English Translation of a Report and Financial Statements Originally Issued in Chinese

TS FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES (FORMERLY NAMED TAISHIN FINANCIAL HOLDING CO., LTD.)
CONSOLIDATED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REVIEW REPORT
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025 (RESTATED)

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Notice to Readers

The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

Consolidated Financial Statements

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English Translation of a Report Originally Issued in Chinese

Independent Auditors' Review Report

To TS Financial Holding Co., Ltd.
(Formerly Named Taishin Financial Holding Co., Ltd.)

Introduction

We have reviewed the accompanying consolidated balance sheets of TS Financial Holding Co., Ltd. (formerly named Taishin Financial Holding Co., Ltd.) and its subsidiaries as of March 31, 2026 and December 31, 2025 (restated), and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2026, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (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, the Regulations Governing the Preparation of Financial Reports by Public Banks, the Regulations Governing the Preparation of Financial Reports by Securities Firms, the Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, the International Accounting Standard 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and the Order No. 1140131712 dated March 12, 2025 and the Order No. 1140495239 dated January 2, 2026 issued by the Financial Supervisory Commission. 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 Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. 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 causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of TS Financial Holding Co., Ltd. and its subsidiaries as of March 31, 2026 and December 31, 2025 (restated), and its consolidated financial performance and cash flows for the three months ended March 31, 2026, in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, the Regulations Governing the Preparation of Financial Reports by Public Banks, the Regulations Governing the Preparation of Financial Reports by Securities Firms, the Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, the International Accounting Standard 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and the Order No. 1140131712 dated March 12, 2025 and the Order No. 1140495239 dated January 2, 2026 issued by the Financial Supervisory Commission.

Emphasis of Matter – Applicable Financial Reporting Framework

As stated in Note 3 to the consolidated financial statements, TS Financial Holding Co., Ltd. and its subsidiaries adopted International Financial Reporting Standard 17 "Insurance Contracts" for the first time, effective January 1, 2026, and retrospectively restated the consolidated balance sheets as of December 31, 2025, March 31, 2025, and January 1, 2025, as well as the consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2025, together with the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

As stated in Notes 4 and 6 to the consolidated financial statements, TS Financial Holding Co., Ltd. and its subsidiaries, effective January 1, 2026, in accordance with Article 17 of the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, the proviso to Article 12 "Exchange Gains and Losses" of the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises and the Order No. 1140495239 dated January 2, 2026 issued by the Financial Supervisory Commission, amortize the unrealized exchange differences for each reporting period on debt instruments classified as measured at amortized cost and not designated as hedging instruments for foreign currency risk components on a straight-line basis over their expected remaining lives, and recognize them in exchange gains and losses.

As stated in Notes 4 and 6 to the consolidated financial statements, TS Financial Holding Co., Ltd. and its subsidiaries, effective January 1, 2026, in accordance with the Order No. 1140131712 dated March 12, 2025 issued by the Financial Supervisory Commission, and the practical guidance issued by the Taiwan Insurance Institute, assessed the contractual cash flow characteristics of non-complex, unleveraged New Taiwan dollar-denominated overseas bond exchange traded funds, and classified them as financial assets measured at fair value through other comprehensive income.

Our conclusion is not modified in respect of these matters.

Emphasis of Matter – Impact of Additional Appropriation of Foreign Exchange Valuation Reserve

As stated in Note 6 to the consolidated financial statements, the opening balance of the foreign exchange valuation reserve of TS Financial Holding Co., Ltd. and its subsidiaries as of January 1, 2026 was determined based on the aggregate amount of the foreign exchange valuation reserves reported in parent company only financial statements of the former Shin Kong Life Insurance Co., Ltd. and the former Taishin Life Insurance Co., Ltd. for the year ended December 31, 2025.

Our conclusion is not modified in respect of this matter.

Other Matter – Prior Period Consolidated Financial Statements Audited or Reviewed by Other Independent Auditors and Restated

The consolidated financial statements of TS Financial Holding Co., Ltd. and its subsidiaries for the year ended December 31, 2024 and for the three months ended March 31, 2025 were audited or reviewed by other independent auditors, and an unqualified audit report and an unqualified review report were issued on February 21, 2025 and May 15, 2025, respectively.

TS Financial Holding Co., Ltd. and its subsidiaries have, in accordance with the transition requirements of Appendix C of International Financial Reporting Standard 17, retrospectively restated the consolidated balance sheets as of March 31, 2025 and January 1, 2025, as well as the consolidated statements of comprehensive income, changes in equity, and cash flows for the three months ended March 31, 2025, together with the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). The adjustments resulting from such restatement have been subject to review procedures performed by the auditor.

Fuh, Wen-Fang

Chang, Cheng-Tao

Ernst & Young, Taiwan
May 28, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations 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 accepted and applied in the Republic of China.

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

English Translation of Financial Statements Originally Issued in Chinese

TS FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

(Formerly Named Taishin Financial Holding Co., Ltd.)

CONSOLIDATED BALANCE SHEETS

March 31, 2026, December 31, 2025, March 31, 2025 and January 1, 2025

(In Thousands of New Taiwan Dollars)

Assets			March 31, 2026		December 31, 2025 (restated)		March 31, 2025 (restated)		January 1, 2025 (restated)	
Code	Items	Notes	Amount	%	Amount	%	Amount	%	Amount	%
11000	Cash and cash equivalents	6(1)	$97,795,796	1	$76,553,336	1	$29,934,763	1	$33,110,688	1
11500	Due from the Central Bank and call loans to banks	6(2)	284,687,302	3	207,851,113	2	106,660,283	3	108,262,582	3
12000	Financial assets at fair value through profit or loss	6(3)	378,417,961	4	710,743,765	8	201,101,488	6	185,958,931	6
12150	Financial assets at fair value through other comprehensive income	6(4)	2,001,192,490	22	579,747,660	7	172,828,626	5	169,292,719	5
12200	Investments in debt instruments at amortized cost	6(5)	1,675,173,057	18	2,711,655,457	31	810,170,856	24	812,983,362	25
12500	Securities purchased under resell agreements		31,410,425	-	14,772,034	-	8,939,372	-	2,741,500	-
13000	Receivables, net	6(7), 6(9)	346,500,709	4	304,364,520	3	187,903,914	5	186,299,063	6
13200	Current tax assets	6(39)	1,516,552	-	1,516,382	-	-	-	-	-
13300	Assets classified as held for sale	6(8)	4,885,637	-	5,272,964	-	-	-	-	-
13500	Loans, net	6(9)	2,905,523,432	32	2,725,945,075	32	1,755,655,315	52	1,652,260,354	50
13800	Insurance contract and reinsurance contract assets, net	6(25)	1,258,366	-	1,518,284	-	13,783	-	7,354	-
15000	Investments accounted for using equity method	6(10)	3,021,795	-	3,006,990	-	522,937	-	527,999	-
15500	Other financial assets, net	6(7), 6(9), 6(11), 6(26)	172,953,173	2	168,072,625	2	60,030,034	2	55,826,062	2
18000	Investment properties, net	6(12)	231,343,674	3	229,819,353	3	10,967,226	-	10,856,081	-
18500	Property and equipment, net	6(13)	84,632,915	1	86,144,291	1	25,112,951	1	25,308,787	1
18600	Right-of-use assets, net	6(14)	6,934,494	-	6,923,657	-	2,262,748	-	2,218,285	-
19000	Intangible assets, net	6(15)	674,445,540	8	674,879,970	8	3,623,768	-	3,669,396	-
19300	Deferred tax assets	6(39)	50,658,500	1	70,170,700	1	3,732,441	-	3,381,241	-
19500	Other assets, net	6(16)	112,357,137	1	73,391,540	1	22,681,388	1	24,302,711	1
19999	Total assets		$9,064,708,955	100	$8,652,349,716	100	$3,402,141,893	100	$3,277,007,115	100

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Financial Statements Originally Issued in Chinese

TS FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

(Formerly Named Taishin Financial Holding Co., Ltd.)

CONSOLIDATED BALANCE SHEETS (CONTINUED)

March 31, 2026, December 31, 2025, March 31, 2025 and January 1, 2025

(In Thousands of New Taiwan Dollars)

Liabilities and Equity			March 31, 2026		December 31, 2025 (restated)		March 31, 2025 (restated)		January 1, 2025 (restated)	
Code	Items	Notes	Amount	%	Amount	%	Amount	%	Amount	%
21000	Deposits from the Central Bank and banks	6(17)	$98,938,101	1	$47,884,309	1	$19,127,467	1	$12,676,083	1
22000	Financial liabilities at fair value through profit or loss	6(3)	155,290,566	2	149,940,958	2	62,891,847	2	71,322,528	2
22500	Securities sold under repurchase agreements		160,544,946	2	108,170,454	1	74,629,921	2	64,973,243	2
22600	Commercial papers issued, net	6(18)	108,454,001	1	92,136,825	1	50,344,770	2	49,413,465	2
23000	Payables	6(19)	134,561,854	1	122,469,523	2	47,610,235	1	44,133,728	1
23200	Current tax liabilities	6(39)	7,359,100	-	8,479,097	-	3,430,161	-	2,234,377	-
23500	Deposits and remittances	6(20)	3,746,971,084	41	3,581,227,318	41	2,423,834,563	71	2,320,225,929	71
24000	Bonds payable	6(21)	146,527,470	2	148,712,687	2	60,331,400	2	64,533,272	2
24400	Other borrowings	6(22)	8,545,014	-	7,858,402	-	10,080,003	-	10,243,712	-
24500	Preferred stock liabilities	6(23)	28,576,911	-	28,322,642	-	-	-	-	-
24600	Provisions	6(24)	2,443,271	-	2,524,579	-	1,477,354	-	1,507,255	-
25500	Other financial liabilities	6(28)	182,633,819	2	180,255,556	2	106,148,302	3	104,483,088	3
25600	Insurance contract and reinsurance contract liabilities	6(25)	3,355,596,287	37	3,393,773,775	39	228,731,251	7	219,158,855	7
26000	Lease liabilities	6(14)	9,439,651	-	9,546,561	-	2,338,125	-	2,291,981	-
29300	Deferred tax liabilities	6(39)	48,896,172	1	52,718,541	1	10,310,618	-	10,801,057	-
29500	Other liabilities	6(29)	270,733,161	3	203,726,037	2	19,724,738	1	19,939,217	1
29999	Total liabilities		8,465,511,408	93	8,137,747,264	94	3,121,010,755	92	2,997,937,790	92
31000	Equity attributable to owners of parent	6(31)								
31100	Share capital									
31101	Ordinary shares		248,663,992	3	248,663,992	3	129,761,443	4	129,761,443	4
31103	Preferred shares		13,946,680	-	13,946,680	-	11,000,000	-	11,000,000	-
31500	Capital surplus		133,732,478	2	133,732,478	2	38,197,778	1	38,197,778	1
32000	Retained earnings									
32001	Legal reserve		20,556,406	-	20,556,406	-	18,439,029	1	18,439,029	1
32003	Special reserve		468,184	-	468,184	-	1,146,190	-	1,146,190	-
32011	Unappropriated earnings		143,762,260	2	107,003,154	1	82,677,879	2	80,320,296	2
32500	Other equity		37,675,640	-	(10,144,700)	-	(28,477)	-	267,009	-
32600	Treasury shares		(89,298)	-	(89,298)	-	(89,298)	-	(89,298)	-
31000	Total equity attributable to owners of parent		598,716,342	7	514,136,896	6	281,104,544	8	279,042,447	8
39500	Non-controlling interests		481,205	-	465,556	-	26,594	-	26,878	-
39999	Total equity		599,197,547	7	514,602,452	6	281,131,138	8	279,069,325	8
	Total liabilities and equity		$9,064,708,955	100	$8,652,349,716	100	$3,402,141,893	100	$3,277,007,115	100

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Financial Statements Originally Issued in Chinese
TS FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES
(Formerly Named Taishin Financial Holding Co., Ltd.)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three months ended March 31, 2026 and 2025
(In Thousands of New Taiwan Dollars)

Code	Items	Notes	For the three months ended March 31			
			2026	%	2025 (restated)	%
	Net Interest income					
41000	Interest income	6(32)	$60,095,412	126	$21,632,247	173
51000	Less: interest expenses	6(32)	(17,552,574)	(37)	(12,398,341)	(99)
49600	Net interest income	6(32)	42,542,838	89	9,233,906	74
	Net income other than net interest income					
49800	Net service fee and commission income	6(33)	8,963,867	19	5,420,373	43
49815	Insurance service result	6(34)	7,616,034	16	450,698	4
49816	Gains (losses) arising from insurance product, separated account		8,025,341	17	(2,100,235)	(17)
49817	Insurance finance income or expenses		(22,810,407)	(48)	(135,819)	(1)
49818	Finance income or expenses from reinsurance contracts held		(47,232)	-	19,534	-
49820	Gain (loss) on financial assets and liabilities at FVTPL	6(35)	(16,500,439)	(35)	(1,874,299)	(15)
49835	Realized gain (loss) on financial assets at FVTOCI	6(36)	4,221,511	9	250,721	2
49850	Gain (loss) on derecognition of financial assets at amortized cost	6(5)	49,599	-	10,302	-
49870	Foreign exchange gain (loss)		12,316,486	26	1,364,486	11
49880	(Impairment loss on assets) reversal of impairment loss on assets	6(4), 6(5)	(4,582)	-	(3,415)	-
49891	Share of profit (loss) of associates accounted for using equity method	6(10)	14,659	-	(5,062)	-
	Net other non-interest income					
49999	Net other miscellaneous (loss) income		3,479,781	7	(127,675)	(1)
49700	Net income other than net interest income		5,324,618	11	3,269,609	26
4xxxx	Net revenue and gains		47,867,456	100	12,503,515	100
58100	Bad debt expenses, commitments and guarantees liabilities provision	6(7), 6(9), 6(24)	(1,597,271)	(3)	(769,336)	(6)
58200	Other insurance service costs		(2,771,663)	(6)	(125,323)	(1)
	Operating expenses					
58501	Employee benefits expenses	6(37)	(10,035,977)	(21)	(5,337,318)	(42)
58503	Depreciation and amortization expenses	6(38)	(2,068,865)	(5)	(712,224)	(6)
58599	Other general and administrative expenses		(5,804,926)	(12)	(3,120,217)	(25)
58500	Total operating expenses		(17,909,768)	(38)	(9,169,759)	(73)
61000	Income before income tax		25,588,754	53	2,439,097	20
61003	Income tax expense	6(39)	(4,532,177)	(9)	(497,880)	(4)
69000	Net income		$21,056,577	44	$1,941,217	16

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Financial Statements Originally Issued in Chinese
TS FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES
(Formerly Named Taishin Financial Holding Co., Ltd.)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
For the three months ended March 31, 2026 and 2025
(In Thousands of New Taiwan Dollars)

Code	Items	Notes	For the three months ended March 31			
			2026	%	2025 (restated)	%
	Other comprehensive income (loss)					
69560	Items that will not be reclassified subsequently to profit or loss					
69561	Gain (loss) on remeasurements of defined benefit plans		5,682	-	-	-
69565	Changes in the fair value attributable to changes in the credit risk of financial liabilities designated as at FVTPL	6(31)	(29,067)	-	(53,199)	(1)
69567	Unrealized gain (loss) on investments in equity instruments designated as at FVTOCI	6(31)	16,276,721	34	(801,352)	(6)
69569	Income tax relating to items that will not be reclassified subsequently to profit or loss	6(31), 6(39)	(1,660,813)	(3)	-	-
69570	Items that will be reclassified subsequently to profit or loss					
69571	Exchange differences on translation of foreign financial statements	6(31)	92,613	-	52,063	-
69577	Insurance finance income or expenses		66,125,960	138	(606,629)	(5)
69582	Finance income or expenses of reinsurance contracts held		492,123	1	(3,865)	-
69585	Unrealized gain (loss) on investments in debt instruments at FVTOCI	6(31)	(37,628,910)	(79)	1,616,295	13
69587	Impairment loss (Reversal of impairment loss) from investments in debt instruments measured at FVTOCI	6(31)	16,405	-	662	-
69579	Income tax relating to items that will be reclassified subsequently to profit or loss	6(31), 6(39)	(6,756,104)	(14)	(83,379)	(1)
69581	Gain (loss) on hedging instrument that will be reclassified to profit or loss	6(31)	146	-	-	-
69500	Other comprehensive income (loss) for the period, net of tax		36,934,756	77	120,596	-
69700	Total comprehensive income (loss)		$57,991,333	121	$2,061,813	16
69900	Net income attributable to:					
69901	Owners of parent		$21,040,510	44	1,941,501	16
69903	Non-controlling interests		16,067	-	(284)	-
			$21,056,577	44	$1,941,217	16
69950	Total comprehensive income (loss) attributable to:					
69951	Owners of parent		$57,976,164	121	2,062,097	16
69953	Non-controlling interests		15,169	-	(284)	-
			$57,991,333	121	$2,061,813	16
	Earnings per share (dollar)	6(40)				
70000	Basic earnings per share		$0.82		$0.11	
71000	Diluted earnings per share		$0.82		$0.11	

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Financial Statements Originally Issued in Chinese

TS FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

(Formerly Named Taishin Financial Holding Co., Ltd.)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2026 and 2025

(In Thousands of New Taiwan Dollars)

		Equity attributable to owners of parent																		
		Share capital		Capital surplus				Retained earnings			Other equity									
Code	Description	Ordinary shares	Preferred shares	Additional paid-in capital in excess of par	Treasury shares transactions	Share-based compensation	Others	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of financial statements of foreign operations	Insurance finance income or expenses recognised in other comprehensive income	Finance income or expenses from reinsurance contracts held recognized in other comprehensive income	Unrealised gains (losses) from financial assets measured at FVTOCI	Changes in fair value of attributable to changes in the credit risk of financial liabilities at FVTPL	Gain (loss) on hedging instruments	Other comprehensive income (loss) on reclassification using the overlay approach	Treasury shares	Non-controlling interests	Total equity
A1	Balance at January 1, 2025	$129,761,443	$11,000,000	$36,066,458	$2,075,475	$52,632	$3,213	$18,439,029	$1,146,190	$30,519,014	$(98,874)	$-	$-	$(1,099,440)	$22,145	$-	$1,059,722	$(89,298)	$26,878	$228,884,587
A3	Effects of retrospective application and retrospective restatement	-	-	-	-	-	-	-	-	49,801,282	-	1,567,830	-	(124,652)	-	-	(1,059,722)	-	-	50,184,738
A5	Balance at January 1, 2025 (restated)	129,761,443	11,000,000	36,066,458	2,075,475	52,632	3,213	18,439,029	1,146,190	80,320,296	(98,874)	1,567,830	-	(1,224,092)	22,145	-	-	(89,298)	26,878	279,069,325
D1	Net incomefor the three-month periods ended March 31, 2025	-	-	-	-	-	-	-	-	1,941,501	-	-	-	-	-	-	-	-	(284)	1,941,217
D3	Other comprehensive income (loss)for the three-month periods ended March 31, 2025	-	-	-	-	-	-	-	-	-	52,063	(485,303)	(3,092)	610,127	(53,199)	-	-	-	-	120,596
D5	Total comprehensive income (loss)for the three-month periods ended March 31, 2025	-	-	-	-	-	-	-	-	1,941,501	52,063	(485,303)	(3,092)	610,127	(53,199)	-	-	-	(284)	2,061,813
Q1	Disposals of investments in equity instruments designated as at FVTOCI	-	-	-	-	-	-	-	-	416,082	-			(416,082)	-	-	-	-	-	-
Z1	Balance at March 31, 2025	$129,761,443	$11,000,000	$36,066,458	$2,075,475	$52,632	$3,213	$18,439,029	$1,146,190	$82,677,879	$(46,811)	$1,082,527	$(3,092)	$(1,030,047)	$(31,054)	$-	$-	$(89,298)	$26,594	$281,131,138
A1	Balance at January 1, 2026 (restated)	$248,663,992	$13,946,680	$131,601,158	$2,075,475	$52,632	$3,213	$20,556,406	$468,184	$107,003,154	$18,995	$(34,772,618)	$(274,394)	$24,931,165	$(47,852)	$4	$-	$(89,298)	$465,556	$514,602,452
A3	Effects of retrospective application and retrospective restatement	-	-	-	-	-	-	-	-	1,626,804	-	-	-	24,991,235	-	-	-	-	-	26,618,039
A5	Balance at January 1, 2026 (restated)	248,663,992	13,946,680	131,601,158	2,075,475	52,632	3,213	20,556,406	468,184	108,629,958	18,995	(34,772,618)	(274,394)	49,922,400	(47,852)	4	-	(89,298)	465,556	541,220,491
D1	Net incomefor the three-month periods ended March 31, 2026	-	-	-	-	-	-	-	-	21,040,510	-			-	-	-	-	-	16,067	21,056,577
D3	Other comprehensive income (loss)for the three-month periods ended March 31, 2026	-	-	-	-	-	-	-	-	5,682	92,613	52,899,593	393,706	(16,427,019)	(29,067)	146	-	-	(898)	36,934,756
D5	Total comprehensive income (loss)for the three-month periods ended March 31, 2026	-	-	-	-	-	-	-	-	21,046,192	92,613	52,899,593	393,706	(16,427,019)	(29,067)	146	-	-	15,169	57,991,333
H3	Reorganization	-	-	-	-	-	-	-	-	-	(14,757)	-	-	-	-	-	-	-	-	(14,757)
O1	Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	480	480
Q1	Disposals of investments in equity instruments designated as at FVTOCI	-	-	-	-	-	-	-	-	14,086,110	-	-	-	(14,086,110)	-	-	-	-	-	-
Z1	Balance at March 31, 2026	$248,663,992	$13,946,680	$131,601,158	$2,075,475	$52,632	$3,213	$20,556,406	$468,184	$143,762,260	$96,851	$18,126,975	$119,312	$19,409,271	$(76,919)	$150	$-	$(89,298)	$481,205	$599,197,547

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Financial Statements Originally Issued in Chinese

TS FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

(Formerly Named Taishin Financial Holding Co., Ltd.)

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2026 and 2025

(In Thousands of New Taiwan Dollars)

Code	Items	For the three month ended March 31	
		2026	2025 (restated)
	Cash flows from operating activities		
A10000	Income before income tax	$25,588,754	$2,439,097
A20000	Adjustments:		
	Adjustments for reconciliation of profit or loss		
A20100	Depreciation expenses	1,450,649	541,856
A20200	Amortization expenses	618,216	170,368
A20300	Provisions for bad debts expenses, commitments and guarantee liabilities	1,597,271	769,336
A20400	Net loss on financial assets or liabilities measured at FVTPL	16,500,439	1,874,299
A20450	Net gain on financial assets or liabilities measured at FVTOCI	(4,221,511)	(250,721)
A20900	Interest expenses	17,552,574	12,398,341
A21000	Net gain on derecognition of financial assets at amortized cost	(49,599)	(10,302)
A21200	Interest income	(60,095,412)	(21,632,247)
A21600	Net change in reserve for foreign exchange valuation	613,877	424,138
A21610	Net change in special provisions and other provisions	1,378,389	125,323
A22300	Share of profit of associates accounted for using equity method	(14,659)	5,062
A23500	Impairment loss on financial assets	4,582	3,415
A29900	Other adjustments	1,727	(1,532)
	Changes in operating assets and liabilities		
A71110	Decrease in due from the Central Bank and call loans to banks	3,675,319	4,785,789
A71120	Decrease (increase) in financial assets at FVTPL	69,944,052	(12,181,893)
A71121	Increase in financial assets at FVTOCI	(33,912,778)	(6,762,991)
A71123	(Increase) decrease in investments in debt instruments measured at amortised cost	(39,420,414)	2,782,252
A77150	Increase in securities purchased under resell agreements	(3,442,478)	-
A71160	Increase in receivables	(41,438,821)	(637,112)
A71170	Increase in loans	(181,143,563)	(104,292,642)
A71185	Decrease (increase) in insurance and reinsurance assets	259,918	(6,429)
A71200	Increase in other financial assets	(4,875,511)	(4,240,316)
A71990	(Increase) decrease in other assets	(5,432,325)	1,635,869
A72110	Decrease in deposits from the Central Bank and banks	(6,052,101)	(89,404)
A72120	Decrease in financial liabilities at FVTPL	(23,097,662)	(13,852,709)
A72140	Increase in securities sold under repurchase agreements	52,374,491	9,656,678
A72160	Increase in payables	10,621,449	2,000,090
A72170	Increase in deposits and remittances	165,743,767	103,608,634
A72190	Decrease in provisions	(126,733)	(55,026)
A72200	Increase in other financial liabilities	2,378,263	1,665,214
A72300	Increase in insurance and reinsurance liabilities	28,469,524	8,961,902
A72990	Increase (decrease) in other liabilities	17,432,899	(817,608)
A33000	Cash used in operations	12,882,593	(10,983,269)
A33100	Interest received	51,547,144	21,471,924
A33200	Dividends received	884,985	237,753
A33300	Interest paid	(15,839,814)	(10,886,837)
A33500	Income taxes paid	(4,663,693)	(225,247)
AAAA	Net cash generated from (used in) operating activities	$44,811,215	$(385,676)

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Financial Statements Originally Issued in Chinese

TS FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

(Formerly Named Taishin Financial Holding Co., Ltd.)

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

For the three months ended March 31, 2026 and 2025

(In Thousands of New Taiwan Dollars)

Code	Items	For the three months ended March 31	
		2026	2025 (restated)
	Cash flows from investing activities		
B02600	Proceeds from disposal of assets classified as held for sale	387,327	-
B02700	Acquisition of property and equipment	(525,982)	(125,689)
B02800	Proceeds from disposal of property and equipment	1,407	2,260
B04500	Acquisition of intangible assets	(175,693)	(117,689)
B04600	Proceeds from disposal of intangible assets	4,667	-
B05400	Acquisition of investment properties	(684,534)	(119,881)
BBBB	Net cash (used in) generated from investing activities	(992,808)	(360,999)
	Cash flows from financing activities		
C00300	Increase in due to the Central Bank and banks	56,927,972	6,540,788
C00700	Increase in commercial papers payable	16,327,351	954,000
C01300	Repayments of corporate bonds	(2,200,000)	-
C01800	Increase in other borrowings	529,768	-
C01900	Decrease in other borrowings	-	(323,356)
C04020	Payments of lease liabilities	(710,404)	(216,024)
C05800	Change in non-controlling interests	480	-
CCCC	Net cash generated from financing activities	70,875,167	6,955,408
DDDD	Effects of exchange rate changes on cash and cash equivalents	256,307	(3,295)
EEEE	Net increase in cash and cash equivalents	114,949,881	6,205,438
E00100	Cash and cash equivalents at the beginning of the period	110,583,698	38,180,562
E00200	Cash and cash equivalents at the end of the period	$225,533,579	$44,386,000
	Reconciliation of cash and cash equivalents:		
E00210	Cash and cash equivalents in consolidated balance sheets	$97,795,796	$29,934,763
E00220	Due from the Central bank and call loans to banks qualifying as cash and cash equivalents under the definition of IAS 7	104,426,119	5,511,864
E00230	Securities purchased under resell agreements qualifying as cash and cash equivalents under the definition of IAS 7	23,311,664	8,939,373
E00200	Cash and cash equivalents at the end of the period	$225,533,579	$44,386,000

The accompanying notes are an integral part of the consolidated financial statements.

1. History and Organization

TS Financial Holding Co., Ltd. (formerly named Taishin Financial Holding Co., Ltd.) ("TS Financial Holding" or the "Company") was established by Taishin International Bank Co., Ltd. ("Taishin Bank") and Dah An Commercial Bank Co., Ltd. ("Dah An Bank") pursuant to the ROC Financial Holding Company Act and related regulations through a share swap on February 18, 2002. TS Financial Holding's main business activities are investing and managing its investments in financial institutions.

Taishin Bank and Dah An Bank established TS Financial Holding through a share swap. In forming the holding company, Taishin Bank merged with Dah An Bank, with Taishin Bank as the surviving company. In addition, Taishin Securities Co., Ltd. ("Taishin Securities A") and Taishin Bills Finance Co., Ltd. ("Taishin Bills Finance") became wholly-owned subsidiaries of TS Financial Holding through a share swap effective on December 31, 2002.

In order to better integrate the resources of the Company and its controlled affiliates, on December 19, 2009, the Company disposed of its wholly-owned subsidiary Taishin Securities A via a merger transaction of Taishin Securities A, as the dissolved company, and Taishin Bills Finance. In addition, on January 22, 2011, Taishin Bank merged with Taishin Bills Finance. Hence, Taishin Bank acquired total assets and assumed all liabilities and operations of Taishin Bills Finance.

The Company's merger with Shin Kong Financial Holding Co., Ltd. ("Shin Kong Financial Holding") was approved by the Company's board of directors ("the Board of Directors") on August 22, 2024 and by the shareholders at their extraordinary meeting on October 9, 2024. Following the completion of the merger, the Company became the surviving company and assumed all subsidiaries and sub-subsidiaries of Shin Kong Financial Holding. On January 9, 2025, the Fair Trade Commission resolved not to prohibit this merger, and the merger agreement was approved by the Financial Supervisory Commission ("FSC") on March 31, 2025. The merger became effective on July 24, 2025, and on the same day, the Company obtained approval from the Ministry of Economic Affairs to change the company name to TS Financial Holding Co., Ltd.

The relevant merged financial report preparation entities are detailed in Note 4. (3).

2. Date and Procedures of Authorization of Financial Statements for Issue

The consolidated financial statements were approved by the Board of Directors on May 28, 2026.

3. Newly Issued or Revised Standards and Interpretations

(1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Company and its subsidiaries (the "Group") applied for the first time International Financial Reporting Standards(IFRS), International Accounting Standards(IAS) and Interpretations issued, revised or amended and endorsed by the FSC, which are effective for annual periods beginning on or after January 1, 2026. Except for the nature and impact of the new standards and amendments described below, the adoption of the remaining new standards and amendments had no material impact on the Group.

A. IFRS 17 "Insurance Contracts"

IFRS 17 "Insurance Contracts" (hereinafter referred to as "IFRS 17") replaced IFRS 4 "Insurance Contracts" (hereinafter referred to as "IFRS 4") effective January 1, 2026. The Group has restated the comparative information for the year ended December 31, 2025 in accordance with the transition provisions of Appendix C of IFRS 17. The impact of the initial adoption of IFRS 17 is described as follows:

(a) Changes in classification and measurement

IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued, investment contracts with discretionary participation features, and reinsurance contracts held.

The main principles of IFRS 17 are as follows:

i. Identify as insurance contracts those contracts under which the issuer accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event (insurance event) adversely affects the policyholder.
ii. Separate certain embedded derivatives, distinct investment components, and obligations to provide goods or services that are not insurance contracts services to the policyholder, and account for them under other applicable standards.
iii. Aggregate insurance contracts with similar risks and managed together into portfolios, and further divide the portfolios into groups to apply recognition and measurement requirements.

Under IFRS 17, measurement approaches include the General Model, the Variable Fee Approach, and the Premium Allocation Approach.

Key principles for models other than the Premium Allocation Approach:

i. Measure the carrying amount of a group of contracts as the sum of:
   (i) Fulfilment cash flows, which incorporate all available information about future cash flows that is consistent with observable market information.
   (ii) Contractual service margin (CSM), representing the unearned profit.
ii. The CSM of an insurance contract group is recognized as profit as the entity provides insurance contract services. For onerous groups, losses must be recognized immediately in profit or loss so that the carrying amount of the group equals the fulfilment cash flows, and the CSM is set to zero.

Key principles of the Premium Allocation Approach:

i. The liability for remaining coverage reflects premiums received, less deferred acquisition cash flows, and less the amount of insurance revenue recognized for services provided.
ii. If the expected period between the provision of each service component and the related premium due date does not exceed one year, the liability for remaining coverage does not need to be adjusted for the effects of the time value of money and financial risk.
iii. When an insurance contract group is onerous, the liability for remaining coverage should incorporate fulfilment cash flows related to that group in measuring the loss component.
iv. When an insurance contract group is onerous, the liability for remaining coverage should incorporate fulfilment cash flows related to that group in measuring the loss component.

The adoption of IFRS 17 did not change the classification of the Group's insurance contracts. For a summary of other significant accounting policies on classification and measurement, please refer to Note 4, and for matters related to the transitional provisions, please refer to Note 3 (1)A.(c).

(b)Changes in presentation and disclosure

On the balance sheet, the Group shall separately present the carrying amounts of groups of insurance contracts issued that are assets, reinsurance contracts held that are assets, insurance contracts issued that are liabilities, and reinsurance contracts held that are liabilities.

On the statement of comprehensive income, entities shall separately present insurance revenue, insurance service expenses, insurance finance income or expenses, and income or expenses from reinsurance contracts held.

(c) Transition

Unless impracticable, IFRS 17 shall be applied retrospectively. At the transition date (January 1, 2025 in ROC calendar years, i.e., Minguo Year 114), each group of insurance contracts shall be identified, recognized, and measured as if IFRS 17 had always been applied (the full retrospective approach). Any balances that would not exist under IFRS 17 shall be derecognized, and the resulting net difference shall be recognized in equity.

If it is impracticable to apply the full retrospective approach to a group of insurance contracts, an entity may apply either the modified retrospective approach or the fair value approach.

Under the modified retrospective approach, reasonable and supportable information (that can be obtained without undue cost or effort) shall be used to achieve the closest possible outcome to full retrospective application. If such information is not available, the fair value approach must be used.

Under the fair value approach, the contractual service margin or the loss component of the liability for remaining coverage as at the transition date is determined as the difference between the fair value of a group of insurance contracts and the fulfilment cash flows measured on that date. In determining fair value, IFRS 13 Fair Value Measurement shall be applied, except for paragraph 47 of IFRS 13 (which relates to demand features).

i. Full Retrospective Approach

The Group applied the full retrospective approach to groups of insurance contracts issued on or after January 1, 2024.

ii. Fair Value Approach

The Group assessed that it was impracticable to apply the full retrospective approach to groups of insurance contracts issued on or before December 31, 2023. Accordingly, the fair value approach was applied to those groups of insurance contracts. When applying the fair value approach, as no reasonable and supportable information was available to restrict grouping to contracts issued within one year, contracts issued more than one year apart were aggregated into the same group.

To apply the fair value approach, the Group used reasonable and supportable information available at the transition date to:

(i) Identify a group of insurance contracts
(ii) Determine whether insurance contracts meet the definition of insurance contract with direct participation features
(iii) Identify discretionary cash flows for insurance contracts without direct participation features
(iv) Determine whether investment contracts meet the definition of discretionary participation features within the scope of IFRS 17

For groups of insurance contracts applying the fair value approach, the Group determined the contractual service margin or the loss component of the liability for remaining coverage at the transition date as the difference between the fair value of a group of insurance contracts and the fulfilment cash flows measured at that date. The fair value of insurance contracts was measured using the income approach.

The Group determined the discount rates for groups of insurance contracts at the transition date, rather than at the date of initial recognition or the occurrence of claims, as required by IFRS 17.

In applying the fair value approach, for insurance finance income or expenses disaggregated between profit or loss and other comprehensive income, the Group determined that the cumulative amount of insurance finance income or expenses recognized in other comprehensive income at the transition date was zero.

The Group has assessed the expected impacts of applying IFRS 17 for the first time on major financial information at the transition date, as follows:

	Under IFRS 4	Impact of IFRS 17	Under IFRS 17
	Dec 31, 2024		Jan 1, 2025
Total Assets	$3,290,705,344	Decrease $13,698,229	$3,277,007,115
Total Liabilities	3,061,820,757	Decrease 63,882,967	2,997,937,790
Total Equity	228,884,587	Increase 50,184,738	279,069,325

The Group have already applied IFRS 9 before initial application of IFRS 17, IFRS 17 allows the re-designation or re-classification of financial assets based on facts and circumstances at the initial application date. Prior periods need not be restated unless restatement can be made without the use of hindsight. If prior periods are not restated, differences between the previous carrying amounts and the carrying amounts at the initial application date shall be recognized in opening retained earnings or other equity. For financial assets derecognized between the transition date and the initial application date of IFRS 17, the classification overlay approach may be used to present comparative information.

The Group reassessed the business models and the designation and revocation of financial asset classifications based on asset-liability matching management as of the initial application date. The Group did not restate prior periods for these changes, nor did it apply the classification overlay approach to present comparative information. The effect of the related financial information is disclosed as follows:

i. Financial assets at FVTPL:

	2025.12.31 Carrying amount	Reclassification	Re-measurement	2026.1.1 Carrying amount	Effect of retained earnings	Effect of other equity
Financial assets at FVTPL:	$710,743,765	$-	$-	$710,743,765	$-	$-
Additions:						
Redesignation from financial assets measured at FVTOCI	-	-	-	-	-	-
Redesignation from financial assets measured at amortized cost	-	1,859,213	(18,486)	1,840,727	(18,486)	-
Less:						
To financial assets measured at FVTOCI	-	(274,731,983)	-	(274,731,983)	-	-
To financial assets measured at amortized cost	-	-	-	-	-	-
Revocation of reclassification of the overlay approach	-	-	-	-	498,000	(498,000)
Financial assets at FVTPL	$710,743,765	$(272,872,770)	$(18,486)	$437,852,509	$479,514	$498,000

ii. Financial assets at FVTOCI

	2025.12.31 Carrying amount	Reclassification	Re-measurement	2026.1.1 Carrying amount	Effect of retained earnings	Effect of other equity
Financial assets at FVTOCI:	$579,747,660	$-	$-	$579,747,660	$-	$-
Additions:						
Redesignation from financial assets measured at FVTPL	-	274,731,983	-	274,731,983	-	-
Redesignation from financial assets measured at amortized cost	-	1,097,936,907	32,900,462	1,130,837,369	-	32,900,462
Less:						
To financial assets measured at FVTPL	-	-	-	-	-	-
To financial assets measured at amortized cost	-	-	-	-	-	-
Financial assets at FVTOCI	$579,747,660	$1,372,668,890	$32,900,462	$1,985,317,012	$-	$32,900,462

iii. Financial assets at amortized cost:

	2025.12.31 Carrying amount	Reclassification	Re-measurement	2026.1.1 Carrying amount	Effect of retained earnings	Effect of other equity
Financial assets at amortized cost:	$2,711,655,457	$-	$-	$2,711,655,457	$-	$-
Additions:						
Redesignation from financial assets measured at FVTPL	-	-	-	-	-	-
Redesignation from financial assets measured at FVTOCI	-	-	-	-	-	-
Less:						
To financial assets measured at FVTPL	-	(1,859,213)	-	(1,859,213)	-	-
To financial assets measured at FVTOCI	-	(1,097,936,907)	-	(1,097,936,907)	-	-
Financial assets at amortized cost	$2,711,655,457	$(1,099,796,120)	$-	$1,611,859,337	$-	$-

(d)Amendments to the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises with the adoption of IFRS 17

The partial amendments to the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises (the "Regulations") are made to align with the adoption of IFRS 17, which affected certain line items in the balance sheet and the structure and line items of the statement of comprehensive income. These amendments are effective from 2026. For amendments within the scope of IFRS 17, the Group has restated the comparative periods in accordance with IFRS 17. Please refer to Note 3 (1)A(c) for details. The other amendments relate to the presentation of the financial statements, and the Group has reclassified comparative information in accordance with the amended the Regulations. The details are as follows:

Balance sheet as of December 31, 2025

In accordance with the Regulations prior to the amendment		Presentation differences	In accordance with the amended Regulations		Note
Item	Amount		Amount	Item	
Liabilities:				Liabilities:	
Financial liabilities measured at FVTPL	$95,363,679	$54,577,279	$149,940,958	Financial liabilities measured at FVTPL	iii
Insurance liabilities	3,518,580,769	(3,518,580,769)	-	-	iv
Insurance contract reserves with financial instrument characteristics	175,874	(175,874)	-	-	ii
Other liabilities	21,139,584	182,586,452	203,726,036	Other liabilities	iv
Separate account insurance product liabilities	130,536,420	(130,536,420)	-	-	iii

Balance sheet as of March 31, 2025

In accordance with the Regulations prior to the amendment		Presentation differences	In accordance with the amended Regulations		Note
Item	Amount		Amount	Item	
Liabilities:				Liabilities:	
Financial liabilities measured at FVTPL	$45,934,279	$16,957,568	$62,891,847	Financial liabilities measured at FVTPL	iii
Insurance liabilities	257,764,708	(257,764,708)	-	-	iv
Insurance contract reserves with financial instrument characteristics	1,385	(1,385)	-	-	ii
Other liabilities	9,801,236	9,923,502	19,724,738	Other liabilities	iv
Separate account insurance product liabilities	46,628,232	(46,628,232)	-	-	iii

Balance sheet as of January 1, 2025

In accordance with the Regulations prior to the amendment		Presentation differences	In accordance with the amended Regulations		Note
Item	Amount		Amount	Item	
Liabilities:				Liabilities:	
Financial liabilities measured at FVTPL	$56,665,194	$14,657,334	$71,322,528	Financial liabilities measured at FVTPL	iii
Insurance liabilities	247,367,103	(247,367,103)	-	-	iv
Insurance contract reserves with financial instrument characteristics	1,465	(1,465)	-	-	ii
Other liabilities	10,600,758	9,338,459	19,939,217	Other liabilities	iv
Separate account insurance product liabilities	44,367,925	(44,367,925)	-	-	iii

Statement of Comprehensive Income for the three months ended March 31, 2025

In accordance with the Regulations prior to the amendment		Presentation differences	In accordance with the amended Regulations		Note
Item	Amount		Amount	Item	
Profit and loss items				Profit and loss items	
Net service fee and commission income				Net service fee and commission income	
Fee income	$263,094	$(263,094)	$-	-	i
Net change in insurance liabilities reserves					
Net change in other insurance liabilities	8,914,216	(8,914,216)	-	-	iv
Net change in reserves for insurance contracts with the nature of financial products	(80)	80	-	-	ii
-				Net income other than net interest income	
-	-	98,926	98,926	Asset management service income	i
Net income from insurance operations	9,820,612	(9,820,612)	-	-	
-	-	125,323	125,323	Net income from insurance operations	iv

Explanation:

i. Fees received from the sale of investment-linked insurance products without discretionary participation features were recognized under fee income in the amount of $263,094 thousand for the three months ended March 31, 2025 in accordance with the Regulations prior to the amendment. Such fees have been reclassified to asset management service income in accordance with the amended Regulations.

ii. For non-separate account insurance products issued classified as financial instrument without discretionary participation features, their reserves set aside according to the Regulation Governing the Setting Aside of Various Reserves by Insurance Enterprises and relevant regulations were recognized under insurance contract reserves with financial instrument characteristics in the amount of $175,874 thousand, $1,385 thousand and $1,465 thousand as of December 31, 2025, March 31, 2025 and January 1, 2025, respectively, in accordance with the Regulations prior to the amendment. In accordance with the amended Regulations, these amounts were recognized under other liabilities. The net change in reserves for insurance contracts with the nature of financial products in the amount of $80 thousand for the three months ended March 31, 2025 were recognized under net change in financial liabilities measured at amortized cost of investment contracts in accordance with the amended Regulations.

iii. For separate account insurance products issued classified as financial instruments without discretionary participation features, the contract consideration received or paid, valuation of investment assets and policy value reserves were recognized under separate account insurance product liabilities in the amount of $54,577,279 thousand, $16,956,103 thousand and $14,657,334 thousand as of December 31, 2025, March 31, 2025 and January 1, 2025, respectively, in accordance with the Regulations prior to the amendment. In accordance with the amended Regulations, they were recognized under financial liabilities measured at fair value through profit or loss. The remaining amounts initially recognized under separate account insurance product liabilities fall within the scope of IFRS 17.

iv. In accordance with the Order No. 11004931041 issued by the FSC on August 14, 2021, for effective policies from policy year 2003 onwards, the bonus reduced due to offsetting mortality gain (loss) and interest rate gain (loss) for the year is calculated and reserved in accordance with regulatory requirements. These reserves were recognized under insurance liabilities in the amount of $125,073,728 thousand, $7,692,887 thousand and $7,567,564 thousand as of December 31, 2025, March 31, 2025 and January 1, 2025, respectively, according to the Regulations prior to the amendment. In accordance with the amended Regulations, they were recorded as other liabilities; the changes recognized under net change in other insurance liabilities in the amount of $125,323 thousand for the three months ended March 31, 2025 were recognized under other operating costs. The remaining amounts initially recognized under insurance liabilities and net change in other insurance liabilities fall within the scope of IFRS 17.

(3) Standards or interpretations issued, revised or amended, by IASB which have not been endorsed by FSC, and not yet adopted by the Group as at the date when the Group's financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
A	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
B	IFRS 18 "Presentation and Disclosure in Financial Statements"	1 January 2027 (Note)
C	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	1 January 2027
D	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)	1 January 2027

Note: On September 25, 2025, the FSC announced in a press release that Taiwan will adopt IFRS 18 in 2028.

A. IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures*, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

B. IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

(a) Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities' performance and make it easier to compare entities.

(b) Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(c) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

C. Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This new standard and its amendments permit subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

D. Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)

The amendments include:

(a) Clarify that when the entity's functional currency is that of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the entity shall translate its results and financial position using the closing rate at the date of the most recent statement of financial position.
(b) In the above circumstances, when the presentation currency ceases to be hyperinflationary economy, the entity shall not retranslate amounts that arose before the beginning of the reporting period.
(c) When the entity's functional currency and presentation currency are the currency of a hyperinflationary economy, the entity shall apply the relevant accounting treatment in accordance with paragraph 34 of IAS 29.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under B., it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

4. Summary of Significant Accounting Policies

Except for the following, the accounting policies applied in the interim consolidated financial statements are the same as those in the consolidated financial statements as of and for the year ended December 31, 2025. Refer to Note 4. to the consolidated financial statements as of and for the year ended December 31, 2025 for related information.

(1) Statement of compliance

The consolidated financial statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, the Regulations Governing the Preparation of Financial Reports by Public Banks, the Regulations Governing the Preparation of Financial Reports by Securities Firms, the Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants, the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, the International Accounting Standard 34 "Interim Financial Reporting" as endorsed and issued into effect by FSC, and the Order No. 1140131712 dated March 12, 2025 and the Order No. 1140495239 dated January 2, 2026 issued by the FSC.

(2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments, that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars ("NT$") unless otherwise stated.

(3) Basis of consolidation

Subsidiaries included in the consolidated financial statements were as follows

The consolidated entities are listed as follows:

		Percentage of ownership			
Investor	Subsidiary	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
The Company	Taishin Bank	100.00%	100.00%	100.00%	100.00%
The Company	Taishin Securities Co., Ltd. ("Taishin Securities B")	100.00%	100.00%	100.00%	100.00%
The Company	Taishin Asset Management Co., Ltd. ("Taishin AMC")	100.00%	100.00%	100.00%	100.00%
The Company	Taishin Venture Capital Investment Co., Ltd. ("Taishin Venture Capital Investment")	100.00%	100.00%	100.00%	100.00%
The Company	Taishin Securities Investment Advisory Co., Ltd. ("Taishin Securities Investment Advisory")	92.00%	92.00%	92.00%	92.00%
The Company	Taishin Securities Investment Trust Co., Ltd ("Taishin Securities Investment Trust")	100.00%	100.00%	100.00%	100.00%
Taishin Bank	Taishin Real-Estate Management Co., Ltd. ("Taishin Real-Estate")	60.00%	60.00%	60.00%	60.00%
Taishin Bank	Taishin D.A. Finance Co., Ltd. ("Taishin D.A. Finance")	100.00%	100.00%	100.00%	100.00%
Taishin D.A. Finance	Shin Kong Leasing Corp. (Suzhou) ("Shin Kong Leasing (Suzhou)") (Note 6)	100.00%	100.00%	-	-
Taishin D.A. Finance	Taishin Financial Leasing (China) Co., Ltd. ("Taishin Financial Leasing (China)")	100.00%	100.00%	100.00%	100.00%
Taishin AMC	Taishin Real-Estate	40.00%	40.00%	40.00%	40.00%
Taishin Venture Capital Investment	Taishin Sports Entertainment Co., Ltd. ("Taishin Sports Entertainment")	100.00%	100.00%	100.00%	100.00%
Taishin Securities B	Taishin Securities Venture Capital Co., Ltd. ("Taishin Securities Venture Capital")	100.00%	100.00%	100.00%	100.00%
Taishin Securities B	Taishin Capital Co., Ltd. ("Taishin Capital")	100.00%	100.00%	100.00%	100.00%
Taishin Securities B	Taishin Futures Co., Ltd. ("Taishin Futures")	100.00%	100.00%	100.00%	100.00%
Taishin Capital	Taishin Health Investment Co., Ltd. ("Taishin Health Investment")	100.00%	100.00%	100.00%	100.00%

		Percentage of ownership			
Investor	Subsidiary	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
The Company	Shin Kong Life Insurance (Note 5)	100.00%	100.00%	100.00%	100.00%
The Company	Taiwan Shin Kong Commercial Bank	100.00%	100.00%	-	-
The Company	Shin Kong International Venture Capital Co., Ltd ("Shin Kong Venture Capital")	100.00%	100.00%	-	-
The Company	Shin Kong Insurance Agent Co., Ltd. ("Shin Kong Insurance Agent")	100.00%	100.00%	-	-
The Company	MasterLink Securities Corp. ("MasterLink Securities")	100.00%	100.00%	-	-
Shin Kong Life Insurance	Shin Shou Apartment Building Management and Maintenance Co., Ltd. ("Shin Shou Building Management")	72.01%	72.01%	-	-
Shin Kong Life Insurance	Shin Kong Vietnam Co., Ltd. ("Shin Kong Vietnam")	100.00% (Note 1)	100.00% (Note 1)	-	-
Shin Kong Life Insurance	Shin Kong Life Singapore Pte. Ltd. ("Shin Kong Life Singapore")	100.00% (Note 2)	100.00% (Note 2)	-	-
MasterLink Securities	MasterLink Futures Corporation ("MasterLink Futures")	100.00%	100.00%	-	-
MasterLink Securities	MasterLink Venture Management Corporation ("MasterLink Venture Management")	100.00%	100.00%	-	-
MasterLink Securities	MasterLink Venture Capital Corporation ("MasterLink Venture Capital")	100.00%	100.00%	-	-
MasterLink Securities	MasterLink Securities Investment Advisory Co., Ltd. ("MasterLink Securities Investment Advisory")	100.00%	100.00%	-	-
MasterLink Securities	MasterLink Securities (B.V.I.) Corporation ("MasterLink Securities (B.V.I.)")	100.00%	100.00%	-	-
MasterLink Securities	MasterLink Insurance Agency Co., Ltd. ("MasterLink Insurance Agency")	100.00%	100.00%	-	-
MasterLink Securities	MasterLink Innovation Venture Management (Tianjin) Co., Ltd. ("MasterLink Innovation Venture Management (Tianjin)")	100.00%	100.00%	-	-
MasterLink Securities	MasterLink Securities Venture Capital (Tianjin) Co., Ltd. ("MasterLink Securities Venture Capital (Tianjin)")	100.00% (Note 3)	100.00% (Note 3)	-	-
MasterLink Securities (B.V.I.)	MasterLink Securities (Hong Kong) Co., Ltd. (Note 4) ("MasterLink Securities (Hong Kong)")	100.00%	100.00%	-	-
MasterLink Securities (B.V.I.)	MasterLink Investment Advisory (Tianjin) Co., Ltd. ("MasterLink Investment Advisory (Tianjin)")	100.00%	100.00%	-	-
Shin Kong Venture Capital	Lion Investment (Samoa) Co., Ltd. ("Lion Investment")	100.00%	100.00%	-	-

Note 1: Shin Kong Vietnam was approved for establishment by the competent authorities in Vietnam on March 26, 2025. Shin Kong Life Insurance injected a capital of USD 600 thousand on April 15, 2025.

Note 2: Shin Kong Life Singapore was approved for establishment by the competent authorities in Singapore on May 15, 2025. Shin Kong Life Insurance injected a capital of USD 20,000 thousand on June 25, 2025.

Note 3: Including indirect holdings through MasterLink Securities' subsidiary, MasterLink Venture Capital.

Note 4: MasterLink Securities (Hong Kong) was approved for dissolution by the board of directors of MasterLink Securities on February 23, 2023 under Order No. 1120335037 issued by the FSC on March 23, 2023. As of March 31, 2026, the securities broker license has been revoked, and related business operations have ceased, but the liquidation process has not yet been completed.

Note 5: Taishin Life Insurance Co., Ltd. (“Former Taishin Life Insurance”) completed capital increase and share issuance on January 1, 2026, and merged with Shin Kong Life Insurance Co., Ltd. (“Former Shin Kong Life Insurance”). Taishin Life Insurance was the surviving company, while Former Shin Kong Life Insurance was the dissolved company. Subsequently, Taishin Life Insurance was renamed "Shin Kong Life Insurance Co., Ltd."(“Shin Kong Life Insurance”) The name change was approved by the Ministry of Economic Affairs under the Order No. 11430194070 on January 2, 2026.

Note 6: In February 2026, the Group conducted an organizational restructuring and all equity interests in Shin Kong Leasing (Suzhou) held by Lion Investment were sold to Taishin D.A. Finance.

(4) 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. If a plan amendment, curtailment or settlement occurs, the current service cost and the net interest for the remainder of the annual reporting period are determined using the actuarial assumptions used for the remeasurement of the net defined benefit liabilities (assets).

(5) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Income taxes accrued for the interim period 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.

(6) Insurance and reinsurance contracts

A. Definition and scope

(a) Insurance contracts issued (including reinsurance contracts):

An insurance contract is a contract under which the insurer agrees to compensate the policyholder if a specified uncertain future event (an insured event) adversely affects the policyholder, thereby accepting significant insurance risk from policyholder. The Group defines significant insurance risk as the risk that, under any single scenario, the insured event could cause the insurer to pay a substantial additional amount, excluding scenarios with no commercial substance (i.e., those that have no discernible effect on the economics of the transaction).

Some of the insurance contracts issued by the Group are insurance contracts with direct participation features, primarily providing investment-related services where policyholders share the returns generated by the underlying items. The measurement method is referred to as the variable fee approach. Such insurance contracts have the following characteristics at inception:

i. The contract terms specify that the policyholder participates in a clearly identified pool of underlying items;
ii. The Group expects to pay the policyholder an amount equal to a significant share of the fair value returns of those underlying items; and
iii. Any significant portion of the amount the Group expects to pay the policyholder varies with the changes in the fair value of those underlying items.

(b) Investment contracts with discretionary participation features issued:

Some of the investment contracts issued by the Group have discretionary participation features, providing certain investors with contractual rights to receive additional amounts as a supplement to amounts not at the issuer's discretion. These additional payments are based on the investment returns of a specified asset pool and are expected to constitute a significant portion of the total contractual payments. The Group accounts for such contracts in accordance with IFRS 17.

(c) Reinsurance contracts held:

The Group uses reinsurance to mitigate risk exposure. The reinsurance contracts held transfer almost all insurance risk related to the reinsured portion of the underlying insurance contracts to the reinsurer. Even if the reinsurance contracts held reduce the issuer's exposure to the possibility of significant loss, such reinsurance contracts are still considered to transfer significant insurance risk.

B. Separation of components of insurance contracts:

The Group analyzes whether insurance contracts include components that need to be separated. IFRS 17 requires separation of the following components if they meet the criteria of a separate contract:

(a) Cash flows related to embedded derivatives that must be separated in accordance with IFRS 9;
(b) Cash flows related to separable investment components;
(c) Any promises to transfer separable goods or services that are not insurance contract services to the policyholder.

C. Contract aggregation level

(a) Insurance contracts issued

The Group manages issued insurance contracts by product lines, where contracts within each product line share similar risks. The Group treats insurance contracts within the same product line that are managed together as a portfolio of insurance contracts. Group of insurance contracts resulting from the division of the portfolio of insurance contracts into contracts issued within a period of no longer than one year and that, at initial recognition:

i. Groups of contracts that are onerous;
ii. Groups of contracts have no significant possibility of becoming onerous subsequently; and
iii. Groups of remaining contracts within the portfolio.

The contract aggregation level is determined at initial recognition, and the composition of the groups is not reassessed subsequently.

For insurance contracts measured using the Premium Allocation Approach, the Group assumes that there are no onerous contracts within the portfolio at initial recognition, unless facts and circumstances indicate otherwise. If facts or circumstances indicate that some contracts are onerous, the Group performs additional assessments to distinguish onerous contracts from non-onerous contracts.

(b) Reinsurance contracts held

The aggregation level of reinsurance contract held portfolios should be assessed separately from the aggregation level of insurance contract issued portfolios. To apply the contract aggregation level requirements, the Group divides reinsurance contracts held within a period of no longer than one year at initial recognition into:

i. Groups of contracts that are expected to generate a net gain;
ii. Groups of contracts have no significant possibility of becoming a net gain subsequently; and
iii. Groups of remaining contracts within the portfolio.

D. Initial recognition of contracts

(a) Insurance contracts

The Group shall recognize a group of insurance contracts issued from the earliest of the following points in time:

i. The beginning of the coverage period of the group of contracts;
ii. The date when the first payment from a policyholder in the group becomes due; and
iii. For a group of onerous contracts, when the group becomes onerous.

Investment contracts with discretionary participation features are initially recognized on the date the Group becomes party to the contract.

The Group treats insurance contracts transferred that do not constitute business, or insurance contracts acquired in a business combination within the scope of IFRS 3, as if the contracts were entered into on the acquisition date.

(b) Reinsurance contracts held

The Group shall recognize a group of reinsurance contract held from the earliest of the following points in time:

i. The beginning of the coverage period of the group of reinsurance contracts held; and
ii. The date the Group recognizes the onerous underlying insurance contract group, if the Group entered into the related reinsurance contracts held in that group at or before that date.

The Group shall delay the recognition of a group of reinsurance contracts held that provide proportionate coverage until the initial recognition date of any underlying insurance contract, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

(c) Only contracts that individually meet the recognition criteria before the end of the reporting period are included in the contract group. If contracts meet the criteria for recognition in the group after the reporting period, they are included in the group of contract in the reporting period in which the criteria are met, subject to the limitation of the annual grouping.

E. Contract modification and derecognition

When the Group and the other party to the contract reach an agreement or the contract is modified due to regulations, unless the original contract meets the criteria for derecognition, the Group shall treat changes in cash flows caused by the modification as changes in the estimates of fulfillment cash flows.

The Group shall derecognize an insurance contract when any of the following occurs:

(a) It is extinguished, i.e., when the obligations specified in the insurance contract expires, or is discharged or cancelled;

(b) The Group shall derecognize the original contract and recognize the modified contract as a new contract if any of the following conditions for insurance contract modification are satisfied:

i. If the modified terms would have been included at the inception of the contract, and the Group considers that the modified contract exhibits any of the following:

(i) The modified contract would have been excluded from the scope of IFRS 17;
(ii) The modification would have separated different components from the host insurance contract, resulting in different insurance contracts to which IFRS 17 would have applied;
(iii) The modification would have had a substantially different contract boundary;
(iv) The modified contract would have been included in a different group of contracts;

ii. The original contract met the definition of an insurance contract with direct participation features, but the modified contract no longer meets that definition (or vice versa);

iii. The original contract was measured using the Premium Allocation Approach, but the modifications mean that the contract no longer meets the eligibility criteria for the Premium Allocation Approach.

F. Measurement of insurance contracts and reinsurance contracts held

(a) Insurance contract assets/liabilities: These represent insurance contracts and investment contracts with discretionary participation features recognized in accordance with IFRS 17 and the Regulation Governing the Setting Aside of Various Reserves by Insurance Enterprises, aggregated into insurance contract portfolios resulting in debit balances (assets) or credit balances (liabilities). They include liabilities for remaining coverage, liabilities for incurred claims, and assets for insurance acquisition cash flows.

(b) Reinsurance contract assets/liabilities: These represent reinsurance contracts recognized in accordance with IFRS 17 and the Regulation Governing the Setting Aside of Various Reserves by Insurance Enterprises, aggregated into reinsurance contract portfolios held resulting in debit balances (assets) or credit balances (liabilities). They include assets for remaining coverage, assets for incurred claims, and incorporate any impact of non-performance risk of the reinsurer.

(c) Initial recognition: A groups of contracts not using the Premium Allocation Approach

At initial recognition, the Group shall measure a group of insurance contracts at the total of the fulfillment cash flows and the contractual service margin.

i. Fulfillment cash flows

(i) The Group's current estimates of future cash flows within the contract boundary of a group of contract include premiums expected to be received, claims, benefits, and expenses expected to be paid, adjusted to reflect the time value of money and the uncertainty of future cash flows, including:

a. Estimates of future cash flows;
b. An adjustment to reflect the time value of money and the financial risks related to the future cash flows (to the extent that financial risks are not included in the estimates of future cash flows); and
c. A risk adjustment for non-financial risks.

The discount rates applied to the estimates of future cash flows reflect the timing, currency, and liquidity characteristics of the insurance contract cash flows.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows of group of reinsurance contracts held and the group of underlying insurance contracts.

(ii) Contract boundary

The Group applies the concept of contract boundary to determine which cash flows are included in the group of insurance contracts. Cash flows related to future insurance contracts outside the contract boundary are recognized when those contracts meet the recognition criteria.

Cash flows are within the boundary of an insurance contract if they arise from rights and obligations that exist during the reporting period, such as the Group's right to require policyholders to pay premiums or the substantive obligation to provide the policyholder with insurance contract services. The substantive obligation to provide insurance contract services ends when the Group has the practical ability to reassess the risk of a particular policyholder and can set prices or levels of benefits that fully reflects those risks, or when both of the following criteria are satisfied:

a. The Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contains the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio;
b. The pricing of the premiums for coverage up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

For investment contracts with discretionary participation features issued by the Group, cash flows arising from substantive obligations to pay cash at present or future dates are within the contract boundary.

For the group of reinsurance contracts held, cash flows arising from rights and obligations existing during the reporting period are within the contract boundary. For example, the Group has an obligation to pay reinsurance premiums to the reinsurer or a substantive right to receive insurance contract services provided by the reinsurer.

(iii) Insurance acquisition cash flows

Cash flows arising from the costs of selling, underwriting, and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

The Group uses a systematic and rational method to allocate insurance acquisition cash flows as follows:

a. Allocate insurance acquisition cash flows directly attributable to an insurance contract group to:
   - That group; and
   - Other groups of insurance contracts expected to arise from renewals of contracts within that group.

b. Allocate insurance acquisition cash flows directly attributable to a portfolio of insurance contracts to existing or expected insurance contract groups within that portfolio.

The Group recognized insurance acquisition cash flows paid before the related insurance contract group is recognized (or insurance acquisition cash flows recognized as liabilities under other applicable IFRSs) as an asset for insurance acquisition cash flow. These assets are derecognized when the insurance acquisition cash flows are included in the measurement of the related group of insurance contracts.

At the end of each reporting period, the Group assessed the recoverability of an asset for insurance acquisition cash flow. If facts and circumstances indicate potential impairment, the carrying amount of the asset is adjusted, and an impairment loss is recognized in insurance service expenses. If the impairment no longer exists or has improved, the Group reverses all or part of the previously recognized impairment loss in profit or loss and increases the carrying amount of the asset.

(iv) Risk adjustment for non-financial risks

The Group adjusts the present value of future cash flow estimates to reflect compensation required for bearing the uncertainty about the amount and timing of cash flows arising from non-financial risks.

For reinsurance contracts held, the risk adjustment for non-financial risks represents the amount of risk transferred by the Group to the issuers of those contracts.

ii. Contractual service margin

(i) Insurance contracts

The Group recognizes the unearned profit related to future insurance contract services as the contractual service margin(CSM), which is a component of the asset or liability for the group of insurance contracts and is recognized as profit over the period the insurance contract services are provided within the group. At initial recognition of the group of insurance contracts, the CSM is measured as a single amount so that no gain or loss arises from the following, unless the group of insurance contracts is onerous or insurance revenue and insurance service expenses are recognized due to derecognition of other assets or liabilities previously recognized for cash flow:

a. Initial recognition of an amount for the fulfillment cash flows;
b. Any cash flows arising from the contracts in the group at that date;
c. Derecognition of any asset for insurance acquisition cash flows; and
d. Derecognition of any other asset or liability previously recognized cash flows related to the group of contracts, with simultaneous recognition of insurance revenue and insurance service expenses.

If the total of the above calculations results in a net outflow, the insurance contract is onerous at initial recognition. The Group immediately recognizes the net outflow as a loss in profit or loss, so that the carrying amount of the liability for the group equals the fulfillment cash flows, and the CSM for the group is zero. The Group shall establish a loss component of the liability for remaining coverage with the loss amount recognized.

(ii) Reinsurance contracts held

Any net cost or net gain of the group of reinsurance contract held is recognized as CSM at initial recognition, unless the net cost of purchasing reinsurance coverage relates to events that occurred before the purchase of the group of reinsurance contract held. The Group shall recognize such a cost immediately in profit or loss as an expense. For reinsurance contracts held, the CSM represents the deferred net cost or net gain to be recognized as the share of premium paid when the Group receives insurance contract services from the reinsurer in the future and is the sum of:

a. The fulfillment cash flows;
b. The amount derecognized at that date of any asset or liability previously recognized for cash flows related to the group of reinsurance contracts held;
c. Any cash flows arising at that date; and
d. Adjustments to the CSM of the group of reinsurance contracts held when onerous group of underlying insurance contracts are initially recognized or when onerous underlying insurance contracts are added to a group, with any resulting gain recognized in profit or loss and simultaneously establish or adjust the loss recovery component within the assets for remaining coverage with the gain recognized.

When onerous group of insurance contracts include both onerous insurance contracts covered and uncovered by reinsurance contracts held, the Group uses a systematic and rational allocation method to determine the portion of the loss recognized by the group of insurance contracts related to the insurance contracts covered by the group of reinsurance contracts held.

(iii) For insurance contracts transferred or acquired in a business combination within the scope of IFRS 3, the CSM at initial recognition of the group of insurance contracts is measured as an amount so that no income or expense arises from:

a. Initial recognition of the fulfillment cash flows; and
b. Any cash flows arising from contracts in the group at that date, including the fair value of the group of contracts at acquisition date as a substitute for premiums received.

(d) Subsequent measurement: A group of contracts not using the Premium Allocation Approach

i. A group of insurance contracts: The carrying amount at the end of each reporting period shall be the sum of:

(i) The liability for remaining coverage, which includes:

a. The fulfillment cash flows related to future service allocated to the group at that date; and
b. The CSM of the group at that date.

(ii) The liability for incurred claims, which includes the fulfillment cash flows related to past service allocated to the group at that date.

ii. A group of reinsurance contracts held: The carrying amount at the end of each reporting period shall be the sum of:

(i) The asset for remaining coverage, which includes:

a. The fulfillment cash flows related to future service allocated to the group at that date; and
b. The CSM of the group at that date.

(ii) The asset for incurred claims, which includes the fulfillment cash flows related to past service allocated to the group at that date.

iii. Changes in fulfillment cash flows:

(i) The Group updates fulfillment cash flows at the end of each reporting period using current assumptions and discount rates. The treatment of changes in fulfillment cash flows is as follows:

a. Changes related to current or past services are recognized in profit or loss;
b. Changes related to future services are recognized through adjustment of the CSM or loss component.

(ii) For insurance contracts applying the General Model, changes in fulfillment cash flows related to future services adjust the CSM of the group of insurance contracts, including:

a. Premiums received in the period related to future services and related cash flows, such as experience adjustments arising from insurance acquisition cash flows;
b. Changes in the estimates of the present value of future cash flows of the liabilities for remaining coverage;
c. Differences between any investment components expected to be payable in the period and those actually payable. These differences are determined by comparing (i) the actual investment components payable in the period and (ii) the expected payments at the beginning of the period plus any insurance finance income or expenses related to those expected payments before becoming payable;
d. Differences between any loans expected to be repaid to policyholders in the period and those actually repaid. These differences are determined by comparing (i) the actual loans payable in the period and (ii) the expected repayments at the beginning of the period plus any insurance finance income or expenses related to those expected repayments before becoming repayable;
e. Changes in the risk adjustment for non-financial risks related to future services.

Adjustments in a, b, and c above are measured using the discount rate determined at initial recognition.

(iii) For insurance contracts applying the General Model, the following changes in fulfillment cash flows do not adjust the CSM of the group of insurance contracts because they are unrelated to future services:

a. The effects of the time value of money and changes in the time value of money, and the effects of financial risk and changes in financial risk on fulfillment cash flows;
b. Changes in estimates of fulfillment cash flows related to liability for incurred claims;
c. Experience adjustments arising from premiums received and related cash flows in the period unrelated to future services (such as insurance acquisition cash flows);
d. Experience adjustments related to insurance service expenses (excluding insurance acquisition cash flows).

(iv) For investment contracts with discretionary participation features applying the General Model, the Group has discretion over the amounts and timing of payments to policyholders. Changes in discretionary cash flows are considered related to future services and accordingly adjust the CSM. At initial recognition, the Group determines the basis of the policyholder's entitlement according to the relevant contract terms. Changes in discretion affecting that entitlement adjust the CSM, while changes in assumptions related to financial risks affecting that entitlement do not adjust the CSM but are recognized in insurance finance expenses.

If it is not possible to specify at contract inception which elements are considered the contract's commitments and which are discretionary, the Group recognizes all changes in assumptions related to financial risks affecting those commitments in insurance finance expenses.

(v) For insurance contracts applying the Variable Fee Approach, changes in fulfillment cash flows related to future services adjust the CSM of the group of insurance contracts, including:

a. Changes in the Group's share of the fair value of the underlying items;
b. Changes in fulfillment cash flows not dependent on the returns of the underlying items, including:
   - Changes in the time value of money and financial risks, including the effect of financial guarantees;
   - Experience adjustments arising from premiums received in the period related to future services and related cash flows (such as insurance acquisition cash flows);
   - Changes in the estimates of the present value of future cash flows of the liability for remaining coverage;
   - Differences between any investment components expected to be payable in the period and those actually payable. These differences are determined by comparing (A) the actual investment components payable in the period and (B) the expected payments at the beginning of the period plus any insurance finance income or expenses related to those expected payments before becoming payable;
   - Differences between any loans expected to be repaid to policyholders in the period and those actually repaid. These differences are determined by comparing (A) the actual loans repaid in the period and (B) the expected repayments at the beginning of the period plus any insurance finance income or expenses related to those expected repayments before becoming repayable;
   - Changes in the risk adjustment for non-financial risks related to future services.

All of the above adjustments, except for changes in the time value of money and financial risks, are measured using current discount rates.

(vi) For insurance contracts applying the Variable Fee Approach, the following changes in fulfillment cash flows do not adjust the CSM of the group of insurance contracts:

a. Changes in the obligation to pay policyholders amounts equal to the fair value of the underlying items;
b. Changes in fulfillment cash flows not dependent on the returns of the underlying items, including:
   - Changes in estimates of fulfillment cash flows related to liability for incurred claims;
   - Experience adjustments arising from premiums received and related cash flows in the period unrelated to future services (such as insurance acquisition cash flows); and
   - Experience adjustments related to insurance service expenses (excluding insurance acquisition cash flows).

iv. Adjustment of the CSM

(i) For insurance contracts issued, the carrying amount of the CSM at the end of each reporting period is adjusted from the carrying amount at the beginning of the reporting period for the following items:

a. The effect of any new contracts added to the group;
b. Interest accreted on the CSM balance during the period, measured using the discount rate determined at initial recognition;
c. Changes in fulfillment cash flows related to future services, as detailed in Note 4.(6).F.(d).iii,(ii),b.d.e., recognized through adjustments to the CSM, to the extent not exceeding the carrying amount of the CSM. If the increase in fulfillment cash flows exceeds the carrying amount of the CSM, the CSM is reduced to zero, and the excess is recognized as insurance service expense, with a loss component established within the liability for remaining coverage. When the CSM is zero, changes in the fulfillment cash flows are recognized in insurance service expense and adjust the loss component. If subsequent decreases in fulfillment cash flows exceed the loss component, the loss component is reduced to zero and the CSM is re-recognized.
d. Any foreign exchange differences affecting the CSM; and
e. The amount of insurance revenue recognized for services transferred during the period.

(ii) For the group of reinsurance contracts held, the CSM at the end of the reporting period is measured by adjusting the carrying amount at the beginning of the reporting period for the following:

a. The effect of any new contracts added to the group;
b. Interest accreted on the CSM balance, measured using the discount rate determined at initial recognition;
c. Gains recognized when onerous groups underlying insurance contract are initially recognized or when onerous underlying insurance contracts are added to a group, with the amount establishing (or adjusting) the loss recovery component of the asset for remaining coverage for the group of reinsurance contracts held;
d. Reversals of the loss recovery component recognized, to the extent that such reversals are not related to changes in fulfillment cash flows of the group of reinsurance contracts held;
e. Changes in fulfillment cash flows related to future services, unless such changes arise from changes in fulfillment cash flows allocated to the underlying group of insurance contracts that do not adjust the CSM of the underlying group of insurance contracts;
f. Any foreign exchange differences affecting the CSM; and
g. Amounts recognized in profit or loss for services received during the period.

To apply the calculations described in items c. to e. above, the Group uses a systematic and rational allocation method to determine the portion of losses recognized by the group of insurance contracts related to insurance contracts covered by the group of reinsurance contracts held.

(iii) Discount rate for interest on the CSM

For insurance contracts without direct participation features, the interest accreted on the CSM is calculated using the discount rate determined at the initial recognition date of the group of contracts. If additional contracts are subsequently added to an existing group of contracts, the Group uses a weighted average discount rate based on the duration of contracts issued within the group, which may not exceed one year.

(iv) Release of the CSM to profit or loss

The amount of insurance revenue recognized for insurance contract services transferred during the period is determined by allocating the remaining CSM at the end of the reporting period to the current period and the remaining coverage period based on coverage units.

The coverage period is the period during which the Group provides insurance contract services. Insurance contract services include providing coverage for insured events, providing investment return services to policyholders, and managing investment-related services on behalf of policyholders for the underlying items. The period for investment return or investment-related services ends on or before the date all amounts related to those services are paid to existing policyholders.

The Group provides investment return services for insurance contracts without direct participation features only if there is an investment component or the policyholder has the right to withdraw an amount, and the Group expects that the investment component or the amount the policyholder can withdraw includes investment returns, and expects to perform investment activities to generate those returns.

The number of coverage units in a contract group is the number of insurance contract services provided by contracts in the group, determined by considering the number of contract benefits provided by each contract and their expected coverage periods.

For coverage units used as the basis for allocating the CSM, the Group applies the discount rate determined at the contract group's initial recognition date, reflecting the time value of money for nominal cash flows not dependent on any underlying item returns.

Coverage units for proportional reinsurance are based on the insurance coverage provided by the reinsurer, considering not only the ceded policy amounts but also new contracts within the reinsurance contract boundary.

The coverage period for such contracts is based on the coverage periods of the underlying contracts whose cash flows fall within the reinsurance contract boundary.

(v) Onerous contracts – Loss component

When increases in fulfillment cash flows exceed the carrying amount of the CSM, the group of insurance contracts becomes onerous, and the excess is recognized as insurance service expense, with a loss component established under the liability for remaining coverage.

After recognizing losses on onerous group of insurance contracts, the Group allocates the following items to the loss component and the liability for remaining coverage excluding the loss component, based on the ratio of coverage units allocation to the current period and the remaining coverage period:

a. Estimates of present value of future cash flows for claims and expenses released from the liability for remaining coverage due to incurred insurance service expenses;
b. Changes in the risk adjustment for non-financial risk; and
c. Insurance finance income or expenses.

The allocations of a. and b. reduce insurance revenue and insurance service expenses, respectively.

In subsequent periods, decreases in fulfillment cash flows reduce the remaining loss component, and once the loss component is reduced to zero, the CSM is re-recognized. Increases in fulfillment cash flows increase the loss component.

The Group establishes or adjusts the loss recovery component of the group of reinsurance contracts held to reflect changes in the loss component of onerous group of underlying insurance contract. The carrying amount of the loss recovery component shall not exceed the carrying amount of the Group’s expected recoveries from the loss component of the onerous underlying insurance contract groups related to the reinsurance contract groups held.

The loss recovery component determines the amount recognized in profit or loss as a reversal of loss recoveries from reinsurance contracts held and is excluded from the allocation of premiums payable to reinsurers.

(e) Initial recognition and subsequent measurement: The group of contract applying the Premium Allocation Approach

i. Insurance Contracts:

The Group applies the Premium Allocation Approach to measure insurance contracts with coverage periods of one year or less.

For insurance contracts issued, the Group defers recognition of insurance acquisition cash flows allocated to the group of insurance contracts applying the Premium Allocation Approach over the coverage period of the group of insurance contracts.

At initial recognition for insurance contracts issued, the Group measures the liability for remaining coverage as premiums received less any insurance acquisition cash flows at that date, add or less the asset for insurance acquisition cash flow derecognized from that date and all other asset or liability recognized related to cash flows associated with the group of contracts before initial recognition.

The carrying amount of the group of insurance contracts at the end of each reporting period shall be the sum of:

(i) The liability for remaining coverage; and
(ii) The liability for incurred claims, including fulfillment cash flows allocated to the group related to past services as of the reporting date.

For insurance contracts issued, at the end of each subsequent reporting period, the carrying amount of the liability for remaining coverage is the carrying amount at the beginning of the reporting period:

(i) Add premiums received during the period;
(ii) Less insurance acquisition cash flows;
(iii) Add the amount of insurance revenue recognized for coverage provided during the period; and
(iv) Add any amounts related to the amortization of insurance acquisition cash flows recognized as expenses during the reporting period.

ii. Reinsurance contracts held:

The Group holds annual reinsurance contracts such as catastrophe reinsurance with coverage periods of one year or less, and therefore they are measured by the Premium Allocation Approach.

At initial recognition of reinsurance contracts held, the Group measures the asset for remaining coverage as the reinsurance premiums paid plus any other amounts arising from derecognition of any cash flows before initial recognition.

The carrying amount of the group of reinsurance contract held at the end of each reporting period shall be the sum of:

(i) The asset for remaining coverage; and
(ii) The asset for incurred claims, which includes fulfillment cash flows allocated to the group related to past services as of the reporting date.

At each subsequent reporting period end, the carrying amount of the asset for remaining coverage is the carrying amount at the beginning of the reporting period:

(i) Add reinsurance premiums paid during the period;
(ii) Less the amount of premiums allocated to the period's expected services; and
(iii) Less any investment components paid or transferred to the asset for incurred claims.

iii. The Group applies the Premium Allocation Approach to insurance contracts issued because the contract premiums are due within the coverage period and within one year; therefore, the Group does not reflect the time value of money on the liabilities for remaining coverage of insurance contracts issued.

For contracts measured using the Premium Allocation Approach, the measurement of liability/asset for incurred claims is similar to that of contracts measured under the General Model. Future cash flows are adjusted for the time value of money because the expected claim settlement period may exceed one year.

iv. If at any point during the coverage period, there are facts and circumstances indicate that a group of insurance contracts is onerous, the Group recognizes a loss in profit or loss for the portion by which the fulfillment cash flows measured under the General Model exceed the carrying amount of the liability for remaining coverage, and increases the liability for remaining coverage, and establishes a loss component. Subsequently, at each financial reporting period, the loss component is remeasured by calculating the difference between the related future services' fulfillment cash flows under the General Model and the liability for remaining coverage. Changes in the loss component are divided and reflected in insurance service expenses and insurance finance income or expenses based on changes in the time value of money, financial risks, and itself.

G. Insurance service results: Contracts issued

(a) Insurance revenue

The Group recognizes insurance revenue by the insurance services provided less the liability for remaining coverage during the reporting period. The amount of insurance revenue recognized during the period describes the transfer of promised services and reflects the consideration the Group expects to be entitled to in exchange for those services.

For insurance contracts measured under the General Model (i.e., not using the Premium Allocation Approach), insurance revenue includes the following:

i. Amounts arising from changes in the liability for remaining coverage, including:

(i) Insurance service expenses incurred during the period are measured at the expected amount at the beginning of the period, excluding:
   a. Amounts allocated to the loss component of the liability for remaining coverage;
   b. Repayments of investment components;
   c. Amounts related to transaction-based taxes collected on behalf of third parties;
   d. Insurance acquisition costs;
   e. Amounts related to the risk adjustment for non-financial risk.

(ii) Changes in the risk adjustment for non-financial risk, excluding:
   a. Changes recognized in insurance finance income or expenses;
   b. Changes related to future services;
   c. Amounts allocated to the loss component of the liability for remaining coverage.

(iii) The amount of CSM recognized in profit or loss during the period;
(iv) Other amounts, such as experience adjustments arising from premiums received that are unrelated to future services.

ii. The allocation of premiums related to the recovery of insurance acquisition cash flows is determined by allocating the portion of premiums related to the recovery of insurance acquisition cash flows to each reporting period based on coverage units allocated to the current and remaining coverage periods, thereby determining the related insurance revenue.

For insurance contracts measured using the Premium Allocation Approach, the Group recognizes insurance revenue on a time elapsed basis over the coverage period of the group of insurance contracts.

(b) Insurance Service Expenses

Insurance service expenses include:

i. Claims incurred (excluding investment components) and other incurred insurance service expenses;
ii. Amortization of insurance acquisition cash flows;
iii. Changes related to past services, i.e., changes in fulfillment cash flows related to liability for incurred claims;
iv. Changes related to future services, i.e., losses on onerous contract groups and reversals of such losses;
v. Impairment of asset for insurance acquisition cash flows.

For insurance contracts not measured under Premium Allocation Approach, amortization of insurance acquisition cash flows is reflected in insurance service expenses and is consistent with the allocation of premiums related to the recovery of insurance acquisition cash flows recognized in insurance revenue.

For insurance contracts measured using the Premium Allocation Approach, insurance acquisition cash flows are amortized on a time elapsed basis.

Cash flows that cannot be directly attributed to the portfolio of insurance contracts that includes the contract are recognized as other operating expenses in the consolidated statements of comprehensive income when incurred.

H. Insurance service results: Reinsurance contracts held

The Group's profit or loss from the group of reinsurance contract held includes the following amounts, separately showing amounts recovered from reinsurers and the allocation of premiums paid:

(a) For reinsurance contracts held measured not using the Premium Allocation Approach, the allocation of premiums paid includes amounts arising from changes in the liability for remaining coverage, including:

i. Expected amounts at the beginning of the period for incurred recoveries of claims and other directly attributable expenses, excluding:
   (i) Amounts allocated to the loss recovery component of the liability for remaining coverage;
   (ii) Repayments of investment components;
   (iii) Amounts related to the risk adjustment for non-financial risk.

ii. Changes in the risk adjustment for non-financial risk exclude:
   (i) Changes recognized in insurance finance income or expenses of reinsurance contracts held;
   (ii) Changes related to future services;
   (iii) Amounts allocated to the loss recovery component.

iii. The amount of CSM recognized in profit or loss during the period for services received;

iv. Experience adjustments arising from reinsurance premiums paid that are unrelated to future services.

(b) For reinsurance contracts held measured using the Premium Allocation Approach, the allocation of premiums paid is recognized as reinsurance expense on a time elapsed basis over the coverage period of the group of contracts.

(c) Amounts Recovered from Reinsurers:

i. Incurred recoveries of reinsurance claims and benefits (excluding investment components and net of allocations to the loss recovery component);
ii. Other incurred reinsurance-related expenses;
iii. Changes related to past services, i.e., changes in fulfillment cash flows related to asset for incurred claims;
iv. Loss recoveries and reversals related to onerous underlying contracts.

(d) Changes in the reinsurer's non-performance risk.

I. Insurance finance income or expenses

(a) Insurance finance income or expenses include changes in the carrying amount of the group of insurance contracts arising from:

i. The time value of money and changes in the time value of money;
ii. Financial risks and changes in financial risk.

(b) For contracts measured under the General Model, insurance finance income or expenses mainly consist of:

i. Interest accretion on fulfillment cash flows and CSM;
ii. Effects of changes in interest rates and other financial assumptions;
iii. Effects of foreign exchange rates.

(c) For contracts measured using the Variable Fee Approach, insurance finance income or expenses include changes in the value of the underlying items (excluding additions or withdrawals).

(d) For contracts measured using the Premium Allocation Approach, insurance finance income or expenses mainly consist of:

i. Interest accretion on liability for incurred claims;
ii. Effects of changes in interest rates and other financial assumptions.

(e) The Group allocates changes in the risk adjustment for non-financial risks between insurance service results and insurance finance income or expenses.

(f) For contracts measured under the General Model where the underlying contract is a traditional product, the Group elects to divide the insurance finance income or expenses for the period, recognizing the amount in profit or loss and the remaining amount in other comprehensive income. The amount recognized in profit or loss is determined by systematically allocating the expected total insurance finance income or expenses over the coverage period of the group of contracts.

(g) For contracts measured using the Variable Fee Approach and the Premium Allocation Approach, and for contracts measured under the General Model where the underlying contract is an investment-type product, the Group elects to recognize insurance finance income or expenses for the period in profit or loss.

(h) When the group of insurance contracts generates foreign currency cash flows, the Group treats the group of contracts (including the CSM) as a monetary item.

(7) Separate account insurance products

The Group sells separate account insurance products. The insurance premiums according to agreed terms paid by proposers, net of the expenses incurred by the insurer, are invested in separate accounts at allocation agreed with or directed by the proposers. The separate account assets are measured at fair value on the valuation date and in compliance with the relevant regulations and Net asset value calculated in accordance with Generally Accepted Accounting Principles (GAAP).

According to the Regulations, the accounting treatment for assets and liabilities of separate account investment-linked insurance products is as follows:

A. Separate account assets are maintained as a separate accounting item referred to as "Separate Account Insurance Product Assets" in accordance with Paragraph 5, Article 146 of the Insurance Act, which requires maintaining dedicated accounting books. A reconciliation schedule of separate account insurance product assets is disclosed in the notes.

B. Separate account liabilities are classified based on the nature of the contracts into insurance contracts and investment contracts. For insurance contracts, liabilities are recognized as "Insurance contract liabilities" in accordance with IFRS 17. For investment contracts, liabilities are recognized as either "Financial liabilities measured at fair value through profit or loss" or "Financial liabilities measured at amortized cost" in accordance with IFRS 9.

Gains and losses, dividends, and valuation changes arising from the purchase and sale of investment assets based on the policyholder's consent or designated investment methods and targets are recorded under "Net gains and losses of separate account insurance products." Changes in financial liabilities of investment contracts measured at fair value through profit or loss recognized in profit or loss during the period are recorded under "Net changes in financial liabilities measured at fair value through profit or loss." Effects of changes in future estimates or assumptions and differences between carrying amounts and consideration paid upon derecognition of financial liabilities of investment contracts measured at amortized cost recognized in profit or loss are recorded under "Net changes in financial liabilities measured at amortized cost."

(8) Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of IFRS 9 *Financial Instruments* are recognized initially at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

A. Financial instruments: Recognition and measurement

The Group accounts for regular way purchase or sales of financial assets on the trade date.

The Group classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

(a) The Group's business model for managing the financial assets and
(b) The contractual cash flow characteristics of the financial asset.

Financial assets *measured at amortized cost*

A financial asset is measured at amortized cost if both of the following conditions are met and presented as Cash and cash equivalents ,Due from the Central Bank and call loans to banks, Securities purchased under resell agreements, Receivables, Loans, Investments in debt instruments at amortized cost, Other financial assets, Other assets－deposit and Other assets－Operating guarantee deposits and settlement funds etc., on balance sheet as at the reporting date:

(a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

(a) Purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
(b) Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

The foreign exchange differences arising from the translation of monetary items are recognized in profit or loss in the period they occur. However, due to the Group's compliance with the special circumstances described in the Order No. 1140495239 dated January 2, 2026 issued by the FSC, and in accordance with Article 17 of the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies and the proviso of Article 12 of the Regulations, the Group, for debt instruments measured at amortized cost and not designated as hedging foreign currency risk components, recognizes from January 1, 2026, unrealized foreign exchange differences on the foreign currency amortized cost calculated based on carrying amount after translation in the previous period or the newly acquired cost. These unrealized exchange differences are amortized, for each period, on a straight-line basis over the expected remaining holding period of the debt instrument investment and recognized in exchange gains or losses. The unamortized cumulative unrealized net exchange differences are classified as other assets or other liabilities. Upon derecognition of the debt instrument, the unamortized portion is fully recognized in the current period's exchange gains or losses.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met or in compliance with the provisions of Order No. 1140131712 dated March 12, 2025 issued by the FSC:

(a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:

(a) A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
(b) When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
(c) Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:
    i. Purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
    ii. Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Group made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represent a recovery of part of the cost of investment.

Financial asset measured at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement are recognized in profit or loss which includes any dividend or interest received on such financial assets.

B. Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the balance sheet.

The Group measures expected credit losses of a financial instrument in a way that reflects:

(a) An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
(b) The time value of money; and
(c) Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance measures as follows:

(a) At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Group measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.

(b) At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
(c) For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.
(d) For lease receivables arising from transactions within the scope of IFRS 16, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Group needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for further details on credit risk.

The Group's insurance subsidiaries, in accordance with the Guidelines for Handling Assessment of Assets, Loans Overdue, Receivable on Demand and Bad Debts by Insurance Enterprises, have made sufficient provisions for doubtful accounts. The amount of such provisions shall not be less than the following standards:

(a) 0.5% of the balance of Category 1 loan assets after deducting life insurance loans, premium advances, and claims against government agencies of the Republic of China, and for Category 2 to 5 loan assets—namely, loans requiring attention, loans expected to be collectible, loans difficult to collect, and loans deemed uncollectible—the provisions shall be 2%, 10%, 50%, and 100% of the respective loan balances.
(b) 1% of the total balance of Category 1 to 5 loan assets after deducting life insurance loans, premium advances, and claims against government agencies of the Republic of China.
(c) The amount of unsecured claims of overdue loans and collection accounts reasonably assessed as uncollectible.
(d) If the total minimum provision calculated based on the standards in items 1 to 3 is less than the amount assessed in accordance with generally accepted accounting principles (GAAP), the provision amount based on GAAP shall be the minimum required provision. If the competent authority requires, for the purpose of strengthening loss absorption capacity for specific loan assets, that provisions for such assets be increased according to designated standards and within specified timeframes, the insurance subsidiaries shall comply accordingly.

In addition to the Guidelines for Handling Assessment of Assets, Loans Overdue, Receivable on Demand and Bad Debts by Insurance Enterprises, specific industries conduct evaluations of credit assets by referring to the Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans, and the higher amount between this evaluation and the Guidelines for Handling Assessment of Assets, Loans Overdue, Receivable on Demand and Bad Debts by Insurance Enterprises, is used to measure the allowance for losses.

C. Derecognition of financial assets

A financial asset is derecognized when:

(a) The rights to receive cash flows from the asset have expired
(b) The Group has transferred the asset and substantially all the risks and rewards of the asset have been transferred
(c) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

D. Financial liabilities and equity

Classification between liabilities or equity

The Group classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Compound instruments

The Group evaluates the terms of the convertible bonds issued to determine whether it contains both a liability and an equity component. Furthermore, the Group assesses if the economic characteristics and risks of the put and call options contained in the convertible bonds are closely related to the economic characteristics and risk of the host contract before separating the equity element.

For the liability component excluding the derivatives, its fair value is determined based on the rate of interest applied at that time by the market to instruments of comparable credit status. The liability component is classified as a financial liability measured at amortized cost before the instrument is converted or settled.

For the embedded derivative that is not closely related to the host contract (for example, if the exercise price of the embedded call or put option is not approximately equal on each exercise date to the amortized cost of the host debt instrument), it is classified as a liability component and subsequently measured at fair value through profit or loss unless it qualifies for an equity component. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. Its carrying amount is not remeasured in the subsequent accounting periods. If the convertible bond issued does not have an equity component, it is accounted for as a hybrid instrument in accordance with the requirements under IFRS 9.

Transaction costs are apportioned between the liability and equity components of the convertible bond based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

On conversion of a convertible bond before maturity, the carrying amount of the liability component being the amortized cost at the date of conversion is transferred to equity.

Financial liabilities

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, financial liabilities designated as at fair value through profit or loss, and financial liabilities of investment contracts measured at fair value through profit or loss. Financial liabilities are classified as held for trading if:

(a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
(b) On initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
(c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as at fair value through profit or loss when doing so results in more relevant information, because either:

(a) It eliminates or significantly reduces a measurement or recognition inconsistency; or
(b) A group of financial liabilities or financial assets and financial liabilities is managed, and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the key management personnel.

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss. However, for financial liabilities designated as measured at fair value through profit or loss, changes in fair value attributable to credit risk shall be recognized in other comprehensive income, except to avoid inappropriate accounting mismatches or when related to loan commitments and financial guarantee contracts that must be recognized in profit or loss.

Financial liabilities of investment contracts measured at fair value through profit or loss refer to investment contracts issued by insurance enterprises that are insurance contracts in substance and, in accordance with the Insurance Act, the Regulations, the Regulation Governing the Setting Aside of Various Reserves by Insurance Enterprises, and IFRS 9, are required to be recognized as financial liabilities at fair value through profit or loss.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of the following and should be dealt with based on the Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans:

(a) The amount of the loss allowance reflected the ECLs; and
(b) The amount initially recognized less, where appropriate, the cumulative amount of revenue recognized in accordance with IFRS 15 as endorsed by the FSC.

Commitments to provide a loan at a below-market interest rate

Commitments to providing a loan at a below-market interest rate issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

(a) The amount of the loss allowance reflected the ECLs; and
(b) The amount initially recognized less, where appropriate, the cumulative amount of revenue recognized in accordance with IFRS 15 as endorsed by the FSC.

Financial liabilities at amortized cost

Refers to those that meet one of the following conditions:

(a) Financial liabilities of investment contracts measured at amortized cost: Refers to investment contracts issued by insurance companies that, in accordance with the Insurance Act, the Regulations, the Regulation Governing the Setting Aside of Various Reserves by Insurance Enterprises, and IFRS 9, are required to be recognized as financial liabilities measured at amortized cost.

(b) Other financial liabilities measured at amortized cost:

Refers to financial liabilities that do not meet any of the following conditions:

i. Financial liabilities measured at fair value through profit or loss (FVTPL).
ii. Financial liabilities arising from transfers of financial assets that do not qualify for derecognition or from applying the continuing involvement approach.
iii. Financial guarantee contracts.
iv. Loan commitments with interest rates below market rates.
v. Financial liabilities of investment contracts measured at amortized cost.
vi. Contingent consideration recognized by the acquirer in a business combination under IFRS 3.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

E. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

F. Interest rate benchmark reform

For financial assets or financial liabilities measured at amortized cost, when the basis of their cash flows changes due to interest rate benchmark reform, the Group updates the effective interest rate of the financial asset or financial liability to reflect the changes resulting from the reform.

G. Classification of financial assets

The Group reclassifies financial assets only when it changes the business model for managing those financial assets. Such a change must result from external or internal circumstances and must be significant to the Group's operations, as determined by the Group's senior management, and demonstrable to external parties. The reclassification is applied prospectively from the date on which the reclassification occurs.

(9) Income Recognition

A. Interest income

Except for financial assets at FVTPL, interest income of all financial instruments is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable and recognized in the consolidated statements of comprehensive income. When the loans become past due and are considered uncollectible, the principal and interest receivable are transferred to delinquent loan accounts and the accrual of interest income is stopped. Interest income will be recognized when the delinquent interest is collected. If the repayment of loan is extended under an agreement, the related interest should be recognized as deferred revenue and recognized as income when collected. Interest income from securities trading margin purchase and short sale is accrued according to the terms stated in the financing and trading contract.

B. Service fee and commission income

Service fee revenue is recognized from providing loans and other services. The Group identifies contracts with the customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied. If the service fee revenue is for further loan service and of significant amount, it is recognized over the period of the service or included in the base of calculation of the effective interest rate of loans and receivables. The Group's customer loyalty program provides customers with award credits, which gives customers material rights by providing discount to future consumption. The transaction price allocated to award credit is recognized as a liability, and the Group recognizes revenue when award credits are redeemed or forfeited. Brokerage commission is recognized on the trading day. Purchasing commission is recognized when the commission is received; underwriting commission is recognized at the completion of the underwriting contracts.

C. Insurance Revenue

Insurance revenue arises from the provision of services under the group of insurance contracts that are directly underwritten or ceded through reinsurance, which shall reflect the consideration the insurer expects to be entitled to in exchange for those services, including the following items:

(a) Amounts related to changes in the liability for remaining coverage, such as insurance service expenses incurred during the period (measured based on expectations at the beginning of the period), changes in the risk adjustment for non-financial risk, the amount of CSM recognized in profit or loss due to insurance contract services transferred during the period, insurance revenue recognized under the Premium Allocation Approach, and other amounts.
(b) Allocation of premiums related to the recovery of insurance acquisition cash flows.

The Group recognizes insurance revenue by the insurance contract services provided less the liability for remaining coverage during the reporting period. For detailed explanations on revenue recognition, please refer to Note 4. (6).

5. Significant Accounting Judgments, Estimates and Assumptions

Except as described below, the significant accounting judgments, estimation and assumptions are the same as those disclosed in the consolidated financial statements as of and for the year ended December 31, 2025. Please refer to Note 5. to the consolidated financial statements for the year ended December 31, 2025 for further information.

The preparation of the Group's consolidated financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

(1) Insurance contracts and reinsurance contracts held

A. Methods used to measure insurance contracts:

The Group primarily uses a deterministic approach to estimate the present value of future cash flows, while for certain groups, a stochastic approach is applied.

The main assumptions used in the Group's calculations are determined in accordance with laws, regulations, official notices, and consideration of the Company's actual experience. The key assumptions that have a significant impact on expected future cash flows are described as follows:

(a) Mortality and morbidity rates

Assumptions are set based on the Group's latest experience and appropriately consider long-term development trends. Back-testing is conducted to ensure that assumptions accurately reflect the Company's actual experience. Assumptions are differentiated by many factors, including (but not limited to) product type, policyholder gender, and policy duration.

(b) Expenses

Expense assumptions systematically allocate the Company's overall expenses according to expense attributes and business nature. For clearly stipulated items such as commissions, paid expenses, and various taxes, they are attributed to according to actual expenditure. For other expenses such as acquisition and maintenance costs, allocation bases are established according to departmental responsibilities and distribution channel characteristics to realistically reflect the expected maintenance costs of in-force policies.

(c) Lapse rates

Assumptions are set based on the Group's latest experience and back-tested to ensure they accurately reflect the Company's actual experience. Assumptions are differentiated by many factors, including (but not limited to) product type, currency, policy duration, or break-even year.

B. Discount rate

The calculation of insurance contract liabilities is based on discounting expected future cash flows using a risk-free interest rate plus a liquidity premium (if applicable). The risk-free interest rate is determined using the Three-Segment Approach (TSA), while the liquidity premium is determined according to the Taiwan Insurance Solvency (TIS) segregated accounts to which each product belongs, based on the Three Bucket Approach (TBA) prescribed by the TIS, using a nonlinear decreasing additive method.

The yield curves used to discount cash flows that vary not dependent on the returns of the underlying items are presented as follows:

	For the three months ended March 31	
	2026	2025
TWD	1.37% ~ 4.26%	1.51% ~ 4.26%
USD	3.64% ~ 5.57%	4.14% ~ 5.34%
AUD	4.55% ~ 5.84%	3.85% ~ 5.62%
CNY	1.39% ~ 5.80%	1.62% ~ 5.75%

C. Risk adjustment for non-financial risk

The risk adjustment for non-financial risk refers to the compensation the Group requires for the uncertainty in the amount and timing of cash flows of the group of insurance contracts. The risk adjustment reflects the amount the insurer reasonably expects to pay to eliminate the uncertainty that future cash flows will exceed the best estimate amount.

The Group uses a confidence level approach to estimate the probability distribution of the present value of future cash flows of insurance contracts at each reporting date. According to the ICS method for converting the Margin over Current Estimate (MOCE) confidence level, as of March 31, 2026 and 2025, the risk adjustment for insurance contracts and reinsurance contracts corresponds to a 75% confidence level.

D. CSM amortization

The CSM is a component of the assets or liabilities of the group of insurance contracts representing the unearned profit to be recognized as insurance contract services are provided in the future. In each period, an amount of the CSM of the group of insurance contracts is recognized in profit or loss to reflect the insurance contract services provided during that period. The amount is determined as follows:

(a) Identify the coverage units within the group;
(b) Evenly allocate the CSM at end of period (before recognizing any amount in profit or loss to reflect services provided in the current period) to each coverage unit provided in the current period and expected to be provided in the future;
(c) Recognize the amount allocated to coverage units provided in the current period in profit or loss.

The number of coverage units in the group is the number of insurance contract services provided by the contracts in the group, determined by considering the number of benefits provided and the expected coverage period. For the group of life insurance contracts, the quantity of benefits is the insured amount over the contractual period agreed. The total coverage units of each group of insurance contracts are reassessed at the end of each reporting period to adjust for the impact of claims paid, contract lapses, or cancellations on the remaining coverage during the period, and then allocated based on the probability-weighted average duration of coverage units provided in the current and expected to be provided in the future periods.

For reinsurance contracts held, the amortization of the CSM reflects the insurance coverage provided by the reinsurer.

(2) Business combinations

The Group will continue to review new information related to facts and circumstances that existed as of the acquisition date regarding the provisional amounts of identifiable assets acquired and liabilities assumed during the measurement period, which shall not exceed one year from the acquisition date. If the adjustments made to the provisional amounts mentioned above are identified, the accounting treatment as of the acquisition date will be modified. Please refer to Note 6. (41) for details.

6. Contents of Significant Accounts

(1) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	$17,628,914	$15,474,513	$13,770,673
Checks for clearing	3,167,205	1,837,287	1,237,765
Due from banks	72,056,552	53,665,895	9,843,619
Others	4,943,125	5,575,641	5,082,706
Total	$97,795,796	$76,553,336	$29,934,763

A. Due from banks include time deposits that have a maturity of three months or less from the date of acquisition, are readily convertible to a known amount of cash, and are subject to an insignificant risk of change in value; these were held for the purpose of meeting short-term cash commitments.

B. The loss allowance was measured at an amount equal to 12-month ECLs based on historical experience and forward-looking information; there was no loss allowance on cash and cash equivalents as of March 31, 2026, December 31, 2025, March 31, 2025, and January 1, 2025.

(2) Due from the central bank and call loans to banks

	March 31, 2026	December 31, 2025	March 31, 2025
Required reserve - account A	$56,783,424	$62,898,820	$27,597,294
Required reserve - account B	105,197,118	103,223,558	64,608,406
Required reserve - foreign currency	399,095	538,264	566,899
Required reserve - others	120,047	124,158	92,890
Call loans to other banks	104,426,119	23,914,611	5,511,864
Interbank clearing funds	17,761,499	17,151,702	8,282,930
Total	$284,687,302	$207,851,113	$106,660,283

A. Deposit reserves are calculated according to the legal reserve ratio and the average daily balance of various deposits subject to statutory reserve requirements each month, and are deposited with the central bank. Required reserve - account A and Required reserve - foreign currency do not earn interest and can be withdrawn at any time; Required reserve - account B earns interest but cannot be used except under specified conditions.

B. The loss allowance was measured at an amount equal to 12-month ECLs based on historical experience and forward-looking information; there was no loss allowance on due from the Central Bank and call loans to banks as of March 31, 2026, December 31, 2025, March 31, 2025 and January 1, 2025.

(3) Financial instruments measured at fair value through profit or loss

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets at fair value through profit or loss, mandatorily measured at fair value			
Derivative instruments			
Futures	$2,875,810	$2,320,463	$1,543,201
Forward exchange contracts	666,634	772,496	557,897
Currency swaps	27,184,356	24,459,627	22,456,849
Interest rate swaps	18,365,494	15,662,174	14,269,913
Cross-currency swaps	128,261	696,120	707,228
Options	5,343,758	4,194,973	890,241
Equity-linked swaps	12,476	4,737	571
Non-derivative financial assets			
Investment in bills	96,658,005	161,453,205	71,405,773
Domestic and overseas shares and beneficiary certificates	46,497,411	325,673,943	45,243,522
Government bonds	42,439,912	41,206,388	10,179,829
Corporate bonds, bank notes payable and other bonds	65,620,272	44,739,397	13,676,410
Beneficiary securities	-	-	6,165
Share borrowing	-	-	213,765
Trading securities			
Dealing	39,494,030	57,520,029	11,632,872
Underwriting	3,165,686	3,122,261	1,977,184
Hedging	29,889,193	28,917,952	6,340,068
Other	76,663	-	-
Total	$378,417,961	$710,743,765	$201,101,488

	March 31, 2026	December 31, 2025	March 31, 2025
Financial liabilities designated at fair value through profit or loss			
Bank notes payable	$2,383,551	$2,337,743	$2,567,060
Structured products	2,574,653	2,617,957	3,318,212
Financial liabilities held for trading			
Derivative instruments			
Futures	93,567	320,750	56,385
Forward exchange contracts	2,873,291	3,300,811	444,485
Currency swaps	46,021,676	43,988,051	20,213,614
Interest rate swaps	18,221,387	16,791,277	13,777,158
Cross-currency swaps	1,679,747	1,189,107	1,124,418
Options	12,219,737	10,238,982	2,850,043
Equity-linked swaps	12,475	4,737	571
Structured products	15,573	15,872	-
Liabilities for issuance of call (put) warrants, net	1,479,779	1,648,578	9,323
Share borrowing	9,847,410	12,909,814	1,574,475
Bond securities lending, margin short sales and short covering transactions	297,408	-	-
Financial liabilities of investment contracts designated at FVTPL	57,570,312	54,577,279	16,956,103
Total	$155,290,566	$149,940,958	$62,891,847

A. For the three months ended March 31, 2026 and 2025, the primary purpose of the Group's derivative transactions was to meet customer demand and to manage foreign exchange funding and risks for the Group.

B. The nominal principal amounts of outstanding derivative contracts were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Futures	$34,559,433	$25,090,776	$21,385,661
Forward exchange contracts	37,119,032	83,973,191	34,390,581
Currency swaps	2,320,244,117	2,391,519,233	2,264,720,585
Interest rate swaps	1,027,718,326	1,124,433,156	905,628,582
Cross-currency swaps	71,117,570	56,840,936	56,305,977
Options	230,066,491	162,561,291	177,529,682
Equity-linked swaps	249,733	69,186	19,922
Guarantee products	9,684,599	12,066,536	3,210,000
Credit-linked products	2,598,300	2,606,128	52,200
Equity-linked products	-	-	50,000

C. Call (put) warrants

	March 31, 2026	December 31, 2025	March 31, 2025
Call (put) warrants issued	$17,594,726	$20,771,431	$3,195,170
Loss (gain) on change in fair value	4,396,084	2,531,598	(1,507,725)
Subtotal	21,990,810	23,303,029	1,687,445
Repurchased call (put) warrants	15,681,133	18,690,100	3,104,963
Gain (loss) on change in fair value	4,829,899	2,964,351	(1,426,841)
Subtotal	20,511,032	21,654,451	1,678,122
Total	$1,479,778	$1,648,578	$9,323

The call (put) warrants which were issued by Taishin Securities B, are exercisable within 6 to 8 months from the date listed on market and will be settled in cash or in securities at Taishin Securities B's discretions. The fair value of call (put) warrants was calculated using the closing price on the last transaction day of the balance sheet date.

MasterLink Securities issues American or European style warrants. At the time of issuance, the warrants are recognized as liabilities at the issuance price prior to the expiration of the rights or if not exercised. When the issued warrants are repurchased, the repurchase price is recorded as a reduction of the warrant liabilities. The duration of the warrants is from 6 months to 2 years from exchange-listing or over-the-counter-listing date, and the settlement method is either cash or physical delivery, at the discretion of MasterLink Securities.

D. Taishin Bank's unsecured USD senior bank notes payable was as follows:

First unsecured USD senior bank notes payable of Taishin Bank of year 2018, 30 years, US$80,000 thousand, 100% of the principal amount of the bonds, put redemption on the fifth anniversaries of the notes payable issue, and repay the holders at principal value plus accrued interests, maturity: July 5, 2048.

Second unsecured USD senior bank notes payable of Taishin Bank of year 2018, 30 years, US$20,000 thousand, 100% of the principal amount of the bonds, put redemption on the fifth anniversaries of the notes payable issue, and repay the holders at principal value plus accrued interests, maturity: July 5, 2048.

Taishin bank considered unsecured USD senior bank notes payable as financial instruments designated at fair value through profit or loss to eliminate the recognition inconsistency.

E. The Company issued the first domestic unsecured exchangeable corporate bonds to obtain Chang Hwa Bank's ordinary shares on April 1, 2022. According to IFRS 9 "Financial Instrument", the derivative financial instrument embedded in the exchangeable bonds shall be separated from the main contract and recognized as a derivative instrument, as its economic trait and risk are not closely related to the main contract's debt instruments. The fair value of the embedded derivatives at the exchangeable bonds' issuance date was $398,500 thousand and was recognized as financial liabilities at fair value through profit or loss. Thus, the losses on financial liabilities at fair value through profit or loss amounted to $38,481 thousand for the three months ended March 31, 2025, respectively. Refer to Note 6. (21) for information related to the issuance of the exchangeable corporate bonds.

(4) Financial assets at fair value through other comprehensive income

	March 31, 2026	December 31, 2025	March 31, 2025
Debt instrument			
Government bonds	$479,815,153	$179,262,361	$83,810,093
Corporate bonds	713,996,808	136,696,582	41,208,083
Bank notes payable	297,377,396	73,265,637	31,827,812
Beneficiary securities	3,036,760	2,397,879	964,379
Beneficiary certificates	140,386,045	-	-
Others	28,731,336	-	-
Subtotal	1,663,343,498	391,622,459	157,810,367
Equity instrument			
Domestic and overseas shares	337,848,992	188,125,201	15,018,259
Total	$2,001,192,490	$579,747,660	$172,828,626

A. Because some equity instruments are held by the Group for medium- to long-term purposes and not for trading, which is reasonably reflected in the operating performance, equity instruments are classified as at fair value through other comprehensive income.

B. The Group issued the first domestic unsecured exchangeable corporate bonds to obtain Chang Hwa Bank's ordinary shares on April 1, 2022. Refer to Note 6. (21) for information related to the issuance of the exchangeable corporate bonds.

C. The amount of the loss allowance for debt instruments was as follows:

	12-month ECLs	Lifetime ECLs – not credit-impaired	Lifetime ECLs – credit-impaired	Total
March 31, 2026	$627,278	$-	$-	$627,278
December 31, 2025	88,926	-	-	88,926
March 31, 2025	35,717	-	-	35,717

As the Group's debt instruments at fair value through other comprehensive income were measured using the ECLs model, the Group recognized impairment loss (reversal of impairment loss) on financial assets amounted to $(1,083) thousand and $476 thousand for the three months ended March 31, 2026 and 2025, respectively.

D. Reconciliation table of financial assets corresponding to insurance contracts recognized in other comprehensive income

For the groups of contracts for which the Group elected the fair value approach on the transition date, the reconciliation table of the opening to closing balances of the cumulative amounts recognized in other comprehensive income for financial assets measured at fair value through other comprehensive income is as follows:

	For the three months ended March 31	
	2026	2025
Beginning balance	$2,688,141	$(4,960)
Unrealized gains (losses) from financial assets measured at FVTOCI	(672,164)	(729)
Disposal of cumulative gains and losses of debt instruments measured at fair value through other comprehensive income reclassified to profit or loss	(165,906)	-
Disposal of equity instruments measured at fair value through other comprehensive income reclassified to undistributed earnings	(765,117)	-
Ending balance	$1,084,954	$(5,689)

E. The Group sold the domestic shares for strategic purposes. The shares sold had a fair value of $151,377,607 thousand and $5,487,310 thousand, and the Group transferred $14,086,110 thousand and $416,082 thousand of gains from other equity to retained earnings for the three months ended March 31, 2026 and 2025, respectively.

F. Refer to Note 12. for information relating to the management of credit risk and the impairment assessment on investments in debt instruments at fair value through other comprehensive income.

G. Refer to Note 8. for information relating to debt instruments at fair value through other comprehensive income pledged as collateral.

(5) Investments in debt instruments at amortized cost

	March 31, 2026	December 31, 2025	March 31, 2025
Investment in bills	$193,201,777	$250,398,083	$279,972,553
Bank notes payable	768,839,445	948,541,708	132,148,809
Corporate bonds	250,767,505	796,483,231	160,214,097
Government bonds	278,501,824	599,155,111	154,492,205
Beneficiary securities	127,774,466	114,396,000	85,309,609
Others	71,150,000	34,045,730	-
Subtotal	1,690,235,017	2,743,019,863	812,137,273
Less: Allowance for impairment	(377,053)	(850,330)	(101,913)
Less: Security deposit	(14,684,907)	(30,514,076)	(1,864,504)
Total	$1,675,173,057	$2,711,655,457	$810,170,856

A. The Group disposed of bonds before maturity date because of infrequent sales, or because the sales were insignificant in value (either individually or in aggregate) and recognized loss on disposal of $1,723 thousand and $0 thousand for the three months ended March 31, 2026 and 2025, respectively. The disposal of bonds due to other conditions such as repayments at maturities and redemptions resulted in gain on disposal of $51,322 thousand and $10,302 thousand for the three months ended March 31, 2026 and 2025, respectively.

B. The amount of the loss allowance for debt instruments refers to the allowance amounts shown above was as follows:

	12-month ECLs	Lifetime ECLs – not credit-impaired	Lifetime ECLs – credit-impaired	Total
March 31, 2026	$377,053	$-	$-	$377,053
December 31, 2025	850,330	-	-	850,330
March 31, 2025	101,913	-	-	101,913

As the Group's investments in debt instruments at amortized cost were measured using the ECLs model, the Group had recognized impairment loss on financial assets amounted to $5,482 thousand and $2,871 thousand for the three months ended March 31, 2026 and 2025, respectively.

C. Refer to Note 12. for information relating to the management of credit risk and the impairment assessment on investments in debt instruments at amortized cost.

D. Refer to Note 8. for information relating to investments in debt instruments at amortized cost pledged as collateral.

E. Due to the Group's compliance with the special circumstances described in the Order No. 1140495239 dated January 2, 2026 issued by the FSC, which reflects the characteristics of the domestic life insurance industry—where life insurance contracts are mostly long-term and insurance assets are primarily allocated to long-term fixed income investments—the Group seeks stable returns overseas due to the low domestic bond yields and the significantly smaller size of the domestic bond market compared to insurance asset scale. To conduct asset-liability management, funds are allocated to investment targets that match the long-term liabilities of insurance policies based on the characteristics of the liabilities. Most of these investments are to fulfill policy commitments, focusing on stable interest income, with no short-term need or possibility to repatriate funds to New Taiwan Dollars. If foreign currency assets were measured at fair value (spot exchange rate) and short-term foreign exchange gains or losses were recognized in the income statement, it would cause significant profit and loss volatility, which does not reflect actual realized gains or losses. Therefore, in accordance with Article 17 of the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies and the proviso of Article 12 of the Regulations, for debt instruments measured at amortized cost and not designated as hedging foreign currency risk components, from January 1, 2026, the Group recognizes unrealized foreign exchange differences on the amortized cost of foreign currency calculated based on the previous period's translated carrying amount or the newly acquired cost. These unrealized exchange differences for each period are amortized on a straight-line basis over the expected remaining holding period of the debt instrument investment and recognized in exchange gains or losses. The unamortized cumulative unrealized net exchange differences are classified as other assets or other liabilities. Upon derecognition of the debt instrument, the unamortized portion is fully recognized in the current period' s exchange gains or losses.

The relevant financial affected by the unrealized foreign exchange gains and losses of debt instrument investments measured at amortized cost, as processed above, is shown in the following table:

	Not applicable to the amortization method of foreign exchange gains and losses	Applicable to the amortization method of foreign exchange gains and losses	Impact			
			Assets	Liabilities	Equity	Profit and Loss
March 31, 2026						
Other assets – Unamortized impact of unrealized exchange valuation on financial assets measured at amortized cost	$-	$-	$-	$-	$-	$-
Other assets – Unamortized impact of unrealized exchange valuation on financial assets measured at amortized cost	-	(12,425,829)	-	(12,425,829)	-	-
For the three months ended March 31, 2026						
Unrealized foreign exchange gains or losses on debt instruments measured at amortized cost recognized in profit or loss						
Valued at closing exchange rate (designated hedge)	$-	$-	$-	$-	$-	$-
Recognized on an amortized basis	12,463,238	37,409	-	-	12,425,829	12,425,829
Total	$12,463,238	$37,409	$-	$-	$12,425,829	$12,425,829

(6) The composition of underlying items and fair value of insurance contracts with direct participation features held by the Group:

Item	Insurance contracts with direct participation features		
	March 31, 2026	December 31, 2025	March 31, 2025
Underlying items:			
Non-separate account insurance products			
Financial assets at FVTPL, mandatorily measured at fair value			
Derivatives without designated hedging relationships	$12,128	$-	$-
Stocks	949,332	772,209	-
Equity funds	283,020	-	-
Bond funds	2,089,450	998,845	-
Corporate bonds	2,200,790	-	-
Financial bonds	956,364	-	-
Financial assets measured at amortized cost			
Corporate bonds	-	862,208	-
Government bonds	-	546,077	-
Separate account insurance product assets:			
Beneficiary certificates	76,613,923	73,098,409	26,971,792

(7) Receivables, net

A. The details of receivables, net were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Notes and accounts receivables	$87,966,825	$92,941,157	$81,677,191
Credit cards receivables	85,612,123	84,632,218	66,566,916
Interest receivables	34,013,060	38,998,517	12,293,225
Securities margin loans receivables	42,445,203	37,984,487	15,706,508
Delivery accounts receivable s	90,568,658	53,049,534	13,858,148
Other receivables	10,914,330	1,730,231	2,324,489
Subtotal	351,520,199	309,336,144	192,426,477
Less: Adjustment for discounts	(2,615,910)	(2,580,422)	(2,755,468)
Less: Allowance for receivables	(2,403,580)	(2,391,202)	(1,767,095)
Total	$346,500,709	$304,364,520	$187,903,914

B. The movements in the allowance for receivables (including non-performing receivables transferred from other than loans) for the three months ended March 31, 2026 and 2025 were as follows:

	12-month ECLs	Lifetime ECLs (group assessment)	Lifetime ECLs (individual assessment)	Lifetime ECLs (non-purchased or originated credit-impaired (POCI) financial assets)	Loss allowance under IFRS 9	Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	Total
Loss allowance as of January 1, 2026	$374,411	$669,683	$926,868	$(276,859)	$1,694,103	$944,564	$2,638,667
Changes of financial instruments recognized at the beginning of the reporting period							
Transferred to lifetime ECLs	(6,345)	27,299	-	(10,911)	10,043	-	10,043
Transferred to credit-impaired financial assets	(1,065)	(19,430)	-	101,708	81,213	-	81,213
Transferred to 12-month ECLs	2,582	(14,387)	-	(3,739)	(15,544)	-	(15,544)
Financial assets derecognized	(51,908)	(6,966)	(2,347)	(154,440)	(215,661)	-	(215,661)
New financial assets purchased or originated	80,204	18,804	2,502	41,471	142,981	-	142,981
Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	-	-	-	-	-	(47,616)	(47,616)
Write-offs	791	(15,252)	(106)	(168,086)	(182,653)	-	(182,653)
Recovery of written-off loans	(680)	-	-	198,561	197,881	-	197,881
Foreign exchange and other movements	98,208	(63,496)	5	(148)	34,569	-	34,569
Loss allowance as of March 31, 2026	$496,198	$596,255	$926,922	$(272,443)	$1,746,932	$896,948	$2,643,880

	12-month ECLs	Lifetime ECLs (group assessment)	Lifetime ECLs (individual assessment)	Lifetime ECLs (non-purchased or originated credit-impaired (POCI) financial assets)	Loss allowance under IFRS 9	Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	Total
Loss allowance as of January 1, 2025	$175,088	$148,645	$390,379	$639,956	$1,354,068	$710,979	$2,065,047
Changes of financial instruments recognized at the beginning of the reporting period							
Transferred to lifetime ECLs	(1,936)	23,902	-	(2,844)	19,122	-	19,122
Transferred to credit-impaired financial assets	(1,950)	(25,245)	-	98,139	70,944	-	70,944
Transferred to 12-month ECLs	3,532	(5,911)	-	(10,205)	(12,584)	-	(12,584)
Financial assets derecognized	(29,969)	(8,011)	(2,097)	(329,723)	(369,800)	-	(369,800)
New financial assets purchased or originated	24,197	16,970	2,178	4,354	47,699	-	47,699
Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	-	-	-	-	-	(73,811)	(73,811)
Write-offs	-	(11,603)	(136)	(213,554)	(225,293)	-	(225,293)
Recovery of written-off loans	-	-	-	339,917	339,917	-	339,917
Foreign exchange and other movements	14,946	2,996	6	96,806	114,754	-	114,754
Loss allowance as of March 31, 2025	$183,908	$141,743	$390,330	$622,846	$1,338,827	$637,168	$1,975,995

(8) Assets classified as held for sale

	March 31, 2026	December 31, 2025	March 31, 2025
	Land and buildings	Land and buildings	Land and buildings
Carrying amount	$4,885,637	$5,272,964	$-
Add: Fair value valuation adjustment	-	-	-
Total	$4,885,637	$5,272,964	$-

The Group sold a total of 4 units of the President Jasper Villa in Taipei City for the three months ended March 31, 2026.

(9) Loans, net

A. The details of loans, net were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Negotiated	$1,352,014	$1,362,708	$3,243,467
Overdrafts	973,250	1,538,899	3,362,193
Short-term loans	632,550,367	529,496,937	388,474,964
Medium-term loans	983,954,687	936,059,372	601,337,130
Long-term loans	1,321,017,703	1,290,705,121	780,912,659
Policy loans	670,779	466,712	18,819
Automatic premium loans	-	21	-
Delinquent loans	2,914,116	2,676,316	1,884,192
Subtotal	2,943,432,916	2,762,306,086	1,779,233,424
Less: Adjustment for discounts	(1,070,274)	(989,583)	(881,715)
Less: Allowance for loan losses	(36,839,210)	(35,371,428)	(22,696,394)
Total	$2,905,523,432	$2,725,945,075	$1,755,655,315

B. The movements in the allowance for loans for the three months ended March 31, 2026 and 2025 were as follows:

	12-month ECLs	Lifetime ECLs (group assessment)	Lifetime ECLs (individual assessment)	Lifetime ECLs (non-POCI financial assets)	Loss allowance under IFRS 9	Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	Total
Loss allowance as of January 1, 2026	$4,586,647	$1,852,606	$181,041	$4,511,409	$11,131,703	$24,239,725	$35,371,428
Changes of financial instruments recognized at the beginning of the reporting period							
Transferred to lifetime ECLs	(15,993)	346,337	52,421	(319,841)	62,924	-	62,924
Transferred to credit-impaired financial assets	(1,688)	(84,375)	(5,493)	394,873	303,317	-	303,317
Transferred to 12-month ECLs	10,872	(207,411)	(263)	(52,123)	(248,925)	-	(248,925)
Financial assets derecognized	(944,666)	(318,431)	(2,623)	(438,171)	(1,703,891)	-	(1,703,891)
New financial assets purchased or originated	1,386,102	466,392	6,060	103,218	1,961,772	-	1,961,772
Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	-	-	-	-	-	961,091	961,091
Write-offs	-	(80)	-	(478,343)	(478,423)	-	(478,423)
Recovery of written-off loans	-	-	-	470,538	470,538	-	470,538
Foreign exchange and other movements	4,860	3,202	-	127,350	135,412	3,967	139,379
Loss allowance as of March 31, 2026	$5,026,134	$2,058,240	$231,143	$4,318,910	$11,634,427	$25,204,783	$36,839,210

	12-month ECLs	Lifetime ECLs (group assessment)	Lifetime ECLs (individual assessment)	Lifetime ECLs (non-POCI financial assets)	Loss allowance under IFRS 9	Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	Total
Loss allowance as of January 1, 2025	$2,303,783	$941,807	$182,445	$2,866,898	$6,294,933	$15,384,126	$21,679,059
Changes of financial instruments recognized at the beginning of the reporting period							
Transferred to lifetime ECLs	(3,532)	134,080	12,182	(14,028)	128,702	-	128,702
Transferred to credit-impaired financial assets	(5,732)	(73,797)	(3,326)	281,947	199,092	-	199,092
Transferred to 12-month ECLs	2,320	(110,692)	-	(111,058)	(219,430)	-	(219,430)
Financial assets derecognized	(373,271)	(402,460)	(5,883)	(508,012)	(1,289,626)	-	(1,289,626)
New financial assets purchased or originated	323,574	9,201	2,587	17,588	352,950	-	352,950
Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	-	-	-	-	-	1,636,465	1,636,465
Write-offs	(1)	(61)	-	(71,800)	(71,862)	-	(71,862)
Recovery of written-off loans	(577)	-	-	281,621	281,044	-	281,044
Loss allowance as of March 31, 2025	$2,246,564	$498,078	$188,005	$2,743,156	$5,675,803	$17,020,591	$22,696,394

C. Details of the reversal of bad debt expenses, commitments, and guarantee liabilities (provision) for the three months ended March 31, 2026 and 2025 were as follows:

	For the three months ended March 31	
	2026	2025
(Provision for) reversal of the allowance for losses on receivables, loans and other financial assets	$(1,544,861)	$(745,422)
(Provision for) reversal of the allowance for losses on guarantee liabilities	(38,207)	(13,201)
(Provision for) reversal of the allowance for losses on loan commitments	(10,341)	(10,737)
(Provision for) reversal of the allowance for letters of credit	(3,862)	24
Total	$(1,597,271)	$(769,336)

(10) Investments accounted for using equity method

A. Investments in associates

	March 31, 2026	December 31, 2025	March 31, 2025
Associates that are not individually material	$3,021,795	$3,006,990	$522,937

Aggregate information of associates that are not individually material:

	For the three months ended March 31	
	2026	2025
The Group's share of:		
Net income for the period	$14,659	$(5,062)
Other comprehensive income for the period	146	-
Total comprehensive income for the period	$14,805	$(5,062)

B. Mega Solar Co., Ltd., an investee of former Taishin Life Insurance accounted for under the equity method, resolved in July 2025 to cease operations. The company plans to implement a capital reduction to offset accumulated losses and return cash to shareholders. Former Taishin Life Insurance has conducted an assessment in accordance with internal policies and has booked impairment losses of $87,757 thousand.

C. On May 22, 2020, the board of directors of the subsidiary, former Shin Kong Life Insurance, approved investment in the cash capital increase of Ding Cheng Life Insurance Company, in the amount of RMB 187,500 thousand. An equity transfer pre-contract was entered into with a legal entity in mainland China, with plans to sell all shares of Ding Cheng Life Insurance. Former Shin Kong Life Insurance received a deposit of RMB 187,500 thousand, which was recorded under the deposit account. On September 2, 2020, former Shin Kong Life Insurance transferred $807,188 thousand (RMB 187,500 thousand) to the capital increase account of Ding Cheng Life Insurance, which is still pending review by the China Banking and Insurance Regulatory Commission. The capital increase is recorded under other assets - prepaid investment. The regulatory authority reallocated the supervision of this capital increase in January 2021, transferring it from the China Banking and Insurance Regulatory Commission to the Beijing Regulatory Bureau of the China Banking and Insurance Regulatory Commission. The capital increase was terminated by the board of directors of Ding Cheng Life Insurance on June 30, 2021, and the payment of the capital increase was refunded on August 16, 2021. On June 29, 2021, the board of directors of former Shin Kong Life Insurance approved to retrieve its original capital increase for Ding Cheng Life Insurance and to sell all shares of Ding Cheng Life Insurance. Additionally, on June 30, 2021, a share transfer agreement and a supplementary agreement were signed with Hongdou Group Co., Ltd., with a total transfer price of RMB 462,500 thousand, and it was agreed that former Shin Kong Life Insurance would no longer contribute to Ding Cheng Life Insurance's subsequent capital increase plans. The share transfer is subject to approval by the regulatory authority, which changed to the Beijing Regulatory Bureau of the National Financial Supervisory Administration in May 2023.

Shin Kong Life Insurance and its subsidiaries have ceased recognizing further shares of losses from Ding Cheng Life Insurance Company under the equity method. When recognizing shares of losses from associated enterprises, Shin Kong Life Insurance and its subsidiaries considered the carrying amount of their equity investments in the associated enterprises.

D. The Group’s investments accounted for using equity method were not pledged as collateral as of March 31, 2026, December 31, 2025, March 31, 2025 and January 1, 2025, respectively.

(11) Other financial assets, net

A. The details of other financial assets, net items were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Non-performing receivables transferred from other than loans	$389,012	$398,473	$369,093
Less: Allowance for bad debt	(240,300)	(247,465)	(208,900)
Due from banks	10,649,700	14,701,875	7,426,058
Securities lending deposits	264,693	1,080,323	56,544
Gold deposit account	3,152,043	2,238,089	1,106,014
Customer margin account	20,517,550	17,955,465	4,584,413
Securities borrowing collateral price	169,298	843,385	-
Separate account insurance products assets (Note 6.(26))	138,051,177	131,102,480	46,696,812
Total	$172,953,173	$168,072,625	$60,030,034

B. The due from banks recognized under other financial assets held by the Group are time deposits with original maturities of more than 3 months or pledged as collateral. Refer to Note 8. for the information relating to the due from banks and time deposits pledged as collateral

C. Refer to Note 6. (7) for the movements of the allowance for non-performing receivables transferred from other than loans for the three months ended March 31, 2026 and 2025.

D. The loss allowance was measured at an amount equal to 12-month ECLs based on historical experience and forward-looking information; there was no allowance for loss on other financial assets excluding non-performing receivables transferred from other than loans as of March 31, 2026, December 31, 2025, March 31, 2025 and January 1, 2025, respectively.

(12) Investment properties, net

	March 31, 2026	December 31, 2025	March 31, 2025
Investment properties			
Land	$146,983,335	$149,850,062	$9,826,505
Buildings			
Cost	80,607,038	81,071,473	1,422,153
Accumulated depreciation	(1,811,092)	(1,224,345)	(281,432)
Subtotal	78,795,946	79,847,128	1,140,721
Prepayments for buildings and land	45,162	45,405	-
Investment properties under construction	5,519,231	76,758	-
Total	$231,343,674	$229,819,353	$10,967,226

	Land	Buildings	Prepayments for buildings and land	Investment property under construction	Total
Cost:					
Balance, January 1, 2026	$149,850,062	$81,071,473	$45,405	$76,758	$231,043,698
Additions	-	184,283	282	495,246	679,811
Reclassification	(2,866,727)	(648,718)	(525)	4,947,227	1,431,257
Balance, March 31, 2026	$146,983,335	$80,607,038	$45,162	$5,519,231	$233,154,766
Balance, January 1, 2025	$4,348,096	$1,412,670	$5,368,011	$-	$11,128,777
Additions	110,398	9,483	-	-	119,881
Reclassification	5,368,011	-	(5,368,011)	-	-
Balance, March 31, 2025	$9,826,505	$1,422,153	$-	$-	$11,248,658
Accumulated depreciation:					
Balance, January 1, 2026	$-	$1,224,345	$-	$-	$1,224,345
Depreciation expenses	-	610,147	-	-	610,147
Reclassification	-	(23,400)	-	-	(23,400)
Balance, March 31, 2026	$-	$1,811,092	$-	$-	$1,811,092
Balance, January 1, 2025	$-	$272,696	$-	$-	$272,696
Depreciation expenses	-	8,736	-	-	8,736
Balance, March 31, 2025	$-	$281,432	$-	$-	$281,432

The Group acquired investment properties in the amount of $230,849,763 thousand due to business combinations on July 24, 2025.

The Group's investment properties, which were leased out under operating leases, had lease terms between 1 to 20 years.

The maturity analysis of lease payments receivable under operating leases of investment properties as of March 31, 2026, December 31, 2025 and March 31, 2025 were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Year 1	$4,851,867	$4,846,236	$193,687
Year 2	3,720,830	3,951,788	174,851
Year 3	2,628,943	2,614,501	165,073
Year 4	2,022,839	2,045,546	154,628
Year 5	1,493,635	1,586,639	134,622
Over 5 years	4,775,795	5,015,949	646,594
Total	$19,493,909	$20,060,659	$1,469,455

The rental income and direct operating expenses generated from investment properties for the three months ended March 31, 2026 and 2025 were as follows:

	For the three months ended March 31	
	2026	2025
Rental income	$1,376,710	$51,271
Direct operating expenses		
From investment properties generating rental income	879,199	10,097
From investment properties not generating rental income	793	952

The fair values of the Group's investment properties (excluding prepayments for buildings and land) as of March 31, 2026, December 31, 2025 and March 31, 2025 were $220,288,115 thousand, $215,727,313 thousand and $11,893,625 thousand, respectively. The fair values were determined by the Group's management and independent evaluation companies based on the valuation models measured by Level 3 inputs generally used by the market participants, the foregoing valuation was from the transaction value of property and equipment.

Please refer to Note 8. for information on investment properties pledged as collateral.

(13) Property and equipment, net

	March 31, 2026	December 31, 2025	March 31, 2025
Land	$61,738,088	$62,847,895	$17,414,366
Buildings	17,052,890	17,646,941	5,216,247
Machinery equipment	2,466,447	2,611,599	1,856,231
Transportation equipment	98,008	106,416	117,497
Miscellaneous equipment	644,386	679,778	110,934
Leasehold improvements	394,254	429,323	314,154
Construction in progress	2,049,685	1,754,921	-
Prepayments for equipment	189,157	67,418	83,522
Total	$84,632,915	$86,144,291	$25,112,951

	Land	Buildings	Machinery equipment	Transportation equipment	Miscellaneous equipment	Leasehold improvements	Construction in progress	Prepayments for equipment	Total
Cost:									
Balance, January 1, 2026	$62,847,895	$22,378,757	$6,435,913	$278,118	$1,027,914	$822,322	$1,754,921	$67,418	$95,613,258
Additions	-	11,106	54,711	3,482	14,083	9,751	328,736	104,113	525,982
Disposals	-	(6,261)	(476,849)	(11,989)	(9,027)	(50,778)	-	-	(554,904)
Reclassification	(1,109,807)	(749,570)	(7,583)	-	(94,841)	345,860	(33,972)	17,626	(1,632,287)
Exchange differences	-	-	935	-	69	2,104	-	-	3,108
Balance, March 31, 2026	$61,738,088	$21,634,032	$6,007,127	$269,611	$938,198	$1,129,259	$2,049,685	$189,157	$93,955,157
Balance, January 1, 2025	$17,414,366	$8,909,680	$5,033,293	$262,588	$255,707	$802,323	$-	$93,460	$32,771,417
Additions	-	17,410	69,905	2,588	6,813	8,248	-	20,725	125,689
Disposals	-	(9,522)	(239,629)	(4,848)	(13,707)	(4,581)	-	-	(272,287)
Reclassification	-	3,935	-	-	-	20,779	-	(30,663)	(5,949)
Exchange differences	-	-	615	-	-	1,582	-	-	2,197
Balance, March 31, 2025	$17,414,366	$8,921,503	$4,864,184	$260,328	$248,813	$828,351	$-	$83,522	$32,621,067
Accumulated depreciation:									
Balance, January 1, 2026	$-	$4,731,816	$3,824,314	$171,702	$348,136	$392,999	$-	$-	$9,468,967
Depreciation expenses	-	151,649	242,722	11,890	26,887	53,326	-	-	486,474
Disposals	-	(6,262)	(476,445)	(11,989)	(9,021)	(50,778)	-	-	(554,495)
Reclassification	-	(296,061)	(51,534)	-	(75,237)	337,607	-	-	(85,225)
Exchange differences	-	-	1,623	-	3,047	1,851	-	-	6,521
Balance, March 31, 2026	$-	$4,581,142	$3,540,680	$171,603	$293,812	$735,005	$-	$-	$9,322,242
Balance, January 1, 2025	$-	$3,644,964	$3,058,711	$136,498	$140,932	$481,525	$-	$-	$7,462,630
Depreciation expenses	-	69,814	187,725	11,173	10,621	36,024	-	-	315,357
Disposals	-	(9,522)	(238,974)	(4,840)	(13,674)	(4,581)	-	-	(271,591)
Exchange differences	-	-	491	-	-	1,229	-	-	1,720
Balance, March 31, 2025	$-	$3,705,256	$3,007,953	$142,831	$137,879	$514,197	$-	$-	$7,508,116

Please refer to Note 8. for information on properties and equipment pledged as collateral.

(14) Lease

A. Right-of-use assets, net

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount			
Land and land use rights	$2,644,785	$2,815,346	$-
Buildings	4,224,212	4,031,916	2,233,389
Office and other equipment	31,319	36,393	832
Transportation equipment	34,178	40,002	28,527
Total	$6,934,494	$6,923,657	$2,262,748

	For the three months ended March 31	
	2026	2025
Depreciation charge for right-of-use assets		
Land and land use rights	$6,528	$-
Buildings	335,698	213,165
Office and other equipment	5,214	77
Transportation equipment	6,588	4,521
Total	$354,028	$217,763

For the three months ended March 31, 2026 and 2025, the Group added $357,587 thousand and $247,665 thousand, respectively, to the right-of-use assets.

Some of the land use rights and their associated buildings acquired by the Group are subleased under operating leases, and the related right-of-use assets are reported as investment properties. The amounts related to the above right-of-use assets do not include those that meet the definition of investment properties.

Except for the aforementioned addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets for the three months ended March 31, 2026 and 2025.

B. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount			
Land and land use rights	$5,001,901	$5,117,531	$-
Buildings	4,379,168	4,357,149	2,308,422
Office and other equipment	24,666	23,010	853
Transportation equipment	33,916	48,871	28,850
Total	$9,439,651	$9,546,561	$2,338,125

	For the three months ended March 31	
	2026	2025
Interest expense (other interest expense)	$8,370	$6,788

The Group leases buildings for the use of its bank branches and offices. Lease terms and range of discount rate for lease liabilities as of March 31, 2026, December 31 2025 and March 31, 2025 were as follows:

	The lease term	Discount rate
March 31, 2026		
Land use rights	50~141 years	2.30%~4.58%
Buildings	1~15 years	0.35%~4.57%
Office and other equipment	2~5 years	1.25%~1.69%
Transportation equipment	2~5 years	0.90%~4.49%
December 31, 2025		
Land use rights	50~141 years	2.30%~4.58%
Buildings	1~15 years	0.35%~6.21%
Office and other equipment	2~5 years	1.08%~4.35%
Transportation equipment	2~5 years	0.90%~4.49%
March 31, 2025		
Land use rights	-	-
Buildings	1~15 years	0.35%~4.58%
Office and other equipment	2~5 years	0.56%~1.25%
Transportation equipment	2~5 years	3.62%~4.58%

C. Significant Lease Activities and Terms

The land use rights leased by the Group include the following items:

(a) The subsidiary, Shin Kong Life Insurance, won the bid for the land use rights on the A12 lot in Xinyi District from the Taipei City Government in November 2003, with a use period of 50 years, expiring in December 2053.

(b) The subsidiary, Shin Kong Life Insurance, obtained the land use rights for the Xinban section in Banqiao District from Taiwan Tobacco and Liquor Corporation in June 2013, with a use period of 50 years, expiring in June 2063.

(c) The subsidiary, Shin Kong Life Insurance, acquired the land use rights for the Dalong section in Datong District from CPC Corporation, Taiwan in October 2013, with a use period of 50 years, expiring in October 2063.

(d) The subsidiary, Shin Kong Life Insurance, obtained the land use rights for the Nangang Economic and Trade section from the Taipei City Government in March 2014, with a use period of 60 years, expiring in March 2074.

(e) The subsidiary, Shin Kong Life Insurance, acquired the land use rights for the Wenhua section in Banqiao District from CPC Corporation, Taiwan in October 2014, with a use period of 50 years, expiring in October 2064.

(f) The subsidiary, Shin Kong Life Insurance, obtained the land use rights in London, UK from Gracechurch Street No 1 Limited in December 2015, with the use period of 141 years and 10 months remaining at the time of acquisition, expiring in October 2157.

(g) The subsidiary, Shin Kong Life Insurance, acquired the land use rights for the Chenggong section in Zhongzheng District from the National Property Administration, Ministry of Finance in June 2018, with a use period of 70 years, expiring in June 2088.

(h) The subsidiary, Shin Kong Life Insurance, obtained the land use rights for the Nangang Transit Station from the Taipei City Government in December 2020, with a use period of 50 years, expiring in December 2070.

(i) The subsidiary, Shin Kong Life Insurance, acquired the land use rights for the Qianjin section in Qianjin District from the Kaohsiung City Government in March 2021, with a use period of 70 years, expiring in April 2091.

D. Other lease information

	For the three months ended March 31	
	2026	2025
Expenses relating to short-term leases	$56,069	$6,132
Expenses relating to low-value asset leases	$965	$1,591
Total cash outflow for leases	$319,757	$230,535

Certain lease contracts of the Group qualify as short-term leases and low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

All lease commitments with lease terms commencing after the balance sheet date were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Lease commitments	$18,150	$18,150	$97,870

(15) Intangible assets, net

	March 31, 2026	December 31, 2025	March 31, 2025
Goodwill	$657,490,149	$657,490,149	$1,567,391
Client list	4,542,616	4,664,294	-
Computer software	2,551,017	2,688,545	2,039,126
Other intangible assets	9,861,758	10,036,982	17,251
Total	$674,445,540	$674,879,970	$3,623,768

	Goodwill	Client list	Computer software	Other intangible assets	Total
Balance, January 1, 2026	$657,490,149	$4,664,294	$2,688,545	$10,036,982	$674,879,970
Additions	-	-	145,404	30,289	175,693
Disposals	-	-	(4,764)	-	(4,764)
Amortization	-	(121,678)	(290,343)	(205,629)	(617,650)
Reclassification	-	-	11,062	116	11,178
Exchange differences	-	-	1,113	-	1,113
Balance, March 31, 2026	$657,490,149	$4,542,616	$2,551,017	$9,861,758	$674,445,540
Balance, January 1, 2025	$1,567,391	$-	$2,083,067	$18,938	$3,669,396
Additions	-	-	117,689	-	117,689
Amortization	-	-	(167,924)	(1,687)	(169,611)
Reclassification	-	-	5,949	-	5,949
Exchange differences	-	-	345	-	345
Balance, March 31, 2025	$1,567,391	$-	$2,039,126	$17,251	$3,623,768

A. Other intangible assets include carbon credit and right to participate in professional basketball league.

B. The acquisition and main movements of goodwill were as follows:

(a) Taishin Bank merged with Dah An Bank through a share swap in February 2002, in which Taishin Bank issued new shares to acquire the total assets and liabilities of Dah An Bank. The difference between the fair value of the new shares issued by Taishin Bank and the fair value of net assets acquired was recognized as goodwill. The unamortized amount as of March 31, 2026 and 2025 was all $884,937 thousand with no material impairment loss noted.

(b) Taishin AMC acquired 40% ownership of Taishin Real-Estate in April 2003. The difference between the purchase price and the net assets acquired was recognized as goodwill. The unamortized amount as of March 31, 2026 and 2025 was all $4,187 thousand with no material impairment loss noted.

(c) Taishin Bank acquired the net assets of the 10th Credit Cooperative of Hsin-Chu in October 2004. The acquisition price in excess of the net assets of 10th Credit Cooperative of Hsin-Chu was recognized as goodwill. The unamortized amount as of March 31, 2026 and 2025 was all $267,337 thousand with no material impairment loss noted.

(d) Taishin Securities Investment Trust merged with IBT Securities Investment Trust Co., Ltd. on December 18, 2010, in which Taishin Securities Investment Trust acquired the total assets and liabilities of IBT Securities Investment Trust Co., Ltd. The difference between the purchase price and the net assets acquired was recognized as goodwill valued at $425,300 thousand. Taishin Securities Investment Trust valued the recoverable amount of goodwill and recognized impairment loss for goodwill in the amount of $14,370 thousand for the year ended December 31, 2016. The recoverable amount was valued on the basis of use value. The main reason of impairment was the profitability of Taishin Securities Investment Trust. The unamortized amount as of March 31, 2026 and 2025 was all $410,930 thousand.

(e) On July 24, 2025, the Company acquired 100% of Shin Kong Financial Holding's shares, thereby gaining control over the financial holding group. Subsequently, Shin Kong Financial Holding was dissolved, and the Company directly holds the subsidiaries originally under Shin Kong Financial Holding. The difference between the acquisition consideration and the provisional fair value of identifiable net assets was recognized as goodwill amounting to $655,922,758 thousand. As of March 31, 2026, the unamortized balance remains $655,922,758 thousand, and no significant impairment has been identified upon evaluation. Details of the provisional fair value of identifiable net assets at the acquisition date and the transaction consideration are provided in Note 6. (41).

(16) Other assets, net

	March 31, 2026	December 31, 2025	March 31, 2025
Prepayments	$2,790,684	$2,456,599	$1,693,897
Net defined benefit asset	5,818,763	7,136,255	31,050
Refundable deposits	30,717,928	45,511,793	18,472,178
Operating guarantee deposits and settlement funds	15,127,515	14,899,537	2,089,641
Collateral, net	234,499	234,499	256,349
Others	57,667,748	3,152,857	138,273
Total	$112,357,137	$73,391,540	$22,681,388

A. Refer to Note 8 for information relating to refundable deposits, operating guarantee deposits and settlement funds pledged as collateral.

B. The loss allowance was measured at an amount equal to 12-month ECLs based on historical experience and forward-looking information; there was no loss allowance on refundable deposits, operating guarantee deposits and settlement funds as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

(17) Deposits from the central bank and banks

	March 31, 2026	December 31, 2025	March 31, 2025
Deposits from other banks	$13,367,602	$19,412,649	$7,138,548
Call loans from other banks	85,170,519	27,658,654	11,606,650
Bank overdrafts	317,396	723,368	296,905
Deposits from the Central Bank	82,584	89,638	85,364
Total	$98,938,101	$47,884,309	$19,127,467

(18) Commercial papers issued, net

Guarantee or acceptance institutions	March 31, 2026	December 31, 2025	March 31, 2025
Grand Bills Finance	$5,210,000	$4,355,000	$5,065,000
China Bills Finance	20,390,000	17,370,000	9,400,000
Ta Ching Bills Finance	7,520,000	3,300,000	2,715,000
International Bills Finance	8,460,000	9,260,000	4,200,000
Taiwan Finance Corporation	4,570,000	3,940,000	2,498,000
Mega Bills Finance	10,289,000	9,095,000	5,783,000
Bank SinoPac	5,850,000	9,150,000	3,700,000
KGI Bank	3,850,000	1,650,000	2,250,000
Taiwan Cooperative Bills Finance	4,550,000	2,700,000	3,000,000
Union Bills Finance Corporation	3,400,000	1,300,000	1,100,000
Taipei Fubon Commercial Bank	4,170,000	5,570,000	500,000
Cathay United Bank	5,000,000	3,500,000	-
Yuanta Commercial Bank	4,750,000	7,700,000	1,000,000
China Trust Commercial Bank	6,000,000	4,130,000	6,300,000
Union Bank of Taiwan	7,300,000	5,650,000	1,750,000
Sunny Commercial Bank	4,600,000	3,050,000	-
O-Bank	2,770,000	600,000	1,200,000
Less: Discounts on commercial papers issued	(224,999)	(183,175)	(116,230)
Total	$108,454,001	$92,136,825	$50,344,770

As of March 31, 2026, December 31, 2025 and March 31, 2025, the interest rate ranges of commercial papers issued were 1.50%~2.24%, 1.48%~2.24% and 1.70%~2.10%, respectively.

(19) Payables

	March 31, 2026	December 31, 2025	March 31, 2025
Notes and accounts payable	$15,484,146	$19,902,620	$13,267,724
Delivery accounts payable	59,315,811	46,631,099	8,747,102
Accrued expenses	19,778,406	28,192,866	7,882,425
Interest payable	12,807,030	9,557,864	9,427,716
Checks for clearance payable	3,167,049	1,836,384	1,233,441
Collection payable	1,896,106	2,381,884	746,430
Settlement	7,527,267	5,850,099	3,651,483
Tax payable	904,271	1,396,179	378,813
Dividend payable	357,926	230,803	-
Other payables	13,323,842	6,489,725	2,275,101
Total	$134,561,854	$122,469,523	$47,610,235

(20) Deposits and remittances

	March 31, 2026	December 31, 2025	March 31, 2025
Checking deposits	$10,554,495	$16,184,907	$6,269,752
Demand deposits	764,772,707	701,747,750	469,452,689
Time deposits	1,224,123,377	1,164,791,836	862,245,303
Negotiable certificates of deposit	16,790,807	7,320,400	1,709,120
Savings deposits	1,713,348,286	1,673,552,726	1,060,055,130
Public treasury deposits	14,864,640	15,091,267	20,872,742
Remittances	2,516,576	2,538,432	3,229,827
Others	196	-	-
Total	$3,746,971,084	$3,581,227,318	$2,423,834,563

(21) Bonds payable

	March 31, 2026	December 31, 2025	March 31, 2025
Corporate bonds	$95,706,800	$95,479,200	$35,300,000
Exchangeable corporate bonds	-	-	31,400
Less: Discount on domestic corporate bonds	3,317,224	(54,578)	-
Less: Discount on foreign corporate bonds	1,219,989	(183,190)	-
Purchase price allocation adjustment	-	4,901,403	-
Subtotal	100,244,013	100,142,835	35,331,400
Bank notes payable	46,050,000	48,250,000	25,000,000
Purchase price allocation adjustment	233,457	319,852	-
Subtotal	46,283,457	48,569,852	25,000,000
Total	$146,527,470	$148,712,687	$60,331,400

A. Corporate bonds issued by TS Financial Holding

To raise working capital and strengthen its financial structure, TS Financial Holding issued unsecured subordinated corporate bonds, unsecured ordinary corporate bonds and unsecured exchangeable corporate bonds under SFB approval. The bond issuance terms were as follows:

(a) Domestic unsecured subordinated corporate bonds and unsecured ordinary corporate bonds

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured subordinated corporate bonds - 2017 (I)	$8,000,000	$8,000,000	$8,000,000
Unsecured subordinated corporate bonds - 2018 (I)	7,000,000	7,000,000	7,000,000
Unsecured subordinated corporate bonds - 2019 (I)	7,000,000	7,000,000	7,000,000
Unsecured ordinary corporate bonds - 2020 (I)	7,300,000	7,300,000	10,000,000
Unsecured ordinary corporate bonds - 2022 (I)	5,000,000	5,000,000	-
	34,300,000	34,300,000	32,000,000
Less: Discount on Unsecured ordinary corporate bonds - 2022 (I)	(43,924)	(54,578)	-
Total	$34,256,076	$34,245,422	$32,000,000

The unsecured ordinary corporate bond Series A 2020 (I) matured on May 19, 2025, and the principal amount of $2,700,000 thousand was repaid.

The issuance conditions of the 2022 first tranche of unsecured ordinary corporate bonds (formerly named: Shin Kong Financial Holding Co., Ltd. 2022 First Issue Unsecured Ordinary Corporate Bonds) are as follows:

i. Total issuance amount: $5,000,000 thousand.
ii. Face value per bond: $1 million.
iii. Issuance date: April 12, 2022.
iv. Issuance price: Issued at par value.
v. Issuance period: 5 years.
vi. Coupon rate: 0.90%.
vii. Interest calculation and payment method: Simple interest paid once annually from the issuance date.
viii. Principal repayment method: Principal repaid in full at maturity after 5 years from the issuance date.

(b) Domestic unsecured exchangeable corporate bonds

Name of bond	Duration	Interest rate	Total issued amount	March 31, 2026	December 31, 2025	March 31, 2025
Domestic unsecured exchangeable corporate bonds	2022.4.1~ 2025.4.1	0%	$5,025,000	$-	$-	$31,400

For further information on domestic unsecured subordinated corporate bonds, unsecured ordinary corporate bonds and unsecured exchangeable corporate bonds, please refer to Note 6. (20) to the consolidated financial statements as of and for the year ended December 31, 2025.

B. Bank notes payable issued by Taishin Bank

Taishin Bank has issued financial bonds to enhance its capital ratio and raise medium to long-term operating funds. Details of the issues were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Subordinated bank notes payable - 2015 (I)	$4,850,000	$4,850,000	$9,100,000
Subordinated bank notes payable - 2015 (II)	6,000,000	6,000,000	6,000,000
Subordinated bank notes payable - 2015 (III)	4,200,000	4,200,000	4,900,000
Unsecured, no maturity, and non-cumulative subordinated bank notes payable - 2019 (I)	5,000,000	5,000,000	5,000,000
Total	$20,050,000	$20,050,000	$25,000,000

The subordinated financial bonds - 2015 (I) matured on June 10, 2025, and the principal amount of $4,250,000 thousand was repaid. Additionally, the third tranche of subordinated financial bonds issued in 2015 matured on September 22, 2025, and the principal amount of $700,000 thousand was repaid. For further information on financial bonds payable, please refer to Note 6. (20) to the consolidated financial statements as of and for the year ended December 31, 2025.

C. Subordinated corporate bonds issued by Taishin Securities B

To raise medium to long-term operating funds and strengthen its capital structure, Taishin Securities B issued unsecured subordinated corporate bonds - 2020 (I) on January 10, 2020. The total issuance amount was $3,300,000 thousand and the issuance period is 10 years. A one-time repayment of principal will be made in full upon maturity on January 10, 2030, and interest will be repaid annually at a fixed coupon rate of 1.35%.

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured subordinated corporate bonds - 2020 (I)	$3,300,000	$3,300,000	$3,300,000

For further information on financial bonds payable, please refer to Note6. (20) to the consolidated financial statements as of and for the year ended December 31, 2025.

D. Financial bonds of Taiwan Shin Kong Commercial Bank

Financial bonds are issued by Taiwan Shin Kong Commercial Bank to enhance its capital adequacy ratio and to raise funds for medium to long-term operations. The details of each issue are as follows:

	March 31, 2026	December 31, 2025
Senior Financial Bonds	$1,000,000	$1,000,000
Subordinated Financial Bonds	25,000,000	27,200,000
Purchase price allocation adjustment	233,457	319,852
Total	$26,233,457	$28,519,852

For further information on financial bonds payable, please refer to Note6. (20) to the consolidated financial statements as of and for the year ended December 31, 2025.

E. Corporate bonds of Shin Kong Life Insurance and its subsidiaries

	March 31, 2026	December 31, 2025
Non-maturity cumulative subordinated corporate bonds	$24,000,000	$24,000,000
Ten-year secured cumulative subordinated corporate bonds	21,300,000	21,300,000
Overseas ten-year unsecured cumulative subordinated corporate bonds denominated in US dollars	12,579,200	12,579,200
	57,879,200	57,879,200
Add: Premium on non-maturity cumulative subordinated corporate bonds	14,803	705,691
Add: Premium on ten-year secured cumulative subordinated corporate bonds	3,346,346	2,758,018
Add: Premium on overseas ten-year unsecured cumulative subordinated corporate	1,426,547	1,257,504
Total	$62,666,896	$62,600,413

For further information on financial bonds payable, please refer to Note6. (20) to the consolidated financial statements as of and for the year ended December 31, 2025.

(22) Other borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Short-term unsecured borrowings	$5,840,667	$4,829,805	$8,030,387
Long-term borrowings	2,704,347	3,028,597	2,049,616
Total	$8,545,014	$7,858,402	$10,080,003

As of March 31, 2026, December 31, 2025 and March 31, 2025, the interest rates on short-term unsecured borrowings ranged from 1.82%~4.51%, 1.78%~4.81% and 1.85%~5.53%, respectively.

As of March 31, 2026, December 31, 2025 and March 31, 2025, the interest rates on long-term borrowings ranged from 3.30%~3.70%, 3.30%~3.70% and 3.50%~4.06%, respectively.

(23) Preferred stock liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Preferred stock liabilities	$28,576,911	$28,322,642	$-

The Company resolved on April 24, 2025, upon board resolution, to merge with Shin Kong Financial Holding and issue new shares as consideration for the merger. On the merger reference date, the Company will issue new shares (including ordinary shares and preferred shares) as payment. Among them, the issuance of Class H preferred shares will total 3,096,421 thousand shares, with a par value of NT$10 per share and an issuance price of NT$9.00 per share, resulting in a total issuance amount of $27,867,785 thousand. The capital increase reference date was set on July 24, 2025. The issuance has been declared effective by the Order No. 1141802690 issued by Taiwan Stock Exchange on June 27, 2025, and has been approved for registration change by the Ministry of Economic Affairs under the Order No. 11430104260 on July 24, 2025. The rights and other important issuance conditions of the Class H preferred shares are detailed as follows:

A. Maturity Date: The maturity date of the Class H preferred shares is three years.

B. Dividend: The annual interest rate for the Class H preferred shares is 1.665%, calculated based on the par value per share.

C. Dividend Distribution: If there are no distributable earnings for the current fiscal year or if the distributable earnings are insufficient to distribute dividends for the Class H preferred shares, or if the distribution of dividends for the Class H preferred shares would cause the Company's capital adequacy ratio to fall below the minimum requirements set by laws or regulatory authorities, or for other necessary considerations, any undistributed or insufficiently distributed dividends shall be accumulated for distribution in future profitable years. The board of directors of the Company shall propose a plan for profit distribution or loss compensation in accordance with Article 40-1 of the Company's Articles of Incorporation for approval at the shareholders' meeting. The distributable earnings shall be prioritized in the following order: first, to distribute the dividends due to the Series E preferred shares for the current year; if there are remaining amounts, then to distribute the dividends due to the Class G preferred shares I for the current year; if there are still remaining amounts, then to distribute the dividends due to the Class G preferred shares II for the current year; if there are still remaining amounts, then to distribute the dividends due to the Series J preferred shares for the current year; if there are still remaining amounts, then to distribute the dividends due to the Class H preferred shares for the current year and any accumulated undistributed or insufficiently distributed dividends from previous years; thereafter, any remaining amounts shall be distributed to ordinary shares. The dividends for the Class H preferred shares shall be paid in cash, and after the shareholders' meeting approves the financial statements and the profit distribution or loss compensation plan, the board of directors shall set the ex-dividend date for the Class H preferred shares, based on which the dividends for the previous year and any accumulated undistributed or insufficiently distributed dividends from previous years shall be paid. The distribution of dividends for the issuance year shall be calculated from the issuance date (capital increase reference date), based on the ratio of the actual issuance days in that year to the total number of days of the year. For the dividend distribution in the year of redemption, the dividend shall be calculated based on the actual issuance days in that year as of the date of cancellation of shares to the total number of days of the year. Upon redemption of the Class H preferred shares, the Company shall prioritize the full payment of any accumulated undistributed dividends in the current and subsequent years according to the aforementioned dividend distribution order.

D. Excess Dividend Distribution: In addition to receiving dividends according to the previous paragraph, Class H preferred shareholders shall not participate in the distribution of earnings and capital reserves related to ordinary shares and other preferred shares.

E. Distribution of Residual Assets: The distribution of the Company's residual assets to Class H preferred shares shall take precedence over ordinary shares; however, it shall be limited to an amount not exceeding the number of Class H preferred shares issued and outstanding at the time of distribution, calculated at the issuance price.

F. Voting Rights and Election Rights: Class H preferred shareholders shall have no voting rights or election rights at the shareholders' meeting; however, at the Class H preferred shareholders' meeting and any shareholders' meeting related to the rights and obligations of Class H preferred shareholders, they shall have voting rights on matters related to the recognition and discussion of those matters.

G. Cash Issuance of New Shares: In the event of a cash issuance of new shares by the Company, Class H preferred shareholders and ordinary shareholders shall have the same rights to preemptively subscribe to the new shares.

H. Redemption of Preferred Shares: The Class H preferred shares shall be redeemed by the Company at the issuance price for all issued and outstanding Class H preferred shares three years after the issuance date.

(24) Provisions

	March 31, 2026	December 31, 2025	March 31, 2025
Provisions for employee benefits	$1,176,728	$1,303,559	$850,798
Provisions for guarantee liabilities	753,669	715,219	314,068
Provisions for loan commitments	267,064	255,718	184,277
Other provisions	245,810	250,083	128,211
Total	$2,443,271	$2,524,579	$1,477,354

	Provisions for guarantee liabilities	Provisions for loan commitments	Other provisions
Balance, January 1, 2026	$715,219	$255,718	$250,083
Provision (reverse)	38,207	10,341	3,845
Used	-	-	(8,645)
Recorded interest and other losses	-	-	45
Exchange differences	243	1,005	482
Balance, March 31, 2026	$753,669	$267,064	$245,810
Balance, January 1, 2025	$300,578	$172,967	$127,885
Provision (reverse)	13,281	10,737	18
Exchange differences	209	573	308
Balance, March 31, 2025	$314,068	$184,277	$128,211

Other provisions are Taishin Bank's loss allowance for letters of credit and the provisions for compensation of dispute cases.

The amount of the loss allowance for financial guarantees (including provisions for guarantee liabilities and letters of credit recognized in the other provisions) and loan commitments are as follows:

	12-month ECLs	Lifetime ECLs - not Credit-impaired	Lifetime ECLs - credit-impaired	Loss allowance under IFRS 9	Recognized based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	Total
March 31, 2026	$304,130	$9,778	$14,296	$328,204	$706,503	$1,034,707
December 31, 2025	258,684	9,846	13,555	282,085	702,776	984,861
March 31, 2025	117,158	7,879	13,147	138,184	365,187	503,371

(25) Insurance and reinsurance contracts

A. Insurance contract and reinsurance contract assets, net

	March 31, 2026	December 31, 2025	March 31, 2025
Insurance contract assets			
Liabilities for remaining coverage	$-	$-	$825
Liabilities for incurred claims	-	-	(495)
Subtotal	-	-	330
Reinsurance contract assets			
Assets for remaining coverage	1,387,050	1,082,000	7,017
Assets for incurred claims	(128,684)	436,284	6,436
Subtotal	1,258,366	1,518,284	13,453
Total	$1,258,366	$1,518,284	$13,783

B. Insurance contract and reinsurance contract liabilities, net

	March 31, 2026	December 31, 2025	March 31, 2025
Insurance contract liabilities			
Liabilities for remaining coverage	$3,330,403,558	$3,365,325,694	$221,158,535
Liabilities for incurred claims	7,725,688	11,871,295	3,331,332
Subtotal	3,338,129,246	3,377,196,989	224,489,867
Reinsurance contract liabilities			
Assets for remaining coverage	18,070,904	17,931,400	4,646,958
Assets for incurred claims	(603,863)	(1,354,614)	(405,574)
Subtotal	17,467,041	16,576,786	4,241,384
Total	$3,355,596,287	$3,393,773,775	$228,731,251

(26) Separate account insurance product assets

The details and profit and loss of the Group's segregated account insurance products are as follows:

A. Separate account insurance product assets:

	March 31, 2026	December 31, 2025	March 31, 2025
Cash in banks	$2,950,046	$2,656,242	$2,192,896
Financial assets at FVTPL	133,236,359	126,953,246	43,120,545
Interests receivable	15,243	13,089	14,078
Other receivables	1,849,529	1,479,903	1,369,292
Total	$138,051,177	$131,102,480	$46,696,811

B. Gains (losses) arising from separate account insurance product assets

	For the three months ended March 31	
	2026	2025
Gains and losses on financial assets measured at FVTPL	$719,317	$(2,563,612)
Foreign exchange gains (losses)	1,185,348	135,903
Interest income and fund dividends	6,210,907	370,652
Miscellaneous revenue	6,108	-
Management fee expenses	(92,346)	-
Total	$8,029,334	$(2,057,057)

The Group’s fund channel promotion fees received from counterparties due to the operation of investment-type insurance products amounted to $3,889 thousand and $26,088 thousand for the three months ended March 31, 2026 and 2025, respectively, and were recognized under commission income.

C. Financial assets at FVTPL:

	For the three months ended March 31	
	2026	2025
Beginning balance, net	$126,953,246	$41,591,323
Additions during the period	12,718,241	5,084,651
Sales during the period	(6,800,912)	(1,224,407)
Expenses	(12,764)	-
Investment profit and loss	(12,212)	(2,495,718)
Other changes	390,760	164,696
Ending balance, net	$133,236,359	$43,120,545

(27) Impact of initial recognition of contracts during the period on insurance contracts and reinsurance contracts

Impact of insurance contracts not applying the Premium Allocation Approach as of March 31, 2026 upon initial recognition:

A. Impact of insurance contracts issued and initially recognized during the period

	For the three months ended March 31, 2026				
	Issued insurance contracts		Acquired in insurance contract transfers or business combinations		
	Non-onerous contracts	Onerous contracts	Non-onerous contracts	Onerous contracts	Total
Estimated present value of future cash outflows					
Insurance acquisition cash flows	$2,867,364	$2,736	$-	$-	$2,870,100
Claims and other directly attributable expenses	56,962,153	228,887	-	-	57,191,040
Subtotal	59,829,517	231,623	-	-	60,061,140
Estimate of present value of future cash inflows	(79,131,245)	(232,194)	-	-	(79,363,439)
Risk adjustment for non-financial risk	788,001	926	-	-	788,927
Contractual service margin	18,513,727	-	-	-	18,513,727
Impact of contracts initially recognized during the period	$-	$355	$-	$-	$355

	For the three months ended March 31, 2025				
	Issued insurance contracts		Acquired in insurance contract transfers or business combinations		
	Non-onerous contracts	Onerous contracts	Non-onerous contracts	Onerous contracts	Total
Estimated present value of future cash outflows					
Insurance acquisition cash flows	$-	$-	$-	$-	$-
Claims and other directly attributable expenses	16,237,313	10,447	-	-	16,247,760
Subtotal	16,237,313	10,447	-	-	16,247,760
Estimate of present value of future cash inflows	(20,285,330)	(577)	-	-	(20,285,907)
Risk adjustment for non-financial risk	171,881	3	-	-	171,884
Contractual service margin	3,876,136	-	-	-	3,876,136
Impact of contracts initially recognized during the period	$-	$9,873	$-	$-	$9,873

B. Impact of reinsurance contracts held initially recognized during the period

	For the three months ended March 31, 2026		
	Reinsurance contracts held	Acquired in reinsurance contract transfers or business combinations	Total
Estimate of present value of future cash outflows	$(8,994,154)	$-	$(8,994,154)
Estimate of present value of future cash inflows	5,308,195	-	5,308,195
Risk adjustment for non-financial risk	132,549	-	132,549
Contractual service margin	3,553,476	-	3,553,476
Impact of contracts initially recognized during the period	$66	$-	$66

	For the three months ended March 31, 2025		
	Reinsurance contracts held	Acquired in reinsurance contract transfers or business combinations	Total
Estimate of present value of future cash outflows	$(2,301,231)	$-	$(2,301,231)
Estimate of present value of future cash inflows	1,843,841	-	1,843,841
Risk adjustment for non-financial risk	57,930	-	57,930
Contractual service margin	407,190	-	407,190
Impact of contracts initially recognized during the period	$7,730	$-	$7,730

(28) Other financial liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Principal of structured products	$156,783,826	$157,465,827	$100,044,167
Gold account	3,332,145	2,358,464	1,164,114
Futures traders' equity	22,517,848	20,431,265	4,940,021
Total	$182,633,819	$180,255,556	$106,148,302

(29) Other liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Unearned revenue	$991,601	$1,291,421	$765,648
Unearned interest	1,821,025	1,733,199	1,348,133
Guarantee deposits	10,467,334	10,097,171	3,139,947
Deferred income	2,010,971	1,964,185	1,675,147
Temporary credits	1,949,457	2,680,925	977,328
Receivable from underwriting of shares	2,203,304	18,800	1,833,949
Service contract liabilities	1,140,077	-	-
Foreign exchange valuation reserve	104,116,931	56,009,043	1,749,574
Others	146,032,461	129,931,293	8,235,012
Total	$270,733,161	$203,726,037	$19,724,738

A. Reserve for foreign exchange valuation

In accordance with the Regulation Governing the Setting Aside of Various Reserves by Insurance Enterprises, the Group set aside reserve for foreign exchange valuation under liabilities. Details are as follows:

	For the three months ended March 31, 2026	
	Volatile	Fixed
Beginning balance	$103,503,054	$-
Provision	1,788,719	1,556,024
Offset	(2,730,866)	-
Ending balance	$102,560,907	$1,556,024

	For the three months ended March 31, 2025
Beginning balance	$1,325,436
Provision	
Compulsory provision	70,471
Additional provision	397,183
Subtotal	467,654
Acquisitions through business combinations	(43,516)
Ending balance	$1,749,574

B. Impact of foreign exchange valuation reserve：

The effects applicable or inapplicable for reserve for foreign exchange valuation for the three months ended March 31, 2026 and 2025 were as follows.

For the three months ended March 31, 2026

Accounts	Inapplicable amount	Applicable amount	Effect
Net income attributable to owners of parent	$21,531,612	$21,040,510	$(491,102)
Earnings per share(NT$)	0.84	0.82	(0.02)
Reserve for foreign exchange valuation	-	104,116,931	104,116,931
Equity attributable to owners of parent	606,274,885	598,716,342	(7,558,543)

For the three months ended March 31, 2025

Accounts	Inapplicable amount	Applicable amount	Effect
Net income attributable to owners of parent	$2,401,123	$2,061,813	$(339,310)
Earnings per share(NT$)	0.13	0.11	(0.02)
Reserve for foreign exchange valuation	-	1,749,573	1,749,573
Equity attributable to owners of parent	282,248,189	229,781,766	(1,143,645)

C. Additional appropriation of foreign exchange valuation reserve

As of January 1, 2026, the opening balance of the foreign exchange valuation reserve of the Group was determined based on the aggregate amount of the foreign exchange valuation reserves reported in parent company only financial statements of the former Shin Kong Life Insurance and the former Taishin Life Insurance for the year ended December 31, 2025. Accordingly, other assets amounting to $47,494,011 thousand were recognized. The subsequent accounting treatment is still pending regulatory approval.

(30) Post-employment benefit plans

For the post-employment benefit plans except for the following, refer to Note 6. (28) to the consolidated financial statements as of and for the year ended December 31, 2025 for information on defined benefits. Pension cost for the three months ended March 31, 2026 and 2025 were calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year. Refer to Note 6. (37) for information on employee benefits expense.

(31) Equity

A. Share capital

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares authorized (in thousands)	35,000,000	35,000,000	20,000,000
Shares authorized	$350,000,000	$350,000,000	$200,000,000
Number of shares issued and fully paid (in thousands)			
Ordinary shares	24,866,399	24,866,399	12,976,144
Preferred shares	1,394,668	1,394,668	1,100,000
Capital shares issued and outstanding	$262,610,672	$262,610,672	$140,761,443

On April 24, 2025, the Company resolved by board of directors' decision to merge with Shin Kong Financial Holding. On the merger reference date, the Company will issue new shares (including ordinary shares and preferred shares) as consideration for the merger, with the exchange ratio set at 0.672 ordinary shares and 0.175 Class H preferred shares of the Company for each share of Shin Kong Financial Holding ordinary stock, one share of Class G preferred shares of the Company for each share of Series A preferred shares of Shin Kong Financial Holding, and one share of Class G preferred shares II of the company for each share of Series B preferred shares of Shin Kong Financial Holding. On the merger reference date, July 24, 2025, the Company issued a total of 11,890,254,918 ordinary shares, 75,000,000 Class G preferred shares I, 219,668,000 Class G preferred shares II, and 3,096,420,552 Class H preferred shares (with Class H preferred shares recorded as preferred share liabilities), and the registration change has been completed on July 24, 2025.

B. In accordance with Article 8-4 of the Articles of Incorporation, the Company issued Class E registered preferred shares ("Class E preferred shares"), which totaled 500,000 thousand shares, with a par value of NT$10. The issue price was NT$50 per share, and the total amount issued was $25,000,000 thousand on December 28, 2016. The issuance of shares was approved by the FSC under its Order No. 1050041849 issued on October 26, 2016, and the change in registration was approved by the ROC Ministry of Economic Affairs under its Order No. 10501302230 on January 5, 2017. The Class E preferred shares were listed on Taiwan Stock Exchange on February 10, 2017.

The rights and other important terms of issue associated with Class E preferred shares are as follows:

(a) Tenor: Perpetual

(b) Dividend yield: An annual dividend yield is set at 4.75% (7-year IRS 1.2175% + 3.5325%) per annum of the issue price at the pricing day. The 7-year IRS will be reset on the next business day after each seventh anniversary day after issuance and thereafter. The pricing date for reset is the second business day of financial industry in Taipei immediately preceding each reset date. The 7-year IRS rate is the arithmetic mean of 7-year IRS rates appearing on Reuters pages "PYTWDFIX" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing date for reset. If such rate cannot be obtained, the Company will determine the rate based on reasonable market price with good faith. The annual dividend yield has been reset at 4.8725% since December 28, 2023.

(c) Dividend payment: In years when there is insufficient or no surplus to fully pay off dividends for Class E preferred shareholders, the unpaid dividend will not be carried forward to years with earnings. The Company has sole discretion over the distribution of Class E preferred share dividends. Earnings distribution proposals will be devised by the board of directors in accordance with Article 40-1 of the Articles of Incorporation and then submitted to the annual general meeting of shareholders for acknowledgment. Any earnings available for distribution to preferred shares and ordinary shares under an acknowledged earnings distribution proposal shall be distributed according to the Articles of Incorporation. Dividends on Class E preferred shares will be paid in cash. Once the Company's financial statements have been acknowledged and earnings distributions approved during the annual general meeting of shareholders, the board of directors shall be authorized to set the ex-dividend date for the distribution of the Class E preferred share dividend. Dividends that are payable for the year of issuance shall be prorated according to the actual number of days the shares have been in circulation since the date of issue, relative to the total number of days of that year. In the year of redemption, the distribution of the payable dividends shall be calculated based on the actual number of days the preferred shares remained outstanding in that year.

(d) Restrictions on payment of dividends to ordinary shares: Except for the dividends prescribed in the preceding subparagraphs herein, Class E preferred shareholders are not entitled to participate in the distribution of cash or stock dividends with regard to the ordinary shares and other preferred shares derived from earnings or capital reserves.

(e) Redemption: Seven years after the issue date, the Company may at any time, subject to the competent authority's approval, recall a portion or all of the outstanding Class E preferred shares at the issue price. The rights and obligations associated with any remaining outstanding Class E preferred shares shall continue as specified herein.

(f) Liquidation preference: In the event of liquidation, Class E preferred shareholders shall be given priority over ordinary shareholders when claiming the Company's remaining assets. The amount claimed shall not exceed the issuance amount of outstanding Class E preferred shares.

(g) Voting rights or election rights: Class E preferred shareholders are not entitled to any voting rights or election rights in shareholders' meetings. However, they may vote in Class E preferred shareholders' meetings and in general shareholders' meetings with regard to agenda items concerning the rights and obligations of Class E preferred shareholders.

(h) Class E preferred shares shall not be converted into ordinary shares. The Class E preferred shareholders shall not require the Company to redeem the rights of the Class E preferred shares.

(i) When the Company issues new shares for capital raising, Class E preferred shareholders shall be entitled to preemptive rights on the new shares equivalent to those of ordinary shareholders.

C. In accordance with Article 8-4 of the Articles of Incorporation, the Company issued Class E registered preferred shares ("Class E preferred shares"), which totaled 300,000 thousand shares, with a par value of NT$10. The issue price was NT$50 per share, and the total amount issued was $15,000,000 thousand on November 30, 2018. The issuance of shares was approved by the FSC under its Order No. 1070329855 issued on September 6, 2018, and the change in registration was approved by the ROC Ministry of Economic Affairs under its Order No. 10701153080 on December 17, 2018. The Class E preferred shares were listed on Taiwan Stock Exchange on January 8, 2019.

The rights and other important terms of issue associated with Class E preferred shares are as follows:

(a) Tenor: Perpetual.

(b) Dividend yield: An annual dividend yield is set at 3.80% (7-year IRS 1.1% + 2.7%) per annum of the issue price at the pricing day. The 7-year IRS will be reset on the next business day after each seventh anniversary day after issuance and thereafter. The pricing date for reset is the second business day of financial industry in Taipei immediately preceding each reset date. The 7-year IRS rate is the arithmetic mean of 7-year IRS rates appearing on Reuters pages "PYTWDFIX" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing date for reset. If such rate cannot be obtained, the Company will determine the rate based on reasonable market price with good faith. The annual dividend yield has been reset at 4.59125% since December 1, 2026.

(c) Dividend payment: In years when there is insufficient or no surplus to fully pay off dividends for Class E preferred shareholders, the unpaid dividend will not be carried forward to years with earnings. The Company has sole discretion over the distribution of Class E preferred share dividends. Earnings distribution proposals will be devised by the board of directors in accordance with Article 40-1 of the Articles of Incorporation and then submitted to the annual general meeting of shareholders for acknowledgment. Any earnings available for distribution to preferred shares and ordinary shares under an acknowledged earnings distribution proposal shall be distributed according to the Articles of Incorporation. Dividends on Class E preferred shares will be paid in cash. Once the Company's financial statements have been acknowledged and earnings distributions approved during the annual general meeting of shareholders, the board of directors shall be authorized to set the ex-dividend date for the distribution of the Class E preferred share dividend. Dividends that are payable for the year of issuance shall be prorated according to the actual number of days the shares have been in circulation since the date of issue, relative to the total number of days of that year. In the year of redemption, the distribution of the payable dividends shall be calculated based on the actual number of days the preferred shares remained outstanding in that year.

(d) Restrictions on payment of dividends to ordinary shares: Except for the dividends prescribed in the preceding subparagraphs herein, Class E preferred shareholders are not entitled to participate in the distribution of cash or stock dividends with regard to the ordinary shares and other preferred shares derived from earnings or capital reserves.

(e) Redemption: Seven years after the issue date, the Company may at any time, subject to the competent authority's approval, recall a portion or all of the outstanding Class E preferred shares at the issue price. The rights and obligations associated with any remaining outstanding Class E preferred shares shall continue as specified herein.

(f) Liquidation preference: In the event of liquidation, Class E preferred shareholders shall be given priority over ordinary shareholders when claiming the Company's remaining assets. The amount claimed shall not exceed the issuance amount of outstanding Class E preferred shares.

(g) Voting rights or election rights: Class E preferred shareholders are not entitled to any voting rights or election rights in shareholders' meetings. However, they may vote in Class E preferred shareholders' meetings and in general shareholders' meetings with regard to agenda items concerning rights and obligations of the shareholders of Class E preferred shareholders.

(h) When the Company issues new shares for capital raising, Class E preferred shareholders shall be entitled to preemptive rights on the new shares equivalent to those of ordinary shareholders.

D. In accordance with Article 8-4 of the Articles of Incorporation, the Company issued Class F registered exchangeable preferred shares ("Class F preferred shares"), which totaled 300,000 thousand shares, with a par value of NT$10. The issue price was NT$17.65 per share, and the total amount issued was $5,295,000 thousand on July 21, 2022. The issuance of shares was approved by the FSC under its Order No. 1110344348 issued on May 31, 2022, and the change in registration was approved by the ROC Ministry of Economic Affairs under its Order No. 11101143710 on August 5, 2022. The Class F preferred shares were listed on Taiwan Stock Exchange on July 26, 2022.

(a) Tenor: Perpetual.

(b) Dividend yield: An annual dividend yield is set at 3.70% (10-year IRS 1.3% + 2.4%) per annum of the issue price at the pricing day. The 10-year IRS will be reset on the next business day after each tenth anniversary day after issuance and thereafter. The pricing date for reset is the second business day of financial industry in Taipei immediately preceding each reset date. The 10-year IRS rate is the arithmetic mean of 10-year IRS rates appearing on Reuters pages "PYTWD01" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing date for reset. If such rate cannot be obtained, the Company will determine the rate based on reasonable market price with good faith.

(c) Dividend payment: Unless otherwise specified by the Articles of Incorporation, in years that conclude with insufficient or no surplus to fully pay off dividends for Class F preferred shareholders, the unpaid dividend will not be carried forward to years with earnings. The Company has sole discretion on the distribution of Class F preferred share dividends. Earnings distribution or loss make-up proposals will be devised by the Board of Directors in accordance with Article 40-1 of the Articles of Incorporation and then submitted to the Annual General Meeting of Shareholders for acknowledgment. Earnings available for distribution shall be distributed firstly to Class E preferred shares and then, if any earnings remain, to Class F preferred shares. Any remaining balance shall be distributed ordinary shares. Dividends on Class F preferred shares will be paid in cash. Once the Company's financial statements have been acknowledged and the earnings distribution or loss make-up proposals approved have been approved during the Annual General Meeting of Shareholders, the Board of Directors shall be authorized to set the ex-dividend date for the distribution of the Class F preferred share dividend. Dividends that are payable for the year of issuance shall be prorated according to the actual number of days the shares have been in circulation since the date of issue, relative to the total number of days of that year. In the year of redemption, the distribution of the payable dividends shall be calculated based on the actual number of days the preferred shares remained outstanding in that year.

(d) Restrictions on payment of dividends to ordinary shares: Except for dividends prescribed in the preceding subparagraphs herein, Class F preferred shareholders are not entitled to participate in the distribution of cash or stock dividends with regard to ordinary shares and other preferred shares derived from earnings or capital reserves.

(e) Liquidation preference: In the event of liquidation, Class F preferred shareholders shall be limited to claiming on the ordinary shares of Chang Hwa Commercial Bank Ltd owned by the Company (CHB shares). Class F preferred shareholders shall be given distribution sequence priority over ordinary shareholders. The exchange ratio of Class F preferred shares and CHB shares shall be set at 1:1.

(f) Any premium received on the issue of Class F preferred shares shall be treated as capital surplus and should not be capitalized into paid-in capital during the circulation period of Class F preferred shares.

(g) Voting rights or election rights: Class F preferred shareholders are not entitled to any voting rights or election rights in Shareholders' Meetings. However, they may vote in Class F preferred shareholder meetings on amendments to the Company's Articles of Incorporation which damage the rights of Class F preferred shareholders. The provisions governing Shareholders' Meetings shall apply.

(h) When the Company issues new shares for capital raising, Class F preferred shareholders shall be entitled to preemptive rights on the new shares equivalents to those of ordinary shareholders and Class E preferred shareholders.

(i) Right of exchange: The Company may notify Class F preferred shareholders of their right to exchange Class F preferred shares for CHB shares at the exchange ratio of 1:1 from the beginning of the 8th year of issuance up to the end of the 10th year of issuance.

(j) Redemption: Ten years after the issue date, the Company may at any time, subject to the competent authority's approval, recall all outstanding Class F preferred shares and exchange them for CHB shares at the ratio of 1:1. If the 90-business-day weighted average price of CHB shares prior to the record date is lower than the issue price, the Company shall make up the gap with cash. The specifics of the cash reimbursement shall be determined by the Board.

(k) On the issue date, the Company shall set aside and deliver to the appointed custodian for safekeeping a number of CHB shares equal to that of the total number of Class F preferred shares. In the event that Class F preferred shares are redeemed, the Company shall deliver the CHB shares from the custodian to the Class F preferred shareholders.

(l) In the event that Class F preferred shareholders' equity decreases proportionally due to a reduction of share capital against cumulative losses, Class F preferred shareholders' equity shall be adjusted/made up for the amount decreased so that Class F preferred shareholders' interest is maintained at the same level as that the shares were initially issued.

E. In accordance with Article 8-6 of the Company's Articles of Incorporation, on July 24, 2025, the Company increased its capital by issuing 294,668 thousand shares of registered Class G preferred shares due to the merger with Shin Kong Financial Holding. The Class G preferred shares are divided into Class G preferred shares I and Class G preferred shares II, which assume the rights and obligations of Shin Kong Financial Holding's Series A and Series B preferred shares, respectively. The rights and obligations related to the issuance date shall be calculated from September 27, 2019, and September 1, 2020, respectively. The par value and issuance price for each share is NT$45, resulting in a total issuance amount of $13,260,060 thousand. The issuance has been declared effective by the Order No. 1141802690 issued by Taiwan Stock Exchange on June 27, 2025, and has been approved for registration change by the Ministry of Economic Affairs under the Order No. 11430104260 on July 24, 2025. The aforementioned preferred shares were officially listed and traded on July 24, 2025. The rights and other important issuance conditions of the Class G preferred shares are detailed as follows:

(a) Tenor: Perpetual.

(b) Dividend yield: The annual interest rate for Class G preferred shares I is 3.80% (7-year IRS rate of 0.72% + 3.08%), calculated based on the issuance price per share; the two year interest rate for Class G preferred shares II is 4.00% (7-year IRS rate of 0.68% + 3.32%), also calculated based on the issuance price per share. The 7-year IRS rate will be reset on the first business day after the 7-year period from the issuance date and every seven years thereafter. The rate reset reference date will be two business days in the Taipei financial market prior to the reset date. The rate indicator for the 7-year IRS will be the arithmetic average of the rates quoted by Reuters for "TAIFXIRS" and "COSMOS3" for the 7-year swap rate, priced at 11:00 AM on the reset reference date. If the aforementioned quotes cannot be obtained on the rate reset reference date, the Company will determine the rate based on good faith principles and reasonable market conditions.

(c) Dividend payment: If there are no distributable earnings for the current fiscal year or if the distributable earnings are insufficient to distribute dividends for the Class G preferred shares for that year, any undistributed or insufficiently distributed dividends, unless otherwise specified in the Company's Articles of Incorporation, shall not be made up for from the earnings of subsequent years. The Company has discretion over the distribution of dividends for the Class G preferred shares. The board of directors will propose a plan for profit distribution or loss compensation in accordance with Article 40-1 of the Company's Articles of Incorporation for approval at the shareholders' meeting. The distributable earnings shall be prioritized in the following order: first, to distribute the dividends due to the Series E preferred shares for the current year; if there are remaining amounts, to distribute the dividends due to Class G preferred shares I for the current year; if there are still remaining amounts, to distribute the dividends due to Class G preferred shares II for the current year. The dividends for Class G preferred shares will be paid in cash, and after the shareholders' meeting approves the financial statements and the profit distribution or loss compensation plan, the board of directors will set the ex-dividend date for the Class G preferred shares, based on which the dividends for the previous year will be paid. However, if the original Series A and Series B preferred shares of Shin Kong Financial Holding have participated in the ex-dividend process and dividends have been distributed, the Class G preferred shares shall not participate in the dividends distributed by the Company for that year. The distribution of dividends in the year of redemption will be calculated based on the ratio of the actual issuance days in that year to the total number of days in the year up to the date of cancellation of the shares.

(d) Restrictions on payment of dividends to ordinary shares: In addition to receiving dividends according to the previous provisions, Class G preferred shareholders shall not participate in the distribution of earnings and capital reserves related to ordinary shares and other preferred shares.

(e) Liquidation preference: The distribution of the Company's residual assets to Class G preferred shares shall take precedence over ordinary shares; however, it shall be limited to an amount not exceeding the number of Class G preferred shares issued and outstanding at the time of distribution, calculated at the issuance price.

(f) The capital reserve from the premium on the issuance of Class G preferred shares shall not be used to increase capital during the issuance period of the Class G preferred shares.

(g) Voting rights and election rights: Class G preferred shareholders shall have no voting rights or election rights at the shareholders' meeting; however, at the Class G preferred shareholders' meeting and any shareholders' meeting related to the rights and obligations of Class G preferred shareholders, they shall have voting rights on matters related to the recognition and discussion of those matters.

(h) Cash issuance of new shares: In the event of a cash issuance of new shares by the Company, Class G preferred shareholders and ordinary shareholders shall have the same rights to preemptively subscribe to the new shares.

(i) Redemption: Class G preferred shares I may be redeemed by the Company at any time at the actual issuance price after the seventh anniversary of the issuance date, which is September 27, 2019, with the approval of the regulatory authority. Class G preferred shares II may be redeemed by the Company at any time at the actual issuance price after the seventh anniversary of the issuance date, which is September 1, 2020, with the approval of the regulatory authority. The rights and obligations of any Class G preferred shares that are not redeemed shall still be handled in accordance with this article.

F. The rights and other important issuance conditions of the Class H preferred shares are detailed in Note 6. (23).

G. Capital surplus

As of March 31, 2026, the Company recognized a capital surplus of $133,732,478 thousand, in which there’s a part of investees’ unappropriated retained earnings totaling $164,786,850 thousand. In addition to the other regulations, Article 47 (d) of Financial Holding Company Act stipulates that the appropriation is not restricted by Article 241 (a) of the Company Act. Furthermore, the capital surplus from Class E preferred shares and Class F, Class G.(I) and Class G.(II) preferred shares issued in excess of par cannot be transferred to its capital during the outstanding issuance periods of Class E preferred shares and Class F, Class G.(I) and Class G.(II) preferred shares.

H. Retained earnings and dividend policy

In accordance with dividend policy of the Articles of Incorporation of the Company, whereas the Company makes profit in a fiscal year, the profit shall be first utilized for paying taxes, adjusted in accordance with accounting standards, offset losses of previous years, set aside 10% of the remaining profit as legal reserve, and set aside special reserve in accordance with the laws and regulations. After deducting dividends on various classes of preferred shares as stipulated in the articles of incorporation, and then any remaining profit together with the amount of reversed dividend or distributed-available special reserve and any undistributed earnings at the beginning of the fiscal year shall be resolved by the Company's board of directors in its meeting as the basis for proposing a distribution plan, of which cash dividends should not be less than 10% of total dividends distributed, to ordinary shareholders and each class of preferred shareholders. The distribution plan should be resolved in the shareholders' meeting. However, under the requirements of the MOF, if the Group's capital adequacy ratio is less than 100%, dividends cannot be distributed in cash or other assets. For the policies on distribution of employees' compensation and remuneration to directors before and after amendment, please refer to employee benefits expense in Note 6. (37).

Appropriation of earnings to legal reserve shall be made until legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. If the Company has no accumulated deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to Share capital or distributed in cash.

Refer to Note 6. (31)I. for the information relating to special reserves.

The appropriation of earnings for 2025 and 2024 were proposed and resolved by the Company at its board meeting and shareholders' meeting held on April 23, 2026 and June 23, 2025, respectively. However, as employee stock options were exercised, the actual number of ordinary shares outstanding has changed, and the actual distribution amounts are as follows:

	Appropriation of earnings		Dividend per share (NT$)	
	For year 2025	For year 2024	For year 2025	For year 2024
Legal reserve appropriated	$3,841,472	$2,117,377		
Reversal of the special reserve	(74,468)	(678,006)		
Cash dividends of Class E preferred shares	1,794,313	1,784,267		
Cash dividends of Class F preferred shares	195,915	195,915		
Cash dividends of Class G preferred shares	523,652	-		
Cash dividends of Class H preferred shares	227,409	-		
Cash dividends of ordinary shares	24,866,277	22,379,759	$1.000	$0.900
Stock dividends of ordinary shares	2,486,627	-	0.100	-

I. Special reserves

The subsidiaries reclassified the reserve for trading losses and default losses as of December 31, 2010 to a special reserve account, which is part of equity, by the Order No. 11202709871 issued by the FSC, which allowed the Company to recognize the special reserve because of investments accounted for using equity method.

The Company appropriated special reserves in accordance with the Order No. 1090150022 issued by the FSC and the Q&As on "Question and Answer for Special Reserves Appropriated Following Adoption of IFRSs".

In accordance with the Order No. 1010045494 issued by the FSC, the subsidiaries reclassified from the balance of reserve for business loss to special reserves for Article 11 of Value-added and Non-value-added Business Tax an Act, which allowed the Company to recognize the special reserve because of investments accounted for using equity method.

The Company appropriated to special reserves an amount equal to the increase in retained earnings that resulted from recognizing gain on bargain purchase through acquisition in accordance with the Order No. 10310006310 issued by the FSC. After a year, upon evaluation and confirmation by the accountant, a reversal was conducted as the assessed value of the acquired assets was found to be close to their value at the time of acquisition, and no unexpected material impairment losses were identified.

J. Other equity items

(a) Exchange differences on translation of the financial statements of foreign operations

	For the three months ended March 31	
	2026	2025
Beginning balance	$18,995	$(98,874)
Exchange differences on translating the net assets of foreign operations	92,613	52,063
Corporate restructuring	(14,757)	-
Ending balance	$96,851	$(46,811)

(b) Unrealized gains (losses) from financial assets at fair value through other comprehensive income

	For the three months ended March 31	
	2026	2025
Beginning balance	$49,922,400	$(1,099,440)
Recognized during the period		
Unrealized gains or losses		
Debt instruments	(37,445,095)	1,833,039
Equity instruments	16,276,721	(801,352)
Adjustments for loss allowance of debt instruments	16,405	662
Income tax related to profit or loss of debt instruments	6,568,680	(205,478)
Income tax - equity instruments gains and losses	(1,660,813)	-
Reclassification adjustments		
Disposal of investments in debt instruments	(183,815)	(216,744)
Other comprehensive income (loss) recognized during the period	(16,427,917)	610,127
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposal	(14,086,110)	(416,082)
Others	898	(124,652)
Ending balance	$19,409,271	$(1,030,047)

(c) Changes in fair value attributable to changes in the credit risk of financial liabilities at FVTPL

	For the three months ended March 31	
	2026	2025
Beginning balance	$(47,852)	$22,145
Changes in fair value attributable to changes in the credit risk	(29,067)	(53,199)
Ending balance	$(76,919)	$(31,054)

(d) Gains (losses) on hedging instruments

	For the three months ended March 31	
	2026	2025
Beginning balance	$4	$-
Other comprehensive income	146	-
Ending balance	$150	$-

(e) Insurance finance income or expenses recognized in other comprehensive income

	For the three months ended March 31	
	2026	2025
Beginning balance	$(34,772,618)	$1,567,830
Recognized during the period		
Insurance finance income or expenses recognized in other comprehensive income	52,899,593	(485,303)
Other comprehensive income	52,899,593	(485,303)
Ending balance	$18,126,975	$1,082,527

(f) Reinsurance financial income or expenses recognized in other comprehensive income

	For the three months ended March 31	
	2026	2025
Beginning balance	$(274,394)	$-
Recognized during the period		
Insurance finance income or expenses recognized in other comprehensive income	393,706	(3,092)
Other comprehensive income	393,706	(3,092)
Ending balance	$119,312	$(3,092)

K. Non-controlling interests

	For the three months ended March 31	
	2026	2025
Beginning balance	$465,556	$26,878
Attributable to non-controlling interests		
Net income for the period	16,067	(284)
Other comprehensive income for the period	(898)	-
Changes in non-controlling interests - Changes in subsidiary equity	480	-
Ending balance	$481,205	$26,594

L. Treasury shares

Unit: Number of shares in thousands

Purpose of buy-back	March 31, 2026	December 31, 2025	March 31, 2025
Shares acquired from shareholders with objections - ordinary shares	123	123	123
Shares acquired from shareholders with objections - 2016 Class E preferred shares	800	800	800
Shares acquired from shareholders with objections - 2018 Class E preferred shares	1,005	1,005	1,005
Total	1,928	1,928	1,928

The Company approved the merger with Shin Kong Financial Holding during its special shareholders' meeting on October 9, 2024. Following the completion of the merger, the Company will be the surviving company and Shin Kong Financial Holding will be dissolved. In accordance with Article 317 of the Company Act, the Company acquired 123 thousand ordinary shares for $2,217 thousand, 800 thousand Class E preferred shares - 2016 for $40,800 thousand, and 1,005 thousand Class E preferred shares - 2018 for $46,281 thousand from the shareholders with objections at fair prices.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights attached to these shares, including rights to dividends and voting.

(32) Net interest income

	For the three months ended March 31	
	2026	2025
Interest income		
Loans	$21,308,862	$13,233,362
Investment in marketable securities	35,381,991	6,202,033
Revolving interest of credit cards	471,264	390,962
Finance leases	398,623	453,438
Others	2,534,672	1,352,452
Subtotal	60,095,412	21,632,247
Interest expense		
Deposits	(13,398,318)	(10,531,998)
Structured products	(1,119,391)	(767,299)
Others	(3,034,865)	(1,099,044)
Subtotal	(17,552,574)	(12,398,341)
Total	$42,542,838	$9,233,906

(33) Net service fee and commission income

	For the three months ended March 31	
	2026	2025
Service fees and commission income		
Interbank fee	$322,507	$295,378
Loan and guarantee fee	640,359	281,283
Fee from certification, underwriting and brokerage	3,205,927	1,013,471
Fee from trustee business	2,153,100	1,157,452
Insurance commission fee	845,758	1,220,101
Fee from credit cards	2,577,859	1,852,134
Others	613,995	717,201
Subtotal	10,359,505	6,537,020
Service fees and commission expenses		
Fees from credit cards	(1,390,306)	(918,684)
Interbank fee	(147,396)	(109,520)
Marketing fee	(265,754)	(233,800)
Insurance commission fee	1,116,170	573,273
Brokerage handling fee	(330,932)	-
Others	(377,420)	(427,916)
Subtotal	(1,395,638)	(1,116,647)
Total	$8,963,867	$5,420,373

(34) Insurance service result

	For the three months ended March 31	
	2026	2025
Insurance service result		
Insurance revenue	$15,254,897	$1,514,241
Insurance service expenses	(8,094,078)	(1,025,731)
Income (expenses) from reinsurance contracts held	455,215	(37,812)
Total	$7,616,034	$450,698

(35) Gain (loss) on financial assets or liabilities measured at FVTPL

	For the three months ended March 31	
	2026	2025
Disposal (losses) gains		
Bank		
Shares and beneficiary certificates	$171,743	$38,865
Bills	34,692	40,251
Bonds	568,855	77,601
Derivative financial instruments	(1,132,912)	1,338,856
Subtotal	(357,621)	1,495,573
Securities		
Call (put) warrants issued	(869,762)	41,646
Trading securities - dealing	4,455,661	151,289
Trading securities - underwriting	626,525	15,648
Trading securities - hedging	5,054,313	80,646
Borrowed securities and bonds with resell agreements-short sales	(569,159)	(29,783)
Beneficiary certificates	78	-
Funds	-	1,109
Derivative financial instruments	(5,681,714)	4
Other	22	161,095
Subtotal	3,015,964	421,654
Life insurance		
Shares and beneficiary certificates	9,707	929,192
Bonds	20,812	-
Derivative financial instruments	(12,773,796)	(985,480)
Others	180,011	-
Subtotal	(12,563,266)	(56,288)
Others		
Shares and beneficiary certificates	36,819	9,607
Derivative financial instruments	(34,226)	161,092
Subtotal	2,593	170,699
Total Gains (Losses) on Disposal	(9,902,330)	2,031,638

	For the three months ended March 31	
	2026	2025
Valuation gains (losses)		
Bank		
Shares and beneficiary certificates	326,692	(766,754)
Bills	(4,308)	(25,333)
Bonds	(505,276)	(510,195)
Derivative financial instruments	1,604,637	984,350
Subtotal	1,421,745	(317,932)
Securities		
Call (put) warrants issued	(44,360)	(20,987)
Trading securities - dealing	(435,584)	(447,662)
Trading securities - underwriting	9,119	(62,947)
Trading securities - hedging	(1,045,594)	(240,399)
Borrowed securities and bonds with resell agreements-short sales	121,696	51,525
Beneficiary certificates	(1,712)	(8,593)
Funds	-	(1)
Derivative financial instruments	1,146,804	448,294
Subtotal	(249,631)	(280,770)
Life insurance		
Shares and beneficiary certificates	187,417	(4,391,261)
Beneficiary securities	-	(7)
Bonds	(230,599)	-
Derivative financial instruments	(4,346,755)	450,847
Others	(4,641,532)	731,978
Subtotal	(9,031,469)	(3,208,443)
Others		
Shares and beneficiary certificates	(164,422)	(594,741)
Bonds	(12,035)	-
Derivative financial instruments	29,444	(45,533)
Subtotal	(147,013)	(640,274)
Total Gains (Losses) on Valuation	(8,006,368)	(4,447,419)
Net interest income	1,095,999	325,089
Dividends	364,984	268,509
Interest expense	(52,724)	(52,116)
Total	$(16,500,439)	$(1,874,299)

(36) Realized gain (loss) on financial assets at FVTOCI

	For the three months ended March 31	
	2026	2025
Disposal gains (losses)		
Bonds	$1,793,247	$217,662
Beneficiary securities	1,368,335	(918)
Subtotal	3,161,582	216,744
Dividend income		
Related to investments held at the end of the period	1,003,820	18,624
Related to investments derecognized at the end of the period	56,109	15,353
Total	$4,221,511	$250,721

(37) Employee benefits expense

	For the three months ended March 31	
	2026	2025
Short-term benefits	$9,535,848	$5,102,443
Post-employment benefits		
Defined contribution plans	300,762	171,559
Defined benefit plans	(7,154)	7,696
Share-based payments (Note 6. (42))		
Cash-settled share-based payments	162,154	19,749
Others	44,367	35,871
Total	$10,035,977	$5,337,318

Employees' compensation and remuneration of directors

In accordance with the Articles of Incorporation, the Company accrues employees' compensation and directors' remuneration at a rate of no less than 0.01% and no more than 1%, respectively, of net profit before income tax, employees' compensation and directors' remuneration. Following the amendment to the Securities and Exchange Act in August 2024, the Company resolved at the 2025 shareholders' meeting to amend its Articles of Incorporation to specify that 80% of the employee remuneration appropriated for the year shall be allocated to rank-and-file employees. For the three months ended March 31, 2026 and 2025, the amounts of employees' compensation (including remuneration of rank-and-file employees) and remuneration of directors were as follows:

	For the three months ended March 31	
	2026	2025
Employees' compensation	$1,948	$513
Remuneration of directors	$194,827	$51,271

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate and will make adjustments next year.

The Company held board of directors' meetings on February 26, 2026 and March 27, 2025 in which it resolved the appropriations of employees' compensation and remuneration of directors and which resulted in the actual amounts of the employees' compensation and remuneration of directors paid for 2025 and 2024 to differ from the amounts recognized in the consolidated financial statements for the years ended December 31, 2025 and 2024, respectively. The differences were adjusted to profit or loss for the years ended December 31, 2025 and 2024.

	For the years ended December 31			
	2025		2024	
	Employees' compensation	Remuneration of directors	Employees' compensation	Remuneration of directors
Amounts approved at the board of directors' meeting	$3,736	$246,563	$2,011	$150,797
Amounts recognized in the annual financial statements	$3,736	$373,581	$2,011	$199,271

Information on the employees' compensation and the remuneration of directors resolved by the Company's board of directors in 2026 and 2025 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

(38) Depreciation and amortization expenses

	For the three months ended March 31	
	2026	2025
Property and equipment	$486,474	$315,357
Investment properties	610,147	8,736
Right-of-use assets	354,028	217,763
Intangible assets and other deferred assets	618,216	170,368
Total	$2,068,865	$712,224

(39) Income tax

In 2003, TS Financial Holding adopted the linked tax system for tax filing (similar to a consolidated tax filling) along with its subsidiaries Taishin Bank and Taishin AMC. Taishin Venture Capital Investment was included in this tax system since 2004, and Taishin Securities B, Taishin Securities Investment Trust and Taishin Securities Investment Advisory were included in this tax system since 2011. Former Taishin Life Insurance was included in this tax system since 2022.

In July 2019, the president of the ROC announced the amendments to the Statute for Industrial Innovation, which stipulate that the amounts of unappropriated earnings in 2018 and thereafter that are reinvested in the construction or purchase of certain assets or technologies are allowed as deduction when computing the income tax on unappropriated earnings. When calculating the tax on unappropriated earnings, the Group only deducts the amount of the unappropriated earnings that has been reinvested in capital expenditure.

The governments of Japan, Australia, and Vietnam, where Taishin Bank is registered, enacted the Pillar Two income tax legislation, effective January 1, 2024. There was no related current income tax impact on the Group. The Group is continuously assessing the possible impact of the Pillar Two income tax legislation on its future financial performance.

A. Income tax recognized in profit or loss

The major components of tax expense (profit) were as follows:

	For the three months ended March 31	
	2026	2025
Current tax		
In respect of the current period	$1,640,175	$1,368,589
Adjustments for prior years	8,486	(632)
Other	222	-
Offshore income tax expense	-	26,547
Land value increment tax	32,712	-
Deferred tax		
In respect of the current period	2,848,406	(896,624)
Adjustments for prior years	1,240	-
Other	936	-
Income tax expense recognized in profit or loss	$4,532,177	$497,880

B. Income tax recognized in other comprehensive (income) loss

	For the three months ended March 31	
	2026	2025
Deferred tax		
In respect of the current period:		
Unrealized gains (losses) from debt instruments at fair value through other comprehensive income	$(5,322,773)	$205,478
Insurance finance income or expenses	13,226,367	(121,326)
Finance income or expenses from reinsurance contracts held	98,417	(773)
Reclassification adjustments		
Disposal of debt instruments measured at FVTOCI	414,906	-
Total income tax recognized in other comprehensive income	$8,416,917	$(83,379)

C. Except for the following, refer to Note 6. (37) to the consolidated financial statements as of and for the year ended December 31, 2025 for the other related information on the Group's income tax assessments.

(a) TS Financial Holding's income tax returns through 2019 have been assessed by the tax authorities.

(b) Taishin Bank's income tax returns through 2019 have been assessed by the tax authorities. The income tax returns of Taishin Real-Estate through 2024 have been assessed by the tax authorities. The income tax returns of Taishin D.A. Finance through 2023 have been assessed by the tax authorities.

(c) Taishin Securities B's income tax returns through 2019 have been assessed by the tax authorities. Taishin Securities Venture Capital's income tax returns through 2024 have been assessed by the tax authorities. Taishin Capital's income tax returns through 2024 have been assessed by the tax authorities. Taishin Futures's income tax returns through 2024 have been assessed by the tax authorities. Taishin Health Investment's income tax returns through 2024 have been assessed by the tax authorities.

(d) Shin Kong Life Insurance income tax filings for previous years have been assessed and approved by the tax authorities up to 2021. Shin-Kong Life Real Estate Service Co., Ltd income tax filings for previous years have been assessed and approved by the tax authorities up to 2023.

(e) Taiwan Shin Kong Commercial Bank income tax returns through 2020 have been assessed by the tax authorities.

(f) MasterLink Securities's income tax filings approved by the tax authorities up to 2019 and 2020; however, MasterLink Securities believes that the approval contains many unreasonable aspects and is currently pursuing administrative relief procedures. The amount of tax that shall be paid as part of the tax administrative relief process amounted to $61,584 thousand, which MasterLink Securities has fully paid.

(40) Earnings per share

Unit: NT$ per share

	For the three months ended March 31	
	2026	2025
Basic earnings per share	$0.82	$0.11
Diluted earnings per share	$0.82	$0.11

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net income for the period

Unit: Dollars in thousands

	For the three months ended March 31	
	2026	2025
Net income for the periods attributable to owner of the Company	$21,040,510	$1,941,501
Less: Dividends on preferred shares	(646,551)	(488,264)
Earnings used in computation of basic earnings per share	$20,393,959	$1,453,237
Earnings used in computation of diluted earnings per share	$20,393,959	$1,453,237

Weighted average number of ordinary shares outstanding

	Unit: Number of shares in thousands For the three months ended March 31	
	2026	2025
Weighted average number of ordinary shares in computation of basic earnings per share	24,866,277	12,976,021
Effect of dilutive potential ordinary shares:		
Employees' compensation	179	95
Weighted average number of ordinary shares outstanding in computation of dilutive earnings per share	24,866,456	12,976,116

The Group may settle compensation or bonuses paid to employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation or bonuses will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

(41) Business combinations

Acquisition of Shin Kong Financial Holding

On July 24, 2025, the Company approved the acquisition of 100% Shin Kong Financial Holding's shares through the issuance of ordinary shares, preferred shares, and preferred share liabilities, thereby gaining control of the financial holding group. Subsequently, Shin Kong Financial Holding was dissolved, and the Company directly holds the subsidiaries of the former Shin Kong Financial Holding.

By acquiring control over Shin Kong Financial Holding, the group can now combine the group resources and management experience of Shin Kong Financial Holding to enhance the overall operational efficiency, provide more comprehensive and diverse financial services to a broader customer base, and further strengthen the group's overall competitiveness.

The Company elected to measure the non-controlling interests of the Shin Kong Financial Holding Group at fair value.

The preliminary fair value of the identifiable assets and liabilities of Shin Kong Financial Holding as at the date of acquisition were:

	Preliminary fair value recognized on the acquisition date
Assets	
Cash and cash equivalents	$84,162,291
Due from the Central Bank	59,869,109
Call loans to banks	32,963,091
Financial assets at FVTPL	527,168,338
Financial assets at FVTOCI	315,373,977
Investments in debt instruments at amortized cost	1,810,549,633
Securities purchased under resell agreements	26,935,971
Receivables, net	115,728,940
Current tax assets	1,509,850
Assets classified as held for sale, net	6,135,020
Payables	1,012,936,895
Reinsurance contract assets, net	1,979,215
Investments accounted for using equity method, net	2,891,164
Other financial assets, net	16,368,015
Investment properties, net	230,247,275
Property and equipment, net	56,968,926
Right-of-use assets, net	5,207,856
Intangible assets, net	1,260,522
Identifiable intangible assets from transactions	11,748,320
Deferred tax assets	41,874,859
Others	95,846,208
Subtotal	4,457,725,475
Liabilities	
Deposits from the Central Bank and banks	(17,553,653)
Financial liabilities at FVTPL	(25,818,550)
Securities sold under repurchase agreements	(49,247,066)
Commercial papers payable	(11,390,314)
Payables	(66,691,390)
Deposits and remittances	(1,131,344,190)
Bonds payable	(95,452,361)
Other borrowings	(5,158,224)
Provisions	(3,291,029,865)
Other financial liabilities	(69,105,230)
Lease liabilities	(10,336,354)
Deferred tax liabilities	(8,815,188)
Others	(86,031,905)
Subtotal	(4,867,974,290)
Identifiable net assets	$(410,248,815)

Preliminary goodwill of Shin Kong Financial Holding is as follows:

Purchase consideration	$245,270,368
Add: Non-controlling interests at fair value	403,575
Less: Identifiable net assets at fair value	(410,248,815)
Preliminary goodwill	$655,922,758

Acquisition consideration

Shares issued, at fair value	$217,402,583
Preferred stock liabilities	27,867,785
Total consideration	$245,270,368

Analysis of cash flows on acquisition:	
Transaction costs of the acquisition	$(896)
Net cash acquired with the subsidiary	144,061,353
Transaction costs attributable to issuance of shares	(18,653)
Net cash flow on acquisition	$144,041,804

As of March 31, 2026, the amount of net assets recognized in the financial statements is based on a preliminary fair value assessment. The Company has commissioned an independent third party to conduct a valuation assessment of the net assets of Shin Kong Financial Holding however, the assessment results were not yet available at the time the consolidated financial statements as of and for the three months ended March 31, 2026 were approved for issue.

The Company issued 11,890,254,918 ordinary shares, 75,000,000 Class G preferred shares I, 219,668,000 Class G preferred shares II, and 3,096,420,552 Class H preferred shares as consideration for acquiring 100% equity of Shin Kong Financial Holding. The preliminary fair value of these shares was set at NT$17.4 per ordinary share, NT$35.6 per Class G preferred share I, NT$35.7 per Class G preferred shares II ,and NT$9.0 per Class H preferred share, resulting in a total fair value of the consideration of $245,270,368 thousand.

The transaction costs in the amount of $896 thousand have been expensed and booked as management expenses. The attributable cost of issuing equity instruments in the amount of $18,653 thousand has been directly accounted for in equity as a reduction of share premium.

(42) Share-based payment arrangements

Cash-settled share-based payments of Taishin appreciation rights plan

The Group has issued share appreciation rights (SARs) to employees since 2013, under which the Group is required to pay the intrinsic value of the SARs to eligible employees at the date of exercise. For the year ended December 31, 2025, the share appreciation rights issued were full-value plans, measured at fair value based on the share price at the balance sheet date and remeasured at fair value at each reporting date; the share appreciation rights issued for the year ended December 31, 2024 and prior years were appreciation-only plans, the fair value of which was determined using the Black-Scholes pricing model based on the following assumptions:

Unit: NT$ per share

	Plan of 2025	Plan of 2024	Plan of 2023	Plan of 2022	Plan of 2021
Grant-date share price (Note)	$24.42	$24.42	$24.42	$24.42	$24.42
Exercise price	-	16.13	15.58	12.43	15.26
Outstanding period	1.9 years, 2.9 years, 3.9 years, 4.9 years	0.8years, 1.8 years, 2.8 years, 3.8 years	0.8years, 1.8 years, 2.8 years	0.8years, 1.8 years	-
Expected volatility	-	31.15%、31.15%	31.15%、31.15%	31.15%、31.15%	31.15%、31.15%
Risk-free interest rate	-	0.97%、0.97%	0.97%、0.97%	0.97%、0.97%	0.97%、0.97%

Note: The grant-date share price is calculated based on the average closing price of ordinary shares of the Company 30 business days before the balance sheet date.

The movements in the appreciation rights plan for the three months ended March 31, 2026 and 2025 were as follows:

	For the three months ended March 31			
	2026		2025	
Appreciation Rights Plan of 2025	Unit	Weighted Average Exercise Price (NT$)	Unit	Weighted Average Exercise Price (NT$)
Outstanding, beginning	-	$-	-	$-
Granted	6,918	-	-	-
Ceased	(95)	-	-	-
Outstanding, ending	6,823		-	
Weighted-average fair value of appropriation rights (NT$)	$24.42		$-	

	For the three months ended March 31			
	2026		2025	
Appreciation Rights Plan of 2024	Unit	Weighted Average Exercise Price (NT$)	Unit	Weighted Average Exercise Price (NT$)
Outstanding, beginning	34,636	$16.13	-	$-
Granted	-	-	36,660	17.52
Ceased	(850)	16.13	(260)	17.52
Outstanding, ending	33,786		36,400	
Weighted-average fair value of appropriation rights (NT$)	$8.66		$2.78	

	For the three months ended March 31			
	2026		2025	
Appreciation Rights Plan of 2023	Unit	Weighted Average Exercise Price (NT$)	Unit	Weighted Average Exercise Price (NT$)
Outstanding, beginning	23,373	$15.58	24,863	$16.49
Granted	(11,595)	15.58	-	-
Ceased	(165)	15.58	(510)	16.49
Outstanding, ending	11,614		24,353	
Weighted-average fair value of appropriation rights (NT$)	$7.47		$2.59	

	For the three months ended March 31			
	2026		2025	
Appreciation Rights Plan of 2022	Unit	Weighted Average Exercise Price (NT$)	Unit	Weighted Average Exercise Price (NT$)
Outstanding, beginning	10,865	$12.43	22,695	$13.16
Granted	(10,720)	12.43	(11,233)	13.16
Ceased	(61)	12.43	(295)	13.16
Outstanding, ending	84		11,167	
Weighted-average fair value of appropriation rights (NT$)	$7.69		$4.48	

	For the three months ended March 31			
	2026		2025	
Appreciation Rights Plan of 2021	Unit	Weighted Average Exercise Price (NT$)	Unit	Weighted Average Exercise Price (NT$)
Outstanding, beginning	-	$-	9,968	$15.26
Granted	-	-	(9,931)	15.26
Ceased	-	-	(37)	15.26
Outstanding, ending	-		-	
Weighted-average fair value of appropriation rights (NT$)	$-		$-	

As of March 31, 2026, December 31, 2025, March 31, 2025 and January 1, 2025, the related liabilities recognized amounted to $338,610 thousand, $215,095 thousand, $147,284 thousand and $130,542 thousand, respectively.

7. Related Party Transactions

Information of the related parties that had transactions with the Group during the financial reporting period is as follows:

(1) Names and relationships of related parties were as follows:

Name	Relationship
Taishin Bank	Subsidiary
Taishin AMC	Subsidiary
Taishin Venture Capital Investment	Subsidiary
Taishin Securities B	Subsidiary
Taishin Securities Investment Trust	Subsidiary
Taishin Securities Investment Advisory	Subsidiary
Former Taishin Life Insurance (Note)	Subsidiary
Taiwan Shin Kong Commercial Bank	Subsidiary
Former Shin Kong Life Insurance (Note)	Subsidiary
Shin Kong Life Insurance (Note)	Subsidiary
MasterLink Securities	Subsidiary
Shin Kong Insurance Agent	Subsidiary

Name	Relationship
Shin Kong Venture Capital	Subsidiary
Taishin D.A. Finance	Second-tier subsidiary
Taishin Real-Estate	Second-tier subsidiary
Taishin Financial Leasing (China)	Second-tier subsidiary
Taishin Securities Venture Capital	Second-tier subsidiary
Taishin Capital	Second-tier subsidiary
Taishin Health Investment	Second-tier subsidiary
Taishin Futures	Second-tier subsidiary
Taishin Sports Entertainment	Second-tier subsidiary
Shin Kong Marketing Consultant Co., Ltd. (“Shin Kong Marketing”)	Second-tier subsidiary
Shin Shou Building Management	Second-tier subsidiary
MasterLink Futures	Second-tier subsidiary
MasterLink Securities Investment Advisory	Second-tier subsidiary
Masterlink Insurance Agency	Second-tier subsidiary
MasterLink Venture Capital	Second-tier subsidiary
MasterLink Securities (B.V.I.)	Second-tier subsidiary
MasterLink Securities Venture Capital (Tianjin)	Second-tier subsidiary
MasterLink Innovation Venture Management (Tianjin)	Second-tier subsidiary
MasterLink Securities (Hong Kong)	Second-tier subsidiary
MasterLink Investment Advisory (Tianjin)	Second-tier subsidiary
Lion Investment	Second-tier subsidiary
Shin Kong Leasing (Suzhou)	Second-tier subsidiary
Shin Kong Vietnam	Second-tier subsidiary
Shin Kong Life Singapore	Second-tier subsidiary
An Hsin Construction Manager Corp. (“An Hsin Construction Manager”)	Associate
Shin Kong Insurance Co., Ltd. (“Shin Kong Insurance”)	Other
Shin Kong Synthetic Fibers Co., Ltd. (“Shin Kong Synthetic Fibers”)	Other
Shin Kong Mitsukoshi Department Store Co., Ltd. (“Shin Kong Mitsukoshi”)	Other
Dah Chung Bills Finance Corp. (“Dah Chung Bills”)	Other
CyberSoft Digital Service Corp. (“CyberSoft Digital Service”)	Other
An Shin Construction Manager Corp. (“An Shin Construction Manager”)	Other
Yuanta Commercial Bank Co., Ltd. (“Yuanta Bank”)	Other
Grand Bills Finance Corporation (“Grand Bills”)	Other
Taichung Bank Leasing Corporation Limited (“Taichung Bank Leasing”)	Other

Name	Relationship
Ezconn Corporation (“Ezconn”)	Other
AcBel Polytech Inc. (“AcBel Polytech”)	Other
Jingji Investment Co., Ltd. (“Jingji Investment”)	Other
Kuan Yueh Technology Engineering Co., Ltd. (“Kuan Yueh Technology Engineering”)	Other
Shin Kong Chao Feng Co., Ltd. (“Shin Kong Chao Feng”)	Other
Jia Bang Investment Co., Ltd. (“Jia Bang Investment”)	Other
China Investment And Development Co., Ltd. (“China Investment And Development”)	Other
Hung Family Enterprise Co., Ltd. (“Hung Family”)	Other
Tasco Chemical Corp. (“Tasco Chemical”)	Other
Taiwan Fieldrich Corp. (“Taiwan Fieldrich”)	Other
Chin We Co., Ltd. (“Chin We”)	Other
Yi Huan Co., Ltd. (“Yi Huan”)	Other
Xiang Zhao Investment Co., Ltd. (“Xiang Zhao”)	Other
Excel Chemical Corp. (“Excel Chemical”)	Other
Yun Teh Corporation (“Yun Teh”)	Other
Chang Her Industrial Corp. (“Chang Her”)	Other
Hong Sin Development Co., Ltd. (“Hong Sin”)	Other
Hung Shin Enterprise Co., Ltd. (“Hung Shin”)	Other
Jia Hao Corporation (“Jia Hao”)	Other
Bor Sy Industrial Corp. (“Bor Sy”)	Other
Taipei Exchange (“TPEx”)	Other
Diamond Biofund Inc. (“Diamond Biofund”)	Other
Payeasy Digital Integration Co., Ltd. (“Payeasy”)	Other
Acer Incorporated (“Acer”)	Other
Taishin Bank Foundation for Arts and Culture (“Taishin Foundation for Arts and Culture”)	Other
Taishin Charity Foundation (“Taishin Charity Foundation”)	Other
Taishin Youth Foundation (“Taishin Youth Foundation”)	Other
Jaw Heng Co., Ltd. (“Jaw Heng”)	Other
Everbright Biofund Co., Ltd. (“Everbright Biofund”)	Other
National Defense Industrial Development Foundation	Other
Yi Cheng Co., Ltd. (“Yi Cheng”)	Other
Wowprime Corporation (“Wowprime”)	Other
Nuvoton Technology Corporation (“Nuvoton Technology”)	Other
Dong-Xin Investment Co., Ltd. (“Dong-Xin Investment”)	Other
The Ambassador Hotel Co., Ltd. (“The Ambassador Hotel”)	Other
Shing Kong Recreation Co., Ltd. (“Shing Kong Recreation”)	Other
Shin Hai Gas Corp. (“Shin Hai Gas”)	Other

Name	Relationship
The Great Taipei Gas Corporation ("The Great Taipei Gas")	Other
Shin Kong Memorial Hospital ("Shin Kong Memorial Hospital")	Other
Century Development Corporation ("Century Development")	Other
Chien Dou Investment Co., Ltd. ("Chien Dou Investment")	Other
National Performing Arts Center ("National Performing Arts")	Other
Jaspervilla Co., Ltd. ("Jaspervilla")	Other
Great Taipei Broadband Co., Ltd. ("Great Taipei Broadband")	Other
Yi Kong Security Co., Ltd. ("Yi Kong Security")	Other
Taiwan Security Co., Ltd. ("Taiwan Security")	Other
Ruey-Shin Enterprise Co., Ltd. ("Ruey-Shin Enterprise")	Other
Shinsoft Co., Ltd. ("Shinsoft")	Other
Taiwan Institute for Sustainable Energy ("Taiwan Institute for Sustainable Energy")	Other
Shin Kong Wu Ho-Su Cultural Foundation ("Shin Kong Wu Ho-Su Cultural")	Other
Shin Kong Asset Management Company ("Shin Kong Asset Management")	Other
Yi-Kong International Apartment Building Management And Maintenance Co., Ltd. ("Yi-Kong International Apartment Building")	Other
Shin Kong Hae Yang Co., Ltd. ("Shin Kong Hae Yang")	Other
Tai-Po Service Technology Co., Ltd. ("Tai-Po Service Technology")	Other
New Ma Cherie Co., Ltd. ("New Ma Cherie")	Other
Delin Industrial Corp., Ltd. ("Delin Industrial")	Other
Realtek Semiconductor Corp. ("Realtek")	Other
Century Biotech Development Corporation ("Century Biotech Development")	Other
Ubright Optronics Corporation ("Ubright Optronics")	Other
Lien Jade Construction Co., Ltd. ("Lien Jade Construction")	Other
Employee Welfare Committee of Shin Kong Life Insurance Co., Ltd. ("EWC of Shin Kong Life Insurance")	Other
HannStar Display Corporation ("HannStar Display")	Other
Jing Ying Investment Co., Ltd. ("Jing Ying Investment")	Other
Rakuya International Info. Co. Ltd. ("Rakuya International Info")	Other
WS Management CO. ("WS Management")	Other
Robina Finance & Leasing Corp. ("Robina Leasing")	Other
Shin-Po Leasing Co., Ltd. ("Shin-Po Leasing")	Other
17Life Inc. ("17Life")	Other

Name	Relationship
Waibel Enterprise Inc. (“Waibel Enterprise”)	Other
Pioneer Chemical Co., Ltd. (“Pioneer Chemical”)	Other
Next Commercial Bank Co., Ltd. (“Next Bank”)	Other
Bo Rui Co., Ltd. (“Bo Rui”)	Other
Hung Wan Chuan Charity Foundation (“Hung Wan Chuan Foundation”)	Other
Shinfong Capital Co., Ltd. (“Shinfong Capital”)	Other
Individual A	First-degree relatives of key management personnel
Individual B	Second-degree relatives of key management personnel
Individual C	Key management personnel’s spouse
Individual D	Key management personnel’s spouse
Individual E	Key management personnel
Individual F	Second-degree relatives of key management personnel
Others	Including key management personnel and others

Note: Former Taishin Life Insurance merged with Former Shin Kong Life Insurance on January 1, 2026. Taishin Life Insurance was the surviving company and was renamed Shin Kong Life Insurance.

(2) Material transactions with related parties

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed as follows:

A. Loans, deposits and guaranteed loans

Loans

	Ending balance
March 31, 2026	$12,190,843
December 31, 2025	8,812,778
March 31, 2025	1,922,745

For the three months ended March 31, 2026 and 2025, the amounts of interest income were $76,501 thousand and $11,495 thousand, respectively, and interest rates ranged from 1.51%~10.93% and from 1.51%~9.93%, respectively.

	March 31, 2026					
	Ending balance	Highest amount	Normal loans	Non-Performing loans	Collateral	The different terms with non-related parties
Consumer loans						
198 accounts	$692,401	$713,502	$692,401	$-	Land, buildings and chattels	None
Self-used residence mortgage loans						
300 accounts	2,716,995	2,833,195	2,716,995	-	Land and buildings	None
Other loans						
Lien Jade Construction	4,114,000	12,342,000	4,114,000	-	None	None
Shin Kong Chao Feng	743,000	743,000	743,000	-	Real estate	None
AcBel Polytech	712,000	712,000	712,000	-	None	None
Taichung Bank Leasing	512,154	876,462	512,154	-	Securities-accounts receivable (checks)	None
Individual A	257,970	257,970	257,970	-	Land and buildings	None
Hung Family	217,700	217,700	217,700	-	Real estate, listed stocks	None
Individual B	210,000	210,000	210,000	-	Real estate	
Shin Kong Synthetic Fibers	200,000	200,000	200,000	-	Shares	None
Jia Bang Investment	190,000	190,000	190,000	-	Real estate	None
Kuan Yueh Technology Engineering	181,042	224,698	181,042	-	None	None
Jingji Investment	150,000	450,000	150,000	-	None	None
WS Management	133,300	157,300	133,300	-	Real estate	None
Robina Leasing	121,000	171,300	121,000	-	Customer checks	None
Shin-Po Leasing	105,000	370,000	105,000	-	Land and buildings	None
China Investment And Development	100,000	195,000	100,000	-	Real estate	None
Others	834,281	6,668,805	834,281	-	Listed stocks, Land, buildings, securities - deposits, letter of guarantee, and Credit Guarantee Fund guarantees	None
Total	$12,190,843		$12,190,843	$-		

	December 31, 2025					
	Ending balance	Highest amount	Normal loans	Non-Performing loans	Collateral	The different terms with non-related parties
Consumer loans						
243 accounts	$813,122	$952,108	$813,122	$-	Land, buildings and chattels	None
Self-used residence mortgage loans						
328 accounts	2,691,834	3,115,721	2,691,834	-	Land and buildings	None
Other loans						
Realtek	2,000,000	5,500,000	2,000,000	-	None	None
Shin Kong Chao Feng	738,000	756,000	738,000	-	Buildings	None
Taichung Bank Leasing	518,154	2,518,616	518,154	-	Securities - accounts receivable (checks)	None
Hung Family	213,000	220,500	213,000	-	Real estate, listed stocks	None
Individual A	210,000	210,000	210,000	-	Real estate	None
AcBel Polytech	206,700	1,406,700	206,700	-	None	None
China Investment And Development	195,000	195,000	195,000	-	Real estate	None
Jia Bang Investment	190,000	190,000	190,000	-	Real estate	None
Kuan Yueh Technology Engineering	176,198	321,626	176,198	-	None	None
Jingji Investment	150,000	630,000	150,000	-	None	None
Others	710,770	18,866,839	710,770	-	Land, buildings, securities - deposits, securities – shares, letter of guarantee and policy value reserve	None
Total	$8,812,778		$8,812,778	$-		

	March 31, 2025					
	Ending balance	Highest amount	Normal loans	Non-Performing loans	Collateral	The different terms with non-related parties
Consumer loans						
116 accounts	$598,945	$628,098	$598,945	$-	Land, buildings and chattels	None
Self-used residence mortgage loans						
131 accounts	1,039,454	1,068,292	1,039,454	-	Land and buildings	None
Other loans						
AcBel Polytech						
Others	284,346	1,085,462	284,346	-	Land, buildings, securities - deposits, securities - shares, letter of guarantee and policy value reserve	None
Total	$1,922,745		$1,922,745	$-		

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

Deposits

	Ending balance
March 31, 2026	$40,363,369
December 31, 2025	58,833,886
March 31, 2025	21,611,894

For the three months ended March 31, 2026 and 2025, the amounts of interest expenses were $125,575 thousand and $74,212 thousand, respectively, and interest rates ranged from 0.00%~9.00% and 0.00%~9.00%, respectively.

	March 31, 2026		
	Ending balance	Interest rate range (per annum%)	Interest Expense
Shin Kong Mitsukoshi	$4,184,648	0.00~1.68	$(12,013)
Shin Kong Insurance	3,109,464	0.00~1.76	(10,736)
Ezconn	2,852,698	0.01~3.95	(9,125)
Diamond Biofund	1,208,688	0.01~1.65	(4,764)
Shin Hai Gas	1,147,607	0.00~1.76	(4,447)
National Defense Industrial Development Foundation	1,133,502	0.66~1.72	(4,534)
The Great Taipei Gas	1,089,206	0.00~1.72	(3,891)
Ruey-Shin Enterprise	1,072,687	0.00~1.68	(4,286)
Realtek	960,578	0.45~3.93	(6,368)
Shin Kong Asset Management	927,383	0.00~1.65	(1,364)
Century Development	916,548	0.65~1.75	(3,300)
Tasco Chemical	648,492	0.01~1.63	(1,728)
Shin Kong Memorial Hospital	638,800	0.00~2.65	(2,211)
Everbright Biofund	638,368	0.01~1.65	(2,480)
Dah Chung Bills	627,056	0.00~0.66	(656)
Chien Dou Investment	540,066	0.00~1.70	(2,043)
National Performing Arts	522,471	0.73~1.76	(2,079)
Wowprime	478,932	0.66~1.69	(1,060)
Nuvoton Technology	450,211	0.03~3.45	(1,303)
Excel Chemical	406,246	0.01~1.65	(2,215)
Hung Shin	376,969	0.00~1.76	(870)
Jaspervilla	352,137	0.00~1.75	(1,287)
Shin Kong Synthetic Fibers	346,188	0.00~0.66	(138)
Payeasy	325,619	0.00~1.69	(820)
Dong-Xin Investment	302,573	0.00~0.65	(7)
Yi Kong Security	298,980	0.00~1.68	(327)
Hung Wan Chuan Foundation	293,433	0.00~1.68	(146)
Taiwan Security	265,456	0.00~0.66	(940)
The Ambassador Hotel	260,388	0.03~0.66	(20)

	March 31, 2026		
	Ending balance	Interest rate range (per annum%)	Interest Expense
Great Taipei Broadband	255,673	0.00~1.74	(1,006)
Shing Kong Recreation	225,620	0.00~0.65	(293)
Shinsoft	215,082	0.00~1.29	(293)
Ubright Optronics	192,372	0.00~1.73	(159)
Pioneer Chemical	176,219	0.00~0.66	(93)
Rakuya International Info	174,950	0.66~1.69	(551)
Shin Kong Hae Yang	167,016	0.01~0.65	(160)
Taiwan Fieldrich	160,559	0.01~3.70	(1,348)
Individual C	139,997	0.01~1.82	(366)
Yi-Kong International Apartment Building	134,391	0.00~0.66	(185)
Shin Kong Wu Ho-Su Cultural	132,957	0.00~1.76	(544)
17Life	129,892	0.45~0.66	(150)
Taiwan Institute for Sustainable Energy	128,707	0.00~1.76	(411)
Individual D	121,314	0.05~0.38	(897)
Tai-Po Service Technology	119,550	0.00~1.71	(438)
Jing Ying Investment	117,546	0.01~1.60	(406)
Waibel Enterprise	116,350	0.00~0.66	(143)
Delin Industrial	109,728	0.01~1.43	(345)
Others	11,170,052		(32,629)
Total	$40,363,369		$(125,575)

	December 31, 2025		
	Ending balance	Interest rate range (per annum%)	Interest Expense
Nan Shan Life Insurance	$15,278,552	0.00~4.07	$(6,999)
Shin Kong Mitsukoshi	4,956,175	0.00~1.87	(68,286)
Ezconn	3,596,214	0.00~4.76	(23,495)
Shin Kong Insurance	2,653,375	0.00~1.65	(19,200)
TPEx	1,869,283	0.55~1.67	(21,692)
Diamond Biofund	1,226,371	0.01~1.71	(23,059)
Shin Hai Gas	1,136,639	0.00~1.77	(7,227)
National Defense Industrial Development Foundation	1,122,190	0.66~1.72	(14,411)
Shin Kong Memorial Hospital	1,090,007	0.00~3.85	(3,712)
Ruey-Shin Enterprise	1,063,474	0.00~1.76	(3,314)
The Great Taipei Gas	967,203	0.01~1.76	(7,015)
The Ambassador Hotel	750,297	0.00~1.76	(4,112)
Dong-Xin Investment	715,191	0.00~0.80	(6)
Century Development	713,805	0.65~1.77	(4,202)
Everbright Biofund	681,972	0.01~1.72	(10,896)

	December 31, 2025		
	Ending balance	Interest rate range (per annum%)	Interest Expense
Dah Chung Bills	629,863	0.00~1.76	(6,398)
Tasco Chemical	627,211	0.01~1.63	(2,767)
Chien Dou Investment	603,318	0.00~1.76	(3,314)
Wowprime	573,404	0.66~1.69	(4,278)
Payeasy	523,273	0.00~1.69	(3,364)
National Performing Arts	520,496	0.73~1.76	(3,472)
Shin Kong Asset Management	418,662	0.00~1.76	(804)
Excel Chemical	405,147	0.01~1.65	(1,224)
Hung Shin	393,168	0.00~1.76	(1,430)
Shin Kong Synthetic Fibers	365,803	0.00~4.00	(824)
Jaspervilla	342,336	0.00~1.75	(3,387)
EWC of Shin Kong Life Insurance	317,148	0.73~0.73	(768)
Nuvoton Technology	300,307	0.01~4.45	(11,057)
Yi Kong Security	294,267	0.00~1.76	(481)
Hong Sin	275,525	0.00~1.77	(1,934)
Taiwan Security	264,846	0.00~0.66	(2,115)
Great Taipei Broadband	263,388	0.00~1.76	(1,686)
Shin Kong Hae Yang	237,123	0.00~0.65	(235)
Shinsoft	231,247	0.00~1.29	(402)
Shing Kong Recreation	226,826	0.00~0.66	(1,001)
HannStar Display	200,956	0.00~1.58	(180)
Taiwan Fieldrich	156,613	0.01~4.32	(5,972)
Rakuya International Info	153,739	0.66~1.69	(2,291)
Yi-Kong International Apartment Building	142,444	0.00~0.66	(325)
Taiwan Institute for Sustainable Energy	137,325	0.00~1.76	(735)
Shin Kong Wu Ho-Su Cultural	134,319	0.01~1.77	(912)
Jing Ying Investment	121,432	0.01~1.60	(278)
Individual B	119,858	0.01~0.80	(1,264)
Tai-Po Service Technology	117,230	0.66~1.77	(749)
Delin Industrial	112,007	0.00~4.15	(1,632)
China Investment And Development	102,040	0.00~1.75	(171)
Others	11,701,817		(173,991)
Total	$58,833,886		$(457,067)

	March 31, 2025		
	Ending balance	Interest rate range (per annum%)	Interest Expense
Shin Kong Mitsukoshi	$4,674,088	0.00~1.74	$(18,770)
Realtek	2,988,385	0.66~4.58	(9,740)
Diamond Biofund	1,539,151	0.01~1.71	(6,422)
Ezconn	1,120,761	0.00~4.76	(6,047)
Everbright Biofund	1,102,302	0.66~1.72	(1,903)
National Defense Industrial Development Foundation	867,450	0.66~1.72	(3,428)
Sercomm	805,459	0.40~1.70	(1,581)
Acer	665,891	0.00~4.40	(6,869)
Tasco Chemical	623,307	0.01~0.80	(216)
Dah Chung Bills	420,215	0.00~1.66	(1,641)
Excel Chemical	404,270	0.01~0.66	(6)
Payeasy	365,585	0.00~1.69	(700)
Shin Kong Synthetic Fibers	194,355	0.00~0.80	(200)
Shin Kong Insurance	172,550	0.00~1.64	(218)
Taiwan Fieldrich	159,329	0.01~4.32	(1,572)
Delin Industrial	143,462	0.00~4.15	(451)
Individual A	112,076	0.01~0.80	(306)
Individual B	105,646	0.00~5.00	(344)
Waibel Enterprise	101,332	0.00~0.66	(148)
Others	5,046,280		(13,650)
Total	$21,611,894		$(74,212)

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

B. Guarantees on duties and contracts

	March 31, 2026				
Related parties	Ending balance	Highest amount	Guarantee liability reserve balance	Rate range (per annum%)	Collateral
Taichung Bank Leasing	$30,000	$30,000	$300	1.00	Notes
Century Biotech Development	3,750	3,750	38	0.60	None
Ubright Optronics	-	6,623	-	0.75	Certificate of deposit
Total	$33,750		$338		

	December 31, 2025				
Related parties	Ending balance	Highest amount	Guarantee liability reserve balance	Rate range (per annum%)	Collateral
Taichung Bank Leasing	$30,000	$30,000	$300	1.00	Notes
Ubright Optronics	6,623	6,623	66	0.75	Certificate of deposit
Century Biotech Development	3,750	7,500	38	0.60	None
Total	$40,373		$404		

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

C. Call loan to banks and call loan from banks

	March 31, 2026			
	Item	Ending balance	Interest rate range (per annum%)	Interest income (expense)
Dah Chung Bills	Call loan to banks	$500,000	1.43~1.43	$411
Next Bank	Call loan from banks	-	1.05~1.05	230

	December 31, 2025			
	Item	Ending balance	Interest rate range (per annum%)	Interest income (expense)
Yuanta Bank	Call loan to banks	$-	4.34~4.39	$1,283

	March 31, 2025			
	Item	Ending balance	Interest rate range (per annum%)	Interest income (expense)
Yuanta Bank	Call loan to banks	$-	4.34~4.39	$1,172

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

D. Trading securities

	March 31, 2026					
			Repurchase agreements		Resell agreements	
	Purchase price (accumulated amount)	Sales price (accumulated amount)	Ending Balance	Interest rate range (per annum%)	Ending Balance	Interest rate range (per annum%)
Dah Chung Bills	$299,416	$-	$-	-	$1,696,112	1.44~1.49
Chin We	-	-	15,266	0.94~0.94	-	-
Yi Huan	-	-	10,098	0.94~0.95	-	-
Xiang Zhao	-	-	37,051	0.93~0.95	-	-
Jia Hao	-	-	90,000	0.93~0.93	-	-
Chang Her	-	-	60,065	0.93~0.94	-	-
Yun Teh	-	-	60,080	0.93~0.94	-	-
Individual E	-	-	85,248	0.93~0.95	-	-
Bo Rui	-	-	25,091	0.93~0.94	-	-
Jaw Heng	-	-	50,000	0.93~0.94	-	-
Yi Cheng	-	-	200,571	0.94~0.94	-	-
Shinfong Capital	-	-	145,000	0.93~0.94	-	-
Total	$299,416	$-	$778,470		$1,696,112	

	December 31, 2025					
			Repurchase agreements		Resell agreements	
	Purchase price (accumulated amount)	Sales price (accumulated amount)	Ending Balance	Interest rate range (per annum%)	Ending Balance	Interest rate range (per annum%)
Dah Chung Bills	$149,887	$-	$-	-	$1,214,049	1.46~1.65
Chin We	-	-	15,235	0.94~1.08	-	-
Yi Huan	-	-	10,080	0.94~1.04	-	-
Xiang Zhao	-	-	12,030	0.94~1.02	-	-
Chang Her	-	-	65,090	0.90~1.08	-	-
Yun Teh	-	-	60,082	0.90~1.06	-	-
Yuanta Bank	-	499,624	-	-	-	-
Individual C	-	-	100,082	0.90~1.08	-	-
Jaw Heng	-	-	230,175	0.94~1.08	-	-
Yi Cheng	-	-	200,171	0.94~1.08	-	-
Grand Bills	50,264	-	-	-	-	-
Total	$200,151	$499,624	$692,945		$1,214,049	

	March 31, 2025					
			Repurchase agreements		Resell agreements	
	Purchase price (accumulated amount)	Sales price (accumulated amount)	Ending Balance	Interest rate range (per annum%)	Ending Balance	Interest rate range (per annum%)
MasterLink Securities	$5,200,678	$-	$-	-	$-	-
Dah Chung Bills	-	-	-	-	1,000,048	1.61~1.65
Chin We	-	-	105,147	1.02~1.08	-	-
Yi Huan	-	-	15,004	1.02~1.04	-	-
Chang Her	-	-	20,118	1.02~1.08	-	-
Bor sy	-	-	13,098	1.02~1.08	-	-
Bo Rui	-	-	10,030	1.02~1.08	-	-
Jaw Heng	-	-	30,318	1.02~1.08	-	-
Yi Cheng	-	-	10,018	1.02~1.08	-	-
Individual C	-	-	115,257	1.02~1.08	-	-
Total	$5,200,678	$-	$318,990		$1,000,048	

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

E. Derivatives

	March 31, 2026					
					Balance sheet balance	
Related parties	Derivative contracts	Period	Nominal principal amount	Valuation gain (loss) for the three months ended March 31, 2026	Account	Balance
Nuvoton Technology	Forward exchange contracts	2026/3/5~2026/4/22	$160,085	$1,647	Financial assets at FVTPL	$1,647

	December 31, 2025					
					Balance sheet balance	
Related parties	Derivative contracts	Period	Nominal principal amount	Valuation gain (loss) for the year ended December 31, 2025	Account	Balance
Acer	Forward exchange contracts	2024/8/5-2025/2/27	$350,904	$(21,223)	Financial liabilities at FVTPL	$-

	March 31, 2025					
					Balance sheet balance	
Related parties	Derivative contracts	Period	Nominal principal amount	Valuation gain (loss) for the three months ended March 31, 2025	Account	Balance
Acer	Forward exchange contracts	2024/8/5~2025/2/27	$350,904	$7,647	Financial liabilities at FVTPL	$-

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

F. Lease arrangements

Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
The Great Taipei Gas	$263,398	$285,549	$-

G. Lease/sublease agreement

Operating lease rental/sublease

The total amount of lease payments to be received in the future is summarized as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Shin Kong Mitsukoshi	$838,095	$921,905	$-
Jaspervilla	425,251	432,634	-
New Ma Cherie	98,931	106,387	-
Shin Kong Memorial Hospital	158,223	76,757	-
Total	$1,520,500	$1,537,683	$-

The terms of transactions of leasing investment properties to related parties are not significantly different from those of general transactions. The rental amounts listed above are pre-tax amounts.

The lease terms and payment collection methods are provided in the contract. The typical lease term ranges from 1 to 5 years, with payments primarily collected on a monthly basis.

H. Liability contracts with related parties

	March 31, 2026	December 31, 2025	March 31, 2025
Other financial assets - customer margin account			
Yuanta Bank	$-	$-	$1,124,112
Other financial assets - due from banks			
Yuanta Bank	$-	$-	$350,000

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

I. Borrowings from related parties

	March 31, 2026	December 31, 2025	March 31, 2025
Short-term borrowings			
Yuanta Bank	$-	$-	$900,000
Commercial papers issued			
Dah Chung Bills	$-	$599,298	$-

The Group's borrowing interest rates with related parties are consistent with market rates.

J. Financial assets at fair value through profit or loss

		March 31, 2026		December 31, 2025		March 31, 2025	
Item	Name	Ending shares (in thousands)	Ending balance	Ending shares (in thousands)	Ending balance	Ending shares (in thousands)	Ending balance
Trading securities - underwriting	Sercomm	-	$-	-	$-	2,530	$277,794
Trading securities - underwriting	Ezconn	237	449,588	2,649	490,805	955	103,665

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

K. Donation expense

	For the three months ended March 31	
	2026	2025
Taishin Foundation for Arts and Culture	$7,500	$7,500
Taishin Charity Foundation	4,500	4,500
Total	$12,000	$12,000

Donation expense is used to promote Taiwan's contemporary arts and implement charity programs, meeting corporate social responsibility.

L. Other material transactions

	For the three months ended March 31			
	2026		2025	
	Item	Amount	Item	Amount
CyberSoft Digital Service	Operating expenses	$(24,804)	Operating expenses	$(21,347)
Shin Kong Mitsukoshi	Service charge and operating expenses	(17,373)	Service charge and operating expenses	(42,657)
Shin Kong Mitsukoshi	Fee income	91,505	Fee income	77,838
Shin Kong Insurance	Fee income	243,113	Fee income	-
Former Shin Kong Life Insurance	Commission income	-	Commission income	55,137

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(3) Compensation of key management personnel

	For the three months ended March 31	
	2026	2025
Short-term employee benefits	$503,793	$91,518
Post-employment benefits	3,903	670
Other long-term employee benefits	9,999	-
Termination benefits	9,715	-
Share-based payments	75,159	2,252
Total	$602,569	$94,440

(4) Related-party transactions of subsidiaries amounting to more than $100,000 thousand

A. Taishin Bank

(a) Loans, deposits and guaranteed loans

Loans

	March 31, 2026					
			Performance status			The different terms with non-related parties
	Ending balance	Highest amount	Normal loans	Non-performing loans	Collateral	
Other loans						
Lien Jade Construction	$4,114,000	$12,342,000	$4,114,000	$-	None	None
AcBel Polytech	712,000	712,000	712,000	-	None	None
Taichung Bank Leasing	296,769	661,077	296,769	-	Securities - accounts receivable (checks)	None
Individual A	257,970	257,970	257,970	-	Land and buildings	None
Shin Kong Synthetic Fibers	200,000	200,000	200,000	-	Shares	None
Kuan Yueh Technology Engineering	181,042	224,698	181,042	-	None	None
Jingji Investment	150,000	450,000	150,000	-	None	None
Shin-Po Leasing	105,000	370,000	105,000	-	Land and buildings	None
Total	$6,016,781		$6,016,781	$-		

	December 31, 2025					
			Performance status			The different terms with non-related parties
	Ending balance	Highest amount	Normal loans	Non-performing loans	Collateral	
Other loans						
Realtek	$2,000,000	$5,500,000	$2,000,000	$-	None	None
Taichung Bank Leasing	302,769	2,303,231	302,769	-	Securities - accounts receivable (checks)	None
AcBel Polytech	206,700	1,406,700	206,700	-	None	None
Kuan Yueh Technology Engineering	176,198	321,626	176,198	-	None	None
Jingji Investment	150,000	630,000	150,000	-	None	None
Total	$2,835,667		$2,835,667	$-		

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

Deposits

	March 31, 2026		
	Ending balance	Interest rate range (per annum%)	Interest expense
TS Financial Holding	$21,669,750	0.00~1.66	$(86,215)
Shin Kong Life Insurance	2,283,831	0.00~1.75	(11,013)
Taishin Securities B	4,491,730	0.00~1.69	(1,458)
Ezconn	2,852,698	0.01~3.95	(9,125)
Shin Kong Mitsukoshi	2,522,235	0.00~1.65	(5,644)
Diamond Biofund	1,208,688	0.01~1.65	(4,764)
National Defense Industrial Development Foundation	1,133,502	0.66~1.72	(4,534)
Realtek	960,578	0.45~3.96	(6,368)
Taishin Futures	776,442	0.01~3.93	(1,883)
Tasco Chemical	648,492	0.01~1.63	(1,728)
Everbright Biofund	638,368	0.01~1.65	(2,480)
Shin Kong Insurance	629,202	0.00~1.65	(1,934)
Wowprime	478,932	0.66~1.69	(1,060)
Nuvoton Technology	450,211	0.03~3.45	(1,303)
Dah Chung Bills	415,655	0.00~0.66	(656)
Excel Chemical	406,246	0.01~1.65	(1,390)
Taishin Securities Investment Trust	385,098	0.03~1.64	(1,065)
Payeasy	325,619	0.00~1.69	(820)
Taishin Securities Investment Advisory	312,152	0.45~4.05	(1,643)
Dong-Xin Investment	301,613	0.00~0.45	(6)
The Ambassador Hotel	260,388	0.03~0.66	(20)
Shin Kong Synthetic Fibers	245,183	0.00~0.66	(109)
Taiwan Security	203,565	0.00~0.66	(654)
MasterLink Futures	183,178	0.66~1.64	(738)
Rakuya International Info	174,950	0.66~1.69	(551)
Taishin D.A. Finance	161,330	0.00~1.64	(1)
Taiwan Fieldrich	160,559	0.01~3.70	(1,348)
Shin Kong Hae Yang	141,954	0.01~0.01	(1)
Individual C	139,997	0.01~1.82	(366)
17Life	129,892	0.45~0.66	(150)
Jing Ying Investment	117,546	0.01~1.60	(406)
Hung Shin	111,389	0.01~0.01	(2)
Delin Industrial	109,728	0.01~1.43	(345)
Waibel Enterprise	109,677	0.00~0.66	(125)
Total	$45,140,378		$(149,905)

	December 31, 2025		
	Ending balance	Interest rate range (per annum%)	Interest expense
TS Financial Holding	$21,457,347	0.00~1.76	$(369,144)
Nan Shan Life Insurance	15,278,552	0.00~4.07	(6,999)
Former Taishin Life Insurance	8,367,556	0.00~2.20	(37,697)
Ezconn	3,596,214	0.00~4.76	(23,495)
Taishin Securities B	2,664,009	0.00~2.00	(19,906)
Shin Kong Mitsukoshi	2,288,548	0.00~1.74	(56,779)
TPEx	1,869,283	0.55~1.67	(21,692)
Diamond Biofund	1,226,371	0.01~1.71	(23,059)
National Defense Industrial Development Foundation	1,122,190	0.66~1.72	(14,411)
Taishin Futures	1,089,026	0.00~4.83	(9,069)
Dong-Xin Investment	715,191	0.00~0.80	(6)
Everbright Biofund	681,972	0.01~1.72	(10,896)
Tasco Chemical	627,211	0.01~1.63	(2,767)
Wowprime	573,404	0.66~1.69	(4,278)
Payeasy	523,273	0.00~1.69	(3,364)
Shin Kong Insurance	502,809	0.00~1.65	(3,254)
Dah Chung Bills	418,350	0.00~1.72	(4,995)
Taishin Securities Investment Trust	411,484	0.00~2.00	(3,779)
Excel Chemical	405,147	0.01~1.65	(1,224)
Taishin Securities Investment Advisory	330,940	0.66~5.20	(7,433)
EWC of Shin Kong Life Insurance	317,148	0.73~0.73	(768)
Nuvoton Technology	300,307	0.01~4.45	(11,057)
Shin Kong Synthetic Fibers	222,236	0.00~0.80	(717)
Taishin D.A. Finance	215,034	0.00~1.64	(938)
HannStar Display	200,956	0.00~1.58	(180)
MasterLink Futures	179,751	0.66~1.64	(1,250)
Taiwan Fieldrich	156,613	0.01~4.32	(5,972)
Rakuya International Info	153,739	0.66~1.69	(2,291)
The Ambassador Hotel	135,057	0.00~1.66	(881)
Hung Shin	123,364	0.01~0.01	(4)
Jing Ying Investment	121,432	0.01~1.60	(278)
Taiwan Security	120,423	0.00~0.66	(1,637)
Individual B	119,858	0.01~0.80	(1,264)
Delin Industrial	112,007	0.00~4.15	(1,632)
Former Shin Kong Life Insurance	101,159	0.03~4.00	(1,908)
Total	$66,727,961		$(655,024)

	March 31, 2025		
	Ending balance	Interest rate range (per annum%)	Interest expense
TS Financial Holding	$22,044,641	0.00~1.76	$(91,650)
Shin Kong Mitsukoshi	4,674,088	0.00~1.74	(18,770)
Taishin Securities B	3,480,647	0.00~2.00	(1,393)
Former Taishin Life Insurance	3,158,688	0.00~2.20	(2,446)
Realtek	2,988,385	0.66~4.58	(9,740)
Diamond Biofund	1,539,151	0.01~1.71	(6,422)
Ezconn	1,120,761	0.00~4.76	(6,047)
Everbright Biofund	1,102,302	0.66~1.72	(1,903)
National Defense Industrial Development Foundation	867,450	0.66~1.72	(3,428)
Taishin Futures	862,633	0.00~4.83	(1,655)
Sercomm	805,459	0.40~1.70	(1,581)
Acer	665,891	0.00~4.40	(6,869)
Tasco Chemical	623,307	0.01~0.80	(216)
Dah Chung Bills	420,215	0.00~1.66	(1,641)
Excel Chemical	404,270	0.01~0.66	(6)
Payeasy	365,585	0.00~1.69	(700)
Taishin Securities Investment Advisory	318,701	0.66~5.20	(1,908)
Taishin Securities Investment Trust	310,621	0.00~2.00	(798)
Shin Kong Synthetic Fibers	194,355	0.00~0.80	(200)
Shin Kong Insurance	172,550	0.00~1.64	(218)
Taiwan Fieldrich	159,329	0.01~4.32	(1,572)
Delin Industrial	143,462	0.00~4.15	(451)
Taishin Venture Capital Investment	131,384	0.66~0.66	-
Individual A	112,076	0.01~0.80	(306)
Individual B	105,646	0.00~5.00	(344)
Waibel Enterprise	101,332	0.00~0.66	(148)
Total	$47,152,227		$(160,413)

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(b) Call loan to banks and call loan from banks

	March 31, 2026			
	Item	Ending balance	Interest rate range (per annum%)	Interest income (expense)
Dah Chung Bills	Call loan to banks	$500,000	1.43~1.43	$411

(c) Trading securities

	March 31, 2026					
			Repurchase agreements		Resell agreements	
	Purchase price (Accumulated amount)	Sales price (Accumulated amount)	Ending balance	Interest rate range (per annum%)	Ending balance	Interest rate range (per annum%)
Dah Chung Bills	$299,416	$-	$-	-	$1,696,112	1.44~1.49
TS Financial Holding	-	-	1,600,000	1.14~1.18	-	-
Yi Cheng	-	-	200,571	0.94~0.94	-	-
Shinfong Capital	-	-	145,000	0.93~0.94	-	-
Total	$299,416	$-	$1,945,571		$1,696,112	

	December 31, 2025					
			Repurchase agreements		Resell agreements	
	Purchase price (Accumulated amount)	Sales price (Accumulated amount)	Ending balance	Interest rate range (per annum%)	Ending balance	Interest rate range (per annum%)
Dah Chung Bills	$149,887	$-	$-	-	$1,214,049	1.46~1.65
MasterLink Securities	9,867,292	-	-	-	-	-
Yuanta Bank	-	499,624	-	-	-	-
Individual C	-	-	100,082	0.90~1.08	-	-
Jaw Heng	-	-	230,175	0.94~1.08	-	-
Yi Cheng	-	-	200,171	0.94~1.08	-	-
Total	$10,017,179	$499,624	$530,428		$1,214,049	

	March 31, 2025					
			Repurchase agreements		Resell agreements	
	Purchase price (Accumulated amount)	Sales price (Accumulated amount)	Ending balance	Interest rate range (per annum%)	Ending balance	Interest rate range (per annum%)
MasterLink Securities	$5,200,678	$-	$-	-	$-	-
Dah Chung Bills	-	-	-	-	1,000,048	1.61~1.65
Chin We	-	-	105,147	1.02~1.08	-	-
Individual C	-	-	115,257	1.02~1.08	-	-
Total	$5,200,678	$-	$220,404		$1,000,048	

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(d) Derivatives

		March 31, 2026				
				Valuation Gain (Loss)	Balance sheet balance	
Related Parties	Derivative Contracts	Period	Nominal Principal Amount	for the three months ended March 31, 2026	Account	Balance
Nuvoton Technology	Forward exchange contracts	2026/3/5-2026/4/22	$160,085	$1,647	Financial assets at FVTPL	$1,647

		December 31, 2025				
				Valuation Gain (Loss)	Balance sheet balance	
Related Parties	Derivative Contracts	Period	Nominal Principal Amount	for the year ended December 31, 2025	Account	Balance
Acer	Forward exchange contracts	2024/8/5-2025/2/27	$350,904	$(21,223)	Financial liabilities at FVTPL	$-

		March 31, 2025				
				Valuation Gain (Loss)	Balance sheet balance	
Related Parties	Derivative Contracts	Period	Nominal Principal Amount	for the three months ended March 31, 2025	Account	Balance
Acer	Forward exchange contracts	2024/8/5-2025/2/27	$350,904	$7,647	Financial assets at FVTPL	$-

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(e) Liability contracts with related parties

Item	Related parties	March 31, 2026	December 31, 2025	March 31, 2025
Receivables	Former Taishin Life Insurance	$-	$392,086	$274,374
Receivables	Shin Kong Life Insurance	488,444	-	-
Accounts payable under linked tax system	TS Financial Holding	4,809,807	4,094,413	1,870,338

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(f) Lease arrangements

Item	Related Parties	March 31, 2026	December 31, 2025	March 31, 2025
Lease liabilities	Former Taishin Life Insurance	$-	$160,440	$172,190
Lease liabilities	Shin Kong Life Insurance	157,474	-	-

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(g) Other material transactions

	For the three months ended March 31			
	2026		2025	
	Item	Amount	Item	Amount
Former Taishin Life Insurance	Commission income	$-	Commission income	$907,721
Shin Kong Life Insurance	Commission income	1,859,062	Commission income	-

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(h) Compensation of key management personnel

Item	For the three months ended March 31	
	2026	2025
Short-term employee benefits	$73,738	$138,997
Post-employment benefits	1,051	2,099
Share-based payments	36,109	1,644
Total	$110,898	$142,740

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

B. Shin Kong Life Insurance

On January 1, 2026, Former Taishin Life Insurance (the surviving company) merged with Former Shin Kong Life Insurance (formerly the entity prior to the merger). Taishin Life Insurance was the surviving company. Subsequently, Taishin Life Insurance was renamed "Shin Kong Life Insurance".

(a) Lease/sublease agreement

The total amount of lease payments to be received in the future is summarized as follows:

	March 31, 2026	(Former Taishin Life Insurance) December 31, 2025	(Former Taishin Life Insurance) March 31, 2025
Taiwan Shin Kong Commercial Bank	$395,487	$-	$-
MasterLink Securities	109,937	-	-
Taishin Bank	158,310	4,752	-
Shin Kong Mitsukoshi	838,095	-	-
Jaspervilla	425,251	-	-
Total	$1,927,080	$4,752	$-

(b) Liability contracts with related parties

Item	Related parties	March 31, 2026	(Former Taishin Life Insurance) December 31, 2025	(Former Taishin Life Insurance) March 31, 2025
Cash and cash equivalents	Taishin Bank	$3,292	$8,367,556	$3,158,688
Cash and cash equivalents	Taiwan Shin Kong Commercial Bank	28,875,417	-	-
Commission payables	Taishin Bank	-	432,282	289,072
Accounts receivable (payable) under linked tax system	TS Financial Holding	9,442,226	(31,831)	205,277
Other financial assets, net	Taiwan Shin Kong Commercial Bank	794,432	-	-
Payables	Taishin Bank	472,565	-	-

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(c) Investment in beneficiary certificates

	March 31, 2026	(Former Taishin Life Insurance) December 31, 2025	(Former Taishin Life Insurance) March 31, 2025
Taishin Securities Investment Trust	$14,091,430	$-	$-

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

For the three months ended March 31, 2026, Shin Kong Life Insurance purchased and sold various mutual funds managed by Taishin Securities Investment Trust as follows:

	For the three months ended March 31, 2026		(Former Taishin Life Insurance) For the three months ended March 31, 2025	
	Buy	Sell	Buy	Sell
Taishin Securities Investment Trust	$6,107,601	$1,302,471	$-	$-

(d) Other material transactions

Item	Related parties	For the three months period ended March 31, 2026	(Former Taishin Life Insurance) For the three months period ended March 31, 2025
Underwriting commission expense	Taishin Bank	$74,244	$914,973
Underwriting commission expense	Taiwan Shin Kong Commercial Bank	708,727	-
Transaction fee expense	Taiwan Shin Kong Commercial Bank	184,158	-
Other general and administrative expenses	Shin Shou Building Management	165,057	-

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

C. Taishin Securities B

(a) Liability contracts with related parties

Item	Related parties	March 31, 2026	December 31, 2025	March 31, 2025
Cash and cash equivalents	Taishin Bank	$1,661,202	$1,411,657	$1,012,678
Other current assets - settlements and receipts under custody	Taishin Bank	2,078,584	940,407	2,166,037
Other non-current assets - operating guarantee deposits	Taishin Bank	730,000	290,000	290,000
Accounts payable under linked tax system	TS Financial Holding	260,938	162,627	326,938

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(b) Lease arrangements

Item	Related parties	March 31, 2026	December 31, 2025	March 31, 2025
Lease liabilities	Taishin Bank	$106,913	$118,879	$146,193

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(c) Borrowings from related parties

Item	Related parties	March 31, 2026	December 31, 2025	March 31, 2025
Short-term borrowings	Yuanta Bank	$-	$-	$600,000

Taishin Securities B's borrowing interest rates with related parties are consistent with market rates.

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(d) Financial assets at fair value through profit or loss - current

		March 31, 2026		December 31, 2025		March 31, 2025	
Item	Name	Ending shares (in thousands)	Ending balance	Ending shares (in thousands)	Ending balance	Ending shares (in thousands)	Ending balance
Trading securities - underwriting	Ezconn	237	$449,588	2,649	$490,805	955	$103,665

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(e) As of March 31, 2026 and 2025, the amount of futures margin (recognized as financial assets at fair value through profit or loss - current) for the futures transactions between Taishin Securities B and Taishin Futures were $1,353,760 thousand and $699,349 thousand, respectively. All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

D. Taishin AMC

(a) Credit receivable

In June 2005, Taishin AMC bought 12 accounts of credit loans from Taishin Bank for $986,000 thousand with carrying amount of $2,951,353 thousand. According to the contract, the receivables of $986,000 thousand will be paid off in seven installments by October 31, 2006.

In July 2006, Taishin AMC bought non-performing loans that resulted from cash cards, credit cards and small consumer loans from Taishin Bank for $546,697 thousand with carrying amount of $9,494,153 thousand. According to the contract, June 30, 2006 was determined as the basic measurement date of this transaction, and the receivables of $546,697 thousand will be paid off in two installments by September 15, 2006. In September 2006, Taishin AMC bought non-performing loans that consisted of cash cards, credit cards and small consumer loans from Taishin Bank for $158,000 thousand with carrying amount of $5,490,584 thousand. According to the contract, August 31, 2006 was determined as the basic measurement date of this transaction, and the receivables of $158,000 thousand will be paid off in two installments by October 31, 2006. Also defined in the contract, 5 years from measurement date, Taishin AMC authorized Taishin Bank the rights to collect payments from debtors and will pay the 30% of loans collected as service fees and 40% of the remaining 70% of loan collected as commission. The service contracts mentioned were terminated on June 30, 2011 and August 31, 2011, respectively. From July 1, 2011 and September 1, 2011, Taishin AMC authorized Taishin Bank with the rights to collect payments from debtors and paid 32.5% of loans collected as service fees.

The transaction content summary is as follows:

Loans with transferred ownership

	For the three months ended March 31, 2026			
	Beginning balance	Purchased	Collected	Ending balance
Loans with transferred ownership	$14,322,583	$-	$(20,043)	$14,302,540

	For the three months ended March 31, 2025			
	Beginning balance	Purchased	Collected	Ending balance
Loans with transferred ownership	$14,412,344	$-	$(22,850)	$14,389,494

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

E. Taishin Venture Capital Investment

None.

F. Taishin Securities Investment Trust

(a) Liability contracts with related parties

Item	Related parties	March 31, 2026	December 31, 2025	March 31, 2025
Other financial assets	Taiwan Shin Kong Commercial Bank	$637,900	$637,900	$-
Other financial assets	Taishin Life Insurance	192,000	192,000	171,000
Refundable deposits	Taishin Bank	155,179	155,179	134,979

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(b) Other material transactions

Item	Related parties	March 31, 2026	December 31, 2025	March 31, 2025
Fee income and Commission income	Former Taishin Life Insurance	$106,067	$193,921	$46,098

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

G. Taishin Securities Investment Advisory

(a) Liability contracts with related parties

Item	Related parties	March 31, 2026	December 31, 2025	March 31, 2025
Other financial assets	Taishin Bank	$305,655	$323,394	$311,136

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

H. Taiwan Shin Kong Commercial Bank

(Not a subsidiary of TS Financial Holding as of March 31, 2025)

(a) Loans, deposits and guaranteed loans

Loans

	March 31, 2026					
	Ending Balance	Highest Amount	Normal loans	Non-performing loans	Collateral	The different terms with non-related parties
Shin Kong Chao Feng	$743,000	$743,000	$743,000	$-	Real estate	None
Taichung Bank Leasing	215,385	215,385	215,385	-	Notes	None
Hung Family	217,700	217,700	217,700	-	Real estate, listed stocks	None
Individual B	210,000	210,000	210,000	-	Real estate	None
Jia Bang Investment	190,000	190,000	190,000	-	Real estate	None
WS Management	133,300	157,300	133,300	-	Real estate	None
Robina Leasing	121,000	171,300	121,000	-	Notes	None
China Investment And Development	100,000	195,000	100,000	-	Real estate	None
Total	$1,930,385		$1,930,385	$-		

	December 31, 2025					
	Ending Balance	Highest Amount	Normal loans	Non-performing loans	Collateral	The different terms with non-related parties
Shin Kong Chao Feng	$738,000	$756,000	$738,000	$-	Real estate	None
Taichung Bank Leasing	215,385	215,385	215,385	-	Notes	None
Hung Family	213,000	220,500	213,000	-	Real estate, listed stocks	None
Individual A	210,000	210,000	210,000	-	Real estate	None
China Investment And Development	195,000	195,000	195,000	-	Real estate	None
Jia Bang Investment	190,000	190,000	190,000	-	Real estate	None
Total	$1,761,385		$1,761,385	$-		

Deposits

	March 31, 2026		
	Ending balance	Interest rate range (per annum%)	Interest expense
Shin Kong Life Insurance	$23,484,630	0.00~1.76	$(78,477)
MasterLink Securities	6,978,246	0.00~2.15	(15,829)
MasterLink Futures	3,195,604	0.00~3.60	(11,579)
Shin Kong Insurance	2,480,262	0.00~1.76	(8,802)
Shin Kong Mitsukoshi	1,662,413	0.00~1.68	(6,369)
Shin Hai Gas	1,147,223	0.00~1.76	(4,447)
The Great Taipei Gas	1,082,686	0.00~1.72	(3,891)
Ruey-Shin Enterprise	1,072,685	0.00~1.68	(4,286)
Century Development	916,548	0.65~1.75	(3,300)
Shin Kong Asset Management	907,000	0.00~1.65	(1,263)
Lion Investment	778,962	0.45~1.85	(942)
Taishin Securities Investment Trust	640,220	0.00~1.75	(2,678)

	March 31, 2026		
	Ending balance	Interest rate range (per annum%)	Interest expense
Shin Kong Memorial Hospital	636,906	0.00~2.65	(2,211)
Chien Dou Investment	535,242	0.00~1.70	(2,043)
National Performing Arts	522,471	0.73~1.76	(2,079)
Jaspervilla	352,137	0.00~1.75	(1,287)
Yi Kong Security	298,370	0.00~1.68	(322)
Hung Wan Chuan Foundation	293,433	0.00~1.68	(146)
Hung Shin	265,580	0.00~1.76	(868)
Great Taipei Broadband	255,673	0.00~1.74	(1,006)
Shinsoft	213,635	0.00~1.29	(292)
Dah Chung Bills	211,401	0.00~1.65	(825)
Shin Shou Building Management	191,400	0.00~1.72	(778)
Ubright Optronics	173,535	0.00~1.73	(145)
Shing Kong Recreation	142,205	0.00~0.65	(229)
Pioneer Chemical	140,807	0.00~0.65	(92)
Shin Kong Insurance Agent	138,454	0.00~1.65	(320)
Shin Kong Wu Ho-Su Cultural	132,957	0.00~1.76	(544)
Taiwan Institute for Sustainable Energy	128,707	0.00~1.76	(411)
Yi-Kong International Apartment Building	127,530	0.00~0.65	(169)
Individual D	121,314	0.05~0.38	(897)
Tai-Po Service Technology	116,262	0.00~1.71	(433)
Shin Kong Synthetic Fibers	101,005	0.00~0.65	(29)
Total	$49,445,503		$(156,989)

	December 31, 2025		
	Ending balance	Interest rate range (per annum%)	Interest expense
Shin Kong Life Insurance	$42,683,508	0.00~1.76	$(238,243)
MasterLink Securities	5,790,282	0.00~2.15	(26,373)
MasterLink Futures	2,755,431	0.00~4.40	(17,175)
Shin Kong Mitsukoshi	2,667,627	0.00~1.87	(11,507)
Shin Kong Insurance	2,150,566	0.00~1.80	(15,946)
Shin Hai Gas	1,117,255	0.00~1.77	(7,226)
Shin Kong Memorial Hospital	1,089,559	0.00~3.85	(3,712)

	December 31, 2025		
	Ending balance	Interest rate range (per annum%)	Interest expense
Ruey-Shin Enterprise	1,063,474	0.00~1.76	(3,314)
The Great Taipei Gas	964,103	0.00~1.76	(7,013)
Century Development	713,805	0.65~1.77	(4,202)
Taishin Securities Investment Trust	647,638	0.00~1.77	(3,819)
The Ambassador Hotel	615,240	0.00~1.76	(3,231)
Chien Dou Investment	598,494	0.00~1.76	(3,314)
National Performing Arts	520,496	0.73~1.76	(3,472)
Shin Kong Asset Management	411,530	0.00~1.76	(690)
Jaspervilla	342,336	0.00~1.75	(3,387)
Yi Kong Security	293,575	0.00~1.76	(464)
Hong Sin	275,391	0.00~1.77	(1,934)
Hung Shin	269,804	0.00~1.76	(1,426)
Great Taipei Broadband	263,388	0.00~1.76	(1,686)
Shinsoft	230,283	0.00~1.29	(393)
Dah Chung Bills	211,513	0.00~1.76	(1,403)
Shin Shou Building Management	210,391	0.00~1.77	(1,219)
Shin Kong Hae Yang	175,782	0.00~0.65	(234)
Taiwan Security	144,423	0.00~0.65	(478)
Shin Kong Synthetic Fibers	143,567	0.00~4.00	(107)
Shing Kong Recreation	143,043	0.00~0.65	(752)
Yi-Kong International Apartment Building	139,786	0.00~0.65	(265)
Taiwan Institute for Sustainable Energy	137,325	0.00~1.76	(735)
Shin Kong Wu Ho-Su Cultural	134,319	0.00~1.77	(912)
Shin Kong Insurance Agent	116,478	0.00~1.65	(312)
Tai-Po Service Technology	113,942	0.00~1.77	(728)
China Investment And Development	102,040	0.00~1.75	(157)
Total	$67,236,394		$(365,829)

All transactions with related parties are made under arm’s length terms, which are consistent with normal policies.

(b) Lease arrangements

Item	Related parties	March 31, 2026	December 31, 2025
Lease liabilities	Shin Kong Life Insurance	$641,130	$704,560
Lease liabilities	The Great Taipei Gas	168,319	183,649
Total		$809,449	$888,209

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(c) Liability contracts with related parties

Item	Related parties	March 31, 2026	December 31, 2025
Accounts receivable (payable) under linked tax system	TS Financial Holding	$(510,477)	$17,768

(d) Other material transactions

Item	Related parties	For the three months ended March 31, 2026
Fee income	Shin Kong Life Insurance	$799,071

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(e) Transactions in which the directors and supervisors of the parent company and Taiwan Shin Kong Commercial Bank serve as guarantors for credit cases of Taiwan Shin Kong Commercial Bank.

Key management personnel	Item	Highest amount	Ending balance
Individual F	Individual B	$210,000	$210,000
Total			$210,000

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

I. MasterLink Securities

(Not a subsidiary of TS Financial Holding as of March 31, 2025)

(a) Liability contracts with related parties

Item	Related parties	March 31, 2026	December 31, 2025
Cash and cash equivalents	Taiwan Shin Kong Commercial Bank	$3,782,138	$2,547,912
Cash and cash equivalents	MasterLink Futures	1,633,254	-
Other financial assets, net	Taiwan Shin Kong Commercial Bank	100,000	100,000
Restricted pledged assets	Taiwan Shin Kong Commercial Bank	2,701,000	2,701,000
Operating guarantee deposits	Taiwan Shin Kong Commercial Bank	430,000	430,000
Commercial papers issued	Dah Chung Bills	298,971	599,298
Futures excess margin	MasterLink Futures	389,387	994,315
Accounts payable under linked tax system	TS Financial Holding	95,608	128,200
Futures traders' equity	MasterLink Futures	2,022,641	1,751,245

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

J. Former Shin Kong Life Insurance

Former Taishin Life Insurance merged with Former Shin Kong Life Insurance on January 1, 2026. Former Shin Kong Life Insurance was the dissolved company and it was not a subsidiary of TS Financial Holding as of March 31, 2025.

(a) Lease/sublease agreement

The total amount of lease payments to be received in the future is summarized as follows:

	December 31, 2025
Taiwan Shin Kong Commercial Bank	$457,997
MasterLink Securities	118,373
Shin Kong Mitsukoshi	921,905
Jaspervilla	432,634
New Ma Cherie	106,387
Total	$2,037,296

(b) Liability contracts with related parties

Item	Related parties	December 31, 2025
Cash and cash equivalents	Taiwan Shin Kong Commercial Bank	$40,218,634
Cash and cash equivalents	Taishin Bank	100,976
Consolidated tax receivables	TS Financial Holding	11,114,781
Other financial assets, net	Taiwan Shin Kong Commercial Bank	2,294,432

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(c) Investment in beneficiary certificates

	December 31, 2025
Taishin Securities Investment Trust	$9,117,559

K. Shin Kong Insurance Agent

(Not a subsidiary of TS Financial Holding as of March 31, 2025)

(a) Debt and creditor transactions

Item	Related parties	March 31, 2026	December 31, 2025
Cash and cash equivalents	Taiwan Shin Kong Commercial Bank	$138,463	$116,478

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(b) Other material transactions

Item	Related parties	March 31, 2026	December 31, 2025
Fee income	Shin Kong Insurance	$127,043	$228,332

All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

8. Assets pledged as Collateral

The following assets were provided as collateral for overdrafts from Central Bank and other banks, derivative trading, repurchase agreements, other operating deposits and reserves:

Asset title	Collateral pledged	March 31, 2026	December 31, 2025	March 31, 2025
Refundable deposits	Cash and certificates of time deposits	$30,717,928	$45,511,793	$18,472,178
Operating deposits and settlement funds	Cash, bonds and cash paid to stock exchange	16,028,019	14,899,537	2,089,641
Debt instruments at fair value through other comprehensive income	Bonds	5,815,309	5,815,599	179,323
Investments in debt instruments at amortized cost	Securities and bonds	29,914,197	28,862,200	15,437,294
Property and equipment	Land and buildings	1,530,336	1,532,995	-
Investment property	Land and buildings	207,266	207,266	-
Other financial assets - due from banks	Time deposits	7,291,932	9,075,216	173,758
Total		$91,504,987	$105,904,606	$36,352,194

9. Significant Contingencies and Unrecognized Contractual Commitments

In addition to those mentioned in other notes, the Group has items as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Trust liabilities	$1,403,123,261	$1,372,513,053	$1,097,291,003
Guarantee obligation	66,395,721	62,549,792	56,910,268
Development letter of credit	8,631,601	7,911,646	7,577,462
Credit commitments (excluding credit cards)	474,928,242	1,441,714,032	430,672,291
Credit commitments - credit cards	705,846,643	131,935,753	693,977,418
Securities custody payable	432,855,424	134,391,929	99,052,442
Entrusted collection funds	10,891,597	11,926,108	12,818,914
Entrusted underwriting of securities	3,500,000	6,900,000	5,430,100
Entrusted management of centralized custody short-term notes	18,676,400	14,261,200	17,211,100
Entrusted investment funds	24,703,470	22,678,553	22,140,990
Unpaid engineering equipment and software	1,289,214	7,829,100	1,782,865

As of March 31, 2026, the remaining capital commitments for the contracted private equity fund of the Group was $769,804 thousand.

Certain former employees of Taishin Securities B have been accused of fraudulent behavior involving soliciting investments privately. Between January and December 2025, Taishin Securities B received six civil complaints (five of which were criminal cases with civil claims attached), with the plaintiffs claiming joint civil compensation from Taishin Securities B in the amount of approximately $402,536 thousand. As of March 31, 2026, the aforementioned six cases are still in the judicial process, pending the final outcome from a definitive court ruling. Taishin Securities B assesses that there is currently no need to recognize a liability provision for the aforementioned cases. Among the six cases, one received a first-instance judgment in February 2026, in which Taishin Securities B partially lost. Taishin Securities B is currently evaluating whether to file an appeal for the second instance.

As of March 31, 2026, Taishin Securities B applied for credit facilities in the amount of $2,500,000 thousand from its related party Taishin Bank. Therefore, it requested other financial institutions to provide guarantee letters as collateral for the credit facilities totaling $1,300,000 thousand. Additionally, due to the demand for securities lending business, Taishin Securities B has requested other financial institutions to issue guarantee letters in the amount of $550,000 thousand.

Due to the needs of its securities lending business and other requirements, Masterlink Securities has requested banks to issue guarantee letters totaling $2,250,000 thousand.

10. Losses Due to Major Disasters

None.

11. Significant Subsequent Events

On September 12, 2025, Taishin Securities B passed a resolution through the board of directors acting on behalf of the shareholders in an extraordinary meeting to merge with MasterLink Securities. After the merger, Taishin Securities B will be the surviving company, while MasterLink Securities will be the dissolved company. From the merger reference date, all assets, liabilities, and all rights and obligations that remain valid as of the merger reference date of MasterLink Securities will be legally assumed by Taishin Securities B. On October 21, 2025, Taishin Securities B's board of directors resolved to jointly issue new shares with MasterLink Securities, whereby Taishin Securities B will pay the consideration by issuing new shares, exchanging 1 share of MasterLink Securities for 1.1264 shares of Taishin Securities B, with a total expected issuance of 1,812,995 thousand ordinary shares. The FSC issued a press release on January 13, 2026, approving the merger of Taishin Securities B with MasterLink Securities, and officially issued the consent letter on January 16, 2026.

On September 12, 2025, Taishin Futures, a subsidiary of Taishin Securities B, passed a resolution through the board of directors acting on behalf of the shareholders in an extraordinary meeting to merge with MasterLink Futures. After the merger, Taishin Futures will be the surviving company, while MasterLink Futures will be the dissolved company. From the merger reference date, all assets, liabilities, and all rights and obligations that remain valid as of the merger reference date of MasterLink Futures will be legally assumed by Taishin Futures. On October 23, 2025, Taishin Futures' board of directors resolved to jointly issue new shares with MasterLink Futures, whereby Taishin Futures will pay the consideration by issuing new shares along with cash, exchanging 1 share of MasterLink Futures for 2.1028 shares of Taishin Futures plus cash of NT$3.5714, with a total expected issuance of 147,195 thousand ordinary shares. The FSC issued a press release on January 13, 2026, approving the merger of Taishin Futures with MasterLink Futures, and officially issued the consent letter on January 22, 2026. Taishin Futures was approved by the FSC on January 26, 2026, to expand its proprietary futures trading business.

Shin Kong Life Insurance disposed of the investment property, President Jasper Villa, subsequent to the reporting period, with a total transaction amount of $279,480 thousand.

12. Others

(1) Changes in liabilities arising from financing activities:

For the three months ended March 31, 2026

			Non-cash changes						
	January 1, 2026	Cash flows	Effect of exchange rate changes	New leases	Termination of lease contract	Amortization for discount	Fair value adjustments	Execution of exchange	March 31, 2026
Due to the Central Bank and banks (including call loans from other banks and bank overdrafts)	$47,884,309	$50,875,871	$177,921	$-	$-	$-	$-	$-	$98,938,101
Commercial papers payable	92,136,825	16,327,351	(35,725)	-	-	25,550	-	-	108,454,001
Lease liabilities	9,546,561	(710,404)	242,100	377,482	(16,088)	-	-	-	9,439,651
Other borrowings	7,858,402	529,768	156,844	-	-	-	-	-	8,545,014
Financial liabilities designated at FVTPL	149,940,958	-	-	-	-	-	5,349,608	-	155,290,566
Bonds payable	148,712,687	(2,200,000)	-	-	-	(1,786,710)	-	1,801,493	146,527,470
Total	$456,079,742	$64,822,586	$541,140	$377,482	($16,088)	($1,761,160)	$5,349,608	$1,801,493	$527,194,803

For the three months ended March 31, 2025

			Non-cash changes						
	January 1, 2025	Cash flows	Effect of exchange rate changes	New leases	Termination of lease contract	Amortization for discount	Fair value adjustments	Execution of exchange	March 31, 2025
Due to the Central Bank and banks (including call loans from other banks and bank overdrafts)	$5,362,767	$6,540,788	$-	$-	$-	$-	$-	$-	$11,903,555
Commercial papers payable	49,413,465	954,000	-	-	-	(22,695)	-	-	50,344,770
Lease liabilities	2,291,981	(216,024)	1,604	247,665	12,899	-	-	-	2,338,125
Other borrowings	10,243,712	(323,356)	159,646	-	-	-	-	-	10,080,003
Financial liabilities designated at FVTPL	2,422,399	-	-	-	-	-	144,661	-	2,567,060
Bonds payable	64,533,272	-	-	-	-	18,504	-	(4,220,376)	60,331,400
Total	$134,267,595	$6,955,408	$161,251	$247,665	$12,899	$(4,191)	$144,661	$(4,220,376)	$137,564,913

(2) Fair value of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

(a) The carrying amount of cash and cash equivalents, trade receivables, accounts payable and other current liabilities approximate their fair value due to their short maturities.

(b) For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.

(c) Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities).

(d) Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taipei ExchangeGreTai Securities Market, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

(e) The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

B. Adjustments of fair values

Limits of valuation models and indeterminate input value

Valuation models generate estimated approximate values. That is, valuation techniques may not be able to reflect all the factors relevant to the performance of the Group's financial instruments. Thus, results generated by valuation models are adjusted appropriately by using additional parameters, such as determinants of fair value (prevailing economic conditions, financial condition of counterparties to financial instruments, etc.) or assumptions and forecasts (future economic conditions, amount and pricing of future cash flows, etc.). Based on TS Financial Holding's valuation basis policies and model management policies, the price information and parameters used in the valuation process are carefully assessed and appropriately adjusted in accordance with actual market conditions.

Credit risk value adjustments

Credit risk value adjustments are mainly classified into credit value adjustments (CVA) and debit value adjustments (DVA) as follows:

The CVA is an adjustment to the valuation of derivative contracts made in decentralized market, which is the over-the-counter (OTC) market, to reflect within fair value the possibility that the counterparty may default and that the Group may not receive the full market value of the transactions.

The DVA is an adjustment to the valuation of derivative contracts made in decentralized market, which is the OTC market, to reflect within fair value the possibility that the Group may default, and that the Group may not pay the full market value of the transactions.

The Group would calculate CVA by assessing probability of default (PD) and loss given default (LGD) of the counterparty before multiplying by exposure at default (EAD) of the counterparty. On the contrary, DVA is computed by applying probability of default of the Group and considering loss given default of the Group before being multiplied by exposure at default of the Group.

The Group manages PD through its regular internal rating review. After examining the experiences of foreign financial institutions, the Group adopted 60% as its LGD and chose the marking to market of OTC derivative instruments to determine EAD. In addition, in calculating the fair values of financial instruments, the Group took credit risk rating adjustments into consideration to reflect competitors' credit risk and the Group's credit quality, respectively.

(3) Financial assets and financial liabilities offsetting

The Group signs net settlement contracts or similar agreements with counterparties. When both transaction parties choose to do netting, the Group can offset financial assets and financial liabilities after the signing of the net settlement agreement. If not, the Group would execute total settlement. However, if one of the transaction parties breaks a contract, the other party can choose to execute net settlement. The table below shows more information on the offset of financial assets and financial liabilities.

March 31, 2026						
Offset and execution of net settlement or similar agreement on financial assets						
		Gross amounts of recognized financial liabilities offset in the balance sheets (b)	Net amounts of financial assets presented in the balance sheets (c)=(a)-(b)	Related amounts not offset in the balance sheets (d)		
Interpretation	Gross amounts of recognized financial assets (a)			Financial instruments (Note)	Received cash collateral	Net amounts (e)=(c)-(d)
Derivative	$34,312,402	$-	$34,312,402	$14,203,735	$3,137,531	$16,971,136
Repurchase agreement	2,066,180	-	2,066,180	1,214,053	-	852,127
Total	$36,378,582	$-	$36,378,582	$15,417,788	$3,137,531	$17,823,263

Note: Including net settlement and non-cash collateral.

March 31, 2026						
Offset and execution of net settlement or similar agreement on financial liabilities						
		Gross amounts of recognized financial assets offset in the balance sheets (b)	Net amounts of financial liabilities presented in the balance sheets (c)=(a)-(b)	Related amounts not offset in the balance sheets (d)		
Interpretation	Gross amounts of recognized financial liabilities (a)			Financial instruments (Note)	Pledged cash collateral	Net amounts (e)=(c)-(d)
Derivative	$68,718,126	$-	$68,718,126	$14,203,735	$19,411,497	$35,102,894

Note: Including net settlement and non-cash collateral.

December 31, 2025						
Offset and execution of net settlement or similar agreement on financial liabilities						
		Gross amounts of recognized financial assets offset in the balance sheets (b)	Net amounts of financial liabilities presented in the balance sheets (c)=(a)-(b)	Related amounts not offset in the balance sheets (d)		
Interpretation	Gross amounts of recognized financial liabilities (a)			Financial instruments (Note)	Pledged cash collateral	Net amounts (e)=(c)-(d)
Derivative	$59,683,722	$3,914,143	$55,769,579	$48,662,769	$3,360,515	$3,746,295
Repurchase agreement	2,995,928	-	2,995,928	640,561	-	2,355,367
Total	$62,679,650	$3,914,143	$58,765,507	$49,303,330	$3,360,515	$6,101,662

Note: Including net settlement and non-cash collateral.

December 31, 2025						
Offset and execution of net settlement or similar agreement on financial liabilities						
		Gross amounts of recognized financial assets offset in the balance sheets (b)	Net amounts of financial liabilities presented in the balance sheets (c)=(a)-(b)	Related amounts not offset in the balance sheets (d)		
Interpretation	Gross amounts of recognized financial liabilities (a)			Financial instruments (Note)	Pledged cash collateral	Net amounts (e)=(c)-(d)
Derivative	$122,930,250	$22,455,974	$100,474,276	$39,980,802	$20,705,499	$39,787,975

Note: Including net settlement and non-cash collateral.

March 31, 2025						
Offset and execution of net settlement or similar agreement on financial assets						
		Gross amounts of recognized financial liabilities offset in the balance sheets (b)	Net amounts of financial assets presented in the balance sheets (c)=(a)-(b)	Related amounts not offset in the balance sheets (d)		
Interpretation	Gross amounts of recognized financial assets (a)			Financial instruments (Note)	Received cash collateral	Net amounts (e)=(c)-(d)
Derivative	$25,235,822	$976,650	$24,259,172	$14,197,102	$2,356,733	$7,705,337

Note: Including net settlement and non-cash collateral.

March 31, 2025						
Offset and execution of net settlement or similar agreement on financial liabilities						
		Gross amounts of recognized financial assets offset in the balance sheets (b)	Net amounts of financial liabilities presented in the balance sheets (c)=(a)-(b)	Related amounts not offset in the balance sheets (d)		
Interpretation	Gross amounts of recognized financial liabilities (a)			Financial instruments (Note)	Pledged cash collateral	Net amounts (e)=(c)-(d)
Derivative	$59,790,227	$25,573,253	$34,216,974	$14,313,552	$13,800,796	$6,102,626

Note: Including net settlement and non-cash collateral.

January 1, 2025						
Offset and execution of net settlement or similar agreement on financial assets						
				Related amounts not offset in the balance sheets (d)		
Interpretation	Gross amounts of recognized financial assets (a)	Gross amounts of recognized financial liabilities offset in the balance sheets (b)	Net amounts of financial assets presented in the balance sheets (c)=(a)-(b)	Financial instruments (Note)	Received cash collateral	Net amounts (e)=(c)-(d)
Derivative	$33,696,879	$-	$33,696,879	$21,102,363	$4,152,341	$8,442,175

Note: Including net settlement and non-cash collateral.

January 1, 2025						
Offset and execution of net settlement or similar agreement on financial liabilities						
				Related amounts not offset in the balance sheets (d)		
Interpretation	Gross amounts of recognized financial liabilities (a)	Gross amounts of recognized financial assets offset in the balance sheets (b)	Net amounts of financial liabilities presented in the balance sheets (c)=(a)-(b)	Financial instruments (Note)	Pledged cash collateral	Net amounts (e)=(c)-(d)
Derivative	$74,541,795	$29,682,442	$44,859,353	$21,229,918	$17,099,937	$6,529,498

Note: Including net settlement and non-cash collateral.

(4) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 – Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

As of March 31, 2026

	Level 1	Level 2	Level 3	Total
Non-derivative financial instruments				
Assets				
Financial assets at FVTPL				
Financial assets mandatorily classified as at FVTPL				
Shares and beneficiary certificates investments	$89,156,952	$15,163,689	$5,249,648	$109,570,289
Bonds investments	43,942,333	48,015,442	25,509,849	117,467,624
Bills investments	19,717,081	76,940,924	-	96,658,005
Others	74,459	-	70,795	145,254
Financial assets at FVTOCI				
Shares investments	328,482,993	-	9,365,999	337,848,992
Bonds investments	769,215,966	700,186,658	21,786,733	1,491,189,357
Beneficiary securities	889,805	2,146,955	-	3,036,760
Others	136,657,376	-	32,460,005	169,117,381
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	-	2,383,551	-	2,383,551
Financial liabilities held for trading	10,144,818	-	-	10,144,818
Others	-	57,570,312	-	57,570,312
Derivative financial assets and liabilities				
Assets				
Financial assets at FVTPL	2,884,785	42,985,127	8,706,877	54,576,789
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	-	2,574,653	-	2,574,6523
Financial liabilities held for trading	1,575,050	71,624,950	9,417,232	82,617,232

As of December 31, 2025

	Level 1	Level 2	Level 3	Total
Non-derivative financial instruments				
Assets				
Financial assets at FVTPL				
Financial assets mandatorily classified as at FVTPL				
Shares and beneficiary certificates investments	$395,347,857	$4,489,776	$4,903,072	$404,740,705
Bonds investments	35,912,431	34,143,987	25,533,279	95,589,697
Bills investments	94,677,057	66,776,148	-	161,453,205
Beneficiary securities	849,568	-	-	849,568
Financial assets at FVTOCI				
Shares investments	177,906,081	951,406	9,267,714	188,125,201
Bonds investments	110,926,379	267,804,660	10,493,541	389,224,580
Beneficiary securities	-	2,397,879	-	2,397,879
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	-	2,337,743	-	2,337,743
Financial liabilities held for trading	12,909,814	-	-	12,909,814
Others	-	54,577,279	-	54,577,279
Derivative financial assets and liabilities				
Assets				
Financial assets at FVTPL	2,330,019	37,880,759	7,899,812	48,110,590
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	2,526,427	91,530	-	2,617,957
Financial liabilities held for trading	1,969,328	66,946,391	8,582,446	77,498,165

As of March 31, 2025

	Level 1	Level 2	Level 3	Total
Non-derivative financial instruments				
Assets				
Financial assets at FVTPL				
Financial assets mandatorily classified as at FVTPL				
Shares and beneficiary certificates investments	$51,387,172	$628,355	$3,517,767	$55,533,294
Bonds investments	15,389,775	18,340,581	-	33,730,356
Bills investments	-	71,405,773	-	71,405,773
Beneficiary securities	-	6,165	-	6,165
Financial assets at FVTOCI				
Shares investments	11,165,084	-	3,853,174	15,018,258
Bonds investments	12,370,329	144,475,659	-	156,845,988
Beneficiary securities	-	964,379	-	964,379
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	-	2,567,060	-	2,567,060
Financial liabilities held for trading	1,574,475	-	-	1,574,475
Others	-	16,956,103	-	16,956,103
Derivative financial assets and liabilities				
Assets				
Financial assets at FVTPL	1,543,667	29,046,070	9,836,163	40,425,900
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	-	3,318,212	-	3,318,212
Financial liabilities held for trading	66,149	27,894,395	10,515,453	38,475,997

Transfers between Level 1 and Level 2 during the period

Some central government bonds and corporate bonds held by the Group have been assessed according to the internal risk management policies to be debt instrument investments not in an active market. They will be reclassified from Level 1 to Level 2; the reclassification from Level 2 to Level 1 is related to increased market liquidity of certain corporate bonds.

The transfers between Level 1 and Level 2 of fair value hierarchy are presented as follows:

As of March 31, 2026

Item	Tool	Amount reclassified from Level 1 to Level 2	Amount reclassified from Level 2 to Level 1
Financial assets at FVTPL			
Financial assets	Corporate bonds	$250,000	$650,000
held for trading	Government bonds	-	400,000
	Emerging market shares	834	38,591

As of December 31, 2025

Item	Tool	Amount reclassified from Level 1 to Level 2	Amount reclassified from Level 2 to Level 1
Financial assets at FVTPL			
Financial assets	Corporate bonds	$4,050,000	$11,110,000
held for trading	Emerging market shares	44,017	-

As of March 31, 2025

Item	Tool	Amount reclassified from Level 1 to Level 2	Amount reclassified from Level 2 to Level 1
Financial assets at FVTPL			
Financial assets	Corporate bonds		
held for trading		$-	$70,181

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

For the three months ended March 31, 2026

	Assets		Liabilities
	At fair value through profit or loss	At fair value through other comprehensive income	At fair value through profit or loss
Beginning balance	$38,336,163	$19,761,255	$8,582,446
Total gains and losses recognized			
In net income	1,190,055	-	1,002,605
In other comprehensive income	-	3,546,808	-
Acquisition/issues	936,746	84,395	118,119
Disposal/settlements	(384,850)	-	(285,938)
Transferred into (out of) Level 3	(540,945)	40,220,279	-
Ending Balance	$39,537,169	$63,612,737	$9,417,232

For the three months ended March 31, 2025

	Assets		Liabilities
	At fair value through profit or loss	At fair value through other comprehensive income	At fair value through profit or loss
Beginning balance	$14,972,022	$2,618,810	$12,351,264
Total gains and losses recognized			
In net income	(1,519,575)	-	(1,687,433)
In other comprehensive income	-	87,280	6,920
Acquisition/issues	150,796	1,147,084	-
Disposal/settlements	(249,313)	-	(155,298)
Ending Balance	$13,353,930	$3,853,174	$10,515,453

Note: Financial assets transferred out of Level 3 since observable inputs has became available.

Above-mentioned valuation gains (losses) recognized in current profits or losses in the amounts of $986,310 thousand and $(1,523,287) thousand were attributed to gains (losses) on assets owned for the three months ended March 31, 2026 and 2025, respectively.

Above-mentioned valuation (losses) gains recognized in other comprehensive income in the amounts of $(37,962) thousand and $87,280 thousand were attributed to (losses) gains on assets owned for the three months ended March 31, 2026 and 2025, respectively.

Above-mentioned valuation gains (losses) recognized in current profits or losses in the amounts of $1,005,277 thousand and $1,676,434 thousand were attributed to gains (losses) on liabilities owned for the three months ended March 31, 2026 and 2025, respectively.

Quantitative information of the fair value measurement of significant unobservable inputs (Level 3)

As of March 31, 2026

	Fair value	Valuation technique	Significant unobservable inputs	Range of estimate	Relationship between inputs and fair value
Non-derivative financial instruments					
Financial assets at FVTPL					
Financial assets mandatorily classified as at FVTPL					
Shares investments	$2,766,553	Assets method	Discount for lack of marketability	2%~40%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	2%~40%	The higher the discount for non-controlling interests, the lower the fair value.
	1,199,132	Market method	Discount for lack of marketability	10%~60%	The higher the discount for lack of marketability, the lower the fair value.
	35,338	Revenue method	Discount for lack of marketability	20%~60%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	20%~30%	The higher the discount for non-controlling interests, the lower the fair value.
			Discount rate	1%~ 9%	The higher the discount rate, the lower the fair value.

	Fair value	Valuation technique	Significant unobservable inputs	Range of estimate	Relationship between inputs and fair value
Private equity funds	1,248,625	Assets method	Discount for lack of marketability	0%~30%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	2%~10%	The higher the discount for non-controlling interests, the lower the fair value.
Bonds	25,509,849	Yield book	Option-adjusted spread	0%~0.74%	The higher the option-adjusted spread, the lower the fair value.
Financial assets at FVTOCI					
Shares investments	6,615,703	Assets method	Discount for lack of marketability	3%~30%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	6%~30%	The higher the discount for non-controlling interests, the lower the fair value.
	696,551	Market method	Discount for lack of marketability	10%~30%	The higher the discount for lack of marketability, the lower the fair value
	2,052,482	Revenue method	Discount for lack of marketability	10%~30%	The higher the discount for lack of marketability, the lower the fair value
	1,263	Adjusted net asset method	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Bonds	21,786,733	Yield book	Option-adjusted spread	0%~0.74%	The higher the option-adjusted spread, the lower the fair value.
Derivative financial assets					
Financial assets at FVTPL					
Interest rate swaps	3,526	Cash flow discount method	Discount for lack of marketability	0%~20%	The higher the discount for lack of marketability, the lower the fair value.
Derivative financial liabilities					
Financial liabilities at FVTPL					
Interest rate swaps	657,704	Cash flow discount method	Discount for lack of marketability	0%~ 20%	The higher the discount for lack of marketability, the lower the fair value.

As of December 31, 2025

	Fair value	Valuation technique	Significant unobservable inputs	Range of estimate	Relationship between inputs and fair value
Non-derivative financial instruments					
Financial assets at FVTPL					
Financial assets mandatorily classified as at FVTPL					
Shares investments	$2,219,470	Assets method	Discount for lack of marketability	2%~40%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	2%~40%	The higher the discount for non-controlling interests, the lower the fair value.
	996,827	Market method	Discount for lack of marketability	10%~40%	The higher the discount for lack of marketability, the lower the fair value.
	66,204	Revenue method	Discount for lack of marketability	20%~60%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	20%~30%	The higher the discount for non-controlling interests, the lower the fair value.
			Discount rate	1%~9%	The higher the discount rate, the lower the fair value.
Private equity funds	1,620,571	Assets method	Discount for lack of marketability	0%~30%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	2%~10%	The higher the discount for non-controlling interests, the lower the fair value.
Bonds	25,533,279	Yield book	Option-adjusted spread	0%~0.74%	The higher the option-adjusted spread, the lower the fair value.

	Fair value	Valuation technique	Significant unobservable inputs	Range of estimate	Relationship between inputs and fair value
Financial assets at FVTOCI					
Shares investments	$6,483,884	Assets method	Discount for lack of marketability	3%~30%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	6%~30%	The higher the discount for non-controlling interests, the lower the fair value.
	734,211	Market method	Discount for lack of marketability	10%~30%	The higher the discount for lack of marketability, the lower the fair value
	2,048,312	Revenue method	Discount for lack of marketability	10%~30%	The higher the discount for lack of marketability, the lower the fair value
	1,307	Net asset adjustment method	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Bonds	10,493,541	Yield book	Option-adjusted spread	0%~0.74%	The higher the option-adjusted spread, the lower the fair value.
Derivative financial assets					
Financial assets at FVTPL					
Interest rate swaps	2,307	Cash flow discount method	Discount for lack of marketability	0%~20%	The higher the discount for lack of marketability, the lower the fair value.
Derivative financial liabilities					
Financial liabilities at FVTPL					
Interest rate swaps	620,050	Cash flow discount method	Discount for lack of marketability	0%~20%	The higher the discount for lack of marketability, the lower the fair value.

As of March 31, 2025

	Fair value	Valuation technique	Significant unobservable inputs	Range of estimate	Relationship between inputs and fair value
Non-derivative financial instruments					
Financial assets at FVTPL					
Financial assets mandatorily classified as at FVTPL					
Shares investments	$1,548,407	Assets method	Discount for lack of marketability	2%~ 40%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	2%~ 40%	The higher the discount for non-controlling interests, the lower the fair value.
	245,592	Market method	Discount for lack of marketability	10%~ 40%	The higher the discount for lack of marketability, the lower the fair value.
	47,265	Revenue method	Discount for lack of marketability	20%~ 60%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	20%~ 30%	The higher the discount for non-controlling interests, the lower the fair value.
			Discount rate	1%~ 9%	The higher the discount rate, the lower the fair value.
Private equity funds	1,676,503	Assets method	Discount for lack of marketability	0%~30%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	2%~10%	The higher the discount for non-controlling interests, the lower the fair value.

	Fair value	Valuation technique	Significant unobservable inputs	Range of estimate	Relationship between inputs and fair value
Financial assets at FVTOCI					
Share investments	3,674,463	Assets method	Discount for lack of marketability	3%~ 30%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	7%~ 30%	The higher the discount for non-controlling interests, the lower the fair value.
	178,711	Market method	Discount for lack of marketability	10%~ 30%	The higher the discount for lack of marketability, the lower the fair value.
Derivative financial assets					
Financial assets at FVTPL					
Interest rate swaps	4,888	Cash flow discount method	Discount for lack of marketability	0%~ 20%	The higher the discount for lack of marketability, the lower the fair value.
Derivative financial liabilities					
Financial liabilities at FVTPL					
Interest rate swaps	622,689	Cash flow discount method	Discount for lack of marketability	0%~ 20%	The higher the discount for lack of marketability, the lower the fair value.
Exchangeable corporate bonds embedded product		Option pricing model	Volatility rate		The higher the volatility rate, the higher the fair value.

The assessment of fair value based on Level 3 inputs

The financial instruments assessment group of the Group's department of risk management is responsible for independently verifying fair value, using an impartial, reliable source of information, so that the evaluation results reflect market status closely, same with other resource and representing executable price calibrating the assessment model regularly, and updating input values, information and any other information needed to ensure that the assessment model results are reasonable.

The department of investment management targets in equity instruments which obtain financial information audited or reviewed recently from invested company and collect information acquired from public market or private market for the purpose of valuation in proper method.

The department of finance and the department of risk management set assessment policies and procedures for determining the fair values of financial instruments and ensure that these policies and procedures are in compliance with IFRS.

C. Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value is disclosed

	March 31, 2026			
Assets and liabilities	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in debt instruments at amortized cost	$266,196,282	$703,195,850	$664,806,355	$1,634,198,487

	December 31, 2025			
Assets and liabilities	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in debt instruments at amortized cost	$300,107,807	$1,764,265,306	$693,828,371	$2,758,201,484

	March 31, 2025			
Assets and liabilities	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in debt instruments at amortized cost	$10,308,371	$760,541,524	$-	$770,849,895

(5) Transfer of financial assets

The Group treats debt securities under repurchase agreements as transferred financial assets that do not qualify for full derecognition; thus, the Group will recognize debts on the transferred financial assets to be bought back at a confirmed price because of the transfer of cash on the debt security contracts. In addition, the Group should not use, sell or pledge the transferred financial assets during the transaction validity period. However, the Group still bears interest and credit risks although the financial assets will not be fully derecognized. The following table shows the amounts of the financial assets that did not qualify for full derecognition and information on the related financial liabilities:

March 31, 2026		
Financial assets	Transferred financial assets - carrying amount	Related financial liabilities - carrying amount
Financial assets at FVTPL		
Repurchase agreement	$91,358,194	$102,133,698
Financial assets at FVTOCI		
Repurchase agreement	36,798,625	40,016,769
Investments in debt instruments at amortized cost		
Repurchase agreement	18,316,149	18,394,479

December 31, 2025		
Financial assets	Transferred financial assets - carrying amount	Related financial liabilities - carrying amount
Financial assets at FVTPL		
Repurchase agreement	$70,757,536	$70,945,451
Financial assets at FVTOCI		
Repurchase agreement	17,665,883	28,644,333
Investments in debt instruments at amortized cost		
Repurchase agreement	6,574,608	8,580,671

March 31, 2025		
Financial assets	Transferred financial assets - carrying amount	Related financial liabilities - carrying amount
Financial assets at FVTPL		
Repurchase agreement	$39,130,567	$38,616,664
Financial assets at FVTOCI		
Repurchase agreement	32,561,491	32,052,409
Investments in debt instruments at amortized cost		
Repurchase agreement	4,171,021	3,960,848

(6) Financial risk management objectives and policies

The Group's goal in risk management is to balance the risks and returns by considering business operations, overall risk appetite, and external legal restrictions. The major risks to which the Group is exposed include on- and off-balance-sheet credit risks, market risks (including interest rate, exchange rate, equity security prices, credit spread and commodity price risks), liquidity risks, insurance risk and climate-related risks.

The Group has rules for risk management policies, which, after review by the risk management committee, have been approved by the board of directors. Additionally, the Group has established written risk control procedures, which have been reviewed and approved by the level authorized by the board of directors, in order to effectively identify, measure, supervise and control credit risks, market risks, liquidity risks and climate-related risks. Climate-related risk is not an independent risk type that will directly or indirectly aggravate the impact of the above-mentioned existing risks through the economic environment and various businesses. The Group has established climate risk management principles in response to the impacts.

The board of directors is the highest level in the risk management function in the Group and takes full responsibility for risk management issues. It has authorized the establishment of a risk management committee under the board of directors, responsible for overseeing the operation of the risk management mechanism, reviewing risk management systems, and discussing risk management issues. The risk control chief takes charge of risk management, reports to the risk management committee and the board of directors periodically and supervises risk management activities.

Risk management department is independent of business department and identifies, assesses, and controls various risks according to risk management standards. In addition, internal auditing department is responsible for the independent review of risk management and control environment.

(7) Market risk

Taishin Bank

A. The source and definition of market risk

Market risk is the uncertainty of changes in fair value of on- and off-balance sheets financial instruments due to changes in market risk factors. Market risk factors include interest rates, exchange rates, equity security prices, credit spreads and commodity prices.

(a) Interest rate risk

Interest rate risk is fair value changes in interest rate risk position held by the Taishin Bank and its subsidiaries due to interest rate changes. The risks are mainly in debt securities and interest rate derivatives.

(b) Exchange rate risk

Exchange rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in foreign exchange rates. Taishin Bank and its subsidiaries exchange rate risk mainly comes from derivatives such as spot and forward exchange positions and forward exchange options, as well as assets and liabilities denominated in non-functional currencies.

(c) Equity securities price risk

Equity security price risk is the valuation effect on the position held by the Group when the equity security price changes. The Group's equity security price risk mainly comes from public and OTC shares, index futures and options.

(d) Credit spread risk

Credit spread risk is the risk of the effect of changes in credit spreads on positions held by the Group. The major risk comes from derivatives such as credit default swaps.

The major market risks of Taishin Bank and its subsidiaries are equity securities price risks, credit spread risks, interest rate risks, and exchange rate risks. The main position of equity securities risk includes domestic public, OTC shares, domestic share index options and share index futures. The main position of credit spread risk includes the credit derivatives, such as credit default swaps and convertible bond asset swap (CBAS), etc. The main position of interest rate risk includes bonds and interest derivative instruments, such as interest rate swap. The main position of exchange rate risk includes the Taishin Bank and its subsidiaries investments denominated in foreign currencies, such as foreign currency spots and foreign currency options.

B. Market risk management policy

Taishin Bank and its subsidiaries risk management policy clearly defines the risk management procedures for risk identifying, risk measuring, risk controlling and risk reporting, which are executed by risk management department independently of trading and other departments. The risk management department develops management principles for different businesses and for various aspects of market risk management based on the risk management policy. It establishes market risk management system and regulates market risks, risk limits, stop-loss limits and stress tests of various financial assets.

C. Market risk management procedures

(a) Identifying risks and measuring possible effects

Taishin Bank and its subsidiaries' risk management department identifies the exposures of positions or new financial instruments to market risks and measures the gains and losses on positions held due to changes in market risk factors based on standards.

The risk management department calculates price sensitivity and gains and losses on positions which are recorded in trading books daily; and calculates the maximum potential losses recorded in each trading book monthly. It takes measures to avoid tremendous losses that will harm the Group's operations due to overwhelming changes in market risk factors.

(b) Controlling of risk and reporting of issues

Taishin Bank and its subsidiaries controls market risk by managing risk limits. The risk management department sets various trading and non-trading limits, such as value at risk, stop-loss limits, and maximum potential loss. The trading limits are implemented only after they are reported to and approved by the board of directors and monthly risk management meeting.

The risk management department calculates exposures and estimated gains and losses on positions daily to make sure that the positions held and losses do not exceed the risk appetite and limits approved by the board of directors and monthly risk management meeting, then prepares reports to the high-level management, monthly risk management meeting, and the board of directors periodically for their sufficient understanding of the implementation of the market risk management work and, if necessary, issuance of additional guidance.

D. Principles of the market risk management

Based on the related risk management standards, Taishin Bank and its subsidiaries classifies financial instruments into trading books and banking books according to the purpose of holding the instruments and manages them with different methods.

Trading portfolios consists of financial instruments held for trading purposes or commodities held to hedge positions in trading books. A position, such as self-run position or position produced by matched principal brokering or market making, is for trading purposes if it is intended to be sold within a short period, to earn or to lock in profit from actual or expected short-term price fluctuations.

Non-trading portfolios are positions other than aforementioned trading portfolios positions, consisting of medium to long-term equity investments and hedging positions to earn from the appreciation of values and dividends, bonds and notes investments and hedging positions to earn interests, positions held for fund dispatching, liquidity risk management, and interest rate risk management in banking books, and positions held for other management purposes.

(a) Management strategy

The goal of market risk management is to pursue maximum return on capital, meaning maximizing the capital usage efficiency to improve shareholders' equity.

In order to control market risks, the risk management department sets risk limits for various investment portfolio based on trading strategies, category of trading products and annual profit goals in order to control exposure to risks on positions and losses.

(b) Management principles

The Group stipulated important control regulations "Principles of Market Risk Limit Management", "Instructions of Valuation Benchmark" and policies and standards of each subsidiary to manage market risk and valuation.

(c) Valuation gains and losses

If objective prices of financial instruments exist in open market, such as trading prices, gains and losses on positions are valued in accordance with the market prices by the risk management department. If fair value data is inaccessible, the risk management department will cautiously adopt verified mathematical models to value gains and losses and review the assumptions and parameters of the valuation models periodically.

(d) Risk measuring methods

The methods applied by the risk management department in measuring market risks are as follows:

i. Measure the price sensitivity of various risk factors

- Interest rate risk

It applies DV01 to measure interest risk. DV01 is the change in the value of interest rate risk positions when the yield curve moves upward by one basis point (1bp).

- Exchange rate risk

  It applies Delta to measure the exchange rate risk of the first order change and applies Gamma to measure the exchange rate risk of the second order change. In addition, Vega is used to measure the first order risk of implied volatility rate.

- Equity securities price risk

  It applies Delta to measure the independent equity security price risk of the first order change, or market value is applied to indicate the exposure risks on positions of shares.

- Credit spread risk

  It applies CS01, which is the impact of the changes in fair value of a position in response to a one basis point (1bp) credit spread change.

ii. Refer to item F.(b)Value at risk, "VaR" for the risk assumptions and calculation methods.

iii. Measure potential losses (stress losses) resulting from extreme market volatility in order to assess capital adequacy and essential position adjustments. Refer to item F. (a) Stress test for the stress test.

(e) Risk management procedures

The risk management department identifies the products that can be included in the portfolio, evaluates the risk factors on positions, and sets stop-loss limit and limit of VaR to control exposure to position loss. If the stop-loss limit is reached, then the trading department should take immediate remedial steps to reduce the exposure to the risk position.

E. Interest rate risk management in the banking book positions

Banking book interest rate risk involves bonds and bills, transactions under repurchase agreement, transactions under resell agreements and their hedge positions, which are held to manage the Bank's liquidity risk and the interest rate risk of deposits and loans undertaken by business departments. The interest rate risk is transferred to banking book management department for centralized management through internal fund transfer pricing (FTP) system. Banking book interest rate risk is the effect on net interest income of risk exposure positions held due to adverse changes in interest rate and shareholder equity economic value.

(a) Management strategy

The goal of banking book interest rate risk management is to control interest rate risk position and pursue stability and growth of banking book net interest income under the circumstances that liquidity is appropriate.

(b) Management principles

Taishin Bank stipulated "The Principles of Banking Book Interest Rate Risk Management" as the important control regulations for banking book interest rate risk management.

(c) Measuring methods

The banking book interest rate risk is the risk of quantitative or repricing term differences due to the differences in amounts or repricing dates of banking book assets, liabilities and off-balance-sheet items. Taishin Bank has rules for risk appetite and limits management. Risk appetite is in accordance with supervision regulation IRRBB (Interest Rate Risk in the Banking Book), monitoring changes in economic value, Tier 1 capital ratio and net interest income. Taishin Bank measures the effect on net interest income when the yield curve moves upward by 1bp.

(d) Management procedures

Taishin Bank defines the instruments of banking book interest rate management and sets the risk appetite and limit of interest rate risk in order to avoid severe recession of net interest income when the interest rate changes unfavorably. The banking book management unit sets limits and keeps the interest rate risk within the risk appetite and limits.

F. Methods for measuring market risk

(a) Stress test

A stress test is applied to measure loss under extremely unfavorable market circumstances in order to assess financial institutions' tolerance to extreme market volatility.

The risk management unit is required to execute the stress test at least once a month to calculate stress losses for trading portfolios. The risk management unit observes historical information on market prices and sets the biggest possible volatility range for various market risk factors as the stress circumstances. The stress circumstance should be reviewed annually, which should be approved by the high-level risk management and reported to the Chief of financial holding company risk management department. Since there are so many market risk factors that affect trading portfolios, there might be plenty of permutations and combinations of stress circumstances when the unit calculates stress loss. For instance, a change in a market risk factor might result in the biggest loss of one investment portfolio but create profits for another investment portfolio. Based on conservative principles, the risk management unit will take into account the correlation between various risk factors to calculate the biggest loss as the stress loss.

The risk management unit should confirm that overall stress loss for trading portfolios does not exceed the stress loss limit and report to the high-level management as references for adjusting positions or resource distributions.

(b) Value at risk, "VaR"

Taishin Bank uses a variety of methods to control market risk; the VaR is one of them. Taishin Bank is using risk model to assess the value of trading portfolios and potential loss amount of holding positions. VaR is Taishin Bank's important internal risk control system, and the board of directors and monthly risk management meeting review and establish trading portfolio's limits annually. Actual exposures of Taishin Bank are monitored daily by risk management.

VaR is used to estimate adverse market potential loss of existing positions. The VaR model uses historical simulation method, a one-year historical observation period, the estimate of 99% confidence interval, the maximum possible amount of loss holding positions for one day, and the probability that actual losses may exceed the estimate.

	For the three months ended March 31, 2026			
	Average	Highest	Lowest	Ending balance
Exchange VaR	$32,517	$44,928	$17,738	$29,135
Interest rate VaR	76,588	95,251	66,551	94,904
Equity securities VaR	53,922	71,280	43,324	58,231
Credit spread VaR	24,119	32,478	9,899	24,875
Value at risk	109,856	154,295	84,593	139,060

	For the three months ended March 31, 2025			
	Average	Highest	Lowest	Ending balance
Exchange VaR	$22,021	$60,517	$4,221	$4,221
Interest rate VaR	44,710	76,047	19,227	73,643
Equity securities VaR	18,321	26,700	10,100	10,100
Credit spread VaR	1,649	5,694	60	2,642
Value at risk	56,246	97,409	25,102	78,686

(c) Information of exchange rate risk concentration

For information regarding Taishin Bank's non-functional currency financial assets and liabilities on the balance sheet date, refer to Note 12.(13).

Shin Kong Life Insurance

Shin Kong Life Insurance and its subsidiaries face significant financial risks from their operating activities, primarily the foreign currency exchange rate risk (as detailed in Note 12.(5)), interest rate risk (as detailed in C.), and price volatility risk of equity securities and beneficiary certificates investments (excluding money market and bond funds) (as detailed in D.). Shin Kong Life Insurance and its subsidiaries engage in various derivative instruments to manage the foreign currency exchange rate, interest rate, and price risks associated with equity securities and beneficiary certificates, including:

- Using forward foreign exchange contracts and currency swap agreements to hedge against the exchange rate risk arising from foreign currency assets and liabilities; and
- Using index futures and options to mitigate the price volatility risk of equity securities and beneficiary certificates.

The exposure to market risk related to financial instruments and the management and measurement methods for such risks have not changed for Shin Kong Life Insurance and its subsidiaries.

Shin Kong Life Insurance and its subsidiaries continue to utilize market risk management tools such as Value at Risk (VaR) and stress testing to comprehensively and effectively measure, monitor, and manage market risk.

A. Value at risk, "VaR"

Value at Risk (VaR) is used to measure the maximum potential loss that a portfolio may incur due to changes in market risk factors over a specific period and at a given confidence level. Shin Kong Life Insurance and its subsidiaries currently use a bi-weekly market VaR at a 99% confidence level as their measurement indicator.

B. Stress test

In addition to the Value at Risk (VaR) model, Shin Kong Life Insurance and its subsidiaries regularly use stress testing to measure potential risks during extreme abnormal events.

Currently, Shin Kong Life Insurance and its subsidiaries employ methods such as factor sensitivity analysis and hypothetical scenario simulation analysis to conduct stress tests on their positions. These tests can account for position losses caused by changes in various risk factors during different historical scenarios.

(a) Factor sensitivity analysis (A simple sensitivity test)

Factor sensitivity analysis measures the change in the value of a portfolio resulting from changes in specific risk factors.

(b) Scenario analysis

Scenario analysis measures the change in the total value of investment positions resulting from hypothetical stress events. The methods include:

i. Historical scenarios:

Historical events are selected, and the volatility of risk factors during those periods is incorporated into the current investment portfolio to calculate the loss incurred by the portfolio during those events.

ii. Hypothetical scenarios:

Reasonable assumptions are made regarding potential extreme market changes in the future, incorporating changes in relevant risk factors into the current investment portfolio while considering the relationship between the underlying investment and risk factors to measure the loss incurred by the investment positions during those events.

The Risk Management Department regularly conducts stress testing reports for historical and hypothetical scenarios to serve as a basis for the Company's risk analysis, risk warning, and business management.

Stress test table
For the three months ended March 31, 2026

Unit: New Taiwan Dollars in thousands

Risk factor	Variance (+/-)	Effects
Equity risk (stock price index)	-10%	$(33,248,524)
Interest rate risk (yield curve)	+20bps	(26,827,817)
Exchange rate risk (exchange rate)	The US dollar depreciates by NT$1 against the New Taiwan dollar.	1,546,419
Commodity risk (commodity prices)	-10%	-

Note: Equity risk is tested using stocks and funds (excluding money market and bond funds): The exchange rate risk has considered the impact of foreign exchange differences of bonds measured at amortized cost accounted for using the straight-line amortization method.

Stress test table
For the three months ended March 31, 2025

Unit: New Taiwan Dollars in thousands

Risk factor	Variance (+/-)	Effects
Equity risk (stock price index)	-10%	$(2,389,270)
Interest rate risk (yield curve)	+20bps	(4)
Exchange rate risk (exchange rate)	The US dollar depreciates by NT$1 dollar against the New Taiwan dollar.	(1,863,912)
Commodity risk (commodity prices)	-10%	-

C. Interest rate risk

Due to Shin Kong Life Insurance and its subsidiaries investing in financial assets with both fixed and floating interest rates, interest rate exposure arises. Shin Kong Life Insurance and its subsidiaries manage interest rate risk by maintaining an appropriate mix of fixed and floating rate portfolios. They regularly assess hedging activities to ensure alignment with interest rate views and established risk preferences, thereby ensuring the adoption of the most cost-effective hedging strategies.

As of the balance sheet date, the carrying amounts of financial assets exposed to interest rate risk for Shin Kong Life Insurance and its subsidiaries are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
- financial assets	$2,195,684,974	$2,572,812,153	$6,165
Cash flow interest rate risk			
- financial assets	54,899,939	38,384,469	-

The sensitivity analysis

The following sensitivity analysis is determined based on the interest rate exposure of derivative and non-derivative instruments as of the balance sheet date. For floating rate liabilities, the analysis assumes that the outstanding liability amount as of the balance sheet date remains outstanding for the entire year. The change rate used by Shin Kong Life Insurance and its subsidiaries when reporting interest rates to senior management is an increase or decrease of 1 basis point, which also represents management's assessment of the reasonable possible range of interest rate fluctuations. The positive numbers in the table below indicate the amounts by which pre-tax profit and pre-tax other comprehensive income would increase if interest rates decrease by 1 basis point; conversely, the impact on pre-tax profit and pre-tax other comprehensive income when interest rates increase by 1 basis point would be the same amount but in negative.

	Effect amount	
	For the three months ended March 31	
	2026	2025
Income (loss) before income tax	$60,465	$-
Other comprehensive income before income tax	1,280,926	-

The impact in the above table is primarily due to the changes in the fair value of debt instruments measured at fair value through profit or loss and at fair value through other comprehensive income by Shin Kong Life Insurance and its subsidiaries.

D. Other price risk

Shin Kong Life Insurance and its subsidiaries incur equity securities and beneficiary certificates price exposure due to investments in equity securities and beneficiary certificates (excluding money market and bond funds). The primary purpose of these equity securities and beneficiary certificates investments is not for trading but rather as strategic investments aligned with the asset-liability management strategy of Shin Kong Life Insurance and its subsidiaries. The price risk of equity securities and beneficiary certificates for Shin Kong Life Insurance and its subsidiaries is mainly concentrated in the electronic (including telecommunications) industry equity instruments traded on the Taiwan stock exchange. Additionally, Shin Kong Life Insurance and its subsidiaries have designated a specific team to oversee and assess price risks and to propose responsive measures as needed.

The sensitivity analysis

The positive numbers in the table below indicate the amounts by which pre-tax profit and pre-tax other comprehensive income would increase when the prices of equity securities and beneficiary certificates increase by 1%, due to changes in the fair value of financial assets measured at fair value through profit or loss, as well as changes in the fair value of financial assets measured at fair value through other comprehensive income. Conversely, when the prices of equity securities and beneficiary certificates decrease by 1%, the impact on pre-tax profit and pre-tax other comprehensive income due to changes in the fair value of financial assets measured at fair value through profit or loss, as well as changes in the fair value of financial assets measured at fair value through other comprehensive income, would be in the same negative amount.

	For the three months ended March 31	
	2026	2025
Income (loss) before income tax	$60,036	$-
Other comprehensive income before income tax	4,453,877	267,243

(8) Credit risk

Taishin Bank

A. Source and definition

Credit risk means the possible loss due to failure of debtors, issuers or counterparties to fulfill their contractual obligations or their ability of fulfill contractual obligations is impaired. Credit risk arises from the operation, on- and off-balance-sheet items, including credit loans, securities trading, securities trading margin purchase and short sale, derivatives transactions and securities investment, etc. Because the business becomes more complex, the credit risk is often generated with other risks that affect one another. For example, exchange rate risk also exists in foreign currency debt investment. Secured loans will be affected by the price volatility on the collateral and market liquidity risk of the collateral. The margin purchase and short sale is subject to fluctuations in the price of collateral, and the convertible bonds are affected by fluctuations in market liquidity or the price of underlying securities.

Credit risk can be divided into the following categories based on the object and nature of business:

(a) Credit risk

Credit risk is the risk that a borrower is unable to pay its debt or fulfill its debt commitments in credit loans operation.

(b) Issuer (guarantor) risk of the underlying issue

It is the credit risk that share issuers go into liquidation or are unable to pay back money when debt, bills and other securities mature.

(c) Counterparty risk

It is the credit risk that the counterparty undertaking OTC derivatives or RP/RS transactions are unable to fulfill settlement obligations.

Counterparty risk is also divided into settlement risk and pre-settlement risk.

－Settlement risk

It is the loss resulting from the counterparty failing to deliver goods or other money on the settlement date when the Group had fulfilled settlement obligations.

－Pre-settlement risk

It is the loss resulting from the counterparty failing to fulfill settlement or pay the obligations and from changes in market prices before the settlement date.

(d) Risk of default in customer margin purchase and short sale business

When the customer engages in margin purchase and short sale transactions, there is risk that the customer is unable to repay the price of the margin purchase or the underlying stock of the short sale at the end of the contracted period, or is unable to cover the value of the collateral when the guarantee maintenance ratio is insufficient, resulting in losses borne by the Group.

(e) Other credit risks

Country risk, custodian risk, margin trading risk and brokers risk, etc.

B. Credit risk management policies

To ensure its credit risk is under control within the tolerable range, Taishin Bank has stipulated in the guidelines for risk management that for all the products provided and businesses conducted, including all on- and off-balance sheet transactions in the banking and trading books, Taishin Bank should make detailed analyses to identify existing and potential credit risks and calculate the expected credit loss under different scenarios and time spans to measure climate-related risks through the analysis of climate change scenarios. Before launching new products or businesses, Taishin Bank ensures compliance with all applicable rules and regulations and identifies relevant credit risks. For sophisticated credit extensions, such as accounts receivable factoring and credit derivative instruments, Taishin Bank also establishes the risk management system described in the related rules and guidelines.

Unless the local authorities regulate the assessment of asset qualities and provision for potential losses of the overseas business department, it is in accordance with Taishin Bank’s risk management policies and guidelines. The measurement and management procedures of credit risks in Taishin Bank’s main businesses are as follows:

(a) Credit granting business (including loans and guarantees)

i. Credit risk rating

For risk management purposes, Taishin Bank rates credit qualities (by using internal rating models for credit risk or credit score tables) in accordance with the nature and scale of a business.

The corporate finance department's internal rating adopts two aspects. One is obligor risk rating (ORR) and the other is Facility Risk Rating (FRR). ORR is used to assess the possibility of the debtor performing financial commitments, which is a quantitative value based on the probability of default (PD) within one year. FRR is used to assess the effect of rating structures and collateral conditions on credit rating, which is a quantitative value based on loss given default (LGD). At the same time, experts also engage in judging and adjusting the rating overrides of statistic models to make up for the limitation of the model.

The consumer finance department's internal rating system adopts product characteristic and debtor condition (such as new case or behavior grading) as the basis of segmentation. It is to ensure that the same pools of debtors and risk exposure are homogeneous. At the same time, review of loans based on experts' override is complemented to make up for the limitation of the model.

ii. Strengthening of management and tracking of credit account after loan

Corporate Finance Department post-loan control unit has built post-loan management system. Online functions include post-loan condition inspections, reviews, early warning indicators, material information notifications, and management of accounts under observation etc. It hopes to make tracking and processing of interim management information of credit accounts faster via system automation and strengthen the management and reduce credit risk.

iii. The measurement of ECLs

As of the balance sheet date, Taishin Bank evaluates the risk of default occurring over the expected life of loans, to determine if the credit risk has increased significantly since original recognition. In order to perform this evaluation, Taishin Bank considers the information regarding whose credit risk has significantly increased since the respective loan's initial recognition as well as corroborative information (including forward-looking information). The key indicators include quantitative indicators such as changes in internal and external credit ratings, overdue conditions (such as being more than one month overdue), etc., as well as qualitative indicators such as a worsening of debt paying ability, unfavorable changes in operating financial and economic conditions and significant increases in credit risk of borrowers' other financial instruments. At the end of the reporting period, Taishin Bank assumes that the credit risk has not increase significantly for those whose credit risk is determined to be low.

Taishin Bank has the same definition of default on credit assets and credit impairment. The evidence of credit losses on financial assets includes overdue conditions (e.g. past due for more than years) and significant financial distress of the borrower. The definitions of default and credit impairment are consistent with the definitions of the financial assets for the purpose of internal credit risk management, which are also used in the relevant impairment assessment model.

In order to assess the ECLs, the loans will be assessed in groups based on the nature of the products, borrowers' credit ratings and collateral, and the Group takes into consideration each borrower's probability of default (PD), loss given default (LGD) and exposure at default (EAD) for the next 12 months and for the lifetime of the loan and considers the impact of the monetary time value in order to calculate the ECLs for 12 months and for the lifetime of the loan, respectively.

The PD and LGD used in the impairment assessment are based on internal historical information (such as credit loss experience) of each combination and are calculated based on current observable data and forward-looking general economic information.

Taishin Bank assesses the EAD, PD and LGD using the current exposure method, the group estimating method and the recovery rate adjustment method, respectively. When assessing internal credit ratings, it takes factors into account to adjust PD as follows: It considers the respective borrower's future financial and business prospect, guarantors, shareholders and group background, as well as the forward-looking effects of environmental changes in the economy, markets and regulations in corporate finance; and it considers overall economic indicators (e.g. gross domestic product (GDP)) that are adjusted according to the asymptotic single risk factor (ASRF) model.

There was no significant change in valuation techniques and major assumptions used to assess the ECLs of the loans by Taishin Bank for the three months ended March 31, 2026 and 2025, respectively.

In addition to the aforementioned assessment procedures, which classify loans in accordance with the Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans, the loans are classified into five categories for evaluation. Normal loans are classified as Category 1. The remaining non-performing loans are assessed based on the collateral status of the claims and the length of overdue periods, and are further categorized according to their probability of recovery as follows: Category 2 – assets requiring special mention; Category 3 – assets expected to be recoverable; Category 4 – assets that are difficult to recover; and Category 5 – assets considered uncollectible. The highest values of the aforementioned evaluation results are taken to measure the allowance loss.

In order to manage problematic loans, procedures are adopted for the reorganization of loan loss provisions, the allowance for bad debt or guarantee liability provisions, the measurement of overdue loans and the collection of default loans. In the management of loans, Taishin Bank is also guided by the Regulations Governing the Procedures for Corporation Credit Businesses to Evaluate Assets and Deal with Non-performing Assets, the Measures for Corporation Credit Businesses to Be Taken When Credit Extensions Become Past Due and the Regulations Governing Collection Procedures, the Regulations Governing the Procedures for Consumer Finance to Evaluate Assets and Deal with Non-performing Assets, the Regulations Governing the Procedures for Overdue Loans, Non-accrual Loans and Doubtful Loans.

iv. Write-off policy

Overdue loans and non-accrual loans for which one of the following events have occurred should have the estimated recoverable amount deducted and should then be written off as bad debts.

(i) The debtor may not recover all or part of the obligatory claim due to dissolution, disappearance, settlement, bankruptcy or other reasons.

(ii) The appraisal of the collateral, the property of the principal debtor and the surety is low, or the amount of the loan's priority is deducted, or the collection implementation costs may approach or exceed the amount that Taishin Bank can repay, or the loan is not able to be collected.

(iii) The property of the principal debtor and the surety were auctioned off at multiple auctions, no one was required to buy it and Taishin Bank did not bear the benefit.

(iv) Overdue loans and non-accrual loans, which have been overdue for more than two years have been collected but have not been received.

However, for overdue loans and non-accrual loans which have been overdue for more than three months but less than two years, after the collection has not been recovered and after deducting the recoverable portion, the remainder will be written off as bad debts.

Loans are written off in accordance with relevant regulations and procedures; the activities of the principal debtor and the surety from obligatory claims shall still be monitored by the relevant business department. If there is property that is available for execution, the Group shall sue according to the relevant laws.

If an evaluation determines that there is no benefit to be gained from the collection activities described in the preceding paragraph, such shall be reported to and approved by the board of directors, and the debt shall no longer be posted in the accounts and subject to control; however, such debt shall continue to be recorded in registry books for acknowledgement.

(b) Due from and call loans to banks

Taishin Bank evaluates the credit status of counterparties before deals are closed. Taishin Bank grants different limits to the counterparties based on their respective credit ratings as suggested by external qualified credit rating institutes.

(c) Security investment and financial derivatives transaction

Regarding the credit risk of security investments and financial derivatives, Taishin Bank manages the risk by internal credit rating of issuers, issued underlying assets, counterparties, and by external credit rating of debt instruments and counterparties or status of regions/countries.

The other banks with which Taishin Bank conducts derivative transactions are mostly considered investment grade. The credits extended to counterparties that are not rated as investment grade are assessed on a case-by-case basis. The credits extended to counterparties are monitored in accordance with the related contract terms and conditions, and the credit limits for derivatives established in normal credit granting processes. Meanwhile, Taishin Bank has set the total position limit on trading and banking book securities and each issuer's limit based on credit ratings.

Taishin Bank assesses the change in risk of default over the expected lifetime of investments in debt instruments as of the balance sheet date, so as to determine whether there has been a significant increase in credit risk since initial recognition. In order to make this assessment, Taishin Bank considers reasonable indicators of a significant increase in credit risk since initial recognition and corroborative information (including forward-looking information). The main indicators include quantitative indicators, such as external credit ratings, qualitative indicators, such as weakening solvency from adverse changes in operating, financial and economic conditions, and a significant increase in credit risk of the issuer's other financial instruments. Where Taishin Bank determines that the credit risk is low as of the balance sheet date, it will assume that the credit risk will not have a significant increase.

Taishin Bank defines default of investments in debt instruments and credit impairment the same. Evidence of financial asset credit impairment includes external credit ratings and the issuers experiencing severe financial difficulties. The definitions of default and credit impairment apply to the relevant impairment assessment model.

Based on credit assessment charts, Taishin Bank manages the internal and external credit assessment of debt instruments according to Moody's long-term credit ratings. Credit risk is significantly increased if:

i. The rating is over Baa3 on the initial recognition date, and the rating is lower than Ba1, not including ratings of Ca-D on the measurement date.

ii. The rating is Ba1-Ba3 on the initial recognition date, and the rating is downgraded to B1-Caa3 on the measurement date.

iii. The rating is B1-Caa3 on the initial recognition date.

iv. A loan is considered to have been defaulted on if the rating is Ca-D on the measurement date.

The trading department should monitor the credit position of investments in debt instruments. Once it knows that the issuer, guarantor or issued underlying has a credit event (such as a downgrade of credit ratings to non-investment grade, a discharge or a default), it should notify the relevant department immediately and dispose of the investments in debt instruments.

In order to assess the purpose of the ECLs, debt instruments are assessed by grade based on their credit rating. In order to measure the ECLs, the default probability of the issuers is considered, the PD, LGD, EAD for the next 12 months and over the full lifetime of the debt instruments shall be considered, and the impact of the time value of money shall be considered. From this, the 12-month and full-lifetime ECLs shall be calculated separately.

Taishin Bank assesses the EAD of investments in debt instruments using the current exposure method (CEM) and adopts external rating information, PD and LGD which are announced periodically by international credit rating agencies (S&P and Moody's), to calculate the ECLs.Due to international credit rating agencies already considering the prospective information, it is appropriate to assess such information and then include it in the assessment of the related ECLs of Taishin Bank.

Taishin Bank evaluated that the assessment techniques or material assumptions of the ECLs of investments in debt instruments had no material change for the three months ended March 31, 2026 and 2025, respectively.

Lease receivables

Taishin Bank and its subsidiaries adopt the simplified approach to assess the allowance for lease receivables based on their lifetime ECLs. In order to measure the loss allowance, the combination by past due positions is classified, the rating of losses is evaluated using the provision matrix approach, and the EAD of applicants is considered. With this and the impact of time value of money, the lifetime ECLs are calculated.

To loss ratings used in the impairment assessments are calculated based on internal historical data (such as credit loss experience) for each group and on currently observable data which is adjusted according to prospective general economic data.

Taishin Bank and its subsidiaries evaluate EAD using the book amount of lease receivables and assesses the loss ratings using the recovery rate adjusted method. Taishin Bank and its subsidiaries use economic indicators such as prospective data to adjust loss ratings using the standard deviation method. Taishin Bank and its subsidiaries use Taiwan's composite leading index as the basis for the adjustments of prospective data.

Taishin Bank and its subsidiaries evaluated that the assessment techniques or material assumptions of ECLs of lease receivables had no material change for the three months ended March 31, 2026 and 2025, respectively.

The following table details lease receivables based on Taishin Bank and its subsidiaries provision matrix using the simplified approach:

As of March 31, 2026

	Normal or less than 29 days past due	30-89 days past due	90-179 days past due	180-359 days past due
Loss rate	0.64%	17.94%	57.16%	88.05%
Amount of exposure	24,196,375	287,776	193,732	95,510
Loss allowance	154,378	51,623	110,731	84,099

As of December 31, 2025

	Normal or less than 29 days past due	30-89 days past due	90-179 days past due	180-359 days past due
Loss rate	0.80%	23.71%	63.77%	87.62%
Amount of exposure	24,505,772	262,210	139,926	73,194
Loss allowance	197,202	62,171	89,230	64,135

As of March 31, 2025

	Normal or less than 29 days past due	30-89 days past due	90-179 days past due	180-359 days past due
Loss rate	0.73%	12.56%	52.24%	87.02%
Amount of exposure	24,886,267	249,024	165,553	88,647
Loss allowance	182,293	31,266	86,480	77,138

Under TS Financial Holding and Taishin Bank's approval of asset quality, the minimum loss allowance of lease receivables shall be assessed in accordance with the Regulations of the Procedures for Banking Institutions to Evaluate Assets and Deal with Past Due/Non-performing Loans and Bad Debts.

When lease receivables are recognized as bad debts because they cannot be recovered or they are 360 days or more past due, the relevant regulations will be followed for recourse actions.

C. Credit risk hedging or mitigation policies

(a) Collateral

Taishin Bank has a series of measures for credit granting to reduce credit risks. One of the procedures is asking for collateral from the borrowers. To secure the loans, Taishin Bank manages and assesses the collateral following the procedures that suggest the scope of collateralization and valuation of collateral and the process of disposition. In credit contracts, Taishin Bank stipulates the security mechanism for loans and the conditions and terms for collateral and offsetting to state clearly that Taishin Bank reserves the right to reduce granted limit, to reduce repayment period, to demand immediate settlement or to offset the debt of the borrowers with their deposits in Taishin Bank in order to reduce the credit risks.

The requirements for collateral for other non-credit businesses depend on the nature of the financial instruments. Asset-backed securities and similar financial instruments are required to provide a pool of underlying financial assets as collateral.

The following table details the information on the collateral of credit-impaired financial assets:

As of March 31, 2026

	Gross carrying amount	Impairment under IFRS 9	Proportion of loans/ collateral (Note)
Personal housing loans	$5,207,060	$1,277,355	33.67%
Business guaranteed loans	1,731,693	439,816	102.66%
Others	6,669,670	2,127,396	
Total	$13,608,423	$3,844,567	

Note: The value of the collateral is calculated based on the latest accessible internal and external data.

As of December 31, 2025

	Gross carrying amount	Impairment under IFRS 9	Proportion of loans/ collateral (Note)
Personal housing loans	$5,364,820	$1,316,616	33.66%
Business guaranteed loans	1,663,373	445,580	102.83%
Others	6,519,906	1,913,829	
Total	$13,548,099	$3,676,025	

Note: The value of the collateral is calculated based on the latest accessible internal and external data.

As of March 31, 2025

	Gross carrying amount	Impairment under IFRS 9	Proportion of loans/ collateral (Note)
Personal housing loans	$5,346,728	$1,298,456	32.00%
Business guaranteed loans	1,366,526	338,556	102.87%
Others	5,892,853	1,728,678	
Total	$12,606,107	$3,365,690	

Note: The value of the collateral is calculated based on the latest accessible internal and external data.

(b) Credit risk concentration limits and control

To avoid the concentration of credit risks, Taishin Bank has included credit limits for the same person (entity) and for the same related-party corporation (group) based on the credit risk arising from loans, securities investment and derivative transactions.

Meanwhile, for trading and banking book investments, Taishin Bank has set a ratio, which is the credit limit of a single issuer in relation to the total security position. Taishin Bank has also included credit limits for a single counterparty and a single group.

In addition, to manage the concentration risk on each category of financial assets, Taishin Bank has set credit limits based on type of industry, conglomerate, country and transactions collateralized by shares, and integrated within one system to supervise concentration of credit risk in these categories. Taishin Bank monitors concentration of each asset and controls various types of credit risk concentration in a single transaction counterparty, group, related-party corporation, industries, or nations.

(c) Net settlement

Taishin Bank settles most of its transactions at gross amounts. For further reduction of credit risks, settlement netting is used for some counterparties or some circumstances where the transactions with counterparties are terminated due to defaults.

(d) Other credit enhancements

To reduce its credit risks, Taishin Bank stipulates in its credit contracts the terms for offsetting to state clearly that Taishin Bank reserves the right to offset the borrowers' debt against their deposits in Taishin Bank.

D. Maximum exposure to credit risk and credit quality analysis

The maximum credit risk exposure of Taishin Bank and its subsidiaries' on-balance-sheet assets, without considering collateral or other credit enhancement instruments is approximately equal to their carrying amounts. The maximum credit risk exposure related to off-balance sheet items of individual financial statements (without considering collateral or other credit enhancement instruments, and representing the irrevocable maximum exposure) is as follows:

Off-balance sheet items	Maximum Credit Risk Exposure		
	March 31, 2026	December 31, 2025	March 31, 2025
Irrevocable loan commitments granted to customers	$97,662,483	$91,082,440	$74,576,002
Unused credit card credit commitments of customers	588,030,766	582,274,265	574,102,924
Outstanding balance of letters of credit issued but not yet utilized by customers	5,058,810	4,562,087	3,905,877
Various types of guarantees	32,640,413	29,526,831	28,521,151
Total	$723,392,472	$707,445,623	681,105,954

Part of financial assets held by the Taishin Bank and its subsidiaries, such as cash and cash equivalents, due from the Central Bank and call loans to banks, financial assets at fair value through profit or loss, securities purchased under resell agreements, deposit refunds, operating deposits, and settlement deposits are exposed to low credit risks because the counterparties have rather high credit ratings.

Based on risk ratings, the amounts of maximum credit risk exposure (excluding the guarantees or other credit enhancements) at each stage of ECLs on March 31, 2026, December 31, 2025 and March 31, 2025 are as follows:

	March 31, 2026			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Loans				
Consumer finance				
Excellent	$990,054,296	$12,771,363	$-	$1,002,825,659
Good	14,614,878	279,663	-	14,894,541

	March 31, 2026			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Acceptable	-	322,232	-	322,232
Default	-	-	8,928,173	8,928,173
Corporate finance				
Excellent	582,274,759	-	-	582,274,759
Good	365,436,912	-	-	365,436,912
Acceptable	1,602,678	1,759,020	-	3,361,698
Default	-	-	2,545,061	2,545,061
Total	$1,953,983,523	$15,132,278	$11,473,234	$1,980,589,035
Receivables (including non-performing receivables transferred from other than loans)				
Consumer finance				
Excellent	$76,668,089	$35,368	$-	$76,703,457
Good	322,544	2,941	-	325,485
Acceptable	-	101,524	-	101,524
Default	-	-	1,721,149	1,721,149
Corporate finance				
Excellent	25,993,799	-	-	25,993,799
Good	6,850,045	-	-	6,850,045
Acceptable	1,209	4,752	-	5,961
Default	-	-	117,740	117,740
Others	9,419,383	31,408,196	296,300	41,123,879
Total	$119,255,069	$31,552,781	$2,135,189	$152,943,039
Debt instruments at fair value through other comprehensive income				
Excellent	$160,344,527	$-	$-	$160,344,527
Investments in debt instruments at amortized cost				
Excellent	$503,304,853	$-	$-	$503,304,853
Financial guarantees				
Excellent	$29,969,098	$-	$-	$29,969,098

	March 31, 2026			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Good	7,384,720	-	-	7,384,720
Total	$345,406	$-	$-	$345,406
Loan commitments				
Excellent	$1,427,179,650	$274,438	$-	$1,427,454,088
Good	216,492,032	549	-	216,492,581
Acceptable	373,379	94,826	-	468,205
Default	-	-	360,634	360,634
Total	$1,644,045,061	$369,813	$360,634	$1,644,775,508

	December 31, 2025			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Loans				
Consumer finance				
Excellent	$963,671,052	$12,441,337	$-	$976,112,389
Good	13,958,146	290,336	-	14,248,482
Acceptable	-	579,182	-	579,182
Default	-	-	9,080,573	9,080,573
Corporate finance				
Excellent	485,322,791	-	-	485,322,791
Good	327,201,531	-	-	327,201,531
Acceptable	605,563	1,505,650	-	2,111,213
Default	-	-	2,394,197	2,394,197
Total	$1,790,759,083	$14,816,505	$11,474,770	$1,817,050,358
Receivables (including non-performing receivables transferred from other than loans)				
Consumer finance				
Excellent	$75,331,830	$46,866	$-	$75,378,696
Good	329,953	3,150	-	333,103
Acceptable	-	92,835	-	92,835
Default	-	-	1,740,467	1,740,467
Corporate finance				
Excellent	31,556,523	-	-	31,556,523
Good	3,598,666	-	-	3,598,666
Acceptable	721	4,371	-	5,092

	December 31, 2025			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Default	-	-	142,778	142,778
Others	8,913,901	34,374,385	190,084	43,478,370
Total	$119,731,594	$34,521,607	$2,073,329	$156,326,530
Debt instruments at fair value through other comprehensive income				
Excellent	$159,984,519	$-	$-	$159,984,519
Investments in debt instruments at amortized cost				
Excellent	$546,020,506	$-	$-	$546,020,506
Financial guarantees				
Excellent	$26,930,892	$-	$-	$26,930,892
Good	7,158,026	-	-	7,158,026
Total	$34,088,918	$-	$-	$34,088,918
Loan commitments				
Excellent	$1,469,854,259	$255,437	$-	$1,470,109,696
Good	199,444,634	520	-	199,445,154
Acceptable	101,635	90,192	-	191,827
Default	-	-	146,073	146,073
Total	$1,669,400,528	$346,149	$146,073	$1,669,892,750

	March 31, 2025			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Loans				
Consumer finance				
Excellent	$910,819,664	$14,583,089	$-	$925,402,753
Good	13,278,245	295,449	-	13,573,694
Acceptable	-	471,159	-	471,159
Default	-	-	8,858,235	8,858,235
Corporate finance				
Excellent	523,259,164	-	-	523,259,164
Good	304,290,684	-	-	304,290,684
Acceptable	199,170	1,550,891	-	1,750,061
Default	-	-	1,608,855	1,608,855

	March 31, 2025			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Total	$1,751,846,927	$16,900,588	$10,467,090	$1,779,214,605
Receivables (including non-performing receivables transferred from other than loans)				
Consumer finance				
Excellent	$65,958,196	$47,384	$-	$66,005,580
Good	285,987	2,577	-	288,564
Acceptable	-	113,718	-	113,718
Default	-	-	1,760,961	1,760,961
Corporate finance				
Excellent	29,892,227	-	-	29,892,227
Good	3,410,491	-	-	3,410,491
Acceptable	1,061	5,574	-	6,635
Default	-	-	116,872	116,872
Others	10,715,235	36,439,121	261,184	47,415,540
Total	$110,263,197	$36,608,374	$2,139,017	$149,010,588
Debt instruments at fair value through other comprehensive income				
Excellent	$153,818,665	$-	$-	$153,818,665
Investments in debt instruments at amortized cost				
Excellent	$572,707,390	$-	$-	$572,707,390
Financial guarantees				
Excellent	$27,938,529	$-	$-	$27,938,529
Good	4,487,764	-	-	4,487,764
Acceptable	735	-	-	735
Total	$32,427,028	$-	$-	$32,427,028
Loan commitments				
Excellent	$1,297,052,951	$161,442	$-	$1,297,214,393
Good	217,327,220	-	-	217,327,220

	March 31, 2025			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Acceptable	24,247	87,515	-	111,762
Default	-	-	146,671	146,671
Total	$1,514,404,418	$248,957	$146,671	$1,514,800,046

E. Situation of credit risk concentration

Prominent concentration of credit risks occurs when transaction parties for financial instruments prominently concentrate on one party, or on a few that are in similar business lines or exhibit similar economic characteristics. The characteristics of concentration of credit risks include the nature of business activities engaged by debtors. The Group has not engaged in transactions that involved a prominent concentration to one client or one transaction party, but has engaged in transaction parties of similar industry type or from similar regions.

Taishin Bank and its subsidiaries' information on discounts and loans with a significant concentration of credit risk is as follows:

	March 31, 2026		December 31, 2025		March 31, 2025	
Industry type	Carrying amount	Percentage of item (%)	Carrying amount	Percentage of item (%)	Carrying amount	Percentage of item (%)
Manufacturing	$254,027,676	13	$199,337,980	11	$248,155,252	14
Wholesale and retail	86,870,376	5	79,372,004	4	79,907,086	5
Finance and insurance	242,167,729	12	202,091,200	11	203,921,272	11
Real estate and leasing	185,437,792	9	173,087,026	10	163,811,689	9
Service	45,965,292	2	38,917,610	2	34,702,423	2
Individuals	1,040,314,004	53	1,012,025,164	56	960,212,344	54
Others	125,806,166	6	112,219,374	6	88,504,539	5
Total	$1,980,589,035		$1,817,050,358		$1,779,214,605	

	March 31, 2026		December 31, 2025		March 31, 2025	
Industry type	Carrying amount	Percentage of item (%)	Carrying amount	Percentage of item (%)	Carrying amount	Percentage of item (%)
Asia	$1,791,068,319	90	$1,642,399,351	90	$1,617,276,652	91
Europe	39,650,549	2	33,739,699	2	27,443,797	2
America	5,353,545	-	5,457,170	-	3,106,891	-
Africa	11,393,537	1	10,267,406	1	-	-
Others	133,123,085	7	125,186,732	7	131,387,265	7
Total	$1,980,589,035		$1,817,050,358		$1,779,214,605	

Shin Kong Life Insurance

Credit risk refers to the risk of financial loss to Shin Kong Life Insurance and its subsidiaries due to a counterparty's failure to meet contractual obligations. As of the balance sheet date, the maximum credit risk exposure that Shin Kong Life Insurance and its subsidiaries may face due to counterparties' non-performance primarily arises from the carrying amounts of financial assets recognized in the consolidated balance sheet.

A. Credit Risk Concentration Analysis

The investments cover a wide range of underlying assets across different industries and geographical regions. The Group continuously assesses the financial condition of underlying investment and manage credit risk exposure through risk management policies.

The credit risk of Shin Kong Life Insurance and its subsidiaries arises from financial instrument transactions related to operating activities, including bond investments and loans. Through regular concentration statistics and monitoring, the likelihood of significant losses from a single credit risk event due to excessive concentration in the investment portfolio is reduced, as shown in the table below:

(a) Exposure to credit risk－industry type

As of March 31, 2026

	Central and local government agencies	Financial	Energy	Materials	Industrial	Non-core consumer	Core consumer	Information technology	Telecommunications services	Public utilities	Health Insurance	Real Estate	Total
Financial assets at FVTPL	$-	$26,830,920	$-	$-	$186,441	$305,986	$60,941	$326,596	$650,974	$-	$357,974	$-	$28,719,832
Financial assets at FVTOCI	317,208,071	287,613,925	94,700,465	50,919,116	23,777,438	27,464,221	38,370,065	65,803,174	108,276,400	88,598,919	71,257,778	-	1,173,989,572
Financial assets measured at amortized cost	206,120,473	680,377,083	2,399,423	5,742,293	16,735,445	7,076,972	18,537,850	21,016,505	41,846,874	17,262,070	27,471,710	2,859,418	1,047,446,116
Total	$523,328,544	$994,821,928	$97,099,888	$56,661,409	$40,699,324	$34,847,179	$56,968,856	$87,146,275	$150,774,248	$105,860,989	$99,087,462	$2,859,418	$2,250,155,520
Proportion of each industry to the overall total	23.26%	44.21%	4.32%	2.52%	1.81%	1.55%	2.53%	3.87%	6.70%	4.70%	4.40%	0.13%	100.00%

As of December 31, 2025

	Central and local government agencies	Financial	Energy	Materials	Industrial	Non-core consumer	Core consumer	Information technology	Telecommunications services	Public utilities	Health Insurance	Real Estate	Total
Financial assets at FVTPL	$22	$25,622,173	$-	$-	$14,198	$-	$-	$-	$-	$-	$-	$-	$25,636,393
Financial assets at FVTOCI	11,078,121	14,012,986	913,825	999,993	1,141,251	1,726,496	5,389,054	4,779,053	1,211,364	3,297,666	-	-	44,549,809
Financial assets measured at amortized cost	516,133,682	922,128,044	98,767,644	56,280,078	34,423,013	31,298,258	106,477,774	74,360,282	148,799,738	102,757,604	28,752,816	-	2,120,178,933
Total	$527,211,825	$961,763,203	$99,681,469	$57,280,071	$35,578,462	$33,024,754	$111,866,828	$79,139,335	$150,011,102	$106,055,270	$28,752,816	$-	$2,190,365,135
Proportion of each industry to the overall total	24.07%	43.91%	4.55%	2.62%	1.62%	1.51%	5.11%	3.61%	6.85%	4.84%	1.31%	-	100.00%

As of March 31, 2025

	Central and local government agencies	Financial	Energy	Materials	Industrial	Non-core consumer	Core consumer	Information technology	Telecommunications services	Public utilities	Health Insurance	Real Estate	Total
Financial assets at FVTPL	$-	$6,165	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	$6,165
Financial assets at FVTOCI	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets measured at amortized cost	79,053,780	40,302,323	2,416,556	2,483,493	17,329,505	7,298,685	15,132,346	15,342,370	8,321,609	13,014,515	23,464,581	-	224,159,763
Total	$79,053,780	$40,308,488	$2,416,556	$2,483,493	$17,329,505	$7,298,685	$15,132,346	$15,342,370	$8,321,609	$13,014,515	$23,464,581	$-	$224,165,928
Proportion of each industry to the overall total	35.26%	17.98%	1.08%	1.11%	7.73%	3.26%	6.75%	6.84%	3.71%	5.81%	10.47%	-	100.00%

(b) Exposure to credit risk－region

As of March 31, 2026

Financial Assets	Taiwan	North America	Eurozone	Non-Eurozone	Asia-Pacific	Central and South America	Middle East/Africa	Global	Total
Financial assets at FVTPL	$25,509,848	$2,666,647	$131,357	$277,247	$134,733	$-	$-	$-	$28,719,832
Financial assets at FVTOCI	230,629,550	490,690,751	84,065,034	105,541,480	91,908,836	73,173,294	97,980,627	-	1,173,989,572
Financial assets measured at amortized cost	92,728,320	502,634,469	107,666,041	131,669,897	102,457,398	9,805,781	100,484,210	-	1,047,446,116
Total	$348,867,718	$995,991,867	$191,862,432	$237,488,624	$194,500,967	$82,979,075	$198,464,837	$-	$2,250,155,520
Proportion of each industry to the overall total	15.50%	44.26%	8.53%	10.55%	8.64%	3.69%	8.83%	-	100.00%

As of December 31, 2025

Financial Assets	Taiwan	North America	Eurozone	Non-Eurozone	Asia-Pacific	Central and South America	Middle East/Africa	Global	Total
Financial assets at FVTPL	$25,517,477	$54,457	$64,459	$-	$-	$-	$-	$-	$25,636,393
Financial assets at FVTOCI	27,155,736	15,871,615	593,990	928,468	-	-	-	-	44,549,809
Financial assets measured at amortized cost	297,055,693	926,203,896	178,377,914	236,681,753	195,844,060	86,185,251	199,830,366	-	2,120,178,933
Total	$349,728,906	$942,129,968	$179,036,363	$237,610,221	$195,844,060	$86,185,251	$199,830,366	$-	$2,190,365,135
Proportion of each industry to the overall total	15.97%	43.01%	8.17%	10.85%	8.94%	3.93%	9.12%	-	100.00%

As of March 31, 2025

Financial Assets	Taiwan	North America	Eurozone	Non-Eurozone	Asia-Pacific	Central and South America	Middle East/Africa	Global	Total
Financial assets at FVTPL	$-	$-	$-	$-	$-	$-	$-	$6,165	$6,165
Financial assets at FVTOCI	-	-	-	-	-	-	-	-	-
Financial assets measured at amortized cost	82,169,886	124,345,089	9,550,913	5,302,920	2,458,915	-	332,040	-	224,159,763
Total	$82,169,886	$124,345,089	$9,550,913	$5,302,920	$2,458,915	$-	$332,040	$6,165	$224,165,928
Proportion of each industry to the overall total	36.65%	55.47%	4.26%	2.37%	1.10%	-	0.15%	-	100.00%

In terms of credit quality, Shin Kong Life Insurance and its subsidiaries regularly track the credit rating information published by various rating agencies and classify them into low risk, moderate risk, and high risk based on the ratings. The definitions for each rating are as follows:

Low risk:	This refers to companies that have a robust ability to meet contractual commitments, maintaining a good financial condition even in the face of various negative news or adverse economic conditions.
Moderate risk:	This indicates that the company's ability to meet contractual commitments is lower, and various negative news or adverse economic conditions may weaken its financial condition, potentially leading to concerns about asset impairment or causing losses to Shin Kong Life Insurance and its subsidiaries.
High risk:	This refers to companies with a weak likelihood of meeting contractual commitments, being dependent on the operating environment. Various negative news or adverse economic conditions will reduce their ability and willingness to meet obligations.
Impaired:	This indicates that the company has failed to meet its obligations as agreed, and Shin Kong Life Insurance and its subsidiaries have estimated potential losses that meet the impairment criteria.

Shin Kong Life Insurance and its subsidiaries have made provisions for impairment on various financial assets in accordance with accounting standards. Under the conservatism principle, the amounts recognized after impairment adequately reflect the current value. Credit quality information is shown in the table below:

Credit quality analysis table of financial assets

As of March 31, 2026

	Stage 1				Stage 2				Stage 3				
	Low risk	Moderate risk	High risk	Total	Low risk	Moderate risk	High risk	Total	Credit-impaired financial assets	Non-POCI financial assets	Total	Loss allowance	Total
Financial assets at FVTOCI	$1,151,863,987	$12,410,461	$9,715,124	$1,173,989,572	$-	$-	$-	$-	$-	$-	$-	$(501,448)	$1,173,488,124
Financial assets measured at amortized cost	1,032,338,662	-	-	1,032,338,662	-	-	-	-	-	15,107,454	15,107,454	(320,723)	1,047,125,393
Total	$2,184,202,649	$12,410,461	$9,715,124	$2,206,328,234	$-	$-	$-	$-	$-	$15,107,454	$15,107,454	$(822,171)	$2,220,613,517
Proportion to the total amount	98.36%	0.56%	0.44%	99.36%	-	-	-	-	-	0.68%	0.68%	(0.04%)	100.00%

As of December 31, 2025

	Stage 1				Stage 2				Stage 3				
	Low risk	Moderate risk	High risk	Total	Low risk	Moderate risk	High risk	Total	Credit-impaired financial assets	Non-POCI financial assets	Total	Loss allowance	Total
Financial assets at FVTOCI	$44,549,809	$-	$-	$44,549,809	$-	$-	$-	$-	$-	$-	$-	$-	$44,549,809
Financial assets measured at amortized cost	2,062,096,924	18,078,373	22,908,102	2,103,083,399	-	-	2,200,039	2,200,039	14,895,495	-	14,895,495	(801,606)	2,119,377,327
Total	$2,106,646,733	$18,078,373	$22,908,102	$2,147,633,208	$-	$-	$2,200,039	$2,200,039	$14,895,495	$-	$14,895,495	$(801,606)	$2,163,927,136
Proportion to the total amount	97.33%	0.84%	1.08%	99.25%	-	-	0.10%	0.10%	0.69%	-	0.69%	(0.04%)	100.00%

As of March 31, 2025

	Stage 1				Stage 2				Stage 3				
	Low risk	Moderate risk	High risk	Total	Low risk	Moderate risk	High risk	Total	Credit-impaired financial assets	Non-POCI financial assets	Total	Loss allowance	Total
Financial assets at FVTOCI	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-
Financial assets measured at amortized cost	224,159,763	-	-	224,159,763	-	-	-	-	-	-	-	(52,786)	224,106,977
Total	$224,159,763	$-	$-	$224,159,763	$-	$-	$-	$-	$-	$-	$-	$(52,786)	$224,106,977
Proportion to the total amount	100.02%	-	-	100.02%	-	-	-	-	-	-	-	(0.02%)	100.00%

Note 1: Normal assets and impaired items include debt assets excluding funds and stocks. The impaired items are presented as the carrying amounts of the impaired asset, without deducting their accumulated impairment.

Note 2: The credit quality of normal assets is classified primarily based on the credit ratings of the issuer or guarantor. The credit ratings are taken from S&P, Moody's, Fitch, and Taiwan Ratings, using the second highest rating of the top three or the lower rating of any two.

Note 3: Low risk is defined as credit ratings of BBB (inclusive) or above, or equivalent ratings.

Note 4: Moderate risk is defined as credit ratings of BBB- (inclusive) or below, and BB+ (inclusive) or above, or equivalent ratings.

Note 5: High risk is defined as credit ratings of BB (inclusive) or below, or equivalent ratings, or unrated.

Loan distribution of maximum credit exposure by region (excluding policy loans and automatic premium loans)

As of March 31, 2026

Collateral location	Northern region	Central region	Southern region	Eastern region	Total
Secured loans	$22,843,132	$9,047,206	$16,998,019	$294,873	$49,183,230
Collection receivables	2,394	82	2,691	-	5,167
Total	$22,845,526	$9,047,288	$17,000,710	$294,873	$49,188,397
Proportion to total amount	46.45%	18.39%	34.56%	0.60%	100.00%

As of December 31, 2025

Collateral location	Northern region	Central region	Southern region	Eastern region	Total
Secured loans	$22,063,648	$9,056,012	$17,004,297	$252,258	$48,376,215
Collection receivables	2,394	94	2,617	-	5,105
Total	$22,066,042	$9,056,106	$17,006,914	$252,258	$48,381,320
Proportion to total amount	45.61%	18.72%	35.15%	0.52%	100.00%

As of March 31, 2025, Shin Kong Life Insurance and its subsidiaries had no loans other than policy loans and automatic premium loans.

Shin Kong Life Insurance and its subsidiaries adopt IFRS 9 to assess expected credit losses. Except for receivables, other debt instrument investments not measured at fair value through profit or loss are originally purchased under the premise of low credit risk and are grouped based on credit risk. On each balance sheet date, an assessment is made to determine whether there has been a significant increase in credit risk since initial recognition and the method for measuring loss allowance and the loss rates. The related information of credit risk assessment of Shin Kong Life Insurance and its subsidiaries is as follows:

As of March 31, 2026

	FVTOCI	Measured at amortized cost		Total
Carrying amount	$1,307,605,175	$1,047,446,116	(Note1)	$2,355,051,291
Loss allowance	(501,448)	(320,723)		(822,171)
Amortized cost	1,307,103,727	$1,047,125,393		2,354,229,120
Fair value adjustments	(133,615,603)			(133,615,603)
Total	$1,173,488,124			$2,220,613,517

Note 1: Including deposit for recognizance in the amount of $17,926,274 thousand; excluding time deposits with original maturities exceeding 3 months in the amount of $2,979,432 thousand (of which deposit for recognizance in the amount of $428,812 thousand).

As of December 31, 2025

	FVTOCI	Measured at amortized cost		Total
Carrying amount	$45,709,487	$2,120,178,933	(Note1)	$2,165,888,420
Loss allowance	(9,577)	(801,606)		(811,183)
Amortized cost	45,699,910	$2,119,377,327		2,165,077,237
Fair value adjustments	(1,150,101)			(1,150,101)
Total	$44,549,809			$2,163,927,136

Note 1: Including deposit for recognizance in the amount of $30,453,080 thousand; excluding time deposits with original maturities exceeding 3 months in the amount of $4,664,432 thousand (of which deposit for recognizance in the amount of $428,812 thousand).

As of March 31, 2025

	FVTOCI	Measured at amortized cost		Total
Carrying amount	$40,559	$224,159,763	(Note1)	$224,200,322
Loss allowance	-	(52,786)		(52,786)
Amortized cost	40,559	$224,106,977		$224,147,536
Fair value adjustments	-			-
Total	$40,559			$224,147,536

Note 1: Including deposit for recognizance in the amount of $1,795,893 thousand; excluding time deposits with original maturities exceeding 3 months in the amount of $0 thousand (of which deposit for recognizance in the amount of $0 thousand).

Shin Kong Life Insurance and its subsidiaries adopt a policy of investing only in debt instruments with credit ratings of investment grade and higher and assessed as low credit risk in impairment evaluation. The credit rating information is provided by independent rating agencies. Shin Kong Life Insurance and its subsidiaries continuously monitor the external rating information to oversee changes in the credit risk of invested debt instruments. They also review significant information about bond issuers and debtors, among other data, to assess whether there has been a significant increase in credit risk since initial recognition and to manage it accordingly.

Shin Kong Life Insurance and its subsidiaries consider the historical default loss rates of each rating grade provided by external rating agencies, the current financial condition of debtors, and the industry outlook in which they operate to measure the 12-month expected credit losses or lifetime expected credit losses of debt instrument investments. The current credit risk rating mechanism of Shin Kong Life Insurance and its subsidiaries is as follows:

Credit rating	Definition	Basis for recognizing expected credit loss
Performing	Debtor has low credit risk and sufficient ability to repay contractual cash flows	12-month expected credit loss
Underperforming	Credit risk has significantly increased since initial recognition	Lifetime expected credit loss (not credit impaired)
Default	Failure to pay principal or interest as per issuance terms or showing evidence of credit impairment	Lifetime expected credit loss (credit impaired)
Written-off	Evidence indicates debtor is in severe financial difficulty and the Group has no reasonable expectation of recovery	Direct write-off

The gross carrying amounts and applicable expected credit loss rates for debt instrument investments, structured products, and accounts receivable by credit rating are as follows:

March 31, 2026

Credit Rating	Expected Credit Loss Rate	Carrying Amount
Performing	0.00%~0.25%	$2,382,439,099
Underperforming	-	-
Default	0.00%~100%	15,521,099
Written-off	-	-

December 31, 2025

Credit Rating	Expected Credit Loss Rate	Carrying Amount
Performing	0.00%~0.30%	$2,144,996,295
Underperforming	8.95%	3,211,808
Default	10.50%~100%	39,238,506
Written-off	-	-

March 31, 2025

Credit Rating	Expected Credit Loss Rate	Carrying Amount
Performing	0.00%~0.12%	$226,922,300
Underperforming	-	-
Default	-	-
Written-off	-	-

Note: The above gross carrying amounts do not include certain notes receivable and accrued income recognized using the simplified approach for loss allowance in the amount of $1,013,895 thousand, $4,519,054 thousand, and $2,977,194 thousand.

(c) Information on Changes in Loss Allowance

Debt instrument investments measured at FVTOCI

	Credit Rating		
	Performing (12-month expected credit loss)	Underperforming (Lifetime expected credit loss not credit impaired)	Default (Lifetime expected credit loss (credit impaired)
As of January 1, 2026	$491,085	$-	$-
Changes in credit ratings of debt instruments			
Performing to underperforming	-	-	-
Underperforming to default	-	-	-
Default to written-off	-	-	-
Purchases of new debt instruments	220,143	-	-
Derecognition	-	-	-
Other changes	(221,452)	-	-
Foreign exchange changes	197	-	-
As of March 31, 2026	$489,973	$-	$-
As of January 1, 2025	$-	$-	$-
Changes in credit ratings of debt instruments			
Performing to underperforming	-	-	-
Underperforming to default	-	-	-
Default to written-off	-	-	-
Purchases of new debt instruments	-	-	-
Derecognition	-	-	-
Other changes	-	-	-
Foreign exchange changes	-	-	-
As of March 31, 2025	$-	$-	$-

i. For the three months ended March 31, 2026 and 2025, Shin Kong Life Insurance and its subsidiaries newly acquired and classified bonds measured at fair value through other comprehensive income in the amount of $68,406,420 thousand and $0 thousand, respectively, with a corresponding increase in loss allowance for performing credit rating in the amount of $220,143 thousand and $0 thousand, respectively.

ii. For the three months ended March 31, 2026 and 2025, Shin Kong Life Insurance and its subsidiaries sold debt instrument investments measured at fair value through other comprehensive income in the amount of $49,773,014 thousand and $0 thousand, respectively, and redeemed debt instrument investments measured at fair value through other comprehensive income in the amount of $3,441,580 thousand and $0 thousand, respectively, while derecognizing the related loss allowance for performing credit rating in the amount of $0 thousand and $0 thousand, respectively.

Debt instrument investments measured at amortized cost

	Credit Rating		
	Performing (12-month expected credit loss)	Underperforming (Lifetime expected credit loss not credit impaired)	Default (Lifetime expected credit loss (credit impaired))
As of January 1, 2026	$307,704	$-	$-
Changes in credit ratings of debt instruments			
Performing to underperforming	-	-	-
Underperforming to default	-	-	-
Default to written-off	-	-	-
Purchases of new debt instruments	62,656	-	-
Derecognition	(597,820)	-	-
Other changes	542,817	-	-
Foreign exchange changes	4,696	-	-
As of March 31, 2026	$320,053	$-	$-

	Credit Rating		
	Performing (12-month expected credit loss)	Underperforming (Lifetime expected credit loss not credit impaired)	Default (Lifetime expected credit loss (credit impaired))
As of January 1, 2025	$48,747	$-	$-
Changes in credit ratings of debt instruments			
Performing to underperforming	-	-	-
Underperforming to default	-	-	-
Default to written-off	-	-	-
Purchases of new debt instruments	3,116	-	-
Derecognition	(211)	-	-
Other Changes	511	-	-
Foreign Exchange Changes	623	-	-
As of March 31, 2025	$52,786	$-	$-

i. For the three months ended Marche 31, 2026 and 2025, Shin Kong Life Insurance and its subsidiaries newly acquired and classified bonds measured at amortized cost in the amount of $0 thousand and $8,286,204 thousand, respectively, with a corresponding increase in loss allowance for performing credit rating in the amount of $62,656 thousand and $3,116 thousand, respectively.

ii. For the three months ended March 31, 2026 and 2025, Shin Kong Life Insurance and its subsidiaries sold debt instrument investments measured at amortized cost in the amount of $0 thousand and $0 thousand, respectively, and redeemed debt instrument investments measured at amortized cost in the amount of $464,014 thousand and $484,369 thousand, respectively, while derecognizing the related loss allowance for performing credit rating in the amount of $597,820 thousand and $211 thousand, respectively.

Structured products

	Credit Rating		
	Performing (12-month expected credit loss)	Underperforming (Lifetime expected credit loss not credit impaired)	Default (Lifetime expected credit loss (credit impaired))
As of January 1, 2026	$12,116	$-	$-
Changes in credit ratings of debt instruments			
Performing to underperforming	-	-	-
Underperforming to default	-	-	-
Default to written-off	-	-	-
Purchases of new debt instruments	-	-	-
Derecognition	-	-	-
Other changes	-	-	-
Foreign exchange changes	28	-	-
As of March 31, 2026	$12,144	$-	$-
As of January 1, 2025	$-	$-	$-
Changes in credit ratings of debt Instruments			
Performing to underperforming	-	-	-
Underperforming to default	-	-	-
Default to written-off	-	-	-
Purchases of new debt instruments	-	-	-
Derecognition	-	-	-
Other changes	-	-	-
Foreign exchange changes	-	-	-
As of March 31, 2025	$-	$-	$-

Notes Receivable, Interest Receivable, and Accounts Receivable

	Credit Rating		
	Performing (12-month expected credit loss)	Underperforming (Lifetime expected credit loss not credit impaired)	Default (Lifetime expected credit loss (credit impaired))
As of January 1, 2026	$43,348	$-	$44,127
Changes in credit ratings of debt instruments			
Performing to underperforming	-	-	-
Underperforming to default	-	-	-
Underperforming to performing	-	-	-
Default to written-off	-	-	-
Purchases of new debt instruments	3,579	-	-
Derecognition	(6,908)	-	
Other changes	180	-	1,035
Foreign exchange changes	57	-	-
As of March 31, 2026	$40,256	$-	$45,162
As of January 1, 2025	$708	$-	$-
Changes in credit ratings of debt instruments			
Performing to underperforming	-	-	-
Underperforming to default	-	-	-
Default to written-off	-	-	-
Purchases of new debt instruments	67	-	-
Derecognition	(2)	-	-
Other changes	-	-	-
Foreign exchange changes	3	-	-
As of March 31, 2025	$776	$-	$-

The loss allowance of Shin Kong Life Insurance and its subsidiaries as of March 31, 2026, December 31, 2025, and March 31, 2025 included loss allowance for notes receivable in the amount of $31,509 thousand, $32,160 thousand, and $0 thousand, respectively; loss allowance for interest receivable in the amount of $8,599 thousand, $10,671 thousand, and $776 thousand, respectively; and loss allowance for other receivables in the amount of $47,415 thousand, $40,432 thousand, and $0 thousand, respectively; excluding loss allowance for certain notes receivable and accrued income recognized using the simplified approach in the amount of $315 thousand, $3,084 thousand, and $0 thousand, respectively.

(9) Liquidity risk

A. The source and definition of liquidity risk

Liquidity risk is the potential loss that the Group may suffer due to inability to liquidate assets or raise enough funds in reasonable time to perform obligations when due and to meet the demands of assets growth. Sources of liquidity risk are as follows:

(a) Inability to fulfill funding gap due to asymmetric time and amount in cash inflows and outflows.
(b) Liabilities paid off in advance before maturity, inability to maintain liabilities at maturity or inability to acquire funds from the market.
(c) Inability to liquidate current assets at reasonable price or raising funds to fulfill funding gap with price higher than the reasonable one.

Except for the liquidity risks arising from normal operation, the Group's liquidity might be affected by events such as credit ratings being downgraded, credibility seriously damaged, financial system's system risk, causing customers to lack confidence and canceling deposits before maturity, call loans from banks being suspended, resell or repurchase transactions being deterred and liquidity of financial assets decreasing.

B. Liquidity risk management policy

Taishin Bank

The objective of liquidity risk management is to ensure that Taishin Bank can acquire funds at a reasonable price to pay off debt, perform obligations and contingent liabilities and satisfy demands required by business growth either in normal operation or under sudden, serious and unusual circumstances.

Taishin Bank has established policies on assets and liabilities management that stipulate related liquidity risk management rules, stipulate clear distinction between accountability and responsibility of Asset and Liability Committee and management departments and regulate the setting of liquidity risk appetite and limits, risk measuring, risk monitoring and the scope and procedures of reporting to ensure that overall liquidity risk is within the limits of liquidity risk appetite approved by the board of directors.

Basic principles of liquidity risk management policy are as follows:

(a) Principle of risk diversification: Taishin Bank should avoid excessively concentrating funds on the same maturity, instruments, currencies, regions, funding sources or counterparties.
(b) Principle of stability: Taishin Bank should follow stable strategies and pay attention to market and internal funding liquidity. For example, Taishin Bank should absorb the core deposits at appropriate time in order to prevent market volatility from affecting funding sources and thus lower dependence on unstable fund sources.
(c) Principle of maintaining appropriate asset liquidity: Market liquidity will indirectly affect funding liquidity. Therefore, Taishin Bank should make sure total assets could pay off total liabilities and maintain certain proportion of assets with high liquidity or collateral in order to finance funds and pay off current liabilities in critical and urgent time.
(d) Principle of matching asset and liability maturity: Taishin Bank should pay attention to the spread of maturity and liquidity of liquid assets and current assets should be sufficient to pay off current liabilities.

For urgent or sudden liquidity events, Taishin Bank has stipulated urgent fund dispatching handling plan as the highest principle for urgent events in order to integrate the Bank's resources quickly to resolve emergencies efficiently.

Shin Kong Life Insurance

Shin Kong Life Insurance and its subsidiaries have sufficient operating capital to meet their obligations, and therefore, there is no liquidity risk due to the inability to raise funds to meet contractual obligations.

The bonds and stocks Shin Kong Life Insurance and its subsidiaries invested in are primarily in active markets, and it is expected that they can be quickly sold in the market at prices close to fair value. The forward foreign exchange contracts and currency swap contracts engaged by Shin Kong Life Insurance and its subsidiaries are of a hedging nature. They are settled on a net or gross basis, requiring minimal use of cash positions, thus avoiding significant cash flow risks.

C. Financial assets held to manage liquidity risk and maturity analysis

Financial assets held to manage liquidity risk

The Group holds cash and cash equivalents, due from the Central Bank and banks and financial assets at fair value through other comprehensive income and investments in debt instruments at amortized cost held for the purpose of managing liquidity risk, in order to perform contractual obligations when due and meet the needs of urgent fund dispatching.

Maturity analysis

Taishin Bank

(a) Maturity analysis of non-derivative financial liabilities

Non-derivative financial liabilities of Taishin Bank and subsidiaries presented based on the residual maturities from the balance sheet date to the contract maturity date are as follows:

	March 31, 2026									
Financial instruments item	1-30 days	31-90 days	91-180 days	181 days - 1 year	1-2 years	2-3 years	3-4 years	4-5 years	over 5 years	Total
Deposits from the Central Bank and banks	$41,317,281	$25,127,944	$3,670,664	$6,745,601	$7,000	$18,170	$-	$-	$-	$76,886,660
Non-derivative financial liabilities at FVTPL	297,408	-	-	-	-	-	-	-	12,882,543	13,179,951
Securities sold under repurchase agreements	70,684,622	33,521,361	13,206	-	-	-	-	-	-	104,219,189
Payables	20,242,173	1,968,673	685,747	9,329,354	37,646	9,093	-	-	-	32,272,686
Deposits and remittances	360,436,787	425,550,996	268,167,376	378,300,169	1,195,739,637	3,243,825	480	-	-	2,631,439,270
Bank notes payable	-	-	-	-	6,000,000	-	-	9,050,000	5,000,000	20,050,000
Lease liabilities	117,945	127,033	185,395	373,341	606,720	459,103	332,072	211,135	363,762	2,776,506
Other financial liabilities	14,695,726	7,659,282	4,186,592	7,128,664	4,645,916	1,687,382	1,328,421	20,735,132	61,336,611	123,403,726
Total	$507,791,942	$493,955,289	$276,908,980	$401,877,129	$1,207,036,919	$5,417,573	$1,660,973	$29,996,267	$79,582,916	$3,004,227,988

	December 31, 2025									
Financial instruments item	1-30 days	31-90 days	91-180 days	181 days - 1 year	1-2 years	2-3 years	3-4 years	4-5 years	over 5 years	Total
Deposits from the Central Bank and banks	$17,325,284	$11,283,199	$3,114,568	$3,726,124	$-	$23,000	$-	$-	$-	$35,472,175
Non-derivative financial liabilities at FVTPL	-	-	-	-	-	-	-	-	12,653,596	12,653,596
Securities sold under repurchase agreements	40,152,024	5,493,552	335,132	-	-	-	-	-	-	45,980,708
Payables	21,234,131	1,784,823	850,584	12,092,536	37,864	9,424	-	-	-	36,009,362
Deposits and remittances	342,928,156	414,679,443	239,207,338	359,927,627	1,127,403,902	3,103,059	251	-	-	2,487,249,776
Bank notes payable	-	-	-	-	6,000,000	-	-	9,050,000	5,000,000	20,050,000
Lease liabilities	119,406	127,300	174,716	353,532	555,352	417,697	330,837	234,869	345,627	2,659,336
Other financial liabilities	13,274,985	9,945,508	5,741,251	3,876,693	7,875,549	2,348,160	612,264	6,457,379	71,950,208	122,081,997
Total	$435,033,986	$443,313,825	$249,423,589	$379,976,512	$1,141,872,667	$5,901,340	$943,352	$15,742,248	$89,949,431	$2,762,156,950

	March 31, 2025									
Financial instruments item	1-30 days	31-90 days	91-180 days	181 days - 1 year	1-2 years	2-3 years	3-4 years	4-5 years	over 5 years	Total
Deposits from the Central Bank and banks	$8,974,124	$3,612,680	$2,040,663	$4,493,000	$-	$7,000	$-	$-	$-	$19,127,467
Non-derivative financial liabilities at FVTPL	-	-	-	-	-	-	-	-	13,360,151	13,360,151
Securities sold under repurchase agreements	49,491,946	15,117,687	13,117	-	-	-	-	-	-	64,622,750
Payables	20,170,377	2,058,780	850,928	6,984,151	33,313	7,866	3	-	-	30,105,418
Deposits and remittances	315,206,758	382,274,755	281,300,113	449,311,287	1,022,877,436	2,933,414	2,908	-	-	2,453,906,671
Bank notes payable	-	4,250,000	700,000	-	-	6,000,000	-	-	14,050,000	25,000,000
Lease liabilities	121,746	112,956	169,571	418,338	467,348	355,300	239,809	175,399	372,118	2,432,585
Other financial liabilities	10,940,262	11,385,578	3,693,437	5,697,978	4,924,258	7,372,362	1,533,324	1,645,490	75,189,297	122,381,986
Total	$404,905,213	$418,812,436	$288,767,829	$466,904,754	$1,028,302,355	$16,675,942	$1,776,044	$1,820,889	$102,971,566	$2,730,937,028

The maturity analysis of time deposits in "Deposits and remittances" is allocated to each time band based on Taishin Bank's historical experience. If all the time deposits were required to be paid off in recent period, the funds outflows in less than one-month time band would have been $1,347,806,502 thousand, $1,270,687,998 thousand and $1,150,165,402 thousand as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

(b) Maturity analysis of derivative financial liabilities

Taishin Bank and its subsidiaries disclosed amounts of derivative financial liabilities at FVTPL using fair values recognized in the earliest time band as follows:

	March 31, 2026					
Financial instruments item	1-30 days	31-90 days	91-180 days	181 days - 1 year	over 1 year	Total
Derivative financial liabilities at FVTPL	$38,954,035	$-	$-	$-	$-	$38,954,035

	December 31, 2025					
Financial instruments item	1-30 days	31-90 days	91-180 days	181 days - 1 year	over 1 year	Total
Derivative financial liabilities at FVTPL	$39,168,046	$-	$-	$-	$-	$39,168,046

	March 31, 2025					
Financial instruments item	1-30 days	31-90 days	91-180 days	181 days - 1 year	over 1 year	Total
Derivative financial liabilities at FVTPL	$36,550,485	$-	$-	$-	$-	$36,550,485

(c) Maturity analysis of off-balance sheet items

The table below illustrates the maturity analysis of off-balance sheet items of the consolidated entities by the remaining period from the balance sheet date to the contractual maturity date. The analysis is based on the earlier of the period when the respective items may be required to be paid or guarantees performed. The amounts disclosed in the table are prepared based on the contractual cash flows; therefore, the amounts disclosed for some items may not correspond to related items in the balance sheet.

	March 31, 2026					
Off-balance-sheet item	1-30 days	31-90 days	91-180 days	181 days - 1 year	over 1 year	Total
Guarantees	$3,826,945	$1,808,183	$5,348,115	$5,193,956	$16,463,214	$32,640,413
Letters of credit	1,662,096	2,124,234	561,959	400,000	310,521	5,058,810
Loans commitments (excluding credit cards)	92,978,733	166,172,315	313,732,193	321,897,636	148,201,893	1,042,982,770
Credit cards commitments	2,969	213,421	291,802	548,752	12,705,029	13,761,973

	December 31, 2025					
Off-balance-sheet item	1-30 days	31-90 days	91-180 days	181 days - 1 year	over 1 year	Total
Guarantees	$3,005,724	$3,645,555	$2,488,574	$5,018,421	$15,368,557	$29,526,831
Letters of credit	694,272	1,676,320	1,474,184	406,397	310,914	4,562,087
Loans commitments (excluding credit cards)	16,909,045	210,518,410	239,326,314	462,815,558	145,317,463	1,074,886,790
Credit cards commitments	1,949	130,230	295,548	582,189	11,721,780	12,731,696

	March 31, 2025					
Off-balance-sheet item	1-30 days	31-90 days	91-180 days	181 days - 1 year	over 1 year	Total
Guarantees	$2,987,020	$6,950,701	$3,688,809	$4,992,785	$9,901,836	$28,521,151
Letters of credit	468,877	3,242,864	182,555	11,581	-	3,905,877
Loans commitments (excluding credit cards)	67,779,273	150,759,848	268,237,696	304,440,161	136,517,274	927,734,252
Credit cards commitments	1,292	101,830	195,774	435,839	12,228,135	12,962,870

Shin Kong Life Insurance

The table below provides a detailed analysis of the remaining contractual maturity of non-derivative financial liabilities of Shin Kong Life Insurance and its subsidiaries, based on the earliest possible repayment dates. The analysis is prepared using the undiscounted cash flows of the financial liabilities, which include both interest and principal cash flows.

The maturity analysis of other non-derivative financial liabilities is prepared according to the agreed repayment dates.

As of March 31, 2026

	Within 1 year	1 to 2 years	2 to 5 years	> 5 years
Non-derivative financial liabilities				
Payable	$12,757,284	$-	$-	$-
Lease liabilities	323,434	287,647	711,848	6,984,204
Other Liabilities	232,466	335,593	382,617	1,064,000

As of December 31, 2025

	Within 1 year	1 to 2 years	2 to 5 years	> 5 years
Non-derivative financial liabilities				
Payable	$11,996,755	$-	$-	$-
Lease liabilities	371,323	269,738	721,530	6,647,412
Other Liabilities	239,870	346,522	338,931	1,069,717

As of March 31, 2025

	Within 1 year	1 to 2 years	2 to 5 years	> 5 years
Non-derivative financial liabilities				
Payable	$3,453,935	$1,500	$-	$-
Lease liabilities	52,219	40,322	19,039	-
Other Liabilities	5,140	-	27,661	47,919

The table below provides a detailed description of the expected cash flows of non-derivative financial assets of Shin Kong Life Insurance and its subsidiaries. This is prepared based on the undiscounted contractual cash flows of the financial assets and the interest income to be earned by the contract maturity date. To understand the liquidity risk management conducted by Shin Kong Life Insurance and its subsidiaries based on net assets and net liabilities, the information regarding non-derivative financial assets included in the table is essential.

As of March 31, 2026

	Payable on demand or within 3 months	3 months to 1 year	1 to 5 years	> 5 years
Non-derivative financial assets				
Domestic	$8,298,867	$22,329,825	$138,753,468	$201,416,929
Foreign	21,438,019	53,796,094	300,696,033	5,275,905,416

As of December 31, 2025

	Payable on demand or within 3 months	3 months to 1 year	1 to 5 years	> 5 years
Non-derivative financial assets				
Domestic	$771,710	$33,414,143	$119,340,831	$222,480,687
Foreign	18,532,620	51,977,009	283,258,770	5,163,204,394

As of March 31, 2025

	Payable on demand or within 3 months	3 months to 1 year	1 to 5 years	> 5 years
Non-derivative financial assets				
Domestic	$189,372	$1,354,221	$17,919,436	$82,042,885
Foreign	1,546,508	4,627,702	25,166,258	248,915,153

The amounts of floating rate instruments for the aforementioned non-derivative financial assets and liabilities will change due to differences between the floating rates and the estimated rates as of the balance sheet date.

The table below provides a detailed liquidity analysis conducted by Shin Kong Life Insurance and its subsidiaries for derivative instruments. For derivatives settled on a net basis, the analysis is prepared based on the contractual undiscounted net cash inflows and outflows. For derivatives settled on a gross basis, the analysis is prepared based on the total undiscounted cash inflows and outflows. When the amounts payable or receivable are not fixed, the disclosed amounts are determined based on the estimated rates derived from the yield curve as of the balance sheet date.

As of March 31, 2026

	Payable on demand or within 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	> 5 years
Net settlement					
Forward currency contract	$(433,345)	$(1,790,916)	$(437,711)	$-	$-
Gross settlement					
Currency swap					
－Inflows	$-	$-	$4,819	$-	$-
－Outflows	(6,392,110)	(13,112,958)	(4,030,142)	-	-
Forward currency contract					
－Inflows	176,454	134,485	-	-	-
	$(6,215,656)	$(12,978,473)	$(4,025,323)	$-	$-

As of December 31, 2025

	Payable on demand or within 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	> 5 years
Net settlement					
Forward currency contract	$(1,685,197)	$(597,464)	$(305,488)	$-	$-
Gross settlement					
Currency swap					
－Inflows	$45,796	$35,365	$25,464	$-	$-
－Outflows	(1,674,260)	(5,554,651)	(11,706,718)	-	-
	$(1,628,464)	$(5,519,286)	$(11,681,254)	$-	$-

As of March 31, 2025

	Payable on demand or within 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	> 5 years
Net settlement					
Forward currency contract	$(36,733)	$-	$-	$-	$-
Gross settlement					
Currency swap					
－Inflows	$-	$-	$-	$-	$-
－Outflows	(61,266)	(150,058)	(616,312)	(975)	-
	$(61,266)	$(150,058)	$(616,312)	$(975)	$-

(10)Insurance risk

Shin Kong Life Insurance

A. Risk management

(a) Risk management policy

Shin Kong Life Insurance, in accordance with relevant laws and business needs, has established the “Risk Management Policy of Shin Kong Life Insurance Co., Ltd.” with the approval of the Board of Directors. This policy clearly defines the objectives of risk management, risk management strategies, risk appetite and limits, the organization and responsibilities of risk management, as well as the categories and management of business operational risks.

(b) The objective of risk management

The objective of risk management at Shin Kong Life Insurance is to protect the company's assets, ensure capital adequacy, enhance shareholder value, and compliance with relevant regulatory requirements. This is achieved by promoting sound operations and development of the company while balancing risk and reward.

(c) Principles of risk management

The risk management at Shin Kong Life Insurance is strategically positioned to incorporate risk when considering relevant decision-making processes. Through qualitative and quantitative management methods, the company identifies, measures, responds to, and monitors risks, maintaining various potential risks encountered in operational activities within acceptable limits. This approach aims to pursue a sound operation policy while adhering to the standard of consistent execution.

(d) Organization and responsibilities

To effectively plan, supervise, and implement risk management affairs, Shin Kong Life Insurance has established a Risk Management Committee under the Board of Directors, as well as the risk management units that are independent from business units. The various levels of risk management and their responsibilities are as follows:

i. Board of Directors: Approves risk management policies, etc.
ii. Audit Committee: Oversees the management of existing or potential risks, etc.
iii. Risk Management Committee: Regularly reports on the status of risk management to the Board of Directors, etc.
iv. Risk Management Units: Analyzes and assesses changes in risks, etc.
v. Business Units: Executes risk management operations for their respective business areas, etc.

(e) Categories and management of business operational risks

The business operational risks of Shin Kong Life Insurance include insurance risk, market risk, credit risk, liquidity risk, concentration risk, operational risk, information security risk, asset-liability matching risk, and other risks that are to be managed as approved by the parent company's risk management committee or the Board of Directors of Shin Kong Life Insurance. In response to the aforementioned business operational risks, Shin Kong Life Insurance establishes appropriate management mechanisms in accordance with the relevant regulations set by the competent authorities and ensures their effective implementation.

B. Insurance risk information

(a) Sensitivity of insurance risk

	March 31, 2026				
	Assumption changes	Effect of pre-tax net income before reinsurance	Effect of pre-tax net income after reinsurance	Effect of total equity before reinsurance	Effect of net equity after reinsurance
Mortality rate, morbidity rate	+5%	$(648,772)	$(614,639)	$(519,018)	$(491,711)
Mortality rate, morbidity rate	-5%	644,220	609,201	515,376	487,361
Lapse rate	+5%	(386,467)	(384,658)	(309,173)	(307,727)
Lapse rate	-5%	300,333	298,470	240,266	238,776
Expense ratio	+5%	(96,590)	(96,589)	(77,272)	(77,272)
Expense ratio	-5%	96,569	96,569	77,255	77,255

	March 31, 2025				
	Assumption changes	Effect of pre-tax net income before reinsurance	Effect of pre-tax net income after reinsurance	Effect of total equity before reinsurance	Effect of net equity after reinsurance
Mortality rate, morbidity rate	+5%	$(623,335)	$(613,071)	$(498,668)	$(490,457)
Mortality rate, morbidity rate	-5%	66,208	55,671	52,966	44,537
Lapse rate	+5%	(15,705)	(14,990)	(12,564)	(11,992)
Lapse rate	-5%	16,054	15,327	12,843	12,261
Expense ratio	+5%	(4,603)	(4,603)	(3,682)	(3,682)
Expense ratio	-5%	4,603	4,603	3,682	3,682

(b) Explanation of insurance risk concentration

Information on risk concentrations arising from contracts within the scope of IFRS 17, including an explanation of how risk concentrations are determined and the common characteristics identified for each risk (e.g., type of insurance event, industry, geographic region, or currency).

The structure of the insurance products sold by Shin Kong Life Insurance includes life insurance, annuity insurance, accident insurance, and health insurance, with the majority of business originating from within the Republic of China. There are no significant regional differences in the insurance contracts underwritten.

Shin Kong Life Insurance's premium income is primarily concentrated in individual life insurance, followed by individual health insurance, and then individual accident insurance. Insurance payouts are mainly concentrated in surrender benefits, survival benefits, death benefits, and medical benefits.

In accordance with the Regulation Governing the Setting Aside of Various Reserves by Insurance Enterprises, Shin Kong Life Insurance sets aside special surplus reserves – special reserves for major incidents, to cover potential large claims that may arise in the future, and special surplus reserves – special reserves for fluctuation of risks, to respond to extraordinary changes in loss ratio or claims for each type of insurance. The term “major incident” as aforementioned shall refer to events that meet the criteria set by the government for significant disasters, where a single incident results in cumulative retained claims for each type of insurance reaching $30 million for an individual company, and the total claims for all personal insurance companies exceeding $1 billion.

The annual addition to the aforementioned special reserves, after deducting income tax, is recorded under the special surplus reserve account in equity.

(c) Claims development trend

Shin Kong Life Insurance sets aside claims reserves for reported and unreported claims, estimating future payouts and related claims handling costs. The process of establishing these reserves involves numerous uncertainties, estimates, and judgments, resulting in a high degree of complexity. Some claims may be reported to Shin Kong Life Insurance with delays, and estimating the potential payout for unreported claims involves past claims experience and subjective judgment. The recorded claims reserves are based on currently available information, and therefore, it cannot be confirmed that the estimated claims reserves as of the balance sheet date will equal the final payout amounts for the claims. The ultimate results may deviate from the original estimates due to subsequent developments in the claims.

The table below illustrates the claims development trends. Each accident year refers to the year in which the claim occurred, while the horizontal axis represents the development years of the claims. Each diagonal line represents the cumulative amount of claims incurred by the end of each year for each accident year. The term "incurred claims amount" includes the cumulative claims amounts and reported but unpaid claims, demonstrating how Shin Kong Life Insurance estimates the claims amounts for each accident year over time. The circumstances and trends affecting the amount of claims reserves set aside by Shin Kong Life Insurance may not necessarily align with subsequent developments and trends; therefore, the claims development trends in the table cannot confirm the estimated future payout amounts.

i. Claims development of direct business

The table below discloses the claims development trend as of March 31, 2026 and 2025, comparing actual claims paid for direct business (before reinsurance) with previously estimated undiscounted claims amounts:

As of March 31, 2026

Accident year	Development year						Loss reserve
	1	2	3	4	5	6	
2021							
2022	$19,716,398	$24,794,106	$25,262,958	$25,354,277	$25,374,539		
2023	21,907,992	27,480,693	27,967,841	28,026,850			
2024	22,943,499	28,558,463	28,757,037				
2025	23,778,067	27,582,288					
2026	3,102,153						
Total							$4,174,869
Discount effect							(39,548)
Impact of risk adjustment for non-financial risk							113,144
Other liabilities for incurred claims							4,332,423
Total liabilities for incurred claims for direct business							$8,580,888

As of March 31, 2025

Accident year	Development year						Loss reserve
	1	2	3	4	5	6	
2020							
2021	$860,952	$1,013,147	$1,029,451	$1,038,343	$1,038,522		
2022	1,014,841	1,201,830	1,214,715	1,215,425			
2023	1,198,439	1,407,607	1,412,345				
2024	1,382,110	1,587,752					
2025	258,534						
Total							$274,302
Discount effect							-
Impact of risk adjustment for non-financial risk							11,939
Other liabilities for incurred claims							3,048,852
Total liabilities for incurred claims for direct business							$3,335,093

ii. Claims development of retained business

The table below discloses the claims development trend as of March 31, 2026 and 2025, comparing actual claims paid for retained business (after reinsurance) with previously estimated undiscounted claims amounts:

As of March 31, 2026

Accident year	Development year						Loss reserve
	1	2	3	4	5	6	
2021							
2022	$19,203,024	$24,141,744	$24,599,626	$24,689,363	$24,709,481		
2023	21,319,410	26,688,777	27,160,643	27,218,880			
2024	22,285,305	27,730,971	27,926,020				
2025	23,116,230	26,826,752					
2026	3,034,984						
Total							$3,992,282
Discount effect							(37,834)
Impact of risk adjustment for non-financial risk							107,852
Other liabilities for incurred claims							3,171,786
Total liabilities for incurred claims for direct business							$7,234,086

As of March 31, 2025

Accident year	Development year						Loss reserve
	1	2	3	4	5	6	
2020							
2021	$859,961	$1,012,156	$1,028,461	$1,037,353	$1,037,531		
2022	1,010,279	1,197,267	1,210,153	1,210,863			
2023	1,197,588	1,406,756	1,411,494				
2024	1,380,634	1,586,276					
2025	256,874						
Total							$274,296
Discount effect							-
Impact of risk adjustment for non-financial risk							11,506
Other liabilities for incurred claims							2,637,281
Total liabilities for incurred claims for direct business							$2,923,083

Shin Kong Life Insurance recognizes liabilities for incurred claims for the expected future payments and related claims handling costs of reported and unreported claims. The recognition of these liabilities involves significant uncertainty, estimation, and judgment, making the process highly complex. Any changes in estimates or judgments are treated as changes in accounting estimates, and the impact of such changes are recognized in profit or loss in the current period. Some claims may be reported to Shin Kong Life Insurance with delay. Additionally, estimating the expected payments for unreported claims involves extensive historical claims experience and subjective judgment. Therefore, it is not possible to confirm that the liability for incurred claims estimated at the end of each reporting period will equal the final settlement amounts of the claims. The recognized liabilities for incurred claims is based on the information currently available; however, the final outcome may differ from previous estimates due to subsequent developments in the claims.

The above table shows the claims development trend (excluding claims for which the payment amount and timing will be determined within one year). Each accident year refers to the year in which the claim event occurred, while the horizontal axis represents the development year of the claims. Each diagonal line represents the cumulative reported claims amount for each accident year as of the end of each year. The incurred claims amount includes both paid and unpaid claims, illustrating how Shin Kong Life Insurance estimates the claims amount for each accident year over time. The circumstances and trends affecting the provision for liability for incurred claims of Shin Kong Life Insurance may not be the same in the future; therefore, the expected future payments cannot be determined solely based on the claims development trend shown in the above table.

C. Credit risk, liquidity risk, and market risk of insurance contracts

(a) Credit risk

The main risk arises from reinsurers in the assumed reinsurance business failing to fulfill their obligations, and as a result unable to recover premiums, claims, or other expenses. To manage this risk, Shin Kong Life Insurance prudently selects each reinsurance counterparty based on the reinsurance risk management plan, ensuring that they have a certain credit rating grade. Additionally, payments and receipts related to reinsurance business are conducted on a net basis, reducing the credit risk by settling amounts after deducting receivables or recoverable from reinsurance premiums. Furthermore, assuming insurance risk is the core business of the insurance industry. Shin Kong Life Insurance is capable of taking on a considerable amount of insurance risk due to its operation scale. However, if specific risks become overly concentrated or exhibit significant uncertainty, reinsurance arrangements are made to diversify the risk. The credit ratings of reinsurance companies must comply with relevant regulatory requirements. Therefore, the portion of reinsurance risk of Shin Kong Life Insurance is not significantly different from the retained portion. The credit risk is relatively limited.

The table below discloses credit quality information related to reinsurance contracts held as assets.

Portfolio of reinsurance contracts held as assets	March 31, 2026						
	AA+	AA	AA-	A+	A	A-	Total
	$1,513	$56,422	$214,087	$589,566	$611,337	$218	$1,473,143

Portfolio of reinsurance contracts held as assets	December 31, 2025						
	AA+	AA	AA-	A+	A	A-	Total
	$4,230	$136,579	$5,823	$757,096	$614,556	$-	$1,518,284

Portfolio of reinsurance contracts held as assets	March 31, 2025						
	AA+	AA	AA-	A+	A	A-	Total
	$-	$-	$5,823	$7,160	$470	$-	$13,453

As of March 31, 2026, December 31, 2025, and March 31, 2025, the maximum exposure for insurance contracts issued by Shin Kong Life Insurance amounted to $0 thousand, $0 thousand, and $329 thousand, respectively. The maximum exposure for reinsurance contracts held as of March 31, 2026, December 31, 2025, and March 31, 2025, amounted to $1,473,143 thousand, $1,518,284 thousand, and $13,453 thousand, respectively.

(b) Liquidity risk

Shin Kong Life Insurance has established the "Liquidity Risk Management Regulations of Shin Kong Life Insurance Co., Ltd." as a basis for managing funding liquidity risk and market liquidity risk. Shin Kong Life Insurance also employs an asset-liability matching model to forecast the future cash flows of assets and liabilities, ensuring that there is sufficient cash flow to meet the expected liability obligations, serving as a long-term mechanism for liquidity risk management.

Furthermore, according to the regulations governing reserve fund requirements, the book value of contracts is greater than their surrender value; therefore, the liquidity risk arising from surrenders is not significant. Considering the principle of materiality, there is no separate disclosure of the cash flow maturity analysis when policyholders exercise their withdrawal (surrender) options in different ways.

(c) Market risk

The paragraph discloses how reasonably possible changes in risk variables as of the end of the reporting period would affect the sensitivity analysis of profit or loss and equity. The table below illustrates a quantitative analysis of the impact of potential market risk changes on insurance contract liabilities and corresponding investment assets, as well as the net effect on profit or loss and equity:

	March 31, 2026				
		Changes in tax profit		Changes in equity	
	Changes in assumptions	Net insurance contract liabilities	Investment assets	Net insurance contract liabilities	Investment assets
Interest rate risk	-1bp	$(140)	$60,465	$(2,825,227)	$1,280,926
Equity risk	-1%	634,909	(638,097)	507,927	(510,477)
Foreign exchange risk	NTD +1%	6,062,568	6,141,646	4,850,054	-

		December 31, 2025			
		Changes in tax profit		Changes in equity	
	Changes in assumptions	Net insurance contract liabilities	Investment assets	Net insurance contract liabilities	Investment assets
Interest rate risk	-1bp	$(3)	$-	$(2,883,156)	$-
Equity risk	-1%	574,010	(583,664)	$459,208	(466,931)
Foreign exchange risk	NTD +1%	5,899,576	-	4,719,661	-

		March 31, 2025			
		Changes in tax profit		Changes in equity	
	Changes in assumptions	Net insurance contract liabilities	Investment assets	Net insurance contract liabilities	Investment assets
Interest rate risk	-1bp	$-	$-	$(204,769)	$-
Equity risk	-1%	72,308	(73,175)	57,847	(58,540)
Foreign exchange risk	NTD +1%	667,782	(618,893)	534,386	-

The above sensitivity analysis assumes a single variable change while keeping other assumptions constant. However, in practice, changes in the assumptions are often highly correlated, making independent changes of a single variable less likely. Additionally, the analysis methods and underlying assumptions used in the current period have not undergone significant changes compared to the prior period.

The measurement of Shin Kong Life Insurance's insurance contract liabilities is conducted in accordance with the Regulation Governing the Setting Aside of Various Reserves by Insurance Enterprises and related legal requirements, and is prepared in accordance with IFRS 17. Regarding the actuarial assumptions, except for the discount rate which follows the guidelines of the "Actuarial Standards of Practice for the Adoption of IFRS 17", the other actuarial assumptions are determined with reference to Shin Kong Life Insurance's historical actual experience data.

Regarding the impact of interest rate fluctuations on financial performance, since Shin Kong Life Insurance applies the accounting policy of measuring related assets and liabilities at fair value through other comprehensive income (FVTOCI), the effects of interest rate changes on the general measurement model are mostly reflected in other equity, with limited impact on the current period profit or loss.

Regarding equity risk, changes in liabilities mainly arise from variations in separate account investment-linked products. According to the measurement model currently adopted for investment-linked products, changes in account values are absorbed and released through CSM, resulting in limited impact on profit or loss and equity for the current period.

Regarding foreign exchange risk, the financial results disclosed in the above table reflect only the effects of exchange rate fluctuations on insurance contract liabilities. In actual financial reporting, Shin Kong Life Insurance will make additional provisions or offsets through the “Foreign exchange valuation reserve”.

(11)Climate risks

Climate risk refers to the physical risks caused by climate change, including immediate and long-term risks such as flooding, heavy rain or persistent high temperatures, as well as transition risks to achieve a low-carbon economy, including regulatory and policy risks, technology risks, consumer preference/market supply and demand imbalance risks, and reputational risks. Climate-related risks are not an independent type of risk but will directly or indirectly exacerbate the impact of existing risks such as credit risk, market risk, operational risk and liquidity risk through the economic environment and the various businesses undertaken by the subsidiary. Therefore, the Group’s climate change risk management is based on its own business content, identifying how climate-related entity risks and transition risks exacerbate the risks of the traditional financial industry, assessing the impact on its own operations, investment and financing and other business activities, and finally identifying material climate change risks and formulating response strategies.

(12)Structured entities

The Group holds interests in structured entities which are not consolidated in the Group’s consolidated financial statements and the Group does not provide financial support or other support to these structured entities. The maximum exposure to these structured entities is the carrying amount of the related assets held by the Group. The information of these unconsolidated structured entities is disclosed as follows:

Type of structured entity	Nature and purpose	Interests owned
Financing secured bonds	The risks and rewards related to the structured entities' assets transferred to investors to receive returns through bonds issued	Investment in financing secured bonds issued by the entities
Real estate-backed securities	The risks and rewards related to the structured entities' assets transferred to investors to receive returns through bonds issued	Investment in real estate-backed securities issued by the entities
Private equity fund	Investment in private funds issued by external third-party fund companies to obtain investment benefits	Investment in units issued or limited partnership equity by the funds

As of March 31, 2026, December 31, 2025 and March 31, 2025, the carrying amounts related to the interests in unconsolidated structured entities are disclosed as follows:

	March 31, 2026			
	Financing secured bonds	Real estate-backed securities	Private equity fund	Total
Financial assets at FVTPL	$-	$52,829	$1,370,531	$1,423,360
Financial assets at FVTOCI	-	2,146,955	-	2,146,955
Financial assets measured at amortized cost	-	127,657,417	-	127,657,417
Net ending balance	$-	$129,857,201	$1,370,531	$131,227,732

	December 31, 2025			
	Financing secured bonds	Real estate-backed securities	Private equity fund	Total
Financial assets at FVTPL	$-	$54,435	$1,397,414	$1,451,849
Financial assets at FVTOCI	-	2,401,481	-	2,401,481
Financial assets measured at amortized cost	-	114,396,000	-	114,396,000
Net ending balance	$-	$116,851,916	$1,397,414	$118,249,330

	March 31, 2025			
	Financing secured bonds	Real estate-backed securities	Private equity fund	Total
Financial assets at FVTPL	$6,165	$-	$476,091	$482,256
Financial assets at FVTOCI	-	964,379	-	964,379
Financial assets measured at amortized cost	-	85,309,609	-	85,309,609
Net ending balance	$6,165	$86,273,988	$476,091	$86,756,244

(13)Significant assets and liabilities denominated in foreign currencies

Significant financial assets and liabilities denominated in foreign currencies were as follows:

Taishin Bank

	(Foreign Currencies/New Taiwan Dollars in thousands) March 31, 2026		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
AUD	$3,983,371	21.99	$87,591,436
RMB	7,904,429	4.63	36,620,905
HKD	4,646,093	4.08	18,976,623
JPY	222,466,008	0.20	44,625,569
USD	21,288,711	32.02	681,600,653
Non-monetary items:			
RMB	17,904,543	4.63	82,951,031
HKD	35,819,358	4.08	146,301,517
EUR	1,379,040	36.73	50,656,419
JPY	136,248,502	0.20	27,330,768
USD	24,176,112	32.02	774,046,586

	March 31, 2026		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial liabilities			
Monetary items:			
RMB	14,495,050	4.63	67,154,985
EUR	1,589,996	36.73	58,405,500
HKD	11,604,234	4.08	47,396,635
JPY	269,089,008	0.20	53,977,910
USD	22,205,938	32.02	710,967,532
Non-monetary items:			
AUD	3,099,050	21.99	68,145,875
RMB	11,332,821	4.63	52,504,504
HKD	30,583,189	4.08	124,914,772
JPY	89,679,453	0.20	17,989,250
USD	23,538,780	32.02	753,641,128

	December 31, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
AUD	$3,272,722	21.02	$68,807,549
RMB	8,709,219	4.50	39,185,852
EUR	469,180	36.91	17,317,662
JPY	186,933,878	0.20	37,545,483
USD	18,578,647	31.45	584,262,156
Non-monetary items:			
RMB	36,248,448	4.50	163,094,561
HKD	23,063,549	4.04	93,183,426
EUR	588,790	36.91	21,732,551
JPY	160,864,415	0.20	32,309,457
USD	14,552,866	31.45	457,658,516
Financial liabilities			
Monetary items:			
RMB	13,650,941	4.50	61,420,405
EUR	1,062,089	36.91	39,202,271
HKD	7,930,440	4.04	32,041,278
JPY	295,028,248	0.20	59,256,129
USD	19,536,511	31.45	614,385,050

	December 31, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Non-monetary items:			
AUD	2,435,971	21.02	51,215,210
RMB	31,263,802	4.50	140,666,880
HKD	19,581,866	4.04	79,116,418
JPY	53,650,097	0.20	10,775,568
USD	14,074,072	31.45	442,601,430

	March 31, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
AUD	$2,627,416	20.81	$54,665,031
RMB	9,231,478	4.57	42,210,776
EUR	480,069	35.96	17,261,658
JPY	151,272,953	0.22	33,691,361
USD	17,541,835	33.20	582,459,099
Non-monetary items:			
ZAR	2,306,219	1.82	4,191,553
RMB	10,663,409	4.57	48,758,258
HKD	5,807,004	4.27	24,785,908
JPY	44,298,386	0.22	9,866,092
USD	27,315,470	33.20	906,982,864
Financial liabilities			
Monetary items:			
AUD	863,169	20.81	17,958,766
RMB	8,664,657	4.57	39,618,995
HKD	5,107,067	4.27	21,798,381
JPY	175,426,532	0.22	39,070,822
USD	20,872,383	33.20	693,046,597
Non-monetary items:			
AUD	1,752,907	20.81	36,470,326
RMB	11,306,163	4.57	51,697,240
HKD	4,683,165	4.27	19,989,050
EUR	173,851	35.96	6,251,110
USD	24,420,776	33.20	810,867,462

Shin Kong Life Insurance

	(Foreign Currencies/New Taiwan Dollars in thousands) March 31, 2026		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
USD	$58,652,104	32.017	$1,877,864,419
AUD	3,406,086	21.989	74,897,370
RMB	54,952	4.636	254,749
EUR	116,780	36.733	4,289,691
RMB(Offshore)	1,477,297	4.633	6,844,260
GBP	1,563	42.288	66,087
NZD	269	18.307	4,922
Non-monetary items:			
USD	1,146,387	32.017	36,703,864
EUR	3,645	36.733	133,880
RMB(Offshore)	13	4.633	61
AUD	-	21.989	-
JPY	2,382,130	0.201	477,844
HKD	45	4.084	183
Financial liabilities			
Non-monetary items			
USD	818,237	32.017	26,197,497

	December 31, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
USD	$77,764,317	31.4480	$2,445,532,237
AUD	4,389,024	21.0246	92,277,298
RMB	1,201,752	4.4990	5,406,679
EUR	114,818	36.9105	4,237,988
RMB(Offshore)	343,160	4.4994	1,543,999
GBP	2,349	42.3369	99,457

	December 31, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Non-monetary items:			
USD	1,154,833	31.4480	36,317,197
EUR	4,761	36.9105	175,736
RMB(Offshore)	468	4.4994	2,105
AUD	179	21.0246	3,766
JPY	9,912	0.2008	1,991
HKD	70	4.0403	284
Financial liabilities			
Non-monetary items			
USD	3,222,655	31.4480	101,346,061

	March 31, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
USD	$4,494,267	33.20	$149,209,664
Non-monetary items:			
USD	69,521	33.20	2,308,097
Financial liabilities			
Monetary items:			
USD	11,439	33.20	379,775
Non-monetary items:			
USD	1,908,437	33.20	63,360,108

As of March 31, 2026, December 31, 2025 and March 31, 2025, Shin Kong Life Insurance and its subsidiaries have utilized forward foreign exchange contracts and currency swap contracts to mitigate exchange rate risks, with a nominal principal totaling $755,473,132 thousand, $861,675,200 thousand and $27,891,360 thousand. Shin Kong Life Insurance and its subsidiaries have maximized the effectiveness of hedging by aligning the terms of the derivative instruments with those of the contract of the hedged items.

Shin Kong Life Insurance and its subsidiaries are primarily affected by fluctuations in the US dollar exchange rate.

The table below provides a detailed sensitivity analysis of the company when the exchange rate of the New Taiwan Dollars against the US Dollars increases or decreases by 1%. The 1% sensitivity ratio is used internally by Shin Kong Life Insurance and its subsidiaries when reporting exchange rate risks to senior management, and it represents the management's assessment of the reasonable potential range of fluctuations in foreign currency exchange rates. The sensitivity analysis includes outstanding foreign currency monetary items, and the year-end conversion is adjusted for a 1% change in the exchange rate. Positive values in the table indicate the amount by which pre-tax profit would increase if the New Taiwan Dollars depreciates by 1% against the US Dollars; conversely, if the New Taiwan Dollars appreciates by 1% against the US Dollars, the effect on pre-tax profit would be the same amount but negative.

	Effect amount	
	For the three months ended March 31	
	2026	2025
Income (loss) before income tax	$6,141,646	$(618,893)

The above amount reflects the net effect of exchange rate fluctuations after considering the physical foreign currency monetary assets and financial hedging derivative instruments.

The Group applies the system of foreign exchange valuation reserve, and the exchange differences on bonds measured at amortized cost (AC) are accounted for using the straight-line amortization method in accordance with the Regulations. The aforementioned foreign exchange-related stress testing scenarios will affect the amount calculated for the foreign exchange valuation reserve in accordance with the regulations set by the competent authority, and the method of recognizing profit or loss.

(14)Capital management

A. Summary

To efficiently control the capital adequacy of the Group on the premise of balancing the Group's business development and risk control, TS Financial Holding had codified its "principles of capital adequacy management" and compiled related information to be reported to the Asset and Liability Management Committee (the "Committee") periodically.

The Group's goals in capital management are as follows:

(a) To ensure the Group conforms to related capital adequacy regulations and minimum basic criteria set by each industry's regulatory agencies.
(b) To ensure every subsidiary is able to meet the capital needs of operating plan and the capital requirement, as well as to reach the optimization of capital allocation within the Group.
(c) To implement capital management, TS Financial Holding and its significant subsidiaries should assess capital adequacy periodically and make proper arrangements of capital structure and application of capital instruments and adjustments of asset portfolio.

B. Capital management procedures

In order to meet the Group's capital adequacy goals, TS Financial Holding established the Committee to review capital performance of TS Financial Holding and its significant subsidiaries' every month. If there is any concern that the Group's capital adequacy may be below the legal standard, the Committee would immediately find measures to increase the Group's net qualified capital or to reduce the Group's legal capital requirement so as to improve the Group's performance and meet capital adequacy ratio.

The Group's capital adequacy ratio is calculated based on the accounting reports and related data of capital adequacy provided by TS Financial Holding and its subsidiaries. TS Financial Holding and each of its subsidiaries should respectively report to the relevant regulatory agencies using the calculation formulas and forms according to the regulations before deadline.

(15)Financial information by business segments

For the three months ended March 31, 2026					
Item	Bank business	Securities business	Insurance business	Other business	Consolidated
Net interest income	$14,155,296	$141,198	$28,842,909	$(596,565)	$42,542,838
Net income other than net interest income	9,542,436	6,261,902	(9,659,591)	(820,129)	5,324,618
Net revenue and gains	23,697,732	6,403,100	19,183,318	(1,416,694)	47,867,456
Reversal of bad debts expenses and guarantee liabilities (provision)	(1,562,550)	(29,534)	(5,484)	297	(1,597,271)
Other insurance service costs	-	-	(2,771,663)	-	(2,771,663)
Operating expenses	(11,182,645)	(3,091,030)	(2,438,369)	(1,197,724)	(17,909,768)
Income before income tax	10,952,537	3,282,536	13,967,802	(2,614,121)	25,588,754
Income tax (expense) benefit	(1,785,782)	(329,446)	(2,826,668)	409,719	(4,532,177)
Income after income tax	$9,166,755	$2,953,090	$11,141,134	$(2,204,402)	$21,056,577

For the three months ended March 31, 2025					
Item	Bank business	Securities business	Insurance business	Other business	Consolidated
Net interest income	$7,795,828	$96,827	$1,787,264	$(446,013)	$9,233,906
Net income other than net interest income	6,569,178	1,010,800	(4,151,027)	(159,342)	3,269,609
Net revenue and gains	14,365,006	1,107,627	(2,363,763)	(605,355)	12,503,515
Reversal of bad debts expenses and guarantee liabilities (provision)	(769,358)	22	-	-	(769,336)
Net changes in insurance liability reserve	-	-	(352,810)	227,487	(125,323)
Operating expenses	(7,503,822)	(721,296)	(537,486)	(407,155)	(9,169,759)
Income before income tax	6,091,826	386,353	(3,254,059)	(785,023)	2,439,097
Income tax (expense) benefit	(1,048,031)	(79,916)	680,214	(50,147)	(497,880)
Income after income tax	$5,043,795	$306,437	$(2,573,845)	$(835,170)	$1,941,217

(16)Financial statements of TS Financial Holding

TS FINANCIAL HOLDING CO., LTD.
(Formerly Named Taishin Financial Holding Co., Ltd.)
BALANCE SHEETS (STANDALONE)
AS OF MARCH 31, 2026 AND 2025
(In thousands of New Taiwan Dollars)

Assets	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025	Liabilities and Equity	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Cash and cash equivalents	$21,670,032	$21,457,626	$22,044,641	$21,314,190	Financial liabilities measured at fair value through profit or loss	$-	$-	$-	$127,782
Financial assets measured at fair value through other comprehensive income	6,122,209	6,137,118	5,359,370	10,271,040	Commercial papers issued, net	25,561,732	24,457,409	12,036,048	12,026,865
Securities purchased under resell agreements	1,600,000	-	-	550,000	Payables	12,721,438	12,912,375	729,550	893,564
Receivables, net	7,550,675	4,542,362	2,353,025	1,196,277	Current tax liabilities	8,026,527	5,473,263	3,339,692	2,146,710
Current tax assets	1,516,552	1,516,552	-	-	Bonds payable	34,256,076	34,245,422	32,031,400	36,233,272
Investments accounted for using equity method	669,374,708	585,861,115	299,448,397	297,102,036	Preferred stock liabilities	28,576,910	28,322,642	-	-
Property and equipment, net	26,975	29,282	12,419	13,062	Provisions	29,720	29,220	-	-
Right-of-use assets, net	38,786	743	4,552	6,069	Lease liabilities	38,575	1,277	5,707	7,260
Intangible assets, net	938	938	938	938	Other liabilities	1	1	1	-
Other assets, net	26,446	32,769	23,600	24,288	Total liabilities	109,210,979	105,441,609	48,142,398	51,435,453
					Equity				
					Share capital				
					Ordinary shares	248,663,992	248,663,992	129,761,443	129,761,443
					Preferred shares	13,946,680	13,946,680	11,000,000	11,000,000
					Capital surplus	133,732,478	133,732,478	38,197,778	38,197,778
					Retained earnings				
					Legal reserve	20,556,406	20,556,406	18,439,029	18,439,029
					Special reserve	468,184	468,184	1,146,190	1,146,190
					Unappropriated earnings	143,762,260	107,003,154	82,677,879	80,320,296
					Other equity	37,675,640	(10,144,700)	(28,477)	267,009
					Treasury shares	(89,298)	(89,298)	(89,298)	(89,298)
					Total equity	598,716,342	514,136,896	281,104,544	279,042,447
Total assets	$707,927,321	$619,578,505	$329,246,942	$330,477,900	Total liabilities and equity	$707,927,321	$619,578,505	$329,246,942	$330,477,900

TS FINANCIAL HOLDING CO., LTD.
(Formerly Named Taishin Financial Holding Co., Ltd.)
STATEMENTS OF COMPREHENSIVE INCOME (STANDALONE)
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(In thousands of New Taiwan Dollars)

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Revenues		
Share of profit of subsidiaries and associates accounted for using equity method	$21,547,279	$2,052,188
Interest income	86,688	97,424
Gains on financial assets or liabilities measured at FVTPL	-	120,164
Other miscellaneous revenue	127,021	48,930
Total income	21,760,988	2,318,706
Expenses and losses		
Operating expense	(583,103)	(195,011)
Interest expense	(618,585)	(191,489)
Exchange losses	(14)	-
Total expenses and losses	(1,201,702)	(386,500)
Income before income tax	20,559,286	1,932,206
Income tax benefit	481,224	9,295
Net income	21,040,510	1,941,501
Other comprehensive income (loss)		
Items that will not be reclassified subsequently to profit or loss		
Gains (losses) on remeasurements of defined benefit	-	-
Revaluation gains (losses) on investments in equity instruments measured at FVTOCI	14,637,396	(172,828)
Share of other comprehensive income (loss) of associates accounted for using equity method	(14,909)	(681,723)
Items that will be reclassified subsequently to profit or loss		
Share of other comprehensive income (loss) of associate accounted for using equity method	22,313,167	975,147
Other comprehensive income (loss) for the period, net of tax	36,935,654	120,596
Total comprehensive income (loss)	$57,976,164	$2,062,097
Earnings per share		
Basic	$0.82	$0.11
Diluted	$0.82	$0.11

TS FINANCIAL HOLDING CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

TS FINANCIAL HOLDING CO., LTD.

(Formerly Named Taishin Financial Holding Co., Ltd.)

STATEMENTS OF CHANGES IN EQUITY (STANDALONE)

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(In thousands of New Taiwan Dollars)

	Share capital		Capital surplus				Retained earnings			Other equity								
	Ordinary shares	Preferred shares	Additional paid-in capital in excess of par	Treasury shares transactions	Share-based compensation	Others	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of financial statements of foreign operations	Unrealized gains (losses) from financial assets measured at FVTOCI	Changes in fair value of attributable to changes in the credit risk of financial liabilities at FVTPL	Gains (losses) on hedging instruments	Insurance finance income or expenses	Reinsurance financial income or expenses	Other comprehensive income (loss) on reclassification using the overlay approach	Treasury shares	Total equity
Balance at January 1, 2025	$129,761,443	$11,000,000	$36,066,458	$2,075,475	$52,632	$3,213	$18,439,029	$1,146,190	$30,519,014	$(98,874)	$(1,099,440)	$22,145	$-	$-	$-	$1,059,722	$(89,298)	$228,857,709
Effects of retrospective application and restatement	-	-	-	-	-	-	-	-	49,801,282	-	(124,652)	-	-	1,567,830	-	(1,059,722)	-	50,184,738
Restated balance as of January 1, 2025	129,761,443	11,000,000	36,066,458	2,075,475	52,632	3,213	18,439,029	1,146,190	80,320,296	(98,874)	(1,224,092)	22,145	-	1,567,830	-	-	(89,298)	279,042,447
Net income for the three months ended March 31, 2025	-	-	-	-	-	-	-	-	1,941,501	-	-	-	-	-	-	-	-	1,941,501
Other comprehensive income (loss) for the three months ended March 31, 2025, net of tax	-	-	-	-	-	-	-	-	-	52,063	610,127	(53,199)	-	(485,303)	(3,092)	-	-	120,596
Total comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	-	-	-	1,941,501	52,063	610,127	(53,199)	-	(485,303)	(3,092)	-	-	2,062,097
Disposal of investments in equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	416,082	-	(416,082)	-	-	-	-	-	-	-
Balance at March 31, 2025	$129,761,443	$11,000,000	$36,066,458	$2,075,475	$52,632	$3,213	$18,439,029	$1,146,190	$82,677,879	$(46,811)	$(1,030,047)	$(31,054)	$-	$1,082,527	$(3,092)	$-	$(89,298)	$281,104,544
Balance at January 1, 2026	$248,663,992	$13,946,680	$131,601,158	$2,075,475	$52,632	$3,213	$20,556,406	$468,184	$107,003,154	$18,995	$24,931,165	$(47,852)	$4	$(34,772,618)	$(274,394)	$-	$(89,298)	$514,136,896
Effects of retrospective application and restatement	-	-	-	-	-	-	-	-	1,626,804	-	24,991,235	-	-	-	-	-	-	26,618,039
Restated balance as of January 1, 2026	248,663,992	13,946,680	131,601,158	2,075,475	52,632	3,213	20,556,406	468,184	108,629,958	18,995	49,922,400	(47,852)	4	(34,772,618)	(274,394)	-	(89,298)	540,754,935
Net income for the three months ended March 31, 2026	-	-	-	-	-	-	-	-	21,040,510	-	-	-	-	-	-	-	-	21,040,510
Other comprehensive income (loss) for the three months ended March 31, 2026, net of tax	-	-	-	-	-	-	-	-	5,682	92,613	(16,427,019)	(29,067)	146	52,899,593	393,706	-	-	36,935,654
Total comprehensive income (loss) for the three months ended March 31, 2026	-	-	-	-	-	-	-	-	21,046,192	92,613	(16,427,019)	(29,067)	146	52,899,593	393,706	-	-	57,976,164
Organizational Restructuring	-	-	-	-	-	-	-	-	-	(14,757)	-	-	-	-	-	-	-	(14,757)
Disposal of investments in equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	14,086,110	-	(14,086,110)	-	-	-	-	-	-	-
Balance at March 31, 2026	$248,663,992	$13,946,680	$131,601,158	$2,075,475	$52,632	$3,212	$20,556,406	$468,184	$143,762,260	$96,851	$19,409,271	$(76,919)	$150	$18,126,975	$119,312	$-	$(89,298)	$598,716,342

TS FINANCIAL HOLDING CO., LTD.
(Formerly Named Taishin Financial Holding Co., Ltd.)
STATEMENTS OF CASH FLOWS (STANDALONE)
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(In thousands of New Taiwan Dollars)

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Cash flows from operating activities		
Net income before income tax	$20,559,286	$4,723,412
Adjustments:		
Adjustments for reconciliation of profit or loss		
Depreciation expenses	5,973	2,224
Amortization expenses	559	757
Net gain on financial assets or liabilities measured at FVTPL	-	(120,164)
Interest expense	618,585	191,489
Interest income	(86,688)	(97,424)
Share of profit of subsidiaries and associates accounted for using equity method	(21,547,279)	(4,843,394)
Changes in operating assets and liabilities		
Decrease in receivables	35,291	83,778
Decrease in financial assets measured at FVTOCI	-	522,782
Decrease (increase) in other assets	5,767	(70)
Decrease in payables	(442,679)	(335,008)
Cash (used in) generated from operations	(851,185)	128,382
Interest received	86,189	109,968
Dividends received	1,587,531	-
Interest paid	(97,597)	(45,286)
Income taxes paid	(8,618)	(10,997)
Net cash generated from operating activities	716,320	182,067
Cash flows from investing activities		
Acquisition of property and equipment	(96)	(63)
Net cash flows used in investing activities	(96)	(63)

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Cash flows from financing activities		
Increase in commercial papers payable	1,100,000	-
Payments of lease liabilities	(3,818)	(1,553)
Net cash generated from (used in) financing activities	1,096,182	(1,553)
Net increase in cash and cash equivalents	1,812,406	180,451
Cash and cash equivalents at the beginning of the period	21,457,626	21,864,190
Cash and cash equivalents at the end of the period	$23,270,032	$22,044,641
Cash and cash equivalents in consolidated balance sheets	$21,670,032	$22,044,641
Securities purchased under resell agreements qualifying as cash and cash equivalents under the definition of IAS 7	1,600,000	-
Cash and cash equivalents at the end of the period	$23,270,032	$22,044,641

(17)Profitability of TS Financial Holding (standalone and consolidated)

The Company

Item		March 31, 2026	March 31, 2025
Return on total assets	Pretax	3.04%	0.63%
	After tax	3.11%	0.64%
Return on net equity	Pretax	3.61%	0.76%
	After tax	3.69%	0.76%
Profit margin		96.69%	83.73%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Total income}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

Note e: Return on net equity - ordinary share = $\frac{\text{Income before (after) tax}}{\text{Average net equity - ordinary share}}$

Item		March 31, 2026	March 31, 2025
Return on net equity - ordinary share	Pretax	4.02%	0.70%
	After tax	4.12%	0.70%

The Group

Item		March 31, 2026	March 31, 2025
Return on total assets	Pretax	0.29%	0.07%
	After tax	0.24%	0.06%
Return on net equity	Pretax	4.59%	0.96%
	After tax	3.78%	0.76%
Profit margin		43.99%	15.53%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Net revenue and gains}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

Note e: Return on net equity - ordinary share = $\frac{\text{Income before (after) tax (of the parent company's shareholders)}}{\text{Average net equity - ordinary share}}$

Item		March 31, 2026	March 31, 2025
Return on net equity - ordinary share	Pretax	5.03%	0.94%
	After tax	4.12%	0.70%

(18) Condensed balance sheets and statements of comprehensive income and important financial notes of subsidiaries

A. Taishin Bank

(a) Balance sheets (standalone)

	March 31, 2026	March 31, 2025
Assets		
Cash and cash equivalents	$25,210,205	$26,754,058
Due from Central Bank and call loans to banks	197,804,043	106,660,283
Financial assets at fair value through profit or loss	182,149,004	145,096,043
Financial assets at fair value through other comprehensive income	176,863,287	161,858,011
Investments in debt instruments at amortized cost	503,270,585	572,659,726
Securities purchased under resell agreements	16,219,090	7,984,636
Receivables, net	124,009,417	119,394,957
Loans, net	1,955,184,530	1,755,639,326
Investments accounted for using equity method	5,748,370	4,879,011
Other financial assets, net	9,714,155	7,917,006
Property and equipment, net	20,028,980	20,564,137
Right-of-use assets, net	2,493,935	2,155,544
Intangible assets, net	2,525,240	2,622,175
Deferred tax assets	1,292,242	1,780,427
Other assets, net	23,697,126	19,387,882
Total assets	$3,246,210,209	$2,955,353,222
Liabilities		
Deposits from the Central Bank and banks	$76,886,660	$19,127,467
Financial liabilities at fair value through profit or loss	41,579,116	39,098,941
Securities sold under repurchase agreements	104,219,189	64,622,750
Payables	31,288,618	29,492,490

	March 31, 2026	March 31, 2025
Current tax liabilities	4,184,343	1,870,338
Deposits and remittances	2,631,642,312	2,454,249,517
Bank notes payable	20,050,000	25,000,000
Other financial liabilities	104,009,489	101,208,281
Provisions	1,384,520	1,367,028
Lease liabilities	2,586,358	2,242,527
Deferred tax liabilities	96,945	495,955
Other liabilities	7,275,833	6,751,584
Total liabilities	3,025,203,383	2,745,526,878
Equity		
Share capital	122,991,646	98,709,186
Capital surplus	30,108,236	40,056,456
Retained earnings	67,535,335	72,663,620
Other equity	371,609	(1,602,918)
Total equity	221,006,826	209,826,344
Total liabilities and equity	$3,246,210,209	$2,955,353,222

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31,	
	2026	2025
Interest income	$20,585,981	$19,372,729
Interest expense	(11,071,259)	(11,951,386)
Net interest income	9,514,722	7,421,343
Net income other than net interest income	7,372,966	6,506,361
Net revenue and gains	16,887,688	13,927,704
Bad debts expenses, commitment and guarantee liability provisions	(1,143,892)	(642,723)
Operating expenses	(8,175,256)	(7,308,619)
Income before income tax	7,568,540	5,976,362
Income tax expense	(1,225,951)	(1,044,039)
Net income	6,342,589	4,932,323
Other comprehensive income	346,654	764,087
Total comprehensive income	$6,689,243	$5,696,410
Basic earnings per share (dollar)	$0.52	$0.50
Diluted earnings per share (dollar)	$0.52	$0.50

(c) Key financial and business highlights

i. Profitability

Item		March 31, 2026	December 31, 2025	March 31, 2025
Return on total assets	Pretax	0.24%	0.89%	0.21%
	After tax	0.20%	0.73%	0.17%
Return on net equity	Pretax	3.48%	12.41%	2.89%
	After tax	2.91%	10.22%	2.38%
Profit margin		37.56%	36.73%	35.41%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Net revenue and gains}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

ii. Asset quality

Non-performing loans and receivables

Item / Business type			March 31, 2026					March 31, 2025				
			Non-performing loans (Note a)	Loans	Non-performing loans ratio (Note b)	Allowance for loan losses	Coverage ratio (Note c)	Non-performing loans (Note a)	Loans	Non-performing loans ratio (Note b)	Allowance for loan losses	Coverage ratio (Note c)
Corporate finance	Secured		$839,337	$433,072,867	0.19%	$4,305,394	512.95%	465,819	360,059,215	0.13%	3,863,402	829.38%
	Unsecured		108,873	535,750,297	0.02%	7,452,326	6844.97%	208,769	484,187,942	0.04%	7,016,670	3,360.97%
Consumer finance	Mortgage loans (Note d)		305,774	422,027,079	0.07%	6,314,568	2065.11%	342,315	417,141,625	0.08%	6,248,923	1,825.49%
	Cash cards		271	68,184	0.40%	25,428	9383.03%	603	107,366	0.56%	28,617	4,745.77%
	Credit loans (Note e)		395,513	126,686,912	0.31%	1,465,108	370.43%	371,479	109,865,196	0.34%	1,254,766	337.78%
	Others (Note f)	Secured	1,036,541	446,689,590	0.23%	4,670,099	450.55%	891,595	397,507,221	0.22%	4,175,099	468.27%
		Unsecured	3,798	16,294,106	0.02%	167,407	4407.77%	2,169	10,346,040	0.02%	106,086	4,891.01%
Subtotal			2,690,107	1,980,589,035	0.14%	24,400,330	907.04%	2,282,749	1,779,214,605	0.13%	22,693,563	994.13%
Credit cards			207,863	77,152,151	0.27%	770,047	370.46%	248,682	66,534,200	0.37%	676,313	271.96%
Accounts receivable factoring with no recourse (Note g)			102,832	29,899,478	0.34%	363,131	353.13%	106,645	30,621,859	0.35%	386,312	362.24%

Note a: Non-performing loans are in accordance with the Regulations of the Procedures for Banking Institutions to Evaluate Assets and Deal with Past Due/Non-performing Loans and Bad Debts issued by FSC. Non-performing loans of credit cards are defined in the Letter issued by the Banking Bureau on July 6, 2005 (Order No. 0944000378 issued by the FSC).

Note b: Non-performing loans ratio = Non-performing loans ÷ Loans
Non-performing loans of credit card ratio = Non-performing loans of credit cards ÷ Accounts receivable

Note c: Coverage ratio of allowances for loan losses = Allowances for loan losses ÷ Non-performing loans
Coverage ratio of allowance for loan losses of credit card = Allowance for loan losses of credit card ÷ Non-performing loans of credit cards

Note d: Mortgage loans are for applicants to build or repair the buildings owned by the applicants, their spouses or their minor children. These applicants provide their buildings as collaterals and assign the right on mortgage to financial institutions.

Note e: Credit loans are defined in the Letter issued by the Banking Bureau on December 19, 2005 (Order No. 09440010950 issued by the FSC), excluding credit loans of credit cards and cash cards.

Note f: The others of consumer financial business are defined as secured or unsecured consumer financial business excluding mortgage loans, cash cards, credit loans and credit cards.

Note g: In accordance with the Letter issued by the Banking Bureau on August 24, 2009 (Order No. 09850003180 issued by the FSC), accounts receivable without recourse are classified as non-performing loans if not compensated by the factor or insurance company within three months.

Exempted from report as non-performing loans and receivables

Item / Business type	March 31, 2026		March 31, 2025	
	Exempted from report as non-performing loans	Exempted from report as non-performing receivables	Exempted from report as non-performing loans	Exempted from report as non-performing receivables
Amounts negotiated in accordance with the agreement (Note a)	$31,345	$12,226	$53,672	$20,231
Loans executed in accordance with debt clearing and renewal regulations (Note b)	1,769,889	1,083,523	1,710,479	1,035,432
Total	$1,801,234	$1,095,749	$1,764,151	$1,055,663

Note a: Disclosed in accordance with the Letter issued by the Banking Bureau on April 25, 2006 (Order No. 09510001270 issued by the FSC).

Note b: Disclosed in accordance with the Letter issued by the Banking Bureau on September 15, 2008 (Order No. 09700318940 issued by the FSC) and September 20, 2016 (Order No. 10500134790 issued by the FSC).

iii. Concentration of credit risk

Concentration of credit risk

Year	March 31, 2026			March 31, 2025		
Rank (Note a)	Transaction party (Note b)	Loans (Note c)	As proportion of net equity	Transaction party (Note b)	Loans (Note c)	As proportion of net equity
1	A Group (wireless telecommunications)	$17,506,858	7.92%	A Group (manufacture of computers)	$22,544,406	10.74%
2	B Group (real estate development)	16,161,076	7.31%	B Group (other financial service not elsewhere classified)	16,364,971	7.80%
3	C Group (activities of other holding companies)	15,100,242	6.83%	C Group (wireless telecommunications)	15,414,931	7.35%
4	D Group (real estate development)	15,014,792	6.79%	D Group (real estate development)	14,294,441	6.81%
5	E Group (other financial service not elsewhere classified)	14,725,719	6.66%	E Group (manufacture of computers)	14,253,093	6.79%
6	F Group (manufacture of computers)	13,075,883	5.92%	F Group(other financial service not elsewhere classified)	12,314,715	5.87%
7	G Group (manufacture of cement)	11,710,000	5.30%	G Group(real estate development)	11,298,953	5.38%
8	H Group (manufacture of panel and components)	11,001,867	4.98%	H Group(real estate development)	10,050,000	4.79%
9	I Group (Semiconductor assembly and test)	10,838,260	4.90%	I Group (wholesale of electronic, communication equipment and their components)	9,079,687	4.33%
10	J Group (real estate development)	10,552,978	4.77%	J Group (manufacture of panel and components)	9,035,601	4.31%

Note a: Sorted by the balance of loans, excluding government or state-owned business. If borrowers belong to the same business group, the aggregated credit amount of the business group is disclosed, and code and industry additionally disclosed. If the borrower is a business group, the industry with the largest risk exposures in the business group is disclosed. The industry disclosure should follow the guidelines of Directorate-General of Budget, Accounting and Statistics.

Note b: Transaction party is in accordance with Article 6 of the Supplementary Provisions of the Taiwan Stock Exchange Corporation Criteria for Review of Securities Listings.

Note c: Loans include import and export bill negotiations, bills discounted, overdrafts, short-term loans, short-term secured loans, financing receivables, medium-term loans, medium-term secured loans, long-term loans, long-term secured loans, delinquent loans, inward remittances, factoring without recourse, acceptances, and guarantees.

iv. Interest rate sensitivity

Interest-sensitive asset and liability analysis table
(New Taiwan Dollars)
March 31, 2026

Item	1-90 days	91-180 days	181 days - 1 year	More than 1 year	Total
Interest-sensitive assets	$1,897,309,964	$71,149,379	$205,112,638	$240,569,983	$2,414,141,964
Interest-sensitive liabilities	1,741,757,123	230,973,867	118,479,764	196,521,316	2,287,732,070
Interest sensitivity gap	155,552,841	(159,824,488)	86,632,874	44,048,667	126,409,894
Net equity					221,091,907
Ratio of interest-sensitive assets to liabilities					105.53%
Ratio of interest sensitivity gap to net equity					57.18%

Interest-sensitive asset and liability analysis table
(New Taiwan Dollars)
December 31, 2025

Item	1-90 days	91-180 days	181 days - 1 year	More than 1 year	Total
Interest-sensitive assets	$1,643,910,656	$49,852,593	$107,627,066	$224,990,958	$2,026,381,273
Interest-sensitive liabilities	681,909,387	146,290,615	159,512,333	905,406,180	1,893,118,515
Interest sensitivity gap	962,001,269	(96,438,022)	(51,885,267)	(680,415,222)	133,262,758
Net equity					210,464,162
Ratio of interest-sensitive assets to liabilities					107.04%
Ratio of interest sensitivity gap to net equity					63.32%

Interest-sensitive asset and liability analysis table
(New Taiwan Dollars)
March 31, 2025

Item	1-90 days	91-180 days	181 days - 1 year	More than 1 year	Total
Interest-sensitive assets	$1,605,017,845	$70,453,000	$138,659,184	$210,412,805	$2,024,542,834
Interest-sensitive liabilities	702,828,513	136,506,118	200,262,862	847,813,896	1,887,411,389
Interest sensitivity gap	902,189,332	(66,053,118)	(61,603,678)	(637,401,091)	137,131,445
Net equity					210,103,291
Ratio of interest-sensitive assets to liabilities					107.27%
Ratio of interest sensitivity gap to net equity					65.27%

Note a: The amounts listed above include amounts in New Taiwan Dollars only (i.e., excluding foreign currency) for both head office and domestic branches, excluding contingent assets and contingent liabilities.

Note b: Interest-sensitive assets and liabilities are interest-bearing assets and interest-bearing liabilities with income or cost affected by interest rate fluctuations.

Note c: Interest sensitivity gap = Interest-sensitive assets - Interest-sensitive liabilities

Note d: Ratio of interest-sensitive assets to interest-sensitive liabilities (New Taiwan Dollars only) $= \frac{\text{Interest-sensitive assets}}{\text{Interest-sensitive liabilities}}$

Interest-sensitive asset and liability analysis table
(US Dollars)
March 31, 2026

(In thousands of US Dollars)

Item	1-90 days	91-180 days	181 days - 1 year	More than 1 year	Total
Interest-sensitive assets	$13,677,961	$1,532,587	$3,208,066	$9,365,683	$13,677,961
Interest-sensitive liabilities	22,732,370	2,652,820	1,413,209	107,124	22,732,370
Interest sensitivity gap	(9,054,409)	(1,120,233)	1,794,857	9,258,559	(9,054,409)
Net equity					(14,693)
Ratio of interest-sensitive assets to liabilities					103.27%
Ratio of interest sensitivity gap to net equity					(5980.90%)

Interest-sensitive asset and liability analysis table
(US Dollars)
December 31, 2025

(In thousands of US Dollars)

Item	1-90 days	91-180 days	181 days - 1 year	More than 1 year	Total
Interest-sensitive assets	$11,811,063	$955,192	$1,969,994	$8,380,958	$23,117,207
Interest-sensitive liabilities	13,805,042	1,965,127	1,568,155	5,037,471	22,375,795
Interest sensitivity gap	(1,993,979)	(1,009,935)	401,839	3,343,487	741,412
Net equity					(7,500)
Ratio of interest-sensitive assets to liabilities					103.31%
Ratio of interest sensitivity gap to net equity					(9885.49%)

Interest-sensitive asset and liability analysis table
(US Dollars)
March 31, 2025

(In thousands of US Dollars)

Item	1-90 days	91-180 days	181 days - 1 year	More than 1 year	Total
Interest-sensitive assets	$10,533,898	$1,713,905	$3,129,211	$7,395,733	$22,772,747
Interest-sensitive liabilities	12,904,020	2,908,752	2,124,537	4,074,342	22,011,651
Interest sensitivity gap	(2,370,122)	(1,194,847)	1,004,674	3,321,391	761,096
Net equity					(17,587)
Ratio of interest-sensitive assets to liabilities					103.46%
Ratio of interest sensitivity gap to net equity					(4,327.61%)

Note a: The amounts listed above include amounts in US Dollars only for domestic branches, OBU, and overseas branches, excluding contingent assets and contingent liabilities.

Note b: Interest-sensitive assets and liabilities are interest-bearing assets and interest-bearing liabilities with income or cost affected by interest rate fluctuations.

Note c: Interest sensitivity gap = Interest-sensitive assets - Interest-sensitive liabilities

Note d: Ratio of interest-sensitive assets to interest-sensitive liabilities (US Dollars only) $= \frac{\text{Interest-sensitive assets}}{\text{Interest-sensitive liabilities}}$

v. Maturity analysis of assets and liabilities

New Taiwan Dollars maturity date structure analysis table
March 31, 2026

		Period remaining until due date and amount due				
	Total	0-30 days	31-90 days	91-180 days	181 days - 1 year	More than 1 year
Major maturity cash inflow	$2,961,320,764	$873,642,785	$388,403,017	$263,345,492	$298,115,567	$1,137,813,903
Major maturity cash outflow	3,678,873,732	523,555,727	434,802,644	403,084,810	675,223,197	1,642,207,354
Gap	(717,552,968)	350,087,058	(46,399,627)	(139,739,318)	(377,107,630)	(504,393,451)

New Taiwan Dollars maturity date structure analysis table
December 31, 2025

		Period remaining until due date and amount due				
	Total	0-30 days	31-90 days	91-180 days	181 days - 1 year	More than 1 year
Major maturity cash inflow	$2,981,097,318	$901,635,969	$421,232,024	$232,322,447	$325,474,960	$1,100,431,918
Major maturity cash outflow	3,764,496,221	507,187,725	531,618,133	405,009,583	692,685,767	1,627,995,013
Gap	(783,398,903)	394,448,244	(110,386,109)	(172,687,136)	(367,210,807)	(527,563,095)

New Taiwan Dollars maturity date structure analysis table
March 31, 2025

		Period remaining until due date and amount due				
	Total	0-30 days	31-90 days	91-180 days	181 days - 1 year	More than 1 year
Major maturity cash inflow	$2,937,978,238	$859,336,924	$385,855,777	$299,654,931	$339,551,681	$1,053,578,925
Major maturity cash outflow	3,562,298,226	445,557,747	473,843,554	441,977,013	737,387,066	1,463,532,846
Gap	(624,319,988)	413,779,177	(87,987,777)	(142,322,082)	(397,835,385)	(409,953,921)

Note: The amounts listed above include amounts in New Taiwan Dollars only (i.e., excluding foreign currency) for both head office and domestic branches.

US Dollars maturity date structure analysis table
March 31, 2026

(In thousands of US Dollars)

		Period remaining until due date and amount due				
	Total	0-30 days	31-90 days	91-180 days	181 days - 1 year	More than 1 year
Major maturity cash inflow	$65,745,518	$20,566,596	$12,906,086	$7,678,881	$10,328,385	$14,265,570
Major maturity cash outflow	65,362,243	21,466,180	18,037,661	9,357,963	9,343,745	7,156,694
Gap	383,275	(899,584)	(5,131,575)	(1,679,082)	984,640	7,108,876

US Dollars maturity date structure analysis table
December 31, 2025

(In thousands of US Dollars)

		Period remaining until due date and amount due				
	Total	0-30 days	31-90 days	91-180 days	181 days - 1 year	More than 1 year
Major maturity cash inflow	$63,400,003	$18,677,396	$14,501,347	$7,147,018	$9,674,416	$13,399,826
Major maturity cash outflow	63,180,405	21,885,469	18,147,816	8,169,656	8,482,450	6,495,014
Gap	219,598	(3,208,073)	(3,646,469)	(1,022,638)	1,191,966	6,904,812

US Dollars maturity date structure analysis table
March 31, 2025

(In thousands of US Dollars)

		Period remaining until due date and amount due				
	Total	0-30 days	31-90 days	91-180 days	181 days - 1 year	More than 1 year
Major maturity cash inflow	$59,853,647	$16,365,919	$12,536,165	$9,124,038	$9,854,020	$11,973,505
Major maturity cash outflow	59,666,624	17,356,632	16,739,496	10,552,753	9,507,189	5,510,554
Gap	187,023	(990,713)	(4,203,331)	(1,428,715)	346,831	6,462,951

Note: The amounts listed above include amounts in US Dollars for head office, domestic branches, and OBU.

B. Shin Kong Life Insurance

(On January 1, 2026, Former Taishin Life Insurance merged with Former Shin Kong Life Insurance. Taishin Life Insurance was the surviving company. Subsequently, Taishin Life Insurance was renamed "Shin Kong Life Insurance".)

(a) Balance sheets (standalone)

	March 31, 2026	(Former Taishin Life Insurance) March 31, 2025
Assets		
Cash and cash equivalents	$79,133,255	$5,945,708
Receivables	43,996,241	2,976,418
Current tax assets	11,580,978	205,277
Financial assets at fair value through profit or loss	56,859,361	29,614,037
Financial assets at fair value through other comprehensive income	1,614,721,627	40,559
Financial assets measured at amortized cost	1,022,781,639	222,311,084
Investments accounted for using equity method	4,158,896	437,448
Investment properties	236,243,503	9,091,338
Loans	49,171,868	18,819
Insurance contract assets	-	329
Reinsurance contract assets	1,473,143	13,453
Property and equipment	42,156,359	1,977,592
Right-of-use assets	1,604,971	113,152
Intangible assets	651,450,169	304,910
Deferred tax assets	36,747,224	1,946,695
Other assets	82,978,278	1,963,123
Separate account insurance product assets	138,051,177	46,696,811
Total assets	$4,073,108,689	$323,656,753

	March 31, 2026	(Former Taishin Life Insurance) March 31, 2025
Liabilities		
Payables	$12,284,058	$3,455,435
Financial liabilities at fair value through profit or loss	83,767,809	17,839,190
Bonds payable	48,661,149	-
Lease liabilities	5,305,438	109,970
Insurance liabilities	3,337,653,148	224,600,916
Reinsurance contract liabilities	16,319,249	4,241,384
Current tax liabilities	3,466,385	-
Foreign exchange valuation reserve	104,116,931	1,749,573
Provisions	41,309	86,516
Deferred tax liabilities	33,892,110	9,302,890
Other liabilities	145,815,587	8,532,364
Total liabilities	3,791,323,173	269,918,238
Equity		
Share capital	92,022,741	11,039,560
Capital surplus	-	4,363,636
Retained earnings	151,739,603	37,261,945
Other equity	38,023,172	1,073,374
Total equity	281,785,516	53,738,515
Total liabilities and equity	$4,073,108,689	$323,656,753

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31	
	2026	(Former Taishin Life Insurance) 2025
Insurance service result	$7,572,308	$448,927
Financial result	9,097,121	(2,810,904)
Other operating result	(1,943,627)	(699,887)
Operating income	14,725,802	(3,061,864)
Non-operating income and expenses	(43,590)	(2,646)
Income before income tax	14,682,212	(3,064,510)
Income tax (expense) benefit	(2,820,529)	633,224
Net income	11,861,683	(2,431,286)
Other comprehensive income	38,308,582	(489,172)
Total comprehensive income	$50,170,265	$(2,920,458)
Basic earnings per share (dollar)	$1.29	$(2.05)
Diluted earnings per share (dollar)	$1.29	$(2.05)

(c) Profitability

Item		March 31, 2026	March 31, 2025
Return on total assets	Pretax	0.37%	0.00%
	After tax	0.30%	0.05%
Return on net equity	Pretax	5.73%	0.04%
	After tax	4.64%	0.82%
Profit margin		10.14%	1.13%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Operating income + Non-operating income}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

C. Taishin Securities B

(a) Balance sheets (standalone)

	March 31, 2026	March 31, 2025
Current assets	$81,248,385	$65,504,476
Financial assets at fair value through profit or loss - non-current	306,493	225,409
Financial assets at fair value through other comprehensive income - non-current	4,348,896	5,309,486
Investments accounted for using equity method	1,648,432	1,375,799
Property and equipment	882,244	846,327
Right-of-use assets	135,300	188,251
Investment properties	91,957	94,819
Intangible assets	186,540	200,593
Deferred tax assets	19,754	10,541
Other non-current assets	1,001,405	530,991
Total assets	$89,869,406	$74,286,692

	March 31, 2026	March 31, 2025
Current liabilities	$72,220,833	$58,519,823
Non-current liabilities	3,424,661	3,485,271
Total liabilities	75,645,494	62,005,094
Share capital	6,924,124	6,924,125
Capital surplus	895,826	895,825
Retained earnings	6,764,232	4,601,259
Other equity	(360,270)	(139,611)
Total equity	14,223,912	12,281,598
Total liabilities and equity	$89,869,406	$74,286,692

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31	
	2026	2025
Revenue	$3,052,546	$1,431,142
Expenses	(1,487,517)	(1,009,269)
Non-operating income and expenses	106,617	(51,798)
Income before income tax	1,671,646	370,075
Income tax expense	(102,872)	(79,449)
Net income	1,568,774	290,626
Other comprehensive income	(16,918)	59,285
Total comprehensive income	$1,551,856	$349,911
Basic earnings per share (dollar)	$2.27	$0.42
Diluted earnings per share (dollar)	$2.27	$0.42

(c) Profitability

Item		March 31, 2026	March 31, 2025
Return on total assets	Pretax	2.02%	0.52%
	After tax	1.89%	0.41%
Return on net equity	Pretax	12.43%	3.06%
	After tax	11.67%	2.40%
Profit margin		51.39%	20.31%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Revenue}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025

D. Taishin AMC

(a) Balance sheets (standalone)

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$75,835	$80,527	$329,306
Financial assets at fair value through other comprehensive income - non-current	159,805	175,286	241,634
Investments accounted for using equity method	153,647	150,933	151,654
Property and equipment	164,377	165,102	166,080
Investment properties	804,627	805,988	811,251
Deferred tax assets	3,065	3,065	3,065
Other non-current assets	783,110	602,873	267,957
Total assets	$2,144,466	$1,983,774	$1,970,947
Current liabilities	$871,811	$727,525	$549,565
Non-current liabilities	4,279	4,278	3,822
Total liabilities	876,090	731,803	553,387
Share capital	671,000	671,000	671,000
Capital surplus	4,141	4,141	4,141
Retained earnings	564,236	532,400	631,625
Other equity	28,999	44,430	110,794
Total equity	1,268,376	1,251,971	1,417,560
Total liabilities and equity	$2,144,466	$1,983,774	$1,970,947

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31	
	2026	2025
Operating revenue	$79,113	$60,405
Operating cost and expenses	(38,350)	(26,804)
Operating income	40,763	33,601
Non-operating income	2,671	3,630
Non-operating expenses	(3,315)	(2,141)
Income before income tax	40,119	35,090
Income tax expense	(8,283)	(6,399)
Net income	31,836	28,691
Other comprehensive income (loss)	(15,431)	(40,951)
Total comprehensive income (loss)	$16,405	$(12,260)
Basic earnings per share (dollar)	$0.17	$0.43

(c) Profitability

Item		March 31, 2026	March 31, 2025
Return on total assets	Pretax	1.94%	1.77%
	After tax	1.54%	1.44%
Return on net equity	Pretax	3.18%	2.46%
	After tax	2.53%	2.02%
Profit margin		38.93%	44.81%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Operating income + Non-operating income}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

E. Taishin Venture Capital Investment

(a) Balance sheets (standalone)

	March 31, 2026	March 31, 2025
Current assets	$129,835	$271,571
Financial assets at fair value through profit or loss - non-current	3,102,350	3,910,549
Investments accounted for using equity method	(11,244)	-
Property and equipment	880	1,038
Right-of-use assets	-	1,671
Other non-current assets	464	481
Total assets	$3,222,285	$4,185,310
Current liabilities	$165,787	$4,924
Non-current liabilities	-	4,485
Total liabilities	165,787	9,409
Share capital	7,140,927	7,140,927
Retained earnings	(4,084,429)	(2,965,026)
Total equity	3,056,498	4,175,901
Total liabilities and equity	$3,222,285	$4,185,310

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31	
	2026	2025
Revenue	$150	$177
Expenses and losses	(263,938)	(559,275)
Loss income before income tax	(263,788)	(559,098)
Net loss	(263,788)	(559,098)
Other comprehensive income (loss) for the period	(1,658)	-
Total comprehensive income (loss)	$(265,446)	$(559,098)
Basic loss per share (dollar)	$(0.37)	$(0.78)

(c) Profitability

Item		March 31, 2026	March 31, 2025
Return on total assets	Pretax	(7.86%)	(12.52%)
	After tax	(7.91%)	(12.52%)
Return on net equity	Pretax	(8.27%)	(12.55%)
	After tax	(8.32%)	(12.55%)
Profit margin		(177,015.84%)	(315,874.58%)

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Revenue}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

F. Taishin Securities Investment Trust

(a) Balance sheets (standalone)

	March 31, 2026	March 31, 2025
Current assets	$1,764,674	$880,792
Financial assets at fair value through other comprehensive income - non-current	9,668	3,609
Property and equipment	55,121	4,440
Goodwill	410,930	410,930
Right-of-use assets	72,972	20,325
Other intangible assets	14,117	3,230
Deferred tax assets	12,563	-
Other non-current assets	340,415	213,384
Total assets	$2,680,460	$1,536,710
Current liabilities	$343,523	$196,406
Other non-current liabilities	62,195	9,593
Total liabilities	405,718	205,999
Share capital	1,365,030	831,350
Capital surplus	288,939	47,856
Retained earnings	618,812	450,897
Other equity	1,961	608
Total equity	2,274,742	1,330,711
Total liabilities and equity	$2,680,460	$1,536,710

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31	
	2026	2025
Operating revenue	$443,333	$253,080
Operating expenses	(245,374)	(155,785)
Operating income	197,959	97,295
Non-operating income	16,558	2,813
Non-operating expenses	(383)	(8,324)
Income before income tax	214,134	91,784
Income tax expense	(41,341)	(19,860)
Net income	172,793	71,924
Other comprehensive income	737	175
Total comprehensive income	$173,530	$72,099
Basic earnings per share (dollar)	$1.27	$0.87

(c) Profitability

Item		March 31, 2026	March 31, 2025
Return on total assets	Pretax	8.07%	5.95%
	After tax	6.51%	4.66%
Return on net equity	Pretax	9.80%	7.09%
	After tax	7.90%	5.56%
Profit margin		37.57%	28.11%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Operating income + Non-operating income}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

G. Taishin Securities Investment Advisory

(a) Balance sheets (standalone)

	March 31, 2026	March 31, 2025
Current assets	$329,740	$337,195
Property and equipment	1,353	1,502
Right-of-use assets	-	4,373
Deferred tax assets	1,017	543
Other non-current assets	6,944	6,887
Total assets	$339,054	$350,500
Current liabilities	$11,208	$14,552
Other non-current liabilities	2,879	3,597
Total liabilities	14,087	18,149
Share capital	300,000	300,000
Capital surplus	25,663	25,663
Retained earnings	(696)	6,688
Total equity	324,967	332,351
Total liabilities and equity	$339,054	$350,500

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31	
	2026	2025
Operating revenue	$29,155	$29,219
Operating expenses	(30,775)	(31,541)
Operating loss	(1,620)	(2,322)
Non-operating income	2,904	2,891
Non-operating expenses	-	(522)
(Loss) income before income tax	1,284	47
Income tax expense	(260)	(122)
Net (loss) income	1,024	(75)
Other comprehensive income	-	-
Total comprehensive income (loss)	$1,024	$(75)
Basic earnings (loss) per share (dollar)	$0.03	$(0.00)

(c) Profitability

Item		March 31, 2026	March 31, 2025
Return on total assets	Pretax	0.37%	0.01%
	After tax	0.29%	(0.02%)
Return on net equity	Pretax	0.40%	0.01%
	After tax	0.32%	(0.02%)
Profit margin		3.20%	(0.23%)

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Operating income + Non-operating income}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

H. Former Shin Kong Life Insurance

Former Taishin Life Insurance merged with Former Shin Kong Life Insurance on January 1, 2026. Former Shin Kong Life Insurance was the dissolved company and it was not a subsidiary of TS Financial Holding as of March 31, 2025.

(a) Balance sheets (standalone)

	December 31, 2025
Assets	
Cash and cash equivalents	$73,727,557
Receivables	30,665,076
Current tax assets	11,534,208
Assets classified as held for sale	5,280,540
Financial assets at fair value through profit or loss	305,068,776
Financial assets at fair value through other comprehensive income	205,820,053
Financial assets measured at amortized cost	2,506,464,801
Investments accounted for using equity method	4,366,391
Investment properties	208,882,020
Loans	150,198,900
Reinsurance contract assets	1,707,384
Property and equipment	26,143,151
Right-of-use assets	1,720,931
Intangible assets	873,065
Deferred tax assets	58,548,093
Other assets	31,976,268
Separate account insurance products assets	60,694,949
Total assets	$3,683,672,163

	December 31, 2025
Liabilities	
Payables	$7,856,879
Current tax liabilities	1,644,238
Financial liabilities at fair value through profit or loss	20,765,924
Bonds payable	45,300,000
Lease liabilities	5,381,308
Insurance liabilities	3,240,477,570
Reserve for insurance contracts with the nature of financial products	174,616
Foreign exchange valuation reserve	99,586,781
Provisions	37,537
Deferred tax liabilities	19,938,094
Other liabilities	3,785,868
Separate account insurance product liabilities	60,694,949
Total liabilities	3,505,643,764
Equity	
Share capital	85,747,628
Capital surplus	39,902,990
Retained earnings	62,473,172
Other equity	(10,095,391)
Total equity	178,028,399
Total liabilities and equity	$3,683,672,163

Note: Former Shin Kong Life Insurance was dissolved on January 1, 2026, due to a merger.

I. Taiwan Shin Kong Commercial Bank

(Not a subsidiary of TS Financial Holding as of March 31, 2025.)

(a) Balance sheets (standalone)

	March 31, 2026
Assets	
Cash and cash equivalents	$16,809,806
Due from the Central Bank and call loans to banks	86,883,259
Financial assets at fair value through profit or loss	53,817,233
Financial assets at fair value through other comprehensive income	183,725,483
Investments in debt instruments at amortized cost	125,808,542
Securities purchased under resell agreements	1,214,744
Receivables, net	14,396,320
Current tax assets	17,768
Loans, net	901,589,977
Property and equipment, net	5,502,232
Right-of-use assets, net	1,894,753
Investment property, net	708,955
Intangible assets, net	1,770,542
Deferred tax assets, net	1,254,675
Other assets, net	4,265,145
Total assets	$1,399,659,434
Liabilities	
Deposits from the Central Bank and banks	$22,051,442
Financial liabilities at fair value through profit or loss	5,747,126
Securities sold under repurchase agreements	18,914,675
Payables	11,427,638
Current tax liabilities	1,340,386

	March 31, 2026
Deposits and remittances	1,179,842,737
Bank notes payable	26,000,000
Other financial liabilities	46,412,414
Provisions	642,988
Lease liabilities	1,998,969
Deferred tax liabilities	379,049
Other liabilities	1,730,735
Total liabilities	1,316,488,159
Equity	
Share capital	49,815,329
Capital surplus	2,756,265
Retained earnings	37,354,506
Other equity	(6,754,825)
Total equity	83,171,275
Total liabilities and equity	$1,399,659,434

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31, 2026
Interest income	$8,488,149
Interest expense	(4,892,244)
Net interest income	3,595,905
Net income other than net interest income	2,448,527
Net revenue and gains	6,044,432
Bad debt expenses, commitments and guarantees liabilities provision	(377,380)
Operating expenses	(2,890,824)
Operating (loss) income	2,776,228
Income tax expense	(538,785)
Net income	2,237,443
Other comprehensive income (loss)	(1,099,332)
Total comprehensive income (loss)	$1,138,111
Basic earnings per share (dollar)	$0.45
Diluted earnings per share (dollar)	$0.45

(c) Important financial and business overview

i. Profitability

Item		March 31, 2026
Return on total assets	Pretax	0.20%
	After tax	0.16%
Return on net equity	Pretax	3.36%
	After tax	2.71%
Profit margin		37.02%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Operating income + Non-operating income}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

ii. Asset quality

Non-performing loans and receivables

Item / Business Type			March 31, 2026				
			Non-performing Loans (Note a)	Loans	Non-performing Loans Ratio (Note b)	Allowance for Loan Losses	Coverage Ratio (Note c)
Corporate finance	Secured		$160,709	$240,165,721	0.07%	$2,495,706	1552.94%
	Unsecured		124,892	209,801,454	0.06%	2,580,601	2066.26%
Consumer finance	Mortgage loans (Note d)		117,842	199,536,272	0.06%	3,092,359	2624.16%
	Cash cards		-	75	-	75	-
	Credit loans (Note e)		294,109	36,362,385	0.81%	1,145,819	389.59%
	Others (Note f)	Secured	468,031	224,499,568	0.21%	2,404,409	513.73%
		Unsecured	1,348	2,651,385	0.05%	30,127	2234.37%
Subtotal			$1,166,931	$913,016,860	0.13%	$11,749,096	1006.84%
Credit cards			20,017	8,033,579	0.25%	219,544	1096.77%
Accounts receivable factoring with no recourse (Note g)			-	1,158,401	-	65,567	-

Note a: Non-performing loans are in accordance with the Regulations of the Procedures for Banking Institutions to Evaluate Assets and Deal with Past Due/Non-performing Loans and Bad Debts issued by FSC. Non-performing loans of credit cards are defined in the Letter issued by the Banking Bureau on July 6, 2005 (Order No. 0944000378 issued by the FSC).

Note b: Non-performing loans ratio = Non-performing loans ÷ Loans
Non-performing loans of credit card ratio = Non-performing loans of credit cards ÷ Accounts receivable

Note c: Coverage ratio of allowances for loan losses = Allowances for loan losses ÷ Non-performing loans
Coverage ratio of allowance for loan losses of credit card = Allowance for loan losses of credit card ÷ Non-performing loans of credit cards

Note d: Mortgage loans are for applicants to build or repair the buildings owned by the applicants, their spouses or their minor children. These applicants provide their buildings as collaterals and assign the right on mortgage to financial institutions.

Note e: Credit loans are defined in the Letter issued by the Banking Bureau on December 19, 2005 (Order No. 09440010950 issued by the FSC), excluding credit loans of credit cards and cash cards.

Note f: The others of consumer financial business are defined as secured or unsecured consumer financial business excluding mortgage loans, cash cards, credit loans and credit cards.

Note g: In accordance with the Letter issued by the Banking Bureau on August 24, 2009 (Order No. 09850003180 issued by the FSC), accounts receivable without recourse are classified as non-performing loans if not compensated by the factor or insurance company within three months.

Exempted from report as non-performing loans and receivables

Item / Business Type	March 31, 2026	
	Exempted from Report as Non-performing Loans	Exempted from Report as Non-performing Receivables
Amounts negotiated in accordance with the agreement (Note a)	$537	$19,242
Loans executed in accordance with debt clearing and renewal regulations (Note b)	227,773	208,226
Total	$228,310	$227,468

Note a: Disclosed in accordance with the Letter issued by the Banking Bureau on April 25, 2006 (Order No. 09510001270 issued by the FSC).

Note b: Disclosed in accordance with the letter issued by the Banking Bureau on September 15, 2008 (Order No. 09700318940 issued by the FSC) and September 20, 2016 (Order No. 10500134790 issued by the FSC).

iii. Concentration of credit risk

Year	March 31, 2026		
Rank (Note a)	Transaction Party (Note b)	Loans (Note c)	As Proportion of Net Equity
1	Group A (real estate leasing and sales industry)	$5,909,119	7.10
2	Group B (real estate leasing and sales industry)	4,067,626	4.89
3	Group C (real estate development)	3,995,525	4.80
4	Group D (chemical raw materials manufacturing industry)	3,890,155	4.68
5	Group E (real estate leasing and sales industry)	3,326,581	4.00
6	Group F (other financial service not elsewhere classified)	3,232,940	3.89
7	Group G (weaving of other textiles)	3,226,992	3.88
8	Group H (real estate development)	3,060,000	3.68
9	Group I (investment advisory industry)	2,857,550	3.44
10	Group J (real estate development)	2,668,919	3.21

Year	December 31, 2025		
Rank (Note a)	Transaction Party (Note b)	Loans (Note c)	As Proportion of Net Equity
1	Group A (real estate leasing and sales industry)	$5,848,476	7.13
2	Group B (real estate leasing and sales industry)	4,423,337	5.39
3	Group C (real estate development)	3,892,198	4.74
4	Group D (chemical raw materials manufacturing industry)	3,856,655	4.70
5	Group E (real estate leasing and sales industry)	3,576,838	4.36
6	Group F (other financial service not elsewhere classified)	3,304,832	4.03
7	Group G (weaving of other textiles)	3,240,000	3.95
8	Group H (real estate development)	3,136,981	3.82
9	Group I (investment advisory industry)	3,015,717	3.68
10	Group J (real estate development)	2,995,940	3.65

Note a: Sorted by the balance of loans, excluding government or state-owned business. If borrowers belong to the same business group, the aggregated credit amount of the business group is disclosed, and code and industry additionally disclosed. If the borrower is a business group, the industry with the largest risk exposures in the business group is disclosed. The industry disclosure should follow the guidelines of Directorate-General of Budget, Accounting and Statistics.

Note b: Transaction party is in accordance with Article 6 of the Supplementary Provisions of the Taiwan Stock Exchange Corporation Criteria for Review of Securities Listings.

Note c: Loans include import and export bill negotiations, bills discounted, overdrafts, short-term loans, short-term secured loans, financing receivables, medium-term loans, medium-term secured loans, long-term loans, long-term secured loans, delinquent loans, inward remittances, factoring without recourse, acceptances, and guarantees.

iv. Interest rate sensitivity

Interest-sensitive asset and liability analysis table
(New Taiwan Dollars)
March 31, 2026

Item	1-90 Days	91-180 Days	181 Days - 1 Year	More Than 1 Year	Total
Interest-sensitive assets	$920,608,139	$25,521,436	$21,529,900	$154,548,770	$1,122,208,245
Interest-sensitive liabilities	299,286,758	511,872,559	189,421,787	33,859,686	1,034,440,790
Interest sensitivity gap	621,321,381	(486,351,123)	(167,891,887)	120,689,084	87,767,455
Net equity					83,171,275
Ratio of interest-sensitive assets to liabilities					108.48
Ratio of interest sensitivity gap to net equity					105.53

Interest-sensitive asset and liability analysis table
(New Taiwan Dollars)
December 31, 2025

Item	1-90 Days	91-180 Days	181 Days - 1 Year	More Than 1 Year	Total
Interest-sensitive assets	$933,037,767	$7,893,311	$22,775,677	$164,403,503	$1,128,110,258
Interest-sensitive liabilities	306,434,670	520,717,733	179,368,062	34,153,834	1,040,674,299
Interest sensitivity gap	626,603,097	(512,824,422)	(156,592,385)	130,249,669	87,435,959
Net equity					82,033,164
Ratio of interest-sensitive assets to liabilities					108.40
Ratio of interest sensitivity gap to net equity					106.59

Note a: The amounts listed above include amounts in New Taiwan Dollars only (i.e., excluding foreign currency) for both head office and domestic branches, excluding contingent assets and contingent liabilities.

Note b: Interest-sensitive assets and liabilities are interest-bearing assets and interest-bearing liabilities with income or cost affected by interest rate fluctuations.

Note c: Interest sensitivity gap = Interest-sensitive assets - Interest-sensitive liabilities

Note d: Ratio of interest-sensitive assets to interest-sensitive liabilities (New Taiwan Dollars only) $= \frac{\text{Interest-sensitive assets}}{\text{Interest-sensitive liabilities}}$

Interest-sensitive asset and liability analysis table
(US Dollars)
March 31, 2026
(In thousands of US Dollars)

Item	1-90 Days	91-180 Days	181 Days - 1 Year	More Than 1 Year	Total
Interest-sensitive assets	$3,232,671	$599,863	$184,320	$1,798,765	$5,815,619
Interest-sensitive liabilities	4,636,991	561,884	424,234	133	5,623,242
Interest sensitivity gap	(1,404,320)	37,979	(239,914)	1,798,632	192,377
Net equity					2,597,722
Ratio of interest-sensitive assets to liabilities					103.42
Ratio of interest sensitivity gap to net equity					7.41

Interest-sensitive asset and liability analysis table
(US Dollars)
December 31, 2025

(In thousands of US Dollars)

Item	1-90 Days	91-180 Days	181 Days - 1 Year	More Than 1 Year	Total
Interest-sensitive assets	$3,230,636	$175,977	$223,068	$1,588,238	$5,217,919
Interest-sensitive liabilities	4,035,621	620,248	436,667	4,841	5,097,377
Interest sensitivity gap	(804,985)	(444,271)	(213,599)	1,583,397	120,542
Net equity					2,608,534
Ratio of interest-sensitive assets to liabilities					102.36
Ratio of interest sensitivity gap to net equity					4.62

Note a: The amounts listed above include amounts in US Dollars only for domestic branches, OBU, and overseas branches, excluding contingent assets and contingent liabilities.

Note b: Interest-sensitive assets and liabilities are interest-bearing assets and interest-bearing liabilities with income or cost affected by interest rate fluctuations.

Note c: Interest sensitivity gap = Interest-sensitive assets - Interest-sensitive liabilities

Note d: Ratio of interest-sensitive assets to interest-sensitive liabilities (US Dollars only) $= \frac{\text{Interest-sensitive assets}}{\text{Interest-sensitive liabilities}}$

v. Maturity analysis of assets and liabilities

New Taiwan Dollars maturity date structure analysis table
March 31, 2026

	Total	Period Remaining until Due Date and Amount Due				
		0-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	More Than 1 Year
Major maturity cash inflow	$1,194,682,488	$224,484,409	$90,633,367	$97,121,851	$93,629,727	$688,813,134
Major maturity cash outflow	1,490,847,089	166,672,855	182,284,023	190,096,931	378,176,028	573,617,252
Gap	(296,164,601)	57,811,554	(91,650,656)	(92,975,080)	(284,546,301)	115,195,882

New Taiwan Dollars maturity date structure analysis table
December 31, 2025

	Total	Period Remaining until Due Date and Amount Due				
		0-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	More Than 1 Year
Major maturity cash inflow	$1,212,654,712	$245,303,586	$98,787,657	$80,908,001	$93,493,091	$694,162,377
Major maturity cash outflow	1,502,531,796	179,678,081	184,110,694	200,083,594	365,142,375	573,517,052
Gap	(289,877,084)	65,625,505	(85,323,037)	(119,175,593)	(271,649,284)	120,645,325

Note: The amounts listed above include amounts in New Taiwan Dollars only (i.e., excluding foreign currency) for both head office and domestic branches.

US Dollars maturity date structure analysis table
March 31, 2026
(In thousands of US Dollars)

	Total	Period Remaining until Due Date and Amount Due				
		0-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	More Than 1 Year
Major maturity cash inflow	$7,739,365	$2,313,383	$963,336	$617,669	$511,424	$3,333,553
Major maturity cash outflow	9,728,153	2,392,162	2,233,006	1,295,122	1,824,116	1,983,747
Gap	(1,988,788)	(78,779)	(1,269,670)	(677,453)	(1,312,692)	1,349,806

Note: The amounts listed above include amounts in US Dollars for head office, domestic branches, and OBU.

J. MasterLink Securities

(a) Balance sheets (standalone)

	March 31, 2026
Current assets	$195,943,576
Financial assets at fair value through profit or loss	167,345
Financial assets at fair value through other comprehensive income - non-current	1,347,272
Investments accounted for using equity method	-
Property and equipment	1,919,168
Right-of-use assets	373,221
Investment properties	207,267
Intangible assets	164,556
Deferred tax assets	708,942
Other non-current assets	2,070,672
Total assets	$202,902,019
Current liabilities	$173,315,653
Other non-current liabilities	897,100
Total liabilities	174,212,753
Share capital	16,096,099
Capital surplus	128,115
Retained earnings	11,713,158
Other equity	751,894
Total equity	28,689,266
Total liabilities and equity	$202,902,019

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31, 2026
Revenue	$28,835,830
Expenses	(27,228,186)
Non-operating income and expenses	122,733
Income before income tax	1,730,377
Income tax benefit	(221,483)
Net income	1,508,894
Other comprehensive income (loss)	(48,518)
Total comprehensive income (loss)	$1,460,376
Basic earnings per share (dollar)	$0.94
Diluted earnings per share (dollar)	$0.94

(c) Profitability

Item		March 31, 2026
Return on total assets	Pretax	0.87%
	After tax	0.75%
Return on net equity	Pretax	6.02%
	After tax	5.25%
Profit margin		5.23%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Operating income + Non-operating income}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

K. Shin Kong Venture Capital

(Not a subsidiary of TS Financial Holding as of March 31, 2025)

(a) Balance sheets (standalone)

	March 31, 2026
Current assets	$1,051,285
Financial assets at fair value through profit or loss - non-current	373,380
Financial assets measured atamortized cost - non-current	5,758
Investments accounted for using equity method	5,093
Property and equipment	13
Deferred tax assets	2,109
Other non-current assets	231,617
Total assets	$1,669,255
Total liabilities	$209,561
Share capital	1,471,703
Capital surplus	1,097
Retained earnings	(22,216)
Other equity	9,110
Total equity	1,459,694
Total liabilities and equity	$1,669,255

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31, 2026
Revenue	$51,601
Expenses	(20,586)
Loss before income tax	31,005
Income tax expense	(5,930)
Net income	25,075
Other comprehensive income (loss)	(39,797)
Total comprehensive income (loss)	$(14,722)
Basic earnings per share (dollar)	$0.07

(c) Profitability

Item		March 31, 2026
Return on total assets	Pretax	0.91%
	After tax	0.56%
Return on net equity	Pretax	1.05%
	After tax	0.65%
Profit margin		18.55%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Revenue}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

L. Shin Kong Insurance Agent

(Not a subsidiary of TS Financial Holding as of March 31, 2025.)

(a) Balance sheets (standalone)

	March 31, 2026
Current assets	$198,241
Property and equipment	1,446
Right-of-use assets	3,458
Other intangible assets	9,359
Deferred tax assets	1,407
Other assets	-
Other non-current assets	3,787
Total assets	$217,698
Current liabilities	$71,773
Other non-current liabilities	3,626
Total liabilities	75,399
Share capital	10,000
Capital surplus	1,541
Retained earnings	130,758
Total equity	142,299
Total liabilities and equity	$217,698

(b) Statements of comprehensive income (standalone)

	For the three months ended March 31, 2026
Operating revenue	$135,146
Operating cost	(105,284)
Gross profit	-
Operating expenses	-
Operating income	29,862
Non-operating income	334
Non-operating expenses	(10)
Income before income tax	30,186
Income tax expense	(6,037)
Net income	24,149
Other comprehensive income (loss)	-
Total comprehensive income (loss)	$24,149
Basic earnings per share (dollar)	$30.19

(c) Profitability

Item		March 31, 2026
Return on total assets	Pretax	14.55%
	After tax	11.64%
Return on net equity	Pretax	23.16%
	After tax	18.53%
Profit margin		17.82%

Note a: Return on total assets = $\frac{\text{Income before (after) tax}}{\text{Average assets}}$

Note b: Return on net equity = $\frac{\text{Income before (after) tax}}{\text{Average net equity}}$

Note c: Profit margin = $\frac{\text{Income after tax}}{\text{Operating income + Non-operating income}}$

Note d: Profitability presented above is cumulative from January 1 to March 31 of 2026 and 2025.

(19)Business or transaction activities, joint business promotion activities, interactive use of information, or sharing of business equipment or premises with various subsidiaries of financial holding companies, and the method of apportioning revenue, costs, expenses, and profits and losses

A. Please refer to Attachment 6 for the major business or transactions between TS Financial Holding and its subsidiaries.

B. Joint business promotion activities

In order to provide customers with diversified and convenient financial services to meet their needs, further improve the performance of each subsidiary, and create the best synergy, TS Financial Holding and its subsidiaries actively use the resources of each subsidiary to integrate the marketing mechanism through financial holdings, assist each other in the cross-selling business, and fully demonstrate the advantages of complementary channels.

C. Interactive use of information

In accordance with the “Financial Holding Company Act”, “Administrative Measures for Joint Marketing Between Subsidiaries of Financial Holding Companies”, “Personal Data Protection Act” and relevant Letters and Orders issued by the FSC, the Company and its subsidiaries that conduct joint marketing, and subsidiaries of mutual use have signed the “Joint Customer Information Confidentiality Agreement”, and announced ”Joint Marketing Customer Information Confidentiality Measures” on its website and business offices to maintain the confidentiality of customer information or limit its use, and provide a customer exit mechanism in a legal and safe environment.

D. Sharing of business equipment or premises

In order to provide the most suitable products and one-stop shopping services, and to conduct joint marketing business within the scope approved by laws and regulations, customers can conduct related businesses at the business offices of Taishin Bank, Taishin Securities B, Taishin Life Insurance, Taiwan Shin Kong Commercial Bank, MasterLink Securities, and Shin Kong Life Insurance, the Company’s subsidiaries.

E. The method of apportioning revenue, costs, expenses, and profits and losses

In order to expand the economic scale and utilize the benefits of the Group's resources, TS Financial Holding and its subsidiaries will jointly promote the business or share part of the business equipment and premises. Their income and expense allocation methods are directly attributable to the subsidiaries according to the nature of the business, or appropriately apportioned to the respective companies.

13. Other Disclosure

(1) Material transactions are summarized as follows:

A. Financings provided to others: Please refer to Attachment 1.

B. Endorsements/guarantees provided: Not applicable to subsidiaries in the banking, securities and insurance industries; applicable to other subsidiaries.: Please refer to Attachment 2.

C. Financings provided to others (Excluding investment subsidiaries, associates and joint ventures): Not applicable to subsidiaries in the banking, securities and insurance industries; the details of significant marketable securities held by other subsidiaries as of the end of the period are as follows: Please refer to Attachment 3.

D. Discounts of service charges for related parties amounting to at least $5 million：None.

E. Receivables from related parties amounting to at least $300 million or 10% of the paid-in capital：Please refer to Attachment 4.

F. Sales of NPL from subsidiaries：None.

G. Authorities securitized instruments and related assets which are in accordance with the Statute for Financial Assets Securitization and the Statute for Real Estate Securitization：None.

H. Business relationships, significant transactions and amounts between parent and subsidiaries: Please refer to Attachment 6.

I. Other transactions that may have significant impact on the decision made by the financial statement users：None.

(2) Information of investment in mainland China: Please refer to Attachment 5.

14. Segment Information

(1) General information

The report of TS Financial Holding and its subsidiaries is the same as the report for internal use of policy makers. Main policy makers distribute the resources to the operation department and evaluate its efficiency. TS Financial Holding's main policy makers are the board of directors.

Interdepartmental transactions are normal transactions. TS Financial Holding consolidates all its subsidiaries and writes off interdepartmental transaction gains and losses. The subsidiaries evaluate their own operation efficiency.

The operation departments of TS Financial Holding are subsidiaries of bank business, securities business, insurance business and other business, respectively. The board of directors, the main policy maker, reviews company operation results, distributes resources, and evaluates operation efficiency.

	For the three months ended March 31, 2026								
	TS Financial Holding	Taishin Bank Consolidated	Taishin Securities B Consolidated	Taiwan Shin Kong Commercial Bank	Shin Kong Life Insurance Consolidated	MasterLink Securities Consolidated	Others	Adjustments and Eliminations	Total
Net interest income (expense)	$(531,897)	$9,811,547	$100,115	$3,595,904	29,214,051	$62,406	$23,201	$267,511	$42,542,838
Net income other than net interest income	21,674,286	7,371,193	2,754,435	2,448,527	(11,934,196)	3,635,552	385,465	(21,010,644)	5,324,618
Net revenue and gains	21,142,389	17,182,740	2,854,550	6,044,431	17,279,855	3,697,958	408,666	(20,743,133)	47,867,456
Reversal of bad debt expenses, commitments and guarantee liabilities (provision)	-	(1,185,170)	(576)	(377,380)	(465)	(28,958)	296	(5,018)	(1,597,271)
Other insurance service costs	-	-	-	-	(1,993,633)	-	-	(778,030)	(2,771,663)
Operating expenses	(583,103)	(8,405,321)	(1,177,239)	(2,890,824)	(2,536,682)	(1,938,623)	(371,525)	(6,451)	(17,909,768)
Income (loss) before income tax	$20,559,286	$7,592,249	$1,676,735	$2,776,227	$12,749,075	$1,730,377	$37,437	$(21,532,632)	$25,588,754
Total assets	$707,927,321	$3,267,714,560	$97,322,701	$1,399,659,434	$4,105,294,185	$202,902,019	$10,326,609	$(726,437,874)	$9,064,708,955

	For the three months ended March 31, 2025							
	Taishin Bank (Retail Banking Group)	Taishin Bank (Wholesale Banking Group)	Taishin Bank (Financial and Financial Market Group)	Taishin Securities B Consolidated	Taishin Life Insurance	Others	Adjustments and Eliminations	Total
Net interest income (expense)	$4,196,720	$3,253,632	$(37,302)	$99,295	$1,787,264	$227,782	$(293,485)	$9,233,906
Net income other than net interest income	4,106,659	639,078	1,724,070	1,011,093	(4,151,025)	4,920,976	(4,981,242)	3,269,609
Net revenue and gains	8,303,379	3,892,710	1,686,768	1,110,388	(2,363,761)	5,148,758	(5,274,727)	12,503,515
Reversal of bad debt expenses, commitments and guarantee liabilities (provision)	125,653	(768,439)	63	22	-	(126,635)	-	(769,336)
Other insurance service costs	-	-	-	-	(352,810)	-	227,487	(125,323)
Operating expenses	(4,579,505)	(1,085,519)	(834,464)	(739,868)	(577,176)	(1,487,702)	134,475	(9,169,759)
Income (loss) before income tax	$3,849,527	$2,038,752	$852,367	$370,542	$(3,293,747)	$3,534,421	$(4,912,765)	$2,439,097
Total assets	$957,631,826	$856,742,751	$895,630,468	$79,297,025	$319,388,733	$554,028,525	$(260,577,435)	$3,402,141,893

(2) Financial information by region

The operating income of the Group's overseas departments is not over 10% of the Group's consolidated operating income. In addition, their assets are not over 10% of the Group's consolidated total assets either. Thus, no financial information by region is required.

(3) Information of important customers

The Group does not have major customers contributing more than 10% of net revenue and gains to the Group's consolidated statements of comprehensive income.

ATTACHMENT 1

Financings provided to others for the three months ended March 31, 2026

No. (Note 1)	Lender	Borrower	Financial statement account (Note 2)	Related parties	Maximum balance for the period (Note 3)	Ending balance (Note 8)	Amount actually drawn	Interest rate (%)	Financing type (Note 4)	Transaction amount (Note 5)	Financing reasons (Note 6)	Allowance for impairment loss	Collateral		Financing limit for each borrowing company (Note 7)	Financing company's financing amount limit (Note 7)
													Item	Value		
1	Taishin AMC	Xu O Zhen	Long-term receivables - advance payment	No	$133,333	$133,333	$85,500	1%-10%	Business transaction	$85,500	Advance payment of urban renewal	$855	Land and buildings	$160,000	$625,986	$8,763,799
1	Taishin AMC	Chen O Ming	Long-term receivables - advance payment	No	133,333	133,333	87,500	1%-10%	Business transaction	87,500	Advance payment of urban renewal	875	Land and buildings	160,000	625,986	8,763,799
1	Taishin AMC	Zhuang O Xiang	Long-term receivables - advance payment	No	66,667	66,667	51,500	1%-10%	Business transaction	51,500	Advance payment of urban renewal	515	Land and buildings	80,000	625,986	8,763,799
1	Taishin AMC	Zhuang O Ming	Long-term receivables - advance payment	No	66,667	66,667	55,500	1%-10%	Business transaction	55,500	Advance payment of urban renewal	555	Land and buildings	80,000	625,986	8,763,799
1	Taishin AMC	King Want Corporation. Co., Ltd.	Long-term receivables - advance payment	No	496,000	496,000	245,740	1%-10%	Business transaction	245,740	Advance payment of urban renewal	2,457	Land and buildings	175,200	625,986	8,763,799
1	Taishin AMC	King Want Corporation. Co., Ltd.	Long-term receivables - advance payment	No	400,000	400,000	162,000	1%-10%	Business transaction	162,000	Advance payment of urban renewal	1,620	Land and buildings	480,000	625,986	8,763,799
1	Taishin AMC	In Life Development Corporation Co., Ltd.	Long-term receivables - advance payment	No	150,000	150,000	22,506	1%-10%	Business transaction	22,506	Advance payment of urban renewal	225	None	None	625,986	8,763,799
1	Taishin AMC	Teng Jun Construction Co., Ltd.	Long-term receivables - advance payment	No	90,000	90,000	57,067	1%-10%	Business transaction	57,067	Advance payment of urban renewal	571	Land and buildings	108,000	625,986	8,763,799

Note 1: The method for filling out the number column is as follows:

a. Parent: 0.

b. Investees are numbered starting from 1.

Note 2: If receivables from related companies, receivables from related parties, contracts between shareholders, advance payments, payment on behalf, etc. have financing type, they should fill into this column.

Note 3: The maximum balance of financings provided in the current year.

Note 4: The financing type column should be business transaction or short-term financing.

Note 5: If the financing type is a business transaction, the amount of business transaction should be filled. The amount of business transaction refers to the amount between the lender and the borrower in the recent year.

Note 6: If the financing type is a short-term financing, the reason for the financing and the use of the financing should be specified, such as repayment of loans, purchase of equipment, business turnover, etc.

Note 7: The accumulated balance of loans (including business dealings and short-term financing needs) of Taishin AMC shall be limited to seven times of its net worth; for Taishin D.A. Finance, it shall be limited to its net worth. The lending amount limit to the same person and the same affiliated entity of Taishin AMC shall be limited to 50% of its net worth based on latest financial statements; for Taishin D.A. Finance, it shall be limited 10% of its net worth based on the latest financial statements.

Note 8: If public company follows the Article 14(a) of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, it will resolve the allocation of funds within the board of directors. Although the amount has not been allocated, the company needs to announce the amount resolved by the board of directors, in order to bear the risk of disclosure; after the fund has been repaid, the company should disclose the balance after repayment, in order to reflect on the adjustment of risk. If the public company follows the Article 14(b) of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, after the resolution of board of directors, enables the chairman, within a certain monetary limit resolved by the board of directors, and within a period not exceeding one year, to give loans in installments or to make a revolving credit line available for the borrower to draw down, the company should still use the resolution amount and limit passed in the board of directors as the publicly disclosed balance. After the fund has been partially repaid, considering that there will be more allocation in the process, the company should use the resolution amount and the limit passed in the board of directors as the publicly disclosed balance.

ATTACHMENT 2

Endorsements/guarantees provided for the three months ended March 31, 2026

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limits on endorsement/ Guarantee given on behalf of each party (Note 3)	Maximum amount endorsed/ guaranteed during the period (Note 4)	Outstanding endorsement/ Guarantee at the end of the period (Note 5)	Actual amount borrowed (Note 6)	Amount endorsed/ Guaranteed by collateral	Ratio of accumulated endorsement/ Guarantee to net equity in latest financial statements (%)	Aggregate endorsement/ Guarantee limit (Note 3)	Endorsement/ Guarantee given by parent on behalf of subsidiaries (Note 7)	Endorsement/ Guarantee given by subsidiaries on behalf of parent (Note 7)	Endorsement/ Guarantee given on behalf of companies in mainland China (Note 7)
		Name	Relationship (Note 2)										
1	Taishin D.A. Finance	Taishin Financial Leasing (China)	2	$32,874,881	$1,760,525	$1,760,525	$1,144,341	$-	37.49	$32,874,881	Y	N	Y

Note 1: Column is numbered as follows:

a. Parent: 0.

b. Investees are numbered starting from 1.

Note 2: Relationship between the endorser/guarantor and the endorsee/guarantee is classified as follows:

a. Having a business relationship.

b. The endorser/guarantor directly or indirectly owns more than 50% of the ordinary shares of the endorsee/guarantee.

c. The endorsee/guarantee directly or indirectly owns more than 50% of the ordinary shares of the endorser/guarantor.

d. The Company in which the public company directly or indirectly holds 90% or more of the voting shares may make endorsements/guarantees for each other.

e. Where a public company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or joint builders for purposes of undertaking a construction project.

f. Due to a joint venture, all shareholders provide endorsements/guarantees to the endorsee/guarantee in proportion to their ownership.

g. Where companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: The accumulated balance of endorsement/guarantee provided to others shall be limited to seven times of the endorser/guarantor's net worth. The endorsement/guarantee amount limit to a same person and same affiliated entity, shall be limited to seven times of the endorser/guarantor's net worth based on latest financial statements.

Note 4: The maximum balance of the endorsement/guarantee provided to others in the current year.

Note 5: The amount approved by the board of directors shall be entered. However, it refers to the amount approved by the chairman if the board of directors authorizes the chairman to make a decision in accordance with Subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 6: The actual drawdown amount by the endorsed/guaranteed company within the range of the endorsement/guarantee balance shall be entered.

Note 7: It is a guarantor of the listed parent company to the endorsement of the subsidiary, the subsidiary company's endorsement to the listed parent company and the endorsement of the mainland area must be filled with Y.

Note 8: Foreign-currency amounts were translated to New Taiwan Dollars at the spot exchange rates on the balance sheet date.

ATTACHMENT 3

Significant securities held as of March 31, 2026 (Excluding subsidiaries, associates and jointly controlled entities)

(In Thousands of New Taiwan Dollars; in Thousands of Specified Foreign Currency; in Thousands shares/Units)

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	March 31, 2026				Note
				Number of shares/units/ face value	Carrying amount	Percentage of ownership (%)	Market value	
Taishin Real Estate	Shares							
	Taipei Metro Consulting Service CO., LTD.	Its corporate director is Taishin Real Estate	Financial assets at FVTOCI	300	$3,012	6.00	$3,012	
Taishin D.A. Finance	Shares							
	Yuan Tai Forex Brokerage Co., Ltd.	Its corporate director is Taishin D.A. Finance	Financial assets at FVTOCI	600	10,488	5.00	10,488	Not listed
	Bon-Li International Technology Co., Ltd.	None	Financial assets at FVTOCI	125	-	1.50	-	Go out of business
	Equity							
	Taishin Financial Leasing (China)	Parent company and subsidiary	Investments measured by equity method	USD$80,000	2,592,691	100.00	2,592,691	
	Shin Kong Leasing (Suzhou)	Parent company and subsidiary	Investments measured by equity method	USD$30,000	788,495	100.00	788,495	
Taishin Venture Capital Investment	Equity							
	Chime Biologics Limited	None	Financial assets at FVTPL	2,105	35,895	0.45	35,895	
	Delos Capital Fund, LP	None	Financial assets at FVTPL	8,144	97,492	7.63	97,492	
	Delos Capital Fund II, LP	None	Financial assets at FVTPL	7,930	282,730	7.46	282,730	
	Delos Capital Fund III, LP	None	Financial assets at FVTPL	12,686	340,947	8.31	340,947	
	CDIB Capital Global Opportunities Fund, L.P.	None	Financial assets at FVTPL	2,542	73,756	2.21	73,756	
	Li Shen Zhi-Lian L.P.	None	Financial assets at FVTPL	30,000	16,200	10.59	16,200	
	Arm IoT Fund, L.P.	None	Financial assets at FVTPL	2,456	88,120	14.70	88,120	
	Shares							
	Hwei-Yang Venture Capital Investment Co., Ltd.	None	Financial assets at FVTPL	42	2,452	1.54	2,452	
	Century Development	Its corporate supervisor is Taishin Venture Capital Investment	Financial assets at FVTPL	10,910	140,411	3.03	140,411	
	Microbio Co., Ltd.	None	Financial assets at FVTPL	1,322	22,203	0.22	22,203	Listed on the OTC
	Winking Studios Limited	None	Financial assets at FVTPL	2,614	14,928	0.59	14,928	Publicly Listed
	Diamond Biofund	None	Financial assets at FVTPL	72,537	1,008,269	8.52	1,008,269	Publicly Listed
	StemCyte International, Ltd.	None	Financial assets at FVTPL	730	18,199	0.38	18,199	Emerging Stock Board
	VM Discovery, Inc. Preferred D	None	Financial assets at FVTPL	95	2,749	0.38	2,749	
	RevMab Biosciences, Inc.	None	Financial assets at FVTPL	400	14,880	2.26	14,880	

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	March 31, 2026				Note
				Number of shares/units/ face value	Carrying amount	Percentage of ownership (%)	Market value	
	Eden Biologics, Inc.	None	Financial assets at FVTPL	2,105	$4,358	0.89	$4,358	
	OME Technology Co., Ltd.	None	Financial assets at FVTPL	1,457	22,163	2.15	22,163	
	Shin Yao Biomedical Venture Capital Investment Co., Ltd.	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTPL	35,000	213,150	10.00	213,150	
	Taxven BioPharma, Inc.	None	Financial assets at FVTPL	402	16,057	0.15	16,057	Publicly Listed
	Great Agricultural Technology Co., Ltd.	None	Financial assets at FVTPL	578	2,218	3.33	2,218	
	17LIFE	Others	Financial assets at FVTPL	1,300	-	7.22	-	
	I.X	None	Financial assets at FVTPL	1,942	-	3.41	-	
	AMIS Technologies Co., Ltd.	None	Financial assets at FVTPL	17,500	-	7.92	-	
	IIH Biomedical Venture Fund I Co., Ltd.	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTPL	2,500	76,325	8.08	76,325	
	Taiwania Capital Management Corporation	None	Financial assets at FVTPL	17,760	66,067	7.10	66,067	
	Jada International Development Corporation	None	Financial assets at FVTPL	1,946	8,583	5.68	8,583	
	Guoyu Global Company Limited	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTPL	300	378	9.23	378	
	Jing Ying Investment	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTPL	15,610	88,977	10.00	88,977	
	Gogoro Inc.	None	Financial assets at FVTPL	50	5,571	0.34	5,571	Publicly Listed
	CT Ambi Inc.	Its corporate supervisor is Taishin Venture Capital Investment	Financial assets at FVTPL	2,000	9,100	14.83	9,100	
	BSOS Holdings, INC.	None	Financial assets at FVTPL	2,406	26,755	2.69	26,755	
	All Win Fintech Company Limited	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTPL	8,617	50,411	13.70	50,411	
	ImmunAdd Inc.	None	Financial assets at FVTPL	3,700	126,281	9.90	126,281	
	Radbon Electronics Co., Ltd.	None	Financial assets at FVTPL	550	106,227	1.35	106,227	
	Protuoso Pte. Ltd. /Series Seed-1	None	Financial assets at FVTPL	1,151	21,552	4.39	21,552	
	Modernity Financial Holding Ltd. /Series B	None	Financial assets at FVTPL	600	61,302	1.30	61,302	
	Verge Medical Holdings /Series A-1	None	Financial assets at FVTPL	239	14,882	1.59	14,882	
	GreenHarvest Co., Ltd.	None	Financial assets at FVTPL	1,125	27,000	3.84	27,000	
	Sim2 Travel Inc. Preferred A	None	Financial assets at FVTPL	350	-	0.88	-	
	PC Home Online Investment Inc.	None	Financial assets at FVTPL	79	-	3.03	-	Liquidated
	CC Media Co., Ltd.	None	Financial assets at FVTPL	400	-	0.48		
	Taishin Sports Entertainment	Parent company and subsidiary	Investments measured by equity method	6,000	(11,244)	100.00	(11,244)	
	Beneficiary certificates							
	Taishin ESG Emerging Markets Bond Fund A	Fund issued by Taishin Securities Investment Trust	Financial assets at FVTPL	1,100	10,505	-	10,505	

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	March 31, 2026				Note
				Number of shares/units/ face value	Carrying amount	Percentage of ownership (%)	Market value	
	Fubon Money Market Fund	None	Financial assets at FVTPL	1,796	$29,884	-	$29,884	
	First Gold Taiwan Money Market Fund	None	Financial assets at FVTPL	1,233	20,061	-	20,061	
	UPAMC James Bond Money Market Fund	None	Financial assets at FVTPL	1,132	20,062	-	20,062	
	Conversion of convertible bonds							
	Uspace Tech Co., Ltd. / Conversion of convertible bonds	None	Financial assets at FVTPL	30,000	17,965	-	17,965	
	Investment agreement							
	Public Television Foundation (Puppet Flower)	None	Financial assets at FVTPL	2,000	-	-	-	
Taishin AMC	Shares							
	Linkou Golf Country Club	None	Financial assets at FVTOCI	-	2,111	0.30	2,111	
	Dah Chung Bills	None	Financial assets at FVTOCI	2,465	39,426	0.51	39,426	
	Diamond Biofund	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTOCI	5,788	80,458	0.68	80,458	
	Shin Yao Biomedical Venture Capital Investment Co., Ltd.	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTOCI	4,375	26,688	1.25	26,688	
	Jing Ying Investment	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTOCI	1,951	11,122	1.25	11,122	
	Taishin Real Estate	Investee under the equity method	Investments measured by equity method	8,000	153,647	40.00	153,647	
Taishin Securities Venture Capital	Shares							
	Geniron Technology Co., Ltd.	None	Financial assets at FVTPL	434	6,575	4.06	6,575	
	Trans-IOT Technology Co., Ltd.	None	Financial assets at FVTPL	385	696	3.61	696	
	eTreego Co., Ltd.	None	Financial assets at FVTPL	520	3,422	0.19	3,422	
	Da Yi Cheng Technology Co., Ltd.	None	Financial assets at FVTPL	683	126,631	3.43	126,631	
	Digital Idea Multi-Media Co., Ltd.	None	Financial assets at FVTPL	600	52,032	3.31	52,032	
	AuthenX Inc.	None	Financial assets at FVTPL	1,550	129,735	4.30	129,735	
	Ascension Medical Biotechnology Co., Ltd.	None	Financial assets at FVTPL	120	5,707	0.84	5,707	
	SIMO Holdings Inc.	None	Financial assets at FVTPL	2,400	72,406	2.87	72,406	
	GreenHarvest Co., Ltd.	None	Financial assets at FVTPL	800	48,000	2.60	48,000	
	Evoasis Inc.	None	Financial assets at FVTPL	1,400	105,000	2.14	105,000	
	JG-SSG Co., Ltd.	None	Financial assets at FVTPL	350	28,700	1.27	28,700	
	AV LINK Group Ltd.	None	Financial assets at FVTPL	370	-	2.06	-	
	Excelsior Bio-system Inc.	None	Financial assets at FVTPL	263	-	0.65	-	
	Finatext Co., Ltd.	None	Financial assets at FVTPL	29	-	7.50	-	
	Tangeng Advanced Vehicle Co., Ltd.	None	Financial assets at FVTPL	1,400	-	1.98	-	
	Le Day Multimedia Co., Ltd.	None	Financial assets at FVTPL	459	-	3.83	-	
	Rich Healthy Fruits & Vegetable Corp.	None	Financial assets at FVTPL	288	-	1.64	-	
	Ecloudvalley Digital Technology Co., Ltd.	None	Financial assets at FVTPL	27	2,055	0.04	2,055	
	Mega Union Technology Incorporated	None	Financial assets at FVTPL	10	7,590	0.01	7,590	

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	March 31, 2026				Note
				Number of shares/units/ face value	Carrying amount	Percentage of ownership (%)	Market value	
	Microprogram Information Co., Ltd.	None	Financial assets at FVTPL	185	$13,690	0.33	$13,690	
	H. H. Galaxy Co., Ltd.	None	Financial assets at FVTPL	41	2,335	0.13	2,335	
	Advanced Echem Materials Company Limited	None	Financial assets at FVTPL	52	41,496	0.06	41,496	
	Horng Terng Automation Co., Ltd.	None	Financial assets at FVTPL	91	125,580	0.34	125,580	
	Acepodia, Inc. (Cayman)	None	Financial assets at FVTPL	200	2,412	0.03	2,412	
	Taiwan Puritic Corp.	None	Financial assets at FVTPL	78	39,468	0.09	39,468	
	Libo Pharma Corp.	None	Financial assets at FVTPL	100	4,698	0.13	4,698	
Taishin Health Investment	Equity							
	Taishin Healthcare Partnership	Its general partner is Taishin Health Investment	Financial assets at FVTPL	10,456	27,637	1.65	27,637	
Taishin Capital	Shares							
	Taishin Health Investment	Investee under the equity method	Investments measured by equity method	52,843	30,849	100.00	30,849	
	Beneficiary certificates							
	Taishin AIoT Semiconductor LP.	Its general partner is Taishin Capital	Financial assets at FVTPL	1	1	16.67	1	
Taishin Futures	Shares							
	Taiwan Futures Exchange	None	Financial assets at FVTOCI	65	3,193	0.01	3,193	
Taishin Securities Investment Trust	Shares							
	FundRich	None	Financial assets at FVTOCI	602	6,274	0.87	9,668	
	Victor Taichung Machinery Works Co., Ltd.	None	Financial assets at FVTPL	-	1,546	0.04	1,546	
MasterLink Venture Capital	Shares							
	TacBright Optronics Corp.	None	Financial assets at FVTPL	3,300	22,902	0.71	22,902	
	Allied Biotech Corp.	None	Financial assets at FVTPL	940	24,290	0.98	24,290	
	Luo Lih-Fen Holding Co., Ltd.	None	Financial assets at FVTPL	165	6,575	0.35	6,575	
	Anya Biopharm Inc.	None	Financial assets at FVTPL	1,677	52,104	3.42	52,104	
	AetherAI Co., Ltd.	None	Financial assets at FVTPL	1,000	29,950	1.13	29,950	
	Revlis Biotech Co., Ltd.	None	Financial assets at FVTPL	3,114	2,698	3.70	2,698	
	Amaran Biotechnology Inc.	None	Financial assets at FVTPL	292	15,740	0.32	15,740	
	Minima Technology Co., Ltd.	None	Financial assets at FVTPL	1,290	-	3.25	-	
	NanoMed Targeting Systems Inc.	None	Financial assets at FVTPL	146	50,450	19.00	50,450	
	Excelsius Medical Co., Ltd.	Its corporate director is MasterLink Venture Capital	Financial assets at FVTPL	528	-	2.64	-	
	Sing Ge Biotechnology Co., Ltd.	Its corporate supervisor is MasterLink Venture Capital	Financial assets at FVTPL	2,950	1,886	9.83	1,886	
	Grow Trend Biomedical Co., Ltd.	Its corporate supervisor is MasterLink Venture Capital	Financial assets at FVTPL	1,004	44,791	6.98	44,791	

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	March 31, 2026				Note
				Number of shares/units/ face value	Carrying amount	Percentage of ownership (%)	Market value	
	Lattice Energy Technology Corporation	None	Financial assets at FVTPL	2,300	$3,018	5.97	$3,018	
	Bright Ideas for Life Co., Ltd.	None	Financial assets at FVTPL	1,000	-	3.85	-	
	Prosperity Power Technology Corporation	None	Financial assets at FVTPL	424	-	1.41	-	
	Advanced Ethanol Inc.	None	Financial assets at FVTPL	2,080	5,937	5.20	5,937	
	Krisan Biotech Co., Ltd.	None	Financial assets at FVTPL	1,450	21,840	2.52	21,840	
	MIGO CORPORATION	None	Financial assets at FVTOCI	2,301	29,000	0.54	29,000	
	Asia Best Healthcare Co., Ltd.	None	Financial assets at FVTOCI	4	9,507	1.57	9,507	
	Asia Best Life Care Co., Ltd.	None	Financial assets at FVTOCI	2,748	13,761	1.60	13,761	
	Equity							
	MasterLink Securities Venture Capital (Tianjin)	Investee under the equity method	Investments measured by equity method	5,045	45,133	10.00	45,133	
Shin Shou Building Management	Shares							
	The Great Taipei Gas	Principal related party	Financial assets at FVTOCI	11,699	348,055	2.27	348,055	
	Taiwan Shin Kong Security Co., Ltd.	Principal related party	Financial assets at FVTOCI	3,450	140,600	0.89	140,600	
	Shinkong Spinning Co., Ltd.	Principal related party	Financial assets at FVTOCI	643	39,030	0.21	39,030	
	Shin Kong Insurance	Principal related party	Financial assets at FVTOCI	778	91,026	0.25	91,026	
	Yi Kong Security	Principal related party	Financial assets at FVTOCI	5,607	228,566	15.50	228,566	
	Lan An Co., Ltd.	Principal related party	Financial assets at FVTOCI	5	108	0.20	108	
	Great Taipei Broadband	Principal related party	Financial assets at FVTOCI	10,000	57,880	6.67	57,880	
	Yu Chi Venture Capital	None	Financial assets at FVTOCI	125	1,263	2.50	1,263	
	Beneficiary certificates							
	Allianz Global Investors Taiwan Money Fund First Gold Taiwan Money Market Fund	None	Financial assets at FVTPL	7,770	103,416	0.42	103,416	
	First Gold Taiwan Money Market Fund	None	Financial assets at FVTPL	8,298	134,987	0.18	134,987	
	Fubon Money Market Fund	None	Financial assets at FVTPL	6,566	103,539	0.16	103,539	
	Yuanta U.S. Treasury 1-3 Year Bond ETF	None	Financial assets at FVTPL	1,000	31,600	0.21	31,600	
	CAPITAL ICE ESG 20+Year BBB Corporate ETF	None	Financial assets at FVTPL	1,900	28,253	0.01	28,253	
	CTBC Enhanced Yield 15+Year Investment Grade Senior US Developed Markets Corporate ESG Screened Bond ETF	None	Financial assets at FVTPL	3,000	28,500	0.10	28,500	
	KGI Global 10+Year USD Single A Corporate Bond ETF	None	Financial assets at FVTPL	1,400	19,936	0.06	19,936	
	Bond							
	Mercuries Life Insurance Co., Ltd 1st Perpetual Unsecured Subordinate Corporate Bond Issue in 2014	None	Investments in debt instruments at amortized cost	-	39,931	-	39,931	
Shin Kong Venture Capital	Shares							
	Taiya Renewable Energy Co., Ltd	None	Financial assets at FVTPL	600	6,289	0.00	6,289	

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	March 31, 2026				Note
				Number of shares/units/ face value	Carrying amount	Percentage of ownership (%)	Market value	
	Infinite Resource Technology Co., Ltd.	None	Financial assets at FVTPL	1,250	$22,500	0.02	$22,500	
	Eco Energy Corporation	None	Financial assets at FVTPL	857	18,426	0.02	18,426	
	MaiCoin - KY	None	Financial assets at FVTPL	258	26,347	0.00	26,347	
	Zimmite Taiwan Ltd.	None	Financial assets at FVTPL	611	29,974	0.02	34,605	
	Topkey Corporation	None	Financial assets at FVTPL	32	5,030	0.00	4,768	
	CyCraft - KY	None	Financial assets at FVTPL	11	913	0.00	891	
	Mega Union Technology Incorporated	None	Financial assets at FVTPL	6	4,554	0.00	4,554	
	AnnJi Pharmaceutical Co., Ltd.	None	Financial assets at FVTPL	141	7,686	0.00	9,448	
	Techzone Technology Materials Co., Ltd.	None	Financial assets at FVTPL	384	21,177	0.00	29,714	
	Green Solution Technology Co., Ltd.	None	Financial assets at FVTPL	38	2,037	0.00	2,099	
	Aulisa Medical USA, Inc.	None	Financial assets at FVTOCI	309	4,466	0.01	4,466	
	Sounds Great Co., Ltd.	None	Financial assets at FVTOCI	7,450	-	0.09	-	
	Puhui Financial Technology Co., Ltd.	None	Financial assets at FVTOCI	230	-	0.12	-	
	Evergreen Steel Corp.	None	Financial assets at FVTOCI	315	20,411	0.08	30,492	
	Value Valves Co., Ltd.	None	Financial assets at FVTOCI	37	3,019	0.08	2,964	
	Alar Pharmaceuticals Inc.	None	Financial assets at FVTOCI	288	7,200	0.43	47,808	
	Beneficiary certificates							
	Mesh Ventures Fund 1 LP	None	Financial assets at FVTOCI	-	1,292	-	1,292	
	Li Shen Zhi-Lian L.P.	None	Financial assets at FVTPL	-	8,818	-	8,818	
	Andra Capital Fund LP	None	Financial assets at FVTPL	-	209,676	-	209,676	
	Pacific 8 Ventures Fund II, L.P.	None	Financial assets at FVTPL	-	81,324	-	81,324	
	Bond							
	Mercuries Life Insurance Co., Ltd 1st Perpetual Unsecured Subordinate Corporate Bond Issue in 2014	None	Investments in debt instruments at amortized cost	-	231,617	-	231,617	
	Equity							
	Lion Investment	Parent company and subsidiary	Investments measured by equity method	30,010	779,904	1.00	779,904	
	Jih-yao Energy Co., Ltd.	Associate	Investments measured by equity method	500	5,093	0.02	5,093	

ATTACHMENT 4

Receivables from related parties amounting to NT$300 million or 10% of the paid-in capital

March 31, 2026

Company name	Related party	Relationship	Ending balance	Turnover rate	Overdue		Amount received in subsequent year	Allowance for bad debts	Note
					Amount	Actions taken			
TS Financial Holding	Taishin Bank	Wholly-owned subsidiary of TS Financial Holding	$4,809,807 (Note 1)	-	$-	-	$-	$-	Note 1
Shin Kong Life Insurance	TS Financial Holding	Wholly-owned subsidiary of TS Financial Holding	9,442,226 (Note 1)	-	-	-	-	-	Note 1
Taishin Bank	Shin Kong Life Insurance	Both entities are wholly-owned subsidiaries of TS Financial Holding	488,444 (Note 2)	-	-	-	-	-	Note 2

Note 1: The ending balance is comprised of accounts receivable under linked tax system. The amount was eliminated from the consolidated financial statements.

Note 2: The ending balance is comprised of commission receivable. The amount was eliminated from the consolidated financial statements.

ATTACHMENT 5

1. Investments in Mainland China

(In Thousands of New Taiwan Dollars; in Thousands of Specified Foreign Currency)

Investor (Note 1)	Investee	Main businesses and products of investee	Total amount of paid-in capital of investee	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2026	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2026	Investee's net income	Percentage of ownership (%)	Investment profit (loss) recognized in the current period	Carrying value as of March 31, 2026	Accumulated inward remittance of earnings as of March 31, 2026
						Outflow	Inflow						
Taishin D.A. Finance	Taishin Financial Leasing (China)	Financial leasing.	$2,437,967 (USD$80,000)	Note 1(1)	$2,117,767 (USD$70,000)	$-	$-	$2,117,767 (USD$70,000)	$11,827	100%	$11,827	$2,592,691	$397,631
Taishin D.A. Finance (Note4)	Shin Kong Leasing (Suzhou)	Operating finance leasing.	926,995 (USD$30,000)	Note 1(1)	-	767,812 (USD$30,000)	-	767,812 (USD$30,000)	6,194	100%	6,194	788,495	-
MasterLink Securities	MasterLink Investment Advisory (Tianjin)	Securities investment consulting, training, and teaching services.	13,774	Note 1(2) MasterLink Securities (B.V.I.)	13,774	-	-	13,774	(3,476)	100%	(3,476)	45,615	-
MasterLink Securities	MasterLink Innovation Venture Management (Tianjin)	Entrusted management of venture capital enterprises' investment business and investment consulting services.	50,450	Note 1(1)	50,450	-	-	50,450	882	100%	882	96,685	-
MasterLink Securities	MasterLink Securities Venture Capital (Tianjin)	Providing venture capital consulting for newly established enterprises, investing in established enterprises, accepting equity transfers from investors of established enterprises, and other methods permitted by regulations, as well as providing management consulting for invested enterprises.	504,500	Note 1(1)	504,500	-	-	504,500	30	100%	30	410,539	-
Shin Kong Life Insurance	DingCheng Life Insurance	Insurance business operations.	5,544,400 (CNY$1,250,000)	Note 1(1)	1,386,100	-	-	1,386,100	234,898	25%	-	-	1,688,029

2.Investment limits for the mainland region

(In Thousands of New Taiwan Dollars; in Thousands of Specified Foreign Currency)

Investor	Accumulated investment in Mainland China as of March 31, 2026	Investment amounts authorized by investment commission, MOEA	Upper limit on investment
Taishin D.A. Finance	$2,885,579 (USD$100,000)	$3,177,336	$33,173,443
MasterLink Securities	568,724	568,724	17,213,559
Shin Kong Life Insurance	1,386,100	337,721 (USD$12,642)	169,325,985

Note 1: The methods of investment are as follows:

(1) Direct investment in mainland China.

(2) Investment in mainland China through reinvestment in an existing enterprise in a third area.

(3) Others.

Note 2: Recognized in profit (loss) in the current period:

(1) If the entity is still in the preparation stage and there is no profit (loss) yet, it should be disclosed.

(2) The basis of recognition of profit (loss), one of the following categories, should be disclosed:

A. Financial statements have been audited (reviewed) by an international accounting firm that has a working relationship with an accounting firm in the ROC.

B. Financial statements have been audited (reviewed) by the Taiwan parent company's CPA.

C. Others.

Note 3: For Taiwanese banks establishing branches, subsidiary banks, or participating in equity investment in mainland China, as well as Taiwanese banks and their subsidiaries that hold more than 50% of the total issued voting shares or total capital and subsidiary banks in a third area, the accumulated operating funds and investment of related-party corporations that are directly or indirectly controlled by companies investing in the mainland shall not exceed 15% of the bank's net worth at the time of application.

Note 4: Taishin D.A. finance acquired a 100% equity interest in Shin Kong Leasing (Suzhou) from Lion Investment on the settlement base date of February 13, 2026.

ATTACHMENT 6
Intercompany Relationships and significant intercompany transactions

Number (Note 1)	Main party	Counterparty	Relationship (Note 2)	Transactions			
				Account	Amount	Terms	% of Consolidated operating revenues or consolidated total assets (Note 3)
0	TS Financial Holding	Taishin Bank	1	Cash and cash equivalents	$21,669,750	Under arm's length terms	0.24%
0	TS Financial Holding	Taishin Bank	1	Receivable, net	4,809,807	Under arm's length terms	0.02%
0	TS Financial Holding	Taishin Bank	1	Securities purchased under resell agreements	1,600,000	Under arm's length terms	0.05%
0	TS Financial Holding	Taishin Securities B	1	Receivable, net	260,938	Under arm's length terms	0.00%
0	TS Financial Holding	Taiwan Shin Kong Commercial Bank	1	Receivable, net	510,477	Under arm's length terms	0.01%
0	TS Financial Holding	Shin Kong Life Insurance	1	Receivable, net	9,442,226	Under arm's length terms	0.11%
1	Taishin Bank	Taishin Securities Investment Advisory	3	Deposits and remittances	312,152	Under arm's length terms	0.00%
1	Taishin Bank	Taishin Securities Investment Trust	3	Deposits and remittances	385,098	Under arm's length terms	0.00%
1	Taishin Bank	Taishin Securities B	3	Deposits and remittances	4,491,730	Under arm's length terms	0.05%
1	Taishin Bank	Shin Kong Life Insurance	3	Deposits and remittances	2,283,831	Under arm's length terms	0.08%
1	Taishin Bank	Shin Kong Life Insurance	3	Lease liabilities	157,474	Under arm's length terms	0.00%
1	Taishin Bank	Shin Kong Life Insurance	3	Right-of-use assets, net	149,661	Under arm's length terms	0.00%
1	Taishin Bank	Shin Kong Life Insurance	3	Net service fee and commission income	1,825,890	Under arm's length terms	3.81%
1	Taishin Bank	Taishin D.A. Finance	4	Deposits and remittances	161,330	Under arm's length terms	0.00%
1	Taishin Bank	Taishin Futures	4	Deposits and remittances	776,442	Under arm's length terms	0.01%
1	Taishin Bank	MasterLink Futures	4	Deposits and remittances	183,178	Under arm's length terms	0.00%
2	Shin Kong Life Insurance	Taishin Bank	3	Payables	472,565	Under arm's length terms	0.01%
2	Shin Kong Life Insurance	Taiwan Shin Kong Commercial Bank	3	Net service fee and commission income	708,727	Under arm's length terms	1.48%
3	Taishin Securities B	Taishin Bank	3	Lease liabilities	106,913	Under arm's length terms	0.00%
3	Taishin Securities B	Taishin Bank	3	Right-of-use assets, net	104,510	Under arm's length terms	0.00%
3	Taishin Securities B	Taishin Futures	4	Other financial assets	1,353,760	Under arm's length terms	0.02%
4	Taishin Futures	Taishin Bank	5	Other financial liabilities	990,446	Under arm's length terms	0.01%
4	Taishin Futures	Taishin Securities B	5	Other financial liabilities	1,353,760	Under arm's length terms	0.02%
5	Taiwan Shin Kong Commercial Bank	Shin Kong Life Insurance	3	Right-of-use assets, net	601,051	Under arm's length terms	0.01%

Number (Note 1)	Main party	Counterparty	Relationship (Note 2)	Transactions			
				Account	Amount	Terms	% of Consolidated operating revenues or consolidated total assets (Note 3)
5	Taiwan Shin Kong Commercial Bank	Shin Kong Life Insurance	3	Lease liabilities	$641,130	Under arm's length terms	0.01%
5	Taiwan Shin Kong Commercial Bank	Shin Kong Life Insurance	3	Deposits and remittances	23,484,630	Under arm's length terms	0.26%
5	Taiwan Shin Kong Commercial Bank	Shin Shou Building Management	4	Deposits and remittances	191,036	Under arm's length terms	0.00%
5	Taiwan Shin Kong Commercial Bank	MasterLink Securities	3	Deposits and remittances	6,968,031	Under arm's length terms	0.08%
5	Taiwan Shin Kong Commercial Bank	MasterLink Futures	4	Deposits and remittances	3,096,465	Under arm's length terms	0.03%
5	Taiwan Shin Kong Commercial Bank	Taishin Securities Investment Trust	3	Deposits and remittances	640,218	Under arm's length terms	0.01%
5	Taiwan Shin Kong Commercial Bank	Shin Kong Insurance Agent	3	Deposits and remittances	138,454	Under arm's length terms	0.00%
6	MasterLink Securities	Shin Kong Life Insurance	3	Right-of-use assets, net	111,206	Under arm's length terms	0.00%
6	MasterLink Securities	Shin Kong Life Insurance	3	Lease liabilities	115,524	Under arm's length terms	0.00%

Note 1: Business relationships between the parent and subsidiaries are numbered as follows:
(1) Parent: 0.
(2) Subsidiaries are numbered starting from 1.

Note 2: Relationship between the main party and the counterparty is numbered as follows:
(1) Parent to subsidiary.
(2) Subsidiary to parent.
(3) One subsidiary to another subsidiary.
(4) Subsidiary to second tier subsidiary.
(5) Second tier subsidiary to subsidiary.

Note 3: Percentage of consolidated operating revenues or consolidated total assets: If the account is a balance sheet account, it was calculated by dividing the ending balance into consolidated total assets; if the account is an income statement account, it was calculated by dividing the interim cumulative balance into consolidated operating revenues.