

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS (Expressed in Thousands of New Taiwan Dollars)

ASSETS	June 30, 2026		December 31, 2025		June 30, 2025	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents	\$ 5,229,672	9	\$ 489,666	1	\$ 270,991	1
Financial assets at fair value through profit or loss - current	5,786,251	11	3,366,388	10	2,829,029	10
Financial assets at fair value through other comprehensive income - current	9,230,165	17	8,547,920	25	7,110,571	26
Bond investments under resale agreements	161,099	-	-	-	-	-
Margin loans receivable	11,025,068	20	7,521,428	22	6,309,231	23
Refinancing margin	52,642	-	1,864	-	4,442	-
Refinancing collateral receivable	41,926	-	1,550	-	3,522	-
Receivable of money lending	3,408,073	6	2,281,721	7	2,144,088	8
Accounts receivable	18,389,689	34	10,673,386	31	8,166,185	29
Prepayments	11,927	-	19,149	-	15,009	-
Other receivables	4,518	-	3,403	-	3,845	-
Other current assets	477,686	1	249,901	1	167,974	-
Total current assets	53,818,716	98	33,156,376	97	27,024,887	97
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current	50,633	-	48,740	-	50,365	-
Investments accounted for using the equity method	53,834	-	56,973	-	54,155	-
Properties and equipment	96,672	-	96,542	-	87,181	1
Right-of-use assets	140,052	1	166,986	1	32,069	-
Intangible assets	69,472	-	69,628	-	55,226	-
Deferred tax assets	17,640	-	16,486	-	8,572	-
Other non-current assets	535,348	1	442,282	2	433,928	2
Total non-current assets	963,651	2	897,637	3	721,496	3
TOTAL	\$ 54,782,367	100	\$ 34,054,013	100	\$ 27,746,383	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings	\$ 2,064,019	4	\$ 688,645	2	\$ 646,464	2
Commercial paper payable	14,730,741	27	5,942,479	18	5,483,708	20
Financial liabilities at fair value through profit or loss - current	1,040,552	2	423,759	1	350,397	1
Liabilities for bonds with attached repurchase agreements	9,096,599	17	8,728,904	26	7,312,334	27
Securities financing refundable deposits	175,750	-	354,591	1	328,942	1
Deposits payable for securities financing	189,848	-	381,682	1	325,017	1
Accounts payable	18,248,654	33	10,104,438	30	6,700,462	24
Advance receipts	23,952	-	201	-	3,097	-
Receipts under custody	59,893	-	34,255	-	23,710	-
Other payables	845,949	2	372,124	1	234,505	1
Current tax liabilities	145,470	-	43,752	-	28,838	-
Lease liabilities - current	41,318	-	51,866	-	23,826	-
Other current liabilities	252	-	30	-	-	-
Total current liabilities	46,662,997	85	27,126,726	80	21,461,300	77
NON-CURRENT LIABILITIES						
Lease liabilities - non-current	100,466	-	116,590	-	9,278	-
Deferred tax liabilities	505	-	-	-	3,083	-
Other non-current liabilities	5,622	-	5,612	-	6,982	-
Total non-current liabilities	106,593	-	122,202	-	19,343	-
Total liabilities	46,769,590	85	27,248,928	80	21,480,643	77
EQUITY						
Capital stock						
Common stock	5,206,131	10	5,206,131	15	5,206,131	19
Capital surplus	294,440	1	294,440	1	294,440	1
Retained earnings						
Legal reserve	331,024	-	287,708	1	287,708	1
Special reserve	637,967	1	682,121	2	682,121	2
Unappropriated retained earnings (accumulated deficits)	1,490,568	3	433,163	1	(91,671)	-
Total retained earnings	2,459,559	4	1,402,992	4	878,158	3
Other equity	52,647	-	(98,478)	-	(112,989)	-
Total equity	8,012,777	15	6,805,085	20	6,265,740	23
TOTAL	\$ 54,782,367	100	\$ 34,054,013	100	\$ 27,746,383	100

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

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

	For the Six Months Ended June 30			
	2026		2025	
	Amount	%	Amount	%
REVENUE				
Brokerage handling fee revenue	\$ 1,358,065	49	\$ 505,809	71
Borrowed stock revenue	6,526	-	3,861	1
Revenues from underwriting business	20,752	1	15,876	2
Gains (losses) on sale of operating securities, net	976,501	35	(37,137)	(5)
Interest revenue	314,780	11	249,319	35
Dividend revenue	22,949	1	11,951	2
Valuation gains on operating securities at fair value through profit or loss, net	364,646	13	8,928	1
(Losses) gains on covering of borrowed securities and bonds with resale agreements - short sales, net	(41,688)	(1)	5,529	1
Valuation losses on borrowed securities and bonds with resale agreements - short sales at fair value through profit or loss, net	(878)	-	(2,026)	-
Realized gains (losses) on investment in debt instruments at fair value through other comprehensive income	2,613	-	(31)	-
Future commission revenue	8,433	-	9,459	1
(Losses) gains from derivatives - futures, net	(46,205)	(2)	3,695	-
Losses from derivatives - OTC, net	(201,773)	(7)	(9,219)	(1)
Expected credit impairment (losses) and gains on reversal	285	-	99	-
Other operating income	8,937	-	(58,409)	(8)
Total revenue	2,793,943	100	707,704	100
EXPENDITURE AND EXPENSES				
Brokerage handling fee expenses	117,620	4	42,836	6
Proprietary handling fee expenses	2,373	-	1,208	-
Refinancing processing fee expenses	213	-	270	-
Underwriting operation processing fee expenses	96	-	61	-
Finance costs	197,473	7	167,738	24
Losses from securities borrowing transactions	1,965	-	9,048	1
Expenses of clearing and settlement	90	-	74	-
Other operating expenditure	11,669	1	10,015	2
Employee benefits expenses	647,469	23	287,551	41
Depreciation and amortization expenses	55,244	2	51,323	7
Other operating expenses	261,732	10	171,414	24
Total expenditure and expenses	1,295,944	47	741,538	105
OPERATING INCOME (LOSS)	1,497,999	53	(33,834)	(5)

(Continued)

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

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

	For the Six Months Ended June 30			
	2026		2025	
	Amount	%	Amount	%
NON-OPERATING INCOME AND EXPENSES				
Share of profit of subsidiaries accounted for using equity method	\$ 1,459	-	\$ 3,751	1
Other gains and losses	<u>28,067</u>	<u>1</u>	<u>(41,172)</u>	<u>(6)</u>
INCOME (LOSS) BEFORE INCOME TAX	1,527,525	54	(71,255)	(10)
INCOME TAX EXPENSE	<u>(148,317)</u>	<u>(5)</u>	<u>(24,932)</u>	<u>(4)</u>
NET INCOME (LOSS)	<u>1,379,208</u>	<u>49</u>	<u>(96,187)</u>	<u>(14)</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gains on investments in equity instruments at fair value through other comprehensive income	<u>292,885</u>	<u>11</u>	<u>19,765</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	(11,146)	-	86,699	12
Unrealized (losses) gains on investments in debt instruments at fair value through other comprehensive income	(21,483)	(1)	104,895	15
Income tax related to items that may be reclassified subsequently to profit or loss	<u>2,229</u>	<u>-</u>	<u>(17,339)</u>	<u>(2)</u>
	<u>(30,400)</u>	<u>(1)</u>	<u>174,255</u>	<u>25</u>
Other comprehensive income, net of income tax	<u>262,485</u>	<u>10</u>	<u>194,020</u>	<u>28</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 1,641,693</u>	<u>59</u>	<u>\$ 97,833</u>	<u>14</u>
EARNINGS (LOSS) PER SHARE				
Basic	<u>\$ 2.65</u>		<u>\$ (0.18)</u>	

(Concluded)

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
(Expressed in Thousands of New Taiwan Dollars)

	Capital Stock		Capital Surplus	Retained Earnings		Unappropriated Retained Earnings (Accumulated Deficits)	Other Equity		Total Equity
	Shares (In Thousands)	Common Stock		Legal Reserve	Special Reserve		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, 2025	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 shares	-	-	-	-	-	(114,797)	-	-	(114,797)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	4,516	-	(4,516)	-
Net loss for the six months ended June 30, 2025	-	-	-	-	-	(96,187)	-	-	(96,187)
Other comprehensive income for the six months ended June 30, 2025, net of income tax	-	-	-	-	-	-	69,360	124,660	194,020
Total comprehensive income (losses) for the six months ended June 30, 2025	-	-	-	-	-	(96,187)	69,360	124,660	97,833
BALANCE AT JUNE 30, 2025	<u>520,613</u>	<u>\$ 5,206,131</u>	<u>\$ 294,440</u>	<u>\$ 287,708</u>	<u>\$ 682,121</u>	<u>\$ (91,671)</u>	<u>\$ 12,333</u>	<u>\$ (125,322)</u>	<u>\$ 6,265,740</u>
BALANCE AT JANUARY 1, 2026	520,613	\$ 5,206,131	\$ 294,440	\$ 287,708	\$ 682,121	\$ 433,163	\$ (30,650)	\$ (67,828)	\$ 6,805,085
Appropriation of 2025 earnings									
Legal reserve	-	-	-	43,316	-	(43,316)	-	-	-
Special reserve	-	-	-	-	86,633	(86,633)	-	-	-
Cash dividends of ordinary shares	-	-	-	-	-	(434,001)	-	-	(434,001)
Reversal of special reserve	-	-	-	-	(130,787)	130,787	-	-	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	111,360	-	(111,360)	-
Net income for the six months ended June 30, 2026	-	-	-	-	-	1,379,208	-	-	1,379,208
Other comprehensive income (losses) for the six months ended June 30, 2026, net of income tax	-	-	-	-	-	-	(8,917)	271,402	262,485
Total comprehensive income (losses) for the six months ended June 30, 2026	-	-	-	-	-	1,379,208	(8,917)	271,402	1,641,693
BALANCE AT JUNE 30, 2026	<u>520,613</u>	<u>\$ 5,206,131</u>	<u>\$ 294,440</u>	<u>\$ 331,024</u>	<u>\$ 637,967</u>	<u>\$ 1,490,568</u>	<u>\$ (39,567)</u>	<u>\$ 92,214</u>	<u>\$ 8,012,777</u>

TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS (Expressed in Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	\$ 1,527,525	\$ (71,255)
Adjustments for:		
Depreciation expense	41,778	39,215
Amortization expense	13,466	12,108
Expected credit impairment losses and gains on reversal	(285)	(99)
Gains on financial assets or liabilities at fair value through profit or loss	(364,646)	(8,928)
Interest expense	197,473	167,738
Interest income (including financial income)	(324,630)	(258,038)
Dividend income	(22,949)	(11,951)
Share of gains of subsidiaries accounted for using equity method	(1,459)	(3,751)
Losses on disposal of properties and equipment	108	74
(Gains) losses on disposal of investments	(1,608)	28,253
(Gains) losses on non-operating financial instrument at fair value through profit or loss	(13,619)	24,197
Changes in operating assets and liabilities		
(Increase) decrease in financial assets at fair value through profit or loss	(2,039,990)	62,031
Increase in bond investments under resale agreements	(161,099)	-
(Increase) decrease in margin loans receivable	(3,504,037)	1,978,916
Increase in refinancing margin	(50,778)	(1,866)
Increase in refinancing collateral receivable	(40,376)	(1,381)
(Increase) decrease in receivable of money lending	(1,126,352)	125,913
Decrease in security borrowing margin	-	231
Increase in accounts receivable	(7,684,197)	(2,413,006)
Decrease in prepayments	7,222	8,107
(Increase) decrease in other receivables	(333)	3,868
(Increase) decrease in financial assets at fair value through other comprehensive income	(414,493)	632,666
(Increase) decrease in other current assets	(227,785)	304,427
Decrease in overdue receivable	240	-
Increase (decrease) in liabilities for bonds with attached repurchase agreements	367,695	(122,826)
Increase in financial liabilities at fair value through profit or loss	616,793	141,375
Decrease in securities financing refundable deposits	(178,841)	(73,302)
Decrease in deposits payable for securities financing	(191,834)	(134,991)
Increase in accounts payable	8,143,599	1,002,550
Increase (decrease) in advance receipts	23,751	(27,879)
Increase (decrease) in receipts under custody	25,638	(279,776)
Increase (decrease) in other payables	473,825	(50,818)
Increase in other current liabilities	222	-
Increase (decrease) in other operating liabilities	175	(430)
Cash (used in) generated from operations	(4,909,801)	1,071,372

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TAIWAN COOPERATIVE SECURITIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS (Expressed in Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2026	2025
Interest received	\$ 307,747	\$ 278,934
Dividends received	13,176	5,050
Interest paid	(208,594)	(164,900)
Income tax paid	<u>(45,019)</u>	<u>(86,012)</u>
Net cash flows (used in) generated from operating activities	<u>(4,842,491)</u>	<u>1,104,444</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of properties and equipment	(15,097)	(2,777)
Increase in deposits settlement fund	(232,545)	(9,607)
Decrease in deposits settlement fund	145,333	1,289
Increase in refundable deposits	-	(1,389)
Acquisition of intangible assets	(6,459)	(1,787)
Increase in prepayments for equipment	<u>(11,833)</u>	<u>(2,144)</u>
Net cash flows used in investing activities	<u>(120,601)</u>	<u>(16,415)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	17,809,847	8,927,944
Decrease in short-term loans	(16,434,473)	(9,101,105)
Increase in commercial papers payable	46,180,000	19,060,000
Decrease in commercial papers payable	(37,380,000)	(20,000,000)
Increase in guarantee deposits received	2,139	1,243
Decrease in guarantee deposits received	(2,304)	-
Repayment of the principal portion of lease liabilities	(26,672)	(26,273)
Cash dividends paid	<u>(434,001)</u>	<u>(114,797)</u>
Net cash flows generated from (used in) financing activities	<u>9,714,536</u>	<u>(1,252,988)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(11,438)</u>	<u>89,020</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,740,006	(75,939)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>489,666</u>	<u>346,930</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 5,229,672</u>	<u>\$ 270,991</u>

(Concluded)