

**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	<u>\$ 5,407,700,654</u>	<u>100</u>	<u>\$ 5,165,509,688</u>	<u>100</u>	<u>\$ 5,051,162,938</u>	<u>100</u>
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	<u>\$ 5,407,700,654</u>	<u>100</u>	<u>\$ 5,165,509,688</u>	<u>100</u>	<u>\$ 5,051,162,938</u>	<u>100</u>

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)	<u>(18,804,340)</u>	<u>(96)</u>	<u>(19,579,546)</u>	<u>(104)</u>	<u>(56,037,788)</u>	<u>(102)</u>	<u>(56,838,400)</u>	<u>(112)</u>
NET INTEREST	<u>8,739,514</u>	<u>45</u>	<u>7,643,875</u>	<u>41</u>	<u>25,419,341</u>	<u>46</u>	<u>21,957,176</u>	<u>43</u>
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)	<u>76,197</u>	<u>-</u>	<u>110,722</u>	<u>1</u>	<u>453,236</u>	<u>1</u>	<u>366,633</u>	<u>1</u>
Total net revenues and gains other than interest	<u>10,887,735</u>	<u>55</u>	<u>11,137,986</u>	<u>59</u>	<u>29,783,415</u>	<u>54</u>	<u>28,884,796</u>	<u>57</u>
TOTAL NET REVENUES	<u>19,627,249</u>	<u>100</u>	<u>18,781,861</u>	<u>100</u>	<u>55,202,756</u>	<u>100</u>	<u>50,841,972</u>	<u>100</u>
BAD-DEBT EXPENSES AND PROVISION FOR LOSSES ON COMMITMENT AND GUARANTEES (Notes 4 and 13)	<u>(918,804)</u>	<u>(5)</u>	<u>(2,460,465)</u>	<u>(13)</u>	<u>(2,533,538)</u>	<u>(4)</u>	<u>(3,942,598)</u>	<u>(8)</u>
NET CHANGE IN RESERVES FOR INSURANCE LIABILITIES (Notes 4 and 28)	<u>(2,750,676)</u>	<u>(14)</u>	<u>(798,194)</u>	<u>(4)</u>	<u>(7,801,551)</u>	<u>(14)</u>	<u>(2,032,746)</u>	<u>(4)</u>
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	<u>(2,641,228)</u>	<u>(13)</u>	<u>(2,550,844)</u>	<u>(14)</u>	<u>(7,516,664)</u>	<u>(14)</u>	<u>(7,205,424)</u>	<u>(14)</u>
Total operating expenses	<u>(8,663,342)</u>	<u>(44)</u>	<u>(8,441,624)</u>	<u>(45)</u>	<u>(24,615,914)</u>	<u>(45)</u>	<u>(23,850,065)</u>	<u>(47)</u>

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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)	<u>(1,067,799)</u>	<u>(5)</u>	<u>(1,244,844)</u>	<u>(7)</u>	<u>(4,011,126)</u>	<u>(7)</u>	<u>(4,789,326)</u>	<u>(9)</u>
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	<u>(563,827)</u>	<u>(3)</u>	<u>42,155</u>	<u>-</u>	<u>395,546</u>	<u>-</u>	<u>(404,539)</u>	<u>(1)</u>
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>\$ 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>
EARNINGS PER SHARE (NEW TAIWAN DOLLAR; Note 39)								
Basic	<u>\$ 0.38</u>		<u>\$ 0.37</u>		<u>\$ 1.03</u>		<u>\$ 1.01</u>	
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					Non-controlling Interests (Note 40)	Total Equity
	Capital Stock (Note 40)		Capital Surplus (Note 40)	Retained Earnings (Notes 9 and 40)			Exchange Differences on the Translation of Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income (Note 9)	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			
	Shares (In Thousands)	Common Stock		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	\$ 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)
(Increase) 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	(31,989,727)	(58,119,897)
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	(605,144)	(38,066,196)
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”	<u>366,420</u>	<u>379,200</u>
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 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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
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>
	<u>\$ 442,904,883</u>	<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
Financial assets mandatorily classified as at <u>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	<u>25,991</u>	<u>19,710</u>	<u>11,285</u>
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	<u>284,943</u>	<u>256,713</u>	<u>140,259</u>
	<u>3,613,164</u>	<u>810,076</u>	<u>3,462,477</u>
Financial liabilities designated to be measured <u>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:

		September 30, 2024			
Items	Products	Open Position		Contract Amounts or Premium Paid (Charged)	Fair Values
		Buy/Sell	Number of		
			Contracts		
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:

		September 30, 2025			
Items	Products	Open Position		Contract Amounts or Premium Paid (Charged)	Fair Values
		Buy/Sell	Number of		
			Contracts		
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
		December 31, 2024			
Items	Products	Open Position		Contract Amounts or Premium Paid (Charged)	Fair Values
		Buy/Sell	Number of		
			Contracts		
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

		September 30, 2024			
Items	Products	Open Position		Contract	Fair Values
		Buy/Sell	Number of Contracts	Amounts or	
				Premium Paid (Charged)	
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 amounting 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	2,271,624	985,490	-
	<u>819,905,876</u>	<u>752,232,677</u>	<u>715,456,584</u>
Less: Allowance for impairment loss	<u>23,185</u>	<u>29,395</u>	<u>24,704</u>
	<u>\$ 819,882,691</u>	<u>\$ 752,203,282</u>	<u>\$ 715,431,880</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 (Collective Assessment)	Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets)	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
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)	Impairment Loss under IFRS 9	Difference of Impairment Loss under Regulations	Total
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>\$ 366,863</u>	<u>\$ 318,621</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>
	3,214,951,743	3,097,049,331	3,022,166,089
Less: Allowance for possible losses	36,234,867	35,698,935	33,870,189
Less: Adjustment of discount	<u>391,186</u>	<u>481,554</u>	<u>517,961</u>
	<u>\$ 3,178,325,690</u>	<u>\$ 3,060,868,842</u>	<u>\$ 2,987,777,939</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	(11,573,986)	(109,284)	(308,399)	(11,991,669)
Balance on September 30, 2025	<u>\$ 3,173,325,345</u>	<u>\$ 3,586,171</u>	<u>\$ 38,040,227</u>	<u>\$ 3,214,951,743</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	6,831,585	61,513	58,502	6,951,600
Balance on September 30, 2024	<u>\$ 2,985,207,826</u>	<u>\$ 3,753,592</u>	<u>\$ 33,204,671</u>	<u>\$ 3,022,166,089</u>

Allowance for Possible Losses	12-month ECL	Lifetime ECL (Collective Assessment)	Lifetime ECL (Non-purchased or Non-originated 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	(68,442)	(783)	(75,893)	(145,118)	-	(145,118)
Balance on September 30, 2025	<u>\$ 4,802,286</u>	<u>\$ 155,767</u>	<u>\$ 4,033,526</u>	<u>\$ 8,991,579</u>	<u>\$ 27,243,288</u>	<u>\$ 36,234,867</u>

(Continued)

Allowance for Possible Losses	12-month ECL	Lifetime ECL (Collective Assessment)	Lifetime ECL (Non-purchased or Non-originated Credit-impaired Financial Assets)	Impairment Loss under IFRS 9	Difference of Impairment Loss under Regulations	Total
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	<u>53,529</u>	<u>1,653</u>	<u>30,398</u>	<u>85,580</u>	<u>-</u>	<u>85,580</u>
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	-	13,019	13,020
Due from banks	8,826,658	8,335,744	9,106,120
Security borrowing margin	-	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	\$ 8,890,242	\$ 8,906,201	\$ 8,815,901
Buildings	2,301,869	2,369,740	2,145,288
Prepayments for land and buildings	<u>69,610</u>	<u>25,840</u>	<u>515,990</u>
	<u>\$ 11,261,721</u>	<u>\$ 11,301,781</u>	<u>\$ 11,477,179</u>

	Land	Buildings	Prepayments for Land and Buildings	Total
<u>Cost</u>				
Balance on January 1, 2025	\$ 8,906,201	\$ 3,750,607	\$ 25,840	\$ 12,682,648
Additions	47	9,197	249,715	258,959
Disposals	(170,160)	(52,057)	-	(222,217)
Reclassification	<u>154,154</u>	<u>49,556</u>	<u>(205,945)</u>	<u>(2,235)</u>
Balance on September 30, 2025	<u>\$ 8,890,242</u>	<u>\$ 3,757,303</u>	<u>\$ 69,610</u>	<u>\$ 12,717,155</u>
Balance on January 1, 2024	\$ 8,893,903	\$ 3,616,631	\$ -	\$ 12,510,534
Additions	1,173	2,238	971,483	974,894
Disposals	(321,440)	(177,140)	-	(498,580)
Reclassification	<u>242,265</u>	<u>58,896</u>	<u>(455,493)</u>	<u>(154,332)</u>
Balance on September 30, 2024	<u>\$ 8,815,901</u>	<u>\$ 3,500,625</u>	<u>\$ 515,990</u>	<u>\$ 12,832,516</u>
<u>Accumulated depreciation and impairment</u>				
Balance on January 1, 2025	\$ -	\$ 1,380,867	\$ -	\$ 1,380,867
Disposals	-	(4,101)	-	(4,101)
Depreciation expenses	-	78,668	-	78,668
Reclassification	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance on September 30, 2025	<u>\$ -</u>	<u>\$ 1,455,434</u>	<u>\$ -</u>	<u>\$ 1,455,434</u>
Balance on January 1, 2024	\$ -	\$ 1,360,410	\$ -	\$ 1,360,410
Disposals	-	(21,122)	-	(21,122)
Depreciation expenses	-	73,643	-	73,643
Reclassification	<u>-</u>	<u>(57,594)</u>	<u>-</u>	<u>(57,594)</u>
Balance on September 30, 2024	<u>\$ -</u>	<u>\$ 1,355,337</u>	<u>\$ -</u>	<u>\$ 1,355,337</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>\$ 81,295</u>	<u>\$ 77,878</u>	<u>\$ 242,697</u>	<u>\$ 236,494</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>\$ 1,733,882</u>	<u>\$ 1,578,279</u>	<u>\$ 997,171</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>
<u>Assets leased under operating leases</u>			
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

							Prepayments for Equipment, Land and Buildings and Construction in Progress	
	Land	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Leasehold Improvements		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	(5,201)	(407)	(13,367)	(2,907)	(3,947)	(12,669)	-	(38,498)
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	(60,208)	(84,577)	5,348	1,189	1,546	4,482	1	(132,219)
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)	(281,025)	
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	-	(407)	(10,588)	(2,105)	(3,455)	(9,752)	(26,307)	
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)	(34,797)	(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	-	(69,602)	3,896	773	1,364	3,696	(59,873)	
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	<u>-</u>	<u>-</u>	<u>-</u>
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	<u>-</u>	<u>-</u>	<u>-</u>
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>\$ 1,589,300</u>	<u>\$ 1,763,850</u>	<u>\$ 1,736,370</u>
	For the Three Months Ended September 30		For the Nine Months Ended September 30
	2025	2024	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>\$ 164,585</u>	<u>\$ 173,905</u>	<u>\$ 499,119</u>
			<u>\$ 519,305</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>\$ 1,565,470</u>	<u>\$ 1,720,552</u>	<u>\$ 1,716,037</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	<u>\$ 14,632</u>	<u>\$ 1,194</u>	<u>\$ 44,210</u>	<u>\$ 3,710</u>
Expenses relating to low-value asset leases	<u>\$ 1,217</u>	<u>\$ 1,096</u>	<u>\$ 3,662</u>	<u>\$ 3,193</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 753</u>	<u>\$ 897</u>	<u>\$ 2,831</u>	<u>\$ 3,280</u>

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	September 30, 2024
Goodwill	\$ 3,170,005	\$ 3,170,005	\$ 3,170,005
Computer software	1,558,061	1,646,430	1,462,227
Carbon credits	<u>142</u>	<u>142</u>	<u>142</u>
	<u>\$ 4,728,208</u>	<u>\$ 4,816,577</u>	<u>\$ 4,632,374</u>

	Goodwill	Computer Software	Carbon Credits	Total
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	<u>-</u>	<u>(6,191)</u>	<u>-</u>	<u>(6,191)</u>
Balance on September 30, 2025	<u>\$ 3,170,005</u>	<u>\$ 1,558,061</u>	<u>\$ 142</u>	<u>\$ 4,728,208</u>

(Continued)

(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>\$ 5,088,350</u>	<u>\$ 4,296,553</u>	<u>\$ 4,178,934</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>\$ 530,975,170</u>	<u>\$ 438,083,704</u>	<u>\$ 432,379,694</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	<u>3,145,069</u>	<u>2,380,915</u>	<u>2,803,357</u>
	<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 rate 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>	<u>-</u>
	<u>\$ 60,240,000</u>	<u>\$ 59,140,000</u>	<u>\$ 59,140,000</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>987,173</u>	<u>1,031,500</u>	-
First unsecured bank debentures bonds issued in 2025			
Type A	541,316	-	-
Type B	<u>266,893</u>	-	-
	<u>808,209</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)	<u>\$ 7,658,195</u>	1.800-4.680	<u>\$ 11,033,195</u>	1.825-5.530	<u>\$ 13,666,008</u>	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	<u>819,147</u>	<u>588,931</u>	<u>658,313</u>
	<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	<u>14,474</u>	<u>-</u>	<u>14,474</u>
	29,542,387	9,228,378	38,770,765
Less: Ceded life insurance liability reserve	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 29,542,387</u>	<u>\$ 9,228,378</u>	<u>\$ 38,770,765</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	<u>16,272</u>	<u>-</u>	<u>16,272</u>
	21,632,917	9,956,916	31,589,833
Less: Ceded life insurance liability reserve	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 21,632,917</u>	<u>\$ 9,956,916</u>	<u>\$ 31,589,833</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	<u>16,068</u>	<u>-</u>	<u>16,068</u>
	19,881,800	10,163,306	30,045,106
Less: Ceded life insurance liability reserve	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 19,881,800</u>	<u>\$ 10,163,306</u>	<u>\$ 30,045,106</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	<u>9,969</u>	<u>18,467</u>	<u>63,026</u>
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
Life insurance	<u>\$ 11,591</u>	<u>\$ 10,749</u>	<u>\$ 10,126</u>
	For the Nine Months Ended September 30		
	2025	2024	
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>\$ 2,750,676</u>	<u>\$ 798,194</u>	<u>\$ 7,801,551</u>	<u>\$ 2,032,746</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>\$ 3,901,498</u>	<u>\$ 3,927,550</u>	<u>\$ 3,989,066</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>\$ 66,487,921</u>	<u>\$ 82,358,549</u>	<u>\$ 87,215,338</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	<u>125,674</u>	<u>153,874</u>	<u>168,557</u>
	<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	<u>339,331</u>	<u>598,842</u>	<u>439,679</u>
	<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>
	<u>\$ 6,296,482</u>	<u>\$ 6,296,482</u>	<u>\$ 6,296,482</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>\$ 1,310,240</u>	<u>\$ 1,235,526</u>	<u>\$ 1,447,929</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	5,593,035	5,162,734	16,094,751	14,987,368
From due from banks and call loans to other banks	1,442,358	1,621,402	4,596,969	5,006,717
Others	<u>421,823</u>	<u>381,911</u>	<u>1,212,929</u>	<u>1,043,440</u>
	<u>27,543,854</u>	<u>27,223,421</u>	<u>81,457,129</u>	<u>78,795,576</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	(342,271)	(322,237)	(1,006,099)	(948,949)
From deposits from the Central Bank and other banks	(900,308)	(532,041)	(2,621,297)	(1,075,667)
From securities sold under repurchase agreements	(289,473)	(420,700)	(907,931)	(1,073,894)
Others	<u>(76,031)</u>	<u>(120,265)</u>	<u>(259,697)</u>	<u>(310,727)</u>
	<u>(18,804,340)</u>	<u>(19,579,546)</u>	<u>(56,037,788)</u>	<u>(56,838,400)</u>
	<u>\$ 8,739,514</u>	<u>\$ 7,643,875</u>	<u>\$ 25,419,341</u>	<u>\$ 21,957,176</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	229,720	247,884	696,765	750,415
From loans	474,988	403,992	1,276,651	2,025,846
From insurance service	711,859	390,228	1,920,613	1,624,631
From brokerage service	367,012	368,321	872,255	1,035,839
From investment-linked products	93,107	123,751	294,444	361,239

(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	<u>127,443</u>	<u>143,388</u>	<u>399,924</u>	<u>432,254</u>
	<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	<u>(90,023)</u>	<u>(108,438)</u>	<u>(238,603)</u>	<u>(279,958)</u>
	<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	<u>(23,977)</u>	<u>(19,913)</u>	<u>(68,249)</u>	<u>(50,919)</u>
	<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
Held-for-trading financial liabilities	-	(4,621,351)	12,003,426	-	7,382,075
Financial liabilities designated as at fair value through profit or loss	<u>(58,696)</u>	<u>504</u>	<u>3,607</u>	<u>-</u>	<u>(54,585)</u>
	<u>\$ 649,822</u>	<u>\$ (214,129)</u>	<u>\$ 14,908,464</u>	<u>\$ 52,092</u>	<u>\$ 15,396,249</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)
Held-for-trading financial liabilities	-	(913,121)	(2,617,757)	-	(3,530,878)
Financial liabilities designated as at fair value through profit or loss	<u>(65,114)</u>	<u>734</u>	<u>(99,854)</u>	<u>-</u>	<u>(164,234)</u>
	<u>\$ 526,324</u>	<u>\$ 5,960,294</u>	<u>\$ (10,670,439)</u>	<u>\$ 76,606</u>	<u>\$ (4,107,215)</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
Held-for-trading financial liabilities	-	(18,467,545)	(2,593,553)	-	(21,061,098)
Financial liabilities designated as at fair value through profit or loss	<u>(174,847)</u>	<u>2,220</u>	<u>(72,386)</u>	<u>-</u>	<u>(245,013)</u>
	<u>\$ 1,898,917</u>	<u>\$ (6,836,438)</u>	<u>\$ (4,661,949)</u>	<u>\$ 157,041</u>	<u>\$ (9,442,429)</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
Held-for-trading financial liabilities	-	(2,790,052)	2,752,681	-	(37,371)
Financial liabilities designated as at fair value through profit or loss	<u>(151,420)</u>	<u>999</u>	<u>(26,827)</u>	<u>-</u>	<u>(177,248)</u>
	<u>\$ 1,492,275</u>	<u>\$ 16,031,146</u>	<u>\$ 2,456,196</u>	<u>\$ 200,994</u>	<u>\$ 20,180,611</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	<u>(140,948)</u>	<u>(75,839)</u>	<u>(130,819)</u>	<u>(79,198)</u>
	<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 September 30		For the Nine Months Ended September 30	
	2025	2024	2025	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 September 30		For the Nine Months Ended September 30	
	2025	2024	2025	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>
	(2,165,991)	3,078,468	5,282,853	4,279,955
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	<u>1,790</u>	<u>(331)</u>	<u>(4,537)</u>	<u>(2,381)</u>
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	<u>-</u>	<u>177,805</u>	<u>148,374</u>
	<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:

<u>TCFHC</u>	<u>TCB</u>	<u>CAM</u>	<u>TCBF</u>	<u>TCS</u>	<u>BPCTLI</u>	<u>TCSIT</u>	<u>TCVC</u>
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	<u>-</u>	<u>114</u>	
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	<u>\$ 0.37</u>
Effect of dilutive common stock:			
Employees' compensation	<u>-</u>	<u>95</u>	
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	<u>\$ 1.03</u>
Effect of dilutive common stock:			
Employees' compensation	<u>-</u>	<u>156</u>	
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	<u>\$ 1.01</u>
Effect of dilutive common stock:			
Employees' compensation	<u>-</u>	<u>121</u>	
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\$)	<u>\$ 0.38</u>	<u>\$ 1.04</u>	<u>\$ 0.37</u>	<u>\$ 1.01</u>
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	<u>-</u>	<u>-</u>
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	<u>(283,229)</u>	<u>(472,048)</u>
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 Fifth 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 (%)
For the nine months ended <u>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 (%)
For the nine months ended <u>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 (%)
For the nine months ended <u>September 30, 2024</u>				
Others				
Agricultural Bank of Taiwan	\$ 1,921,680	\$ -	\$ 288	5.390 (Concluded)

4) Loans

	Highest Balance	Ending Balance	Interest Revenue	Interest Rate (%)
For the nine months ended <u>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>\$ 642,519</u>	<u>\$ 498,727</u>	<u>\$ 6,974</u>	

For the nine months ended <u>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>\$ 3,184,846</u>	<u>\$ 1,938,283</u>	<u>\$ 17,111</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	None
Self-used housing mortgage loans	60	316,501	239,378	239,378	-	Land and buildings	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 (%)
For the nine months ended <u>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 (%)
For the nine months ended <u>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>248,446</u>	<u>247,266</u>
12) Service charge (part of service fee and commission income, net)			
Main management	\$	<u>79</u>	<u>89</u>
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>4,210</u>	<u>4,580</u>
14) Donation (part of other non-interest gain, net)			
Main management	\$	2,000	\$ 2,000
Others		<u>900</u>	<u>900</u>
	\$	<u>2,900</u>	<u>2,900</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>\$ 142,406</u>	<u>\$ 184,483</u>	<u>\$ 198,509</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>\$ 42,077</u>	<u>\$ 42,077</u>

16) Derivatives

For the Nine Months Ended September 30, 2025							
Related Party	Type of Derivatives	Contract Period	Nominal Amounts	Valuation Gain (Loss)	Amounts on the Consolidated Balance Sheet		
					Account	Amounts	
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)	Amounts on the Consolidated Balance Sheet		
					Account	Amounts	
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)	
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	\$ <u>(520)</u>	\$ <u>64,591</u>

- 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

	September 30, 2025	December 31, 2024	September 30, 2024
Subsidiary	\$ <u>559,343</u>	\$ <u>553,871</u>	\$ <u>678,512</u>

b) Call loans to banks

	Highest Balance	Ending Balance	Interest Revenue	Interest Rate (%)
<u>For the nine months ended September 30, 2025</u>				
Subsidiary	\$ 2,790,840	\$ 1,216,520	\$ 28,375	2.200-3.650
Sister companies				
TCBF	<u>3,740,276</u>	<u>1,400,000</u>	<u>22,158</u>	1.450-4.750
	<u>\$ 6,531,116</u>	<u>\$ 2,616,520</u>	<u>\$ 50,533</u>	
<u>For the nine months ended September 30, 2024</u>				
Subsidiary	\$ 2,623,375	\$ 1,834,560	\$ 49,787	3.900-4.400
Sister companies				
TCBF	4,475,906	2,918,000	21,866	1.360-6.080
Others	<u>1,144,000</u>	<u>678,000</u>	<u>15,042</u>	2.800-5.850
	<u>\$ 8,243,281</u>	<u>\$ 5,430,560</u>	<u>\$ 86,695</u>	

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

	Highest Balance	Ending Balance	Interest Revenue	Interest Rate (%)
For the nine months ended <u>September 30, 2025</u>				
Sister company TCS	<u>\$ 332,120</u>	<u>\$ 274,815</u>	<u>\$ 10,877</u>	4.400-5.100
For the nine months ended <u>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 (%)
For the nine months ended <u>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>	
For the nine months ended <u>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	\$ -	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	\$ -	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	-	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
	United Taiwan Bank	5,398,810	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
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>\$ 76,750,707</u>	<u>\$ 614,498</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>\$ 72,872,602</u>	<u>\$ 451,858</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>\$ 420,157</u>	<u>\$ 332,245</u>	<u>\$ 383,983</u>

h) Receivable on securities (part of receivables)

	September 30, 2025	December 31, 2024	September 30, 2024
Sister company TCS	\$ <u> -</u>	\$ <u> 74</u>	\$ <u> 943,705</u>

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

	September 30, 2025	December 31, 2024	September 30, 2024
Parent company	\$ <u> 2,428,825</u>	\$ <u> 3,233,193</u>	\$ <u> 1,770,216</u>

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

	September 30, 2025	December 31, 2024	September 30, 2024
Parent company	\$ <u> 2,988,560</u>	\$ <u> -</u>	\$ <u> 259,288</u>

k) Payable on securities (part of payable)

	September 30, 2025	December 31, 2024	September 30, 2024
Sister companies TCS	\$ <u> 280,196</u>	\$ <u> -</u>	\$ <u> -</u>

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>
	<u>\$ 1,551,722</u>	<u>\$ 1,144,514</u>

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	27,104	36,850	40,099
	<u>\$ 506,289</u>	<u>\$ 479,853</u>	<u>\$ 481,173</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	32,331	32,331
	<u>\$ 139,019</u>	<u>\$ 137,097</u>

n) Derivatives

For the Nine Months Ended September 30, 2025							
Related Party	Type of Derivatives	Contract Period	Nominal Amounts	Valuation Gain (Loss)	Amounts on the Balance Sheet		
					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	
	Currency swap	2025.08.29-2026.01.12	US\$ 3,000	(14)	Financial liabilities at fair value through profit or loss	(14)	
Other - TCB 6 Year Senior Emerging Market Bond Fund	Currency swap	2025.06.04-2026.01.12	US\$ 7,000	6,071	Financial assets at fair value through profit or loss	6,071	
	Currency swap	2025.09.23-2026.06.23	US\$ 2,100	754	Financial assets at fair value through profit or loss	754	
Other - TCB US Short Duration High Yield Bond 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)	Amounts on the Balance Sheet		
					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>\$ (78,450)</u>	<u>\$ 267,946</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>\$ 106,707</u>	<u>\$ 84,663</u>	<u>\$ 59,726</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>\$ 284,634</u>	<u>\$ -</u>	<u>\$ 8,970</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>\$ 281,521</u>	<u>\$ 810,528</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

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

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

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 (%)
For the nine months ended <u>September 30, 2025</u>				
Sister companies	\$ <u>502,366</u>	\$ <u>64,369</u>	\$ <u>153</u>	0.010-1.690
For the nine months ended <u>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 (%)
For the nine months ended <u>September 30, 2025</u>				
Sister companies	\$ <u>3,740,276</u>	\$ <u>1,400,000</u>	\$ <u>22,158</u>	1.450-4.750
For the nine months ended <u>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	<u>\$ 1,178,756</u>	<u>\$ 8,622</u>	1.450-1.540
For the nine months ended <u>September 30, 2024</u>			
Sister companies	<u>\$ 267,674</u>	<u>\$ 5,788</u>	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		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%
Sister company TCB	<u>\$ 2,053,603</u>	<u>37</u>	<u>\$ 1,865,733</u>	<u>47</u>	<u>\$ 1,899,259</u>	<u>51</u>

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	<u>\$ 1,178,756</u>	<u>\$ 14,390,134</u>	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	<u>\$ 267,674</u>	<u>\$ 7,832,463</u>	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	<u>\$ 123,667</u>	<u>\$ 2,983</u>	<u>\$ 34,718</u>

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	<u>\$ 1,453,547</u>	<u>\$ 954,141</u>

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	<u>\$ 85,785</u>	<u>\$ 143,972</u>	<u>\$ 136,900</u>

b) Management fee income (part of service fee)

	For the Nine Months Ended September 30	
	2025	2024
Management fee income		
Others	<u>\$ 217,174</u>	<u>\$ 222,611</u>

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	\$ 161,999
Post-employment benefits	3,157	15,893
Interest arising from the employees' preferential rate in excess of normal rates	<u>979</u>	<u>1,135</u>
	<u>\$ 168,174</u>	<u>\$ 179,027</u>

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>\$ 86,469,051</u>	<u>\$ 86,060,521</u>	<u>\$ 85,800,081</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:

	(In Thousands of U.S. Dollars)		
Date	Outstanding Loan Balance	Bonds Balance	Collateral Value
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

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

- 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	<u>(543,267)</u>	<u>(26,778)</u>	<u>(570,045)</u>
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	<u>(71,760)</u>	<u>-</u>	<u>(71,760)</u>
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	\$ (12,471)
As of September 30, 2024	<u>\$ (12,687)</u>
Accumulated amount of change	
As of September 30, 2025	\$ (24,874)
As of December 31, 2024	<u>\$ (12,403)</u>
As of September 30, 2024	<u>\$ (25,701)</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 TCFHC'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's 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 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					
	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	\$ 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					
	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	\$ 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

September 30, 2025					
	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)
	\$ 19,465,061	\$ 45,800	\$ 214,769	\$ 6,759,310	\$ (172,183)	\$ 26,312,757

December 31, 2024						
	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	\$ 19,583,814	\$ 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						
	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	\$ 19,101,401	\$ 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	\$ 817,458,018	\$ -	\$ -	\$ 817,458,018
Allowance for possible losses	(22,846)	-	-	(22,846)
	<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	(49,926)	-	(211,628)	(261,554)
Amortized cost	420,691,853	-	127,520	420,819,373
Fair value adjustments	(18,771,998)	-	143,617	(18,628,381)
	<u>\$ 401,919,855</u>	<u>\$ -</u>	<u>\$ 271,137</u>	<u>\$ 402,190,992</u>
Investments in debt instruments at amortized cost	\$ 749,702,633	\$ -	\$ -	\$ 749,702,633
Allowance for possible losses	(28,970)	-	-	(28,970)
	<u>\$ 749,673,663</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 749,673,663</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	(50,323)	-	(207,292)	(257,615)
Amortized cost	417,232,465	-	124,908	417,357,373
Fair value adjustments	(14,708,064)	-	137,003	(14,571,061)
	<u>\$ 402,524,401</u>	<u>\$ -</u>	<u>\$ 261,911</u>	<u>\$ 402,786,312</u>
Investments in debt instruments at amortized cost	\$ 712,924,287	\$ -	\$ -	\$ 712,924,287
Allowance for possible losses	(24,271)	-	-	(24,271)
	<u>\$ 712,900,016</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 712,900,016</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	(2,320)	-	(14,523)	(16,843)
Balance on September 30, 2025	<u>\$ 46,122</u>	<u>\$ -</u>	<u>\$ 186,596</u>	<u>\$ 232,718</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	\$ 227	\$ 511	\$ 2,207	\$ 1,128	\$ -	\$ 4,073
Interest	3,771	(9,200)	(6,364)	4,966	(213,020)	(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	\$ 1,814	\$ 2,777	\$ 429	\$ 648	\$ -	\$ 5,668
Interest	-	5,301	290	13,110	154,302	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	\$ -	\$ 465	\$ 218	\$ 1,824	\$ -	\$ 2,507
Interest	5,240	(898)	6,283	13,179	136,281	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	\$ 25,632,750	\$ 22,791,962	\$ 5,887,689	\$ 10,444,764	\$ 8,916	\$ 64,766,081
Cash inflow	26,647,591	23,705,805	6,350,241	11,113,812	8,942	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	\$ 6,829,206	\$ 3,037,026	\$ 1,021,256	\$ 413,877	\$ -	\$ 11,301,365
Cash inflow	6,777,039	3,004,254	1,038,191	423,089	-	11,242,573
Interest derivatives						
Cash outflow	173,329	100,994	356,679	-	-	631,002
Cash inflow	173,428	96,750	346,586	-	-	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	\$ 66,668,875	\$ 86,709,602	\$ 37,118,585	\$ 29,536,924	\$ 923,157	\$ 220,957,143
Cash inflow	67,540,897	87,944,837	37,735,537	29,955,453	930,600	224,107,324
Interest derivatives						
Cash outflow	-	75,735	-	-	-	75,735
Cash inflow	-	75,363	-	-	-	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>\$ 41,295,548</u>	<u>\$ 41,272,054</u>	<u>100</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>\$ 34,779,347</u>	<u>\$ 34,719,802</u>	<u>100</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>\$ 33,885,790</u>	<u>\$ 33,850,763</u>	<u>100</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>\$ (255,299)</u>	<u>\$ (2,370)</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>\$ (178,410)</u>	<u>\$ (8,863)</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>\$ 133,598</u>	<u>\$ (12,771)</u>	<u>\$ (5,825)</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	\$ 35	\$ -
2011	4,170	7,263	7,786	7,854	7,854	8,034	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	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	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	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	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	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	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	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	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	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	48,077	380
2022	57,578	66,484	66,871	67,135	67,422	67,692	67,800	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	65,210	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	138,330	138,330	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	146,504	146,513	146,513	146,513	146,513	146,513	146,513	39,507
																	Included but not reported
																	Reported but not paid
																	\$ 54,987
																	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	\$ 35	\$ -
2011	4,170	7,263	7,786	7,854	7,854	8,034	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	19,066	19,066	19,074	19,074	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	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	30,320	-
2015	31,538	37,711	37,977	37,985	37,992	38,012	38,014	38,003	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	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	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	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	62,855	7
2020	46,367	49,193	49,937	50,208	50,650	50,906	50,952	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	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	66,277	544
2023	52,126	58,494	58,546	59,464	59,667	59,784	59,856	59,856	59,857	59,857	59,863	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	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	89,475	17,963
																	Included but not reported
																	Reported but not paid
																	\$ 24,797
																	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.

BPCTLI 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		Net Amount
				Financial Instruments	Cash Collateral Pledged	
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	\$ 1,315,855	\$ -	\$ 1,315,855	\$ (1,315,855)	\$ -	\$ -

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	\$ 72,137,886	\$ -	\$ 72,137,886	\$ (71,281,498)	\$ -	\$ 856,388

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	\$ 1,490,831	\$ -	\$ 1,490,831	\$ (1,490,831)	\$ -	\$ -

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	\$ 72,099,691	\$ -	\$ 72,099,691	\$ (71,144,098)	\$ -	\$ 955,593

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	0.57
	After income tax	0.41	0.44
Return on equity	Before income tax	10.12	11.09
	After income tax	8.11	8.56
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	7.34
	After income tax	6.88	7.11
Return on equity	Before income tax	8.37	8.82
	After income tax	8.27	8.55
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	Over 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	\$ 2,404,248,757
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	2,205,521,304
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	Over 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	\$ 2,253,642,890
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	2,140,030,147
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

Period		1 to 30 Days	31 to 90 Days	91 to 180 Days	181 Days to One Year	Over One Year
Items						
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

Period		1 to 30 Days	31 to 90 Days	91 to 180 Days	181 Days to One Year	Over One Year
Items						
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.

Balance Sheets of Trust Accounts							
Trust Assets	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
	<u>278,784,563</u>	<u>266,097,936</u>	<u>259,438,789</u>		<u>3,480</u>	<u>5,486</u>	<u>3,200</u>
Securities lending	<u>100,452</u>	<u>122,984</u>	<u>149,066</u>	Accounts payable on securities under custody	<u>243,092,967</u>	<u>249,124,099</u>	<u>232,145,130</u>
Receivables	<u>25,759</u>	<u>29,745</u>	<u>26,388</u>	Trust capital	<u>415,824,852</u>	<u>405,684,760</u>	<u>392,032,949</u>
Real estate				Reserves and retained earnings			
Land	65,379,275	66,757,556	64,375,861	Net income	1,887,052	1,438,821	1,688,136
Buildings	16,406	16,434	16,890	Retained earnings	<u>210,577</u>	<u>153,887</u>	<u>179,488</u>
Construction in process	<u>57,435,047</u>	<u>54,896,093</u>	<u>50,807,345</u>		<u>2,097,629</u>	<u>1,592,708</u>	<u>1,867,624</u>
	<u>122,830,728</u>	<u>121,670,083</u>	<u>115,200,096</u>				
Intangible assets							
Superficies	<u>82,002</u>	<u>82,002</u>	<u>82,002</u>				
Other assets	<u>499</u>	<u>-</u>	<u>189</u>				
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>	Total	<u>\$ 661,018,928</u>	<u>\$ 656,407,053</u>	<u>\$ 626,048,903</u>

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

				Non-cash Changes			
	Opening Balance	Cash Inflows (Outflows)	New Leases	Fair Value Adjustments (Including Changes in the Fair Value Attributable to Changes in the Credit Risk)	Others	Closing Balance	
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	
	\$ 137,306,410	\$ 1,069,871	\$ (164)	\$ 9,810	\$ 1,263,915	\$ 139,649,842	

For the nine months ended September 30, 2024

			Non-cash Changes			
	Opening Balance	Cash Inflows (Outflows)	New Leases	Fair Value Adjustments (Including Changes in the Fair Value Attributable to Changes in the Credit Risk)	Others	Closing Balance
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
	\$ 128,503,080	\$ 9,971,114	\$ 132	\$ 12,564	\$ 1,175,343	\$ 139,662,233

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	Note
	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	Note
	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	241.85
		Unsecured	40,290	10,210,963	0.39	153,647	381.35	38,635	11,123,757	0.35	158,281	409.68
Loan			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).

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	<u>5,501</u>	<u>5,063</u>	<u>4,892</u>
Other assets	<u>9,406</u>	<u>9,317</u>	<u>9,272</u>	Total liabilities	<u>55,347,151</u>	<u>50,310,351</u>	<u>49,739,687</u>
				<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	<u>(570,507)</u>	<u>(7,899,270)</u>	<u>(4,425,194)</u>
				Total equity	<u>268,150,491</u>	<u>254,049,424</u>	<u>253,902,947</u>
Total	<u>\$ 323,497,642</u>	<u>\$ 304,359,775</u>	<u>\$ 303,642,634</u>	Total	<u>\$ 323,497,642</u>	<u>\$ 304,359,775</u>	<u>\$ 303,642,634</u>

(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 September 30		For the Nine Months Ended September 30	
	2025	2024	2025	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>6,006,770</u>	<u>5,749,797</u>	<u>16,994,307</u>	<u>16,904,607</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>32,363</u>	<u>(189,090)</u>	<u>(601,983)</u>	<u>(564,906)</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>\$ 15,456,785</u>	<u>\$ 9,400,137</u>	<u>\$ 24,758,014</u>	<u>\$ 23,573,797</u>
Earnings per share (New Taiwan dollars)				
Basic	<u>\$0.38</u>	<u>\$0.37</u>	<u>\$1.03</u>	<u>\$1.01</u>
Diluted	<u>\$0.38</u>	<u>\$0.37</u>	<u>\$1.03</u>	<u>\$1.01</u>

(Continued)

Taiwan Cooperative Financial Holding Co., Ltd.

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

	Capital Stock			Retained Earnings			Other Equity				Total Equity
	Shares	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated 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	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	
	(In Thousands)										
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)	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)	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	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	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	(148,786)	(154,088)
Interest received	442	418
Dividends received	9,387,511	8,566,650
Interest paid	(425,390)	(338,810)
Income tax (paid) refunded	(674,053)	144,135
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	(1,324)	(238)
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	(10,656,947)	(9,561,098)
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				
Financial assets at fair value through profit or loss	112,941,342	98,830,925	94,563,073	Deposits from the Central Bank and other banks	\$ 519,413,629	\$ 430,211,992	\$ 422,196,697
Financial assets at fair value through other comprehensive income	451,114,529	455,733,151	455,403,547	Financial liabilities at fair value through profit or loss	8,502,780	5,198,031	7,788,200
Investments in debt instruments at amortized cost	817,435,172	749,673,663	712,900,016	Securities sold under repurchase agreements	8,141,851	8,606,119	9,445,199
Receivables, net	26,153,974	24,632,132	26,100,051	Payables	90,923,098	38,759,164	57,241,118
Current tax assets	2,635,989	3,547,836	2,106,330	Current tax liabilities	3,548,447	417,586	767,489
Discounts and loans, net	3,165,911,584	3,050,451,241	2,977,014,471	Deposits and remittances	4,171,215,931	4,085,969,127	3,948,019,336
Investments accounted for using equity method	2,587,383	2,363,231	2,481,865	Bank debentures	60,240,000	59,140,000	59,140,000
Other financial assets, net	8,986,092	8,586,033	9,330,340	Other financial liabilities	1,708,976	2,396,314	2,283,563
Properties and equipment, net	31,054,121	31,328,061	31,387,582	Provisions	5,325,391	5,251,447	5,339,833
Right-of-use assets, net	1,564,333	1,730,204	1,697,853	Lease liabilities	1,539,969	1,686,316	1,677,392
Investment properties, net	7,595,874	7,635,080	7,649,556	Deferred tax liabilities	3,865,792	5,484,374	3,662,821
Intangible assets	4,641,497	4,728,215	4,544,560	Other liabilities	938,887	871,425	865,707
Deferred tax assets	1,086,057	1,079,563	1,386,093	Total liabilities	<u>4,875,364,751</u>	<u>4,643,991,895</u>	<u>4,518,427,355</u>
Other assets, net	<u>2,763,060</u>	<u>1,691,577</u>	<u>1,162,876</u>	<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	<u>292,559,161</u>	<u>277,149,145</u>	<u>276,777,106</u>
Total	<u>\$ 5,167,923,912</u>	<u>\$ 4,921,141,040</u>	<u>\$ 4,795,204,461</u>	Total	<u>\$ 5,167,923,912</u>	<u>\$ 4,921,141,040</u>	<u>\$ 4,795,204,461</u>

(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				
Financial assets at fair value through other comprehensive income	22,682,703	20,802,628	23,559,536	Call loans from banks	\$ 9,812,675	\$ 7,740,000	\$ 11,689,600
Investments in debt instruments at amortized cost	1,426,990	1,429,520	1,430,367	Financial liabilities at fair value through profit or loss	7,241	6,140	-
Receivables, net	804,894	827,478	758,473	Securities sold under repurchase agreements	52,331,276	56,795,155	53,346,548
Current tax assets	15,628	48,498	42,283	Payables	126,473	145,775	174,426
Other financial assets	260,200	240,200	240,200	Current tax liabilities	30,500	-	-
Properties and equipment, net	17,262	18,999	16,744	Provisions	465,085	396,580	408,080
Right-of-use assets, net	23,178	29,684	32,115	Lease liabilities	23,934	30,364	32,742
Intangible assets, net	3,370	3,317	3,024	Other liabilities	19,070	21,095	327,320
Deferred tax assets	1,285	2,280	576	Total liabilities	<u>62,816,254</u>	<u>65,135,109</u>	<u>65,978,716</u>
Other assets, net	<u>293,610</u>	<u>286,903</u>	<u>285,827</u>	<u>Equity</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	229,130	20,907	(165,663)
				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	5,557	6,169	6,929
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	(131,189)	(302,493)	(345,722)
				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				
Intangible assets	2,123	3,072	2,703	<u>Equity</u>			
Deferred tax assets	229,032	217,746	208,538	Capital stock	3,140,875	3,140,875	3,140,875
Long-term lease payment receivable	359,025	257,985	243,323	Capital surplus	2,553	2,553	2,553
Long-term urban regeneration advance payment	3,997,766	3,435,046	3,976,551	Retained earnings	812,125	862,490	790,333
Other assets	<u>7,271</u>	<u>12,501</u>	<u>2,644</u>	Other equity	<u>(105,475)</u>	<u>(70,380)</u>	<u>(56,912)</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				
Current tax assets	-	117,564	150,592	Payables	\$ 1,600,407	\$ 1,482,307	\$ 1,323,931
Investments	45,406,672	39,291,784	38,121,485	Current tax liabilities	64,208	-	5,136
Reinsurance assets	395,309	216,517	252,841	Financial liabilities at fair value through profit or loss	312,297	205,431	31,637
Equipment, net	238,802	185,247	190,970	Lease liabilities	54,080	68,797	73,616
Right-of-use assets	49,214	63,533	68,306	Insurance liabilities	39,361,034	32,172,620	30,703,687
Deferred tax assets	11,445	123,637	9,805	Reserve for insurance contracts with financial			
Other assets	1,297,762	1,311,400	1,190,366	instruments features	11,591	10,749	10,126
Separate-account assets	<u>64,654,167</u>	<u>79,800,216</u>	<u>84,664,415</u>	Reserve of foreign exchange variation	234,468	11,782	5,134
				Deferred tax liabilities	31,607	182,714	148,373
				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	<u>310</u>	<u>309</u>	<u>378</u>
Intangible assets	1,740	1,286	1,460	Total liabilities	<u>46,463</u>	<u>63,891</u>	<u>66,300</u>
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	<u>1,149</u>	<u>1,159</u>	<u>988</u>
				Total equity	<u>422,741</u>	<u>430,050</u>	<u>424,482</u>
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	<u>2,989</u>	<u>2,319</u>	<u>2,214</u>
Intangible assets	4	7	8	Total liabilities	<u>454,242</u>	<u>247,999</u>	<u>188,688</u>
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	<u>229,383</u>	<u>227,197</u>	<u>221,536</u>
				Total equity	<u>1,743,341</u>	<u>1,576,466</u>	<u>1,570,805</u>
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	536,912	319,270
(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	<u>-</u>	<u>3,599</u>
Income before income tax	(15,684)	976,825
Income tax expense	<u>85,466</u>	<u>(163,979)</u>
Net income	69,782	812,846
Other comprehensive income	<u>870,144</u>	<u>109,441</u>
Total comprehensive income	<u>\$ 939,926</u>	<u>\$ 922,287</u>
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	<u>(212,494)</u>	<u>(213,073)</u>
Operating gain	5,255	10,109
Non-operating gains and losses	<u>5,135</u>	<u>4,148</u>
Income before income tax	10,390	14,257
Income tax expense	<u>-</u>	<u>-</u>
Net income	10,390	14,257
Other comprehensive income	<u>(10)</u>	<u>205</u>
Total comprehensive income	<u>\$ 10,380</u>	<u>\$ 14,462</u>
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

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 (Note 3)	\$ 1,574,215 (Note 3)
		Xiang Xing 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 (Note 3)	1,574,215 (Note 3)
		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 (Note 3)	1,574,215 (Note 3)
		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 (Note 3)	1,574,215 (Note 3)
		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 (Note 3)	1,574,215 (Note 3)
		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 (Note 3)	1,574,215 (Note 3)
		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 (Note 3)	1,574,215 (Note 3)
		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 (Note 3)	1,574,215 (Note 3)
		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 (Note 3)	1,574,215 (Note 3)
		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 (Note 3)	1,574,215 (Note 3)
		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 (Note 3)	1,574,215 (Note 3)
		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 (Note 3)	1,574,215 (Note 3)

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

- a. Parent company is denoted as 0.
- b. 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)

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	
Co-operative Assets Management Co., Ltd.	<u>Stock</u> Cooperative Financial International Lease Co., Ltd.	Subsidiary	Investments accounted for using equity method	-	\$ 1,203,488	100.00	\$ 1,203,488	Note
Taiwan Cooperative Securities Investment Trust Co., Ltd.	Fund Rich Securities Co., Ltd.	-	Financial assets at fair value through other comprehensive income	239	3,423	0.34	3,423	
Taiwan Cooperative Venture Capital Co., Ltd.	Handa Pharmaceuticals, Inc.	-	Financial assets at fair value through profit or loss	493	61,447	0.31	61,447	
	AnnJi Pharmaceutical Co., Ltd.	-	Financial assets at fair value through profit or loss	2,645	124,474	2.81	124,474	
	Anya Biopharm Inc.	-	Financial assets at fair value through profit or loss	1,101	56,074	2.24	56,074	
	Seetel New Energy Co., Ltd.	-	Financial assets at fair value through profit or loss	200	42,700	0.38	42,700	
	SR Suntour Inc.	-	Financial assets at fair value through profit or loss	1,700	52,819	2.82	52,819	
	Phu Vinh Industrial Company	-	Financial assets at fair value through profit or loss	4,249	133,637	17.86	133,637	
	ULSee Cayman Co., Ltd.	-	Financial assets at fair value through profit or loss	651	20,228	0.43	20,228	
	Cloud Mile Inc.	-	Financial assets at fair value through profit or loss	838	93,881	2.36	93,881	
	Hoytek Precision Company	-	Financial assets at fair value through profit or loss	1,668	42,230	19.46	42,230	
	CDIB Capital Healthcare Ventures II Limited Partnership	-	Financial assets at fair value through profit or loss	-	38,011	-	38,011	
	Anivia Medical Holdings	-	Financial assets at fair value through profit or loss	752	63,424	1.48	63,424	
	Free Bionics Inc.	-	Financial assets at fair value through profit or loss	2,068	83,390	7.51	83,390	
	Revlis Biotech Co., Ltd.	-	Financial assets at fair value through profit or loss	2,813	28,125	3.34	28,125	
	Mesh Cooperative Ventures Fund LP	-	Financial assets at fair value through profit or loss	-	24,318	-	24,318	
	Knowledge Creation Innovation Co., Ltd.	-	Financial assets at fair value through profit or loss	530	16,988	17.56	16,988	
	YAYATECH CO., LTD.	-	Financial assets at fair value through profit or loss	2,200	174,636	12.27	174,636	
	P-Waver Inc.	-	Financial assets at fair value through profit or loss	692	13,799	11.53	13,799	
	WIN COAT CO.	-	Financial assets at fair value through profit or loss	1,100	44,000	2.44	44,000	
	GeNopsys Technologies INC.	-	Financial assets at fair value through profit or loss	3,947	249,035	16.37	249,035	
	APACECORE PTE. LTD.	-	Financial assets at fair value through profit or loss	8,000	15,920	19.51	15,920	
	Shuo Ming Green Energy Co.	-	Financial assets at fair value through profit or loss	2,000	28,440	3.78	28,440	
	TRON FUTURE TECH INC.	-	Financial assets at fair value through profit or loss	852	25,777	0.55	25,777	
	XConn Technologies Holdings, Ltd.	-	Financial assets at fair value through profit or loss	805	123,589	1.36	123,589	
	Greenway Environmental Technology Co., Ltd.	-	Financial assets at fair value through profit or loss	860	17,392	6.09	17,392	
	Meridian Innovation Pte. Ltd.	-	Financial assets at fair value through profit or loss	760	63,901	3.20	63,901	
	Ironyun Incorporated	-	Financial assets at fair value through profit or loss	5,263	64,300	2.88	64,300	
	Evtail Co., Ltd.	-	Financial assets at fair value through profit or loss	1,667	114,817	7.22	114,817	
	Suregiant Technology Co., Ltd.	-	Financial assets at fair value through profit or loss	425	51,034	1.93	51,034	
	Carota Corporation	-	Financial assets at fair value through profit or loss	666	29,237	1.53	29,237	
	OXCCU Tech Limited	-	Financial assets at fair value through profit or loss	274	82,200	3.07	82,200	

(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	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	
	CTBC Hwa-win Money Market Fund	-	Financial assets at fair value through profit or loss	1,301	15,102	-	15,102	
	FSITC Taiwan Money Market Fund	-	Financial assets at fair value through profit or loss	1,059	17,104	-	17,104	
	FSITC Money Market Fund	-	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

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)			
				Financial Statement Account	Amounts	Trading Terms	Transaction Amount/Total Consolidated Net Revenue or Total Consolidated Assets (%)
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.