

**Taiwan Cooperative Financial Holding
Co., Ltd. and Subsidiaries**

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2025 and 2024 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Stockholders
Taiwan Cooperative Financial Holding Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Taiwan Cooperative Financial Holding Co., Ltd. (TCFHC) and its subsidiaries (collectively, the “Company”), as of September 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, Regulations Governing the Preparation of Financial Reports by Insurance Enterprises and International Accounting Standard 34 “Interim Financial Reporting” endorsed and enforced by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 “Review of Interim Financial Information Performed by the Independent Auditors of the Entity.” A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as of September 30, 2025 and 2024, its consolidated financial performance for the three months ended September 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, Regulations Governing the Preparation of Financial Reports by Insurance Enterprises and International Accounting Standard 34 “Interim Financial Reporting” endorsed and enforced by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Yin-Chou Chen and Wang-Shen Lin.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 21, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

| ASSETS | September 30, 2025 | | December 31, 2024 | | September 30, 2024 | |
|--|-------------------------|------------|-------------------------|------------|-------------------------|------------|
| | Amount | % | Amount | % | Amount | % |
| CASH AND CASH EQUIVALENTS (Note 6) | \$ 88,435,901 | 2 | \$ 79,069,296 | 1 | \$ 67,096,920 | 2 |
| DUE FROM THE CENTRAL BANK AND CALL LOANS TO OTHER BANKS (Note 7) | 442,904,883 | 8 | 398,748,466 | 8 | 397,989,484 | 8 |
| FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Notes 8, 41 and 42) | 167,145,223 | 3 | 156,824,572 | 3 | 151,044,001 | 3 |
| FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Notes 9 and 42) | 520,604,555 | 10 | 517,014,504 | 10 | 520,798,520 | 10 |
| INVESTMENTS IN DEBT INSTRUMENTS AT AMORTIZED COST (Notes 10 and 42) | 819,882,691 | 15 | 752,203,282 | 15 | 715,431,880 | 14 |
| SECURITIES PURCHASED UNDER RESELL AGREEMENTS (Note 11) | 2,268,595 | - | 1,315,855 | - | 1,490,831 | - |
| RECEIVABLES, NET (Notes 12 and 41) | 55,102,551 | 1 | 51,957,450 | 1 | 56,857,707 | 1 |
| CURRENT TAX ASSETS | 2,814,566 | - | 2,941,790 | - | 2,278,792 | - |
| DISCOUNTS AND LOANS, NET (Notes 13, 41 and 42) | 3,178,325,690 | 59 | 3,060,868,842 | 59 | 2,987,777,939 | 59 |
| REINSURANCE ASSETS, NET | 395,309 | - | 216,517 | - | 252,841 | - |
| INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Note 14) | 145,299 | - | 144,941 | - | 144,748 | - |
| OTHER FINANCIAL ASSETS, NET (Notes 15, 30 and 42) | 73,847,245 | 1 | 88,542,630 | 2 | 94,265,031 | 2 |
| INVESTMENT PROPERTIES, NET (Note 16) | 11,261,721 | - | 11,301,781 | - | 11,477,179 | - |
| PROPERTIES AND EQUIPMENT, NET (Note 17) | 31,780,638 | 1 | 31,999,675 | 1 | 32,046,140 | 1 |
| RIGHT-OF-USE ASSETS, NET (Note 18) | 1,589,300 | - | 1,763,850 | - | 1,736,370 | - |
| INTANGIBLE ASSETS (Note 19) | 4,728,208 | - | 4,816,577 | - | 4,632,374 | - |
| DEFERRED TAX ASSETS (Note 38) | 1,379,929 | - | 1,483,107 | - | 1,663,247 | - |
| OTHER ASSETS, NET (Notes 18 and 20) | <u>5,088,350</u> | <u>-</u> | <u>4,296,553</u> | <u>-</u> | <u>4,178,934</u> | <u>-</u> |
| TOTAL | \$ 5,407,700,654 | 100 | \$ 5,165,509,688 | 100 | \$ 5,051,162,938 | 100 |
| LIABILITIES AND EQUITY | | | | | | |
| DEPOSITS FROM THE CENTRAL BANK AND OTHER BANKS (Notes 21 and 41) | \$ 530,975,170 | 10 | \$ 438,083,704 | 8 | \$ 432,379,694 | 9 |
| FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Notes 8, 26 and 41) | 9,075,344 | - | 5,578,934 | - | 8,082,795 | - |
| SECURITIES SOLD UNDER REPURCHASE AGREEMENTS (Notes 8, 9, 22 and 41) | 66,632,661 | 1 | 72,137,886 | 1 | 72,099,691 | 1 |
| COMMERCIAL PAPER ISSUED, NET (Note 23) | 42,866,029 | 1 | 38,061,951 | 1 | 38,124,767 | 1 |
| PAYABLES (Notes 24 and 41) | 103,846,842 | 2 | 47,963,415 | 1 | 69,215,379 | 1 |
| CURRENT TAX LIABILITIES | 3,962,052 | - | 417,586 | - | 1,565,307 | - |
| DEPOSITS AND REMITTANCES (Notes 25 and 41) | 4,169,638,243 | 77 | 4,084,423,043 | 79 | 3,946,360,123 | 78 |
| BONDS PAYABLE (Note 26) | 80,240,000 | 2 | 79,140,000 | 2 | 79,140,000 | 2 |
| OTHER BORROWINGS (Notes 23 and 27) | 7,658,195 | - | 11,033,195 | - | 13,666,008 | - |
| PROVISIONS (Notes 4, 28 and 29) | 45,397,569 | 1 | 37,843,178 | 1 | 36,466,860 | 1 |
| OTHER FINANCIAL LIABILITIES (Notes 16, 30 and 41) | 66,487,921 | 1 | 82,358,549 | 2 | 87,215,338 | 2 |
| LEASE LIABILITIES (Note 18) | 1,565,470 | - | 1,720,552 | - | 1,716,037 | - |
| DEFERRED TAX LIABILITIES (Notes 17 and 38) | 3,984,775 | - | 5,755,226 | - | 3,897,842 | - |
| OTHER LIABILITIES (Note 31) | <u>1,310,240</u> | <u>-</u> | <u>1,235,526</u> | <u>-</u> | <u>1,447,929</u> | <u>-</u> |
| Total liabilities | <u>5,133,640,511</u> | <u>95</u> | <u>4,905,752,745</u> | <u>95</u> | <u>4,791,377,770</u> | <u>95</u> |
| EQUITY ATTRIBUTABLE TO OWNERS OF TCFHC | | | | | | |
| Capital stock | | | | | | |
| Common stock | <u>156,809,369</u> | <u>3</u> | <u>152,242,106</u> | <u>3</u> | <u>152,242,106</u> | <u>3</u> |
| Capital surplus | <u>45,652,306</u> | <u>1</u> | <u>45,652,306</u> | <u>1</u> | <u>45,650,280</u> | <u>1</u> |
| Retained earnings | | | | | | |
| Legal reserve | 19,737,773 | - | 17,288,787 | - | 17,288,787 | - |
| Special reserve | 7,899,270 | - | 7,127,657 | - | 7,127,657 | - |
| Unappropriated earnings | <u>38,622,280</u> | <u>1</u> | <u>39,637,838</u> | <u>1</u> | <u>36,019,311</u> | <u>1</u> |
| Total retained earnings | <u>66,259,323</u> | <u>1</u> | <u>64,054,282</u> | <u>1</u> | <u>60,435,755</u> | <u>1</u> |
| Other equity | <u>(570,507)</u> | <u>-</u> | <u>(7,899,270)</u> | <u>-</u> | <u>(4,425,194)</u> | <u>-</u> |
| Total equity attributable to owners of TCFHC | 268,150,491 | 5 | 254,049,424 | 5 | 253,902,947 | 5 |
| NON-CONTROLLING INTERESTS | <u>5,909,652</u> | <u>-</u> | <u>5,707,519</u> | <u>-</u> | <u>5,882,221</u> | <u>-</u> |
| Total equity | <u>274,060,143</u> | <u>5</u> | <u>259,756,943</u> | <u>5</u> | <u>259,785,168</u> | <u>5</u> |
| TOTAL | \$ 5,407,700,654 | 100 | \$ 5,165,509,688 | 100 | \$ 5,051,162,938 | 100 |

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

TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | For the Three Months Ended September 30 | | | | For the Nine Months Ended September 30 | | | |
|---|---|------|---------------|-------|--|-------|---------------|-------|
| | 2025 | | 2024 | | 2025 | | 2024 | |
| | Amount | % | Amount | % | Amount | % | Amount | % |
| INTEREST REVENUE (Notes 32 and 41) | \$ 27,543,854 | 141 | \$ 27,223,421 | 145 | \$ 81,457,129 | 148 | \$ 78,795,576 | 155 |
| INTEREST EXPENSE (Notes 32 and 41) | (18,804,340) | (96) | (19,579,546) | (104) | (56,037,788) | (102) | (56,838,400) | (112) |
| NET INTEREST | 8,739,514 | 45 | 7,643,875 | 41 | 25,419,341 | 46 | 21,957,176 | 43 |
| NET REVENUES AND GAINS OTHER THAN INTEREST | | | | | | | | |
| Service fee and commission income, net (Notes 33 and 41) | 2,818,334 | 14 | 2,524,030 | 13 | 7,590,775 | 14 | 8,727,476 | 17 |
| Premium income, net (Notes 30 and 34) | 2,936,895 | 15 | 1,353,086 | 7 | 9,205,820 | 16 | 3,474,767 | 7 |
| (Losses) gains on financial assets and liabilities at fair value through profit or loss (Notes 35 and 41) | 15,396,249 | 79 | (4,107,215) | (22) | (9,442,429) | (17) | 20,180,611 | 40 |
| Gains on disposal of investment properties, net | 5,438 | - | 22,882 | - | 40,992 | - | 62,677 | - |
| Realized gains on financial assets at fair value through other comprehensive income (Note 36) | 1,309,395 | 7 | 2,202,169 | 12 | 2,689,725 | 5 | 3,173,523 | 6 |
| Foreign exchange losses, net | (11,494,842) | (59) | 8,784,349 | 47 | 19,166,142 | 35 | (7,081,777) | (14) |
| Gain on reversal of impairment losses (impairment loss) (Notes 9 and 10) | (76) | - | 15,594 | - | 13,872 | - | 21,684 | - |
| Share of gains of associates and joint ventures accounted for using the equity method (Note 14) | 4,216 | - | 4,661 | - | 7,439 | - | 11,972 | - |
| (Losses) gains on reclassification of overlay approach (Note 8) | (164,071) | (1) | 227,708 | 1 | 57,843 | - | (52,770) | - |
| Other noninterest gains, net (Notes 16, 40 and 41) | 76,197 | - | 110,722 | - | 453,236 | - | 366,633 | - |
| Total net revenues and gains other than interest | 10,887,735 | 55 | 11,137,986 | 59 | 29,783,415 | 54 | 28,884,796 | 57 |
| TOTAL NET REVENUES | 19,627,249 | 100 | 18,781,861 | 100 | 55,202,756 | 100 | 50,841,972 | 100 |
| BAD-DEBT EXPENSES AND PROVISION FOR LOSSES ON COMMITMENT AND GUARANTEES (Notes 4 and 13) | (918,804) | (5) | (2,460,465) | (13) | (2,533,538) | (4) | (3,942,598) | (8) |
| NET CHANGE IN RESERVES FOR INSURANCE LIABILITIES (Notes 4 and 28) | (2,750,676) | (14) | (798,194) | (4) | (7,801,551) | (14) | (2,032,746) | (4) |
| OPERATING EXPENSES (Notes 4, 16, 17, 18, 19, 29 and 37) | | | | | | | | |
| Employee benefits | (5,319,781) | (27) | (5,169,670) | (27) | (14,977,980) | (27) | (14,501,089) | (29) |
| Depreciation and amortization | (702,333) | (4) | (721,110) | (4) | (2,121,270) | (4) | (2,143,552) | (4) |
| General and administrative | (2,641,228) | (13) | (2,550,844) | (14) | (7,516,664) | (14) | (7,205,424) | (14) |
| Total operating expenses | (8,663,342) | (44) | (8,441,624) | (45) | (24,615,914) | (45) | (23,850,065) | (47) |

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TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | For the Three Months Ended September 30 | | | | For the Nine Months Ended September 30 | | | |
|---|---|-----------|---------------------|-------------|--|-----------|----------------------|-----------|
| | 2025 | | 2024 | | 2025 | | 2024 | |
| | Amount | % | Amount | % | Amount | % | Amount | % |
| INCOME BEFORE INCOME TAX | \$ 7,294,427 | 37 | \$ 7,081,578 | 38 | \$ 20,251,753 | 37 | \$ 21,016,563 | 41 |
| INCOME TAX EXPENSE (Notes 4 and 38) | (1,067,799) | (5) | (1,244,844) | (7) | (4,011,126) | (7) | (4,789,326) | (9) |
| NET INCOME | <u>6,226,628</u> | <u>32</u> | <u>5,836,734</u> | <u>31</u> | <u>16,240,627</u> | <u>30</u> | <u>16,227,237</u> | <u>32</u> |
| OTHER COMPREHENSIVE INCOME | | | | | | | | |
| Items that will not be reclassified subsequently to profit or loss | | | | | | | | |
| Change in the fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss | (4,632) | - | (9,355) | - | (9,810) | - | (12,564) | - |
| Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income (Note 9) | <u>4,401,766</u> | <u>22</u> | <u>(2,722,556)</u> | <u>(14)</u> | <u>1,604,016</u> | <u>3</u> | <u>6,277,725</u> | <u>12</u> |
| Items that will not be reclassified subsequently to profit or loss, net of income tax | <u>4,397,134</u> | <u>22</u> | <u>(2,731,911)</u> | <u>(14)</u> | <u>1,594,206</u> | <u>3</u> | <u>6,265,161</u> | <u>12</u> |
| Items that may be reclassified subsequently to profit or loss (Notes 8, 9 and 38) | | | | | | | | |
| Exchange differences on the translation of financial statements of foreign operations | 2,398,330 | 12 | (1,293,724) | (7) | (3,311,005) | (6) | 1,459,984 | 3 |
| Unrealized gains (losses) on investments in debt instruments at fair value through other comprehensive income | 3,263,831 | 17 | 8,115,346 | 43 | 10,381,845 | 19 | 439,042 | 1 |
| Other comprehensive income (losses) on reclassification of overlay approach | 164,071 | 1 | (227,708) | (1) | (57,843) | - | 52,770 | - |
| Income tax attributable to other comprehensive income | (563,827) | (3) | 42,155 | - | 395,546 | - | (404,539) | (1) |
| Items that may be reclassified subsequently to profit or loss, net of income tax | <u>5,262,405</u> | <u>27</u> | <u>6,636,069</u> | <u>35</u> | <u>7,408,543</u> | <u>13</u> | <u>1,547,257</u> | <u>3</u> |
| Other comprehensive income, net of income tax | <u>9,659,539</u> | <u>49</u> | <u>3,904,158</u> | <u>21</u> | <u>9,002,749</u> | <u>16</u> | <u>7,812,418</u> | <u>15</u> |
| TOTAL COMPREHENSIVE INCOME | <u>\$ 15,886,167</u> | <u>81</u> | <u>\$ 9,740,892</u> | <u>52</u> | <u>\$ 25,243,376</u> | <u>46</u> | <u>\$ 24,039,655</u> | <u>47</u> |
| NET INCOME ATTRIBUTABLE TO: | | | | | | | | |
| Owners of TCFHC | \$ 6,062,719 | 31 | \$ 5,727,977 | 30 | \$ 16,193,782 | 30 | \$ 15,824,141 | 31 |
| Non-controlling interests | <u>163,909</u> | <u>1</u> | <u>108,757</u> | <u>1</u> | <u>46,845</u> | <u>-</u> | <u>403,096</u> | <u>1</u> |
| | <u>\$ 6,226,628</u> | <u>32</u> | <u>\$ 5,836,734</u> | <u>31</u> | <u>\$ 16,240,627</u> | <u>30</u> | <u>\$ 16,227,237</u> | <u>32</u> |

(Continued)

TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | For the Three Months Ended September 30 | | | | For the Nine Months Ended September 30 | | | |
|--|---|------------------|----------------------------|------------------|--|------------------|-----------------------------|------------------|
| | 2025 | | 2024 | | 2025 | | 2024 | |
| | Amount | % | Amount | % | Amount | % | Amount | % |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | | | | | | |
| Owners of TCFHC | \$ 15,456,785 | 79 | \$ 9,400,137 | 50 | \$ 24,758,014 | 45 | \$ 23,573,797 | 46 |
| Non-controlling interests | <u>429,382</u> | <u>2</u> | <u>340,755</u> | <u>2</u> | <u>485,362</u> | <u>1</u> | <u>465,858</u> | <u>1</u> |
| | <u><u>\$ 15,886,167</u></u> | <u><u>81</u></u> | <u><u>\$ 9,740,892</u></u> | <u><u>52</u></u> | <u><u>\$ 25,243,376</u></u> | <u><u>46</u></u> | <u><u>\$ 24,039,655</u></u> | <u><u>47</u></u> |
| EARNINGS PER SHARE (NEW TAIWAN DOLLAR; Note 39) | | | | | | | | |
| Basic | \$ 0.38 | | \$ 0.37 | | \$ 1.03 | | \$ 1.01 | |
| Diluted | <u>\$ 0.38</u> | | <u>\$ 0.37</u> | | <u>\$ 1.03</u> | | <u>\$ 1.01</u> | |

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

(Concluded)

TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

| | Equity Attributable to Owners of TCFHC | | | | | | | | | | | Other Equity |
|---|--|----------------|---------------------------|------------------------------------|-----------------|-------------------------|--|-------------------------------|------------------------|---|-------------------------------------|----------------|
| | Capital Stock (Note 40) | | | Retained Earnings (Notes 9 and 40) | | | Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income | | | Change in the Fair Value Attributable to Changes in the Credit Risk of Financial Liabilities Designated as at Fair Value Through Profit or Loss | | |
| | Shares (In Thousands) | Common Stock | Capital Surplus (Note 40) | Legal Reserve | Special Reserve | Unappropriated Earnings | Exchange Differences on the Translation of Financial Statements of Foreign Operations | Comprehensive Income (Note 9) | Through Profit or Loss | Other Comprehensive Income on Reclassification of Overlay Approach | Non-controlling Interests (Note 40) | Total Equity |
| BALANCE AT JANUARY 1, 2025 | 15,224,210 | \$ 152,242,106 | \$ 45,652,306 | \$ 17,288,787 | \$ 7,127,657 | \$ 39,637,838 | \$ 2,299,553 | \$ (10,200,732) | \$ (12,403) | \$ 14,312 | \$ 5,707,519 | \$ 259,756,943 |
| Appropriation of the 2024 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | - | 2,448,986 | - | (2,448,986) | - | - | - | - | - | - |
| Special reserve | - | - | - | - | 771,613 | (771,613) | - | - | - | - | - | - |
| Cash dividends | - | - | - | - | - | (10,656,947) | - | - | - | - | - | (10,656,947) |
| Stock dividends | 456,726 | 4,567,263 | - | - | - | (4,567,263) | - | - | - | - | - | - |
| Disposal of investments in equity instruments at fair value through other comprehensive income | - | - | - | - | - | 1,232,808 | - | (1,232,808) | - | - | - | - |
| Transfer of changes in the fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss upon derecognition | - | - | - | - | - | 2,661 | - | - | (2,661) | - | - | - |
| Cash dividends distributed by subsidiaries | - | - | - | - | - | - | - | - | - | - | (283,229) | (283,229) |
| Net income for the nine months ended September 30, 2025 | - | - | - | - | - | 16,193,782 | - | - | - | - | 46,845 | 16,240,627 |
| Other comprehensive income (loss) for the nine months ended September 30, 2025 | - | - | - | - | - | - | (2,658,521) | 11,259,749 | (9,810) | (27,186) | 438,517 | 9,002,749 |
| Total comprehensive income (loss) for the nine months ended September 30, 2025 | - | - | - | - | - | 16,193,782 | (2,658,521) | 11,259,749 | (9,810) | (27,186) | 485,362 | 25,243,376 |
| BALANCE AT SEPTEMBER 30, 2025 | 15,680,936 | \$ 156,809,369 | \$ 45,652,306 | \$ 19,737,773 | \$ 7,899,270 | \$ 38,622,280 | \$ (358,968) | \$ (173,791) | \$ (24,874) | \$ (12,874) | \$ 5,909,652 | \$ 274,060,143 |
| BALANCE AT JANUARY 1, 2024 | 14,709,382 | \$ 147,093,822 | \$ 45,650,280 | \$ 15,582,312 | \$ 21,509,719 | \$ 17,181,771 | \$ (578,527) | \$ (6,593,434) | \$ (13,014) | \$ 57,319 | \$ 5,888,411 | \$ 245,778,659 |
| Appropriation of the 2023 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | - | 1,706,475 | - | (1,706,475) | - | - | - | - | - | - |
| Cash dividends | - | - | - | - | - | (9,561,098) | - | - | - | - | - | (9,561,098) |
| Stock dividends | 514,828 | 5,148,284 | - | - | - | (5,148,284) | - | - | - | - | - | - |
| Reversal of special reserve | - | - | - | - | (14,382,062) | 14,382,062 | - | - | - | - | - | - |
| Disposal of investments in equity instruments at fair value through other comprehensive income | - | - | - | - | - | 5,047,071 | - | (5,047,071) | - | - | - | - |
| Transfer of changes in the fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss upon derecognition | - | - | - | - | - | 123 | - | - | (123) | - | - | - |
| Cash dividends distributed by subsidiaries | - | - | - | - | - | - | - | - | - | - | (472,048) | (472,048) |
| Net income for the nine months ended September 30, 2024 | - | - | - | - | - | 15,824,141 | - | - | - | - | 403,096 | 16,227,237 |
| Other comprehensive income (losses) for the nine months ended September 30, 2024 | - | - | - | - | - | - | 1,160,678 | 6,573,415 | (12,564) | 28,127 | 62,762 | 7,812,418 |
| Total comprehensive income (losses) for the nine months ended September 30, 2024 | - | - | - | - | - | 15,824,141 | 1,160,678 | 6,573,415 | (12,564) | 28,127 | 465,858 | 24,039,655 |
| BALANCE AT SEPTEMBER 30, 2024 | 15,224,210 | \$ 152,242,106 | \$ 45,650,280 | \$ 17,288,787 | \$ 7,127,657 | \$ 36,019,311 | \$ 582,151 | \$ (5,067,090) | \$ (25,701) | \$ 85,446 | \$ 5,882,221 | \$ 259,785,168 |

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

TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

| | For the Nine Months Ended September 30 | |
|---|---|---------------|
| | 2025 | 2024 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | \$ 20,251,753 | \$ 21,016,563 |
| Adjustments for: | | |
| Depreciation expense | 1,713,245 | 1,789,687 |
| Amortization expense | 408,025 | 353,865 |
| Expected credit losses/bad-debt expenses | 2,358,336 | 3,970,284 |
| Losses (gains) on financial assets and liabilities at fair value through profit or loss | 9,442,429 | (20,180,611) |
| Interest expense | 56,037,788 | 56,838,400 |
| Interest revenue | (81,457,129) | (78,795,576) |
| Dividend income | (2,820,544) | (3,252,721) |
| Net changes in reserves for insurance liabilities | 7,801,551 | 2,032,746 |
| Net changes in provision for possible losses on guarantees | 73,156 | (51,650) |
| Net changes in reserves for other liabilities | 102,046 | 23,964 |
| Share of gains of associates and joint ventures accounted for using the equity method | (7,439) | (11,972) |
| (Gains) losses on reclassification of overlay approach | (57,843) | 52,770 |
| Losses on disposal of properties and equipment | 23 | 110 |
| Gains on disposal of investment properties | (40,992) | (62,677) |
| Losses on disposal of investments | 130,819 | 79,198 |
| Impairment losses on financial assets | 3,618 | 1,163 |
| Gains on reversal of impairment losses on financial assets | (17,490) | (22,847) |
| Unrealized losses (gains) on foreign exchange | 875,670 | (427,437) |
| Others | 1,261 | (344) |
| Net changes in operating assets and liabilities | | |
| Increase in due from the Central Bank and call loans to other banks | (55,053,906) | (49,753,055) |
| Increase in financial assets at fair value through profit or loss | (565,365) | (6,574,491) |
| Increase in financial assets at fair value through other comprehensive income | (2,658,933) | (552,703) |
| Increase in investments in debt instruments at amortized cost | (72,046,245) | (9,314,809) |
| Increase in receivables | (2,750,095) | (99,877) |
| Increase in discounts and loans | (119,276,391) | (191,017,844) |
| (Accrual) decrease in reinsurance assets | (157,227) | 37,890 |
| Increase in other financial assets | (491,290) | (848,064) |
| Increase in other assets | (648,346) | (1,386,446) |
| Increase in deposits from the Central Bank and other banks | 92,891,466 | 130,674,334 |
| Decrease in financial liabilities at fair value through profit or loss | (18,387,066) | (2,875,508) |
| (Decrease) increase in securities sold under repurchase agreements | (5,207,120) | 799,236 |
| Increase in payables | 52,303,974 | 4,650,310 |
| Increase in deposits and remittances | 85,215,200 | 84,264,932 |
| Decrease in provision for employee benefits | (26,052) | (38,857) |

(Continued)

**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND
SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

| | For the Nine Months Ended September 30 | |
|--|---|---------------------|
| | 2025 | 2024 |
| (Decrease) increase in other financial liabilities | \$ (605) | \$ 518,932 |
| Increase in other liabilities | <u>69,991</u> | <u>43,208</u> |
| Cash used in operations | <u>(31,989,727)</u> | <u>(58,119,897)</u> |
| Interest received | 83,415,614 | 79,940,575 |
| Dividends received | 3,082,926 | 3,426,740 |
| Interest paid | (52,542,545) | (52,539,506) |
| Income tax paid | <u>(1,613,763)</u> | <u>(5,847,512)</u> |
| Net cash generated from (used in) operating activities | <u>352,505</u> | <u>(33,139,600)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Proceeds from disposal of investments accounted for using equity method | - | 6,979 |
| Acquisition of properties and equipment | (962,247) | (862,542) |
| Proceeds from disposal of properties and equipment | 652 | 26 |
| Increase in refundable deposits | (580,663) | (1,410,006) |
| Decrease in refundable deposits | 1,156,718 | 1,840,303 |
| Acquisition of intangible assets | (292,384) | (468,095) |
| Acquisition of investment properties | (258,959) | (974,894) |
| Proceeds from disposal of investment properties | 259,108 | 540,135 |
| Increase in other assets | (29,840) | (26,916) |
| Decrease in other assets | <u>23,139</u> | <u>29,993</u> |
| Net cash used in investing activities | <u>(684,476)</u> | <u>(1,325,017)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase in commercial paper issued | 105,580,000 | 51,280,000 |
| Decrease in commercial paper issued | (100,750,000) | (46,820,000) |
| Proceeds from the issuance of bank debentures | 1,100,000 | 11,000,000 |
| Repayments of bank debentures | - | (9,100,000) |
| Increase in other borrowings | 21,391,508 | 35,100,268 |
| Decrease in other borrowings | (25,226,849) | (33,069,388) |
| Increase in financial liabilities designated as at fair value through profit or loss | 1,977,141 | 1,804,378 |
| Decrease in financial liabilities designated as at fair value through profit or loss | (1,098,541) | (27,601) |
| Increase in guarantee deposits received | 696,504 | 173,497 |
| Decrease in guarantee deposits received | (2,119,793) | (124,824) |
| Repayments of the principal portion of lease liabilities | (477,585) | (499,768) |
| Increase in other liabilities | - | 254,552 |
| Decrease in other liabilities | (2,514) | - |

(Continued)

**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND
SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

| | For the Nine Months Ended September 30 | |
|--|---|---------------------------|
| | 2025 | 2024 |
| Dividends paid | \$ (10,656,947) | \$ (9,561,098) |
| Changes in non-controlling interests | <u>(283,229)</u> | <u>(472,048)</u> |
| Net cash used in financing activities | <u>(9,870,305)</u> | <u>(62,032)</u> |
| EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | <u>9,597,132</u> | <u>(3,539,547)</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | <u>(605,144)</u> | <u>(38,066,196)</u> |
| CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD | <u>129,189,132</u> | <u>144,214,094</u> |
| CASH AND CASH EQUIVALENTS, END OF THE PERIOD | <u>\$ 128,583,988</u> | <u>\$ 106,147,898</u> |
| Cash and cash equivalent reconciliations: | | |
| | September 30 | |
| | 2025 | 2024 |
| Cash and cash equivalents in the consolidated balance sheets | \$ 88,435,901 | \$ 67,096,920 |
| Due from the Central Bank and call loans to other banks in accordance with the definition of cash and cash equivalents under IAS 7 “Statement of Cash Flows” | 37,513,072 | 37,180,947 |
| Securities purchased under resell agreements in accordance with the definition of cash and cash equivalents under IAS 7 “Statement of Cash Flows” | 2,268,595 | 1,490,831 |
| Other items in accordance with the definition of cash and cash equivalents under IAS 7 “Statement of Cash Flows” | 366,420 | 379,200 |
| Cash and cash equivalents, end of period | <u>\$ 128,583,988</u> | <u>\$ 106,147,898</u> |

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

(Concluded)

TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. ORGANIZATION AND OPERATIONS

Taiwan Cooperative Financial Holding Co., Ltd. (TCFHC) was established by Taiwan Cooperative Bank, Ltd. (TCB), Taiwan Cooperative Bills Finance Corporation Ltd. (TCBF) and Co-operative Assets Management Co., Ltd. (CAM) through a share swap on December 1, 2011 under the Financial Holding Companies Act and related regulations in the Republic of China (ROC). TCFHC's shares have been listed on the Taiwan Stock Exchange (TWSE) since December 1, 2011. After the share swap, TCB, TCBF and CAM became wholly owned subsidiaries of TCFHC.

TCFHC invests in and manages financial institutions.

TCB engages in (a) all commercial banking operations allowed under the Banking Law; (b) international banking operations; (c) overseas branch operations as authorized by the respective foreign governments; and (d) other operations as authorized by the central authority-in-charge. TCB has its Head Office in Taipei. It had a Business, International Banking, Finance, Credit Card, Trust and Insurance Agent Departments as well as 254 domestic branches, 1 offshore banking unit (OBU), 14 overseas branches, 8 overseas sub-branches and 3 representative offices as of September 30, 2025.

The operations of TCB's Trust Department are (1) planning, managing and operating the trust business and (2) custodianship of nondiscretionary trust funds in domestic and overseas securities and mutual funds. These operations are regulated under the Banking Law and Trust Law of the ROC.

TCB merged with the Farmers Bank of China (FBC) on May 1, 2006, with TCB as the survivor entity.

On December 2, 2011, TCB spun off its Security Department for the establishment of Taiwan Cooperative Securities Co., Ltd. (TCS). TCS issued new common shares to TCFHC and became its 100% subsidiary. TCS primarily (a) brokers securities; (b) deals securities; (c) underwrites securities; (d) provides pecuniary and securities financing facilities for the trading of listed securities; (e) trading of futures introducing broker business; (f) futures proprietary trading business; (g) does other business as approved by the authorities.

TCBF, established on May 13, 1998, has a head office in Taipei and a branch in Kaohsiung. TCBF engages in (a) brokering and dealing short-term bills; (b) underwriting commercial paper; (c) acting as registrar of commercial paper; (d) providing guarantees on or endorsements of commercial paper and bank acceptance; (e) brokering call loans between financial institutions; (f) providing consulting services on corporate financial matters; (g) brokering and dealing government bonds; (h) underwriting, brokering and dealing bank debentures; (i) dealing corporate bonds; (j) investment related equity instruments; (k) other operations approved by the authorities.

CAM was established on October 18, 2005; its main businesses are the purchase, appraisal, auction and management of financial institutions' creditors' rights as well as the purchase of accounts receivable and management of overdue receivables. To enhance capital allocation and increase the benefits of capital use, the board of directors of CAM decided to merge CAM and its subsidiary, Cooperative I Asset Management Co., Ltd. The effective date of the merger was December 1, 2014. In this merger, CAM was the survivor entity.

Cooperative Insurance Brokers Co., Ltd. (CIB) was established on November 25, 2005; it is engaged in life and property insurance brokering. In order to integrate resources and enhance operating effectiveness, the board of directors of TCB and CIB decided to merge TCB with CIB. The effective date of the merger was June 24, 2016. In this merger, TCB was the survivor entity.

TCB set up United Taiwan Bank S.A. (UTB) in Belgium through raising funds with Bank of Taiwan, Land Bank of Taiwan and Taiwan Business Bank. UTB started its operation on December 23, 1992; it is TCB's subsidiary and its main business is in general deposits and loans.

For organizational restructuring purpose, TCB's board of directors resolved to reduce TCB's capital of \$1,524,390 thousand and transferred TCB's long-term equity investments in BNP Paribas Cardif TCB Life Insurance Co., Ltd. (BPCTLI) and Taiwan Cooperative Securities Investment Trust Co., Ltd. (TCSIT) to TCFHC on December 1, 2011. The effective date of the capital reduction was set on April 3, 2012. After this capital reduction, BPCTLI and TCSIT both became 51% subsidiaries of TCFHC. On April 21, 2014, TCFHC acquired 49% of long-term equity investments in TCSIT for \$151,704 thousand. After this acquisition, TCSIT became a 100% subsidiary of TCFHC.

The business of BPCTLI was approved in March 2010. BPCTLI provides insurance: Life, personal injury, health, annuity and investment-linked products.

The business of TCSIT was approved in April 2011. TCSIT engages in the (a) securities investment trust business; (b) discretionary investment business; (c) securities investment consulting business and (d) other businesses as approved by the authorities.

Taiwan Cooperative Venture Capital Co., Ltd. (TCVC) was established on October 1, 2015. TCVC engages in (a) venture capital investments; (b) consulting; and (c) investment consulting.

As of September 30, 2025 and 2024, TCFHC and its subsidiaries (collectively, the Company) had 9,806 and 9,764 employees, respectively.

The operating units of the Company maintain their accounts in their respective functional currencies. The consolidated financial statements are presented in New Taiwan dollars.

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by TCFHC's board of directors on November 21, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the FSC

Identification of related parties (expected to be applied from the consolidated financial statements for fiscal year 2025)

In accordance with the Q&A “Identification of Related Parties” issued by the Accounting Research and Development Foundation (ARDF) in June 2025, the Company has reassessed its relationship with its managed funds to determine whether it exercises control or significant influence, or if it solely provides key management services to them. As a result, the Company may revise the previous identification of related parties based on the Q&A issued by the ARDF in July 2013. The assessment is currently in progress. Furthermore, in accordance with the Q&A issued by the FSC, comparative information for the year 2024 needs not to be restated, which means the identified and disclosed related party relationships and transactions in prior financial statements are not required to be adjusted retrospectively.

Except for the above impact, the initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Company’s accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

| New, Amended and Revised Standards and Interpretations | Effective Date Announced by IASB |
|---|---|
| Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” | January 1, 2026 |
| Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity” | January 1, 2026 |
| Annual Improvements to IFRS Accounting Standards - Volume 11 | January 1, 2026 |
| IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17) | January 1, 2023 |

1) Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

a) The amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- i. If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
 - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

- ii. To clarify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- iii. To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

b) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Company can choose to derecognize the financial liability before the settlement date if, and only if, the Company has initiated a payment instruction that resulted in:

- The Company having no practical ability to withdraw, stop or cancel the payment instruction;
- The Company having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

2) IFRS 17 “Insurance Contracts” and related amendments

IFRS 17 sets out the accounting standards for insurance contracts. It will supersede IFRS 4. The main standards of IFRS 17 and related amendments are as follows:

Level of aggregation

IFRS 17 requires the Company to identify portfolios of insurance contracts, which comprises contracts that are subject to similar risks and managed together. Contracts within a product line would be expected to have similar risks and hence would be expected to be in the same portfolio if they are managed together. Each portfolio of insurance contracts issued shall be divided into a minimum of:

- a) A group of contracts that are onerous at initial recognition;
- b) A group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently;
- c) A group of the remaining contracts in the portfolio.

The Company is not permitted to include contracts issued more than one year apart in the same group, and a group of contracts to be issued should apply the recognition and measurement of IFRS 17.

Recognition

The Company shall recognize a group of insurance contracts it issues from the earliest of the following:

- a) The beginning of the coverage period of the group of contracts;
- b) The date when the first payment from a policyholder in the group becomes due; and
- c) For a group of onerous contracts, when the group becomes onerous.

Measurement

The Company shall include all the future cash flows within the boundary of each contract in the group. The fulfilment cash flows comprises estimates of future cash flows, an adjustment to reflect the time value of money, and a risk adjustment for non-financial risk. The contractual service margin represents the unearned profit of the group of insurance contracts that the Company will recognize as it provides services in the future. This is measured on initial recognition of a group of insurance contracts at an amount that, unless the group of contracts is onerous, results in no income or expenses arising from:

- a) The initial recognition of an amount for the fulfillment cash flows;
- b) All cash flows arising from the contracts in the group at that date;
- c) The derecognition of the following at initial recognition date
 - i. Insurance acquisition cash flow assets; and
 - ii. Any other assets and liabilities related to the cash flows in the group of contracts were previously recognized.

Subsequent measurement

On subsequent measurement, the carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises the fulfilment cash flows related to future services and the contractual service margin of the group at that date, and liabilities for incurred claims include fulfilment cash flows related to past services. On subsequent measurement, if a group of insurance contracts becomes onerous or more onerous, that excess shall be recognized in profit or loss.

Onerous contracts

An insurance contract is onerous at initial recognition if the total of the fulfilment cash flows allocated to insurance contracts, any previously recognized acquisition cash flows and all cash flows arising from the contract at that date is a net outflow. The Company shall recognize a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows and the contractual service margin of the group being zero. The contractual service margin cannot increase and no revenue can be recognized, until the onerous amount previously recognized has been reversed in profit or loss as part of a service expense.

Premium allocation approach

The Company may simplify the measurement of the liability for remaining coverage of a group of insurance contracts using the Premium Allocation Approach (PAA) on the condition that, at the inception of the group:

- a) The Company reasonably expects that this will be a reasonable approximation of the general model, or
- b) The coverage period of each contract in the group is one year or less.

At the inception of the group, if the Company expects significant variances in the fulfilment cash flows during the period before a claim is incurred, such contracts are not eligible to apply the PAA.

When using the PAA, the liability for remaining coverage shall be initially recognized as the following:

- a) The premium received at the initial recognition;
- b) The premium minus all insurance acquisition cash flows at that date; and
- c) Plus or minus the following items derecognition at the initial recognition date.
 - i. Insurance acquisition cash flow assets; and
 - ii. Any other assets and liabilities related to the cash flows in the group of contracts were previously recognized.

Subsequently the carrying amount of the liability is the carrying amount at the start of the reporting period plus the premiums received in the period, minus insurance acquisition cash flows, plus amortization of acquisition cash flows, minus the amount recognized as insurance revenue for coverage provided in that period, and minus any investment component paid or transferred to the liability for incurred claims.

Investment contracts with discretionary participation features

An investment contract with discretionary participation features is a financial instrument and it does not include a transfer of significant insurance risk. It is in the scope of the standard only if the issuer also issues insurance contracts. The requirements of the Standard are modified for such investment contracts.

Modification and derecognition

If the terms of an insurance contract are modified, the Company shall derecognize the original contract and recognize the modified contract as a new contract if there is a substantive modification, based on meeting any of the specified criteria.

The Company shall derecognize an insurance contract when it is extinguished, or if any of the conditions of a substantive modification of an insurance contract are met.

Transition

The Company shall apply the standard retrospectively unless impracticable, in which case entities have the option of using either the modified retrospective approach or the fair value approach.

Under the modified retrospective approach, an entity shall utilize reasonable and supportable information and maximize the use of information that would have been used to apply a full retrospective approach, but need only use information available without undue cost or effort. The Company shall apply fair value approach if reasonable and supportable information is unavailable.

Under the fair value approach, the Company determines the contractual service margin at the transition date as the difference between the fair value of a group of insurance contracts at that date and the fulfilment cash flows measured at that date.

Redesignation of financial assets

On the date of initial application of IFRS 17, a company that has applied IFRS 9 may redesignate and reclassify financial assets that meet the requirements of paragraph C29 of IFRS 17. The Company is not required to restate comparative information to reflect changes in the reclassification of these assets, so the difference between the previous carrying amount of these financial assets and their carrying amount at the date of initial application is recognized in the initial retained earnings (or other equity as appropriate). If the Company restates the comparative information, the restatement must reflect the requirements of IFRS 9 for these affected financial assets.

In addition, for a company that has applied IFRS 9 before the initial application of IFRS 17 and has, for financial assets that have been derecognized during the comparative period on the date of initial application of IFRS 17, the Company may choose to apply the classification overlay approach on the basis of individual financial assets, as if those financial assets had been reclassified in the comparative period in accordance with the redesignation requirements in paragraph C29 of IFRS 17.

As of the date the consolidated financial statements were authorized for issue, the Company is continuously assessing the possible impact of the application of the amendments on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

c. Impact of the new IFRS Accounting Standards announced by IASB but not yet endorsed and issued into effect by the FSC

| New, Amended and Revised Standards and Interpretations | Effective Date Announced by IASB (Note 1) |
|--|--|
| Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" | To be determined by IASB |
| IFRS 18 "Presentation and Disclosures in Financial Statements" | January 1, 2027 (Note 2) |
| IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (including the 2025 amendments to IFRS 19) | January 1, 2027 |
| Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency" | January 1, 2027 |

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosures in Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- 1) Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.
- 2) The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- 3) Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as “other” only if it cannot find a more informative label.
- 4) Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Company is continuously assessing the other impacts of the above amended standards and interpretations on the Company’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms, Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, Regulations Governing the Preparation of Financial Reports by Insurance Enterprises and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual financial statements.

Basis of Preparation

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

The fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- b. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- c. Level 3 inputs are unobservable inputs for the asset or liability.

Basis of Consolidation

TCFHC's consolidated financial statements incorporate the financial statements of Taiwan Cooperative Financial Holding Co., Ltd. (TCFHC), and the entities controlled by TCFHC, including Taiwan Cooperative Bank, Ltd. (TCB) and its subsidiary, Co-operative Assets Management Co., Ltd. (CAM) and its subsidiary, Taiwan Cooperative Bills Finance Co., Ltd. (TCBF), Taiwan Cooperative Securities Co., Ltd. (TCS) and its subsidiary, BNP Paribas Cardif TCB Life Insurance Co., Ltd. (BPCTLI), Taiwan Cooperative Securities Investment Trust Co., Ltd. (TCSIT) and Taiwan Cooperative Venture Capital Co., Ltd. (TCVC).

The accounting policies of TCFHC and its subsidiaries are consistent.

All significant intercompany transactions and balances have been eliminated for consolidation purposes. The accompanying consolidated financial statements also include accounts of TCB's Head Office, OBU, and all branches. All interoffice account balances and transactions have been eliminated.

Total comprehensive income of subsidiaries is attributed to the owners of the TCFHC and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

For more information on the consolidated entities, please see Table 1 (attached).

Other Material Accounting Policies

In addition to the following, refer to the summary of material accounting policies of the consolidated financial statements for the year ended December 31, 2024.

- a. Employee benefits

Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

- b. Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 4, the Company's management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Company considers the possible impact of climate change and related government policies and regulations and inflation on the other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

If the Level 1 input value cannot be obtained when the fair value of a financial instrument is estimated, the Company will periodically update each input value according to market conditions to measure its fair value. For the description of fair value evaluation method and input value, please refer to Note 44.

Unless stated in other notes, the following are the critical judgments, assumptions and estimation uncertainty estimations that the Company's management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

a. Impairment losses on loans

Estimated impairment losses on the Company's loans are based on certain assumptions about the percentage of default and default losses. The Company makes assumptions and selects the input values for the impairment assessment based on prior experience, the current market situation and forward-looking information.

The assessment of impairment loss also takes into consideration the classification of credit assets and the possible impairment losses based on the length of time the loans have become overdue and the status of collection of the collateral. The Company evaluates the amount of impairment losses based on whether the customer's repayments of principal and interest are overdue and the length of time the payments are overdue, the estimate of value of the collateral and the debtor's financial status. If future actual cash flows are lesser than expected, a material impairment loss may arise.

b. Insurance liability and liability adequacy test

An independent actuary estimated the insurance liability and tested liability adequacy using certain actuarial principles and assumptions, which included the characteristics of each type of insurance, historical information, loss development factors, expected loss ratio and estimation of future cash flows. The management may adjust the differences between actual results and estimates, if it is necessary.

6. CASH AND CASH EQUIVALENTS

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-------------------------------------|-----------------------|----------------------|-----------------------|
| Cash on hand | \$ 23,299,485 | \$ 40,478,324 | \$ 23,323,800 |
| Notes and checks in clearing | 5,300,666 | 5,346,271 | 5,423,569 |
| Due from banks | <u>59,839,955</u> | <u>33,247,693</u> | <u>38,367,519</u> |
| | 88,440,106 | 79,072,288 | 67,114,888 |
| Less: Allowance for possible losses | <u>4,205</u> | <u>2,992</u> | <u>17,968</u> |
| | <u>\$ 88,435,901</u> | <u>\$ 79,069,296</u> | <u>\$ 67,096,920</u> |

Reconciliations of cash and cash equivalents between the consolidated statements of cash flows and the consolidated balance sheets as of September 30, 2025 and 2024 are shown in the consolidated statements of cash flows. The reconciliation as of December 31, 2024 are stated below:

| | December 31, 2024 |
|--|------------------------------|
| Cash and cash equivalent in the consolidated balance sheet | \$ 79,069,296 |
| Due from the Central Bank and call loans to other banks in accordance with the definition of cash and cash equivalents under IAS 7 "Statement of Cash Flows" | 48,410,561 |
| Securities purchased under resell agreements in accordance with the definition of cash and cash equivalents under IAS 7 "Statement of Cash Flows" | 1,315,855 |
| Other in accordance with the definition of cash and cash equivalents under IAS 7 "Statement of Cash Flows" | <u>393,420</u> |
| Cash and cash equivalents, end of the year | <u>\$ 129,189,132</u> |

7. DUE FROM THE CENTRAL BANK AND CALL LOANS TO OTHER BANKS

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-------------------------------|------------------------------|-------------------------------|
| Reserves for deposits - account A | \$ 86,527,866 | \$ 28,883,616 | \$ 58,130,949 |
| Reserves for deposits - account B | 130,580,779 | 122,993,354 | 116,130,602 |
| Reserves for deposits - community financial institutions | 92,816,188 | 91,651,937 | 87,216,281 |
| Reserves for deposits - foreign-currency deposits | 590,690 | 664,835 | 644,760 |
| Deposits in the Central Bank | 44,200,000 | 39,200,000 | 39,200,000 |
| Due from the Central Bank - others | 28,224,456 | 29,609,748 | 38,367,896 |
| Due from the Central Bank - central government agencies' deposits | 2,847,755 | 3,206,289 | 2,250,654 |
| Call loans to banks | <u>57,117,149</u> | <u>82,538,687</u> | <u>56,048,342</u> |
| \$ 442,904,883 | <u>\$ 398,748,466</u> | <u>\$ 397,989,484</u> | |

The deposit reserves are determined monthly at prescribed rates based on the average balances of various types of deposit accounts held by the Company. The deposit reserves are subject to withdrawal restrictions, but deposit reserve - account B and foreign-currency deposit reserves may be withdrawn anytime.

Under the guideline issued by the Central Bank of the Republic of China (CBC), Taiwan Cooperative Bank Ltd. should deposit 60 percent of the deposits of central government agencies in the CBC, and the deposits are subject to withdrawal restrictions.

8. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|-----------------------|-----------------------|
| <u>Financial assets mandatorily classified as at fair value through profit or loss</u> | | | |
| Commercial paper | \$ 141,707,376 | \$ 130,336,222 | \$ 132,628,874 |
| Negotiable certificates of deposit | 6,628,266 | 6,628,038 | 4,197,133 |
| Beneficial certificates | 4,646,991 | 5,222,952 | 5,174,477 |
| Investment in equity instruments | 3,411,740 | 2,964,260 | 3,302,717 |
| Corporate bonds | 1,299,543 | 1,287,126 | 1,286,444 |
| Convertible bonds | 623,873 | 753,081 | 618,114 |
| Bank debentures | 157,942 | 160,969 | 160,327 |
| Government bonds | 204,452 | 203,201 | 202,779 |
| Commercial paper contracts with reference rate | 13,616 | 10,434 | 8,881 |
| Currency swap contracts | 4,839,899 | 7,078,423 | 1,763,230 |
| Futures exchange margins | 159,409 | 116,134 | 354,825 |
| Forward contracts | 123,879 | 75,239 | 27,331 |
| Convertible bonds assets swap contracts | 3,064,910 | 1,806,775 | 1,143,938 |
| Currency option contracts - buy | 14,545 | 24,364 | 21,006 |
| Cross-currency swap contracts | 17,217 | 23 | 5,942 |
| Interest rate swap contracts | 205,574 | 137,621 | 136,698 |
| Asset swap IRS contracts value | 25,991 | 19,710 | 11,285 |
| Financial assets at fair value through profit or loss | <u>\$ 167,145,223</u> | <u>\$ 156,824,572</u> | <u>\$ 151,044,001</u> |
| <u>Held-for-trading financial liabilities</u> | | | |
| Payable - security borrowing | \$ 24,857 | \$ 196 | \$ 81,320 |
| Securities purchased under resell agreements - short sale | 198,788 | 162,695 | 158,968 |
| Currency swap contracts | 2,988,971 | 233,888 | 2,938,154 |
| Cross-currency swap contracts | 12,499 | 55,677 | 30,332 |
| Currency option contract - sell | 14,573 | 24,384 | 21,112 |
| Forward contracts | 34,681 | 29,034 | 44,665 |
| Foreign-currency margin contracts | 2,280 | 1,358 | 1,471 |
| Asset swap IRS contracts value | - | - | 7 |
| Asset swap options contracts | 51,572 | 46,131 | 46,189 |
| Interest rate swap contracts | 284,943 | 256,713 | 140,259 |
| | <u>3,613,164</u> | <u>810,076</u> | <u>3,462,477</u> |
| <u>Financial liabilities designated to be measured at fair value through profit or loss</u> | | | |
| Bank debentures (Note 26) | <u>5,462,180</u> | <u>4,768,858</u> | <u>4,620,318</u> |
| Financial liabilities at fair value through profit or loss | <u>\$ 9,075,344</u> | <u>\$ 5,578,934</u> | <u>\$ 8,082,795</u> |

As of September 30, 2025, December 31, 2024 and September 30, 2024, financial assets at fair value through profit or loss amounting to \$37,641,251 thousand, \$42,489,437 thousand and \$38,226,042 thousand, respectively, had been sold under repurchase agreements.

TCB enters into derivative transactions mainly to accommodate customers' needs and to manage its exposure to adverse changes in exchange rates and interest rates. TCB's strategy for hedging against risk is to reduce most of the market price risk or cash flow risk.

As of September 30, 2025, December 31, 2024 and September 30, 2024, the contract (notional) amounts of derivative transactions of TCB were as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-----------------------------------|-----------------------|----------------------|-----------------------|
| Currency swap contracts | \$ 260,351,180 | \$ 276,012,383 | \$ 317,873,768 |
| Interest rate swap contracts | 11,939,219 | 12,468,267 | 12,909,017 |
| Forward contracts | 5,638,308 | 8,667,410 | 6,502,732 |
| Currency option contracts - sell | 3,264,008 | 3,710,760 | 4,491,040 |
| Currency option contracts - buy | 3,264,008 | 3,710,760 | 4,491,040 |
| Cross-currency swap contracts | 389,304 | 525,901 | 510,210 |
| Foreign-currency margin contracts | 60,240 | 40,840 | 21,870 |

As of September 30, 2025 and 2024, the open position of futures transactions of TCB were as follows:

| Items | Products | September 30, 2024 | | | |
|-------------------|----------------------|--------------------|------------------------|--|------------|
| | | Open Position | | Contract Amounts or Premium Paid (Charged) | |
| | | Buy/Sell | Number of Contracts | Fair Values | |
| Futures contracts | Taiwan stock futures | Sell | 1,017 | \$ 700,277 | \$ 690,787 |

As of September 30, 2025, December 31, 2024 and September 30, 2024, the open position of future transactions of Taiwan Cooperative Securities Co., Ltd. (TCS) were as follows:

| Items | Products | September 30, 2025 | | | |
|-------------------|-----------------------|--------------------|------------------------|--|-----------|
| | | Open Position | | Contract Amounts or Premium Paid (Charged) | |
| | | Buy/Sell | Number of Contracts | Fair Values | |
| Futures contracts | Stock index futures | Buy | 45 | \$ 34,354 | \$ 34,737 |
| | Single-stock futures | Buy | 181 | 35,885 | 35,977 |
| | Stock index futures | Sell | 102 | 286,558 | 291,663 |
| | Single-stock futures | Sell | 321 | 81,693 | 84,041 |
| | Interest rate futures | Sell | 7 | 24,136 | 24,100 |

| Items | Products | December 31, 2024 | | | |
|-------------------|-----------------------|-------------------|------------------------|--|------------|
| | | Open Position | | Contract Amounts or Premium Paid (Charged) | |
| | | Buy/Sell | Number of Contracts | Fair Values | |
| Futures contracts | Interest rate futures | Buy | 35 | \$ 125,300 | \$ 124,787 |
| | Stock index futures | Sell | 33 | 18,867 | 18,519 |
| | Single-stock futures | Sell | 222 | 66,721 | 64,291 |

| Items | Products | September 30, 2024 | | | |
|-------------------|----------------------|--------------------|---------------------|--|-------------|
| | | Open Position | | Contract Amounts or Premium Paid (Charged) | Fair Values |
| | | Buy/Sell | Number of Contracts | | |
| Futures contracts | Single-stock futures | Buy | 36 | \$ 16,774 | \$ 17,063 |
| | Stock index futures | Sell | 25 | 109,913 | 111,657 |
| | Single-stock futures | Sell | 719 | 211,356 | 223,034 |

As of September 30, 2025, December 31, 2024 and September 30, 2024, the contract (notional) amounts of asset swap contracts of TCS were as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|----------------------|-----------------------|----------------------|-----------------------|
| Asset swap contracts | \$ 410,000 | \$ 380,000 | \$ 235,000 |

As of September 30, 2025, December 31, 2024 and September 30, 2024, the contract (notional) amounts of derivative transactions of TCBF were as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------|----------------------|-----------------------|
| Currency swap contracts | \$ 208,843 | \$ 584,006 | \$ 510,044 |
| Convertible (exchangeable) bond asset swap contracts | 2,982,900 | 1,748,000 | 1,114,500 |

BNP Paribas Cardif TCB Life Insurance Co., Ltd. (BPCTLI) engages in currency swap contracts and cross-currency swap contracts to reduce risks due to exchange rate and interest rate fluctuations. The objective of financial risk management of BPCTLI is to manage substantial risks due to changes in fair value or cash flow.

As of September 30, 2025, December 31, 2024 and September 30, 2024, the contract (notional) amounts of derivative transactions of BPCTLI were as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-------------------------------|-----------------------|----------------------|-----------------------|
| Currency swap contracts | \$ 9,442,079 | \$ 9,085,972 | \$ 8,908,785 |
| Cross-currency swap contracts | 244,280 | 426,205 | 410,800 |

BPCTLI has applied IFRS 9 since 2018, and at the same time choose to use the overlay approach of IFRS 4 “Insurance Contracts” to present the profit or loss of designated financial assets. The financial assets designated for the overlay approach were as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|----------------------------------|-----------------------|----------------------|-----------------------|
| <u>Financial assets at FVTPL</u> | | | |
| Beneficial certificates | \$ 4,333,732 | \$ 4,769,658 | \$ 4,406,914 |

For the nine months ended September 30, 2025 and 2024, for the financial assets designated for the overlay approach, the amount reclassified between profit or loss and other comprehensive income were as follows:

| | For the Nine Months Ended September 30 | |
|---|---|------------------|
| | 2025 | 2024 |
| Profit or loss on application of IFRS 9 | \$ 446,911 | \$ 567,150 |
| Less: Profit or loss from application of IAS 39 | <u>(504,754)</u> | <u>(514,380)</u> |
| (Loss) gain on reclassification of overlay approach | <u>\$ (57,843)</u> | <u>\$ 52,770</u> |

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-------------------------------|------------------------------|-------------------------------|
| <u>Investments in equity instruments at FVTOCI</u> | | | |
| Listed shares and emerging market shares | \$ 36,036,951 | \$ 44,822,497 | \$ 45,746,587 |
| Unlisted shares | <u>11,411,865</u> | <u>9,352,061</u> | <u>7,729,498</u> |
| | <u>47,448,816</u> | <u>54,174,558</u> | <u>53,476,085</u> |
| <u>Investments in debt instruments at FVTOCI</u> | | | |
| Government bonds | 280,050,196 | 268,597,797 | 271,282,154 |
| Corporate bonds | 93,316,881 | 97,600,279 | 99,172,461 |
| Bank debentures | 93,003,465 | 92,981,880 | 93,659,340 |
| Negotiable certificates of deposit | <u>6,785,197</u> | <u>3,659,990</u> | <u>3,208,480</u> |
| | <u>473,155,739</u> | <u>462,839,946</u> | <u>467,322,435</u> |
| | <u>\$ 520,604,555</u> | <u>\$ 517,014,504</u> | <u>\$ 520,798,520</u> |

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes or for receiving dividends. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

For the purpose of risk diversification and profit strategy, the Company adjusted the investment position to sell part of equity instruments in the amounts of \$28,667,211 thousand and \$51,994,411 thousand for the nine months ended September 30, 2025 and 2024, respectively. The accumulated unrealized valuation gain or loss of financial assets at FVTOCI under other equity in the amount of \$1,232,808 thousand and \$5,047,071 thousand gains have been transferred to retained earnings, respectively.

For the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the Company recognized unrealized gains and losses on investments in equity instruments at FVTOCI of \$4,401,766 thousand gains, \$2,722,556 thousand losses, \$1,604,016 thousand gains and \$6,277,725 thousand gains, respectively.

For the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the Company recognized unrealized gains on investments in debt instruments at FVTOCI of \$3,263,831 thousand, \$8,115,346 thousand, \$10,381,845 thousand and \$439,042 thousand, respectively.

As of September 30, 2025, December 31, 2024 and September 30, 2024, the allowance for possible losses of investment in debt instruments at FVTOCI recognized was \$258,782 thousand, \$284,121 thousand and \$280,274 thousand, respectively, through expected credit loss. Impairment loss recognized in profit or loss for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024 was \$1,533 thousand losses, \$10,652 thousand gains, \$8,704 thousand and \$11,862 thousand gains, respectively.

As of September 30, 2025, December 31, 2024 and September 30, 2024, financial assets at fair value through other comprehensive income amounted to \$28,872,692 thousand, \$29,974,253 thousand and \$33,657,229 thousand, respectively, had been sold under repurchase agreements.

10. INVESTMENTS IN DEBT INSTRUMENTS AT AMORTIZED COST

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|------------------------------|------------------------------|------------------------------|
| Negotiable certificates of deposit in the Central Bank | \$ 532,475,000 | \$ 469,065,000 | \$ 438,795,000 |
| Government bonds | 169,475,064 | 168,511,879 | 165,988,057 |
| Corporate bonds | 87,012,904 | 82,956,420 | 79,751,748 |
| Bank debentures | 27,947,615 | 29,956,614 | 30,289,663 |
| Certificates of deposit | 723,669 | 757,274 | 632,116 |
| Treasury bills | <u>2,271,624</u> | <u>985,490</u> | <u>-</u> |
| | 819,905,876 | 752,232,677 | 715,456,584 |
| Less: Allowance for impairment loss | <u>23,185</u> | <u>29,395</u> | <u>24,704</u> |
| | <u><u>\$ 819,882,691</u></u> | <u><u>\$ 752,203,282</u></u> | <u><u>\$ 715,431,880</u></u> |

Impairment loss recognized in profit or loss for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024 was \$1,457 thousand, \$4,942 thousand, \$5,168 thousand and \$9,822 thousand gains, respectively.

11. SECURITIES PURCHASED UNDER RESELL AGREEMENTS

Securities acquired for \$2,268,595 thousand, \$1,315,855 thousand and \$1,490,831 thousand under resell agreements as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, will subsequently be sold for \$2,270,886 thousand, \$1,316,942 thousand and \$1,492,254 thousand, respectively.

12. RECEIVABLES, NET

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--------------------------|-----------------------|----------------------|-----------------------|
| Accrued interest | \$ 16,702,871 | \$ 15,986,352 | \$ 16,273,389 |
| Settlement consideration | 367,957 | - | 919,786 |
| Settlement receivable | 8,938,446 | 5,290,339 | 7,946,247 |
| Margin loans receivable | 6,785,115 | 8,289,558 | 7,929,559 |
| Credit cards | 5,559,511 | 5,258,833 | 5,253,209 |
| Acceptances | 1,531,568 | 2,339,670 | 1,950,509 |
| Lease payment receivable | 1,804,196 | 2,106,537 | 2,354,891 |
| | | | (Continued) |

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------|----------------------|-----------------------|
| Receivable on securities | \$ 1,156,783 | \$ 404,336 | \$ 567,059 |
| Receivables on merchant accounts in the credit card business | 2,286,410 | 1,147,076 | 1,773,030 |
| Receivables on financing provided | 998,767 | 796,589 | 743,016 |
| Accounts receivable | 978,146 | 853,843 | 903,210 |
| Receivable - separated account | 339,331 | 598,842 | 439,679 |
| Refundable deposits receivable in leasehold agreements | 126,585 | 129,585 | 129,585 |
| Accounts receivable factored without recourse | 103,973 | 97,351 | 98,650 |
| Urban regeneration advance payment | 5,371,952 | 6,482,203 | 7,549,812 |
| Securities loan receivable | 2,107,101 | 2,270,001 | 2,254,557 |
| Dividends receivable | 31,015 | 130,872 | 60,564 |
| Others | <u>748,473</u> | <u>567,117</u> | <u>512,427</u> |
| | 55,938,200 | 52,749,104 | 57,659,179 |
| Less: Allowance for possible losses | 749,807 | 677,803 | 674,980 |
| Less: Unrealized interest revenue | <u>85,842</u> | <u>113,851</u> | <u>126,492</u> |
| | <u>\$ 55,102,551</u> | <u>\$ 51,957,450</u> | <u>\$ 56,857,707</u> |
| | | | (Concluded) |

The changes in the impairment assessment of receivables and allowance for possible losses of credits, credit cards, and accrued interest from debt instruments are summarized below:

| Gross Carrying Amount | 12-month ECL | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets) | Lifetime ECL (Collective Assessment) | Total |
|---|----------------------|---|--|----------------------|
| | | | | |
| Balance on January 1, 2025 | \$ 28,564,461 | \$ 65,883 | \$ 823,728 | \$ 29,454,072 |
| Transfers to | | | | |
| Lifetime ECL | (25,380) | 25,591 | (211) | - |
| Credit-impaired financial assets | (30,633) | (10,158) | 40,791 | - |
| 12-month ECL | 2,698 | (2,012) | (686) | - |
| New financial assets purchased or originated | 92,025,320 | 118,101 | 116,325 | 92,259,746 |
| Write-offs | - | - | (11,153) | (11,153) |
| Derecognition of financial assets in the current reporting period | (92,639,606) | (134,308) | (100,759) | (92,874,673) |
| Changes in exchange rates and other changes | <u>(852,911)</u> | <u>(1,176)</u> | <u>(2,153)</u> | <u>(856,240)</u> |
| Balance on September 30, 2025 | <u>\$ 27,043,949</u> | <u>\$ 61,921</u> | <u>\$ 865,882</u> | <u>\$ 27,971,752</u> |
| Balance on January 1, 2024 | \$ 27,115,105 | \$ 65,565 | \$ 274,481 | \$ 27,455,151 |
| Transfers to | | | | |
| Lifetime ECL | (24,206) | 24,284 | (78) | - |
| Credit-impaired financial assets | (44,271) | (5,968) | 50,239 | - |
| 12-month ECL | 13,894 | (13,546) | (348) | - |
| | | | | (Continued) |

| Gross Carrying Amount | 12-month ECL | Lifetime ECL (Collective Assessment) | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets) | | Total |
|---|----------------------|--|---|----------------------|-------------|
| | | | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets) | Total | |
| New financial assets purchased or originated | \$ 98,300,828 | \$ 39,943 | \$ 600,213 | \$ 98,940,984 | |
| Write-offs | - | - | (47,385) | (47,385) | |
| Derecognition of financial assets in the current reporting period | (97,250,248) | (64,929) | (63,728) | (97,378,905) | |
| Changes in exchange rates and other changes | <u>(420,118)</u> | <u>470</u> | <u>2,207</u> | <u>(417,441)</u> | |
| Balance on September 30, 2024 | <u>\$ 27,690,984</u> | <u>\$ 45,819</u> | <u>\$ 815,601</u> | <u>\$ 28,552,404</u> | (Concluded) |

| Allowance for Possible Losses | 12-month ECL | Lifetime ECL (Collective Assessment) | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets) | | Difference of Impairment Loss under Regulations | Total |
|---|------------------|--|--|------------------------------------|--|-------------------|
| | | | Non-originated Credit-impaired Financial Assets) | Impairment Loss under IFRS 9 | | |
| Balance on January 1, 2025 | \$ 39,402 | \$ 12,849 | \$ 149,648 | \$ 201,899 | \$ 163,457 | \$ 365,356 |
| Changes from financial instruments recognized at the beginning of the current reporting period | | | | | | |
| Transfers to | | | | | | |
| Lifetime ECL | (215) | 241 | (26) | - | - | - |
| Credit-impaired financial assets | (1,854) | (773) | 2,627 | - | - | - |
| 12-month ECL | 525 | (163) | (362) | - | - | - |
| Derecognition of financial assets in the current reporting period | (26,988) | (40,463) | (27,060) | (94,511) | - | (94,511) |
| Reversal from financial instruments recognized at the beginning of the current reporting period | (58,349) | 6,503 | 14,937 | (36,909) | - | (36,909) |
| New financial assets purchased or originated | 79,626 | 37,936 | 20,808 | 138,370 | - | 138,370 |
| Difference of impairment loss under regulations | - | - | - | - | 8,726 | 8,726 |
| Write-offs | - | - | (11,153) | (11,153) | - | (11,153) |
| Recovery of written-off receivables | - | - | 18,246 | 18,246 | - | 18,246 |
| Changes in exchange rates and other changes | <u>(972)</u> | <u>(9)</u> | <u>(4,200)</u> | <u>(5,181)</u> | <u>-</u> | <u>(5,181)</u> |
| Balance on September 30, 2025 | <u>\$ 31,175</u> | <u>\$ 16,121</u> | <u>\$ 163,465</u> | <u>\$ 210,761</u> | <u>\$ 172,183</u> | <u>\$ 382,944</u> |
| Balance on January 1, 2024 | \$ 44,659 | \$ 12,230 | \$ 116,334 | \$ 173,223 | \$ 169,173 | \$ 342,396 |
| Changes from financial instruments recognized at the beginning of the current reporting period | | | | | | |
| Transfers to | | | | | | |
| Lifetime ECL | (131) | 139 | (8) | - | - | - |
| Credit-impaired financial assets | (1,263) | (366) | 1,629 | - | - | - |
| 12-month ECL | 3,397 | (3,340) | (57) | - | - | - |
| Derecognition of financial assets in the current reporting period | (44,268) | (8,403) | (27,854) | (80,525) | - | (80,525) |
| Reversal from financial instruments recognized at the beginning of the current reporting period | (3,318) | (2,183) | 28,378 | 22,877 | - | 22,877 |
| New financial assets purchased or originated | 38,746 | 10,479 | 37,295 | 86,520 | - | 86,520 |
| Difference of impairment loss under regulations | - | - | - | - | 820 | 820 |
| Write-offs | - | - | (47,385) | (47,385) | - | (47,385) |
| Recovery of written-off receivables | - | - | 20,131 | 20,131 | - | 20,131 |
| Changes in exchange rates and other changes | <u>397</u> | <u>12</u> | <u>11,116</u> | <u>11,525</u> | <u>-</u> | <u>11,525</u> |
| Balance on September 30, 2024 | <u>\$ 38,219</u> | <u>\$ 8,568</u> | <u>\$ 139,579</u> | <u>\$ 186,366</u> | <u>\$ 169,993</u> | <u>\$ 356,359</u> |

Impairment assessment except the above receivables were based on the expected credit losses model at the beginning of the current reporting period by the simplified method. On September 30, 2025, December 31, 2024 and September 30, 2024, the amounts assessment to impairment of receivables were assessed as \$27,966,448 thousand, \$23,295,032 thousand and \$29,106,775 thousand, respectively, and the amounts of allowance for possible losses were \$366,863 thousand, \$312,447 thousand and \$318,621 thousand, respectively.

The changes in allowance for possible losses by using the simplified method are summarized below:

| | For the Nine Months Ended September 30 | |
|--|---|--------------------------|
| | 2025 | 2024 |
| Balance on January 1 | \$ 312,447 | \$ 281,504 |
| Provision for possible losses | 98,332 | 67,524 |
| Write-offs | (39,965) | (41,018) |
| Recovery of written-off receivables | 747 | 16,760 |
| Effects of exchange rate changes and other changes | <u>(4,698)</u> | <u>(6,149)</u> |
| Balance on September 30 | <u><u>\$ 366,863</u></u> | <u><u>\$ 318,621</u></u> |

13. DISCOUNTS AND LOANS, NET

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Bills discounted | \$ 1,761,662 | \$ 1,701,485 | \$ 2,224,756 |
| Overdraft | | | |
| Unsecured | 27,730 | 14,284 | 16,108 |
| Secured | 14,165 | 17,218 | 12,651 |
| Import and export negotiations | 604,862 | 469,398 | 176,689 |
| Short-term loans | | | |
| Unsecured | 629,508,177 | 548,694,120 | 517,767,505 |
| Accounts receivable financing | 429,326 | 372,300 | 329,449 |
| Secured | 229,911,539 | 214,196,427 | 214,236,971 |
| Medium-term loans | | | |
| Unsecured | 531,204,114 | 564,337,779 | 564,177,166 |
| Secured | 375,442,407 | 398,373,230 | 404,537,944 |
| Long-term loans | | | |
| Unsecured | 64,994,937 | 59,096,034 | 55,459,215 |
| Secured | 1,375,668,707 | 1,304,325,860 | 1,258,002,010 |
| Overdue loans | 4,651,183 | 4,820,944 | 4,619,943 |
| Life insurance loan | 624,353 | 528,573 | 508,000 |
| Temporary insurance paid | <u>108,581</u> | <u>101,679</u> | <u>97,682</u> |
| | <u>3,214,951,743</u> | <u>3,097,049,331</u> | <u>3,022,166,089</u> |
| Less: Allowance for possible losses | <u>36,234,867</u> | <u>35,698,935</u> | <u>33,870,189</u> |
| Less: Adjustment of discount | <u>391,186</u> | <u>481,554</u> | <u>517,961</u> |
| | <u><u>\$ 3,178,325,690</u></u> | <u><u>\$ 3,060,868,842</u></u> | <u><u>\$ 2,987,777,939</u></u> |

The changes in gross carrying amount and allowance for possible losses of discounts and loans are summarized below:

| Gross Carrying Amount | 12-month ECL | Lifetime ECL (Collective Assessment) | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets) | Total |
|---|--------------------------------|---|--|--------------------------------|
| Balance on January 1, 2025 | \$ 3,058,742,979 | \$ 3,548,709 | \$ 34,757,643 | \$ 3,097,049,331 |
| Transfers to | | | | |
| Lifetime ECL | (2,713,013) | 2,808,364 | (95,351) | - |
| Credit-impaired financial assets | (8,405,208) | (1,209,332) | 9,614,540 | - |
| 12-month ECL | 1,622,455 | (1,054,306) | (568,149) | - |
| New financial assets purchased or originated | 1,061,211,155 | 135,108 | 322,690 | 1,061,668,953 |
| Write-offs | - | - | (2,085,280) | (2,085,280) |
| Derecognition of financial assets in the current reporting period | (925,559,037) | (533,088) | (3,597,467) | (929,689,592) |
| Changes in exchange rates and other changes | <u>(11,573,986)</u> | <u>(109,284)</u> | <u>(308,399)</u> | <u>(11,991,669)</u> |
| Balance on September 30, 2025 | <u><u>\$ 3,173,325,345</u></u> | <u><u>\$ 3,586,171</u></u> | <u><u>\$ 38,040,227</u></u> | <u><u>\$ 3,214,951,743</u></u> |
| Balance on January 1, 2024 | \$ 2,798,701,812 | \$ 3,278,847 | \$ 31,819,851 | \$ 2,833,800,510 |
| Transfers to | | | | |
| Lifetime ECL | (2,490,866) | 2,542,743 | (51,877) | - |
| Credit-impaired financial assets | (7,594,861) | (878,406) | 8,473,267 | - |
| 12-month ECL | 876,801 | (512,626) | (364,175) | - |
| New financial assets purchased or originated | 1,090,023,804 | 165,003 | 142,040 | 1,090,330,847 |
| Write-offs | - | - | (3,677,131) | (3,677,131) |
| Derecognition of financial assets in the current reporting period | (901,140,449) | (903,482) | (3,195,806) | (905,239,737) |
| Changes in exchange rates and other changes | <u>6,831,585</u> | <u>61,513</u> | <u>58,502</u> | <u>6,951,600</u> |
| Balance on September 30, 2024 | <u><u>\$ 2,985,207,826</u></u> | <u><u>\$ 3,753,592</u></u> | <u><u>\$ 33,204,671</u></u> | <u><u>\$ 3,022,166,089</u></u> |

| Allowance for Possible Losses | 12-month ECL | Lifetime ECL (Collective Assessment) | Non-originated or Credit-impaired Financial Assets | Impairment Loss under IFRS 9 | Difference of Impairment Loss under Regulations | Total |
|---|----------------------------|---|---|---|--|-----------------------------|
| Balance on January 1, 2025 | \$ 4,512,112 | \$ 33,968 | \$ 4,662,035 | \$ 9,208,115 | \$ 26,490,820 | \$ 35,698,935 |
| Changes from financial instruments recognized at the beginning of the current reporting period | | | | | | |
| Transfers to | | | | | | |
| Lifetime ECL | (9,145) | 20,186 | (11,041) | - | - | - |
| Credit-impaired financial assets | (152,323) | (9,433) | 161,756 | - | - | - |
| 12-month ECL | 39,540 | (13,991) | (25,549) | - | - | - |
| Derecognition of financial assets in the current reporting period | (1,530,594) | (3,314) | (617,276) | (2,151,184) | - | (2,151,184) |
| Reversal from financial instruments recognized at the beginning of the current reporting period | (10,353) | 128,932 | 1,419,566 | 1,538,145 | - | 1,538,145 |
| New financial assets purchased or originated | 2,021,491 | 202 | 42,050 | 2,063,743 | - | 2,063,743 |
| Difference of impairment loss under regulations | - | - | - | - | 752,468 | 752,468 |
| Write-offs | - | - | (2,085,280) | (2,085,280) | - | (2,085,280) |
| Recovery of write-off credits | - | - | 563,158 | 563,158 | - | 563,158 |
| Changes in exchange rates and other changes | <u>(68,442)</u> | <u>(783)</u> | <u>(75,893)</u> | <u>(145,118)</u> | <u>-</u> | <u>(145,118)</u> |
| Balance on September 30, 2025 | <u><u>\$ 4,802,286</u></u> | <u><u>\$ 155,767</u></u> | <u><u>\$ 4,033,526</u></u> | <u><u>\$ 8,991,579</u></u> | <u><u>\$ 27,243,288</u></u> | <u><u>\$ 36,234,867</u></u> |

(Continued)

| Allowance for Possible Losses | 12-month ECL | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets) | | | Impairment Loss under IFRS 9 | Difference of Impairment Loss under Regulations | Total |
|---|---------------------|--|--|------------------------------------|------------------------------------|--|-------|
| | | Lifetime ECL (Collective Assessment) | Non-originated Credit-impaired Financial Assets) | Impairment Loss under IFRS 9 | | | |
| Balance on January 1, 2024 | \$ 4,558,964 | \$ 55,889 | \$ 4,160,724 | \$ 8,775,577 | \$ 24,106,171 | \$ 32,881,748 | |
| Changes from financial instruments recognized at the beginning of the current reporting period | | | | | | | |
| Transfers to | | | | | | | |
| Lifetime ECL | (9,136) | 15,617 | (6,481) | - | - | - | - |
| Credit-impaired financial assets | (105,737) | (9,380) | 115,117 | - | - | - | - |
| 12-month ECL | 45,924 | (4,514) | (41,410) | - | - | - | - |
| Derecognition of financial assets in the current reporting period | (1,531,216) | (18,583) | (709,562) | (2,259,361) | - | (2,259,361) | |
| Reversal from financial instruments recognized at the beginning of the current reporting period | (349,778) | 510,333 | 3,147,587 | 3,308,142 | - | 3,308,142 | |
| New financial assets purchased or originated | 1,855,423 | 376 | 17,553 | 1,873,352 | - | 1,873,352 | |
| Difference of impairment loss under regulations | - | - | - | - | 731,759 | 731,759 | |
| Write-offs | - | - | (3,677,131) | (3,677,131) | - | (3,677,131) | |
| Recovery of write-off credits | - | - | 926,100 | 926,100 | - | 926,100 | |
| Changes in exchange rates and other changes | 53,529 | 1,653 | 30,398 | 85,580 | - | 85,580 | |
| Balance on September 30, 2024 | <u>\$ 4,517,973</u> | <u>\$ 551,391</u> | <u>\$ 3,962,895</u> | <u>\$ 9,032,259</u> | <u>\$ 24,837,930</u> | <u>\$ 33,870,189</u> | |

(Concluded)

The bad-debt expenses and provision for losses on guarantees for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024 were as follows:

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|--|--|---------------------|---|---------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Provision for possible losses on discounts and loans | \$ 741,508 | \$ 2,457,599 | \$ 2,203,172 | \$ 3,653,892 |
| Provision (reversal of provision) for possible losses on receivables | 9,795 | (179,139) | 114,008 | 97,216 |
| Provision (reversal of provision) for due from banks and call loans to banks | 1,768 | (841) | 1,306 | 700 |
| Provision for possible losses on overdue receivables | 21,224 | 194,910 | 39,850 | 218,476 |
| Provision (reversal of provision) for possible losses on guarantees | 64,524 | (352) | 73,156 | (51,650) |
| Provision for possible losses on loan commitment | 74,190 | 5,143 | 87,881 | 15,171 |
| Provision (reversal of provision) for other possible losses | <u>5,795</u> | <u>(16,855)</u> | <u>14,165</u> | <u>8,793</u> |
| | <u>\$ 918,804</u> | <u>\$ 2,460,465</u> | <u>\$ 2,533,538</u> | <u>\$ 3,942,598</u> |

As of September 30, 2025, December 31, 2024 and September 30, 2024, TCB was in compliance with the FSC-required provision for credit assets.

As of September 30, 2025, December 31, 2024 and September 30, 2024, accrual of interest on the above overdue loans had been stopped. Thus, the unrecognized interest revenue was \$86,866 thousand and \$91,112 thousand for the nine months ended September 30, 2025 and 2024, respectively, based on the average loan interest rate for the year.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

| | September 30, 2025 | | December 31, 2024 | | September 30, 2024 | |
|---|--------------------|-----------------------------|-------------------|-----------------------------|--------------------|-----------------------------|
| | Amount | Percentage of Ownership (%) | Amount | Percentage of Ownership (%) | Amount | Percentage of Ownership (%) |
| <u>Investment in associate</u> | | | | | | |
| United Real Estate Management Co., Ltd. | <u>\$ 145,299</u> | 30.00 | <u>\$ 144,941</u> | 30.00 | <u>\$ 144,748</u> | 30.00 |

Aggregate information of associate that is not individually material:

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|---|---|-----------------|--|-----------------|
| | 2025 | 2024 | 2025 | 2024 |
| The Company's share of: | | | | |
| Net income | \$ 4,216 | \$ 2,218 | \$ 7,439 | \$ 9,529 |
| Other comprehensive income | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total comprehensive income for the period | <u>\$ 4,216</u> | <u>\$ 2,218</u> | <u>\$ 7,439</u> | <u>\$ 9,529</u> |

The Company should have received both \$7,081 thousand of dividends from United Real Estate Management Co., Ltd. for the nine months ended September 30, 2025 and 2024. The dividends are recognized as a reduction of investments accounted for using the equity method.

The investments accounted for by equity method and the share of profit or loss and other comprehensive income of the investments for the nine months ended September 30, 2025 and 2024 were based on the associates' financial statements for the same period which have not been reviewed by the auditors. Management believes there is no material impact on the equity method of accounting or the calculation of the share of profit or loss and other comprehensive income, from the financial statements of the associates that have not been reviewed.

15. OTHER FINANCIAL ASSETS, NET

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-------------------------------------|----------------------|----------------------|----------------------|
| Overdue receivables | \$ 54,192 | \$ 343,909 | \$ 345,185 |
| Less: Allowance for possible losses | <u>54,192</u> | <u>330,890</u> | <u>332,165</u> |
| Overdue receivables, net | <u>-</u> | 13,019 | 13,020 |
| Due from banks | 8,826,658 | 8,335,744 | 9,106,120 |
| Security borrowing margin | <u>-</u> | 231 | 102,276 |
| Call loans to securities firms | 366,420 | 393,420 | 379,200 |
| Separate-account assets (Note 30) | <u>64,654,167</u> | <u>79,800,216</u> | <u>84,664,415</u> |
| | <u>\$ 73,847,245</u> | <u>\$ 88,542,630</u> | <u>\$ 94,265,031</u> |

Due from banks (part of other financial assets, net) held by the Company were demand deposits and time deposits that could not be withdrawn and time deposits that had maturity periods of more than three months and could not be used before maturity.

16. INVESTMENT PROPERTIES, NET

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------|----------------------|--|
| | Land | Buildings | Prepayments for Land and Buildings |
| <u>Cost</u> | | | Total |
| Balance on January 1, 2025 | \$ 8,906,201 | \$ 3,750,607 | \$ 25,840 |
| Additions | 47 | 9,197 | 249,715 |
| Disposals | (170,160) | (52,057) | - |
| Reclassification | <u>154,154</u> | <u>49,556</u> | <u>(205,945)</u> |
| Balance on September 30, 2025 | <u>\$ 8,890,242</u> | <u>\$ 3,757,303</u> | <u>\$ 69,610</u> |
| Balance on January 1, 2024 | \$ 8,893,903 | \$ 3,616,631 | \$ - |
| Additions | 1,173 | 2,238 | 971,483 |
| Disposals | (321,440) | (177,140) | - |
| Reclassification | <u>242,265</u> | <u>58,896</u> | <u>(455,493)</u> |
| Balance on September 30, 2024 | <u>\$ 8,815,901</u> | <u>\$ 3,500,625</u> | <u>\$ 515,990</u> |
| Accumulated depreciation and impairment | | | |
| Balance on January 1, 2025 | \$ - | \$ 1,380,867 | \$ - |
| Disposals | - | (4,101) | - |
| Depreciation expenses | - | 78,668 | - |
| Reclassification | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance on September 30, 2025 | <u>\$ -</u> | <u>\$ 1,455,434</u> | <u>\$ -</u> |
| Balance on January 1, 2024 | \$ - | \$ 1,360,410 | \$ - |
| Disposals | - | (21,122) | - |
| Depreciation expenses | - | 73,643 | - |
| Reclassification | <u>-</u> | <u>(57,594)</u> | <u>-</u> |
| Balance on September 30, 2024 | <u>\$ -</u> | <u>\$ 1,355,337</u> | <u>\$ -</u> |

Investment properties (except for land) are depreciated using the straight-line method over their estimated useful lives as follows:

| | |
|----------------------------------|---------------|
| Main buildings | 50 years |
| Equipment installed in buildings | 5 to 15 years |

As of December 31, 2024 and 2023, the fair value of investment properties was \$26,106,442 thousand and \$26,116,696 thousand, respectively. The fair value belongs to Level 3, which is the amount evaluated by internal appraisal personnel according to market data comparison and in accordance with the Company's internal procedures, related regulations and evaluation by external independent evaluators. The management of the Company had assessed and determined that there was no significant changes in the fair value of investment properties for the nine months ended September 30, 2025 and 2024.

The revenues generated from the investment properties are summarized as follows:

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|--|--|-------------------------|---|--------------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Rental income from investment properties (part of other non-interest gains, net) | \$ 133,411 | \$ 128,952 | \$ 398,943 | \$ 391,836 |
| Direct operating expenses for investment properties that generate rental income | <u>(52,116)</u> | <u>(51,074)</u> | <u>(156,246)</u> | <u>(155,342)</u> |
| | <u><u>\$ 81,295</u></u> | <u><u>\$ 77,878</u></u> | <u><u>\$ 242,697</u></u> | <u><u>\$ 236,494</u></u> |

Lease agreements on investment properties owned by the Company and rented to others are operating lease. Rentals are calculated on the basis of the leased areas and are receivable monthly, quarterly or semiannually. The lessees have no preemptive rights to buy properties at the end of the lease agreements. As of September 30, 2025, December 31, 2024 and September 30, 2024, guarantee deposits received on these leases totaled \$116,841 thousand, \$118,067 thousand and \$111,960 thousand, respectively (part of refundable deposits).

Minimum future annual rentals are as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-----------------|----------------------------|----------------------------|--------------------------|
| Year 1 | \$ 410,010 | \$ 373,904 | \$ 283,091 |
| Year 2 | 379,329 | 333,729 | 210,599 |
| Year 3 | 333,192 | 309,701 | 182,813 |
| Year 4 | 257,261 | 251,941 | 139,793 |
| Year 5 | 235,106 | 188,085 | 72,462 |
| Over five years | <u>118,984</u> | <u>120,919</u> | <u>108,413</u> |
| | <u><u>\$ 1,733,882</u></u> | <u><u>\$ 1,578,279</u></u> | <u><u>\$ 997,171</u></u> |

17. PROPERTIES AND EQUIPMENT, NET

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------|----------------------|-----------------------|
| <u>Assets used by the Company</u> | | | |
| Land | \$ 20,510,313 | \$ 20,502,685 | \$ 20,491,421 |
| Buildings | 8,685,690 | 9,005,570 | 9,155,093 |
| Machinery and equipment | 1,308,667 | 1,387,391 | 1,366,657 |
| Transportation equipment | 158,727 | 158,914 | 161,491 |
| Other equipment | 273,964 | 215,646 | 221,292 |
| Leasehold improvements | 239,733 | 269,699 | 252,237 |
| Prepayments for equipment, land and buildings and construction in progress | <u>598,653</u> | <u>452,000</u> | <u>389,089</u> |
| | <u>\$ 31,775,747</u> | <u>\$ 31,991,905</u> | <u>\$ 32,037,280</u> |

Assets leased under operating leases

| | | | |
|-------------------------|-----------------|-----------------|-----------------|
| Machinery and equipment | \$ 801 | \$ 1,927 | \$ 2,433 |
| Other equipment | <u>4,090</u> | <u>5,843</u> | <u>6,427</u> |
| | <u>\$ 4,891</u> | <u>\$ 7,770</u> | <u>\$ 8,860</u> |

a. Assets used by the Company

| | Land | Buildings | Machinery and Equipment | Transportation Equipment | Other Equipment | Leasehold Improvements | Prepayments for Equipment, Land and Buildings and Construction in Progress | Total |
|--|----------------------|----------------------|-------------------------|--------------------------|---------------------|------------------------|--|----------------------|
| <u>Cost</u> | | | | | | | | |
| Balance on January 1, 2025 | \$ 20,505,029 | \$ 20,217,847 | \$ 6,038,952 | \$ 729,615 | \$ 1,672,047 | \$ 1,405,159 | \$ 452,000 | \$ 51,020,649 |
| Additions | - | 152,303 | 255,788 | 33,723 | 123,410 | 41,207 | 355,816 | 962,247 |
| Disposals | (539) | - | (171,876) | (43,302) | (31,414) | (34,569) | - | (281,700) |
| Reclassification | 13,368 | 84,395 | 68,116 | 2,337 | 5,017 | 2,919 | (209,163) | (33,011) |
| Effects of exchange rate changes and others | <u>(5,201)</u> | <u>(407)</u> | <u>(13,367)</u> | <u>(2,907)</u> | <u>(3,947)</u> | <u>(12,669)</u> | - | <u>(38,498)</u> |
| Balance on September 30, 2025 | <u>\$ 20,512,657</u> | <u>\$ 20,454,138</u> | <u>\$ 6,177,613</u> | <u>\$ 719,466</u> | <u>\$ 1,765,113</u> | <u>\$ 1,402,047</u> | <u>\$ 598,653</u> | <u>\$ 51,629,687</u> |
| Balance on January 1, 2024 | \$ 20,467,046 | \$ 20,003,811 | \$ 5,801,690 | \$ 729,138 | \$ 1,615,798 | \$ 1,282,715 | \$ 431,020 | \$ 50,331,218 |
| Additions | - | 122,909 | 365,658 | 22,143 | 65,074 | 80,752 | 206,006 | 862,542 |
| Disposals | - | (1,778) | (305,583) | (31,997) | (34,798) | (20,408) | - | (394,564) |
| Reclassification | 99,760 | 143,285 | 29,800 | 3,000 | 10,090 | 23,973 | (247,938) | 61,970 |
| Effects of exchange rate changes and others | <u>(60,208)</u> | <u>(84,577)</u> | <u>5,348</u> | <u>1,189</u> | <u>1,546</u> | <u>4,482</u> | <u>1</u> | <u>(132,219)</u> |
| Balance on September 30, 2024 | <u>\$ 20,506,598</u> | <u>\$ 20,183,650</u> | <u>\$ 5,896,913</u> | <u>\$ 723,473</u> | <u>\$ 1,657,710</u> | <u>\$ 1,371,514</u> | <u>\$ 389,089</u> | <u>\$ 50,728,947</u> |
| | Land | Buildings | Machinery and Equipment | Transportation Equipment | Other Equipment | Leasehold Improvements | Total | |
| <u>Accumulated depreciation and impairment</u> | | | | | | | | |
| Balance on January 1, 2025 | \$ 2,344 | \$ 11,212,277 | \$ 4,651,561 | \$ 570,701 | \$ 1,456,401 | \$ 1,135,460 | \$ 19,028,744 | |
| Disposals | - | - | (171,752) | (43,302) | (31,405) | (34,566) | (281,700) | |
| Depreciation expenses | - | 556,578 | 400,387 | 34,783 | 69,608 | 71,223 | 1,132,579 | |
| Reclassification | - | - | (662) | 662 | - | (51) | (51) | |
| Effects of exchange rate changes | - | <u>(407)</u> | <u>(10,588)</u> | <u>(2,105)</u> | <u>(3,455)</u> | <u>(9,752)</u> | <u>(26,307)</u> | |
| Balance on September 30, 2025 | <u>\$ 2,344</u> | <u>\$ 11,768,448</u> | <u>\$ 4,868,946</u> | <u>\$ 560,739</u> | <u>\$ 1,491,149</u> | <u>\$ 1,162,314</u> | <u>\$ 19,853,940</u> | |
| Balance on January 1, 2024 | \$ 15,177 | \$ 10,490,674 | \$ 4,364,857 | \$ 559,041 | \$ 1,398,835 | \$ 1,068,535 | \$ 17,897,119 | |
| Disposals | - | (1,778) | (305,448) | (31,997) | (34,798) | (20,408) | (394,428) | |
| Depreciation expenses | - | 551,669 | 466,951 | 34,165 | 71,016 | 67,506 | 1,191,307 | |
| Reclassification | - | 57,594 | - | - | - | (52) | 57,542 | |
| Effects of exchange rate changes | - | <u>(69,602)</u> | <u>3,896</u> | <u>773</u> | <u>1,364</u> | <u>3,696</u> | <u>(59,873)</u> | |
| Balance on September 30, 2024 | <u>\$ 15,177</u> | <u>\$ 11,028,557</u> | <u>\$ 4,530,256</u> | <u>\$ 561,982</u> | <u>\$ 1,436,418</u> | <u>\$ 1,119,277</u> | <u>\$ 18,691,667</u> | |

Taiwan Cooperative Bank, Ltd. (TCB) revalued its properties five times in 1979, 1998, 2007, 2011 and 2012. As of September 30, 2025, the reserve for land revaluation increment tax (part of deferred tax liabilities) was \$2,541,779 thousand.

Properties and equipment are depreciated using the straight-line method over their estimated useful lives as follows:

| | | | |
|----------------------------------|--|----------------|--|
| Buildings | | | |
| Main buildings | | 37 to 50 years | |
| Equipment installed in buildings | | 5 to 15 years | |
| Machinery and equipment | | 3 to 10 years | |
| Transportation equipment | | 3 to 10 years | |
| Other equipment | | 2 to 20 years | |
| Leasehold improvements | | 2 to 10 years | |

b. Assets leased under operating leases

| | Machinery and Equipment | Other Equipment | Total |
|--|--------------------------------|------------------------|------------------|
| <u>Cost</u> | | | |
| Balance on January 1, 2025 | \$ 11,798 | \$ 34,532 | \$ 46,330 |
| Additions | _____ | _____ | _____ |
| Balance on September 30, 2025 | <u>\$ 11,798</u> | <u>\$ 34,532</u> | <u>\$ 46,330</u> |
| Balance on January 1, 2024 | \$ 11,798 | \$ 34,532 | \$ 46,330 |
| Additions | _____ | _____ | _____ |
| Balance on September 30, 2024 | <u>\$ 11,798</u> | <u>\$ 34,532</u> | <u>\$ 46,330</u> |
| <u>Accumulated depreciation and impairment</u> | | | |
| Balance on January 1, 2025 | \$ 9,871 | \$ 28,689 | \$ 38,560 |
| Depreciation expenses | <u>1,126</u> | <u>1,753</u> | <u>2,879</u> |
| Balance on September 30, 2025 | <u>\$ 10,997</u> | <u>\$ 30,442</u> | <u>\$ 41,439</u> |
| Balance on January 1, 2024 | \$ 7,841 | \$ 24,197 | \$ 32,038 |
| Depreciation expenses | <u>1,524</u> | <u>3,908</u> | <u>5,432</u> |
| Balance on September 30, 2024 | <u>\$ 9,365</u> | <u>\$ 28,105</u> | <u>\$ 37,470</u> |

The Company leases machinery and equipment and other equipment under operating leases with lease terms of 2020 to 2029. All operating lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the assets at the expiry of the lease periods.

Please refer to Note 16 for the minimum future annual rentals.

Depreciation expenses of operating leases equipment are depreciated on the straight-line method over their useful lives estimated as follows:

| | |
|-------------------------|--------------|
| Machinery and equipment | 1 to 7 years |
| Other equipment | 1 to 7 years |

18. LEASE ARRANGEMENTS

a. Right-of-use assets

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|----------------------------|---|----------------------------|
| <u>Carrying amounts</u> | | | |
| Land | \$ 12,671 | \$ 9,436 | \$ 10,817 |
| Buildings | 1,423,262 | 1,656,534 | 1,620,854 |
| Transportation equipment | 149,347 | 92,555 | 98,992 |
| Other equipment | <u>4,020</u> | <u>5,325</u> | <u>5,707</u> |
| | <u><u>\$ 1,589,300</u></u> | <u><u>\$ 1,763,850</u></u> | <u><u>\$ 1,736,370</u></u> |
| For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
| | 2025 | 2024 | |
| Depreciation charge for right-of-use assets | | | |
| Land | \$ 1,390 | \$ 1,380 | \$ 4,117 |
| Buildings | 148,344 | 158,901 | 452,768 |
| Transportation equipment | 14,417 | 13,192 | 40,930 |
| Other equipment | <u>434</u> | <u>432</u> | <u>1,304</u> |
| | <u><u>\$ 164,585</u></u> | <u><u>\$ 173,905</u></u> | <u><u>\$ 499,119</u></u> |
| | | | |
| | | | |
| | | | |

For the nine months ended September 30, 2025 and 2024, the additions to right-of-use assets of the Company were \$552,748 thousand and \$663,964 thousand, respectively.

Except for the above listed additions and recognized depreciation expenses, there was no significant sublease or impairment of the Company's right-of-use assets for the nine months ended September 30, 2025 and 2024.

b. Lease liabilities

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------|----------------------------|----------------------------|----------------------------|
| Carrying amounts | | | |
| | <u><u>\$ 1,565,470</u></u> | <u><u>\$ 1,720,552</u></u> | <u><u>\$ 1,716,037</u></u> |

Range of discount rates for lease liabilities was as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--------------------------|-----------------------|----------------------|-----------------------|
| Land | 1.593%-2.283% | 1.593%-2.076% | 1.593%-2.076% |
| Buildings | 1.346%-9.920% | 1.346%-9.920% | 1.346%-9.800% |
| Transportation equipment | 0.863%-9.890% | 0.863%-9.890% | 0.863%-9.890% |
| Other equipment | 2.635%-4.000% | 2.635%-4.000% | 2.616%-4.000% |

c. Material lease-in activities

The Company signed lease agreements on office premises due to operating activities. Rentals are calculated on the basis of leased areas and are receivable monthly, quarterly or semiannually. As of September 30, 2025, December 31, 2024 and September 30, 2024, refundable deposits on these leases totaled \$139,283 thousand, \$144,977 thousand and \$146,335 thousand, respectively, and were recorded as refundable deposits.

d. Other lease information

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|---|--|----------|---|----------|
| | 2025 | 2024 | 2025 | 2024 |
| Expenses relating to short-term leases | \$ 14,632 | \$ 1,194 | \$ 44,210 | \$ 3,710 |
| Expenses relating to low-value asset leases | \$ 1,217 | \$ 1,096 | \$ 3,662 | \$ 3,193 |
| Expenses relating to variable lease payments not included in the measurement of lease liabilities | \$ 753 | \$ 897 | \$ 2,831 | \$ 3,280 |

For the nine months ended September 30, 2025 and 2024, the total cash outflow for leases of the Company was \$541,002 thousand and \$539,540 thousand, respectively.

The Company leases certain land, buildings, transportation equipment and other equipment which qualify as short-term leases or low-value asset leases. The Company has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

19. INTANGIBLE ASSETS

| | September 30, 2025 | | December 31, 2024 | |
|--|-----------------------|---------------------|----------------------|---------------------|
| | Goodwill | Computer Software | Carbon Credits | Total |
| Goodwill | \$ 3,170,005 | \$ 3,170,005 | \$ 3,170,005 | \$ 3,170,005 |
| Computer software | 1,558,061 | 1,646,430 | 1,462,227 | 1,462,227 |
| Carbon credits | 142 | 142 | 142 | 142 |
| | <u>\$ 4,728,208</u> | <u>\$ 4,816,577</u> | <u>\$ 4,632,374</u> | |
| | | | | |
| Balance on January 1, 2025 | \$ 3,170,005 | \$ 1,646,430 | \$ 142 | \$ 4,816,577 |
| Separate acquisition | - | 292,384 | - | 292,384 |
| Amortization expenses | - | (407,179) | - | (407,179) |
| Reclassification | - | 32,617 | - | 32,617 |
| Effect of exchange rate changes and others | - | (6,191) | - | (6,191) |
| Balance on September 30, 2025 | <u>\$ 3,170,005</u> | <u>\$ 1,558,061</u> | <u>\$ 142</u> | <u>\$ 4,728,208</u> |

(Continued)

| | Goodwill | Computer Software | Carbon Credits | Total |
|--|---------------------|--------------------------|-----------------------|------------------------------------|
| Balance on January 1, 2024 | \$ 3,170,005 | \$ 1,257,232 | \$ 142 | \$ 4,427,379 |
| Separate acquisition | - | 468,095 | - | 468,095 |
| Amortization expenses | - | (353,000) | - | (353,000) |
| Reclassification | - | 86,848 | - | 86,848 |
| Effect of exchange rate changes and others | — | 3,052 | — | 3,052 |
| Balance on September 30, 2024 | <u>\$ 3,170,005</u> | <u>\$ 1,462,227</u> | <u>\$ 142</u> | <u>\$ 4,632,374</u> (Concluded) |

The computer software with limited useful lives is amortized on a straight-line basis over their useful lives of 3 to 10 years.

The carbon credits of the Company were purchased from Taiwan Carbon Solution Exchange to cooperate with the government's policy about climate change and meet the global goal of net zero emissions in 2050. The Company considers carbon credits that generate net cash inflows with indefinite useful lives as intangible assets with indefinite useful lives.

20. OTHER ASSETS, NET

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-------------------------------|------------------------------|-------------------------------|
| Refundable deposits | \$ 1,850,754 | \$ 1,701,886 | \$ 1,564,096 |
| Operating deposits and settlement funds | 722,002 | 712,649 | 713,350 |
| Prepaid expenses | 1,140,686 | 390,019 | 672,271 |
| Prepaid pensions | 1,132,070 | 970,163 | 163,810 |
| Settlement payments | 205,659 | 190,880 | 223,210 |
| Receipts under custody for securities under writing | - | 281,521 | 810,528 |
| Others | <u>37,179</u> | <u>49,435</u> | <u>31,669</u> |
| | <u><u>\$ 5,088,350</u></u> | <u><u>\$ 4,296,553</u></u> | <u><u>\$ 4,178,934</u></u> |

As of September 30, 2025, prepaid expenses included that TCB invested in overseas branch in the amounts of \$471,859 thousand.

21. DEPOSITS FROM THE CENTRAL BANK AND OTHER BANKS

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-------------------------------|------------------------------|-------------------------------|
| Deposits from banks | \$ 186,156,810 | \$ 182,383,714 | \$ 173,112,336 |
| Call loans from banks | 157,169,236 | 97,122,705 | 120,520,361 |
| Overdrafts from other banks | 20,291,546 | 1,209,678 | 1,394,336 |
| Transfer deposits from Chunghwa Post Co., Ltd. | 167,095,665 | 157,095,665 | 137,095,665 |
| Deposits from the Central Bank | <u>261,913</u> | <u>271,942</u> | <u>256,996</u> |
| | <u><u>\$ 530,975,170</u></u> | <u><u>\$ 438,083,704</u></u> | <u><u>\$ 432,379,694</u></u> |

22. SECURITIES SOLD UNDER REPURCHASE AGREEMENTS

Securities sold for \$66,632,661 thousand, \$72,137,886 thousand and \$72,099,691 thousand under repurchase agreements as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, would subsequently be purchased for \$66,706,266 thousand, \$72,216,369 thousand and \$72,185,694 thousand, respectively.

23. COMMERCIAL PAPER ISSUED, NET

The face values of commercial paper issued were \$42,950,000 thousand, \$38,120,000 thousand and \$38,180,000 thousand and the annual discount rates were from 1.538% to 1.888%, from 1.760% to 2.088% and from 1.708% to 2.018%, as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, and the commercial paper will mature by December 24, 2025, March 6, 2025 and December 6, 2024, respectively. The foregoing commercial paper was accepted and guaranteed by financial institutions. As of September 30, 2025, the Company had not used the amount of \$101,090,315 thousand, the sum of the amount of the commercial paper issued and the credit.

24. PAYABLES

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------|----------------------|-----------------------|
| Settlement payable | \$ 9,087,760 | \$ 5,022,804 | \$ 7,699,720 |
| Settlement consideration | 807,073 | 669,678 | 504,684 |
| Accrued expenses | 7,489,040 | 7,498,816 | 6,944,908 |
| Collections payable | 53,705,239 | 7,293,672 | 21,738,409 |
| Checks for clearing | 5,300,666 | 5,346,271 | 5,423,569 |
| Collections of notes and checks for various financial institutions in other cities | 4,790,619 | 4,185,691 | 4,908,687 |
| Acceptances | 1,625,334 | 2,387,154 | 1,994,720 |
| Accrued interest | 12,916,834 | 9,225,258 | 12,643,963 |
| Payables on notes and checks collected for others | 1,573,656 | 1,457,439 | 1,956,354 |
| Payables for short-sale transactions | 445,891 | 460,008 | 405,119 |
| Deposits on short-sale transactions | 403,068 | 402,244 | 356,910 |
| Tax payable | 709,545 | 837,655 | 693,752 |
| Payables on securities | 1,095,439 | 116,872 | 487,208 |
| Dividends payable | 557,732 | 519,049 | 521,075 |
| Factored accounts payable | 103,973 | 46,403 | 34,439 |
| Insurance claims and benefits payable | 89,904 | 113,486 | 98,505 |
| Others | 3,145,069 | 2,380,915 | 2,803,357 |
| | <u>\$ 103,846,842</u> | <u>\$ 47,963,415</u> | <u>\$ 69,215,379</u> |

25. DEPOSITS AND REMITTANCES

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------------------------|-------------------------|-------------------------|-------------------------|
| Deposits | | | |
| Checking | \$ 57,748,691 | \$ 67,985,551 | \$ 56,368,699 |
| Demand | 841,122,495 | 843,405,036 | 823,744,945 |
| Savings - demand | 1,225,604,559 | 1,193,851,479 | 1,178,372,636 |
| Time | 1,151,142,629 | 1,085,654,384 | 1,007,532,523 |
| Negotiable certificates of deposit | 46,550,141 | 55,684,945 | 41,665,970 |
| Savings - time | 714,852,881 | 701,081,449 | 696,203,208 |
| Treasury | 132,482,985 | 136,525,229 | 142,325,401 |
| Remittances | <u>133,862</u> | <u>234,970</u> | <u>146,741</u> |
| | <u>\$ 4,169,638,243</u> | <u>\$ 4,084,423,043</u> | <u>\$ 3,946,360,123</u> |

26. BONDS PAYABLE

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|
| Bank debentures | \$ 60,240,000 | \$ 59,140,000 | \$ 59,140,000 |
| First unsecured corporate bond of TCFHC in 2020: Fixed rate of 0.68%; maturity - May 26, 2027 | 5,700,000 | 5,700,000 | 5,700,000 |
| Second unsecured corporate bond of TCFHC in 2020, Type A: Fixed rate of 0.61%; maturity - October 7, 2025 | 2,100,000 | 2,100,000 | 2,100,000 |
| Second unsecured corporate bond of TCFHC in 2020, Type B: Fixed rate of 0.66%; maturity - October 7, 2027 | 2,200,000 | 2,200,000 | 2,200,000 |
| First unsecured corporate bond of TCFHC in 2021, Type A: Fixed rate of 0.49%; maturity - July 12, 2026 | 3,400,000 | 3,400,000 | 3,400,000 |
| First unsecured corporate bond of TCFHC in 2021, Type B: Fixed rate of 0.55%; maturity - July 12, 2028 | <u>6,600,000</u> | <u>6,600,000</u> | <u>6,600,000</u> |
| | <u>\$ 80,240,000</u> | <u>\$ 79,140,000</u> | <u>\$ 79,140,000</u> |

Details of bank debentures issued by Taiwan Cooperative Bank, Ltd. (TCB) are as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|
| First subordinated bonds in 2016, Type B: Fixed rate of 1.20%; maturity - September 26, 2026 | \$ 4,050,000 | \$ 4,050,000 | \$ 4,050,000 |
| First subordinated bonds in 2017, Type B: Fixed rate of 1.56%; maturity - September 26, 2027 | 1,400,000 | 1,400,000 | 1,400,000 |
| First non-cumulative perpetual subordinated bonds in 2018: Fixed rate of 2.28%; TCB may exercise its redemption rights after 5 years and 2 months | 5,000,000 | 5,000,000 | 5,000,000 |

(Continued)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-------------------------------|------------------------------|-------------------------------|
| First non-cumulative perpetual subordinated bonds in 2019: Fixed rated of 1.90%; TCB may exercise its redemption rights after 5 years and 1 month | \$ 5,000,000 | \$ 5,000,000 | \$ 5,000,000 |
| Third non-cumulative perpetual subordinated bonds in 2019: Fixed rate of 1.45%; TCB may exercise its redemption rights after 5 years and 1 month | 5,000,000 | 5,000,000 | 5,000,000 |
| First non-cumulative perpetual subordinated bonds in 2020: Fixed rate of 1.50%; TCB may exercise its redemption rights after 5 years and 1 month | 5,000,000 | 5,000,000 | 5,000,000 |
| First unsecured bank debentures (sustainable development) in 2021: Fixed rate of 0.40%; maturity - May 31, 2026 | 1,000,000 | 1,000,000 | 1,000,000 |
| Second unsecured bank debentures (sustainable development) in 2021: Fixed rate of 0.42%; maturity - October 29, 2026 | 1,000,000 | 1,000,000 | 1,000,000 |
| First non-cumulative perpetual subordinated bonds in 2022: Fixed rate of 2.50%; TCB may exercise its redemption right after 5 years and 2 months | 1,350,000 | 1,350,000 | 1,350,000 |
| Second non-cumulative perpetual subordinated bonds in 2022: Fixed rate of 3.00%; TCB may exercise its redemption rights after 5 years and 1 month | 8,650,000 | 8,650,000 | 8,650,000 |
| Third unsecured bank debentures (sustainable development) in 2022: Fixed rate of 1.50%; maturity - September 28, 2027 | 2,500,000 | 2,500,000 | 2,500,000 |
| Fourth non-cumulative perpetual subordinated bonds in 2022: Fixed rate of 3.40%; TCB may exercise its redemption rights after 5 years and 1 month | 5,690,000 | 5,690,000 | 5,690,000 |
| Second unsecured bank debentures (sustainable development) in 2023: Fixed rate of 1.40%; maturity - March 20, 2028 | 2,500,000 | 2,500,000 | 2,500,000 |
| Second subordinated bonds in 2024: Fixed rate of 2.10%; maturity - June 27, 2034 | 7,500,000 | 7,500,000 | 7,500,000 |
| Fourth subordinated bonds in 2024: Fixed rate of 2.05%; maturity - September 27, 2034 | 2,500,000 | 2,500,000 | 2,500,000 |
| Fifth unsecured bank debentures (social responsibility) in 2024: Fixed rate of 1.60%; maturity - September 30, 2027 | 1,000,000 | 1,000,000 | 1,000,000 |
| Second unsecured bank debentures (green bond) in 2025: Fixed rate of 1.79%; maturity - June 26, 2030 | <u>1,100,000</u> | - | - |
| | <u><u>\$ 60,240,000</u></u> | <u><u>\$ 59,140,000</u></u> | <u><u>\$ 59,140,000</u></u> |
| | | | (Concluded) |

In order to establish an international financial management platform and expand the depth and breadth of wealth management and private banking businesses for high-asset clients, TCB issued its first unsecured bank debentures, which amounted to US\$46,850 thousand on March 10, 2023, (Type A for \$32,800 thousand and Type B for \$14,050 thousand), with a combination of fixed interest rate and structured interest rate (range accrual). TCB may make early redemption on any interest payment from the date of issuance. If TCB does not make redemption before maturity, the principal of the debentures is repaid in one lump sum upon maturity. Third unsecured bank debentures, which amounted to US\$45,850 thousand on October 5, 2023, (Type A for \$29,250 thousand and Type B for \$16,600 thousand), first unsecured bank debentures, which amounted to US\$55,400 thousand on May 3, 2024, (Type A for \$32,050 thousand and Type B for \$23,350 thousand), third unsecured bank debentures, which amounted to US\$33,350 thousand on October 18, 2024, (Type A for \$12,300 thousand and Type B for \$21,050 thousand), first unsecured bank debentures, which amounted to US\$26,550 thousand on April 2, 2025, (Type A for \$17,750 thousand and Type B for \$8,800 thousand) and third unsecured bank debentures, which amounted to US\$22,800 thousand on September 30, 2025, respectively, with structured interest rate (range accrual) or a combination of fixed interest rate and structured interest rate (range accrual). TCB has the right to make an early redemption at par value on any interest payment date, from the date of issuance, after the fourth interest payment (inclusive). TCB issued fourth unsecured bank debentures, which amounted to US\$15,400 thousand on September 30, 2025, with a combination of fixed interest rate and structured interest rate (range accrual). From the date of issuance, after the fourth interest payment (inclusive), if the operating linking rate is less than or equal to 3.3% on any interest payment date within 10 business days, the note will be deemed to have met the auto-defeasance condition. In such case, the company will return 100% of investment principal at par value, and the interest payment date will become the early redemption date. To reduce its interest rate risk, TCB entered into interest rate swap contracts, which are measured at FVTPL. Furthermore, to eliminate accounting inconsistencies, TCB designated these debentures as financial liabilities at FVTPL, and the details were as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|
| First unsecured bank debentures bonds issued in 2023 | | | |
| Type A | \$ - | \$ 1,043,714 | \$ 1,016,990 |
| Type B | <u>405,989</u> | <u>422,553</u> | <u>433,636</u> |
| | <u>405,989</u> | <u>1,466,267</u> | <u>1,450,626</u> |
| Third unsecured bank debentures bonds issued in 2023 | | | |
| Type A | - | - | 902,994 |
| Type B | <u>482,306</u> | <u>499,212</u> | <u>517,886</u> |
| | <u>482,306</u> | <u>499,212</u> | <u>1,420,880</u> |
| First unsecured bank debentures bonds issued in 2024 | | | |
| Type A | 950,821 | 1,038,145 | 1,012,634 |
| Type B | <u>689,648</u> | <u>733,734</u> | <u>736,178</u> |
| | <u>1,640,469</u> | <u>1,771,879</u> | <u>1,748,812</u> |
| Third unsecured bank debentures bonds issued in 2024 | | | |
| Type A | 369,878 | 392,169 | - |
| Type B | <u>617,295</u> | <u>639,331</u> | <u>-</u> |
| | <u>987,173</u> | <u>1,031,500</u> | <u>-</u> |
| First unsecured bank debentures bonds issued in 2025 | | | |
| Type A | 541,316 | - | - |
| Type B | <u>266,893</u> | <u>-</u> | <u>-</u> |
| | <u>808,209</u> | <u>-</u> | <u>-</u> |

(Continued)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------|----------------------|-----------------------|
| Third unsecured bank debentures bonds issued in 2025 | \$ 683,948 | \$ - | \$ - |
| Fourth unsecured bank debentures bonds issued in 2025 | 454,086 | - | - |
| | <u>\$ 5,462,180</u> | <u>\$ 4,768,858</u> | <u>\$ 4,620,318</u> |
| | | | (Concluded) |

On November 18, 2019, TCB has obtained approval from the FSC to issue unsecured bank debentures amounting to US\$1,000,000 thousand. As of September 30, 2025, the amount of unissued unsecured bank debentures of TCB was US\$1,000,000 thousand.

On February 8, 2023, TCB has obtained approval from the FSC to issue unsecured bank debentures amounting to US\$50,000 thousand. As of September 30, 2025, the amount of unissued unsecured bank debentures of TCB was US\$36,450 thousand.

On August 7, 2023, TCB has obtained approval from the FSC to issue unsecured bank debentures amounting to US\$300,000 thousand. As of September 30, 2025, the amount of unissued unsecured bank debentures of TCB was US\$132,000 thousand.

On February 2, 2024, TCB has obtained approval from the FSC to issue unsecured sustainable development bank debentures amounting to \$10,000,000 thousand. As of September 30, 2025, the amount of unissued unsecured bank debentures of TCB was \$7,900,000 thousand.

On September 5, 2025, TCB has obtained approval from the FSC to issue unsecured subordinated bank debentures amounting to \$8,000,000 thousand. As of September 30, 2025, the amount of unissued unsecured bank debentures of TCB was \$8,000,000 thousand.

27. OTHER BORROWINGS

| | September 30, 2025 | | December 31, 2024 | | September 30, 2024 | |
|----------------------|--------------------|-------------|-------------------|-------------|--------------------|-------------|
| | Amount | Rate (%) | Amount | Rate (%) | Amount | Rate (%) |
| Borrowings (Note 23) | \$ 7,658,195 | 1.800-4.680 | \$ 11,033,195 | 1.825-5.530 | \$ 13,666,008 | 1.750-5.500 |

28. PROVISIONS

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|
| Reserve for life insurance liabilities | \$ 38,776,355 | \$ 31,595,471 | \$ 30,050,508 |
| Reserve for insurance contracts with financial instrument features | 11,591 | 10,749 | 10,126 |
| Provision for employee benefits | 3,901,498 | 3,927,550 | 3,989,066 |
| Provision for losses on guarantees | 1,435,912 | 1,364,359 | 1,381,163 |
| Provision for losses on loan commitment | 404,020 | 320,480 | 343,070 |
| Provision for others | 49,046 | 35,638 | 34,614 |
| Other provision for insurance | 819,147 | 588,931 | 658,313 |
| | <u>\$ 45,397,569</u> | <u>\$ 37,843,178</u> | <u>\$ 36,466,860</u> |

a. Details of reserve for life insurance liabilities (not including reserve of policyholders payables) were as follows:

| | September 30, 2025 | | |
|--|-----------------------------|--|-----------------------------|
| | Insurance Contracts | Financial Instruments with Discretionary Participation Features | Total |
| Life insurance | \$ 28,096,745 | \$ 3,955,886 | \$ 32,052,631 |
| Health insurance | 1,431,168 | - | 1,431,168 |
| Annuity insurance | - | 5,272,492 | 5,272,492 |
| Investment insurance | 14,474 | - | 14,474 |
| | <u>29,542,387</u> | <u>9,228,378</u> | <u>38,770,765</u> |
| Less: Ceded life insurance liability reserve | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u><u>\$ 29,542,387</u></u> | <u><u>\$ 9,228,378</u></u> | <u><u>\$ 38,770,765</u></u> |

| | December 31, 2024 | | |
|--|-----------------------------|--|-----------------------------|
| | Insurance Contracts | Financial Instruments with Discretionary Participation Features | Total |
| Life insurance | \$ 20,304,197 | \$ 4,210,855 | \$ 24,515,052 |
| Health insurance | 1,312,448 | - | 1,312,448 |
| Annuity insurance | - | 5,746,061 | 5,746,061 |
| Investment insurance | 16,272 | - | 16,272 |
| | <u>21,632,917</u> | <u>9,956,916</u> | <u>31,589,833</u> |
| Less: Ceded life insurance liability reserve | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u><u>\$ 21,632,917</u></u> | <u><u>\$ 9,956,916</u></u> | <u><u>\$ 31,589,833</u></u> |

| | September 30, 2024 | | |
|--|-----------------------------|--|-----------------------------|
| | Insurance Contracts | Financial Instruments with Discretionary Participation Features | Total |
| Life insurance | \$ 18,593,684 | \$ 4,281,875 | \$ 22,875,559 |
| Health insurance | 1,272,048 | - | 1,272,048 |
| Annuity insurance | - | 5,881,431 | 5,881,431 |
| Investment insurance | 16,068 | - | 16,068 |
| | <u>19,881,800</u> | <u>10,163,306</u> | <u>30,045,106</u> |
| Less: Ceded life insurance liability reserve | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u><u>\$ 19,881,800</u></u> | <u><u>\$ 10,163,306</u></u> | <u><u>\$ 30,045,106</u></u> |

The changes in the reserve for life insurance liabilities are summarized below:

| For the Nine Months Ended September 30 | | | | | | |
|--|----------------------|---|----------------------|----------------------|---|----------------------|
| | 2025 | | | 2024 | | |
| | Insurance Contracts | Financial Instruments with Discretionary Participation Features | Total | Insurance Contracts | Financial Instruments with Discretionary Participation Features | Total |
| Balance on January 1 | \$ 21,632,917 | \$ 9,956,916 | \$ 31,589,833 | \$ 17,007,183 | \$ 10,894,852 | \$ 27,902,035 |
| Provision | 9,136,314 | 75,929 | 9,212,243 | 3,277,842 | 117,090 | 3,394,932 |
| Recovery | (816,624) | (804,467) | (1,621,091) | (470,841) | (848,636) | (1,319,477) |
| Effects of exchange rate changes | (410,220) | - | (410,220) | 67,616 | - | 67,616 |
| Ending balance | 29,542,387 | 9,228,378 | 38,770,765 | 19,881,800 | 10,163,306 | 30,045,106 |
| Less: Ceded life insurance liability reserve | - | - | - | - | - | - |
| Balance on September 30 | <u>\$ 29,542,387</u> | <u>\$ 9,228,378</u> | <u>\$ 38,770,765</u> | <u>\$ 19,881,800</u> | <u>\$ 10,163,306</u> | <u>\$ 30,045,106</u> |

b. As of September 30, 2025, December 31, 2024 and September 30, 2024, total life policy reserve carrying amounts (including reserve of policyholders payables) were \$38,776,355 thousand, \$31,595,471 thousand and \$30,050,508 thousand, respectively.

c. Details of liability adequacy reserves are as follows:

| | Insurance Contracts and Financial Instruments with Discretionary Participation Features | | |
|--|---|----------------------|-----------------------|
| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
| Life insurance liability reserve | \$ 38,770,765 | \$ 31,589,833 | \$ 30,045,106 |
| Unearned premium reserve | 402,399 | 426,403 | 433,093 |
| Claims reserve | 172,311 | 132,279 | 157,060 |
| Premium deficiency reserve | 9,969 | 18,467 | 63,026 |
| Book value of insurance reserve | <u>\$ 39,355,444</u> | <u>\$ 32,166,982</u> | <u>\$ 30,698,285</u> |
| Present value of discounted cash flows | <u>\$ 30,968,925</u> | <u>\$ 24,982,300</u> | <u>\$ 24,989,547</u> |
| Balance of liability adequacy reserve | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

As of September 30, 2025, December 31, 2024 and September 30, 2024, the Company's reserves for insurance contracts satisfied the liability adequacy tests.

The liability adequacy test method, scope and assumptions were as follows:

September 30, 2025, December 31, 2024 and September 30, 2024

| | |
|--------------|--|
| Test method | Total premium measurement method |
| Tested group | All insurance contracts as a whole |
| Assumptions | The discount rate assumption for every year was based on the best estimate scenario as well as the rate of return on investment with current information |

d. Reserve for insurance contracts with financial instrument features were as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|---|------------------------------|-------------------------------|
| | For the Nine Months Ended September 30 | | |
| | 2025 | 2024 | |
| Life insurance | <u>\$ 11,591</u> | <u>\$ 10,749</u> | <u>\$ 10,126</u> |
| | | | |
| Balance on January 1 | \$ 10,749 | \$ 7,637 | |
| Reserve for insurance contracts with financial instrument features | <u>842</u> | <u>2,489</u> | |
| Balance on September 30 | <u>\$ 11,591</u> | <u>\$ 10,126</u> | |

e. Explanations for the reserve of foreign exchange variation are as follows:

1) Hedging strategy and foreign exchange exposure

To ensure the effectiveness and appropriateness of hedge for overseas investment, BNP Paribas Cardif TCB Life Insurance Co., Ltd. (BPCTLI) uses currency swap and cross-currency swap to hedge exchange rate risks. BPCTLI maintains the hedging ratio at over 95%.

2) Reconciliation of the reserve of foreign exchange variation

| | For the Nine Months Ended September 30 | |
|-------------------------|---|-----------------|
| | 2025 | 2024 |
| Balance on January 1 | \$ 11,782 | \$ 94,240 |
| Provisions | | |
| Compulsory provisions | 15,996 | 2,251 |
| Additional provisions | <u>301,276</u> | <u>-</u> |
| | 317,272 | 2,251 |
| Recovery | <u>(94,586)</u> | <u>(91,357)</u> |
| Balance on September 30 | <u>\$ 234,468</u> | <u>\$ 5,134</u> |

3) Impact of the reserve of foreign exchange variation

For the nine months ended September 30, 2025

| Items | Amount without Reserve | Amount with Reserve | Effect |
|---------------------------------------|-----------------------------------|--------------------------------|---------------|
| Net income | \$ 16,418,776 | \$ 16,240,627 | \$ (178,149) |
| Earnings per share (NT\$) | 1.04 | 1.03 | (0.01) |
| Reserve of foreign exchange variation | - | 234,468 | 234,468 |
| Equity | 274,276,821 | 274,060,143 | (216,678) |

For the nine months ended September 30, 2024

| Items | Amount without Reserve | Amount with Reserve | Effect |
|---------------------------------------|------------------------|---------------------|-----------|
| Net income | \$ 16,155,952 | \$ 16,227,237 | \$ 71,285 |
| Earnings per share (NT\$) | 1.01 | 1.01 | - |
| Reserve of foreign exchange variation | - | 5,134 | 5,134 |
| Equity | 259,818,578 | 259,785,168 | (33,410) |

f. Net changes in reserves for insurance liabilities are summarized below:

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|--|---|--------------------------|--|----------------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Reserve for life insurance liabilities, net | \$ 2,511,247 | \$ 823,546 | \$ 7,591,152 | \$ 2,075,455 |
| Reserve for insurance contract with financial instrument features, net | 1,270 | 631 | 842 | 2,489 |
| Others, net | <u>238,159</u> | <u>(25,983)</u> | <u>209,557</u> | <u>(45,198)</u> |
| | <u><u>\$ 2,750,676</u></u> | <u><u>\$ 798,194</u></u> | <u><u>\$ 7,801,551</u></u> | <u><u>\$ 2,032,746</u></u> |

g. Provisions for employee benefits are summarized below:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|----------------------------|----------------------------|----------------------------|
| Present value of retired employees' preferential interest deposit obligation | <u><u>\$ 3,901,498</u></u> | <u><u>\$ 3,927,550</u></u> | <u><u>\$ 3,989,066</u></u> |

h. The changes in the provision for losses on guarantees and provision for losses on loan commitment are summarized below:

| | 12-month ECL | Lifetime ECL (Collective Assessment) | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Instruments) | Impairment Loss under IFRS 9 | Difference of Impairment Recognized under Regulations | Total |
|---|--------------|--------------------------------------|--|------------------------------|---|--------------|
| Balance on January 1, 2025 | \$ 960,035 | \$ 10 | \$ 33,692 | \$ 993,737 | \$ 726,740 | \$ 1,720,477 |
| Changes from financial instruments recognized at the beginning of the current reporting period | | | | | | |
| Transfers to Lifetime ECL | (44) | 44 | - | - | - | - |
| Credit-impaired financial instruments | (604) | - | 604 | - | - | - |
| 12-month ECL | 10 | (10) | - | - | - | - |
| Derecognition of financial instruments in the current reporting period | (157,176) | - | (127) | (157,303) | - | (157,303) |
| Reversal from financial instruments recognized at the beginning of the current reporting period | (67,260) | (41) | 85,469 | 18,168 | - | 18,168 |

(Continued)

| | 12-month ECL | Lifetime ECL (Collective Assessment) | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Instruments) | Impairment Loss under IFRS 9 | Difference of Impairment Recognized under Regulations | Total |
|---|---------------------|--|--|------------------------------------|---|---------------------|
| New financial instruments purchased or originated | \$ 220,784 | \$ - | \$ - | \$ 220,784 | \$ - | \$ 220,784 |
| Difference of impairment loss under regulations | - | - | - | - | 93,553 | 93,553 |
| Change in exchange rates and other changes | (6,701) | - | - | (6,701) | - | (6,701) |
| Balance on September 30, 2025 | <u>\$ 949,044</u> | <u>\$ 3</u> | <u>\$ 119,638</u> | <u>\$ 1,068,685</u> | <u>\$ 820,293</u> | <u>\$ 1,888,978</u> |
| Balance on January 1, 2024 | \$ 1,046,878 | \$ 847 | \$ 10,148 | \$ 1,057,873 | \$ 735,380 | \$ 1,793,253 |
| Changes from financial instruments recognized at the beginning of the current reporting period | | | | | | |
| Transfers to | | | | | | |
| Lifetime ECL | - | - | - | - | - | - |
| Credit-impaired financial instruments | (140) | - | 140 | - | - | - |
| 12-month ECL | - | - | - | - | - | - |
| Derecognition of financial instruments in the current reporting period | (278,215) | (105) | (3,844) | (282,164) | - | (282,164) |
| Reversal from financial instruments recognized at the beginning of the current reporting period | (68,114) | (742) | 48,660 | (20,196) | - | (20,196) |
| New financial instruments purchased or originated | 299,235 | - | - | 299,235 | - | 299,235 |
| Difference of impairment loss under regulations | - | - | - | - | (24,561) | (24,561) |
| Change in exchange rates and other changes | 3,232 | - | (9,952) | (6,720) | - | (6,720) |
| Balance on September 30, 2024 | <u>\$ 1,002,876</u> | <u>\$ -</u> | <u>\$ 45,152</u> | <u>\$ 1,048,028</u> | <u>\$ 710,819</u> | <u>\$ 1,758,847</u> |

(Concluded)

29. EMPLOYEE BENEFITS PLAN

a. Defined contribution plan

The pension plan under the Labor Pension Act (the Act) is a defined contribution plan. Based on the Act, the Company's monthly contributions to individual pension accounts of employees covered by the defined contribution plan is at 6% of monthly salaries and wages. The funds are deposited in individual labor pension accounts at the Bureau of Labor Insurance.

The Company recognized expense of \$252,526 thousand and \$226,444 thousand in the consolidated statement of comprehensive income for the nine months ended September 30, 2025 and 2024, respectively, in accordance with the defined contribution plan.

b. Defined benefit plan

The defined benefit plan adopted by the Company in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. Since March 2023, TCB has adjusted 2% of the total monthly salaries and wages of employees (originally 15%) to a pension fund administered by the pension fund monitoring committee. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the Bureau); TCB has no right to influence the investment policy and strategy. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, TCB assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, TCB is required to fund the difference in one appropriation that should be made before the end of March of the next year.

Through the defined benefit plans under the Labor Standards Act, the Company is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic/and foreign/equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

For the nine months ended September 30, 2025 and 2024, the pension expenses under defined benefit plan recognized in the consolidated statements of comprehensive income amounted to \$238,945 thousand and \$259,859 thousand, respectively. For more information about the defined benefit plan, refer to Note 29 of the consolidated financial statements for the year ended December 31, 2024.

c. Employees' preferential deposit plan

TCB's payment obligations on fixed-amount preferential interest deposits for retired employees and current employees after retirement are in compliance with TCB's internal rules. Under the Guidelines Governing the Preparation of Financial Reports by Public Banks, TCB should determine the excess interest from the preferential interest deposits of employees by applying an actuarial valuation method when the employees retire.

For the nine months ended September 30, 2025 and 2024, the employee preferential deposit expense under employee's preferential deposit plan recognized in the consolidated statements of comprehensive income amounted to \$580,229 thousand and \$574,176 thousand, respectively. For more information about the employee preferential deposit plan, refer to Note 29 of the consolidated financial statements for the year ended December 31, 2024.

30. OTHER FINANCIAL LIABILITIES

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--------------------------------------|-------------------------------|------------------------------|-------------------------------|
| Structured products - host contracts | \$ 49,772 | \$ 50,161 | \$ 534,720 |
| Guarantee deposits received | 1,783,982 | 2,507,956 | 2,015,824 |
| Appropriation for loans | - | 216 | 379 |
| Separate-account liabilities | <u>64,654,167</u> | <u>79,800,216</u> | <u>84,664,415</u> |
| | <u><u>\$ 66,487,921</u></u> | <u><u>\$ 82,358,549</u></u> | <u><u>\$ 87,215,338</u></u> |

The status of the Company's investment-linked products - separate account as of September 30, 2025, December 31, 2024 and September 30, 2024, are summarized as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|--|---|-----------------------|
| Separate-account assets (part of other financial assets) | | | |
| Cash and cash equivalents | \$ 908,863 | \$ 795,078 | \$ 692,593 |
| Financial assets at FVTPL | 63,619,630 | 78,851,264 | 83,803,265 |
| Other receivables | | | |
| Investment settlement receivables | 125,674 | 153,874 | 168,557 |
| | <u>\$ 64,654,167</u> | <u>\$ 79,800,216</u> | <u>\$ 84,664,415</u> |
| Separate-account liabilities (part of other financial liabilities) | | | |
| Reserve for separate account - insurance contract | \$ 47,233,189 | \$ 52,834,777 | \$ 54,999,914 |
| Reserve for separate account - investment contract | 17,081,647 | 26,366,597 | 29,224,822 |
| Other payables | | | |
| General accounts payables | 339,331 | 598,842 | 439,679 |
| | <u>\$ 64,654,167</u> | <u>\$ 79,800,216</u> | <u>\$ 84,664,415</u> |
| | For the Three Months Ended September 30 | For the Nine Months Ended September 30 | |
| 2025 | 2024 | 2025 | 2024 |
| Separate-account revenue | | | |
| Premium income | \$ 231,169 | \$ 247,983 | \$ 793,639 |
| Gain on financial assets at FVTPL | 1,442,164 | 1,447,630 | 2,062,295 |
| Interest revenue | 842 | 1,054 | 2,562 |
| Gain (loss) on foreign exchange | <u>2,075,064</u> | <u>47,462</u> | <u>(1,645,308)</u> |
| | <u>\$ 3,749,239</u> | <u>\$ 1,744,129</u> | <u>\$ 1,213,188</u> |
| | | | |
| Separate-account expense | | | |
| Insurance claims and benefits | \$ 1,709,025 | \$ 1,235,145 | \$ 4,656,117 |
| Reserves for separate accounts, net of releases - insurance contract | 1,732,028 | 196,005 | (4,389,809) |
| Administrative expenses | <u>308,186</u> | <u>312,979</u> | <u>946,880</u> |
| | <u>\$ 3,749,239</u> | <u>\$ 1,744,129</u> | <u>\$ 1,213,188</u> |
| | | | |
| Separate-account revenue and expense were recognized under premium income, net. | | | |

31. OTHER LIABILITIES

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------|----------------------------|----------------------------|----------------------------|
| Advance receipts | \$ 1,236,254 | \$ 1,161,628 | \$ 1,068,650 |
| Others | <u>73,986</u> | <u>73,898</u> | <u>379,279</u> |
| | <u><u>\$ 1,310,240</u></u> | <u><u>\$ 1,235,526</u></u> | <u><u>\$ 1,447,929</u></u> |

32. NET INTEREST

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|--|--|-------------------------------|---|-------------------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Interest revenue | | | | |
| From discounts and loans | \$ 20,086,638 | \$ 20,057,374 | \$ 59,552,480 | \$ 57,758,051 |
| From investments | <u>5,593,035</u> | <u>5,162,734</u> | <u>16,094,751</u> | <u>14,987,368</u> |
| From due from banks and call loans to other banks | <u>1,442,358</u> | <u>1,621,402</u> | <u>4,596,969</u> | <u>5,006,717</u> |
| Others | <u>421,823</u> | <u>381,911</u> | <u>1,212,929</u> | <u>1,043,440</u> |
| | <u><u>\$ 27,543,854</u></u> | <u><u>\$ 27,223,421</u></u> | <u><u>\$ 81,457,129</u></u> | <u><u>\$ 78,795,576</u></u> |
| Interest expense | | | | |
| From deposits | (15,486,685) | (16,070,967) | (46,351,769) | (47,632,227) |
| From due to the Central Bank and other banks | (1,709,572) | (2,113,336) | (4,890,995) | (5,796,936) |
| From issuing bonds payable | <u>(342,271)</u> | <u>(322,237)</u> | <u>(1,006,099)</u> | <u>(948,949)</u> |
| From deposits from the Central Bank and other banks | <u>(900,308)</u> | <u>(532,041)</u> | <u>(2,621,297)</u> | <u>(1,075,667)</u> |
| From securities sold under repurchase agreements | <u>(289,473)</u> | <u>(420,700)</u> | <u>(907,931)</u> | <u>(1,073,894)</u> |
| Others | <u>(76,031)</u> | <u>(120,265)</u> | <u>(259,697)</u> | <u>(310,727)</u> |
| | <u><u>\$ (18,804,340)</u></u> | <u><u>\$ (19,579,546)</u></u> | <u><u>\$ (56,037,788)</u></u> | <u><u>\$ (56,838,400)</u></u> |
| | <u><u>\$ 8,739,514</u></u> | <u><u>\$ 7,643,875</u></u> | <u><u>\$ 25,419,341</u></u> | <u><u>\$ 21,957,176</u></u> |

33. SERVICE FEE AND COMMISSION INCOME, NET

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|--|--|----------------|---|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Service fee and commission revenues | | | | |
| From trust business | \$ 750,587 | \$ 779,722 | \$ 2,053,636 | \$ 2,199,756 |
| From guarantee | <u>229,720</u> | <u>247,884</u> | <u>696,765</u> | <u>750,415</u> |
| From loans | <u>474,988</u> | <u>403,992</u> | <u>1,276,651</u> | <u>2,025,846</u> |
| From insurance service | <u>711,859</u> | <u>390,228</u> | <u>1,920,613</u> | <u>1,624,631</u> |
| From brokerage service | <u>367,012</u> | <u>368,321</u> | <u>872,255</u> | <u>1,035,839</u> |
| From investment-linked products | <u>93,107</u> | <u>123,751</u> | <u>294,444</u> | <u>361,239</u> |

(Continued)

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|---|--|---------------------|---|---------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | | | | |
| From credit cards | \$ 416,780 | \$ 434,557 | \$ 1,245,536 | \$ 1,307,492 |
| From management fees of investment-linked products | 18,994 | 32,097 | 61,868 | 109,891 |
| From management fees | 68,789 | 76,770 | 217,749 | 223,182 |
| From remittance | 72,304 | 73,839 | 214,598 | 219,222 |
| From cross-bank transactions | 65,754 | 73,355 | 207,683 | 221,430 |
| Agency fee income | 42,478 | 49,954 | 105,281 | 123,047 |
| From underwriting | 48,012 | 40,364 | 102,811 | 106,279 |
| From import/export service | 20,558 | 22,619 | 63,064 | 68,810 |
| Others | 127,443 | 143,388 | 399,924 | 432,254 |
| | <u>3,508,385</u> | <u>3,260,841</u> | <u>9,732,878</u> | <u>10,809,333</u> |
| Service charge and commission expenses | | | | |
| From cross-bank transactions | (85,644) | (84,755) | (257,898) | (255,078) |
| From insurance business | (86,012) | (130,978) | (397,405) | (309,078) |
| From credit cards | (105,973) | (77,571) | (276,428) | (251,939) |
| From credit cards acquiring | (296,811) | (311,743) | (897,808) | (917,249) |
| From custody | (25,588) | (23,326) | (73,961) | (68,555) |
| Others | (90,023) | (108,438) | (238,603) | (279,958) |
| | <u>(690,051)</u> | <u>(736,811)</u> | <u>(2,142,103)</u> | <u>(2,081,857)</u> |
| | <u>\$ 2,818,334</u> | <u>\$ 2,524,030</u> | <u>\$ 7,590,775</u> | <u>\$ 8,727,476</u> |
| | | | | (Concluded) |

34. PREMIUM INCOME, NET

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|---------------------------------------|--|---------------------|---|---------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | | | | |
| Separate-account revenue (Note 30) | \$ 3,749,239 | \$ 1,744,129 | \$ 1,213,188 | \$ 6,296,482 |
| Premium income | <u>3,807,407</u> | <u>2,105,512</u> | <u>11,865,347</u> | <u>5,763,699</u> |
| | <u>7,556,646</u> | <u>3,849,641</u> | <u>13,078,535</u> | <u>12,060,181</u> |
| Separate-account expense (Note 30) | (3,749,239) | (1,744,129) | (1,213,188) | (6,296,482) |
| Insurance claims and benefits | (737,927) | (628,646) | (2,249,961) | (1,930,677) |
| Reinsurance premium ceded | (108,608) | (103,867) | (341,317) | (307,336) |
| Others | (23,977) | (19,913) | (68,249) | (50,919) |
| | <u>(4,619,751)</u> | <u>(2,496,555)</u> | <u>(3,872,715)</u> | <u>(8,585,414)</u> |
| | <u>\$ 2,936,895</u> | <u>\$ 1,353,086</u> | <u>\$ 9,205,820</u> | <u>\$ 3,474,767</u> |

35. GAINS (LOSSES) ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

| For the Three Months Ended September 30, 2025 | | | | | |
|---|--------------------------------|---------------------------------|--------------------------|------------------------------|--|
| Interest Revenue (Expense) | Gain (Loss) on Disposal | Gain (Loss) on Valuation | Dividend Income | Total | |
| Financial assets mandatorily classified as at fair value through profit or loss | | | | | |
| \$ 708,518 | \$ 4,406,718 | \$ 2,901,431 | \$ 52,092 | \$ 8,068,759 | |
| - | (4,621,351) | 12,003,426 | - | 7,382,075 | |
| <u>(58,696)</u> | <u>504</u> | <u>3,607</u> | <u>-</u> | <u>(54,585)</u> | |
| <u><u>\$ 649,822</u></u> | <u><u>\$ (214,129)</u></u> | <u><u>\$ 14,908,464</u></u> | <u><u>\$ 52,092</u></u> | <u><u>\$ 15,396,249</u></u> | |
| For the Three Months Ended September 30, 2024 | | | | | |
| Interest Revenue (Expense) | Gain (Loss) on Disposal | Gain (Loss) on Valuation | Dividend Income | Total | |
| Financial assets mandatorily classified as at fair value through profit or loss | | | | | |
| \$ 591,438 | \$ 6,872,681 | \$ (7,952,828) | \$ 76,606 | \$ (412,103) | |
| - | (913,121) | (2,617,757) | - | (3,530,878) | |
| <u>(65,114)</u> | <u>734</u> | <u>(99,854)</u> | <u>-</u> | <u>(164,234)</u> | |
| <u><u>\$ 526,324</u></u> | <u><u>\$ 5,960,294</u></u> | <u><u>\$ (10,670,439)</u></u> | <u><u>\$ 76,606</u></u> | <u><u>\$ (4,107,215)</u></u> | |
| For the Nine Months Ended September 30, 2025 | | | | | |
| Interest Revenue (Expense) | Gain (Loss) on Disposal | Gain (Loss) on Valuation | Dividend Income | Total | |
| Financial assets mandatorily classified as at fair value through profit or loss | | | | | |
| \$ 2,073,764 | \$ 11,628,887 | \$ (1,996,010) | \$ 157,041 | \$ 11,863,682 | |
| - | (18,467,545) | (2,593,553) | - | (21,061,098) | |
| <u>(174,847)</u> | <u>2,220</u> | <u>(72,386)</u> | <u>-</u> | <u>(245,013)</u> | |
| <u><u>\$ 1,898,917</u></u> | <u><u>\$ (6,836,438)</u></u> | <u><u>\$ (4,661,949)</u></u> | <u><u>\$ 157,041</u></u> | <u><u>\$ (9,442,429)</u></u> | |
| For the Nine Months Ended September 30, 2024 | | | | | |
| Interest Revenue (Expense) | Gain (Loss) on Disposal | Gain (Loss) on Valuation | Dividend Income | Total | |
| Financial assets mandatorily classified as at fair value through profit or loss | | | | | |
| \$ 1,643,695 | \$ 18,820,199 | \$ (269,658) | \$ 200,994 | \$ 20,395,230 | |
| - | (2,790,052) | 2,752,681 | - | (37,371) | |
| <u>(151,420)</u> | <u>999</u> | <u>(26,827)</u> | <u>-</u> | <u>(177,248)</u> | |
| <u><u>\$ 1,492,275</u></u> | <u><u>\$ 16,031,146</u></u> | <u><u>\$ 2,456,196</u></u> | <u><u>\$ 200,994</u></u> | <u><u>\$ 20,180,611</u></u> | |

36. REALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|---|--|---------------------|---|---------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Dividends revenue on investments in equity instruments at FVTOCI | \$ 1,450,343 | \$ 2,278,008 | \$ 2,820,544 | \$ 3,252,721 |
| Derecognition of unrealized gains (losses) on investments in debt instruments at FVTOCI | (140,948) | (75,839) | (130,819) | (79,198) |
| | <u>\$ 1,309,395</u> | <u>\$ 2,202,169</u> | <u>\$ 2,689,725</u> | <u>\$ 3,173,523</u> |

For the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, dividends revenue related to derecognized investments was \$1,248,959 thousand, \$1,051,865 thousand, \$1,269,577 thousand and \$1,444,385 thousand, respectively, and dividends revenue related to investments held on September 30, 2025 and 2024 were \$1,550,967 thousand and \$1,808,336 thousand, respectively.

37. EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES

a. Employee benefits expenses

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|---|--|---------------------|---|----------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Salaries | \$ 2,754,022 | \$ 2,676,115 | \$ 8,011,706 | \$ 7,698,222 |
| Incentives | 1,244,544 | 1,227,423 | 3,214,311 | 3,051,635 |
| Excessive interest from preferential interest deposits | 294,765 | 290,740 | 871,269 | 869,550 |
| Post-employment benefits, termination benefits and compensation | 179,906 | 174,732 | 514,114 | 533,260 |
| Overtime | 119,593 | 116,346 | 345,370 | 342,260 |
| Others | <u>726,951</u> | <u>684,314</u> | <u>2,021,210</u> | <u>2,006,162</u> |
| | <u>\$ 5,319,781</u> | <u>\$ 5,169,670</u> | <u>\$ 14,977,980</u> | <u>\$ 14,501,089</u> |

Under the amended Articles, TCFHC will make distributions at percentages from 0.01% to 0.08% and up to 1% of its annual profit (pretax income which exclude compensation of employees and remuneration to directors) for the employees' compensation and directors' remuneration, respectively. However, the actual appropriation of the compensation and remuneration should be made only from the annual net income less any accumulated deficit. For the nine months ended September 30, 2025 and 2024, compensations of employees were estimated at \$2,819 thousand and \$2,465 thousand and the remuneration of directors were estimated at \$90,657 thousand and \$90,368 thousand, respectively, based on the Articles and past experiences.

Material differences between such estimated amounts and the amounts approved by the board of directors on or before the annual consolidated financial statements are authorized for issue are adjusted in the year the compensation and remuneration were recognized. If there is a change in the approved amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in accounting estimate.

The appropriations of employees' compensation and remuneration of directors for 2024 and 2023 approved by the board of directors on March 24, 2025 and March 25, 2024, respectively, were as follows:

| | For the Year Ended December 31 | |
|----------------------------------|---------------------------------------|-------------|
| | 2024 | 2023 |
| Employees' compensation - cash | \$ 3,377 | \$ 2,588 |
| Remuneration of directors - cash | 108,625 | 94,901 |

There was no difference between the amounts of the employees' compensation and remuneration of directors approved by the board of directors and the amounts recognized in the consolidated financial statements.

Information on the employees' compensation and remuneration of directors approved by the TCFHC's board of directors is available on the Market Observation Post System website of the Taiwan Stock Exchange (<https://emops.twse.com.tw>).

b. Depreciation and amortization expenses

| | For the Three Months Ended | | For the Nine Months Ended | |
|-----------------------|-----------------------------------|-------------------|----------------------------------|---------------------|
| | September 30 | 2024 | September 30 | 2024 |
| Depreciation expenses | \$ 567,207 | \$ 596,645 | \$ 1,713,245 | \$ 1,789,687 |
| Amortization expenses | <u>135,126</u> | <u>124,465</u> | <u>408,025</u> | <u>353,865</u> |
| | <u>\$ 702,333</u> | <u>\$ 721,110</u> | <u>\$ 2,121,270</u> | <u>\$ 2,143,552</u> |

38. INCOME TAX

a. Income tax expense recognized in profit or loss

Main components of income tax expense were as follows:

| | For the Three Months Ended | | For the Nine Months Ended | |
|---|-----------------------------------|---------------------|----------------------------------|---------------------|
| | September 30 | 2024 | September 30 | 2024 |
| Current tax | | | | |
| Current period | \$ (2,174,547) | \$ 3,126,344 | \$ 5,001,776 | \$ 3,669,997 |
| Additional income tax on unappropriated earnings | - | - | 302,253 | 697,874 |
| Land revaluation increment tax | 314 | 119 | 802 | 575 |
| House and land transactions income tax | 1,243 | 2,344 | 8,263 | 7,434 |
| Prior year's adjustments | <u>6,999</u> | <u>(50,339)</u> | <u>(30,241)</u> | <u>(95,925)</u> |
| | <u>(2,165,991)</u> | <u>3,078,468</u> | <u>5,282,853</u> | <u>4,279,955</u> |
| Deferred tax | | | | |
| Current period | <u>3,233,790</u> | <u>(1,833,624)</u> | <u>(1,271,727)</u> | <u>509,371</u> |
| Income tax expense recognized in profit or loss | <u>\$ 1,067,799</u> | <u>\$ 1,244,844</u> | <u>\$ 4,011,126</u> | <u>\$ 4,789,326</u> |

b. Income tax (benefit) expense recognized in other comprehensive income

| | For the Three Months Ended September 30 | | For the Nine Months Ended September 30 | |
|--|--|--------------------|---|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| <u>Deferred tax</u> | | | | |
| Recognized in other comprehensive income - items that may be reclassified subsequently to profit or loss | | | | |
| Exchange differences on the translation of financial statements of foreign operations | \$ 477,211 | \$ (259,396) | \$ (664,630) | \$ 290,170 |
| Unrealized valuation gain or loss on financial assets at fair value through other comprehensive income | 84,826 | 217,572 | 273,621 | 116,750 |
| Other comprehensive income on reclassification of overlay approach | 1,790 | (331) | (4,537) | (2,381) |
| Income tax (benefit) expense recognized in other comprehensive income | <u>\$ 563,827</u> | <u>\$ (42,155)</u> | <u>\$ (395,546)</u> | <u>\$ 404,539</u> |

c. Deferred tax assets and liabilities

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------|----------------------|-----------------------|
| <u>Deferred tax assets</u> | | | |
| Temporary differences | | | |
| Financial instruments at fair value through other comprehensive income | \$ 107,743 | \$ 350,576 | \$ 175,380 |
| Properties and equipment | 5,479 | 5,962 | 6,123 |
| Payable for annual leave | 197,511 | 108,737 | 184,718 |
| Employee's preferential interest deposit obligation | 730,742 | 735,952 | 748,256 |
| Other liabilities | 5,783 | 5,783 | 5,783 |
| Exchange differences on foreign operations | 75,260 | 29,337 | 21,888 |
| Allowance for possible losses | 57,225 | 58,317 | 44,492 |
| Financial instruments at fair value through profit or loss | - | 49 | 282,222 |
| Pension liabilities | 574 | 643 | 622 |
| Accrued expenses | 2,076 | 2,076 | 2,979 |
| Unrealized foreign exchange losses | 11,861 | - | 476 |
| Overlay approach | - | - | 587 |
| Unrealized interest expense | - | - | 189,721 |
| Revenue from disposal of acquired loans | <u>185,675</u> | <u>185,675</u> | <u>-</u> |
| | <u>\$ 1,379,929</u> | <u>\$ 1,483,107</u> | <u>\$ 1,663,247</u> |

(Continued)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------|----------------------|-----------------------|
| <u>Deferred tax liabilities</u> | | | |
| Temporary differences | | | |
| Financial instruments at fair value through profit or loss | \$ 419,519 | \$ 1,394,451 | \$ - |
| Financial instruments at fair value through other comprehensive income | 30,788 | - | - |
| Overlay approach | 819 | 5,356 | - |
| Right-of-use assets | - | 46 | - |
| Intangible assets | 428,614 | 428,614 | 428,614 |
| The reserve for land value increment tax | 2,541,779 | 2,541,779 | 2,541,779 |
| Defined benefit obligation | 360,716 | 408,504 | 408,504 |
| Investments accounted for using equity method | 200,875 | 178,039 | 186,654 |
| Lease incentive | 1,665 | 1,925 | 2,010 |
| Exchange differences on foreign operations | - | 618,707 | 181,907 |
| Unrealized foreign exchange gains and losses | - | 177,805 | 148,374 |
| | <u>\$ 3,984,775</u> | <u>\$ 5,755,226</u> | <u>\$ 3,897,842</u> |
| | | | (Concluded) |

d. The years for which TCFHC and other subsidiaries' income tax returns had been examined by tax authorities were as follows:

| TCFHC | TCB | CAM | TCBF | TCS | BPCTLI | TCSIT | TCVC |
|--------------|------------|------------|-------------|------------|---------------|--------------|-------------|
| 2019 | 2019 | 2019 | 2019 | 2019 | 2022 | 2019 | 2019 |

e. Pillar Two income tax legislation

In September 2025, the governments of Australia, Hong Kong and Belgium, where TCB and its subsidiary are incorporated, enacted the Pillar Two income tax legislation, which is now in effect. As of September 30, 2025, the Company assessed that the current income tax related to Pillar Two did not have a material impact.

39. EARNINGS PER SHARE

| | Net Income (Numerator) | Shares (Denominator in Thousands) | Earnings Per Share (NT\$) |
|--|-----------------------------------|--|--|
| <u>For the three months ended September 30, 2025</u> | | | |
| Basic earnings per share (EPS) | \$ 6,062,719 | 15,680,936 | <u>\$ 0.38</u> |
| Effect of dilutive common stock: | | | |
| Employees' compensation | - | 114 | |
| Diluted EPS | <u>\$ 6,062,719</u> | <u>15,681,050</u> | <u>\$ 0.38</u> |
| | | | (Continued) |

| | Net Income (Numerator) | Shares (Denominator in Thousands) | Earnings Per Share (NT\$) |
|--|---------------------------|---|---------------------------------|
| <u>For the three months ended September 30, 2024</u> | | | |
| Basic earnings per share (EPS) | \$ 5,727,977 | 15,680,936 | \$ 0.37 |
| Effect of dilutive common stock: | | | |
| Employees' compensation | _____ - | 95 | |
| Diluted EPS | <u>\$ 5,727,977</u> | <u>15,681,031</u> | <u>\$ 0.37</u> |
| <u>For the nine months ended September 30, 2025</u> | | | |
| Basic earnings per share (EPS) | \$ 16,193,782 | 15,680,936 | \$ 1.03 |
| Effect of dilutive common stock: | | | |
| Employees' compensation | _____ - | 156 | |
| Diluted EPS | <u>\$ 16,193,782</u> | <u>15,681,092</u> | <u>\$ 1.03</u> |
| <u>For the nine months ended September 30, 2024</u> | | | |
| Basic earnings per share (EPS) | \$ 15,824,141 | 15,680,936 | \$ 1.01 |
| Effect of dilutive common stock: | | | |
| Employees' compensation | _____ - | 121 | |
| Diluted EPS | <u>\$ 15,824,141</u> | <u>15,681,057</u> | <u>\$ 1.01</u> |
| | | | (Concluded) |

The weighted-average number of shares outstanding for EPS calculation has been retroactively adjusted to reflect the effects of the stock dividends distributed in the year following earning appropriation.

| | Before Adjusted Retrospectively | After Adjusted Retrospectively | | |
|--------------------|--|---|--|---|
| | For the Three Months Ended September 30, 2024 | For the Nine Months Ended September 30, 2024 | For the Three Months Ended September 30, 2024 | For the Nine Months Ended September 30, 2024 |
| Basic EPS (NT\$) | \$ 0.38 | \$ 1.04 | \$ 0.37 | \$ 1.01 |
| Diluted EPS (NT\$) | <u>\$ 0.38</u> | <u>\$ 1.04</u> | <u>\$ 0.37</u> | <u>\$ 1.01</u> |

The Company can select to distribute employees' compensation by stock or by cash. If the compensation is in the form of shares, the Company should presume that the entire amount of the compensation will be settled in shares, and the resulting potential shares should be included in the weighted average number of shares outstanding to be used in calculating diluted earnings per share (EPS) if the shares have a dilutive effect. The dilutive effects of the potential shares needs to be included in the calculation of diluted EPS until the stockholders resolve the number of shares to be distributed to employees in the following year.

40. EQUITY

a. Capital stock

Common stocks

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------|-----------------------|-----------------------|
| Number of shares authorized (in thousands) | <u>20,000,000</u> | <u>20,000,000</u> | <u>20,000,000</u> |
| Authorized capital | <u>\$ 200,000,000</u> | <u>\$ 200,000,000</u> | <u>\$ 200,000,000</u> |
| Number of shares issued and fully paid (in thousands) | <u>15,680,936</u> | <u>15,224,210</u> | <u>15,224,210</u> |
| Common stocks issued | <u>\$ 156,809,369</u> | <u>\$ 152,242,106</u> | <u>\$ 152,242,106</u> |

Fully paid common stocks, which have a par value of \$10, carry one vote per share and carry a right to dividends.

On June 21, 2024, the stockholders of TCFHC resolved to issue 514,828 thousand shares, which included the 2023 shares distributed by capital surplus to \$5,148,284 thousand. This issuance was approved by the FSC and MOEA.

On June 20, 2025, the stockholders of TCFHC resolved to issue 456,726 thousand shares, which included the 2024 earnings amounting to \$4,567,263 thousand. This issuance was approved by the FSC and MOEA.

b. Capital surplus

Under related regulations, capital surplus may only be used to offset a deficit. But capital surplus from the issuance of shares in excess of par value (including additional paid-in capital from the issuance of common shares and capital surplus from mergers and treasury stock transactions) and donations to the Company may be distributed as cash dividends or transferred to common stock on the basis of the percentage of shares held by the stockholders. Any capital surplus transferred to common stock should be within a certain percentage prescribed by law.

Under the Financial Holding Company Law and related directives issued by the Securities and Futures Bureau (SFB), the distribution of the ex-conversion unappropriated earnings that are generated by financial institutions (the subsidiaries) and become part of capital surplus of the financial holding company through a share swap is exempted from the appropriation restriction of the Securities and Exchange Law. These unappropriated earnings should be net of the appropriation of legal reserve or special reserve.

The capital surplus as of September 30, 2025 came from the issuance of shares in excess of par value and treasury stock transactions. Capital surplus sources and uses were as follows:

Sources

From subsidiaries

| | |
|--|-------------------|
| Capital surplus (mainly additional paid-in capital from share issuance in excess of par value) | \$ 27,783,766 |
| Legal reserve | 15,799,245 |
| Special reserve | 195,968 |
| Unappropriated earnings | <u>10,410.804</u> |
| | 54,189,783 |
| Additional paid-in capital from TCFHC's share issuance in excess of par value | 3,861,434 |
| Cash dividends from TCFHC received by subsidiary | 148,857 |
| Additional paid-in capital from TCFHC's share issuance in excess of par value | 12,642,000 |
| Share-based payment for the subscription for TCFHC's new shares by the employees of TCFHC and its subsidiaries | 618,750 |
| Unclaimed dividends | <u>15,827</u> |
| | 71,476,651 |

Uses

| | |
|--|----------------------|
| Issuance of TCFHC's stock and cash dividends in 2012 | (6,360,660) |
| Issuance of TCFHC's stock dividends in 2013 | (1,625,333) |
| Subsidiaries' disposal of the shares of TCFHC regarded as reissuance of treasury stock | (148,857) |
| Issuance of TCFHC's stock dividends in 2014 | (4,307,133) |
| Issuance of TCFHC's stock dividends in 2015 | (1,054,498) |
| Issuance of TCFHC's stock and cash dividends in 2023 | <u>(12,327,864)</u> |
| | <u>\$ 45,652,306</u> |

c. Special reserve

For the first-time adoption of IFRS Accounting Standards, TCFHC should appropriate to a special reserve an amount that was the same as those of unrealized revaluation increment and cumulative translation differences (gains) transferred to retained earnings as a result of the Company's use of exemptions under IFRS 1. However, on the date of transitions to IFRS Accounting Standards, if the increase in retained earnings that resulted from all IFRS Accounting Standards adjustments is not enough for this appropriation, only the increase in retained earnings that resulted from all IFRS Accounting Standards adjustments will be appropriated to special reserve. The special reserve appropriated as above may be reversed in proportion to the usage, disposal or reclassification of the related assets and thereafter distributed. The special reserve appropriated for the first-time adoption of IFRS Accounting Standards may be used to offset deficits in subsequent years. No appropriation of earnings shall be made until any shortage of the aforementioned special reserve is appropriated in subsequent years if the Company has earnings and the original need to appropriate a special reserve is not eliminated.

The increase in retained earnings that resulted from all IFRS Accounting Standards adjustments was not enough for this appropriation; therefore, TCFHC appropriated to the special reserve an amount of \$1,086,876 thousand on January 1, 2013, an increase in retained earnings that resulted from all IFRS Accounting Standards adjustments on transitions to IFRS Accounting Standards.

Information regarding the above special reserve appropriated or reversed on elimination of the original need to appropriate a special reserve was as follows:

| | For the Nine Months Ended September 30 | |
|--|---|-------------------|
| | 2025 | 2024 |
| Balance on January 1 | \$ 985,539 | \$ 985,539 |
| Reversed on elimination of the original need to appropriate a special reserve: | - | - |
| Disposal of properties and equipment | - | - |
| Balance on September 30 | <u>\$ 985,539</u> | <u>\$ 985,539</u> |

According to the provisions of the Order No. 1090150022 Order of the Financial Supervisory Commission R.O.C. TCFHC appropriated to the special surplus reserve of the same amount, which occurred from the net deduction of other equity items recorded in the current period. The information provided by the parent company in accordance with the letter is as follows:

| | For the Nine Months Ended September 30 | |
|-------------------------|---|---------------------|
| | 2025 | 2024 |
| Balance on January 1 | \$ 6,142,118 | \$ 20,524,180 |
| Special reversal | <u>771,613</u> | <u>(14,382,062)</u> |
| Balance on September 30 | <u>\$ 6,913,731</u> | <u>\$ 6,142,118</u> |

d. Appropriation of earnings

For expanding the business scale and enhancing the profitability, TCFHC adopts the surplus dividend policy under the related law.

When TCFHC appropriated its earnings, legal reserve is appropriated from the annual net income less any accumulated deficit. A special reserve was then appropriated depending on regulation requirement and operation needs. Any remainder together with any undistributed retained earnings shall be used for proposing a distribution plan, which should be resolved in the stockholders' meeting for distribution of dividends.

Unless otherwise restricted by related regulations, TCFHC's policy indicates that cash dividends must be 10% or above of the total dividends and bonuses distributed. If the cash dividend per share is less than NT\$0.1, the cash dividend will not be distributed unless the distribution is resolved in the stockholders' meetings.

Under the Company Law, legal reserve should be appropriated until the reserve equals TCFHC's paid-in capital. This reserve should only be used to offset a deficit. When the reserve exceeds 25% of TCFHC's paid-in capital, the excess may be used to issue new shares or distribute as cash dividends.

Under related regulations, a special reserve is appropriated from the balance of the retained earnings at an amount from the net income and unappropriated earnings that is equal to the debit balance of accounts in the stockholders' equity section. The special reserve should be appropriated from the prior years' unappropriated earnings to the extent of the debit balance accumulated from prior years, and such special reserve should not be appropriated.

If there is difference between the appropriation of special reserve and net amount of deduction in other stockholder's equity, the Company should appropriate on additional amount of special reserve in the first-time adoption of IFRS Accounting Standards. Afterwards, if there is any reversal in of the deduction in other stockholder's equity, the Company is allowed to appropriate retained earnings from the reversal amount.

The appropriations from the earnings of 2024 and 2023 were approved in the stockholders' meeting on June 20, 2025 and June 21, 2024, respectively. The appropriations and dividends per share were as follows:

| | Appropriation of Earnings | | Dividends Per Share (NT\$) | |
|-----------------|----------------------------------|--------------|-----------------------------------|-------------|
| | 2024 | 2023 | 2024 | 2023 |
| Legal reserve | \$ 2,448,986 | \$ 1,706,475 | | |
| Special reserve | 771,613 | - | | |
| Cash dividends | 10,656,947 | 9,561,098 | \$ 0.70 | \$ 0.65 |
| Stock dividends | 4,567,263 | 5,148,284 | 0.30 | 0.35 |

Information on the appropriation of earnings is available at the Market Observation Post System website of the Taiwan Stock Exchange (<https://emops.twse.com.tw>).

e. Non-controlling interests

| | For the Nine Months Ended September 30 | |
|--|---|---------------------|
| | 2025 | 2024 |
| Balance on January 1 | \$ 5,707,519 | \$ 5,888,411 |
| Attributable to non-controlling interests | | |
| Net income | 46,845 | 403,096 |
| Exchange differences on the translation of financial statements of foreign operations | 12,146 | 9,136 |
| Unrealized valuation gains (losses) on financial assets at FVTOCI | 452,491 | 26,602 |
| Other comprehensive (loss) income reclassification of overlay approach | (26,120) | 27,024 |
| Cash dividends distributed by subsidiaries | (283,229) | (472,048) |
| Balance on September 30 | <u>\$ 5,909,652</u> | <u>\$ 5,882,221</u> |

41. RELATED-PARTY TRANSACTIONS

Taiwan Cooperative Financial Holding Co., Ltd. is the ultimate parent of the Company, and the Ministry of Finance is the major government stockholder. Based on IAS 24 "Related Party Disclosures" the Company's transactions with government-related parties are exempt from disclosure requirements. All transactions, account balances, earnings, expenses and gains (losses) on transactions between the Company and subsidiaries have all been excluded from consolidation and are not disclosed in this note.

In addition to those mentioned in other notes, the related-party transactions are summarized as follows:

a. Related parties

| Related Party | Relationship with the Company |
|--|---|
| United Real Estate Management Co., Ltd. | Associated enterprise |
| JC Capital Taiwan Co., Ltd. | Associated enterprise (disposal on August 28, 2024) |
| TCB 6 Year Senior Emerging Market Bond Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB US Short Duration High Yield Bond Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB Global Core Infrastructure Income Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB 2032 Target Date Multi-Asset Income Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB Global High Yield Bond Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB Multi-Asset AI Theme Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB 2026 Maturity Senior Emerging Market Corporate Bond Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB Global Healthcare Multi-Asset Income Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB Environment & Socially Responsible Multi-Asset Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB Global Hybrid Income Bond Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB 2025 Maturity Emerging Market Bond Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB Fund of Emerging Markets Bond Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| TCB Diversified Income Multi-Asset Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. |
| Tamshui First Credit Bank | The director of Tamshui First Credit Bank is also the Company's director. |
| Taiwan Asset Management Corporation | The director of Taiwan Assets Management Corporation is the main management of the Company. |
| Financial Information Service Co., Ltd. | The director of Financial Information Service Co., Ltd. is also the Company's director. |
| Agricultural Bank of Taiwan | The director of Agricultural Bank of Taiwan is also the TCB's director. |
| Sun Ba Power Corporation | The director of Sun Ba Power Corporation is main management's spouse |
| Krom Electronics Co., Ltd. | The director of Krom Electronics Co., Ltd. is second-degree kin |
| The Credit Cooperative of Ilan | The director of The Credit Cooperative of Ilan is also TCB's director. |

(Continued)

| Related Party | Relationship with the Company |
|--|---|
| Financial eSolution Co., Ltd. | The director of Financial eSolution Co., Ltd. is also the management of the Company. |
| The Kaohsiung Third Credit Cooperative | The director of The Kaohsiung Third Credit Cooperative is also the TCB's director. |
| The Fifth Credit Cooperation of Taipei | The director of the Firth Credit Cooperation of Taipei is also the TCB's director. (appointed on September 7, 2025) |
| Others | Main management of the company and other related parties. |
| | (Concluded) |

b. Significant transactions between the Company and related parties:

1) Call loans to banks

| | Highest Balance | Ending Balance | Interest Revenue | Interest Rate (%) |
|---|------------------------|-----------------------|-------------------------|--------------------------|
| <u>For the nine months ended September 30, 2024</u> | | | | |
| Others | <u>\$ 1,144,000</u> | <u>\$ 678,000</u> | <u>\$ 15,042</u> | 2.800-5.850 |

2) Deposits from banks

| | September 30 | |
|--|-----------------------|-----------------------|
| | 2025 | 2024 |
| | Ending Balance | Ending Balance |
| Main management | \$ 115 | \$ 105 |
| Others | | |
| Tamshui First Credit Bank | 5,150,284 | 5,153,372 |
| The Credit Cooperative of Ilan | - | 754,250 |
| The Kaohsiung Third Credit Cooperative | 7,447,128 | 4,397,046 |
| The Fifth Credit Cooperation of Taipei | 1,448,601 | - |
| Others | <u>337,575</u> | <u>547,909</u> |
| | | |
| | <u>\$ 14,383,703</u> | <u>\$ 10,852,682</u> |

3) Call loans from banks

| | Highest Balance | Ending Balance | Interest Revenue | Interest Rate (%) |
|---|------------------------|-----------------------|-------------------------|--------------------------|
| <u>For the nine months ended September 30, 2025</u> | | | | |
| Others | | | | |
| Agricultural Bank of Taiwan | <u>\$ 1,975,620</u> | <u>\$ -</u> | <u>\$ 226</u> | 4.350 |

(Continued)

| | Highest Balance | Ending Balance | Interest Revenue | Interest Rate (%) |
|---|------------------------|-----------------------|-------------------------|--------------------------|
| <u>For the nine months ended September 30, 2024</u> | | | | |
| Others | | | | |
| Agricultural Bank of Taiwan | <u>\$ 1,921,680</u> | <u>\$ -</u> | <u>\$ 288</u> | 5.390 (Concluded) |

4) Loans

| | Highest Balance | Ending Balance | Interest Revenue | Interest Rate (%) |
|---|----------------------------|----------------------------|-------------------------|--------------------------|
| <u>For the nine months ended September 30, 2025</u> | | | | |
| Main management | \$ 356,511 | \$ 263,221 | \$ 3,718 | 1.670-2.358 |
| Others | <u>\$ 286,008</u> | <u>\$ 235,506</u> | <u>\$ 3,256</u> | 1.512-3.215 |
| | <u><u>\$ 642,519</u></u> | <u><u>\$ 498,727</u></u> | <u><u>\$ 6,974</u></u> | |
| <u>For the nine months ended September 30, 2024</u> | | | | |
| Main management | \$ 422,225 | \$ 246,153 | \$ 3,979 | 1.670-2.428 |
| Others | <u>\$ 2,762,621</u> | <u>\$ 1,692,130</u> | <u>\$ 13,132</u> | 0.405-3.245 |
| | <u><u>\$ 3,184,846</u></u> | <u><u>\$ 1,938,283</u></u> | <u><u>\$ 17,111</u></u> | |

a) Loans

September 30, 2025

| Type | Account Volume or Name | Highest Balance in the Nine Months Ended September 30, 2025 (Note 1) | Ending Balance | Loan Classification | | Collaterals | Differences in Terms of Transaction Compared with Those for Unrelated Parties |
|----------------------------------|----------------------------|---|----------------|---------------------|---------------------|------------------------------|---|
| | | | | Normal Loans | Nonperforming Loans | | |
| Consumer loans | 71 | \$ 276,018 | \$ 209,349 | \$ 209,349 | \$ - | Note 2 Land and buildings | None |
| Self-used housing mortgage loans | 60 | 316,501 | 239,378 | 239,378 | - | | None |
| Other loans | Krom Electronics Co., Ltd. | 50,000 | 50,000 | 50,000 | - | None | None |

September 30, 2024

| Type | Account Volume or Name | Highest Balance in the Nine Months Ended September 30, 2024 (Note 1) | Ending Balance | Loan Classification | | Collaterals | Differences in Terms of Transaction Compared with Those for Unrelated Parties |
|----------------------------------|----------------------------|--|----------------|---------------------|---------------------|-------------------------|---|
| | | | | Normal Loans | Nonperforming Loans | | |
| Consumer loans | 76 | \$ 329,440 | \$ 158,820 | \$ 158,820 | \$ - | Note 2 | None |
| Self-used housing mortgage loans | 63 | 346,631 | 270,919 | 270,919 | \$ - | Land and buildings | None |
| Other loans | Krom Electronics Co., Ltd. | 50,000 | 50,000 | 50,000 | \$ - | None | None |
| | Sun Ba Power Corporation | 660,200 | 660,200 | 660,200 | \$ - | None | None |
| | Tamshui First Credit Bank | 1,000,000 | - | - | \$ - | Certificates of deposit | None |

Note 1: The highest balance is the largest sum in the period of all daily accounts for each type.

Note 2: A portion of consumer loans was real estate guaranteed.

b) Guarantees

September 30, 2024

| Related Party | Highest Balance in the Nine Months Ended September 30, 2024 | Ending Balance | Guarantee Liability Reserve Balance | Rate (%) | Collaterals |
|-------------------------------|---|----------------|-------------------------------------|-------------|--------------------|
| Others | | | | | |
| Sun Ba Power Corporation | \$ 798,344 | \$ 798,344 | \$ 2,654 | 0.405-0.500 | None |
| Financial eSolution Co., Ltd. | 231 | - | - | 0.750 | Land and buildings |

Under the Banking Law, except for customer loans and government loans, credits extended by TCB to any related party should be 100% secured, and the terms of credits extended to related parties should be similar to those for third parties.

5) Deposits

| | Ending Balance | Interest Expense | Interest Rate (%) |
|---|----------------------|-------------------|-------------------|
| <u>For the nine months ended September 30, 2025</u> | | | |
| Associates | \$ 99,134 | \$ 513 | 0.000-1.700 |
| Main management | 982,878 | 10,558 | 0.000-13.000 |
| Others | | | |
| Financial Information Service Co., Ltd. | 20,630,269 | 15,761 | 0.000-5.110 |
| The Kaohsiung Third Credit Cooperative | 15,122,000 | 161,024 | 0.000-1.715 |
| Tamshui First Credit Bank | 22,337,192 | 281,386 | 0.000-1.715 |
| Others | <u>14,619,241</u> | <u>122,286</u> | 0.000-13.000 |
| | <u>\$ 73,790,714</u> | <u>\$ 591,528</u> | |

(Continued)

| | Ending Balance | Interest Expense | Interest Rate (%) |
|--|-------------------------------|------------------------------|-------------------------------|
| <u>For the nine months ended September 30, 2024</u> | | | |
| Associates | \$ 104,759 | \$ 455 | 0.000-4.950 |
| Main management | 1,005,804 | 12,660 | 0.000-13.000 |
| Others | | | |
| Financial Information Service Co., Ltd. | 19,413,789 | 19,649 | 0.000-5.250 |
| The Kaohsiung Third Credit Cooperative | 13,522,000 | 18,394 | 0.000-1.715 |
| Tamshui First Credit Bank | 22,054,354 | 283,713 | 0.000-1.715 |
| Others | <u>13,331,802</u> | <u>101,217</u> | 0.000-13.000 |
| | <u>\$ 69,432,508</u> | <u>\$ 436,088</u> | |
| | | | (Concluded) |
| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
| 6) Accrued income (part of receivables) | | | |
| Others | <u>\$ 20,400</u> | <u>\$ 23,453</u> | <u>\$ 25,480</u> |
| 7) Accrued interest (part of receivables) | | | |
| Others | <u>\$ _____ -</u> | <u>\$ _____ -</u> | <u>\$ 4,690</u> |
| 8) Receivable on securities (part of receivables) | | | |
| Others | <u>\$ 3,347</u> | <u>\$ 6,865</u> | <u>\$ 8,970</u> |
| 9) Payable on securities (part of payables) | | | |
| Others | <u>\$ 12,579</u> | <u>\$ _____ -</u> | <u>\$ 7,592</u> |
| 10) Guarantee deposits received (part of other financial liabilities) | | | |
| Others | | | |
| Taiwan Asset Management Corporation | \$ 3,249 | \$ 4,300 | \$ 4,300 |
| Agricultural Bank of Taiwan | <u>\$ 10,700</u> | <u>\$ 10,700</u> | <u>\$ 10,700</u> |
| | <u>\$ 13,949</u> | <u>\$ 15,000</u> | <u>\$ 15,000</u> |

| | For the Nine Months Ended September 30 | |
|---|---|--------------------------|
| | 2025 | 2024 |
| 11) Service fee income (part of service fee and commission income, net) | | |
| Main management | \$ 460 | \$ 321 |
| Others | <u>247,986</u> | <u>246,945</u> |
| | <u><u>\$ 248,446</u></u> | <u><u>\$ 247,266</u></u> |
| 12) Service charge (part of service fee and commission income, net) | | |
| Main management | \$ 79 | \$ 89 |
| 13) Other income (part of other non-interest gain, net) | | |
| Others | | |
| Taiwan Asset Management Corporation | \$ 1,516 | \$ 1,918 |
| Financial Information Service Co., Ltd. | 2,009 | 1,814 |
| Others | <u>685</u> | <u>848</u> |
| | <u><u>\$ 4,210</u></u> | <u><u>\$ 4,580</u></u> |
| 14) Donation (part of other non-interest gain, net) | | |
| Main management | \$ 2,000 | \$ 2,000 |
| Others | <u>900</u> | <u>900</u> |
| | <u><u>\$ 2,900</u></u> | <u><u>\$ 2,900</u></u> |

Terms of other transactions with related parties were similar to those for third parties, except for the more favorable interest rate for managers' savings within a prescribed limit.

15) Lease agreements - the Company is lessor

The Company lease out investment properties under operating leases with lease terms of 2 to 10 years. Rentals which are determined based on the prices of nearby properties are calculated on the basis of the leased areas and are payable monthly.

a) Future lease payment receivable was as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-----------------------------|-------------------------------|------------------------------|-------------------------------|
| Others | | | |
| Agricultural Bank of Taiwan | \$ 115,302 | \$ 147,633 | \$ 158,410 |
| Taiwan Asset Management | | | |
| Corporation | <u>27,104</u> | <u>36,850</u> | <u>40,099</u> |
| | <u><u>\$ 142,406</u></u> | <u><u>\$ 184,483</u></u> | <u><u>\$ 198,509</u></u> |

b) Lease income (part of other non-interest gains, net):

**For the Nine Months Ended
September 30**

2025

2024

Others

| | | |
|-------------------------------------|-------------------------|-------------------------|
| Taiwan Asset Management Corporation | \$ 9,746 | \$ 9,746 |
| Agricultural Bank of Taiwan | <u>32,331</u> | <u>32,331</u> |
| | <u><u>\$ 42,077</u></u> | <u><u>\$ 42,077</u></u> |

16) Derivatives

| Related Party | Type of Derivatives | Contract Period | For the Nine Months Ended September 30, 2025 | | | Amounts on the Consolidated Balance Sheet |
|--|----------------------------|------------------------|---|------------------------------|--|--|
| | | | Nominal Amounts | Valuation Gain (Loss) | Account | |
| Other - TCB 6 Year Senior Emerging Market Bond Fund | Currency swap | 2025.08.29-2026.01.12 | US\$ 3,000 | \$ (14) | Financial liabilities at fair value through profit or loss | \$ (14) |
| | Currency swap | 2025.06.04-2026.01.12 | US\$ 7,000 | 6,071 | Financial assets at fair value through profit or loss | 6,071 |
| Other - TCB US Short Duration High Yield Bond Fund | Currency swap | 2025.09.23-2026.06.23 | US\$ 2,100 | 754 | Financial assets at fair value through profit or loss | 754 |
| | Currency swap | 2025.08.19-2025.11.19 | US\$ 300 | (27) | Financial liabilities at fair value through profit or loss | (27) |
| Other - TCB 2032 Target Date Multi-Asset Income Fund | Currency swap | 2025.09.18-2025.12.18 | US\$ 2,700 | 958 | Financial assets at fair value through profit or loss | 958 |
| Other - TCB Global High Yield Bond Fund | Currency swap | 2025.05.21-2026.02.23 | US\$ 3,650 | 4,552 | Financial assets at fair value through profit or loss | 4,552 |
| Other - TCB Multi-Asset AI Theme Fund | Currency swap | 2025.08.27-2025.11.28 | US\$ 2,500 | 248 | Financial assets at fair value through profit or loss | 248 |
| Other - TCB 2026 Maturity Senior Emerging Market Corporate Bond Fund | Currency swap | 2025.05.29-2026.02.26 | US\$ 455 | 445 | Financial assets at fair value through profit or loss | 445 |
| Other - TCB Global Healthcare Multi-Asset Income Fund | Currency swap | 2025.08.06-2025.11.06 | US\$ 4,000 | 2,881 | Financial assets at fair value through profit or loss | 2,881 |
| Other - TCB Environment & Socially Responsible Multi-Asset Fund | Currency swap | 2025.08.27-2025.11.28 | US\$ 1,000 | 99 | Financial assets at fair value through profit or loss | 99 |
| Other - TCB Global Hybrid Income Bond Fund | Currency swap | 2025.09.12-2026.09.15 | US\$ 12,500 | 2,861 | Financial assets at fair value through profit or loss | 2,861 |

| Related Party | Type of Derivatives | Contract Period | For the Nine Months Ended September 30, 2024 | | | Amounts on the Consolidated Balance Sheet |
|---|----------------------------|------------------------|---|------------------------------|--|--|
| | | | Nominal Amounts | Valuation Gain (Loss) | Account | |
| Other - TCB 6 Year Senior Emerging Market Bond Fund | Currency swap | 2024.09.30-2024.11.29 | US\$ 3,000 | \$ (337) | Financial liabilities at fair value through profit or loss | \$ (337) |
| | Currency swap | 2024.07.22-2024.10.22 | US\$ 3,450 | (2,610) | Financial liabilities at fair value through profit or loss | (2,610) |
| Other - TCB Global Core Infrastructure Income Fund | Currency swap | 2024.08.16-2024.11.18 | US\$ 500 | (258) | Financial liabilities at fair value through profit or loss | (258) |
| | Currency swap | 2024.09.18-2024.12.18 | US\$ 3,000 | (1,124) | Financial liabilities at fair value through profit or loss | (1,124) |
| Other - TCB 2025 Maturity Emerging Market Bond Fund | Currency swap | 2024.06.20-2024.11.29 | US\$ 21,150 | (22,072) | Financial liabilities at fair value through profit or loss | (22,072) |
| Other - TCB Global High Yield Bond Fund | Currency swap | 2024.07.18-2025.02.21 | US\$ 3,200 | (2,104) | Financial liabilities at fair value through profit or loss | (2,104) |
| TCB Fund of Emerging Markets Bond Fund | Currency swap | 2024.08.28-2024.11.29 | US\$ 500 | (77) | Financial liabilities at fair value through profit or loss | (77) |
| TCB Diversified Income Multi-Asset Fund | Currency swap | 2024.08.22-2025.01.23 | US\$ 10,100 | (2,534) | Financial liabilities at fair value through profit or loss | (2,534) |

The realized profit or loss that resulted from the currency swap transactions with related parties was as follows:

| | For the Nine Months Ended September 30 | | | |
|---|---|------------------------------|-------------------------------|------------------------------|
| | 2025 | 2024 | | |
| Financial assets and liabilities at fair value through profit or loss | | | | |
| Others | \$ (520) | \$ 64,591 | | |
| c. Subsidiaries' related-party transactions and balances that each amounted to more than \$100,000 thousand | | | | |
| 1) Taiwan Cooperative Bank, Ltd. | | | | |
| a) Due from banks | | | | |
| Subsidiary | September 30, 2025 | December 31, 2024 | September 30, 2024 | |
| Subsidiary | \$ 559,343 | \$ 553,871 | \$ 678,512 | |
| b) Call loans to banks | | | | |
| | Highest Balance | Ending Balance | Interest Revenue | Interest Rate (%) |
| For the nine months ended <u>September 30, 2025</u> | | | | |
| Subsidiary | \$ 2,790,840 | \$ 1,216,520 | \$ 28,375 | 2.200-3.650 |
| Sister companies | <u>3,740,276</u> | <u>1,400,000</u> | <u>22,158</u> | 1.450-4.750 |
| TCBF | <u><u>\$ 6,531,116</u></u> | <u><u>\$ 2,616,520</u></u> | <u><u>\$ 50,533</u></u> | |
| For the nine months ended <u>September 30, 2024</u> | | | | |
| Subsidiary | \$ 2,623,375 | \$ 1,834,560 | \$ 49,787 | 3.900-4.400 |
| Sister companies | <u>4,475,906</u> | <u>2,918,000</u> | <u>21,866</u> | 1.360-6.080 |
| TCBF | <u><u>1,144,000</u></u> | <u><u>678,000</u></u> | <u><u>15,042</u></u> | 2.800-5.850 |
| Others | <u><u>\$ 8,243,281</u></u> | <u><u>\$ 5,430,560</u></u> | <u><u>\$ 86,695</u></u> | |

c) Call loans to securities firms (part of other financial assets, net)

| | Highest Balance | Ending Balance | Interest Revenue | Interest Rate (%) |
|---|------------------------|-----------------------|-------------------------|--------------------------|
| <u>For the nine months ended September 30, 2025</u> | | | | |
| Sister company TCS | <u>\$ 332,120</u> | <u>\$ 274,815</u> | <u>\$ 10,877</u> | 4.400-5.100 |
| <u>For the nine months ended September 30, 2024</u> | | | | |
| Sister company TCS | <u>\$ 329,000</u> | <u>\$ 316,000</u> | <u>\$ 13,639</u> | 5.540-5.720 |

d) Deposits from banks

| | September 30 | |
|--|-----------------------|-----------------------|
| | 2025 | 2024 |
| | Ending Balance | Ending Balance |
| Subsidiary | \$ 22 | \$ 25 |
| Main management | 115 | 105 |
| Others | | |
| Tamshui First Credit Bank | 5,150,284 | 5,153,372 |
| The Credit Cooperative of Ilan | - | 754,250 |
| The Kaohsiung Third Credit Cooperative | 7,447,128 | 4,397,046 |
| The Fifth Credit Cooperation of Taipei | 1,448,601 | - |
| Others | <u>337,575</u> | <u>547,909</u> |
| | <u>\$ 14,383,725</u> | <u>\$ 10,852,707</u> |

e) Loans

| | Highest Balance | Ending Balance | Interest Revenue | Interest Rate (%) |
|---|------------------------|-----------------------|-------------------------|--------------------------|
| <u>For the nine months ended September 30, 2025</u> | | | | |
| Subsidiary | \$ 4,703,957 | \$ 3,148,640 | \$ 91,666 | 2.520-3.645 |
| Main management | 356,511 | 263,221 | 3,718 | 1.670-2.358 |
| Others | <u>286,008</u> | <u>235,506</u> | <u>3,256</u> | 1.512-3.215 |
| | <u>\$ 5,346,476</u> | <u>\$ 3,647,367</u> | <u>\$ 98,640</u> | |
| <u>For the nine months ended September 30, 2024</u> | | | | |
| Subsidiary | \$ 5,398,810 | \$ 4,586,400 | \$ 165,563 | 4.202-4.785 |
| Sister companies | 20,000 | - | 5 | 2.768-2.893 |
| Main management | 422,225 | 246,153 | 3,979 | 1.670-2.428 |
| Others | <u>2,762,621</u> | <u>1,692,130</u> | <u>13,132</u> | 0.405-3.245 |
| | <u>\$ 8,603,656</u> | <u>\$ 6,524,683</u> | <u>\$ 182,679</u> | |

i. Loans

September 30, 2025

| Type | Account Volume or Name | Highest Balance in the Nine Months Ended September 30, 2025 (Note 1) | | Ending Balance | Loan Classification | | Collaterals | Differences in Terms of Transaction Compared with Those for Unrelated Parties |
|----------------------------------|----------------------------|--|---------------------|----------------|---------------------|------|--------------------|---|
| | | Normal Loans | Nonperforming Loans | | | | | |
| Consumer loans | 71 | \$ 276,018 | \$ 209,349 | \$ 209,349 | \$ 209,349 | \$ - | Note 2 | None |
| Self-used housing mortgage loans | 60 | 316,501 | 239,378 | 239,378 | - | - | Land and buildings | None |
| Others | Krom Electronics Co., Ltd. | 50,000 | 50,000 | 50,000 | - | - | None | None |
| | United Taiwan Bank | 4,703,957 | 3,148,640 | 3,148,640 | - | - | None | None |

September 30, 2024

| Type | Account Volume or Name | Highest Balance in the Nine Months Ended September 30, 2024 (Note 1) | | Ending Balance | Loan Classification | | Collaterals | Differences in Terms of Transaction Compared with Those for Unrelated Parties |
|----------------------------------|----------------------------|--|---------------------|----------------|---------------------|------|-------------------------|---|
| | | Normal Loans | Nonperforming Loans | | | | | |
| Consumer loans | 76 | \$ 329,440 | \$ 158,820 | \$ 158,820 | \$ 158,820 | \$ - | Note 2 | None |
| Self-used housing mortgage loans | 63 | 346,631 | 270,919 | 270,919 | - | - | Land and buildings | None |
| Others | TCS | 20,000 | - | - | - | - | Bonds | None |
| | Krom Electronics Co., Ltd. | 50,000 | 50,000 | 50,000 | 50,000 | - | None | None |
| | Sun Ba Power Corporation | 660,200 | 660,200 | 660,200 | 660,200 | - | None | None |
| | Tamshui First Credit Bank | 1,000,000 | - | - | - | - | Certificates of deposit | None |
| | United Taiwan Bank | 5,398,810 | 4,586,400 | 4,586,400 | 4,586,400 | - | None | None |

Note 1: The highest balance is the largest sum in the period of all daily accounts for each type.

Note 2: A portion of the consumer loans was real estate guaranteed.

ii. Guarantees

September 30, 2024

| Related Party | Highest Balance in the Nine Months Ended September 30, 2024 | | Ending Balance | Guarantee Liability Reserve Balance | Rate (%) | Collaterals |
|-------------------------------|---|---------------------|----------------|-------------------------------------|--------------------|-------------|
| | Normal Loans | Nonperforming Loans | | | | |
| Others | | | | | | |
| Sun Ba Power Corporation | \$ 798,344 | \$ 798,344 | \$ 2,654 | 0.405-0.500 | None | |
| Financial eSolution Co., Ltd. | 231 | - | - | 0.750 | Land and buildings | |

Under the Banking Law, except for customer loans and government loans, credits extended by TCB to any related party should be 100% secured, and the terms of credits extended to related parties should be similar to those to third parties.

f) Deposits

| | Ending Balance | Interest Expense | Interest Rate (%) |
|---|-----------------------------|-----------------------------|------------------------------|
| <u>For the nine months ended September 30, 2025</u> | | | |
| Parent company | \$ 112,502 | \$ 442 | 0.000-0.705 |
| Sister companies | 2,847,491 | 22,528 | 0.000-4.440 |
| Associates | 99,134 | 513 | 0.000-1.700 |
| Main management | 982,878 | 10,558 | 0.000-13.000 |
| Others | | | |
| Financial Information Service Co., Ltd. | 20,630,269 | 15,761 | 0.000-5.110 |
| The Kaohsiung Third Credit Cooperative | 15,122,000 | 161,024 | 0.000-1.715 |
| Tamshui First Credit Bank | 22,337,192 | 281,386 | 0.000-1.715 |
| Others | <u>14,619,241</u> | <u>122,286</u> | 0.000-13.000 |
| | <u><u>\$ 76,750,707</u></u> | <u><u>\$ 614,498</u></u> | |
| <u>For the nine months ended September 30, 2024</u> | | | |
| Parent company | \$ 127,230 | \$ 418 | 0.000-0.705 |
| Sister companies | 3,312,864 | 15,352 | 0.000-2.200 |
| Associates | 104,759 | 455 | 0.000-4.950 |
| Main management | 1,005,804 | 12,660 | 0.000-13.000 |
| Others | | | |
| Financial Information Service Co., Ltd. | 19,413,789 | 19,649 | 0.000-5.250 |
| The Kaohsiung Third Credit Cooperative | 13,522,000 | 18,394 | 0.000-1.715 |
| Tamshui First Credit Bank | 22,054,354 | 283,713 | 0.000-1.715 |
| Others | <u>13,331,802</u> | <u>101,217</u> | 0.000-13.000 |
| | <u><u>\$ 72,872,602</u></u> | <u><u>\$ 451,858</u></u> | |

g) Accrued income (part of receivables)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------|-------------------------------|------------------------------|-------------------------------|
| Sister companies | | | |
| BPCTLI | \$ 414,642 | \$ 326,892 | \$ 371,019 |
| TCSIT | 2,385 | 3,196 | 3,535 |
| TCS | <u>3,130</u> | <u>2,157</u> | <u>9,429</u> |
| | <u><u>\$ 420,157</u></u> | <u><u>\$ 332,245</u></u> | <u><u>\$ 383,983</u></u> |

h) Receivable on securities (part of receivables)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-----------------------|-------------------------------|------------------------------|-------------------------------|
| Sister company TCS | \$ _____ - | \$ _____ 74 | \$ _____ 943,705 |

i) Tax receivable - consolidated tax return (part of current tax assets)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|----------------|-------------------------------|------------------------------|-------------------------------|
| Parent company | \$ 2,428,825 | \$ 3,233,193 | \$ 1,770,216 |

j) Tax payable - consolidated tax return (part of current tax liabilities)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|----------------|-------------------------------|------------------------------|-------------------------------|
| Parent company | \$ 2,988,560 | \$ _____ - | \$ 259,288 |

k) Payable on securities (part of payable)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-------------------------|-------------------------------|------------------------------|-------------------------------|
| Sister companies TCS | \$ 280,196 | \$ _____ - | \$ _____ - |

l) Service fee income (part of service fee income, net)

| | For the Nine Months Ended September 30 | |
|------------------|---|---------------|
| | 2025 | 2024 |
| Sister companies | | |
| BPCTLI | \$ 1,471,335 | \$ 1,026,930 |
| Others | 51,744 | 94,656 |
| Main management | 460 | 321 |
| Others | <u>28,183</u> | <u>22,607</u> |
| | \$ 1,551,722 | \$ 1,144,514 |

m) Lease agreements - TCB is lessor

The Company leases out investment properties under operating leases with lease terms of 2 to 10 years. Rentals which are determined based on the prices of nearby properties are calculated on the basis of the leased areas and are payable monthly.

i. Future lease payment receivables were as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-------------------------------|--------------------------|--------------------------|--------------------------|
| Parent company | \$ 57,802 | \$ 80,420 | \$ 87,960 |
| Sister companies | | | |
| TCS | 159,484 | 59,903 | 73,398 |
| BPCTLI | 55,178 | 70,205 | 75,198 |
| Co-operative Assets | | | |
| Management Co., Ltd. | 42,087 | 50,614 | 7,990 |
| TCBF | 22,008 | 28,610 | 30,811 |
| Taiwan Cooperative Securities | | | |
| Investment Trust Co., Ltd. | 26,655 | 3,530 | 4,717 |
| Others | 669 | 2,088 | 2,590 |
| Others | | | |
| Agricultural Bank of Taiwan | 115,302 | 147,633 | 158,410 |
| Taiwan Asset Management | | | |
| Corporation | <u>27,104</u> | <u>36,850</u> | <u>40,099</u> |
| | <u><u>\$ 506,289</u></u> | <u><u>\$ 479,853</u></u> | <u><u>\$ 481,173</u></u> |

ii. Lease income (part of other non-interest gains, net):

| | For the Nine Months Ended September 30 | |
|-------------------------------------|---|--------------------------|
| | 2025 | 2024 |
| Parent company | \$ 22,618 | \$ 22,078 |
| Sister companies | | |
| TCS | 40,640 | 39,634 |
| BPCTLI | 15,027 | 14,883 |
| Others | 18,657 | 18,425 |
| Others | | |
| Taiwan Asset Management Corporation | 9,746 | 9,746 |
| Agricultural Bank of Taiwan | <u>32,331</u> | <u>32,331</u> |
| | <u><u>\$ 139,019</u></u> | <u><u>\$ 137,097</u></u> |

n) Derivatives

| Related Party | Type of Derivatives | Contract Period | For the Nine Months Ended September 30, 2025 | | | Amounts on the Balance Sheet | |
|--|---------------------|-----------------------|--|-----------------------|--|------------------------------|--|
| | | | Nominal Amounts | Valuation Gain (Loss) | Account | Amounts | |
| Sister company - BPCTLI | Currency swap | 2025.09.25-2025.10.31 | EUR 13,204 | \$ 800 | Financial assets at fair value through profit or loss | \$ 800 | |
| | Currency swap | 2025.09.18-2025.10.31 | US\$ 84,938 | 22,021 | Financial assets at fair value through profit or loss | 22,021 | |
| Sister company - TCBF | Currency swap | 2025.09.11-2025.11.18 | US\$ 6,000 | 1,910 | Financial assets at fair value through profit or loss | 1,910 | |
| Other - TCB 6 Year Senior Emerging Market Bond Fund | Currency swap | 2025.08.29-2026.01.12 | US\$ 3,000 | (14) | Financial liabilities at fair value through profit or loss | (14) | |
| | Currency swap | 2025.06.04-2026.01.12 | US\$ 7,000 | 6,071 | Financial assets at fair value through profit or loss | 6,071 | |
| Other - TCB US Short Duration High Yield Bond Fund | Currency swap | 2025.09.23-2026.06.23 | US\$ 2,100 | 754 | Financial assets at fair value through profit or loss | 754 | |
| Other - TCB Global Core Infrastructure Income Fund | Currency swap | 2025.08.19-2025.11.19 | US\$ 300 | (27) | Financial liabilities at fair value through profit or loss | (27) | |
| Other - TCB 2032 Target Date Multi-Asset Income Fund | Currency swap | 2025.09.18-2025.12.18 | US\$ 2,700 | 958 | Financial assets at fair value through profit or loss | 958 | |
| Other - TCB Global High Yield Bond Fund | Currency swap | 2025.05.21-2026.02.23 | US\$ 3,650 | 4,552 | Financial assets at fair value through profit or loss | 4,552 | |
| Other - TCB Multi-Asset AI Theme Fund | Currency swap | 2025.08.27-2025.11.28 | US\$ 2,500 | 248 | Financial assets at fair value through profit or loss | 248 | |
| Other - TCB 2026 Maturity Senior Emerging Market Corporate Bond Fund | Currency swap | 2025.05.29-2026.02.26 | US\$ 455 | 445 | Financial assets at fair value through profit or loss | 445 | |
| Other - TCB Global Healthcare Multi-Asset Income Fund | Currency swap | 2025.08.06-2025.11.06 | US\$ 4,000 | 2,881 | Financial assets at fair value through profit or loss | 2,881 | |
| Other - TCB Environment & Socially Responsible Multi-Asset Fund | Currency swap | 2025.08.27-2025.11.28 | US\$ 1,000 | 99 | Financial assets at fair value through profit or loss | 99 | |
| Other - TCB Global Hybrid Income Bond Fund | Currency swap | 2025.09.12-2026.09.15 | US\$ 12,500 | 2,861 | Financial assets at fair value through profit or loss | 2,861 | |
| For the Nine Months Ended September 30, 2024 | | | | | | | |
| Related Party | Type of Derivatives | Contract Period | Nominal Amounts | Valuation Gain (Loss) | Account | Amounts | |
| Sister company - BPCTLI | Currency swap | 2024.07.24-2024.10.24 | EUR 3,000 | \$ (834) | Financial liabilities at fair value through profit or loss | \$ (834) | |
| | Currency swap | 2024.09.30-2024.12.31 | EUR 4,844 | (928) | Financial liabilities at fair value through profit or loss | (928) | |
| | Currency swap | 2024.08.15-2024.10.31 | US\$ 81,466 | (23,084) | Financial liabilities at fair value through profit or loss | (23,084) | |
| Other - TCB 6 Year Senior Emerging Market Bond Fund | Currency swap | 2024.09.30-2024.11.29 | US\$ 3,000 | (337) | Financial liabilities at fair value through profit or loss | (337) | |
| Other - TCB US Short Duration High Yield Bond Fund | Currency swap | 2024.07.22-2024.10.22 | US\$ 3,450 | (2,610) | Financial liabilities at fair value through profit or loss | (2,610) | |
| Other - TCB Global Core Infrastructure Income Fund | Currency swap | 2024.08.16-2024.11.18 | US\$ 500 | (258) | Financial liabilities at fair value through profit or loss | (258) | |
| Other - TCB 2032 Target Date Multi-Asset Income Fund | Currency swap | 2024.09.18-2024.12.18 | US\$ 3,000 | (1,124) | Financial liabilities at fair value through profit or loss | (1,124) | |
| Other - TCB 2025 Maturity Emerging Market Bond Fund | Currency swap | 2024.06.20-2024.11.29 | US\$ 21,150 | (22,072) | Financial liabilities at fair value through profit or loss | (22,072) | |
| Other - TCB Global High Yield Bond Fund | Currency swap | 2024.07.18-2025.02.21 | US\$ 3,200 | (2,104) | Financial liabilities at fair value through profit or loss | (2,104) | |
| Other - TCB Fund of Emerging Markets Bond Fund | Currency swap | 2024.08.28-2024.11.29 | US\$ 500 | (77) | Financial liabilities at fair value through profit or loss | (77) | |
| Other - TCB Diversified Income Multi-Asset Fund | Currency swap | 2024.08.22-2025.01.23 | US\$ 10,100 | (2,534) | Financial liabilities at fair value through profit or loss | (2,534) | |

The realized gain or loss resulted from the currency swap transactions of TCB with related parties was as follows:

| | For the Nine Months Ended September 30 | |
|---|---|--------------------------|
| | 2025 | 2024 |
| Financial assets and liabilities at fair value through profit or loss | | |
| Sister companies | | |
| BPCTLI | \$ (79,937) | \$ 199,690 |
| TCBF | 2,007 | 3,665 |
| Others | <u>(520)</u> | <u>64,591</u> |
| | <u><u>\$ (78,450)</u></u> | <u><u>\$ 267,946</u></u> |

2) Taiwan Cooperative Securities Co., Ltd. (TCS)

a) Cash in bank (part of cash and cash equivalents)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------|-------------------------------|------------------------------|-------------------------------|
| Sister companies | <u><u>\$ 106,707</u></u> | <u><u>\$ 84,663</u></u> | <u><u>\$ 59,726</u></u> |

b) Settlement receivable

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------|-------------------------------|------------------------------|-------------------------------|
| Sister companies | | | |
| TCB | \$ 280,196 | \$ - | \$ - |
| Others | 1,091 | - | - |
| Others | <u>3,347</u> | <u>-</u> | <u>8,970</u> |
| | <u><u>\$ 284,634</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 8,970</u></u> |

c) Receipts under custody for securities underwriting (part of other current assets)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------|-------------------------------|------------------------------|-------------------------------|
| Sister companies | <u><u>\$ -</u></u> | <u><u>\$ 281,521</u></u> | <u><u>\$ 810,528</u></u> |

d) Settlement payable (part of payables)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------|-----------------------|----------------------|-----------------------|
| Sister companies | | | |
| TCB | \$ - | \$ 74 | \$ 943,705 |
| BPCTLI | 122,138 | - | 31,445 |
| Others | - | - | 16,818 |
| Others | <u>12,579</u> | <u>-</u> | <u>7,592</u> |
| | <u>\$ 134,717</u> | <u>\$ 74</u> | <u>\$ 999,560</u> |

e) TCS applied to TCB for call loans

| Related Party | For the Nine Months Ended September 30, 2025 | | | |
|--|--|-------------------|------------------|--------------------|
| | Highest Balance | Ending Balance | Interest Expense | Interest Rate (%) |
| Sister companies | | | | |
| TCB | <u>\$ 332,050</u> | <u>\$ 274,815</u> | <u>\$ 10,834</u> | <u>4.400-5.100</u> |
| For the Nine Months Ended September 30, 2024 | | | | |
| Related Party | Highest Balance | Ending Balance | Interest Expense | Interest Rate (%) |
| Sister companies | | | | |
| TCB | <u>\$ 329,000</u> | <u>\$ 316,000</u> | <u>\$ 13,665</u> | <u>5.540-5.720</u> |

f) To settle security transactions, TCS applied to TCB for a guarantee of \$1,500,000 thousand for short-term loan and overdraft. As of September 30, 2025, December 31, 2024 and September 30, 2024, TCS had no borrowing and overdraft. The overdraft for the nine months ended September 30, 2025 and 2024 were as follows:

| | For the Nine Months Ended September 30, 2025 | | | |
|--|--|----------------|------------------|--------------------|
| | Highest Balance | Ending Balance | Interest Expense | Interest Rate (%) |
| Sister companies | <u>\$ 1,000,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> |
| For the Nine Months Ended September 30, 2024 | | | | |
| Related Party | Highest Balance | Ending Balance | Interest Expense | Interest Rate (%) |
| Sister companies | <u>\$ 1,000,000</u> | <u>\$ -</u> | <u>\$ 5</u> | <u>2.768-2.893</u> |

g) Lease agreements - TCS is lessee

i. Right-of-use assets, net

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------|-----------------------|----------------------|-----------------------|
| Sister companies | | | |
| TCB | <u>\$ 179,805</u> | <u>\$ 56,862</u> | <u>\$ 69,233</u> |

ii. Lease liabilities

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------|-------------------------------|------------------------------|-------------------------------|
| Sister companies | <u>\$ 180,988</u> | <u>\$ 58,328</u> | <u>\$ 70,633</u> |

iii. Interest expense

| | For the Nine Months Ended September 30 | |
|--|---|-------------|
| | 2025 | 2024 |

| | | |
|------------------|-----------------|-----------------|
| Sister companies | <u>\$ 1,626</u> | <u>\$ 1,978</u> |
|------------------|-----------------|-----------------|

iv. Depreciation expense

| | For the Nine Months Ended September 30 | |
|--|---|-------------|
| | 2025 | 2024 |

| | | |
|------------------|------------------|------------------|
| Sister companies | <u>\$ 38,748</u> | <u>\$ 38,194</u> |
|------------------|------------------|------------------|

3) Taiwan Cooperative Bills Finance Corporation Ltd.

a) Cash in bank

| | Highest Balance | Ending Balance | Interest Expense | Interest Rate (%) |
|---|----------------------------|---------------------------|-----------------------------|------------------------------|
| <u>For the nine months ended September 30, 2025</u> | | | | |
| Sister companies | <u>\$ 502,366</u> | <u>\$ 64,369</u> | <u>\$ 153</u> | 0.010-1.690 |
| <u>For the nine months ended September 30, 2024</u> | | | | |
| Sister companies | <u>\$ 555,462</u> | <u>\$ 55,940</u> | <u>\$ 213</u> | 0.010-1.690 |

b) Call loans from banks

| | Highest Balance | Ending Balance | Interest Expense | Interest Rate (%) |
|---|----------------------------|---------------------------|-----------------------------|------------------------------|
| <u>For the nine months ended September 30, 2025</u> | | | | |
| Sister companies | <u>\$ 3,740,276</u> | <u>\$ 1,400,000</u> | <u>\$ 22,158</u> | 1.450-4.750 |
| <u>For the nine months ended September 30, 2024</u> | | | | |
| Sister companies | <u>\$ 4,444,385</u> | <u>\$ 2,918,000</u> | <u>\$ 21,849</u> | 1.360-6.080 |

c) Securities sold under repurchase agreement

| | Ending Balance | Interest Expense | Interest Rate (%) |
|---------------------------|-----------------------|-----------------------------|------------------------------|
| For the nine months ended | | | |
| <u>September 30, 2025</u> | | | |
| Sister companies | \$ 1,178,756 | \$ 8,622 | 1.450-1.540 |
| For the nine months ended | | | |
| <u>September 30, 2024</u> | | | |
| Sister companies | \$ 267,674 | \$ 5,788 | 1.310-1.490 |

4) BNP Paribas Cardif TCB Life Insurance Co., Ltd.

a) Cash in bank (part of cash and cash equivalents, and separate account assets)

| | September 30, 2025 | | | | | |
|----------------|---------------------------|----------|---------------|----------|---------------|----------|
| | Amount | % | Amount | % | Amount | % |
| Sister company | | | | | | |
| TCB | \$ 2,053,603 | 37 | \$ 1,865,733 | 47 | \$ 1,899,259 | 51 |

b) Securities purchased under resell agreements (part of cash and cash equivalents)

| | For the Nine Months Ended September 30, 2025 | | |
|---|---|---|-------------|
| | Purchased Securities (Note) | Securities Purchase Under Resell Agreement | |
| | Amount | Rate (%) | |
| Sister company | | | |
| TCBF | \$ 1,178,756 | \$ 14,390,134 | 1.450-1.540 |
| For the Nine Months Ended September 30, 2024 | | | |
| | Purchased Securities (Note) | Securities Purchase Under Resell Agreement | |
| | Amount | Rate (%) | |
| Sister company | | | |
| TCBF | \$ 267,674 | \$ 7,832,463 | 1.310-1.490 |

Note: The amount includes securities purchased under resell agreements.

c) Receivables

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|----------------|-------------------------------|------------------------------|-------------------------------|
| Sister company | \$ 123,667 | \$ 2,983 | \$ 34,718 |

d) Payables

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|-----------------------|-----------------------|----------------------|-----------------------|
| Sister company TCB | \$ 407,626 | \$ 328,265 | \$ 380,259 |

e) Derivatives

For the nine months ended September 30, 2025

| Type of Derivatives | Related Party | Contract Period | Nominal Amounts | Valuation Gain (Loss) | Amounts on the Balance Sheet | |
|------------------------|---|---------------------------|--------------------|--------------------------|---|-------------|
| | | | | | Account | Amounts |
| Currency swap | Sister company TCB | 2025.09.18- 2025.10.31 | US\$ 84,938 | \$ (19,760) | Financial liabilities at fair value through profit or loss | \$ (19,760) |
| | | 2025.09.25- 2025.10.31 | EUR 13,204 | (520) | Financial liabilities at fair value through profit or loss | (520) |
| | Associates - Banque Nationale De Paris, Taipei Branch (Note) | 2025.03.13- 2026.04.29 | US\$ 11,356 | 19,662 | Financial assets at fair value through profit or loss | 19,662 |
| | | 2025.05.21- 2026.06.30 | US\$ 59,807 | (62,970) | Financial liabilities at fair value through profit or loss | (62,970) |
| | | 2025.06.06- 2026.07.13 | EUR 30,536 | (50,860) | Financial liabilities at fair value through profit or loss | (50,860) |
| | | | | | | |

For the nine months ended September 30, 2024

| Type of Derivatives | Related Party | Contract Period | Nominal Amounts | Valuation Gain (Loss) | Amounts on the Balance Sheet | |
|------------------------|---|---------------------------|--------------------|--------------------------|--|-----------|
| | | | | | Account | Amounts |
| Currency swap | Sister company TCB | 2024.08.15- 2024.10.31 | US\$ 81,465 | \$ 21,824 | Financial assets at fair value through profit or loss | \$ 21,824 |
| | | 2024.07.24- 2024.12.31 | EUR 7,844 | 1,755 | Financial assets at fair value through profit or loss | 1,755 |
| | Associates - Banque Nationale De Paris, Taipei Branch (Note) | 2024.06.28- 2024.12.11 | US\$ 75,482 | 44,843 | Financial assets at fair value through profit or loss | 44,843 |
| | | 2024.07.25- 2024.10.25 | EUR 4,827 | 1,382 | Financial assets at fair value through profit or loss | 1,382 |
| | | | | | | |

Note: Paris Management Consultant Co., Ltd. is an associate of BPCTLI, but not a related party to the Company.

For the nine months ended September 30, 2025 and 2024, the realized gains or losses on currency swaps with sister companies were \$49,708 thousand gains and \$202,535 thousand losses, respectively. Besides, the realized gains or losses on currency swaps with affiliates were \$107,860 thousand gains and \$293,419 thousand losses, respectively.

The BPCTLI engaged in foreign exchange swaps with associates. Under these contracts, both parties should receive deposits (reported as other assets - refundable deposits or other liabilities) depending on the value of the swaps. As of September 30, 2025, December 31, 2024 and September 30, 2024, the BPCTLI had refundable deposits of \$101,645 thousand, and had refundable deposits of \$50,463 thousand and deposits received of \$22,776 thousand, respectively.

f) Operating cost - insurance contract expenses

| For the Nine Months Ended September 30 | |
|---|-------------|
| 2025 | 2024 |

| | |
|----------------|--------------|
| Sister company | |
| TCB | \$ 1,453,547 |

The above insurance contract expenses were recorded as operating cost - commission expenses and were deducted from the reserve for insurance contracts with financial instrument features.

5) Taiwan Cooperative Securities Investment Trust Co., Ltd.

a) Cash in bank (part of cash and cash equivalents and other financial assets)

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|----------------|-------------------------------|------------------------------|-------------------------------|
| Sister company | | | |
| TCB | \$ 85,785 | \$ 143,972 | \$ 136,900 |

b) Management fee income (part of service fee)

| For the Nine Months Ended September 30 | |
|---|-------------|
| 2025 | 2024 |
| Management fee income | |
| Others | \$ 217,174 |
| | \$ 222,611 |

d. Salaries, bonuses and remunerations to main management

The salaries, bonuses and remunerations of the directors and main management for the nine months ended September 30, 2025 and 2024, are summarized as follows:

| For the Nine Months Ended September 30 | |
|---|-------------|
| 2025 | 2024 |
| Salaries and other short-term employment benefits | \$ 164,038 |
| Post-employment benefits | 3,157 |
| Interest arising from the employees' preferential rate in excess of normal rates | 979 |
| | 1,135 |
| | \$ 168,174 |
| | \$ 179,027 |

42. PLEDGED ASSETS

a. In addition to those mentioned in other notes, the face values of the pledged bonds and certificates of deposit are summarized as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------------|-----------------------------|-----------------------------|
| Financial assets mandatorily classified as at fair value through profit or loss - negotiable certificates of deposit | \$ 435,603 | \$ 840,999 | \$ 607,943 |
| Financial assets at fair value through other comprehensive income - debt instrument investments | 1,370,683 | 604,337 | 611,240 |
| Investments in debt instruments at amortized cost | 84,402,765 | 84,375,185 | 84,340,898 |
| Other financial assets - due from banks | <u>260,000</u> | <u>240,000</u> | <u>240,000</u> |
| | <u><u>\$ 86,469,051</u></u> | <u><u>\$ 86,060,521</u></u> | <u><u>\$ 85,800,081</u></u> |

To comply with the Central Bank of the Republic of China's (CBC) Interbank Funds Transfer and Settlement System for real-time gross settlement (RTGS), the pledged time deposits are mainly to provide the Central Bank of the Republic of China's (CBC) foreign currency fund lending warranty as of September 30, 2025, December 31, 2024 and September 30, 2024. The pledged amount may be adjusted anytime, and the unused overdraft amount at the end of a day can also be treated as TCB's liquidity reserve. The remaining bonds and time deposits are used as preparation and collateral for various businesses.

b. To expand their capital sourcing and enhance their liquidity position, TCB's Seattle Branch, Los Angeles Branch, New York Branch, and Houston Branch obtained access privileges at the Discount Window Account of the Federal Reserve Bank. For this access, the three branches pledged the following assets:

| Date | Outstanding Loan Balance | Bonds Balance | Collateral Value | (In Thousands of U.S. Dollars) |
|--------------------|-----------------------------|------------------|---------------------|--------------------------------|
| September 30, 2025 | <u>\$ 906,318</u> | <u>\$ 57,000</u> | <u>\$ 805,117</u> | |
| December 31, 2024 | <u>\$ 702,659</u> | <u>\$ _____</u> | <u>\$ 592,530</u> | |
| September 30, 2024 | <u>\$ 703,215</u> | <u>\$ _____</u> | <u>\$ 545,937</u> | |

c. As of September 30, 2025, December 31, 2024 and September 30, 2024, due to the KHR loans borrowed from the National Bank of Cambodia, up to US\$13,325 thousand, US\$10,400 thousand and US\$8,050 thousand in TCB's Phnom Penh Branch were provided as collateral to the National Bank of Cambodia in accordance with the relevant regulations.

43. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those mentioned in other notes, the significant commitments and contingencies were as follows:

a. Taiwan Cooperative Financial Holding Co., Ltd.

As of September 30, 2025, TCFHC's outstanding major construction and procurement contracts amounted to \$203,231 thousand, of which \$90,140 thousand was still unpaid.

b. Taiwan Cooperative Bank, Ltd. and subsidiary

- 1) As of September 30, 2025, TCB's outstanding major construction and procurement contracts amounted to \$911,700 thousand, of which \$561,104 thousand was still unpaid.
- 2) According to the joint venture contract signed with BNP Paribas Assurance (BNPPA), TCB signed the tri-party agreement with BNP Paribas Cardif TCB Life Insurance Co., Ltd. (BPCTLI) and Cooperative Insurance Broker Co., Ltd. (CIB) on April 13, 2010, which identified BPCTLI as the sole supplier of life insurance products for TCB and CIB, also applying TCB's marketing channels to sell life insurance products. Since TCB merged with the CIB on June 24, 2016, TCB signed a two-party agreement with BPCTLI on March 30, 2018 to replace the original tri-party agreement, the rights and obligations of the CIB were assumed by TCB.
- 3) TCB participated in the Urban Renewal Project for 2 lots (formerly 1 lot) of land located at NO.480, 5 sections of Ren'ai Section, Da'an District, Taipei City (the Baotong Building Urban Renewal Project). Kedge Construction Co., Ltd. and Yvansor Engineering Co., Ltd. were awarded the construction contract on March 4, 2025, with a contract value of \$3,698,000 thousand. TCB's current share of the rights value is 93.4006%, and its allocated costs amounted to approximately NT\$3,454,000 thousand.

c. Taiwan Cooperative Bills Finance Cooperation Ltd.

As of September 30, 2025, the commitments or contingencies that arose from business were as follows:

**September 30,
2025**

| | |
|---|----------------------|
| Guarantees of commercial paper | <u>\$ 34,931,000</u> |
| Purchase of reference-rate commercial paper | <u>\$ 14,100,000</u> |

d. Taiwan Cooperative Securities Co., Ltd. (TCS)

As of September 30, 2025, TCS's agreements on the acquisition equipment and house decoration project amounted to \$26,606 thousand, of which \$13,683 thousand was still unpaid.

44. FINANCIAL INSTRUMENTS

a. Fair values of financial instruments that are not measured at fair value

| | September 30, 2025 | | December 31, 2024 | | September 30, 2024 | |
|---|--------------------|----------------------|-------------------|----------------------|--------------------|----------------------|
| | Carrying Amount | Estimated Fair Value | Carrying Amount | Estimated Fair Value | Carrying Amount | Estimated Fair Value |
| <u>Financial assets</u> | | | | | | |
| Investments in debt instruments at amortized cost | \$ 819,882,691 | \$ 817,987,112 | \$ 752,203,282 | \$ 745,544,907 | \$ 715,431,880 | \$ 711,181,955 |
| <u>Financial liabilities</u> | | | | | | |
| Bonds payable | 80,240,000 | 80,403,120 | 79,140,000 | 79,038,420 | 79,140,000 | 79,019,263 |

Fair value hierarchy as at September 30, 2025, December 31, 2024 and September 30, 2024:

September 30, 2025

| | Total | Level 1 | Level 2 | Level 3 |
|---|----------------|--------------|----------------|------------|
| <u>Financial assets</u> | | | | |
| Investments in debt instruments at amortized cost | \$ 817,987,112 | \$ 2,313,637 | \$ 815,520,800 | \$ 152,675 |

Financial liabilities

| | | | | |
|---------------|------------|---|------------|---|
| Bonds payable | 80,403,120 | - | 80,403,120 | - |
|---------------|------------|---|------------|---|

December 31, 2024

| | Total | Level 1 | Level 2 | Level 3 |
|---|----------------|------------|----------------|------------|
| <u>Financial assets</u> | | | | |
| Investments in debt instruments at amortized cost | \$ 745,544,907 | \$ 439,137 | \$ 744,941,845 | \$ 163,925 |

Financial liabilities

| | | | | |
|---------------|------------|---|------------|---|
| Bonds payable | 79,038,420 | - | 79,038,420 | - |
|---------------|------------|---|------------|---|

September 30, 2024

| | Total | Level 1 | Level 2 | Level 3 |
|---|----------------|----------------|----------------|----------------|
| <u>Financial assets</u> | | | | |
| Investments in debt instruments at amortized cost | \$ 711,181,955 | \$ 452,343 | \$ 710,571,612 | \$ 158,000 |
| <u>Financial liabilities</u> | | | | |
| Bonds payable | 79,019,263 | - | 79,019,263 | - |

In addition to those listed above, the management considered other financial instruments which are not measured at fair value closed to their fair value.

b. The valuation techniques and assumptions the Company uses for determining fair values are as follows:

The fair values of financial instruments traded on active markets are based on quoted market prices. However, in many instances where there are no quoted market prices for the Company's various financial instruments, fair values are based on estimates using other financial data and appropriate valuation methodologies. The financial data obtained by the Company for making estimations and assumptions for financial instrument valuation is consistent with those used by other market participants to price financial instruments. Fair values of forward contracts, currency swap contracts, foreign-currency margin contracts, cross-currency swap contracts and interest rate swap contracts are calculated using the discounted cash flow method, unless the fair values are provided by counter-parties. Fair values of option contracts are based on estimates using the Black Scholes pricing model.

The Company estimates the fair value of each forward contract on the basis of the swap points quoted by Refinitiv on each settlement date. Fair values of interest rate swap contracts and cross-currency swap contracts are calculated using the Bloomberg information system, unless the fair values are provided by counterparties. The calculation of the fair value of each option contract is based on the mid-price (the average of bid and ask prices) quoted by Refinitiv and applied consistently.

For debt instruments with no active market, if there are theoretical prices from Taipei Exchange (TPEx, an over-the-counter securities exchange) on the balance sheet date, they are used as the basis for evaluating the fair value of debt instruments with no active market. Otherwise, the latest trade prices and quoted prices by major markets are used. The fair values of bank debentures are recorded as follows: (a) debentures with no maturity dates - at book values; (b) debentures with floating interest rates - at theoretical prices quoted by the GTSM; and (c) debentures with fixed interest rates - at estimates reached using the discounted cash flow method. The discount rates used were between 1.4868% and 1.8671%, between 1.5495% and 2.018%, between 1.3197% and 2.0220% as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, and were comparable with interest rates for loans with similar terms and characteristics.

Evaluation technique and input of fair value measurement at Level 3

The Company adopts the market approach, adjusted net asset method, and income approach for domestic unlisted equity investment. Under the market approach, the Company selects similar industries with the target company. The main business model is similar and the products and scales are close to the comparable listed companies. The fair value estimation is based on the information of the listed company, or the price-book ratio (P/B) of the industry to which the target is evaluated is estimated as the multiplier of the fair value estimate. Under the adjusted net asset method, the overall value of a company or business is evaluated by the total market value of individual assets and individual

liabilities of the target company with the consideration of the discount for lack of marketability and for minority interest. Acquired loans are evaluated by the income approach. The estimated income was estimated by discounting future cash flows. The significant unobservable input used is discount for lack of marketability and discount for minority interest. A decrease in discount for lack of marketability and for minority interest used in isolation would result in increases in fair value. The Company adopts the discount for lack of marketability at 10% to 45% and for minority interest at 10% to 16.7% on September 30, 2025, December 31, 2024 and September 30, 2024. With other input values remaining and a change in discount for lack of marketability or for minority interest input value to reflect reasonable assumptions, the amount of fair value of investment in equity instruments will increase (decrease) as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|------------------------------------|-------------------------------|------------------------------|-------------------------------|
| Discount for lack of marketability | | | |
| Increase 10% | \$ (1,725,971) | \$ (1,500,946) | \$ (1,333,140) |
| Decrease 10% | <u>\$ 1,725,971</u> | <u>\$ 1,500,946</u> | <u>\$ 1,333,140</u> |
| Discount for minority interest | | | |
| Increase 10% | \$ (76,123) | \$ (35,093) | \$ (41,419) |
| Decrease 10% | <u>\$ 76,123</u> | <u>\$ 35,093</u> | <u>\$ 41,419</u> |

c. The fair value hierarchy of the Company's financial instruments measured at fair value on a recurring basis as of September 30, 2025, December 31, 2024 and September 30, 2024 were as follows:

1) Fair value hierarchy

| Financial Instruments Measured at Fair Value | September 30, 2025 | | | |
|---|---------------------------|----------------|----------------|----------------|
| | Total | Level 1 | Level 2 | Level 3 |
| <u>Non-derivative financial instruments</u> | | | | |
| <u>Assets</u> | | | | |
| Financial assets at FVTPL | | | | |
| Equity instruments | \$ 3,411,740 | \$ 1,172,013 | \$ 16,751 | \$ 2,222,976 |
| Debt instruments | 2,285,810 | 1,125,733 | 1,160,077 | - |
| Others | 152,996,249 | 4,646,991 | 148,349,258 | - |
| Financial assets at FVTOCI | | | | |
| Equity instruments | 47,448,816 | 36,036,951 | - | 11,411,865 |
| Debt instruments | 466,370,542 | 23,838,191 | 442,532,351 | - |
| Others | 6,785,197 | - | 6,785,197 | - |
| <u>Liabilities</u> | | | | |
| Financial liabilities at FVTPL | (5,685,825) | (223,645) | (5,462,180) | - |
| <u>Derivative financial instruments</u> | | | | |
| <u>Assets</u> | | | | |
| Financial assets at FVTPL | 8,451,424 | 159,409 | 8,292,015 | - |
| <u>Liabilities</u> | | | | |
| Financial liabilities at FVTPL | (3,389,519) | - | (3,389,519) | - |

| Financial Instruments Measured at Fair Value | December 31, 2024 | | | |
|---|---------------------------|----------------|----------------|----------------|
| | Total | Level 1 | Level 2 | Level 3 |
| <u>Non-derivative financial instruments</u> | | | | |
| <u>Assets</u> | | | | |
| Financial assets at FVTPL | | | | |
| Equity instruments | \$ 2,964,260 | \$ 1,121,569 | \$ 19,047 | \$ 1,823,644 |
| Debt instruments | 2,404,377 | 951,541 | 1,452,836 | - |
| Others | 142,197,646 | 5,222,954 | 136,974,692 | - |
| Financial assets at FVTOCI | | | | |
| Equity instruments | 54,174,558 | 44,822,497 | - | 9,352,061 |
| Debt instruments | 459,179,956 | 22,409,400 | 436,770,556 | - |
| Others | 3,659,990 | - | 3,659,990 | - |
| <u>Liabilities</u> | | | | |
| Financial liabilities at FVTPL | (4,931,749) | (162,891) | (4,768,858) | - |
| <u>Derivative financial instruments</u> | | | | |
| <u>Assets</u> | | | | |
| Financial assets at FVTPL | 9,258,289 | 116,134 | 9,142,155 | - |
| <u>Liabilities</u> | | | | |
| Financial liabilities at FVTPL | (647,185) | - | (647,185) | - |
| Financial Instruments Measured at Fair Value | September 30, 2024 | | | |
| | Total | Level 1 | Level 2 | Level 3 |
| <u>Non-derivative financial instruments</u> | | | | |
| <u>Assets</u> | | | | |
| Financial assets at FVTPL | | | | |
| Equity instruments | \$ 3,302,717 | \$ 1,512,440 | \$ 7,403 | \$ 1,782,874 |
| Debt instruments | 2,267,664 | 1,013,818 | 1,253,846 | - |
| Others | 142,009,365 | 5,174,477 | 136,834,888 | - |
| Financial assets at FVTOCI | | | | |
| Equity instruments | 53,476,085 | 45,746,587 | - | 7,729,498 |
| Debt instruments | 464,113,955 | 22,040,369 | 442,073,586 | - |
| Others | 3,208,480 | - | 3,208,480 | - |
| <u>Liabilities</u> | | | | |
| Financial liabilities at FVTPL | (4,860,606) | (240,288) | (4,620,318) | - |
| <u>Derivative financial instruments</u> | | | | |
| <u>Assets</u> | | | | |
| Financial assets at FVTPL | 3,464,255 | 354,825 | 3,109,430 | - |
| <u>Liabilities</u> | | | | |
| Financial liabilities at FVTPL | (3,222,189) | - | (3,222,189) | - |

2) Reconciliation for financial assets based on the fair value measurement of Level 3

| Financial Assets | Financial Assets at FVTPL | Investment in Equity Instruments at FVTOCI | Total |
|--|---------------------------|--|----------------------|
| Balance on January 1, 2025 | \$ 1,823,644 | \$ 9,352,061 | \$ 11,175,705 |
| Recognized in profit | 632,601 | - | 632,601 |
| Recognized in OCI (investment in equity instruments at FVTOCI) | - | 170,932 | 170,932 |
| Purchases | 309,998 | 1,915,650 | 2,225,648 |
| Disposals | (543,267) | (26,778) | (570,045) |
| Balance on September 30, 2025 | <u>\$ 2,222,976</u> | <u>\$ 11,411,865</u> | <u>\$ 13,634,841</u> |
| Balance on January 1, 2024 | \$ 1,340,076 | \$ 7,207,614 | \$ 8,547,690 |
| Recognized in profit | 440,640 | - | 440,640 |
| Recognized in OCI (investment in equity instruments at FVTOCI) | - | 521,884 | 521,884 |
| Purchases | 458,678 | - | 458,678 |
| Disposals | (384,760) | - | (384,760) |
| Transferred out of Level 3 | (71,760) | - | (71,760) |
| Balance on September 30, 2024 | <u>\$ 1,782,874</u> | <u>\$ 7,729,498</u> | <u>\$ 9,512,372</u> |

The emerging stocks that did not reach the active standards were transferred out of Level 3 because their subsequent transactions were active or their non-publicly traded stocks were transferred for listing on the emerging market stock board for the six months ended June 30, 2024.

The change in unrealized gains for the nine months ended September 30, 2025 and 2024 included in profit or loss for assets held as of September 30, 2025 and 2024, respectively, was \$135,084 thousand and \$172,611 thousand.

d. Information of financial liabilities designated as at FVTPL as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|
| Difference between carrying amount and contractual amount at maturity | | | |
| Fair value | \$ 5,462,180 | \$ 4,768,858 | \$ 4,620,318 |
| Amount payable at maturity | <u>5,543,629</u> | <u>4,932,503</u> | <u>4,640,460</u> |
| | <u>\$ (81,449)</u> | <u>\$ (163,645)</u> | <u>\$ (20,142)</u> |

| | Changes in Fair Value Attributable to Changes in Credit Risk |
|------------------------------------|---|
| Change in amount during the period | |
| As of September 30, 2025 | <u><u>\$ (12,471)</u></u> |
| As of September 30, 2024 | <u><u>\$ (12,687)</u></u> |
| Accumulated amount of change | |
| As of September 30, 2025 | <u><u>\$ (24,874)</u></u> |
| As of December 31, 2024 | <u><u>\$ (12,403)</u></u> |
| As of September 30, 2024 | <u><u>\$ (25,701)</u></u> |

The change in fair value attributable to changes in credit risk recognized as other comprehensive income was calculated as the difference between the total change in fair value of bank debentures and the change in fair value due to changes in market risk factors. The change in fair value due to market risk factors was calculated using benchmark interest yield curves as at the end of the reporting period holding the credit risk margin constant. The fair value of bank debentures was estimated by discounting future cash flows using quoted benchmark and TCB's interest yield curves as at the end of the reporting period and by obtaining lender quotes for borrowings with similar maturities to estimate the credit risk margin.

e. Information on financial risk management

Taiwan Cooperative Financial Holding Co., Ltd.

1) Risk management

TCFHC and its subsidiaries' risk management goals are to develop a sound risk management mechanism under the principles of customer service, business continuity management, risk appetite, and compliance with related laws and regulations and expected-return standards and to enhance stockholder's equity. Major risks faced by TCFHC and its subsidiaries include on-balance-sheet and off-balance-sheet credit risks, market risks (including interest rate, exchange rate, equity security and financial product risks), and liquidity risks.

To effectively identify, measure, manage, and monitor various types of risks and to achieve profit objectives under a reasonable risk, both TCFHC and its subsidiaries have developed risk management policies, regulations and procedures, which have been approved by the board of directors.

The board of directors is the highest decision-making unit of TCFHC's risk management system and takes the ultimate overall, responsibility for risk management. The risk management committee is in charge of setting risk management policies and indicators, monitoring TCFHC and its subsidiaries' various risk situations and operating procedures, and coordinating and supervising the execution of risk management. The risk management division is in charge of TCFHC's risk management policy planning, capital adequacy calculating and assessing, emergency contingency plan making, and periodically monitoring and reporting TCFHC and its subsidiaries' risk control and management execution as required by regulations.

Each subsidiary' board of directors is the highest decision-making unit of each subsidiaries' risk management system and takes the ultimate overall responsibility for risk management. Each subsidiary has also established a risk management committee or independent risk management unit, which is in charge of the execution of risk management procedures.

2) Credit risk

Credit risk refers to the deterioration of the borrowers, issuers or counterparties' repayment capacity or other factors (dispute between a borrower and its counterparty, for instance), which leads to borrowers, issuers or counterparties' breach of contracts, resulting in default losses. Credit risk comes from both on-balance-sheet and off-balance-sheet transactions. TCFHC and its subsidiaries' on-balance-sheet credit-risk exposure come from loans, due from and call loans to other banks, security investments and derivatives. The off-balance-sheet credit risk exposure comes from guarantees, letters of acceptance, letters of credit and loan contracts.

TCFHC and its subsidiaries must closely analyze every on-balance-sheet and off-balance-sheet transaction to recognize existing and potential credit risk. On the basis of the Company's operating conditions and the principle of sound risk distribution, every risk factor should be managed, risk situations should be analyzed and assessed, limits on concentration of credit risk should be set, and a risk monitoring and warning mechanism should be established.

3) Market risk

Market risk refers to unfavorable market price fluctuations, which affect the on-balance-sheet and off-balance-sheet positions. Market price refers to interest rate, foreign-exchange rate, equity security price and financial product prices. TCFHC and its subsidiaries' market risk management procedures include risk identification, measurement, and assessment as well as risk monitoring and reporting.

TCFHC and its subsidiaries' risk management staff analyze and assess market risk position data, monitor market risks position and gains or losses, and periodically and make reports to the risk management committee and board of directors for managements' decision making. Each subsidiary has various authorized investment amounts and stop loss regulations based on the overall risk management target and product attributes and periodically prepare management reports on the control and management of each market risk.

4) Liquidity risk

Liquidity risk refers to the possible financial losses that may arise because of the inability to liquidate assets or to pay financial liabilities when they become due. Examples of liquidity risk-related situations are the early withdrawal of deposits, transaction terms becoming more stringent, increase in borrowers' defaults, a financial instrument becoming illiquid, and the early cancellation of a floating rate insurance product policy. These situations may deplete TCFHC and its subsidiaries' capital resources, requiring them to seek loans, and do fund-raising and investment activities. In extreme situations, lack of liquidity may cause the potential risk of the inability to enter into lending transactions. For the reduction of liquidity strains on the bank funding market, there is a bank liquidity risk channel.

TCFHC and its subsidiaries separately execute their respective liquidity management procedures, and this execution is monitored by an independent risk management division, which periodically prepares related reports for submission to TCFHC and its subsidiaries' risk management committees and the board of directors.

Taiwan Cooperative Bank Ltd. and subsidiary

1) Risk management

The objective of risk management is to develop a sound risk management mechanism, and on the basis of the risk tolerance level and the expected return level, pursue the maximum value of stockholders' investments. The main risks faced by TCB include the business credit risk on- and off- balance-sheet, market risks (including interest, exchange, equity security, and commodity risks) and liquidity risk.

TCB has risk management policies and risk monitoring procedures, which have been reviewed and approved by the Board and are used to effectively identify, measure, monitor and control credit, market, and operating and liquidity risks.

The Board, the highest decision-making unit for the risk management, takes charge of approving the risk management policy and system and building the risk management culture. It also takes ultimate responsibility for overall risk management.

Under the risk policies approved by the Board, the risk management committee takes charge of and reviews all TCB's risk management implementation, capital adequacy assessment, and risk exposure management. It also communicates and the inter-departmental risk management issues and coordinates issue handling and continually monitors the execution of risk management procedures.

The risk management department is responsible for planning and designing the risk management system, deliberating capital allocation, setting up the instruments for risk measurement and capital provision, and monitoring risk control. This department also regularly prepares reports for submission to senior management, the risk management committee and the Board.

Under the business management regulation and risk policy, the business supervising unit manages and oversees each business unit toward proper risk management and carries out risk review and control. In addition, the audit department determines the annual audit plan based on the risk assessment results of TCB's risk-based internal audit system, conducts audits according to the types and frequency of audits specified in the annual audit plan and provides timely recommendations for improvement.

2) Credit risk

a) Credit risk management policy

Credit risk refers to a borrower, a financial instrument issuer or a transaction counterparty undergoing financial difficulty or other adverse situations (such as a dispute between the borrower and its business partner), which could result in loss due to breach of contract. Credit risk can come from on- and off-balance-sheet items., On-balance sheet items are mainly lending, due from bank and call loans to other banks, security investment and derivatives. Off-balance sheet items are mainly guarantees, acceptance, letters of credit and loan commitments.

The risk management policy, which is founded on the basic principles of safety, liquidity, profitability, welfare and growth, is implemented by the credit risk management division toward the cultivation of a risk management culture. All on- and off-balance sheet transactions should be analyzed in detail to identify existing and potential credit risk. Based on TCB's business characteristics and the principle of risk diversification, risk status is analyzed and evaluated, centralized limits are set, and a risk monitoring and alert mechanism has been developed and operated. For a more effective credit risk evaluation, an internal rating system has been created to enhance the ability to quantify risk.

TCB's main business items that are measured and managed for credit risks are as follows:

i. Loans business (including loan commitments and guarantees)

Credit assets are classified into five categories. In addition to normal credit assets that are classified as sound assets, the unsound assets are classified, on the basis of the valuation of collaterals and the length of time the payments become overdue, as special mention, substandard, with collectability high doubtful and uncollectable. TCB and its subsidiary also set up policies for the management of doubtful credits and the collection of overdue debts to deal with collection problems.

TCB and its subsidiary apply to its credit business the so-called "5Ps of credit analysis" as the basis for lending approval and evaluation of its counterparties. These 5Ps are: People (know customers' background and their credit status well); purpose (what will the fund be used for); payment (the borrower's ability to repay an obligation when it falls due); protection (TCB and its subsidiary's recourse on repayment defaults); and perspective (how the credit is seen in light of rewards and risks). After a loan is granted, the transaction is reviewed and monitored to ensure TCB and its subsidiary's creditor's rights.

To quantify credit risk, TCB and its subsidiary apply statistical methods using customers' qualitative data and lending history to develop a rating module for corporate finance and consumer finance. This module is used to create an internal credit rating system for risk evaluation, in which 12 is the base grade of the general quality and 1 default level of corporate customers, and 9 or 10 on the business segment consumer customers.

The 5P credit analysis and the module rating specifically apply to corporate customers. Micro credits and residential mortgages are assessed by using the credit rating model, and consumer loans are assessed individually for default risks.

ii. Due from and call loans to other banks

TCB and its subsidiary evaluate the credit status of counterparties before closing deals. TCB and its subsidiary grant different limits to the counterparties on the basis of their respective credit ratings as suggested by domestic and foreign credit rating agencies.

iii. Investments in debt instruments and derivatives

TCB and its subsidiary identify and manage credit risks from debt instruments through the use of external credit ratings of the debt instruments along with the evaluation of credit qualities of bonds, regional conditions and counterparty risks.

TCB and its subsidiary conduct derivative transactions with other banks and set the lending limits at their credit rating and the ranking given by the Banker magazine. The credits extended to general customers are monitored in accordance with the related transaction limits, collateral, and loss limits for derivatives established through normal credit granting processes.

b) Measurement of expected credit losses

i. The determination of significantly increased credit risk after initial recognition

In order to determine whether the credit risks has increased significantly after initial recognition, TCB and its subsidiary assessed changes in default risks of financial assets over the duration at the balance sheet date. To evaluate changes in default risks, Taiwan Cooperative Bank, Ltd. and its subsidiary considered reasonable and verifiable information (including forward-looking information). The major considerations include:

Loans business

i) Quantitative benchmark

Overdue loans: Loans and other credits (including accrued interest) are overdue for at least 30 days but less than 90 days.

ii) Qualitative benchmark

- Borrower or its representative suffered from dishonored check due to insufficient funds.
- Borrower or its representative suffered from credit card suspension.
- Owners of credit card have been denied by Taiwan Clearing House (TCH).
- Objective evidence shows that the borrower's ability to fulfill obligation has been affected.

Bonds and bills business

i) Quantitative benchmark

Credit rating of bond issuers are not classified as investment grade and downgraded by over two grades, or classified as CCC.

Credit risks are deemed low, if the credit rating of the issuer was classified as investment grade at the issue date and did not increase significantly after initial recognition.

ii) Qualitative benchmark

Credit rating of bond issuers are not classified as investment grade and downgraded by no more than two grades, but credit risk increases significantly.

ii. Definition of default and credit loss on financial assets

TCB and its subsidiary define financial asset default in the same manner as financial asset impairment. If one or more of the following conditions occur, TCB and its subsidiary can conclude that the financial asset has defaulted and the credit is impaired:

Loans business

i) Loans and other credits (including accrued interest) are overdue for at least 90 days.

- ii) Borrower filed for bankruptcy or reorganization.
- iii) Borrower defaulted on other financial instruments.
- iv) The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulties, has granted the borrower concession that the lender would not otherwise consider.
- v) Borrower has been denied by TCH.

Bonds and bills business

- i) Interest or principal of bonds without payment are overdue for at least 90 days.
- ii) Borrower has indication of impairment such as overdue receivables, doubtful debts, financial crisis, contract condition change due to financial crisis and bankruptcy or reorganization.

The above definition of default is applicable to financial assets that are held by TCB and its subsidiary, and is in line with the definition of internal-management intention. Therefore, it is applied to related impairment evaluation models.

If the conditions that define default and credit loss of financial assets have been corrected and the financial assets have returned to the original state of compliance, the financial assets are no longer recognized as impaired.

iii. Reversal policy

When TCB and its subsidiary are unable to recover financial assets to expectations, they are entirely or partly written off against the allowance amount. Indicators of uncollectible financial assets are as follows:

- i) The debtor's inability to recover all or part of the debts due to dissolution, escape, settlement, bankruptcy or other reasons.
- ii) After collaterals assumed and assets of principal and subordinate debtors have been priced low or after deductions for first-order mortgage have been made, the remaining value of the assets is not enough to pay any obligation; also, if execution cost nears or exceeds the debtor's liability, no gain will be realized.
- iii) TCB is not responsible for the collaterals assumed and assets of principal and subordinate debtors experiencing low priced auctions with no bidders.
- iv) Overdue loans or collections were made after two years from the settlement date.
- v) Overdue credit card loans and overdue receivables were aged over nine months after the settlement date.

Financial assets that have been written off by TCB and its subsidiary may continue activities in progress, while complying with procedures according to relevant policies.

iv. Measurement of expected credit losses

Loans business

In order to assess the expected credit loss, TCB and its subsidiary will categorize credit assets according to credit risk and industry assessments of borrower, as well as credit risk of the types of collateral.

A loss allowance for the 12-month expected credit losses is required for a financial asset if its credit risk has not increased significantly since initial recognition. A loss allowance for full lifetime expected losses is required for a financial asset if its credit risk has increased significantly since initial recognition.

TCB and its subsidiary measures expected credit loss by calculating the product of loss given default and exposure at default, while taking into account the probability of default of a 12-month period and duration, as well as the effect of changes in currency values.

Probability of default refers to a possibility that a borrower would default to the contract (please refer to the introduction to “The definition of default and credit loss on financial assets”). Loss given default refers to the ratio of default loss caused by borrower. Probability of default and loss given default for loan business of TCB and its subsidiary are calculated by the adjustment of historical default rate, which is based on historical internal information (e.g. credit loss experience), current observable information and prospective macroeconomics statistics (e.g. monitoring indicator from National Development Association and unemployment rate from Directorate General of Budget, Accounting and Statistics, Executive Yuan).

TCB and its subsidiary estimate the exposure at default according to the aggregate book value. In addition, the estimations of expected credit loss for the 12-month loan period and duration of loan commitment made by the Bank and its subsidiaries are based on the credit conversion factor (CCF), using the portion of the loan commitment that is expected to be used within 12 months of reporting date and expected duration to calculate expected credit loss and determine the exposure at default.

There is no significant change in the estimation method and assumptions used to calculate expected credit loss as of September 30, 2025.

Bonds and bills business

A loss allowance for the 12-month expected credit losses is required for a financial asset if its credit risk has not increased significantly since initial recognition. A loss allowance for full lifetime expected losses is required for a financial asset if its credit risk has increased significantly since initial recognition.

TCB and its subsidiary measures expected credit loss by calculating the product of loss given default and exposure at default, while taking into account the probability of default of a 12-month period and duration, as well as the effect of changes in currency values.

There is no significant change in the estimation method and assumptions used to calculate expected credit loss as of September 30, 2025.

v. Forward-looking information considerations

Loans business

TCB and its subsidiary have taken into account previous forward-looking information when assessing asset default probability. The Bank and its subsidiaries analyze past archives to identify relevant economic factors affecting personal and company asset default probabilities.

According to TCB and its subsidiary's previous forward-looking information, estimations are calculated at the end of the year per year on average. The influence of relevant economic factors and expected credit loss identified by the Bank and its subsidiaries on December 31, 2024 and 2023 is as follows:

| Relevant economic factors | Probability of Default |
|---------------------------|--|
| | Monitoring indicator/unemployment rate |

Bonds and bills business

The assessment of the increase/decrease in the credit risk is based on TCB and its subsidiary's amortization costs and other comprehensive income measured by fair value, referring to changes in external credit ratings according to the international credit ratings service (Moody's) as a quantitative indicator. Also, the expected credit loss uses external credit ratings and Moody's periodic calculations of default probability and loss given default as references. As international credit ratings services have taken into account forward-looking information in assessing credit ratings, it is also appropriate for TCB and its subsidiary to consider forward-looking information when assessing relevant expected credit loss.

c) Credit risk avoidance or mitigation policy

i. Strengthen collaterals and other credits

TCB and its subsidiary have a series of measures for credit granting to reduce credit risks. One of the measures is to require collaterals from the borrowers. To secure a debt, TCB and its subsidiary manage and assess the collaterals following the procedures that determine the scope of collateralization and valuation of collaterals and the process of disposition. In credit contracts, TCB and its subsidiary stipulate the security mechanism for debts; the conditions and terms for collaterals; and the terms and conditions of offsetting to state clearly that TCB and its subsidiary reserve the right to reduce the granted quota, to shorten the repayment period, to demand immediate settlement or to offset the debts of the borrowers with their deposits in TCB and its subsidiary in order to reduce the credit risks.

There was no major change in the collateral policy of TCB and its subsidiary on the balance sheet date, and there was no significant change in the overall collateral quality.

TCB and its subsidiary closely monitor the value of collaterals of financial instruments and consider impairment on credit-impaired financial assets. Credit-impaired financial assets and collateral to mitigate potential loss were as follows:

September 30, 2025

| | Gross Carrying Amount | Allowance for Possible Losses | Total Exposure Amount (Amortized Cost) | Fair Value of Collateral |
|----------------------------------|------------------------------|--------------------------------------|---|---------------------------------|
| <u>Impaired financial assets</u> | | | | |
| Receivables | \$ 368,282 | \$ 153,513 | \$ 214,769 | \$ - |
| Discount and loans | 38,040,227 | 4,033,526 | 34,006,701 | 74,041,820 |

December 31, 2024

| | Gross Carrying Amount | Allowance for Possible Losses | Total Exposure Amount (Amortized Cost) | Fair Value of Collateral |
|----------------------------------|------------------------------|--------------------------------------|---|---------------------------------|
| <u>Impaired financial assets</u> | | | | |
| Receivables | \$ 326,128 | \$ 139,696 | \$ 186,432 | \$ - |
| Discount and loans | 34,757,643 | 4,662,035 | 30,095,608 | 64,092,969 |

September 30, 2024

| | Gross Carrying Amount | Allowance for Possible Losses | Total Exposure Amount (Amortized Cost) | Fair Value of Collateral |
|----------------------------------|------------------------------|--------------------------------------|---|---------------------------------|
| <u>Impaired financial assets</u> | | | | |
| Receivables | \$ 318,001 | \$ 129,627 | \$ 188,374 | \$ - |
| Discount and loans | 33,204,671 | 3,962,895 | 29,241,776 | 62,481,354 |

The total amount of financial assets that have been written off but have recourse action by TCB and its subsidiary as of September 30, 2025, December 31, 2024 and September 30, 2024 were \$14,168,967 thousand, \$13,128,583 thousand and \$13,601,599 thousand, respectively.

ii. Credit limit and the control of concentration of credit risk

To avoid the concentration of credit risks, TCB and its subsidiary set up centralized credit limits for business segments, countries, collaterals, groups, and construction financing. Monthly, or more frequently, as needed, TCB and its subsidiary review credit limits, monitor the actual risk-exposure condition and whether the usage rate of limits meets relevant regulations and reports the review results to superior management, risk management committee and the Board periodically. If there is a possibility of breach of the credit limits, the related department or division will apply appropriate procedures to ensure that the credit limits are followed.

Concentration of credit risk exists when counterparties to financial transactions are individuals or groups engaged in similar activities or activities in the same region, which would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The concentration of significant transactions of TCB and its subsidiary is not with a single customer or a single counterparty, but with groups belonging to similar industries. The profile by group or industry, regions and collaterals of obligations that were 10% or more of total outstanding loans is as follows:

| Credit Risk Profile by Group or Industry | September 30, 2025 | | December 31, 2024 | | September 30, 2024 | |
|--|--------------------|----|-------------------|----|--------------------|----|
| | Amount | % | Amount | % | Amount | % |
| Natural person | \$ 1,204,694,534 | 38 | \$ 1,149,093,563 | 37 | \$ 1,110,230,135 | 37 |
| Manufacturing | 596,641,957 | 19 | 573,937,851 | 19 | 580,608,144 | 19 |
| Government agencies | 320,141,078 | 10 | 318,912,678 | 10 | 292,355,749 | 10 |

iii. Master netting arrangement

TCB and its subsidiary settle most of its transactions at gross amounts. For further reduction of credit risks, settlement netting is used for some counterparties or in some circumstances where the transactions are terminated because of a counterparty's default.

d) Maximum exposures to credit risks

The maximum exposures to credit risks of assets on the consolidated balance sheets without consideration of guarantees or other credit enforcement instruments approximate the assets' carrying amounts.

The maximum exposures of financial instrument to credit risks which was not applicable to impairment is as follow:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|--|-----------------------|----------------------|-----------------------|
| Financial assets at fair value through profit or loss - debt instrument | \$ 597,797 | \$ 594,162 | \$ 593,074 |

The maximum exposures of off-balance sheet items to credit risks without consideration of guarantees or other credit enforcement instrument are stated as follows:

| | September 30, 2025 | | | | Difference of Impairment Loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | Total |
|--|-----------------------|-----------------|---|------|--|-----------------------|
| | 12-month ECL | Lifetime ECL | Lifetime ECL (Credit-impaired Financial Instruments) | | | |
| Maximum exposures to credit risk | \$ 328,796,155 | \$ 3,372 | \$ 386,116 | \$ - | \$ 329,185,643 | |
| Allowance for possible losses | (762,111) | (3) | (119,638) | | | (881,752) |
| Difference of impairment loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | _____ - | _____ - | _____ - | | (542,141) | (542,141) |
| | <u>\$ 328,034,044</u> | <u>\$ 3,369</u> | <u>\$ 266,478</u> | | <u>\$ (542,141)</u> | <u>\$ 327,761,750</u> |
| | December 31, 2024 | | | | Difference of Impairment Loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | Total |
| | 12-month ECL | Lifetime ECL | Lifetime ECL (Credit-impaired Financial Instruments) | | | |
| Maximum exposures to credit risk | \$ 326,290,685 | \$ 8,438 | \$ 115,408 | \$ - | \$ 326,414,531 | |
| Allowance for possible losses | (771,268) | (10) | (33,692) | | | (804,970) |
| Difference of impairment loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | _____ - | _____ - | _____ - | | (518,927) | (518,927) |
| | <u>\$ 325,519,417</u> | <u>\$ 8,428</u> | <u>\$ 81,716</u> | | <u>\$ (518,927)</u> | <u>\$ 325,090,634</u> |

September 30, 2024

| | 12-month ECL | Lifetime ECL | Lifetime ECL (Credit-impaired Financial Instruments) | Difference of Impairment Loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | Total |
|--|-----------------------|-----------------|---|--|-----------------------|
| Maximum exposures to credit risk | \$ 350,326,902 | \$ 2,205 | \$ 147,646 | \$ - | \$ 350,476,753 |
| Allowance for possible losses | (777,897) | - | (45,152) | - | (823,049) |
| Difference of impairment loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | - | - | - | (527,718) | (527,718) |
| | <u>\$ 349,549,005</u> | <u>\$ 2,205</u> | <u>\$ 102,494</u> | <u>\$ (527,718)</u> | <u>\$ 349,125,986</u> |

TCB and its subsidiary's management believes its ability to minimize credit risk exposures on off-balance sheet items is mainly due to its rigorous evaluation of credit extended and the periodic reviews of these credits.

Some financial assets held by TCB and its subsidiary, such as cash and cash equivalents, due from the Central Bank and call loans to other banks, call loans to security firms, financial assets at fair value through profit or loss, securities purchased under resell agreements and refundable deposits, are exposed to low credit risks because the counterparties have high credit ratings.

In addition to the above assets, credit quality analysis of other financial assets are as follows:

a) Credit quality analysis of discounts and loans

| | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Difference of Impairment Loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | Total |
|---|-------------------------|-------------------------|-------------------------|---|-------------------------|
| Discounts and loans | \$ 3,172,592,411 | \$ 3,586,171 | \$ 38,040,227 | \$ - | \$ 3,214,218,809 |
| Allowance for possible losses | (4,802,286) | (155,767) | (4,033,526) | - | (8,991,579) |
| Difference of impairment loss under “Regulations Governing the Procedure for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | - | - | - | (27,243,288) | (27,243,288) |
| | <u>\$ 3,167,790,125</u> | <u>\$ 3,430,404</u> | <u>\$ 34,006,701</u> | <u>\$ (27,243,288)</u> | <u>\$ 3,177,983,942</u> |

December 31, 2024

| | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Difference of Impairment Loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | Total |
|---|-------------------------|-------------------------|-------------------------|---|-------------------------|
| Discounts and loans | \$ 3,058,112,727 | \$ 3,548,709 | \$ 34,757,643 | \$ - | \$ 3,096,419,079 |
| Allowance for possible losses | (4,512,112) | (33,968) | (4,662,035) | - | (9,208,115) |
| Difference of impairment loss under “Regulations Governing the Procedure for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | - | - | - | (26,490,820) | (26,490,820) |
| | <u>\$ 3,053,600,615</u> | <u>\$ 3,514,741</u> | <u>\$ 30,095,608</u> | <u>\$ (26,490,820)</u> | <u>\$ 3,060,720,144</u> |

September 30, 2024

| | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Difference of Impairment Loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | Total |
|---|-------------------------|-------------------------|-------------------------|---|-------------------------|
| Discounts and loans | \$ 2,984,602,144 | \$ 3,753,592 | \$ 33,204,671 | \$ - | \$ 3,021,560,407 |
| Allowance for possible losses | (4,517,973) | (551,391) | (3,962,895) | - | (9,032,259) |
| Difference of impairment loss under “Regulations Governing the Procedure for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | - | - | - | (24,837,930) | (24,837,930) |
| | <u>\$ 2,980,084,171</u> | <u>\$ 3,202,201</u> | <u>\$ 29,241,776</u> | <u>\$ (24,837,930)</u> | <u>\$ 2,987,690,218</u> |

b) Credit quality analysis of receivables

September 30, 2025

| | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Credit Impairment by Using Simplified Method | Difference of Impairment Loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | Total |
|---|-------------------------|-------------------------|-------------------------|---|--|----------------------|
| Receivables | \$ 19,494,595 | \$ 61,921 | \$ 368,282 | \$ 6,950,691 | \$ - | \$ 26,875,489 |
| Allowance for possible losses | (29,534) | (16,121) | (153,513) | (191,381) | - | (390,549) |
| Difference of impairment loss under “Regulations Governing the Procedure for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | - | - | - | - | (172,183) | (172,183) |
| | <u>\$ 19,465,061</u> | <u>\$ 45,800</u> | <u>\$ 214,769</u> | <u>\$ 6,759,310</u> | <u>\$ (172,183)</u> | <u>\$ 26,312,757</u> |

| | December 31, 2024 | | | | | Difference of Impairment Loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” |
|---|-------------------------|-------------------------|-------------------------|---|-----------------------|--|
| | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Credit Impairment by Using Simplified Method | Non-accrual Loans” | Total |
| Receivables | \$ 19,583,814 | \$ 65,883 | \$ 326,128 | \$ 5,325,369 | \$ - | \$ 25,301,194 |
| Allowance for possible losses | (37,254) | (12,849) | (139,696) | (172,154) | - | (361,953) |
| Difference of impairment loss under “Regulations Governing the Procedure for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | - | - | - | - | (163,457) | (163,457) |
| | <u>\$ 19,546,560</u> | <u>\$ 53,034</u> | <u>\$ 186,432</u> | <u>\$ 5,153,215</u> | <u>\$ (163,457)</u> | <u>\$ 24,775,784</u> |
| | September 30, 2024 | | | | | Difference of Impairment Loss under “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” |
| | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Credit Impairment by Using Simplified Method | Non-accrual Loans” | Total |
| Receivables | \$ 19,101,401 | \$ 45,819 | \$ 318,001 | \$ 7,363,009 | \$ - | \$ 26,828,230 |
| Allowance for possible losses | (36,133) | (8,568) | (129,627) | (174,758) | - | (349,086) |
| Difference of impairment loss under “Regulations Governing the Procedure for Banking Institutions to Evaluate Assets and Deal with Non-performing/ Non-accrual Loans” | - | - | - | - | (169,993) | (169,993) |
| | <u>\$ 19,065,268</u> | <u>\$ 37,251</u> | <u>\$ 188,374</u> | <u>\$ 7,188,251</u> | <u>\$ (169,993)</u> | <u>\$ 26,309,151</u> |

c) Credit quality analysis of securities

| | September 30, 2025 | | | |
|--|-------------------------|-------------------------|-------------------------|-----------------------|
| | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| Investments in debt instruments at FVTOCI | | | | |
| Gross carrying amount | \$ 414,220,788 | \$ - | \$ 300,476 | \$ 414,521,264 |
| Allowance for possible losses | (46,122) | - | (186,596) | (232,718) |
| Amortized cost | 414,174,666 | - | 113,880 | 414,288,546 |
| Fair value adjustments | (9,794,009) | - | 103,820 | (9,690,189) |
| | <u>\$ 404,380,657</u> | <u>\$ -</u> | <u>\$ 217,700</u> | <u>\$ 404,598,357</u> |
| Investments in debt instruments at amortized cost | | | | |
| Allowance for possible losses | \$ 817,458,018 | \$ - | \$ - | \$ 817,458,018 |
| | <u>\$ 817,435,172</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 817,435,172</u> |

| | December 31, 2024 | | | |
|---|------------------------------|-------------------------|--------------------------|------------------------------|
| | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| Investments in debt instruments at FVTOCI | | | | |
| Gross carrying amount | \$ 420,741,779 | \$ - | \$ 339,148 | \$ 421,080,927 |
| Allowance for possible losses | <u>(49,926)</u> | <u>-</u> | <u>(211,628)</u> | <u>(261,554)</u> |
| Amortized cost | 420,691,853 | - | 127,520 | 420,819,373 |
| Fair value adjustments | <u>(18,771,998)</u> | <u>-</u> | <u>143,617</u> | <u>(18,628,381)</u> |
| | <u><u>\$ 401,919,855</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 271,137</u></u> | <u><u>\$ 402,190,992</u></u> |
| Investments in debt instruments at amortized cost | | | | |
| Gross carrying amount | \$ 749,702,633 | \$ - | \$ - | \$ 749,702,633 |
| Allowance for possible losses | <u>(28,970)</u> | <u>-</u> | <u>-</u> | <u>(28,970)</u> |
| | <u><u>\$ 749,673,663</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 749,673,663</u></u> |
| | September 30, 2024 | | | |
| | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| Investments in debt instruments at FVTOCI | | | | |
| Gross carrying amount | \$ 417,282,788 | \$ - | \$ 332,200 | \$ 417,614,988 |
| Allowance for possible losses | <u>(50,323)</u> | <u>-</u> | <u>(207,292)</u> | <u>(257,615)</u> |
| Amortized cost | 417,232,465 | - | 124,908 | 417,357,373 |
| Fair value adjustments | <u>(14,708,064)</u> | <u>-</u> | <u>137,003</u> | <u>(14,571,061)</u> |
| | <u><u>\$ 402,524,401</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 261,911</u></u> | <u><u>\$ 402,786,312</u></u> |
| Investments in debt instruments at amortized cost | | | | |
| Gross carrying amount | \$ 712,924,287 | \$ - | \$ - | \$ 712,924,287 |
| Allowance for possible losses | <u>(24,271)</u> | <u>-</u> | <u>-</u> | <u>(24,271)</u> |
| | <u><u>\$ 712,900,016</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 712,900,016</u></u> |

d) The changes in allowance for possible losses of investments in debt instruments at FVTOCI are summarized below:

| | 12-month ECL | Lifetime ECL (Collective Assessment) | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets) | Total |
|---|-------------------------|--|--|--------------------------|
| Balance on January 1, 2025 | \$ 49,926 | \$ - | \$ 211,628 | \$ 261,554 |
| New financial assets purchased | 6,879 | - | - | 6,879 |
| Derecognition of financial assets in the current reporting period | (4,886) | - | - | (4,886) |
| Change in model or risk parameters | (3,477) | - | (10,509) | (13,986) |
| Changes in exchange rates and other changes | <u>(2,320)</u> | <u>-</u> | <u>(14,523)</u> | <u>(16,843)</u> |
| Balance on September 30, 2025 | <u><u>\$ 46,122</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 186,596</u></u> | <u><u>\$ 232,718</u></u> |

(Continued)

| | 12-month ECL | Lifetime ECL (Collective Assessment) | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets) | Total |
|--|------------------|--|--|-------------------|
| Balance on January 1, 2024 | \$ 52,572 | \$ - | \$ 210,853 | \$ 263,425 |
| New financial assets purchased | 8,734 | - | - | 8,734 |
| Derecognition of financial assets in the current reporting period | (3,679) | - | - | (3,679) |
| Change in model or risk parameters | (8,153) | - | (9,707) | (17,860) |
| Changes in exchange rates and other changes | <u>849</u> | <u>-</u> | <u>6,146</u> | <u>6,995</u> |
| Balance on September 30, 2024 | <u>\$ 50,323</u> | <u>\$ -</u> | <u>\$ 207,292</u> | <u>\$ 257,615</u> |
| | | | | (Concluded) |

e) The changes in allowance for possible losses of investments in debt instruments at amortized cost are summarized below:

| | 12-month ECL | Lifetime ECL (Collective Assessment) | Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets) | Total |
|--|------------------|--|--|------------------|
| Balance on January 1, 2025 | \$ 28,970 | \$ - | \$ - | \$ 28,970 |
| New financial assets purchased | 3,372 | - | - | 3,372 |
| Derecognition of financial assets in the current reporting period | (1,953) | - | - | (1,953) |
| Change in model or risk parameters | (5,503) | - | - | (5,503) |
| Changes in exchange rates and other changes | <u>(2,040)</u> | <u>-</u> | <u>-</u> | <u>(2,040)</u> |
| Balance on September 30, 2025 | <u>\$ 22,846</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 22,846</u> |
| Balance on January 1, 2024 | \$ 33,530 | \$ - | \$ - | \$ 33,530 |
| New financial assets purchased | 5,515 | - | - | 5,515 |
| Derecognition of financial assets in the current reporting period | (8,797) | - | - | (8,797) |
| Change in model or risk parameters | (6,223) | - | - | (6,223) |
| Changes in exchange rates and other changes | <u>246</u> | <u>-</u> | <u>-</u> | <u>246</u> |
| Balance on September 30, 2024 | <u>\$ 24,271</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 24,271</u> |

3) Market risks

Market risk refers to the risk of losses in positions arising from adverse movements of market prices. It refers to interest rates, exchange rates, equity security prices, commodity prices, etc.

The main market risks that TCB and its subsidiary face are equity security, interest rates, and exchange rate risks. The market risk position of equity security mainly includes domestic listed and OTC stocks, domestic stock index options and stock market index futures; the position of interest rate mainly includes short-term bills, bonds and interest rate derivative instruments; and the instruments exposed to exchange rate risk mainly include spot contracts and forward contracts and derivatives denominated in foreign currency.

Under the market risk management policies approved by the board of directors, the new Basel Capital Accord and regulations implemented by relevant authorities and in consideration of the Bank's own market risk management system and its overall risk management goals and product features, TCB and its subsidiary have set all types of investment authorization limits and stop-loss rules, regularly reviews the customers' credit status and compiles management information reports to control all types of market risks effectively.

TCB and its subsidiary's market risk management procedures include risk identification, evaluation, and measurement as well as risk monitoring, and reporting. Every units' risk management personnel analyze data on market risk position and evaluate measurement methods, including the statistical basic measurement method, sensitivity analysis, and situational analysis. Monitoring content includes trading processes, collective and individual, of all transaction units and all financial instruments, such as change of position, change of profit and loss, trading pattern, and if trading objects are transacted within the authorized scope and limits.

TCB and its subsidiary's business units and risk management unit have established market risk factors for identifying risk exposure positions and use these factors to measure market risks. The market risk factors refer to the components of financial instruments' position, such as profit and loss and sensitivity to risk, which might be affected by interest rates, exchange rates and equity security market prices.

TCB and its subsidiary's risk management unit reports to management periodically the execution status of measures on market risk management, investment positions, and profit and loss control so that management can fully understand the status of market risk management. TCB and its subsidiary's also have cleared reporting procedures and rules for all types of transaction limits and the stop-loss order. If any transaction amount reaches the limit, the stop-loss order is executed immediately; if the stop-loss order is not executed, the transaction unit is required to explain the reasons for non-execution and prepare a response plan for management's approval.

TCB applies market risk sensitivity as a risk control instrument. Market risk sensitivity position refers to the change in the value of a position due to a change in a certain market risk factor. Market risk factors include interest rates, exchange rates, and equity security prices. TCB's position sensitivity exposure trading book contains all types of positions exposed to market risk and the range of change to which sensitivity analysis applied under various pressure scenarios for all types of risk factors.

Assuming all other factors are held constant, the effects of risks within defined change scenarios are shown below:

| Main Risk | Change Scenario | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|----------------------------|--|--------------------|-------------------|--------------------|
| Interest rate risk | Interest rate curve increased 100 basis points | \$ (342,331) | \$ (310,872) | \$ (274,116) |
| | Interest rate curve fell 100 basis points | 347,137 | 315,328 | 278,274 |
| Exchange rate risk | US\$/NT\$, EUR/NT\$ increased 3% | (298,482) | (324,939) | (335,774) |
| | US\$/NT\$, EUR/NT\$ fell 3% | 298,482 | 324,939 | 335,774 |
| | Others (RMB, AUD etc.)/ NT\$ increased 5% | 43,706 | 36,661 | 45,650 |
| | Others (RMB, AUD etc.)/ NT\$ fell 5% | (43,706) | (36,661) | (45,650) |
| Equity security price risk | Equity security price increased by 15% | 5,973 | 61,416 | 31,306 |
| | Equity security price fell by 15% | (5,973) | (61,416) | (31,306) |

The exchange rate risk of TCB and its subsidiary is as follows:

(In Thousands)

| | September 30, 2025 | | |
|------------------------------|--------------------|---------------|--------------------|
| | Foreign Currencies | Exchange Rate | New Taiwan Dollars |
| <u>Financial assets</u> | | | |
| USD | \$ 17,335,963 | 30.5350 | \$ 529,353,639 |
| RMB | 8,466,304 | 4.2830 | 36,261,182 |
| AUD | 1,501,664 | 20.0800 | 30,153,413 |
| JPY | 131,090,461 | 0.2053 | 26,912,872 |
| EUR | 594,178 | 35.7800 | 21,259,695 |
| <u>Financial liabilities</u> | | | |
| USD | 24,802,157 | 30.5350 | 757,333,877 |
| AUD | 1,371,921 | 20.0800 | 27,548,175 |
| RMB | 6,346,498 | 4.2830 | 27,182,050 |
| JPY | 127,984,207 | 0.2053 | 26,275,158 |
| EUR | 473,325 | 35.7800 | 16,935,579 |
| | December 31, 2024 | | |
| | Foreign Currencies | Exchange Rate | New Taiwan Dollars |
| <u>Financial assets</u> | | | |
| USD | \$ 15,659,721 | 32.7850 | \$ 513,403,948 |
| RMB | 8,969,191 | 4.4840 | 40,217,852 |
| AUD | 1,548,680 | 20.4200 | 31,624,046 |
| JPY | 131,652,664 | 0.2096 | 27,594,398 |
| EUR | 620,697 | 34.1400 | 21,190,581 |
| <u>Financial liabilities</u> | | | |
| USD | 22,931,454 | 32.7850 | 751,807,732 |
| RMB | 6,761,259 | 4.4840 | 30,317,485 |
| JPY | 127,965,733 | 0.2096 | 26,821,618 |
| AUD | 908,184 | 20.4200 | 18,545,117 |
| EUR | 451,348 | 34.1400 | 15,409,018 |

September 30, 2024

| | Foreign Currencies | Exchange Rate | New Taiwan Dollars |
|-------------------------------------|-----------------------|---------------|-----------------------|
| <u>Financial assets</u> | | | |
| USD | \$ 15,681,484 | 31.6000 | \$ 495,534,890 |
| RMB | 8,823,991 | 4.5200 | 39,884,441 |
| AUD | 1,634,228 | 21.8700 | 35,740,580 |
| JPY | 124,885,733 | 0.2218 | 27,699,656 |
| EUR | 645,853 | 35.2800 | 22,785,684 |
| <u>Financial liabilities</u> | | | |
| USD | 23,273,977 | 31.6000 | 735,457,675 |
| RMB | 6,607,885 | 4.5200 | 29,867,640 |
| JPY | 121,263,478 | 0.2218 | 26,896,239 |
| AUD | 957,953 | 21.8700 | 20,950,440 |
| EUR | 465,198 | 35.2800 | 16,412,172 |

4) Liquidity risk

Liquidity risk is inherent in all bank operations and might be affected by specific or general industry and environmental events. These events include credit-related events, mergers or acquisitions, systemic changes, and natural disasters. The liquidity risk of TCB and its subsidiary is the risk of failing to obtain sufficient funds in a timely manner and at an acceptable cost to meet payment obligations that have occurred or are expected to occur.

The liquidity risk management strategy is based on the overall risk management objectives and involves liquidity risk, identification, measurement, monitoring and control to maintain TCB's appropriate liquidity and ensure adequate funding for meeting liability obligations or for capital growth.

The liquidity risk management procedures involve identification, measurement, monitoring and report of risk. Each business unit should identify the existing liquidity risk in business activities and financing products.

For adequate liquidity for all types of deposits, TCB follows the relevant regulations issued by the Central Bank to estimate the liquidity reserves and calculates and controls daily the liquidity reserve ratios.

For TCB's operating liquidity, the fund disbursement unit performs daily cash flow management and monitoring of the payments schedule on the basis of detailed reports by different departments and relevant rules.

The risk management department regularly generates risk reports, which include the liquidity reserve ratios, liquidity coverage ratio, net stable funding ratio, and the maturity analysis of instruments and transactions denominated in major foreign currencies, and submits these reports to the Asset and Liability Management Committee and the Board as reference for decision making.

TCB stipulates liquidity risk limits, which are regularly monitored and reviewed by the risk management department. If a liquidity risk limit is exceeded or other exception situations occur, the business supervising unit immediately develops appropriate contingency measures and submits them to the Asset and Liability Management Committee for approval and implementation.

TCB's guidelines for implementing contingency measures for business emergency or sudden liquidity crisis are aimed at quick crisis resolution and uninterrupted normal operations despite the crisis.

TCB's liquidity reserve ratios were 30.82% in September 2025, 28.64% in December 2024 and 28.70% in September 2024.

TCB and its subsidiary disclosed the analysis of cash outflows on non-derivative financial liabilities by their residual maturities as of the balance sheet dates. The amounts of cash outflows are based on contractual cash flows, so some amounts may not correspond to those shown in the consolidated balance sheets.

| September 30, 2025 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|--|----------------|---------------|---------------|-------------------|---------------|----------------|
| Deposits from the Central Bank and other banks | \$ 279,194,044 | \$ 82,964,496 | \$ 25,002,940 | \$ 135,401,015 | \$ - | \$ 522,562,495 |
| Financial liabilities at fair value through profit or loss | - | - | - | - | 5,543,629 | 5,543,629 |
| Securities sold under repurchase agreements | 6,230,427 | 820,102 | 1,025,035 | 66,287 | - | 8,141,851 |
| Payables | 64,607,694 | 6,335,103 | 4,752,301 | 7,818,792 | 6,752,164 | 90,266,054 |
| Deposits and remittances | 488,584,945 | 572,211,409 | 707,217,918 | 844,018,252 | 1,559,324,565 | 4,171,357,089 |
| Bank debentures | - | - | - | 5,050,000 | 55,190,000 | 60,240,000 |
| Lease liabilities | 71,209 | 177,088 | 160,720 | 255,003 | 1,480,432 | 2,144,452 |
| Other items of cash outflow on maturity | 643,881 | 49,772 | - | 1,015,323 | 6,440,400 | 8,149,376 |

| December 31, 2024 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|--|----------------|---------------|---------------|-------------------|---------------|----------------|
| Deposits from the Central Bank and other banks | \$ 184,271,895 | \$ 76,600,286 | \$ 20,505,823 | \$ 151,155,700 | \$ - | \$ 432,533,704 |
| Financial liabilities at fair value through profit or loss | - | 1,047,481 | - | - | 3,885,022 | 4,932,503 |
| Securities sold under repurchase agreements | 6,619,442 | 1,063,018 | 858,399 | 65,260 | - | 8,606,119 |
| Payables | 17,140,943 | 3,299,544 | 7,534,537 | 4,737,978 | 5,284,789 | 37,997,791 |
| Deposits and remittances | 439,240,691 | 688,082,630 | 586,928,286 | 835,580,055 | 1,536,245,088 | 4,086,076,750 |
| Bank debentures | - | - | - | - | 59,140,000 | 59,140,000 |
| Lease liabilities | 71,176 | 184,162 | 166,589 | 297,596 | 1,803,351 | 2,522,874 |
| Other items of cash outflow on maturity | 1,339,595 | 50,166 | 8 | 1,006,359 | 5,223,606 | 7,619,734 |

| September 30, 2024 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|--|----------------|---------------|---------------|-------------------|---------------|----------------|
| Deposits from the Central Bank and other banks | \$ 201,286,615 | \$ 66,256,701 | \$ 30,337,113 | \$ 125,727,665 | \$ - | \$ 423,608,094 |
| Financial liabilities at fair value through profit or loss | - | - | 1,019,100 | - | 3,621,360 | 4,640,460 |
| Securities sold under repurchase agreements | 7,590,574 | 790,093 | 1,003,097 | 61,435 | - | 9,445,199 |
| Payables | 32,489,677 | 6,181,171 | 4,749,503 | 7,306,090 | 5,890,017 | 56,616,458 |
| Deposits and remittances | 478,687,824 | 521,084,569 | 647,148,071 | 797,416,001 | 1,503,773,224 | 3,948,109,689 |
| Bank debentures | - | - | - | - | 59,140,000 | 59,140,000 |
| Lease liabilities | 70,814 | 183,215 | 165,662 | 287,017 | 1,556,406 | 2,263,114 |
| Other items of cash outflow on maturity | 1,313,900 | 9 | 14 | 969,315 | 5,398,165 | 7,681,403 |

In the above table, the maturity analysis of deposits and remittances by residual-maturity period was based on TCB and its subsidiary's historical experience. Assuming that all demand deposits as of September 30, 2025, December 31, 2024 and September 30, 2024 must be repaid soon, the capital expenditure will be increased by \$2,132,120,528 thousand, \$2,110,803,628 thousand and \$2,056,443,646 thousand, respectively, within 30 days these balance sheet dates.

TCB and its subsidiary assess the maturity dates of contracts to understand the basic elements of all derivative financial instruments shown in the balance sheets. The amounts used in the maturity analyses of derivative financial liabilities are based on contractual cash flows, so some of these amounts may not correspond to the amounts shown in the consolidated balance sheets. The maturity analysis of derivative financial liabilities is as follows:

a) Derivative financial liabilities to be settled at net amounts

| September 30, 2025 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|--|-----------------|-------------------|---------------------|-------------------|-------------------|-----------------------|
| Derivative financial liabilities at fair value through profit or loss Currency Interest | \$ 227 3,771 | \$ 511 (9,200) | \$ 2,207 (6,364) | \$ 1,128 4,966 | \$ - (213,020) | \$ 4,073 (219,847) |

| December 31, 2024 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|--|--------------------|-------------------|---------------|-------------------|-----------------|---------------------|
| Derivative financial liabilities at fair value through profit or loss Currency Interest | \$ 1,814 - - | \$ 2,777 5,301 | \$ 429 290 | \$ 648 13,110 | \$ - 154,302 | \$ 5,668 173,003 |

| September 30, 2024 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|--|---------------|-----------------|-----------------|--------------------|-----------------|---------------------|
| Derivative financial liabilities at fair value through profit or loss Currency Interest | \$ - 5,240 | \$ 465 (898) | \$ 218 6,283 | \$ 1,824 13,179 | \$ - 136,281 | \$ 2,507 160,085 |

b) Derivative financial liabilities to be settled at gross amounts

| September 30, 2025 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|--|-----------------------------|-----------------------------|---------------------------|-----------------------------|-------------------|-----------------------------|
| Derivative financial liabilities at fair value through profit or loss Currency derivatives Cash outflow Cash inflow | \$ 25,632,750 26,647,591 | \$ 22,791,962 23,705,805 | \$ 5,887,689 6,350,241 | \$ 10,444,764 11,113,812 | \$ 8,916 8,942 | \$ 64,766,081 67,826,391 |
| Net cash flow | 1,014,841 | 913,843 | 462,552 | 669,048 | 26 | 3,060,310 |

| December 31, 2024 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|--|---------------------------|---------------------------|---------------------------|-----------------------|-------------|-----------------------------|
| Derivative financial liabilities at fair value through profit or loss Currency derivatives Cash outflow Cash inflow | \$ 6,829,206 6,777,039 | \$ 3,037,026 3,004,254 | \$ 1,021,256 1,038,191 | \$ 413,877 423,089 | \$ - - | \$ 11,301,365 11,242,573 |
| Interest derivatives Cash outflow Cash inflow | 173,329 173,428 | 100,994 96,750 | 356,679 346,586 | - - | - - | 631,002 616,764 |
| Total cash outflow | 7,002,535 | 3,138,020 | 1,377,935 | 413,877 | - | 11,932,367 |
| Total cash inflow | 6,950,467 | 3,101,004 | 1,384,777 | 423,089 | - | 11,859,337 |
| Net cash flow | (52,068) | (37,016) | 6,842 | 9,212 | - | (73,030) |

| September 30, 2024 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------|-------------------------------|
| Derivative financial liabilities at fair value through profit or loss Currency derivatives Cash outflow Cash inflow | \$ 66,668,875 67,540,897 | \$ 86,709,602 87,944,837 | \$ 37,118,585 37,735,537 | \$ 29,536,924 29,955,453 | \$ 923,157 930,600 | \$ 220,957,143 224,107,324 |
| Interest derivatives Cash outflow Cash inflow | - - | 75,735 75,363 | - - | - - | - - | 75,735 75,363 |
| Total cash outflow | 66,668,875 | 86,785,337 | 37,118,585 | 29,536,924 | 923,157 | 221,032,878 |
| Total cash inflow | 67,540,897 | 88,020,200 | 37,735,537 | 29,955,453 | 930,600 | 224,182,687 |
| Net cash flow | 872,022 | 1,234,863 | 616,952 | 418,529 | 7,443 | 3,149,809 |

TCB and its subsidiary conducted maturity analysis of off-balance sheet items based on the residual maturities as of the balance sheet dates. For the financial guarantee contracts issued, the maximum amounts of the guarantees are included in the earliest periods that the guarantee obligation might have been required to be fulfilled. The amounts used in the maturity analysis of off-balance sheet items are based on contractual cash flows, so some of these amounts may not correspond to those shown in the balance sheets.

| September 30, 2025 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|-------------------------------------|------------------|-------------------|--------------------|--------------------------|--------------------|----------------|
| Irrevocable loan commitments issued | \$ 4,439,082 | \$ 11,517,336 | \$ 12,035,498 | \$ 26,938,298 | \$ 105,513,993 | \$ 160,444,207 |
| Irrevocable credit card commitments | 167,270 | 861,427 | 1,120,849 | 3,563,484 | 57,861,410 | 63,574,440 |
| Letters of credit issued yet unused | 3,593,231 | 11,142,851 | 2,086,173 | 1,219,604 | 2,130,647 | 20,172,506 |
| Other guarantees | 11,298,526 | 5,895,554 | 6,724,580 | 14,674,596 | 46,401,234 | 84,994,490 |

| December 31, 2024 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|-------------------------------------|------------------|-------------------|--------------------|--------------------------|--------------------|----------------|
| Irrevocable loan commitments issued | \$ 2,806,592 | \$ 7,823,540 | \$ 9,735,321 | \$ 30,023,914 | \$ 103,282,160 | \$ 153,671,527 |
| Irrevocable credit card commitments | 157,258 | 859,424 | 1,497,143 | 4,792,261 | 56,319,004 | 63,625,090 |
| Letters of credit issued yet unused | 3,369,178 | 10,628,582 | 2,562,761 | 1,495,270 | 3,730,696 | 21,786,487 |
| Other guarantees | 10,293,392 | 6,351,691 | 5,146,662 | 12,012,060 | 53,527,622 | 87,331,427 |

| September 30, 2024 | 0-30 Days | 31-90 Days | 91-180 Days | 181 Days - 1 Year | Over 1 Year | Total |
|-------------------------------------|------------------|-------------------|--------------------|--------------------------|--------------------|----------------|
| Irrevocable loan commitments issued | \$ 1,447,537 | \$ 16,446,907 | \$ 15,608,190 | \$ 25,814,833 | \$ 113,290,075 | \$ 172,607,542 |
| Irrevocable credit card commitments | 307,786 | 927,514 | 1,271,123 | 4,911,678 | 56,987,738 | 64,405,839 |
| Letters of credit issued yet unused | 3,739,215 | 11,170,493 | 2,357,294 | 5,288,529 | 1,920,051 | 24,475,582 |
| Other guarantees | 8,612,960 | 8,930,751 | 6,074,589 | 12,726,764 | 52,642,726 | 88,987,790 |

5) Climate risk

In order to respond to global climate change and strengthen climate risk management, and to ensure the stable operation and sustainable development of TCB, in accordance with the Financial Supervisory Commission's "Guidelines for Financial Disclosure of Climate Risks by Banks in Taiwan" and TCB's "Climate Risk Management Guidelines", climate risk issues are incorporated into business operation considerations. In addition to the "High Pollution and Carbon-Ranking Industries" quota and the regular monitoring report, TCB is required to carry out industry-specific verification mechanisms prior to investment and financing operations. In addition to the "High Pollution and High Carbon Emission Industries" limit and regular monitoring and reporting, HBCL is required to conduct industry-specific checking mechanisms, and if it is a high-pollution and high-carbon emission industry, it should state the countermeasures as reference information for audits, and regularly disclose the implementation of climate risk management every year in order to enhance the quality and transparency of the information disclosure.

BNP Paribas Cardif TCB Life Insurance Co., Ltd. (BPCTLI)

Financial risk arises when future cash flows generated from financial assets are insufficient to pay insurance and investment contracts. BPCTLI has already set up a risk management mechanism and control system that can effectively identify, measure, respond to, and monitor the level of risk BPCTLI is exposed to, including market risk, credit risk, liquidity risk, etc.

The strategies adopted by management to supervise and control different financial risks as well as consider competition and changes in the economic environment were as follows:

1) Market risk

a) Market risk source and market risk factors

Market risk results from the fluctuation in the fair values of financial instruments or future cash. The risk factors causing market price changes include interest rates, exchange rates, stock prices and commodity prices, which may cause a gain or loss on net revenues and affect BPCTLI's investment portfolio.

b) Market risk strategy and procedures

BPCTLI has established management policies and market risk limits to monitor the market risk and tolerable losses.

BPCTLI monitors the limit management of financial instruments and the implementation of sensitivity analysis, stress testing and risk calculation. For management's decision making, the risk management department periodically reports to the board of directors and the Risk Management Committee.

In line with hedging against interest rate risk, the investment selection includes an assessment of the financial instrument issuers' credit and financial condition, the investing countries' risk condition and interest rate movements. If a foreign currency risk pertains to overseas investments, BPCTLI uses foreign exchange swaps and cross currency swaps for each overseas investment and periodically measures the efficiency of these swaps. BPCTLI has investment limits and stop-loss order to control equity risk.

c) Market risk management framework

To quantify the possible loss resulting from the price fluctuations of BPCTLI assets, BPCTLI control market risk through calculating value-at-risk (VaR) regularly, combining with back testing, sensitivity analysis method and stress testing.

d) Market risk information

i. VaR (value at risk)

VaR measures "the worst expected loss over a target horizon with a given level of confidence and normal market environment." BPCTLI's worst expected losses for two weeks with a 99% confidence level were \$885,638 thousand, \$612,119 thousand and \$582,257 thousand, as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

ii. Sensitivity analysis

i) Interest rate risk

Interest rate risk refers to the impact of interest rate changes on an investment portfolio value or investment gain or loss. The investment instruments exposed to interest rate risk are mainly bonds and derivative financial assets.

Assuming all other indicators had been held constant and had the interest rate increased by 0.01% as of September 30, 2025, December 31, 2024 and September 30, 2024 the fair values of financial assets would have decreased by \$30,157 thousand, \$20,979 thousand and \$20,694 thousand, respectively.

ii) Equity risk

The equity risk includes the individual risk from the movement of individual investments and the market risk from the movement of the market as a whole.

Assuming all other indicators had been held constant and based on the asset condition of BPCTLI on September 30, 2025, December 31, 2024 and September 30, 2024, had the TAIEX fallen 1%, the fair value of the equity assets would have decreased by \$12,850 thousand, \$21,859 thousand and \$18,907 thousand, respectively.

iii) Foreign currency risk

Foreign currency risk arises when a financial asset or liability is denominated in a currency different from the BPCTLI's base currency. This risk mainly refers to nonmonetary financial assets and liabilities.

BPCTLI's overseas financial instruments were primarily exposed to the U.S. dollar. Assuming all other factors had been held constant, no hedging had been involved, and had the U.S. dollar increased 1% for the nine months ended September 30, 2025, for the year ended December 31, 2024 and for the nine months ended September 30, 2024, the income before income tax would have decreased by \$200,548 thousand, \$173,949 thousand and \$164,044 thousand, respectively.

The table below shows the carrying value of financial assets and liabilities denominated in foreign currency as of September 30, 2025, December 31, 2024 and September 30, 2024.

(In Thousands)

September 30, 2025

| | Foreign Currencies | Exchange Rate | New Taiwan Dollars |
|---------------------------------------|-----------------------|---------------|-----------------------|
| <u>Financial assets</u> | | | |
| Savings accounts | | | |
| USD | \$ 15,560 | 30.524 | \$ 474,968 |
| ZAR | 49,961 | 1.767 | 88,291 |
| AUD | 2,271 | 20.120 | 45,687 |
| EUR | 841 | 35.770 | 30,093 |
| Receivables | | | |
| USD | 7,260 | 30.524 | 221,616 |
| EUR | 1,432 | 35.770 | 51,239 |
| Financial assets at FVTPL | | | |
| USD | 2,532 | 30.524 | 77,292 |
| Financial assets at FVTOCI | | | |
| USD | 621,724 | 30.524 | 18,977,515 |
| EUR | 85,440 | 35.770 | 3,056,175 |
| Financial assets at amortized cost | | | |
| EUR | 9,875 | 35.770 | 353,227 |
| USD | 6,404 | 30.524 | 195,490 |
| Refundable deposits | | | |
| USD | 3,534 | 30.524 | 107,887 |

December 31, 2024

| | Foreign Currencies | Exchange Rate | New Taiwan Dollars |
|------------------------------------|-------------------------------|----------------------|-------------------------------|
| <u>Financial assets</u> | | | |
| Savings accounts | | | |
| USD | \$ 11,024 | 32.768 | \$ 361,238 |
| ZAR | 52,676 | 1.743 | 91,793 |
| AUD | 3,361 | 20.380 | 68,490 |
| EUR | 855 | 34.110 | 29,175 |
| Receivables | | | |
| USD | 5,935 | 32.768 | 194,464 |
| EUR | 235 | 34.110 | 8,021 |
| Financial assets at FVTPL | | | |
| USD | 13,819 | 32.768 | 452,813 |
| Financial assets at FVTOCI | | | |
| USD | 489,998 | 32.768 | 16,056,249 |
| EUR | 37,178 | 34.110 | 1,268,157 |
| RMB | 45,186 | 4.481 | 202,478 |
| Financial assets at amortized cost | | | |
| EUR | 10,168 | 34.110 | 346,829 |
| USD | 8,535 | 32.768 | 279,688 |
| Refundable deposits | | | |
| USD | 1,540 | 32.768 | 50,463 |

September 30, 2024

| | Foreign Currencies | Exchange Rate | New Taiwan Dollars |
|------------------------------------|-------------------------------|----------------------|-------------------------------|
| <u>Financial assets</u> | | | |
| Savings accounts | | | |
| USD | \$ 16,180 | 31.633 | \$ 511,814 |
| ZAR | 61,841 | 1.848 | 114,301 |
| AUD | 2,347 | 21.890 | 51,375 |
| Receivables | | | |
| USD | 5,566 | 31.633 | 176,064 |
| RMB | 855 | 4.521 | 3,865 |
| EUR | 693 | 35.290 | 24,439 |
| Financial assets at FVTPL | | | |
| USD | 7,610 | 31.633 | 240,722 |
| Financial assets at FVTOCI | | | |
| USD | 481,607 | 31.633 | 15,234,671 |
| EUR | 37,271 | 35.290 | 1,315,294 |
| RMB | 75,735 | 4.521 | 342,399 |
| Financial assets at amortized cost | | | |
| EUR | 9,828 | 35.290 | 346,828 |
| USD | 8,906 | 31.633 | 281,733 |
| <u>Financial liabilities</u> | | | |
| Guarantee deposits received | | | |
| USD | 1,284 | 31.633 | 40,606 |

iii. Stress testing

If an extreme event or systematic risk occurs, stress testing is done to measure the potential impact of a negative development on trading book portfolio during an abnormal market period.

BPCTLI does stress testing by analyzing market risk stress testing and different stress testing scenarios from Bloomberg.

Assuming the U.S. 10-year Treasury yield increased 1% as of September 30, 2025, December 31, 2024 and September 30, 2024, the losses on financial assets of the BPCTLI would have been \$1,412,353 thousand, \$826,842 thousand and \$706,353 thousand, respectively.

2) Credit risk

a) Credit risk definition and classifications

Credit risk refers to the risks that debtors' credit is downgraded or the counterparty cannot make payments or refuses to perform contractual obligations. The credit exposure primarily refers to investments in debt instruments and derivative instruments.

b) Credit risk strategy and procedures

BPCTLI controls credit risk as follows:

i. Investment credit limit and the control of concentration of credit risk

The investment department complies with insurance laws and applicable regulations, follows company credit limits and investment management policies for every type of investment product, and reviews the appropriateness of investment transactions to lower the concentration of risks. After the completion of each transaction, the risk management department regularly monitors the credit risk and reports the exposure to various credit limits in each committee meeting.

ii. Stress testing

Using the scenario from the Insurance Bureau, BPCTLI periodically tests the impact on financial asset income and loss of the concentration of credit risk and credit default ratio.

iii. Credit risk reduction policy

If a bond is downgraded below the authorized minimum rating, the investment department will assess the impact caused and decide whether or not to dispose of the assets. When a decision is reached not to dispose of the assets, the investment department should provide the investment withdrawal committee a sufficient reason for its decision. If approval by the investment withdrawal committee is not given within two months of the proposed asset disposal, the assets are disposed of immediately by the investment department.

Some financial assets such as cash and cash equivalents, financial assets at fair value through profit or loss and refundable deposits are regarded as having very low credit risk because of the good credit ratings of counterparties. The credit analysis of other financial assets is as follows:

iv. Credit analysis for bonds

| | September 30, 2025 | | |
|--|-----------------------------|-----------------------------|-------------------|
| | Carrying Amount | Fair Value | % |
| Domestic investment - government bonds (Note 1) | \$ 11,850,438 | \$ 11,838,262 | 29 |
| Domestic investment - corporate bonds (twAAA - twA) | 6,893,551 | 6,893,551 | 17 |
| Overseas investment - government bonds | 5,360,343 | 5,348,938 | 13 |
| Overseas investment - corporate bonds and bank debentures (A1 - A3) | 15,846,926 | 15,847,013 | 38 |
| Overseas investment - corporate bonds and bank debentures (Baa1 - Baa2) | <u>1,344,290</u> | <u>1,344,290</u> | <u>3</u> |
| | <u><u>\$ 41,295,548</u></u> | <u><u>\$ 41,272,054</u></u> | <u><u>100</u></u> |

| | December 31, 2024 | | |
|--|-----------------------------|-----------------------------|-------------------|
| | Carrying Amount | Fair Value | % |
| Domestic investment - government bonds (Note 1) | \$ 11,498,906 | \$ 11,465,044 | 33 |
| Domestic investment - corporate bonds (twAAA - twA) | 5,241,054 | 5,241,054 | 15 |
| Overseas investment - government bonds | 4,026,795 | 4,001,181 | 12 |
| Overseas investment - corporate bonds and bank debentures (A1 - A3) | 12,274,720 | 12,274,651 | 35 |
| Overseas investment - corporate bonds and bank debentures (Baa1 - Baa2) | <u>1,737,872</u> | <u>1,737,872</u> | <u>5</u> |
| | <u><u>\$ 34,779,347</u></u> | <u><u>\$ 34,719,802</u></u> | <u><u>100</u></u> |

| | September 30, 2024 | | |
|--|-----------------------------|-----------------------------|-------------------|
| | Carrying Amount | Fair Value | % |
| Domestic investment - government bonds (Note 1) | \$ 11,642,191 | \$ 11,621,252 | 35 |
| Domestic investment - corporate bonds (twAAA - twAA-) | 4,833,648 | 4,833,648 | 14 |
| Overseas investment - government bonds | 4,149,288 | 4,135,125 | 12 |
| Overseas investment - corporate bonds and bank debentures (A1 - A3) | 11,555,180 | 11,555,255 | 34 |
| Overseas investment - corporate bonds and bank debentures (Baa1 - Baa2) | <u>1,705,483</u> | <u>1,705,483</u> | <u>5</u> |
| | <u><u>\$ 33,885,790</u></u> | <u><u>\$ 33,850,763</u></u> | <u><u>100</u></u> |

Note 1: The above domestic government bonds include other assets - operating deposits.

Note 2: The sources of credit ratings are Taiwan Ratings Corp. or Moody's Investors Service, Inc.

3) Liquidity risk

a) Source and definition of liquidity risk

Liquidity risk means BPCTLI cannot provide sufficient funding for asset size growth and for meeting obligations on matured liabilities.

b) Liquidity risk management strategy and principles

BPCTLI does annual and monthly cash flow analysis based on its budgets, makes daily cash estimates, and reviews the flow of funds to ensure the accuracy and timeliness of liquidity risk management. BPCTLI's liquidity risk is reviewed by the Asset Liability Committee quarterly and by the Investment Committee, monthly.

c) Maturity analysis

i. For the liquidity risk management of financial assets' and non-derivative financial liabilities' maturity analysis

To ensure that it has sufficient cash on hand for liability payments and asset purchases (BPCTLI has no bank loans and financial guarantees, and all the non-derivative liabilities will expire in less than one year), BPCTLI can use unrestricted cash, consisting of financial institution deposits, certificate deposits (including conditional bonds), quasi-foreign currency mutual funds, etc.

ii. Maturity analysis of derivatives

The following table shows BPCTLI's liquidity analysis of its derivative financial instruments. The table was based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by yield curves at the end of the reporting period.

| | September 30, 2025 | | | |
|-------------------------------|----------------------------|--------------------------|-----------------------|--------------------|
| | Within One Year | 1 Year to 3 Years | 3 Years to 5 Years | Over Five Years |
| <u>Net settled</u> | | | | |
| Currency swap contracts | \$ (245,170) | \$ - | \$ - | \$ - |
| Cross-currency swap contracts | <u>(10,129)</u> | <u>(2,370)</u> | <u>-</u> | <u>-</u> |
| | <u><u>\$ (255,299)</u></u> | <u><u>\$ (2,370)</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

| | December 31, 2024 | | | |
|-------------------------------|----------------------------|---------------------------|--------------------------|--------------------|
| | Within One Year | 1 Year to 3 Years | 3 Years to 5 Years | Over Five Years |
| <u>Net settled</u> | | | | |
| Currency swap contracts | \$ (142,118) | \$ - | \$ - | \$ - |
| Cross-currency swap contracts | <u>(36,292)</u> | <u>(8,863)</u> | <u>-</u> | <u>-</u> |
| | <u><u>\$ (178,410)</u></u> | <u><u>\$ (8,863)</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |
| | September 30, 2024 | | | |
| | Within One Year | 1 Year to 3 Years | 3 Years to 5 Years | Over Five Years |
| <u>Net settled</u> | | | | |
| Currency swap contracts | \$ 145,027 | \$ - | \$ - | \$ - |
| Cross-currency swap contracts | <u>(11,429)</u> | <u>(12,771)</u> | <u>(5,825)</u> | <u>-</u> |
| | <u><u>\$ 133,598</u></u> | <u><u>\$ (12,771)</u></u> | <u><u>\$ (5,825)</u></u> | <u><u>\$ -</u></u> |

f. Insurance contracts

To pursue a sustainable development, to protect the interests of the policyholders and to ensure that capital is adequate for fulfilling its repayment obligations, BPCTLI has formed risk management policies, set up a risk management committee under the board of directors and a risk management department, which is independent from its operation departments, in accordance with the Risk Management Practice Manual for Insurance Industry issued by the Taiwan Financial Supervisory Commission.

The risk management program and procedure are summarized as follows:

1) Insurance risk management and measurement

Insurance risk refers to the possibility of BPCTLI's not having sufficient assets to meet future obligations on an insured event. The risk on an insurance contract is random and is thus unpredictable.

BPCTLI's risk exposures involve mortality, morbidity, withdrawal rates, interest rates and fee rates, as well as the uncertainty of the returns on insurance premium investments. Based on the nature of an insurance contract, the occurrence of a covered event, the uncertainty of the amount and the timing are the inherent risks. For life, injury or health insurance, underwriting risks include mortality, accident or morbidity. The significant insurance liability risks are the frequency and severity of the accident covered by the insurance and the actual liability payment exceeding the expected liability payment. BPCTLI is also exposed to loss from natural and man-made disasters, and the frequency and severity of and loss on these disasters are unpredictable. The risks on annuity insurance contracts pertain to the constantly improving health care in society, which helps extend people's life span.

The exposure to insurance risk is influenced by the policyholders' behavior, such as reducing insurance coverage in the future, stopping paying insurance premium or terminating the insurance contract.

BPCTLI spreads out its insurance risk by developing appropriate policy pricing and underwriting strategies and acquiring a sufficient number of policyholders in each risk range so that the variances in the average amounts of claim payments decrease as the number of claims increases. For added safety, BPCTLI manages its insurance risks through issuing a large number of mixed policies and obtaining reinsurance against natural disasters with reinsurance companies to avoid large claims.

2) Concentration of insurance risk and the development of claims

BPCTLI sells its products all over Taiwan and has no concentration of credit risk in a particular geographic region, clientele, age, or profession. To prevent the accumulated risk from going beyond what BPCTLI can tolerate, BPCTLI has evaluated the insurance risk associated with each product and obtained reinsurance against natural disasters with reinsurance companies to avoid the risk of large claims.

The following table shows the development of claims (the cases within one year are not included), and it explains how BPCTLI evaluates claims through development ages. The circumstance and development of reserve claims may change in the future. Thus, actual future claims cannot be determined just by using the following tables.

a) Development of direct business loss

| Accident Year | Development Ages | | | | | | | | | | | | | | | Claim Reserve |
|---------------|------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 2010 | \$ 3 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ - |
| 2011 | 4,170 | 7,263 | 7,786 | 7,854 | 7,854 | 8,034 | 8,034 | 7,854 | 7,854 | 7,854 | 7,854 | 7,854 | 7,854 | 7,854 | 7,854 | - |
| 2012 | 12,366 | 17,155 | 21,177 | 21,070 | 21,111 | 21,112 | 21,112 | 21,112 | 21,113 | 21,113 | 21,121 | 21,121 | 21,121 | 21,121 | 21,121 | - |
| 2013 | 19,586 | 27,531 | 27,762 | 28,666 | 28,555 | 28,551 | 28,553 | 28,553 | 28,553 | 28,553 | 28,553 | 28,553 | 28,553 | 28,553 | 28,553 | - |
| 2014 | 25,862 | 28,357 | 28,976 | 31,011 | 31,016 | 31,018 | 31,018 | 31,018 | 31,018 | 31,018 | 31,018 | 31,018 | 31,018 | 31,018 | 31,018 | - |
| 2015 | 35,899 | 42,080 | 42,346 | 42,353 | 42,361 | 42,381 | 42,382 | 42,372 | 42,372 | 42,372 | 42,372 | 42,372 | 42,372 | 42,372 | 42,372 | - |
| 2016 | 26,485 | 31,219 | 31,407 | 31,432 | 31,444 | 31,445 | 31,450 | 31,450 | 31,450 | 31,450 | 31,453 | 31,453 | 31,453 | 31,453 | 31,453 | 3 |
| 2017 | 53,250 | 63,055 | 58,484 | 58,652 | 58,738 | 58,915 | 59,158 | 59,158 | 59,258 | 59,258 | 59,264 | 59,264 | 59,264 | 59,264 | 59,264 | 6 |
| 2018 | 36,190 | 45,800 | 46,223 | 46,232 | 46,243 | 46,303 | 46,362 | 46,420 | 46,420 | 46,420 | 46,426 | 46,426 | 46,426 | 46,426 | 46,426 | 6 |
| 2019 | 53,544 | 70,676 | 65,989 | 68,116 | 69,117 | 70,208 | 71,200 | 71,200 | 71,200 | 71,200 | 71,206 | 71,206 | 71,206 | 71,206 | 71,206 | 6 |
| 2020 | 49,582 | 52,716 | 53,606 | 54,024 | 54,615 | 55,017 | 55,099 | 55,099 | 55,100 | 55,100 | 55,105 | 55,105 | 55,105 | 55,105 | 55,105 | 88 |
| 2021 | 35,460 | 45,959 | 46,890 | 47,497 | 47,697 | 47,962 | 48,072 | 48,072 | 48,072 | 48,072 | 48,077 | 48,077 | 48,077 | 48,077 | 48,077 | 380 |
| 2022 | 57,578 | 66,484 | 66,871 | 67,135 | 67,422 | 67,692 | 67,800 | 67,801 | 67,801 | 67,808 | 67,808 | 67,808 | 67,808 | 67,808 | 67,808 | 673 |
| 2023 | 54,563 | 63,758 | 63,810 | 64,737 | 64,945 | 65,137 | 65,210 | 65,210 | 65,210 | 65,218 | 65,218 | 65,218 | 65,218 | 65,218 | 65,218 | 1,408 |
| 2024 | 109,775 | 125,420 | 125,966 | 134,389 | 136,016 | 137,627 | 138,322 | 138,322 | 138,322 | 138,322 | 138,330 | 138,330 | 138,330 | 138,330 | 138,330 | 12,910 |
| 2025 | 107,006 | 134,336 | 134,994 | 142,830 | 144,354 | 145,858 | 146,503 | 146,503 | 146,504 | 146,513 | 146,513 | 146,513 | 146,513 | 146,513 | 146,513 | 39,507 |
| | | | | | | | | | | | | | | | | Incurred but not reported |
| | | | | | | | | | | | | | | | | \$ 54,987 |
| | | | | | | | | | | | | | | | | Reported but not paid |
| | | | | | | | | | | | | | | | | 117,324 |
| | | | | | | | | | | | | | | | | Balance of claim reserve |
| | | | | | | | | | | | | | | | | \$ 172,311 |

b) Development of retained business

| Accident Year | Development Ages | | | | | | | | | | | | | | | Claim Reserve |
|---------------|------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 2010 | \$ 3 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ - |
| 2011 | 4,170 | 7,263 | 7,786 | 7,854 | 7,854 | 8,034 | 8,034 | 7,854 | 7,854 | 7,854 | 7,854 | 7,854 | 7,854 | 7,854 | 7,854 | - |
| 2012 | 10,307 | 15,108 | 19,129 | 19,023 | 19,063 | 19,065 | 19,065 | 19,065 | 19,066 | 19,066 | 19,074 | 19,074 | 19,074 | 19,074 | 19,074 | - |
| 2013 | 19,497 | 26,841 | 27,071 | 27,975 | 27,864 | 27,860 | 27,861 | 27,861 | 27,861 | 27,861 | 27,861 | 27,861 | 27,861 | 27,861 | 27,861 | - |
| 2014 | 25,174 | 27,659 | 28,278 | 30,313 | 30,318 | 30,319 | 30,319 | 30,319 | 30,320 | 30,320 | 30,320 | 30,320 | 30,320 | 30,320 | 30,320 | - |
| 2015 | 31,538 | 37,711 | 37,977 | 37,985 | 37,992 | 38,013 | 38,014 | 38,003 | 38,003 | 38,003 | 38,003 | 38,003 | 38,003 | 38,003 | 38,003 | - |
| 2016 | 25,930 | 30,590 | 30,778 | 30,802 | 30,815 | 30,816 | 30,821 | 30,821 | 30,821 | 30,821 | 30,824 | 30,824 | 30,824 | 30,824 | 30,824 | 3 |
| 2017 | 51,121 | 58,887 | 56,315 | 56,484 | 56,570 | 56,739 | 56,974 | 56,974 | 57,074 | 57,074 | 57,080 | 57,080 | 57,080 | 57,080 | 57,080 | 6 |
| 2018 | 35,432 | 44,832 | 45,226 | 45,235 | 45,246 | 45,306 | 45,364 | 45,423 | 45,423 | 45,423 | 45,429 | 45,429 | 45,429 | 45,429 | 45,429 | 6 |
| 2019 | 47,722 | 62,824 | 58,687 | 61,433 | 62,175 | 62,560 | 62,848 | 62,848 | 62,848 | 62,848 | 62,855 | 62,855 | 62,855 | 62,855 | 62,855 | 7 |
| 2020 | 46,367 | 49,193 | 49,937 | 50,208 | 50,650 | 50,906 | 50,952 | 50,952 | 50,953 | 50,953 | 50,958 | 50,958 | 50,958 | 50,958 | 50,958 | 52 |
| 2021 | 33,233 | 42,857 | 43,647 | 44,113 | 44,313 | 44,432 | 44,511 | 44,511 | 44,512 | 44,512 | 44,516 | 44,516 | 44,516 | 44,516 | 44,516 | 203 |
| 2022 | 55,504 | 65,094 | 65,474 | 65,733 | 66,009 | 66,167 | 66,270 | 66,270 | 66,270 | 66,270 | 66,277 | 66,277 | 66,277 | 66,277 | 66,277 | 544 |
| 2023 | 52,126 | 58,494 | 58,546 | 59,464 | 59,667 | 59,784 | 59,856 | 59,857 | 59,857 | 59,857 | 59,863 | 59,863 | 59,863 | 59,863 | 59,863 | 1,317 |
| 2024 | 67,296 | 82,271 | 82,812 | 85,785 | 86,379 | 86,718 | 86,959 | 86,959 | 86,959 | 86,959 | 86,967 | 86,967 | 86,967 | 86,967 | 86,967 | 4,696 |
| 2025 | 71,512 | 86,262 | 86,910 | 88,719 | 89,102 | 89,321 | 89,465 | 89,465 | 89,466 | 89,466 | 89,475 | 89,475 | 89,475 | 89,475 | 89,475 | 17,963 |
| | | | | | | | | | | | | | | | | Incurred but not reported |
| | | | | | | | | | | | | | | | | \$ 24,797 |
| | | | | | | | | | | | | | | | | Reported but not paid |
| | | | | | | | | | | | | | | | | \$ 81,039 |
| | | | | | | | | | | | | | | | | Balance of claim reserve |
| | | | | | | | | | | | | | | | | \$ 105,836 |

3) Sensitivity analysis of insurance risk

Based on relevant insurance laws and regulations, when calculating the liability reserve, assumptions used at the time of purchase are locked in, but such assumptions may change as time passes. According to IFRS 4 “Insurance Contracts,” a liability adequacy test is needed to determine whether BPCTLI has sufficient insurance liability. BPCTLI performed a sensitivity analysis with changes in the assumptions on death rate, illness rate, withdrawal rate and discount rate. The results are as follows:

Insurance contracts and investment contracts with a discretionary participation feature.

| September 30, 2025 | | | |
|---------------------------|-----------------------------------|---|-------------------------|
| | Changes in the Assumptions | Impact on Income Before Income Tax | Impact on Equity |
| Discount rate | 0.25% | \$ 71,082 | \$ 56,865 |
| Discount rate | (0.25%) | (71,240) | (56,992) |
| Mortality rate | 10.00% | (35,174) | (28,139) |
| Mortality rate | (10.00%) | 35,166 | 28,133 |
| Withdrawal rate | 30.00% | 21,576 | 17,260 |
| Withdrawal rate | (30.00%) | (21,453) | (17,162) |
| Illness rate/loss rate | 15.00% | (22,319) | (17,855) |
| Expense rate | 10.00% | (60,597) | (48,765) |

| December 31, 2024 | | | |
|--------------------------|-----------------------------------|---|-------------------------|
| | Changes in the Assumptions | Impact on Income Before Income Tax | Impact on Equity |
| Discount rate | 0.25% | \$ 77,571 | \$ 62,057 |
| Discount rate | (0.25%) | (77,744) | (62,195) |
| Mortality rate | 10.00% | (42,674) | (34,140) |
| Mortality rate | (10.00%) | 42,674 | 34,139 |
| Withdrawal rate | 30.00% | 14,595 | 11,676 |
| Withdrawal rate | (30.00%) | (14,647) | (11,718) |
| Illness rate/loss rate | 15.00% | (27,660) | (22,128) |
| Expense rate | 10.00% | (85,988) | (68,791) |

| September 30, 2024 | | | |
|---------------------------|-----------------------------------|---|-------------------------|
| | Changes in the Assumptions | Impact on Income Before Income Tax | Impact on Equity |
| Discount rate | 0.25% | \$ 55,926 | \$ 44,741 |
| Discount rate | (0.25%) | (56,050) | (44,840) |
| Mortality rate | 10.00% | (30,054) | (24,043) |
| Mortality rate | (10.00%) | 30,048 | 24,038 |
| Withdrawal rate | 30.00% | 15,147 | 12,118 |
| Withdrawal rate | (30.00%) | (15,076) | (12,061) |
| Illness rate/loss rate | 15.00% | (20,781) | (16,625) |
| Expense rate | 10.00% | (58,801) | (47,041) |

Note 1: After-tax balances were used to calculate the equity.

Note 2: The result is non-linear and is limited to changes in the assumptions presented above.

Note 3: Changes in the assumptions presented above are scenarios and the range of change may be interrelated.

Note 4: The sensitivity analysis does not consider market changes that have an impact on the operation (e.g., buy/sell asset positions, changes in the allocation of assets, adjustments in the declared interest rate of the policy, etc.).

4) Credit risk, liquidity risk, and market risk

a) Market risk

Under the Regulations Governing the Reserves by Insurance Enterprises and relevant laws and regulations, BPCTLI calculates reserves at the assumed interest rate and risk occurrence rate set by the supervisory authorities. The expected rates are tied to the policy before sale. These rates are not affected by market rate changes since the long-term trend rate set by the authorities has taken into consideration the assumed interest and the related timing, amount and direction.

Based on IFRS 4, if the liability adequacy test is insufficient, BPCTLI should accrue the shortage as reserve for liability adequacy. The reserve for liability adequacy is not affected by market rate changes.

BPTCLI believes that the supervisory authorities would not soon change the calculation of life policy reserve from the fixed interest rate to float interest rate and that market risks would not significantly affect profit and loss.

b) Credit risk

BPCTLI has ceded reinsurance and assessed the credit of a reinsurance company to ensure the assets and claims recovered from reinsurances are not impaired. The biggest credit risk amount is equal to the book value of the reinsurance assets.

c) Liquidity risk

BPCTLI predicts the future cash flows of assets and liabilities through an asset-liability matching model to ensure there are enough cash flows to cover a predicted liability obligation. The measure is used as a long-term control mechanism for liquidity risk.

Under related laws and regulations, the individual face values of BPCTLI's insurance policies are all greater than their surrender value. Thus, the liquidity risks on agreement cancellations would not be significant. In addition, under the materiality principle, if a policyholder cancels its coverage, BPCTLI will not disclose the cash flow maturity analysis in its financial statements if the coverage amount is not significant.

g. Transfers of financial assets

Under the Company operations, most of derecognized financial assets are securities sold under repurchase agreements, and the contractual cash flows have been transferred to others. The Company has the responsibility to repurchase transferred financial assets at fixed prices, and cannot use, sell and pledge transferred financial assets. However, the Company is still in the risk exposure of interest rate and credit, so the transferred financial assets cannot be removed entirely. The information on derecognized financial assets and liabilities is as follows:

| September 30, 2025 | | | | | |
|--|---|--|--|---|----------------------------|
| Financial Assets | Carrying Amount of Transferred Financial Assets | Carrying Amount of Related Financial Liabilities | Fair Value of Transferred Financial Assets | Fair Value of Related Financial Liabilities | Net Position of Fair Value |
| Financial assets at FVTPL - securities sold under repurchase agreements | \$ 37,641,251 | \$ 37,650,653 | \$ 37,641,251 | \$ 37,650,653 | \$ (9,402) |
| Financial assets at FVTOCI - securities sold under repurchase agreements | 28,872,692 | 28,982,008 | 28,872,692 | 28,982,008 | (109,316) |

| December 31, 2024 | | | | | |
|--|---|--|--|---|----------------------------|
| Financial Assets | Carrying Amount of Transferred Financial Assets | Carrying Amount of Related Financial Liabilities | Fair Value of Transferred Financial Assets | Fair Value of Related Financial Liabilities | Net Position of Fair Value |
| Financial assets at FVTPL - securities sold under repurchase agreements | \$ 42,489,437 | \$ 42,347,584 | \$ 42,489,437 | \$ 42,347,584 | \$ 141,853 |
| Financial assets at FVTOCI - securities sold under repurchase agreements | 29,974,253 | 29,790,302 | 29,974,253 | 29,790,302 | 183,951 |

| September 30, 2024 | | | | | |
|--|---|--|--|---|----------------------------|
| Financial Assets | Carrying Amount of Transferred Financial Assets | Carrying Amount of Related Financial Liabilities | Fair Value of Transferred Financial Assets | Fair Value of Related Financial Liabilities | Net Position of Fair Value |
| Financial assets at FVTPL - securities sold under repurchase agreements | \$ 38,226,042 | \$ 38,212,696 | \$ 38,226,042 | \$ 38,212,696 | \$ 13,346 |
| Financial assets at FVTOCI - securities sold under repurchase agreements | 33,657,229 | 33,886,995 | 33,657,229 | 33,886,995 | (229,766) |

h. Offsetting financial assets and financial liabilities

The Company is eligible to present in the balance sheet on a net basis certain derivative assets and derivative liabilities pertaining to transactions with counterparties under enforceable master netting arrangements or similar agreements and there is an intention either to make settlements on a net basis or to realize the asset and settle the liability simultaneously. A master netting agreement provides for a single net settlement of all financial instruments covered by the agreement if the counterparty defaults on any contract. Parties may also settle transactions at gross amounts if a single settlement results in cash flows being equivalent to a single net amount.

The tables below present the quantitative information on financial assets and financial liabilities that have been offset in the balance sheet or that are covered by enforceable master netting arrangements or similar agreements.

September 30, 2025

| Financial Assets | Gross Amounts of Recognized Financial Assets | Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet | Net Amounts of Financial Assets Presented in the Balance Sheet | Related Amounts Not Offset in the Balance Sheet | | | Net Amount |
|-----------------------|---|---|---|---|--------------------------|------------|------------|
| | | | | Financial Instruments | Cash Collateral Received | | |
| Resell agreements | \$ 2,268,595 | \$ - | \$ 2,268,595 | \$ (2,268,595) | \$ - | \$ - | |
| Financial Liabilities | Gross Amounts of Recognized Financial Liabilities | Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet | Net Amounts of Financial Liabilities Presented in the Balance Sheet | Related Amounts Not Offset in the Balance Sheet | | | |
| Repurchase agreements | \$ 66,632,661 | \$ - | \$ 66,632,661 | \$ (65,847,656) | \$ - | \$ 785,005 | |

December 31, 2024

| | Financial Assets | Gross Amounts of Recognized Financial Assets | Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet | Net Amounts of Financial Assets Presented in the Balance Sheet | Related Amounts Not Offset in the Balance Sheet | | Net Amount |
|------------------------------|-----------------------|---|---|---|---|--------------------------|-------------------|
| | | | | | Financial Instruments | Cash Collateral Received | |
| Resell agreements | | <u>\$ 1,315,855</u> | <u>\$ _____ -</u> | <u>\$ 1,315,855</u> | <u>\$ (1,315,855)</u> | <u>\$ _____ -</u> | <u>\$ _____ -</u> |
| Financial Liabilities | | | | | | | |
| | Financial Liabilities | Gross Amounts of Recognized Financial Liabilities | Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet | Net Amounts of Financial Liabilities Presented in the Balance Sheet | Related Amounts Not Offset in the Balance Sheet | | Net Amount |
| | | | | | Financial Instruments | Cash Collateral Pledged | |
| Repurchase agreements | | <u>\$ 72,137,886</u> | <u>\$ _____ -</u> | <u>\$ 72,137,886</u> | <u>\$ (71,281,498)</u> | <u>\$ _____ -</u> | <u>\$ 856,388</u> |

September 30, 2024

| | Financial Assets | Gross Amounts of Recognized Financial Assets | Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet | Net Amounts of Financial Assets Presented in the Balance Sheet | Related Amounts Not Offset in the Balance Sheet | | Net Amount |
|------------------------------|-----------------------|---|---|---|---|--------------------------|-------------------|
| | | | | | Financial Instruments | Cash Collateral Received | |
| Resell agreements | | <u>\$ 1,490,831</u> | <u>\$ _____ -</u> | <u>\$ 1,490,831</u> | <u>\$ (1,490,831)</u> | <u>\$ _____ -</u> | <u>\$ _____ -</u> |
| Financial Liabilities | | | | | | | |
| | Financial Liabilities | Gross Amounts of Recognized Financial Liabilities | Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet | Net Amounts of Financial Liabilities Presented in the Balance Sheet | Related Amounts Not Offset in the Balance Sheet | | Net Amount |
| | | | | | Financial Instruments | Cash Collateral Pledged | |
| Repurchase agreements | | <u>\$ 72,099,691</u> | <u>\$ _____ -</u> | <u>\$ 72,099,691</u> | <u>\$ (71,144,098)</u> | <u>\$ _____ -</u> | <u>\$ 955,593</u> |

45. CAPITAL MANAGEMENT

To monitor capital adequacy, the risk management department regularly reports capital adequacy ratios every month and also quarterly reviews the execution status of and actual operation data variation on the Company's capital adequacy evaluation plan. When the actual capital adequacy ratio might go lower than the target, the Company immediately reviews the causes, prepares a report and proposes a response strategy to maintain the appropriate capital adequacy levels.

Under the Financial Holding Company Act and related regulations, TCFHC should maintain a consolidated capital adequacy ratio (CAR) of at least 100%. If the ratio falls below 100%, the appropriation of earnings as cash dividends or other assets will be restricted and the authorities may discipline TCFHC, depending on the situation.

The Banking Law and related regulations require that the Bank maintain the minimum requirement for unconsolidated and consolidated capital adequacy ratios (CAR), including the common equity Tier 1 ratio, Tier 1 capital ratio, and total capital adequacy ratio.

The Act Governing Bills Finance Business and related regulations require that the bills finance business maintain CARs at a minimum of 8%.

Under the rules governing securities firms and related regulations, the CAR of a securities firm should be at least 150% to ensure its stability as well as maintain the health of the security markets. If the ratio is below 150%, the authority may impose certain restrictions on a firm's operations.

The Law of Insurance and related regulations require that the insurance business maintain CARs at a minimum of 200%.

46. TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES' ASSET QUALITY, CONCENTRATION OF CREDIT EXTENSIONS, INTEREST RATE SENSITIVITY, PROFITABILITY AND MATURITY ANALYSIS OF ASSETS AND LIABILITIES

- a. Asset quality of Taiwan Cooperative Bank, Ltd.: Table 2 (attached).
- b. Concentration of credit extensions
 - 1) Taiwan Cooperative Bank, Ltd. (TCB)

(In Thousands of New Taiwan Dollars, %)

| Rank (Note 1) | September 30, 2025 | | |
|------------------|---|--|----------------------------------|
| | Industry of Group Enterprise (Note 2) | Total Amount of Credit Endorsement or Other Transactions (Note 3) | Percentage of TCB's Equity |
| 1 | Group A Petroleum and coal products manufacturing | \$ 37,259,916 | 12.74 |
| 2 | Group B Railway transportation | 30,443,193 | 10.41 |
| 3 | Group C Real estate development | 25,635,383 | 8.76 |
| 4 | Group D Iron and steel smelting | 15,431,762 | 5.27 |
| 5 | Group E Cotton and textile | 15,381,300 | 5.26 |
| 6 | Group F Wholesale of electronic and communication equipment and parts | 15,045,159 | 5.14 |
| 7 | Group G Iron and steel smelting | 14,706,082 | 5.03 |
| 8 | Group H Computers manufacturing | 14,146,179 | 4.84 |
| 9 | Group I Cotton and textile | 14,072,055 | 4.81 |
| 10 | Group J LCD panel and its component manufacturing | 13,183,622 | 4.51 |

(In Thousands of New Taiwan Dollars, %)

| Rank (Note 1) | September 30, 2024 | | |
|------------------|---|--|----------------------------------|
| | Industry of Group Enterprise (Note 2) | Total Amount of Credit Endorsement or Other Transactions (Note 3) | Percentage of TCB's Equity |
| 1 | Group C Real estate development | \$ 35,076,799 | 12.67 |
| 2 | Group B Railway transportation | 30,443,193 | 11.00 |
| 3 | Group A Petroleum and coal products manufacturing | 27,533,528 | 9.95 |
| 4 | Group K Financial leasing | 18,678,068 | 6.75 |
| 5 | Group L Wiring and cable system manufacturing | 15,353,775 | 5.55 |
| 6 | Group I Cotton and textile | 14,662,826 | 5.30 |
| 7 | Group D Iron and steel smelting | 14,468,282 | 5.23 |
| 8 | Group F Wholesale of electronic and communication equipment and parts | 13,530,043 | 4.89 |
| 9 | Group J LCD panel and its component manufacturing | 13,119,712 | 4.74 |
| 10 | Group H Computers manufacturing | 12,869,305 | 4.65 |

2) Taiwan Cooperative Bills Finance Corporation Ltd. (TCBF)

(In Thousands of New Taiwan Dollars, %)

| Rank (Note 1) | September 30, 2025 | | |
|------------------|---|--|-----------------------------------|
| | Industry of Group Enterprise (Note 2) | Total Amount of Credit Endorsement or Other Transactions (Note 3) | Percentage of TCBF's Equity |
| 1 | Group A Real estate development | \$ 1,636,000 | 21.47 |
| 2 | Group B Real estate development | 1,212,500 | 15.92 |
| 3 | Group C Rolling and extruding of iron and steel | 1,123,000 | 14.74 |
| 4 | Group D Unclassified other financial service | 1,100,000 | 14.44 |
| 5 | Group E Unclassified other financial service | 930,000 | 12.21 |
| 6 | Group F Construction of buildings | 900,000 | 11.81 |
| 7 | Group G Real estate development | 899,300 | 11.80 |
| 8 | Group H Wholesale of electronic and communication equipment and parts | 780,000 | 10.24 |
| 9 | Group I Real estate development | 776,300 | 10.19 |
| 10 | Group J Wholesale of electronic and communication equipment and parts | 750,000 | 9.84 |

(In Thousands of New Taiwan Dollars, %)

| Rank (Note 1) | September 30, 2024 | | |
|------------------|--|--|-----------------------------------|
| | Industry of Group Enterprise (Note 2) | Total Amount of Credit Endorsement or Other Transactions (Note 3) | Percentage of TCBF's Equity |
| 1 | Group A Real estate development | \$ 1,519,200 | 20.82 |
| 2 | Group D Unclassified other financial service | 1,359,600 | 18.63 |
| 3 | Group K Real estate development | 1,275,000 | 17.47 |
| 4 | Group E Unclassified other financial service | 1,230,000 | 16.86 |
| 5 | Group C Rolling and extruding of iron and steel | 1,113,000 | 15.25 |
| 6 | Group L Unclassified other financial service | 1,050,000 | 14.39 |
| 7 | Group G Real estate development | 973,000 | 13.34 |
| 8 | Group B Real estate development | 895,000 | 12.27 |
| 9 | Group F Construction of buildings | 800,000 | 10.96 |
| 10 | Group M Financial leasing | 770,000 | 10.55 |

Note 1: The list shows rankings by total amount of credit, endorsement or other transactions but excludes government-owned or state-run enterprises. If the borrower is a member of a group enterprise, the total amount of credit, endorsement or other transactions of the entire group enterprise must be listed and disclosed by code and line of industry. The industry of the group enterprise should be presented as the industry of the member firm with the highest risk exposure. The lines of industry should be described in accordance with the Standard Industrial Classification System of the Republic of China published by the Directorate-General of Budget, Accounting and Statistics under the Executive Yuan.

Note 2: Group enterprise refers to a group of corporate entities as defined by Article 6 of "Supplementary Provisions to the Taiwan Stock Exchange Corporation Rules for Review of Securities Listings."

Note 3: Total amount of credit, endorsement or other transactions is the sum of various loans (including import and export negotiations, discounts, overdrafts, unsecured and secured short-term loans, margin loans receivable, unsecured and secured medium-term loans, unsecured and secured long-term loans and overdue loans), exchange bills negotiated, accounts receivable factored without recourse, acceptances and guarantees.

c. Interest rate sensitivity information - Taiwan Cooperative Bank, Ltd.

Interest Rate Sensitivity
September 30, 2025

(In Thousands of New Taiwan Dollars, %)

| Items | 1 to 90 Days | 91 to 180 Days | 181 Days to One Year | Over One Year | Total |
|--|------------------|-----------------|----------------------|----------------|------------------|
| Interest rate-sensitive assets | \$ 3,479,073,575 | \$ 206,936,078 | \$ 44,192,710 | \$ 471,782,811 | \$ 4,201,985,174 |
| Interest rate-sensitive liabilities | 1,345,995,616 | 2,153,509,477 | 169,827,679 | 70,086,873 | 3,739,419,645 |
| Interest rate sensitivity gap | 2,133,077,959 | (1,946,573,399) | (125,634,969) | 401,695,938 | 462,565,529 |
| Net worth | | | | | 255,346,767 |
| Ratio of interest rate-sensitive assets to liabilities | | | | | 112.37 |
| Ratio of interest rate sensitivity gap to net worth | | | | | 181.15 |

Interest Rate Sensitivity
September 30, 2024

(In Thousands of New Taiwan Dollars, %)

| Items | 1 to 90 Days | 91 to 180 Days | 181 Days to One Year | Over One Year | Total |
|--|------------------|-----------------|----------------------|----------------|------------------|
| Interest rate-sensitive assets | \$ 3,205,353,282 | \$ 179,311,101 | \$ 43,818,693 | \$ 447,567,676 | \$ 3,876,050,752 |
| Interest rate-sensitive liabilities | 1,212,082,763 | 2,017,454,344 | 146,438,102 | 73,948,457 | 3,449,923,666 |
| Interest rate sensitivity gap | 1,993,270,519 | (1,838,143,243) | (102,619,409) | 373,619,219 | 426,127,086 |
| Net worth | | | | | 240,919,260 |
| Ratio of interest rate-sensitive assets to liabilities | | | | | 112.35 |
| Ratio of interest rate sensitivity gap to net worth | | | | | 176.88 |

Note 1: The above amounts included only New Taiwan dollar amounts held by the head office and branches of the Bank (i.e., excluding foreign currency).

Note 2: Interest rate-sensitive assets and liabilities refer to interest-earning assets and interest-bearing liabilities with revenues or costs that are affected by interest rate changes.

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

Note 4: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets/Interest rate-sensitive liabilities (in New Taiwan dollars).

Interest Rate Sensitivity
September 30, 2025

(In Thousands of U.S. Dollars, %)

| Items | 1 to 90 Days | 91 to 180 Days | 181 Days to One Year | Over One Year | Total |
|--|---------------|----------------|----------------------|---------------|---------------|
| Interest rate-sensitive assets | \$ 14,467,169 | \$ 1,188,799 | \$ 879,772 | \$ 3,018,804 | \$ 19,554,544 |
| Interest rate-sensitive liabilities | 20,595,417 | 3,339,867 | 3,003,283 | - | 26,938,567 |
| Interest rate sensitivity gap | (6,128,248) | (2,151,068) | (2,123,511) | 3,018,804 | (7,384,023) |
| Net worth | | | | | 1,218,680 |
| Ratio of interest rate-sensitive assets to liabilities | | | | | 72.59 |
| Ratio of interest rate sensitivity gap to net worth | | | | | (605.9) |

Interest Rate Sensitivity
September 30, 2024

(In Thousands of U.S. Dollars, %)

| Items | 1 to 90 Days | 91 to 180 Days | 181 Days to One Year | Over One Year | Total |
|--|---------------|----------------|----------------------|---------------|---------------|
| Interest rate-sensitive assets | \$ 12,454,781 | \$ 1,848,203 | \$ 927,119 | \$ 3,161,393 | \$ 18,391,496 |
| Interest rate-sensitive liabilities | 21,072,611 | 2,958,130 | 1,905,236 | 32,000 | 25,967,977 |
| Interest rate sensitivity gap | (8,617,830) | (1,109,927) | (978,117) | 3,129,393 | (7,576,481) |
| Net worth | | | | | 1,134,742 |
| Ratio of interest rate-sensitive assets to liabilities | | | | | 70.82 |
| Ratio of interest rate sensitivity gap to net worth | | | | | (667.68) |

Note 1: The above amounts included only U.S. dollar amounts held by the head office, domestic branches, OBU and overseas branches of the Bank and excluded contingent assets and contingent liabilities.

Note 2: Interest rate-sensitive assets and liabilities refer to interest-earning assets and interest-bearing liabilities with revenues or costs that are affected by interest rate changes.

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

Note 4: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets/Interest rate-sensitive liabilities (in U.S. dollars).

d. Profitability

1) Taiwan Cooperative Financial Holding Co., Ltd. and its subsidiaries

(%)

| Items | September 30, 2025 | September 30, 2024 |
|------------------------|--------------------|--------------------|
| Return on total assets | Before income tax | 0.51 |
| | After income tax | 0.41 |
| Return on equity | Before income tax | 10.12 |
| | After income tax | 8.11 |
| Net income ratio | 29.42 | 31.92 |

2) Taiwan Cooperative Financial Holding Co., Ltd.

(%)

| Items | September 30, 2025 | September 30, 2024 |
|------------------------|--------------------|--------------------|
| Return on total assets | Before income tax | 6.96 |
| | After income tax | 6.88 |
| Return on equity | Before income tax | 8.37 |
| | After income tax | 8.27 |
| Net income ratio | 97.54 | 95.63 |

3) Taiwan Cooperative Bank, Ltd.

(%)

| Items | | September 30, 2025 | September 30, 2024 |
|------------------------|-------------------|-----------------------|-----------------------|
| Return on total assets | Before income tax | 0.52 | 0.55 |
| | After income tax | 0.42 | 0.44 |
| Return on equity | Before income tax | 9.21 | 9.61 |
| | After income tax | 7.51 | 7.71 |
| Net income ratio | | 36.10 | 34.63 |

4) Taiwan Cooperative Bills Finance Corporation Ltd.

(%)

| Items | | September 30, 2025 | September 30, 2024 |
|------------------------|-------------------|-----------------------|-----------------------|
| Return on total assets | Before income tax | 0.64 | 0.39 |
| | After income tax | 0.51 | 0.32 |
| Return on equity | Before income tax | 6.10 | 3.82 |
| | After income tax | 4.84 | 3.12 |
| Net income ratio | | 50.59 | 53.18 |

5) Taiwan Cooperative Securities Co., Ltd.

(%)

| Items | | September 30, 2025 | September 30, 2024 |
|------------------------|-------------------|-----------------------|-----------------------|
| Return on total assets | Before income tax | 1.10 | 1.55 |
| | After income tax | 0.80 | 1.14 |
| Return on equity | Before income tax | 5.14 | 8.18 |
| | After income tax | 3.75 | 6.00 |
| Net income ratio | | 16.91 | 22.05 |

6) BNP Paribas Cardif TCB Life Insurance Co., Ltd.

(%)

| Items | | September 30, 2025 | September 30, 2024 |
|------------------------|-------------------|-----------------------|-----------------------|
| Return on total assets | Before income tax | (0.02) | 1.02 |
| | After income tax | 0.08 | 0.85 |
| Return on equity | Before income tax | (0.18) | 11.33 |
| | After income tax | 0.82 | 9.43 |
| Net income ratio | | 11.75 | 51.94 |

Note 1: Return on total assets = Income before (after) income tax/Average total assets.

Note 2: Return on equity = Income before (after) income tax/Average equity.

Note 3: Net income ratio = Income after income tax/Total net revenues.

Note 4: Income before (after) income tax represents income for each period-end date.

Note 5: The above profitability ratios are calculated on the basis of annualized figures.

e. Maturity analysis of assets and liabilities - Taiwan Cooperative Bank, Ltd.

Maturity Analysis of Assets and Liabilities
September 30, 2025

(In Thousands of New Taiwan Dollars)

| | Total | Remaining Period to Maturity | | | | |
|----------------------------------|------------------|------------------------------|----------------|----------------|----------------|----------------------|
| | | 0 to 10 Days | 11 to 30 Days | 31 to 90 Days | 91 to 180 Days | 181 Days to One Year |
| Main capital inflow on maturity | \$ 4,589,185,973 | \$ 637,263,080 | \$ 450,693,666 | \$ 329,130,194 | \$ 329,324,195 | \$ 438,526,081 |
| Main capital outflow on maturity | 5,235,069,246 | 343,302,142 | 279,737,027 | 603,679,211 | 681,134,454 | 1,121,695,108 |
| Gap | (645,883,273) | 293,960,938 | 170,956,639 | (274,549,017) | (351,810,259) | (683,169,027) |
| | | | | | | 198,727,453 |

Maturity Analysis of Assets and Liabilities
September 30, 2024

(In Thousands of New Taiwan Dollars)

| | Total | Remaining Period to Maturity | | | | |
|----------------------------------|------------------|------------------------------|----------------|----------------|----------------|----------------------|
| | | 0 to 10 Days | 11 to 30 Days | 31 to 90 Days | 91 to 180 Days | 181 Days to One Year |
| Main capital inflow on maturity | \$ 4,250,878,709 | \$ 539,123,421 | \$ 372,732,842 | \$ 262,762,390 | \$ 371,902,905 | \$ 450,714,261 |
| Main capital outflow on maturity | 4,986,592,067 | 273,562,793 | 239,463,007 | 557,831,052 | 691,077,281 | 1,084,627,787 |
| Gap | (735,713,358) | 265,560,628 | 133,269,835 | (295,068,662) | (319,174,376) | (633,913,526) |
| | | | | | | 113,612,743 |

Note: The above amounts included only New Taiwan dollar amounts held by TCB.

Maturity Analysis of Assets and Liabilities
September 30, 2025

(In Thousands of U.S. Dollars)

| | Total | Remaining Period to Maturity | | | | |
|----------------------------------|---------------|------------------------------|---------------|----------------|----------------------|---------------|
| | | 0 to 30 Days | 31 to 90 Days | 91 to 180 Days | 181 Days to One Year | Over One Year |
| Main capital inflow on maturity | \$ 29,202,752 | \$ 8,386,124 | \$ 4,008,032 | \$ 1,963,956 | \$ 4,012,216 | \$ 10,832,424 |
| Main capital outflow on maturity | 33,386,773 | 12,849,346 | 6,218,318 | 5,588,020 | 5,083,135 | 3,647,954 |
| Gap | (4,184,021) | (4,463,222) | (2,210,286) | (3,624,064) | (1,070,919) | 7,184,470 |

Maturity Analysis of Assets and Liabilities
September 30, 2024

(In Thousands of U.S. Dollars)

| | Total | Remaining Period to Maturity | | | | |
|----------------------------------|---------------|------------------------------|---------------|----------------|----------------------|---------------|
| | | 0 to 30 Days | 31 to 90 Days | 91 to 180 Days | 181 Days to One Year | Over One Year |
| Main capital inflow on maturity | \$ 28,451,555 | \$ 7,805,267 | \$ 4,501,473 | \$ 3,664,639 | \$ 2,564,244 | \$ 9,915,932 |
| Main capital outflow on maturity | 32,495,801 | 13,314,979 | 6,420,898 | 5,330,801 | 4,028,909 | 3,400,214 |
| Gap | (4,044,246) | (5,509,712) | (1,919,425) | (1,666,162) | (1,464,665) | 6,515,718 |

Note: The above amounts included only U.S. dollar amounts held by TCB.

f. The statement of use/source funds of Taiwan Cooperative Bills Finance Corporation Ltd.

September 30, 2025

| Items | Period | | | | | |
|-------------------------------|---|---------------|---------------|----------------|----------------------|---------------|
| | | 1 to 30 Days | 31 to 90 Days | 91 to 180 Days | 181 Days to One Year | Over One Year |
| Use of funds | Bills | \$ 24,134,004 | \$ 15,320,094 | \$ 1,033,137 | \$ 1,261,907 | \$ - |
| | Bonds | 200,000 | 300,000 | 324,415 | 1,874,815 | 20,833,200 |
| | Cash in bank | 334,291 | 120,000 | - | 200 | - |
| | Total | 24,668,295 | 15,740,094 | 1,357,552 | 3,136,922 | 20,833,200 |
| Source of funds | Borrowings | 9,812,675 | - | - | - | - |
| | Securities sold under repurchase agreements | 49,701,619 | 2,418,829 | 263,903 | - | - |
| | Total | 59,514,294 | 2,418,829 | 263,903 | - | - |
| | Net flows | (34,845,999) | 13,321,265 | 1,093,649 | 3,136,922 | 20,833,200 |
| Accumulated capital net flows | | (34,845,999) | (21,524,734) | (20,431,085) | (17,294,163) | 3,539,037 |

September 30, 2024

| Items | Period | | | | | |
|-------------------------------|---|---------------|---------------|----------------|----------------------|---------------|
| | | 1 to 30 Days | 31 to 90 Days | 91 to 180 Days | 181 Days to One Year | Over One Year |
| Use of funds | Bills | \$ 27,162,641 | \$ 15,173,708 | \$ 1,609,765 | \$ 1,611,886 | \$ - |
| | Bonds | 300,000 | 650,000 | 447,600 | 2,034,400 | 21,311,100 |
| | Cash in bank | 380,305 | 120,000 | - | 200 | - |
| | Total | 27,842,946 | 15,943,708 | 2,057,365 | 3,646,486 | 21,311,100 |
| Source of funds | Borrowings | 11,689,600 | - | - | - | - |
| | Securities sold under repurchase agreements | 49,241,326 | 3,800,978 | 366,497 | - | - |
| | Total | 60,930,926 | 3,800,978 | 366,497 | - | - |
| | Net flows | (33,087,980) | 12,142,730 | 1,690,868 | 3,646,486 | 21,311,100 |
| Accumulated capital net flows | | (33,087,980) | (20,945,250) | (19,254,382) | (15,607,896) | 5,703,204 |

47. TAIWAN COOPERATIVE BANK, LTD.'S TRUST BUSINESS UNDER THE TRUST LAW

a. Trust-related items are those shown in the following balance sheets, statements of income and trust property list

These items were managed by TCB's Trust Department. However, these items were not included in the consolidated financial statements.

| Trust Assets | Balance Sheets of Trust Accounts | | | | | | |
|--------------------------|----------------------------------|-------------------|--------------------|--|--------------------|-------------------|--------------------|
| | September 30, 2025 | December 31, 2024 | September 30, 2024 | Trust Liabilities | September 30, 2025 | December 31, 2024 | September 30, 2024 |
| Cash in banks | \$ 16,101,958 | \$ 19,280,204 | \$ 19,007,243 | Payables | | | |
| Short-term investments | | | | Accrued expense | \$ 2,464 | \$ 2,185 | \$ 1,990 |
| Mutual funds | 271,220,742 | 259,520,482 | 252,709,376 | Others | 360 | 550 | 439 |
| Stocks | 7,123,548 | 6,081,885 | 6,272,700 | Payables on the purchase of securities | | | |
| Debt instruments | 440,273 | 495,569 | 456,713 | | 656 | 2,751 | 771 |
| | 278,784,563 | 266,097,936 | 259,438,789 | | 3,480 | 5,486 | 3,200 |
| Securities lending | 100,452 | 122,984 | 149,066 | Accounts payable on securities under custody | | | |
| Receivables | 25,759 | 29,745 | 26,388 | Trust capital | 243,092,967 | 249,124,099 | 232,145,130 |
| Real estate | | | | | 415,824,852 | 405,684,760 | 392,032,949 |
| Land | 65,379,275 | 66,757,556 | 64,375,861 | Reserves and retained earnings | | | |
| Buildings | 16,406 | 16,434 | 16,890 | Net income | 1,887,052 | 1,438,821 | 1,688,136 |
| Construction in process | 57,435,047 | 54,896,093 | 50,807,345 | Retained earnings | 210,577 | 153,887 | 179,488 |
| | 122,830,728 | 121,670,083 | 115,200,096 | | 2,097,629 | 1,592,708 | 1,867,624 |
| Intangible assets | | | | | | | |
| Superficies | 82,002 | 82,002 | 82,002 | | | | |
| Other assets | 499 | - | 189 | | | | |
| Securities under custody | 243,092,967 | 249,124,099 | 232,145,130 | | | | |
| Total | \$ 661,018,928 | \$ 656,407,053 | \$ 626,048,903 | Total | \$ 661,018,928 | \$ 656,407,053 | \$ 626,048,903 |

Note: As of September 30, 2025, December 31, 2024 and September 30, 2024, total trust-related assets included OBU funds and bonds investments in the amount of \$1,875,765 thousand, \$1,821,967 thousand and \$2,037,505 thousand, respectively.

Trust Property List

| Investment Items | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---------------------------------------|-----------------------|-----------------------|-----------------------|
| Cash in banks | \$ 16,101,958 | \$ 19,280,204 | \$ 19,007,243 |
| Short-term investments | | | |
| Mutual funds | 271,220,742 | 259,520,482 | 252,709,376 |
| Stocks | 7,123,548 | 6,081,885 | 6,272,700 |
| Debt instruments | 440,273 | 495,569 | 456,713 |
| Securities lending | 100,452 | 122,984 | 149,066 |
| Receivables | | | |
| Accrued interest | 12,343 | 15,997 | 13,223 |
| Mutual funds | 2,919 | 307 | 2,492 |
| Cash dividends | 10,191 | 10,141 | 7,277 |
| Receivables on the sale of securities | - | 2,453 | 2,907 |
| Others | 306 | 847 | 489 |
| Real estate | | | |
| Land | 65,379,275 | 66,757,556 | 64,375,861 |
| Buildings | 16,406 | 16,434 | 16,890 |
| Construction in process | 57,435,047 | 54,896,093 | 50,807,345 |
| Intangible assets | | | |
| Superficies | 82,002 | 82,002 | 82,002 |
| Other assets | 499 | - | 189 |
| Securities under custody | <u>243,092,967</u> | <u>249,124,099</u> | <u>232,145,130</u> |
| Total | <u>\$ 661,018,928</u> | <u>\$ 656,407,053</u> | <u>\$ 626,048,903</u> |

Statements of Income on Trust Accounts
For the Nine Months Ended September 30, 2025 and 2024

| | 2025 | 2024 |
|--|---------------------|---------------------|
| Revenues | | |
| Interest revenue | \$ 59,459 | \$ 48,820 |
| Lending stock | 1,706 | 1,976 |
| Cash dividends | 194,899 | 143,381 |
| Realized gain on investment - stocks | 29,847 | 208,678 |
| Unrealized gain on investment - stocks | 1,690,974 | 1,420,799 |
| Unrealized gain on capital - lending stock | 42,272 | 80,820 |
| Realized gain on investment - mutual funds | 31,594 | 50,090 |
| Unrealized gain on investment - mutual funds | 107,298 | 81,508 |
| Beneficial certificate appropriation | 17,579 | 12,431 |
| Others | <u>22,862</u> | <u>2,443</u> |
| Total revenues | <u>2,198,490</u> | <u>2,050,946</u> |
| Expenses | | |
| Management fees | 9,546 | 9,016 |
| Monitoring fees | 10 | 830 |
| Taxes | - | 207 |
| Service charge | 66 | 64 |
| Postage | 44,803 | 377 |
| Unrealized loss on investment - stocks | 156,659 | 278,293 |
| Unrealized loss on capital - lending stock | 54,352 | 4,465 |
| Unrealized loss on investment - mutual funds | 30,288 | 10,033 |
| Realized loss on investment - mutual funds | 429 | 14,693 |
| Realized loss on investment - stocks | 15,213 | 44,765 |
| Others | <u>72</u> | <u>67</u> |
| Total expenses | <u>311,438</u> | <u>362,810</u> |
| Income before income tax | 1,887,052 | 1,688,136 |
| Income tax expense | <u>-</u> | <u>-</u> |
| Net income | <u>\$ 1,887,052</u> | <u>\$ 1,688,136</u> |

b. Nature of trust business operations under the Trust Law: Note 1.

48. ALLOCATION OF REVENUE, COST AND EXPENSE THAT RESULTED FROM THE SHARING OF RESOURCES BETWEEN TAIWAN COOPERATIVE FINANCIAL HOLDING COMPANY, LTD. AND SUBSIDIARIES

Under cooperation arrangements, Taiwan Cooperative Bank, Ltd. (TCB) and Taiwan Cooperative Securities (TCS) promoted securities brokerage business together; thus, related revenues received by TCB were calculated as follows: (a) revenue based on 20% of the net revenue derived from security transactions for three years; (b) related revenues from utilizing some operating sites and equipment by the TCS; and (c) receiving cross-selling service fees of \$2,000 thousand annually, with the portion exceeding \$2,000 thousand calculated based on actual expenses incurred.

To promote the credit card business and corporate banking business together, TCB and TCS signed cooperation arrangements, and the related revenue and expenses were received or paid by TCB were based on the arrangements.

As of September 30, 2025, December 31, 2024 and September 30, 2024, TCB's accrued receivables were \$5,877 thousand, \$4,317 thousand and \$5,822 thousand, respectively. TCB's revenues from cross-selling transactions were \$15,813 thousand and \$17,320 thousand for the nine months ended September 30, 2025 and 2024, respectively.

To promote the insurance business together, TCB and TCS signed cooperation arrangements, and marketing expenses paid by TCB were based on the arrangements.

As of September 30, 2025, December 31, 2024 and September 30, 2024, TCB's accrued payables were \$3 thousand, \$2 thousand and \$3 thousand, respectively. TCB's expenses from cross-selling transactions were \$47 thousand and \$71 thousand for the nine months ended September 30, 2025 and 2024, respectively.

To promote the insurance business together, TCB and BNP Paribas Cardif TCB Life Insurance Co., Ltd. signed cooperation arrangements. The service fees earned by TCB were based on the agreed percentage of the premiums from the insurance companies' products sold by TCB.

As of September 30, 2025, December 31, 2024 and September 30, 2024, TCB's accrued receivables were \$2,580 thousand, \$3,952 thousand and \$3,139 thousand. TCB's revenues from cross-selling transactions were \$13,387 thousand and \$19,493 thousand for the nine months ended September 30, 2025 and 2024, respectively.

To promote the venture capital business together, TCB and Taiwan Cooperative Venture Capital Co., Ltd. signed cooperation arrangements. The service fees earned by TCB were based on the agreed from the contract by TCB.

TCB's revenues from cross-selling transactions were \$20 thousand for the nine months ended September 30, 2024.

To promote the venture capital business together, TCB and Co-operative Assets Management Co., Ltd. signed cooperation arrangements. The service fees earned by TCB were based on the agreed from the contract by TCB.

TCB's revenues from cross-selling transactions were \$20 thousand for the nine months ended September 30, 2025.

49. TCFHC'S FINANCIAL STATEMENTS AND CONDENSED BALANCE SHEETS AND STATEMENTS OF COMPREHENSIVE INCOME OF SUBSIDIARIES

Table 3 (attached).

50. BUSINESS SEGMENT FINANCIAL INFORMATION

Table 4 (attached).

51. CASH FLOW INFORMATION

a. Non-cash financing activities

Undistributed cash dividends approved by stockholders' meetings are \$557,732 thousand, \$519,049 thousand and \$521,075 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

b. Changes in liabilities arising from financing activities

For the nine months ended September 30, 2025

| | Opening Balance | Cash Inflows (Outflows) | New Leases | Non-cash Changes | | Others | Closing Balance |
|--|-----------------------|-------------------------|-----------------|---|---------------------|---------------|-----------------------|
| | | | | Fair Value Adjustments (Including Changes in the Fair Value Attributable to Changes in the Credit Risk) | | | |
| Commercial paper issued | \$ 38,061,951 | \$ 4,830,000 | \$ - | \$ - | \$ (25,922) | \$ 42,866,029 | |
| Bonds payable | 79,140,000 | 1,100,000 | - | - | - | | 80,240,000 |
| Other borrowings | 11,033,195 | (3,835,341) | - | - | 460,341 | | 7,658,195 |
| Financial liabilities at fair value through profit or loss - bank debentures | 4,768,858 | 878,600 | - | 9,810 | (195,088) | | 5,462,180 |
| Guarantee deposits received | 2,507,956 | (1,423,289) | - | - | 699,315 | | 1,783,982 |
| Lease liabilities | 1,720,552 | (477,585) | (164) | - | 322,667 | | 1,565,470 |
| Other liabilities - other | 73,898 | (2,514) | - | - | 2,602 | | 73,986 |
| | <u>\$ 137,306,410</u> | <u>\$ 1,069,871</u> | <u>\$ (164)</u> | <u>\$ 9,810</u> | <u>\$ 1,263,915</u> | | <u>\$ 139,649,842</u> |

For the nine months ended September 30, 2024

| | Opening Balance | Cash Inflows (Outflows) | New Leases | Non-cash Changes | | Others | Closing Balance |
|--|-----------------------|-------------------------|---------------|---|---------------------|---------------|-----------------------|
| | | | | Fair Value Adjustments (Including Changes in the Fair Value Attributable to Changes in the Credit Risk) | | | |
| Commercial paper issued | \$ 33,651,757 | \$ 4,460,000 | \$ - | \$ - | \$ 13,010 | \$ 38,124,767 | |
| Bonds payable | 77,240,000 | 1,900,000 | - | - | - | | 79,140,000 |
| Other borrowings | 11,266,712 | 2,030,880 | - | - | 368,416 | | 13,666,008 |
| Financial liabilities at fair value through profit or loss - bank debentures | 2,774,538 | 1,776,777 | - | 12,564 | 56,439 | | 4,620,318 |
| Guarantee deposits received | 1,921,350 | 48,673 | - | - | 45,801 | | 2,015,824 |
| Lease liabilities | 1,545,153 | (499,768) | 132 | - | 670,520 | | 1,716,037 |
| Other liabilities - other | 103,570 | 254,552 | - | - | 21,157 | | 379,279 |
| | <u>\$ 128,503,080</u> | <u>\$ 9,971,114</u> | <u>\$ 132</u> | <u>\$ 12,564</u> | <u>\$ 1,175,343</u> | | <u>\$ 139,662,233</u> |

52. ADDITIONAL DISCLOSURES

a. Related information of significant transactions and b. investees:

- 1) Financing provided: TCFHC - none; TCB, UTB, TCBF, and BPCTLI - not applicable; investee company: Table 5 (attached).
- 2) Endorsements/guarantees provided: TCFHC - none; TCB, UTB, TCBF, and BPCTLI - not applicable; investee company: None.
- 3) Significant marketable securities held: TCFHC, TCB, UTB, TCBF, TCS and BPCTLI - not applicable; investee company: Table 6 (attached).
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 10% of the paid-in capital (TCFHC, TCB and UTB disclosed its investments acquired or disposed of): TCS and BPCTLI - not applicable; TCFHC and investee company: Table 7 (attached).

- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 10% of the paid-in capital: Table 8 (attached).
- 6) Disposal of individual real estates at costs of at least NT\$300 million or 10% of the paid-in capital: None.
- 7) Financial asset securitization by subsidiaries: None.
- 8) Allowance of service fees to related parties amounting to at least NT\$5 million: Table 9 (attached).
- 9) Sale of nonperforming loans by subsidiaries: Table 10 (attached).
- 10) Receivables from related parties amounting to at least NT\$300 million or 10% of the paid-in capital: Table 11 (attached).
- 11) Percentage share in investees and related information: Not applicable.
- 12) Derivative transactions: Notes 8, 41 and 44 to the consolidated financial statements.
- 13) Other significant transactions which may affect the decisions of users of financial reports: None.

c. Investments in Mainland China:

Based on “Regulations Governing Approvals of Banks to Engage, Ltd. in Financial Activities between the Taiwan Area and the Mainland Area,” Taiwan Cooperative Bank, Ltd. set up the Suzhou Branch, Tianjin Branch, Fuzhou Branch and Changsha Branch; Co-operative Assets Management Co., Ltd. set up Taiwan Cooperative International Leasing Co., Ltd. in Mainland China. This investment has been approved by the Financial Supervisory Commission. The information - major operating items, capital stock, the way of investment, investment inflows and outflows, the holding percentage, the investment income or loss, the carrying amount at period-end, the remitted investment profits and the limit on the amount of investment in Mainland China - can be seen in Table 12 (attached).

- d. Business relationships and significant transactions among the parent company and subsidiaries: Table 13 (attached).
- e. Information on major shareholders: Table 14 (attached).

53. OPERATING SEGMENTS

The information reported to the Company’s chief operating decision makers for the assessment of segment performance focuses mainly on business and profit or loss. The Company’s reportable segments are as follows:

- a. TCB business, including deposits, loans, capital, trust, insurance and other businesses;
- b. Other noncore businesses.

The accounting policies of the reportable segments are the same as the Company’s accounting policies described in Note 4. Segment profit is measured at income before income tax, and this measure is reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance. The terms of transactions between segments are similar to those for third parties.

The revenue, expenses and related information of the Company's reportable segments for the nine months ended September 30, 2025 and 2024 are as follows:

| | For the Nine Months Ended September 30, 2025 | | | | |
|---|---|----------------------|----------------------|-----------------------------------|----------------------|
| | TCB Business | Others | Total | Adjustment and Elimination | Total |
| Net interest | \$ 25,079,389 | \$ 335,049 | \$ 25,414,438 | \$ 4,903 | \$ 25,419,341 |
| Net revenues and gains other than interest | <u>19,334,110</u> | <u>27,784,147</u> | <u>47,118,257</u> | <u>(17,334,842)</u> | <u>29,783,415</u> |
| Net revenues | 44,413,499 | 28,119,196 | 72,532,695 | (17,329,939) | 55,202,756 |
| Bad-debt expenses and provision for losses on commitment and guarantees | (2,365,723) | (167,815) | (2,533,538) | - | (2,533,538) |
| Net change in reserves for insurance liabilities | - | (7,801,551) | (7,801,551) | - | (7,801,551) |
| Operating expenses | <u>(22,373,176)</u> | <u>(2,464,044)</u> | <u>(24,837,220)</u> | <u>221,306</u> | <u>(24,615,914)</u> |
| Income before income tax | <u>\$ 19,674,600</u> | <u>\$ 17,685,786</u> | <u>\$ 37,360,386</u> | <u>\$ (17,108,633)</u> | <u>\$ 20,251,753</u> |
| | For the Nine Months Ended September 30, 2024 | | | | |
| | TCB Business | Others | Total | Adjustment and Elimination | Total |
| Net interest | \$ 21,879,439 | \$ 72,115 | \$ 21,951,554 | \$ 5,622 | \$ 21,957,176 |
| Net revenues and gains other than interest | <u>23,046,428</u> | <u>23,041,681</u> | <u>46,088,109</u> | <u>(17,203,313)</u> | <u>28,884,796</u> |
| Net revenues | 44,925,867 | 23,113,796 | 68,039,663 | (17,197,691) | 50,841,972 |
| Bad-debt expenses and provision for losses on commitment and guarantees | (3,888,082) | (54,516) | (3,942,598) | - | (3,942,598) |
| Net change in reserves for insurance liabilities | - | (2,032,746) | (2,032,746) | - | (2,032,746) |
| Operating expenses | <u>(21,640,643)</u> | <u>(2,438,102)</u> | <u>(24,078,745)</u> | <u>228,680</u> | <u>(23,850,065)</u> |
| Income before income tax | <u>\$ 19,397,142</u> | <u>\$ 18,588,432</u> | <u>\$ 37,985,574</u> | <u>\$ (16,969,011)</u> | <u>\$ 21,016,563</u> |

TABLE 1**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES****CONSOLIDATED ENTITIES****SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024**Subsidiaries included in the consolidated financial statements

| Investor Company | Investee Company | Location | Main Business and Products | Percentage of Ownership | | | Note |
|--|---|---------------|---|-------------------------|-------------------|--------------------|------|
| | | | | September 30, 2025 | December 31, 2024 | September 30, 2024 | |
| Taiwan Cooperative Financial Holding Co., Ltd. | Taiwan Cooperative Bank, Ltd. | Taipei City | Banking | 100.00 | 100.00 | 100.00 | Note |
| | Co-operative Assets Management Co., Ltd. | Taipei City | Acquisition of delinquent loans | 100.00 | 100.00 | 100.00 | |
| | Taiwan Cooperative Bills Finance Co., Ltd. | Taipei City | Bills finance dealer | 100.00 | 100.00 | 100.00 | |
| | Taiwan Cooperative Securities Co., Ltd. | Taipei City | Securities dealer | 100.00 | 100.00 | 100.00 | |
| | Taiwan Cooperative Securities Investment Trust Co., Ltd. | Taipei City | Securities investment trust | 100.00 | 100.00 | 100.00 | |
| | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | Taipei City | Life insurance | 51.00 | 51.00 | 51.00 | |
| | Taiwan Cooperative Venture Capital Co., Ltd. | Taipei City | Venture capital | 100.00 | 100.00 | 100.00 | |
| Taiwan Cooperative Bank, Ltd. | United Taiwan Bank S.A. | Belgium | Banking | 90.02 | 90.02 | 90.02 | |
| Co-operative Assets Management Co., Ltd. | Taiwan Cooperative International Leasing Co., Ltd. | Suzhou, China | Leasing | 100.00 | 100.00 | 100.00 | Note |
| Taiwan Cooperative Securities Co., Ltd. | Taiwan Cooperative Securities Investment Consultant Co., Ltd. | Taipei City | Securities investment consulting business | 100.00 | 100.00 | 100.00 | Note |

Subsidiaries not included in the consolidated financial statements

| Investor Company | Investee Company | Location | Main Business and Products | Percentage of Ownership | | | Note |
|------------------|------------------|----------|----------------------------|-------------------------|-------------------|--------------------|------|
| | | | | September 30, 2025 | December 31, 2024 | September 30, 2024 | |
| None | - | - | - | - | - | - | |

Note: Non-major subsidiary, which financial reports for the nine months ended September 30, 2025 and 2024 are not reviewed.

TABLE 2

TAIWAN COOPERATIVE BANK, LTD.

ASSET QUALITY - NONPERFORMING LOANS AND RECEIVABLES

SEPTEMBER 30, 2025 AND 2024

(In Thousands of New Taiwan Dollars, %)

| Period | | September 30, 2025 | | | | | September 30, 2024 | | | | |
|--|-----------------------------------|--|----------------|--|--------------------------------|----------------------------|--|----------------|--|--------------------------------|----------------------------|
| Items | | Nonperforming Loans (Note 1) | Loans | Ratio of Nonperforming Loans (Note 2) | Allowance for Credit Losses | Coverage Ratio (Note 3) | Nonperforming Loans (Note 1) | Loans | Ratio of Nonperforming Loans (Note 2) | Allowance for Credit Losses | Coverage Ratio (Note 3) |
| Corporate banking | Secured | \$ 2,159,174 | \$ 835,394,268 | 0.26 | \$ 9,072,003 | 420.16 | \$ 2,290,411 | \$ 827,879,994 | 0.28 | \$ 8,919,715 | 389.44 |
| | Unsecured | 754,265 | 1,190,386,917 | 0.06 | 10,149,561 | 1,345.62 | 737,768 | 1,104,113,588 | 0.07 | 9,676,538 | 1,311.60 |
| Consumer banking | Housing mortgage (Note 4) | 863,520 | 876,637,743 | 0.10 | 13,223,527 | 1,531.35 | 602,463 | 774,891,823 | 0.08 | 11,669,219 | 1,936.92 |
| | Cash card | - | - | - | - | - | - | - | - | - | - |
| | Small-scale credit loans (Note 5) | 27,203 | 14,463,324 | 0.19 | 205,242 | 754.48 | 14,244 | 12,940,924 | 0.11 | 171,672 | 1,205.22 |
| | Other (Note 6) | Secured | 1,429,046 | 275,268,248 | 0.52 | 3,255,065 | 227.78 | 1,288,071 | 280,292,397 | 0.46 | 3,115,137 |
| Loan | Unsecured | 40,290 | 10,210,963 | 0.39 | 153,647 | 381.35 | 38,635 | 11,123,757 | 0.35 | 158,281 | 409.68 |
| | | 5,273,498 | 3,202,361,463 | 0.16 | 36,059,045 | 683.78 | 4,971,592 | 3,011,242,483 | 0.17 | 33,710,562 | 678.06 |
| | | Nonperforming Receivables (Note 1) | Receivables | Ratio of Nonperforming Receivables (Note 2) | Allowance for Credit Losses | Coverage Ratio (Note 3) | Nonperforming Receivables (Note 1) | Receivables | Ratio of Nonperforming Receivables (Note 2) | Allowance for Credit Losses | Coverage Ratio (Note 3) |
| Credit cards | | 9,345 | 5,571,252 | 0.17 | 63,898 | 683.77 | 13,801 | 5,264,962 | 0.26 | 62,882 | 455.63 |
| Accounts receivable factored without recourse (Note 7) | | - | 103,973 | - | 4,982 | - | - | 98,650 | - | 7,964 | - |
| Amounts of executed contracts on negotiated debts not reported as nonperforming loans (Note 8) | | | | 66 | | | | | 64 | | |
| Amounts of executed contracts on negotiated debts not reported as nonperforming receivables (Note 8) | | | | 493 | | | | | 852 | | |
| Amounts of executed debt-restructuring projects not reported as nonperforming loans (Note 9) | | | | 11,462 | | | | | 9,259 | | |
| Amounts of executed debt-restructuring projects not reported as nonperforming receivables (Note 9) | | | | 49,582 | | | | | 47,291 | | |

Note 1: Nonperforming loans are reported to the authorities and disclosed to the public, as required by the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Nonperforming/Nonaccrual Loans." Nonperforming receivables are reported to the authorities and disclosed to the public, as required by the Banking Bureau's letter dated July 6, 2005 (Ref. No. 0944000378).

Note 2: Ratio of nonperforming loans: Nonperforming loans ÷ Outstanding loan balance.

Ratio of nonperforming receivables: Nonperforming receivables ÷ Outstanding receivable balance.

Note 3: Coverage ratio of loans: Allowance for credit losses for loans ÷ Nonperforming loans.

Coverage ratio of receivables: Allowance for credit losses for receivables ÷ Nonperforming receivables.

Note 4: The mortgage loan is for house purchase or renovation and is fully secured by housing that is purchased (owned) by the borrower, the spouse or minor children of the borrowers.

Note 5: Based on the Banking Bureau's letter dated December 19, 2005 (Ref. No. 09440010950), small-scale credit loans are unsecured, involve small amounts and exclude credit cards and cash cards.

Note 6: Other consumers banking loans refer to secured or unsecured loans that exclude housing mortgage, cash and credit cards, and small-scale credit loans.

Note 7: As required by the Banking Bureau in its letter dated July 19, 2005 (Ref. No. 0945000494), accounts receivable factored without recourse are reported as nonperforming receivables within three months after the factors or insurance companies refuse to indemnify banks for any liabilities on these accounts.

Note 8: Amounts of executed contracts on negotiated debts that are not reported as nonperforming loans or receivables are disclosed to the public in accordance with the Banking Bureau's letter dated April 25, 2006 (Ref. No. 09510001270).

Note 9: Amounts of executed debt-restructuring projects not reported as nonperforming loans or receivables are disclosed to the public in accordance with the Banking Bureau's letter dated September 15, 2008 (Ref. No. 09700318940) and letter dated September 20, 2016 (Ref. No. 10500134790).

TABLE 3**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES****TCFHC'S FINANCIAL STATEMENTS AND CONDENSED BALANCE SHEETS AND STATEMENTS OF COMPREHENSIVE INCOME OF SUBSIDIARIES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024**

1. TCFHC's financial statements

Taiwan Cooperative Financial Holding Co., Ltd.**Balance Sheets
(In Thousands of New Taiwan Dollars)**

| Assets | September 30, 2025 | December 31, 2024 | September 30, 2024 | Liabilities and Equity | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|------------------------------|-----------------------|----------------------|-----------------------|
| Cash and cash equivalents | \$ 112,290 | \$ 75,377 | \$ 127,026 | <u>Liabilities</u> | | | |
| Financial assets at fair value through other comprehensive income | - | 14,950 | 20,050 | Commercial paper issued, net | \$ 28,950,562 | \$ 23,398,101 | \$ 20,260,110 |
| Receivables | 352 | 352 | 357 | Payables | 547,465 | 539,514 | 516,764 |
| Current tax assets | 5,649,729 | 2,676,390 | 2,161,649 | Current tax liabilities | 5,779,557 | 3,281,791 | 2,864,527 |
| Investments accounted for using equity method | 317,643,828 | 301,473,841 | 301,210,566 | Bonds payable | 20,000,000 | 20,000,000 | 20,000,000 |
| Properties and equipment, net | 15,647 | 18,575 | 14,959 | Other borrowings | - | 3,000,000 | 6,000,000 |
| Right-of-use assets, net | 57,459 | 80,025 | 87,600 | Other financial liabilities | 3,653 | 2,767 | 2,747 |
| Intangible assets | 8,654 | 10,609 | 10,917 | Lease liabilities | 60,413 | 83,115 | 90,647 |
| Deferred tax assets | 277 | 339 | 238 | Other liabilities | 5,501 | 5,063 | 4,892 |
| Other assets | 9,406 | 9,317 | 9,272 | Total liabilities | 55,347,151 | 50,310,351 | 49,739,687 |
| | | | | <u>Equity</u> | | | |
| | | | | Capital stock | 156,809,369 | 152,242,106 | 152,242,106 |
| | | | | Capital surplus | 45,652,306 | 45,652,306 | 45,650,280 |
| | | | | Retained earnings | 66,259,323 | 64,054,282 | 60,435,755 |
| | | | | Other equity | (570,507) | (7,899,270) | (4,425,194) |
| | | | | Total equity | 268,150,491 | 254,049,424 | 253,902,947 |
| Total | \$ 323,497,642 | \$ 304,359,775 | \$ 303,642,634 | Total | \$ 323,497,642 | \$ 304,359,775 | \$ 303,642,634 |

(Continued)

Taiwan Cooperative Financial Holding Co., Ltd.

Statements of Comprehensive Income
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | For the Three Months Ended | | For the Nine Months Ended | |
|--|-----------------------------|----------------------------|-----------------------------|-----------------------------|
| | September 30 | 2024 | September 30 | 2024 |
| Revenues and gains | | | | |
| Share of gains of subsidiaries, associates and joint ventures accounted for using equity method | \$ 6,001,627 | \$ 5,747,789 | \$ 16,987,242 | \$ 16,900,622 |
| Other revenues and gains | <u>5,143</u> | <u>2,008</u> | <u>7,065</u> | <u>3,985</u> |
| Total revenues and gains | <u><u>6,006,770</u></u> | <u><u>5,749,797</u></u> | <u><u>16,994,307</u></u> | <u><u>16,904,607</u></u> |
| Expenses and losses | | | | |
| Operating expenses | (82,142) | (77,570) | (209,179) | (208,039) |
| Share of losses of subsidiaries, associates and joint ventures accounted for using equity method | 225,473 | - | - | - |
| Other expenses and losses | <u>(110,968)</u> | <u>(111,520)</u> | <u>(392,804)</u> | <u>(356,867)</u> |
| Total expenses and losses | <u><u>32,363</u></u> | <u><u>(189,090)</u></u> | <u><u>(601,983)</u></u> | <u><u>(564,906)</u></u> |
| Income before income tax | 6,039,133 | 5,560,707 | 16,392,324 | 16,339,701 |
| Income tax benefit (expense) | <u>23,586</u> | <u>167,270</u> | <u>(198,542)</u> | <u>(515,560)</u> |
| Net income | 6,062,719 | 5,727,977 | 16,193,782 | 15,824,141 |
| Other comprehensive income | <u>9,394,066</u> | <u>3,672,160</u> | <u>8,564,232</u> | <u>7,749,656</u> |
| Total comprehensive income | <u><u>\$ 15,456,785</u></u> | <u><u>\$ 9,400,137</u></u> | <u><u>\$ 24,758,014</u></u> | <u><u>\$ 23,573,797</u></u> |
| Earnings per share (New Taiwan dollars) | | | | |
| Basic | <u><u>\$0.38</u></u> | <u><u>\$0.37</u></u> | <u><u>\$1.03</u></u> | <u><u>\$1.01</u></u> |
| Diluted | <u><u>\$0.38</u></u> | <u><u>\$0.37</u></u> | <u><u>\$1.03</u></u> | <u><u>\$1.01</u></u> |

(Continued)

Taiwan Cooperative Financial Holding Co., Ltd.

Statements of Changes in Equity
(In Thousands of New Taiwan Dollars)

| | | | | | | | Other Equity | | | | Change in the Fair Value Attributable to Changes in the Credit Risk of Financial Liabilities Designated as at Fair Value Through Profit or Loss | | Other Comprehensive Income on Reclassification of Overlay Approach | Total Equity | | |
|---|--------------------------|-----------------------|----------------------|----------------------|---------------------|-------------------------|---|--|----------------------------|--------------------|---|----------|--|--------------|--|--|
| | Capital Stock | | | Retained Earnings | | | Exchange Differences on the Translation of Financial Statements of Foreign Operations | Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income | Other Comprehensive Income | | | | | | | |
| | Shares (In Thousands) | Common Stock | Capital Surplus | Legal Reserve | Special Reserve | Unappropriated Earnings | | | | | | | | | | |
| BALANCE AT JANUARY 1, 2025 | 15,224,210 | \$ 152,242,106 | \$ 45,652,306 | \$ 17,288,787 | \$ 7,127,657 | \$ 39,637,838 | \$ 2,299,553 | \$ (10,200,732) | \$ (12,403) | \$ 14,312 | \$ 254,049,424 | | | | | |
| Appropriation of the 2024 earnings | | | | | | | | | | | | | | | | |
| Legal reserve | - | - | - | 2,448,986 | - | (2,448,986) | - | - | - | - | - | - | - | | | |
| Special reserve | - | - | - | - | 771,613 | (771,613) | - | - | - | - | - | - | - | | | |
| Cash dividends | - | - | - | - | - | (10,656,947) | - | - | - | - | - | - | (10,656,947) | | | |
| Stock dividends | 456,726 | 4,567,263 | - | - | - | (4,567,263) | - | - | - | - | - | - | - | | | |
| Disposal of investments in equity instruments at fair value through other comprehensive income | - | - | - | - | - | 1,232,808 | - | (1,232,808) | - | - | - | - | - | | | |
| Transfer of changes in the fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss upon derecognition | - | - | - | - | - | 2,661 | - | - | - | (2,661) | - | - | - | | | |
| Total comprehensive income (loss) | | | | | | | | | | | | | | | | |
| Net income for the nine months ended September 30, 2025 | - | - | - | - | - | 16,193,782 | - | - | - | - | - | - | 16,193,782 | | | |
| Other comprehensive income (loss) for the nine months ended September 30, 2025 | - | - | - | - | - | - | (2,658,521) | 11,259,749 | (9,810) | (27,186) | - | (27,186) | 8,564,232 | | | |
| Total comprehensive income (loss) for the nine months ended September 30, 2025 | - | - | - | - | - | 16,193,782 | (2,658,521) | 11,259,749 | (9,810) | (27,186) | - | (27,186) | 24,758,014 | | | |
| BALANCE AT SEPTEMBER 30, 2025 | <u>15,680,936</u> | <u>\$ 156,809,369</u> | <u>\$ 45,652,306</u> | <u>\$ 19,737,773</u> | <u>\$ 7,899,270</u> | <u>\$ 38,622,280</u> | <u>\$ (358,968)</u> | <u>\$ (173,791)</u> | <u>\$ (24,874)</u> | <u>\$ (12,874)</u> | <u>\$ 268,150,491</u> | | | | | |
| BALANCE AT JANUARY 1, 2024 | 14,709,382 | \$ 147,093,822 | \$ 45,650,280 | \$ 15,582,312 | \$ 21,509,719 | \$ 17,181,771 | \$ (578,527) | \$ (6,593,434) | \$ (13,014) | \$ 57,319 | \$ 239,890,248 | | | | | |
| Appropriation of the 2023 earnings | | | | | | | | | | | | | | | | |
| Legal reserve | - | - | - | 1,706,475 | - | (1,706,475) | - | - | - | - | - | - | - | | | |
| Cash dividends | - | - | - | - | - | (9,561,098) | - | - | - | - | - | - | (9,561,098) | | | |
| Stock dividends | 514,828 | 5,148,284 | - | - | - | (5,148,284) | - | - | - | - | - | - | - | | | |
| Reversal of special reserve | - | - | - | - | (14,382,062) | 14,382,062 | - | - | - | - | - | - | - | | | |
| Disposal of investments in equity instruments at fair value through other comprehensive income | - | - | - | - | - | 5,047,071 | - | (5,047,071) | - | - | - | - | - | | | |
| Transfer of changes in the fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss upon derecognition | - | - | - | - | - | 123 | - | - | - | (123) | - | - | - | | | |
| Total comprehensive income (loss) | | | | | | | | | | | | | | | | |
| Net income for the nine months ended September 30, 2024 | - | - | - | - | - | 15,824,141 | - | - | - | - | - | - | 15,824,141 | | | |
| Other comprehensive income (loss) for the nine months ended September 30, 2024 | - | - | - | - | - | - | 1,160,678 | 6,573,415 | (12,564) | 28,127 | - | 28,127 | 7,749,656 | | | |
| Total comprehensive income (loss) for the nine months ended September 30, 2024 | - | - | - | - | - | 15,824,141 | 1,160,678 | 6,573,415 | (12,564) | 28,127 | - | 28,127 | 23,573,797 | | | |
| BALANCE AT SEPTEMBER 30, 2024 | <u>15,224,210</u> | <u>\$ 152,242,106</u> | <u>\$ 45,650,280</u> | <u>\$ 17,288,787</u> | <u>\$ 7,127,657</u> | <u>\$ 36,019,311</u> | <u>\$ 582,151</u> | <u>\$ (5,067,090)</u> | <u>\$ (25,701)</u> | <u>\$ 85,446</u> | <u>\$ 253,902,947</u> | | | | | |

Taiwan Cooperative Financial Holding Co., Ltd.

Statements of Cash Flows
(In Thousands of New Taiwan Dollars)

| | For the Nine Months Ended September 30 | |
|---|---|--------------------|
| | 2025 | 2024 |
| Cash flows from operating activities | | |
| Income before income tax | \$ 16,392,324 | \$ 16,339,701 |
| Adjustments for: | | |
| Share of gains of subsidiaries, associates and joint ventures accounted for using the equity method | (16,987,242) | (16,900,622) |
| Depreciation and amortization expenses | 30,721 | 30,286 |
| Interest expense | 392,804 | 356,867 |
| Interest revenue | (442) | (418) |
| Net changes in operating assets and liabilities | | |
| Decrease in financial assets at fair value through other comprehensive income | 8,926 | - |
| Decrease in receivables | - | 4 |
| (Increase) decrease in other assets | (89) | 304 |
| (Decrease) increase in payables | 13,774 | 23,172 |
| Increase (decrease) in other liabilities | 438 | (3,382) |
| Cash used in operations | <u>(148,786)</u> | <u>(154,088)</u> |
| Interest received | 442 | 418 |
| Dividends received | 9,387,511 | 8,566,650 |
| Interest paid | (425,390) | (338,810) |
| Income tax (paid) refunded | <u>(674,053)</u> | <u>144,135</u> |
| Net cash generated from operating activities | <u>8,139,724</u> | <u>8,218,305</u> |
| Cash flows from investing activities | | |
| Acquisition of properties and equipment | (1,775) | (7,654) |
| Acquisition of intangible assets | <u>(1,324)</u> | <u>(238)</u> |
| Net cash used in investing activities | <u>(3,099)</u> | <u>(7,892)</u> |
| Cash flows from financing activities | | |
| Increase in commercial paper issued | 5,580,000 | 750,000 |
| Increase in other borrowings | - | 700,000 |
| Decrease in other borrowings | (3,000,000) | - |
| Increase in guarantee deposits received | 886 | - |
| Decrease in guarantee deposits received | - | (795) |
| Repayments of the principal portion of lease liabilities | (23,651) | (23,112) |
| Dividends paid | <u>(10,656,947)</u> | <u>(9,561,098)</u> |
| Net cash used in financing activities | <u>(8,099,712)</u> | <u>(8,135,005)</u> |
| Net increase in cash and cash equivalents | 36,913 | 75,408 |
| Cash and cash equivalents, beginning of the period | <u>75,377</u> | <u>51,618</u> |
| Cash and cash equivalents, end of the period | <u>\$ 112,290</u> | <u>\$ 127,026</u> |

2. Subsidiaries' condensed balance sheets

Taiwan Cooperative Bank, Ltd.

**Condensed Balance Sheets
(In Thousands of New Taiwan Dollars)**

| Assets | September 30, 2025 | December 31, 2024 | September 30, 2024 | Liabilities and Equity | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|--|-----------------------|----------------------|-----------------------|
| Cash and cash equivalents | \$ 88,208,478 | \$ 78,908,785 | \$ 66,338,801 | <u>Liabilities</u> | | | |
| Due from the Central Bank and call loans to other banks | 443,244,427 | 400,221,343 | 401,137,447 | Deposits from the Central Bank and other banks | \$ 519,413,629 | \$ 430,211,992 | \$ 422,196,697 |
| Financial assets at fair value through profit or loss | 112,941,342 | 98,830,925 | 94,563,073 | Financial liabilities at fair value through profit or loss | 8,502,780 | 5,198,031 | 7,788,200 |
| Financial assets at fair value through other comprehensive income | 451,114,529 | 455,733,151 | 455,403,547 | Securities sold under repurchase agreements | 8,141,851 | 8,606,119 | 9,445,199 |
| Investments in debt instruments at amortized cost | 817,435,172 | 749,673,663 | 712,900,016 | Payables | 90,923,098 | 38,759,164 | 57,241,118 |
| Receivables, net | 26,153,974 | 24,632,132 | 26,100,051 | Current tax liabilities | 3,548,447 | 417,586 | 767,489 |
| Current tax assets | 2,635,989 | 3,547,836 | 2,106,330 | Deposits and remittances | 4,171,215,931 | 4,085,969,127 | 3,948,019,336 |
| Discounts and loans, net | 3,165,911,584 | 3,050,451,241 | 2,977,014,471 | Bank debentures | 60,240,000 | 59,140,000 | 59,140,000 |
| Investments accounted for using equity method | 2,587,383 | 2,363,231 | 2,481,865 | Other financial liabilities | 1,708,976 | 2,396,314 | 2,283,563 |
| Other financial assets, net | 8,986,092 | 8,586,033 | 9,330,340 | Provisions | 5,325,391 | 5,251,447 | 5,339,833 |
| Properties and equipment, net | 31,054,121 | 31,328,061 | 31,387,582 | Lease liabilities | 1,539,969 | 1,686,316 | 1,677,392 |
| Right-of-use assets, net | 1,564,333 | 1,730,204 | 1,697,853 | Deferred tax liabilities | 3,865,792 | 5,484,374 | 3,662,821 |
| Investment properties, net | 7,595,874 | 7,635,080 | 7,649,556 | Other liabilities | 938,887 | 871,425 | 865,707 |
| Intangible assets | 4,641,497 | 4,728,215 | 4,544,560 | Total liabilities | 4,875,364,751 | 4,643,991,895 | 4,518,427,355 |
| Deferred tax assets | 1,086,057 | 1,079,563 | 1,386,093 | | | | |
| Other assets, net | 2,763,060 | 1,691,577 | 1,162,876 | <u>Equity</u> | | | |
| | | | | Capital stock | 130,694,300 | 122,988,300 | 122,988,300 |
| | | | | Capital surplus | 58,767,245 | 58,767,245 | 58,767,245 |
| | | | | Retained earnings | 103,673,006 | 102,499,507 | 98,809,042 |
| | | | | Other equity | (575,390) | (7,105,907) | (3,787,481) |
| | | | | Total equity | 292,559,161 | 277,149,145 | 276,777,106 |
| Total | \$ 5,167,923,912 | \$ 4,921,141,040 | \$ 4,795,204,461 | Total | \$ 5,167,923,912 | \$ 4,921,141,040 | \$ 4,795,204,461 |

(Continued)

Taiwan Cooperative Bills Finance Co., Ltd.

Condensed Balance Sheets
(In Thousands of New Taiwan Dollars)

| Assets | September 30, 2025 | December 31, 2024 | September 30, 2024 | Liabilities and Equity | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|--|-----------------------|----------------------|-----------------------|
| Cash and cash equivalents | \$ 194,291 | \$ 205,700 | \$ 260,305 | <u>Liabilities</u> | | | |
| Financial assets at fair value through profit or loss | 44,711,052 | 48,598,518 | 46,645,662 | Call loans from banks | \$ 9,812,675 | \$ 7,740,000 | \$ 11,689,600 |
| Financial assets at fair value through other comprehensive income | 22,682,703 | 20,802,628 | 23,559,536 | Financial liabilities at fair value through profit or loss | 7,241 | 6,140 | - |
| Investments in debt instruments at amortized cost | 1,426,990 | 1,429,520 | 1,430,367 | Securities sold under repurchase agreements | 52,331,276 | 56,795,155 | 53,346,548 |
| Receivables, net | 804,894 | 827,478 | 758,473 | Payables | 126,473 | 145,775 | 174,426 |
| Current tax assets | 15,628 | 48,498 | 42,283 | Current tax liabilities | 30,500 | - | - |
| Other financial assets | 260,200 | 240,200 | 240,200 | Provisions | 465,085 | 396,580 | 408,080 |
| Properties and equipment, net | 17,262 | 18,999 | 16,744 | Lease liabilities | 23,934 | 30,364 | 32,742 |
| Right-of-use assets, net | 23,178 | 29,684 | 32,115 | Other liabilities | 19,070 | 21,095 | 327,320 |
| Intangible assets, net | 3,370 | 3,317 | 3,024 | Total liabilities | <u>62,816,254</u> | <u>65,135,109</u> | <u>65,978,716</u> |
| Deferred tax assets | 1,285 | 2,280 | 576 | <u>Equity</u> | | | |
| Other assets, net | <u>293,610</u> | <u>286,903</u> | <u>285,827</u> | Capital stock | 4,877,740 | 4,877,740 | 4,877,740 |
| | | | | Capital surplus | 312,633 | 312,633 | 312,633 |
| | | | | Retained earnings | 2,198,706 | 2,147,336 | 2,271,686 |
| | | | | Other equity | <u>229,130</u> | <u>20,907</u> | <u>(165,663)</u> |
| | | | | Total equity | <u>7,618,209</u> | <u>7,358,616</u> | <u>7,296,396</u> |
| Total | <u>\$ 70,434,463</u> | <u>\$ 72,493,725</u> | <u>\$ 73,275,112</u> | Total | <u>\$ 70,434,463</u> | <u>\$ 72,493,725</u> | <u>\$ 73,275,112</u> |

Taiwan Cooperative Securities Co., Ltd.

Condensed Balance Sheets
(In Thousands of New Taiwan Dollars)

| Assets | September 30, 2025 | December 31, 2024 | September 30, 2024 | Liabilities and Equity | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|--------------------------|-----------------------|----------------------|-----------------------|
| Current assets | \$ 30,480,920 | \$ 27,745,018 | \$ 35,392,906 | <u>Liabilities</u> | | | |
| Financial assets at fair value through other comprehensive income - non-current | 41,563 | 42,103 | 38,326 | Current liabilities | \$ 24,648,159 | \$ 22,148,367 | \$ 29,708,056 |
| Investments accounted for using the equity method | 55,786 | 51,346 | 53,717 | Lease liabilities | 181,649 | 59,377 | 71,810 |
| Properties and equipment, net | 98,807 | 97,338 | 88,618 | Deferred tax liabilities | 850 | 1,306 | - |
| Right-of-use assets, net | 180,453 | 57,899 | 70,400 | Other liabilities | <u>5,557</u> | <u>6,169</u> | <u>6,929</u> |
| Intangible assets | 66,505 | 64,939 | 64,234 | Total liabilities | <u>24,836,215</u> | <u>22,215,219</u> | <u>29,786,795</u> |
| Deferred tax assets | 10,148 | 17,957 | 16,320 | <u>Equity</u> | | | |
| Other non-current assets | <u>427,053</u> | <u>421,323</u> | <u>417,798</u> | Capital stock | 5,206,131 | 5,206,131 | 5,206,131 |
| | | | | Capital surplus | 294,440 | 294,440 | 294,440 |
| | | | | Retained earnings | 1,155,638 | 1,084,626 | 1,200,675 |
| | | | | Other equity | <u>(131,189)</u> | <u>(302,493)</u> | <u>(345,722)</u> |
| | | | | Total equity | <u>6,525,020</u> | <u>6,282,704</u> | <u>6,355,524</u> |
| Total | <u>\$ 31,361,235</u> | <u>\$ 28,497,923</u> | <u>\$ 36,142,319</u> | Total | <u>\$ 31,361,235</u> | <u>\$ 28,497,923</u> | <u>\$ 36,142,319</u> |

(Continued)

Co-operative Assets Management Co., Ltd.

Condensed Balance Sheets
(In Thousands of New Taiwan Dollars)

| Assets | September 30, 2025 | December 31, 2024 | September 30, 2024 | Liabilities and Equity | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|--------------------------|-----------------------|----------------------|-----------------------|
| Current assets | \$ 77,638 | \$ 178,656 | \$ 140,058 | <u>Liabilities</u> | | | |
| Financial assets at fair value through other comprehensive income | - | 14,950 | 20,050 | Current liabilities | \$ 9,423,625 | \$ 10,471,406 | \$ 11,649,564 |
| Accounts receivable, net | 2,667,974 | 4,296,688 | 4,803,734 | Lease liabilities | 36,624 | 41,773 | 2,899 |
| Investments accounted for using the equity method | 1,203,488 | 1,258,706 | 1,290,019 | Deferred tax liabilities | 86,526 | 86,786 | 86,647 |
| Properties and equipment, net | 13,635 | 15,364 | 15,481 | Other liabilities | <u>119,226</u> | <u>121,054</u> | <u>175,509</u> |
| Investment properties, net | 4,921,927 | 4,924,166 | 5,085,551 | Total liabilities | <u>9,666,001</u> | <u>10,721,019</u> | <u>11,914,619</u> |
| Right-of-use assets, net | 36,200 | 41,677 | 2,816 | <u>Equity</u> | | | |
| Intangible assets | 2,123 | 3,072 | 2,703 | Capital stock | 3,140,875 | 3,140,875 | 3,140,875 |
| Deferred tax assets | 229,032 | 217,746 | 208,538 | Capital surplus | 2,553 | 2,553 | 2,553 |
| Long-term lease payment receivable | 359,025 | 257,985 | 243,323 | Retained earnings | 812,125 | 862,490 | 790,333 |
| Long-term urban regeneration advance payment | 3,997,766 | 3,435,046 | 3,976,551 | Other equity | <u>(105,475)</u> | <u>(70,380)</u> | <u>(56,912)</u> |
| Other assets | <u>7,271</u> | <u>12,501</u> | <u>2,644</u> | Total equity | <u>3,850,078</u> | <u>3,935,538</u> | <u>3,876,849</u> |
| Total | <u>\$ 13,516,079</u> | <u>\$ 14,656,557</u> | <u>\$ 15,791,468</u> | Total | <u>\$ 13,516,079</u> | <u>\$ 14,656,557</u> | <u>\$ 15,791,468</u> |

(Continued)

BNP Paribas Cardif TCB Life Insurance Co., Ltd.

Condensed Balance Sheets
(In Thousands of New Taiwan Dollars)

| Assets | September 30, 2025 | December 31, 2024 | September 30, 2024 | Liabilities and Equity | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---------------------------|-------------------------------|------------------------------|-------------------------------|--|-------------------------------|------------------------------|-------------------------------|
| Cash and cash equivalents | \$ 4,701,229 | \$ 3,140,709 | \$ 3,042,418 | <u>Liabilities</u> | | | |
| Receivables | 1,416,649 | 1,190,879 | 1,049,357 | Payables | \$ 1,600,407 | \$ 1,482,307 | \$ 1,323,931 |
| Current tax assets | - | 117,564 | 150,592 | Current tax liabilities | 64,208 | - | 5,136 |
| Investments | 45,406,672 | 39,291,784 | 38,121,485 | Financial liabilities at fair value through profit or loss | 312,297 | 205,431 | 31,637 |
| Reinsurance assets | 395,309 | 216,517 | 252,841 | Lease liabilities | 54,080 | 68,797 | 73,616 |
| Equipment, net | 238,802 | 185,247 | 190,970 | Insurance liabilities | 39,361,034 | 32,172,620 | 30,703,687 |
| Right-of-use assets | 49,214 | 63,533 | 68,306 | Reserve for insurance contracts with financial instruments features | 11,591 | 10,749 | 10,126 |
| Deferred tax assets | 11,445 | 123,637 | 9,805 | Reserve of foreign exchange variation | 234,468 | 11,782 | 5,134 |
| Other assets | 1,297,762 | 1,311,400 | 1,190,366 | Deferred tax liabilities | 31,607 | 182,714 | 148,373 |
| Separate-account assets | <u>64,654,167</u> | <u>79,800,216</u> | <u>84,664,415</u> | Other liabilities | 339,135 | 360,523 | 298,489 |
| | | | | Separate-account liabilities | <u>64,654,167</u> | <u>79,800,216</u> | <u>84,664,415</u> |
| | | | | Total liabilities | <u>106,662,994</u> | <u>114,295,139</u> | <u>117,264,544</u> |
| | | | | <u>Equity</u> | | | |
| | | | | Capital stock | 6,881,166 | 6,881,166 | 6,881,166 |
| | | | | Capital surplus | 9,310 | 9,310 | 9,310 |
| | | | | Retained earnings | 4,595,684 | 5,103,920 | 4,713,873 |
| | | | | Other equity | <u>22,095</u> | <u>(848,049)</u> | <u>(128,338)</u> |
| | | | | Total equity | <u>11,508,255</u> | <u>11,146,347</u> | <u>11,476,011</u> |
| Total | <u>\$ 118,171,249</u> | <u>\$ 125,441,486</u> | <u>\$ 128,740,555</u> | Total | <u>\$ 118,171,249</u> | <u>\$ 125,441,486</u> | <u>\$ 128,740,555</u> |

(Continued)

Taiwan Cooperative Securities Investment Trust Co., Ltd.

Condensed Balance Sheets
(In Thousands of New Taiwan Dollars)

| Assets | September 30, 2025 | December 31, 2024 | September 30, 2024 | Liabilities and Equity | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|------------------------|-----------------------|----------------------|-----------------------|
| Current assets | \$ 402,980 | \$ 423,827 | \$ 419,169 | <u>Liabilities</u> | | | |
| Financial assets at fair value through other comprehensive income - non-current | 3,423 | 3,433 | 3,261 | Current liabilities | \$ 44,610 | \$ 57,843 | \$ 58,961 |
| Properties and equipment, net | 2,086 | 3,483 | 3,965 | Lease liabilities | 1,543 | 5,739 | 6,961 |
| Right-of-use assets | 1,501 | 5,525 | 6,708 | Other liabilities | 310 | 309 | 378 |
| Intangible assets | 1,740 | 1,286 | 1,460 | Total liabilities | 46,463 | 63,891 | 66,300 |
| Prepaid equipment | 995 | 167 | - | <u>Equity</u> | | | |
| Other assets | <u>56,479</u> | <u>56,220</u> | <u>56,219</u> | Capital stock | 319,498 | 319,498 | 319,498 |
| | | | | Capital surplus | 72,860 | 72,860 | 72,860 |
| | | | | Retained earnings | 29,234 | 36,533 | 31,136 |
| | | | | Other equity | 1,149 | 1,159 | 988 |
| | | | | Total equity | 422,741 | 430,050 | 424,482 |
| Total | <u>\$ 469,204</u> | <u>\$ 493,941</u> | <u>\$ 490,782</u> | Total | <u>\$ 469,204</u> | <u>\$ 493,941</u> | <u>\$ 490,782</u> |

Taiwan Cooperative Venture Capital Co., Ltd.

Condensed Balance Sheets
(In Thousands of New Taiwan Dollars)

| Assets | September 30, 2025 | December 31, 2024 | September 30, 2024 | Liabilities and Equity | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|-----------------------|----------------------|-----------------------|------------------------|-----------------------|----------------------|-----------------------|
| Current assets | \$ 2,184,980 | \$ 711,981 | \$ 1,744,011 | <u>Liabilities</u> | | | |
| Financial assets at fair value through profit or loss - non-current | - | 1,096,198 | - | Current liabilities | \$ 442,862 | \$ 234,572 | \$ 174,468 |
| Properties and equipment, net | 3,881 | 4,821 | 3,116 | Lease liabilities | 8,391 | 11,108 | 12,006 |
| Right-of-use assets | 8,207 | 10,947 | 11,860 | Other liabilities | 2,989 | 2,319 | 2,214 |
| Intangible assets | 4 | 7 | 8 | Total liabilities | 454,242 | 247,999 | 188,688 |
| Other assets | <u>511</u> | <u>511</u> | <u>498</u> | <u>Equity</u> | | | |
| | | | | Capital stock | 1,513,958 | 1,349,269 | 1,349,269 |
| | | | | Retained earnings | 229,383 | 227,197 | 221,536 |
| | | | | Total equity | 1,743,341 | 1,576,466 | 1,570,805 |
| Total | <u>\$ 2,197,583</u> | <u>\$ 1,824,465</u> | <u>\$ 1,759,493</u> | Total | <u>\$ 2,197,583</u> | <u>\$ 1,824,465</u> | <u>\$ 1,759,493</u> |

(Continued)

3. Subsidiaries' condensed statements of comprehensive income

Taiwan Cooperative Bank, Ltd.

**Condensed Statements of Comprehensive Income
For the Nine Months Ended September 30, 2025 and 2024
(In Thousands of New Taiwan Dollars, Except Per Share Amounts)**

| | 2025 | 2024 |
|---|----------------------|----------------------|
| Interest revenues | \$ 79,423,207 | \$ 76,830,937 |
| Less: Interest expenses | <u>(54,343,818)</u> | <u>(54,951,498)</u> |
| Net interest | 25,079,389 | 21,879,439 |
| Net revenues and gains other than interest | <u>19,334,110</u> | <u>23,046,428</u> |
| Total net revenues | 44,413,499 | 44,925,867 |
| Bad-debt expenses and provision for losses on commitment and guarantees | (2,365,723) | (3,888,082) |
| Operating expenses | <u>(22,373,176)</u> | <u>(21,640,643)</u> |
| Income before income tax | 19,674,600 | 19,397,142 |
| Income tax expense | <u>(3,639,852)</u> | <u>(3,840,363)</u> |
| Net income | 16,034,748 | 15,556,779 |
| Other comprehensive income | <u>7,786,268</u> | <u>7,466,096</u> |
| Total comprehensive income | <u>\$ 23,821,016</u> | <u>\$ 23,022,875</u> |
| Earnings per share (NT\$) | | |
| Basic | <u>\$1.23</u> | <u>\$1.19</u> |

Taiwan Cooperative Bills Finance Co., Ltd.

**Condensed Statements of Comprehensive Income
For the Nine Months Ended September 30, 2025 and 2024
(In Thousands of New Taiwan Dollars, Except Per Share Amounts)**

| | 2025 | 2024 |
|---|-------------------|-------------------|
| Net interest | \$ 248,330 | \$ 105,777 |
| Net revenues and gains other than interest | <u>288,582</u> | <u>213,493</u> |
| Total net revenues | <u>536,912</u> | <u>319,270</u> |
| (Impairment losses) reversal of allowance for credit losses and provision | <u>(50,254)</u> | 20,131 |
| Operating expenses | <u>(144,103)</u> | <u>(131,365)</u> |
| Income before income tax | 342,555 | 208,036 |
| Income tax expense | <u>(70,952)</u> | <u>(38,257)</u> |
| Net income | 271,603 | 169,779 |
| Other comprehensive income | <u>214,208</u> | <u>49,396</u> |
| Total comprehensive income | <u>\$ 485,811</u> | <u>\$ 219,175</u> |
| Earnings per share (NT\$) | | |
| Basic | <u>\$0.56</u> | <u>\$0.35</u> |

(Continued)

Taiwan Cooperative Securities Co., Ltd.

**Condensed Statements of Comprehensive Income
For the Nine Months Ended September 30, 2025 and 2024
(In Thousands of New Taiwan Dollars, Except Per Share Amounts)**

| | 2025 | 2024 |
|--------------------------------|-----------------------|-----------------------|
| Revenues | \$ 1,434,229 | \$ 1,824,938 |
| Service charge | (77,371) | (96,041) |
| Other operating costs | (270,003) | (488,276) |
| Employee benefits | (465,081) | (492,424) |
| Other operating expenses | (351,871) | (394,877) |
| Other gains and losses | <u>(22,875)</u> | <u>27,863</u> |
| Income before income tax | 247,028 | 381,183 |
| Income tax expense | <u>(67,100)</u> | <u>(101,527)</u> |
| Net income | 179,928 | 279,656 |
| Other comprehensive income | <u>177,185</u> | <u>124,669</u> |
| Total comprehensive income | <u>\$ 357,113</u> | <u>\$ 404,325</u> |
| Earnings per share (NT\$) | | |
| Basic | <u>\$0.35</u> | <u>\$0.54</u> |

Co-operative Assets Management Co., Ltd.

**Condensed Statements of Comprehensive Income
For the Nine Months Ended September 30, 2025 and 2024
(In Thousands of New Taiwan Dollars, Except Per Share Amounts)**

| | 2025 | 2024 |
|--------------------------------|-----------------------|-----------------------|
| Operating revenues | \$ 833,824 | \$ 748,105 |
| Operating expenses | <u>(334,307)</u> | <u>(251,032)</u> |
| Operating benefits | 499,517 | 497,073 |
| Non-operating gains and losses | <u>(118,646)</u> | <u>(128,517)</u> |
| Income before income tax | 380,871 | 368,556 |
| Income tax expense | <u>(92,144)</u> | <u>(81,804)</u> |
| Net income | 288,727 | 286,752 |
| Other comprehensive income | <u>(51,169)</u> | <u>48,424</u> |
| Total comprehensive income | <u>\$ 237,558</u> | <u>\$ 335,176</u> |
| Earnings per share (NT\$) | | |
| Basic | <u>\$0.92</u> | <u>\$0.91</u> |

(Continued)

BNP Paribas Cardif TCB Life Insurance Co., Ltd.

**Condensed Statements of Comprehensive Income
For the Nine Months Ended September 30, 2025 and 2024
(In Thousands of New Taiwan Dollars, Except Per Share Amounts)**

| | 2025 | 2024 |
|--------------------------------|----------------|----------------|
| Operating revenues | \$ 13,800,854 | \$ 13,461,111 |
| Operating costs | (13,206,971) | (11,899,871) |
| Operating expenses | (609,567) | (588,014) |
| Non-operating gains and losses | - | 3,599 |
| Income before income tax | (15,684) | 976,825 |
| Income tax expense | 85,466 | (163,979) |
| Net income | 69,782 | 812,846 |
| Other comprehensive income | 870,144 | 109,441 |
| Total comprehensive income | \$ 939,926 | \$ 922,287 |
| Earnings per share (NT\$) | | |
| Basic | <u>\$0.10</u> | <u>\$1.18</u> |

Taiwan Cooperative Securities Investment Trust Co., Ltd.

**Condensed Statements of Comprehensive Income
For the Nine Months Ended September 30, 2025 and 2024
(In Thousands of New Taiwan Dollars, Except Per Share Amounts)**

| | 2025 | 2024 |
|--------------------------------|---------------|---------------|
| Operating revenues | \$ 217,749 | \$ 223,182 |
| Operating expenses | (212,494) | (213,073) |
| Operating gain | 5,255 | 10,109 |
| Non-operating gains and losses | 5,135 | 4,148 |
| Income before income tax | 10,390 | 14,257 |
| Income tax expense | - | - |
| Net income | 10,390 | 14,257 |
| Other comprehensive income | (10) | 205 |
| Total comprehensive income | \$ 10,380 | \$ 14,462 |
| Earnings per share (NT\$) | | |
| Basic | <u>\$0.33</u> | <u>\$0.45</u> |

(Continued)

Taiwan Cooperative Venture Capital Co., Ltd.

**Condensed Statements of Comprehensive Income
For the Nine Months Ended September 30, 2025 and 2024
(In Thousands of New Taiwan Dollars, Except Per Share Amounts)**

| | 2025 | 2024 |
|--------------------------------|-----------------------|-----------------------|
| Operating revenues | \$ 212,954 | \$ 220,978 |
| Operating expenses | <u>(40,445)</u> | <u>(39,548)</u> |
| Operating income | 172,509 | 181,430 |
| Non-operating gains and losses | <u>(4,796)</u> | <u>174</u> |
| Income before income tax | 167,713 | 181,604 |
| Income tax expense | <u>(838)</u> | <u>(4,277)</u> |
| Net income | 166,875 | 177,327 |
| Other comprehensive income | <u>—</u> | <u>—</u> |
| Total comprehensive income | <u>\$ 166,875</u> | <u>\$ 177,327</u> |
| Earnings per share (NT\$) | | |
| Basic | <u>\$1.10</u> | <u>\$1.17</u> |

(Concluded)

TABLE 4**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES****BUSINESS SEGMENT FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

| Business Segment Items | For the Nine Months Ended September 30, 2025 | | | | | |
|---|--|--------------|------------|-------------|--------------|---------------|
| | Banking | Bill Finance | Security | Insurance | Others | Consolidated |
| Net interest | \$ 25,269,037 | \$ (427,437) | \$ 123,724 | \$ 907,935 | \$ (453,918) | \$ 25,419,341 |
| Net revenues and gains other than interest | 17,636,424 | 995,615 | 941,088 | 8,938,217 | 1,272,071 | 29,783,415 |
| Total net revenues | 42,905,461 | 568,178 | 1,064,812 | 9,846,152 | 818,153 | 55,202,756 |
| Bad-debt expenses and reversal of provision (provision) for losses on commitment and guarantees | (2,388,706) | (50,254) | 1,130 | - | (95,708) | (2,533,538) |
| Net change in reserves for insurance liabilities | - | - | - | (7,801,551) | - | (7,801,551) |
| Operating expenses | (22,426,301) | (137,542) | (724,184) | (627,821) | (700,066) | (24,615,914) |
| Income before income tax | 18,090,454 | 380,382 | 341,758 | 1,416,780 | 22,379 | 20,251,753 |
| Income tax (expenses) benefit | (3,665,418) | (70,952) | (67,100) | 85,466 | (293,122) | (4,011,126) |
| Net income (loss) | 14,425,036 | 309,430 | 274,658 | 1,502,246 | (270,743) | 16,240,627 |

| Business Segment Items | For the Nine Months Ended September 30, 2024 | | | | | |
|---|--|--------------|------------|-------------|--------------|---------------|
| | Banking | Bill Finance | Security | Insurance | Others | Consolidated |
| Net interest | \$ 22,083,102 | \$ (439,914) | \$ (6,988) | \$ 748,780 | \$ (427,804) | \$ 21,957,176 |
| Net revenues and gains other than interest | 21,796,442 | 785,804 | 1,281,364 | 3,795,372 | 1,225,814 | 28,884,796 |
| Total net revenues | 43,879,544 | 345,890 | 1,274,376 | 4,544,152 | 798,010 | 50,841,972 |
| Bad-debt expenses and reversal of provision (provision) for losses on commitment and guarantees | (3,885,099) | 20,131 | (976) | - | (76,654) | (3,942,598) |
| Net change in reserves for insurance liabilities | - | - | - | (2,032,746) | - | (2,032,746) |
| Operating expenses | (21,692,543) | (124,730) | (798,205) | (597,849) | (636,738) | (23,850,065) |
| Income before income tax | 18,301,902 | 241,291 | 475,195 | 1,913,557 | 84,618 | 21,016,563 |
| Income tax expenses | (3,875,726) | (38,257) | (101,527) | (163,979) | (609,837) | (4,789,326) |
| Net income (loss) | 14,426,176 | 203,034 | 373,668 | 1,749,578 | (525,219) | 16,227,237 |

TABLE 5

TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
 (In Thousands of New Taiwan Dollars)

| No. (Note 1) | Financier | Counterparty | Financial Statement Account | Related Parties | Maximum Balance for the Period | Ending Balance (Note 2) | Amount Actually Drawn | Interest Rate (%) | Financing Type | Transaction Amount | Financing Reasons | Allowance for Bad Debt | Collateral | | Financing Limit for Each Borrowing Company | Financing Company's Financing Amount Limit |
|-----------------|--|---|------------------------------|-----------------|--------------------------------|-------------------------|-----------------------|----------------------|----------------------|--------------------|-------------------|------------------------|-------------|------------|--|--|
| | | | | | | | | | | | | | Item | Value | | |
| 1 | Co-operative Assets Management Co., Ltd. | I-Hwa Industrial Co., Ltd. | Receivables on lending funds | No | \$ 88,000 | \$ 88,000 | \$ 88,000 | 3-8 | Short-term financing | \$ - | Operating use | \$ 880 | Real estate | \$ 161,529 | \$ 393,554 | \$ 1,574,215 |
| | | Xiang Ximg Trading Co., Ltd. | Receivables on lending funds | No | 100,000 | 74,607 | 74,607 | 3-8 | Short-term financing | - | Operating use | 746 | Stocks | 30,000 | 393,554 | 1,574,215 |
| | | Tai-Hwei Trade Co., Ltd. | Receivables on lending funds | No | 160,000 | 100,000 | 100,000 | 3-8 | Short-term financing | - | Operating use | 1,000 | Real estate | 293,365 | 393,554 | 1,574,215 |
| | | FLAGSHIP Square Enterprise Co., Ltd. | Receivables on lending funds | No | 160,000 | 128,583 | 128,583 | 3-8 | Short-term financing | - | Operating use | 1,286 | Real estate | 251,674 | 393,554 | 1,574,215 |
| | | Tsuru Chikusan Co., Ltd. | Receivables on lending funds | No | 265,000 | 169,250 | 169,250 | 3-8 | Short-term financing | - | Operating use | 1,693 | Real estate | 228,078 | 393,554 | 1,574,215 |
| | | Yieh Hong Enterprise Co., Ltd. | Receivables on lending funds | No | 250,000 | 208,754 | 208,754 | 3-8 | Short-term financing | - | Operating use | 2,088 | Stocks | 177,850 | 393,554 | 1,574,215 |
| | | ET New Media Holding Co., Ltd. | Receivables on lending funds | No | 100,000 | 67,074 | 67,074 | 3-8 | Short-term financing | - | Operating use | 671 | None | - | 393,554 | 1,574,215 |
| | | Tai Wan Asset Management Co. | Receivables on lending funds | No | 50,000 | 41,000 | 41,000 | 3-8 | Short-term financing | - | Operating use | 410 | None | - | 393,554 | 1,574,215 |
| | | Feng Xin Development & Investment Co., Ltd. | Receivables on lending funds | No | 30,000 | 27,522 | 27,522 | 3-8 | Short-term financing | - | Operating use | 275 | Stocks | 29,720 | 393,554 | 1,574,215 |
| | | Xiangde Development Co., Ltd. | Receivables on lending funds | No | 50,000 | 50,000 | 50,000 | 3-8 | Short-term financing | - | Operating use | 500 | Guarantee | 5,000 | 393,554 | 1,574,215 |
| 2 | Era Energy Co., Ltd. | Receivables on lending funds | No | 25,000 | 23,977 | 23,977 | 3-8 | Short-term financing | - | Operating use | 240 | None | - | 393,554 | 1,574,215 | |
| | | Easy Life Station Co., Ltd. | Receivables on lending funds | No | 20,000 | 20,000 | 20,000 | 3-8 | Short-term financing | - | Operating use | 200 | Guarantee | 3,000 | 393,554 | 1,574,215 |

Note 1: The parent company and investee companies are numbered as follows:

- Parent company is denoted as 0.
- Investee companies are numbered sequentially from 1.

Note 2: Each lending of funds is resolved by the board of directors. The Company should disclose the monetary limit resolved by the board of directors even if the funds are not yet disbursed. When the funds are repaid, the Company should disclose the lending balance of funds after the repayments.

Note 3: Each financing limit for the borrowing company and the total financing amount limit of Co-operative Assets Management Co., Ltd. (CAM) are 10% and 40% of CAM's equity of the latest financial report, respectively. The equity of CAM as of December 31, 2024, according to the most recent financial statements, was \$3,935,538 thousand.

TABLE 6

TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

(Continued)

| Holding Company Name | Marketable Securities Type and Issuer | Relationship with the Holding Company | Financial Statement Account | September 30, 2025 | | | | Note |
|--|---|---|---|--------------------------|----------------|----------------------------|---------------------------------------|------|
| | | | | Shares (In Thousands) | Carrying Value | Percentage of Ownership | Market Value or Net Asset Value | |
| Taiwan Cooperative Securities Investment Trust Co., Ltd. | <u>Beneficial certificates</u> TCB Taiwan Money Market Fund CTBC Hwa-win Money Market Fund FSITC Taiwan Money Market Fund FSITC Money Market Fund | Fund managed by Taiwan Cooperative Securities Investment Trust Co., Ltd. - - - | Financial assets at fair value through profit or loss | 1,702 | \$ 18,160 | - | \$ 18,160 | |
| | | | Financial assets at fair value through profit or loss | 1,301 | 15,102 | - | 15,102 | |
| | | | Financial assets at fair value through profit or loss | 1,059 | 17,104 | - | 17,104 | |
| | | | Financial assets at fair value through profit or loss | 80 | 15,064 | - | 15,064 | |

Note: When Taiwan Cooperative Financial Holding Co., Ltd. prepared the consolidated financial statements, the related account and security transactions were eliminated.

(Concluded)

TABLE 7**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES**

**MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 10% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025**
(In Shares and in Thousands of New Taiwan Dollars)

| Company Name | Marketable Securities Type and Name | Financial Statement Account | Counter-party | Nature of Relationship | Beginning Balance | | Acquisition | | Disposal | | | | Ending Balance | |
|-------------------------------|-------------------------------------|---|--------------------------------------|------------------------|-------------------|------------|-------------|--------------|----------|--------|----------------|-------------------------|----------------|---------------------|
| | | | | | Shares | Amount | Shares | Amount | Shares | Amount | Carrying Value | Gain (Loss) on Disposal | Shares | Amount |
| Taiwan Cooperative Bank, Ltd. | Taipei Financial Center Corporation | Financial assets at fair value through other comprehensive income | Itochu Taiwan Investment Corporation | Non-related parties | 24,000,000 | \$ 540,960 | 49,500,000 | \$ 1,915,650 | - | \$ - | \$ - | \$ - | 73,500,000 | \$ 2,844,450 (Note) |

Note: The ending balance includes a valuation adjustment of \$387,840 thousand.

TABLE 8**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES**

**ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 10% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025**
(In Thousands of New Taiwan Dollars)

| Buyer | Property | Event Date (Note 1) | Transaction Amount (Note 2) | Payment Status | Counterparty | Relationship | Information on Previous Title Transfer If Counterparty Is A Related Party | | | | Pricing Reference | Purpose of Acquisition | Other Terms |
|-------------------------------|--|------------------------|-----------------------------------|--|--|---------------------|--|--------------|---------------------|--------|----------------------|---------------------------|-------------|
| | | | | | | | Property Owner | Relationship | Transaction Date | Amount | | | |
| Taiwan Cooperative Bank, Ltd. | Construction project on two land parcels (originally one) located at Lot No. 480 and an additional parcel in Subsection 5, Ren'ai Section, Daan District, Taipei City. | 2025.03.04 | \$ 3,453,954 | Payments shall be made upon acceptance of work based on construction progress. | Kedge Construction Co., Ltd. and Yvansor Engineering Co., Ltd. | Non-related parties | - | - | - | \$ - | Public selection | Urban renewal | None |

Note 1: The actual date of occurrence refers to the date on which the counterparty and the transaction amount can be reasonably determined.

Note 2: The total contract amount for the construction project is NT\$3.698 billion (inclusive of tax). Based on TCB's proportionate share of 93.4006%, which corresponds to its share of the updated land rights value, the portion of the construction contract amount attributable to TCB is NT\$3,453,954 thousand.

TABLE 9**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES****ALLOWANCE OF SERVICE FEES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$5 MILLION****FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025**

(In Thousands of New Taiwan Dollars)

| Securities Firms | Counterparty | Nature of Relationship | Total Amounts of Brokerage Service Revenue | Total Allowance of Brokerage Service Revenue | Service Revenue from Related Party | Allowance of Service Revenue for Related Party | Percentage of Service Revenue from Related Party to Total Amounts | Percentage of Allowance of Service Revenue for Related Party to Total Allowance |
|---|-------------------------------|------------------------|--|--|------------------------------------|--|---|---|
| Taiwan Cooperative Securities Co., Ltd. | Taiwan Cooperative Bank, Ltd. | Same parent company | \$ 1,953,924 | \$ 1,080,635 | \$ 75,565 | \$ 60,288 | 3.87 | 5.58 |

TABLE 10**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES**

SALE OF NONPERFORMING LOANS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Taiwan Cooperative Bank, Ltd.

1. Summary statement:

| Date of Transaction | Counterparty | Loan Composition | Book Value | Selling Price | Gain (Loss) on Disposal | Terms | Relationship Between the Counterparty and the Company |
|------------------------|-----------------------|--|--|----------------------------|----------------------------|-------|---|
| 2025.05.30 (Note 1) | Flynn Properties Inc. | Medium-term unsecured credit for corporate households (participate in the international syndicated loan case) | \$ 167,211 (US\$ 5,574) (Note 2) | \$ 275,095 (US\$ 9,170) | \$ 107,884 (US\$ 3,596) | None | Non-related parties |

Note 1: The transaction date is based on U.S. local time.

Note 2: The balance of carrying amount was original loans US\$21,356 thousand deducted loss allowance US\$15,782 thousand.

2. Disposal of nonperforming loans amounts of \$1 billion (exclude disposal to the related parties): None.

TABLE 11**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES****RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$300 MILLION OR 10% OF THE PAID-IN CAPITAL****SEPTEMBER 30, 2025****(In Thousands of New Taiwan Dollars)**

| Company Name | Related Party | Relationship | Ending Balance (Note) | Turnover Rate | Overdue | | Amounts Received in Subsequent Period | Allowance for Impairment Loss |
|--|--|----------------|--------------------------|---------------|---------|---------------|---------------------------------------|-------------------------------|
| | | | | | Amount | Actions Taken | | |
| Taiwan Cooperative Financial Holding Co., Ltd. | Taiwan Cooperative Bank, Ltd. | Subsidiary | \$ 2,988,560 (Note 1) | - | \$ - | - | \$ - | \$ - |
| Taiwan Cooperative Bank, Ltd. | Taiwan Cooperative Financial Holding Company, Ltd. | Parent company | 2,428,825 (Note 1) | - | - | - | - | - |
| | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | Sister company | 417,222 (Note 2) | - | - | - | - | - |

Note 1: The receivables related to consolidated tax returns. When preparing the consolidated financial statements, the receivables have been eliminated.

Note 2: It is a receivable income such as commissions. When preparing the consolidated financial statements, the receivables have been eliminated.

TABLE 12

TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

INVESTMENT IN MAINLAND CHINA
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Taiwan Cooperative Bank, Ltd.

| Investee Company Name | Main Businesses and Products | Total Amount of Paid-in Capital | Investment Type | Accumulated Outflow of Investment from Taiwan as of January 1, 2025 | Investment Flows | | Accumulated Outflow of Investment from Taiwan as of September 30, 2025 | Investee Net Income | % Ownership of Direct or Indirect Investment | Investment Gain | Carrying Value as of September 30, 2025 | Accumulated Inward Remittance of Earnings as of September 30, 2025 |
|---|--|--------------------------------------|-----------------|---|------------------|--------|--|---------------------|--|-----------------|---|--|
| | | | | | Outflow | Inflow | | | | | | |
| Taiwan Cooperative Bank Suzhou Branch | Deposits, loans, import and export, exchange and foreign exchange business | \$ 4,547,235 (US\$ 154,395) (Note 1) | Direct | \$ 4,547,235 (US\$ 154,395) (Note 1) | \$ - | \$ - | \$ 4,547,235 (US\$ 154,395) (Note 1) | \$ 186,532 | 100 | \$ 186,532 | \$ 7,074,647 | \$ - |
| Taiwan Cooperative Bank Tianjin Branch | Deposits, loans, import and export, exchange and foreign exchange business | 2,947,314 (US\$ 97,387) (Note 1) | Direct | 2,947,314 (US\$ 97,387) (Note 1) | - | - | 2,947,314 (US\$ 97,387) (Note 1) | 54,674 | 100 | 54,674 | 2,443,872 | - |
| Taiwan Cooperative Bank Fuzhou Branch | Deposits, loans, import and export, exchange and foreign exchange business | 2,950,882 (US\$ 97,549) (Note 1) | Direct | 2,950,882 (US\$ 97,549) (Note 1) | - | - | 2,950,882 (US\$ 97,549) (Note 1) | 68,221 | 100 | 68,221 | 3,621,552 | - |
| Taiwan Cooperative Bank Changsha Branch | Deposits, loans, import and export, exchange and foreign exchange business | 2,630,485 (US\$ 87,232) (Note 1) | Direct | 2,630,485 (US\$ 87,232) (Note 1) | - | - | 2,630,485 (US\$ 87,232) (Note 1) | 56,668 | 100 | 56,668 | 2,498,141 | - |

| Accumulated Investment in Mainland China as of September 30, 2025 | Investment Amount Approved by the Investment Commission, MOEA | Maximum Investment Allowable (Note 2) |
|---|---|---------------------------------------|
| \$ 13,075,916 (US\$ 436,563) (Note 1) | \$ 13,075,916 (US\$ 436,563) (Note 1) | \$ 175,697,861 |

Co-operative Assets Management Co., Ltd.

| Investee Company Name | Main Businesses and Products | Total Amount of Paid-in Capital | Investment Type | Accumulated Outflow of Investment from Taiwan as of January 1, 2025 | Investment Flows | | Accumulated Outflow of Investment from Taiwan as of September 30, 2025 | Investee Net Income | % Ownership of Direct or Indirect Investment | Investment Gain | Carrying Value as of September 30, 2025 | Accumulated Inward Remittance of Earnings as of September 30, 2025 |
|--|------------------------------|-----------------------------------|-----------------|---|------------------|--------|--|---------------------|--|-----------------|---|--|
| | | | | | Outflow | Inflow | | | | | | |
| Taiwan Cooperative International Leasing Co., Ltd. | Financial leasing | \$ 910,980 (RMB 185,460) (Note 1) | Direct | \$ 910,980 (RMB 185,460) (Note 1) | \$ - | \$ - | \$ 910,980 (RMB 185,460) (Note 1) | \$ 1,212 | 100 | \$ 1,212 | \$ 1,203,488 | \$ - |

| Accumulated Investment in Mainland China as of September 30, 2025 | Investment Amount Approved by the Investment Commission, MOEA | Maximum Investment Allowable (Note 3) |
|---|---|---------------------------------------|
| \$ 910,980 (CNY 185,460) (Note 1) | \$ 910,980 (CNY 185,460) (Note 1) | \$ 2,310,047 (Note 3) |

(Continued)

Note 1: The currency was translated into New Taiwan dollars at the exchange rates on the date of each outflow of investment.

Note 2: Based on the Investment Commission's "Regulation on the Examination of Investment or Technical Cooperation in Mainland China," investments are limited to the higher of 60% of TCB's net asset value or 60% of TCB's consolidated net asset value.

Note 3: Based on the Investment Commission's "Regulation on the Examination of Investment or Technical Cooperation in Mainland China," investments are limited to the higher of 60% of CAM's net asset value or 60% of CAM's consolidated net asset value.

(Concluded)

TABLE 13**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES****BUSINESS RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS AMONG THE PARENT COMPANY AND SUBSIDIARIES****FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025**

(In Thousands of New Taiwan Dollars)

| No. (Note 1) | Transacting Company | Counterparty | Transaction Flow (Note 2) | Description of Transactions (Notes 3 and 5) | | | Transaction Amount/Total Consolidated Net Revenue or Total Consolidated Assets (%) |
|-----------------|---|---|---------------------------------|---|--------------|------------------|--|
| | | | | Financial Statement Account | Amounts | Trading Terms | |
| 0 | Taiwan Cooperative Financial Holding Co., Ltd. | Taiwan Cooperative Bank, Ltd. | a | Tax payables - consolidated tax return | \$ 2,428,825 | Note 4 | 0.04 |
| 1 | Taiwan Cooperative Bank, Ltd. | Taiwan Cooperative Financial Holding Co., Ltd. | b | Tax receivables - consolidated tax return | 2,428,825 | Note 4 | 0.04 |
| 0 | Taiwan Cooperative Financial Holding Co., Ltd. | Taiwan Cooperative Bank, Ltd. | a | Tax receivables - consolidated tax return | 2,988,560 | Note 4 | 0.06 |
| 1 | Taiwan Cooperative Bank, Ltd. | Taiwan Cooperative Financial Holding Co., Ltd. | b | Tax payables - consolidated tax return | 2,988,560 | Note 4 | 0.06 |
| 1 | Taiwan Cooperative Bank, Ltd. | United Taiwan Bank S.A. | a | Due from banks | 559,343 | Note 4 | 0.01 |
| 2 | United Taiwan Bank S.A. | Taiwan Cooperative Bank, Ltd. | b | Deposits from banks | 559,343 | Note 4 | 0.01 |
| 1 | Taiwan Cooperative Bank, Ltd. | United Taiwan Bank S.A. | a | Call loans to banks | 1,216,520 | Note 4 | 0.02 |
| 2 | United Taiwan Bank S.A. | Taiwan Cooperative Bank, Ltd. | b | Call loans from banks | 1,216,520 | Note 4 | 0.02 |
| 1 | Taiwan Cooperative Bank, Ltd. | United Taiwan Bank S.A. | a | Medium-term unsecured loans | 3,148,640 | Note 4 | 0.06 |
| 2 | United Taiwan Bank S.A. | Taiwan Cooperative Bank, Ltd. | b | Long-term borrowings | 3,148,640 | Note 4 | 0.06 |
| 1 | Taiwan Cooperative Bank, Ltd. | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | c | Deposits and remittances | 1,144,740 | Note 4 | 0.02 |
| 3 | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Cash and cash equivalents | 1,144,740 | Note 4 | 0.02 |
| 1 | Taiwan Cooperative Bank, Ltd. | Taiwan Cooperative Bills Finance Co., Ltd. | c | Call loans to banks | 1,400,000 | Note 4 | 0.03 |
| 4 | Taiwan Cooperative Bills Finance Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Call loans from banks | 1,400,000 | Note 4 | 0.03 |
| 6 | Taiwan Cooperative Securities Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Cash and cash equivalents | 106,707 | Note 4 | 0.00 |
| 1 | Taiwan Cooperative Bank, Ltd. | Taiwan Cooperative Securities Co., Ltd. | c | Deposits and remittances | 106,707 | Note 4 | 0.00 |

(Continued)

| No. (Note 1) | Transacting Company | Counterparty | Transaction Flow (Note 2) | Description of Transactions (Notes 3 and 5) | | | |
|-----------------|---|---|---------------------------------|--|------------|------------------|--|
| | | | | Financial Statement Account | Amounts | Trading Terms | Transaction Amount/Total Consolidated Net Revenue or Total Consolidated Assets (%) |
| 6 | Taiwan Cooperative Securities Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Call loans to banks | \$ 274,815 | Note 4 | 0.01 |
| 1 | Taiwan Cooperative Bank, Ltd. | Taiwan Cooperative Securities Co., Ltd. | c | Call loans to securities company | 274,815 | Note 4 | 0.01 |
| 6 | Taiwan Cooperative Securities Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Right-of-use assets, net | 179,805 | Note 4 | 0.00 |
| 6 | Taiwan Cooperative Securities Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Lease liabilities | 180,988 | Note 4 | 0.00 |
| 6 | Taiwan Cooperative Securities Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Interest expense | 1,626 | Note 4 | 0.00 |
| 6 | Taiwan Cooperative Securities Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Depreciation expense | 38,748 | Note 4 | 0.07 |
| 1 | Taiwan Cooperative Bank, Ltd. | Taiwan Cooperative Securities Co., Ltd. | c | Lease income | 40,640 | Note 4 | 0.07 |
| 1 | Taiwan Cooperative Bank, Ltd. | Co-operative Assets Management Co., Ltd. | c | Properties and equipment, net and deferred revenue | 383,282 | Note 4 | 0.01 |
| 1 | Taiwan Cooperative Bank, Ltd. | Co-operative Assets Management Co., Ltd. | c | Gains on disposal of properties and equipment, accumulated earnings | 580,423 | Note 4 | 0.01 |
| 5 | Co-operative Assets Management Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Investment properties, net | 963,705 | Note 4 | 0.02 |
| 1 | Taiwan Cooperative Bank, Ltd. | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | c | Service fee and commission income | 1,478,123 | Note 4 | 2.68 |
| 3 | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Service charge and commission expense and General and administrative | 1,478,123 | Note 4 | 2.68 |
| 0 | Taiwan Cooperative Financial Holding Co., Ltd. | Taiwan Cooperative Bank, Ltd. | a | Right-of-use assets, net | 53,617 | Note 4 | 0.00 |
| 0 | Taiwan Cooperative Financial Holding Co., Ltd. | Taiwan Cooperative Bank, Ltd. | a | Lease liabilities | 56,483 | Note 4 | 0.00 |
| 0 | Taiwan Cooperative Financial Holding Co., Ltd. | Taiwan Cooperative Bank, Ltd. | a | Interest expense | 684 | Note 4 | 0.00 |
| 0 | Taiwan Cooperative Financial Holding Co., Ltd. | Taiwan Cooperative Bank, Ltd. | a | Depreciation expense | 21,884 | Note 4 | 0.04 |
| 1 | Taiwan Cooperative Bank, Ltd. | Taiwan Cooperative Financial Holding Co., Ltd. | b | Lease income | 22,733 | Note 4 | 0.04 |
| 4 | Taiwan Cooperative Bills Finance Co., Ltd. | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | c | Securities purchased under resell agreements | 1,178,756 | Note 4 | 0.02 |
| 3 | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | Taiwan Cooperative Bills Finance Co., Ltd. | c | Securities sold under repurchase agreements | 1,178,756 | Note 4 | 0.02 |
| 1 | Taiwan Cooperative Bank, Ltd. | Taiwan Cooperative Securities Co., Ltd. | c | Payable on securities | 280,196 | Note 4 | 0.01 |
| 6 | Taiwan Cooperative Securities Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Settlement receivable | 280,196 | Note 4 | 0.01 |

(Continued)

| No. (Note 1) | Transacting Company | Counterparty | Transaction Flow (Note 2) | Description of Transactions (Notes 3 and 5) | | | |
|-----------------|---|---|---------------------------------|---|------------|------------------|--|
| | | | | Financial Statement Account | Amounts | Trading Terms | Transaction Amount/Total Consolidated Net Revenue or Total Consolidated Assets (%) |
| 1 | Taiwan Cooperative Bank, Ltd. | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | c | Other receivables, accrued income | \$ 417,222 | Note 4 | 0.01 |
| 3 | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | Taiwan Cooperative Bank, Ltd. | c | Other payables | 417,222 | Note 4 | 0.01 |
| 6 | Taiwan Cooperative Securities Co., Ltd. | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | c | Settlement payable | 122,138 | Note 4 | 0.00 |
| 3 | BNP Paribas Cardif TCB Life Insurance Co., Ltd. | Taiwan Cooperative Securities Co., Ltd. | c | Receivable on securities | 122,138 | Note 4 | 0.00 |
| 0 | Taiwan Cooperative Financial Holding Co., Ltd. | Taiwan Cooperative Bank, Ltd. | a | Cash and cash equivalents | 112,290 | Note 4 | 0.00 |
| 1 | Taiwan Cooperative Bank, Ltd. | Taiwan Cooperative Financial Holding Co., Ltd. | b | Deposits and remittances | 112,290 | Note 4 | 0.00 |

Note 1: The parent company and subsidiaries are numbered as follows:

- a. Parent company is denoted as 0.
- b. Subsidiaries are numbered sequentially from 1.

Note 2: Transaction flows are as follows:

- a. From parent company to subsidiary.
- b. From subsidiary to parent company.
- c. Between subsidiaries.

Note 3: For calculating the percentages, the asset or liability account is divided by the consolidated total assets, and the revenue or expense account is divided by the total consolidated net revenue of the same period.

Note 4: The terms for the transactions between the transacting company and related parties are similar to those for unrelated parties.

Note 5: Referring to transactions exceeding NT\$100 million.

(Concluded)

TABLE 14**TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD.****INFORMATION ON MAJOR SHAREHOLDERS
SEPTEMBER 30, 2025**

| Name of Major Shareholder | Shareholding | |
|----------------------------------|-------------------------|------------------------------------|
| | Number of Shares | Percentage of Ownership (%) |
| Ministry of Finance, Taiwan | 4,087,117,858 | 26.06 |

The above table of major shareholders are based on the information from Taiwan Depository & Clearing Corporation which calculated the registration and delivery of non-physical (including treasury stock) common stocks and preferred stocks at least 5% as of the last business day of each quarter. There may be differences between the number of shares recorded in the consolidated financial statements and the registration number of non-physical shares due to different basis of preparation.