

# TAIWAN COOPERATIVE SECURITIES CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(Expressed in Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 381,898	1	\$ 298,069	1
Financial assets at fair value through profit or loss - current	2,934,582	10	3,789,732	13
Financial assets at fair value through other comprehensive income - current	7,630,209	27	10,849,171	37
Margin loans receivable	8,287,519	29	5,720,642	19
Refinancing margin	2,576	-	11,084	-
Refinancing collateral receivable	2,141	-	9,229	-
Receivable of money lending	2,270,001	8	743,982	3
Security borrowing margin	231	-	378,350	1
Accounts receivable	5,767,343	20	6,824,498	23
Prepayments	24,679	-	19,104	-
Other receivables	7,672	-	16,158	-
Other current assets	477,301	2	115,696	-
Total current assets	27,786,152	97	28,775,715	97
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current	42,103	-	41,943	-
Properties and equipment	104,133	1	102,669	-
Right-of-use assets	60,297	-	112,023	1
Intangible assets	68,492	-	65,240	-
Deferred tax assets	18,087	-	10,621	-
Other non-current assets	426,931	2	427,748	2
Total non-current assets	720,043	3	760,244	3
TOTAL	\$ 28,506,195	100	\$ 29,535,959	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 819,625	3	\$ 690,862	2
Commercial paper payable	6,419,853	23	4,075,715	14
Financial liabilities at fair value through profit or loss - current	209,022	1	393,373	1
Liabilities for bonds with attached repurchase agreements	7,435,160	26	10,694,053	36
Securities financing refundable deposits	402,244	1	358,869	1
Deposits payable for securities financing	460,008	2	405,781	2
Accounts payable	5,698,929	20	6,387,920	22
Advance receipts	30,976	-	1,410	-
Receipts under custody	303,617	1	39,357	-
Other payables	290,352	1	265,402	1
Current tax liabilities	84,397	-	33,035	-
Lease liabilities - current	41,275	-	51,243	-
Total current liabilities	22,195,458	78	23,397,020	79
NON-CURRENT LIABILITIES				
Lease liabilities - non-current	20,558	-	61,668	-
Deferred tax liabilities	1,306	-	743	-
Other non-current liabilities	6,169	-	5,833	-
Total non-current liabilities	28,033	-	68,244	-
Total liabilities	22,223,491	78	23,465,264	79
EQUITY				
Capital stock				
Common stock	5,206,131	18	5,206,131	18
Capital surplus	294,440	1	294,440	1
Retained earnings				
Legal reserve	271,308	1	254,237	1
Special reserve	649,322	2	615,180	2
Unappropriated retained earnings	163,996	1	170,710	1
Total retained earnings	1,084,626	4	1,040,127	4
Other equity	(302,493)	(1)	(470,003)	(2)
Total equity	6,282,704	22	6,070,695	21
TOTAL	\$ 28,506,195	100	\$ 29,535,959	100

# TAIWAN COOPERATIVE SECURITIES CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
REVENUES				
Brokerage handling fee revenue	\$ 1,330,657	61	\$ 930,013	51
Revenue from underwriting business	74,778	4	40,381	2
Gains on sale of operating securities, net	424,283	19	380,301	21
Interest revenue	522,012	24	394,453	22
Dividend revenue	70,530	3	124,621	7
Valuation gains (losses) on operating securities at fair value through profit or loss, net	(37,712)	(2)	77,003	4
Gains (losses) on covering of borrowed securities and bonds with resale agreements - short sales, net	(5,277)	-	12,833	1
Valuation gains (losses) on borrowed securities and bonds with resale agreements - short sales at fair value through profit or loss, net	13,396	1	(43,552)	(2)
Realized gains (losses) on investment in debt instruments at fair value through other comprehensive income	(127,011)	(6)	8,262	-
Future commission revenue	26,998	1	24,347	1
Losses from derivatives - futures, net	(148,016)	(7)	(98,916)	(5)
Gains (losses) from derivatives - OTC, net	24,265	1	(47,853)	(3)
Expected credit impairment (losses) and gains on reversal	(3,974)	-	1,110	-
Other operating income	<u>27,978</u>	<u>1</u>	<u>9,420</u>	<u>1</u>
Total revenues	<u>2,192,907</u>	<u>100</u>	<u>1,812,423</u>	<u>100</u>
EXPENDITURE AND EXPENSES				
Brokerage handling fee expenses	113,278	5	79,062	4
Proprietary handling fee expenses	7,108	1	7,430	-
Refinancing processing fee expenses	686	-	908	-
Underwriting operation processing fee expenses	502	-	243	-
Finance costs	511,017	23	408,050	23
Losses from securities borrowing transactions	34,604	2	54,779	3
Expenses of clearing and settlement	384	-	289	-
Other operating expenditure	72,821	3	53,266	3
Employee benefits expenses	655,979	30	537,704	30
Depreciation and amortization expenses	104,138	5	92,529	5
Other operating expenses	<u>379,745</u>	<u>17</u>	<u>335,823</u>	<u>19</u>
Total expenditure and expenses	<u>1,880,262</u>	<u>86</u>	<u>1,570,083</u>	<u>87</u>
OPERATING INCOME	<u>312,645</u>	<u>14</u>	<u>242,340</u>	<u>13</u>

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# TAIWAN COOPERATIVE SECURITIES CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
NON-OPERATING INCOME AND EXPENSES				
Other gains and losses	\$ 38,245	2	\$ 36,105	2
INCOME BEFORE INCOME TAX	350,890	16	278,445	15
INCOME TAX EXPENSES	(135,200)	(6)	(76,312)	(4)
NET INCOME	215,690	10	202,133	11
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income	(51,574)	(2)	51,020	3
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(44,772)	(2)	902	-
Unrealized gains on investments in debt instruments at fair value through other comprehensive income	203,208	9	215,973	12
Income tax related to items that may be reclassified subsequently to profit or loss	8,954	-	(180)	-
	167,390	7	216,695	12
Other comprehensive income for the year, net of income tax	115,816	5	267,715	15
TOTAL COMPREHENSIVE INCOME	\$ 331,506	15	\$ 469,848	26
EARNINGS PER SHARE				
Basic	\$0.41		\$0.39	

(Concluded)

# TAIWAN COOPERATIVE SECURITIES CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (Expressed in Thousands of New Taiwan Dollars)

	Capital Stock		Capital Surplus	Retained Earnings			Other Equity		Total Equity
	Shares (In Thousands)	Common Stock		Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2023	520,613	\$ 5,206,131	\$ 294,440	\$ 236,554	\$ 456,036	\$ 176,827	\$ (21,931)	\$ (747,210)	\$ 5,600,847
Appropriation of 2022 earnings									
Legal reserve	-	-	-	17,683	-	(17,683)	-	-	-
Special reserve	-	-	-	-	159,144	(159,144)	-	-	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	(31,423)	-	31,423	-
Net income for the year ended December 31, 2023	-	-	-	-	-	202,133	-	-	202,133
Other comprehensive income for the year ended December 31, 2023, net of income tax	-	-	-	-	-	-	722	266,993	267,715
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	-	202,133	722	266,993	469,848
BALANCE AT DECEMBER 31, 2023	520,613	5,206,131	294,440	254,237	615,180	170,710	(21,209)	(448,794)	6,070,695
Appropriation of 2023 earnings									
Legal reserve	-	-	-	17,071	-	(17,071)	-	-	-
Special reserve	-	-	-	-	34,142	(34,142)	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(119,497)	-	-	(119,497)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	(51,694)	-	51,694	-
Net income for the year ended December 31, 2024	-	-	-	-	-	215,690	-	-	215,690
Other comprehensive income (losses) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	(35,818)	151,634	115,816
Total comprehensive income (losses) for the year ended December 31, 2024	-	-	-	-	-	215,690	(35,818)	151,634	331,506
BALANCE AT DECEMBER 31, 2024	520,613	\$ 5,206,131	\$ 294,440	\$ 271,308	\$ 649,322	\$ 163,996	\$ (57,027)	\$ (245,466)	\$ 6,282,704

# TAIWAN COOPERATIVE SECURITIES CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (Expressed in Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 350,890	\$ 278,445
Adjustments for:		
Depreciation expense	80,358	70,016
Amortization expense	23,780	22,513
Expected credit impairment losses and gains on reversal	3,974	(1,110)
Losses (gains) on financial assets or liabilities at fair value through profit or loss	37,712	(77,003)
Interest expense	511,017	408,050
Interest income (including financial income)	(541,887)	(405,709)
Dividend income	(70,530)	(124,621)
Losses on disposal of properties and equipment	2	178
Losses (gains) on disposal of investments	7,928	(805)
Gains on non-operating financial instrument at fair value through profit or loss	(16,662)	(6,556)
Others	-	(47)
Changes in operating assets and liabilities:		
Decrease (increase) in financial assets at fair value through profit or loss	826,172	(1,016,988)
Increase in margin loans receivable	(2,566,927)	(1,224,099)
Decrease in refinancing margin	8,508	19,492
Decrease in refinancing collateral receivable	7,088	14,280
Increase in receivable of money lending	(1,526,019)	(572,774)
Decrease (increase) in security borrowing margin	378,119	(22,087)
Decrease in notes receivable	-	1,250
Decrease (increase) in accounts receivable	1,093,665	(2,146,448)
Decrease (increase) in prepayments	(5,575)	4,470
Decrease (increase) in other receivables	4,168	(3,122)
Decrease in financial assets at fair value through other comprehensive income	3,378,347	872,934
Decrease (increase) in other current assets	(361,605)	99,524
Increase (decrease) in liabilities for bonds with attached repurchase agreements	(3,258,893)	140,145
Decrease in financial liabilities at fair value through profit or loss	(184,351)	(310,089)
Increase (decrease) in securities financing refundable deposits	43,375	(602,124)
Increase (decrease) in deposits payable for securities financing	54,227	(461,963)
Increase (decrease) in accounts payable	(684,523)	2,445,457
Increase in advance receipts	29,566	1,410
Increase (decrease) in receipts under custody	264,260	(152,008)
Increase in other payables	24,950	48,989
Increase in other operating liabilities	376	283
Cash used in operations	(2,088,490)	(2,700,117)
Interest received	495,060	395,348
Dividends received	72,132	123,596

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# TAIWAN COOPERATIVE SECURITIES CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Interest paid	\$ (521,347)	\$ (406,388)
Income tax paid	<u>(81,787)</u>	<u>(83,675)</u>
Net cash flows used in operating activities	<u>(2,124,432)</u>	<u>(2,671,236)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of properties and equipment	(27,709)	(42,599)
Increase in operating deposits	-	(5,000)
Increase in deposits settlement of fund	(43,443)	(1,366)
Decrease in deposits settlement of fund	47,353	1,744
Increase in refundable deposits	(93,503)	(111,302)
Decrease in refundable deposits	93,309	109,765
Acquisition of intangible assets	(16,429)	(16,970)
Increase in prepayments for equipment	(13,604)	(18,107)
Decrease in prepayments for equipment	<u>74</u>	<u>-</u>
Net cash flows used in investing activities	<u>(53,952)</u>	<u>(83,835)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	31,108,584	22,868,380
Decrease in short-term loans	(30,979,821)	(22,484,768)
Increase in commercial papers payable	55,660,000	41,605,000
Decrease in commercial papers payable	(53,310,000)	(39,315,000)
Increase in guarantee deposits received	4,359	33,850
Decrease in guarantee deposits received	(4,399)	(36,860)
Repayment of the principal portion of lease liabilities	(53,065)	(47,005)
Cash dividends paid	<u>(119,497)</u>	<u>-</u>
Net cash flows generated from financing activities	<u>2,306,161</u>	<u>2,623,597</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>		
	<u>(43,948)</u>	<u>1,145</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	83,829	(130,329)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>298,069</u>	<u>428,398</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>\$ 381,898</u>	<u>\$ 298,069</u>

(Concluded)