing of the parent company only financial statements is to obtain reasonable assurance as to whether the parent company only financial statements as a whole have significant misstatements that result from fraud or error and to issue an audit report. Reasonable assurance is a high degree of assurance, but an audit performed in accordance with the generally accepted auditing standards cannot guarantee that a material misstatement in the parent company only financial statements will be detected. Misstatements can arise from fraud or error and are considered material if it could be reasonably anticipated that the misstated individual amounts or aggregated sums could have influence on the economic decisions made by the users of the parent company only financial statements, it will be deemed as material.

When auditing in accordance with Auditing Standards, we practice professional judgment and maintain professional suspicion. The CPA has also implemented the following procedures:

1. Identify and evaluate the risks of material misstatements of the parent company only financial statements as a result of fraud or error; design and implement appropriate response measures to the risks assessed, and obtain sufficient and appropriate audit evidence as the basis for audit opinions. As fraud may involve collusion, forgery, deliberate omissions, false statements, or violations of internal controls, the risks of material misstatements due to fraud is greater than that due to errors.
2. Obtain the necessary understanding of the internal control related to the audit to design the appropriate auditing procedures at the time, but the purpose is not to express opinions on the effectiveness of the internal control of Taiming Assurance Broker Co., Ltd.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Draw conclusions on the appropriateness of the management's use of the accounting base for going concern and whether there are significant uncertainties in the events or circumstances that may cause major doubts about the going concern ability of Taiming Assurance Broker Co., Ltd. based on the audit evidence obtained. If the CPA considers that material uncertainty exists in these matters or conditions, the CPA shall remind the users of the parent company only financial statements to pay attention to relevant disclosure in the statements in their audit report, or to revise the audit opinions when such disclosure is inappropriate. Our conclusion is based on the audit evidence obtained as of the date of the audit report. Future incidents or conditions could lead Taiming Assurance Broker Co., Ltd. to lose its capacity of continuing operation.
5. Evaluated the overall expression, structure and contents of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements fairly present relevant transactions and items.
6. Obtain sufficient and appropriate auditing evidence for the Company's internal formation of its parent company only financial information and express opinion on

its parent company only financial statements. The CPA is responsible for the guidance, supervision and execution of auditing relevant causes and the preparation of the audit opinion.

The matters communicated between us and the governance unit include the planned scope and time of the audit and material audit findings (including the significant deficiencies in the internal control identified during the audit).

We also provide the governing unit with a statement that the firm to which the personnel belong who are subject to independence and has followed the statement of independence in the code of professional ethics and communicate with the governance unit all relationships and other matters (including relevant protective measures) that may be considered to affect the independence of CPAs.

From the matters communicated with the governing unit, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2023 and are therefore the key audit matters. Such matters have been explicitly highlighted in the audit report, but do not include information prohibited by law or, in extremely rare cases and with reasonable anticipation, where we decided not to communicate about specific items in the audit report as the negative effects of such disclosure would exceed the benefits gained for public interest.

Deloitte & Touche

CPA

Wang-Sheng Lin

CPA

Wen-Ya Hsu

Financial Supervisory Commission
Approval Document No.

FSC Letter Jin-Guan-Zheng-Shen
No.1060023872

Securities and Futures Bureau Approval
Document No.

Tai-Cai-Zheng-6 No. 0920123784

March 5, 2024

Notice to Reader:

For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese version shall prevail.

Taiming Assurance Broker Co., Ltd.

Parent Company Only Balance Sheet

For the Years Ended December 31, 2023 and 2022

Unit: In Thousands of New Taiwan Dollars

Code	Assets	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%
	Current Assets				
1100	Cash and cash equivalents (Note 4 and 6)	\$ 21,898	3	\$ 71,814	10
1110	Financial assets at fair value through profit and loss- current (Note 4 and 7)	139,741	19	112,961	16
1120	Financial assets at fair value through other comprehensive income- current (Notes 4 and 8)	53,353	7	39,180	5
1140	Contract assets - current (Notes 4 and 18)	28,248	4	30,768	4
1170	Accounts and notes receivable (Notes 4, 9 and 24)	78,216	11	67,471	9
1200	Other Receivables	1,829	-	1,259	-
1470	Other Current assets	1,505	-	1,694	-
11XX	Total Current Assets	<u>324,790</u>	<u>44</u>	<u>325,147</u>	<u>44</u>
	Non-Current Asset				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	102,360	14	99,424	14
1550	Investments accounted for using equity method (Notes 4 and 10)	122,738	17	117,709	16
1560	Contract assets - non-current (Notes 4, and 18)	41,507	6	24,419	3
1600	Immovable property and equipment (Notes 4 and 11)	40,928	5	43,171	6
1755	Right-of-use assets (Notes 4 and 12)	23,307	3	38,466	5
1760	Investment properties (Notes 4 and 13)	75,239	10	73,553	10
1840	Deferred income tax assets (Note 4 and 20)	2,198	-	2,095	-
1920	Refundable deposits	5,817	1	5,817	1
1990	Other non-current assets (Notes 4 and 16)	2,317	-	3,023	1
15XX	Total Non-Current Assets	<u>416,411</u>	<u>56</u>	<u>407,677</u>	<u>56</u>
1XXX	Total Assets	<u>\$ 741,201</u>	<u>100</u>	<u>\$ 732,824</u>	<u>100</u>
	Liabilities and equity				
	Current Liabilities				
2150	Notes Payable	\$ 12	-	\$ -	-
2220	Other payables (Note 14)	103,453	14	103,000	14
2230	Current income tax liabilities (Note 4 and 20)	1,915	-	3,894	-
2280	Lease liabilities - current (Notes 4 and 12)	10,740	2	14,348	2
2399	Other current liabilities	9,627	1	6,658	1
21XX	Total Current Liabilities	<u>125,747</u>	<u>17</u>	<u>127,900</u>	<u>17</u>
	Non-Current Liabilities				
2550	Liability reserve - non-current (Note 4 and 15)	10,992	2	10,475	2
2570	Deferred income tax liabilities (Notes 4 and 20)	229	-	206	-
2580	Lease liabilities - non-current (Notes 4 and 12)	14,933	2	24,391	3
2610	Long-term payables (Note 14)	47,399	6	31,951	4
2645	Guarantee deposit received (Note 24)	763	-	508	-
2650	Credit balance of investments under equity method (Note 10)	-	-	3,217	1
25XX	Total Non-current Liabilities	<u>74,316</u>	<u>10</u>	<u>70,748</u>	<u>10</u>
2XXX	Total Liabilities	<u>200,063</u>	<u>27</u>	<u>198,648</u>	<u>27</u>
	Equity (Notes 4 and 17)				
3110	Common Stock	250,243	34	250,243	34
3200	Capital surplus	88,471	12	95,978	13
	Retained earnings				
3310	Legal capital surplus	126,807	17	120,187	17
3320	Special capital surplus	13,086	2	-	-
3350	Unappropriated earnings	56,182	7	80,854	11
3300	Total Retained Earnings	<u>196,075</u>	<u>26</u>	<u>201,041</u>	<u>28</u>
3400	Other equity	6,349	1	(13,086)	(2)
3XXX	Total Equity	<u>541,138</u>	<u>73</u>	<u>534,176</u>	<u>73</u>
	Total Liabilities and Equity	<u>\$ 741,201</u>	<u>100</u>	<u>\$ 732,824</u>	<u>100</u>

The attached notes are part of the parent company only financial statements.

Chairman of the Board: Cheng-Chih Li

Manager: Yang-Kuo Chen

Accounting Manager: Hsin-I Wen

Taiming Assurance Broker Co., Ltd.

Parent Company Only Statement of Comprehensive Income

January 1 to December 31, 2023 and January 1 to December 31, 2022

Unit: NT\$ thousands, except NT\$ for earnings per share

Code		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Notes 4, 18, and 24)	\$ 567,099	100	\$ 539,769	100
5000	Operating cost (Notes 19 and 24)	<u>454,184</u>	<u>80</u>	<u>406,043</u>	<u>75</u>
5950	Gross Profit from operations	<u>112,915</u>	<u>20</u>	<u>133,726</u>	<u>25</u>
	Operating expenses (Notes 19 and 24)				
6100	Marketing Expenses	7,707	1	5,093	1
6200	Administrative Expenses	<u>72,827</u>	<u>13</u>	<u>78,740</u>	<u>15</u>
6000	Total Operating Expenses	<u>80,534</u>	<u>14</u>	<u>83,833</u>	<u>16</u>
6900	Net operating income	<u>32,381</u>	<u>6</u>	<u>49,893</u>	<u>9</u>
	Non-Operating Income and Expenditure				
7010	Other income (Note 19)	9,025	2	16,747	3
7020	Other gains and losses (Note 19)	7,130	1	(174)	-
7050	Finance costs	(481)	-	(516)	-
7070	Shares of profit (loss) of subsidiaries, associates and joint ventures accounted for using the equity method	<u>14,491</u>	<u>2</u>	<u>10,776</u>	<u>2</u>
7000	Total Non-operating Income and Expenses	<u>30,165</u>	<u>5</u>	<u>26,833</u>	<u>5</u>
7900	Net profit before income tax	62,546	11	76,726	14
7950	Income tax expense (Note 4 and 20)	<u>7,458</u>	<u>1</u>	<u>10,775</u>	<u>2</u>
8000	Current Net Income	<u>55,088</u>	<u>10</u>	<u>65,951</u>	<u>12</u>

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Code		2023		2022	
		Amount	%	Amount	%
	Other Comprehensive Income (Loss)				
8310	Items that will not be reclassified to profit or loss				
8311	Remeasurement of defined benefit plans	\$ 5	-	\$ 310	-
8316	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	19,471	3	(29,502)	(5)
8349	Income tax relating to items that are not reclassified (Notes 4 and 20)	(1)	-	(62)	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translating the financial statements of foreign operations	(36)	-	58	-
8300	Other comprehensive income/(loss) for the year, net of income tax	<u>19,439</u>	<u>3</u>	<u>(29,196)</u>	<u>(5)</u>
8500	Total comprehensive income/(loss) for the year	<u>\$ 74,527</u>	<u>13</u>	<u>\$ 36,755</u>	<u>7</u>
	Earnings per share (Note 21)				
9750	Basic	<u>\$ 2.20</u>		<u>\$ 2.64</u>	
9850	Diluted	<u>\$ 2.20</u>		<u>\$ 2.63</u>	

The attached notes are part of the parent company only financial statements.

Chairman of the Board: Cheng-Chih Li

Manager:
Yang-Kuo Chen

Accounting Manager:
Hsin-I Wen

Taiming Assurance Broker Co., Ltd.

Parent Company Only Statement of Changes in Equity

January 1 to December 31, 2023 and January 1 to December 31, 2022

Unit: In Thousands of New Taiwan Dollars

Code		Common Stock	Capital surplus	Retained earnings			Other Equity Items		Total Equity
				Legal capital surplus	Special capital surplus	Unappropriated earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	
A1	Balance on January 1, 2022	\$ 250,243	\$ 92,500	\$ 112,716	\$ 5,493	\$ 91,706	(\$ 148)	\$ 16,506	\$ 569,016
	Appropriation of earnings for 2021								
B1	Legal capital surplus	-	-	7,471	-	(7,471)	-	-	-
B3	Appropriated as special capital surplus	-	-	-	(5,493)	5,493	-	-	-
B5	Cash dividend attributable to shareholders	-	-	-	-	(75,073)	-	-	(75,073)
	Other changes in capital surplus:								
C7	Changes of associates and joint ventures accounted for under the equity method	-	3,478	-	-	-	-	-	3,478
D1	Net Profit in 2022	-	-	-	-	65,951	-	-	65,951
D3	Other comprehensive after-tax income (loss) in 2022	-	-	-	-	248	58	(29,502)	(29,196)
D5	Total comprehensive income (loss) in 2022	-	-	-	-	66,199	58	(29,502)	36,755
Z1	Balance on December 31, 2022	250,243	95,978	120,187	-	80,854	(90)	(12,996)	534,176
	Appropriation of earnings for 2022								
B1	Legal capital surplus	-	-	6,620	-	(6,620)	-	-	-
B3	Appropriated as special capital surplus	-	-	-	13,086	(13,086)	-	-	-
B5	Cash dividend attributable to shareholders	-	-	-	-	(60,058)	-	-	(60,058)
	Other changes in capital surplus:								
C15	Distribution of cash dividends from capital surplus	-	(7,507)	-	-	-	-	-	(7,507)
D1	Net Profit in 2023	-	-	-	-	55,088	-	-	55,088
D3	Other comprehensive after-tax income (loss) in 2023	-	-	-	-	4	(36)	19,471	19,439
D5	Total comprehensive income (loss) in 2023	-	-	-	-	55,092	(36)	19,471	74,527
Z1	Balance on December 31, 2023	<u>\$ 250,243</u>	<u>\$ 88,471</u>	<u>\$ 126,807</u>	<u>\$ 13,086</u>	<u>\$ 56,182</u>	<u>(\$ 126)</u>	<u>\$ 6,475</u>	<u>\$ 541,138</u>

The attached notes are part of the parent company only financial statements.

Chairman of the Board: Cheng-Chih Li

Manager: Yang-Kuo Chen

Accounting Manager: Hsin-I Wen

Taiming Assurance Broker Co., Ltd.

Parent Company Only Statement of Cash Flow

January 1 to December 31, 2023 and January 1 to December 31, 2022

Unit: In Thousands of New Taiwan Dollars

Code		2023	2022
	Cash flow from operating activities		
A10000	Net Profit Before Tax in this year	\$ 62,546	\$ 76,726
A20010	Income and expenses having no effect on cash flows		
A20100	Depreciation expenses	18,839	18,813
A20200	Amortization	1,030	1,187
A20300	Loss of doubtful debt (reversed interest)	4	(136)
A20400	Net loss (profit) of financial assets at fair value through profit or loss	(6,780)	344
A20900	Finance costs	481	516
A21200	Interest income	(3,237)	(2,457)
A21300	Dividend income	(3,984)	(12,537)
A22300	Recognized share of profit (loss) of the affiliated enterprises and joint ventures using equity method	(14,491)	(10,776)
A23100	Loss on disposal of investments	-	117
A29900	Profit (loss) of lease modification	(2)	-
A29900	Provisions for liability reserve	1,629	1,103
A29900	Other income	(8)	(2)
A30000	Changes in operating assets and liabilities		
A31125	Contract Assets	(14,568)	(4,071)
A31150	Notes Receivable and Accounts Receivable	(10,745)	1,316
A31180	Other Receivables	(94)	1,030
A31240	Other Current assets	(1)	-
A31220	Prepaid retirement pension	(109)	(98)
A31230	Prepayments	190	1,025
A31250	Other Non-current Assets	(210)	(740)
A32130	Notes Payable	12	-
A32180	Other payables	15,901	4,516
A32200	Liabilities Reserve	(1,112)	(780)
A32230	Other current liabilities	<u>2,969</u>	<u>(804)</u>
A33000	Cash inflow from operating activities	48,260	74,292
A33300	Interest paid	-	(16)
A33500	Income Tax Paid	<u>(9,518)</u>	<u>(12,292)</u>
AAAA	Net cash inflow from operating activities	<u>38,742</u>	<u>61,984</u>

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Code		2023	2022
	Cash flow from investing activities		
B00030	Financial assets measured at FVTOCI - return of capital due to capital reduction	\$ 2,362	\$ 6,750
B00010	Financial assets at fair value through other comprehensive gains and losses	-	(794)
B00100	Acquisition of financial assets at fair value through profit or loss	(30,000)	(10,000)
B00200	Disposal of financial assets at fair value through profit or loss	10,000	34,495
B01800	Acquisition of associates	(5,491)	-
B02700	Acquisition of immovable property and equipment	(1,223)	-
B03700	Increase in guarantee deposits paid	-	(3)
B05400	Acquisition of investment properties	-	(6,701)
B07500	Interest received	2,757	1,489
B07600	Dividends received	<u>15,684</u>	<u>28,437</u>
BBBB	Net cash generated from (used in) investing activities	(<u>5,911</u>)	<u>53,673</u>
	Cash flows from financing activities		
C00100	Increase in short-term loans	-	10,000
C00200	Decrease in short-term borrowings	-	(10,000)
C03000	Increase in guarantee deposits received	255	-
C04020	Repayment of the principal amount of lease liabilities	(15,437)	(15,477)
C04500	Cash dividends distributed	(<u>67,565</u>)	(<u>75,073</u>)
CCCC	Net cash used in financing activities	(<u>82,747</u>)	(<u>90,550</u>)
EEEE	Net increase (decrease) in cash and cash equivalents	(49,916)	25,107
E00100	Balance of cash and cash equivalents at beginning of year	<u>71,814</u>	<u>46,707</u>
E00200	Balance of cash and cash equivalent at end of year	<u>\$ 21,898</u>	<u>\$ 71,814</u>

The attached notes are part of the parent company only financial statements.

Chairman of the Board:
Cheng-Chih Li

Manager:
Yang-Kuo Chen

Accounting
Manager: Hsin-I
Wen

Taiming Assurance Broker Co., Ltd.

Notes to the Parent Company Only Financial Statements

January 1 to December 31, 2023 and January 1 to December 31, 2022

(Unless otherwise stated, the unit shall be thousands of New Taiwan Dollars)

1. Company History

Taiming Assurance Broker Co., Ltd. (hereinafter referred to as "the Company") was formally established in October 2002 in accordance with the provisions of the Company Act. Its main business operations are life insurance and property insurance brokerage, and the insurance broker's professional liability insurance, insurance broker's guarantee insurance and deposit have been insured according to the regulations. The Company's shares have been listed on the Taipei Exchange of Taiwan (TWSE) for the trading of the Taipei Exchange (TPEX) since October 28, 2014. The parent company only financial statements are expressed in the Company's functional currency.

2. Date and Procedures of Authorization of Financial Statements

The parent company only financial statements were approved by the Board of Directors on March 5, 2024.

3. Application of Newly Issued and Revised Guidelines and Interpretations

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

The application of the IFRSs endorsed and issued into effect by the FSC does not have material impact on the Company's accounting policies:

- b. The IFRSs endorsed by the Financial Supervisory Commission for application in 2024

New, Revised or Amended Standards and Interpretations	Effective Date of IFRSs Published by IASB (Note 1)
Amendments to IFRS 16 "Lease Liability in a Sale-and-leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 1, 2024

New, Revised or Amended Standards and Interpretations	Effective Date of IFRSs Published by IASB (Note 1)
Amendments to IAS 1 "Non-current Liabilities with Contractual Provisions"	January 1, 2024
Amendments to IAS7 and IFRS7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

Note 1. The aforementioned new/revised/amended standards or interpretations shall become effective during the reporting period of the year commencing after each such date, unless otherwise indicated,

Note 2. Sellers (lessees) should retroactively apply the amendments to IFRS 16 to sale-and-leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3. Exemptions to certain disclosure requirements shall apply upon the initial application of this amendment.

As of the date the financial statements were authorized for issue, the company has evaluated that the amendments of the other standards and interpretations should not cause material effects on the financial conditions and performance.

c. IFRSs issued by IASB but not yet endorsed by the FSC

New, Revised or Amended Standards and Interpretations	Effective Date of IFRSs Published by IASB (Note 1)
Amendments to "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" IFRS 10 and IAS 28	Pending
IFRS 17 "Insurance Contract"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

Note 1. The aforementioned new/revised/amended standards or interpretations shall become effective during the reporting period of the year commencing after each such date, unless otherwise indicated,

Note 2. The amendments are applied prospectively for the annual reporting period beginning on or after January 1, 2025. Upon the initial

application of the amendment, the impact on the recognition of amounts shall be reflected in retained earnings as of the initial application date. When our company expresses currency using a non-functional currency, adjustments to the exchange differences of foreign operations under equity on initial application date will be affected.

As of the date the financial statements were authorized for issue, the Company is continuously assessing the possible impacts on its financial position and financial performance upon the initial application of the aforementioned standards and interpretations. Any relevant impact will be disclosed when the assessment is completed.

4. Summary Statement of Major Accounting Policies

a. Statement of Compliance

The parent company only financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Foundation of Preparation

The parent company only financial statements are prepared on the basis of historical costs, except for financial instruments measured at fair value and net determined welfare liabilities recognized at the fair value of the plan assets less the present value of the defined benefit obligations.

Fair value measurements are classified into Levels 1 to 3 according to the observability and importance of relevant input values:

- 1) Level 1 input value: refers to the offered price (unadjusted) of the same asset or liability available in the active market on the measurement date.
- 2) Level 2 input value: the observable input value of an asset or liability, either directly (that is, price) or indirectly (that is, derived from price), other than a Level 1 offered price.
- 3) Level 3 input value: the unobservable input value of an asset or liability.

When preparing parent company only financial statements, the Company adopts the Equity Method for investment subsidiaries, related enterprises or joint ventures. For the purpose of making the gains and losses, other comprehensive

income of the current year of the parent company only financial statements the same as the gains and losses, other comprehensive income of the current year belonging to the proprietor of the Company in the parent company only financial statements of the Company, certain accounting treatment differences under the parent company only foundation and the consolidated foundation are adjusted for "investments accounted for using Equity Method" and "gain or loss shares of subsidiaries and affiliated enterprises using Equity Method".

c. Criteria for Distinguishing Between Current and Non-Current Assets and Liabilities

Current Assets Including:

- 1) Assets held primarily for trading purposes;
- 2) Assets expected to be realized within 12 months after the balance sheet date;
and
- 3) Cash and cash equivalents (except where the exchange or liquidation of liabilities is restricted more than 12 months after the balance sheet date).

Current Liability Including:

- 1) Liabilities that are due for settlement within 12 months after the balance sheet date and
- 2) Liabilities that will be settled unconditionally to meet the repayment terms at least 12 months after the balance sheet date.

Current assets or current liabilities not belonging to those described above, are classified as non-current assets or non-current liabilities.

d. Foreign Currency

When the Company prepares financial reports, traders of currencies (foreign currencies) other than functional currencies of the Company shall convert them into functional currency records according to the exchange rate of the trading date.

Foreign currency monetary items are converted at the closing rate on each balance sheet date. The exchange difference arising from the closing of monetary items or conversion of monetary items shall be recognized as profit or loss in the current period.

The foreign currency non-monetary items measured at the fair value shall be converted at the exchange rate on the day when the fair value is determined, and the exchange difference generated shall be classified as the current gain or loss, but the exchange difference generated shall be classified as the other comprehensive income if the fair value changes are recognized as other comprehensive income.

The foreign currency non-monetary items measured by historical cost are converted at the exchange rate of the trading date and shall not be re-converted. At the time of preparing parent company only financial reports, the assets and liabilities of the foreign operations are converted to NT\$ at the exchange rate on each balance sheet date. The income and expense items are converted at the current average exchange rate and the resulting exchange difference is included in other comprehensive income.

e. Investments in Subsidiaries

The Company adopts the Equity Method to handle investments in subsidiaries.

A subsidiary is an individual controlled by the Company.

Under the Equity Method, the original cost recognition invested in shall be based on the gain or loss of the subsidiaries and other comprehensive income shares and profit distribution enjoyed by the Company. In addition, changes in the Company's other subsidiary interests are recognized according to the shareholding ratio.

Where the change of ownership interest of the Company in the subsidiary does not result in the loss of control, it is treated as an equity transaction. The difference between the carrying amount of the investment and the fair value of the consideration paid or received shall be directly recognized as equity.

Where the Company's share of the loss to the subsidiary is equal to or greater than its equity in the subsidiary (including the carrying amount of the subsidiary under the Equity Method and other long-term equity that are essentially part of the Company's net investment in the subsidiary), the Company shall continue to recognize the loss according to its shareholding ratio.

The amount of acquisition cost in excess of the Company's share of the net fair value of identifiable assets and liabilities of a subsidiary that constitute the business at the date of acquisition is recognized as goodwill, which is included in the carrying amount of investment and shall not be amortized. Any excess of the Company's share of the net fair value of identifiable assets and liabilities of an investment over the acquisition cost is recognized immediately in profit or loss.

When the Company evaluates the impairment, it considers the cash generating unit as a whole and compares its recoverable amount with the carrying amount in the financial report. Subsequently, if the recoverable amount of an asset increases, the recovery of the impairment loss shall be recognized as an advantage, provided that the carrying amount of the asset recovered from the impairment loss shall not exceed the carrying amount of the asset to be amortized if the impairment loss is not recognized. Impairment loss attributable to goodwill may not be reversed during subsequent periods.

In case of loss of control over the subsidiary, the Company shall measure its remaining investment in the former subsidiary at the fair value on the day of loss of control, and the difference between the fair value of the remaining investment and any disposal price and the carrying amount of the investment on the day of loss of control shall be included in the current gain or loss. In addition, the accounting treatment of all amounts recognized in other comprehensive income in relation to the subsidiary shall be based on that the Company must follow if it directly disposes of the related assets or liabilities.

The unrealized gain or loss of the downstream transactions between the Company and its subsidiaries are eliminated in the parent company only financial reports. The gains and losses arising from the countercurrent and side current transactions between the Company and its subsidiaries shall be recognized in the parent company only financial report only to the extent not related to the Company's equity in the subsidiaries.

f. Investment in Affiliated Enterprises

Related enterprises refer to those enterprises which are not subsidiaries but which have significant influence on the Company.

The Company adopts the equity method for the investment in related enterprises. Under the Equity Method, the original cost recognition of the related enterprises invested in shall be based on the gain or loss of the related enterprises and other comprehensive income shares and profit distribution enjoyed by the Company. In addition, changes in the equity of affiliated enterprises are recognized according to the shareholding ratio.

The amount of the acquisition cost in excess of the net fair value share of the identifiable assets and liabilities of the affiliated enterprise enjoyed by the Company at the acquisition date is classified as goodwill, which is included in the carrying amount of the investment and shall not be amortized; the amount of the net fair value share of the identifiable assets and liabilities of the affiliated enterprises enjoyed by the Company at the acquisition date exceeding the acquisition cost is classified as the current gain or loss.

When the related enterprise issues new shares, if the Company fails to subscribe according to the shareholding ratio, resulting in the change of shareholding ratio and the increase or decrease of the net equity value of the investment, the increase or decrease of the capital surplus shall be adjusted - the Equity Method is adopted to recognize the changes in the net equity value of related enterprises and the Equity Method is adopted for investment. However, if the ownership interest of the affiliated enterprise is reduced due to the failure to subscribe or acquire the shares in proportion to the shareholding ratio, the amount recognized in other comprehensive income related to the affiliated enterprise shall be reclassified in proportion to the reduction, and the accounting treatment shall be based on the same basis as the direct disposal of related assets or liabilities by the affiliated enterprise; the adjustment such as referred to in the preceding paragraph shall debit capital surplus, but uses the Equity Method of investment capital surplus produced by lack of balance, the balance debit to retained earnings.

Any further loss shall be disregarded when the Company's share of loss to the related enterprise is equal to or greater than its interest (including the carrying amount of an investment in a related enterprise under the Equity Method and other long-term equity that are essentially part of the Company's net investment in the related enterprise) in the related enterprise. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, constructive obligations or made payments on behalf of an associate.

In the assessment of impairment, the Company shall treat the total carrying amount (including goodwill) of the investment as a single asset, compare the recoverable amount with the carrying amount, and conduct the impairment test. The impairment loss recognized shall not be apportioned to any asset, including goodwill, that constitutes part of the carrying amount of the investment. Any reversal of the impairment loss shall be recognized within the subsequent increase in the recoverable amount of the investment.

The retained rights and interests of the Company shall be measured by the fair value on the day when its investment ceases to be a related enterprise, and the difference between the fair value and the disposal price and the amount of the investment book on the day when the Equity Method is stopped shall be included in the profits and losses of the current period. In addition, the accounting treatment of all amounts recognized in other comprehensive income in relation to the affiliated enterprise shall be based on the same foundation that the affiliated enterprise must follow if it directly disposes of the related assets or liabilities.

g. Real Estate and Equipment

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

Depreciation of real estate and equipment shall be separately depreciated for each significant part within the useful life on a straight-line basis, except for self-owned land, which shall not be depreciated. The Company shall, at least on the terminal date of each fiscal year, examine the estimated useful life, residual cost

and depreciation method and defer the impact of changes in the applicable accounting estimates.

In the event of the derecognition of real estate and equipment, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized as gain or loss.

h. Investment Real Estate

Investment real estate is real estate held for rent or capital appreciation or both (including right-of-use assets that meet the definition of investment real estate). Investment real estate also includes land that has not yet been determined for future use.

The self-owned investment real estate is initially measured in terms of costs (including transaction costs) and is subsequently measured in terms of costs minus accumulated depreciation and accumulated impairment losses.

The investment real estate acquired through leases is initially measured at cost (including the initial measured amount of lease liability, the amount of lease payments made to the lessors prior to the inception of the lease, initial direct costs and the estimated costs of restored underlying assets, less any lease incentives received), and subsequently measured at cost less accumulated depreciation and accumulated impairment, adjusted for any re-measurements of the lease liability. Depreciation of all investment real estate is carried out on a straight-line basis.

Upon cessation of self-use, the real estate classified as right-of-use asset is reclassified as investment real estate at its carrying amount.

In the event of the derecognition of investment real estate, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized as gain or loss.

i. Intangible Asset

Intangible assets with limited useful life acquired separately are initially measured at cost, and are subsequently measured at cost minus accumulated amortization and accumulated impairment losses. Intangible assets are amortized on a straight-line basis over their useful lives, the Company shall, at least on the terminal date of each fiscal year, examine the estimated useful life,

residual cost and amortization method and defer the impact of changes in the applicable accounting estimates. Intangible assets with indefinite useful lives are recognized at cost less accumulated impairment loss.

In the event of the derecognition of intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized as gain or loss.

j. Impairment of property and equipment, right-of-use assets, investment real estate and intangible assets

The Company assesses if there are any signs of possible impairment in property and equipment, right-of-use assets, investment real estate and intangible assets at each balance sheet date. If any indicator of impairment exists, then the recoverable amount of the asset is estimated. Where it is impossible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

The recoverable amount is the higher of the fair value less costs to sell and its use value. If the recoverable amount of an individual asset or cash generating unit is lower than its carrying amount, the carrying amount of the asset or cash generating unit shall be reduced to its recoverable amount, and the impairment loss shall be recognized as gain or loss.

When the impairment loss is subsequently reversed, the carrying amount of the asset or the cash-generating unit is increased to the revised recoverable amount, provided that the increased carrying amount shall not exceed the carrying amount (less amortization or depreciation) of the asset or cash-generating unit, which was not recognized as impairment loss in prior years. Reversal of impairment loss is recognized as gain or loss.

k. Financial Instruments

Financial assets and financial liabilities are recognized on the parent company only balance sheet when the Company becomes a party to the terms of the instrument.

In the initial recognition of financial assets and financial liabilities, if the financial assets or financial liabilities are not measured at fair value through gain or loss,

they are directly attributable to the transaction cost measurement of acquiring or issuing financial assets or financial liabilities at fair value. The transaction cost of a financial asset or financial liability that is directly attributable to the acquisition or issuance of a financial asset or financial liability at fair value through profit or loss is immediately recognized as gain or loss.

1) Financial Assets

Conventional transactions of financial assets are recognized and derecognized on the trading day.

a) Measurement Type

The types of financial assets held by the Company are financial assets at fair value through profit or loss, financial assets measured by amortized cost, and equity instruments measured at fair value through other comprehensive income.

i. Financial Assets at Fair Value Through Profit or Loss

Financial assets measured at fair value through gain or loss include financial assets that are forced to be measured at fair value through gain or loss. Financial assets subject to mandatory fair value measurement through gain or loss include equity instrument investments not designated by the Company to be measured at fair value through other comprehensive income, and debt instrument investments not subject to classification as measured at amortized cost or to be measured at fair value through other comprehensive income.

Financial assets measured at fair value through profit and loss are measured at fair value, the dividends and interest generated from those assets are recognized as other income, and the benefits or losses generated due to the re-measurement of those assets are recognized as other benefits and losses. Please refer to Note 23 for the determination of fair value.

ii. Financial Assets Measured at Amortized Cost

If the Company's investment financial assets meet the following two conditions simultaneously, they are classified as financial assets measured by amortized cost:

- i) It is held under a business model for the purpose of holding financial assets to collect contractual cash flows; and
- ii) The terms of the contract generate a cash flow on a specified date that is solely for the payment of interest on the principal and the amount of principal outstanding.

Financial assets measured at amortized cost (including cash and equivalent cash and accounts receivable measured at amortized cost) are measured at the amortized cost of the total carrying amount determined by the effective interest method after the initial recognition, and any foreign currency exchange gains or losses are recognized as gains or losses.

Except in the following two cases, interest earned is calculated by multiplying the effective interest rate by the total carrying amount of financial assets:

- i) For the purchased or originated credit-impaired financial asset, the interest income is calculated by multiplying the credit-adjusted effective interest rate by the cost of amortization of financial assets.
- ii) For financial asset that is not a purchased or originated credit-impaired but subsequently becomes a credit-impaired financial asset, the interest income is calculated by multiplying the effective interest rate by the amortized cost of financial assets.

The cash equivalents include highly liquid fixed deposits which can be converted into fixed cash at any time within 3 months from the date of acquisition and have little risk of value change, which is used to meet short-term cash commitments.

- iii. Measured at Fair Value through Other Comprehensive Income for the Equity Instrument Investment

At the time of the original recognition, the Company may make an irrevocable choice to invest in an equity instrument that is not held for trading and is not recognized as a consideration by a business combination acquirer, specifying that it be measured at fair value through other comprehensive income.

The equity instrument investment measured at fair value through other comprehensive income is measured by fair value, and subsequent changes in fair value are reported to other comprehensive income and accumulated in other equities. In the case of investment disposal, accumulated gains and losses are transferred directly to retained earnings and are not reclassified as gains and losses.

A share invested in an equity instrument at fair value through other comprehensive income shall be recognized in the gains or losses at the time of establishment of the right to collect money of the Company, unless the dividend clearly represents a recovery of part of the investment cost.

b) Impairment of Financial Assets and Contract Assets

The Company assesses the impairment loss of financial assets measured at amortized cost (including accounts receivable) based on the expected credit loss at each balance sheet date.

The allowance loss for accounts receivable shall be recognized against the lifetime expected credit losses during the term of duration. Other financial assets are first evaluated to see whether the credit risk increases significantly after the initial recognition. If it does not increase significantly, the allowance loss is recognized according to the expected credit losses of 12 months. If it has increased significantly, the allowance loss is recognized according to the expected credit losses during the term of duration.

Anticipated credit losses are weighted average credit losses based on the risk of default. 12-month expected credit losses are the expected credit

losses arising from the default of the financial instrument within 12 months after the reporting date. The expected credit losses during the term of duration represents the expected credit losses caused by all possible defaults of the financial instrument during the period of the expected duration.

Without taking into account the collateral held, the Company determines that the following circumstances represent a breach of financial assets for internal credit risk management purposes:

- i. There is internal or external information indicating that the debtor is unable to repay the debt.
- ii. The financial assets are more than 30 days overdue unless there is reasonable and evidence-based information to indicate that the benchmark for the delayed default is more appropriate.

The Company recognizes an impairment loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of Financial Assets

The Company shall only exclude financial assets if the contractual rights derived from the cash flow of the financial assets become invalid, or if the financial assets have been transferred and almost all the risks and remunerations of the ownership of the assets have been transferred to other enterprises, then the financial assets are derecognized.

When financial assets measured at the amortized cost is derecognized as a whole, the difference between the carrying amount and the consideration received is recognized as gain or loss. When derecognizing an investment in equity instrument at FVTOCI in its entirety, the cumulative profit or loss is transferred directly to retained earnings and is not reclassified to profit or loss.

2) Equity Instrument

The debt and equity instruments issued by the Company are classified as financial liabilities or equity according to the substance of the contractual agreement and the definition of financial liabilities and equity instruments.

The equity instruments issued by the Company shall be recognized on the basis of the proceeds obtained after deducting the direct distribution cost.

And the Company's own equity instruments shall be recognized and deducted under the equity, and the carrying amount is calculated based on the weighted average of the stock types. The purchase, sale, distribution or cancellation of the Company's own equity instruments is not recognized as gain or loss.

3) Financial Liabilities

a) Subsequent Measure

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of Financial Liabilities

Where financial liabilities are derecognized, the difference between the carrying amount and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized as gain or loss.

1. Liabilities Reserve

The amount recognized as a liability reserve is the best estimate of the expenditure required to meet the obligation at the balance sheet date, taking into account the risk and uncertainty of the settlement obligation. Liability reserve is measured by the discounted present value of the estimated cash flow of the settlement obligation.

Where a part or all of the expenditure required to settle the liability, reserve is expected to be reimbursed to the other party and is almost certain to be received and the amount can be reliably measured, the reimbursement shall be recognized as an asset.

m. Revenue recognition

After identifying the performance obligation of the customer contract, the Company will allocate the transaction price to each performance obligation, and recognize the revenue when each performance obligation is met.

In the case of a contract for the transfer of products or services and the receipt of consideration with an interval of less than one year, the significant financial component shall not adjust the transaction price.

Operating income comes from commissions earned by brokers from selling life and property insurance products of various insurance companies. Revenues and accounts receivable recognized by the Company for the sale of a non-multi-year line of underwriters upon completion of underwriting by the insurance company. The amount of revenue recognized from the sale of multi-year insurance products includes the consideration of the change in consideration resulting from the historical continuation of the policy, the recognition of revenue and contract assets over the years, and the transfer of accounts receivable upon completion of the remaining obligations.

n. Lease

The Company assesses whether a contract is (or contains) a lease on the execution date of the contract.

1) The Company is a Lessor

A lease is classified as a financial lease when its terms transfer almost all the risks and rewards attached to the ownership of the asset to the lessee. All other leases are classified as operating leases.

When subleasing right-of-use assets, the classification of the sublease of our company is determined based on the right-of-use asset (rather than the underlying asset). However, if the head lease qualifies for the short-term lease exemption applied by the Company, the sublease classification is considered operating lease.

Operating lease payments less lease incentives are recognized as operating income on a straight-line basis over the duration of such lease. The lease negotiation with a lessee is handled as a new lease from the effective date of the lease modification.

When a lease simultaneously include land and building elements, the Company classifies them as finance lease or operating lease based on whether most risks and rewards from ownership of the elements have been transferred to the lessee. Lease payments are apportioned to land and buildings in proportion to the fair value of land and building lease rights on the contract establishment date. If lease payments can be apportioned reliably to these two elements, each element is treated according to the applicable lease classification. If lease payments cannot be allocated reliably between the two elements, the entire lease is classified under finance lease. If both elements clearly meet the standards of operating leases, the entire lease is classified under operating lease.

2) The Company is a Lessee

The right-of-use asset and lease liability are recognized for all leases at the inception date of such leases, except for leases qualified for recognition exemption, e.g., leases with low-value underlying assets and short-term

leases, for which an expense is recognized on a straight-line basis over the lease term.

The right-of-use asset is initially measured at cost (including the initial measured amount of lease liability, the amount of lease payments made to the lessors less lease incentives received prior to the inception of the lease, initial direct costs and the estimated costs of restored underlying assets), and subsequently measured at cost less accumulated depreciation and accumulated impairment, adjusted for any re-measurements of the lease liability. Right-of-use assets are presented on a separate line in the standalone balance sheets.

The right-of-use asset is depreciated on a straight-line basis over the period from the lease commencement date to the end of its useful lives, or to the end of the lease term, whichever is earlier.

Lease liabilities are initially measured at the present value of lease payments (including fixed payments and variable lease payments depending on an index or a rate). If the interest rate implicit in a lease can be easily determined, the lease payment is discounted at the interest rate. If the interest rate cannot be easily determined, the lessee's incremental borrowing rate of interest shall be used.

Subsequently, lease liabilities are measured at the amortized cost using the effective interest rate method, and interest expense is amortized over the lease term. If changes in the index or rate used to determine the lease payment over the lease term lead to changes in future lease payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets has been reduced to zero, the remaining remeasurement amount is recognized in profit or loss. For lease modifications that are not treated as a separate lease, remeasurement of the lease liabilities due to the reduction in the scope of the lease is to reduce the right-of-use assets, and to recognize the profit or loss on the partial or full termination of the lease; the remeasurement

of the lease liabilities due to other modifications is to adjust the right-of-use assets. Lease liabilities are expressed separately in the balance sheet.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which they are incurred.

o. Borrowing Costs

The borrowing cost directly attributable to acquisition, construction, or production of assets that meet requirements is considered as part of the cost of the asset until almost all necessary activities for the asset to reach the intended use or sale state have been completed.

The investment income earned from temporary investment of a specific loan before the occurrence of eligible capital expenditure shall be deducted from the cost of loans eligible for capitalization.

Other than stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

p. Employee Benefits

1) Short-Term Employee Benefits

Short-term employee benefit-related liabilities are measured as non-discounted amounts that are expected to be paid in exchange for employee services.

2) Benefits After Retirement

Determining the contribution to a retirement plan is a matter of recognizing the amount of contribution as an expense during the period of service provided by the employee.

Determining the benefit costs of defined benefit retirement plans (including service costs, net interest, and re-measurements) are calculated using the projected unit credit method. The service cost includes the current service cost and the net interest on the net defined benefit liability (asset), which is recognized as the employee benefit expense when incurred. The re-measurements (including actuarial gains and losses, changes in the effect of the asset ceiling and the return on plan assets after interest deduction) are recognized as other comprehensive income and included as retained

earnings at the time of occurrence, and are not reclassified as gains and losses in subsequent periods.

Net defined benefit liabilities (assets) are the deficit (surplus) of defined-benefit retirement plans. Net defined benefit assets shall not exceed the present value of any refunds or reductions in future withdrawals from the plan.

3) Termination Benefits

The Company will recognize the termination benefits liability when it is no longer able to revoke the termination benefits offer or recognize the related restructuring costs (whichever is earlier).

q. Income Tax

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

1) Current Income Tax

The Company determines the current income (loss) in accordance with the laws and regulations established by each income tax filing jurisdiction area, and calculates the payable (recoverable) income tax based on it.

A surtax is imposed on the undistributed earnings pursuant to the Income Tax Act of R.O.C. is recognized via a resolution at the shareholders' meeting. The adjustment of income tax payable in previous years shall be included in the current income tax.

2) Deferred Income Tax

Deferred income tax is calculated on the basis of temporary differences between the carrying amounts of assets and liabilities on the books and the basis on which taxable income is calculated.

Deferred income tax liabilities are generally recognized in respect of all taxable temporary differences, while deferred income tax assets are recognized when there is a possibility that tax may be provided for the use of the taxable income resulting from a deductible temporary difference.

Taxable temporary differences relating to investment subsidiaries and affiliates are recognized as deferred income tax liabilities, except where the Company can control the point at which the temporary difference reverses

and where it is likely that the temporary difference will not reverse in the foreseeable future. The deductible temporary difference relating to such investment shall be recognized as a deferred income tax asset only to the extent that it is likely to have sufficient taxable income to realize the temporary difference and to the extent that it is expected to reverse in the foreseeable future.

The carrying amount of the deferred income tax assets shall be re-examined on each balance sheet date and reduced in respect of those assets for which there is no longer likely to be sufficient tax to recover all or part of the assets. Where deferred income tax assets are not previously recognized as assets, they are also re-examined on each balance sheet date and there is a high probability of future taxation to allow them to recover all or part of their assets and to increase their carrying amounts.

Deferred income tax assets and liabilities are measured by the tax rate of expected settlement of liabilities or realization of assets in the current period. The tax rate is based on the tax rate and tax law enacted or substantially enacted on the balance sheet date. The deferred income tax liabilities and assets measurement is to reflect the tax consequences of the way the Company is expected to recover or repay the carrying amount of its assets and liabilities on the balance sheet date.

3) Current and Deferred Income Tax

The current and deferred income tax shall be recognized as gain or loss, but the current and deferred income tax shall be recognized as other comprehensive income or directly included in the equity, respectively.

5. Material Sources of Uncertainty in Accounting Judgments, Estimates and Assumptions

When the Company adopts accounting policies, management must make relevant judgments, estimates and assumptions based on historical experience and other relevant factors for those who have difficulty in obtaining relevant information from other sources. Actual results may differ from these estimates.

The management will constantly review the estimates and basic assumptions. If the estimated revision only affects the current period, it is recognized in the current revision period; if the revision of the accounting estimate affects both the current and future periods, it is recognized in the current and future periods of the revision.

6. Cash and Cash Equivalents

	December 31, 2023	December 31, 2022
Cash in Treasury and Revolving Fund	\$ 142	\$ 158
Bank Check and Demand Deposit	<u>21,756</u>	<u>71,656</u>
	<u>\$ 21,898</u>	<u>\$ 71,814</u>

7. Financial Assets at Fair Value Through Profit or Loss - Current

	December 31, 2023	December 31, 2022
<u>Mandatorily Measured at Fair Value Through Gain or Loss</u>		
Fund Beneficiary Certificate	\$ 61,372	\$ 58,019
Bank Debenture	44,937	54,942
Corporate Bonds	<u>33,432</u>	<u>-</u>
	<u>\$ 139,741</u>	<u>\$ 112,961</u>

8. Financial Assets Measured at Fair Value Through Other Comprehensive Income

	December 31, 2023	December 31, 2022
<u>Current</u>		
Equity Instrument Investment	<u>\$ 53,353</u>	<u>\$ 39,180</u>
<u>Non-Current</u>		
Equity Instrument Investment	<u>\$ 102,360</u>	<u>\$ 99,424</u>

Measured at Fair Value through Other Comprehensive Income for the Equity Instrument Investment

	December 31, 2023	December 31, 2022
<u>Current</u>		
Domestic Investment		
TWSE-Listed (TPEX-Listed)		
Stocks		
Sirtec International Co. Ltd.	\$ 23,886	\$ 16,414
Taichung Commercial Bank Co., Ltd.	<u>29,467</u>	<u>22,766</u>
	<u>\$ 53,353</u>	<u>\$ 39,180</u>
<u>Non-Current</u>		
Domestic Investment		
TWSE-Unlisted (TPEX-Unlisted) Stocks		
Top Taiwan X Venture Capital Co., Ltd.	\$ 48,074	\$ 48,174
Chengding Venture Capital Co., Ltd.	<u>54,286</u>	<u>51,250</u>
	<u>\$ 102,360</u>	<u>\$ 99,424</u>

The Company invests in the ordinary share of the above company for medium and permanent strategic purposes and expects to profit from the permanent investment. In the opinion of the management of the Company, if the short-term fair value fluctuations of the investment are included in the gain or loss, it is not consistent with the foregoing permanent investment plan. Therefore, the management of the merged company chooses to designate the investment as measured by the fair value through other comprehensive income.

The Company recognizes dividend income of NT\$3,984 thousand and NT\$12,537 thousand in 2023 and 2022 respectively, of which NT\$0 and NT\$0 are related to investments that were derecognized at the end of the year, and NT\$3,984 thousand and NT\$12,537 thousand are related to investments that are still held as of December 31, 2023 and December 31, 2022, respectively.

9. Notes Receivable and Accounts Receivable

	December 31, 2023	December 31, 2022
Notes Receivable	\$ -	\$ 14
Accounts Receivable	<u>78,216</u>	<u>67,457</u>
	<u>\$ 78,216</u>	<u>\$ 67,471</u>

The average credit period of the Company for the provision of services shall be 30 days from the date of invoice, and in determining the collect ability of accounts receivable, the Company shall, on the balance sheet date, review, on a case-by-case basis, any changes in the credit quality of accounts receivable from the original credit solstice balance sheet date to ensure that unrecoverable accounts receivable have been set aside for appropriate impairment losses. Accordingly, the management of the Company considers that the credit risk of the Company is not significant.

The Company has no overdue receivables, and the allowance for losses of bad debts of the Company as at December 31, 2023 and December 31, 2022 after evaluation is NT\$0.

The Company adopts the simplified method of IFRS 9 to recognize the accounts receivable as the allowance for the loss in accordance with the lifetime expected credit losses during the term of duration. It considers customers' past default records and current financial and industrial economic positions. Due to the historical experience of credit loss of the Company, there is no significant difference in the types of loss among different customer groups. Therefore, the expected credit loss rate is only based on the number of overdue days of accounts receivable.

10. Loan balance of investments under equity method

	December 31, 2023	December 31, 2022
<u>Investments Accounted for Using Equity Method</u>		
Investments in Subsidiaries	\$ 118,892	\$ 113,570
Investment in Affiliated Enterprises	<u>3,846</u>	<u>4,139</u>
	<u>\$ 122,738</u>	<u>\$ 117,709</u>
<u>Loan balance of investments under equity method</u>		
Investment in Affiliated Enterprises	<u>\$ -</u>	(\$ <u>3,217</u>)

a. Investments in Subsidiaries

	December 31, 2023	December 31, 2022
Link-Aim Life Insurance Broker Co., Ltd.	\$ 118,883	\$ 113,541
Ching-Guan Financial Management Consulting Co., Ltd.	<u>9</u>	<u>29</u>
	<u>\$ 118,892</u>	<u>\$ 113,570</u>
	Percentage of Ownership Interests and Voting Rights	
Name of Subsidiary	December 31, 2023	December 31, 2022
Link-Aim Life Insurance Broker Co., Ltd.	100%	100%
Ching-Guan Financial Management Consulting Co., Ltd. (Note 1)	100%	100%

Note 1. Ching-Guan Financial Management Consulting Co., Ltd., approved for liquidation by the Board of Directors of our company on November 3, 2023, was officially dissolved upon approval by the Taipei City Government on December 6, 2023. As of March 5, 2024, the liquidation process has not yet been completed.

The gain or loss and other comprehensive income shares of the subsidiary under the Equity Method shall be recognized according to the financial reports of the affiliated enterprises during the same period, except for the financial reports of Ching-Guan Financial Management Consulting Co., Ltd., which have not been audited by CPAs. However, the management of the Company considers that the financial report of the invested company has not been audited by the CPA, which will not have a significant influence.

b. Investment in Affiliated Enterprises

	December 31, 2023	December 31, 2022
Affiliated Enterprises Not Individually Significant		
All Safe Co., Ltd.	\$ 2,518	\$ 2,494
Shanghai Taiming Insurance Agency Co., Ltd.	1,286	1,645
Jiangsu Taiming Insurance Agency Co., Ltd.	<u>42</u>	<u>-</u>
	<u>\$ 3,846</u>	<u>\$ 4,139</u>
Jiangsu Taiming Insurance Agency Co., Ltd.	<u>\$ -</u>	<u>(\$ 3,217)</u>
	Percentage of ownership and voting rights	
Company Name	December 31, 2023	December 31, 2022
All Safe Co., Ltd.	14.79%	14.79%
Shanghai Taiming Insurance Agency Co., Ltd.	14.94%	14.94%
Jiangsu Taiming Insurance Agency Co., Ltd.	24.90%	24.90%

The shareholding of the Company was reduced from 24.90% to 14.94% because the Company did not participate in the cash capital increase of Shanghai Taiming Insurance Agency Co., Ltd. in July 2022.

Summary Information on Affiliated Enterprises Not Individually Significant

	<u>2023</u>	<u>2022</u>
Share Enjoyed by the Company		
Net Income from		
Continuing Operations		
in the Current Period for		
the Current Year	(\$ 2,531)	(\$ 2,550)
Other Comprehensive		
Income (Loss)	(36)	58
Total Comprehensive		
Income	(\$ 2,567)	(\$ 2,492)

For relevant information on the main business, main place of business, and country where the company is registered for the aforementioned associates, please refer to Table II "Information on Investees" and Table III "Information on Investment in Mainland China" for details.

The share of investment gains and losses and other comprehensive income under the Equity Method shall be recognized based on the financial reports of the related enterprises audited by CPAs during the same period.

11. Real Estate and Equipment

	<u>Self-owned Land</u>	<u>Building</u>	<u>Other Equipment</u>	<u>Leasehold Improvements</u>	<u>Total</u>
<u>Cost</u>					
Balance on January 1, 2022	\$ 21,460	\$ 27,634	\$ 22,056	\$ 23,715	\$ 94,865
Additions	-	-	-	-	-
Balance on December 31, 2022	<u>\$ 21,460</u>	<u>\$ 27,634</u>	<u>\$ 22,056</u>	<u>\$ 23,715</u>	<u>\$ 94,865</u>
<u>Accumulated Depreciation and Impairment</u>					
Balance on January 1, 2022	\$ -	\$ 9,173	\$ 20,210	\$ 18,915	\$ 48,298
Depreciation expenses	-	936	736	1,724	3,396
Balance on December 31, 2022	<u>\$ -</u>	<u>\$ 10,109</u>	<u>\$ 20,946</u>	<u>\$ 20,639</u>	<u>\$ 51,694</u>
Net Amount as of December 31, 2022	<u>\$ 21,460</u>	<u>\$ 17,525</u>	<u>\$ 1,110</u>	<u>\$ 3,076</u>	<u>\$ 43,171</u>

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	Self-owned Land	Building	Other Equipment	Leasehold Improvements	Total
<u>Cost</u>					
Balance on January 1, 2023	\$ 21,460	\$ 27,634	\$ 22,056	\$ 23,715	\$ 94,865
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,223</u>	<u>1,223</u>
Balance on December 31, 2023	<u>\$ 21,460</u>	<u>\$ 27,634</u>	<u>\$ 22,056</u>	<u>\$ 24,938</u>	<u>\$ 96,088</u>
<u>Accumulated</u>					
<u>Depreciation and</u>					
<u>Impairment</u>					
Balance on January 1, 2023	\$ -	\$ 10,109	\$ 20,946	\$ 20,639	\$ 51,694
Depreciation expenses	<u>-</u>	<u>936</u>	<u>567</u>	<u>1,963</u>	<u>3,466</u>
Balance on December 31, 2023	<u>\$ -</u>	<u>\$ 11,045</u>	<u>\$ 21,513</u>	<u>\$ 22,602</u>	<u>\$ 55,160</u>
Net Amount as of December 31, 2023	<u>\$ 21,460</u>	<u>\$ 16,589</u>	<u>\$ 543</u>	<u>\$ 2,336</u>	<u>\$ 40,928</u>

As there is no indicator of impairment in the year ended December 31, 2023 and 2022, the Company did not conduct impairment assessment.

Depreciation expenses are calculated on a straight-line basis according to the following durable years:

Building	15 to 30 years
Leasehold Improvements	3 to 5 years
Other Equipment	3 to 5 years

12. Lease Agreement

a. Right-of-Use Assets

	December 31, 2023	December 31, 2022
Carrying amount of right-of- use assets		
Building	<u>\$ 23,307</u>	<u>\$ 38,466</u>
	<u>2023</u>	<u>2022</u>
Addition of right-of-use assets	<u>\$ 1,878</u>	<u>\$ 40,644</u>

	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets		
Building	<u>\$ 14,521</u>	<u>\$ 15,053</u>

The office space leased by the Company has been subleased to our subsidiary, Link-Aim Life Insurance Broker Co., Ltd., under an operating lease arrangement since 2023. The related right-of-use assets are reported as investment real estate. Please refer to Note 13 for further details. The aforementioned right-of-use assets do not include right-of-use assets that meet the definition of investment real estate.

b. Lease Liability

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Carrying amount of lease liabilities		
Current	<u>\$ 10,740</u>	<u>\$ 14,348</u>
Non-Current	<u>\$ 14,933</u>	<u>\$ 24,391</u>
Interest expense – lease obligations payable	<u>\$ 473</u>	<u>\$ 498</u>

The discount rate range of lease liabilities is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Building	1.41%~2.16%	1.41%~1.79%

c. Significant leasing activities and terms

The Company leased certain buildings for office use for a term of 2-5 years. At the end of the lease term, the Company has no bargain purchase option over the land and building leased, and the Company may not sublease or transfer all or part of the leased items without the lessor's consent.

d. Other leasing information

	<u>2023</u>	<u>2022</u>
Short-term lease expenses	<u>\$ 90</u>	<u>\$ 90</u>
Lease expenses of low-value assets	<u>\$ 455</u>	<u>\$ 456</u>
Total cash (outflow) for lease	<u>(\$ 15,982)</u>	<u>(\$ 16,023)</u>

All lease commitments during the lease terms beginning after the balance sheet date are as follows:

	December 31, 2023	December 31, 2022
Lease commitments	<u>\$ -</u>	<u>\$ -</u>

13. Investment Real Estate

	Land	Building	Right-of-Use Assets	Total
<u>Cost</u>				
Balance on January 1, 2022	\$ 65,730	\$ 5,459	\$ -	\$ 71,189
Additions	<u>6,701</u>	<u>-</u>	<u>-</u>	<u>6,701</u>
Balance on December 31, 2022	<u>\$ 72,431</u>	<u>\$ 5,459</u>	<u>\$ -</u>	<u>\$ 77,890</u>

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	Land	Building	Right-of-Use Assets	Total
<u>Accumulated</u>				
<u>Depreciation</u>				
Balance on January 1, 2022	\$ -	\$ 3,973	\$ -	\$ 3,973
Depreciation expenses	-	364	-	364
Balance on December 31, 2022	<u>\$ -</u>	<u>\$ 4,337</u>	<u>\$ -</u>	<u>\$ 4,337</u>
Net Amount as of December 31, 2022	<u>\$ 72,431</u>	<u>\$ 1,122</u>	<u>\$ -</u>	<u>\$ 73,553</u>
<u>Cost</u>				
Balance on January 1, 2023	\$ 72,431	\$ 5,459	\$ -	\$ 77,890
Additions	-	-	-	-
Transferred from right- of-use assets	-	-	2,929	2,929
Balance on December 31, 2023	<u>\$ 72,431</u>	<u>\$ 5,459</u>	<u>\$ 2,929</u>	<u>\$ 80,819</u>
<u>Accumulated</u>				
<u>Depreciation</u>				
Balance on January 1, 2023	\$ -	\$ 4,337	\$ -	\$ 4,337
Depreciation expenses	-	364	488	852
Transferred from right- of-use assets	-	-	391	391
Balance on December 31, 2023	<u>\$ -</u>	<u>\$ 4,701</u>	<u>\$ 879</u>	<u>\$ 5,580</u>
Net Amount as of December 31, 2023	<u>\$ 72,431</u>	<u>\$ 758</u>	<u>\$ 2,050</u>	<u>\$ 75,239</u>

The right-of-use assets within investment real estate represent office spaces leased by the Company and subsequently subleased to our subsidiary, Link-Aim Life Insurance Broker Co., Ltd., under operating lease arrangements.

The investment real estate is subject to a lease term of 2-5 years. The lessee has no preferential right to purchase the investment real estate at the end of the lease term.

The total amount of lease payments to be collected in the future for investment property in operating lease is as follows:

	December 31, 2023	December 31, 2022
1st year	\$ 2,212	\$ 1,470
2nd year	<u>8,747</u>	<u>-</u>
	<u>\$ 10,959</u>	<u>\$ 1,470</u>

Depreciation of investment real estate on a straight-line basis is calculated according to the following durable years:

Building	15 Years
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In 2022, due to the severe impact of the COVID-19 pandemic on the market economy, the Company agreed to reduce some of the lease contracts by NT\$585 thousand.

The fair value of real estate investment is based on valuation carried out by independent valuers as Level 3 inputs. The valuation is based on the comparison approach and income approach. Its fair value as of December 31, 2023 and 2022 are NT\$107,621 thousand and NT\$100,876 thousand, respectively, and the important unobservable input values used include the discount rates of 2.17% and 2.19%.

14. Other Payables and Long-Term Payables

	December 31, 2023	December 31, 2022
Commission and Bonus Payable	\$ 122,151	\$ 106,236
Salary and Annual Bonuses Payable	11,173	11,408
Bonuses Payable to Employees and Directors	2,745	3,337
Provident fund of voluntary contribution payable to business representatives	10,992	10,475
Others	<u>3,791</u>	<u>3,495</u>
	<u>\$ 150,852</u>	<u>\$ 134,951</u>
Other Payables - Current	\$ 103,453	\$ 103,000
Long-Term Payables - Non-Current	<u>47,399</u>	<u>31,951</u>
	<u>\$ 150,852</u>	<u>\$ 134,951</u>

15. Liability Reserve - Non-Current

In order to implement the incentive policy for business executives, the Company implemented a matching promotion plan for its executives.

	December 31, 2023	December 31, 2022
Provident Fund Reserve - Voluntary Contribution by Company	<u>\$ 10,992</u>	<u>\$ 10,475</u>

The changes in provident fund reserve are as follows:

	2023	2022
Opening Balance	\$ 10,475	\$ 10,152
Increase This Year	1,629	1,103
Payment This Year	(<u>1,112</u>)	(<u>780</u>)
Year End Balance	<u>\$ 10,992</u>	<u>\$ 10,475</u>

16. Benefits After Retirement Plan

a. Defined Contribution Plan

The pension system of the Company under the "Labor Pension Statutes" is a defined contribution retirement plan administered by the government, which contributes the pension at 6% of the employee's monthly salary to the individual account of the Bureau of Labor Insurance.

b. Defined Benefit Plan

The Company's pension system, which is governed by the "Labor Pension Statutes" of Taiwan, is a defined benefit retirement plan administered by the government. The payment of the employee pension shall be based on the length of service and the average salary of the 6 months prior to the approved retirement date. The Company shall contribute 2% of the employees' total monthly salary to the pension fund, which shall be deposited into the special account of the Bank of Taiwan in the name of the Supervisory Committee of Workers' Retirement Fund. If, before the end of the year, the estimated special account balance is insufficient to pay the workers who are expected to meet the retirement conditions in the previous year, the difference shall be contributed at one time before the end of March of the next year. This special account is entrusted to the

Bureau of Labor Funds, Ministry of Labor, and the Company has no right to affect the investment management strategy.

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

	December 31, 2023	December 31, 2022
Present Value of Defined Benefit Obligation	\$ 1,448	\$ 1,417
Fair Value of Plan Assets	(<u>2,594</u>)	(<u>2,449</u>)
Net Defined Benefit Assets	(<u>\$ 1,146</u>)	(<u>\$ 1,032</u>)

The changes of net defined benefit liabilities (assets) are as follows:

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities (Assets)
January 1, 2022	<u>\$ 1,551</u>	<u>(\$ 2,175)</u>	<u>(\$ 624)</u>
Service Cost			
Interest Expense			
(Income)	<u>12</u>	<u>(17)</u>	<u>(5)</u>
Recognized as Gain or Loss	<u>12</u>	<u>(17)</u>	<u>(5)</u>
Re-measurement			
Return on Plan Assets			
(Excluding Amounts			
Included in Net			
Interest)	-	(164)	(164)
Actuarial (gain) loss -			
changes in financial			
assumptions	(162)	-	(162)
Actuarial (gain) loss -			
experience			
adjustments	<u>16</u>	<u>-</u>	<u>16</u>
Recognized in Other			
Comprehensive Income	<u>(146)</u>	<u>(164)</u>	<u>(310)</u>
Employer Contributions	<u>-</u>	<u>(93)</u>	<u>(93)</u>
December 31, 2022	<u>1,417</u>	<u>(2,449)</u>	<u>(1,032)</u>
Service Cost			
Interest Expense			
(Income)	<u>21</u>	<u>(37)</u>	<u>(16)</u>
Recognized as Gain or Loss	<u>21</u>	<u>(37)</u>	<u>(16)</u>
Re-measurement			
Return on Plan Assets			
(Excluding Amounts			
Included in Net			
Interest)	\$ -	(\$ 15)	(\$ 15)
Actuarial (gain) loss -			
changes in financial			
assumptions	24	-	24
Actuarial (gain) loss -			
experience			
adjustments	<u>(14)</u>	<u>-</u>	<u>(14)</u>
Recognized in Other			
Comprehensive Income	<u>10</u>	<u>(15)</u>	<u>(5)</u>
Employer Contributions	<u>-</u>	<u>(93)</u>	<u>(93)</u>
December 31, 2023	<u>\$ 1,448</u>	<u>(\$ 2,594)</u>	<u>(\$ 1,146)</u>

The Company is exposed to the following risks due to the "Labor Pension Statutes" pension system:

- 1) Investment Risk: The Bureau of Labor Funds, Ministry of Labor invested the labor pension fund in domestic (foreign) equity securities, debt securities and bank discount respectively through self-operation and entrusted operation. However, the allocated amount of the Company's plan assets shall be calculated at the interest rate of 2-year fixed deposits at local banks.
- 2) Interest Rate Risk: The decrease of interest rate will increase the present value of the defined benefit obligation. However, the debt investment returns of the plan assets will also increase, which will partially offset the impact of the two on the net defined benefit liability.
- 3) Salary Risk: The calculation of the present value of defined benefit obligation is based on the future salary of plan members. Therefore, an increase in the plan member's salary would increase the present value of the defined benefit obligations.

The present value of the Company's defined benefit obligations is calculated by qualified actuaries. The major assumptions of the measurement date are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Discount Rate	1.375%	1.5%
Anticipated Growth Rate of Salaries	2.0%	2.0%

If material actuarial assumptions are reasonably possible to vary, the amounts that would increase (or decrease) the present value of a defined benefit obligation are as follows, subject to all other assumptions remaining unchanged:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Discount Rate		
Increase by 0.25%	(\$ <u>47</u>)	(\$ <u>49</u>)
Decrease by 0.25%	<u>\$ 49</u>	<u>\$ 51</u>
Anticipated Growth Rate of Salaries		
Increase by 0.25%	<u>\$ 48</u>	<u>\$ 50</u>

Decrease by 0.25%	(\$ <u>46</u>)	(\$ <u>48</u>)
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Since actuarial assumptions may be interrelated, it is unlikely that a single assumption will change. Therefore, the above sensitivity analysis may not reflect the actual changes in the present value of defined benefit obligations.

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Anticipated Amount of Contribution Within 1 Year	<u>\$ 93</u>	<u>\$ 93</u>
Average Maturity Period of Defined Benefit Obligation	13.3 Years	14.2 Years

17. Equity

a. Share Capital

Ordinary Share

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Authorized Stock Number (1,000 shares)	<u>30,000</u>	<u>30,000</u>
Authorized Capital Stock	<u>\$ 300,000</u>	<u>\$ 300,000</u>
Number of Shares Issued and Fully Paid (1,000 shares)	<u>25,024</u>	<u>25,024</u>
Issued Capital	<u>\$ 250,243</u>	<u>\$ 250,243</u>

Each share's nominal amount of the ordinary shares issued shall be valued at NT\$10 and shall have one voting right and the right to receive dividends.

b. Capital surplus

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)</u>		
Premium on issuance of shares	\$ 35,627	\$ 43,134
Consolidated Excess	46,637	46,637
<u>May be used to offset a deficit only</u>		
Changes of associates and joint ventures accounted for under the equity method (2)	<u>6,207</u>	<u>6,207</u>

\$ 88,471

\$ 95,978

- a) Such capital surplus may be used to cover deficiencies or, in the absence of deficiencies, to pay out cash or to set aside capital, subject to a ratio of paid-up capital each year.
- b) Such capital surplus arises from the effects of changes in ownership interests in affiliated enterprises resulting from equity transactions other than actual disposals or acquisitions of affiliated enterprises accounted for.
- c. Retained Earnings and Dividend Policy

Amendment of Articles of Association, which were proposed and approved in the annual shareholders' meetings on May 26, 2022, under the earnings distribution policy as set forth in the Company's Articles of Incorporation, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting accumulated losses, setting aside 10% of the remaining profit as legal reserve. However, when the statutory surplus reserve has reached the total paid in capital of the company, it may be exempted from further allocation, and special surplus reserves may be allocated or converted according to laws and regulations or business needs. If there is still surplus, the board of directors shall prepare a surplus distribution plan. If the surplus distribution is to be distributed in cash, the board of directors shall make a resolution in accordance with Article 228-1 and Article 240, Paragraph 5 of the Company Law, and report to the shareholders' meeting. For the policies on the distribution of remuneration to employees and to directors as set forth in the Company's Articles of Incorporation, refer to Note 19(5) "remuneration to employees and to directors".

According to the Company's amended Articles of Incorporation, as the current industrial environment is constantly changing, the dividends to shareholders may be paid in the forms of cash and stock, in response to the future operation expansion plan. The proportion of cash dividends in the total dividends shall be no less than 40% of the current year's distributable surplus, but the shareholders' meeting may adjust it according to the actual situation.

According to the earnings distribution policy of the Company's Articles of Incorporation prior to the amendments, if there is surplus in the Company's final account, priorities should be made to pay taxes and make up for the accumulated losses, and followed by 10% of surplus appropriation as legal surplus reserve, except when legal surplus reserve has reached the Company's total paid-in capital so that continuous contribution is no longer required. When needed, the legal surplus reserve may be transferred or reversed into the special surplus reserve in accordance with the relevant laws and regulations or as needed for business purposes. If there is still a surplus, the Board of Directors shall propose to the shareholders' meeting for distribution of this surplus.

As the current industrial environment is constantly changing, in response to the future operation expansion plan, the dividends to shareholders may be paid in the forms of cash and stock. The proportion of cash dividends in the total dividends shall be no less than 50%, but the shareholders' meeting may adjust it according to the actual situation.

The appropriated as legal capital reserve shall be set aside until the balance reaches the total paid-up capital stock of the Company. The appropriated as legal capital surplus may be used to cover deficiencies. When the Company has no deficiencies, the portion of the appropriated as legal capital surplus exceeding 25% of the total paid-up capital stock may be distributed in cash except for the capital stock.

The Company set aside and reversed a special reserve in accordance with the FSC Letters Jin-Guan-Zheng-Fa No. 1010012865, Jin-Guan-Zheng-Fa No. 1010047490, and Jin-Guan-Zheng-Fa No. 1030006415, as well as the directive, entitled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs".

The Company's earnings distribution plans for the years 2022 and 2021 are as follows:

	Earnings distribution plan		Dividends Per Share (NT\$)	
	2022	2021	2022	2021
Legal capital surplus	\$ 6,620	\$ 7,471	\$ -	\$ -
Special capital surplus	13,086	(5,493)	-	-
Cash dividend	60,058	75,073	2.4	3.0

The cash dividends for the fiscal year 2022 were resolved for distribution by the Board of Directors on March 9, 2023, while the remaining earning distribution items were resolved by the shareholders' meeting on May 31, 2023.

The shareholders' meeting resolved on May 31, 2023, to distribute cash dividends from capital surplus of NT\$7,507 thousand, at a rate of NT\$0.3 per share. Therefore, the total cash dividends distributed for the fiscal year 2022 amounted to NT\$67,565 thousand, at a rate of NT\$2.7 per share.

The Company held its shareholders' meeting on May 26, 2022, and passed the resolution for earning distribution for the fiscal year 2021.

The proposal for earnings distribution for 2023 put forth by the Company's board of directors on March 5, 2024 is as follows:

	Earnings distribution plan	Dividends Per Share (NT\$)
Legal capital surplus	\$ 5,509	\$ -
Special capital surplus	(13,086)	-
Cash dividend	62,561	2.5

The above cash dividends have been resolved by the Board of Directors for distribution and the rest is subject to the resolution of the regular shareholders' meeting to be held on May 30, 2024.

18. Income

	2023	2022
Customer Contract Income		
Commission Income	<u>\$ 567,099</u>	<u>\$ 539,769</u>

For the sale of multi-year insurance products by the broker of the Company, the broker may, in addition to the initial commission income, receive the commission income on renewal of the policy upon completion of the premium payment in the following year. Therefore, the amount of the revenue recognized by the Company in 2023 and 2022 under the IFRS15 "Revenue from Customer Contracts" includes the consideration of the changes arising from the historical renewal of the policy.

	December 31, 2023	December 31, 2022
<u>Contract Balance</u>		
Accounts and notes receivable (Notes 9)	\$ 78,216	\$ 67,471
Contract Asset - Current	\$ 28,248	\$ 30,768
Contract Asset - Non-Current	41,507	24,419
	<u>\$ 69,755</u>	<u>\$ 55,187</u>

The changes of contract asset are as follows:

	2023	2022
Opening Balance	\$ 55,187	\$ 51,116
Transfer to Accounts Receivable	(30,768)	(36,834)
Current Increase	45,336	40,905
Ending Balance	<u>\$ 69,755</u>	<u>\$ 55,187</u>

19. Net Income from Continuing Operations

a. Other income

	2023	2022
Interest income	\$ 3,237	\$ 2,457
Rental Income	1,804	1,753
Dividend income	3,984	12,537
	<u>\$ 9,025</u>	<u>\$ 16,747</u>

b. Other Gains and (Losses)

	2023	2022
Gains (Losses) on financial assets at fair value through profit and loss	\$ 6,780	(\$ 344)
Other Income and Expenditure - Net Amount	350	170
	<u>\$ 7,130</u>	<u>(\$ 174)</u>

c. Depreciation and Amortization

	2023	2022
Right-of-Use Assets	\$ 14,521	\$ 15,053
Real Estate and Equipment	3,466	3,396
Investment Real Estate	852	364
Other non-current assets - intangible assets	<u>1,030</u>	<u>1,187</u>
	<u>\$ 19,869</u>	<u>\$ 20,000</u>
Depreciation Expenses		
Aggregated by Function		
Operating Cost	\$ 12,794	\$ 13,098
Operating Expense	<u>6,045</u>	<u>5,715</u>
	<u>\$ 18,839</u>	<u>\$ 18,813</u>
Amortized cost summarized by function		
Operating Expense	<u>\$ 1,030</u>	<u>\$ 1,187</u>

d. Employee Benefits Expenses

	2023	2022
Employee Benefits Expenses		
Salary Expenses	\$ 44,951	\$ 45,127
Labor and Health		
Insurance Expenses	4,240	4,141
Retirement Allowance		
Expenses	2,074	2,019
Directors' Compensation	3,382	3,819
Other Employee Benefits		
Expenses	<u>1,641</u>	<u>2,145</u>
Total Employee Benefits		
Expenses	<u>\$ 56,288</u>	<u>\$ 57,251</u>
Aggregated by Function		
Operating Expense	<u>\$ 56,288</u>	<u>\$ 57,251</u>

e. Employee and director compensation

The Company shall allocate 1% to 5% of the employee's bonus and no more than 5% of bonus to Directors to the company's pre-tax profit before the deduction of the employee's bonus and bonus to Directors in the current year. The

compensation for employee and Directors in 2023 and 2022 respectively was decided by the Board of Directors on March 5, 2024 and March 9, 2023 as follows:

Estimated Ratio

	<u>2023</u>	<u>2022</u>
Employee remuneration	2%	2%
Director remuneration	2%	2%

Amount

	<u>2023</u>	<u>2022</u>
Employee remuneration	\$ 1,302	\$ 1,599
Director remuneration	1,302	1,599

If there is any change in the amount after the publication of the annual parent company only financial report, it shall be treated according to the change of accounting estimation and be recorded in the next year.

There is no difference between the actual distribution amount of remuneration of employees and Directors in 2022 and 2021 and the amount recognized in the parent company only financial report in 2022 and 2021.

For information on the Company's remunerations to employees and directors as resolved by the board of directors, please visit the Market Observation Post System (MOPS) of Taiwan Stock Exchange.

f. Others

	<u>2023</u>	<u>2022</u>
Commission Expenditure	\$ 420,337	\$ 375,520
Provident Fund Expenses	<u>1,629</u>	<u>1,103</u>
	<u>\$ 421,966</u>	<u>\$ 376,623</u>
Aggregated by Function		
Operating Cost	<u>\$ 421,966</u>	<u>\$ 376,623</u>

20. Income Tax on Continuing Operations

a. Main Composition of Income Tax Expenses Recognized in Gain or Loss

	<u>2023</u>	<u>2022</u>
Current Income Tax Generated During the Current Year	\$ 7,539	\$ 10,780
Deferred Income Tax Generated During the Current Year	(<u>81</u>)	(<u>5</u>)
Income Tax Expenses Recognized in Gain or Loss	<u>\$ 7,458</u>	<u>\$ 10,775</u>

The adjustment of accounting income and income tax expenses is as follows:

	<u>2023</u>	<u>2022</u>
Net Income Before Tax from Continuing Operations	<u>\$ 62,546</u>	<u>\$ 76,726</u>
Income Tax Expense Calculated at Statutory Tax Rate for Net Profit Before Tax	\$ 12,509	\$ 15,345
Tax Exemption Income	(<u>5,051</u>)	(<u>4,570</u>)
Income Tax Expenses Recognized in Gain or Loss	<u>\$ 7,458</u>	<u>\$ 10,775</u>

b. Income Tax Recognized in Other Comprehensive Income

	<u>2023</u>	<u>2022</u>
<u>Deferred Income Tax</u> Generated During the Current Year		
— Determining the Remeasurement of Defined Benefit Plan	(<u>\$ 1</u>)	(<u>\$ 62</u>)

c. Current Income Tax Liabilities

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current Income Tax Liabilities		
Income Tax Payable	<u>\$ 1,915</u>	<u>\$ 3,894</u>

d. Deferred Income Tax Assets and Liabilities

The changes of deferred tax assets and liabilities is as follows:

2023

	Opening Balance	Recognized as Gain or Loss	Recognized in Other Comprehensi ve Income	Year End Balance
Deferred Income Tax Asset				
Temporary Differences				
Liabilities Reserve	<u>\$ 2,095</u>	<u>\$ 103</u>	<u>\$ -</u>	<u>\$ 2,198</u>
Deferred Income Tax Liabilities				
Temporary Differences				
Defined Benefit Retirement Plan	<u>\$ 206</u>	<u>\$ 22</u>	<u>\$ 1</u>	<u>\$ 229</u>

2022

	Opening Balance	Recognized as Gain or Loss	Recognized in Other Comprehensi ve Income	Year End Balance
Deferred Income Tax Asset				
Temporary Differences				
Liabilities Reserve	\$ 2,030	\$ 65	\$ -	\$ 2,095
Allowance for Bad Debts	<u>41</u>	<u>(41)</u>	<u>-</u>	<u>-</u>
	<u>\$ 2,071</u>	<u>\$ 24</u>	<u>\$ -</u>	<u>\$ 2,095</u>
Deferred Income Tax Liabilities				
Temporary Differences				
Defined Benefit Retirement Plan	<u>\$ 125</u>	<u>\$ 19</u>	<u>\$ 62</u>	<u>\$ 206</u>

e. Income Tax Approval Status

The Company's business income tax settlement and declaration cases have been approved by the Revenue Service Offices until 2021.

21. Earnings Per Share

Unit: NT\$ Per Share

	2023	2022
Basic Earnings Per Share	<u>\$ 2.20</u>	<u>\$ 2.64</u>
Diluted Earnings Per Share	<u>\$ 2.20</u>	<u>\$ 2.63</u>

The earnings per share and the weighted average of common shares used to calculate earnings per share are as follows:

Current Net Income

	2023	2022
The Net Profit Attributable to the Proprietor of the Company/The Earnings Calculated as Diluted Earnings Per Share	<u>\$ 55,088</u>	<u>\$ 65,951</u>

Number of shares

(Unit: thousand shares)

	2023	2022
Is used to calculate the weighted average number of ordinary shares of basic earnings per share.	25,024	25,024
The effect of potential ordinary share with dilutive effect:		
Employee remuneration	<u>41</u>	<u>52</u>
Is used to calculate the weighted average number of ordinary shares of diluted earnings per share.	<u>25,065</u>	<u>25,076</u>

If the Company may choose to pay its employees in stock or cash, when calculating the diluted earnings per share, it is assumed that the employee bonus will be paid in stock, and the weighted average number of outstanding shares in circulation will be included when the potential ordinary shares have dilutive effect, so as to calculate the diluted earnings per share. The dilutive effect of these ordinary common shares will also be taken into account in the calculation of earnings per diluted share prior to the resolution of employee bonus in the following year.

22. Capital risk management

The Company carries out capital management to ensure that it can continue to operate under the premise of optimizing the balance of debt and equity, so as to maximize the remuneration of shareholders. The overall strategy of the Company has not changed significantly since its establishment.

The capital structure of the Company consists of the equity (i.e., capital stock, capital surplus, retained earnings and other equity items) attributable to the proprietor of the Company.

The Company is not subject to any other external capital requirements.

23. Financial Instruments

a. Fair Value Information - Financial Instruments Not Measured at Fair Value

The management of the Company considers that the carrying amounts of financial assets and financial liabilities not measured at fair value are close to their fair value.

b. Fair Value Information - Financial Instruments Measured at Fair Value on a Repeatable Basis

1) Fair Value Hierarchy

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets at Fair Value Through Profit or Loss</u>				
Fund Beneficiary				
Certificate	\$ 61,372	\$ -	\$ -	\$ 61,372
Bank Debenture	-	44,937	-	44,937
Corporate Bonds	-	33,432	-	33,432
Total	<u>\$ 61,372</u>	<u>\$ 78,369</u>	<u>\$ -</u>	<u>\$139,741</u>
<u>Financial Assets Measured at Fair Value Through Other Comprehensive Income</u>				
Equity Instrument				
Investment				
— Domestic TWSE-Listed (TPEX-Listed) Stocks	\$ 53,353	\$ -	\$ -	\$ 53,353
— Domestic TWSE-Unlisted (TPEX-Unlisted) Stocks	-	-	102,360	102,360
Total	<u>\$ 53,353</u>	<u>\$ -</u>	<u>\$102,360</u>	<u>\$155,713</u>

December 31, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets at Fair Value Through Profit or Loss</u>				
Fund Beneficiary				
Certificate	\$ 58,019	\$ -	\$ -	\$ 58,019
Bank Debenture	-	54,942	-	54,942
Total	<u>\$ 58,019</u>	<u>\$ 54,942</u>	<u>\$ -</u>	<u>\$112,961</u>

(Continued on next page)

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	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets</u>				
<u>Measured at Fair Value</u>				
<u>Through Other</u>				
<u>Comprehensive Income</u>				
Equity Instrument				
Investment				
— Domestic TWSE-				
Listed (TPEX-				
Listed) Stocks	\$ 39,180	\$ -	\$ -	\$ 39,180
— Domestic TWSE-				
Unlisted (TPEX-				
Unlisted) Stocks	<u>-</u>	<u>-</u>	<u>99,424</u>	<u>99,424</u>
Total	<u>\$ 39,180</u>	<u>\$ -</u>	<u>\$ 99,424</u>	<u>\$138,604</u>

2) Reconciliation of Level 3 fair value measurements of financial instruments
2023

<u>Financial Assets</u>	<u>Financial Assets Measured at Fair Value Through Other Comprehensive Income</u>
Opening Balance	<u>\$ 99,424</u>
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at fair value through other comprehensive income)	5,298
Capital Reduction	(<u>2,362</u>)
Ending Balance	<u>\$ 102,360</u>
Unrealized other gains and losses for the period recognized in profit or loss	<u>\$ -</u>

2022

Financial Assets	Financial Assets Measured at Fair Value Through Other Comprehensive Income
	Equity Instrument
Opening Balance	\$ 131,606
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at fair value through other comprehensive income)	(25,432)
Capital Reduction	(6,750)
Ending Balance	\$ 99,424
Unrealized other gains and losses for the period recognized in profit or loss	\$ -

3) The Valuation Technique and Input Value of the Fair Value Measurement of Level 2

Class of Financial Instruments	Valuation Technique and Input Value
Domestic Bond Investment	Cash Flow Discount Method: discount based on the market rate reflecting the current similar products and credit rating at the end of the debenture issuer's term.

4) The Valuation Technique and Input Value of the Fair Value Measurement of Level 3

The domestic TWSE-unlisted (TPEX-unlisted) equity investments are applied to the asset approach, and the asset approach evaluates the total market value of individual assets and individual liabilities covered by evaluation subject to reflect the overall value of the enterprise or business. The significant unobservable input values adopted are liquidity and minority interest discount of 10%. If other input values remain unchanged, if liquidity and minority interest discount increase by 1% respectively, the fair value as at December 31, 2023 and December 31, 2022 will be reduced by NT\$1,137 thousand and NT\$1,105 thousand, respectively.

c. Categories of Financial Instrument

	December 31, 2023	December 31, 2022
<u>Financial Assets</u>		
Measured at Fair Value Through Gain or Loss	\$ 139,741	\$ 112,961
Financial assets measured at amortized cost (Note 1)	107,760	146,361
Financial Assets Measured at Fair Value Through Other Comprehensive Income	155,713	138,604
<u>Financial Liabilities</u>		
Measured at amortized cost (Note 2)	151,627	135,459

Note 1. The balance includes financial assets measured at amortized cost, such as cash and cash equivalents, notes receivable, accounts receivable, other receivables, and guarantee deposits paid.

Note 2. The balance includes financial liabilities measured at amortized cost, such as notes payable, other payables, other receivables, long-term payables, and guarantee deposits received.

d. Financial Risk Management Objectives and Policies

The main financial instruments of the Company include equity investment, bills receivable and accounts receivable, bills payable and accounts payable and other payables. The financial management department of the Company provides services to the business units, coordinates the operation of the domestic financial market, and supervises and manages the financial risks related to the operation of the Company by analyzing the internal risk reports of the risks according to the degree and breadth of risks. Such risks include market risk (including interest rate risk and other price risks), credit risk and liquidity risk.

The Company's significant financial plans are reviewed by the Audit Committee and the Board of Directors in accordance with the relevant regulations and internal control system. The Company's Finance Department adheres to the relevant financial operating procedures regarding the overall financial risk

management and segregation of rights and responsibilities in the execution of financial plans.

1) Market Risk

a) Interest rate risk

The carrying amounts of financial assets and financial liabilities of the Company subject to interest risk exposure on the balance sheet date are as follows:

	December 31, 2023	December 31, 2022
Interest rate risks with fair value		
— Financial Assets	\$ 78,369	\$ 54,942
Interest rate risks with cash flow		
— Financial Assets	20,177	70,237

Sensitivity Analysis

The following sensitivity analysis is based on the interest rate exposure of non-derivative instruments at the balance sheet date. In reporting the interest rate to senior management, the rate of change adopted is 100 basis points increase or decrease over the interest rate, which also represents the management evaluation of reasonable possible change scope of interest rate.

If the interest rate increases / decreases by 100 basis points, and all other variables remain unchanged, the pre-tax net profit of the Company in 2023 and 2022 will be increased / decreased by NT\$985 thousand and NT\$1,252 thousand respectively, mainly due to the changes in the demand bank deposits with floating interest rates of the Company and the fair value of debt instruments measured at fair value through profit and loss with fixed interest rate.

b) Other price risk

The Company is subject to the equity price exposure arising from the investment in securities.

Sensitivity Analysis

If the equity price rises/falls by 1%, the pre-tax other comprehensive income in 2023 and 2022 will be increased/decreased by NT\$1,557 thousand and NT\$1,386 thousand due to changes in the fair value of financial assets measured by the fair value through other comprehensive income.

2) Credit Risk

Credit risks refer to risks that cause financial loss of the Company due to the counterparty's delay in performing contractual obligations. As of the balance sheet date, the maximum credit risk exposure (regardless of collateral or other credit enhancement instruments, and the maximum amount of irrevocable exposure) that the Company may cause financial losses due to failure to discharge an obligation by the counterparties and the financial guarantee provided by the Company mainly comes from the carrying amount of financial assets recognized in the balance sheet.

3) Liquidity Risk

The Company supports the business operations of the Group and reduces the impact of cash flow fluctuation through appropriate management and the maintenance of sufficient cash and cash equivalents. The Company's management supervises the use of bank facilities and ensures compliance with the loan contract terms.

24. Related-party Transactions

a. Name and Relationship of Affiliates

The relationship with the Company during the period covered by this financial report is as follows:

<u>Name of Affiliates</u>	<u>Relationship with the Company</u>
Taiwan Fire & Marine Insurance Company Ltd.	Substantial Affiliate
Link-Aim Life Insurance Broker Co., Ltd.	Subsidiary of the Company
Ching-Guan Financial Management Consulting Co., Ltd.	Subsidiary of the Company
All Safe Co., Ltd.	Investment Company adopting Equity Method of the Company
Major management personnel	Chairman of the Board, General Managers, Managers, and directors

b. Operating Income

<u>Category of Affiliates/Name</u>	<u>2023</u>	<u>2022</u>
Substantial Affiliate		
Taiwan Fire & Marine Insurance Company Ltd.	<u>\$ 13,469</u>	<u>\$ 12,632</u>

c. Receivables from Related Parties

<u>Accounting Items</u>	<u>Category of Affiliates/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes Receivable and Accounts Receivable	Substantial Affiliate		
	Taiwan Fire & Marine Insurance Company Ltd.	<u>\$ 1,323</u>	<u>\$ 1,398</u>

d. Administrative Expenses

<u>Category of Affiliates/Name</u>	<u>2023</u>	<u>2022</u>
Investment Company adopting Equity Method of the Company		
All Safe Co., Ltd.	<u>\$ 18</u>	<u>\$ 18</u>

e. Lease Agreement

<u>Category of Affiliates/Name</u>	<u>2023</u>	<u>2022</u>
<u>Acquisition of right-of-use assets</u>		
Substantial Affiliate		
Taiwan Fire & Marine Insurance Company Ltd.	<u>\$ -</u>	<u>\$ 38,521</u>

<u>Accounting Items</u>	<u>Category of Affiliates/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Lease Liability	Substantial Affiliate		
	Taiwan Fire & Marine Insurance Company Ltd.	<u>\$ 24,248</u>	<u>\$ 32,073</u>

<u>Category of Affiliates/Name</u>	<u>2023</u>	<u>2022</u>
<u>Interest expenses</u>		
Substantial Affiliate		
Taiwan Fire & Marine Insurance Company Ltd.	<u>\$ 403</u>	<u>\$ 352</u>
<u>Rental Expenses</u>		
Major management personnel	<u>\$ 90</u>	<u>\$ 90</u>

f. Guarantee deposit received

<u>Category of Affiliates/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Subsidiary of the Company		
Link-Aim Life Insurance Broker Co., Ltd.	<u>\$ 102</u>	<u>\$ -</u>

g. Lease Agreement

Operating lease

The total amount of lease payments received in the future is summarized as follows:

<u>Category of Affiliates/Name</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Investment Company adopting Equity Method of the Company		
All Safe Co., Ltd.	\$ 70	\$ 70
Subsidiary of the Company		
Link-Aim Life Insurance Broker Co., Ltd.	<u>612</u>	<u>-</u>
	<u>\$ 682</u>	<u>\$ 70</u>

The total rental income is summarized as follows:

<u>Category of Affiliates/Name</u>	<u>2023</u>	<u>2022</u>
Subsidiaries		
Ching-Guan Financial Management Consulting Co., Ltd.	\$ 10	\$ 60
Link-Aim Life Insurance Broker Co., Ltd.	510	-
Investment Company adopting Equity Method of the Company		
All Safe Co., Ltd.	<u>102</u>	<u>102</u>
	<u>\$ 622</u>	<u>\$ 162</u>

h. Other Gains and Losses

<u>Category of Affiliates/Name</u>	<u>2023</u>	<u>2022</u>
Substantial Affiliate		
Taiwan Fire & Marine Insurance Company Ltd.	<u>\$ 174</u>	<u>\$ 18</u>

i. Key Management Remuneration Information

	2023	2022
Short-Term Employee Benefits	<u>\$ 20,207</u>	<u>\$ 20,468</u>

The remuneration of Directors and other key management levels shall be determined by the Remuneration Committee in accordance with individual performance and market trend and then sent to the Board of Directors for resolution.

25. Pledged Assets

The following assets are provided as collateral for financing borrowings;

	December 31, 2023	December 31, 2022
Investment Real Estate	\$ 73,189	\$ 73,553
Real Estate and Equipment	<u>15,073</u>	<u>15,672</u>
	<u>\$ 88,262</u>	<u>\$ 89,225</u>

26. Information on Foreign Currency Assets and Liabilities with Significant Influence

The following information is expressed in aggregate in foreign currencies other than the individual functional currencies of the Company, and the disclosed exchange rate refers to the conversion rate of such foreign currencies into functional currencies. Foreign Currency Assets with Significant Influence Are as Follows:

Unit: Foreign Currencies/NT\$ 1,000

	December 31, 2023			December 31, 2022		
	Foreign Currency	Exchang e Rate	Carrying Amount	Foreign Currency	Exchang e Rate	Carrying Amount
Foreign Currency Assets						
<u>Non-Monetary Items</u>						
Investments						
Accounted for Using Equity Method						
RMB	\$ 307	4.33	\$ 1,328	\$ 373	4.41	\$ 1,645
Loan balance of investments under equity method						
RMB	-	-	-	720	4.41	3,217

27. Additional Disclosures

- a. Information on material transactions and b. reinvestment companies:
 - 1) Loans to others. (None)
 - 2) Endorsement for others. (None)
 - 3) Marketable securities held at the end of period (excluding investments in subsidiaries, related enterprises and joint ventures) (Attachment I)
 - 4) Accumulated purchase or disposal of individual marketable securities equal to or in excess of NT\$300 million or 20% of paid-in capital. (None)
 - 5) Acquisition of property at cost in excess of NT\$300 million or 20% of paid-in capital. (None)
 - 6) Disposal of property at cost in excess of NT\$300 million or 20% of paid-in capital. (None)
 - 7) Purchases or sales to related parties of at least NT\$100 million or 20% of paid-in capital. (None)
 - 8) Accounts receivable from related parties equal to or in excess of NT\$100 million or 20% of paid-in capital. (None)
 - 9) Engaging in derivatives trading. (None)
 - 10) Others: Business relationships, important transactions and the amounts between parent company and subsidiaries (None)
 - 11) Information on Investees (Attachment II)
- c. Investment Information on Mainland China:
 - 1) Information on any investee company in mainland China; disclose the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Attachment III)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: None

- a) Purchase amount and percentage, and the ending balance and percentage of payables.
 - b) Sales amount and percentage, and the ending balance and percentage of receivables.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) Ending balance of endorsement, guarantee or collateral provided and purposes.
 - e) The maximum balance, ending balance, interest rate range and total amount of current interest of financing.
 - f) Other transactions having a significant impact on profit or loss or financial status of the period, such as providing or receiving services.
- d. Information on major shareholders: Name of shareholders with a shareholding ratio of 5% or more, the amount, and proportion of shares held: (Attachment IV)

Taiming Assurance Broker Co., Ltd.

Marketable Securities Held at the End of the Period

December 31, 2023

Unit: In Thousands of New Taiwan Dollars

Holding Company	Type and Name of Marketable Securities (Note 1)	Relationships with the issuer of marketable securities	Accounting Subjects	End of Period				Notes
				Unit (1,000) shares	Carrying Amount	Shareholding Ratio %	Fair Value	
Taiming Assurance Broker Co., Ltd.	<u>Fund Beneficiary Certificate</u>							
	Fuh Hwa Rui Hwa Fund	None	Financial Assets at Fair Value Through Profit or Loss - Current	1,931	\$ 22,612	-	\$ 22,612	
	Fuh Hwa Guardian Fund	"	"	1,092	21,859	-	21,859	
	Yuanta Taiwan High-yield Leading Company Fund	"	"	500	8,105	-	8,105	
	Cathay US Real Asset Income Strategy Fund	"	"	808	8,796	-	8,796	
	<u>Domestic Bank Debenture</u>							
	P06 Taichung Bank 2	None	Financial Assets at Fair Value Through Profit or Loss - Current	-	44,937	-	44,937	
	<u>Domestic Corporate Bonds</u>							
	P12 KGI Life 1	None	Financial Assets at Fair Value Through Profit or Loss - Current	-	11,627	-	11,627	
	P12 Cathay Life Insurance 1B	"	"	-	9,956	-	9,956	
	P12 Shin Kong Life 1	"	"	-	11,849	-	11,849	
	<u>Domestic TWSE-Listed (TPEX-Listed) Stocks</u>							
	Sirtec International Co. Ltd.	Substantial Affiliate	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Current	798	23,886	0.77%	23,886	
	Taichung Bank	None	"	1,861	29,467	0.04%	29,467	
	<u>Domestic TWSE-Unlisted (TPEX-Unlisted) Stocks</u>							
	Top Taiwan X Venture Capital Co., Ltd.	Substantial Affiliate	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Non-Current	4,489	48,074	6.75%	48,074	
	Chengding Venture Capital Co., Ltd.	None	"	5,000	54,286	3.70%	54,286	

Taiming Assurance Broker Co., Ltd.

Information on investees, location, etc.

2023

Unit: NT\$ 1,000/Share

Name of Investment Company	Name of Investee Company	Location	Main Business Item	Original Investment Amount		Held at the End of The Period			Current Net Income (Loss) of the Investee	Current Investment Income (Loss) Recognized	Notes
				End of Current Period	End of Last Year	Shares	Ratio	Carrying Amount			
Taiming Assurance Broker Co., Ltd.	Ching-Guan Financial Management Consulting Co., Ltd.	Taipei City	Management Consultant	\$ 900	\$ 900	100	100.00	\$ 9	(\$ 20)	(\$ 20)	Subsidiaries
	All Safe Co., Ltd.	Taipei City	Information Software Services	8,135	8,135	814	14.79	2,518	160	24	
	Link-Aim Life Insurance Broker Co., Ltd.	Tainan City	Life insurance and property insurance brokerage business	120,000	120,000	3,000	100.00	118,883 (Note 2)	17,038	17,042	Subsidiaries

Note 1. The above subsidiaries have been incorporated into the consolidated financial statements and the related investments and profits and losses have been written off.

Note 2. The book value includes the investment interest recognized under the equity method of NT\$17,042 thousand and the deduction of the distributed cash dividend of NT\$11,700 thousand.

Taiming Assurance Broker Co., Ltd.

Investment Information on Mainland China

2023

Unit: Expressed in Thousands of New Taiwan Dollars, Unless Specified Otherwise

Name of Investee Company in Mainland China	Main Business Item	Paid-Up Capital	Investment Method (Note 1)	Cumulative Amount for Investments at the Beginning of the Period Remitted from Taiwan	Amount of Investment Remitted or Recovered During the Current Period		Cumulative Amount for Investments at the End of the Period Remitted from Taiwan	Profit or loss of investee for the period	Shareholding Ratio of the Company's Direct or Indirect Investments	Investment Profit or Loss Recognized for Current Period (Note 2)	Carrying Amount of Investments at End of Period	Repatriated Income from Investment by the End of Period	Notes
					Remitted	Recovered							
Shanghai Taiming Insurance Agency Co., Ltd.	Insurance agency	RMB 5,000 thousand	(1)	\$ 2,928	\$ -	\$ -	\$ 2,928	(\$ 2,235)	14.94	(\$ 334) (C)	\$ 1,286	\$ -	
Jiangsu Taiming Insurance Agency Co., Ltd.	Insurance agency	RMB 15,000 thousand	(1)	12,061	5,491	-	17,552	(8,919)	24.90	(2,221) (C)	42	-	

Accumulated amount of investment remitted out of Taiwan to Mainland China at the end of the period	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs	Upper Limit on the Amount of Investment in Mainland China Stipulated by the Investment Commission, M.O.E.A.
RMB 4,607 thousand NT\$20,480 thousand	US\$668 thousand	NT\$324,683 thousand

Note 1. Investment methods can be divided into the following three categories, simply mark the category:

- (1) Direct investment in mainland China.
- (2) Reinvest in mainland China through a third region company (please specify the investment company in that third region).
- (3) Other methods.

Note 2. In the column of Current Period Recognized Investment Gains and Losses:

- (1) If there is no investment gain or loss in preparation, it shall be noted.
- (2) The foundation for recognition of investment gains and losses shall be noted in the following three categories.
 - A. Financial statements audited by an international CPA firm in partnership with an CPA firm of the Republic of China.
 - B. Financial statements audited by CPA of parent company in Taiwan.
 - C. Others.

Note 3. In accordance with the "Principles for Review of Investment or Technical Cooperation in Mainland China", the limit is 60% of the combined net value.

Taiming Assurance Broker Co., Ltd. and Subsidiaries

Major Shareholder Information

December 31, 2023

Name of Major Shareholders	Shares	
	Number of shares held	Shareholding Ratio
Taiwan Navigator Asset Investment Co., Ltd.	9,025,907	36.06%
Han-Chieh Li	1,851,082	7.39%
Ching Chung Interior Decoration Design Co., Ltd.	1,570,000	6.27%
Taiwan Fire & Marine Insurance Company Ltd.	1,271,180	5.07%

Note: The major shareholder information in this table is based on Taiwan Depository & Clearing Corporation's data of shareholders who hold more than 5% of the Company's ordinary shares and preferred stock (including treasury shares), for which electronic registration and delivery were completed, on the last business day of the quarter. The share capital recorded in the Company's financial statements and the actual number of shares, for which electronic registration and delivery were completed, may not be consistent due to different bases of preparation and calculation.

Statement 1

Taiming Assurance Broker Co., Ltd.

Statements of Cash and Cash Equivalents

December 31, 2023

Unit: In Thousands of New Taiwan Dollars

Name	Summary	Amount
Cash in Treasury and Petty Cash		\$ 142
Bank Deposit		
Demand Deposit		20,177
Checking Deposit		<u>1,579</u>
		<u>\$ 21,898</u>

Taiming Assurance Broker Co., Ltd.

Statement of Financial Assets at Fair Value Through Profit or Loss

December 31, 2023

Unit: In Thousands of New Taiwan Dollars

Name	Summary	Unit (1,000)	Face Amount (NT\$)	Total	Interest Rate %	Acquisition Cost	Fair Value		Notes
							Unit Price (NT\$)	Total	
Fund Beneficiary Certificate									
Fuh Hwa Rui Hwa Fund				\$ -		\$ 20,000	11.71	\$ 22,612	
Fuh Hwa Guardian Fund				-		20,000	20.03	21,859	
Yuanta Taiwan High-yield									
Leading Company Fund				-	-	5,000	16.21	8,105	
Cathay US Real Asset Income									
Strategy Fund				-	-	10,000	10.89	8,796	
				-		55,000		61,372	
Domestic Bank Debenture									
P06 Taichung Bank 2				-	4.64	45,000	99.86	44,937	
Domestic Bank Debenture									
P12 KGI Life 1				-	3.75	10,000	116.27	11,627	
P12 Cathay Life Insurance 1B				-	3.85	10,000	99.56	9,956	
P12 Shin Kong Life 1				-	4.00	10,000	118.49	11,849	
				-		30,000		33,432	
Total				\$ -		\$ 130,000		\$ 139,741	

Taiming Assurance Broker Co., Ltd.

Financial Assets Measured at Fair Value Through Other Comprehensive Income - Statement of Current

December 31, 2023

Unit: In Thousands of New Taiwan Dollars

Name	Summary	Unit (1,000)	Face Amount (NT\$)	Total	Interest Rate %	Acquisition Cost	Accumulated Impairment	Fair Value		Notes
								Unit Price (NT\$)	Total	
TWSE-Listed & TPEx-Listed										
Stocks										
Sirtec International		798	10	\$ 7,980	-	\$ 40,855	-	30.05	\$ 23,886	
Taichung Bank		1,861	10	<u>18,610</u>	-	<u>13,674</u>	-	15.90	<u>29,467</u>	
Total				<u>\$ 26,590</u>		<u>\$ 54,529</u>			<u>\$ 53,353</u>	

Taiming Assurance Broker Co., Ltd.

Financial Assets Measured at Fair Value Through Other Comprehensive Income - Statement of Non-Current Changes

December 31, 2023

Unit: Expressed in Thousands of New Taiwan Dollars, Unless Specified Otherwise

Name of Financial Products	Opening Balance		Increase This Year		Decrease This Year		Year End Balance		Accumulated Impairment	Provision of Guarantee or Collateral
	Number of Shares (shares)	Fair Value	Number of Shares (shares)	Amount	Number of Shares (shares)	Amount	Number of Shares (shares)	Fair Value		
TWSE-Unlisted & TPEx-Unlisted Stocks (Notes)										
Top Taiwan X Venture Capital Co., Ltd.	4,725	\$ 48,174	-	\$ 2,262	236	\$ 2,362	4,489	\$ 48,074	-	
Chengding Venture Capital Co., Ltd.	5,000	<u>51,250</u>	-	<u>3,036</u>	-	<u>-</u>	5,000	<u>54,286</u>	-	
Total		<u>\$ 99,424</u>		<u>\$ 5,298</u>	236	<u>\$ 2,362</u>		<u>\$ 102,360</u>		

Note: The increase for the current year represents unrealized gains of NT\$5,298 thousand on financial assets measured at fair value through other comprehensive income. The decrease for the current year is attributed to a return of capital amounting to NT\$2,362 thousand from a reduction in share capital.

Taiming Assurance Broker Co., Ltd.

Statement of Notes Receivable and Accounts Receivable

December 31, 2023

Unit: In Thousands of New Taiwan Dollars

<u>Name</u>	<u>Summary</u>	<u>Amount</u>
Accounts Receivable		
TransGlobe Life Insurance Inc.	Commission	\$ 29,993
Farglory Life Insurance Co., Ltd.	"	8,406
Yuanta Life Insurance	"	8,295
Taiwan Life Insurance	"	6,165
PCA Life Assurance	"	4,456
Others (Note)	"	<u>20,901</u>
		<u>78,216</u>
		<u>\$ 78,216</u>

Note: If the customer balance is less than 5% of the total amount, it shall be summarized.

Taiming Assurance Broker Co., Ltd.

Statement of Changes in Right-of-use Assets

December 31, 2023

Unit: In Thousands of New Taiwan Dollars

Name	Opening Balance	Increase This Year	Decrease This Year	Year End Balance
Cost (Note)				
Building	\$ 58,324	\$ 1,900	\$ 7,519	\$ 52,705
Accumulated Depreciation				
Building	<u>19,858</u>	<u>14,521</u>	<u>4,981</u>	<u>29,398</u>
	<u>\$ 38,466</u>	<u>(\$ 12,621)</u>	<u>\$ 2,538</u>	<u>\$ 23,307</u>

Note: The increase of NT\$1,900 thousand for the current year comprises of a new lease of NT\$1,878 thousand and lease modifications of NT\$22 thousand. The decrease of NT\$7,519 thousand for the current year is attributed to lease expirations of NT\$4,590 thousand and reclassification to investment properties of NT\$2,929 thousand.

Taiming Assurance Broker Co., Ltd.

Statement of Lease Liabilities

December 31, 2023

Unit: In Thousands of New Taiwan Dollars

Name	Lease Period	Discount rate (%)	Ending Balance
Building	2020.04.01-2027.06.30	1.41~2.16	\$ 25,673
Less: current portion			<u>10,740</u>
Lease Liabilities - Non-current			<u>\$ 14,933</u>

Statement 8

Taiming Assurance Broker Co., Ltd.

Statement of Operating Income

2023

Unit: In Thousands of New Taiwan Dollars

Items	Amount
Life Insurance Commission Income	\$ 494,964
Property Insurance Commission Income	<u>72,135</u>
Operating Income	<u>\$ 567,099</u>

Statement 9

Taiming Assurance Broker Co., Ltd.

Statement of Operating Cost

2023

Unit: In Thousands of New Taiwan Dollars

Items	Amount
Commission Expenditure	\$ 420,337
Others	<u>33,847</u>
Total Operating Costs	<u>\$ 454,184</u>

Note: If the total amount of each cost category is less than 5%, the total amount shall be expressed in an aggregate number.

Taiming Assurance Broker Co., Ltd.

Statement of Operating Expense

2023

Unit: In Thousands of New Taiwan Dollars

Name	Amount
Salary Expenditure	\$ 50,407
Depreciation	6,045
Insurance Expense	5,565
Other administrative and general expenses	4,679
Others	<u>13,838</u>
	<u><u>\$ 80,534</u></u>

Note: If the total amount of each expense category is less than 5%, the total amount shall be expressed.

Taiming Assurance Broker Co., Ltd.

Summary Table of Employee Benefits, Depreciation and Amortization Expenses

Incurred During the Current Period

2023 and 2022

Unit: In Thousands of New Taiwan Dollars

	2023		2022	
	Operating Cost	Under Operating Expenses	Operating Cost	Under Operating Expenses
Employee Benefits Expenses (Note)				
Salary Expenses	\$ -	\$ 44,951	\$ -	\$ 45,127
Labor and Health Insurance Expenses	-	4,240	-	4,141
Retirement Allowance Expenses	-	2,074	-	2,019
Directors' Compensation	-	3,382	-	3,819
Other Employee Benefits Expenses	-	1,641	-	2,145
Total	<u>\$ -</u>	<u>\$ 56,288</u>	<u>\$ -</u>	<u>\$ 57,251</u>
Depreciation expenses	<u>\$ 12,794</u>	<u>\$ 6,045</u>	<u>\$ 13,098</u>	<u>\$ 5,715</u>
Amortization	<u>\$ -</u>	<u>\$ 1,030</u>	<u>\$ -</u>	<u>\$ 1,187</u>

Note 1. The number of employees in this year and the previous year were 64, among which the number of Directors who were not concurrent employees was 5.

Note 2. The average employee benefit costs in this year and the previous year were NT\$897 thousand and NT\$906 thousand, respectively.

Note 3. The average salaries expense for employees in this year and the previous year were NT\$762 thousand and NT\$765 thousand, respectively.

Note 4. The average salary expenses for employees were adjusted by (0.39)%.

Note 5. Remuneration policy

a. Director

The remuneration to the Company's Chairman of the Board, directors (including independent directors) shall be determined by the board of directors authorized in accordance with Article 16 of the Articles of Incorporation, by taking into account their degree of participation in the Company's operations and the value of their contribution while with reference to the standards in the industry.

If the Company has earnings, it shall appropriate no greater than 5% of the balance as remuneration to the directors. However, if the Company has accumulated deficiency, the amount of losses shall be reserved in advance. The remuneration to the directors shall only be paid in cash.

The payment of remuneration to directors is handled in accordance with the "Regulations on Remuneration to Directors". The main principles are: (1) directors shall be paid with an attendance fee for attendance to each board meeting on the day of the meeting; (2) independent directors shall be paid with monthly honoraria, but are not eligible for the annual remuneration to directors; (3) if a director serves as an employee concurrently, in addition to being paid with attendance fees and remuneration to directors from earnings distributed, the salary of the concurrent employee position shall be handled in accordance with the position and relevant regulations of the Company.

b. Manager

The remuneration to the Company's managers is handled in accordance with Article 17 of the Company's Articles of Incorporation and Article 29 of the Company Act.

The monthly salary of the Company's managers is determined by considering their experience, special expertise, and qualifications set by the competent authority; the Company may refer to the price index, standards in the industry, operating results, financial position, the Company's salary policies, and personal performance to conduct annual salary adjustments.

The managers' bonuses are mainly determined based on the Company's performance and earnings of the current year, while with reference to the personal performance in the current year; managers may be eligible for employee remuneration distributed.

The managers' salary determination and adjustment, as well as bonus and remuneration determination shall be processed after approved by the Remuneration Committee and then resolved by the board of directors.

c. Employees

The employees' salary is determined by referring to the overall salary standards in the industry and individuals' seniority and experience. The Company may refer to the price index, standards in the industry, operating results, financial position, the Company's salary policy, and personal performance to conduct annual salary adjustments.

Based on the Company's performance and earnings of the current year, while with reference to personal performance in the current year, the employees' bonuses are determined by the annual personal, supervisor's, and comprehensive performance evaluations.

According to the Company's Articles of Incorporation, if the Company makes any profit in the current year, the Company shall appropriate 1% to 5% as employee remuneration, and the employee remuneration may be paid in stocks or cash.

VI. The impact on the financial position of the Company in the event of financial turnover difficulties in the most recent year and up to the date of publication of the annual report of the company and its related companies

None

Chapter 7. Review and Analysis of Financial Position and Financial Performance and Evaluation of Risk Issues

I. Financial Position

Comparative Analysis of Financial Position

Unit: NT\$ thousand

Items \ Year	2023	2022	Difference	
			Amount	%
Current Assets	406,268	389,449	16,819	4.32
Non-current Assets	383,272	384,398	(1,126)	(0.29)
Total Assets	789,540	773,847	15,693	2.03
Current Liability	166,064	159,005	7,059	4.44
Non-Current Liability	82,338	80,666	1,672	2.07
Total Liabilities	248,402	239,671	8,731	3.64
Equity Attributable to Owners of Parent Company	541,138	534,176	6,962	1.30
Retained Earnings	196,075	201,041	(4,966)	(2.47)
Other Equity Interests	6,349	(13,086)	19,435	148.52
Total Equity	541,138	534,176	6,962	1.30

Major reasons for changes in assets, liabilities, and shareholders' equity, as well as related effects in the most recent two fiscal years. If such effects are significant, response measures should be elaborated:

(I) Analysis of reasons for changes in percentage increase/decrease (no analysis if change is less than 20%)

Other Equity: The valuation of financial assets at fair value through other comprehensive income was reversed to a valuation gain in 2023 due to the improvement in the stock and bond markets during the year.

(II) Impact:

The changes in the Company's financial position in the past two years have all been caused by normal operating activities and have no significant impact.

(III) Future Contingency Plan:

None

II. Financial Performance

Comparison analysis chart of financial performance

Unit: NT\$ thousand

Items \ Year	2023	2022	Difference	
			Amount	%
Operating Revenue	784,350	737,916	46,434	6.29
Operating Costs	638,757	575,384	63,373	11.01
Gross Profit	145,593	162,532	(16,939)	(10.42)
Operating Expenses	91,843	95,644	(3,801)	(3.97)
Net Operating Profit	53,750	66,888	(13,138)	(19.64)
Non-Operating Income and Expenses	13,070	13,184	(114)	(0.86)
Net Income Before Tax	66,820	80,072	(13,252)	(16.55)
Income Tax Expense	11,732	14,121	(2,389)	(16.92)
Net Income	55,088	65,951	(10,863)	(16.47)
Net Income Attributable to Owners of the Company	55,088	65,951	(10,863)	(16.47)

Material changes over the most recent 2 fiscal years in operating revenue, operating income, and income before tax; forecast the company's expected sales volume and provide the basis for the forecast; and describe the possible impact of such changes upon the company's financial and business affairs, and how the company plans to respond:

- (I) Analysis of reasons for changes in percentage increase/decrease (no analysis if change is less than 20%): None.
- (II) Anticipated sales volume in the next year and its basis
In 2024, the Company aims to achieve the MDRT Elite goal and enhance sales and profitability by focusing on product improvement.
- (III) Impact
The Company's financial performance for the past two years is good and has no significant impact.
- (IV) Future Plans
None

III. Cash Flow

Analysis of changes in cash flow and improvement plans for liquidity shortage in the most recent fiscal year, and cash liquidity analysis in the coming fiscal year

(I) Analysis of changes in cash flows in the year under review:

Unit: NT\$ thousand

Beginning cash balance (A)	Net cash flow from operating activities throughout the year (B)	Net cash inflow (outflow) from investment and financing activities throughout the year (C)	Cash surplus (shortfall) amount (A+B+C)	Plans for projected cash deficit	
				Investment Plan	Financing Plan
107,115	63,905	(117,085)	53,935	None	None

The analysis is as follows:

1. Operating activities: The net cash inflow from operating activities was NT\$63,905 thousand, which was mainly due to cash inflow from operations.
2. Investing activities: The net cash outflow from investing activities of NT\$27,964 thousand for the year was mainly attributable to the net acquisition and disposal of financial assets at fair value through consolidated profit or loss and dividend income.
3. Financing activities: The net cash outflow from financing activities of NT\$89,121 thousand for the year was due to the payment of cash dividends and principal repayment of lease liabilities during the period.

(II) Improvement plan for cash shortage: Not applicable.

(III) Cash liquidity analysis for the coming year (2024):

Beginning cash balance (A)	Net cash flow from operating activities throughout the year (B)	Net cash inflow (outflow) from investment and financing activities throughout the year (C)	Cash surplus (shortfall) amount (A+B+C)	Plans for projected cash deficit	
				Investment Plan	Financing Plan
53,935	75,000	(83,000)	45,935	None	None

1. Cash liquidity analysis for the coming year (2024):

- (1) Operating activities: Net cash inflow for 2024 is expected to be mainly due to pre-tax net income for 2024.
 - (2) Investing activities: The net cash outflow in 2024 is expected to be mainly due to the net cash inflows and outflows from dividend income, estimated equipment purchases, and workplace decoration.
 - (3) Financing activities: The expected net cash outflow in 2024 is mainly due to cash dividend payments and principal repayment of lease liabilities.
2. Remedial measures and liquidity analysis of expected cash insufficiency:
None

IV. The Impact of the Most Recent Major Capital Expenditures on Financial Operations

- (I) Utilization of major material expenditures, sources of capital and nature of capital expenditures to be invested in the next five years: None.
- (II) Anticipated possible benefits: N/A.

V. The Most Recent Annual Reinvestment Policy, Its Main Reason for Income or Loss, and Improvement Plan and Investment Plan for the Next Year

1. The Company adopts a prudent management policy for its investee businesses and operates them independently of each other. The Company follows the "Investment Cycle," the "Regulations Governing the Supervision and Management of Subsidiaries," and the "Procedures for the Acquisition or Disposal of Assets" of its internal control system as the basis for the management of its investee businesses. Each sub-investment enterprise shall report its financial data to the Company regularly according to the regulations, so that the Company can know its financial business status in a timely manner.
2. The Company recognized a gain or loss of approximately NT\$14,491 thousand from its investment under the equity method in its financial statements for 2023, with a stable profit from the investment.
3. In the future, the Company will participate in cash capitalization or have the reinvested company raise funds on its own according to its operational expansion needs for investment plans.

VI. Risk Issues Should Be Analyzed and Evaluated for the Following in the Most Recent Year and Up to the Date of Publication of the Annual Report

(I) Impacts of interest rate, fluctuation in exchange and inflation on corporate gains and losses and future countermeasures:

1. Impact of Interest Rate Changes

The Company's interest income is mainly derived from the income from financial bonds and current bank deposits, which accounts for a small percentage of the annual profit and loss; there are no bank loans at present, and the interest expense incurred due to lease liabilities is NT\$617 thousand, accounting for 1.12% of the Company's net profit. The amount is small, and it is expected that future interest rate changes will have limited impact on the overall operation and profit and loss of the Company.

2. Impact of Exchange Rate Changes

The Company's sales are mainly in the domestic market and are denominated in NTD, so the trend of international foreign currencies will have limited impact on the Company's profit and loss. Although changes in exchange rates will affect the sales trend of NTD or foreign currency policies, the Company's agency products cover both NTD and foreign currency products and can provide policyholders with suitable products depending on the changes in exchange rates, so there is no significant impact.

3. Impact of Inflation

All of the Company's major purchases are made with long-term partners, therefore, inflation has not yet had a significant impact on the Company's profit or loss, and the Company will observe changes in price levels and make timely adjustments to its asset allocation to minimize the impact of inflation. The Company adopts prudent and conservative risk management principles to timely assess and respond to the changes in interest rate and exchange rate and the situation of inflation in the future.

(II) Policies for engaging in high-risk, highly leveraged investments, funds and loans, endorsements and derivatives trading, main reasons for profit or loss and future countermeasures:

The Company focuses on the operation of its own business and does not engage in high-risk, highly leveraged investments. If the Company or its subsidiaries need to lend funds to others, endorse guarantees, or engage in derivative transactions for business purposes, the Company will comply with the policies and measures set forth in the Company's "Regulations Governing the Lending of Funds to Others," "Regulations Governing the Endorsement of Guarantees," and "Procedures for Acquisition or Disposal of Assets" and the "Procedures for Acquiring or Disposing of Assets".

(III) Expected future R&D plans and R&D expenditure:

1. In response to financial technology developments, the Company expects to invest a proportion of its profits in its mobile insurance system, digital learning system, e-policy linkage system and marketing integration and marketing system in the future.
2. The Company will increase the number of off-site redundancy equipment and uninterrupted power supply system to ensure the uninterrupted operation of the Company.
3. The Company will adopt the information security data access auditing mechanism to avoid sensitive personal information leakage resulting in customer losses.

(IV) The impact of important domestic and foreign policies and laws on the Company's financial business and countermeasures:

1. The competent authority has been tightening up the regulations on consumer protection, information security, money-laundering prevention, combating the financing of terrorism and fair hospitality. The authority has been requesting the businesses to establish stringent monitoring systems, which has also brought certain level of pressure to the businesses. In response, the Company has set up internal control and audit and legal compliance systems to stay updated to the latest laws and regulations. We have also launched education and training programs on compliance and implemented annual compliance audit as part of our preventive and monitoring practices.
2. The Company complies with national policies and decrees, and relevant units can pay attention to the changes of important policies and laws at any time, and can cooperate with the Company to adjust the internal system and business activities of the Company to ensure the smooth operation of the

Company, and takes appropriate strategies to reduce the impact of changes of important policies and laws at home and abroad on the Company's financial business.

3. In 2023 and as of the date of publication of this Annual Report, the Company's finance and business have not been subject to material influences from changes in important domestic or international policies or relevant laws.

- (V) Impact of changes in technology and industry on the Company's financial business and countermeasures:

The Company readily adjusts its business strategies in response to changes in the technological environment with a view to maintaining the Company's competitiveness and minimizing the impact on its finances and operations.

- (VI) Effects of changes of corporate image on the Company's crisis management and countermeasures:

The Company focuses on the development of its main business, and has long been concerned about social responsibility. We adhere to the concept of sustainable operation and actively participate in various public welfare activities. As of now, there have been no incidents that could affect the Company's image or violate laws and regulations.

- (VII) Expected benefits from business combination, possible risks and countermeasures: None

- (VIII) Expected benefits and possible risks of expansion of plants and the countermeasures: None.

- (IX) Risks and countermeasures encountered in the purchase or sales of goods:

The Company is in insurance brokerage sector. The income of insurance business comes from the insurance company. There is no specific main target of sales, so there is no risk of concentration of sales. On the other hand, based on the characteristics of the sector, the company has no purchase situation.

- (X) Directors, supervisors, or major shareholders holding more than 10% of the Company's shares, in terms of the impact, risks and countermeasures of the transfer or change of ownership on the Company: None.

(XI) Impact of the change of management right on the Company, possible risks and countermeasures: None.

(XII) Lawsuits or non-litigation matters should clearly identify the company, company directors, supervisors, general manager, the actual responsible person, and shareholders.

For major shareholders and subsidiaries with a 10% or more ownership interest in the Company that have been or are still involved in material litigation, non-litigation, or administrative proceedings, the outcome of which may have a material impact on shareholders' equity or the price of securities, the facts of the disputes, the subject amounts, the dates of commencement of the litigation, the main parties involved, and the status of the litigation as of the date of the annual report are to be disclosed: None.

(XIII) Information security risk assessment:

The Company has in place an information security management system and obtained the ISO/IEC 27001 Information Security Management System (ISMS) certification issued by British Standards Institute (BSI), which is an international verification institution, and the third-party verification certificate to demonstrate that the information security protection mechanism has been in line with the international standards and specifically demonstrate the performance and determination to embrace the era of insurance technology and improve information security.

The Company has established a financial information security joint defense system to enhance the energy of financial system information security protection. Based on the Plan-Do-Check-Act (PDCA Cycle) process management model, the Company continually monitors and reviews its management performance through an institutionalized, documented, and systematic management mechanism to ensure the confidentiality, completeness, and usability of its information. In addition, we will strengthen the management of the system and network, establish the system development, design, security control mechanism, implement the standard operation procedures and other more than 300 security projects, and we will advocate and educate and train the staff through information security platform, so that the staff can understand and be familiar with the information security management system. Meanwhile, we will continue

to strengthen all personnel, processes and management methods, and establish a solid capital security internal control system to provide customers with more safe and efficient services.

(XIV) Other material risks and response measures:

According to the statistics of life insurance premiums in 2022, the proportion of traditional insurance brokerage channels has increased compared with the previous year, indicating that the insurance broker agency industry is more competitive in the market due to the diversified selection of products, which is not affected by single insurance company products. The Company maintains its market advantage by professionalism and service to fill the gap with network insurance.

The Company attaches great importance to compliance with laws and regulations, cooperates with the revision and promotion of relevant laws and regulations courses, and implements internal control, which is beneficial to the protection of policyholders' rights and interests and shareholders' interests.

The Company continues to invest in digital technology innovation and information security construction; We will enhance our professional knowledge by focusing on the seminar of professional product group and legal professional class, and fight against environmental variables by targeting the needs of the policyholders and asset preservation; Aim at the Company's sound capital and financial structure and business growth, and explore opportunities for industry cooperation.

VII. Other Important Items

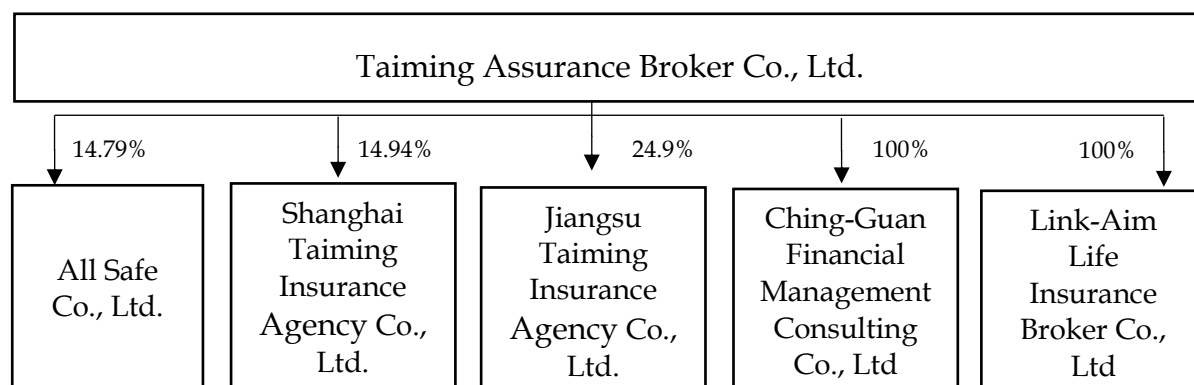
None

Chapter 8. Special Notes

I. Information on Affiliates

(I) Consolidated business report of associates

1. Organization Chart of Related Companies



Note:1 Shanghai Taiming Insurance Agency Co., Ltd., formerly Shanghai Luanda Insurance Agency Co., Ltd., renamed in 2020.

Note:2 Jiangsu Taiming Insurance Agency Co. Ltd., formerly Kun Shan Feng Sheng Insurance Agency Co., Ltd., renamed in 2020.

2. Basic Information of Affiliated Companies

December 31, 2023, Unit: NT\$ thousand

Name of the Enterprise	Date of Incorporation	Address	Paid-in Capital	Major Business or Production Items
All Safe Co., Ltd.	2011/03/23	11F., No. 49, Guanqian Rd., Zhongzheng Dist., Taipei City	NT\$55,000	Information Software Services
Legal representative of	2004/12/12	401, Building 8, No. 456, Xiaomugiao Road, Xuhui District, Shanghai, PRC	RMB\$5,000	Insurance agency
Legal representative of	2009/04/13	Room 1508, Building 2, Jitian International Plaza, 999 Bolu South Road, Development Zone, Kunshan City, PRC	RMB\$15,000	Insurance agency
Ching-Guan Financial Management Consulting Co., Ltd. (Note)	2003/06/05	11F., No. 49, Guanqian Rd., Zhongzheng Dist., Taipei City	NT\$1,000	Investment Advisory
Link-aim Life Insurance Broker Co., Ltd.	2015/03/30	15/F, No. 573, Qingping Road, Pingtong, Anping District, Tainan City	NT\$30,000	Insurance broker

Note: Zhen Guan Financial Management Consulting Co., Ltd. was dissolved and liquidated at the end of 2023.

3. Information on the same shareholders of companies that are considered to have a controlling and subordinate relation: None.
4. Industries covered by the operations of related parties: The Group's operations are mainly in the insurance agency and brokerage business.
5. Information on the directors and general managers of related enterprise:

Unit: thousands of shares; %

Name of the Enterprise	Title	Name or Representative	Number of Shares Held by the Company	
			Number of Shares	Shareholding ratio, %
All Safe Co., Ltd.	Chairman of the Board	Cheng-Chih Li	8,135	14.79
Legal representative of	Chairman of the Board & Legal Representative	Cheng-Chih Li	Note	14.94
Legal representative of	Chairman of the Board & Legal Representative	Cheng-Chih Li	Note	24.90
Ching-Guan Financial Management Consulting Co., Ltd.	Chairman of the Board	Cheng-Chih Li	100	100.00
Link-aim Life Insurance Broker Co., Ltd.	Chairman of the Board	Jian-An Chen	3,000	100.00

Note: It is a limited liability company and therefore no shares are issued.

6. Operating Status of Related Enterprises

As of December 31, 2023 Unit: NT\$ thousand/ Thousands of shares

Reinvestment in Other Companies	Main Business	Investment Cost	Carrying Amount of Investments at End of Period	Investment Shares		Market price	Accounting Treatment Method	Most Recent Annual Return on Investment		Number of Company Shares Held
				Number of Shares	Equity Ratio			Investment Loss and Gain	Dividends Distributed	
All Safe Co., Ltd. Corporation	Information Software Services	8,135	2,518	814	14.79	Not Applicable	Equity Method	24	-	None
Legal representative of	Insurance agency	2,928	1,286	Note 1	14.94	Not Applicable	Equity Method	(334)	-	None
Legal representative of	Insurance agency	17,552	42	Note 1	24.90	Not Applicable	Equity Method	(2,221)	-	None
Ching-Guan Financial Management Consulting Co., Ltd. (Note 2)	Management Consultancy	900	9	100	100.00	Not Applicable	Equity Method	(20)	-	None
Link-aim Life Insurance Broker Co.,	Insurance broker	120,000	118,883	3,000	100.00	Not Applicable	Equity Method	17,042	12,000	None

Reinvestment in Other Companies	Main Business	Investment Cost	Carrying Amount of Investments at End of Period	Investment Shares		Market price	Accounting Treatment Method	Most Recent Annual Return on Investment		Number of Company Shares Held
				Number of Shares	Equity Ratio			Investment Loss and Gain	Dividends Distributed	
Ltd.										

Note:1 It is a limited liability company and therefore no shares are issued.

Note:2 Zhen Guan Financial Management Consulting Co., Ltd. was dissolved and liquidated at the end of 2023.

(II) Consolidated Financial Statements of Affiliates

Statement of Consolidated Financial Statements of Affiliated Companies

For 2023, companies required to be included in the consolidated financial statements of affiliates under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, are the same as companies required to be included in the consolidated financial statements of the parent-subsidary companies as per International Financial Reporting Standards No. 10 (IFRS 10), and relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the proceeding consolidated financial statements of parent and subsidiary companies, thus the Company is not required to prepare separate consolidated financial statements of affiliates.

Special Declaration

Name of Company: Taiming Assurance Broker Co., Ltd.

Person in Charge: Cheng-Chih Li

March 5, 2024

(III) Report of Affiliated Enterprises

Not Applicable.

II. Private placement of securities during the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report

None

III. For the most recent year and up to the date of publication of the annual report, the status of holding or disposing of the Company's shares by a subsidiary:

None

IV. Other Necessary Supplements

None

V. In the most recent year and up to the date of publication of the annual report, the following items shall be specified in case of any significant impact on shareholders' equity or securities prices as set forth in Subparagraph 2 of Paragraph 3 of Article 36 of the Securities Exchange Act

None

Taiming Assurance Broker Co., Ltd.

Chairman of the Board:
Cheng-Chih Li