

 新光金控 SKFH

2024

ANNUAL REPORT

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Dow Jones Sustainability Index

First Globally

SKFH was selected in the DJSI World Index for 4 consecutive years, ranked first globally in the Insurance Industry Group



AAA

The highest scale

SKFH was rated AAA in MSCI ESG Ratings (the highest scale)



6.26mn

Customers

SKFH Customers: 6.26mn



NT\$5.14tn

Assets

SKFH's assets reached NT\$5.14tn, ranking 5th in Taiwan



3.25mn

Digital Customers

SKFH Digital Customers : over 3.25mn



#1

Most Popular Brand

SKL won first place in the 21th National Brand Yushan Award for "Most Popular Brand Award"



#1

Roll out NFC

SKL was the first insurer to roll out NFC identity verification



Excellence Award

Amount of National Financing Grows

SKB's loan with overseas credit guarantee funds won the Excellence Award for growth in financing to New Southbound countries



#1

Structured Notes

MasterLink Securities is industry leader in structured notes trading volume



#4

Total Premium

SKL's total premium reached NT\$190.4bn, ranking 4th in industry



Design Awards

UX Design Awards

SKB's OMNI-U APP was nominated for the "Experience Design Award" in the Product category at the 2024 UX Design Awards



#2

Convertible Bond Asset Swap

MasterLink Securities had the second-highest volume of convertible bond asset swap trading



Words from the Chairman

Advancing Together, Jointly Creating New Opportunities ►►

Impact of External Competition, Regulations, and Overall Business Environment

In 2024, geopolitical risks from the Russia-Ukraine war and tensions in the Middle East persisted. Central banks around the world adopted divergent monetary policies due to differing economic conditions. Europe, the United States, China, and other economies embarked on a cycle of interest rate cuts mid-year as inflation pressure eased. This stimulated consumption and investment and stabilized financial markets. Overall, the global economy grew moderately, with the World Bank announcing in January 2025 that the economy expanded at a 2.7% pace in 2024, unchanged from the previous year. In 2024, Taiwan benefited from stable domestic demand and a booming global semiconductor industry, leading to strong demand for information technology products. Semiconductor companies increased investments to boost production, resulting in better-than-expected external export demand and economic growth. The Directorate-General of Budget, Accounting and Statistics estimated that Taiwan's economy grew by 4.30% in 2024, accelerating significantly from the 1.12% gain in the previous year.

Looking ahead to 2025, global economic growth is expected to largely maintain at the 2024 pace, though considerable uncertainty remains in the fiscal and monetary policies of various countries. The newly inaugurated president of the United States, Donald Trump, may implement tariffs and more restrictive immigration policies that could affect the global economy as well as slow the pace and magnitude of the Federal Reserve's interest rate cuts. Amid challenges in the domestic real estate market, the Chinese government began rolling out measures to increase infrastructure spending and monetary easing in September 2024. The long-term

effectiveness of these measures remains to be seen. The global supply chain shifts triggered by geopolitical tensions and the demands on infrastructure caused by extreme weather expose the global economy to additional risks. Beyond fluctuations in the overall economy and financial markets, Taiwan's financial sector faces challenges in implementing sustainable strategies, reaching net-zero carbon reduction goals, aligning with IFRS 17 and TW-ICS regulations, and enforcing corporate governance. Shin Kong Financial Holding (SKFH) will continue to promote responses to these developments.

2024 Business Results

In 2024, global inflation eased and the economy grew at a moderate pace. The New Taiwan dollar depreciated against a strengthening US dollar throughout the year. SKFH reported a consolidated after-tax profit of NT\$20.457 billion, its second-highest level, with earnings per share of NT\$1.25, achieving 314.4% of the annual profit target. The company's consolidated shareholders' equity reached NT\$283.934 billion, reflecting a 15.4% growth year-over-year (YoY), with book value per share of NT\$15.76. Total consolidated assets amounted to NT\$5.14 trillion, representing a 3.9% YoY gain.

Shin Kong Life Insurance (SKL) posted a consolidated after-tax profit of NT\$10.229 billion, rebounding from losses in the previous year. The reversal owed primarily to capital gains from stocks and effective control over hedging costs. The consolidated shareholders' equity increased 19.0% YoY to NT\$188.633 billion. First-year premium (FYP) and total premium were NT\$64.164

billion and NT\$190.408 billion, increasing by 65.1% and 13.7% YoY, respectively. The company focused on high-value foreign currency regular-paid policies to lower hedging costs and accumulate contractual service margin (CSM). FYP from foreign currency policies reached NT\$43.634 billion and accounted for 68.0% of all premium in this sector. SKL also continued to achieve its CSM target of NT\$30 billion, as it has each year since 2020.

Shin Kong Bank (SKB) earned a consolidated after-tax profit of NT\$7.216 billion, gaining 6.3% YoY to reach a record high. Net fee income grew by 29.3% YoY, with wealth management income rising by 31.7%, driven by sales momentum from both mutual funds and bancassurance products. SKB continued to grow steadily, with consolidated total assets topping NT\$1.3 trillion. With a focus on balancing returns and risk management, the bank grew its loan business by 6.0% YoY, while maintaining solid asset quality. The bank had a non-performing loan (NPL) ratio of 0.12% and a coverage ratio of 1,086.63%.

MasterLink Securities benefited from the favorable performance of the Taiwan stock market, which rose by 28.5% over the year. The company's consolidated after-tax profit reached NT\$3.4 billion, up 36.1% to its second-highest level. Growth momentum primarily came from brokerage operations, which captured a seventh-ranking 3.22% market share, with proprietary and new financial business also performing well. MasterLink Securities actively diversified income streams, with its sub-brokerage market share at 2.98%, also ranking seventh. In wealth management, the company grew averaged assets under management by 16.7% YoY to NT\$16.482 billion.



Results from other subsidiaries: Shin Kong Investment Trust's average asset management scale and after-tax profit grew by 14.5% and 39.4% YoY, respectively. Shin Kong Property Insurance Agency's premium income and after-tax profit increased by 7.3% and 9.1%, respectively, compared to the previous year. Shin Kong Venture Capital's after-tax profit rose by 3.4% compared to the previous year.

Under the strategy of "Digital Roots, Driving Transformation," SKFH increased its digital customer base to 3.25 million users, representing an adoption rate of 85% for key digital products and services and a 95% automation process rate. The e-insurance rate for SKL reached 96.6%, digital transactions at SKB accounted for 91%, and 85% of trades at MasterLink Securities were digital. SKFH and its subsidiaries received multiple awards for digital services both domestically and internationally. In response to the government's push for technology-based fraud prevention, SKFH established an industry risk alliance and engaged in cross-financial industry collaborative learning on fraud prevention technologies. The company utilized synthetic data and collaborative learning privacy-enhancing technologies to create a shared ecosystem for life insurance claims, ensuring fairness in customer treatment. The group jointly developed the collaborative "SKFH Group AI Plus as a Service Platform" for AI research and talent sharing. The platform earned the "Best in Future of Work" in the IDC Future Enterprise Awards, the Global Banking and Finance Review for "Excellence in Innovation - Financial Holding Company Taiwan" and the Global Business & Finance Magazine for "Best Business IT Innovation Taiwan" among other international accolades. SKFH integrated ecosystem partner resources to further tap synergies in technology R&D, fostering over 100 digital seed "SPARK Heroes" at the company and its subsidiar-

ies. It also continued to participate in the Digital Youth T Ambassador Program to share new trends and research outcomes through "Shin Kong Digital Day – AI Navigation, Generating a New Financial Landscape". Additionally, a joint "Digital Star" annual innovation competition was held to showcase best practices in digital innovation finance.

SKFH integrated resources from its subsidiaries, continuing to enhance business collaboration through a cross-selling platform to maximize marketing synergy. In 2024, the benefits of such integration reached NT\$4 billion, up 26% YoY. Growth in premium through bancassurance channels rose by 73%, fund sales through group collaboration increased by 17%, and securities account openings grew by 8%. In key customer segments, SKFH utilized big data analytics to uncover potential financial needs and preferences of high-value customer groups to achieve more effective customer management. The company also deepened its product reach in the corporate client segment, providing a diverse and complete line of products and services to maximize cross-selling synergies.

Over the years, SKFH has consistently advocated "low carbon, innovation, and the common good" as its three major environmental, social and governance (ESG) sustainable values. The company is committed to aligning its corporate governance with international standards. SKFH's continuous improvements in sustainability practices have earned it selection as a member of the Dow Jones Sustainability World Index (DJSI World) for four consecutive years and inclusion in the Dow Jones Sustainability Emerging Markets Index (DJSI Emerging Markets) twice, ranking first among insurers worldwide. Additionally, SKFH's position in the MSCI ESG Ratings significantly improved from BBB to the

highest rating of AAA, ranking in the top 16% of the industry. In Taiwan, SKFH and its subsidiaries received over 30 awards, including the Ministry of Environment's National Enterprise Environmental Protection Award and the Executive Yuan's National Sustainable Development Awards, showcasing SKFH's rise to the forefront of sustainable development both domestically and internationally.

To implement sustainable finance, SKFH and its subsidiaries proactively adhere to the United Nations' Principles for Responsible Investment (PRI), Principles for Sustainable Insurance (PSI), Principles for Responsible Banking (PRB), and Equator Principles. The company promoted responsible investment, financing, and lending, as well as ESG financial products. Amid rising global attention to climate issues, SKFH passed the Science Based Targets initiative (SBTi) review in February 2024, demonstrating its commitment to climate change mitigation. It also revised its Sustainable Finance Policy to address the climate change risks of high-carbon industries and signified plans to gradually exit coal and non-conventional oil and gas industries.

Apart from the climate issue, SKFH is deeply engaged in social and human rights issues. In partnership with company volunteers, SKFH engages in inclusive finance, health promotion, and financial education activities, while also creating a diverse, equal, and inclusive (DEI) workplace for its employees. In 2024, representation of women in management positions and on the board of directors at SKFH surpassed that of private sector peers. The company set a goal to achieve a 30% ratio of female executives by 2025. Furthermore, SKFH provides comprehensive employee support programs and benefits, such as two additional days of paid family care leave. Shin Kong Life (SKL), Shin Kong Bank (SKB),

and MasterLink Securities provide employees with two days of fully paid maternity/paternity leave annually, providing a robust support system to help employees balance career development with family care.

SKFH and its subsidiaries were also recognized for their business achievements with numerous domestic and international awards. The company's outstanding performance in sustainability has not only garnered international recognition but also resulted in its continuous selection for three consecutive years as one of Taiwan's Top 100 Sustainable Enterprises. It also earned three top awards at the Global Corporate Sustainability Awards. SKL won the "Corporate Excellence Award" in the Asia Pacific Enterprise Awards, as well as three national awards at the National Brand Yushan Award. The company took two honors in the Taiwan Sustainability Action Awards (TSAA), as well as three awards in the GCCA Greater China Excellence Customer Service Awards. SKB was selected three times for the "Best Companies to Work for in Asia" and received the "Taiwan Sustainable Action Awards", and two awards each for the "Wealth Management Awards" by Wealth Magazine and "Outstanding Bank Evaluation" by Excellence Magazine. MasterLink Securities received two honors from the National Brand Yushan Award, four awards in the Business Today Wealth Management Bank and Securities Evaluation, as well as three awards for the Taiwan Sustainability Action Awards and Taiwan Sustainable Investment Awards. Shin Kong Investment Trust received the Benchmark Taiwan Annual Fund Awards. These external accolades attest to the outstanding operational performance and achievements of SKFH and its subsidiaries.

Overview of 2025 Business Plan

SKFH has adopted "Advancing Together, Jointly Creating New Opportunities" as the theme of its strategy in 2025. The company will adhere to prudent business principles to enhance performance across its operations and subsidiaries, strengthen capital utilization efficiency and risk management mechanisms, and pursue a management policy based on the following business plans:

1 . Enhancing High-Value and New Profit Sources to Increase Earnings and Strengthen Capital Adequacy

- (1) SKFH's core business is to effectively manage subsidiaries and guide their strategic development to improve operating performance, maximize capital efficiency, and thereby increase overall profitability and strengthen capital adequacy. SKFH will also help subsidiaries to enhance high-value and new business profit sources, expand the asset scale of its banking and securities subsidiaries, and supervise SKL's alignment with the IFRS17 and ICS 2.0 international standards to expand its business scope and depth and optimize subsidiaries' asset structures.
- (2) SKL will continue to emphasize value-focused products and promote the sales of protection products, foreign currency policies, and investment-linked policies. The company aims to accumulate CSM while continually reducing cost of liability with a focus on strengthening risk management and controlling hedging cost, optimizing asset allocation, expanding operational scale to increase production capacity, and enhancing self-owned capital to reduce risk capital. These initiatives aim to bolster the company's RBC ratio in line with international standards.
- (3) Under a mandate to enhance capital efficiency, SKB will proactively expand its core business to further grow its lending scale and stabilize interest income. Additionally, the bank will optimize its deposit structure to lower funding costs while maintaining good liquidity. It will also upgrade businesses related to non-interest income, and bolster cross-selling benefits in the lending process within SKB and cross-selling benefits within SKFH to enhance overall fee income, while dynamically adjusting investment positions to improve financial market returns.
- (4) MasterLink Securities will strengthen customer service capacity and create a friendly service brand. The company will expand and diversify revenue sources and increase the level of service revenue; optimize digital promotion models and build customer brand recognition; adjust portfolio strategy to generate stable returns; enhance benefits of investment enterprises and expand profits in advantageous areas; and focus on compliance to enhance customer treatment and discover sustainable business opportunities.

2 . Deepening Cross-Selling Synergies

(1) Strengthening Bancassurance Sales Momentum and Promoting Growth in Value-Focused Product Sales:

SKFH will continue to enhance the sales momentum of bancassurance products and increase the share of value-focused products to meet client protection needs at all life stages. The company will utilize data mining to support customer segmentation and discovery of insurance needs. It will also provide tailored protection plans for target groups, including young professionals, sandwich generation family members, people nearing retirement, and retired senior citizens.

(2) Digitally Optimizing Cross-Selling Processes to Enhance Customer Financial Experience:

SKFH will continue to employ digital technology in ongoing optimization of product and service cross-selling to improve the overall customer experience. It aims to increase operational efficiency while enhancing customer satisfaction, thereby maximizing the effectiveness of cross-selling among subsidiaries and expanding its customer base.

(3) Enhancing Corporate Financial Effectiveness to Increase Engagement and Contribution:

Subsidiaries' corporate products and channels resources will be integrated to deliver customized corporate financial products and services meeting clients' financial planning, operational management, and funding needs. This approach aims to provide one-stop, tailored solutions for corporate clients to deepen their engagement and loyalty and thereby enhance the overall contribution to SKFH.

3 . Boosting Digital Revenue and Strengthening Digital Efficiency

(1) Customer-Centric Digital Transformation Strategy:

A continued commitment to a customer-centric philosophy will drive the active integration of digital channel resources across the group. OMO (Online Merge Offline / Offline Merge Online) strategies will be leveraged to enhance collaboration between online and offline channels, cross-company customer segmentation and diversion synergy, and customer self-service convenience. Artificial Intelligence (AI) technologies will be integrated to build innovative business models and further position SKFH as the most trusted digital financial brand for customers.

(2) Integrating Digital Technology to Create Innovative Operational Models:

SKFH continues to introduce emerging technology resources to optimize and innovate its operational structures. Leveraging ecosystem resources, the company is fast-tracking the embedding of AI into operating processes, enhancing data applications in cross-industry risk alliances, and introducing an AI No-Code service platform for operational scenarios to strengthen the group's digital innovation capabilities and boost business development synergies.

(3) Empowering Employees to Drive Comprehensive Transformation:

SKFH will continue to partner with government and academic resources to accelerate employee transformation, with an emphasis on continuous improvement in digital talent development systems. Related initiatives include hosting AI educational programs and practical workshops to cultivate workforce technological skills, enhance digital literacy, and foster employee growth as effective "AI Enablers."

4 . Implementing Corporate Governance and Responding to International Disclosure Standards with Continued Enhancement of ESG Risk Management and Information Disclosure

- (1) SKFH will continue to improve its corporate governance structure to enhance its governance ranking. In addition to strengthening the effectiveness management of compliance and internal controls, the company will emphasize promotion of the principles of fair customer treatment. In policy formulation and implementation, it aims to internalize and practice the spirit of fairness, creating a friendly financial environment to enhance customer trust in the brand and contribute to sound corporate operations.
- (2) In 2025, SKFH will bid for re-selection as a component stock of the Dow Jones Sustainability Indices (DJSI) World Index. In response to the guidelines released by the regulatory authority in 2023 regarding roadmap for Taiwan listed companies to align with IFRS sustainability disclosure standards, a dedicated project team has been established to implement these ESG standards. The framework will enable SKFH to gradually introduce IFRS sustainability disclosure standards (S1 & S2). The company will also enhance climate risk management by expanding focus to include biodiversity and human rights issues, while assessing their relevance to financial information.

Future Development Strategy

Looking to the future, SKFH will continue to pursue stable profits, integrate group resources and provide best financial products and services. It aims to enhance sustainability performance and optimize the customer experience through digital financial technology to realize sustainable corporate value. SKFH's medium to long-term development strategy will remain focused on progress in the following six directions. At the same time, it will develop specific operational plans to build up a foundation for sustainable operations:

- Enhance high-value and new business profit sources
- Expand business scale and optimize subsidiary asset structure
- Increase profits and strengthen capital adequacy
- Deepen synergies from joint marketing
- Increase digital revenue and enhance digital performance
- Implement corporate governance and promote sustainable operation

Additionally, to implement its long-term growth strategy, SKFH aims to merge with and acquire complementary companies that can effectively harness synergistic benefits for the company and bolster the profitability and scale of its banking and securities subsidiaries. To this end, SKFH received shareholder approval for the merger with Taishin Financial Holdings on October 9, 2024 and a regulatory review by the Fair Trade Commission on January 8, 2025. The merger was approved by the Financial Supervisory Commission on March 31, 2025, and the following process will proceed.

The merger offers significant complementarity and collaborative benefits, both business and financial, by joining the insurance-focused SKFH and banking-centered Taishin Financial Holdings. The combined entity will have a total asset scale expected to exceed NT\$8 trillion, making it the fourth largest financial holding company in Taiwan. The new entity aims to secure a place among the top six in the banking, insurance, and securities markets, maintain a fourth-place ranking in the life insurance premium market, improve banking loan and deposit scales to sixth place, advance in the brokerage market to fourth place, and increase underwriting scale to second place. Leveraging economies of scale and joint marketing among subsidiaries, such as collaborations between life insurance and banking as well as banking and securities, the merged company will be positioned to facilitate client and business referrals and maximize overall operational effectiveness. Additionally, the complementary balance of asset portfolios and profit structures post-merger is expected to foster a more substantial operational scale, a robust financial structure, and improved capital adequacy, thereby improving the company's resilience against future economic downturns or market volatility.

Chairman 
Shin Kong Financial Holding Co., Ltd.



SKFH Overview

Corporate Overview

Shin Kong Financial Holding (SKFH) was established on February 19, 2002. It is headquartered at the Shin Kong Life Tower, a financial landmark building in Taipei. SKFH is committed to sustainable operations, corporate social responsibility, and corporate governance. The company has extensive operations serving over six million customers through its subsidiaries Shin Kong Life Insurance, Taiwan Shin Kong Commercial Bank, MasterLink Securities, Shin Kong Investment Trust, Shin Kong Property Insurance Agency, and Shin Kong Venture Capital International.

SKFH also supports its development in overseas markets through ongoing exchanges with financial groups in China, Japan, and Southeast Asia to collect market information, follow international trends, increase overseas earnings, and

expand operations related to OIU, OBU and OSU. The company also actively draws on group resources to develop in the ASEAN market, as well as strengthens local relationship management and bilateral economic and trade cooperation to seize business opportunities.

For more than six decades, the Shin Kong group has been cultivating the Taiwan market, accumulating experience, building trust, and winning customer affirmation. In the future, it will continue to embrace a business approach rooted in integrity, innovation, service, and giving back to society. With a core development strategy based on the three main engines of insurance, banking, and securities, SKFH is committed to growing as an outstanding financial institution for customers, shareholders, and employees alike.

Business Locations

Company	Number of branches
Shin Kong Financial Holding	1
Shin Kong Life Insurance	335
Shin Kong Bank	104
MasterLink Securities Corporation	43
Shin Kong Investment Trust	3
Shin Kong Property Insurance Agency	1
Shin Kong Venture Capital	1

The Total Number of Employees

Information as of 2024/12/31

Company	Number of employees
Shin Kong Financial Holding	115
Shin Kong Life Insurance	10,192
Shin Kong Bank	3,902
MasterLink Securities Corporation	1,709
Shin Kong Investment Trust	101
Shin Kong Property Insurance Agency	13
Shin Kong Venture Capital	4
Total	16,036

Credit Ratings

The list below shows credit ratings of SKFH and its major subsidiaries

Information as of 2025/4/17

Shin Kong Financial Holding

Agency	Global Long-term	Global Short-term	National Long-term	National Short-term	Outlook
Taiwan Ratings	--	--	twA	twA-1	Positive

Shin Kong Life Insurance

Agency	Global Long-term	Global Short-term	National Long-term	National Short-term	Outlook
Taiwan Ratings	--	--	twA+	--	Positive
Standard & Poor's	BBB-	--	--	--	Positive

Agency	Global Long-term	National Long-term	Outlook
Fitch (1)	BBB	A+	Positive

(1) The release date for Fitch's credit rating is April 17, 2025.

Shin Kong Bank

Agency	Global Long-term	Global Short-term	National Long-term	National Short-term	Outlook
Taiwan Ratings	--	--	twA+	twA-1	Positive
Standard & Poor's	BBB-	A-3	--	--	Positive

MasterLink Securities Corporation

Agency	Global Long-term	Global Short-term	National Long-term	National Short-term	Outlook
Taiwan Ratings	--	--	twA	twA-1	Positive



Management Team

Information as of : 2024/12/31



Wei, Mark

Chairman
Shin Kong Financial Holding
— Concurrently —
Chairman
Shin Kong Life Insurance



Wu, Tung-Ming

Vice Chairman
Shin Kong Financial Holding



Chen, Stephen

President
Shin Kong Financial Holding
— Concurrently —
Chairman & President
Shin Kong Venture Capital



Hung, Michael

Vice Chairman
Shin Kong Life Insurance



Huang, Min-Yi

President
Shin Kong Life Insurance



Lai, Chin-Yuan

Chairman
Shin Kong Bank



Lee, Bruce

President
Shin Kong Bank



Chen, Chun-Hong

Chairman
MasterLink Securities Corporation



Chang, Ching-Fa

President
MasterLink Securities Corporation



Liu, Kun-Hsi

Chairman
Shin Kong Investment Trust



Chen, Wen-Hsiung

President
Shin Kong Investment Trust



Huang, David

Chairman
Shin Kong Property
Insurance Agency



Lin, Jason

President
Shin Kong Property
Insurance Agency

SKFH Highlights

Unit: NT\$ Thousands

Year	2024	2023
Capital	195,862,573	176,470,204
Consolidated total assets	5,144,862,564	4,952,418,212
Consolidated shareholders' equity	283,933,638	246,080,306
Consolidated net income	20,457,169	(7,324,305)
EPS (NT\$) ⁽¹⁾	1.25	(0.48)
Return on equity (%)	7.72%	(3.20%)
Return on assets (%)	0.41%	(0.15%)

(1) :The after-tax earnings per share (EPS) for 2024 and 2023 would be NT\$1.95 and NT\$-1.21, respectively, if the foreign exchange volatility reserve mechanism were not adopted.

2024 Asset Mix by Subsidiary (Subsidiary's Share in Percentage)

Unit: NT\$ Thousands

Subsidiary	Total Assets	Share of Total (%)
Shin Kong Life Insurance	3,699,006,136	71.50587%
Shin Kong Bank	1,322,157,084	25.55876%
MasterLink Securities	148,558,956	2.87181%
Shin Kong Investment Trust	970,350	0.01876%
Shin Kong Property Insurance Agency	202,042	0.00391%
Shin Kong Venture Capital	2,115,626	0.04090%
Total	5,173,010,194	100.00000%

Unit: NT\$ Thousands

	Year	Total Assets	Shareholders' Equity	Operating Revenue	Net Income
Shin Kong Life Insurance	2024	3,699,006,136	188,201,831	318,664,771	10,157,479
	2023	3,587,524,301	158,037,038	259,429,519	(17,192,701)
Shin Kong Bank	2024	1,322,157,084	77,614,674	21,294,705 ⁽¹⁾	7,215,922
	2023	1,265,754,607	74,917,454	19,896,804 ⁽¹⁾	6,791,448
MasterLink Securities	2024	148,558,956	31,117,420	11,000,140 ⁽²⁾	3,400,125
	2023	134,063,795	29,884,248	8,216,217 ⁽²⁾	2,498,923
Shin Kong Investment Trust	2024	970,350	807,955	420,734	96,543
	2023	919,946	752,878	363,699	69,278
Shin Kong Property Insurance Agency	2024	202,042	119,601	517,662	87,152
	2023	190,954	111,611	478,384	79,907
Shin Kong Venture Capital	2024	2,115,626	1,953,691	148,263	115,477
	2023	2,157,059	1,849,678	132,761	111,692

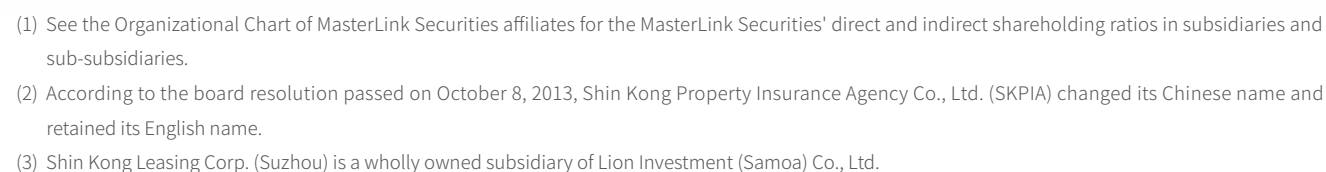
(1) : Net operating income is disclosed since there is no operating revenue category under the Regulations Governing the Preparation of Financial Reports by Public Banks.

(2) : Income is disclosed since there is no operating revenue category under the Regulations Governing the Preparation of Financial Reports by Securities Firms.

(3) : Stand-alone figures.



Honors and Achievements



- ▶ SKFH was selected for the fourth time as a constituent stock of the DJSI World Index, ranking first globally in Insurance Industry Group. The company was also continued including in the DJSI Emerging Markets Index
- ▶ SKFH was rated AAA in MSCI ESG Ratings (the highest scale)
- ▶ SKFH won the 2024 National Sustainable Development Awards
- ▶ SKFH won the 2024 National Enterprise Environmental Protection Award - Bronze Award
- ▶ SKFH was selected as a constituent stock in the 2024 "FTSE Sustainability Index Series"
- ▶ SKFH was selected as FTSE4Good TIP Taiwan ESG Index constituent
- ▶ SKFH won the "Taiwan Top 100 Sustainable Enterprise Award," "Sustainability Reporting Award - Finance and Insurance Platinum Award," and "Age-Friendly Leadership Award" in the 2024 Taiwan Corporate Sustainability Awards (TSCA)
- ▶ SKFH won the 2024 "Sustainability Reporting Award - Bronze Award" and two "Best Practice Awards" in the Global Corporate Sustainability Awards (GCSA)
- ▶ SKFH won the "SDG 8 Employment and Economic Growth - Silver Award" and "SDG 13 Climate Action - Bronze Award" in the 2024 Taiwan Sustainability Action Awards (TSAA)
- ▶ SKFH won the "SDG 8 Employment and Economic Growth - Silver Award" and "SDG 4 Quality Education - Bronze Award" in the 2024 Asia-Pacific Sustainability Action Awards (APSAA)
- ▶ SKFH won "Bronze Award" in the 2024 Taipei Workplace Gender Equality Certification
- ▶ SKFH won the 2024 CommonHealth Magazine Corporate Health Responsibility Award in the "Large Enterprise Group Financial Industry Category - Silver Award"
- ▶ SKFH received the 2024 "Best Green Tech Solution for ESG Taiwan" from World Economic Magazine Awards
- ▶ SKFH earned the Green Label from the Taiwan Alliance for Net Zero Emission
- ▶ SKFH earned the 2024 "Excellence in Innovation - Financial Holding Company Taiwan" and "Best Sustainable Development Company Taiwan" from Global Banking & Finance Review Awards®
- ▶ SKFH won the 2024 "Best Business IT Innovation Taiwan" and "Best Green Initiative Taiwan" from Global Business & Finance Magazine Awards
- ▶ SKFH won the "Best in Future of Work" in the 2024 IDC Future Enterprise Awards

- ▶ SKL won "Most Popular Brand Award," and "Best Product Award," earning the honor of "National First Prize" for the "Most Popular Brand Award," in the 21st National Brand Yushan Award
- ▶ SKL won the "SDG 4 Quality Education - Silver Award" and "SDG 13 Climate Action - Silver Award" in the 2024 Taiwan Sustainability Action Awards (TSAA)
- ▶ SKL won third place in the 2024 Financial Supervisory Commission's Insurance Competition for Micro-Insurance in the "Insurance Group," as well as "Disability Care Award" and "Business Excellence Award"
- ▶ SKL was recognized by the Department of Environmental Protection, Taipei City Government as an "Outstanding Unit in Green Procurement for Private Enterprises and Groups"
- ▶ SKL won second place in the "Buying Power Social Innovation Product and Service Procurement Reward" and the "Sustainable Deep Cultivation Group Social Innovation Special Award" from the Ministry of Economic Affairs
- ▶ SKL received multiple awards in the 26th Insurance Faith, Hope, and Love Awards, including "Best Social Responsibility Award," "Best Contribution in Insurance Education Award," "Best Insurance Professionalism Award," "Best Channel Strategy Award," "Best Integrated Marketing and Communication Award," "Best Communication Department Award - Hemei Communications Office," and "Most Popular Insurance Company - First Place"
- ▶ SKL won the 2024 International Innovation Awards (IIA) in the "Service and Solution" category
- ▶ SKL won the "Corporate Excellence Award" in the 2024 Asia Pacific Enterprise Awards (APEA)
- ▶ SKL won the 2024 Customer Service Excellence Awards (CSEA) for "Best Customer Experience Enterprise," "Best Service Innovation Enterprise," "Best AI System Applications Team," "Best Customer Service System Supervisor," "Best Customer Service System Star," "Best AI Instructor," and "Best Field Management Supervisor"
- ▶ SKL won special awards for "Best-known Company," "Best Agents," "Best Claims Service," "Most Recommended Company" in the 2024 Insurance Quality Award
- ▶ SKL won the Excellence Award in the 2024 Dragon and Phoenix Award for Insurance in the life insurance "Back Office" and "Field Operations" categories
- ▶ SKL's smart customer service "Xiaoxin" was certified at the "Level AA" standard for web accessibility
- ▶ SKL earned the ISO45001 and Taiwan Occupational Safety and Health Management Systems (TOSHMS) verifications
- ▶ SKL won the Greater China Excellence Customer Service Awards (GCCA), including the "Comprehensive Customer Service Excellence Award," "Innovative Intelligent Customer Service Award," and "Top Marketing Innovative Experience Award"
- ▶ SKL won the "Innovative Design of the Year Award" and "Outstanding Customer Satisfaction Award" in the 18th Golden Torch Award
- ▶ SKL won the 2024 "Trusted Brand Award" in the 26th Reader's Digest Award
- ▶ SKL obtained utility model patents for its "Sustainability Audit System" and "Cross-Company Data Warning System"
- ▶ SKL won the "Corporate Social Responsibility Award" in the insurance category of the 2024 Want Want China Times Financial Services Evaluation
- ▶ SKL won the "Best Performance Award" in the 2024 Financial Education Contribution Award
- ▶ SKL won the "Excellence Awards" for "Claims Service," "Digital Finance," and "Public Service" in Excellence Magazine's 2024 Taiwan Insurance Excellence Award

- ▶ SKB acquired the "Information Security Management System ISO/IEC 27001:2022" certification
- ▶ SKB won the "Best Customer Recommendation Award" and "Best Print Marketing Award" in Wealth Magazine's 2024 Wealth Management Award
- ▶ SKB won the Taiwan Clearing House's "ACH Collection Business Growth Award," "ACH Insurance Deduction Business Promotion Award," and "eDDA Business Excellence Award"
- ▶ SKB won the "Outstanding Award for Growth of Financing Amount to New Southbound Policy Countries" from the Overseas Credit Guarantee Fund
- ▶ SKB won the 104 Job Bank's inaugural 2024 "Best Employer Brand Award"
- ▶ SKB was recognized by HR Asia Magazine as one of Taiwan's "Best Companies to Work for in Asia" in 2024 and received the "Diversity, Equality, and Inclusion Award"
- ▶ SKB won the Grade A Award for "Domestic Banks Strengthening Implementation of SME Loan Programs"
- ▶ SKB received the Grade A Award for "Incentives for Domestic Banks to Implement Loan Programs for the Six Major Core Strategic Industries"
- ▶ SKB won the "SDG 10 Disability-Friendly Empathy - Silver Award" in the 2024 Taiwan Sustainability Action Awards (TSAA)
- ▶ SKB won the "Best Social Inclusion Award" and "Best Wealth Management Team Award" in Excellence Magazine's 2024 Outstanding Bank Evaluation
- ▶ SKB won the 2024 BSI "Digital Trust Elite Award"
- ▶ SKB was nominated for the Eighth "PwC Sustainability Impact Awards"
- ▶ SKB won "Shortlisted Award" in the 2024 Taipei Workplace Gender Equality Certification
- ▶ SKB won first place in the Ministry of Economic Affairs' "Buying Power Social Innovation Product and Service Procurement Award"
- ▶ SKB won the 2024 Financial Information Systems Annual Meeting's "Interbank Service Innovation Award"
- ▶ SKB was nominated for the "Experience Design Award" in the Product category in the 2024 UX Design Awards
- ▶ SKB won the "Sustainability Reporting Award - Finance and Insurance Gold Award" in the 2024 Taiwan Corporate Sustainability Awards (TSCA)

- ▶ MasterLink Securities won the "Outstanding Enterprise Award" and "Best Product" in the 21st National Brand Yushan Award
- ▶ MasterLink Securities won the "Best Smart Financial Management Award," "Best Product Award," "Best Customer Satisfaction Award" and "Most Senior Friendly Award" in the 2024 Business Today Wealth Management Bank and Securities Evaluation
- ▶ MasterLink Securities won the "Best Customer Recommendation Award," "Best Social Empowerment Award," and "Best Print Marketing Award" in securities industry group in Wealth Magazine's 2024 Wealth Management Award
- ▶ MasterLink Securities won the "Sustainability Bond - Bronze Award" and "ESG Innovation - Bronze Award" in the 2024 Taiwan Sustainable Investment Awards
- ▶ MasterLink Securities won the "SDG64 Educational Excellence - Gold Award" in the 2024 Taiwan Sustainability Action Awards (TSAA)
- ▶ MasterLink Securities won the "Best DEI Enterprise Gold Award," "Best Female Empowerment Enterprise Award" and "Best Rainbow Friendly Enterprise Award" in the 2024 DBTA Diversity & Inclusion Vision Award
- ▶ MasterLink Securities won the "Best Technology Innovation Award" and "Best ESG Sustainability Award" in Excellence Magazine's 2024 Excellence Securities Rating
- ▶ MasterLink Securities won second place in the "IRS Trading Platform Quotation Award" from Taipei Exchange
- ▶ MasterLink Securities won the "Digital Transformation Award" at the Second IT Matters Awards
- ▶ MasterLink Securities won the "Excellence Award" in the 2024 Securities Firm Anti-Fraud Evaluation
- ▶ MasterLink Securities won the "Gold Award" and "Creativity Award" in the Taipei City Workplace Gender Equality Certification
- ▶ MasterLink Securities won the Taipei City Government's "2024 Childcare-Friendly Career Award" in the benchmark enterprise category
- ▶ MasterLink Securities was certified as a "Senior-Friendly Enterprise" by the Taipei City Government
- ▶ MasterLink Securities won the "Participation Award" in the Ministry of Economic Affairs' "Buying Power Social Innovation Product and Service Procurement Award"

▶ SKIT won the 2024 BENCHMARK "Taiwan Annual Fund Awards"



Business Plan

Shin Kong Life Insurance

2024 Operations Overview

Shin Kong Life Insurance (SKL) continued to pursue a prudent business strategy aimed at building product value to adopt international accounting standards. In 2024, the company's consolidated total assets reached NT\$3.7 trillion, while consolidated shareholders' equity rose 19.0% year-over-year to NT\$188.63 billion. First-year premium (FYP) was NT\$64.16 billion, reflecting an annual growth of 65.1%. Furthermore, total premium for the year saw a 13.7% increase, amounting to NT\$190.41 billion, securing a market share of 7.8% and a fourth-place ranking within the industry.

Focal Strategic Products and Value Accumulation

SKL deepened its presence in the Taiwanese insurance market by promoting value-driven products and foreign currency policies, systematically building up its contractual service margin (CSM) to align with the IFRS 17 and ICS 2.0 standards.

In 2024, SKL saw outstanding performance in its New Taiwan dollar (NTD) and foreign currency interest-sensitive life policies. The company also advanced a dual-pronged strategy to drive sales of health and accident insurance, significantly enhancing policy value. The top-selling new product for 2024 was "SKL Go-Ping-An-New Whole Life Accident Insurance," with 22,000 policies sold in just four months. This policy offers comprehensive accident coverage and is complemented by the "SKL Good-Li-In Rider," further solidifying SKL's reputation as a leader in accident insurance.

SKL's foreign currency policies also gained considerable momentum among policyholders, with sales up by 102.7% over the 2023 level to reach NT\$43.63 billion. Policies in the segment accounted for 68.0% of total FYP, securing SKL's position as the industry leader.

Solidifying Digital Services and Boosting Channel Productivity

SKL remained committed to digital innovation in 2024. The company became the first insurer to implement NFC technology, allowing customers to conveniently complete identity verification via smartphones. This advancement enhanced transaction security and user experience, enabling customers to quickly and securely access services such as loan applications, partial surrenders of investment-linked policies, and policy changes from their smartphones.

SKL's official LINE account, mobile APP, and member service platforms continued to evolve as well. The company's mobile platform had over one million online members by the end of 2024, as well as over 5.06 million LINE followers, cementing SKL's industry-leading position.

SKL also rolled out the industry's first "AI Product Assistant" in 2024. Integrating generative AI with RAG technology, this tool further empower agents by helping them to carefully analyzes policy terms, enabling agents to quickly grasp product details and effectively respond in real-time customer interactions. The "AI Product Assistant" earned new utility model patent protection from the Taiwan Intellectual Property Office in 2024.

Commitment to Net-Zero and Sustainability

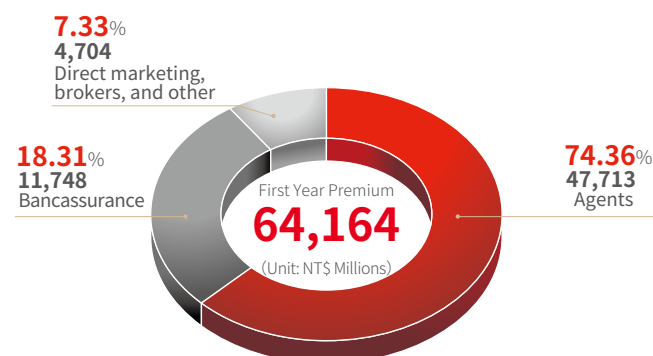
SKL supported SKFH's successful bid to remain in the Dow Jones Sustainability Index (DJSI) World Index for the fourth consecutive year and the Emerging Markets Index for the second consecutive year. The company was ranked first among global insurers assessed on sustainability and received high international plaudits for its initiatives in this area.

In 2024, SKL committed to enhancing climate change resilience by implementing four carbon reduction projects in line with its net zero carbon emissions plan. The company also executed responsible investment and green procurement practices, establishing a sustainable supply chain to mitigate the environmental impacts of its operations and foster positive cycles within the industry and society, with an emphasis on building value in sustainable finance.

In the area of talent development, SKL focused on creating an inclusive and supportive workplace environment, ensuring that employees receive comprehensive support in their professional growth and mental well-being, thereby enhancing corporate competitiveness. Additionally, SKL engaged deeply in strategic philanthropic activities. It's success in fostering a culture of corporate volunteerism is reflected in the average of 3.56 hours that each employee volunteers each year. It also underscores SKL's commitment to social responsibility.

Channel Mix

Unit: NT\$ Millions



Note: Due to rounding, figures may not add up to the total.

2025 Business Plan

Looking ahead, SKL will continue to concentrate on priority product marketing to stack policy value and facilitate alignment with the IFRS 17 and ICS. Furthermore, SKL aims to strengthen organizationally by leveraging digital marketing tools and establishing a digital culture to effectively reach target demographic segments and enhance business momentum. In the area of corporate sustainability, SKL will adhere to SKFH's sustainable strategic values of "low carbon, innovation, and common good" to achieve sustainable growth.

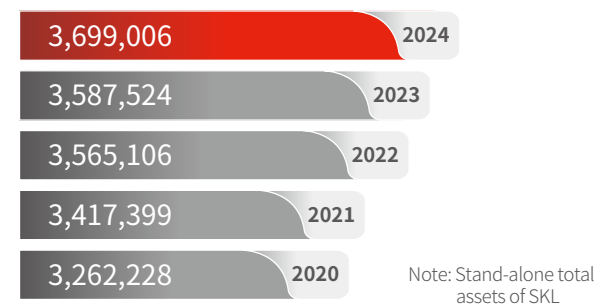
Integration of Product Channels and Focus on Value Accumulation

In 2025, SKL will maintain operations in the interest sensitive life insurance market and focus on increasing original premium income. NTD and foreign currency interest sensitive life insurance policies will be pivotal in enhancing premium scales, with the launch of competitive products aimed at improving customer protection, refining retirement planning, and facilitating asset inheritance. These initiatives are designed to build up CSM as SKL pursues its annual strategic objectives in alignment with international regulatory standards to achieve steady and sustainable growth.

Plans for 2025 include the introduction of structured bond investment-linked products to increase fee income in line with market conditions and trends. SKL seeks to grow the scale of discretionary and fund-type investment-linked policies in partnership with professional managing entities to increase brand value and cultivate steady income streams. Additionally, SKL aims to develop investment-linked policies with flexible payment options and global currency variations to meet the investment planning needs of policyholders.

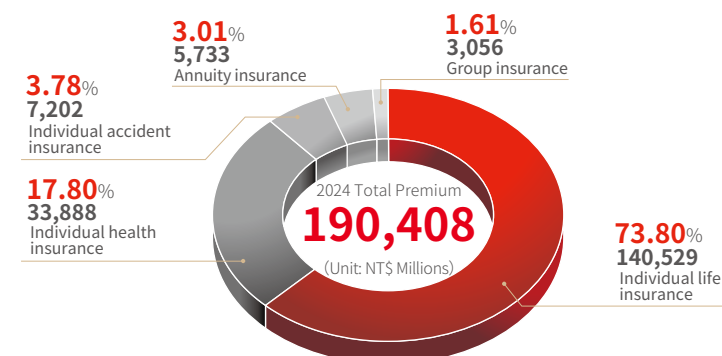
Last 5 Years—Total Assets

Unit: NT\$ Millions



Business Mix

Unit: NT\$ Millions



Strengthening Organizational Management and Deepening Customer Engagement

In 2025, SKL's organizational strategy will focus on "expanding organizational scale and enhancing performance capabilities." This will involve strategic promotion in four major areas:

- 1.Systems:** Reallocating resources for high productivity and returns.
- 2.Management:** Enhancing business functions and recruiting well-rounded talent.
- 3.Products:** Focusing on value-added products in line with international norms.
- 4.Organization:** Driving business productivity and organizational growth.

SKL will leverage its successful experience in implementing initiatives such as the "Elite Project," "Campus Intern Recruitment Project," and "Super Mentorship Pearl Project." It will also launch new programs, including the "Newcomer Initiatives" and "Light Recruitment Plans" to integrate recruitment training resources and expand organizational scale.

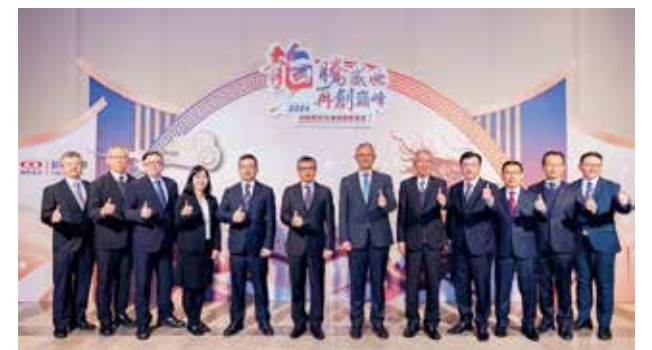
As part of its business transformation, SKL will also utilize digital technologies to progressively advance business process efficiency. In 2025, it will enhance various digital sales support tools, building upon the knowledge base of the "AI Product Assistant" to develop a more comprehensive version of the technology and bolster sales support to agents. Additionally, SKL will optimize tools like the "Smart Policy Health Diagnostic System" to deliver tailored services to each customer and convert customer capacity into channel productivity.

Committing to Sustainable Finance and Values

SKL remains committed to ethical management principles and continues to enhance corporate governance and optimize risk management mechanisms. The company aims to cultivate a transparent, equitable, and responsible business environment, improving governance effectiveness to ensure sustainable operations.

SKL values cooperation with diverse stakeholders, promoting fair customer treatment, inclusive finance, and philanthropic activities aimed at deepening partnerships with customers, employees, and communities in the pursuit of shared sustainable values. Facing the global trend of sustainable finance, SKL will continue integrating ESG principles into investment decisions and asset management processes, while actively supporting low-carbon transformations, green energy, and promising sustainable investments to fulfill its responsibility to sustainable investment.

Looking ahead to 2025, SKL will remain committed to sound operations and an innovative spirit, integrating financial expertise to seize sustainable opportunities and build a resilient, competitive enterprise to realize a more inclusive and sustainable future.



2024 Operations Overview

In 2024, Shin Kong Bank (SKB) continued to grow, with consolidated total assets reaching NT\$1.3 trillion, reflecting a year-on-year (YoY) increase of 4.4%. The capital adequacy ratio stood at 15.12%, while net revenue reached NT\$21.44 billion, up 7.2% YoY. Consolidated net income was NT\$7.22 billion, showcasing a robust overall performance.

Steady Growth in Deposits and Loans with Superior Asset Quality

SKB adhered to a prudent strategy aimed at enhancing profitability while maintaining high credit quality. In 2024, all business lines grew steadily. The deposit balances grew 2.4% compared to the previous year, while loan balances increased by 6.0%. Corporate lending reached NT\$321.63 billion, up 4.9% YoY. Consumer lending totaled NT\$534.03 billion, up 6.7% YoY, with higher-margin credit loan balances rising to NT\$83.58 billion, an increase of 7.2%.

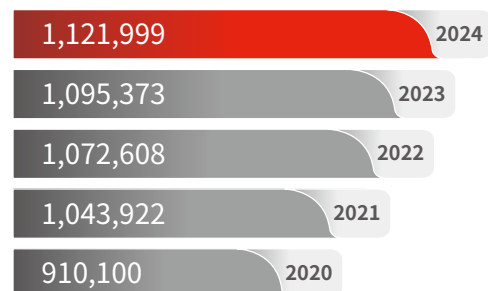
SKB implemented strict risk management practices across all of its business segments and adopted corresponding risk control measures. In 2024, asset quality remained excellent, with a non-performing loan (NPL) ratio of 0.12% and a coverage ratio of 1,086.63%, both outperforming the industry average.

Deepening Wealth Management Services with Recognition on Professionalism

SKB implemented customer segmentation management, planning exclusive rights and marketing offers for clients. This initiative enhanced services to high-net-worth and high-contribution clients to deepen customer relationships and loyalty. In 2024, wealth management income reached NT\$3.74 billion, reflecting a 31.7% YoY increase.



Last 5 Years – Deposit Balance Unit: NT\$ Millions



Note: Numbers exclude interbank deposits.

The bank received the "Best Client Recommendation for Domestic Banks" and "Best Print Marketing for Domestic Banks" in Wealth Magazine's Wealth Management Awards, as well as the "Best Social Inclusion Award" and "Best Wealth Management Team Award" from Excellence Magazine.

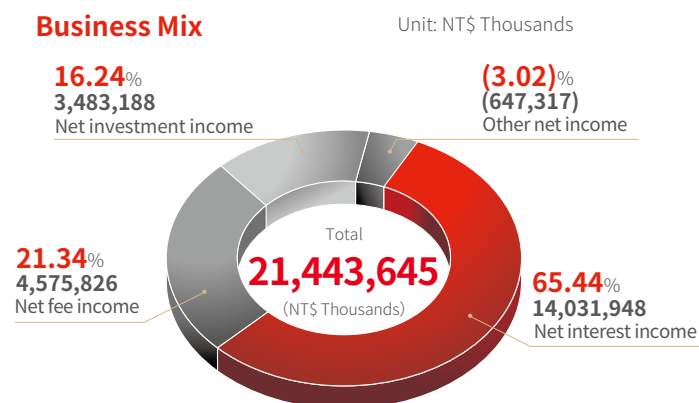
Accelerating Digital Transformation to Build Innovative Services

SKB committed to the value proposition of "being close to life and thinking for our clients," focusing on innovations in digital financial services and improving the customer experience. The bank won the "UX Design Awards" for global experience design optimization in recognition of its innovations in online banking and securities account opening processes, as well as for the integration of mobile banking and credit card apps.

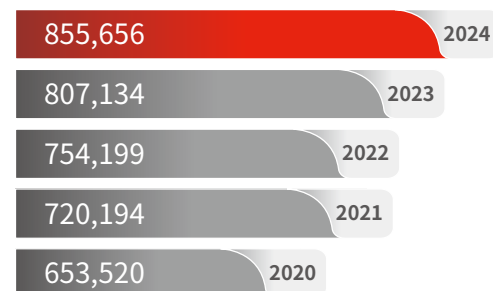
Promoting Low-Carbon Transformation with a Focus on Sustainability

SKB actively procured renewable energy and promoted carbon reduction in investments and financing. The bank received the "Taiwan Corporate Sustainability Award: Gold Award in the Financial and Insurance Sector." Additionally, it complied with the science-based carbon reduction targets set forth by SKFH. The bank committed to sustainable operations, targeting the issuance for sustainable performance-linked credits and green credit to total NT\$17.91 billion in 2024, up 2.4% YoY, driving industry transformation, and co-creating a sustainable future.

Business Mix



Last 5 Years – Loan Balance Unit: NT\$ Millions



Note: Figures include credit card revolving balances but exclude overdue receivables and indirect financing.

2025 Business Plan

Enhancing Loan Revenue and Steadily Increasing Profitability

- 1.Expanding overseas lending and cultivating business with small and medium enterprises:** SKB will accomplish these objectives through participation in syndicated loans with international investment-grade credit ratings. It aims to leverage Taiwan's Small and Medium Enterprise Credit Guarantee Fund to attract a diverse range of high-quality clients. To support this, SKB is building out a complete product line for corporate finance to increase accounts receivable and trade financing opportunities, thereby expanding its SME base.
- 2.Implementing a dual-engine strategy of mortgage and consumer loans to bolster consumer loan revenue:** SKB is working to build a portfolio of high-quality customers with mortgage loans as a springboard. This strategy is focused on low-risk clients with cross-selling opportunities to enhance both product revenue and fee income.

Optimizing Deposit Structure to Elevate Deposit Levels

- 1.Advancing cash management services:** SKB is optimizing e-collection and payment platforms for enterprises and continuing to promote GEB and salary transfers. It aims thereby to position as the primary bank for business transactions and increase the ratio of demand deposits.
- 2.Planning diverse deposit projects:** SKB is targeting various customer segments to reinforce local branch management and increase overall deposit levels.
- 3.Strengthening merchant business promotion:** The bank is seeking out acquiring momentum of demand deposits by developing a feedback mechanism for newly signed merchants in payment processing.

Strengthening Profit Structure to Increase Non-Interest Income

- 1.Expanding wealth management services:** SKB is optimizing internal control processes, implementing post-investment management, and attracting high-net-worth clients to increase assets under management (AUM). The bank is also enhancing referral dynamics among branches and leveraging cross-selling within its group.
- 2.Scaling up credit card merchant receipts:** The bank is targeting high-brand-recognition clients. Data analysis is used to identify high-contribution customer groups, offering them valuable additional benefits to deepen customer relationships.
- 3.Prudently operating in capital markets:** SKB monitors global political and economic trends to capitalize on market movements and enhance investment income.
- 4.Diversifying trust services:** SKB is leveraging distribution channels to promote real estate trusts, secure real estate transaction trusts, and money trusts while also expanding cross-sector partnerships in custody services.

Deepening Digital Development to Leverage Cross-Sales

- 1.Expanding the digital customer base:** SKB is working to deepen digital channels and partnerships to increase the number of joint customers in the group. Interactive digital tasks will further engage customers in the digital sphere.
- 2.Optimizing digital transaction processes:** SKB is planning to link to the Ministry of Digital Affairs' MY DATA platform to simplify online applications for credit cards, loans, and digital deposits, improving review speed and customer experience. The bank is also enhancing the digital transaction functionalities of its mobile banking app and developing native functionalities for fund order placements to optimize the digital wealth management experience.

- 3.Diversifying joint marketing:** SKB will promote new life insurance premiums, focusing on legacy policies complemented by long-term payment foreign currency products aimed at retirement planning clientele. Additionally, MasterLink Securities will help companies raise funds through IPOs and SPOs.

Nurturing Professional Talent and Building Human Capital

- 1.Developing leadership management:** SKB is establishing a training program for reserve supervisors, involving senior executives in coaching roles. This includes assessments and a learning map to develop competency courses, developing personalized development plans, and providing cross-disciplinary experiences.
- 2.Professional skills training:** SKB plans to systematically enhance employee professional knowledge while fostering their ability to integrate skills across different areas by optimizing the training map for professional positions.
- 3.Employees' sustainability literacy:** The bank is designing six core courses focusing on ESG, fair customer treatment, diversity and inclusion, digital AI, bilingual training, and self-directed learning to promote sustainable development among employees.

Upholding Compliance and Practicing Fair Customer Treatment

- 1.Enhancing compliance practices:** SKB will continue to implement compliance technology, optimize compliance controls, and streamline compliance procedures. The bank plans to integrate governance, risk, and compliance (GRC) perspectives to unify risk understanding and information across the second and third lines of defense to improve regulatory efficiency.
- 2.Promoting fair customer treatment:** SKB is establishing a top-down culture of fairness, including the establishment of a Fair Customer Treatment and Consumer Protection Committee to continually supervise the promotion of fair treatment at the bank.

Driving Net Zero Transformation for Sustainable Development

- 1.Achieving net zero:** SKB plans to identify clients with high carbon emissions and engage them in constructive dialogue through surveys, customer briefings, and participation in shareholder meetings.
- 2.Developing inclusive and sustainable products:** SKB is launching dedicated financing solutions for marginalized communities and promoting the Shin Kong ESG Card to foster a low-carbon financial ecosystem.



2024 Operations Overview

In 2024, the TAIEX surged against a backdrop of turmoil in the international political and economic spheres. The weighted index surged by 5,104.29 points, a record-beating annual gain of more than 28.5% for the bourse. The index closed the year at a new high of 23,035.10. The average daily trading volume for the stock exchange and OTC market reached NT\$524.72 billion, up 46% year-over-year (YoY), marking a significant increase in market capacity. MasterLink Securities reported net income of NT\$3.40 billion in 2024, or NT\$2.11 per share, its second-highest profit recorded to date.

Balanced Business Development and Continuous Growth

The twin rise in stock prices and trading volumes drove overall profit growth in 2024. MasterLink Securities saw significant revenue contributions in both brokerage and proprietary trading, as well as enhanced operational capacity and expansion in various business areas. The company outperformed in multiple areas, including scale of wealth management asset under management as well as securities lending market share and rankings. The company maintained a second-place market position in CBAS trading volume and advanced to the top-five in the warrants by expanding issuance limits, leveraging quantitative analysis, and strengthening hedging strategies.

Innovating Digital Services to Enhance User Experience

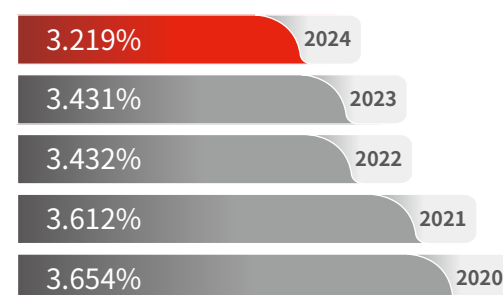
MasterLink Securities continued to innovate in digital services. The company launched a multi-account opening service that allows clients to establish securities, sub-brokerage, wealth management, and futures accounts through a single online application. Its proprietary mobile trading app "Hou Fu Tou" received five-star recommendations from investors. Trading functions were expanded to include ESG-themed stock selection, bonds through CBAS, and domestic futures. The "Cun Cai Fu" share deposit platform was upgraded to support regular and fixed trading of Taiwanese stocks, ETFs, and US stocks, offering a comprehensive digital experience. These products earned several digital awards, including the National Brand Yushan Award, showcasing the company's strong fintech capabilities.



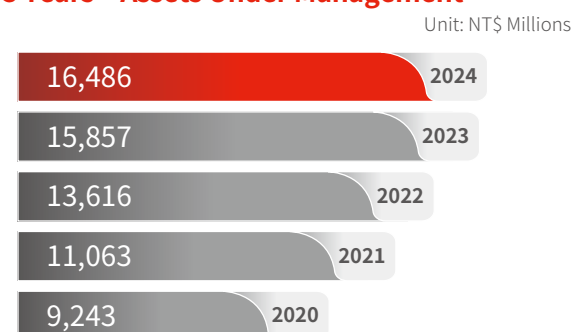
Commitment to Fair Customer Treatment and Sustainable Development

In the area of fair customer treatment, MasterLink Securities introduced inclusive financial products and services aimed at increasing participation in financial investments among lower-income individuals. The company intensified development of online financial education to broaden financial knowledge and raise awareness of fraud prevention. These initiatives were recognized with the gold award in the Taiwan Sustainability Action Awards - SDG04 Educational Excellence and an Outstanding Award from the Taiwan Stock Exchange for fraud prevention evaluations. It also excelled in sustainable investment themes and financing, receiving two bronze awards in the Taiwan Sustainable Investment Awards - ESG Innovation, Sustainable Bonds. In line with the principles of creating a happy workplace, MasterLink Securities promoted an age-friendly employment environment, achieving certifications as a "Senior-Friendly Enterprise" and "Childcare-Friendly Enterprise," showcasing a win-win situation for all stakeholders. The company was earned the DEI Diversity for a Better Tomorrow Award.

Last 5 Years—Brokerage Market Share & Ranking



Last 5 Years—Assets Under Management



2025 Business Plan

Following SKFH's mid-term strategy and critical operational directions, MasterLink Securities will remain focused on enhancing operational efficiency, expanding market profit sources, optimizing digital experiences, ensuring stable investment returns, and promoting ESG development. The company is committed to upholding professional service and innovative breakthroughs while enhancing operational capabilities and digital transformation in response to market challenges to strengthen the diverse values of sustainable operations.

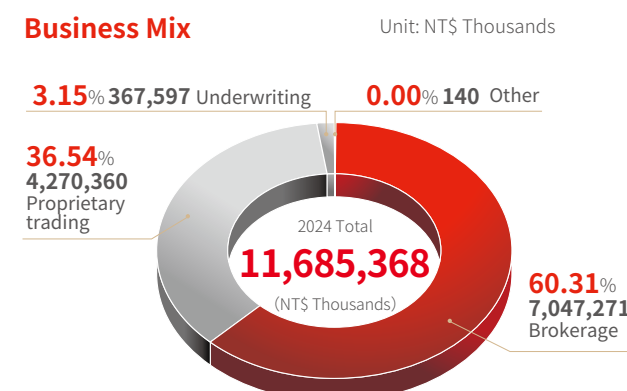
Enhancing Service Capacity and Building a Service Brand

MasterLink Securities will intensify interaction with clients and provide a high-quality ordering experience alongside highly customized services through various online and offline activities. The company is implementing a tiered approach to customer service to improve service capabilities and create a friendly service brand. Cross-industry partnerships will help the company to extend the core advantages of channels, digital presence, and branding by offering a diverse range of popular products and strengthening services for institutional investors, enhancing the circular benefits of investment trust collaboration. The company will also expand its digital customer base through cross-channel strategies and deepen various collaboration models to enhance brand recognition and increase customer reach. Furthermore, by leveraging the SKFH's integrated marketing strength, the company aims to maintain the momentum of brokerage client referrals and enhance the effective outcomes of referred clients, thereby increasing the contribution from orders generated by SKFH's investment strength.

Diversifying Operations and Expanding Business Benefits

MasterLink Securities is committed to developing a non-spot promotion model that balances market positioning with revenue quality. This includes introducing market-focused products, expanding electronic trading and order quoting capabilities, and cultivating relationships with private and institutional investors. The company will also broaden its sub-brokerage and wealth management services, strengthen Securities Borrowing and Lending peers, and enhance the efficiency of securities lending operations. In underwriting, MasterLink Securities will concentrate on the biotech sector while also exploring opportunities in green energy, artificial intelligence, and innovative industries. The company aims to establish a robust pipeline of projects with significant industry potential and to build a dedicated service team to support these initiatives. It will also strategically position in the market by leveraging venture capital to secure high-quality investments in advance. Additionally, MasterLink Securities will closely monitor opportunities for corporate bond issuance during the rate cutting cycle, enhancing the capabilities of its underwriting service team and positioning to increase business outcomes.

Business Mix



Optimizing Digital Promotion to Strengthen Brand Identity

MasterLink Securities is dedicated to continuously enhancing its digital service experience by expanding the capabilities of the Hou Fu Tuo App. This includes offering reinvestment services for dividends and extending the range of API connections, thereby improving product competitiveness to meet customer needs. In the area of digital client operations, the company will leverage data analytics to understand customer preferences, accumulate data and tagging information, and implement segmentation and tiered systems. This approach will enable the company to identify optimal marketing approaches tailored to individual customers. By employing precision marketing strategies, the company aims to stimulate investment demand among clients. Additionally, the company will promote its brand through social networking while adopting differentiated positioning and targeted engagement tactics to deepen brand uniqueness and enhance perceived brand value.

Flexible Operational Strategies for Stable Returns

In response to changing domestic and international economies and overall market conditions, stock operations will focus on achieving absolute performance while enhancing stability. Bond positions will be adjusted as necessary, considering liquidity and implementing hedging strategies to respond flexibly to exchange rate and interest rate fluctuations. The company will promote CBAS electronic trading, strengthening relationships with ETF issuers, and extending product business hedging sources and differentiated warrant pricing while creating customized solutions. These efforts will help the company to scale up revenue from solid investment positions. MasterLink Securities will also continue to refine short-selling and arbitrage strategies to spread risks through a multi-strategy approach. This includes establishing a high-frequency database to develop low-risk high-frequency trading. Furthermore, the company will optimize options trading profit structure through investments in overseas futures, index arbitrage, and TXO market-making.

Promoting Fair Customer Treatment and discover sustainable business opportunities

MasterLink Securities is actively implementing various sustainability initiatives. Through its Corporate Sustainability Committee, the company is enhancing board awareness of relevant issues and fostering a corporate culture that values sustainability and fair customer treatment. The company will increase emphasis on the ESG aspects of investment and underwriting businesses through the launch of ESG-concept products and ordering services that engage investors. Diligent governance and climate risk management reports will be enhanced, while ongoing promotion of financial education and optimization of finance-friendly services aim to reduce the digital gap and amplify the impact of corporate sustainability.



2024 Operations Overview

Shin Kong Investment Trust (SKIT) closed 2024 with total assets under management (AUM) of NT\$99.51 billion (including public and private funds, as well as discretionary and quasi-discretionary accounts). This reflects a 4.8% increase compared to the end of 2023.

Core Objectives: Advancing Performance and Scaling Growth

Facing a volatile investment market in 2024, SKIT maintained a commitment to excellence in its operations while continuing to pursue steadier performance and growth.

The company adopted a client-centric approach focused on professionalism, refinement, and targeted development. By aligning necessary resources with the characteristics of different distribution channels and client needs, it effectively penetrated potential customer segments, expanding its client base and increasing management scale.

Sustaining Growth through Quasi-Discretionary Investments and Group Cooperation

SKIT is dedicated to strengthening channels within SKFH. Leveraging the group's substantial resources, SKIT utilized a collaborative model with quasi-discretionary investment management accounts to integrate opportunities for cooperation among group subsidiaries. This approach expanded the company's economic scale and further enhanced the value of entrusted funds.

In 2024, SKIT intensified its channel education for quasi-discretionary investment products and improved service quality. The average return on quasi-discretionary insurance investment accounts reached nearly 9%, compared to a 8.7% gain in 2023. Going forward, the company will continue to foster mutually beneficial relationships to create value for investors.

Promoting Regular Investment Focused on ETFs

SKIT has consistently advocated for young investors to adopt systematic investment approaches through low-risk, stable-return funds that offer excellent long-term compounding benefits. The company emphasizes the importance of early financial planning to help individuals build personal wealth and maximize profit opportunities.

In response to market trends, SKIT launched the Shin Kong 20+ Year BBB US Investment Grade Corporate Bond ETF (00970B). This exchange-traded fund (ETF) is composed entirely of BBB-rated US bonds with terms exceeding 20 years, making it accessible to the general investors. In collaboration with SKFH and its subsidiaries, the new ETF achieved the best fundraising results among new offerings in the market.



2025 Business Plan

In 2025, SKIT will remain focused on "stable investment performance and expanding scale," enhancing profit momentum and improving profitability to support steady earnings growth for the company.

Optimizing Risk Management Mechanisms to Enhance Investment Value

SKIT places significant importance on its investment risk management mechanisms, reinforcing strategies to avoid risk and track industry cycles to stabilize investment performance. The investment team not only closely monitors changes in the international political and economic spheres, but also effectively utilizes hedging tools and multiple asset allocations to enhance overall performance.

Deepening Channel Cooperation to Increase Subscription Opportunities

SKIT is focused on strengthening partnerships with fund custodian banks to create opportunities for new fund launches and sales of existing funds. Establishing long-term, mutually beneficial relationships with clients is a priority, as is fostering effective interaction mechanisms to develop a strong sales network.

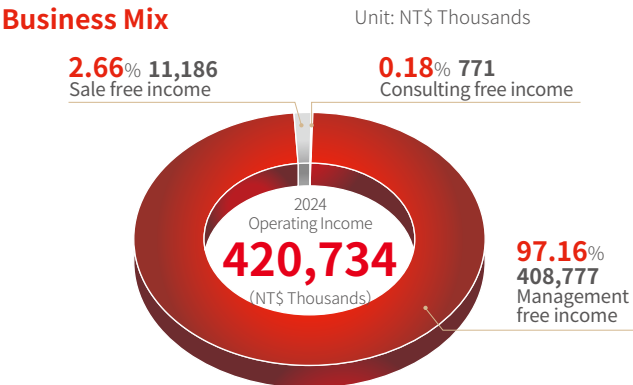
By effectively leveraging digital marketing, SKIT aims to amplify its positive brand image and product visibility. The company also seeks to strengthen collaboration with new channels to steadily increase its customer base, subscription opportunities, and AUM.

Driving Market Trends with New Products and Services

In recent years, ETFs have taken a significant place in the Taiwanese stock market, with AUM in the sector topping NT\$6.4 trillion by the end of 2024. This shift indicates a transition from traditional distribution models to direct investor selection of desired investment products from the market.

As of early 2025, the government has opened applications for actively managed ETFs and multi-asset ETFs, and will also allow real estate investment trusts (REITs) to be managed by investment trusts. This development provides investors with a broader array of new products while creating additional opportunities for investment trusts to enhance profitability.

Looking to the future, SKIT aims to deepen its brand value to strengthen market competitiveness and become a premier partner of investors in their financial planning. The company is committed to fulfilling its management and fiduciary duties, with an aim to cultivate a corporate culture centered on fair and equitable customer treatment.



2024 Operations Overview

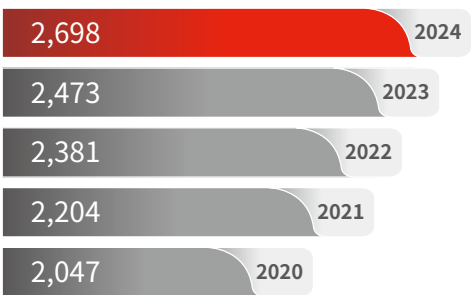
New Partnerships to Enhance Corporate Insurance Services

In 2024, Shin Kong Property Insurance Agency (SKPIA) leveraged channels within SKFH to broaden its property and casualty insurance services, fulfilling customer needs for both non-life and life insurance products, and realize cross-selling synergies. The company is also expanding its reach by developing additional credit cooperative channels outside SKFH to expand its business scope. In 2024, the company increased operating income by 8.2% year-over-year (YoY) to NT\$520 million. After-tax profit rose by 9.1% to NT\$87.15 million. Business momentum remained strong, with total premium rising 7.3% to NT\$2.7 billion. Auto insurance remained the major contributor to premium income, accounting for 80.6% of the total, followed by corporate insurance at 10.4%.

In 2024, SKPIA transitioned from a singular agency model to a collaborative strategy with two new property insurers, providing channel agents with a more diversified range of products. Beyond its core auto insurance business, SKPIA is strategically promoting corporate insurance, with sales of NT\$280 million in the segment in 2024, up 9.4% over 2023 and further enhancing overall performance.

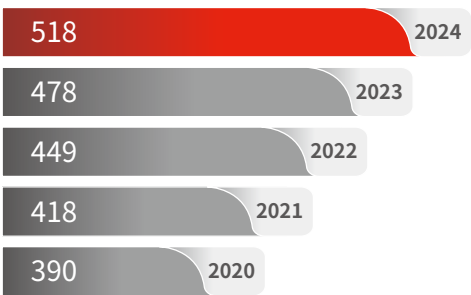
First 5 Years—Premium Income

Unit: NT\$ Millions



Last 5 Years—Operating Revenue

Unit: NT\$ Millions



2025 Business Plan

Looking Ahead to 2025, SKPIA's primary focus for 2025 will be on establishing a new core IT system aimed at enhancing administrative operations and fostering partnerships with multiple property insurers to diversify its product offerings. This strategy will encompass continued commitment to developing the existing auto insurance business while actively expanding corporate insurance initiatives, ultimately seeking to elevate overall performance metrics. Specific business plans are as follows:

Upgrading the New Core System to Improve Administrative Efficiency

- 1.A new core system will be developed to accommodate expansion of the current system, which is unable to further support business growth.
- 2.This new system will be designed to interface with various property insurer systems, enhancing collaborative opportunities and business capacity.

Active Guidance to Increase Agent Registrations

- 1.To boost the number of registered property and casualty insurance agents, SKPIA will both continue current licensing courses and tap the resources of non-life insurance partners to provide classes in various regions. The company is also streamlining exam preparation materials to save agents' time.
- 2.Online learning modules and practice exams will be introduced to help life insurance agents to prepare for exams. This is anticipated to improve pass rates, enhance productivity, and thereby boost team performance.

Promoting Corporate Insurance to Expand Customer Base

- 1.The group accident division of Shin Kong Life Insurance will continue to serve existing corporate clients while implementing educational training related to corporate insurance for service units, positioning SKPIA to develop new corporate clients.
- 2.The underwriting department of MasterLink Securities will recommend liability insurance and other related corporate insurance products to the directors and officers of advised listed companies.
- 3.SKPIA will leverage other cooperative channels to promote direct marketing products tailored to small businesses, providing fast and precise services to support business expansion and diversify customer bases.

Partnering with Property Insurers to Enhance Competitive Advantage

- 1.SKPIA will collaborate with various property insurers to develop new markets and ensure service offerings are not confined.
- 2.SKPIA will diversify product offerings to enhance competitive advantages within the property and casualty insurance sector.

Learning from the Success of Property Insurance Experts

- 1.SKPIA fosters a culture of knowledge sharing through exclusive award programs aimed at recognizing top property and casualty insurance performers. Such sharing strengthens professional expertise across the team.
- 2.By sharing the successful experiences of industry experts, the company can further cultivate regional advocates for property and casualty insurance.

Enhancing Logistics Services through the Auto Insurance Consultation Center

SKPIA established the Auto Insurance Consultation Center to provide channel agents with consultation services from experienced professionals. The center serves as a strong support system for business development.

2024 Operations Overview

Investing Prudently to Ensure Asset Quality

In 2024, Shin Kong Venture Capital (SKVC) aligned its operations with global industry trends and the capital flows of the stock market, focusing on potential targets within the semiconductor, smart energy, information security, environmental technology, and green energy sectors. The strategy involved collaborating with international venture capital (VC) and private equity funds to identify investment opportunities with substantial growth potential. The global surge in artificial intelligence (AI) powered demand for chips and servers to critical levels, benefiting both upstream and downstream suppliers, and driving the Taiwan Capitalization Weighted Stock Index (TAIEX) up by 28.85%. SKVC's successful investment strategies resulted in increased net income, with after-tax profit rising 3.4% year-over-year (YoY) to NT\$120 million, with stable subsidiary profits.

In the leasing sector, mindful of the challenges posed by a continuously declining Chinese economy, SKVC prioritized risk management above all else. The company focused on metrics such as non-performing loan (NPL) ratios and coverage ratios to steadily increase scale and profitability. Business reach expanded into domestic-focused and environmentally-friendly equipment sectors, favoring equipment with high liquidity in the selection of lease subjects. Procedures were implemented to ensure accurate asset appraisals and maintain solid customer relationships throughout the supply chain. Additionally, the firm cautiously reduced the credit limits on individual loans to diversify risk. It also continued recruiting and nurturing talent in industry assessments and risk control. As China faced economic slowdown and uncertainty remained high, particularly among small and medium enterprises, SKVC's prudent project selection and steady growth strategies led to an increase of 3.6% in after-tax profit in 2024.



2025 Business Plan

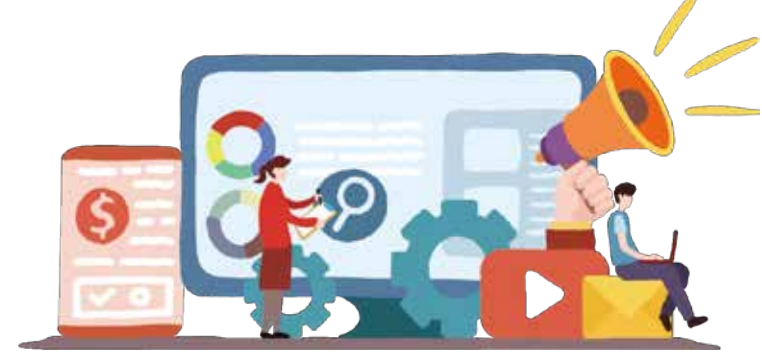
In 2025, SKVC aims to continue growing under the strategies of "carefully selecting quality investment targets" and "controlling asset quality." The company will grow operations with a strategic focus on "identifying trending industries." It will also invest in creative technology-based startups with innovative and momentum-driven business models," as well as "prioritize asset quality and sustainable business development."

Investing Flexibly with a Focus on Trending Industries

In the VC investment domain, SKVC will seize global industry trends and target investments with strong growth prospects, flexibly adjusting investment positions to optimize returns. Emphasis will be placed on emerging industries driven by innovation, including cutting-edge technology and AI, digital transformation, information security, circular economy practices, and biomedicine. The company will pay particular attention to applications of AI, clean technologies, biomedicine, and ESG-related sustainable development areas, while carefully selecting investment partners among international VC and private equity funds focused on startups with global ambitions.

Growing Steadily with Eyes on Asset Quality

In its China leasing operations, SKVC will maintain risk management as the guiding principle, enhancing risk oversight and improving the professionalism and efficiency of industry assessments. The company will implement initiatives to boost collection efficiency and expedite debt recovery. It will also position its business for steady, moderate growth, focusing on the cultivation of specific regions, industries, and customer bases. In response to the economic challenges in mainland China, SKVC will continue to develop industries less susceptible to economic swings, such as essential commodities and green energy equipment, broadening the range of sectors involved and diversifying associated risks. In addition, it will actively cultivate talent for organizational expansion and establishment of new branches. Moving forward, the company's strategy will emphasize risk management and balanced business growth, adhering to a three-phase development approach encompassing "steady growth," "expansion development," and "mature development," while clearly outlining the company's competitive strategy.



SHIN KONG FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Par Value)

	December 31, 2024		December 31, 2023			December 31, 2024		December 31, 2023	
ASSETS	Amount	(%)	Amount	(%)	LIABILITIES AND EQUITY	Amount	(%)	Amount	(%)
CASH AND CASH EQUIVALENTS	\$74,235,966	2	\$96,287,188	2	PROVISIONS				
DUE FROM CENTRAL BANK AND OTHER BANKS	82,372,870	2	72,188,468	1	Insurance liability reserves	\$3,332,309,921	65	\$3,289,100,458	67
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	443,443,865	9	441,196,868	9	Reserve for employee benefits	484,624	-	579,287	-
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOM	318,800,333	6	321,405,323	7	Other reserves	737,815	-	977,963	-
FINANCIAL ASSETS AT AMORTIZED COST	2,677,082,170	52	2,558,119,335	52					
NOTES AND BONDS PURCHASED UNDER RESALE AGREEMENTS	10,384,353	-	17,707,685	-	LIABILITIES ON INSURANCE PRODUCTS - SEPARATE ACCOUNTS	57,212,215	1	51,870,326	1
ACCOUNTS RECEIVABLE	115,068,145	2	96,118,168	2	MISCELLANEOUS FINANCIAL LIABILITIES	69,269,972	1	53,216,648	1
CURRENT TAX ASSETS	1,637,787	-	901,837	-	LEASE LIABILITIES	10,497,112	-	10,650,474	-
NONCURRENT ASSETS CLASSIFIED AS HELD FOR SALE NET	6,789,434	-	8,468,595	-	DEFERRED TAX LIABILITIES	27,565,475	1	16,696,064	-
LOANS, NET	991,951,561	19	958,211,816	19	OTHER ADVANCE RECEIPTS	3,142,055	-	2,066,846	-
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	2,882,305	-	2,757,344	-	OTHER LIABILITIES	8,212,602	-	22,711,762	1
ASSET ON INSURANCE PRODUCTS - SEPARATE ACCOUNTS	57,212,215	1	51,870,326	1	Total liabilities	4,860,928,926	94	4,706,337,906	95
MISCELLANEOUS FINANCIAL ASSETS	12,023,411	-	8,736,513	-					
INVESTMENT PROPERTIES, NET	202,883,788	4	191,823,609	4	EQUITY ATTRIBUTABLE TO THE OWNER OF THE COMPANY				
PROPERTY AND EQUIPMENT	35,934,953	1	39,598,442	1	Share capital				
RIGHT-OF-USE ASSETS	4,565,914	-	4,428,974	-	Ordinary shares	177,124,790	4	154,876,290	3
INTANGIBLE ASSETS, NET	4,001,840	-	3,858,111	-	Preference shares	2,970,000	-	2,970,000	-
DEFERRED INCOME TAX ASSETS	57,015,423	1	44,114,442	1	Capital surplus	15,767,783	-	18,623,914	-
OTHER ASSETS	46,576,231	1	34,625,168	1	Retained earnings				
					Legal reserve	10,322,728	-	10,322,728	-
					Special reserve	83,171,578	2	83,171,578	2
					Unappropriated retained earnings	18,811,043	-	(4,693,390)	-
					Other equity				
					Exchange differences on translating foreign operations	169,666	-	(67,173)	-
TOTAL	\$5,144,862,564	100	\$4,952,418,212	100	Gains on hedging instruments	1,721	-	2,067	-
					Unrealized gain on investments in equity instruments designated as at fair value through other comprehensive income	9,529,783	-	6,505,884	-
					Unrealized loss on investments in debt instruments at fair value through other comprehensive income	(11,424,952)	-	(10,709,016)	-
					Gains on property revaluation	5,651,841	-	5,049,020	-
					Reclassified to other comprehensive loss based on the overlay approach Treasury shares	(28,285,459)	-	(20,404,577)	-
					Treasury shares	(307,603)	-	-	-
					Total equity attributable to owner of the Company	283,502,919	6	245,647,325	5
LIABILITIES AND EQUITY									
DUE TO CENTRAL BANK AND OTHER BANKS	\$14,484,445	-	\$845,250	-	NON-CONTROLLING INTERESTS	430,719	-	432,981	-
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	49,867,485	1	19,530,993	-	Total equity	283,933,638	6	246,080,306	5
NOTES AND BONDS ISSUED UNDER REPURCHASE AGREEMENTS	44,841,579	1	44,603,157	1					
COMMERCIAL PAPERS ISSUED, NET	24,225,066	-	12,736,977	-					
ACCRUED EXPENSES	11,212,808	-	9,465,656	-					
BONDS PAYABLE - CURRENT PORTION	3,000,000	-	2,500,000	-					
OTHER PAYABLES	33,844,773	1	33,214,319	1					
CURRENT TAX LIABILITIES	486,969	-	640,871	-					
DEPOSITS AND REMITTANCES	1,089,323,663	21	1,057,356,014	21					
BONDS PAYABLE	78,500,000	2	75,352,943	2					
OTHER LOANS	1,710,347	-	2,221,898	-					
					TOTAL	\$5,144,862,564	100	\$4,952,418,212	100

SHIN KONG FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2024		2023		Percentage Increase (Decrease)
	Amount	(%)	Amount	(%)	
INTEREST INCOME	\$ 135,343,692	329	\$ 131,452,391	517	3
INTEREST EXPENSE	(21,014,602)	(51)	(17,615,308)	(69)	19
NET INTEREST INCOME	114,329,090	278	113,837,083	448	-
NET INCOME AND GAINS OTHER THAN INTEREST INCOME					
Net processing fee and commission fee	2,666,565	7	2,761,411	11	(3)
Net loss from the life insurance business	(126,575,397)	(308)	(80,527,224)	(317)	57
Loss on financial assets and liabilities at fair value through profit or loss	(77,665,028)	(189)	(2,535,248)	(10)	2,963
Realized gain on financial assets at fair value through other comprehensive income	6,352,197	15	7,074,791	28	(10)
Net loss on derecognition of financial assets at amortized cost	(3,291,099)	(8)	(3,555,020)	(14)	(7)
Share of loss of associates accounted for using the equity method	(141,182)	-	(184,022)	(1)	(23)
Gain (loss) on reclassification based on overlay approach	9,455,315	23	(26,354,998)	(104)	136
Gain on investment properties	7,454,646	18	9,478,600	37	(21)
Foreign exchange gain or loss	106,867,360	260	4,022,221	16	2,557
Reversal of impairment losses recognized on assets	641,493	2	708,824	3	(9)
Gain from bargain purchases on acquisition	-	-	16,818	-	(100)
Other investment loss, net	(297,835)	(1)	(274,886)	(1)	8
Other miscellaneous income, net	1,270,551	3	937,034	4	36
PROFIT FROM OPERATIONS	41,066,676	100	25,405,384	100	62
NET CHANGES IN INSURANCE LIABILITY RESERVES	13,487,383	33	(7,277,069)	(29)	285
PROVISION FOR BAD DEBT EXPENSES	(1,338,403)	(3)	(1,326,018)	(5)	1
OPERATING EXPENSES					
Employee benefit expenses	(19,395,832)	(47)	(16,783,735)	(66)	16
Depreciation and amortization expenses	(2,222,654)	(6)	(2,224,454)	(9)	-
Other selling and administrative expenses	(12,215,623)	(30)	(10,501,856)	(41)	16
Total operating expenses	(33,834,109)	(83)	(29,510,045)	(116)	15
CONSOLIDATED INCOME (LOSS) BEFORE INCOME TAX	19,381,547	47	(12,707,748)	(50)	253
INCOME TAX BENEFIT	1,075,622	3	5,383,443	21	(80)
CONSOLIDATED NET INCOME (LOSS)	20,457,169	50	(7,324,305)	(29)	379
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified subsequently to profit or loss:					
Gains on property revaluation	695,434	2	1,165,042	5	(40)
Gains (losses) on remeasurement of defined benefit plans	642,090	2	(78,261)	-	920
Unrealized gain on investments in equity instruments designated as at fair value through other comprehensive income	6,751,541	16	15,363,314	60	(56)
Income tax relating to items that will not be reclassified subsequently to profit or loss	(1,028,914)	(3)	(1,700,885)	(7)	(40)
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations	236,839	1	(26,872)	-	981
Unrealized (loss) gain on investments in debt instruments at fair value through other comprehensive income	(1,032,078)	(3)	3,547,060	14	(129)
Reclassification to other comprehensive (loss) income based on the overlay approach	(9,455,315)	(23)	26,354,998	104	(136)
Share of the other comprehensive income of associates and joint ventures accounted for using the equity method	243,128	1	63,374	-	284
Income tax relating to items that may be reclassified subsequently to profit or loss	1,647,101	4	(3,659,217)	(14)	145
Total other comprehensive (loss) income, net of income tax	(1,300,174)	(3)	41,028,553	162	(103)
TOTAL COMPREHENSIVE INCOME	\$ 19,156,995	47	\$ 33,704,248	133	(43)
NET INCOME (LOSS) ATTRIBUTABLE TO:					
Owner of the Company	\$ 20,385,602	50	(\$ 7,409,239)	(29)	375
Non-controlling interests	71,567	-	84,934	-	(16)
	\$ 20,457,169	50	(\$ 7,324,305)	(29)	379
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owner of the Company	\$ 19,085,058	47	\$ 33,602,946	132	(43)
Non-controlling interests	71,937	-	101,302	1	(29)
	\$ 19,156,995	47	\$ 33,704,248	133	(43)
EARNINGS (LOSS) PER SHARE	\$ 1.25		(\$ 0.48)		
Basic	\$ 1.22		(\$ 0.48)		
Diluted					

SHIN KONG FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owner of the Company					
	Share Capital			Retained Earnings		
	Ordinary Shares	Preference Shares	Capital Surplus	Legal Reserve	Special Reserve	Comprehensive Income
BALANCE, JANUARY 1, 2023	\$ 154,876,182	\$ 2,970,000	\$ 18,276,795	\$ 10,079,100	\$ 42,221,858	\$ 41,193,349
Special reserve reversed under Rule No. 10310000140 issued by the FSC	-	-	-	- (	4,829,745)	4,829,745
Special reserve reversed under Rule No. 1010012865 issued by the FSC	-	-	-	- (	532,380)	532,380
Appropriation of 2022 earnings						
Legal reserve appropriated	-	-	-	243,628	- (	243,628)
Special reserve appropriated	-	-	-	-	46,311,845 (	46,311,845)
Equity component of convertible bonds issued by the Company	-	-	346,377	-	-	-
Cash dividends of subsidiaries' ordinary shares	-	-	-	-	-	-
Convertible bonds converted to ordinary share	108	- (	15)	-	-	-
Overdue dividends unclaimed by subsidiaries	-	-	757	-	-	-
Net (loss) income for the year ended December 31, 2023	-	-	-	-	- (	7,409,239)
Other comprehensive (loss) income for the year ended December 31, 2023, net of income tax	-	-	-	-	- (	62,490)
Total comprehensive (loss) income for the year ended December 31, 2023	-	-	-	-	- (	7,471,729)
Gain on disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	2,793,418
Loss on disposal of investments in equity instruments designated as at fair value through other comprehensive income from participating policy transfer in special reserves	-	-	-	-	- (	23,909)
Proceeds from disposal of investment properties	-	-	-	-	-	8,829
BALANCE, DECEMBER 31, 2023	154,876,290	2,970,000	18,623,914	10,322,728	83,171,578 (	4,693,390)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-
Issuance of ordinary shares for cash	16,700,000	- (	2,864,294)	-	-	-
Convertible bonds converted to ordinary shares	5,548,500	- (	518,928)	-	- (	325,575)
Treasury shares repurchase	-	-	-	-	-	-
Share-based payments	-	-	527,094	-	-	-
Overdue dividends unclaimed by subsidiaries	-	- (	3)	-	-	-
Net income for the year ended December 31, 2024	-	-	-	-	-	20,385,602
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	512,876
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	20,898,478
Gain on disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	2,920,185
Gain on disposal of investments in equity instruments designated as at fair value through other comprehensive income from participating policy transfer in special reserves	-	-	-	-	-	11,345
BALANCE, DECEMBER 31, 2024	\$ 177,124,790	\$ 2,970,000	\$ 15,767,783	\$ 10,322,728	\$ 83,171,578	\$ 18,811,043

Equity Attributable to Owner of the Company									
Other Equity									
Exchange Differences on Translating the Financial Statements of Foreign Operation	Unrealized (Loss) Gain on Financial Assets at Fair Value Through Other Owner of the Company	Gain (Loss) on Hedging Instruments	Other Comprehensive (Loss) Income on Reclassification Based on the Overlay Approach	Gains on Property Revaluation	Treasury Shares	Total Equity Attributable to the Owner of the Company	Non-controlling Interests	Total	
(\$ 40,301)	(\$ 18,859,342)	\$ 3,301	(\$ 43,101,268)	\$ 4,101,387	\$ -	\$ 211,721,061	\$ 408,641	\$ 212,129,702	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	346,377	-	346,377	
-	-	-	-	-	-	-	(76,962)	(76,962)	
-	-	-	-	-	-	93	-	93	
-	-	-	-	-	-	757	-	757	
-	-	-	-	-	-	(7,409,239)	84,934	(7,324,305)	
(26,872)	17,449,628	(1,234)	22,696,691	956,462	-	41,012,185	16,368	41,028,553	
(26,872)	17,449,628	(1,234)	22,696,691	956,462	-	33,602,946	101,302	33,704,248	
-	(2,793,418)	-	-	-	-	-	-	-	
-	-	-	-	-	-	(23,909)	-	(23,909)	
-	-	-	-	(8,829)	-	-	-	-	
(67,173)	(4,203,132)	2,067	(20,404,577)	5,049,020	-	245,647,325	432,981	246,080,306	
-	-	-	-	-	-	-	(76,962)	(76,962)	
-	-	-	-	-	-	13,835,706	-	13,835,706	
-	-	-	-	-	-	4,703,997	-	4,703,997	
-	-	-	-	-	(307,603)	(307,603)	-	(307,603)	
-	-	-	-	-	-	527,094	2,763	529,857	
-	-	-	-	-	-	(3)	-	(3)	
-	-	-	-	-	-	20,385,602	71,567	20,457,169	
236,839	5,228,148	(346)	(7,880,882)	602,821	-	(1,300,544)	370	(1,300,174)	
236,839	5,228,148	(346)	(7,880,882)	602,821	-	19,085,058	71,937	19,156,995	
-	(2,920,185)	-	-	-	-	-	-	-	
-	-	-	-	-	-	11,345	-	11,345	
\$ 169,666	(\$ 1,895,169)	\$ 1,721	(\$ 28,285,459)	\$ 5,651,841	(\$ 307,603)	\$ 283,502,919	\$ 430,719	\$ 283,933,638	

SHIN KONG FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

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