

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

(Expressed in Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 489,666	1	\$ 346,930	1
Financial assets at fair value through profit or loss - current	3,366,388	10	2,934,582	10
Financial assets at fair value through other comprehensive income - current	8,547,920	25	7,630,209	27
Margin loans receivable	7,521,428	22	8,287,519	29
Refinancing margin	1,864	-	2,576	-
Refinancing collateral receivable	1,550	-	2,141	-
Receivable of money lending	2,281,721	7	2,270,001	8
Security borrowing margin	-	-	231	-
Accounts receivable	10,673,386	31	5,767,343	20
Prepayments	19,149	-	23,116	-
Other receivables	3,403	-	7,969	-
Other current assets	249,901	1	472,401	2
Total current assets	<u>33,156,376</u>	<u>97</u>	<u>27,745,018</u>	<u>97</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current	48,740	-	42,103	-
Investments accounted for using the equity method	56,973	-	51,346	-
Properties and equipment	96,542	-	97,338	1
Right-of-use assets	166,986	1	57,899	-
Intangible assets	69,628	-	64,939	-
Deferred tax assets	16,486	-	17,957	-
Other non-current assets	442,282	2	421,323	2
Total non-current assets	<u>897,637</u>	<u>3</u>	<u>752,905</u>	<u>3</u>
TOTAL	<u>\$ 34,054,013</u>	<u>100</u>	<u>\$ 28,497,923</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings	\$ 688,645	2	\$ 819,625	3
Commercial paper payable	5,942,479	18	6,419,853	23
Financial liabilities at fair value through profit or loss - current	423,759	1	209,022	1
Liabilities for bonds with attached repurchase agreements	8,728,904	26	7,435,160	26
Securities financing refundable deposits	354,591	1	402,244	1
Deposits payable for securities financing	381,682	1	460,008	2
Accounts payable	10,104,438	30	5,698,929	20
Advance receipts	201	-	30,976	-
Receipts under custody	34,255	-	303,486	1
Other payables	372,124	1	285,323	1
Current tax liabilities	43,752	-	83,741	-
Lease liabilities - current	51,866	-	39,219	-
Other current liabilities	30	-	-	-
Total current liabilities	<u>27,126,726</u>	<u>80</u>	<u>22,187,586</u>	<u>78</u>
NON-CURRENT LIABILITIES				
Lease liabilities - non-current	116,590	-	20,158	-
Deferred tax liabilities	-	-	1,306	-
Other non-current liabilities	5,612	-	6,169	-
Total non-current liabilities	<u>122,202</u>	<u>-</u>	<u>27,633</u>	<u>-</u>
Total liabilities	<u>27,248,928</u>	<u>80</u>	<u>22,215,219</u>	<u>78</u>
EQUITY				
Capital stock				
Common stock	5,206,131	15	5,206,131	18
Capital surplus	294,440	1	294,440	1
Retained earnings				
Legal reserve	287,708	1	271,308	1
Special reserve	682,121	2	649,322	2
Unappropriated retained earnings	433,163	1	163,996	1
Total retained earnings	1,402,992	4	1,084,626	4
Other equity	(98,478)	-	(302,493)	(1)
Total equity	<u>6,805,085</u>	<u>20</u>	<u>6,282,704</u>	<u>22</u>
TOTAL	<u>\$ 34,054,013</u>	<u>100</u>	<u>\$ 28,497,923</u>	<u>100</u>

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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

	2025		2024	
	Amount	%	Amount	%
REVENUES				
Brokerage handling fee revenue	\$ 1,271,033	59	\$ 1,330,657	61
Income from securities lendings	11,654	-	18	-
Revenue from underwriting business	46,932	2	74,778	4
Gains on sale of operating securities, net	255,243	12	424,283	19
Interest revenue	495,208	23	522,012	24
Dividend revenue	77,140	4	70,530	3
Valuation gains (losses) on operating securities at fair value through profit or loss, net	67,812	3	(37,712)	(2)
Gains (losses) on covering of borrowed securities and bonds with resale agreements - short sales, net	3,923	-	(5,277)	-
Valuation gains (losses) on borrowed securities and bonds with resale agreements - short sales at fair value through profit or loss, net	(2,371)	-	13,396	1
Realized gains (losses) on investment in debt instruments at fair value through other comprehensive income	(31)	-	(127,011)	(6)
Future commission revenue	17,046	1	26,998	1
Losses from derivatives - futures, net	(38,526)	(2)	(148,016)	(7)
Gains (losses) from derivatives - OTC, net	(21,802)	(1)	24,265	1
Expected credit impairment (losses) gains on reversal	693	-	(3,974)	-
Other operating income (losses)	<u>(17,378)</u>	<u>(1)</u>	<u>27,960</u>	<u>1</u>
Total revenues	<u>2,166,576</u>	<u>100</u>	<u>2,192,907</u>	<u>100</u>
EXPENDITURE AND EXPENSES				
Brokerage handling fee expenses	108,143	5	113,278	5
Proprietary handling fee expenses	3,213	-	7,108	-
Refinancing processing fee expenses	922	-	686	-
Underwriting operation processing fee expenses	249	-	502	-
Finance costs	316,134	14	510,920	23
Losses from securities borrowing transactions	17,851	1	34,604	2
Expenses of clearing and settlement	170	-	384	-
Other operating expenditure	16,620	1	72,821	3
Employee benefits expenses	671,374	31	637,346	29
Depreciation and amortization expenses	105,758	5	100,167	5
Other operating expenses	<u>387,841</u>	<u>18</u>	<u>406,793</u>	<u>19</u>
Total expenditure and expenses	<u>1,628,275</u>	<u>75</u>	<u>1,884,609</u>	<u>86</u>
OPERATING INCOME	<u>538,301</u>	<u>25</u>	<u>308,298</u>	<u>14</u>

(Continued)

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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

	2025		2024	
	Amount	%	Amount	%
NON-OPERATING INCOME AND EXPENSES				
Share of profit of subsidiaries accounted for using equity method	\$ 6,569	-	\$ 2,223	-
Other gains and losses	<u>(14,453)</u>	<u>-</u>	<u>39,813</u>	<u>2</u>
Total non-operating income and expenses	<u>(7,884)</u>	<u>-</u>	<u>42,036</u>	<u>2</u>
INCOME BEFORE INCOME TAX	530,417	25	350,334	16
INCOME TAX EXPENSES	<u>(102,753)</u>	<u>(5)</u>	<u>(134,644)</u>	<u>(6)</u>
NET INCOME	<u>427,664</u>	<u>20</u>	<u>215,690</u>	<u>10</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>8,207</u>	<u>-</u>	<u>(51,574)</u>	<u>(2)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	32,971	1	(44,772)	(2)
Unrealized gains on investments in debt instruments at fair value through other comprehensive income	174,930	8	203,208	9
Income tax related to items that may be reclassified subsequently to profit or loss	<u>(6,594)</u>	<u>-</u>	<u>8,954</u>	<u>-</u>
	<u>201,307</u>	<u>9</u>	<u>167,390</u>	<u>7</u>
Other comprehensive income for the year, net of income tax	<u>209,514</u>	<u>9</u>	<u>115,816</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 637,178</u>	<u>29</u>	<u>\$ 331,506</u>	<u>15</u>
EARNINGS PER SHARE				
Basic	<u>\$0.82</u>		<u>\$0.41</u>	

(Concluded)

TAIWAN COOPERATIVE SECURITIES CO., LTD.

**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in Thousands of New Taiwan Dollars)**

	Capital Stock		Retained Earnings				Other Equity		Total Equity
	Shares (In Thousands)	Common Stock	Capital Surplus	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, 2024	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
Appropriation of 2024 earnings									
Legal reserve	-	-	-	16,400	-	(16,400)	-	-	-
Special reserve	-	-	-	-	32,799	(32,799)	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(114,797)	-	-	(114,797)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	5,499	-	(5,499)	-
Net income for the year ended December 31, 2025	-	-	-	-	-	427,664	-	-	427,664
Other comprehensive income (losses) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	-	26,377	183,137	209,514
Total comprehensive income (losses) for the year ended December 31, 2025	-	-	-	-	-	427,664	26,377	183,137	637,178
BALANCE AT DECEMBER 31, 2025	520,613	\$ 5,206,131	\$ 294,440	\$ 287,708	\$ 682,121	\$ 433,163	\$ (30,650)	\$ (67,828)	\$ 6,805,085

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (Expressed in Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 530,417	\$ 350,334
Adjustments for:		
Depreciation expense	80,392	77,041
Amortization expense	25,366	23,126
Expected credit impairment losses and gains on reversal	(693)	3,974
Losses (gains) on financial assets or liabilities at fair value through profit or loss	(67,812)	37,712
Interest expense	316,134	510,920
Interest income (including financial income)	(512,208)	(541,526)
Dividend income	(77,140)	(70,530)
Share of losses of subsidiaries accounted for using equity method	(6,569)	(2,223)
Losses on disposal of properties and equipment	142	2
Losses on disposal of investments	28,113	7,928
Losses (gains) on non-operating financial instrument at fair value through profit or loss	10,024	(16,662)
Changes in operating assets and liabilities:		
Decrease (increase) in financial assets at fair value through profit or loss	(402,131)	826,172
Decrease (increase) in margin loans receivable	766,448	(2,566,927)
Decrease in refinancing margin	712	8,508
Decrease in refinancing collateral receivable	591	7,088
Increase in receivable of money lending	(11,720)	(1,526,019)
Decrease in security borrowing margin	231	378,119
Decrease (increase) in accounts receivable	(4,919,413)	1,093,665
Decrease (increase) in prepayments	3,967	(5,304)
Decrease in other receivables	3,758	4,157
Decrease (increase) in financial assets at fair value through other comprehensive income	(747,403)	3,378,347
Decrease (increase) in other current assets	222,500	(356,705)
Decrease in overdue receivable	1,590	-
Increase (decrease) in liabilities for bonds with attached repurchase agreements	1,293,744	(3,258,893)
Increase (decrease) in financial liabilities at fair value through profit or loss	214,737	(184,351)
Increase (decrease) in securities financing refundable deposits	(47,653)	43,375
Increase (decrease) in deposits payable for securities financing	(78,326)	54,227
Increase (decrease) in accounts payable	4,403,796	(684,523)
Increase (decrease) in advance receipts	(30,775)	29,566
Increase (decrease) in receipts under custody	(269,231)	264,201
Increase in other payables	86,801	21,404
Increase in other current liabilities	30	-
Increase (decrease) in other operating liabilities	(258)	376
Cash generated from (used in) operations	818,161	(2,093,421)
Interest received	527,950	494,705
Dividends received	77,584	72,132

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TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Interest paid	\$ (311,795)	\$ (521,250)
Income tax paid	<u>(149,172)</u>	<u>(81,757)</u>
Net cash flows generated from (used in) operating activities	<u>962,728</u>	<u>(2,129,591)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of properties and equipment	(26,673)	(27,488)
Increase in deposits settlement of fund	(58,143)	(43,443)
Decrease in deposits settlement of fund	40,942	47,353
Increase in refundable deposits	(2,666)	(93,373)
Decrease in refundable deposits	-	93,309
Acquisition of intangible assets	(21,851)	(15,940)
Increase in prepayments for equipment	(6,823)	(13,604)
Decrease in prepayments for equipment	<u>-</u>	<u>74</u>
Net cash flows used in investing activities	<u>(75,214)</u>	<u>(53,112)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	18,862,713	31,108,584
Decrease in short-term loans	(18,993,693)	(30,979,821)
Increase in commercial papers payable	40,970,118	55,660,000
Decrease in commercial papers payable	(41,450,118)	(53,310,000)
Increase in guarantee deposits received	4,117	4,359
Decrease in guarantee deposits received	(4,416)	(4,286)
Repayment of the principal portion of lease liabilities	(52,594)	(51,128)
Cash dividends paid	<u>(114,797)</u>	<u>(119,497)</u>
Net cash flows (used in) generated from financing activities	<u>(778,670)</u>	<u>2,308,211</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	<u>33,892</u>	<u>(43,948)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	142,736	81,560
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	<u>346,930</u>	<u>265,370</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 489,666</u>	<u>\$ 346,930</u>

(Concluded)