

Stock Code : 6024



Capital Futures Corp.

2024

Annual General Meeting of Shareholders

Meeting Handbook

Date and Time : 10:00 am, May 30, 2024

Place : B2, No. 97, Sec. 2, Dunhua S. Rd., Taipei 106, Taiwan, R.O.C.

Means : Physical shareholders' meeting

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Capital Futures Corp.

2024 Annual General Meeting of Shareholders

I. Meeting Procedure

- i. Call Meeting to Order
- ii. Chairman's Address
- iii. Reporting Matters
- iv. Recognition Matters
- v. Election Matter
- vi. Other Proposal
- vii. Extemporaneous Motion
- viii. Adjournment

Capital Futures Corp.

2024 Annual General Meeting of Shareholders

II.Meeting Agenda

Date and Time : 10:00 am, May 30, 2024

Place : B2, No. 97, Sec. 2, Dunhua S. Rd., Taipei 106, Taiwan, R.O.C.

Means : Physical shareholders' meeting

- i. Call Meeting to Order
- ii. Chairman's Address
- iii. Reporting Matters
 - 1.Presentation on the 2023 business report.
 - 2.The audit committee's review report on the 2023 financial statements.
 - 3.Report on the distribution of employees' compensation and directors' remuneration in 2023.
 - 4.Report on the Company's acquisition of right-of-use assets from related parties.
- iv. Recognition Matters
 - 1.Adoption of the 2023 business report and consolidated and individual financial statements.
 - 2.Proposal for distribution of 2023 earnings.
- v. Election Matter
 - 1.The election for the 10th directors.
- vi. Other Proposal
 - 1.Proposal for the release of non-competition restrictions on directors.
- vii. Extemporary Motion
- viii. Adjournment

III.Reporting Matters

1. Reported issue: Presentation on the 2023 business report.

Details: Please refer to Attachment 1 of this handbook for the Company's 2023 business report (page 8 ~ 10).

2. Reported issue: The audit committee's review report on the 2023 financial statements.

Details: Please refer to Attachment 2 of this handbook for 2023 audit committee's review report (page 11).

3. Reported issue: Report on the distribution of employees' compensation and directors' remuneration in 2023.

Details: The 2023 profit before tax prior to deducting the compensation for employees and remuneration for directors was NT\$1,305,211,002. According to Article 27 in the Company's Articles of Association: "The Company should distribute 0.6% to 2% of the profit of the current year as employees' compensation, and 3% or less of its profit of the current year as directors' remuneration." The distribution of compensation to employees for an amount of NT\$14,748,884 and remuneration to directors for an amount of NT\$14,748,884 were approved by the board meeting on March 12, 2024. The compensation and the remuneration are to be distributed in cash. The aforesaid amount each accounted for 1.13% of the Company's 2023 earning. Please refer to Attachment 3 of this handbook. (page 12)

4. Reported issue: Report on the Company's acquisition of right-of-use assets from related parties.

Details: The Company leased premises from Fu Tai Investment Co., Ltd. and Capital Securities Corp. for office use. Please refer to Attachment 4 of this handbook. (page 13)

IV. Recognition Matters

1. Subject: Adoption of the 2023 business report, consolidated and individual financial statements.
(The proposal was submitted by the board of directors)

Details:

- (1) The Company's 2023 consolidated financial statements and the individual financial statements were audited by the CPA Wu, Cheng-Yen and CPA Chen, Yi-Jen of KPMG Taiwan and were resolved for acceptance in the meeting of the board of directors (March 12, 2024). The audited financial statements and the business report were reviewed by the audit committee without any nonconformity identified and with a review report issued.
- (2) Please refer to Attachment 1 (page 8 ~ 10) and Attachment 5 (page 14 ~ 27) for 2023 business report, 2023 financial statements, and auditors' report.

Resolution:

2. Subject: Acknowledging the Company's 2023 earnings distribution.
(The proposal was submitted by the board of directors)

Details:

- (1) The distributable net profit: NT\$1,027,760,997 equals the 2023 after-tax net profit of the Company: NT\$1,010,195,721 plus unappropriated retained earnings in the beginning of term: NT\$177,838, and plus the adjustment of undistributed earnings in this year: NT\$17,387,438. According to the Article of Association of the Company, the net profit can be distributed as following:
 - A. The amount of legal reserve is NT\$100,990,707.
 - B. The amount of special reserve is NT\$201,981,414.
 - C. It was resolved for acceptance in the meeting of the board of directors that cash dividends to distribute are, rounded down to the nearest integer, NT\$723,905,289 (at NT\$3.44 per share on the basis of 210,437,584 outstanding shares). The total payment of shares of odd lots shall be counted as other revenue of the Company, as for the undistributed earnings in the end of term is NT\$883,587. The chairman is authorized to set the dividend day and related issues upon the finalization of the general meeting of shareholders.
- (2) If the number of outstanding shares is affected by the later change in the capital of the Company, simultaneously the shareholders of the dividend payout ratio needs to be revised, the chairman is authorized by the shareholder meeting to deal with the relevant issue.
- (3) Please refer to Attachment 6 for the 2023 earnings distribution proposal. (page 28)

Resolution:

V.Election Matter

1. Subject: The election for the 10th directors.

(The proposal was submitted by the board of directors)

Details:

- (1) The board of directors consists of 7 to 9 directors and independent directors shall account for 3 or more in accordance with the Articles of Association. Directors should be elected through a candidate nomination system.
- (2) According to the Company's board meeting resolution on March 12, 2024, the 10th board of directors shall elect 7 directors, including 3 independent directors. New directors will take office since the election, and their term will be 3 years, from May 30, 2024 to May 29, 2027. The term of the 9th directors ends upon the 10th directors' inauguration.
- (3) The candidates for the 10th directors have been censored by the board meeting on April 16, 2024. The information of candidates is as follows:

Candidate List	Education background	Work Experience	Current Position	Shares held
Director	Capital Securities Corp. Representative: Chia, Chung-Tao	Vice Chairman, Capital Futures Corp. President, Capital Futures Corp. Director, Capital Securities Corp. President, Capital Securities Corp.	Chairman, Capital Futures Corp. Director, CSC Futures (HK) Ltd. Director, Taiwan Futures Exchange	119,117,014
	Capital Securities Corp. Representative: Lee, Wen-Chu	Chairman, Capital Futures Corp. President, Capital Futures Corp.	Director, Capital Futures Corp. Director, Capital Securities Corp. President, Capital Securities Corp. Director, CSC Securities (HK) Ltd. Director, CSC Futures (HK) Ltd.	119,117,014
	Capital Securities Corp. Representative: Liu, Ching-Tsun	Chairman, Capital Securities Corp.	Director, Capital Futures Corp. Director, Capital Securities Corp.	119,117,014
Independent Director	Hung Yeh Investment Co., Ltd. Representative: Wang, Hui-Chin	Department of Business Administration, Missouri State University	Director, Capital Futures Corp. Manager, Hong Chang Enterprise Co., Ltd.	2,031
	Lin, Juh-Cheng	Master of Business Administration (MBA), Mississippi State University	Adjunct Lecturer, Graduate Institute of Management, National Taiwan Normal University Director, Securities Analysis Association, Chinese Taipei	0

	Hsiao, Nai-Ching	Master of Law, National Chung Hsing University	Judge of Supreme Court	Independent Director, Capital Futures Corp. Lawyer, Hsiao Nai-Ching Law Firm	0
	Wu, Yung-Sheng	Ph.D. of Law, National Cheng Chi University	Law School Dean and Chair of the Department of Law, Ming Chuan University Convener of Trading Committee, Clearing Committee and Disciplinary Committee of Taiwan Futures Exchange	Independent Director, Capital Futures Corp. Independent Director, Rubytech Corp. Independent Director, DEXIN Corp. Adjunct Professor, Institute of Business and Economic Law, CTBC Business School	0

Resolution:

VI.Other Proposal

1. Subject: Proposal for the release of non-competition restrictions on directors.
(The proposal was submitted by the board of directors)

Details:

- (1)According to Article 209 of the Company Act, “A director who does anything for himself or on behalf of another person that is within the scope of the company’s business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”
- (2)The information about candidates of the 10th directors concurrently act in other companies is as follows:

Name of the Director	Company Name and Positon
Capital Securities Corp. Representative: Chia, Chung-Tao	Director, CSC Futures (HK) Ltd. Director, Taiwan Futures Exchange
Capital Securities Corp. Representative: Lee, Wen-Chu	Director, Capital Securities Corp. President, Capital Securities Corp. Director, CSC Securities (HK) Ltd. Director, CSC Futures (HK) Ltd.
Capital Securities Corp. Representative: Liu, Ching-Tsun	Director, Capital Securities Corp.

- (3)If the elected directors/representatives concurrently act in other companies operating identical or similar business of the Company, they request the approval from General Meeting of Shareholders to release the non-competition restrictions.

Resolution:

VII.Extemporary Motion

VIII.Attachment

Attachment 1

Capital Futures Corp. 2023 Business Report

I. Operating performance in 2023

In 2023, the epidemic lock-down in the countries around the world was canceled gradually, but international financial market was full of uncertainties because of the challenges brought by rising interest rates and inflation, as well as Israeli-Palestinian Conflict and other rising geopolitical risks. The total volume of the Company's domestic futures brokerage business in 2023 was about 51.75 million lots, with a market share of 7.97%, a decrease of 16.65% as compared with 62.09 million lots in 2022, and the trading volume of its overseas futures business was about 7.69 million lots, with a market share of 18.38% %, a decrease of 23.59% as compared with 10.07 million lots in 2022. However, in 2023, thanks to the increase in the interest income from customers' deposits, its consolidated revenue was NT\$2,212,577 thousand, with a decrease of 20.42% as compared with 2022, and its consolidated net profit before tax was NT\$1,276,858 thousand, with an increase of 33.38% as compared with 2022, and its consolidated net profit after tax was NT\$1,011,052 thousand, with an increase of 29.40% as compared with 2022. As for operating goals, the Company develops diversified businesses and gains profits in diversified ways to create a multi-way-based profit-making mode.

In compliance with the Strategies for Implementation of Sustainable Development and Transformation in Securities and Futures Industry issued by the competent authority, the Company continues to strengthen information security protection and optimize and replace information system to ensure operational stability and safeguard customers' rights and interests. In addition, the Company encourages financial innovation and development of diversified financial products, actively grasps the opportunities for digital financial development, and develops digital platform and channels to implement inclusive financing and improve competitiveness.

Capital Futures is committed to successively launching a number of digital innovative services for a long time by combining the power brought by digitalization and people and through financial technologies and digital innovation, including personality test for investment master DNA trading, intelligent promotion, futures winner ecosystem, etc., to provide customers with their most needed investment information, improve their experience in trading, and assist them in achieving their wealth growth goals, which are widely recognized by the investors in the market. The Company also introduces a "Design Thinking" based method to establish a corporate innovation culture through practice in workshop and seeds training to root innovative thinking in its DNA. And the Company establishes reward programs for digital innovation to stimulate staff's innovative potential to improve its efficiency and reduce risks.

As for corporate governance, the Company adheres to the principle of the highest ethical management, establishes a rigorous corporate governance system, and implements legal compliance, risk control as well as internal control and internal audit systems. The Company establishes Treating Customer Fairly Committee and ESG Committee, with the president acting as their convener, which is responsible for planning for and implementing the treating-customer-fairly principle, regularly reviewing and evaluating the implementation and effectiveness related to ESG matters to safeguard customers' rights and interests and implement sustainable development policy, and reporting implementation status to the Board of Directors.

In terms of the Board of Directors, Capital Futures has seven Directors (including three Independent Directors), all of whom have expertise in business management, finance, accounting, legal affairs, international market, leadership and decision-making in financial industry. Business supervision and management can be implemented by virtue of director's rich financial experience, various business expertise and diversified backgrounds, which will facilitate the company to promote its overall development strategies, improve its business performance and corporate operating systems, and safeguard investors' rights and interests. Capital Futures will adhere to ethical management, strengthen corporate governance, fully protect shareholders' rights and interests, and build a safe investment environment while pursuing long-term stable profits, and it is committed to implementation of sustainable development.

II. 2023 income and profit analysis (Consolidated)

Unit: NT\$ Thousand

Item	2023	2022
Income	2,212,577	2,780,470
Expenses	2,141,643	2,291,782
Non-operating income and expenses	1,205,924	468,595
Net income before tax	1,276,858	957,283
Net income after tax	1,011,052	781,353
Return on Equity (%)	14.49%	11.97%
Net profit margin (%)	45.70%	28.10%
Return on assets (%)	2.03%	1.62%
Earnings per share after tax (dollar)	4.80	3.72

III. Operating plans and development strategies for the future

Continuous global regional political turmoil, changes in climate environment and many other factors cause uncertainties in global economic and financial markets, and it is predicted that global interest rates will remain at a high level in 2024, and there will be hope in international financial market. With the development of financial technologies and the promotion of digital businesses, the efficiency and convenience of services in financial industry are greatly improved, which makes futures market more dynamic.

The operating plans and development strategies of the Company in 2024 are as follows:

1. Futures + securities integrated development strategy: As to the integrated marketing and account opening for futures + securities brokerage businesses, personnel will get securities-related qualification and accept training on securities business-related ability.
2. Integration the functional interface of trading systems for futures + securities, and integration the services of futures + securities on community operation of Line OA.
3. The Company will further improve trading platform and develop advanced functions for smart orders and algorithmic trading, which will further increase the leading edges of systems and create a market positioning of "The best smart trading system" in securities and futures industry.
4. The Company will introduce marketing, community, AI and other emerging digital technologies to improve marketing effectiveness, community-based management traffic, and digital services.
5. The Company will develop new products for leveraged transaction independently to provide differentiated services to meet the needs of various customers.

- 6.The Company will list cultivation and introduction of outstanding talents as the KPIs of various departments. The talents in various departments are the Company's assets, and should be adjusted and rotated properly so that their potential should be developed.
- 7.The Company will establish ESG goals and development strategies and review their effect in accordance with the policies and guidelines of competent authorities.
- 8.The Company will strengthen the implementation of corporate governance, treating-customer-fairly, green digital finance, social services and other principles, and strive to safeguard shareholders' interests and achieve corporate sustainable development goals.

Chia, Chung-Tao
Chairman

Mao, Jen-Hua
President

Lin, Li-Juan
Accounting manager

Capital Futures Corp.
2023 Audit Committee's Review Report

The board of directors has prepared the 2023 fiscal year Individual and Consolidated Financial Statements (hereinafter, the "Financial Statements") of the Company, which were audited by the CPAs of KPMG Taiwan, "Wu, Cheng-Yen" and "Chen, Yi-Jen", with an unmodified opinion issued in the Independent Auditor's Report. We, as the Audit Committee of the Company, have reviewed the Financial Statements that were present fairly with the Report prepared in accordance with the relevant regulations of the Securities and Exchange Act and the Company Act, and hereby present for your recognition.

Capital Futures Corp.
Chairman of Audit Committee

Chen, Kuo-Tay

March 12, 2024

Attachment 3

Distribution status of employees' compensation and directors' remuneration in 2023

1. The distribution of the compensation to employees for an amount of NT\$14,748,884 and the remuneration to directors for an amount of NT\$14,748,884 were resolved in the board meeting of the Company on March 12, 202. Aforementioned compensation and remuneration will all be distributed in cash, and the amount respectively accounted for 1.13% of the Company's 2023 earning which refers to the amount before deduction of the compensation and the remuneration.
2. The difference between the amount of compensation to employees and remuneration to directors resolved by the board of directors and the estimated amount recognized as expense of the fiscal years as follows:

Unit: NT\$

Item	Proposed amount of distribution resolved by the Board of Directors (A)	Estimated amount recognized as expense of the fiscal year (B)	Amount of difference (A-B)	The reason and treatment of difference
Compensation to employees	14,748,884	14,748,884	0	No difference
Remuneration to directors	14,748,884	14,748,884	0	No difference

Attachment 4

Report on the Company's acquisition of right-of-use assets from related parties.

Trading counterparty	Fu Tai Investment Co., Ltd.	Capital Securities Corp.
Use of the acquisitionl	Office premises	Office premises
	7F.-6, No. 156, Sec. 3, Minsheng E. Rd., Songshan Dist., Taipei City, Lease area 514.58 square meters.	2F, B1 & B2, No. 97, Sec. 2, Dunhua S. Road, Da'an Dist., Taipei City, Rental areas 3,354.29 square meters, and 8 mechanical parking spaces.
Lease term	June 1, 2023 to August 31, 2028 (5 years and 3 months in total)	August 1, 2023 to July 31, 2026 (3 years in total)
Rental terms	<ul style="list-style-type: none"> •Rental per month: 2023/6/1 – 2025/8/31: NT\$407,627 (tax included) 2025/9/1 – 2028/8/31: NT\$421,193 (tax included) • One month per year during the lease term is renovation period, of which the rent shall be exempted. •Total transaction price: NT\$24,090,044 (tax included) 	<ul style="list-style-type: none"> •The Rent per month: NT\$1,540,126 (tax included) •Total transaction price: NT\$55,444,536 (tax included)
Audit Committee	Approved by the eighth session of the third Audit Committee.	Approved by the tenth session of the third Audit Committee.
Board of Directors	Approved by the 14th meeting of the ninth Board of Directors.	Approved by the 16th meeting of the ninth Board of Directors.

2023 Independent Auditors' Report

Independent Auditors' Report

To the Board of Directors of Capital Futures Corporation

Opinion

We have audited the consolidated financial statements of Capital Futures Corporation and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022 and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, the related rules of Preparing Financial Reports of Managed Futures Enterprises, the Regulations Governing the Preparation of Financial Reports by Securities Firms and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

Brokerage fee revenue recognized:

Related accounting policies of brokerage fee revenue recognized, please refer to Note 4(n) revenue recognition. Explanation of brokerage fee revenue, please refer to the consolidated financial report Note 6(m)(i) comprehensive income statement brokerage fee revenue.

Explanation of key audit matters:

The Group's main income is brokerage fee revenue from entrusted futures dealing. The existence and accuracy of brokerage fee revenue have major affect on the financial report. Therefore, brokerage fee revenue recognized is one of the important evaluation matters of the Group's financial report.

Audit procedures in response:

According to the key audit matters as described above, we perform main audit procedures including the sampling test on brokerage business dealing internal control and brokerage fee revenue recorded amount, then compare with the entrusted data from brokerage business and evaluate the revenue recognized policies in compliance with the related bulletin.

Other Matter

Capital Futures Corporation has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, the related rules of Preparing Financial Reports of Managed Futures Enterprises, the Regulations Governing the Preparation of Financial Reports by Securities Firms and with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Wu, Cheng-Yen and Chen, Yi-Jen.

KPMG

Taipei, Taiwan (Republic of China)

March 12, 2024

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CAPITAL FUTURES CORPORATION AND SUBSIDIARIES**Consolidated Balance Sheets****December 31, 2023 and 2022**

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2023		December 31, 2022		Liabilities and Equity		December 31, 2023		December 31, 2022					
		Current assets:	Amount	%	Amount	%	Current liabilities:	Amount	%	Amount	%				
111100	Cash and cash equivalents (Note 6(a))		\$	5,741,152	12	5,156,882	10	212000	Financial liabilities at fair value through profit or loss- current (Note 6(b))	\$	226,781	1	844,885	2	
112000	Financial assets at fair value through profit or loss- current (Note 6(b))			831,998	2	574,791	1	214080	Futures traders' equity (Note 6(e))		40,572,584	82	41,087,125	82	
113200	Financial assets at fair value through other comprehensive income- current (Note 6(b))			13,243	-	43,686	-	214100	Leverage contract trading - customers' equity		733,533	2	849,887	2	
								214130	Accounts payable		116,674	-	52,349	-	
114010	Bonds purchased under resale agreements (Note 6(b))			91,634	-	43,166	-	214140	Accounts payable- related parties (Note 7)		8,956	-	12,761	-	
114070	Customers margin accounts (Note 6(e))			40,635,089	82	41,252,625	83	214150	Advance receipts		1,970	-	2,215	-	
114080	Receivable - futures margin (Note 6(f))			-	-	7	-	214160	Receipts under custody		4,992	-	5,196	-	
114090	Security borrowing collateral price			117,392	-	473,545	1	214170	Other payables		218,121	-	223,095	-	
114100	Security borrowing margin			88,680	-	868,437	2	214180	Other payables- related parties (Note 7)		860	-	4,620	-	
114130	Accounts receivable			43,577	-	10,552	-	214600	Current income tax liabilities		162,937	-	82,948	-	
114140	Accounts receivable- related parties (Note 7)			1,118	-	884	-	215100	Provisions- current		7,601	-	6,039	-	
114150	Prepayments			18,394	-	39,686	-	216000	Lease liabilities- current (Note 6(h))		33,102	-	20,616	-	
114170	Other receivables			108,385	-	207,742	-	219000	Other current liabilities		38,975	-	13,751	-	
114180	Other receivables- related parties (Note 7)			4,977	-	7,414	-		Non-current liabilities:		42,077,086	85	43,205,487	86	
114300	Leverage contract trading-customers' margin accounts			712,455	2	856,021	2	226000	Lease liabilities- non-current (Note 6(h))		56,398	-	16,540	-	
114600	Current income tax assets			176	-	233	-	228000	Deferred income tax liabilities		30,231	-	37,828	-	
				48,408,270	98	49,535,671	99				86,629	-	54,368	-	
	Non-current assets:								Total liabilities		42,163,715	85	43,259,855	86	
123200	Financial assets at fair value through other comprehensive income- non- current (Note 6(b))			130,833	-	1,263	-	906003	Equity attributable to owners of parent:						
125000	Property and equipment (Note 6(c))			134,775	1	42,724	-	301010	Common stock (Note 6(k))		2,104,376	4	2,104,376	4	
125800	Right-of-use assets (Note 6(d))			89,382	-	36,948	-	302000	Capital surplus (Note 6(k))		1,663,251	4	1,663,251	3	
127000	Intangible assets (Note 6(g))			59,972	-	61,640	-	304010	Legal reserve		757,377	2	678,939	2	
129000	Other non-current assets			516,861	1	365,122	1	304020	Special reserve		1,650,772	3	1,579,617	3	
				931,823	2	507,697	1	304040	Unappropriated earnings (Note 6(k))		1,010,085	2	785,292	2	
								305000	Other equity		(12,412)	-	(30,087)	-	
									Total equity attributable to owners of parent		7,173,449	15	6,781,388	14	
								306000	Non-controlling interests		-	-	2,125	-	
								906004	Total equity		7,176,378	15	6,783,513	14	
906001	Total assets		\$	49,340,093	100	50,043,368	100	906002	Total liabilities and equity		\$	49,340,093	100	50,043,368	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CAPITAL FUTURES CORPORATION AND SUBSIDIARIES**Consolidated Statements of Comprehensive Income****For the years ended December 31, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)**

		2023		2022	
		Amount	%	Amount	%
Income:					
401000	Brokerage fee revenue (Note 6(m))	\$ 1,631,578	74	1,996,416	72
410000	Net gains (losses) on sale of trading securities	(126,081)	(6)	(7,830)	-
421300	Dividend revenue	134,420	6	4,589	-
421500	Net gains (losses) on measurement of trading securities at fair value through profit or loss	21,397	1	1,006	-
421600	Net gains (losses) on covering of borrowed securities and bonds with resale agreements-short sales	(78,525)	(4)	11,210	-
421610	Net gains (losses) on borrowed securities and bonds with resale agreements-short sales at fair value through profit or loss	(18,733)	(1)	19,315	1
424100	Futures commission revenue (Note 6(m))	301,191	14	310,640	11
424200	Securities commission revenue	14,199	1	14,304	1
424400	Net gains (losses) on derivative instruments- futures (Note 6(m))	209,477	9	223,939	8
424500	Net gains (losses) on derivative instruments - OTC (Note 6(m))	102,359	5	169,949	6
424800	Management fee revenue	3,377	-	685	-
424900	Consulting fee revenue	6,418	-	13,916	-
428000	Other operating revenue	11,500	1	22,331	1
		<u>2,212,577</u>	<u>100</u>	<u>2,780,470</u>	<u>100</u>
Expenses:					
501000	Brokerage fees	316,731	14	329,139	12
502000	Brokerage fees - proprietary trading	6,889	-	13,031	1
521200	Financial costs	43,838	2	17,489	1
521640	Loss from securities borrowing transactions	8	-	190	-
425300	Expected credit impairment losses and reversal gains (Note 6(n))	(248)	-	473	-
524100	Futures commission expenses (Note 6(m))	434,874	20	560,957	20
524300	Clearing and settlement expenses	167,457	8	207,540	7
528000	Other operating expenditure	6,146	-	7,624	-
531000	Employee benefit expenses (Note 6(m))	638,366	29	602,909	22
532000	Depreciation and amortization expenses (Note 6(m))	63,172	3	61,714	2
533000	Other operating expenses (Note 6(m))	464,410	21	490,716	18
		<u>2,141,643</u>	<u>97</u>	<u>2,291,782</u>	<u>83</u>
		<u>70,934</u>	<u>3</u>	<u>488,688</u>	<u>17</u>
Net operating income					
Non-operating income and expenses:					
602000	Other gains and losses (Note 6(m))	1,205,924	55	468,595	17
		<u>1,205,924</u>	<u>55</u>	<u>468,595</u>	<u>17</u>
902001	Net income before income tax	1,276,858	58	957,283	34
701000	Less: Income tax expenses (Note 6(j))	265,806	12	175,930	6
	Net income	<u>1,011,052</u>	<u>46</u>	<u>781,353</u>	<u>28</u>
805000	Other comprehensive income:				
805500	Components that may not be reclassified subsequently to profit or loss:				
805510	Actuarial gain (loss) on defined benefit plans (Note 6(i))	(934)	-	2,515	-
805540	Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income	21,355	1	(11,175)	-
805599	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		<u>20,421</u>	<u>1</u>	<u>(8,660)</u>	<u>-</u>
805600	Components that may be reclassified subsequently to profit or loss:				
805610	Exchange differences on translation of foreign operations	(3,086)	-	94,946	3
805699	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		<u>(3,086)</u>	<u>-</u>	<u>94,946</u>	<u>3</u>
805000	Other comprehensive income	<u>17,335</u>	<u>1</u>	<u>86,286</u>	<u>3</u>
902006	Total comprehensive income	<u>\$ 1,028,387</u>	<u>47</u>	<u>\$ 867,639</u>	<u>31</u>
Net income attributable to:					
913100	Shareholders of the parent	\$ 1,010,196	46	781,860	28
913200	Non-controlling interests	856	-	(507)	-
		<u>\$ 1,011,052</u>	<u>46</u>	<u>\$ 781,353</u>	<u>28</u>
Comprehensive income attributable to:					
914100	Shareholders of the parent	\$ 1,027,583	47	867,965	31
914200	Non-controlling interests	804	-	(326)	-
		<u>\$ 1,028,387</u>	<u>47</u>	<u>\$ 867,639</u>	<u>31</u>
975000	Basic earnings per share (NT dollars) (Note 6(l))	<u>\$ 4.80</u>		<u>\$ 3.72</u>	
985000	Diluted earnings per share (NT dollars) (Note 6(l))	<u>\$ 4.79</u>		<u>\$ 3.71</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CAPITAL FUTURES CORPORATION AND SUBSIDIARIES**Consolidated Statements of Changes in Equity****For the years ended December 31, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent										Non-controlling interests	Total equity
	Stock	Retained earnings				Other equity						
		Common stocks	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Equity related to non-current assets classified as held for sale	Total equity attributable to owners of parent		
Balance at January 1, 2022	\$ 2,104,376	1,663,621	626,803	1,446,574	522,796	(117,825)	4,148	(2,129)	6,248,364	25,734	6,274,098	
Net income for the year ended December 31, 2022	-	-	-	-	781,860	-	-	-	781,860	(507)	781,353	
Other comprehensive income	-	-	-	-	2,515	94,765	(11,175)	-	86,105	181	86,286	
Total comprehensive income	-	-	-	-	784,375	94,765	(11,175)	-	867,965	(326)	867,639	
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	52,136	-	(52,136)	-	-	-	-	-	-	
Special reserve	-	-	-	104,273	(104,273)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(336,700)	-	-	-	(336,700)	-	(336,700)	
Special reserve for the contra equity account	-	-	-	28,770	(28,770)	-	-	-	-	-	-	
Disposal of subsidiaries or investments accounted for using equity method	-	-	-	-	-	-	-	2,129	2,129	-	2,129	
Difference between consideration and carrying amount of subsidiaries acquired	-	(370)	-	-	-	-	-	-	(370)	-	(370)	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(23,283)	(23,283)	
Balance at December 31, 2022	2,104,376	1,663,251	678,939	1,579,617	785,292	(23,060)	(7,027)	-	6,781,388	2,125	6,783,513	
Net income for the year ended December 31, 2023	-	-	-	-	1,010,196	-	-	-	1,010,196	856	1,011,052	
Other comprehensive income	-	-	-	-	(934)	(3,034)	21,355	-	17,387	(52)	17,335	
Total comprehensive income	-	-	-	-	1,009,262	(3,034)	21,355	-	1,027,583	804	1,028,387	
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	78,438	-	(78,438)	-	-	-	-	-	-	
Special reserve	-	-	-	156,874	(156,874)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(635,522)	-	-	-	(635,522)	-	(635,522)	
Reversal of special reserve for the contra equity account	-	-	-	(85,719)	85,719	-	-	-	-	-	-	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	646	-	(646)	-	-	-	-	
Balance at December 31, 2023	\$ 2,104,376	1,663,251	757,377	1,650,772	1,010,085	(26,094)	13,682	-	7,173,449	2,929	7,176,378	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CAPITAL FUTURES CORPORATION AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the years ended December 31, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars)**

	2023	2022
Cash flows from (used in) operating activities:		
Net income before income tax	\$ 1,276,858	957,283
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	57,558	55,078
Amortization expense	5,614	6,636
Expected credit impairment loss (reversal gain)	(248)	473
Net gain on financial assets or liabilities at fair value through profit or loss	(3,604)	(21,004)
Interest expense	43,838	17,489
Interest income (including financial income)	(1,207,305)	(423,407)
Dividend revenue	(395,463)	(5,116)
Loss on disposal of property and equipment	33	10
Loss (gain) on lease modification	(66)	675
Impairment loss	4,627	4,802
Loss on disposal of Joint Venture	-	1,210
Total adjustments to reconcile profit (loss)	(1,495,016)	(363,154)
Changes in operating assets and liabilities:		
Increase in financial assets at fair value through profit or loss	(234,870)	(215,200)
Decrease (increase) in bond purchased under resale agreements	(48,468)	40,847
Decrease (increase) in customer margin accounts	617,536	(1,997,548)
Decrease in receivable-futures margin	306	257
Decrease (increase) in leverage contract trading - customer's margin accounts	143,566	(231,789)
Decrease (increase) in security borrowing margin	779,757	(868,437)
Decrease (increase) in security borrowing collateral price	356,153	(473,545)
Decrease (increase) in accounts receivable	(33,025)	7,482
Decrease (increase) in accounts receivable - related parties	(234)	2,127
Increase in prepayments	(11,454)	(31,883)
Increase in net defined benefit assets	(2,563)	(5,580)
Decrease in other receivables	128,825	233,581
Decrease (increase) in other receivables- related parties	2,447	(3,225)
Decrease in other current assets	-	2
Increase in clearing and settlement fund	(148,835)	(5,697)
Increase in refundable deposits	(1,275)	(772)
Increase (decrease) in financial liabilities at fair value through profit or loss	(636,837)	796,394
Increase (decrease) in futures traders' equity	(564,592)	1,881,108
Increase (decrease) in leverage contract trading - customer's equity	(116,354)	219,057
Increase in accounts payable	64,325	6,656
Increase (decrease) in accounts payable - related parties	(3,805)	1,313
Decrease in advance receipts	(245)	(1,037)
Increase (decrease) in receipts under custody	(204)	276
Increase (decrease) in other payables	(5,674)	86,190
Increase (decrease) in other payables - related parties	(2,400)	3,327
Increase in provisions for liabilities	1,562	421
Increase in other current liabilities	25,224	3,983
Total changes in operating assets and liabilities	308,866	(551,692)
Total adjustments	(1,186,150)	(914,846)
Cash inflow generated from operations	90,708	42,437
Interest received	1,180,254	391,508
Dividends received	393,036	5,182
Interest paid	(44,644)	(16,790)
Income taxes paid	(193,414)	(109,691)
Net cash flows from operating activities	1,425,940	312,646
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(114,382)	(26,275)
Proceeds from disposal of financial assets at fair value through other comprehensive income	36,610	-
Proceeds from disposal of non-current assets classified as held for sale	-	51,031
Acquisition of property and equipment	(86,423)	(21,742)
Acquisition of intangible assets	(7,008)	(2,291)
Increase in prepayments for business facilities	(1,170)	-
Net cash flows from (used in) investing activities	(172,373)	723
Cash flows from (used in) financing activities:		
Cash dividends paid	(635,522)	(336,700)
Increase in short-term loans	-	(109,784)
Acquisition of ownership interests in subsidiaries	-	(23,653)
Payments of lease liabilities	(30,771)	(28,231)
Net cash flows used in financing activities	(666,293)	(498,368)
Effect of exchange rate changes on cash and cash equivalents	(3,004)	93,837
Net increase (decrease) in cash and cash equivalents	584,270	(91,162)
Cash and cash equivalents at beginning of period	5,156,882	5,248,044
Cash and cash equivalents at end of period	\$ 5,741,152	5,156,882

See accompanying notes to consolidated financial statements.

Independent Auditors' Report

To the Board of Directors of Capital Futures Corporation

Opinion

We have audited the financial statements of Capital Futures Corporation("the Company"), which comprise the balance sheets as of December 31, 2023 and 2022, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, the related rules of Preparing Financial Reports of Managed Futures Enterprises and the Regulations Governing the Preparation of Financial Reports by Securities Firms.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters of the Company's financial statements are stated as follows:

Brokerage fee revenue recognized:

Related accounting policies of brokerage fee revenue recognized, please refer to Note 4(n) revenue recognition. Explanation of brokerage fee revenue, please refer to the financial report Note 6(n)(i) comprehensive income statement brokerage fee revenue.

Explanation of key audit matters:

The Company's main income is brokerage fee revenue from entrusted futures dealing. The existence and accuracy of brokerage fee revenue have major affect on the financial report. Therefore, brokerage fee revenue recognized is one of the important evaluation matters of the Company's financial report.

Audit procedures in response:

According to the key audit matters as described above, we perform main audit procedures including the sampling test on brokerage business dealing internal control and brokerage fee revenue recorded amount, then compare with the entrusted data from brokerage business and evaluate the revenue recognized policies in compliance with the related bulletin.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, the related rules of Preparing Financial Reports of Managed Futures Enterprises and the Regulations Governing the Preparation of Financial Reports by Securities Firms and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the Audit Committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Wu, Cheng-Yen and Chen, Yi-Jen.

KPMG

Taipei, Taiwan (Republic of China)

March 12, 2024

Notes to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese)

CAPITAL FUTURES CORPORATION**Statements of Comprehensive Income****For the years ended December 31, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)**

		2023		2022	
		Amount	%	Amount	%
Income:					
401000	Brokerage fee revenue (Note 6(n))	\$ 1,734,612	87	2,128,288	82
410000	Net gains (losses) on sale of trading securities	(126,081)	(6)	(7,830)	-
421300	Dividend revenue	134,409	7	4,589	-
421500	Net gains (losses) on measurement of trading securities at fair value through profit or loss	8,815	-	1,031	-
421600	Net gains (losses) on covering of borrowed securities and bonds with resale agreements-short sales	(78,525)	(4)	11,210	-
421610	Net gains (losses) on borrowed securities and bonds with resale agreements-short sales at fair value through profit or loss	(18,733)	(1)	19,315	1
424200	Securities commission revenue	12,761	1	14,122	1
424400	Net gains (losses) on derivative instruments- futures (Note 6(n))	222,589	11	224,289	9
424500	Net gains (losses) on derivative instruments - OTC (Note 6(n))	102,359	5	169,949	7
424800	Management fee revenue	3,377	-	685	-
424900	Consulting fee revenue	6,418	-	13,916	-
428000	Other operating revenue	1,025	-	8,041	-
		<u>2,003,026</u>	<u>100</u>	<u>2,587,605</u>	<u>100</u>
Expenses:					
501000	Brokerage fees	243,617	12	297,580	12
502000	Brokerage fees - proprietary trading	6,889	-	13,031	1
521200	Financial costs	63,714	3	23,795	1
521640	Loss from securities borrowing transactions	8	-	190	-
425300	Expected credit impairment losses and reversal gains (Note 6(o))	(299)	-	(264)	-
524100	Futures commission expenses (Note 6(n))	372,312	19	477,280	18
524300	Clearing and settlement expenses	167,457	8	207,540	8
528000	Other operating expenditure	6,146	-	7,624	-
531000	Employee benefit expenses (Note 6(n))	572,204	29	551,714	21
532000	Depreciation and amortization expenses (Note 6(n))	52,747	3	49,517	2
533000	Other operating expenses (Note 6(n))	417,165	21	457,079	18
		<u>1,901,960</u>	<u>95</u>	<u>2,085,086</u>	<u>81</u>
		<u>101,066</u>	<u>5</u>	<u>502,519</u>	<u>19</u>
Net operating income					
Non-operating income and expenses:					
601100	Shares of profit of associates and joint ventures under equity method (Note 6(c))	71,338	4	4,803	-
602000	Other gains and losses (Note 6(n))	1,103,310	55	450,307	18
		<u>1,174,648</u>	<u>59</u>	<u>455,110</u>	<u>18</u>
902001	Net income before income tax	<u>1,275,714</u>	<u>64</u>	<u>957,629</u>	<u>37</u>
701000	Less: Income tax expenses (Note 6(k))	<u>265,518</u>	<u>13</u>	<u>175,769</u>	<u>7</u>
	Net income	<u>1,010,196</u>	<u>51</u>	<u>781,860</u>	<u>30</u>
805000	Other comprehensive income:				
805500	Components that may not be reclassified subsequently to profit or loss:				
805510	Actuarial gain (loss) on defined benefit plans (Note 6(j))	(934)	-	2,515	-
805540	Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income	21,355	1	(11,175)	-
805599	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Subtotal of components that may not be reclassified subsequently into profit or loss	<u>20,421</u>	<u>1</u>	<u>(8,660)</u>	<u>-</u>
805600	Components that may be reclassified subsequently to profit or loss:				
805610	Exchange differences on translation of foreign operations	(2,915)	-	94,562	4
805660	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(119)	-	203	-
805699	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Subtotal of components that may be reclassified subsequently to profit or loss	<u>(3,034)</u>	<u>-</u>	<u>94,765</u>	<u>4</u>
805000	Other comprehensive income	<u>17,387</u>	<u>1</u>	<u>86,105</u>	<u>4</u>
902006	Total comprehensive income	<u>\$ 1,027,583</u>	<u>52</u>	<u>867,965</u>	<u>34</u>
975000	Basic earnings per share (NT dollars) (Note 6(m))	<u>\$ 4.80</u>		<u>3.72</u>	
985000	Diluted earnings per share (NT dollars) (Note 6(m))	<u>\$ 4.79</u>		<u>3.71</u>	

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

CAPITAL FUTURES CORPORATION

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Stock	Retained earnings				Other equity			
		Common stocks	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Equity related to non-current assets classified as held for sale
									Total equity
\$	2,104,376	2,104,376	1,663,621	626,803	1,446,574	522,796	(117,825)	4,148	(2,129)
	-	-	-	-	-	781,860	-	-	-
	-	-	-	-	-	2,515	94,765	(11,175)	-
	-	-	-	-	-	784,375	94,765	(11,175)	-
	-	-	-	52,136	-	(52,136)	-	-	-
	-	-	-	-	104,273	(104,273)	-	-	-
	-	-	-	-	-	(336,700)	-	-	-
	-	-	-	-	28,770	(28,770)	-	-	-
	-	-	-	-	-	-	-	-	2,129
	-	(370)	-	-	-	-	-	-	-
	2,104,376	1,663,251	678,939	1,579,617	-	785,292	(23,060)	(7,027)	-
	-	-	-	-	-	1,010,196	-	-	-
	-	-	-	-	-	(934)	(3,034)	21,355	-
	-	-	-	-	-	1,009,262	(3,034)	21,355	-
	-	-	-	78,438	-	(78,438)	-	-	-
	-	-	-	-	156,874	(156,874)	-	-	-
	-	-	-	-	-	(635,522)	-	-	-
	-	-	-	-	(85,719)	85,719	-	-	-
	-	-	-	-	-	646	-	(646)	-
\$	2,104,376	1,663,251	757,377	1,650,772	-	1,010,085	(26,094)	13,682	-
									7,173,449

Balance at January 1, 2022

Net income for the year ended December 31, 2022

Other comprehensive income

Total comprehensive income

Appropriation and distribution of retained earnings:

Legal reserve

Special reserve

Cash dividends

Special reserve for the contra equity account

Disposal of subsidiaries or investments accounted for using equity method

Difference between consideration and carrying amount of subsidiaries acquired

Balance at December 31, 2022

Net income for the year ended December 31, 2023

Other comprehensive income

Total comprehensive income

Appropriation and distribution of retained earnings:

Legal reserve

Special reserve

Cash dividends

Reversal of special reserve for the contra equity account

Disposal of investments in equity instruments designated at fair value through other comprehensive income

Balance at December 31, 2023

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

CAPITAL FUTURES CORPORATION**Statements of Cash Flows****For the years ended December 31, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars)**

	2023	2022
Cash flows from (used in) operating activities:		
Net income before income tax	\$ 1,275,714	957,629
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	47,421	43,172
Amortization expense	5,326	6,345
Expected credit impairment reversal gain	(299)	(264)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	8,978	(21,029)
Interest expense	63,714	23,795
Interest income (including financial income)	(1,100,337)	(409,651)
Dividend revenue	(395,452)	(5,116)
Shares of (profit) loss of associates and joint ventures under equity method	(71,338)	(4,803)
Loss (gain) on lease modification	(5)	-
Loss on disposal of Joint Venture	-	1,210
Total adjustments to reconcile profit (loss)	(1,441,992)	(366,341)
Changes in operating assets and liabilities:		
Increase in financial assets at fair value through profit or loss	(179,543)	(216,276)
Decrease (increase) in bond purchased under resale agreements	(48,468)	40,847
Decrease (increase) in customer margin accounts	739,967	(772,727)
Decrease in receivable-futures margin	306	257
Decrease (increase) in leverage contract trading - customer's margin accounts	143,566	(231,789)
Decrease (increase) in security borrowing margin	779,757	(868,437)
Decrease (increase) in security borrowing collateral price	356,153	(473,545)
Decrease (increase) in accounts receivable	(33,029)	7,485
Decrease (increase) in accounts receivable - related parties	(234)	2,127
Increase in prepayments	(98)	(31,829)
Decrease (increase) in other receivables	3,450	(4,118)
Decrease (increase) in other receivables- related parties	3,652	(3,437)
Increase in net defined benefit assets	(2,563)	(5,580)
Decrease in other current assets	-	2
Decrease (increase) in clearing and settlement fund	9,708	(10,440)
Decrease (increase) in refundable deposits	(1,336)	150
Increase (decrease) in financial liabilities at fair value through profit or loss	(636,837)	796,394
Increase (decrease) in futures traders' equity	(759,065)	761,002
Increase (decrease) in leverage contract trading - customer's equity	(116,354)	219,057
Increase in accounts payable	64,326	6,574
Increase (decrease) in accounts payable - related parties	(3,805)	1,313
Decrease in advance receipts	(245)	(1,037)
Increase (decrease) in receipts under custody	(196)	272
Increase (decrease) in other payables	(6,466)	80,783
Increase (decrease) in other payables - related parties	(5,365)	316
Increase in provisions for liabilities	899	421
Increase in other current liabilities	25,224	3,983
Total changes in operating assets and liabilities	333,404	(698,232)
Total adjustments	(1,108,588)	(1,064,573)
Cash inflow (outflow) generated from operations	167,126	(106,944)
Interest received	1,075,214	380,548
Dividends received	393,025	5,182
Interest paid	(62,863)	(21,780)
Income taxes paid	(193,096)	(109,691)
Net cash flows from operating activities	1,379,406	147,315
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(114,382)	(26,275)
Proceeds from disposal of financial assets at fair value through other comprehensive income	36,610	-
Acquisition of investments accounted for using equity method	-	(23,653)
Proceeds from disposal of non-current assets classified as held for sale	-	51,031
Acquisition of property and equipment	(84,191)	(20,724)
Acquisition of intangible assets	(7,008)	(2,291)
Increase in prepayments for business facilities	(1,170)	-
Net cash flows used in investing activities	(170,141)	(21,912)
Cash flows from (used in) financing activities:		
Cash dividends paid	(635,522)	(336,700)
Payments of lease liabilities	(24,672)	(21,834)
Net cash flows used in financing activities	(660,194)	(358,534)
Net increase (decrease) in cash and cash equivalents	549,071	(233,131)
Cash and cash equivalents at beginning of period	4,513,256	4,746,387
Cash and cash equivalents at end of period	\$ 5,062,327	4,513,256

See accompanying notes to financial statements.

Attachment 6

**Capital Futures Corp.
2023 Profit Distribution Table**

Unit: NT\$

No.	Items	Amount	Notes
1	Beginning balance of unappropriated retained earnings	177,838	
2	Less: Actuarial losses on defined benefit plan included in retained earnings	934,262	
3	Add: Disposal gains of investments in equity instruments designated at fair value through other comprehensive income	645,610	
4	Add: Reversal of Special reserve appropriated due to other reduction of shareholders' equity occurred	17,676,090	
5	Add: Net profit after tax	1,010,195,721	
6	Distributable net profit	1,027,760,997	
7	Less: 10% Legal reserve	100,990,707	(3+5-2)*10%
8	Less: 20% Special reserve	201,981,414	(3+5-2)*20%
	Distributable items:		
	Less: Dividend to shareholders		
9	Cash dividends on common shares (NT\$3.44 per share)	723,905,289	
10	Ending balance of unappropriated retained earnings	883,587	

Note 1: Principle of profit distribution means that the profit from the current year should be distributed with priority.

Note 2: The cash dividend on common shares (NT\$3.44 per share) is calculated by 210,437,584 of outstanding common shares.

Note 3: In accordance with the ruling letter No. Jing-Shang-Zi 10802432410 dated January 9, 2020 issued by the Ministry of Economic Affairs, the legal reserve shall be set aside from "the sum of i) net income for the period and ii) items, other than net income for the period, included in the undistributed earnings of the current year".

Note 4: No.9 Ending balance of unappropriated retained earnings is the amount resolved after the shareholders meeting.

Chairman:
Chia, Chung-Tao

President:
Mao, Jen-Hua

Accounting manager:
Lin, Li-Juan

IX. Appendix

Appendix 1

Capital Futures Corp. Articles of Association

- Article 1 The Company is organized in accordance with the provisions of the R.O.C. Company Act, and known as “Capital Futures Corp.”
- Article 2 The Company’s business scope is as follows:
(1) H401011 Futures commission merchant
(Limited to those approved by the FSC)
(2) H405011 Futures consulting business
(3) H407011 Futures management business
(4) H310011 Securities introducing broker
(5) H304011 Securities investment consulting enterprise
(6) H301011 Securities firm
(7) H404011 Leverage transaction merchant
- Article 3 The Company’s headquarter is located in Taipei; the board of directors may, depending on business needs, establish domestic and overseas branches in appropriate locations on approval by the Competent Authority.
- Article 4 The Company’s total registered capital is NT\$2.5 billion exact, which is divided into 250 million shares at NT\$10 per share; the board of directors is authorized to approve such shares issued in batches. Employees of the Company subscribing for new shares in accordance with the Company Act include employees of the Company’s parents or subsidiaries meeting certain specific requirements. The certain specific requirements shall be specified by the board of directors.
- Article 5 The Company’s shares are in registered form and issued in accordance with the Company Act and other relevant rules and regulations of the Republic of China. After public offering of shares the Company is exempt from printing physical share certificates. The Taiwan Securities Central Depository should be contacted for registration of the shares issued pursuant to the preceding provisions.
- Article 6 The Company’s shareholders should send to the Company their real names, addresses, specimen of their seals, and uniform tax numbers for registration and future references; this requirement also applies when there is a change to the information above.
- Article 7 Shareholders should collect dividends or bonuses from the Company or exercise other rights based on their seals filed with the Company.
- Article 8 Unless otherwise provided in law, the provisions in Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the Competent Authority should be followed in handling share transfer, share pledge, report of share loss, inheritance, gifting, report of seal loss or change, or change of address.
- Article 9 A Nominal fee may be charged for shareholders’ application for share renewal or replacement.
- Article 10 Share book closures are 60 days before each regular shareholders meeting, 30 days before each extraordinary shareholders meeting, or five days before the ex-day for the Company’s payment of dividends, bonuses or other benefits.
- Article 11 The Company’s shareholders meetings are divided into the following two types:
(1) General shareholders meeting, to be convened within six months after the end of each fiscal year.
(2) Extraordinary shareholders meeting, to be convened when necessary in accordance with relevant laws and regulations.
Regarding convening of the aforementioned meetings, in accordance with relevant laws and regulations a written or electronic notice should be sent to shareholders 30 days before a general shareholders meeting or 15 days before an extraordinary shareholders meeting to notify shareholders of the place and the subject. The Company’s shareholders meetings may be held by means of visual communication network or other methods promulgated by the central competent authority. For shareholders with less than a thousand registered shares, the convening notice to such shareholders may be in the form of a public announcement in accordance with other relevant laws and regulations.
- Article 12 Except the non-voting shares stipulated in Article 179 of the Company Act or in other laws and decrees, each share has one voting right.
- Article 13 A shareholder who is unable to attend a general meeting may present the power of attorney issued by the Company with the level of authorization stipulated, and appoint a proxy to attend the meeting on his

behalf. Unless otherwise provided in Article 177 of the Company Act, the requirements in Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies issued by the Competent Authority should be followed.

- Article 14 Unless otherwise provided in relevant laws or regulations, shareholders or proxies of shareholders who hold more than half of the total number of issued shares should be present in a shareholders meeting before the meeting may start and the resolution be represented, and the resolution should be passed by more than half of the shareholders present at the meeting. The voting power at a shareholders' meeting may be exercised by way of electronic transmission; the method of execution shall comply with relevant regulations.
- Article 14-1 Before the Company intends to report the voidance of public issue, it should present a proposal at a shareholders meeting for special resolution, and no further change of this Article 14-1 should be made during the period of the Company's shares are traded on the Emerging Market or the Taipei Exchange.
- Article 15 A shareholders meeting shall be convened by the board of directors and the chairman of the board shall be the meeting's chairman. In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors. For a shareholders meeting convened by a person with the convening right but other than the board members, the person who convenes the meeting shall be the meeting's chairman; if there are two or more such persons, then the chairman should be selected between/among such persons.
- Article 16 The resolutions made in a shareholders meeting should be recorded in the meeting minutes, which should be signed by the meeting's chairman or affixed with his seal and distributed to the shareholders within 20 days after the meeting.
Preparation and distribution of the meeting minutes may be notified of such meeting minutes through a public announcement.
- Article 17 The Company's board of directors consists of seven to nine directors who are elected in shareholders meetings among competent persons. Each person has a term of three years, and may be re-elected. Among the directors in the preceding paragraph, independent directors should account for three or more, and be no less than one-fifth of the total directors. Directors should be elected through a nomination system and by shareholders from a list of director candidates.
Relevant rules of the Competent Authority should be followed concerning independent directors' professional qualifications, shareholdings, restrictions on their concurrent jobs, the method for nomination of candidates and other binding matters. Provisions of the securities regulatory body should be followed concerning the percentage of directors' total shareholdings.
- Article 17-1 In electing directors in shareholders meetings, except stipulated in laws and decrees, each share has the same number of voting rights as the number of directors to be elected. Such voting rights may be used on one single person or distributed among a number of people, and the persons winning most votes are elected. If two or more persons win the same number of votes but the total number of specified seats is exceeded, then a decision may be made among the persons winning the same number of votes through a drawing of lots; for those who are absent the chairman will perform the drawing on their behalf.
- Article 18 A chairman and a vice chairman of the board should be elected by the Directors among themselves. The chairman of the board externally represents the Company. In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors.
- Article 19 The board meeting should be convened by the chairman of the board. However, the first Board meeting in each term should be convened by the director who wins most votes in the shareholders meeting. If the director who wins most votes or the chairman of the board of directors fails to convene a board meeting, the majority or more of the directors may convene a board meeting on their own.
For convening a board meeting, the reason should be stated in the meeting notice, and all directors should be notified seven days prior to the meeting date. However, in case of an emergency, a meeting may be convened at any time.
The board meeting notice may be in the form of a written notice, fax or e-mail, etc.
Agreed by the relative directors, the notification in the preceding paragraph may be carried out in an electronic form.
The directors should attend a Board meeting in person. A director who is unable to attend may delegate

another director as proxy to attend on his behalf; however, each director can act as the proxy for only one other director.

- Article 20 Unless otherwise provided in the Company Act, more than half of the directors should be present in a board meeting before the meeting may start, and the resolution should be passed by more than half of the directors present at the meeting:
For the motion related to director's own interests and concerns, the relative director should explain the importance and relevance in that meeting.
- Article 21 (Deleted)
- Article 22 The powers of the board of directors are as follows:
(1) Review and approval of important legal documents and contracts
(2) Decision on business policy
(3) Approval of budgets and preparation of accounts
(4) Draw up the change of paid-in capital
(5) Draw up the distribution of earnings
(6) Setting of the Company's major functions and appointment and dismissal of key personnel
(7) Approval of the purchase or disposal of important assets and real estate
(8) Appointment, dismissal and remuneration of the accounting firm for auditing.
(9) Other powers conferred by laws and regulations or shareholders
The powers above should be chartered after due approvals are obtained.
- Article 22-1 Due to business operational needs, the board of directors may establish an audit committee and a remuneration committee or other functional committees.
- Article 23 The audit committee is formed by all independent directors in accordance with Article 14-4 of Securities and Exchange Act.
The number and term of the audit committee members, the official powers of the audit committee, the rules of procedure for meetings of the audit committee and the exercising of official powers of the Audit Committee etc. shall be specified in the audit committee charter in accordance with the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies.
All the powers of the supervisors from the Securities and Exchange Act, the Company Act and other regulations should be performed by the Audit Committee. The independent directors in the audit committee shall apply mutatis mutandis the regulations of supervisors' behaviors and their representative of the Company.
- Article 24 If one third of the director seats are vacant or all independent directors are dismissed from duties, the board should convene an extraordinary shareholders meeting within 60 days for re-election. The terms of office are limited to the predecessors' remaining terms of office.
- Article 25 The Company may have a general manager and several senior vice presidents, vice presidents, managers and the principals of branches. The provisions in Article 29 of the Company Act should be followed for the appointment, dismissal and remuneration of such persons. The general manager takes orders from the Board, and is in charge of all the Company's business with the assistance from senior vice presidents, vice presidents and managers.
- Article 25-1 The board is authorized to determine the remuneration of the chairman, directors based on their levels of participation in the Company's operations, the value of their contributions and the industry standard. The remuneration of directors distributed from annual earnings need to be audited by the remuneration committee and a resolution should be passed by the board meeting and a shareholders' meeting.
- Article 25-2 Based on actual needs in carrying out their respective duties, all the Company's directors may in their terms of office purchase liability insurance policies to reduce and disperse the risk of damage to all the directors, the Company and shareholders. The board is fully authorized to take care of all the directors' purchase of liability insurance policies.
- Article 26 The Company's fiscal year starts from January 1 and ends on December 31 each year. The board should, in accordance with the legal procedure, prepare the following documents after the end of each fiscal year to the shareholders meeting for recognition.
(1) Business report
(2) Financial statements
(3) Motions for distribution of earnings or making up for losses
- Article 27 The Company should distribute 0.6% to 2% of the profit of the current year distributable as employees' compensation, and 3% or less of its profit of the current year distributable as directors' remuneration. However, the Company's accumulated losses shall have been covered first.
The Company's profit of the current year distributable mentioned above is the earnings before tax deducting employees' compensation and directors' remuneration. A company may, by a resolution of

majority vote at a meeting of board of directors attended by two-thirds or more of the total number of directors, have the profit distributable as employees' compensation and directors' remuneration; in addition, a report of such distribution shall be submitted to the shareholders' meeting.

The employees' compensation can be in the form of shares or cash. And such compensation may apply to the employees of the Company's parents or subsidiaries who meet certain specific requirements which shall be determined by the board of directors.

- Article 27-1 The Company's business environment is a stably growing financial industry. For the purpose of business expansion and re-investment plan, the Company's policy for dividend distribution takes into considerations such as the Company's business development, the Company's future capital expenditure budget and demand for fund, shareholders' interest, and the balance between dividends and the Company's long-term financial planning. With regard to the Company's earnings in each fiscal year, after all taxes and dues have been paid and losses in previous years have been covered, the Company shall first set aside 10% as legal reserve, 20% as special reserve, and other reserve specified by relevant regulations. The Company should add the remaining balance to the undistributed earnings in previous years, and then distribute at least 10% of it as dividends. Earnings may be distributed in the form of cash dividend or stock dividend, but the percentage of cash dividend for the year should not be less than 10% of the total dividend for the year. Dividend may not be distributed if an annual loss occurs, and the loss should be first made up if retained earnings are used for dividend distribution.
- Article 28 The Company can invest in businesses approved by the Competent Authority and the total amount of its investments is not limited by Article 13 of the Company Act, unless other laws or regulations provide otherwise.
- Article 29 The Company's Articles of Association shall be formulated by the board of directors.
- Article 30 Provisions in relevant laws and regulations should be followed for matters not included in this Articles of Association.
- Article 31 This Articles of Association was formulated on January 4, 1997. The first amendment was made on August 11, 1997; the second amendment was made on April 27, 1997; the third amendment was made on April 8, 2002; the fourth amendment was made on November 14, 2002; the fifth amendment was made on June 27, 2003; the sixth amendment was made on March 17, 2008; the seventh amendment was made on August 26, 2008; the eighth amendment was made on May 27, 2009; the ninth amendment was made on May 27, 2010; the tenth amendment was made on June 19, 2012; the eleventh amendment was made on May 20, 2014; the twelfth amendment was made on May 20, 2015; the thirteenth amendment was made on May 27, 2016; the fourteenth amendment was made on May 31, 2017; the fifteenth amendment was made on June 19, 2020; the sixteen amendment was made on June 21, 2022.

Appendix 2

Capital Futures Corp. Rules of Procedure for Shareholders Meetings

- Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies.
- Article 2 The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the Articles of Association, shall be as provided in these Rules.
- Article 3 (Convening shareholders meetings and shareholders meeting notices)
Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.
Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.
The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. However, in the case of the Company with paid-in capital reaching NT\$10 billion or more as of the last day of the most recent fiscal year, or in which the aggregate shareholding percentage of foreign investors and Mainland Chinese investors reached 30% or more as recorded in the shareholders' register at the time of holding of the regular shareholders' meeting in the most recent fiscal year, it shall upload the aforesaid electronic file by 30 days prior to the day on which the regular shareholders' meeting is to be held. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.
The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:
1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.
The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form. Election or dismissal of directors, amendments to the Articles of Association, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion. Re-electing whole directors and the date they will assume office are specified in the reasons for convening a shareholders meeting, it shall not be raised to alter the date they assume office by an extempore motion or other methods in the meeting after the re-election complete.
A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is

limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the date on which share transfer registration is suspended before the convention of a regular shareholders' meeting, the company shall give a public notice announcing acceptance of proposal in writing or by way of electronic transmission, the place and the period for shareholders to submit proposals to be discussed at the meeting; and the period for accepting such proposals shall not be less than ten (10) days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal. Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail. If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 (Principles determining the time and place of a shareholders meeting)
The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.
The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

Article 6 (Preparation of documents such as the attendance book)
The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.
The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.
Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.
The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.
When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall

register with the Company two days before the meeting date.

In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 6-1 (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 7 (The chair and non-voting participants of a shareholders meeting)

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair.

Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8 (Documentation of a shareholders meeting by audio or video)

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company,

and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and simultaneously announce relevant information, such as total number of no voting right shares and shares represented by the shareholders present at the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10

(Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors, the relevant proposals, including extempore motions, and amendments shall be voted case by case. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote and arrange appropriate time for voting.

Article 11

(Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 12 (Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means (in accordance with the proviso of Article 177-1 of the Company Act regarding companies that shall adopt electronic voting: When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extempore motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoids the submission of extempore motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's Articles of Association, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or

alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14 (Election matters)

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the rest of candidates and the numbers of votes with which they received. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and voting results including the total number of calculation and the total votes of every candidate shall be revealed when there is a proposal of director election. The meeting minutes shall be retained for the duration of the existence of the Company.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 16 (Public disclosure)

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, the Company shall upload the

above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 (Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place.

When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18 (Recess and resumption of a shareholders meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19 (Disclosure of information at virtual meetings)

In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20 (Location of the chair and secretary of virtual-only shareholders meeting)

When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 21 (Handling of disconnection)

In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at

the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 22 (Handling of digital divide)

When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 23 These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

Appendix 3

Capital Futures Corp. The Rules of Election of Directors

- Article 1 The election of the Company's directors shall, in addition to the regulations related to the Company Act and Securities and Exchange Act as well as the codes set out in the Article of Incorporation, be organized per the Rules.
- Article 2 The directors of the Company shall be elected by the shareholders' meeting from among the persons with disposing capacity.
- Article 3 The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors.
The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
1. Basic requirements and values: Gender, age, nationality, and culture.
 2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, and technology), professional skills, and industry experience.
- Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:
1. The ability to make judgments about operations.
 2. Accounting and financial analysis ability.
 3. Business management ability.
 4. Crisis management ability.
 5. Knowledge of the industry.
 6. An international market perspective.
 7. Leadership ability.
 8. Decision-making ability.
- More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.
The board of directors of the Company shall consider adjusting its composition based on the results of performance evaluation.
- Article 4 The Company's independent directors shall meet the provisions set out in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be organized per the Article 24 set out in Corporate Governance Best-Practice Principles for Futures Commission Merchants and the Article 24 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
- Article 5 Elections of the Company's directors shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.
When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the Company's Articles of Association, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- Article 6 The cumulative voting method shall be used for election of the Company's directors. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 7 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholder meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 8 The number of directors will be as specified in the Company's Articles of Association, with voting rights

separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

- Article 9 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences. And the scrutineers must be shareholders.
- Article 10 A ballot is invalid under any of the following circumstances:
1. The ballot was not prepared by a person with the right to convene.
 2. A blank ballot is placed in the ballot box.
 3. The writing is unclear and indecipherable or has been altered.
 4. The candidate whose name is entered in the ballot does not conform to the director candidate list
 5. Other words or marks are entered in addition to the number of voting rights allotted.
- Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.
- The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- Article 12 The Board of the Company shall issue notifications to the directors elected.
- Article 13 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.
- Article 14 The Rules for the Election of Directors was formulated on May 27th, 2009. The first amendment was made on June 19th, 2012; the second amendment was made on May 20th, 2015; the third amendment was made on May 20th, 2021.

Appendix 4

Capital Futures Corp. Details of All Directors' Shareholding

1. The Company has a paid-up capital of NT\$2,104,375,840, issued in 210,437,584 ordinary shares.
2. According to the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies," the minimum shareholding of the Company's board directors is 12,000,000 shares. The Company has established the Audit Committee; therefore, there is no requirement on the minimum shareholding of the supervisors.
3. As of the book closure date (April 1, 2024) of this annual general meeting, the shareholders' register showed the total number of shares held by directors is 119,068,045, which complied with Article 26 of The Securities Exchange Act. The details are as follows:

As in the Shareholders' Register on April 1, 2024

Title	Name	Shareholding as of book-close date	Percentage
Chairman	Capital Securities Corp. Representative: Chia, Chung-Tao	119,066,014	56.58
Director	Capital Securities Corp. Representative: Lee, Wen-Chu		
Director	Capital Securities Corp. Representative: Liu, Ching-Tsun		
Director	Hung Yeh Investment Co., Ltd. Representative: Wang, Hui-Chin	2,031	0
Independent Director	Chen, Kuo-Tay	0	0
Independent Director	Hsiao, Nai-Ching	0	0
Independent Director	Wu, Yung-Sheng	0	0
Total directors' shareholding		119,068,045	56.58