

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY 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	\$ 346,930	1	\$ 265,370	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	23,116	-	17,812	-
Other receivables	7,969	-	16,450	-
Other current assets	472,401	2	115,696	-
Total current assets	27,745,018	97	28,742,016	97
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current	42,103	-	41,943	-
Investments accounted for using the equity method	51,346	-	49,123	-
Properties and equipment	97,338	1	94,729	-
Right-of-use assets	57,899	-	108,205	1
Intangible assets	64,939	-	61,522	-
Deferred tax assets	17,957	-	10,621	-
Other non-current assets	421,323	2	422,270	2
Total non-current assets	752,905	3	788,413	3
TOTAL	\$ 28,497,923	100	\$ 29,530,429	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	303,486	1	39,285	-
Other payables	285,323	1	263,919	1
Current tax liabilities	83,741	-	33,035	-
Lease liabilities - current	39,219	-	50,034	-
Total current liabilities	22,187,586	78	23,394,256	79
NON-CURRENT LIABILITIES				
Lease liabilities - non-current	20,158	-	59,015	-
Deferred tax liabilities	1,306	-	743	-
Other non-current liabilities	6,169	-	5,720	-
Total non-current liabilities	27,633	-	65,478	-
Total liabilities	22,215,219	78	23,459,734	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	\$ 28,497,923	100	\$ 29,530,429	100

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY 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) 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	-	7,430	-
Refinancing processing fee expenses	686	-	908	-
Underwriting operation processing fee expenses	502	-	243	-
Finance costs	510,920	23	407,946	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	637,346	29	534,036	30
Depreciation and amortization expenses	100,167	5	90,966	5
Other operating expenses	<u>406,793</u>	<u>19</u>	<u>340,471</u>	<u>19</u>
Total expenditure and expenses	<u>1,884,609</u>	<u>86</u>	<u>1,569,396</u>	<u>87</u>
OPERATING INCOME	<u>308,298</u>	<u>14</u>	<u>243,027</u>	<u>13</u>

(Continued)

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY 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				
Share of profit of subsidiaries accounted for using equity method	\$ 2,223	-	\$ (877)	-
Other gains and losses	<u>39,813</u>	<u>2</u>	<u>36,295</u>	<u>2</u>
Total non-operating income and expenses	<u>42,036</u>	<u>2</u>	<u>35,418</u>	<u>2</u>
INCOME BEFORE INCOME TAX	350,334	16	278,445	15
INCOME TAX EXPENSES	<u>(134,644)</u>	<u>(6)</u>	<u>(76,312)</u>	<u>(4)</u>
NET INCOME	<u>215,690</u>	<u>10</u>	<u>202,133</u>	<u>11</u>
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	<u>(51,574)</u>	<u>(2)</u>	<u>51,020</u>	<u>3</u>
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	<u>8,954</u>	<u>-</u>	<u>(180)</u>	<u>-</u>
	<u>167,390</u>	<u>7</u>	<u>216,695</u>	<u>12</u>
Other comprehensive income for the year, net of income tax	<u>115,816</u>	<u>5</u>	<u>267,715</u>	<u>15</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 331,506</u>	<u>15</u>	<u>\$ 469,848</u>	<u>26</u>
EARNINGS PER SHARE				
Basic	<u>\$0.41</u>		<u>\$0.39</u>	

(Concluded)

TAIWAN COOPERATIVE SECURITIES CO., LTD.

**PARENT COMPANY ONLY 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	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>722</u>	<u>266,993</u>	<u>267,715</u>
Total comprehensive income for the year ended December 31, 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>202,133</u>	<u>722</u>	<u>266,993</u>	<u>469,848</u>
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	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(35,818)</u>	<u>151,634</u>	<u>115,816</u>
Total comprehensive income (losses) for the year ended December 31, 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>215,690</u>	<u>(35,818)</u>	<u>151,634</u>	<u>331,506</u>
BALANCE AT DECEMBER 31, 2024	<u>520,613</u>	<u>\$ 5,206,131</u>	<u>\$ 294,440</u>	<u>\$ 271,308</u>	<u>\$ 649,322</u>	<u>\$ 163,996</u>	<u>\$ (57,027)</u>	<u>\$ (245,466)</u>	<u>\$ 6,282,704</u>

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY 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	\$ 350,334	\$ 278,445
Adjustments for:		
Depreciation expense	77,041	68,521
Amortization expense	23,126	22,445
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	510,920	407,946
Interest income (including financial income)	(541,526)	(405,580)
Dividend income	(70,530)	(124,621)
Share of losses of subsidiaries accounted for using equity method	(2,223)	877
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	(5,304)	5,762
Decrease (increase) in other receivables	4,157	(3,440)
Decrease in financial assets at fair value through other comprehensive income	3,378,347	872,934
Decrease (increase) in other current assets	(356,705)	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	264,201	(152,080)
Increase in other payables	21,404	47,506
Increase in other operating liabilities	376	283
Cash used in operations	(2,093,421)	(2,701,359)
Interest received	494,705	395,245
Dividends received	72,132	123,596

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TAIWAN COOPERATIVE SECURITIES CO., LTD.

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

	2024	2023
Interest paid	\$ (521,250)	\$ (406,284)
Income tax paid	<u>(81,757)</u>	<u>(83,675)</u>
Net cash flows used in operating activities	<u>(2,129,591)</u>	<u>(2,672,477)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments accounted for using the equity method	-	(50,000)
Acquisition of properties and equipment	(27,488)	(34,539)
Increase in deposits settlement of fund	(43,443)	(1,366)
Decrease in deposits settlement of fund	47,353	1,744
Increase in refundable deposits	(93,373)	(110,824)
Decrease in refundable deposits	93,309	109,765
Acquisition of intangible assets	(15,940)	(13,184)
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>(53,112)</u>	<u>(116,511)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
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	33,059
Decrease in guarantee deposits received	(4,286)	(36,182)
Repayment of the principal portion of lease liabilities	(51,128)	(45,674)
Cash dividends paid	<u>(119,497)</u>	<u>-</u>
Net cash flows generated from financing activities	<u>2,308,211</u>	<u>2,624,815</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(43,948)</u>	<u>1,145</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	81,560	(163,028)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>265,370</u>	<u>428,398</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 346,930</u>	<u>\$ 265,370</u>

(Concluded)