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' AUDIT REPORT
FOR THE SIX MONTHS ENDED JUNE 30,
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' Audit Report

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

Opinion

We have audited the accompanying consolidated balance sheets of TS Financial Holding Co., Ltd. and its subsidiaries ("the Group") as of June 30, 2026 and December 31, 2025 (restated) and the related consolidated statements of comprehensive income for the three months periods ended June 30, 2026 , and for the six months periods ended June 30, 2026 , the related consolidated statements of changes in equity and cash flows for the six months periods ended June 30, 2026 , and the notes to the consolidated financial statements (including a summary of material accounting policies).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2026 and December 31, 2025 (restated), and their consolidated financial performance for the three months period ended June 30, 2026 and their consolidated financial performance and consolidated cash flows for the six months period ended June 30, 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, International Accounting Standards of Republic of China 34, "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission, and the Order No. 1140131712 dated March 12, 2025 and the Order No. 1140495239 dated January 2, 2026 issued by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants, the Order No. 10802731571 issued by Financial Supervisory Commission and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the Group for the six months period ended June 30, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following were the key audit matters in the audit of the consolidated financial statements of the Group for the six months period ended June 30, 2026:

Impairment of Loans

Commercial lending is one of the core business of the Group. Loans are mainly recorded in Taishin International Bank Co., Ltd. ("Taishin Bank"), and Taiwan Shin Kong Commercial Bank Co., Ltd. ("Taiwan Shin Kong Commercial Bank"), the subsidiaries of TS Financial Holding Co.,Ltd., and represent the Group's significant accounts, which reached around 32% of the Group's total assets as of June 30, 2026. The expected credit losses must be assessed in accordance with IFRS 9 and the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans". The assumptions used by management in estimating expected credit losses include the criteria for determining whether credit risk has significantly increased, the criteria for determining whether there is a credit impairment, the estimation of parameters such as the default probability and loss given default adopted when assessing credit losses, as well as the selection and assessment of forward-looking factors, which involve high degree of professional judgment. Therefore, the auditor has determined this to be a key audit matter.

The auditor performed the following audit procedures to assess the impairment evaluation of the aforementioned loans (including but not limited to): evaluating and testing internal controls related to the calculation of expected credit losses, including reviewing whether the assumptions and model parameters (including forward-looking factors) used by Taishin Bank and Taiwan Shin Kong Commercial Bank to assess expected credit losses have been approved by management, and testing the data sources used for calculating expected credit losses; reviewing the appropriateness of the expected credit loss assessment model and testing the adequacy of input parameters for the expected credit loss model, including probability of default, loss given default, and forward-looking factors. Additionally, the auditor also sampled loan files and conducted sampling tests on individually assessed cases that have been credit impaired to evaluate the appropriateness of the classification of discounts and loans and ensure allowance for bad debts complies with regulatory requirements.

The auditor also assessed the appropriateness of the disclosures related to the allowance for bad debts on discounts and loans. Please refer to Notes 4, 5, 6, and 12 of the consolidated financial statements.

Effects of the Initial Adoption of IFRS 17 “Insurance Contracts” on the Transition Date

Insurance operation is one of the core business of the Group. Shin Kong Life Insurance Co., Ltd., the subsidiary of TS Financial Holding Co.,Ltd., first adopted IFRS 17 “Insurance Contracts” on January 1, 2026, with retrospective application from January 1, 2025 (the transition date). The cumulative effect recognized in equity at the transition date amounted to $50,184,738 thousand, and a contractual service margin of $31,630,808 thousand was recognized. The valuation of insurance contract liabilities at the transition date involved the classification of insurance contracts, the selection of transition approaches and measurement models, and significant judgments regarding the determination of certain non-economic assumptions. The process is highly complex and has a significant impact on the financial statements of the Group. Therefore, the auditor has determined this to be a key audit matter.

The auditor performed the following audit procedures, including but not limited to: obtaining an understanding of and testing the effectiveness of key internal controls over the determination of insurance contract liabilities as of the transition date under IFRS 17 “Insurance Contracts”; performing analytical review procedures to assess the reasonableness of the underlying data used in the transition process; engaging internal actuarial specialists to evaluate whether the methodologies adopted by TS Financial Holding Co.,Ltd., including the measurement of significant assumptions and estimates used in insurance contract valuation, are in compliance with the requirements of applicable accounting standards and regulations; assessing the appropriateness of management's judgments and transition approaches, the reasonableness of liability assumptions, the classification and measurement models of insurance contracts, and the aggregation levels applied in accordance with regulatory requirements and the Company's methodology; and evaluating the reasonableness of changes in insurance contract liabilities, including contractual cash flows and contractual service margins.

The auditor also assessed the appropriateness of the disclosures relating to insurance contract liabilities at the transition date in Notes 3, 4, 5 and 6 of the consolidated financial statements.

Valuation of Insurance Contract Liabilities

Insurance operation is one of the core business of the Group. The related insurance contract liabilities are mainly recorded in Shin Kong Life Insurance Co., Ltd., the subsidiary of TS Financial Holding Co., Ltd. As of June 30, 2026, insurance contract liabilities amounted to $3,332,454,574 thousand, representing 38% of total liabilities. Insurance contract liabilities are measured in accordance with IFRS 17 “Insurance Contracts”and revelant laws and regulations. The valuation involves a high degree of management judgment and estimation and is highly complex. Accordingly, the valuation of insurance contract liabilities has a significant impact on the financial statements of TS Financial Holding Co., Ltd. and its subsidiaries. Therefore, we determined this matter to be a key audit matter.

The auditor performed the following audit procedures, including but not limited to: obtaining an understanding of and testing the effectiveness of key internal controls over the valuation of insurance contract liabilities; performing analytical review procedures to assess the completeness and reasonableness of the underlying data used in the valuation process; engaging internal actuarial specialists to assist in evaluating the reasonableness of liability assumptions, the classification, measurement models, and aggregation levels applied to insurance contracts newly issued during the reporting period, and assessing whether such methodologies are in compliance with applicable regulations and the Company's accounting policies; and evaluating the reasonableness of changes in insurance contract liabilities, including contractual cash flows and contractual service margins.

The auditor also assessed the appropriateness of the disclosures relating to insurance contract liabilities in Notes 4, 5, 6 and 8 of the consolidated financial statements.

Business combinations

TS Financial Holding Co., Ltd. acquired 100% of the shares of Shin Kong Financial Holding Co., Ltd. on July 24, 2025, thereby gaining control over the financial holding group. In the accounting treatment for business combinations, management must determine the provisional fair value of the identifiable assets acquired and liabilities assumed as of the acquisition date. Since this process involves numerous assumptions and complexity, the auditor has determined this to be a key audit matter.

The auditor performed the following audit procedures regarding the provisional fair value assessment of the identifiable assets acquired and liabilities assumed as of the acquisition date (including but not limited to): assessing the suitability and objectivity of the external experts appointed by management; reviewing the methods used in the acquisition price allocation report prepared by the external experts for the fair value assessment of the identifiable assets and liabilities; and utilizing internal experts from the firm to assist in evaluating the reasonableness of the content of the aforementioned allocation report (including but not limited to the valuation models used, the parameters adopted, and the identifiable intangible assets and their estimated useful lives).

The auditor also assessed the appropriateness of the disclosures related to business combinations. Please refer to Notes 4, 5, and 6 of the consolidated financial statements.

Emphasis of Matter – Applicable Financial Reporting Framework

As stated in Note 3 to the consolidated financial statements, the Group adopted IFRS 17 "Insurance Contracts" for the first time effective January 1, 2026, and retrospectively restated the consolidated balance sheets as of December 31, 2025, June 30, 2025 and January 1, 2025; the consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2025; the consolidated statements of changes in equity and cash flows for the six-month period ended June 30, 2025; and the related notes to the consolidated financial statements, including the summary of significant accounting policies.

As stated in Notes 4 and 6 to the consolidated financial statements, the Group, 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, the Group, 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 described in Note 6 to the consolidated financial statements, the order No. 1150420851 dated May 13, 2026 issued by the Financial Supervisory Commission, specifies the opening balance of the foreign exchange valuation reserve of Shin Kong Life Insurance 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 opinion 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 six months ended June 30, 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 August 29, 2025, respectively.

The Group have, in accordance with the transition requirements of Appendix C of IFRS 17, retrospectively restated the consolidated balance sheets as of June 30, 2025 and January 1, 2025, based on the previously issued consolidated financial statements audited or reviewed by predecessor auditors, together with the consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2025, the consolidated statements of changes in equity and cash flows for the six-month period ended June 30, 2025, and the related notes to the consolidated financial statements, including the summary of significant accounting policies. The auditor has performed relevant audit procedures on the adjustments arising from such transition.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of 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 and International Accounting Standards 34“Interim Financial Reportin” as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, as endorsed and issued into effect by the Financial Supervisory Commission, and the Order No. 1140131712 dated March 12, 2025 and the Order No. 1140495239 dated January 2, 2026 issued by Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Group. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the Group for the six months period ended June 30, 2026 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Fuh, Wen-Fang

Chang, Cheng-Tao

Ernst & Young, Taiwan
August 27, 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

June 30, 2026, December 31, 2025, June 30, 2025 and January 1, 2025

(In Thousands of New Taiwan Dollars)

Assets			June 30, 2026		December 31, 2025 (restated)		June 30, 2025 (restated)		January 1, 2025 (restated)	
Code	Items	Notes	Amount	%	Amount	%	Amount	%	Amount	%
11000	Cash and cash equivalents	6(1)	$111,872,012	1	$76,553,336	1	$25,408,907	1	$33,110,688	1
11500	Due from the Central Bank and call loans to banks	6(2)	232,940,552	3	207,851,113	2	109,928,109	3	108,262,582	3
12000	Financial assets at fair value through profit or loss	6(3)	375,331,233	4	710,743,765	8	205,794,629	6	185,958,931	6
12150	Financial assets at fair value through other comprehensive income	6(4)	2,118,830,753	23	579,747,660	7	178,020,845	5	169,292,719	5
12200	Investments in debt instruments at amortized cost	6(5)	1,738,481,150	19	2,711,655,457	31	771,527,723	23	812,983,362	25
12500	Securities purchased under resell agreements		13,516,149	-	14,772,034	-	512,067	-	2,741,500	-
13000	Receivables, net	6(7), 6(9)	470,278,449	5	304,364,520	3	179,603,328	5	186,299,063	6
13200	Current tax assets	6(39)	1,516,001	-	1,516,382	-	-	-	-	-
13300	Assets classified as held for sale	6(8)	4,796,441	-	5,272,964	-	-	-	-	-
13500	Loans, net	6(9)	2,968,927,363	32	2,725,945,075	32	1,777,031,382	53	1,652,260,354	50
13800	Insurance contract and reinsurance contract assets, net	6(25)	1,447,173	-	1,518,284	-	6,456	-	7,354	-
15000	Investments accounted for using equity method	6(10)	3,006,760	-	3,006,990	-	491,147	-	527,999	-
15500	Other financial assets, net	6(7), 6(9), 6(11), 6(26)	222,795,627	2	168,072,625	2	63,693,437	2	55,826,062	2
18000	Investment properties, net	6(12)	231,677,251	2	229,819,353	3	11,006,637	-	10,856,081	-
18500	Property and equipment, net	6(13)	84,277,273	1	86,144,291	1	24,898,636	1	25,308,787	1
18600	Right-of-use assets, net	6(14)	6,736,548	-	6,923,657	-	2,376,176	-	2,218,285	-
19000	Intangible assets, net	6(15)	674,175,197	7	674,879,970	8	3,660,143	-	3,669,396	-
19300	Deferred tax assets	6(38)	28,905,753	-	70,170,700	1	5,243,077	-	3,381,241	-
19500	Other assets, net	6(16)	105,288,028	1	73,391,540	1	22,975,780	1	24,302,711	1
19999	Total assets		$9,394,799,713	100	$8,652,349,716	100	$3,382,178,479	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)

June 30, 2026, December 31, 2025, June 30, 2025 and January 1, 2025

(In Thousands of New Taiwan Dollars)

Liabilities and Equity			June 30, 2026		December 31, 2025 (restated)		June 30, 2025 (restated)		January 1, 2025 (restated)	
Code	Items	Notes	Amount	%	Amount	%	Amount	%	Amount	%
21000	Deposits from the Central Bank and banks	6(17)	$48,709,184	1	$47,884,309	1	$27,348,108	1	$12,676,083	1
22000	Financial liabilities at fair value through profit or loss	6(3)	155,983,463	2	149,940,958	2	97,963,961	3	71,322,528	2
22500	Securities sold under repurchase agreements		152,152,381	2	108,170,454	1	58,308,674	2	64,973,243	2
22600	Commercial papers issued, net	6(18)	116,170,919	1	92,136,825	1	30,083,543	1	49,413,465	2
23000	Payables	6(19)	216,513,921	2	122,469,523	2	77,699,757	2	44,133,728	1
23200	Current tax liabilities	6(38)	11,425,662	-	8,479,097	-	5,737,325	-	2,234,377	-
23500	Deposits and remittances	6(20)	3,912,092,383	42	3,581,227,318	41	2,389,009,663	71	2,320,225,929	71
24000	Bonds payable	6(21)	144,163,149	2	148,712,687	2	53,350,000	2	64,533,272	2
24400	Other borrowings	6(22)	10,865,875	-	7,858,402	-	6,983,235	-	10,243,712	-
24500	Preferred stock liabilities	6(23)	28,834,004	-	28,322,642	-	-	-	-	-
24600	Provisions	6(24)	2,717,845	-	2,524,579	-	1,441,901	-	1,507,255	-
25500	Other financial liabilities	6(27)	207,928,556	2	180,255,556	2	102,425,497	3	104,483,088	3
25600	Insurance contract and reinsurance contract liabilities	6(25)	3,348,406,142	36	3,393,773,775	39	233,374,802	7	219,158,855	7
26000	Lease liabilities	6(14)	9,449,113	-	9,546,561	-	2,446,124	-	2,291,981	-
29300	Deferred tax liabilities	6(38)	41,804,035	-	52,718,541	1	8,477,657	-	10,801,057	-
29500	Other liabilities	6(28)	273,972,753	3	203,726,037	2	34,216,135	1	19,939,217	1
29999	Total liabilities		8,681,189,385	93	8,137,747,264	94	3,128,866,382	93	2,997,937,790	92
31000	Equity attributable to owners of parent	6(30)								
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	-
31107	Stock dividend to be distributed		2,486,628	-	-	-	-	-	-	-
31500	Capital surplus		133,732,478	1	133,732,478	2	38,197,778	1	38,197,778	1
32000	Retained earnings									
32001	Legal reserve		24,397,878	-	20,556,406	-	20,556,406	-	18,439,029	1
32003	Special reserve		393,716	-	468,184	-	468,184	-	1,146,190	-
32011	Unappropriated earnings		174,063,918	2	107,505,629	1	56,312,493	2	80,320,296	2
32500	Other equity		115,566,137	1	(10,647,175)	-	(2,920,579)	-	267,009	-
32600	Treasury shares		(89,298)	-	(89,298)	-	(89,298)	-	(89,298)	-
31000	Total equity attributable to owners of parent		713,162,129	7	514,136,896	6	253,286,427	7	279,042,447	8
39500	Non-controlling interests		448,199	-	465,556	-	25,670	-	26,878	-
39999	Total equity		713,610,328	7	514,602,452	6	253,312,097	7	279,069,325	8
	Total liabilities and equity		$9,394,799,713	100	$8,652,349,716	100	$3,382,178,479	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 six months ended June 30, 2026 and 2025
(In Thousands of New Taiwan Dollars)

Code	Items	Notes	For the three months ended June 30				For the six months ended June 30			
			2026	%	2025 (restated)	%	2026	%	2025 (restated)	%
	Net Interest income									
41000	Interest income	6(31)	$62,322,264	122	$21,901,278	223	$122,417,676	125	$43,533,525	195
51000	Less: interest expenses	6(31)	(18,200,471)	(36)	(12,166,218)	(124)	(35,753,045)	(36)	(24,564,559)	(110)
49600	Net interest income	6(31)	44,121,793	86	9,735,060	99	86,664,631	89	18,968,966	85
	Net income other than net interest income									
49800	Net service fee and commission income	6(32)	9,265,213	18	4,630,766	47	16,933,893	17	10,051,139	45
49815	Insurance service result	6(33)	6,519,930	13	146,974	2	14,135,964	15	597,672	3
49816	Gains (losses) arising from insurance product, separated account		25,282,077	50	134,435	1	33,307,418	34	(1,965,800)	(9)
49817	Insurance finance income or expenses		(34,601,978)	(68)	(527,828)	(5)	(57,412,385)	(59)	(663,647)	(3)
49818	Finance income or expenses from reinsurance contracts held		(66,361)	-	(21,171)	-	(113,593)	-	(1,637)	-
49820	Gain (loss) on financial assets and liabilities at FVTPL	6(34)	(3,231,025)	(6)	5,255,547	54	(19,731,464)	(20)	3,381,248	15
49835	Realized gain (loss) on financial assets at FVTOCI	6(35)	4,633,614	9	367,498	4	8,855,125	9	618,219	3
49850	Gain (loss) on derecognition of financial assets at amortized cost	6(5)	79,100	-	19,025	-	128,699	-	29,327	-
49870	Foreign exchange gain (loss)		(2,800,707)	(5)	(9,964,700)	(102)	9,515,779	10	(8,600,214)	(39)
49880	(Impairment loss on assets) reversal of impairment income (loss) on assets	6(4), 6(5)	48,163	-	(1,274)	-	43,581	-	(4,689)	-
49891	Share of profit (loss) of associates accounted for using equity method	6(10)	34,183	-	2,919	-	48,842	-	(2,143)	-
	Net other non-interest income									
49999	Net other miscellaneous income (loss)		1,787,575	3	22,196	-	5,267,356	5	(105,479)	-
49700	Net income other than net interest income		6,949,784	14	64,387	1	10,979,215	11	3,333,996	15
4xxxx	Net revenue and gains		51,071,577	100	9,799,447	100	97,643,846	100	22,302,962	100
58100	Bad debt expenses, commitments and guarantees liabilities provision	6(7), 6(9), 6(24)	(1,700,097)	(3)	(410,290)	(4)	(3,297,368)	(3)	(1,179,626)	(5)
58200	Other insurance service costs		(6,728,509)	(13)	(167,280)	(2)	(9,500,172)	(10)	(292,603)	(1)
	Operating expenses									
58501	Employee benefits expenses	6(36)	(8,875,741)	(17)	(5,365,464)	(55)	(17,616,531)	(18)	(10,702,782)	(48)
58503	Depreciation and amortization expenses	6(37)	(1,959,402)	(4)	(628,950)	(6)	(4,028,267)	(4)	(1,341,174)	(6)
58599	Other general and administrative expenses		(5,933,070)	(12)	(3,271,941)	(33)	(11,737,996)	(12)	(6,392,158)	(29)
58500	Total operating expenses		(16,768,213)	(33)	(9,266,355)	(94)	(33,382,794)	(34)	(18,436,114)	(83)
61000	Income before income tax		25,874,758	51	(44,478)	-	51,463,512	53	2,394,619	11
61003	Income tax expense	6(38)	(3,098,076)	(6)	21,841	-	(7,630,253)	(8)	(476,039)	(2)
69000	Net income		22,776,682	45	(22,637)	-	43,833,259	45	1,918,580	9

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 six months ended June 30, 2026 and 2025
(In Thousands of New Taiwan Dollars)

Code	Items	Notes	For the three months ended June 30				For the six months ended June 30			
			2026	%	2025 (restated)	%	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		$(93,211)	-	$-	-	$(87,529)	-	$-	-
69565	Changes in the fair value attributable to changes in the credit risk of financial liabilities designated as at FVTPL	6(30)	(4,457)	-	53,651	1	(33,524)	-	452	-
69567	Unrealized gain (loss) on investments in equity instruments designated as at FVTOCI	6(30)	108,137,630	211	(101,976)	(1)	124,414,351	127	(903,328)	(4)
69569	Income tax relating to items that will not be reclassified subsequently to profit or loss	6(30), 6(38)	(12,678,120)	(25)	-	-	(14,338,933)	(15)	-	-
69570	Items that will be reclassified subsequently to profit or loss									
69571	Exchange differences on translation of foreign financial statements	6(30)	18,720	-	(270,517)	(3)	111,333	-	(218,454)	(1)
69577	Insurance finance income or expenses		19,287,202	38	(4,340,763)	(44)	85,413,162	88	(4,947,392)	(22)
69582	Finance income or expenses of reinsurance contracts held		76,805	-	(100,656)	(1)	568,928	1	(104,521)	(1)
69585	Unrealized gain (loss) on investments in debt instruments at FVTOCI	6(30)	10,167,408	20	518,485	5	(27,461,502)	(28)	2,134,780	10
69587	Impairment loss (Reversal of impairment loss) from investments in debt instruments measured at FVTOCI	6(30)	(70,713)	-	4,733	-	(54,308)	-	5,395	-
69579	Income tax relating to items that will be reclassified subsequently to profit or loss	6(30), 6(38)	(5,768,470)	(11)	800,920	8	(12,524,574)	(13)	717,541	3
69581	Gain (loss) on hedging instrument that will be reclassified to profit or loss	6(30)	(565)	-	-	-	(419)	-	-	-
69500	Other comprehensive income (loss) for the period, net of tax		119,072,229	233	(3,436,123)	(35)	156,006,985	160	(3,315,527)	(15)
69700	Total comprehensive income (loss)		$141,848,911	278	$(3,458,760)	(35)	$199,840,244	205	$(1,396,947)	(6)
69900	Net income (loss) attributable to:									
69901	Owners of parent		$22,756,159	45	$(22,053)	-	$43,796,669	45	$1,919,448	9
69903	Non-controlling interests		20,523	-	(584)	-	36,590	-	(868)	-
			$22,776,682	45	$(22,637)	-	$43,833,259	45	$1,918,580	9
69950	Total comprehensive income (loss) attributable to:									
69951	Owners of parent		$141,825,944	278	$(3,458,176)	(35)	$199,802,108	205	$(1,396,079)	(6)
69953	Non-controlling interests		22,967	-	(584)	-	38,136	-	(868)	-
			$141,848,911	278	$(3,458,760)	(35)	$199,840,244	205	$(1,396,947)	(6)
	Earnings (loss) per share (dollar)	6(39)								
70000	Basic earnings (loss) per share		$0.88		$(0.04)		$1.69		$0.07	
71000	Diluted earnings (loss) per share		$0.88		$(0.04)		$1.69		$0.07	

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 six months ended June 30, 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	Stock dividends to be distributed	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
	Appropriation of 2024 earnings																				
B1	Legal reserve appropriated	-	-	-	-	-	-	-	2,117,377	-	(2,117,377)	-	-	-	-	-	-	-	-	-	-
B5	Cash dividends of ordinary shares	-	-	-	-	-	-	-	-	-	(22,379,759)	-	-	-	-	-	-	-	-	-	(22,379,759)
B7	Cash dividends of preferred shares	-	-	-	-	-	-	-	-	-	(1,980,182)	-	-	-	-	-	-	-	-	-	(1,980,182)
B17	Reversal of the special reserve	-	-	-	-	-	-	-	-	(678,006)	678,006	-	-	-	-	-	-	-	-	-	-
D1	Net income for the six months ended June 30, 2025 (restated)	-	-	-	-	-	-	-	-	-	1,919,448	-	-	-	-	-	-	-	-	(868)	1,918,580
D3	Other comprehensive income (loss)for the six months ended June 30, 2025 (restated)	-	-	-	-	-	-	-	-	-	-	(218,454)	(3,958,834)	(83,616)	944,925	452	-	-	-	-	(3,315,527)
D5	Total comprehensive income (loss)for the six months ended June 30, 2025 (restated)	-	-	-	-	-	-	-	-	-	1,919,448	(218,454)	(3,958,834)	(83,616)	944,925	452	-	-	-	(868)	(1,396,947)
O1	Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(340)	(340)
Q1	Disposals of investments in equity instruments designated as at FVTOCI	-	-	-	-	-	-	-	-	-	(127,939)	-	-	-	127,939	-	-	-	-	-	-
Z1	Balance at June 30, 2025 (restated)	$129,761,443	$11,000,000	$-	$36,066,458	$2,075,475	$52,632	$3,213	$20,556,406	$468,184	$56,312,493	$(317,328)	$(2,391,004)	$(83,616)	$(151,228)	$22,597	$-	$-	$(89,298)	$25,670	$253,312,097
A1	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	$107,505,629	$18,995	$(35,275,093)	$(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	109,132,433	18,995	(35,275,093)	(274,394)	49,922,400	(47,852)	4	-	(89,298)	465,556	541,220,491
	Appropriation of 2025 earnings																				
B1	Legal reserve appropriated	-	-	-	-	-	-	-	3,841,472	-	(3,841,472)	-	-	-	-	-	-	-	-	-	-
B5	Cash dividends of ordinary shares	-	-	-	-	-	-	-	-	-	(24,866,277)	-	-	-	-	-	-	-	-	-	(24,866,277)
B7	Cash dividends of preferred shares	-	-	-	-	-	-	-	-	-	(2,513,880)	-	-	-	-	-	-	-	-	-	(2,513,880)
B9	Stock dividend of ordinary shares	-	-	2,486,628	-	-	-	-	-	-	(2,486,628)	-	-	-	-	-	-	-	-	-	-
B17	Reversal of the special reserve	-	-	-	-	-	-	-	-	(74,468)	74,468	-	-	-	-	-	-	-	-	-	-
D1	Net income for the six month ended June 30, 2026	-	-	-	-	-	-	-	-	-	43,796,669	-	-	-	-	-	-	-	-	36,590	43,833,259
D3	Other comprehensive income (loss)for the six months ended June 30, 2026	-	-	-	-	-	-	-	-	-	(68,915)	111,333	68,329,055	496,697	87,171,212	(33,524)	(419)	-	-	1,546	156,006,985
D5	Total comprehensive income (loss)for the six months ended June 30, 2026	-	-	-	-	-	-	-	-	-	43,727,754	111,333	68,329,055	496,697	87,171,212	(33,524)	(419)	-	-	38,136	199,840,244
H3	Reorganization	-	-	-	-	-	-	-	-	-	-	(14,757)	-	-	-	-	-	-	-	-	(14,757)
O1	Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(55,493)	(55,493)
Q1	Disposals of investments in equity instruments designated as at FVTOCI	-	-	-	-	-	-	-	-	-	54,837,520	-	-	-	(54,837,520)	-	-	-	-	-	-
Z1	Balance at June 30, 2026	$248,663,992	$13,946,680	$2,486,628	$131,601,158	$2,075,475	$52,632	$3,213	$24,397,878	$393,716	$174,063,918	$115,571	$33,053,962	$222,303	$82,256,092	$(81,376)	$(415)	$-	$(89,298)	$448,199	$713,610,328

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 six months ended June 30, 2026 and 2025

(In Thousands of New Taiwan Dollars)

Code	Items	For the six months ended June 30	
		2026	2025 (restated)
	Cash flows from operating activities		
A10000	Income before income tax	$51,463,512	$2,394,619
A20000	Adjustments:		
	Adjustments for reconciliation of profit or loss		
A20100	Depreciation expenses	3,006,861	997,619
A20200	Amortization expenses	1,227,852	343,555
A20300	Provisions for bad debts expenses, commitments and guarantee liabilities	3,297,368	1,179,626
A20400	Net loss (gain) on financial assets or liabilities measured at FVTPL	19,731,464	(3,381,248)
A20450	Net gain on financial assets or liabilities measured at FVTOCI	(8,855,125)	(618,219)
A20900	Interest expenses	35,753,045	24,564,559
A21000	Net gain on derecognition of financial assets at amortized cost	(128,699)	(29,327)
A21200	Interest income	(122,417,676)	(43,533,525)
A21600	Net change in reserve for foreign exchange valuation	5,025,683	691,721
A21610	Net change in special provisions and other provisions	3,797,418	292,603
A22300	Share of profit of associates accounted for using equity method	(48,842)	2,143
A23500	(Reversal of impairment loss on financial assets) Impairment loss on financial assets	(43,581)	4,689
A29900	Other adjustments	(6,387)	(1,563)
	Changes in operating assets and liabilities		
A71110	(Increase) decrease in due from the Central Bank and call loans to banks	(12,625,255)	3,889,165
A71120	Decrease in financial assets at FVTPL	115,424,872	18,786,489
A71121	Increase in financial assets at FVTOCI	(28,212,785)	(11,321,089)
A71123	(Increase) decrease in investments in debt instruments measured at amortised cost	(95,075,740)	41,325,722
A71150	Decrease in securities purchased under resell agreements	4,656,283	-
A71160	(Increase) decrease in receivables	(161,527,172)	7,369,950
A71170	Increase in loans	(244,343,880)	(125,984,615)
A71185	Decrease in insurance and reinsurance assets	71,111	898
A71200	Increase in other financial assets	(54,717,223)	(7,939,773)
A71990	(Increase) decrease in other assets	(143,764)	1,164,014
A72110	Decrease in deposits from the Central Bank and banks	(6,080,347)	(158,310)
A72120	Decrease in financial liabilities at FVTPL	(69,305,304)	(9,930,595)
A72140	Increase (decrease) in securities sold under repurchase agreements	43,981,927	(6,664,569)
A72160	Increase in payables	66,274,182	9,221,032
A72170	Increase in deposits and remittances	330,865,065	68,783,734
A72190	Decrease in provisions	(135,756)	(74,914)
A72200	Increase (decrease) in other financial liabilities	27,673,000	(2,057,590)
A72300	Increase in insurance and reinsurance liabilities	40,614,457	9,164,034
A72990	Increase in other liabilities	13,721,007	13,357,813
A33000	Cash used in operations	(37,082,429)	(8,161,352)
A33100	Interest received	102,236,075	43,466,812
A33200	Dividends received	2,413,949	639,377
A33300	Interest paid	(37,187,600)	(24,651,011)
A33500	Income taxes paid	(6,823,617)	(425,584)
AAAA	Net cash generated from operating activities	23,556,378	10,868,242

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 six months ended June 30, 2026 and 2025

(In Thousands of New Taiwan Dollars)

Code	Items	For the six months ended June 30	
		2026	2025 (restated)
	Cash flows from investing activities		
B02600	Proceeds from disposal of assets classified as held for sale	$476,523	$-
B02700	Acquisition of property and equipment	(1,238,673)	(242,593)
B02800	Proceeds from disposal of property and equipment	3,096	4,164
B04500	Acquisition of intangible assets	(346,892)	(320,873)
B04600	Proceeds from disposal of intangible assets	4,667	-
B05400	Acquisition of investment properties	(900,522)	(119,881)
BBBB	Net cash used in investing activities	(2,001,801)	(679,183)
	Cash flows from financing activities		
C00300	Increase in due to the Central Bank and banks	6,775,162	14,830,335
C00700	Increase in commercial papers payable	24,709,616	-
C00800	Decrease in commercial papers payable	-	(19,353,000)
C01300	Repayments of corporate bonds	-	(2,707,000)
C01500	Repayments of bank notes payable	(3,200,000)	(4,250,000)
C01800	Increase in other borrowings	2,780,434	-
C01900	Decrease in other borrowings	-	(2,730,437)
C04020	Payments of lease liabilities	(1,028,467)	(397,074)
C05800	Change in non-controlling interests	(55,493)	(340)
CCCC	Net cash generated from (used in) financing activities	29,981,252	(14,607,516)
DDDD	Effects of exchange rate changes on cash and cash equivalents	(352,571)	41,935
EEEE	Net increase (decrease) in cash and cash equivalents	51,183,258	(4,376,522)
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	$161,766,956	$33,804,040
	Reconciliation of cash and cash equivalents:		
E00210	Cash and cash equivalents in consolidated balance sheets	$111,872,012	$25,408,907
E00220	Due from the Central bank and call loans to banks qualifying as cash and cash equivalents under the definition of IAS 7	36,378,795	7,883,066
E00230	Securities purchased under resell agreements qualifying as cash and cash equivalents under the definition of IAS 7	13,516,149	512,067
E00200	Cash and cash equivalents at the end of the period	$161,766,956	$33,804,040

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 August 27, 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), 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(Restated)	Reclassification	Re-measurement	2026.1.1 Carrying amount	Effect of retained earnings(Net of tax)	Effect of other equity(Net of tax)
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	(14,789)	-
Less:						
To financial assets measured at FVTOCI	-	(274,731,983)	-	(274,731,983)	-	-
To financial assets measured at amortized cost	-	-	-	-	-	-
Financial assets at FVTPL	$710,743,765	$(272,872,770)	$(18,486)	$437,852,509	$(14,789)	$-

ii. Financial assets at FVTOCI

	2025.12.31 Carrying amount(Restated)	Reclassification	Re-measurement	2026.1.1 Carrying amount	Effect of retained earnings(Net of tax)	Effect of other equity(Net of tax)
Financial assets at FVTOCI:	$579,747,660	$-	$-	$579,747,660	$-	$-
Additions:						
Redesignation from financial assets measured at FVTPL	-	274,731,983	-	274,731,983	1,641,593	(1,606,920)
Redesignation from financial assets measured at amortized cost	-	1,097,936,907	32,867,013	1,130,803,920	-	26,598,155
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	$32,867,013	$1,985,283,563	$1,641,593	$24,991,235

iii. Financial assets at amortized cost:

	2025.12.31 Carrying amount(Restated)	Reclassification	Re-measurement	2026.1.1 Carrying amount	Effect of retained earnings(Net of tax)	Effect of other equity (Net of tax)
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 Financial Holding Companies with the adoption of IFRS 17

The partial amendments to the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies (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 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	182,586,453	203,726,037	Other liabilities	iv
Separate account insurance product liabilities	130,536,420	(130,536,420)	-	-	iii

Balance sheet as of June 30, 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	$78,869,192	$19,094,769	$97,963,961	Financial liabilities measured at FVTPL	iii
Insurance liabilities	272,184,480	(272,184,480)	-	-	iv
Insurance contract reserves with financial instrument characteristics	1,360	(1,360)	-	-	ii
Other liabilities	23,798,851	10,417,284	34,216,135	Other liabilities	iv
Separate account insurance product liabilities	49,940,437	(49,940,437)	-	-	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 June 30, 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	$287,415	$(287,415)	$-	-	i
Net change in insurance liabilities reserves					
Net change in other insurance liabilities	3,292,991	(3,292,991)	-	-	iv
Net change in reserves for insurance contracts with the nature of financial products	(25)	25	-	-	ii
-				Net income other than net interest income	
-	-	106,705	106,705	Asset management service income	i
Net income from insurance operations	8,951,882	(8,951,882)	-	-	
-	-	6,728,509	6,728,509	Net income from insurance operations	i, iv

Statement of Comprehensive Income for the six months ended June 30, 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	$550,509	$(550,509)	$-	-	i
Net change in insurance liabilities reserves					
Net change in other insurance liabilities	12,207,286	(12,207,286)	-	-	iv
Net change in reserves for insurance contracts with the nature of financial products	(105)	105	-	-	ii
-				Net income other than net interest income	
-	-	205,631	205,631	Asset management service income	i
Net income from insurance operations	18,772,494	(18,772,494)	-	-	
-	-	9,500,172	9,500,172	Net income from insurance operations	i, 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 $287,415 thousand and $550,509 thousand for the three months and six months ended June 30, 2025, respectively, 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, $1,360 thousand and $1,465 thousand as of December 31, 2025, June 30, 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 financial liabilities at fair value through profit or loss. The net change in reserves for insurance contracts with the nature of financial products in the amount of $25 thousand and $105 thousand for the three months and six months ended June 30, 2025, respectively, were recognized under gains (losses) on financial assets and financial liabilities at fair value through profit or loss 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, $19,094,769 thousand and $14,657,334 thousand as of December 31, 2025, June 30, 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 24, 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, $7,860,167 thousand and $7,567,564 thousand as of December 31, 2025, June 30, 2025 and January 1, 2025, respectively, in accordance with 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 $167,280 thousand and $292,603 thousand for the three months and six months ended June 30, 2025, respectively, 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.

(2) Standards or interpretations issued, revised or amended, by IASB which have 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 18 "Presentation and Disclosure in Financial Statements"	1 January 2027 (Note)
B	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	1 January 2027
C	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)	1 January 2027
D	Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)	1 January 2027

Note: On 25 September 2025, the FSC announced in a press release that Taiwan will adopt IFRS 18 in 2028. In addition, entities in Taiwan with a need for early adoption may elect to early adopt IFRS 18.

A. 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.

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

This new standard and its amendment 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.

C. 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.

D. Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)

The amendments are:

(a) Clarify that the entity that has a main business activity of investing in particular types of assets (as set out in paragraph 49(a) of IFRS 18) is eligible to elect the fair value option in IAS 28; and
(b) Require the entity to apply the amendments to IAS 28 at the same time, and on the same basis, as it applies IFRS 18.

The abovementioned standards, amendments and interpretations have been issued by the IASB, endorsed by the FSC, and are effective for annual reporting periods beginning on or after 1 January 2027. Except for the standards, amendments and interpretations described in A, which are expected to affect the presentation and disclosures of the Group's financial statements, the Group has assessed that the remaining new or amended standards and interpretations have no material impact on the Group.

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 20 "Regulatory Assets and Regulatory Liabilities"	1 January 2029

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 20 “Regulatory Assets and Regulatory Liabilities”

This Standard sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense, and will replace IFRS 14 Regulatory Deferral Accounts.

The abovementioned standards and interpretations issued by the 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. The 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 IAS 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	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
The Company	Taishin Bank	100.00%	100.00%	100.00%	100.00%
The Company	Taishin Securities Co., Ltd. (Note 7) ("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.g ("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") (Note 8)	100.00%	100.00%	100.00%	100.00%
Taishin Securities B	MasterLink Venture Management Corporation ("MasterLink Venture Management")	100.00%	100.00%	-	-
Taishin Securities B	MasterLink Venture Capital Corporation ("MasterLink Venture Capital")	100.00%	100.00%	-	-
Taishin Securities B	MasterLink Securities Investment Advisory Corporation ("MasterLink Securities Investment Advisory")	100.00%	100.00%	-	-
Taishin Securities B	MasterLink Securities (B.V.I.) Corporation ("MasterLink Securities (B.V.I.) ")	100.00%	100.00%	-	-
Taishin Securities B	Taishin Securities Insurance Agent Co., Ltd. (Note 9) ("Taishin Securities Insurance Agent")	100.00%	100.00%	-	-
Taishin Securities B	MasterLink Innovation Venture Management(Tianjin) Co., Ltd. ("MasterLink Innovation Venture Management(Tianjin)")	100.00%	100.00%	-	-
Taishin Securities B	MasterLink Securities Venture Capital (Tianjin) Co., Ltd. ("MasterLink Securities Venture Capital (Tianjin)")	100.00% (Note 3)	100.00% (Note 3)	-	-
Taishin Securities B	MasterLink Securities (Hong Kong) Co., Ltd. (Note4)("MasterLink Securities (Hong Kong)")	100.00%	100.00%	-	-

Investor	Subsidiary	Percentage of ownership			
		June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Taishin Securities B	MasterLink Investment Advisory (Tianjin) Co., Ltd. ("MasterLink Investment Advisory (Tianjin)")	100.00%	100.00%	-	-
Taishin Capital	Taishin Health Investment Co., Ltd. ("Taishin Health Investment")	100.00%	100.00%	100.00%	100.00%
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%	-	-
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)	-	-
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 the Order No. 1120335037 issued by the FSC on March 23, 2023. As of June 30, 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.

Note 7: Taishin Securities B completed capital increase and share issuance on April 6, 2026, and merged with MasterLink Securities Corp. Taishin Securities B was the surviving company, while MasterLink Securities Corp. was the dissolved company. The merger was approved by the FSC under the Order No. 1150380267 on January 16, 2026.

Note 8: Taishin Futures completed capital increase and share issuance on April 6, 2026, and merged with MasterLink Futures Corporation. Taishin Futures was the surviving company, while MasterLink Futures Corporation was the dissolved company. The merger was approved by the FSC under the Order No. 1150380369 on January 22, 2026.

Note 9: MasterLink Insurance Agency Co., Ltd. was renamed Taishin Securities Insurance Agent Co., Ltd. (“Taishin Securities Insurance Agent”) on June 10, 2026. The name change was approved by the Department of Commerce, Taipei City Government under Order the No. 11549466430 dated June 15, 2026.

(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 (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;

d. 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 payable 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;
e. Changes in the risk adjustment for non-financial risks related to future services.

Adjustments in a, b, and e 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.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:

	June 30, 2026	December 31, 2025	June 30, 2025
TWD	1.57%-4.28%	1.27%-4.22%	1.31%-4.24%
USD	3.97%-5.80%	3.47%-5.45%	3.92%-5.48%
AUD	4.48%-5.83%	4.04%-5.73%	-
CNY	1.29%-5.79%	1.44%-5.77%	-

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 June 30, 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 amounts of identifiable assets acquired and liabilities assumed during the measurement period, which shall not exceed one year from the acquisition date. Please refer to Note 6. (40) for details.

6. Contents of Significant Accounts

(1) Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	$16,279,723	$15,474,513	$13,501,637
Checks for clearing	2,078,382	1,837,287	509,641
Due from banks	89,151,843	53,665,895	8,209,837
Others	4,362,064	5,575,641	3,187,792
Total	$111,872,012	$76,553,336	$25,408,907

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 June 30, 2026, December 31, 2025 and June 30, 2025.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Required reserve - account A	$60,094,242	$62,898,820	$21,956,525
Required reserve - account B	109,967,620	103,223,558	64,463,568
Required reserve - foreign currency	647,773	538,264	536,546
Required reserve - others	130,563	124,158	87,812
Call loans to other banks	36,378,795	23,914,611	7,883,066
Interbank clearing funds	25,721,559	17,151,702	15,000,592
Total	$232,940,552	$207,851,113	$109,928,109

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 June 30, 2026, December 31, 2025 and June 30, 2025.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets at fair value through profit or loss, mandatorily measured at fair value			
Derivative instruments			
Futures	$2,211,091	$2,320,463	$1,105,962
Forward exchange contracts	497,984	772,496	2,334,797
Currency swaps	23,410,922	24,459,627	46,090,513
Interest rate swaps	16,712,893	15,662,174	10,937,965
Cross-currency swaps	109,128	696,120	2,645,968
Options	9,526,561	4,194,973	1,452,201
Equity-linked swaps	67,972	4,737	51
Non-derivative financial assets			
Investment in bills	87,751,917	161,453,205	58,906,429
Domestic and overseas shares and beneficiary certificates	45,046,796	325,673,943	36,413,245
Government bonds	38,680,606	41,206,388	13,715,171
Corporate bonds, bank notes payable and other bonds	64,921,017	44,739,397	14,449,796
Beneficiary securities	-	-	1,462
Share borrowing	-	-	351,306
Trading securities			
Dealing	47,245,041	57,520,029	8,983,471
Underwriting	3,713,619	3,122,261	1,985,362
Hedging	35,435,686	28,917,952	6,420,930
Total	$375,331,233	$710,743,765	$205,794,629

	June 30, 2026	December 31, 2025	June 30, 2025
Financial liabilities designated at fair value through profit or loss			
Bank notes payable	$2,404,160	$2,337,743	$2,204,822
Structured products	2,454,513	2,617,957	2,826,684
Financial liabilities held for trading			
Derivative instruments			
Futures	1,161,896	320,750	79,822
Forward exchange contracts	388,697	3,300,811	490,034
Currency swaps	25,334,402	43,988,051	52,636,406
Interest rate swaps	17,808,834	16,791,277	11,108,414
Cross-currency swaps	1,841,785	1,189,107	1,645,506
Options	17,488,449	10,238,982	3,927,509
Equity-linked swaps	40,755	4,737	51
Credit-default swap	80,605	-	-
Structured products	32,692	15,872	-
Liabilities for issuance of call (put) warrants, net	5,206,145	1,648,578	12,400
Non-derivative financial liabilities			
Share borrowing	8,922,812	12,909,814	3,937,544
Bond securities lending, margin short sales and short covering transactions	476,062	-	-
Financial liabilities of investment contracts designated at FVTPL	72,341,656	54,577,279	19,094,769
Total	$155,983,463	$149,940,958	$97,963,961

A. For the six months ended June 30, 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:

	June 30, 2026	December 31, 2025	June 30, 2025
Futures	$33,374,942	$25,090,776	$17,261,731
Forward exchange contracts	35,083,022	83,973,191	51,550,918
Currency swaps	2,527,115,541	2,391,519,233	1,982,622,458
Interest rate swaps	1,123,341,530	1,124,433,156	886,231,036
Cross-currency swaps	93,543,549	56,840,936	46,756,668
Options	436,727,364	162,561,291	184,861,763
Equity-linked swaps	4,708,558	69,186	17,573
Credit-default swap	726,007	-	-
Guarantee products	10,919,892	12,066,536	2,760,000
Credit-linked products	2,483,400	2,606,128	70,300
Equity-linked products	8,349,812	-	-

C. Call (put) warrants

	June 30, 2026	December 31, 2025	June 30, 2025
Call (put) warrants issued	$15,622,891	$20,771,431	$3,446,099
Loss (gain) on change in fair value	9,638,422	2,531,598	(285,289)
Subtotal	25,261,313	23,303,029	3,160,810
Repurchased call (put) warrants	13,385,238	18,690,100	3,380,618
Gain (loss) on change in fair value	6,669,930	2,964,351	(232,208)
Subtotal	20,055,168	21,654,451	3,148,410
Total	$5,206,145	$1,648,578	$12,400

The call (put) warrants issued by the Group may be exercised by the holders during the period from 6 months to 2 years after the listing (OTC trading) date. Settlement is made through delivery of the underlying securities upon exercise by the holders; however, the issuer may elect to settle in cash.

The fair value of the call (put) warrants is determined based on the closing price on the last trading day before the reporting date.

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 $0 thousand and $38,481 thousand for the three and six months ended June 30, 2025, respectively.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Debt instrument			
Government bonds	$480,265,926	$179,262,361	$89,560,939
Corporate bonds	726,442,855	136,696,582	41,148,838
Bank notes payable	301,962,755	73,265,637	28,759,624
Beneficiary securities	2,873,118	2,397,879	825,591
Beneficiary certificates	174,756,566	-	-
Subtotal	1,686,301,220	391,622,459	160,294,992
Equity instrument			
Domestic and overseas shares	432,529,533	188,125,201	17,725,853
Total	$2,118,830,753	$579,747,660	$178,020,845

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

	12-month ECLs	Lifetime ECLs – not credit-impaired	Lifetime ECLs – credit-impaired	Total
June 30, 2026	$521,455	$-	$-	$521,455
December 31, 2025	88,926	-	-	88,926
June 30, 2025	40,450	-	-	40,450

As the Group's debt instruments at fair value through other comprehensive income were measured using the ECLs model. Accordingly, the Group recognized reversal gains (losses) on impairment of financial assets of $53,337 thousand, $(6,085) thousand, $54,420 thousand and $(6,561) thousand for the three months periods ended June 30, 2026 and 2025, and the six months periods ended June 30, 2026 and 2025, respectively.

C. 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 six months ended June 30	
	2026	2025
Beginning balance	$2,688,141	$(4,960)
Unrealized gains (losses) from financial assets measured at FVTOCI	4,721,966	(158)
Disposal of cumulative gains and losses of debt instruments measured at fair value through other comprehensive income reclassified to profit or loss	(247,261)	-
Disposal of equity instruments measured at fair value through other comprehensive income reclassified to undistributed earnings	(2,852,211)	-
Ending balance	$4,310,635	$(5,118)

D. The Group sold domestic shares held for strategic purposes. The shares sold had fair values of $236,331,646 thousand, $2,098,111 thousand, $387,709,253 thousand and $7,585,421 thousand, and the Group transferred gains (losses) of $40,751,410 thousand, $(544,021) thousand, $54,837,520 thousand and $(127,939) thousand from other equity to retained earnings for the three months and six months periods ended June 30, 2026 and 2025, respectively.

E. 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.

F. 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

	June 30, 2026	December 31, 2025	June 30, 2025
Investment in bills	$258,086,333	$250,398,083	$276,000,035
Bank notes payable	768,968,185	948,541,708	118,695,841
Corporate bonds	246,604,735	796,483,231	150,656,700
Government bonds	281,267,267	599,155,111	141,780,504
Mortgage-backed securities	4,930,651	-	-
Beneficiary securities	128,686,494	114,396,000	86,211,530
Others	64,984,535	34,045,730	-
Subtotal	1,753,528,200	2,743,019,863	773,344,610
Less: Allowance for impairment	(368,153)	(850,330)	(93,731)
Less: Security deposit	(14,678,897)	(30,514,076)	(1,723,156)
Total	$1,738,481,150	$2,711,655,457	$771,527,723

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 $0 thousand, $0 thousand, $(1,723) thousand and $0 thousand for the three months and six months ended June 30, 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 $79,100 thousand, $19,025 thousand, $130,422 thousand and $29,327 thousand for the three months and six months ended June 30, 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
June 30, 2026	$368,153	$-	$-	$368,153
December 31, 2025	850,330	-	-	850,330
June 30, 2025	93,731	-	-	93,731

As the Group’s investments in debt instruments at amortized cost were measured using the ECLs model, the Group had recognized (loss) reversal of impairment on financial assets amounted to $(8,568) thousand, $4,758 thousand, $3,086 thousand and $1,887 thousand for the three months and six months ended June 30, 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
June 30, 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	-	9,397,215	-	9,397,215	-	-
For the three months ended June 30, 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	(2,972,513)	56,101	-	-	(3,028,614)	(3,028,614)
Total	$(2,972,513)	$56,101	$-	$-	$(3,028,614)	$(3,028,614)
For the six months ended June 30, 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	9,490,725	93,510	-	-	9,397,215	9,397,215
Total	$9,490,725	$93,510	$-	$-	$9,397,215	$9,397,215

(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		
	June 30, 2026	December 31, 2025	June 30, 2025
Underlying items:			
Non-separate account insurance products			
Financial assets at FVTPL, mandatorily measured at fair value			
Derivatives without designated hedging relationships	$55,629	$-	$-
Stocks	1,803,546	772,209	-
Equity funds	419,955	-	-
Bond funds	2,769,210	998,845	-
Money market funds	-	-	92,729
Corporate bonds	3,660,940	-	-
Financial bonds	1,297,764	-	-
Financial assets measured at amortized cost			
Corporate bonds	-	862,208	-
Government bonds	-	546,077	-
Financial liabilities held for trading			
Derivatives without designated hedging relationships	37,585	-	-
Separate account insurance product assets:			
Bank Deposits	2,604,724	2,361,527	2,008,601
Beneficiary certificates	89,500,386	73,098,409	28,544,324
Interest Receivable	8,691	13,089	8,020
Other (Payables) Receivables	(34,031)	1,294,311	518,870

(7) Receivables, net

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

	June 30, 2026	December 31, 2025	June 30, 2025
Notes and accounts receivables	$113,129,904	$92,941,157	$75,193,667
Credit cards receivables	122,003,840	84,632,218	68,640,141
Interest receivables	35,750,573	38,998,517	11,991,196
Securities margin loans receivables	66,267,908	37,984,487	12,047,302
Delivery accounts receivables	115,331,060	53,049,534	9,720,849
Other receivables	23,174,943	1,730,231	6,304,749
Subtotal	475,658,228	309,336,144	183,897,904
Less: Adjustment for discounts	(2,624,716)	(2,580,422)	(2,582,936)
Less: Allowance for receivables	(2,755,063)	(2,391,202)	(1,711,640)
Total	$470,278,449	$304,364,520	$179,603,328

B. The movements in the allowance for receivables (including non-performing receivables transferred from other than loans) for the six months ended June 30, 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	(3,441)	40,060	19,377	(34,222)	21,774	-	21,774
Transferred to credit-impaired financial assets	(2,259)	(16,818)	-	248,567	229,490	-	229,490
Transferred to 12-month ECLs	21,149	(7,009)	-	(23,815)	(9,675)	-	(9,675)
Financial assets derecognized	(73,238)	(19,157)	(4,498)	(252,886)	(349,779)	-	(349,779)
New financial assets purchased or originated	82,039	30,466	36,848	40,284	189,637	-	189,637
Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	-	-	-	-	-	193,600	193,600
Write-offs	2,204	(30,477)	(139)	(314,047)	(342,459)	-	(342,459)
Recovery of written-off loans	(799)	-	(6)	387,998	387,193	-	387,193
Foreign exchange and other movements	(18,664)	(462,735)	(550,697)	1,068,715	36,619	-	36,619
Loss allowance as of June 30, 2026	$381,402	$204,013	$427,753	$843,735	$1,856,903	$1,138,164	$2,995,067

	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	(1,695)	25,239	114	(3,219)	20,439	-	20,439
Transferred to credit-impaired financial assets	(3,539)	(8,784)	-	125,091	112,768	-	112,768
Transferred to 12-month ECLs	2,588	(5,433)	-	(10,533)	(13,378)	-	(13,378)
Financial assets derecognized	(54,196)	(27,026)	(23,964)	(478,429)	(583,615)	-	(583,615)
New financial assets purchased or originated	45,402	34,384	4,122	61,390	145,298	-	145,298
Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	-	-	-	-	-	(65,188)	(65,188)
Write-offs	(2)	(26,365)	(268)	(373,745)	(400,380)	-	(400,380)
Recovery of written-off loans	-	-	-	502,339	502,339	-	502,339
Foreign exchange and other movements	1,986	3,378	(40)	125,679	131,003	-	131,003
Loss allowance as of June 30, 2025	$165,632	$144,038	$370,343	$588,529	$1,268,542	$645,791	$1,914,333

(8) Assets classified as held for sale

	June 30, 2026	December 31, 2025	June 30, 2025
	Land and buildings	Land and buildings	Land and buildings
Carrying amount	$4,796,441	$5,272,964	$-

The Group sold a total of 5 units of the President Jasper Villa in Taipei City for the six months ended June 30, 2026.

(9) Loans, net

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

	June 30, 2026	December 31, 2025	June 30, 2025
Negotiated	$1,340,928	$1,362,708	$3,899,291
Overdrafts	1,019,868	1,538,899	2,508,154
Short-term loans	649,423,635	529,496,937	405,988,957
Medium-term loans	1,013,136,135	936,059,372	596,271,133
Long-term loans	1,339,024,131	1,290,705,121	789,932,594
Policy loans	899,970	466,712	54,826
Automatic premium loans	-	21	-
Delinquent loans	2,903,909	2,676,316	1,877,612
Subtotal	3,007,748,576	2,762,306,086	1,800,532,567
Less: Adjustment for discounts	(1,099,779)	(989,583)	(877,347)
Less: Allowance for loan losses	(37,721,434)	(35,371,428)	(22,623,838)
Total	$2,968,927,363	$2,725,945,075	$1,777,031,382

B. The movements in the allowance for loans for the six months ended June 30, 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	(37,186)	594,967	50,301	(328,291)	279,791	-	279,791
Transferred to credit-impaired financial assets	(6,294)	(107,650)	(119,645)	1,407,249	1,173,660	-	1,173,660
Transferred to 12-month ECLs	9,858	(217,230)	(263)	(77,859)	(285,494)	-	(285,494)
Financial assets derecognized	(1,382,272)	(453,402)	(8,037)	(826,971)	(2,670,682)	-	(2,670,682)
New financial assets purchased or originated	2,067,993	688,489	5,670	107,061	2,869,213	-	2,869,213
Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	-	-	-	-	-	826,540	826,540
Write-offs	(429)	(19,450)	-	(1,056,287)	(1,076,166)	-	(1,076,166)
Recovery of written-off loans	-	-	-	1,065,749	1,065,749	-	1,065,749
Foreign exchange and other movements	(25,826)	(19,280)	-	203,697	158,591	8,804	167,395
Loss allowance as of June 30, 2026	$5,212,491	$2,319,050	$109,067	$5,005,757	$12,646,365	$25,075,069	$37,721,434

	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	(7,835)	161,272	33,048	(14,022)	172,463	-	172,463
Transferred to credit-impaired financial assets	(8,274)	(65,380)	(17,990)	562,821	471,177	-	471,177
Transferred to 12-month ECLs	3,526	(165,253)	-	(178,113)	(339,840)	-	(339,840)
Financial assets derecognized	(562,225)	(401,882)	(21,237)	(832,110)	(1,817,454)	-	(1,817,454)
New financial assets purchased or originated	530,013	18,102	1,326	119,981	669,422	-	669,422
Recognized (reversal) based on the regulations governing the procedures for banking institutions to evaluate assets and deal with non-performing/non-accrual loans	-	-	-	-	-	1,531,277	1,531,277
Write-offs	(136)	(14,209)	-	(216,759)	(231,104)	-	(231,104)
Recovery of written-off loans	-	-	-	488,838	488,838	-	488,838
Loss allowance as of June 30, 2025	$2,258,852	$474,457	$177,592	$2,797,534	$5,708,435	$16,915,403	$22,623,838

C. Details of the reversal of bad debt expenses, commitments, and guarantee liabilities (provision) for the three months and six months ended June 30, 2026 and 2025 were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
(Provision for) reversal of the allowance for losses on receivables, loans and other financial assets	$(1,519,769)	$(424,732)	$(3,064,630)	$(1,170,154)
(Provision for) reversal of the allowance for losses on guarantee liabilities	(179,096)	18,304	(217,303)	5,103
(Provision for) reversal of the allowance for losses on loan commitments	(1,526)	(3,636)	(11,867)	(14,373)
(Provision for) reversal of the allowance for letters of credit	294	(226)	(3,568)	(202)
Total	$(1,700,097)	$(410,290)	$(3,297,368)	$(1,179,626)

(10) Investments accounted for using equity method

A. Investments in associates

	June 30, 2026	December 31, 2025	June 30, 2025
Associates that are not individually material	$3,006,760	$3,006,990	$491,147

Aggregate information of associates that are not individually material:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
The Group's share of:				
Net income for the period	$34,183	$2,919	$48,842	$(2,143)
Other comprehensive income for the period	(565)	-	(419)	-
Total comprehensive income for the period	$33,618	$2,919	$48,423	$(2,143)

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 June 30, 2026, December 31, 2025 and June 30, 2025, respectively.

(11) Other financial assets, net

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

	June 30, 2026	December 31, 2025	June 30, 2025
Non-performing receivables transferred from other than loans	$388,681	$398,473	$349,932
Less: Allowance for bad debt	(240,004)	(247,465)	(202,693)
Due from banks	12,581,633	14,701,875	6,702,874
Securities lending deposits	520,436	1,080,323	247,028
Gold deposit account	2,701,454	2,238,089	1,438,770
Customer margin account	42,134,901	17,955,465	4,946,572
Securities borrowing collateral price	286,881	843,385	33,737
Separate account insurance products assets (Note 6.(26))	164,421,645	131,102,480	50,177,216
Prepayments for Investments	-	-	1
Total	$222,795,627	$168,072,625	$63,693,437

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 six months ended June 30, 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 June 30, 2026, December 31, 2025 and June 30, 2025, respectively.

(12) Investment properties, net

	June 30, 2026	December 31, 2025	June 30, 2025
Investment properties			
Land	$146,593,064	$149,850,062	$9,857,011
Buildings			
Cost	59,916,636	65,415,547	1,444,783
Accumulated depreciation	(1,892,756)	(1,135,514)	(295,157)
Subtotal	58,023,880	64,280,033	1,149,626
Prepayments for buildings and land	45,113	45,405	-
Investment properties under construction	6,661,376	76,758	-
Right-of-use assets			
Cost	20,856,039	15,655,926	-
Accumulated depreciation	(502,221)	(88,831)	-
Subtotal	20,353,818	15,567,095	-
Total	$231,677,251	$229,819,353	$11,006,637

	Land	Buildings	Prepayments for buildings and land	Investment property under construction	Right-of-use assets	Total
Cost:						
Balance, January 1, 2026	$149,850,062	$65,415,547	$45,405	$76,758	$15,655,926	$231,043,698
Additions	-	991	282	899,249	-	900,522
Reclassification	(3,256,998)	(5,499,902)	(574)	5,685,369	5,200,113	2,128,008
Balance, June 30, 2026	$146,593,064	$59,916,636	$45,113	$6,661,376	$20,856,039	$234,072,228
Balance, January 1, 2025	$4,348,096	$1,412,670	$5,368,011	$-	$-	$11,128,777
Additions	110,398	9,483	-	-	-	119,881
Disposal	-	(450)	-	-	-	(450)
Reclassification	5,398,517	23,080	(5,368,011)	-	-	53,586
Balance, June 30, 2025	$9,857,011	$1,444,783	$-	$-	$-	$11,301,794
Accumulated depreciation:						
Balance, January 1, 2026	$-	$1,135,514	$-	$-	$88,831	$1,224,345
Depreciation expenses	-	948,152	-	-	274,200	1,222,352
Disposal	-	-	-	-	-	-
Reclassification	-	(190,910)	-	-	139,190	(51,720)
Balance, June 30, 2026	$-	$1,892,756	$-	$-	$502,221	$2,394,977
Balance, January 1, 2025	$-	$272,696	$-	$-	$-	$272,696
Depreciation expenses	-	17,559	-	-	-	17,559
Disposal	-	(450)	-	-	-	(450)
Reclassification	-	5,352	-	-	-	5,352
Balance, June 30, 2025	$-	$295,157	$-	$-	$-	$295,157

The Group's right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Depreciation of other investment properties is calculated on a straight-line basis over the following estimated useful lives:

Buildings	2～62 years
Right-of-use assets	35～139 years

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 June 30, 2026, December 31, 2025 and June 30, 2025 were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Year 1	$4,883,713	$4,846,236	$204,316
Year 2	3,579,583	3,951,788	188,762
Year 3	2,710,133	2,614,501	177,427
Year 4	2,139,908	2,045,546	165,280
Year 5	1,537,345	1,586,639	147,275
Over 5 years	5,059,183	5,015,949	642,154
Total	$19,909,865	$20,060,659	$1,525,214

The rental income and direct operating expenses generated from investment properties for the three months and six months ended June 30, 2026 and 2025 were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Rental income	$1,438,489	$52,342	$2,815,199	$103,613
Direct operating expenses				
From investment properties generating rental income	(887,414)	(18,030)	(1,766,613)	(28,127)
From investment properties not generating rental income	(31,285)	(1,666)	(32,078)	(2,618)
Total	$519,790	$32,646	$1,016,508	$72,868

The fair values of the Group's investment properties (excluding prepayments for buildings and land) as of June 30, 2026, December 31, 2025 and June 30, 2025 were $223,642,670 thousand, $215,727,313 thousand and $12,109,078 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

	June 30, 2026	December 31, 2025	June 30, 2025
Land	$63,063,299	$62,847,895	$17,383,860
Buildings	15,927,575	17,646,941	5,139,835
Machinery equipment	2,562,814	2,611,599	1,744,713
Transportation equipment	93,852	106,416	107,258
Miscellaneous equipment	615,405	679,778	113,618
Leasehold improvements	316,523	429,323	296,031
Construction in progress	1,565,094	1,754,921	-
Prepayments for equipment	132,711	67,418	113,321
Total	$84,277,273	$86,144,291	$24,898,636

	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	-	15,480	390,580	9,953	40,794	100,469	568,477	112,920	$1,238,673
Disposals	-	(76,938)	(789,259)	(23,627)	(107,549)	(73,533)	-	-	(1,070,906)
Reclassification	215,404	(2,058,793)	(79,766)	-	(80,349)	44,408	(758,304)	(47,627)	(2,765,027)
Exchange differences	-	-	1,329	-	101	2,942	-	-	4,372
Balance, June 30, 2026	$63,063,299	$20,258,506	$5,958,797	$264,444	$880,911	$896,608	$1,565,094	$132,711	$93,020,370
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	-	26,349	123,312	1,252	16,954	1,461	-	73,265	242,593
Disposals	-	(39,384)	(541,855)	(14,843)	(30,118)	(52,343)	-	-	(678,543)
Reclassification	(30,506)	(16,535)	3,633	-	-	29,816	-	(53,404)	(66,996)
Exchange differences	-	-	(2,780)	-	-	(6,265)	-	-	(9,045)
Balance, June 30, 2025	$17,383,860	$8,880,110	$4,615,603	$248,997	$242,543	$774,992	$-	$113,321	$32,259,426

	Land	Buildings	Machinery equipment	Transportation equipment	Miscellaneous equipment	Leasehold improvements	Construction in progress	Prepayments for equipment	Total
Accumulated depreciation:									
Balance, January 1, 2026	$-	$4,731,816	$3,824,314	$171,702	$348,136	$392,999	$-	$-	$9,468,967
Depreciation expenses	-	325,851	484,469	21,201	94,957	145,937	-	-	1,072,415
Disposals	-	(76,938)	(787,181)	(23,627)	(107,035)	(73,532)	-	-	(1,068,313)
Reclassification	-	(649,798)	(126,697)	1,316	(70,641)	112,060	-	-	(733,760)
Exchange differences	-	-	1,078	-	89	2,621	-	-	3,788
Balance, June 30, 2026	$-	$4,330,931	$3,395,983	$170,592	$265,506	$580,085	$-	$-	$8,743,097
Balance, January 1, 2025	$-	$3,644,964	$3,058,711	$136,498	$140,932	$481,525	$-	$-	$7,462,630
Depreciation expenses	-	140,045	353,580	20,070	18,063	55,048	-	-	586,806
Disposals	-	(39,384)	(539,255)	(14,829)	(30,070)	(52,343)	-	-	(675,881)
Reclassification	-	(5,350)	-	-	-	-	-	-	(5,350)
Exchange differences	-	-	(2,146)	-	-	(5,269)	-	-	(7,415)
Balance, June 30, 2025	$-	$3,740,275	$2,870,890	$141,739	$128,925	$478,961	$-	$-	$7,360,790

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets：

Buildings	5～62 years
Machinery and equipment	1～30 years
Transportation equipment	2～7 years
Miscellaneous equipment	1～20 years
Leasehold improvements	1～50 years

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

(14) Lease

A. Right-of-use assets, net

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amount			
Land and land use rights	$2,463,074	$2,815,346	$-
Buildings	4,213,314	4,031,916	2,344,507
Office and other equipment	30,120	36,393	6,184
Transportation equipment	30,040	40,002	25,485
Total	$6,736,548	$6,923,657	$2,376,176

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Depreciation charge for right-of-use assets				
Land and land use rights	$30,840	$-	$37,368	$-
Buildings	315,974	170,365	651,672	383,530
Office and other equipment	5,451	723	10,665	800
Transportation equipment	5,825	4,401	12,413	8,922
Total	$358,090	$175,489	$712,118	$393,252

For the six months ended June 30, 2026 and 2025, the Group added $961,239 thousand and $560,473 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. Please refer to Note 6(12). 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 six months ended June 30, 2026 and 2025.

B. Lease liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amount			
Land and land use rights	$4,985,790	$5,117,531	$-
Buildings	4,407,951	4,357,149	2,414,068
Office and other equipment	25,336	23,010	6,213
Transportation equipment	30,036	48,871	25,843
Total	$9,449,113	$9,546,561	$2,446,124

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 June 30, 2026, December 31 2025 and June 30, 2025 were as follows:

	The lease term	Discount rate
June 30, 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%
June 30, 2025		
Land use rights	-	-
Buildings	1~15 years	0.35%~4.58%
Office and other equipment	2~5 years	1.08%~1.69%
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 June 30		For the six months ended June 30	
	2026	2025	2026	2025
Expenses relating to short-term leases	$57,847	$7,287	$113,916	$13,419
Expenses relating to low-value asset leases	$487	$1,984	$1,452	$3,575
Total cash outflow for leases	$901,154	$197,667	$1,220,911	$428,202

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:

	June 30, 2026	December 31, 2025	June 30, 2025
Lease commitments	$47,610	$18,150	$68,652

(15) Intangible assets, net

	June 30, 2026	December 31, 2025	June 30, 2025
Goodwill	$657,490,149	$657,490,149	$1,567,391
Client list	4,420,939	4,664,294	-
Computer software	2,166,490	2,688,545	2,077,189
Other intangible assets	10,097,619	10,036,982	15,563
Total	$674,175,197	$674,879,970	$3,660,143

	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	-	-	292,577	54,315	346,892
Disposals	-	-	(4,765)	-	(4,765)
Amortization	-	(243,355)	(559,430)	(409,458)	(1,212,243)
Reclassification	-	-	(251,507)	414,619	163,112
Exchange differences	-	-	1,070	1,161	2,231
Balance, June 30, 2026	$657,490,149	$4,420,939	$2,166,490	$10,097,619	$674,175,197
Balance, January 1, 2025	$1,567,391	$-	$2,083,067	$18,938	$3,669,396
Additions	-	-	320,873	-	320,873
Amortization	-	-	(338,864)	(3,375)	(342,239)
Reclassification	-	-	13,409	-	13,409
Exchange differences	-	-	(1,296)	-	(1,296)
Balance, June 30, 2025	$1,567,391	$-	$2,077,189	$15,563	$3,660,143

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

B. Intangible assets are amortized on a straight-line basis over their estimated useful lives of 2 to 45 years.

C. 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 June 30, 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 June 30, 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 June 30, 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 June 30, 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 June 30, 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. (40).

(16) Other assets, net

	June 30, 2026	December 31, 2025	June 30, 2025
Prepayments	$2,630,526	$2,456,599	$1,640,207
Refundable deposits	26,638,720	45,511,793	18,941,196
Operating guarantee deposits and settlement funds	16,031,855	14,899,537	1,961,025
Collateral, net	234,500	234,499	256,349
Others	59,752,427	10,289,112	177,003
Total	$105,288,028	$73,391,540	$22,975,780

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 June 30, 2026, December 31, 2025 and June 30, 2025, respectively.

C. In accordance with a letter issued by the FSC, the opening balance of the foreign exchange valuation reserve as of January 1, 2026 was determined based on the aggregate balance 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. Accordingly, an adjustment to others under the foreign exchange valuation reserve amounting to $47,494,011 thousand was recognized.

(17) Deposits from the central bank and banks

	June 30, 2026	December 31, 2025	June 30, 2025
Deposits from other banks	$13,340,153	$19,412,649	$7,073,741
Call loans from other banks	34,982,182	27,658,654	19,989,339
Bank overdrafts	305,062	723,368	203,763
Deposits from the Central Bank	81,787	89,638	81,265
Total	$48,709,184	$47,884,309	$27,348,108

(18) Commercial papers issued, net

Guarantee or acceptance institutions	June 30, 2026	December 31, 2025	June 30, 2025
Face Value	$117,005,000	$92,320,000	$30,154,000
Less: Discount on Commercial Papers Payable	(834,081)	(183,175)	(70,457)
Total	$116,170,919	$92,136,825	$30,083,543

A. The commercial papers payable described above are all guaranteed or accepted by bills finance companies or banks.

B. As of June 30, 2026, December 31, 2025 and June 30, 2025, the interest rate ranges of commercial papers issued were 1.74%~3.94%, 1.48%~2.24% and 1.50%~2.00%, respectively.

(19) Payables

	June 30, 2026	December 31, 2025	June 30, 2025
Notes and accounts payable	$19,178,627	$19,902,620	$13,838,568
Delivery accounts payable	102,396,249	46,631,099	12,191,967
Accrued expenses	24,926,219	28,192,866	8,524,372
Interest payable	10,961,537	9,557,864	7,823,249
Checks for clearance payable	2,071,567	1,836,384	509,504
Collection payable	2,504,784	2,381,884	3,477,838
Settlement	8,624,323	5,850,099	1,709,643
Tax payable	1,598,990	1,396,179	707,649
Dividend payable	27,866,618	230,803	24,359,941
Other payables	16,385,007	6,489,725	4,557,026
Total	$216,513,921	$122,469,523	$77,699,757

(20) Deposits and remittances

	June 30, 2026	December 31, 2025	June 30, 2025
Checking deposits	$13,539,467	$16,184,907	$7,765,368
Demand deposits	796,468,047	701,747,750	456,247,570
Time deposits	1,305,002,260	1,164,791,836	810,623,771
Negotiable certificates of deposit	26,832,102	7,320,400	1,747,918
Savings deposits	1,744,675,448	1,673,552,726	1,088,800,149
Public treasury deposits	21,427,750	15,091,267	21,269,320
Remittances	4,147,309	2,538,432	2,555,567
Total	$3,912,092,383	$3,581,227,318	$2,389,009,663

(21) Bonds payable

	June 30, 2026	December 31, 2025	June 30, 2025
Corporate bonds	$95,642,000	$95,479,200	$32,600,000
Add: Discount on domestic corporate bonds	2,091,393	3,409,131	-
Add: Discount on foreign corporate bonds	1,174,949	1,257,504	-
Subtotal	98,908,342	100,142,835	32,600,000
Bank notes payable	45,050,000	48,250,000	20,750,000
Purchase price allocation adjustment	204,807	316,852	-
Subtotal	45,254,807	48,566,852	20,750,000
Total	$144,163,149	$148,712,687	$53,350,000

A. Corporate bonds issued by the company

To raise working capital and strengthen its financial structure, the company 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

	June 30, 2026	December 31, 2025	June 30, 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	7,300,000
Unsecured ordinary corporate bonds - 2022 (I)	5,000,000	5,000,000	-
	34,300,000	34,300,000	29,300,000
Less: Discount on Unsecured ordinary corporate bonds - 2022 (I)	(33,347)	(54,578)	-
Total	$34,266,653	$34,245,422	$29,300,000

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. 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:

	June 30, 2026	December 31, 2025	June 30, 2025
Subordinated bank notes payable - 2015 (I)	$4,850,000	$4,850,000	$4,850,000
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	$20,750,000

The subordinated financial bonds - 2015 (I) matured on June 10, 2025, and the principal amount of $4,250,000 thousand was repaid. Additionally, the subordinated financial bonds - 2015 (III) 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%.

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured subordinated corporate bonds - 2020 (I)	$3,300,000	$3,300,000	$3,300,000

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:

	June 30, 2026	December 31, 2025
Senior Financial Bonds	$-	$1,000,000
Subordinated Financial Bonds	25,000,000	27,200,000
Purchase price allocation adjustment	204,807	319,852
Total	$25,204,807	$28,519,852

The First Series Subordinated Financial Bonds issued in 2016 matured on January 29, 2026, and the principal amount of $2,200,000 thousand was redeemed. The First Series Senior Financial Bonds issued in 2021 matured on June 23, 2026, and the principal amount of $1,000,000 thousand was redeemed. For further information regarding financial bonds payable, please refer to Note 6(20) to the Group's consolidated financial statements for the year ended December 31, 2025.

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

	June 30, 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	12,742,000	12,579,200
	58,042,000	57,879,200
Add: Premium on non-maturity cumulative subordinated corporate bonds	(62,683)	705,691
Add: Premium on ten-year secured cumulative subordinated corporate bonds	2,187,423	2,758,018
Add: Premium on overseas ten-year unsecured cumulative subordinated corporate	1,174,949	1,257,504
Total	$61,341,689	$62,600,413

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

(22) Other borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Short-term unsecured borrowings	$8,230,692	$4,829,805	$5,339,233
Long-term borrowings	2,635,183	3,028,597	1,644,002
Total	$10,865,875	$7,858,402	$6,983,235

As of June 30, 2026, December 31, 2025 and June 30, 2025, the interest rates on short-term unsecured borrowings ranged from 1.93%~3.20%, 1.78%~4.81% and 1.80%~5.56%, respectively.

As of June 30, 2026, December 31, 2025 and June 30, 2025, the interest rates on long-term borrowings ranged from 3.00%~3.70%, 3.30%~3.70% and 3.38%~3.70%, respectively.

(23) Preferred stock liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Preferred stock liabilities	$28,834,044	$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

	June 30, 2026	December 31, 2025	June 30, 2025
Provisions for employee benefits	$1,216,942	$1,303,559	$838,000
Provisions for guarantee liabilities	932,669	715,219	293,746
Provisions for loan commitments	268,182	255,718	184,619
Other provisions	300,052	250,083	125,536
Total	$2,717,845	$2,524,579	$1,441,901

	Provisions for guarantee liabilities	Provisions for loan commitments	Other provisions
Balance, January 1, 2026	$715,219	$255,718	$250,083
Provision	217,303	11,867	49,712
Used	-	-	(137)
Exchange differences	147	597	394
Balance, June 30, 2026	$932,669	$268,182	$300,052
Balance, January 1, 2025	$300,578	$172,967	$127,885
Provision (reverse)	(5,103)	14,373	290
Exchange differences	(1,729)	(2,721)	(2,639)
Balance, June 30, 2025	$293,746	$184,619	$125,536

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
June 30, 2026	$257,803	$9,685	$152,949	$420,437	$796,252	$1,216,689
December 31, 2025	258,684	9,846	13,555	282,085	702,776	984,861
June 30, 2025	119,888	7,316	13,602	140,806	342,585	483,391

(25) Insurance and reinsurance contracts

A. Insurance contract and reinsurance contract assets, net

	June 30, 2026	December 31, 2025	June 30, 2025
Insurance contract assets			
Liabilities for remaining coverage	$-	$-	$-
Liabilities for incurred claims	-	-	-
Subtotal	-	-	-
Reinsurance contract assets			
Assets for remaining coverage	1,149,589	1,082,000	(8,303)
Assets for incurred claims	297,584	436,284	14,759
Subtotal	1,447,173	1,518,284	6,456
Total	$1,447,173	$1,518,284	$6,456

B. Insurance contract and reinsurance contract liabilities, net

	June 30, 2026	December 31, 2025	June 30, 2025
Insurance contract liabilities			
Liabilities for remaining coverage	$3,323,401,264	$3,365,325,694	$225,782,699
Liabilities for incurred claims	9,053,310	11,871,295	3,333,023
Subtotal	3,332,454,574	3,377,196,989	229,115,722
Reinsurance contract liabilities			
Assets for remaining coverage	17,325,957	17,931,400	4,551,146
Assets for incurred claims	(1,374,389)	(1,354,614)	(292,066)
Subtotal	15,951,568	16,576,786	4,259,080
Total	$3,348,406,142	$3,393,773,775	$233,374,802

(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:

	June 30, 2026	December 31, 2025	June 30, 2025
Cash in banks	$3,088,595	$2,656,242	$2,207,492
Financial assets at FVTPL	159,983,916	126,953,246	45,850,864
Interests receivable	8,691	13,089	8,020
Other receivables	1,340,443	1,479,903	2,110,840
Total	$164,421,645	$131,102,480	$50,177,216

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

	For the three months ended June 30		For the six months ended June 30	
Gains or loss on financial assets at FVTPL	$24,388,379	$1,275,602	$25,107,696	$(1,288,010)
Foreign exchange gains or losses	(328,444)	(1,470,452)	852,911	(1,377,727)
Interest income and fund distributions	1,755,967	329,285	7,966,874	699,937
Miscellaneous income	5,567	-	11,675	-
Management fee	(539,392)	-	(631,738)	-
Total	$25,282,077	$134,435	$33,307,418	$(1,965,800)

The Group's fund channel promotion fees received from counterparties due to the operation of investment-type insurance products amounted to $97,879 thousand, $26,273 thousand, $158,979 thousand and $52,361 thousand for the three months and six months ended June 30, 2026 and 2025, respectively, and were recognized under commission income.

C. Financial assets at FVTPL:

	For the six months ended June 30	
	2026	2025
Beginning balance, net	$126,953,246	$41,591,323
Additions during the period	35,148,668	11,077,282
Sales during the period	(24,983,661)	(2,940,981)
Expenses	(534,428)	-
Investment profit and loss	22,629,650	(2,401,661)
Other changes	770,441	(1,475,099)
Ending balance, net	$159,983,916	$45,850,864

(27) Other financial liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Principal of structured products	$161,054,126	$157,465,827	$95,811,016
Gold account	2,983,769	2,358,464	1,453,752
Futures traders' equity	43,890,661	20,431,265	5,160,729
Total	$207,928,556	$180,255,556	$102,425,497

(28) Other liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Unearned revenue	$993,231	$1,291,421	$702,088
Unearned interest	1,941,796	1,733,199	1,323,545
Guarantee deposits	11,234,448	10,097,171	18,569,172
Deferred income	2,144,972	1,964,185	1,850,108
Temporary credits	3,785,378	2,680,925	1,306,245
Service contract liabilities	1,287,784	6,036	-
Foreign exchange valuation reserve	108,528,737	56,009,043	2,017,157
Other reserve – others	130,373,750	126,651,247	8,410,376
Others	13,682,657	3,292,810	37,444
Total	$273,972,753	$203,726,037	$34,216,135

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 six months ended June 30, 2026	
	Volatile	Fixed
Beginning balance	$103,503,054	$-
Provision	4,028,121	4,025,286
Offset	(3,027,724)	-
Ending balance	$104,503,451	$4,025,286

	For the six months ended June 30, 2025
Beginning balance	$1,325,436
Provision	
Compulsory provision	154,820
Additional provision	2,997,183
Subtotal	3,152,003
Acquisitions through business combinations	(2,460,282)
Ending balance	$2,017,157

B. Impact of foreign exchange valuation reserve:

The effects applicable or inapplicable for reserve for foreign exchange valuation for the six months ended June 30, 2026 and 2025 were as follows.

For the six months ended June 30, 2026

Accounts	Inapplicable amount	Applicable amount	Effect
Net income (loss) attributable to owners of parent	$47,817,215	$43,796,669	$(4,020,546)
Earnings (loss) per share (NT$)	1.85	1.69	(0.16)
Reserve for foreign exchange valuation	-	108,528,737	108,528,737
Equity attributable to owners of parent	779,795,591	713,162,129	(66,633,462)

For the six months ended June 30, 2025

Accounts	Inapplicable amount	Applicable amount	Effect
Net income (loss) attributable to owners of parent	$2,472,826	$1,919,448	$(553,378)
Earnings (loss) per share (NT$)	0.11	0.07	(0.04)
Reserve for foreign exchange valuation	-	2,017,157	2,017,157
Equity attributable to owners of parent	254,740,153	253,286,427	(1,453,726)

C. Additional appropriation of foreign exchange valuation reserve

In accordance with a letter issued by FSC, the opening balance of the foreign exchange valuation reserve as of January 1, 2026 was determined based on the aggregate balance 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. Accordingly, the opening balance of the foreign exchange valuation reserve as of January 1, 2026 amounted to $103,503,054 thousand.

(29) 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-month and six months ended June 30, 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.

(30) Equity

A. Share capital

	June 30, 2026	December 31, 2025	June 30, 2025
Number of shares authorized (in thousands)	35,000,000	35,000,000	35,000,000
Shares authorized	$350,000,000	$350,000,000	$350,000,000
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

The Company held shareholders' meeting on June 12, 2026 in which it resolved the capitalization of retained earnings through the issuance of 248,663,000 shares. July 27, 2026 was set as the ex-dividend date, and the related amendment registration has been completed.

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 issued 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) 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.

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

(i) 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.

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) 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.

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

(i) 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.

D. In accordance with Article 8-5 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) Any premium received on the issue of Class G preferred shares shall be treated as capital surplus and should not be capitalized into paid-in capital during the circulation period of 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 June 30, 2026, the Company recognized a capital surplus of $133,732,478 thousand, in which there's a part of investees' unappropriated retained earnings totaling $414,706 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. 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. (36).

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, in accordance the Order No. 11302701271 issued by the FSC.

Refer to Note 6. (30)I. for the information relating to special reserves.

The appropriations of earnings for 2025 and 2024 were resolved by the company at the annual shareholders' meetings held on June 12, 2026 and June 23, 2025, respectively. Details of the appropriations were 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	2,486,628	-	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 six months ended June 30	
	2026	2025
Beginning balance	$18,995	$(98,874)
Exchange differences on translating the net assets of foreign operations	111,333	(218,454)
Corporate restructuring	(14,757)	-
Ending balance	$115,571	$(317,328)

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

	For the six months ended June 30	
	2026	2025
Beginning balance	$24,931,165	$(1,224,092)
Effects of financial asset reclassification	24,991,235	-
Balance after redesignation of financial assets	49,922,400	(1,224,092)
Recognized during the period		
Unrealized gains or losses		
Debt instruments	(22,798,595)	2,649,060
Equity instruments	124,414,351	(903,328)
Adjustments for loss allowance of debt instruments	(54,308)	5,395
Reclassification adjustments		
Disposal of investments in debt instruments	(4,662,907)	(514,280)
Income Tax effect	(9,725,783)	(291,922)
Other	(1,546)	-
Other comprehensive income (loss) recognized during the period	87,171,212	944,925
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposal	(54,837,520)	127,939
Ending balance	$82,256,092	$(151,228)

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

	For the six months ended June 30	
	2026	2025
Beginning balance	$(47,852)	$22,145
Changes in fair value attributable to changes in the credit risk	(33,524)	452
Ending balance	$(81,376)	$22,597

(d) Gains (losses) on hedging instruments

	For the six months ended June 30	
	2026	2025
Beginning balance	$4	$-
Other comprehensive income	(419)	-
Ending balance	$(415)	$-

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

	For the six months ended June 30	
	2026	2025
Beginning balance	$(35,275,093)	$1,567,830
Other comprehensive income	68,329,055	(3,958,834)
Ending balance	$33,053,962	$(2,391,004)

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

	For the six months ended June 30	
	2026	2025
Beginning balance	$(274,394)	$-
Other comprehensive income	496,697	(83,616)
Ending balance	$222,303	$(83,616)

K. Non-controlling interests

	For the six months ended June 30	
	2026	2025
Beginning balance	$465,556	$26,878
Attributable to non-controlling interests		
Net income for the period	36,590	(868)
Other comprehensive income for the period	1,546	-
Changes in non-controlling interests - Changes in subsidiary equity	(55,493)	(340)
Ending balance	$448,199	$25,670

L. Treasury shares

Unit: Number of shares in thousands

Purpose of buy-back	June 30, 2026	December 31, 2025	June 30, 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. Amounting to $89,298 thousand in total.

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.

(31) Net interest income

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Interest income				
Loans	$22,435,133	$13,325,574	$43,743,995	$26,558,936
Investment in marketable securities	35,765,493	6,343,451	71,147,484	12,545,484
Revolving interest of credit cards	477,968	391,497	949,232	782,459
Finance leases	400,791	446,789	799,414	900,227
Others	3,242,879	1,393,967	5,777,551	2,746,419
Subtotal	62,322,264	21,901,278	122,417,676	43,533,525
Interest expense				
Deposits	(14,644,183)	(10,325,296)	(28,042,501)	(20,857,294)
Structured products	(1,108,838)	(727,587)	(2,228,229)	(1,494,886)
Others	(2,447,450)	(1,113,335)	(5,482,315)	(2,212,379)
Subtotal	(18,200,471)	(12,166,218)	(35,753,045)	(24,564,559)
Total	$44,121,793	$9,735,060	$86,664,631	$18,968,966

(32) Net service fee and commission income

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Service fees and commission income				
Interbank fee	$318,075	$291,484	$640,582	$586,862
Loan and guarantee fee	476,662	253,431	1,117,021	534,714
Fee from certification, underwriting and brokerage	4,848,200	852,516	8,054,127	1,865,986

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Fee from trustee business	$2,428,988	$962,528	$4,582,088	$2,119,980
Insurance commission fee	784,615	1,773,370	1,630,373	3,901,192
Fee from credit cards	2,536,042	1,804,517	5,113,901	3,656,651
Others	621,533	475,845	1,235,528	929,952
Subtotal	12,014,115	6,413,691	22,373,620	13,595,337
Service fees and commission expenses				
Fees from credit cards	(1,422,684)	(911,499)	(2,812,990)	(1,830,183)
Interbank fee	(136,347)	(101,203)	(283,743)	(210,723)
Marketing fee	(251,046)	(235,068)	(516,800)	(468,868)
Insurance commission fee	(35,789)	(114,120)	(214,806)	(211,378)
Brokerage handling fee	(464,712)	(79,947)	(795,644)	(156,931)
Others	(438,324)	(341,088)	(815,744)	(666,115)
Subtotal	(2,748,902)	(1,782,925)	(5,439,727)	(3,544,198)
Total	$9,265,213	$4,630,766	$16,933,893	$10,051,139

(33) Insurance service result

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Insurance service result				
Insurance revenue	$19,396,677	$1,574,546	$34,651,574	$3,088,787
Insurance service expenses	(12,811,118)	(1,434,169)	(20,905,196)	(2,459,900)
Income (expenses) from reinsurance contracts held	(65,629)	6,597	389,586	(31,215)
Total	$6,519,930	$146,974	$14,135,964	$597,672

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

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Disposal (losses) gains				
Bank				
Shares and beneficiary certificates	$351,212	$783,384	$522,955	$822,249
Bills	(5,246)	32,775	29,447	73,026
Bonds	255,982	74,126	824,837	151,727
Derivative financial instruments	(2,074,706)	1,120,498	(3,207,618)	2,459,354
Subtotal	(1,472,758)	2,010,783	(1,830,379)	3,506,356
Securities				
Call (put) warrants issued	21,188,068	34,085	20,318,306	75,731
Trading securities - dealing	6,369,594	(396,217)	10,825,255	(244,928)
Trading securities - underwriting	41,141	15,384	667,666	31,032
Trading securities - hedging	7,382,305	4,968	12,436,618	85,614
Borrowed securities and bonds with resell agreements-short sales	(148,152)	10,510	(717,311)	(19,273)
Beneficiary certificates	84,247	-	84,325	-
Funds	-	-	-	1,109
Stocks held in the Dollar-Cost Averaging Adjustment Account	-	1	-	5
Derivative financial instruments	(8,748,321)	249,720	(14,430,035)	410,815
Other	(22)	-	-	-
Subtotal	26,168,860	(81,549)	29,184,824	340,105

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Life insurance				
Shares and beneficiary certificates	$797,862	$301,065	$807,569	$1,230,257
Bonds	(1,879)	-	18,933	-
Derivative financial instruments	(15,682,247)	306,045	(28,456,043)	(679,435)
Others	(180,011)	-	-	-
Subtotal	(15,066,275)	607,110	(27,629,541)	550,822
Others				
Shares and beneficiary certificates	$81,348	$49,722	$118,167	$59,329
Derivative financial instruments	(8,641)	15,821	(42,867)	176,913
Subtotal	72,707	65,543	75,300	236,242
Total Gains (Losses) on Disposal	$9,702,534	$2,601,887	$(199,796)	$4,633,525
Valuation gains (losses)				
Bank				
Shares and beneficiary certificates	$3,047,942	$(1,065,090)	$3,374,634	$(1,831,844)
Bills	21,646	(4,031)	17,338	(29,364)
Bonds	2,471,250	1,493,387	1,965,974	983,192
Derivative financial instruments	(3,129,088)	(1,172,540)	(1,524,451)	(188,190)
Subtotal	2,411,750	(748,274)	3,833,495	(1,066,206)
Securities				
Call (put) warrants issued	(26,083,048)	(27,803)	(26,127,408)	(48,790)
Trading securities - dealing	3,288,103	291,112	2,852,519	(156,550)
Trading securities - underwriting	185,978	6,633	195,097	(56,314)

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Trading securities - hedging	$3,316,122	$133,705	$2,270,528	$(106,694)
Borrowed securities and bonds with resell agreements-short sales	(1,969,771)	77,851	(1,848,075)	129,376
Beneficiary certificates	1,712	-	-	-
Funds	-	(16,267)	-	(24,860)
Stocks held in the Regular Investment Adjustment Account	-	1	-	-
Derivative financial instruments	(1,420,854)	(303,334)	(274,050)	144,960
Subtotal	(22,681,758)	161,898	(22,931,389)	(118,872)
Life insurance				
Shares and beneficiary certificates	635,785	1,137,554	823,202	(3,253,707)
Beneficiary securities	-	(1)	-	(8)
Bonds	(146,953)	-	(377,552)	-
Derivative financial instruments	17,417,181	2,534,750	13,070,426	2,985,597
Others	(12,099,951)	(635,333)	(16,741,483)	96,645
Subtotal	5,806,062	3,036,970	(3,225,407)	(171,473)
Others				
Shares and beneficiary certificates	249,927	(586,562)	85,505	(1,181,303)
Bonds	4,492	-	(7,543)	-
Derivative financial instruments	5,004	(9,514)	34,448	(55,047)
Subtotal	259,423	(596,076)	112,410	(1,236,350)
Total Gains (Losses) on Valuation	$(14,204,523)	$1,854,518	$(22,210,891)	$(2,592,901)
Net interest income	$1,031,096	$312,767	$2,127,095	$637,856
Dividends	314,212	534,593	679,196	803,102
Interest expense	(74,344)	(48,218)	(127,068)	(100,334)
Total	$(3,231,025)	$5,255,547	$(19,731,464)	$3,381,248

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

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Disposal gains (losses)				
Bonds	$2,872,194	$298,443	$4,665,441	$516,105
Beneficiary securities	(1,370,024)	(906)	(1,689)	(1,824)
Subtotal	1,502,170	297,537	4,663,752	514,281
Dividend income				
Related to investments held at the end of the period	2,104,171	69,961	3,107,991	85,314
Related to investments derecognized at the end of the period	1,027,273	-	1,083,382	18,624
Total	$4,633,614	$367,498	$8,855,125	$618,219

(36) Employee benefits expense

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Short-term benefits	$8,314,549	$5,160,266	$16,555,210	$10,262,709
Post-employment benefits				
Defined contribution plans	360,839	163,201	661,601	334,760
Defined benefit plans	(9,995)	7,809	(17,149)	15,505
Share-based payments (Note 6. (41))				
Equity settlement	847	-	847	-
Cash-settled share-based payments	154,853	(4,551)	317,007	15,198
Others	54,648	38,739	99,015	74,610
Total	$8,875,741	$5,365,464	$17,616,531	$10,702,782

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 and six months ended June 30, 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 June 30		For the six months ended June 30	
	2026	2025	2026	2025
Employees' compensation	$2,365	$507	$4,313	$1,020
Remuneration of directors	$236,515	$24,513	$431,342	$75,784

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, 2026 and 2025.

	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.

(37) Depreciation and amortization expenses

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Depreciation Expense	$1,576,681	$455,763	$3,027,330	$997,619
Amortization Expense	382,721	173,187	1,000,937	343,555
Total	$1,959,402	$628,950	$4,028,267	$1,341,174

(38) 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 June 30		For the six months ended June 30	
	2026	2025	2026	2025
Current tax				
In respect of the current period	$(1,164,857)	$(3,170,343)	$(2,805,032)	$(4,538,932)
Surtax on undistributed earnings	(168,418)	-	(168,418)	-
Adjustments for prior years	390,625	(30,948)	382,139	(30,316)
Offshore income tax expense	(70,035)	(25,783)	(70,035)	(52,330)
Land value increment tax	114,839	-	82,127	-
Others	127	-	(95)	-
Deferred tax				
In respect of the current period	(2,204,738)	3,257,588	(5,053,144)	4,154,212
Adjustments for prior years	5,556	(8,673)	4,316	(8,673)
Other	(1,175)	-	(2,111)	-
Income tax expense recognized in profit or loss	$(3,098,076)	$21,841	$(7,630,253)	$(476,039)

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

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Deferred tax				
In respect of the current period:				
Unrealized gains (losses) from debt instruments at fair value through other comprehensive income	$(14,289,377)	$(86,444)	$(8,966,604)	$(291,922)

Income tax related to remeasurements of defined benefit plans	$18,613	$-	$18,613	$-
Insurance finance income or expenses	(3,857,739)	867,232	(17,084,106)	988,558
Finance income or expenses from reinsurance contracts held	26,186	20,131	(72,231)	20,905
Reclassification adjustments				
Disposal of debt instruments measured at FVTOCI	(344,273)	-	(759,179)	-
Total income tax recognized in other comprehensive income	$(18,446,590)	$800,920	$(26,863,507)	$717,541

C. Assessments of the Group's Income Tax

	The assessment of income tax returns
The Company	Assessed and approved up to 2020
Taishin Bank	Assessed and approved up to 2020
Taishin Real-Estate	Assessed and approved up to 2024
Taishin D.A Finance	Assessed and approved up to 2023
Taishin AMC	Assessed and approved up to 2020
Taishin Venture Capital Investment	Assessed and approved up to 2020
Taishin Sports Entertainment	Assessed and approved up to 2024
Taishin Securities Investment Trust	Assessed and approved up to 2020
Taishin Securities B	Assessed and approved up to 2020
Taishin Securities Venture Capital	Assessed and approved up to 2024
Taishin Capital	Assessed and approved up to 2024
Taishin Futures	Assessed and approved up to 2024
Taishin Health Investment	Assessed and approved up to 2024
Taishin Securities Investment Advisory	Assessed and approved up to 2020
MasterLink Investment Advisory	Assessed and approved up to 2024
Taishin Insurance Agency	Assessed and approved up to 2024
MasterLink Venture Capital	Assessed and approved up to 2024
MasterLink Innovation Venture Capital Management	Assessed and approved up to 2024

	The assessment of income tax returns
Shin Kong Life Insurance	Assessed and approved up to 2021
Shin Shou Building Management	Assessed and approved up to 2024
Taiwan Shin Kong Commercial Bank	Assessed and approved up to 2020
Shin Kong Venture Capital	Assessed and approved up to 2020
Shin Kong Insurance Agent	Assessed and approved up to 2020

Former MasterLink Securities' income tax filings approved by the tax authorities up to 2019 and 2020; however, Former MasterLink Securities believes that the approval contains many unreasonable aspects and is currently pursuing administrative relief procedures. Former MasterLink Securities has partially paid the tax required to be paid in connection with the administrative relief process.

Taishin Securities B's income tax filings approved by the tax authorities up to 2016 through 2020; however, Taishin Securities B believes that the approval contains many unreasonable aspects and is currently pursuing administrative relief procedures. Taishin Securities B has partially paid the tax required to be paid.

(39) Earnings (Loss) per share

Unit: NT$ per share

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Basic earnings (loss) per share	$0.88	$(0.04)	$1.69	$0.07
Diluted earnings (loss) per share	$0.88	$(0.04)	$1.69	$0.07

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

Net income (loss) for the period

Unit: Dollars in thousands

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Net income (loss) for the periods attributable to owner of the Company	$22,756,159	$(22,053)	$43,796,669	$1,919,448
Less: Dividends on preferred shares	(653,735)	(493,689)	(1,300,286)	(981,953)
Earnings (loss) used in computation of basic earnings per share	$22,102,424	$(515,742)	$42,496,383	$937,495
Earnings (loss) used in computation of diluted earnings per share	$22,102,424	$(515,742)	$42,496,383	$937,495

Weighted average number of ordinary shares outstanding

Unit: Number of shares in thousands

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Weighted average number of ordinary shares in computation of basic earnings per share	25,114,940	13,105,905	25,114,940	13,105,782
Effect of dilutive potential ordinary shares:				
Employees' compensation(Note)	130	-	177	97
Weighted average number of ordinary shares outstanding in computation of dilutive earnings per share	25,115,070	13,105,905	25,115,117	13,105,879

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.

In calculating earnings per share, the effect of stock dividends without consideration has been retroactively adjusted. The record date for the stock dividend distribution was July 27, 2026.

Note: The estimated employee compensation for the period from April 1 to June 30, 2025 was anti-dilutive and was therefore excluded from the calculation of diluted earnings per share.

(40) 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 fair value of the identifiable assets and liabilities of Shin Kong Financial Holding as at the date of acquisition were:

	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)

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)
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 June 30, 2026, the amount of net assets recognized in the financial statements is based on a 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. The assessment results were not yet available at the time the consolidated financial statements as of and for the six months ended June 30, 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.

(41) 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)	$28.26	$28.26	$28.26	$28.26	$28.26
Exercise price	-	16.13	15.58	12.43	15.26
Outstanding period	1.6 years, 2.6 years, 3.6 years, and 4.6 years	0.6years, 1.6 years, 2.6 years, and 3.6 years	0.6years, 1.6 years, and 2.6 years	0.5years and 1.5 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 six months ended June 30, 2026 and 2025 were as follows:

	For the six months ended June 30			
	2026		2025	
Appreciation Rights Plan of 2025	Unit	Weighted Average Exercise Price (NT$)	Unit	Weighted Average Exercise Price (NT$)
Outstanding, beginning	-	$-	-	$-
Granted	6,918	-	-	-
Ceased	(141)	-	-	-
Outstanding, ending	6,777		-	
Weighted-average fair value of appropriation rights (NT$)	$28.26		$-	

	For the six months ended June 30			
	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	-	$-
Granted	-	-	36,660	17.52
Ceased	(1,280)	16.13	(1,114)	17.52
Outstanding, ending	33,356		35,546	
Weighted-average fair value of appropriation rights (NT$)	$12.33		$2.11	

	For the six months ended June 30			
	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	$16.49
Granted	(11,440)	15.58	-	-
Ceased	(475)	15.58	(1,170)	16.49
Outstanding, ending	11,458		23,693	
Weighted-average fair value of appropriation rights (NT$)	$9.36		$1.83	

	For the six months ended June 30			
	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	$13.16
Granted	(10,575)	12.43	(10,935)	13.16
Ceased	(206)	12.43	(805)	13.16
Outstanding, ending	84		10,955	
Weighted-average fair value of appropriation rights (NT$)	$7.72		$4.01	

	For the six months ended June 30			
	2026		2025	
Appreciation Rights Plan of 2021	Unit	Weighted Average Exercise Price (NT$)	Unit	Weighted Average Exercise Price (NT$)
Outstanding, beginning	-	$-	9,968	$15.26
Granted	-	-	(9,730)	15.26
Ceased	-	-	(238)	15.26
Outstanding, ending	-		-	
Weighted-average fair value of appropriation rights (NT$)	$-		$-	

As of June 30, 2026, December 31, 2025, June 30, 2025 and January 1, 2025, the related liabilities recognized amounted to $548,137 thousand, $215,095 thousand, $140,493 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 (Note 2)	Subsidiary
Taishin Securities Investment Trust	Subsidiary
Taishin Securities Investment Advisory	Subsidiary
Former Taishin Life Insurance (Note 1)	Subsidiary
Taiwan Shin Kong Commercial Bank	Subsidiary
Former Shin Kong Life Insurance (Note 1)	Subsidiary
Shin Kong Life Insurance (Note 1)	Subsidiary
MasterLink Securities (Note 2)	Subsidiary
Shin Kong Insurance Agent	Subsidiary
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

Name	Relationship
Taishin Securities Venture Capital	Second-tier subsidiary
Taishin Capital	Second-tier subsidiary
Taishin Health Investment	Second-tier subsidiary
Taishin Futures (Note 3)	Second-tier subsidiary
Taishin Sports Entertainment	Second-tier subsidiary
Shin Shou Building Management	Second-tier subsidiary
MasterLink Futures (Note 3)	Second-tier subsidiary
MasterLink Securities Investment Advisory	Second-tier subsidiary
Taishin Securities Insurance Agent (Note 4)	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
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

Name	Relationship
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
Taishin Bank Foundation for Arts and Culture (“Taishin Foundation for Arts and Culture”)	Other
Taishin Charity Foundation	Other
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
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

Name	Relationship
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
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
Heran Co., Ltd. (“Heran”)	Other
Tigerair Taiwan Co,. Ltd. (“Tigerair Taiwan”)	Other
Ruey-Shin Enterprise Co., Ltd. (“Ruey-Shin Enterprise”)	Other
United Microelectronics Corporation (“UMC”)	Other
United Radiant Technology Corp. (“URT”)	Other

Name	Relationship
ScinoPharm Taiwan, Ltd. (“ScinoPharm”)	Other
Shin Kong Mitsukoshi Cultural & Educational Foundation (“Shin Kong Mitsukoshi Foundation”)	Other
Acer Incorporated (“Acer”)	Other
Hung Wan Chuan Charity Foundation (“Hung Wan Chuan Foundation”)	Other
Shinfong Capital Co., Ltd. (“Shinfong Capital”)	Other
Richmond International Travel & Tours Co., Ltd. (“Richmond International Travel & Tours”)	Other
Xinding First Energy Co., Ltd. (“Xinding First Energy”)	Other
Nan Shan Life Insurance Company, Ltd. (“Nan Shan Life Insurance”)	Other
Crimson Hills Investment Co., Ltd. (“Crimson Hills Investment”)	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
Individual G	Second-degree relatives of key management personnel
Others	Including key management personnel and others

Note 1: 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.

Note 2: MasterLink Securities merged with Taishin Securities B. on April 6, 2026, with Taishin Securities B was the surviving company and MasterLink Securities was the dissolved company.

Note3: MasterLink Futures merged with Taishin Futures on April 6, 2026, with Taishin Futures was the surviving company and MasterLink Futures was the dissolved company.

Note4: MasterLink Insurance Agency Co., Ltd. (“MasterLink Insurance Agency”) changed its name to Taishin Securities Insurance Agent on June 10, 2026.

Note5: The Group re-identified related parties in accordance with the Accounting Research and Development Foundation’s IFRS Q&A, “Clarification on the Identification of Related Parties,” issued on June 16, 2025, and determined that the Funds managed by Taishin Securities Investment Trust are not related parties. In accordance with the Securities and Futures Bureau’ s Q&A issued on July 11, 2025, the Group did not restate comparative period information nor retrospectively adjust previously identified and disclosed related party relationships and transactions.

(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
June 30, 2026	$14,944,690
December 31, 2025	8,812,778
June 30, 2025	2,168,007

For the three months ended June 30, 2026 and 2025, the amounted of interest income were $122,992 thousand and $13,850 thousand, respectively. For the six months ended June 30, 2026 and 2025, the amounts of interest income were $199,493 thousand and $25,345 thousand, respectively, and interest rates ranged from 1.51%~11.93% and from 1.51%~9.93%, respectively.

	June 30, 2026					
	Ending balance	Highest amount	Normal loans	Non-Performing loans	Collateral	The different terms with non-related parties
Consumer loans						
229 accounts	$914,041	$984,601	$914,041	$-	Land, buildings and chattels	None
Individual A	257,970	515,940	257,970	-	Land	

	June 30, 2026					
	Ending balance	Highest amount	Normal loans	Non-Performing loans	Collateral	The different terms with non-related parties
Self-used residence mortgage loans						
310 accounts	$2,831,284	$3,015,618	$2,831,284	$-	Land and buildings	None
Other loans						
Lien Jade Construction	7,747,613	28,318,568	7,747,613	-	Real estate	None
Shin Kong Chao Feng	759,000	759,000	759,000	-	Real estate	None
Hung Family	230,200	230,200	230,200	-	Real estate and listed stocks	None
AcBel Polytech	212,000	1,212,000	212,000	-	None	None
Taichung Bank Leasing	156,000	1,410,615	156,000	-	Securities-accounts receivable (checks)	None
Individual B	210,000	210,000	210,000	-	Real estate	None
Jia Bang Investment	190,000	190,000	190,000	-	Real estate	None
Kuan Yueh Technology Engineering	196,847	291,468	196,847	-	None	None
Jingji Investment	150,000	600,000	150,000	-	None	None
WS Management	174,800	174,800	174,800	-	Real estate and listed stocks	None
Robina Leasing	92,900	171,300	92,900	-	Customer checks	None
Shin-Po Leasing	145,000	515,000	145,000	-	Land and buildings	None
China Investment And Development	100,000	195,000	100,000	-	Real estate	None
Crimson Hills Investment	103,735	103,735	103,735	-	Land, buildings and securities - deposits	None
Others	473,300	9,393,435	473,300	-	Listed stocks, Land, buildings, securities - deposits, letter of guarantee, and policy value reserve	None
Total	$14,944,690		$14,944,690	$-		

	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						

	December 31, 2025					
	Ending balance	Highest amount	Normal loans	Non-Performing loans	Collateral	The different terms with non-related parties
Realtek	$2,000,000	$5,500,000	$2,000,000	-	None	None
Shin Kong Chao Feng	738,000	756,000	738,000	-	Real estate	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	$-		

	June 30, 2025					
	Ending balance	Highest amount	Normal loans	Non-Performing loans	Collateral	The different terms with non-related parties
Consumer loans						
127 accounts	$611,781	$682,513	$611,781	$-	Land, buildings and chattels	None
Self-used residence mortgage loans						
137 accounts	1,037,516	1,081,683	1,037,516	-	Land and buildings	None
Other loans						
Ezconn	100,000	750,000	100,000	-	-	
Heran	200,000	600,000	200,000	-	-	
Others	218,710	3,092,172	218,710	-	Land, buildings, securities - deposits, securities - shares, letter of guarantee and policy value reserve	None
Total	$2,168,007		$2,168,007	$-		

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

Deposits

	Ending balance
June 30, 2026	$45,828,754
December 31, 2025	58,833,886
June 30, 2025	16,004,828

For the three months ended June 30, 2026 and 2025 amounted of interest expenses $170,535 thousand and $40,957 thousand, respectively. For the six months ended June 30, 2026 and 2025, the amounts of interest expenses were $296,110 thousand and $115,169 thousand, respectively, and interest rates ranged from 0.00%~9.00% and 0.00%~9.00%, respectively.

	June 30, 2026			
			The three months ended June 30, 2026	The six months ended June 30, 2026
	Ending balance	Interest rate range (per annum%)	Interest Expense	Interest Expense
Shin Kong Mitsukoshi	$5,040,602	0.00~1.68	$14,578	$26,591
Shin Kong Insurance	3,498,242	0.00~1.76	10,221	20,957
Everbright Biofund	2,391,001	0.01~1.65	3,113	5,593
Ezconn	2,178,099	0.01~4.08	8,999	18,124
TPEx	1,757,954	0.66~1.67	10,266	10,266
Tigerair Taiwan	1,510,608	0.66~4.17	29,173	29,173
The Great Taipei Gas	1,497,269	0.00~1.72	4,541	8,432
National Defense Industrial Development Foundation	1,251,937	0.66~1.72	4,796	9,330
Shin Hai Gas	1,177,301	0.00~1.76	4,532	8,979
Diamond Biofund	1,117,169	0.01~1.65	4,515	9,279
Ruey-Shin Enterprise	1,045,120	0.00~1.68	4,327	8,613
UMC	871,855	2.05~3.80	5,790	5,790
Shin Kong Asset Management	855,220	0.00~1.65	3,681	5,045
Century Development	723,212	0.65~1.75	3,619	6,919
Tasco Chemical	651,578	0.01~1.63	1,768	3,496
Dah Chung Bills	626,934	0.00~1.65	1,487	2,968
Chien Dou Investment	547,798	0.00~1.70	2,175	4,218
Payeasy	511,105	0.00~1.69	905	1,725
Shin Kong Memorial Hospital	509,125	0.00~3.40	2,156	4,367
Individual G	508,411	0.00~0.74	319	338
Excel Chemical	407,679	0.01~1.65	1,408	2,798
Dong-Xin Investment	378,412	0.00~0.65	4	11
URT	373,230	0.01~4.00	1,259	1,259
Shin Kong Synthetic Fibers	359,330	0.00~0.66	137	275
Jaspervilla	345,178	0.00~1.75	1,291	2,578
Ubright Optronics	339,798	0.00~3.85	935	1,094
Hung Shin	327,894	0.00~1.76	766	1,635
Yi Kong Security	315,491	0.00~1.68	403	730
Taiwan Security	273,271	0.00~0.66	616	1,556
Lien Jade Construction	262,371	0.00~0.66	762	762
Nuvoton Technology	250,288	0.03~3.45	1,825	3,128

	June 30, 2026			
	Ending balance	Interest rate range (per annum%)	The three months ended June 30, 2026 Interest Expense	The six months ended June 30, 2026 Interest Expense
Great Taipei Broadband	$248,711	0.00~1.74	$982	$1,988
Shing Kong Recreation	216,649	0.00~0.66	296	588
Xinding First Energy	204,295	0.65~1.65	656	663
Shin Kong Mitsukoshi Foundation	198,219	0.01~1.72	703	1,404
Individual C	170,190	0.01~1.82	446	812
Shinsoft	167,152	0.00~1.29	250	543
Taiwan Fieldrich	161,086	0.01~3.70	1,115	2,463
Taiwan Institute for Sustainable Energy	151,760	0.00~1.76	414	825
Rakuya International Info	143,224	0.66~1.69	599	1,150
Yi-Kong International Apartment Building	132,043	0.00~0.66	178	363
Shin Kong Wu Ho-Su Cultural	129,152	0.00~1.76	536	1,080
Individual D	125,264	0.01~5.50	856	1,757
Tai-Po Service Technology	111,886	0.00~1.71	430	868
ScinoPharm	100,512	0.00~3.60	324	343
Others	11,665,129		32,383	75,234
Total	$45,828,754		$170,535	$296,110

	December 31, 2025		
	Ending balance	Interest rate range (per annum%)	The year ended December 31, 2025 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

	December 31, 2025		The year ended December 31, 2025
	Ending balance	Interest rate range (per annum%)	Interest Expense
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
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

	June 30, 2025			
			The three months ended June 30, 2025	The six months ended June 30, 2025
	Ending balance	Interest rate range (per annum%)	Interest Expense	Interest Expense
Shin Kong Mitsukoshi	$3,959,561	0.00~1.74	$16,732	$35,502
Diamond Biofund	1,482,800	0.01~1.71	5,823	12,245
Everbright Biofund	985,667	0.66~1.72	3,290	5,193
Ezconn	882,959	0.00~4.76	6,127	12,174
National Defense Industrial Development Foundation	882,139	0.66~1.72	3,210	6,638
Tasco Chemical	603,640	0.01~0.66	135	351
Dah Chung Bills	419,062	0.00~1.72	1,701	3,342
Payeasy	414,694	0.00~1.69	781	1,481
Excel Chemical	404,282	0.01~0.66	7	13
Shin Kong Insurance	151,224	0.00~1.64	248	466
Delin Industrial	146,442	0.00~4.15	432	883
Individual A	125,211	0.01~0.80	314	620
Individual B	121,433	0.00~5.00	280	624
Hung Shin	119,127	0.01~0.01	1	1
Anshin Real-Estate	100,627	0.25~0.66	167	174
Others	5,205,960		1,709	35,462
Total	$16,004,828		$40,957	$115,169

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

B. Guarantees on duties and contracts

	June 30, 2026				
Related parties	Ending balance	Highest amount	Guarantee liability reserve balance	Rate range (per annum%)	Collateral
Lien Jade Construction	$139,940	$139,940	$1,399	-	Real estate and compensating deposits
Richmond International Travel & Tours	50,000	50,000	500	0.40	Certificate of deposit
Century Biotech Development	3,750	3,750	38	0.60	None
Ubright Optronics	-	6,623	-	0.75	Certificate of deposit
Total	$193,690		$1,937		

	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		

	June 30, 2025				
Related parties	Ending balance	Highest amount	Guarantee liability reserve balance	Rate range (per annum%)	Collateral
Realtek	$100,000	$100,000	$1,000	0.40	None

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

		June 30, 2026			
				The three months ended June 30, 2026	The six months ended June 30, 2026
	Item	Ending balance	Interest rate range (per annum%)	Interest income (expense)	Interest income (expense)
Dah Chung Bills	Call loan to banks	$-	1.43~1.43	$-	$411
Next Bank	Call loan from banks	-	1.05~1.05	-	(230)

		December 31, 2025		
				The year ended 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

		June 30, 2025			
				The three months ended June 30, 2025	The six months ended June 30, 2025
	Item	Ending balance	Interest rate range (per annum%)	Interest income (expense)	Interest income (expense)
Yuanta Bank	Call loan to banks	$-	4.34~4.39	$111	$1,283

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

D. Trading securities

	June 30, 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	$-	$-	-	$-	-
Yi Huan	-	-	10,123	0.94~0.95	-	-
Xiang Zhao	-	-	37,127	0.93~0.95	-	-
Jia Hao	-	-	130,213	0.93~0.94	-	-
Chang Her	-	-	20,000	0.93~0.94	-	-
Yun Teh	-	-	20,000	0.93~0.94	-	-
Individual E	-	-	30,446	0.93~0.95	-	-
Bo Rui	-	-	35,011	0.93~0.94	-	-
Jaw Heng	-	-	15,000	0.93~0.94	-	-
Yi Cheng	-	-	200,985	0.94~0.94	-	-
Shinfong Capital	-	-	80,295	0.93~0.94	-	-
Nan Shan Life Insurance	500,000	-	-	-	-	-
Total	$799,416	$-	$579,200		$-	

	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	

	June 30, 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	$3,073,333	$-	$-	-	$-	-
Dah Chung Bills	149,887	-	-	-	-	-
Yuanta Bank	-	499,624	-	-	-	-
Chin We	-	-	70,007	0.96~1.08	-	-
Yi Huan	-	-	10,034	0.96~1.04	-	-
Xiang Zhao	-	-	10,020	0.96~1.02	-	-
Chang Her	-	-	45,335	0.90~1.08	-	-
Yun Teh	-	-	20,166	0.90~1.06	-	-
Individual C	-	-	50,017	0.90~1.08	-	-
Yi Cheng	-	-	10,037	0.97~1.08	-	-
Total	$3,223,220	$499,624	$215,616		$-	

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

E. Derivatives

	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	$-

	June 30, 2025							
							Balance sheet balance	
Related parties	Derivative contracts	Period	Nominal principal amount	Valuation gain (loss) for the three months ended June 30, 2025	Valuation gain (loss) for the six months ended June 30, 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

	June 30, 2026	December 31, 2025	June 30, 2025
The Great Taipei Gas	$228,519	$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:

	June 30, 2026	December 31, 2025	June 30, 2025
Shin Kong Mitsukoshi	$712,381	$921,905	$-
Jaspervilla	414,175	432,634	-
Shin Kong Memorial Hospital	142,967	76,757	-
New Ma Cherie	91,476	106,387	-
Total	$1,360,999	$1,537,683	$-

The summary of rental income is as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Shin Kong Mitsukoshi	$125,714	$-	$209,524	$-

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 10 years, with payments primarily collected on a monthly basis.

H. Liability contracts with related parties

	June 30, 2026	December 31, 2025	June 30, 2025
Cash and cash equivalents			
Next Commercial Bank	$503,298	$3,266	$-
Other financial assets - customer margin account			
Yuanta Bank	$-	$-	$1,292,837
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

	June 30, 2026	December 31, 2025	June 30, 2025
Short-term borrowings			
Yuanta Bank	$-	$-	$100,000
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

		June 30, 2026		December 31, 2025		June 30, 2025	
Item	Name	Ending shares (in thousands)	Ending balance	Ending shares (in thousands)	Ending balance	Ending shares (in thousands)	Ending balance
Trading securities - poprietary trading	AuthenX Inc.	979	$503,030	-	$-	-	$-
Trading securities - underwriting	Ezconn	237	388,065	2,649	490,805	950	110,675

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 June 30		For the six months ended June 30	
	2026	2025	2026	2025
Taishin Foundation for Arts and Culture	$7,750	$7,500	$15,250	$15,000
Taishin Charity Foundation	19,500	4,500	24,000	9,000
Taishin Youth Foundation	15,000	10,500	15,000	10,500
Total	$42,250	$22,500	$54,250	$34,500

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 June 30			
	2026		2025	
	Item	Amount	Item	Amount
CyberSoft Digital Service	Operating expenses	$(10,661)	Operating expenses	$(10,449)
Shin Kong Mitsukoshi	Service charge and operating expenses	(12,409)	Service charge and operating expenses	(63,114)
Shin Kong Mitsukoshi	Fee income	76,196	Fee income	57,006
Shin Kong Insurance	Fee income	136,344	Fee income	-
Former Shin Kong Life Insurance	Commission income	-	Commission income	140,473

	For the six months ended June 30			
	2026		2025	
	Item	Amount	Item	Amount
CyberSoft Digital Service	Operating expenses	$(35,465)	Operating expenses	$(31,796)
Shin Kong Mitsukoshi	Service charge and operating expenses	(43,240)	Service charge and operating expenses	(105,771)
Shin Kong Mitsukoshi	Fee income	169,931	Fee income	134,844
Shin Kong Insurance	Fee income	272,250	Fee income	-
Former Shin Kong Life Insurance	Commission income	-	Commission income	195,610

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 June 30		For the six months ended June 30	
	2026	2025	2026	2025
Short-term employee benefits	$454,263	$191,484	$958,056	$409,085
Post-employment benefits	2,902	2,383	6,805	4,786
Other long-term employee benefits	9,999	-	19,998	-
Termination benefits	65	-	9,780	-
Share-based payments	71,407	(3,071)	146,566	4,606
Total	$538,636	$190,796	$1,141,205	$418,477

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

A. Taishin Bank

(a) Loans, deposits and guaranteed loans

Loans

	June 30, 2026					
			Performance status			
	Ending balance	Highest amount	Normal loans	Non-performing loans	Collateral	The different terms with non-related parties
Other loans						
Lien Jade Construction	$4,114,000	$24,684,000	$4,114,000	$-	Land	None
Individual A	257,970	515,940	257,970	-	Land	None
AcBel Polytech	212,000	1,212,000	212,000	-	None	None
Taichung Bank Leasing	156,000	1,410,615	156,000	-	Securities - accounts receivable (checks)	None
Kuan Yueh Technology Engineering	196,847	291,468	196,847	-	None	None
Jingji Investment	150,000	600,000	150,000	-	None	None
Shin-Po Leasing	145,000	515,000	145,000	-	Land and buildings	None
Crimson Hills Investment	103,735	103,735	103,735	-	Land, buildings and securities - deposits	None
Total	$5,335,552		$5,335,552	$-		

	June 30, 2025					
			Performance status			
	Ending balance	Highest amount	Normal loans	Non-performing loans	Collateral	The different terms with non-related parties
Other loans						
Ezconn	$100,000	$750,000	$100,000	$-	None	None
Heran	200,000	600,000	200,000	-	None	None
Total	$300,000		$300,000	$-		

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

Deposits

	June 30, 2026		
	Ending balance	Interest rate range (per annum%)	Interest expense
TS Financial Holding	$23,022,137	0.00~1.68	$174,644
Shin Kong Life Insurance	14,582,152	0.00~1.75	15,081
Taishin Securities B	12,400,116	0.00~1.69	17,489
Shin Kong Mitsukoshi	3,778,409	0.00~1.68	14,058
Taishin Futures	2,573,057	0.01~3.93	4,990
Everbright Biofund	2,391,001	0.01~1.65	5,593
Ezconn	2,178,099	0.01~4.08	18,124
TPEx	1,757,954	0.66~1.67	10,266
Tigerair Taiwan	1,510,608	0.66~4.17	29,173
National Defense Industrial Development Foundation	1,251,937	0.66~1.72	9,330
Shin Kong Insurance	1,232,021	0.00~1.65	3,333
Diamond Biofund	1,117,169	0.01~1.65	9,279
UMC	871,855	2.05~3.80	5,790
Tasco Chemical	651,578	0.01~1.63	3,496
PayEasy	511,105	0.00~1.69	1,725
Individual G	508,411	0.00~0.74	338
Taishin Securities Investment Trust	499,120	0.03~1.64	2,551
Dah Chung Bills	418,608	0.00~0.66	1,320
Excel Chemical	407,679	0.01~1.65	2,798
Dong-Xin Investment	377,284	0.00~0.45	8
URT	373,230	0.01~4.00	1,259
Taishin Securities Investment Advisory	324,492	0.45~4.05	3,271
Taishin Securities Venture Capital	276,056	0.01~0.66	217
Nuvoton Technology	250,288	0.03~3.45	3,128

	June 30, 2026		
	Ending balance	Interest rate range (per annum%)	Interest expense
Shin Kong Mitsukoshi Foundation	$198,219	0.01~1.72	$1,404
Taishin D.A. Finance	188,166	0.00~1.64	1,111
Shin Kong Synthetic Fibers	182,698	0.00~0.66	230
Individual C	170,190	0.01~1.82	812
Taiwan Fieldrich	161,086	0.01~3.70	2,463
Taiwan Security	158,171	0.00~0.66	1,051
Rakuya International Info	143,224	0.66~1.69	1,150
Taishin Venture Capital Investment	101,667	0.01~0.66	100
ScinoPharm	100,512	0.00~3.60	343
Total	$74,668,299		$345,925

	June 30, 2025		
	Ending balance	Interest rate range (per annum%)	Interest expense
TS Financial Holding	$22,482,940	0.00~1.76	$184,447
Former Taishin Life Insurance	5,956,021	0.00~0.66	12,765
Shin Kong Mitsukoshi	3,959,561	0.00~1.74	35,502
Taishin Securities B	1,757,347	0.00~2.00	8,953
Diamond Biofund	1,482,800	0.01~1.71	12,245
Taishin Futures	1,288,778	0.00~4.83	4,947
Everbright Biofund	985,667	0.66~1.72	5,193
Ezconn	882,959	0.00~4.76	12,174
National Defense Industrial Development Foundation	882,139	0.66~1.72	6,638
Tasco Chemical	603,640	0.01~0.66	351
Dah Chung Bills	419,062	0.00~1.72	3,342
Payeasy	414,694	0.00~1.69	1,481
Excel Chemical	404,282	0.01~0.66	13
Taishin Securities Investment Advisory	312,906	0.66~5.20	3,720
Taishin Securities Investment Trust	240,137	0.66~1.64	1,748

	June 30, 2025		
	Ending balance	Interest rate range (per annum%)	Interest expense
Taishin Venture Capital Investment	$211,056	0.01~0.66	$-
Taishin D.A. Finance	185,993	0.00~1.64	445
Shin Kong Insurance	151,224	0.00~1.64	466
Delin Industrial	146,442	0.00~4.15	883
Individual A	125,211	0.01~0.80	620
Individual B	121,433	0.00~5.00	624
Hung Shin	119,127	0.01~0.01	1
An Shin Construction Manager	100,627	0.25~0.66	174
Total	$43,234,046		$296,732

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

(b) Bonds trading

	June 30, 2026					
	Purchase of Commercial Papers and Bonds (Cumulative Transaction Amount)	Sale of Commercial Papers and Bonds (Cumulative Transaction Amount)	Bonds and Commercial Papers Sold under Repurchase Agreements		Bonds and Commercial Papers Purchased under Resale Agreements	
			Ending Balance	Interest Rate Range (%)	Ending Balance	Interest Rate Range (%)
Dah Chung Bills Finance	$299,416	$-	$-	-	$-	-
Nan Shan Life Insurance	500,000	-	-	-	-	-
Yi Cheng	-	-	200,985	0.94~0.94	-	-
TS Financial Holding	-	-	200,000	1.14~1.20	-	-
Chia Hao	-	-	130,213	0.93~0.94	-	-
Total	$799,416	$-	$531,198		$-	

	June 30, 2025					
	Purchase of Commercial Papers and Bonds (Cumulative Transaction Amount)	Sale of Commercial Papers and Bonds (Cumulative Transaction Amount)	Bonds and Commercial Papers Sold under Repurchase Agreements		Bonds and Commercial Papers Purchased under Resale Agreements	
			Ending Balance	Interest Rate Range (%)	Ending Balance	Interest Rate Range (%)
MasterLink Securities	$3,073,333	$-	$-	-	$-	-
TS Financial Holding	-	-	150,000	1.12~1.20	-	-
Grand Bills	149,887	-	-	-	-	-
Yuanta Bank	-	499,624	-	-	-	-
Total	$3,223,220	$499,624	$150,000		$-	

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

(c) Derivatives

	June 30, 2025					
				Valuation Gain(Loss) for the six months ended June 30, 2025	Balance sheet balance	
Related Parties	Derivative Contracts	Period	Nominal Principal Amount		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.

(d) Liability contracts with related parties

Item	Related parties	June 30, 2026	June 30, 2025
Receivables	Former Taishin Life Insurance	$-	$343,636
Receivables	Shin Kong Life Insurance	621,382	-
Accounts payable under linked tax system	TS Financial Holding	1,792,526	3,605,405

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

(e) Lease arrangements

Item	Related Parties	June 30, 2026	June 30, 2025
Lease liabilities	Former Taishin Life Insurance	$-	$168,287
Lease liabilities	Shin Kong Life Insurance	153,027	-

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

(f) Other material transactions

	For the six months ended June 30			
	2026		2025	
	Item	Amount	Item	Amount
Shin Kong Mitsukoshi	Fees and Operating Expenses	$(14,269)	Fees and Operating Expenses	$(105,407)
Shin Kong Mitsukoshi	Fee Income	165,736	Fee Income	134,844
Former Shin Kong Life Insurance	Commission income	-	Commission income	195,610
Former Taishin Life Insurance	Commission income	-	Commission income	1,652,671
Shin Kong Life Insurance	Commission income	3,264,387	Commission income	-

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

(g) Compensation of key management personnel

	For the six months ended June 30	
	2026	2025
Short-term Employee Benefits	$151,328	$138,997
Post-employment Benefits	2,096	2,099
Share-based Payment	70,423	1,644
Total	$223,847	$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 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) Lease/sublease agreement

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

	June 30, 2026	(Former Taishin Life Insurance) June 30, 2025
Taiwan Shin Kong Commercial Bank	$451,625	$-
Taishin Bank	153,529	-
Shin Kong Mitsukoshi	712,381	-
Jaspervilla	414,175	-
Shin Kong Memorial Hospital	142,967	-
Taishin Securities B	103,445	-
Total	$1,978,122	$-

The summary of rental income is as follow:

	For the six months ended June 30	
Related Parties	2026	(Former Taishin Life Insurance) 2025
Shin Kong Mitsukoshi	$209,524	$-
Taiwan Shin Kong Commercial Bank	134,149	-
Total	$343,673	$-

(b) Liability contracts with related parties

Item	Related parties	June 30, 2026	(Former Taishin Life Insurance) June 30, 2025
Cash and cash equivalents	Taishin Bank	$14,582,152	$5,956,021
Cash and cash equivalents	Taiwan Shin Kong Commercial Bank	23,779,166	-
Cash and cash equivalents	Next Commercial Bank	503,298	-
Other financial assets, net	Taiwan Shin Kong Commercial Bank	794,432	-
Accounts receivable (payable) under linked tax system	TS Financial Holding	4,499,314	(379,372)
Payables	Taishin Bank	588,944	364,271
Payables	Taiwan Shin Kong Commercial Bank	147,534	-
Payables	Shin Shou Building Management	100,602	-

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

(c) Discretionary Investment Management Fees and Custodian Fees

Shin Kong Life Insurance entrusted Taishin Securities Investment Trust to manage investments in domestic and foreign securities for the six months periods ended June 30, 2026 and 2025, respectively. The related discretionary investment management fees paid were as follows:

	June 30, 2026	(Former Taishin Life Insurance) June 30, 2025
Taishin Securities Investment Trust	$199,014	$77,515

The outstanding balance of management fees payable amounted to $49,164 thousand, $14,767 thousand and $12,860 thousand as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively.

Funds entrusted for investment in securities were held in custody by Taishin Bank and the custodian fees paid were as follows:

	June 30, 2026	(Former Taishin Life Insurance) June 30, 2025
Taishin Bank	$8,014	$2,972

The outstanding balance of custodian fees payable amounted to $3,843 thousand, $495 thousand and $488 thousand as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively.

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

(d) Other material transactions

Item	Related parties	For the six months ended June 30 2026	For the six months ended June 30 (Former Taishin Life Insurance) 2025
Underwriting commission expense	Taishin Bank	$3,260,754	$1,665,860
Underwriting commission expense	Taiwan Shin Kong Commercial Bank	1,495,847	-
Transaction fee expense	Taishin Bank	135,302	46,136
Transaction fee expense	Taiwan Shin Kong Commercial Bank	165,351	-
Transaction fee expense	Taishin Securities B	141,376	2,003
Other general and administrative expenses	Shin Shou Building Management	243,037	-

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

C. Taishin Securities B

(Taishin Securities B merged with MasterLink Securities on April 6, 2026. Taishin Securities B was the surviving company and MasterLink Securities was the dissolved company.)

(a) Liability contracts with related parties

Item	Related parties	June 30, 2026	June 30, 2025
Cash and cash equivalents	Taishin Bank	$10,475,496	$981,428
Cash and cash equivalents	Taiwan Shin Kong Commercial Bank	454,041	-
Cash and cash equivalents	Taishin Futures	2,711,075	-
Other current assets -net	Taiwan Shin Kong Commercial Bank	100,000	-
Other current assets	Taishin Bank	1,182,842	473,975
Other current assets	Taiwan Shin Kong Commercial Bank	3,253,576	-
Operating deposits	Taishin Bank	730,000	290,000
Operating deposits	Taiwan Shin Kong Commercial Bank	430,000	-
Restricted assets	Taiwan Shin Kong Commercial Bank	2,701,000	-
Dividends payable	TS Financial Holding	1,552,257	-
Accounts payable	TS Financial Holding	1,100,029	-
Accounts payable under linked tax system	TS Financial Holding	706,383	159,861

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

(b) Lease arrangements

Item	Related parties	June 30, 2026	June 30, 2025
Lease liabilities	Taishin Bank	$1,261	$142,489
Lease liabilities	Shin Kong Life Insurance	109,322	-

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	June 30, 2026	June 30, 2025
Short-term borrowings	Yuanta Bank	$-	$100,000

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

		June 30, 2026		June 30, 2025	
Item	Related Parties	Ending shares (in thousands)	Ending balance	Ending shares (in thousands)	Ending balance
Trading securities held for proprietary trading	Taishin Securities Investment Trust	12,337	$245,344	9,805	$114,990
Underwriting securities	Ezconn	237	388,065	950	110,675
Trading securities held for proprietary trading	Authenx	979	503,030	-	-

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

(e) As of June 30, 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 $1,802,012 thousand and $799,619 thousand, respectively. All transactions with related parties are made under arm's length terms, which are consistent with normal policies.

(f) Other Significant Transactions

Item	Related Parties	For the six months ended June 30 2026	2025
Fee income	Taishin Bank	$142,344	$-
Net revenue other than interest income	Taiwan Shin Kong Commercial Bank	112,001	-

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 six months ended June 30, 2026			
	Beginning balance	Purchased	Collected	Ending balance
Loans with transferred ownership	$14,322,583	$-	$(42,447)	$14,280,136

	For the six months ended June 30, 2025			
	Beginning balance	Purchased	Collected	Ending balance
Loans with transferred ownership	$14,412,344	$-	$(44,852)	$14,367,492

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

E. Taishin Venture Capital Investment

Liability contracts with related parties

Item	Related Party	June 30, 2026	June 30, 2025
Cash and cash equivalents	Taishin Bank	$101,667	$47,770

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

F. Taishin Securities Investment Trust

(a) Liability contracts with related parties

Item	Related parties	June 30, 2026	June 30, 2025
Other financial assets	Taiwan Shin Kong Commercial Bank	$632,900	$-
Other financial assets	Taishin Bank	247,000	-
Refundable deposits	Taishin Bank	179,579	134,979
Payable under the Linked-tax System	TS Financial Holding	100,406	34,971

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

(b) Other material transactions

		For the six months period ended June 30	
Item	Related parties	2026	(Former Taishin Life Insurance) 2025
Fee income and Commission income	Shin Kong Life Insurance	$248,292	$89,188

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	June 30, 2026	June 30, 2025
Other financial assets	Taishin Bank	$318,457	$306,650

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 June 30, 2025)

(a) Loans, deposits and guaranteed loans

Loans

	June 30, 2026					
	Ending Balance	Highest Amount	Normal loans	Non-performing loans	Collateral	The different terms with non-related parties
Lian Ju Construction	$3,633,613	$3,634,568	$3,633,613	$-	Real estate	None
Shin Kong Chao Feng	759,000	759,000	759,000	-	Real estate	None
Hung Family	230,200	230,200	230,200	-	Real estate and 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	174,800	174,800	174,800	-	Real estate and listed stocks	None
China Investment And Development	100,000	195,000	100,000	-	Real estate	None
Robina Leasing	92,900	171,300	92,900	-	Note	None
Taishin Securities B	-	2,200,000	-	-	Certificates of Deposit	None
Total	$5,390,513		$5,390,513			

Deposits

	June 30, 2026		
	Ending balance	Interest rate range (per annum%)	Interest expense
Shin Kong Life Insurance	$24,903,115	0.00~1.76	$150,526
Taishin Securities B	6,952,510	0.00~2.15	31,995
Shin Kong Insurance	2,266,221	0.00~1.76	17,624
Taishin Futures	2,132,611	0.00~3.60	22,848
The Great Taipei Gas	1,490,748	0.00~1.72	8,431
Shin Kong Mitsukoshi	1,262,193	0.00~1.68	12,533
Shin Hai Gas	1,176,916	0.00~1.76	8,979
Ruey-Shin Enterprise	1,045,118	0.00~1.68	8,613
Shin Kong Asset Management	854,172	0.00~1.65	4,892
Shin Kong Venture Capital	848,252	0.45~1.65	2,498
Century Development	723,212	0.65~1.75	6,919
Taishin Securities Investment Trust	640,067	0.00~1.75	5,238
Chien Dou Investment	542,974	0.00~1.70	4,218
Shin Kong Memorial Hospital	502,226	0.00~3.40	4,361
Jaspervilla	345,178	0.00~1.75	2,578
Ubright Optronics	322,119	0.00~3.85	1,065
Yi Kong Security	303,442	0.00~1.68	717
Hung Shin	263,309	0.00~1.76	1,632
Great Taipei Broadband	248,711	0.00~1.74	1,988
Lian Ju Construction	215,783	0.00~0.65	569
Dah Chung Bills	208,326	0.00~1.65	1,648
Shin Shou Building Management	206,734	0.00~1.72	1,543
Xinding First Energy	204,295	0.65~1.65	663
Shin Kong Synthetic Fibers	176,632	0.00~0.65	45
Shinsoft	165,332	0.00~1.29	540
Taiwan Institute for Sustainable Energy	150,628	0.00~1.76	822
Shing Kong Recreation	141,753	0.00~0.65	458
Shin Kong Wu Ho-Su Cultural	129,152	0.00~1.76	1,080
Individual D	121,775	0.05~0.38	1,747
Taiwan Security	115,100	0.00~0.65	505
Tai-Po Service Technology	110,124	0.00~1.71	860
Yi-Kong International Apartment Building	103,756	0.00~0.65	321
Total	$48,872,484		$308,456

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

Guarantee Items

	June 30, 2026				
Related Party	Maximum Balance During the Period	Ending Balance	Balance of Provision for Guarantee Liabilities	Rate Range (%)	Collateral
Lian Ju Construction	$139,940	$139,940	$1,399	-	Real Estate and Compensating Deposits

(b) Lease arrangements

Item	Related parties	June 30, 2026	June 30, 2025
Lease liabilities	Shin Kong Life Insurance	$697,149	$-
Lease liabilities	The Great Taipei Gas	152,841	-

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	June 30, 2026	June 30, 2025
Accounts receivable (payable) under linked tax system	TS Financial Holding	$927,169	$-
Accounts Receivable	Shin Kong Life Insurance	193,939	-

(d) Other material transactions

		For the six months ended June 30	
Item	Related parties	2026	2025
Fee income	Shin Kong Life Insurance	$1,647,716	$-
Other Operating and Administrative Expenses	Taishin Securities B	111,385	-

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 during the period	Ending balance
Individual F	Individual B	$210,000	$210,000

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

I. Shin Kong Insurance Agent

(Not a subsidiary of TS Financial Holding as of June 30, 2025)

(a) Other material transactions

Item	Related parties	June 30, 2026	June 30, 2025
Fee income	Shin Kong Insurance	$253,894	$-

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	June 30, 2026	December 31, 2025	June 30, 2025
Refundable deposits	Cash and certificates of time deposits	$26,638,720	$45,511,793	$18,941,196
Operating deposits and settlement funds	Cash, bonds and cash paid to stock exchange	16,031,855	14,899,537	1,961,025
Debt instruments at fair value through other comprehensive income	Bonds and unlisted securities	5,912,564	5,815,599	179,651
Investments in debt instruments at amortized cost	Bonds	29,954,611	28,862,200	15,524,008
Property and equipment	Land and buildings	2,639,607	1,532,995	-
Investment property	Land and buildings	187,279	207,266	-
Other financial assets - due from banks	Time deposits	7,009,832	9,075,216	233,586

9. Significant Contingencies and Unrecognized Contractual Commitments

In addition to those mentioned in other notes, the Group has items as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Trust liabilities	$1,490,478,939	$1,372,513,053	$1,109,182,811
Guarantee obligation	71,036,310	62,549,792	26,456,382
Development letter of credit	11,192,377	7,911,646	3,846,320
Credit commitments (excluding credit cards)	434,655,837	457,909,682	76,521,950
Credit commitments - credit cards	699,091,847	701,478,322	584,274,229
Securities custody payable	477,077,994	134,391,929	97,360,766
Entrusted collection funds	10,465,170	11,926,108	13,332,567
Entrusted underwriting of securities	3,080,000	6,900,000	4,000,000
Entrusted management of centralized custody short-term notes	21,188,700	14,261,200	15,422,100
Entrusted investment funds	25,083,229	22,678,553	19,613,460
Unpaid engineering equipment and software	5,751,131	7,829,100	1,485,368

As of June 30, 2026, the remaining capital commitments for the contracted private equity fund of the Group was $4,865,163 thousand.

As of June 30, 2026, Shin Kong Life Insurance had entered into 10 purchase and sale agreements and construction contracts for investment property and property and equipment that had not yet been completed. The remaining contractual commitments are as follows:

	Amount
2026	$1,506,967
2027 to 2030	2,244,447
Total	$3,751,414

Certain former employees of Taishin Securities B have been accused of fraudulent behavior involving soliciting investments privately. Between January and June 2025, Taishin Securities B received nine civil complaints (seven 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 $626,881 thousand. As of June 30, 2026, the aforementioned nine 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. Based on its assessment of the aforementioned cases, Taishin Securities B recognized a provision for liabilities amounting to $118,966 thousand. Among the nine 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 June 30, 2026, Taishin Securities B applied for credit facilities 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 $2,450,000 thousand and guarantees for the issuance of commercial paper amounting to $200,000 thousand.

10. Losses Due to Major Disasters

None.

11. Significant Subsequent Events

On June 4, 2026, Taishin Bank passed a resolution through the board of directors acting on behalf of the shareholders in a meeting to merge with Taiwan Shin Kong Commercial Bank. Under the terms of the merger, each ordinary share of Taiwan Shin Kong Commercial Bank will be exchanged for 0.9505 ordinary shares of Taishin Bank. If Taiwan Shin Kong Commercial Bank records after-tax net income for the period from the beginning of the fiscal year in which the merger reference date falls (or from the beginning of the relevant fiscal year if approved by a shareholders' meeting) to the day before the merger reference date, Taishin Bank shall, within six months after the merger reference date or by an equivalent date, distribute 70% of such after-tax net income attributable to that period to the former shareholders of Taiwan Shin Kong Commercial Bank as stock consideration or cash merger consideration. After the merger, Taishin Bank will be the surviving company, while Taiwan Shin Kong Commercial Bank will be the dissolved company. All assets, liabilities, and all rights and obligations of the dissolved company that remain effective as of the merger reference date shall be generally assumed by Taishin Bank in accordance with applicable law.

On June 4, 2026, Taishin Bank's board of directors resolved to jointly issue new shares with Taiwan Shin Kong Commercial Bank, whereby Taishin Bank will pay the consideration by issuing new shares with a total expected issuance of 4,734,947 thousand ordinary shares. The merger was approved by the FSC Order No. 11502214831 dated October 10, 2026. The parties have agreed that the merger reference date will be January 1, 2027.

Shin Kong Life Insurance disposed of the investment property, President Jasper Villa, subsequent to the reporting period, with a total transaction amount of $560,810 thousand.

12. Others

(1) Changes in liabilities arising from financing activities:

For the six months ended June 30, 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	June 30, 2026
Due to the Central Bank and banks (including call loans from other banks and bank overdrafts)	$28,382,022	$6,775,162	$130,060	$-	$-	$-	$-	$-	$35,287,244
Commercial papers payable	92,136,825	24,709,616	-	-	-	(675,522)	-	-	116,170,919
Lease liabilities	9,546,561	(1,028,467)	1,686	948,131	(18,798)	-	-	-	9,449,113
Other borrowings	7,858,402	2,780,434	227,039	-	-	-	-	-	10,865,875
Bonds payable	148,712,687	(3,200,000)	160,765	-	-	(2,547,000)	-	1,036,697	144,163,149
Total	$286,636,497	$30,036,745	$519,550	$948,131	$(18,798)	$(3,222,522)	$-	$1,036,697	$315,936,300

For the six months ended June 30, 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	June 30, 2025
Due to the Central Bank and banks (including call loans from other banks and bank overdrafts)	$5,362,767	$14,830,335	$-	$-	$-	$-	$-	$-	$20,193,102
Commercial papers payable	49,413,465	(19,353,000)	-	-	-	23,078	-	-	30,083,543
Lease liabilities	2,291,981	(397,074)	(5,314)	560,473	(3,942)	-	-	-	2,446,124
Other borrowings	10,243,712	(2,730,437)	(530,040)	-	-	-	-	-	6,983,235
Bonds payable	64,533,272	(6,957,000)	-	-	-	18,504	-	(4,244,776)	53,350,000
Total	$131,845,197	$(14,607,176)	$(535,354)	$560,473	$(3,942)	$41,582	$-	$(4,244,776)	$113,056,004

(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.

June 30, 2026						
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	$31,918,784	$-	$31,918,784	$13,988,339	$3,224,553	$14,705,892
Repurchase agreement	1,171,883	-	1,171,883	1,171,075	-	808
Total	$33,090,667	$-	$33,090,667	$15,159,414	$3,224,553	$14,706,700

Note: Including net settlement and non-cash collateral.

June 30, 2026						
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	$48,335,767	$-	$48,335,767	$13,988,339	$17,551,618	$16,795,810

Note: Including net settlement and non-cash collateral.

December 31, 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)	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						
				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	$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.

June 30, 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	$74,436,246	$23,109,414	$51,326,832	$26,713,273	$15,831,172	$8,782,387

Note: Including net settlement and non-cash collateral.

June 30, 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	$61,825,552	$-	$61,825,552	$26,713,273	$12,429,603	$22,682,676

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 June 30, 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	$101,274,014	$4,760,276	$5,575,775	$111,610,065
Bonds investments	42,156,029	55,943,575	25,333,095	123,432,699
Bills investments	11,668,261	76,083,656	-	87,751,917
Financial assets at FVTOCI				
Shares investments	422,861,276	-	9,668,257	432,529,533
Bonds investments	776,084,127	710,845,348	21,742,061	1,508,671,536
Beneficiary certificates	142,491,226	-	32,265,340	174,756,566
Beneficiary securities	834,712	2,038,406	-	2,873,118
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	-	2,404,160	-	2,404,160
Financial liabilities held for trading	9,398,874	-	-	9,398,874
Others	-	72,341,656	-	72,341,656
Derivative financial assets and liabilities				
Assets				
Financial assets at FVTPL	2,260,857	42,456,171	7,819,523	52,536,551
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	-	2,454,513	-	2,454,513
Financial liabilities held for trading	6,366,480	54,615,883	8,401,897	69,384,260

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	$405,841,337	$4,489,776	$4,903,072	$415,234,185
Bonds investments	26,268,519	34,143,987	25,533,279	85,945,785
Bills investments	94,677,057	66,776,148	-	161,453,205
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 June 30, 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	$40,223,591	$831,330	$3,337,514	$44,392,435
Bonds investments	15,983,838	21,943,008	-	37,926,846
Bills investments	-	58,906,429	-	58,906,429
Beneficiary securities	-	1,462	-	1,462
Financial assets at FVTOCI				
Shares investments	14,225,203	-	3,500,650	17,725,853
Bonds investments	9,203,569	150,265,832	-	159,469,401
Beneficiary securities	-	825,591	-	825,591
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	-	2,204,822	-	2,204,822
Financial liabilities held for trading	3,937,544	-	-	3,937,544
Others	-	19,094,769	-	19,094,769
Derivative financial assets and liabilities				
Assets				
Financial assets at FVTPL	1,106,800	56,137,687	7,322,970	64,567,457
Liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	-	2,826,684	-	2,826,684
Financial liabilities held for trading	93,275	61,933,096	7,873,771	69,900,142

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.

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

For the six months ended June 30, 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	(67,220)	-	6,868
In other comprehensive income	-	117,262	-
Acquisition/issues	1,090,847	-	180,508
Disposal/settlements	(725,075)	(1,040)	(367,925)
Transferred into Level 3	93,678	43,798,181	-
Ending Balance	$38,728,393	$63,675,658	$8,401,897

For the six months ended June 30, 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	(4,253,938)	-	(4,272,312)
In other comprehensive income	-	(265,244)	-
Acquisition/issues	292,064	1,147,084	30,671
Disposal/settlements	(349,664)	-	(235,852)
Ending Balance	$10,660,484	$3,500,650	$7,873,771

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 $(176,766) thousand and $(4,239,827) thousand were attributed to losses on assets owned for the six months ended June 30, 2026 and 2025, respectively.

Above-mentioned valuation (losses) gains recognized in other comprehensive income in the amounts of $117,262 thousand and $(265,244) thousand were attributed to gains (losses) on assets owned for the six months ended June 30, 2026 and 2025, respectively.

Above-mentioned valuation gains (losses) recognized in current profits or losses in the amounts of $9,332 thousand and $4,260,784 thousand were attributed to gains on liabilities owned for the six months ended June 30, 2026 and 2025, respectively.

Quantitative information of the fair value measurement of significant unobservable inputs (Level 3)

As of June 30, 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	$2,454,903	Assets method	Discount for lack of marketability	2%~30%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	2%~30%	The higher the discount for non-controlling interests, the lower the fair value.
	1,268,271	Market method	Discount for lack of marketability	10%~30%	The higher the discount for lack of marketability, the lower the fair value.
	45,333	Revenue method	Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	25%	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	1,807,268	Assets method	Discount for lack of marketability	10%~30%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	2%	The higher the discount for non-controlling interests, the lower the fair value.
Bonds	25,310,638	Yield book	Option-adjusted spread	0%~0.44%	The higher the option-adjusted spread, the lower the fair value.
Investment Agreement	22,457	Revenue method	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value.
			Non-controlling interest discount	25%	The higher the discount for non-controlling interests, the lower the fair value.
			Discount rate	12%	The higher the discount rate, the lower the fair value.
Financial Assets at FVTOCI					
Shares Investments	6,738,643	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.
	741,333	Market method	Discount for lack of marketability	10%~30%	The higher the discount for lack of marketability, the lower the fair value.
	2,187,055	Revenue method	Discount for lack of marketability	10%~30%	The higher the discount for lack of marketability, the lower the fair value.
	1,226	Net asset adustment	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value.
Bonds	21,742,061	Yield book	Option-adjusted spread	0.30%~0.40%	The higher the option-adjusted spread, the lower the fair value.
Beneficiary Certificates	32,265,340	Bloomberg	Option-adjusted spread	0.21%~0.80%	The higher the option-adjusted spread, the lower the fair value.
Derivative financial assets					
Financial assets at FVTPL					
Interest rate swaps	3,275	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	544,356	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.
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 June 30, 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	$1,499,315	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.
	201,708	Market method	Discount for lack of marketability	10%~ 40%	The higher the discount for lack of marketability, the lower the fair value.
	38,465	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	1,598,026	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.
Financial assets at FVTOCI					
Shares investments	3,324,461	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.
	176,189	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	3,273	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	493,127	Cash flow discount method	Discount for lack of marketability	0%~ 20%	The higher the discount for lack of marketability, the lower 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

	June 30, 2026			
Assets and liabilities	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in debt instruments at amortized cost	$243,956,602	$221,837,490	$695,661,921	$1,161,456,013

	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

	June 30, 2025			
Assets and liabilities	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in debt instruments at amortized cost	$9,370,914	$728,716,360	$-	$738,087,274

(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:

June 30, 2026					
Financial assets	Transferred financial assets - carrying amount	Related financial liabilities - carrying amount	Transferred financial assets - fair value	Related financial liabilities - fair value	Net fair value position
Financial assets at FVTPL Repurchase agreement	$91,773,523	$106,059,432	$91,773,523	$106,059,432	$(14,285,909)
Financial assets at FVTOCI Repurchase agreement	32,520,000	39,924,037	32,520,000	39,924,037	(7,404,037)
Investments in debt instruments at amortized cost Repurchase agreement	5,840,592	6,168,912	5,820,830	6,168,912	(348,082)

December 31, 2025					
Financial assets	Transferred financial assets - carrying amount	Related financial liabilities - carrying amount	Transferred financial assets - fair value	Related financial liabilities - fair value	Net fair value position
Financial assets at FVTPL Repurchase agreement	$70,757,536	$70,945,451	$70,757,536	$70,945,451	$(187,915)
Financial assets at FVTOCI Repurchase agreement	17,665,883	28,644,333	17,665,883	28,644,333	(10,978,450)
Investments in debt instruments at amortized cost Repurchase agreement	6,574,608	8,580,671	6,593,666	8,580,671	(1,987,005)

June 30, 2025					
Financial assets	Transferred financial assets - carrying amount	Related financial liabilities - carrying amount	Transferred financial assets - fair value	Related financial liabilities - fair value	Net Fair Value Position
Financial assets at FVTPL Repurchase agreement	$31,969,647	$31,373,883	$31,969,647	$31,373,883	$595,764
Financial assets at FVTOCI Repurchase agreement	23,062,221	22,433,860	23,062,221	22,433,860	628,361
Investments in debt instruments at amortized cost Repurchase agreement	4,572,773	4,500,931	4,494,705	4,500,931	(6,226)

(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

(i) 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).

(ii) 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.

(iii) 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.

(iv) 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 six months ended June 30, 2026			
	Average	Highest	Lowest	Ending balance
Exchange VaR	$31,347	$46,617	$12,834	$12,834
Interest rate VaR	81,082	108,329	51,408	51,408
Equity securities VaR	48,314	72,957	16,480	21,573
Credit spread VaR	16,581	32,478	3,063	7,763
Value at risk	112,416	170,487	54,044	54,044

	For the six months ended June 30, 2025			
	Average	Highest	Lowest	Ending balance
Exchange VaR	$28,851	$60,858	$4,221	$18,692
Interest rate VaR	52,067	100,851	19,227	63,587
Equity securities VaR	20,054	33,483	8,711	30,558
Credit spread VaR	18,816	51,361	60	34,779
Value at risk	79,283	146,139	25,102	99,407

(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.(13)), 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.

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 six months ended June 30, 2026

Unit: New Taiwan Dollars in thousands

Risk factor	Variance (+/-)	Effects
Equity risk (stock price index)	-10%	$(44,080,353)
Interest rate risk (yield curve)	+20bps	(27,323,551)
Exchange rate risk (exchange rate)	The US dollar depreciates by NT$1 against the New Taiwan dollar.	(2,359,470)
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 six months ended June 30, 2025

Unit: New Taiwan Dollars in thousands

Risk factor	Variance (+/-)	Effects
Equity risk (stock price index)	-10%	$(2,738,738)
Interest rate risk (yield curve)	+20bps	(1)
Exchange rate risk (exchange rate)	The US dollar depreciates by NT$1 against the New Taiwan dollar.	(1,883,881)
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:

	June 30, 2026	December 31, 2025	June 30, 2025
Fair value interest rate risk			
- financial assets	$2,200,331,938	$2,572,812,153	$1,462
Cash flow interest rate risk			
- financial assets	60,166,589	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 six months ended June 30	
	2026	2025
Income (loss) before income tax	$61,460	$-
Other comprehensive income before income tax	1,304,718	-

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.

	Effect amount	
	For the six months ended June 30	
	2026	2025
Income (loss) before income tax	$73,002	$543,004
Other comprehensive income before income tax	5,339,453	818

For the variables applied in the above market risk sensitivity analysis, an inverse movement would result in an opposite impact on profit or loss and equity.

(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, 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.

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) Other credit risks

Country risk, custodian 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. 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 six months ended June 30, 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 investment grade or above on the initial recognition date, and the rating is downgraded to non-investment grade or below, or becomes unrated, on the reporting date.

ii. The rating is non-investment grade on the initial recognition date, and the rating is downgraded to B1 or unrated on the reporting date.

iii. As of the reporting date, the fair value is 20% or more below the amortized cost.

If the credit rating of a debt instrument investment is downgraded to Rating D, it shall be deemed a default. The trading unit shall monitor the credit condition of debt instrument investments. Upon becoming aware that a credit event has occurred with respect to the issuer, guarantor, or the underlying security (such as a downgrade to below investment grade, withdrawal of the credit rating, or default), the trading unit shall immediately notify the relevant departments and promptly dispose of the debt instrument investment.

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 six months ended June 30, 2026 and 2025, respectively.

(d) 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 six months ended June 30, 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 June 30, 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	0.65%	24.07%	68.25%	83.30%
Amount of exposure	24,063,974	194,637	161,124	58,915
Loss allowance	156,664	46,857	109,973	49,078

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 June 30, 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	0.70%	12.80%	49.98%	85.81%
Amount of exposure	23,700,944	199,422	172,376	67,806
Loss allowance	166,040	25,525	86,148	58,185

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 June 30, 2026

	Gross carrying amount	Impairment under IFRS 9	Proportion of loans/ collateral (Note)
Personal housing loans	$5,198,890	$1,270,500	33.63%
Business guaranteed loans	3,253,941	669,901	100.77%
Others	6,657,456	2,217,147	
Total	$15,110,287	$4,157,548	

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 June 30, 2025

	Gross carrying amount	Impairment under IFRS 9	Proportion of loans/ collateral (Note)
Personal housing loans	$5,286,936	$1,243,251	31.88%
Business guaranteed loans	1,368,699	423,292	103.32%
Others	6,241,043	1,718,197	
Total	$12,896,678	$3,384,740	

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		
	June 30, 2026	December 31, 2025	June 30, 2025
Irrevocable loan commitments granted to customers	$80,181,607	$91,082,440	$76,521,950
Unused credit card credit commitments of customers	585,172,401	582,274,265	584,274,229
Outstanding balance of letters of credit issued but not yet utilized by customers	4,865,163	4,562,087	3,846,320
Various types of guarantees	37,986,769	29,526,831	26,456,382
Total	$708,205,940	$707,445,623	$691,098,881

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 June 30, 2026, December 31, 2025 and June 30, 2025 are as follows:

	June 30, 2026			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Loans				
Consumer finance				
Excellent	$1,014,216,782	$13,348,697	$-	$1,027,565,479
Good	13,094,472	202,209	-	13,296,681
Acceptable	-	415,717	-	415,717
Default	-	-	8,859,423	8,859,423
Corporate finance				
Excellent	576,401,971	-	-	576,401,971
Good	384,669,882	-	-	384,669,882
Acceptable	1,210,278	1,684,852	-	2,895,130
Default	-	-	4,195,274	4,195,274
Total	$1,989,593,385	$15,651,475	$13,054,697	$2,018,299,557
Receivables (including non-performing receivables transferred from other than loans)				
Consumer finance				
Excellent	$111,774,357	$61,613	$-	$2,111,835,970
Good	349,028	2,366	-	351,394
Acceptable	-	107,394	-	107,394
Default	-	-	1,733,765	1,733,765
Corporate finance				
Excellent	34,524,616	-	-	34,524,616
Good	7,819,921	-	-	7,819,921
Acceptable	1,341	14,325	-	15,666
Default	-	-	141,820	141,820
Others	9,501,696	37,172,102	180,005	46,853,803
Total	$163,970,959	$37,357,800	$2,055,590	$203,384,349
Debt instruments at fair value through other comprehensive income				
Excellent	$175,665,345	$-	$-	$175,665,345
Investments in debt instruments at amortized cost				
Excellent	$570,033,891	$-	$-	$570,033,891
Financial guarantees				
Excellent	$32,190,744	$-	$-	$32,190,744
Good	10,315,783	-	-	10,315,783
Acceptable	-	-	345,405	345,405
Total	$42,506,527	$-	$345,405	$42,851,932

	June 30, 2026			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Loan commitments				
Excellent	$1,370,921,655	$252,370	$-	$1,371,174,025
Good	192,445,333	23	-	192,445,356
Acceptable	491,099	224,533	-	715,632
Default	-	-	357,238	357,238
Total	$1,563,858,087	$476,926	$357,238	$1,564,692,251

	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
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

	December 31, 2025			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
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

	June 30, 2025			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Loans				
Consumer finance				
Excellent	$927,013,808	$13,641,268	$-	$940,655,076
Good	12,067,648	302,545	-	12,370,193
Acceptable	-	446,870	-	446,870
Default	-	-	8,760,008	8,760,008
Corporate finance				
Excellent	543,756,304	-	-	543,756,304
Good	290,635,883	-	-	290,635,883
Acceptable	140,702	1,643,527	-	1,784,229
Default	-	-	2,069,178	2,069,178
Total	$1,773,614,345	$16,034,210	$10,829,186	$1,800,477,741
Receivables (including non-performing receivables transferred from other than loans)				
Consumer finance				
Excellent	$67,969,185	$39,046	$-	$68,008,231
Good	308,742	3,036	-	311,778
Acceptable	-	118,006	-	118,006
Default	-	-	1,755,262	1,755,262
Corporate finance				
Excellent	30,004,885	-	-	30,004,885
Good	2,344,523	-	-	2,344,523
Acceptable	141	6,316	-	6,457
Default	-	-	108,559	108,559
Others	9,153,650	34,895,644	203,671	44,252,965
Total	$109,781,126	$35,062,048	$2,067,492	$146,910,666

	June 30, 2025			
	12-month ECLs	Lifetime ECLs - unimpaired	Lifetime ECLs - impaired	Total
Debt instruments at fair value through other comprehensive income				
Excellent	$156,779,426	$-	$-	$156,779,426
Investments in debt instruments at amortized cost				
Excellent	$543,786,479	$-	$-	$543,786,479
Financial guarantees				
Excellent	$26,021,494	$-	$-	$26,021,494
Good	4,281,208	-	-	4,281,208
Total	$30,302,702	$-	$-	$30,302,702
Loan commitments				
Excellent	$1,248,617,734	$308,806	$-	$1,248,926,540
Good	184,435,701	158	-	184,435,859
Acceptable	9,197	236,190	-	245,387
Default	-	-	200,728	200,728
Total	$1,433,062,632	$545,154	$200,728	$1,433,808,514

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:

	June 30, 2026		December 31, 2025		June 30, 2025	
Industry type	Carrying amount	Percentage of item (%)	Carrying amount	Percentage of item (%)	Carrying amount	Percentage of item (%)
Manufacturing	$228,079,287	11	$199,337,980	11	$254,577,387	14
Wholesale and retail	92,813,835	5	79,372,004	4	84,963,989	5
Finance and insurance	250,160,241	12	202,091,200	11	198,992,031	11
Real estate and leasing	188,857,514	9	173,087,026	10	164,122,062	9
Service	55,632,421	3	38,917,610	2	34,410,353	2
Individuals	1,067,146,771	53	1,012,025,164	56	974,754,312	54
Others	135,609,488	7	112,219,374	6	88,657,607	5
Total	$2,018,299,557		$1,817,050,358		$1,800,477,741	

	June 30, 2026		December 31, 2025		June 30, 2025	
Industry type	Carrying amount	Percentage of item (%)	Carrying amount	Percentage of item (%)	Carrying amount	Percentage of item (%)
Asia	$1,826,467,298	90	$1,642,399,351	90	$1,660,951,405	92
Europe	40,740,504	2	33,739,699	2	24,976,006	1
America	8,203,715	-	5,457,170	-	2,738,197	-
Africa	11,371,768	1	10,267,406	1	-	-
Others	131,516,272	7	125,186,732	7	111,812,133	7
Total	$2,018,299,557		$1,817,050,358		$1,800,477,741	

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.

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 June 30, 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	$-	$27,076,022	$-	$-	$351,583	$527,393	$61,536	$579,954	$643,188	$-	$1,080,171	$-	$30,319,847
Financial assets at FVTOCI	296,914,645	296,929,654	91,979,300	50,330,157	26,812,876	29,669,354	42,435,437	69,203,111	108,263,348	85,699,235	81,462,728	-	1,179,699,845
Financial assets measured at amortized cost	205,530,111	684,615,379	2,386,060	5,713,076	16,642,899	7,044,585	18,428,879	20,926,079	41,666,748	17,174,281	27,318,679	2,843,850	1,050,290,626
Total	$502,444,756	$1,008,621,055	$94,365,360	$56,043,233	$43,807,358	$37,241,332	$60,925,852	$90,709,144	$150,573,284	$102,873,516	$109,861,578	$2,843,850	$2,260,310,318
Proportion of each industry to the overall total	22.23%	44.62%	4.17%	2.48%	1.94%	1.65%	2.70%	4.01%	6.66%	4.55%	4.86%	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 June 30, 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	$-	$1,462	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	$1,462
Financial assets at FVTOCI	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets measured at amortized cost	79,021,231	36,633,989	2,129,790	2,188,046	15,872,492	7,222,525	13,500,090	13,796,022	9,589,919	11,471,972	23,150,193	-	214,576,269
Total	$79,021,231	$36,635,451	$2,129,790	$2,188,046	$15,872,492	$7,222,525	$13,500,090	$13,796,022	$9,589,919	$11,471,972	$23,150,193	$-	$214,577,731
Proportion of each industry to the overall total	36.83%	17.07%	0.99%	1.02%	7.40%	3.37%	6.29%	6.43%	4.47%	5.34%	10.79%	-	100%

B. Exposure to credit risk－region

As of June 30, 2026

Financial Assets	Taiwan	North America	Eurozone	Non-Eurozone	Asia-Pacific	Central and South America	Middle East/Africa	Global	Total
Financial assets at FVTPL	$25,310,639	$4,126,829	$164,322	$463,771	$254,286	$-	$-	$-	$30,319,847
Financial assets at FVTOCI	221,893,022	512,836,558	87,132,229	107,300,400	91,227,865	68,330,894	90,978,877	-	1,179,699,845
Financial assets measured at amortized cost	92,564,692	503,711,761	108,392,208	132,399,368	102,613,336	9,762,584	100,846,677	-	1,050,290,626
Total	$339,768,353	$1,020,675,148	$195,688,759	$240,163,539	$194,095,487	$78,093,478	$191,825,554	$-	$2,260,310,318
Proportion of each industry to the overall total	15.03%	45.16%	8.66%	10.63%	8.59%	3.44%	8.49%	-	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%	3.94%	9.12%	-	100.00%

As of June 30, 2025

Financial Assets	Taiwan	North America	Eurozone	Non-Eurozone	Asia-Pacific	Central and South America	Middle East/Africa	Global	Total
Financial assets at FVTPL	$-	$-	$-	$-	$-	$-	$-	$1,462	$1,462
Financial assets at FVTOCI	-	-	-	-	-	-	-	-	-
Financial assets measured at amortized cost	81,815,876	117,195,937	8,426,073	4,676,966	2,168,527	-	292,890	-	214,576,269
Total	$81,815,876	$117,195,937	$8,426,073	$4,676,966	$2,168,527	$-	$292,890	$1,462	$214,577,731
Proportion of each industry to the overall total	38.13%	54.62%	3.93%	2.18%	1.01%	-	0.13%	-	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 June 30, 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	$1,164,343,117	$13,697,857	$1,658,871	$1,179,699,845	$-	$-	$-	$-	$-	$-	$-	$-	$1,179,699,845
Financial assets measured at amortized cost	1,035,318,464	-	-	1,035,318,464	-	-	-	-	-	14,972,162	14,972,162	(317,974)	1,049,972,652
Total	$2,199,661,581	$13,697,857	$1,658,871	$2,215,018,309	$-	$-	$-	$-	$-	$14,972,162	$14,972,162	$(317,974)	$2,229,672,497

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

As of June 30, 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	214,576,269	-	-	214,576,269	-	-	-	-	-	-	-	(48,605)	214,527,664
Total	$214,576,269	$-	$-	$214,576,269	$-	$-	$-	$-	$-	$-	$-	$(48,605)	$214,527,664

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 June 30, 2026

Collateral location	Northern region	Central region	Southern region	Eastern region	Total
Secured loans	$22,464,702	$8,943,703	$13,483,114	$288,720	$45,180,239
Collection receivables	-	2,035	1,334	-	3,369
Total	$22,464,702	$8,945,738	$13,484,448	$288,720	$45,183,608
Proportion to total amount	49.72%	19.80%	29.84%	0.64%	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 June 30, 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 June 30, 2026

	FVTOCI	Measured at amortized cost		Total
Carrying amount	$1,306,032,320	$1,050,290,626	(Note1)	$2,356,322,946
Loss allowance	(458,470)	(317,974)		(776,444)
Amortized cost	1,305,573,850	$1,049,972,652		2,355,546,502
Fair value adjustments	17,956,573			17,956,573
Total	$1,323,530,423			$2,373,503,075

Note 1: Including deposit for recognizance in the amount of $15,533,434 thousand; excluding time deposits with original maturities exceeding 3 months in the amount of $3,829,432 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 June 30, 2025

	FVTOCI	Measured at amortized cost		Total
Carrying amount	$41,181	$214,576,269	(Note1)	$214,617,450
Loss allowance	-	(48,605)		(48,605)
Amortized cost	$41,181	$214,527,664		$214,568,845

Note 1: Including deposit for recognizance in the amount of $1,657,100 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:

June 30, 2026

Credit Rating	Expected Credit Loss Rate	Carrying Amount
Performing	0.00%~0.24%	$2,387,129,307
Underperforming	-	-
Default	0.00%~100%	15,537,320
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	-	-

June 30, 2025

Credit Rating	Expected Credit Loss Rate	Carrying Amount
Performing	0.00%~0.12%	$217,373,890
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 $1,002,216 thousand, $4,519,054 thousand, and $3,366,175 thousand.

A. 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	216,505	-	-
Derecognition	-	-	-
Other changes	(258,788)	-	-
Foreign exchange changes	(1,447)	-	-
As of June 30, 2026	$447,355	$-	$-
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 June 30, 2025	$-	$-	$-

(a) For the six months ended June 30, 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 $88,142,825 thousand and $0 thousand, respectively, with a corresponding increase in loss allowance for performing credit rating in the amount of $216,505 thousand and $0 thousand, respectively.

(b) For the six months ended June 30, 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 $56,340,846 thousand and $0 thousand, respectively, and redeemed debt instrument investments measured at fair value through other comprehensive income in the amount of $17,751,158 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	60,488	-	-
Derecognition	(632,336)	-	-
Other changes	557,935	-	19,049
Foreign exchange changes	4,486	-	-
As of June 30, 2026	$298,277	$-	$19,049
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	5,420	-	-
Derecognition	(468)	-	-
Other Changes	547	-	-
Foreign Exchange Changes	(5,641)	-	-
As of June 30, 2025	$48,605	$-	$-

(a) For the six months ended June 30, 2026 and 2025, Shin Kong Life Insurance and its subsidiaries newly acquired and classified bonds measured at amortized cost in the amount of $298,514 thousand and $16,540,864 thousand, respectively, with a corresponding increase in loss allowance for performing credit rating in the amount of $60,488 thousand and $5,420 thousand, respectively.

(b) For the six months ended June 30, 2026 and 2025, Shin Kong Life Insurance and its subsidiaries sold debt instrument investments measured at amortized cost in the amount of $370,805 thousand and $0 thousand, respectively, and redeemed debt instrument investments measured at amortized cost in the amount of $799,609 thousand and $892,325 thousand, respectively, while derecognizing the related loss allowance for performing credit rating in the amount of $632,336 thousand and $468 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	(353)	-	-
As of June 30, 2026	$11,763	$-	$-
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 June 30, 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	3,394	-	-
Derecognition	(7,523)	-	-
Other changes	2,208	-	15,454
Foreign exchange changes	45	-	-
As of June 30, 2026	$41,472	$-	$59,581
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	91	-	-
Derecognition	(6)	-	-
Other changes	(10)	-	-
Foreign exchange changes	(60)	-	-
As of June 30, 2025	$723	$-	$-

The loss allowance of Shin Kong Life Insurance and its subsidiaries as of June 30, 2026, December 31, 2025, and June 30, 2025 included loss allowance for notes receivable in the amount of $32,063 thousand, $32,160 thousand, and $0 thousand, respectively; loss allowance for interest receivable in the amount of $9,670 thousand, $10,671 thousand, and $723 thousand, respectively; and loss allowance for other receivables in the amount of $62,532 thousand, $43,432 thousand, and $0 thousand, respectively; excluding loss allowance for certain notes receivable and accrued income recognized using the simplified approach in the amount of $127 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 and its subsidiaries 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 and its subsidiaries 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 and its subsidiaries should avoid excessively concentrating funds on the same maturity, instruments, currencies, regions, funding sources or counterparties.
(b) Principle of stability: Taishin Bank and its subsidiaries should follow stable strategies and pay attention to market and internal funding liquidity. For example, Taishin Bank and its subsidiaries 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 and its subsidiaries 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 and its subsidiaries 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 and its subsidiaries 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 its subsidiaries presented based on the residual maturities from the balance sheet date to the contract maturity date are as follows:

	June 30, 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	$4,461,620	$5,011,235	$2,314,136	$5,256,272	$7,000	$18,170	$-	$-	$-	$17,068,433
Non-derivative financial liabilities at FVTPL	-	-	-	-	-	-	-	-	12,817,359	12,817,359
Securities sold under repurchase agreements	68,516,046	24,545,528	235,603	-	-	-	-	-	-	93,297,177
Payables	14,276,785	4,756,353	4,076,780	10,658,983	40,912	9,262	-	-	-	33,819,075
Deposits and remittances	384,173,538	456,969,687	276,249,519	425,642,435	1,261,364,442	3,008,724	326	-	-	2,807,408,671
Bank notes payable	-	-	-	-	6,000,000	-	4,850,000	4,200,000	5,000,000	20,050,000
Lease liabilities	120,832	124,046	178,846	362,202	575,601	429,759	316,834	173,170	317,555	2,598,845
Other financial liabilities	10,069,770	11,694,323	5,182,637	8,807,900	3,164,163	1,279,265	2,496,511	31,585,904	50,697,073	124,977,546
Total	$481,618,591	$503,101,172	$288,237,521	$450,727,792	$1,271,152,118	$4,745,180	$7,663,671	$35,959,074	$68,831,987	$3,112,037,106

	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

	June 30, 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	$16,863,900	$5,091,968	$681,740	$4,703,500	$-	$7,000	$-	$-	$-	$27,348,108
Non-derivative financial liabilities at FVTPL	801,450	-	-	-	-	-	-	-	11,784,889	12,586,339
Securities sold under repurchase agreements	40,336,205	7,962,265	333,934	68,130	-	-	-	-	-	48,700,534
Payables	22,450,927	1,116,256	766,333	8,326,950	36,177	7,939	1	-	-	32,704,583
Deposits and remittances	315,282,024	390,919,718	266,108,381	413,801,847	1,031,429,759	2,989,966	966	-	-	2,420,532,661
Bank notes payable	-	700,000	-	-	-	6,000,000	-	4,850,000	9,200,000	20,750,000
Lease liabilities	116,956	107,164	155,726	395,009	518,440	390,958	269,675	204,231	335,779	2,493,938
Other financial liabilities	14,977,888	6,638,308	3,460,466	6,890,677	6,042,327	3,885,133	924,717	2,560,921	71,781,286	117,161,723
Total	$410,829,350	$412,535,679	$271,506,580	$434,186,113	$1,038,026,703	$13,280,996	$1,195,359	$7,615,152	$93,101,954	$2,682,277,886

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 $1,422,777,496 thousand, $1,270,687,998 thousand and $1,159,924,094 thousand as of June 30, 2026, December 31, 2025 and June 30, 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:

	June 30, 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	$37,207,165	$-	$-	$-	$-	$37,207,165

	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

	June 30, 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	$68,759,431	$-	$-	$-	$-	$68,759,431

(c) Maturity analysis of off-balance sheet items

The table below illustrates the maturity analysis of off-balance sheet items of Taishin Bank and its subsidiaries 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.

	June 30, 2026					
Off-balance-sheet item	1-30 days	31-90 days	91-180 days	181 days - 1 year	over 1 year	Total
Guarantees	$6,123,413	$3,490,295	$5,837,941	$6,559,994	$15,975,126	$37,986,769
Letters of credit	764,712	2,262,288	1,412,188	186,915	239,060	4,865,163
Loans commitments (excluding credit cards)	6,842,782	183,280,472	218,081,083	410,188,585	148,806,967	967,199,889
Credit cards commitments	2,779	149,971	255,585	403,405	11,508,221	12,319,961

	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

	June 30, 2025					
Off-balance-sheet item	1-30 days	31-90 days	91-180 days	181 days - 1 year	over 1 year	Total
Guarantees	$3,537,431	$3,035,858	$5,280,973	$5,259,712	$9,342,408	$26,456,382
Letters of credit	529,684	3,035,350	270,713	10,573	-	3,846,320
Loans commitments (excluding credit cards)	1,951,281	166,995,030	179,464,778	351,414,004	136,796,084	836,621,177
Credit cards commitments	1,397	121,694	190,918	552,261	12,046,838	12,913,108

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 June 30, 2026

	Within 1 year	1 to 2 years	2 to 5 years	> 5 years
Non-derivative financial liabilities				
Payable	$20,678,818	$-	$-	$-
Lease liabilities	319,010	280,319	708,403	6,938,634
Other Liabilities	258,066	303,148	395,637	1,097,986

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 June 30, 2025

	Within 1 year	1 to 2 years	2 to 5 years	> 5 years
Non-derivative financial liabilities				
Payable	$4,502,654	$-	$-	$-
Lease liabilities	58,092	39,868	13,448	-
Other Liabilities	619,330	-	28,166	50,220

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 June 30, 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	$(62,830)	$(98,345)	$13,702	$-	$-
Gross settlement					
Currency swap					
－Inflows	$1,179	$316	$8,296	$-	$-
－Outflows	(1,693,173)	(2,772,659)	(3,680,403)	-	-
Forward currency contract					
－Inflows	38,223	-	-	-	-
－Outflows	-	-	-	-	-
	$(1,653,771)	$(2,772,343)	$(3,672,107)	$-	$-

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 June 30, 2025

	Payable on demand or within 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	> 5 years
Gross settlement					
Currency swap					
－Inflows	$346,368	$329,295	$993,742	$-	$-
－Outflows	-	-	-	-	-
	$346,368	$329,295	$993,742	$-	$-

(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. Risk Management Committee: Regularly reports on the status of risk management to the Board of Directors, etc.
iii. Risk Management Units: Perform risk monitoring, measuring, analysis and assessment of risk changes.
iv. 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, operational risk, asset-liability matching risk, climate - related risks and other risks (e.g. nature-related risks or other emerging risks with potential impacts). 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

		June 30, 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%	$(1,475,129)	$(1,405,828)	$(1,180,103)	$(1,124,662)
Mortality rate, morbidity rate	-5%	1,482,411	1,411,317	1,185,929	1,129,054
Lapse rate	+5%	(538,444)	(534,590)	(430,756)	(427,672)
Lapse rate	-5%	501,831	497,865	401,465	398,292
Expense ratio	+5%	(132,517)	(132,516)	(106,014)	(106,013)
Expense ratio	-5%	132,512	132,511	106,010	106,009

		December 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%	$(3,004,490)	$(2,919,675)	$(2,403,592)	$(2,335,740)
Mortality rate, morbidity rate	-5%	3,061,502	2,974,225	2,449,202	2,379,380
Lapse rate	+5%	(871,529)	(865,467)	(697,223)	(692,374)
Lapse rate	-5%	778,460	772,243	622,768	617,794
Expense ratio	+5%	(205,981)	(205,981)	(164,785)	(164,785)
Expense ratio	-5%	205,981	205,981	164,785	164,785

		June 30, 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%	$(875,613)	$(854,561)	$(700,490)	$(683,648)
Mortality rate, morbidity rate	-5%	385,326	363,711	308,261	290,969
Lapse rate	+5%	(15,429)	(14,145)	(12,343)	(11,316)
Lapse rate	-5%	15,842	14,537	12,674	11,630
Expense ratio	+5%	(39,811)	(39,811)	(31,849)	(31,849)
Expense ratio	-5%	39,811	39,811	31,849	31,849

(b) Explanation of insurance risk concentration

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 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 below 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 below table.

i. Claims development of direct business

The table below discloses the claims development trend as of June 30, 2026 and 2025, comparing actual claims paid for direct business (before reinsurance) with previously estimated undiscounted claims amounts:

As of June 30, 2026

Accident year	Development year					Liabilities for incurred claims
	1	2	3	4	5	
2022	$19,715,506	$24,792,817	$25,261,668	$25,352,988	$24,171,261	
2023	21,906,735	27,479,733	27,966,881	26,622,083		
2024	22,943,526	28,558,390	27,215,872			
2025	23,777,480	26,763,640				
2026	8,886,961					
Total						$4,682,765
Discount effect						(66,082)
Impact of risk adjustment for non-financial risk						125,734
Other liabilities for incurred claims						4,310,893
Total liabilities for incurred claims for direct business						$9,053,310

As of June 30, 2025

Accident year	Development year					Liabilities for incurred claims
	1	2	3	4	5	
2021	$860,952	$1,013,085	$1,026,344	$1,028,953	$1,029,345	
2022	1,014,841	1,201,830	1,214,715	1,216,771		
2023	1,198,439	1,407,607	1,423,261			
2024	1,382,110	1,638,021				
2025	1,569,112					
Total						$276,595
Discount effect						-
Impact of risk adjustment for non-financial risk						7,243
Other liabilities for incurred claims						3,052,387
Total liabilities for incurred claims for direct business						$3,336,225

ii. Claims development of retained business

The table below discloses the claims development trend as of June 30, 2026 and 2025, comparing actual claims paid for retained business (after reinsurance) with previously estimated undiscounted claims amounts:

As of June 30, 2026

Accident year	Development year					Liabilities for incurred claim
	1	2	3	4	5	
2022	$19,202,271	$24,140,632	$24,598,513	$24,688,251	$23,507,125	
2023	21,318,522	26,688,176	27,160,042	25,812,562		
2024	22,285,321	27,730,961	26,383,038			
2025	23,115,973	25,962,265				
2026	8,661,204					
Total						$4,509,410
Discount effect						(63,870)
Impact of risk adjustment for non-financial risk						120,688
Other liabilities for incurred claims						2,815,107
Total liabilities for incurred claims for direct business						$7,381,335

As of June 30, 2025

Accident year	Development year					Liabilities for incurred claim
	1	2	3	4	5	
2021	$859,961	$1,012,095	$1,025,354	$1,027,962	$1,028,355	
2022	1,010,279	1,197,267	1,210,153	1,212,209		
2023	1,197,588	1,406,756	1,422,410			
2024	1,380,634	1,636,545				
2025	1,563,862					
Total						$276,588
Discount effect						-
Impact of risk adjustment for non-financial risk						6,801
Other liabilities for incurred claims						2,746,011
Total liabilities for incurred claims for direct business						$3,029,400

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	June 30, 2026						
	AA+	AA	AA-	A+	A	A-	Total
	$764	$45,268	$185,786	$596,868	$618,487	$-	$1,447,173

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	June 30, 2025						
	AA+	AA	AA-	A+	A	A-	Total
	$-	$-	$5,450	$1,005	$1	$-	$6,456

As of June 30, 2026, December 31, 2025, and June 30, 2025, the maximum exposure for insurance contracts issued by Shin Kong Life Insurance amounted to $0 thousand. The maximum exposure for reinsurance contracts held as of June 30, 2026, December 31, 2025, and June 30, 2025, amounted to $1,447,173 thousand, $1,518,284 thousand, and $6,456 thousand, respectively.

(b) Liquidity risk

Shin Kong Life Insurance has established the "Liquidity Risk Management Regulations" as a basis for managing funding liquidity risk and market liquidity risk. Shin Kong Life Insurance also follows the "Asset-Liability Matching Risk Management Guidelines" and periodically uses cash flow models to conduct medium- and long-term liquidity assessments, while developing response strategies in advance for abnormal circumstances to ensure adequate and stable liquidity.

A separate maturity analysis is performed for insurance contract portfolios issued and reinsurance contract portfolios held that are in a liability position. At a minimum, the analysis presents the aggregate net cash flows for each of the first five years following the reporting date and the aggregate amounts thereafter. Such analysis may be performed using the following approaches:

Analysis of remaining undiscounted net contractual cash flows by estimated timing

	Years after the reporting date							
June 30, 2026	1 Month	2-12 Months	Year 2	Year 3	Year 4	Year 5	Year 6 and Thereafter	Total
Groups of reinsurance contracts held that are liabilities	$(121,546)	$(1,407,245)	$(587,013)	$(579,018)	$(608,348)	$(633,194)	$(45,653,018)	$(49,589,382)
Groups of insurance contracts issued that are liabilities	(4,941,451)	(34,093,093)	(40,260,950)	(57,864,816)	(84,412,580)	(116,091,110)	(7,976,204,151)	(8,313,868,151)

	Years after the reporting date							
December 31, 2025	1 Month	2-12 Months	Year 2	Year 3	Year 4	Year 5	Year 6 and Thereafter	Total
Groups of reinsurance contracts held that are liabilities	$(104,346)	$(1,551,569)	$(715,658)	$(742,161)	$(732,170)	$(741,751)	$(49,590,700)	$(54,178,355)
Groups of insurance contracts issued that are liabilities	(4,991,930)	(75,264,094)	(42,544,560)	(53,506,085)	(76,979,516)	(106,911,609)	(7,942,173,873)	(8,302,371,667)

	Years after the reporting date							
June 30, 2025	1 Month	2-12 Months	Year 2	Year 3	Year 4	Year 5	Year 6 and Thereafter	Total
Groups of reinsurance contracts held that are liabilities	$(94,593)	$(1,119,544)	$(315,653)	$(333,345)	$(308,549)	$(248,832)	$(10,297,843)	$(12,718,359)
Groups of insurance contracts issued that are liabilities	2,414,203	17,769,887	12,395,577	9,475,115	4,686,935	(2,238,070)	(737,326,225)	(692,822,578)

(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:

		June 30, 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	$(2,260)	$61,459	$(2,807,510)	$1,366,177
Equity risk	-1%	829,573	(913,393)	663,658	(6,003,437)
Foreign exchange risk	NTD +1%	6,218,634	6,981,711	4,974,908	6,343,541

		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)	$13,868	$(2,883,156)	$58,156
Equity risk	-1%	574,010	(618,423)	459,208	(4,864,407)
Foreign exchange risk	NTD +1%	5,899,576	14,747,088	4,719,661	13,942,905

		June 30, 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	$(63)	$-	$(190,669)	$-
Equity risk	-1%	78,031	(79,686)	62,425	(340,327)
Foreign exchange risk	NTD +1%	646,882	1,198,652	517,506	1,069,276

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, Shin Kong Life Insurance, in accordance with the Foreign Exchange Valuation Reserve and the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, applies the straight-line method to amortize exchange differences arising from amortized cost (AC) bonds. In actual financial reporting, 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.

(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 June 30, 2026, December 31, 2025 and June 30, 2025, the carrying amounts related to the interests in unconsolidated structured entities are disclosed as follows:

	June 30, 2026			
	Financing secured bonds	Real estate-backed securities	Private equity fund	Total
Financial assets at FVTPL	$-	$50,505	$1,442,970	$1,493,475
Financial assets at FVTOCI	-	2,038,406	-	2,038,406
Financial assets measured at amortized cost	-	133,617,145	-	133,617,145
Net ending balance	$-	$135,706,056	$1,442,970	$137,149,026

	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

	June 30, 2025			
	Financing secured bonds	Real estate-backed securities	Private equity fund	Total
Financial assets at FVTPL	$1,462	$-	$480,122	$481,584
Financial assets at FVTOCI	-	825,591	-	825,591
Financial assets measured at amortized cost	-	86,211,530	-	86,211,530
Net ending balance	$1,462	$87,037,121	$480,122	$87,518,705

(13) Significant assets and liabilities denominated in foreign currencies

Significant financial assets and liabilities denominated in foreign currencies were as follows:

Taishin Bank and its subsidiaries

	(Foreign Currencies/New Taiwan Dollars in thousands) June 30, 2026		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
AUD	$3,773,207	21.92	$82,694,514
CNY	7,576,815	4.69	35,548,929
EUR	504,826	36.30	18,325,358
JPY	233,901,218	0.20	45,921,124
USD	21,424,500	31.86	682,477,445
Non-monetary items:			
CNY	6,902,811	4.69	32,386,638
HKD	32,710,359	4.06	132,873,632
EUR	1,605,165	36.30	58,268,088
JPY	297,444,751	0.20	58,396,436
USD	27,570,889	31.86	878,270,669
Financial liabilities			
Monetary items:			
CNY	$9,836,727	4.69	$46,151,994
HKD	8,366,150	4.06	33,984,364
EUR	1,915,160	36.30	69,521,005
JPY	335,983,771	0.20	65,962,686
USD	22,964,367	31.86	731,529,916
Non-monetary items:			
AUD	2,938,740	21.92	64,406,128
CNY	4,519,499	4.69	21,204,604
HKD	29,961,270	4.06	121,706,483
JPY	198,532,305	0.20	38,977,252
USD	26,264,495	31.86	836,655,492

	December 31, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
AUD	$3,272,722	21.02	$68,807,549
CNY	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:			
CNY	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:			
CNY	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
Non-monetary items:			
AUD	2,435,971	21.02	51,215,210
CNY	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

	June 30, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
AUD	$2,723,947	19.14	$52,141,325
CNY	10,024,113	4.09	40,994,182
EUR	469,648	34.34	16,128,362
JPY	152,144,881	0.20	30,935,923
USD	18,647,029	29.29	546,152,826

	June 30, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Non-monetary items:			
CNY	22,042,130	4.09	90,142,547
EUR	285,413	34.34	9,801,461
HKD	8,522,544	3.73	31,798,922
JPY	59,839,060	0.20	12,167,196
USD	29,056,097	29.29	851,024,021
Financial liabilities			
Monetary items:			
CNY	$8,974,760	4.09	$36,702,792
EUR	560,828	34.34	19,259,577
HKD	6,597,680	3.73	24,617,479
JPY	188,594,417	0.20	38,347,280
USD	21,862,885	29.29	640,342,029
Non-monetary items:			
AUD	334,765	19.14	6,408,016
USD	51,211	29.29	1,499,921

Shin Kong Life Insurance and its subsidiaries

	(Foreign Currencies/New Taiwan Dollars in thousands) June 30, 2026		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
USD	$60,182,220	31.86	$1,917,104,616
AUD	3,500,846	21.92	76,725,389
CNH	1,428,409	4.69	6,701,814
EUR	123,552	36.30	4,484,998
CNY	61,156	4.70	287,131
GBP	3,861	42.15	162,743
Non-monetary items:			
USD	1,389,933	31.86	44,276,316
JPY	15,558,895	0.20	3,054,628
EUR	37,804	36.30	1,372,297
CNH	402	4.69	1,886
HKD	50	4.06	202
Financial liabilities			
Monetary items:			
USD	29,711	31.86	946,437
Non-monetary items:			
USD	262,119	31.86	8,349,812

	December 31, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
USD	$77,764,317	31.45	$2,445,532,237
AUD	4,389,024	21.02	92,277,298
CNY	1,201,752	4.50	5,406,679
EUR	114,818	36.91	4,237,988
CNH	343,160	4.50	1,543,999
GBP	2,349	42.34	99,457
Non-monetary items:			
USD	1,154,833	31.45	36,317,197
EUR	4,761	36.91	175,736
CNH	468	4.50	2,105
AUD	179	21.02	3,766
JPY	9,912	0.20	1,991
HKD	70	4.04	284
Financial liabilities			
Monetary items:			
USD	2,562,329	31.45	80,580,137
Non-monetary items:			
USD	660,326	31.45	20,765,924

	June 30, 2025		
	Foreign currency	Exchange rate	New Taiwan Dollars
Financial assets			
Monetary items:			
USD	$4,792,621	29.29	$140,375,859
Non-monetary items:			
USD	70,503	29.29	2,065,026
Financial liabilities			
Monetary items:			
USD	38,808	29.29	1,136,701
Non-monetary items:			
USD	2,218,051	29.29	64,966,721

As of June 30, 2026, December 31, 2025 and June 30, 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 $664,973,125 thousand, $861,675,200 thousand and $23,432,000 thousand, respectively. 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 six months ended June 30	
	2026	2025
Income (loss) before income tax	$763,077	$1,170,663

The above amount reflects the net effect of exchange rate fluctuations after considering the physical foreign currency monetary assets and financial hedging derivative instruments.

Shin Kong Life Insurance and its subsidiaries 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 Governing the Preparation of Financial Reports by Insurance Enterprises. The aforementioned foreign exchange-related stress testing scenarios will affect the amount calculated for the foreign exchange valuation reserve in accordance with the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises 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, the Company established the Committee to review capital performance of the Company 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 the Company and its subsidiaries. The Company 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.

C. Group's capital adequacy ratio

Item / Company	June 30, 2026		
	Ownership Interest (%)	Group Eligible Capital	Group's Statutory Capital Requirement
TS Financial Holding		$728,746,167	$796,311,799
Taishin Bank	100%	243,275,274	187,159,701
Shin Kong Commercial Bank	100%	113,503,418	83,684,660
Taishin Securities B	100%	37,075,474	17,477,111
Shin Kong Life Insurance	100%	359,245,465	281,353,511
Taishin Venture Capital Investment	100%	3,495,862	1,833,676
Shin Kong Venture Capital	100%	1,457,785	1,215,325
Taishin AMC	100%	1,213,683	1,093,902
Taishin Securities Investment Trust	100%	2,263,600	1,345,902
Taishin Securities Investment Advisory	92%	299,263	159,177
Shin Kong Insurance Agent	100%	72,556	70,238
Exclusive items amount subtracted		(795,384,365)	(786,331,652)
Total		$695,264,182	$585,373,350
Group's capital adequacy ratio			118.77

Item / Company	June 30, 2025		
	Ownership Interest (%)	Group Eligible Capital	Group's Statutory Capital Requirement
TS Financial Holding		$229,644,536	$245,295,705
Taishin Bank	100%	231,862,010	166,480,402
Taishin Securities B	100%	10,780,282	6,820,083
Former Taishin Life Insurance	100%	27,006,710	11,789,622
Taishin Venture Capital Investment	100%	3,641,811	1,824,104
Taishin AMC	100%	1,229,698	971,078
Taishin Securities Investment Trust	100%	1,130,548	655,952
Taishin Securities Investment Advisory	92%	295,135	157,048
Exclusive items amount subtracted		(247,521,908)	(239,580,887)
Total		$258,068,822	$194,413,107
Group's capital adequacy ratio			132.74

D. Financial holding company eligible capital

Item	June 30, 2026
Ordinary share	$248,663,992
Non-cumulative perpetual preferred shares and non-cumulative subordinated debts without maturity dates which comply with eligible Tier 1 capital	13,946,680
Other preferred shares and subordinated corporate bonds	15,600,000
Advance receipts for share capital	2,486,628
Capital surplus	133,732,478
Legal reserve	24,397,878
Special reserve	393,716
Retained earnings	174,063,918
Equity adjustment	115,566,137
Less: Goodwill and other intangible assets	(938)
Less: Deferred assets	(15,024)
Less: Treasury shares	(89,298)
Total	$728,746,167

Item	June 30, 2025
Ordinary share	$129,761,443
Non-cumulative perpetual preferred shares and non-cumulative subordinated debts without maturity dates which comply with eligible Tier 1 capital	11,000,000
Other preferred shares and subordinated corporate bonds	17,200,000
Capital surplus	38,197,778
Legal reserve	20,556,406
Special reserve	468,184
Retained earnings	14,814,975
Equity adjustment	(2,256,457)
Less: Goodwill and other intangible assets	(938)
Less: Deferred assets	(7,557)
Less: Treasury shares	(89,298)
Total	$229,644,536

(15)Aggregate Disclosures according to Article 46 of Financial Holding Act

Details for the balance of credit, endorsements and other transactions to the same person as of June 30, 2026 were as follows:

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
a. To the same person or the same enterprise		
Central Bank	$581,916,369	81.60%
Taiwan Semiconductor Manufacturing Company Limited	183,058,239	25.67%
United States of America	182,238,841	25.55%
Government National Mortgage Association	130,951,542	18.36%
United Mexican States	71,601,099	10.04%
JPMorgan Chase Bank, N.A.	69,122,109	9.69%
Kingdom of Saudi Arabia	68,521,465	9.61%
Citigroup Inc.	68,293,439	9.58%
Hon Hai Precision Industry Co., Ltd.	55,893,054	7.84%
Barclays Bank PLC	52,423,898	7.35%
HSBC Holdings plc	48,601,717	6.81%
Republic of Indonesia	47,581,205	6.67%
The Goldman Sachs Group, Inc.	43,080,625	6.04%
Bank of Nova Scotia	42,937,353	6.02%
Chunghwa Telecom Co., Ltd.	41,509,648	5.82%
Bank of America Corporation	39,382,669	5.52%
Morgan Stanley Finance LLC	39,045,007	5.47%
AT&T Inc.	38,839,061	5.45%
Taiwan Power Company	35,910,763	5.04%
Électricité de France S.A.（EDF）	34,936,828	4.90%
Abu Dhabi Commercial Bank PJSC	34,724,745	4.87%
Verizon Communications Inc.	34,183,463	4.79%
Deutsche Bank AG	31,823,003	4.46%
Fubon Financial Holding Co., Ltd.	28,954,636	4.06%
Lloyds Bank plc	28,809,129	4.04%
Standard Chartered PLC	28,423,735	3.99%
Cathay Financial Holding Co., Ltd.	26,520,883	3.72%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
Bank of Montreal	$26,495,273	3.72%
Republic of Peru	25,496,817	3.58%
BNP Paribas S.A.	25,455,144	3.57%
Nomura International Funding Pte. Ltd.	24,741,799	3.47%
Natixis S.A.	24,684,230	3.46%
Morgan Stanley	23,091,098	3.24%
National Copper Corporation of Chile (Codelco)	22,537,707	3.16%
First Abu Dhabi Bank PJSC	22,301,816	3.13%
Crédit Agricole CIB	21,915,124	3.07%
United Arab Emirates	21,261,077	2.98%
UBS Group AG	20,433,154	2.87%
Commonwealth Bank of Australia	20,230,671	2.84%
Italian Republic	19,877,502	2.79%
Republic of Chile	19,216,120	2.69%
Barclays PLC	19,161,959	2.69%
First Commercial Bank, Ltd.	18,859,040	2.64%
Wells Fargo & Company	18,530,812	2.60%
Southern Copper Corp	18,173,028	2.55%
Tencent Holdings Ltd.	17,906,916	2.51%
Amazon.com, Inc.	17,807,946	2.50%
CTBC Financial Holding Co., Ltd.	17,267,697	2.42%
The Walt Disney Company	16,296,326	2.29%
Saudi Arabian Oil Company	16,267,431	2.28%
TC Energy Corporation	16,210,187	2.27%
Commonwealth of Australia	15,785,100	2.21%
Société Générale S.A.	15,735,999	2.21%
MediaTek Inc.	15,613,942	2.19%
CAPITAL BofA Merrill Lynch 10+ Year US Banking Index Exchange Traded Fund	14,995,121	2.10%
Wistron Corporation	14,977,469	2.10%
Royal Bank of Canada	14,805,762	2.08%
Russian Federation	14,785,096	2.07%
Comcast Corporation	14,736,463	2.07%
Quanta Computer Inc.	14,675,492	2.06%
National Australia Bank Limited	13,652,942	1.91%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
Taiwan Mobile Co., Ltd.	$13,330,844	1.87%
Halliburton Company	13,042,311	1.83%
MUFG Bank, Ltd.	12,936,082	1.81%
Far Eastern New Century Corporation	12,819,265	1.80%
UnitedHealth Group Incorporated	12,807,409	1.80%
CPC Corporation, Taiwan	12,786,077	1.79%
Far EasTone Telecommunications Co., Ltd.	12,515,817	1.75%
The Coca-Cola Company	12,230,262	1.71%
Westpac Banking Corporation	12,212,990	1.71%
Gilead Sciences, Inc.	12,175,738	1.71%
Suncor Energy Inc	11,618,977	1.63%
Malayan Banking Berhad (Maybank)	11,547,515	1.62%
State of Israel	11,448,496	1.61%
UBS	11,021,179	1.55%
CAPITAL ICE ESG 20+ Year BBB US Corporate ETF	11,001,888	1.54%
Walmart Inc.	10,961,995	1.54%
Apple Inc.	10,945,377	1.53%
Eli Lilly	10,675,610	1.50%
AUO Corporation	10,620,844	1.49%
Federal Electricity Commission	10,593,458	1.49%
Chailease Holding Company Limited	10,564,513	1.48%
Lloyds Banking Group plc	10,225,370	1.43%
Goldman Sachs International	10,059,885	1.41%
Uni-President Enterprises Corporation	9,926,988	1.39%
Coöperatieve Rabobank U.A.	9,906,182	1.39%
Anheuser-Busch InBev SA/NV	9,781,461	1.37%
The Kroger Co.	9,666,713	1.36%
Elevance Health, Inc.	9,630,701	1.35%
Yuanta Securities Co., Ltd.	9,583,417	1.34%
BPCE S.A.	9,537,446	1.34%
Mega Financial Holding Company Ltd.	9,483,701	1.33%
Cathay Life Insurance Co., Ltd.	9,412,673	1.32%
Citigroup Global Markets Holdings Inc.	9,330,014	1.31%
The Export-Import Bank of China	9,286,064	1.30%
CTBC Bank Co., Ltd.	9,143,085	1.28%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
Alphabet Inc.	$9,130,593	1.28%
Qatar National Bank (Q.P.S.C.)	9,058,785	1.27%
Southern Company	9,004,931	1.26%
CVS Health Corporation	8,966,542	1.26%
Macquarie Group Limited	8,937,818	1.25%
Delta Electronics, Inc.	8,607,267	1.21%
ASE Technology Holding Co., Ltd.	8,313,988	1.17%
Lien Jade Construction	8,237,553	1.16%
CTBC Banking Senior 10+ Year Bond ETF	8,121,723	1.14%
Republic of the Philippines	7,981,581	1.12%
Fubon Securities Co., Ltd.	7,893,465	1.11%
SMBC Aviation Capital Hong Kong 2 Limited	7,872,167	1.10%
E.SUN Commercial Bank, Ltd.	7,735,453	1.08%
Standard Chartered Bank	7,734,058	1.08%
Burlington Northern Santa Fe, LLC	7,618,700	1.07%
Synnex Technology International Corporation	7,600,793	1.07%
Ding Lyu Development Co., Ltd.	7,600,000	1.07%
Virginia Electric and Power Company	7,522,633	1.05%
Far Eastern International Bank	7,477,518	1.05%
KGI Financial Holding Co., Ltd.	7,463,193	1.05%
Biogen Inc.	7,453,792	1.05%
Phillips 66 Company	7,430,865	1.04%
KGI Bank	7,241,426	1.02%
Nan Ya Plastics Corporation	7,166,664	1.00%
Taishin Bloomberg US Corporate 20+ Years Single A Issuer & Sector Capped ETF	7,129,649	1.00%
Wiwynn Corporation	7,010,922	0.98%
United Parcel Service, Inc.	6,955,028	0.98%
Korea Development Bank (KDB)	6,815,329	0.96%
Fubon 9–35 Years US Corporate Bond A ETF	6,803,573	0.95%
Beijing Subway Operation Co., Ltd.	6,775,292	0.95%
Yageo Corporation	6,729,134	0.94%
Vanguard International Semiconductor Corporation	6,625,312	0.93%
KGI 10+Year Em Mkt USD Invmt Grd Bd ETF	6,609,558	0.93%
Japan	6,591,586	0.92%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
Yuanta Financial Holding Co., Ltd.	$6,357,967	0.89%
eBay Inc.	6,318,560	0.89%
Grupo Televisa, S.A.B.	6,268,971	0.88%
BERKSHIRE HATHAWAY FIN	6,190,564	0.87%
Yuanta US 20+ Year AAA–A Corporate Bond ETF	6,095,186	0.85%
Novartis Capital Corp	6,095,167	0.85%
Qisda Corporation	6,047,860	0.85%
Texas Instruments Incorporated	6,031,863	0.85%
Cathay BBB Corporate Bond ex China Coupon 4.5% 10Yr+ 20% Sector Capped ETF	5,933,267	0.83%
Caterpillar Inc.	5,878,669	0.82%
CTCI CORPORATION	5,867,514	0.82%
TSMC Global Ltd.	5,858,333	0.82%
UMC	5,839,897	0.82%
Cathay US Corp A–Above 10+ Yr ETF	5,726,292	0.80%
Winbond Electronics Corporation	5,703,141	0.80%
GlobalWafers Co., Ltd.	5,669,972	0.80%
MDGH GMTN RSC Ltd	5,657,321	0.79%
KGI 15+ Years AAA–A US Corporate Bond ETF	5,559,775	0.78%
Cathay United Bank	5,502,386	0.77%
Fubon Life Insurance Co., Ltd.	5,443,489	0.76%
Shuang Hsiang Yuan Development Ltd.	5,401,500	0.76%
Catcher Technology Co., Ltd.	5,399,361	0.76%
Capital ICE International 15+ Year US Emerging Markets External Sovereign ETF	5,374,779	0.75%
Abu Dhabi Commercial Bank PJSC	5,360,304	0.75%
Himax Technologies Inc	5,319,785	0.75%
Sumitomo Mitsui Financial Group, Inc.	5,305,185	0.74%
JPMorgan Chase Bank, N.A.	5,228,630	0.73%
Capital ICE International 15+ Year US Emerging Markets External Sovereign ETF	5,223,061	0.73%
Visa Inc.	5,216,172	0.73%
SinoPac Securities Corp.	5,172,370	0.73%
Yuan Lih Constructions Co., Ltd.	5,144,312	0.72%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
Capital Securities Corporation	$5,132,381	0.72%
Mega Securities Co., Ltd.	5,097,185	0.71%
State of Qatar	5,056,596	0.71%
Compal Electronics, Inc.	5,053,151	0.71%
Hotai Finance Co., Ltd.	5,008,327	0.70%
Amgen Inc.	4,994,491	0.70%
The Shanghai Commercial & Savings Bank, Ltd.	4,949,733	0.69%
Morgan Stanley International plc	4,937,399	0.69%
Pfizer Investment Enterprises	4,929,295	0.69%
Reliance Industries Limited	4,901,133	0.69%
KGI 20+ Years US Banking Bond ETF	4,869,922	0.68%
SinoPac Bank	4,854,567	0.68%
Super Micro Computer, Inc.	4,771,699	0.67%
Formosa Plastics Corporation	4,618,223	0.65%
Capital BofA Merrill Lynch 15+ Year US Telecommunications Index ETF	4,573,777	0.64%
Garuda Technology Co., Ltd.	4,550,000	0.64%
Crédit Agricole	4,549,230	0.64%
The Hongkong and Shanghai Banking Corporation Limited	4,543,721	0.64%
Mercuries Life Insurance Co., Ltd.	4,505,963	0.63%
Chuan Wei Investment Co., Ltd.	4,500,000	0.63%
Vodafone Group Public Limited Company	4,477,731	0.63%
National Westminster Bank Plc	4,442,174	0.62%
Taipei Fubon Commercial Bank Co., Ltd.	4,411,964	0.62%
TCC Group Holdings Co., Ltd.	4,403,262	0.62%
Roche Holdings, Inc.	4,370,426	0.61%
KLA Corporation	4,370,065	0.61%
Fuh Hwa US Treasury 20+ Year ETF	4,363,878	0.61%
Yuanta Bank	4,351,209	0.61%
Cathay EM USD Investment Grade ex China Coupon 5.5% 5Yr+ 10% Country Cap ETF	4,350,515	0.61%
Fomento Economico Mexicano SAB de CV	4,322,829	0.61%
Fubon Bloomberg 10+ Year BBB USD Corporate Bond ETF	4,260,834	0.60%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
IBF Securities Co., Ltd.	$4,255,156	0.60%
Shinhan Bank	4,232,643	0.59%
NVIDIA Corporation	4,177,190	0.59%
Johnson & Johnson	4,044,346	0.57%
Yuanta US 20+ Year BBB Corporate Bond ETF	4,008,460	0.56%
Labor Retirement Reserve Fund	4,000,000	0.56%
Billion Sharp International Limited	3,995,960	0.56%
Microsoft Corporation	3,964,688	0.56%
HSBC Continental Europe	3,962,830	0.56%
CSBC Corporation, Taiwan	3,950,745	0.55%
Yuanta U.S. Treasury 20+ Year Bond ETF	3,943,504	0.55%
The Home Depot, Inc.	3,935,473	0.55%
China Steel Corporation	3,926,901	0.55%
Bristol-Myers Squibb Company	3,867,584	0.54%
Sumitomo Mitsui Trust Bank, Limited	3,847,388	0.54%
Credit Industriel et Commercial	3,845,227	0.54%
Fannie Mae (Federal National Mortgage Association)	3,786,247	0.53%
GE Vernova Inc.	3,755,728	0.53%
Manulife Financial Corporation	3,747,588	0.53%
TSMC Arizona Corporation	3,740,659	0.52%
HSBC Bank (Taiwan) Limited	3,732,173	0.52%
Highwealth Construction Corp.	3,730,711	0.52%
ING Bank N.V.	3,690,444	0.52%
Mitsubishi UFJ Financial Group, Inc.	3,680,772	0.52%
First Financial Holding Co., Ltd.	3,675,389	0.52%
Sun Ray Company Ltd.	3,631,470	0.51%
KGI 10+ Year USD A-Rated Corporate Bond ETF	3,610,365	0.51%
KGI Securities Co., Ltd.	3,593,885	0.50%
Ford Motor Company	3,577,839	0.50%
WT Microelectronics Co., Ltd.	3,568,535	0.50%
Formosa Steel IB Pty Ltd	3,567,760	0.50%
KEB Hana Bank	3,563,667	0.50%
Canadian Imperial Bank of Commerce	3,543,473	0.50%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
CTBC 10+ Year High Grade USD Corporate Bond ETF	$3,535,126	0.50%
Din An Co., Ltd.	3,531,542	0.50%
PCB Technologies Inc.	3,505,897	0.49%
State Bank of India	3,504,050	0.49%
Alibaba Group Holding Limited	3,495,896	0.49%
The Government of the Hong Kong Special Administrative Region	3,488,233	0.49%
Formosa Chemicals and Fibre Corporation	3,462,011	0.49%
The Export–Import Bank of Korea	3,442,566	0.48%
People's Republic of China	3,433,615	0.48%
Cisco Systems, Inc.	3,432,117	0.48%
Enbridge Inc	3,419,990	0.48%
Constellation Energy Generation, LLC	3,364,809	0.47%
Hui Hong Investment Co., Ltd.	3,330,000	0.47%
Yageo Investment Co., Ltd.	3,329,763	0.47%
PepsiCo, Inc.	3,320,735	0.47%
Mizuho Bank, Ltd.	3,315,586	0.46%
Avision Ojiang Co., Ltd.	3,311,400	0.46%
First Securities Inc.	3,300,838	0.46%
Eaton Corporation plc	3,283,816	0.46%
King's Town Construction Co., Ltd.	3,273,250	0.46%
Ingrasys Technology Inc.	3,270,000	0.46%
Ching Cheng Construction Co., Ltd.	3,244,400	0.45%
BP p.l.c.	3,233,768	0.45%
Novatek Microelectronics Corp.	3,211,015	0.45%
Phison Electronics Corp.	3,209,731	0.45%
Chen Yan Construction Co., Ltd.	3,197,400	0.45%
CIMB Bank	3,185,500	0.45%
Emerald Maritime Shipping Co., Ltd.	3,153,594	0.44%
Japan Advanced Semiconductor Manufacturing Inc	3,141,232	0.44%
Fu Yu Construction Co., Ltd.	3,130,000	0.44%
Cathay Real Estate Develpoment Co., Ltd.	3,117,000	0.44%
Jun Hwa Textile Co., Ltd.	3,095,000	0.43%
Evergreen Marine Asia Pte. Ltd.	3,026,225	0.42%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
The Saudi National Bank	$3,026,225	0.42%
Yuanta Securities Finance Co., Ltd.	3,024,190	0.42%
Mastercard Incorporated	3,023,532	0.42%
Unimicron Technology Corporation	3,019,613	0.42%
Total	$3,944,571,812	
b.To the same person and spouse, the relative within the second degree and the person or the spouse's enterprise		
Individual A	$56,534,134	7.93%
Individual B	33,415,487	4.69%
Individual C	30,192,106	4.23%
Individual D	26,520,883	3.72%
Individual E	23,265,477	3.26%
Individual F	17,267,697	2.42%
Individual G	15,613,942	2.19%
Individual H	14,977,469	2.10%
Individual I	14,675,492	2.06%
Individual J	13,827,844	1.94%
Individual K	12,786,077	1.79%
Individual L	12,665,401	1.78%
Individual M	10,875,007	1.52%
Individual N	10,695,270	1.50%
Individual O	10,620,844	1.49%
Individual P	9,938,035	1.39%
Individual Q	9,583,417	1.34%
Individual R	9,190,773	1.29%
Individual S	8,132,696	1.14%
Individual T	7,970,560	1.12%
Individual U	7,893,465	1.11%
Individual V	7,843,888	1.10%
Individual W	7,643,086	1.07%
Individual X	7,609,038	1.07%
Individual Y	7,600,793	1.07%
Individual Z	7,463,193	1.05%
Individual AA	7,010,922	0.98%
Individual AB	6,664,365	0.93%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
Individual AC	$6,625,312	0.93%
Individual AD	6,610,149	0.93%
Individual AE	6,357,967	0.89%
Individual AF	6,033,500	0.85%
Individual AG	5,867,514	0.82%
Individual AH	5,399,361	0.76%
Individual AI	5,334,659	0.75%
Individual AJ	5,303,858	0.74%
Individual AK	5,172,370	0.73%
Individual AL	5,132,381	0.72%
Individual AM	5,097,185	0.71%
Individual AN	5,042,520	0.71%
Individual AO	4,991,501	0.70%
Individual AP	4,925,051	0.69%
Individual AQ	4,680,000	0.66%
Individual AR	4,618,223	0.65%
Individual AS	4,550,000	0.64%
Individual AT	4,505,963	0.63%
Individual AU	4,500,000	0.63%
Individual AV	4,403,262	0.62%
Individual AW	4,331,450	0.61%
Individual AX	4,255,156	0.60%
Individual AY	4,221,201	0.59%
Individual AZ	4,213,053	0.59%
Individual BA	4,202,684	0.59%
Individual BB	4,135,795	0.58%
Individual BC	3,973,250	0.56%
Individual BD	3,950,745	0.55%
Individual BE	3,949,624	0.55%
Individual BF	3,941,420	0.55%
Individual BG	3,766,155	0.53%
Individual BH	3,732,173	0.52%
Individual BI	3,730,711	0.52%
Individual BJ	3,607,455	0.51%
Individual BK	3,605,159	0.51%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
Individual BL	$3,593,885	0.50%
Individual BM	3,508,369	0.49%
Individual BN	3,462,387	0.49%
Individual BO	3,462,011	0.49%
Individual BP	3,374,979	0.47%
Individual BQ	3,342,532	0.47%
Individual BR	3,341,011	0.47%
Individual BS	3,320,638	0.47%
Individual BT	3,311,400	0.46%
Individual BU	3,300,838	0.46%
Individual BV	3,270,000	0.46%
Individual BW	3,229,311	0.45%
Individual BX	3,209,731	0.45%
Individual BY	3,141,232	0.44%
Individual BZ	3,130,000	0.44%
Individual CA	3,128,404	0.44%
Individual CB	3,059,355	0.43%
Individual CC	3,026,225	0.42%
Individual CD	3,024,190	0.42%
Total	$635,480,662	
To the same related party enterprise		
Republic of China	$591,202,433	82.90%
United States of America (USA) and its State-Owned Enterprises	321,313,429	45.05%
Taiwan Semiconductor Manufacturing Company, Limited	203,114,000	28.48%
Kingdom of Saudi Arabia and its State-Owned Enterprises	89,407,871	12.54%
United Mexican States and its State-Owned Enterprises	82,194,557	11.53%
Hon Hai Technology Group	82,001,514	11.50%
Citigroup Inc.	78,191,141	10.96%
JPMorgan Chase & Co.	76,818,431	10.77%
Barclays PLC	71,585,857	10.04%
Morgan Stanley	68,796,336	9.65%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
HSBC Holdings plc	$63,678,646	8.93%
Fubon Financial Holding Co., Ltd.	63,457,351	8.90%
United Arab Emirates and its State-Owned Enterprises	58,405,291	8.19%
The Goldman Sachs Group, Inc.	52,777,462	7.40%
Republic of Indonesia and its State-Owned Enterprises	51,665,016	7.24%
Cathay Financial Holding Co., Ltd.	48,573,397	6.81%
Republic of Chile and its State-Owned Enterprises	48,529,119	6.80%
Far Eastern New Century Corporation	45,135,440	6.33%
The Bank of Nova Scotia	43,127,137	6.05%
Chunghwa Telecom Co., Ltd.	42,660,588	5.98%
Bank of America Corporation	42,188,344	5.92%
Lloyds Banking Group plc	39,512,324	5.54%
Taiwan Power Company	36,274,500	5.09%
Groupe BPCE	35,490,366	4.98%
Standard Chartered PLC	35,091,825	4.92%
UBS Group AG	31,454,333	4.41%
CTBC Financial Holding Co., Ltd.	43,866,486	6.15%
KGI Financial Holding Co., Ltd.	28,278,631	3.97%
Crédit Agricole S.A.	26,599,390	3.73%
First Financial Holding Co., Ltd.	26,537,721	3.72%
BNP Paribas S.A.	25,643,331	3.60%
Nomura Holdings, Inc.	24,723,151	3.47%
Yuanta Financial Holding Co., Ltd.	23,401,482	3.28%
Qisda Corporation	22,856,282	3.20%
Wistron Corporation	22,129,444	3.10%
Commonwealth Bank of Australia	20,992,006	2.94%
Walsin Lihwa Corporation	20,459,826	2.87%
Wells Fargo & Company	20,357,718	2.85%
Formosa Plastics Group	19,298,650	2.71%
Republic of Korea and its State-Owned Enterprises	18,963,210	2.66%
Société Générale S.A.	18,436,456	2.59%
Ruentex Group	18,106,117	2.54%
Chailease Holding Company Limited	17,842,465	2.50%
SinoPac Financial Holdings Company Limited	17,620,470	2.47%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
Mitsubishi UFJ Financial Group, Inc.	$16,700,473	2.34%
State of Qatar and its State-Owned Enterprises	16,504,507	2.31%
National Australia Bank Limited	16,497,243	2.31%
The Walt Disney Company	16,461,476	2.31%
Commonwealth of Australia	16,002,354	2.24%
MediaTek Inc.	15,983,465	2.24%
Emirate of Abu Dhabi, United Arab Emirates and its State-Owned Enterprises	15,330,086	2.15%
Royal Bank of Canada	15,192,411	2.13%
Mega Financial Holding Co., Ltd.	15,189,516	2.13%
Quanta Computer Inc.	15,077,164	2.11%
Russian Federation and its State-Owned Enterprises	14,953,113	2.10%
Comcast Corporation	14,863,760	2.08%
Westpac Banking Corporation	14,462,042	2.03%
Berkshire Hathaway Inc.	14,154,098	1.98%
Anheuser-Busch InBev SA/NV	13,668,567	1.92%
Uni-President Enterprises Corporation	13,638,226	1.91%
CPC Corporation, Taiwan	13,609,998	1.91%
Ting Hsin International Group	12,811,680	1.80%
E.SUN Financial Holding Co., Ltd.	12,697,103	1.78%
Yung Hsuan Co., Ltd.	12,331,107	1.73%
Southern Group	11,272,023	1.58%
Yulon Motor Co., Ltd.	11,088,226	1.55%
ASE Technology Holding Co., Ltd.	11,012,729	1.54%
The Government of the People's Republic of China and its State-Owned Enterprises	10,977,466	1.54%
Lien Hwa Industrial Holdings Corporation	10,915,582	1.53%
Republic of India and its State-Owned Enterprises	10,496,489	1.47%
Macquarie Group Limited	9,448,243	1.32%
CVS Health Corporation	9,036,376	1.27%
UMC	8,992,916	1.26%
Kinpo Electronics, Inc.	8,964,145	1.26%
Capital Financial Holdings Co., Ltd.	8,663,114	1.21%
WPG Holdings Limited	8,622,046	1.21%
Hotai Motor Co., Ltd.	8,542,696	1.20%
Phillips 66 Company	8,469,074	1.19%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
Maw Der Property Development Co., Ltd.	$8,356,843	1.17%
Sumitomo Mitsui Finance and Leasing Company, Limited	8,213,351	1.15%
Taiwan Cooperative Financial Holding Co., Ltd.	8,005,826	1.12%
International Bills Financial Holding Co., Ltd.	7,701,229	1.08%
Sumitomo Mitsui Financial Group, Inc.	7,668,595	1.08%
China Steel Corporation	7,507,273	1.05%
Kings Group	7,321,250	1.03%
NatWest Group plc	7,289,334	1.02%
CSBC Corporation, Taiwan	7,135,509	1.00%
Yageo Corporation	7,076,989	0.99%
Reliance Industries Limited	7,035,418	0.99%
Highwealth Construction Corp.	6,749,605	0.95%
CTCI Corporation	6,480,019	0.91%
Australia and New Zealand Banking Group Limited	6,204,046	0.87%
Mercuries & Associates Holding, Ltd.	6,197,682	0.87%
Pfizer Inc.	6,151,215	0.86%
Shinhan Financial Group Co., Ltd.	5,978,597	0.84%
Sino-American Silicon Products Inc.	5,810,018	0.81%
Evergreen Marine Corp. (Taiwan) Ltd.	5,612,963	0.79%
TCC Group Holdings	5,540,780	0.78%
Twin Parks Development Co., Ltd.	5,484,753	0.77%
Mizuho Financial Group, Inc.	5,434,484	0.76%
Catcher Technology Co., Ltd.	5,409,559	0.76%
Enbridge Inc.	5,312,347	0.74%
The Government of the Hong Kong Special Administrative Region and its State-Owned Enterprises	5,228,879	0.73%
China Metal Products Co., Ltd. (CMP Group)	5,224,501	0.73%
The Shanghai Commercial & Savings Bank, Ltd.	5,160,446	0.72%
Macro International Co., Ltd.	4,906,550	0.69%
Caisse Fédérale de Crédit Mutuel	4,898,889	0.69%

Transaction Party	Credit, Endorsement and Other Transaction	As Proportion of Financial Holding's Net Worth
WT Microelectronics Co., Ltd.	$4,849,825	0.68%
Foxlink Group	4,610,068	0.65%
CK Hutchison Holdings Limited	4,475,618	0.63%
Republic of Singapore and its State-Owned Enterprises	4,467,156	0.63%
Tehco Group	4,273,105	0.60%
Sanyang Motor Co., Ltd.	4,231,787	0.59%
Johnson & Johnson	4,205,460	0.59%
Shin Ruenn Development Co., Ltd.	4,174,420	0.59%
Formosa Resources Corporation	4,141,150	0.58%
Yung Pei Enterprise Co., Ltd	4,129,307	0.58%
Tai-Yuan Group	4,096,233	0.57%
Huang Hsiang Construction Corporation	3,839,092	0.54%
Kwang Yang Motor Co., Ltd.	3,787,923	0.53%
Ørsted A/S	3,776,930	0.53%
ING Groep N.V.	3,706,334	0.52%
Pegatron Corporation	3,655,065	0.51%
Top Frontier Investment Holdings, Inc.	3,615,543	0.51%
SoftBank Group Corp.	3,556,110	0.50%
Ta Ya Electric Wire & Cable Co., Ltd.	3,550,054	0.50%
Acer	3,532,775	0.50%
Avision Inc.	3,438,400	0.48%
ASUSTeK Computer Inc.	3,433,378	0.48%
Golden East Trading Co., Ltd.	3,257,129	0.46%
O-Bank Co., Ltd.	3,211,238	0.45%
TSRC Corporation	3,145,502	0.44%
Supreme Electronics Co., Ltd.	3,121,495	0.44%
China Man-Made Fiber Corporation	3,105,022	0.44%
Shin Kong Security Co., Ltd.	3,091,619	0.43%
Total	$3,542,963,751	

(16)Financial information by business segments

For the six months ended June 30, 2026					
Item	Bank business	Securities business	Insurance business	Other business	Consolidated
Net interest income	$28,736,303	$320,847	$58,805,421	$(1,197,940)	$86,664,631
Net income other than net interest income	14,319,741	14,128,439	(19,039,257)	1,570,292	10,979,215
Net revenue and gains	43,056,044	14,449,286	39,766,164	372,352	97,643,846
Reversal of bad debts expenses and guarantee liabilities (provision)	(3,257,508)	(31,775)	(7,934)	(151)	(3,297,368)
Other insurance service costs	-	-	(9,500,172)	-	(9,500,172)
Operating expenses	(20,408,905)	(6,425,137)	(4,501,639)	(2,047,113)	(33,382,794)
Income before income tax	19,389,631	7,992,374	25,756,419	(1,674,912)	51,463,512
Income tax (expense) benefit	(3,377,680)	(743,463)	(4,204,181)	695,071	(7,630,253)
Income (loss) after income tax	16,011,951	7,248,911	21,552,238	(979,841)	43,833,259

For the six months ended June 30, 2025					
Item	Bank business	Securities business	Insurance business	Other business	Consolidated
Net interest income	$16,042,844	$174,709	$3,673,750	$(922,337)	$18,968,966
Net income other than net interest income	10,787,206	1,983,278	(9,038,323)	(398,165)	3,333,996
Net revenue and gains	26,830,050	2,157,987	(5,364,573)	(1,320,502)	22,302,962
Reversal of bad debts expenses and guarantee liabilities (provision)	(1,179,646)	20	-	-	(1,179,626)
Net changes in insurance liability reserve	-	-	(292,603)	-	(292,603)
Operating expenses	(14,986,048)	(1,480,889)	(1,073,769)	(895,408)	(18,436,114)
Income before income tax	10,664,356	677,118	(6,730,945)	(2,215,910)	2,394,619
Income tax (expense) benefit	(2,235,124)	(138,788)	1,911,867	(13,994)	(476,039)
Income (loss) after income tax	8,429,232	538,330	(4,819,078)	(2,229,904)	1,918,580

(17)Financial statements of TS Financial Holding

TS FINANCIAL HOLDING CO., LTD.
(Formerly Named Taishin Financial Holding Co., Ltd.)
BALANCE SHEETS (STANDALONE)
AS OF JUNE 30, 2026 AND 2025
(In thousands of New Taiwan Dollars)

Assets	June 30, 2026	December 31, 2025 (restated)	June 30, 2025 (restated)	January 1, 2025 (restated)	Liabilities and Equity	June 30, 2026	December 31, 2025 (restated)	June 30, 2025 (restated)	January 1, 2025 (restated)
Cash and cash equivalents	$23,022,137	$21,457,626	$22,482,940	$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	7,202,264	6,137,118	5,612,201	10,271,040	Commercial papers issued, net	3,293,779	24,457,409	-	12,026,865
Securities purchased under resell agreements	200,000	-	150,000	550,000	Payables	40,480,240	12,912,375	24,893,523	893,564
Receivables, net	12,882,993	4,542,362	4,300,629	1,196,277	Current tax liabilities	11,146,477	5,473,263	5,545,113	2,146,710
Current tax assets	1,516,001	1,516,552	-	-	Bonds payable	34,266,652	34,245,422	29,300,000	36,233,272
Investments accounted for using equity method	786,331,652	585,861,115	280,414,283	297,102,036	Preferred stock liabilities	28,834,004	28,322,642	-	-
Property and equipment, net	24,804	29,282	11,766	13,062	Provisions	30,162	29,220	-	-
Right-of-use assets, net	35,216	743	3,035	6,069	Lease liabilities	34,732	1,277	4,152	7,260
Intangible assets, net	938	938	938	938	Other liabilities	1	1	-	-
Other assets, net	32,171	32,769	53,423	24,288	Total liabilities	118,086,047	105,441,609	59,742,788	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
					Stock Dividends Payable	2,486,628	-	-	-
					Capital surplus	133,732,478	133,732,478	38,197,778	38,197,778
					Retained earnings				
					Legal reserve	24,397,878	20,556,406	20,556,406	18,439,029
					Special reserve	393,716	468,184	468,184	1,146,190
					Unappropriated earnings	174,063,918	107,505,629	56,312,493	80,320,296
					Other equity	115,566,137	(10,647,175)	(2,920,579)	267,009
					Treasury shares	(89,298)	(89,298)	(89,298)	(89,298)
					Total equity	713,162,129	514,136,896	253,286,427	279,042,447
Total assets	$831,248,176	$619,578,505	$313,029,215	$330,477,900	Total liabilities and equity	$831,248,176	$619,578,505	$313,029,215	$330,477,900

TS FINANCIAL HOLDING CO., LTD.
(Formerly Named Taishin Financial Holding Co., Ltd.)
STATEMENTS OF COMPREHENSIVE INCOME (STANDALONE)
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(In thousands of New Taiwan Dollars)

	For the six months ended June 30, 2026	For the six months ended June 30, 2025 (restated)
Revenues		
Share of profit of subsidiaries and associates accounted for using equity method	$45,145,812	$2,256,219
Interest income	176,017	185,795
Gains on financial assets or liabilities measured at FVTPL	-	120,164
Other miscellaneous revenue	127,023	48,931
Total income	45,448,852	2,611,109
Expenses and losses		
Operating expense	(1,170,770)	(427,724)
Interest expense	(1,238,606)	(364,059)
Exchange losses	(16)	-
Total expenses and losses	(2,409,392)	(791,783)
Income before income tax	43,039,460	1,819,326
Income tax benefit	757,209	100,122
Net income	43,796,669	1,919,448
Other comprehensive income (loss)		
Items that will not be reclassified subsequently to profit or loss		
Revaluation gains (losses) on investments in equity instruments measured at FVTOCI	108,887,672	111,477
Share of other comprehensive income (loss) of associates accounted for using equity method	1,065,147	(1,014,353)
Items that will be reclassified subsequently to profit or loss		
Share of other comprehensive income (loss) of associate accounted for using equity method	46,052,620	(2,412,651)
Other comprehensive income (loss) for the period, net of tax	156,005,439	(3,315,527)
Total comprehensive income (loss)	$199,802,108	$(1,396,079)
Earnings per share (NT$)		
Basic	$1.69	$0.07
Diluted	$1.69	$0.07

TS FINANCIAL HOLDING CO., LTD.
(Formerly Named Taishin Financial Holding Co., Ltd.)
STATEMENTS OF CHANGES IN EQUITY (STANDALONE)
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(In thousands of New Taiwan Dollars)

	Share capital			Capital surplus				Retained earnings			Other equity								
	Ordinary shares	Preferred shares	Stock dividends payable	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 retrospective restatement	-	-	-	-	-	-	-	-	-	49,801,282	-	(124,652)	-	-	1,567,830	-	(1,059,722)	-	50,184,738
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)	(1,224,092)	22,145	-	1,567,830	-	-	(89,298)	279,042,447
Appropriation of 2024 earnings																			
Legal reserve appropriated	-	-	-	-	-	-	-	2,117,377	-	(2,117,377)	-	-	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	-	-	-	-	-	(22,379,759)	-	-	-	-	-	-	-	-	(22,379,759)
Cash dividends of preferred shares	-	-	-	-	-	-	-	-	-	(1,980,182)	-	-	-	-	-	-	-	-	(1,980,182)
Reversal of the special reserve	-	-	-	-	-	-	-	-	(678,006)	678,006	-	-	-	-	-	-	-	-	-
Net income for the six months ended June 30, 2025 (restated)	-	-	-	-	-	-	-	-	-	1,919,448	-	-	-	-	-	-	-	-	1,919,448
Other comprehensive income (loss) for the six months ended June 30, 2025, net of tax (restated)	-	-	-	-	-	-	-	-	-	-	(218,454)	944,925	452	-	(3,958,834)	(83,616)	-	-	(3,315,527)
Total comprehensive income (loss) for the six months ended June 30, 2025 (restated)	-	-	-	-	-	-	-	-	-	1,919,448	(218,454)	944,925	452	-	(3,958,834)	(83,616)	-	-	(1,396,079)
Disposal of investments in equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	-	(127,939)	-	127,939	-	-	-	-	-	-	-
Balance at June 30, 2025 (restated)	$129,761,443	$11,000,000	$-	$36,066,458	$2,075,475	$52,632	$3,213	$20,556,406	$468,184	$56,312,493	$(317,328)	$(151,228)	$22,597	$-	$(2,391,004)	$(83,616)	$-	$(89,298)	$253,286,427
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	$107,505,629	$18,995	$24,931,165	$(47,852)	$4	$(35,275,093)	$(274,394)	$-	$(89,298)	$514,136,896
Effects of retrospective application and restatement	-	-	-	-	-	-	-	-	-	1,626,804	-	24,991,235	-	-	-	-	-	-	26,618,039
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	109,132,433	18,995	49,922,400	(47,852)	4	(35,275,093)	(274,394)	-	(89,298)	540,754,935
Appropriation of 2025 earnings																			
Legal reserve appropriated	-	-	-	-	-	-	-	3,841,472	-	(3,841,472)	-	-	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	-	-	-	-	-	(24,866,277)	-	-	-	-	-	-	-	-	(24,866,277)
Cash dividends of preferred shares	-	-	-	-	-	-	-	-	-	(2,513,880)	-	-	-	-	-	-	-	-	(2,513,880)
Cash dividends of ordinary shares	-	-	2,486,628	-	-	-	-	-	-	(2,486,628)	-	-	-	-	-	-	-	-	-
Reversal of the special reserve	-	-	-	-	-	-	-	-	(74,468)	74,468	-	-	-	-	-	-	-	-	-
Net income for the six months ended June 30, 2026	-	-	-	-	-	-	-	-	-	43,796,669	-	-	-	-	-	-	-	-	43,796,669
Other comprehensive income (loss) for the six months ended June 30, 2026, net of tax	-	-	-	-	-	-	-	-	-	(68,915)	111,333	87,171,212	(33,524)	(419)	68,329,055	496,697	-	-	156,005,439
Total comprehensive income (loss) for the six months ended June 30, 2026	-	-	-	-	-	-	-	-	-	43,727,754	111,333	87,171,212	(33,524)	(419)	68,329,055	496,697	-	-	199,802,108
Organizational Restructuring	-	-	-	-	-	-	-	-	-	-	(14,757)	-	-	-	-	-	-	-	(14,757)
Disposal of investments in equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	-	54,837,520	-	(54,837,520)	-	-	-	-	-	-	-
Balance at June 30, 2026	$248,663,992	$13,946,680	$2,486,628	$131,601,158	$2,075,475	$52,632	$3,213	$24,397,878	$393,716	$174,063,918	$115,571	$82,256,092	$(81,376)	$(415)	$33,053,962	$222,303	$-	$(89,298)	$713,162,129

TS FINANCIAL HOLDING CO., LTD.
(Formerly Named Taishin Financial Holding Co., Ltd.)
STATEMENTS OF CASH FLOWS (STANDALONE)
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(In thousands of New Taiwan Dollars)

	For the six months ended June 30, 2026	For the six months ended June 30, 2025 (restated)
Cash flows from operating activities		
Net income before income tax	$43,039,460	$1,819,326
Adjustments:		
Adjustments for reconciliation of profit or loss		
Depreciation expenses	11,819	4,448
Amortization expenses	1,183	1,316
Net gain on financial assets or liabilities measured at FVTPL	-	(120,164)
Interest expense	1,238,606	364,059
Interest income	(176,017)	(185,795)
Share of profit of subsidiaries and associates accounted for using equity method	(45,145,812)	(2,256,219)
Changes in operating assets and liabilities		
Decrease in financial assets measured at FVTOCI	-	529,919
Decrease in receivables	4,082,809	198,584
Increase in other assets	(151)	(30,451)
Decrease in payables	(195,745)	(243,831)
Cash (used in) generated from operations	2,856,152	81,192
Interest received	175,726	198,059
Dividends received	23,566,563	15,517,726
Interest paid	(382,361)	(280,651)
Income tax refund (paid)	(3,243,719)	12,650
Net cash generated from operating activities	22,972,361	15,528,976
Cash flows from investing activities		
Acquisition of property and equipment	(200)	(118)
Net cash flows used in investing activities	(200)	(118)
Cash flows from financing activities		
Increase in commercial papers payable	33,400,000	-
Decrease in commercial papers payable	(54,600,000)	(12,050,000)
Repayment of Corporate Bonds	-	(2,707,000)
Payments of lease liabilities	(7,650)	(3,108)
Net cash generated from (used in) financing activities	(21,207,650)	(14,760,108)
Net increase in cash and cash equivalents	1,764,511	768,750
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	$23,222,137	$22,632,940
Cash and cash equivalents in consolidated balance sheets	$23,022,137	$22,482,940
Securities purchased under resell agreements qualifying as cash and cash equivalents under the definition of IAS 7	200,000	150,000
Cash and cash equivalents at the end of the period	$23,222,137	$22,632,940

(18)Profitability of TS Financial Holding (standalone and consolidated)

The Company

Item		For the six months ended June 30, 2026	For the six months ended June 30, 2025
Return on total assets	Pretax	5.93%	0.57%
	After tax	6.04%	0.60%
Return on net equity	Pretax	7.01%	0.68%
	After tax	7.14%	0.72%
Return on net equity ordinary share	Pretax	7.54%	0.71%
	After tax	7.68%	0.75%
Profit margin		96.36%	73.51%

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 June 30 of 2026 and 2025.

Note e: Return on net equity - ordinary share = $\frac{\text{Income before (after) tax}}{\text{Average net equity - ordinary share}}$

The Group

Item		For the six months ended June 30, 2026	For the six months ended June 30, 2025
Return on total assets	Pretax	0.57%	0.07%
	After tax	0.49%	0.06%
Return on net equity	Pretax	8.38%	0.90%
	After tax	7.14%	0.72%
Return on net equity ordinary share	Pretax	9.06%	0.94%
	After tax	7.68%	0.75%
Profit margin		44.89%	8.60%

Note a: Return on total assets = Income before (after) tax / Average assets

Note b: Return on net equity = Income before (after) tax / Average net equity

Note c: Profit margin = Income after tax / Net revenue and gains

Note d: Return on net equity - ordinary share = Income before (after) tax (of the parent company's shareholders) / Average net equity - ordinary share

Note e: Profitability presented above is cumulative from January 1 to June 30 of 2026 and 2025.

(19) Condensed balance sheets and statements of comprehensive income and important financial notes of subsidiaries

A. Taishin Bank

(a) Balance sheets (standalone)

	June 30, 2026	June 30, 2025
Assets		
Cash and cash equivalents	$23,651,405	$22,174,967
Due from Central Bank and call loans to banks	153,947,849	109,928,109
Financial assets at fair value through profit or loss	173,565,624	150,673,539
Financial assets at fair value through other comprehensive income	192,291,574	166,957,686
Investments in debt instruments at amortized cost	570,003,460	543,742,619
Receivables, net	174,356,502	118,727,412
Loans, net	1,992,245,347	1,776,981,118
Investments accounted for using equity method	5,765,902	4,624,268
Other financial assets, net	9,329,894	7,453,809
Property and equipment, net	20,096,586	20,411,062
Right-of-use assets, net	2,361,552	2,284,719
Intangible assets, net	2,449,495	2,654,013
Deferred tax assets	1,900,201	2,840,355
Other assets, net	22,888,353	19,969,431
Total assets	$3,344,853,744	$2,949,423,107

	June 30, 2026	June 30, 2025
Liabilities		
Deposits from the Central Bank and banks	$17,068,433	$27,348,108
Financial liabilities at fair value through profit or loss	39,611,325	71,746,922
Securities sold under repurchase agreements	93,297,177	48,700,534
Payables	32,858,849	32,004,008
Current tax liabilities	1,966,018	3,777,437
Deposits and remittances	2,807,633,461	2,420,755,818
Bank notes payable	20,050,000	20,750,000
Other financial liabilities	105,658,700	97,264,768
Provisions	1,561,616	1,341,753
Lease liabilities	2,453,233	2,364,262
Deferred tax liabilities	66,014	89,597
Other liabilities	7,808,978	21,976,609
Total liabilities	3,130,033,804	2,748,119,816
Equity		
Share capital	122,991,646	122,991,646
Capital surplus	30,108,236	30,185,537
Retained earnings	58,729,994	49,114,895
Other equity	2,990,064	(988,787)
Total equity	214,819,940	201,303,291
Total liabilities and equity	$3,344,853,744	$2,949,423,107

(b) Statements of comprehensive income (standalone)

	For the six months ended June 30	
	2026	2025
Interest income	$42,963,729	$38,979,227
Interest expense	(23,518,310)	(23,761,833)
Net interest income	19,445,419	15,217,394
Net income other than net interest income	14,125,577	12,450,096
Net revenue and gains	33,570,996	27,667,490
Bad debts expenses, commitment and guarantee liability provisions	(2,345,301)	(957,016)
Operating expenses	(16,467,643)	(14,637,869)
Income before income tax	14,758,052	12,072,605
Income tax expense	(2,359,972)	(2,217,900)
Net income	12,398,080	9,854,705
Other comprehensive income	5,008,594	841,818
Total comprehensive income	$17,406,674	$10,696,523
Basic earnings per share (NT$)	$1.01	$0.80
Diluted earnings per share (NT$)	$1.01	$0.80

(c) Key financial and business highlights

i. Profitability

Item		For the six months ended June 30, 2026	For the six months ended June 30, 2025
Return on total assets	Pretax	0.47%	0.42%
	After tax	0.39%	0.34%
Return on net equity	Pretax	6.87%	5.96%
	After tax	5.77%	4.86%
Profit margin		36.93%	35.62%

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 June 30 of 2026 and 2025.

ii. Asset quality

Non-performing loans and receivables

Item / Business type			June 30, 2026					June 30, 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		$791,851	$457,944,894	0.17%	$4,564,727	576.46%	$498,703	$365,335,394	0.14%	$3,878,611	777.74%
	Unsecured		141,924	525,859,375	0.03%	7,581,003	5341.59%	108,933	486,769,804	0.02%	6,789,016	6,232.29%
Consumer finance	Mortgage loans (Note d)		335,140	426,068,743	0.08%	6,378,691	1903.29%	448,703	415,959,949	0.11%	6,231,397	1,388.76%
	Cash cards		309	61,105	0.51%	24,222	7838.83%	916	96,168	0.95%	27,874	3,043.01%
	Credit loans (Note e)		371,319	134,041,360	0.28%	1,512,696	407.38%	391,238	113,881,680	0.34%	1,301,327	332.62%
	Others (Note f)	Secured	1,067,252	456,127,566	0.23%	4,770,408	446.98%	1,003,397	407,768,097	0.25%	4,280,558	426.61%
		Unsecured	3,811	18,196,514	0.02%	186,464	4892.78%	2,652	10,666,649	0.02%	110,493	4,166.40%
Subtotal			2,711,606	2,018,299,557	0.13%	25,018,211	922.63%	2,454,542	1,800,477,741	0.14%	22,619,276	921.53%
Credit cards			208,774	112,364,147	0.19%	1,123,693	538.23%	242,351	68,622,800	0.35%	685,381	282.81%
Accounts receivable factoring without recourse (Note g)			102,312	38,903,003	0.26%	448,079	437.95%	94,071	29,428,040	0.32%	373,055	396.57%

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. 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	June 30, 2026		June 30, 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)	$26,486	$10,529	$47,599	$18,080
Loans executed in accordance with debt clearing and renewal regulations (Note b)	1,786,540	1,093,004	1,741,765	1,042,555
Total	$1,813,026	$1,103,533	$1,789,364	$1,060,635

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	June 30, 2026			June 30, 2025		
Rank (Note a)	Transaction party (Note b)	Loans (Note c)	As proportion of net worth	Transaction party (Note b)	Loans (Note c)	As proportion of net worth
1	A Group (wireless telecommunications)	$17,462,595	8.13%	D Group (manufacture of computers)	$20,753,461	10.31%
2	B Group (activities of other holding companies)	16,392,647	7.63%	J Group (other financial service not elsewhere classified)	17,680,713	8.78%
3	C Group (real estate development)	15,803,749	7.36%	E Group (real estate development)	15,951,348	7.92%
4	D Group (data storage media manufacturing)	14,321,023	6.67%	A Group (wireless telecommunications)	15,061,597	7.48%
5	E Group (other financial service not elsewhere classified)	13,205,576	6.15%	C Group (real estate development)	12,435,815	6.18%
6	F Group (manufacture of computers)	12,607,427	5.87%	B Group(other financial service not elsewhere classified)	11,628,804	5.78%
7	G Group (real estate development)	10,775,000	5.02%	K Group(other financial service not elsewhere classified)	10,895,009	5.41%
8	H Group (manufacture of computers)	10,619,045	4.94%	H Group(manufacture of computers)	10,615,087	5.27%
9	I Group (manufacture of panel and components)	10,522,977	4.90%	I Group (manufacture of panel and components)	9,962,584	4.95%
10	J Group (manufacture of other computer peripheral equipment)	10,384,841	4.83%	L Group (electronic and telecommunications equipment and components wholesale)	9,563,079	4.75%

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)
June 30, 2026

Item	1-90 days	91-180 days	181 days - 1 year	More than 1 year	Total
Interest-sensitive assets	$1,782,776,487	$111,131,478	$98,122,354	$223,126,614	$2,215,156,933
Interest-sensitive liabilities	1,784,571,742	183,723,638	143,963,329	41,185,835	2,153,444,544
Interest sensitivity gap	(1,795,255)	(72,592,160)	(45,840,975)	181,940,779	61,712,389
Net equity					213,989,139
Ratio of interest-sensitive assets to liabilities					102.87%
Ratio of interest sensitivity gap to net equity					28.84%

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)
June 30, 2025

Item	1-90 days	91-180 days	181 days - 1 year	More than 1 year	Total
Interest-sensitive assets	$1,646,032,723	$85,633,881	$77,056,376	$206,684,134	$2,015,407,114
Interest-sensitive liabilities	653,013,257	163,898,723	183,574,672	873,113,221	1,873,599,873
Interest sensitivity gap	993,019,466	(78,264,842)	(106,518,296)	(666,429,087)	141,807,241
Net equity					199,789,018
Ratio of interest-sensitive assets to liabilities					107.57%
Ratio of interest sensitivity gap to net equity					70.98%

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)
June 30, 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	$12,025,409	$4,830,058	$1,944,996	$9,121,975	$27,922,438
Interest-sensitive liabilities	23,046,530	2,625,537	1,269,302	159,397	27,100,766
Interest sensitivity gap	(11,021,121)	2,204,521	675,694	8,962,578	821,672
Net equity					(29,318)
Ratio of interest-sensitive assets to liabilities					103.03%
Ratio of interest sensitivity gap to net equity					(2802.62%)

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)
June 30, 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	$12,516,479	$2,143,519	$2,609,342	$7,589,475	$24,858,815
Interest-sensitive liabilities	13,773,300	2,728,797	1,933,343	5,040,893	23,476,333
Interest sensitivity gap	(1,256,821)	(585,278)	675,999	2,548,582	1,382,482
Net equity					2,750
Ratio of interest-sensitive assets to liabilities					105.89%
Ratio of interest sensitivity gap to net equity					50,272.07%

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
June 30, 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	$3,090,215,203	$906,364,751	$475,307,378	$287,650,382	$262,276,131	$1,158,616,561
Major maturity cash outflow	3,798,359,984	511,475,364	452,013,576	482,219,367	668,512,843	1,684,138,834
Gap	(708,144,781)	394,889,387	23,293,802	(194,568,985)	(406,236,712)	(525,522,273)

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	692,685,768	1,627,995,012
Gap	(783,398,903)	394,448,244	(110,386,109)	(172,687,136)	(367,210,808)	(527,563,094)

New Taiwan Dollars maturity date structure analysis table
June 30, 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	$2,907,365,251	$812,901,389	$461,121,891	$280,264,570	$287,419,035	$1,065,658,366
Major maturity cash outflow	3,495,375,147	470,138,945	463,037,620	462,413,418	660,200,184	1,439,584,980
Gap	(588,009,896)	342,762,444	(1,915,729)	(182,148,848)	(372,781,149)	(373,926,614)

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
June 30, 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	$67,659,050	$19,283,252	$13,298,721	$11,448,494	$8,082,700	$15,545,883
Major maturity cash outflow	67,295,548	20,545,287	19,947,287	10,170,109	9,084,724	7,548,141
Gap	363,502	(1,262,035)	(6,648,566)	1,278,385	(1,002,024)	7,997,742

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
June 30, 2025

(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	$59,241,712	$15,342,870	$13,551,497	$9,436,200	$8,298,416	$12,612,729
Major maturity cash outflow	58,999,684	16,414,565	18,438,594	9,209,935	9,210,006	5,726,584
Gap	242,028	(1,071,695)	(4,887,097)	226,265	(911,590)	6,886,145

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)

	June 30, 2026	(Former Taishin Life Insurance) June 30, 2025
Assets		
Cash and cash equivalents	$97,213,890	$8,777,568
Receivables	47,730,471	3,365,452
Current tax assets	4,512,350	3,606
Assets Held for Sale	4,796,441	-
Financial assets at fair value through profit or loss	54,415,974	31,542,910
Financial assets at fair value through other comprehensive income	1,711,358,170	41,181
Financial assets measured at amortized cost	1,026,775,428	212,870,564
Investments accounted for using equity method	4,043,086	416,160
Investment properties	237,150,361	9,133,201
Loans	45,396,271	52,821
Reinsurance contract assets	1,447,173	6,456
Property and equipment	41,361,401	1,946,313
Right-of-use assets	1,412,716	113,136
Intangible assets	651,363,513	305,523
Deferred tax assets	25,390,878	2,037,157
Other assets	76,806,310	1,734,866
Separate account insurance product assets	164,421,645	50,177,216
Total assets	$4,195,596,078	$322,524,130

	June 30, 2026	(Former Taishin Life Insurance) June 30, 2025
Liabilities		
Payables	$20,205,592	$4,502,654
Current tax liabilities	-	382,978
Financial liabilities at fair value through profit or loss	80,691,467	19,094,769
Bonds payable	47,424,740	-
Lease liabilities	5,254,410	109,898
Insurance contract liabilities	3,329,753,954	229,216,496
Reinsurance contract liabilities	15,951,530	4,259,080
Provisions	41,258	76,411
Deferred tax liabilities	38,099,563	7,492,920
Other liabilities	254,961,646	11,370,306
Total liabilities	3,792,384,160	276,505,512
Equity		
Share capital	92,022,741	11,857,284
Capital surplus	-	4,363,636
Retained earnings	200,286,490	32,273,157
Other equity	110,902,687	(2,475,459)
Total equity	403,211,918	46,018,618
Total liabilities and equity	$4,195,596,078	$322,524,130

(b) Statements of comprehensive income (standalone)

	For the six months ended June 30	
	2026	(Former Taishin Life Insurance) 2025
Insurance service result	$14,049,558	$574,290
Financial result	17,557,130	(7,579,842)
Other operating result	(5,007,328)	(1,452,653)
Operating income (loss)	26,599,360	(8,458,205)
Non-operating income and expenses	63,850	(7,035)
Income (loss) before income tax	26,663,210	(8,465,240)
Income tax (expense) benefit	(4,202,689)	1,862,890
Net income (loss)	22,460,521	(6,602,350)
Other comprehensive income	149,136,147	(4,038,005)
Total comprehensive income	$171,596,668	$(10,640,355)
Basic earnings (loss) per share (NT$)	$2.44	$(5.57)
Diluted earnings (loss) per share (NT$)	$2.44	$(5.57)

(c) Profitability

Item		For the six months ended June 30, 2026	For the six months ended June 30, 2025
Return on total assets	Pretax	0.65%	(2.66%)
	After tax	0.55 %	(2.08%)
Return on net equity	Pretax	8.77 %	(16.49%)
	After tax	7.39 %	(12.86%)
Profit margin		20.23 %	(51.25%)

Note a: Return on total assets = Income before (after) tax / Average assets

Note b: Return on net equity = Income before (after) tax / Average net equity

Note c: Profit margin = Income after tax / Operating income + Non-operating income (Note)

Note: Operating income and Non-operating income represent the aggregate amount of insurance revenue, net investment gains or losses, asset management service income, and other operating revenue.

Note d: Profitability presented above is cumulative from January 1 to June 30 of 2026 and 2025.

C. Taishin Securities B

(a) Balance sheets (standalone)

	June 30, 2026	(Former Taishin Securities B) June 30, 2025
Current assets	$348,271,407	$54,784,185
Financial assets at fair value through profit or loss - non-current	336,898	209,700
Financial assets at fair value through other comprehensive income - non-current	5,073,334	5,190,817
Investments accounted for using equity method	5,555,236	1,470,492
Property and equipment	3,841,900	827,643
Right-of-use assets	469,185	184,687
Investment properties	278,521	94,103
Intangible assets	4,101,074	199,815
Deferred tax assets	928,129	38,268
Other non-current assets	2,888,333	546,679
Total assets	$371,744,017	$63,546,389

	June 30, 2026	(Former Taishin Securities B) June 30, 2025
Current liabilities	$317,351,014	$49,329,456
Non-current liabilities	4,922,862	3,480,967
Total liabilities	322,273,876	52,810,423
Share capital	25,054,071	6,924,125
Capital surplus	15,177,708	895,825
Retained earnings	9,104,726	3,249,849
Other equity	133,636	(333,833)
Total equity	49,470,141	10,735,966
Total liabilities and equity	$371,744,017	$63,546,389

(b) Statements of comprehensive income (standalone)

	For the six months ended June 30	
	2026	(Former Taishin Securities B) 2025
Revenue	$16,279,538	$2,593,278
Expenses	(8,677,738)	(2,010,141)
Other income and expenses	542,649	44,627
Income before income tax	8,144,449	627,764
Income tax expense	(680,511)	(132,749)
Net income	7,463,938	495,015
Other comprehensive income	92,356	(145,935)
Total comprehensive income	$7,556,294	$349,080
Basic earnings per share (NT$)	$2.98	$0.71
Diluted earnings per share (NT$)	$2.98	$0.71

(c) Profitability

Item		For the six months ended June 30, 2026	For the six months ended June 30, 2025
Return on total assets	Pretax	2.57%	0.96%
	After tax	2.35%	0.76%
Return on net equity	Pretax	17.03%	5.54%
	After tax	15.61%	4.37%
Profit margin		6.86%	19.09%

Note a: Return on total assets = Income before (after) tax / Average assets

Note b: Return on net equity = Income before (after) tax / Average net equity

Note c: Profit margin = Income after tax / Revenue

Note d: Profitability presented above is cumulative from January 1 to June 30 of 2026 and 2025

D. Taishin AMC

(a) Balance sheets (standalone)

	June 30, 2026	June 30, 2025
Current assets	$88,322	$302,108
Financial assets at fair value through other comprehensive income - non-current	158,484	201,930
Investments accounted for using equity method	143,947	144,279
Property and equipment	163,652	166,420
Investment properties	802,863	809,497
Deferred tax assets	3,065	3,065
Other non-current assets	827,471	314,856
Total assets	$2,187,804	$1,942,155
Current liabilities	$969,844	$708,635
Non-current liabilities	4,277	3,822
Total liabilities	974,121	712,457
Share capital	671,000	671,000
Capital surplus	4,141	4,141
Retained earnings	504,211	483,437
Other equity	34,331	71,120
Total equity	1,213,683	1,229,698
Total liabilities and equity	$2,187,804	$1,942,155

(b) Statements of comprehensive income (standalone)

	For the six months ended June 30	
	2026	2025
Operating revenue	$147,236	$131,966
Operating cost and expenses	(75,861)	(61,169)
Operating income	71,375	70,797
Non-operating income	6,958	8,751
Non-operating expenses	(6,646)	(4,331)
Income before income tax	71,687	75,217
Income tax expense	(14,838)	(13,519)
Net income	56,849	61,698
Other comprehensive income (loss)	80	(80,625)
Total comprehensive income (loss)	$56,929	$(18,927)
Basic earnings per share (NT$)	$0.85	$0.92

(c) Profitability

Item		For the six months ended June 30, 2026	For the six months ended June 30, 2025
Return on total assets	Pretax	3.44%	3.81%
	After tax	2.73%	3.13%
Return on net equity	Pretax	5.81%	5.66%
	After tax	4.61%	4.64%
Profit margin		36.87%	43.85%

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 June 30 of 2026 and 2025.

E. Taishin Venture Capital Investment

(a) Balance sheets (standalone)

	June 30, 2026	June 30, 2025
Current assets	$535,056	$261,545
Financial assets at fair value through profit or loss - non-current	3,055,489	3,297,692
Investments accounted for using equity method	75,536	86,304
Property and equipment	816	978
Right-of-use assets	-	1,215
Other non-current assets	464	481
Total assets	$3,667,361	$3,648,215
Current liabilities	$171,499	$6,404
Total liabilities	171,499	6,404
Share capital	2,767,014	7,140,927
Retained earnings	728,848	(3,499,116)
Total equity	3,495,862	3,641,811
Total liabilities and equity	$3,667,361	$3,648,215

(b) Statements of comprehensive income (standalone)

	For the six months ended June 30	
	2026	2025
Revenue	$198,561	$59,532
Expenses and losses	(19,529)	(1,152,720)
Income (loss) before income tax	179,032	(1,093,188)
Income tax expense	(5,114)	-
Net income (loss)	173,918	(1,093,188)
Total comprehensive income (loss)	$173,918	$(1,093,188)
Basic earnings (loss) per share (NT$)	$0.63	$(1.53)

(c) Profitability

Item		For the six months ended June 30, 2026	For the six months ended June 30, 2025
Return on total assets	Pretax	5.00%	(26.04)%
	After tax	4.86%	(26.04)%
Return on net equity	Pretax	5.25%	(26.10)%
	After tax	5.10%	(26.10)%
Profit margin		87.59%	(1,836.30)%

Note a: Return on total assets = Income before (after) tax / Average assets

Note b: Return on net equity = Income before (after) tax / Average net equity

Note c: Profit margin = Income after tax / Revenue

Note d: Profitability presented above is cumulative from January 1 to June 30 of 2026 and 2025.

F. Taishin Securities Investment Trust

(a) Balance sheets (standalone)

	June 30, 2026	(Former Taishin Securities Investment Trust) June 30, 2025
Current assets	$1,752,460	$647,994
Financial assets at fair value through other comprehensive income - non-current	10,487	3,775
Property and equipment	62,473	5,453
Goodwill	410,930	410,930
Right-of-use assets	68,091	17,578
Intangible assets	12,494	3,749
Deferred tax assets	11,388	53
Other non-current assets	364,439	222,723
Total assets	$2,692,762	$1,312,255

	June 30, 2026	(Former Taishin Securities Investment Trust) June 30, 2025
Current liabilities	$370,871	$174,976
Non-current liabilities	58,291	6,731
Total liabilities	429,162	181,707
Share capital	1,365,030	831,350
Capital surplus	288,939	47,856
Retained earnings	606,852	250,567
Other equity	2,779	775
Total equity	2,263,600	1,130,548
Total liabilities and equity	$2,692,762	$1,312,255

(b) Statements of comprehensive income (standalone)

	For the six months ended June 30	
	2026	(Former Taishin Securities Investment Trust) 2025
Operating revenue	$1,010,976	$495,051
Operating expenses	(511,252)	(323,566)
Operating income	499,724	171,485
Non-operating income	64,028	7,134
Non-operating expenses	(743)	(7,110)
Income before income tax	563,009	171,509
Income tax expense	(103,626)	(35,255)
Net income	459,383	136,254
Other comprehensive income	1,411	342
Total comprehensive income	$460,794	$136,596
Basic earnings per share (NT$)	$3.37	$1.64

(c) Profitability

Item		For the six months ended June 30, 2026	For the six months ended June 30, 2025
Return on total assets	Pretax	21.17%	11.98%
	After tax	17.28%	9.52%
Return on net equity	Pretax	25.80%	14.36%
	After tax	21.05%	11.41%
Profit margin		42.73%	27.13%

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 June 30 of 2026 and 2025.

G. Taishin Securities Investment Advisory

(a) Balance sheets (standalone)

	June 30, 2026	June 30, 2025
Current assets	$336,993	$329,212
Property and equipment	1,213	1,789
Right-of-use assets	-	2,499
Deferred tax assets	1,010	1,158
Other non-current assets	6,944	6,887
Total assets	$346,160	$341,545
Current liabilities	$18,108	$18,449
Non-current liabilities	2,760	2,291
Total liabilities	20,868	20,740
Share capital	300,000	300,000
Capital surplus	23,942	25,663
Retained earnings	1,350	(4,858)
Total equity	325,292	320,805
Total liabilities and equity	$346,160	$341,545

(b) Statements of comprehensive income (standalone)

	For the six months ended June 30	
	2026	2025
Operating revenue	$58,273	$58,411
Operating expenses	(61,286)	(61,915)
Operating loss	(3,013)	(3,504)
Non-operating income	4,606	3,778
Non-operating expenses	-	(9,313)
Income (loss) before income tax	1,593	(9,039)
Income tax (expense) benefit	(243)	1,660
Net income (loss)	1,350	(7,379)
Total comprehensive income (loss)	$1,350	$(7,379)
Basic earnings (loss) per share (NT$)	$0.04	$(0.25)

(c) Profitability

Item		For the six months ended June 30, 2026	For the six months ended June 30, 2025
Return on total assets	Pretax	0.45%	(2.53)%
	After tax	0.38%	(2.06)%
Return on net equity	Pretax	0.49%	(2.77)%
	After tax	0.42%	(2.26)%
Profit margin		2.15%	(11.87)%

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 June 30 of 2026 and 2025.

H. Taiwan Shin Kong Commercial Bank

(Not a subsidiary of TS Financial Holding as of June 30, 2025.)

(a) Balance sheets (standalone)

	June 30, 2026
Assets	
Cash and cash equivalents	$27,330,442
Due from the Central Bank and call loans to banks	78,992,703
Financial assets at fair value through profit or loss	46,390,752
Financial assets at fair value through other comprehensive income	188,482,415
Investments in debt instruments at amortized cost	119,634,851
Securities purchased under resell agreements	1,171,883
Receivables, net	15,108,937
Current tax assets	91,539
Loans, net	931,710,628
Property and equipment, net	5,496,278
Right-of-use assets, net	2,036,630
Investment property, net	708,955
Intangible assets, net	1,721,214
Deferred tax assets, net	1,198,436
Other assets, net	3,931,377
Total assets	$1,424,007,040
Liabilities	
Deposits from the Central Bank and banks	$31,640,751
Financial liabilities at fair value through profit or loss	5,792,943
Securities sold under repurchase agreements	18,353,936
Payables	12,497,409
Current tax liabilities	1,034,043
Deposits and remittances	1,193,576,525
Bank notes payable	25,000,000
Other financial liabilities	47,454,738
Provisions	642,069
Lease liabilities	2,144,078
Deferred tax liabilities	379,049
Other liabilities	1,689,754
Total liabilities	1,340,205,295
Equity	
Share capital	49,815,329
Capital surplus	2,756,265
Retained earnings	36,554,668
Other equity	(5,324,517)
Total equity	83,801,745
Total liabilities and equity	$1,424,007,040

(b) Statements of comprehensive income (standalone)

	For the six months ended June 30, 2026
Interest income	$17,046,727
Interest expense	(9,819,247)
Net interest income	7,227,480
Net income other than net interest income	5,177,485
Net revenue and gains	12,404,965
Bad debt expenses, commitments and guarantees liabilities provision	(750,600)
Operating expenses	(5,793,461)
Income before income tax	5,860,904
Income tax expense	(1,081,867)
Net income	4,779,037
Other comprehensive income (loss)	1,581,132
Total comprehensive income (loss)	$6,360,169
Basic earnings per share (NT$)	$0.96
Diluted earnings per share (NT$)	$0.96

(c) Important financial and business overview

i. Profitability

Item		For the six months ended June 30, 2026
Return on total assets	Pretax	0.42%
	After tax	0.34%
Return on net equity	Pretax	7.07%
	After tax	5.76%
Profit margin		47.25%

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 June 30 of 2026 and 2025.

ii. Asset quality

Non-performing loans and receivables

Item / Business Type			June 30, 2026				
			Non-performing Loans (Note a)	Loans	Non-performing Loans Ratio (Note b)	Allowance for Loan Losses	Coverage Ratio (Note c)
Corporate finance	Secured		$157,658	$247,961,015	0.06%	$1,302,292	826.02%
	Unsecured		72,290	228,432,123	0.03%	2,591,286	3584.57%
Consumer finance	Mortgage loans (Note d)		199,311	200,726,896	0.10%	2,490,435	1249.52%
	Cash cards		-	65	-	3,123,005	-
	Credit loans (Note e)		315,688	34,858,715	0.91%	32,953	10.44%
	Others (Note f)	Secured	457,493	228,516,934	0.20%	2,471,553	540.24%
		Unsecured	1,160	2,899,253	0.04%	65	5.60%
Subtotal			$1,203,600	$943,395,001	0.13%	$12,011,589	997.97%
Credit cards			17,204	9,285,190	0.19%	164,621	956.88%
Accounts receivable factoring with no recourse (Note g)			-	613,694	-	65,628	-

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	June 30, 2026	
	Exempted from Report as Non-performing Loans	Exempted from Report as Non-performing Receivables
Amounts negotiated in accordance with the agreement (Note a)	$455	$17,257
Loans executed in accordance with debt clearing and renewal regulations (Note b)	221,053	208,064
Total	$221,508	$225,321

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	June 30, 2026		
Rank (Note a)	Transaction Party (Note b)	Loans (Note c)	As Proportion of Net Worth (%)
1	Group A (real estate leasing and sales industry)	$7,041,814	8.40
2	Group B (real estate development)	4,270,348	5.10
3	Group C (real estate leasing and sales industry)	4,062,612	4.85
4	Group D (chemical raw materials manufacturing industry)	4,046,027	4.83
5	Group E (weaving of other textiles)	3,490,000	4.16
6	Group F (real estate development)	3,373,581	4.03
7	Group G (real estate development)	3,326,310	3.97
8	Group H (other financial service not elsewhere classified)	3,121,161	3.72
9	Group I (manufacture of panel and components)	3,020,968	3.60
10	Group J (real estate development)	2,957,550	3.53

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)
June 30, 2026

Item	1-90 Days	91-180 Days	181 Days - 1 Year	More Than 1 Year	Total
Interest-sensitive assets	$962,542,908	$12,917,669	$17,976,421	$147,735,979	$1,141,172,977
Interest-sensitive liabilities	289,824,100	559,095,236	161,375,206	33,114,939	1,043,409,481
Interest sensitivity gap	672,718,808	(546,177,567)	(143,398,785)	114,621,040	97,763,496
Net equity					83,801,745
Ratio of interest-sensitive assets to liabilities					109.37
Ratio of interest sensitivity gap to net equity					116.66

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)
June 30, 2026

Item	1-90 Days	91-180 Days	181 Days - 1 Year	More Than 1 Year	Total
Interest-sensitive assets	$3,669,303	$365,544	$95,737	$1,893,908	$6,024,492
Interest-sensitive liabilities	5,202,590	562,662	337,370	255	6,102,877
Interest sensitivity gap	(1,533,287)	(197,118)	(241,633)	1,893,653	(78,385)
Net equity					2,630,725
Ratio of interest-sensitive assets to liabilities					98.72
Ratio of interest sensitivity gap to net equity					(2.98)

Note a: The amounts listed above include amounts in U.S. 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
June 30, 2026

	Total	Period Remaining until Due Date and Amount Due					
		0-30 Days	11-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	More Than 1 Year
Major maturity cash inflow	$1,228,369,634	$110,266,770	$128,927,097	$98,454,461	$106,676,290	$85,615,625	$698,429,391
Major maturity cash outflow	1,504,991,502	83,637,756	116,885,574	156,871,990	216,113,445	341,949,666	589,533,071
Gap	(276,621,868)	26,629,014	12,041,523	(58,417,529)	(109,437,155)	(256,334,041)	108,896,320

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
June 30, 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	$8,264,145	$2,987,163	$670,002	$616,533	$302,507	$3,687,940
Major maturity cash outflow	10,316,467	2,843,770	2,450,162	1,333,629	1,558,255	2,130,651
Gap	(2,052,322)	143,393	(1,780,160)	(717,096)	(1,255,748)	1,557,289

Note: The amounts listed above include amounts in US Dollars for head office, domestic branches, and OBU.

I. Shin Kong Venture Capital

(Not a subsidiary of TS Financial Holding as of June 30, 2025)

(a) Balance sheets (standalone)

	June 30, 2026
Current assets	$1,794,116
Financial assets at fair value through profit or loss - non-current	393,979
Financial assets at fair value through other comprehensive income - non-current	5,329
Investments accounted for using equity method	5,159
Property and equipment	10
Deferred tax assets	2,109
Other non-current assets	231,606
Total assets	$2,432,308
Current liabilities	$974,466
Other non-current liabilities	57
Total liabilities	974,523
Share capital	1,471,703
Capital surplus	1,097
Retained earnings	(8,597)
Other equity	(6,418)
Total equity	1,457,785
Total liabilities and equity	$2,432,308

(b) Statements of comprehensive income (standalone)

	For the six months ended June 30, 2026
Revenue	$77,096
Expenses and losses	(46,163)
Other income and expenses	1,240
Income before income tax	32,173
Income tax expense	(8,981)
Net income	23,192
Other comprehensive income (loss)	(55,325)
Total comprehensive income (loss)	$(32,133)
Basic earnings per share (NT$)	$0.16

(c) Profitability

Item		For the six months ended June 30, 2026
Return on total assets	Pretax	1.57%
	After tax	1.13%
Return on net equity	Pretax	2.17%
	After tax	1.57%
Profit margin		30.08%

Note a: Return on total assets = Income before (after) tax / Average assets

Note b: Return on net equity = Income before (after) tax / Average net equity

Note c: Profit margin = Income after tax / Revenue

Note d: Profitability presented above is cumulative from January 1 to June 30 of 2026 and 2025.

J. Shin Kong Insurance Agent

(Not a subsidiary of TS Financial Holding as of June 30, 2025.)

(a) Balance sheets (standalone)

	June 30, 2026
Current assets	$121,263
Property and equipment	1,234
Right-of-use assets	3,937
Intangible assets	8,846
Deferred tax assets	1,415
Other non-current assets	3,780
Total assets	$140,475
Current liabilities	$66,769
Non-current liabilities	1,150
Total liabilities	67,919
Share capital	10,000
Capital surplus	1,541
Retained earnings	61,015
Total equity	72,556
Total liabilities and equity	$140,475

(b) Statements of comprehensive income (standalone)

	For the six months ended June 30, 2026
Operating revenue	$271,849
Operating cost	(173,532)
Gross profit	98,317
Operating expenses	(38,079)
Operating income	60,238
Non-operating income	612
Non-operating expenses	(24)
Income before income tax	60,826
Income tax expense	(12,165)
Net income	48,661
Total comprehensive income (loss)	$48,661
Basic earnings per share (NT$)	$48.66

(c) Profitability

Item		For the six months ended June 30, 2026
Return on total assets	Pretax	35.80%
	After tax	28.64%
Return on net equity	Pretax	63.79%
	After tax	51.03%
Profit margin		17.86%

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 June 30 of 2026 and 2025.

(20) 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 7 for the major business or transactions between the Company 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, the Company 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, Taiwan Shin Kong Commercial Bank, 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, the Company 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. Significant securities held (Excluding investment subsidiaries, associates and joint ventures): Not applicable to subsidiaries in the banking, securities and insurance industries; the details of significant 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. Information on Investees and the Group's Aggregate Shareholding Percentages：Please refer to Attachment 5.

I. Business relationships, significant transactions and amounts between parent and subsidiaries: Please refer to Attachment 7.

J. 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 6.

14. Segment Information

(1) General information

The report of the Company 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. The Company's main policy makers are the board of directors.

Interdepartmental transactions are normal transactions. The Company consolidates all its subsidiaries and writes off interdepartmental transaction gains and losses. The subsidiaries evaluate their own operation efficiency.

The operation departments of the Company 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.

	June 30, 2026									
	The Company	Taishin Bank Consolidated	Taishin Securities B Consolidated	Taiwan Shin Kong Commercial Bank	Shin Kong Life Insurance Consolidated	Shin Kong Venture Capital	Shin Kong Insurance Agent	Others	Adjustments and Eliminations	Total
Net interest income (expense)	$(1,062,589)	$20,041,929	$390,757	$7,227,480	$59,529,539	$12,011	$589	$32,681	$492,234	$86,664,631
Net income other than net interest income	45,272,820	14,197,518	14,320,637	5,177,485	(27,920,782)	21,143	90,067	1,513,335	(41,693,008)	10,979,215
Net revenue and gains	44,210,231	34,239,447	14,711,394	12,404,965	31,608,757	33,154	90,656	1,546,016	(41,200,774)	97,643,846
Reversal of bad debt expenses, commitments and guarantee liabilities (provision)	-	(2,506,908)	(31,775)	(750,600)	(7,934)	2,116	-	(2,268)	1	(3,297,368)
Other insurance service costs	-	-	-	-	(8,828,281)	-	-	-	(671,891)	(9,500,172)
Operating expenses	(1,170,770)	(16,962,591)	(6,472,218)	(5,793,461)	(4,877,821)	(3,097)	(29,831)	(728,429)	2,655,424	(33,382,794)
Income (loss) before income tax	$43,039,461	$14,769,948	$8,207,401	$5,860,904	$17,894,721	$32,173	$60,825	$815,319	$(39,217,240)	$51,463,512
Total assets	$831,248,176	$3,366,082,994	$412,935,562	$1,424,007,040	$4,211,979,675	$2,432,308	$140,475	$8,928,969	$(862,955,486)	$9,394,799,713

	June 30, 2025							
	Taishin Bank (Retail Banking Group)	Taishin Bank (Wholesale Banking Group)	Taishin Bank (Financial and Financial Market Group)	Taishin Securities B Consolidated	Former Taishin Life Insurance	Others	Adjustments and Eliminations	Total
Net interest income (expense)	$8,498,228	$6,622,579	$81,164	$188,011	$3,686,402	$467,826	$(575,244)	$18,968,966
Net income other than net interest income	7,641,401	1,129,276	3,693,240	1,968,719	(10,693,050)	10,475,552	(10,881,142)	3,333,996
Net revenue and gains	16,139,629	7,751,855	3,774,404	2,156,730	(7,006,648)	10,943,378	(11,456,386)	22,302,962
Reversal of bad debt expenses, commitments and guarantee liabilities (provision)	13,635	(970,714)	64	20	-	(222,631)	-	(1,179,626)
Other insurance service costs	-	-	-	-	(292,603)	-	-	(292,603)
Operating expenses	(9,176,469)	(2,118,249)	(1,657,829)	(1,522,947)	(1,165,989)	(3,112,749)	318,118	(18,436,114)
Income (loss) before income tax	$6,976,795	$4,662,892	$2,116,639	$633,803	$(8,465,240)	$7,607,998	$(11,138,268)	$2,394,619
Total assets	$971,595,368	$862,107,282	$868,998,597	$68,780,064	$322,524,130	$548,675,299	$(260,502,261)	$3,382,178,479

(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 six months ended June 30, 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	$93,500	1%-10%	Business transaction	$93,500	Advance payment of urban renewal	$935	Land and buildings	$160,000	$634,188	$8,878,629
1	Taishin AMC	Chen O Ming	Long-term receivables - advance payment	No	133,333	133,333	95,500	1%-10%	Business transaction	95,500	Advance payment of urban renewal	955	Land and buildings	160,000	634,188	8,878,629
1	Taishin AMC	Zhuang O Xiang	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	634,188	8,878,629
1	Taishin AMC	Zhuang O Ming	Long-term receivables - advance payment	No	66,667	66,667	59,500	1%-10%	Business transaction	59,500	Advance payment of urban renewal	595	Land and buildings	80,000	634,188	8,878,629
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	None	None	634,188	8,878,629
1	Taishin AMC	King Want Corporation. Co., Ltd.	Long-term receivables - advance payment	No	400,000	400,000	182,751	1%-10%	Business transaction	182,751	Advance payment of urban renewal	1,828	Land and buildings	240,000	634,188	8,878,629
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	634,188	8,878,629
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	634,188	8,878,629

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. 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.

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 six months ended June 30, 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	$38,099,352	$1,782,886	$1,782,886	$891,443	$-	32.76	$38,099,352	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 of Taishin D.A. Finance that 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 of Taishin D.A. Finance, 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 June 30, 2026 (Excluding subsidiaries, associates and jointly controlled entities)

(In Thousands of New Taiwan Dollars; in Thousands of Specified Foreign Currency; in Thousands shares)

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	June 30, 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	$3,088	6.00	$3,088	
Taishin D.A. Finance	Shares							
	Yuan Tai Forex Brokerage Co., Ltd.	Its corporate director is Taishin D.A. Finance	Financial assets at FVTOCI	600	7,674	5.00	7,674	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	2,633,592	100.00	2,633,592	
	Shin Kong Leasing (Suzhou)	Parent company and subsidiary	Investments measured by equity method	USD$30,000	753,277	100.00	753,277	
Taishin Venture Capital Investment	Equity							
	Chime Biologics Limited	None	Financial assets at FVTPL	2,105	25,032	0.44	25,032	
	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	2,571	76,973	2.21	76,973	
	Li Shen Zhi-Lian L.P.	None	Financial assets at FVTPL	30,000	16,800	10.59	16,800	
	Arm IoT Fund, L.P.	None	Financial assets at FVTPL	2,456	89,708	14.70	89,708	
	Shares							
	Hwei-Yang Venture Capital Investment Co., Ltd.	None	Financial assets at FVTPL	42	1,565	1.54	1,565	
	Century Development	Its corporate supervisor is Taishin Venture Capital Investment	Financial assets at FVTPL	10,910	123,392	3.03	123,392	
	Microbio Co., Ltd.	None	Financial assets at FVTPL	1,322	21,212	0.22	21,212	Listed on the OTC
	Winking Studios Limited	None	Financial assets at FVTPL	2,614	14,144	0.59	14,144	Publicly Listed
	Diamond Biofund	None	Financial assets at FVTPL	64,986	1,221,743	7.62	1,221,743	Publicly Listed
	StemCyte International, Ltd.	None	Financial assets at FVTPL	730	13,396	0.34	13,396	Emerging Stock Board
	VM Discovery, Inc. Preferred D	None	Financial assets at FVTPL	95	2,769	0.38	2,769	
	RevMab Biosciences, Inc.	None	Financial assets at FVTPL	400	14,332	2.26	14,332	

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	June 30, 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	$6,337	0.89	$6,337	
	OME Technology Co., Ltd.	None	Financial assets at FVTPL	1,457	37,420	2.15	37,420	
	Shin Yao Biomedical Venture Capital Investment Co., Ltd.	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTPL	35,000	205,100	10.00	205,100	
	Taxven BioPharma, Inc.	None	Financial assets at FVTPL	402	16,138	0.15	16,138	Publicly Listed
	Great Agricultural Technology Co., Ltd.	None	Financial assets at FVTPL	578	2,616	3.33	2,616	
	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	54,975	8.08	54,975	
	Taiwania Capital Management Corporation	None	Financial assets at FVTPL	17,760	69,797	7.10	69,797	
	Jada International Development Corporation	None	Financial assets at FVTPL	1,946	16,076	5.68	16,076	
	Guoyu Global Company Limited	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTPL	300	480	7.79	480	
	Jing Ying Investment	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTPL	15,610	81,172	10.00	81,172	
	Gogoro Inc.	None	Financial assets at FVTPL	50	6,347	0.34	6,347	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	29,257	2.69	29,257	
	All Win Fintech Company Limited	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTPL	8,617	71,437	13.70	71,437	
	ImmunAdd Inc.	None	Financial assets at FVTPL	3,700	106,005	9.90	106,005	
	Radbon Electronics Co., Ltd.	None	Financial assets at FVTPL	547	111,659	1.34	111,659	
	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	81,738	1.12	81,738	
	Verge Medical Holdings /Series A-1	None	Financial assets at FVTPL	239	12,425	1.59	12,425	
	GreenHarvest Co., Ltd.	None	Financial assets at FVTPL	1,125	60,750	3.66	60,750	
	HoneyBear Biosciences, Inc.	None	Financial assets at FVTPL	1,200	21,000	1.86	21,000	
	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	75,536	100.00	75,536	

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	June 30, 2026				Note
				Number of shares/units/ face value	Carrying amount	Percentage of ownership (%)	Market value	
	Beneficiary certificates							
	Taishin ESG Emerging Markets Bond Fund A	Fund issued by Taishin Securities Investment Trust	Financial assets at FVTPL	1,100	$10,652	-	$10,652	
	Fubon Money Market Fund	None	Financial assets at FVTPL	1,796	29,996	-	29,996	
	First Gold Taiwan Money Market Fund	None	Financial assets at FVTPL	1,233	20,138	-	20,138	
	UPAMC James Bond Money Market Fund	None	Financial assets at FVTPL	2,004	20,141	-	20,141	
	Conversion of convertible bonds							
	Uspace Tech Co., Ltd. / Conversion of convertible bonds	None	Financial assets at FVTPL	30,000	22,457	-	22,457	
	Investment agreement							
	Public Television Foundation (Seqalu)	None	Financial assets at FVTPL	2,000	-	-	-	
Taishin AMC	Shares							
	Linkou Golf Country Club	None	Financial assets at FVTOCI	-	2,110	0.30	2,110	
	Dah Chung Bills	None	Financial assets at FVTOCI	2,465	38,972	0.51	38,972	
	Diamond Biofund	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTOCI	4,341	81,618	0.51	81,618	
	Shin Yao Biomedical Venture Capital Investment Co., Ltd.	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTOCI	4,375	25,638	1.25	25,638	
	Jing Ying Investment	Its corporate director is Taishin Venture Capital Investment	Financial assets at FVTOCI	1,951	10,147	1.25	10,147	
	Taishin Real Estate	Investee under the equity method	Investments measured by equity method	8,000	143,947	40.00	143,947	
Taishin Securities Venture Capital	Shares							
	Geniron Technology Co., Ltd.	None	Financial assets at FVTPL	434	12,703	0.04	12,703	
	Trans-IOT Technology Co., Ltd.	None	Financial assets at FVTPL	385	1,027	0.04	1,027	
	eTreego Co., Ltd.	None	Financial assets at FVTPL	520	3,848	-	3,848	
	Da Yi Cheng Technology Co., Ltd.	None	Financial assets at FVTPL	1,133	266,466	0.06	266,466	
	Digital Idea Multi-Media Co., Ltd.	None	Financial assets at FVTPL	600	53,220	0.03	53,220	
	Ascension Medical Biotechnology Co., Ltd.	None	Financial assets at FVTPL	120	6,761	0.01	6,761	
	SIMO Holdings Inc.	None	Financial assets at FVTPL	2,400	46,920	0.03	46,920	
	GreenHarvest Co., Ltd.	None	Financial assets at FVTPL	800	43,200	0.03	43,200	
	Machan International Co., Ltd.	None	Financial assets at FVTPL	1,600	64,000	0.03	64,000	
	Jointek Corporation	None	Financial assets at FVTPL	950	80,750	0.05	80,750	
	AV LINK Group Ltd.	None	Financial assets at FVTPL	370	-	0.02	-	
	Excelsior Bio-system Inc.	None	Financial assets at FVTPL	263	-	0.01	-	
	Finatext Co., Ltd.	None	Financial assets at FVTPL	29	-	0.08	-	
	Tangeng Advanced Vehicle Co., Ltd.	None	Financial assets at FVTPL	1,400	-	0.02	-	
	Le Day Multimedia Co., Ltd.	None	Financial assets at FVTPL	459	-	0.04	-	
	Rich Healthy Fruits & Vegetable Corp.	None	Financial assets at FVTPL	288	-	0.02	-	

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	June 30, 2026				Note
				Number of shares/units/ face value	Carrying amount	Percentage of ownership (%)	Market value	
	Mega Union Technology Incorporated	None	Financial assets at FVTPL	10	$9,770	-	$9,770	
	Microprogram Information Co., Ltd.	None	Financial assets at FVTPL	185	13,246	-	13,246	
	H. H. Galaxy Co., Ltd.	None	Financial assets at FVTPL	41	2,797	-	2,797	
	Advanced Echem Materials Company Limited	None	Financial assets at FVTPL	52	45,500	-	45,500	
	Horng Terng Automation Co., Ltd.	None	Financial assets at FVTPL	91	124,670	-	124,670	
	Acepodia, Inc. (Cayman)	None	Financial assets at FVTPL	200	2,636	-	2,636	
	Taiwan Puritic Corp.	None	Financial assets at FVTPL	78	41,978	-	41,978	
	Libo Pharma Corp.	None	Financial assets at FVTPL	100	3,405	-	3,405	
Taishin Health Investment	Equity							
	Taishin Healthcare Partnership	Its general partner is Taishin Health Investment	Financial assets at FVTPL	10,456	20,802	1.65	20,802	
Taishin Capital	Shares							
	Taishin Health Investment	Investee under the equity method	Investments measured by equity method	52,843	23,886	100.00	23,886	
	Beneficiary certificates							
	Taishin AIoT Semiconductor LP.	Its general partner is Taishin Health Investment	Financial assets at FVTPL	2,694	2,703	1.19	2,703	
Taishin Futures	Shares							
	Taiwan Futures Exchange	None	Financial assets at FVTOCI	3,853	169,356	0.01	169,356	
Taishin Securities Investment Trust	Shares							
	FundRich	None	Financial assets at FVTOCI	602	6,274	0.87	10,487	
	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	60,654	0.71	60,654	
	Allied Biotech Corp.	None	Financial assets at FVTPL	940	23,829	0.98	23,829	
	Luo Lih-Fen Holding Co., Ltd.	None	Financial assets at FVTPL	165	7,211	0.35	7,211	
	Anya Biopharm Inc.	None	Financial assets at FVTPL	1,677	42,562	3.42	42,562	
	AetherAI Co., Ltd.	None	Financial assets at FVTPL	1,000	23,750	1.13	23,750	
	Revlis Biotech Co., Ltd.	None	Financial assets at FVTOCI	3,114	16,704	3.70	16,704	
	Amaran Biotechnology Inc.	None	Financial assets at FVTPL	292	15,740	0.32	15,740	
	MIGO CORPORATION	None	Financial assets at FVTOCI	2,301	-	0.54	-	
	Minima Technology Co., Ltd.	None	Financial assets at FVTPL	1,290	29,700	3.25	29,700	
	NanoMed Targeting Systems Inc.	None	Financial assets at FVTPL	146	-	19.00	-	
	Excelsius Medical Co., Ltd.	Its corporate director is MasterLink Venture Capital	Financial assets at FVTPL	528	1,906	2.64	1,906	
	Sing Ge Biotechnology Co., Ltd.	Its corporate supervisor is MasterLink Venture Capital	Financial assets at FVTPL	2,950	44,791	9.83	44,791	

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	June 30, 2026				Note
				Number of shares/units/ face value	Carrying amount	Percentage of ownership (%)	Market value	
	Grow Trend Biomedical Co., Ltd.	Its corporate supervisor is MasterLink Venture Capital	Financial assets at FVTPL	1,004	$5,022	6.98	$5,022	
	Lattice Energy Technology Corporation	None	Financial assets at FVTPL	2,300	-	5.97	-	
	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	15,000	1.41	15,000	
	Advanced Ethanol Inc.	None	Financial assets at FVTPL	2,080	21,840	5.20	21,840	
	Krisan Biotech Co., Ltd.	None	Financial assets at FVTPL	1,450	29,000	2.52	29,000	
	Asia Best Healthcare Co., Ltd.	None	Financial assets at FVTOCI	4	9,458	1.57	9,458	
	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	50,450	10.00	50,450	
Shin Shou Building Management	Shares							
	The Great Taipei Gas	None	Financial assets at FVTOCI	11,699	348,055	2.27	348,055	
	Taiwan Shin Kong Security Co., Ltd.	None	Financial assets at FVTOCI	3,450	139,910	0.89	139,910	
	Shinkong Spinning Co., Ltd.	None	Financial assets at FVTOCI	643	41,795	0.21	41,795	
	Shin Kong Insurance	None	Financial assets at FVTOCI	778	110,865	0.25	110,865	
	Yi Kong Security	None	Financial assets at FVTOCI	5,607	218,171	15.50	218,171	
	Lan An Co., Ltd.	None	Financial assets at FVTOCI	5	95	0.20	95	
	Great Taipei Broadband	None	Financial assets at FVTOCI	10,000	60,185	6.67	60,185	
	Yu Chi Venture Capital	None	Financial assets at FVTOCI	125	1,226	2.50	1,226	
	Beneficiary certificates							
	Allianz Global Investors Taiwan Money Fund First Gold Taiwan Money Market Fund	None	Financial assets at FVTPL	7,770	103,814	0.43	103,814	
	First Gold Taiwan Money Market Fund	None	Financial assets at FVTPL	8,298	135,502	0.19	135,502	
	Fubon Money Market Fund	None	Financial assets at FVTPL	6,566	103,936	0.15	103,936	
	Yuanta U.S. Treasury 1-3 Year Bond ETF	None	Financial assets at FVTPL	1,000	31,230	0.18	31,230	
	CAPITAL ICE ESG 20+Year BBB Corporate ETF	None	Financial assets at FVTPL	1,900	28,842	0.01	28,842	
	CTBC Enhanced Yield 15+Year Investment Grade Senior US Developed Markets Corporate ESG Screened Bond ETF	None	Financial assets at FVTPL	3,000	29,070	0.07	29,070	
	KGI Global 10+Year USD Single A Corporate Bond ETF	None	Financial assets at FVTPL	1,400	20,146	0.04	20,146	
	Bond							
	Mercuries Life Insurance Co., Ltd 1st Perpetual Unsecured Subordinate Corporate Bond Issue in 2014	None	Investments in debt instruments at amortized cost	-	39,933	-	39,933	

Holding company	Marketable securities type and name	Relationship with the holding company	Financial statement account	June 30, 2026				Note
				Number of shares/units/ face value	Carrying amount	Percentage of ownership (%)	Market value	
Shin Kong Venture Capital	Shares							
	Taiya Renewable Energy Co., Ltd	None	Financial assets at FVTPL	600	$421	0.41	$421	
	Infinite Resource Technology Co., Ltd.	None	Financial assets at FVTPL	1,250	22,500	2.49	22,500	
	Eco Energy Corporation	None	Financial assets at FVTPL	857	11,758	1.61	11,758	
	MaiCoin - KY	None	Financial assets at FVTPL	258	35,130	0.44	35,130	
	Zimmite Taiwan Ltd.	None	Financial assets at FVTPL	611	32,281	1.93	32,281	
	Topkey Corporation	None	Financial assets at FVTPL	32	5,344	0.04	5,344	
	CyCraft - KY	None	Financial assets at FVTPL	11	868	0.03	868	
	Mega Union Technology Incorporated	None	Financial assets at FVTPL	20	19,540	0.03	19,540	
	AnnJi Pharmaceutical Co., Ltd.	None	Financial assets at FVTPL	141	8,282	0.15	8,282	
	Techzone Technology Materials Co., Ltd.	None	Financial assets at FVTPL	271	24,685	0.29	24,685	
	Green Solution Technology Co., Ltd.	None	Financial assets at FVTPL	75	5,031	0.25	5,031	
	Aulisa Medical USA, Inc.	None	Financial assets at FVTOCI	309	4,027	1.11	4,027	
	Sounds Great Co., Ltd.	None	Financial assets at FVTOCI	7,450	-	8.63	-	
	Puhui Financial Technology Co., Ltd.	None	Financial assets at FVTOCI	230	-	11.93	-	
	Evergreen Steel Corp.	None	Financial assets at FVTOCI	315	29,579	0.08	29,579	
	Value Valves Co., Ltd.	None	Financial assets at FVTOCI	37	3,034	0.08	3,034	
	Alar Pharmaceuticals Inc.	None	Financial assets at FVTOCI	288	33,552	0.43	33,552	
	Beneficiary certificates							
	Mesh Ventures Fund 1 LP	None	Financial assets at FVTOCI	-	1,302	3.34	1,302	
	Li Shen Zhi-Lian L.P.	None	Financial assets at FVTPL	-	8,778	15.14	8,778	
	Andra Capital Fund LP	None	Financial assets at FVTPL	-	217,845	4.25	217,845	
	Pacific 8 Ventures Fund II, L.P.	None	Financial assets at FVTPL	-	97,547	5.86	97,547	
	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	768,248	100.00	768,248	
	Jih-yao Energy Co., Ltd.	Associate	Investments measured by equity method	500	5,159	1.67	5,159	

ATTACHMENT 4
Receivables from related parties amounting to $300 million or 10% of the paid-in capital
June 30, 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	$1,792,526 (Note 1)	-	$-	-	$-	$-	Note 1
TS Financial Holding	Taiwan Shin Kong Commercial Bank	Wholly-owned subsidiary of TS Financial Holding	927,169 (Note 1)	-	-	-	-	-	〃
TS Financial Holding	Taishin Securities B	Wholly-owned subsidiary of TS Financial Holding	3,358,669 (Note 3)	-	-	-	-	-	Note 3
Shin Kong Life Insurance	TS Financial Holding	Wholly-owned subsidiary of TS Financial Holding	4,499,314 (Note 1)	-	-	-	-	-	Note 1
Taishin Bank	Shin Kong Life Insurance	Both entities are wholly-owned subsidiaries of TS Financial Holding	621,382 (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.
Note 3: The ending balance is comprised of dividends receivable, accounts receivable from related parties under the linked tax system and contingent consideration receivable. The amounts were eliminated from the consolidated financial statements.

ATTACHMENT 5
Information on Investees and the Group's Aggregate Shareholding Percentages
June 30, 2026

Investees' Names	Investees' Location	Principal Business Activities	Ownership Interest (%) at Ending Balance	Investment Book Value	Recognized Investment Income (Loss) of Current Period	Percentage Share of the Company and Its Affiliates in Investees (Note 1)				Note
						Current Shares	Pro Forma Shares (Note 2)	Total Shares	Ownership Interest (%)	
Financial business										
Taishin Bank	B1, 1F, No. 44, Jungshan N. Rd., Sec. 2, Zhongshan District, Taipei, Taiwan	Commercial bank business, trust, and bills discounting	100.00%	$213,246,815	$11,127,672	12,299,164,593	-	12,299,164,593	100.00	Investments accounted for using equity method
Taishin Securities B	2F, No. 44, Jungshan N. Rd., Sec. 2, Zhongshan District, Taipei, Taiwan	Multiple securities and future transaction assistant	100.00%	49,466,385	5,532,506	2,505,407,068	-	2,505,407,068	100.00	Investments accounted for using equity method
Taishin Venture Capital Investment	18F, No. 118, Ren-Ai Rd., Sec. 4, Da'an District, Taipei, Taiwan	Venture capital, investment advisory, and management consulting businesses	100.00%	3,495,861	173,918	276,701,358	-	276,701,358	100.00	Investments accounted for using equity method

Investees' Names	Investees' Location	Principal Business Activities	Ownership Interest (%) at Ending Balance	Investment Book Value	Recognized Investment Income (Loss) of Current Period	Percentage Share of the Company and Its Affiliates in Investees (Note 1)				Note
						Current Shares	Pro Forma Shares (Note 2)	Total Shares	Ownership Interest (%)	
Taishin Securities Investment Trust	11F,No. 167, Sec 2, Nanjing E. Rd, Zhongshan District, Taipei, Taiwan	Securities investment trust business, Securities investment advisory discretionary investment services, and other businesses approved by the competent authority	100.00%	$2,263,600	$463,283	136,502,964	-	136,502,964	100.00	Investments accounted for using equity method
Taishin Securities Investment Advisory	16F, No. 118, Ren-Ai Rd., Sec. 4, Da'an District, Taipei, Taiwan	Investment trust, advisory, and publication	92.00%	299,263	1,242	27,599,513	-	27,599,513	92.00	Investments accounted for using equity method

Investees' Names	Investees' Location	Principal Business Activities	Ownership Interest (%) at Ending Balance	Investment Book Value	Recognized Investment Income (Loss) of Current Period	Percentage Share of the Company and Its Affiliates in Investees (Note 1)				Note
						Current Shares	Pro Forma Shares (Note 2)	Total Shares	Ownership Interest (%)	
Taishin AMC	2F-3, No. 9, Dehuei St., Zhongshan District, Taipei, Taiwan	Businesses related to the purchase, valuation, auction, and management ofmoney debt claims from financial institutions Section expropriation and urban land rezoning agency, urban renewal and reconstruction, real estate sales and leasing businesses	100.00%	$1,093,090	$58,033	67,100,000	-	67,100,000	100.00	Investments accounted for using equity method

Investees' Names	Investees' Location	Principal Business Activities	Ownership Interest (%) at Ending Balance	Investment Book Value	Recognized Investment Income (Loss) of Current Period	Percentage Share of the Company and Its Affiliates in Investees (Note 1)				Note
						Current Shares	Pro Forma Shares (Note 2)	Total Shares	Ownership Interest (%)	
Taiwan Shin Kong Commercial Bank	3rd, 4th, 5th, 10th, 19th, 20th, and 21st floors, 4th Floor-1, 5th Floor-1, and 9th Floor-1 of No. 32, Songren Road, Xinyi District, Taipei City, and 1st, 3rd, 4th, 5th, 10th, 19th, 20th, and 21st floors, and 9th Floor-1 of No. 36, Songren Road, Xinyi District, Taipei, Taiwan	Commercial banking business as stipulated by the Banking Act and businesses approved by the competent authority	100.00%	$97,793,373	$4,798,604	4,981,532,944	-	4,981,532,944	100.00	Investments accounted for using equity method
Shin Kong Life Insurance	31st to 43rd floors, No. 66, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei, Taiwan	Life insurance	100.00%	417,105,874	20,988,107	9,202,274,136	-	9,202,274,136	100.00	Investments accounted for using equity method
Shin Kong Venture Capital	38th Floor, No. 66, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei, Taiwan	Venture capital, investment advisory, and management consulting services	100.00%	1,496,226	22,938	147,170,276	-	147,170,276	100.00	Investments accounted for using equity method

Investees' Names	Investees' Location	Principal Business Activities	Ownership Interest (%) at Ending Balance	Investment Book Value	Recognized Investment Income (Loss) of Current Period	Percentage Share of the Company and Its Affiliates in Investees (Note 1)				Note
						Current Shares	Pro Forma Shares (Note 2)	Total Shares	Ownership Interest (%)	
Shin Kong Insurance Agent	31st Floor, No. 66, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei, Taiwan	Property insurance agency business	100.00%	71,165	48,456	1,000,000	-	1,000,000	100.00	Investments accounted for using equity method
Chang Hwa Bank	No. 38, Section 2, Ziyou Road, Central District, Taichung, Taiwan	Commercial banking business as stipulated by the Banking Act, life insurance agency, and property insurance agency businesses	2.55%	7,200,000	-	300,167,389	-	300,167,389	2.55	Financial assets at FVTOCI
Nonfinancial business										
Taipei Metro Consulting Service Co., Ltd.	B1F, No. 7, Lane 48, Zhongshan N. Rd., Sec. 2, Zhongshan District, Taipei, Taiwan	Consultancy, information service and human resource dispatch	10.40%	2,264	-	520,000	-	520,000	10.40	Financial assets at FVTOCI

Note 1: Shares or pro forma shares held by the Bank, directors, supervisors, president, vice president and affiliates in accordance with the Company Law have been included.
Note 2: a. Pro forma shares are shares that are assumed to be obtained through buying equity-based securities or entering into equity-linked derivative contracts.
b. Equity-based securities, such as convertible bonds and warrants, are covered by Article 11 of the "Securities and Exchange Law Enforcement Rules."
c. Derivative contracts, such as those on share options, are those conforming to the definition of derivatives in IAS 39 "Financial Instruments."

ATTACHMENT 6

1. Investments in Mainland China

(In Thousands of New Taiwan Dollars; in Thousands of Specified Foreign Currency)

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 June 30, 2026	Investee's net income	Percentage of ownership (%)	Investment profit (loss) recognized in the current period	Carrying value as of June 30, 2026	Accumulated inward remittance of earnings as of June 30, 2026
					Outflow	Inflow						
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)	$19,758	100%	$19,758	$2,633,592	$397,631
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)	(38,201)	100%	(41,922)	753,277	-
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	(44)	100%	(44)	28,442	-
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	2,090	100%	2,090	99,135	-
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	(264)	100%	(264)	461,648	-
DingCheng Life Insurance	Insurance business operations.	5,544,400 (CNY$1,250,000)	Note 1(1)	1,386,100	-	-	1,386,100	1,567,315	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 June 30, 2026	Investment amounts authorized by investment commission, MOEA	Upper limit on investment
Taishin D.A. Finance	$2,885,579	$3,177,336	$32,243,955
Taishin Securities B	568,724	568,724	29,682,085
Shin Kong Life Insurance	1,386,100	337,721 (USD$12,642)	241,927,151

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 7

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	$23,022,137	Under arm's length terms	0.25%
0	TS Financial Holding	Taishin Bank	1	Securities purchased under resell agreements	200,000	Under arm's length terms	0.00%
0	TS Financial Holding	Taishin Bank	1	Interest income	175,988	Under arm's length terms	0.00%
0	TS Financial Holding	Taishin Bank	1	Receivable, net	1,792,526	Under arm's length terms	0.02%
0	TS Financial Holding	Taiwan Shin Kong Commercial Bank	1	Receivable, net	927,169	Under arm's length terms	0.01%
0	TS Financial Holding	Taishin Securities B	1	Receivable, net	3,358,669	Under arm's length terms	0.04%
0	TS Financial Holding	Taishin Securities Investment Trust	1	Receivable, net	100,406	Under arm's length terms	0.00%
0	TS Financial Holding	Shin Kong Life Insurance	1	Receivable, net	4,499,314	Under arm's length terms	0.05%
1	Taishin Bank	Shin Kong Life Insurance	3	Right-of-use assets, net	144,922	Under arm's length terms	0.00%
1	Taishin Bank	Shin Kong Life Insurance	3	Lease liabilities	153,027	Under arm's length terms	0.00%
1	Taishin Bank	Shin Kong Life Insurance	3	Deposits and remittances	14,582,152	Under arm's length terms	0.16%
1	Taishin Bank	Taishin Securities Investment Advisory	3	Deposits and remittances	324,492	Under arm's length terms	0.00%
1	Taishin Bank	Taishin Securities Investment Trust	3	Deposits and remittances	499,120	Under arm's length terms	0.01%
1	Taishin Bank	Taishin Securities B	3	Deposits and remittances	12,400,116	Under arm's length terms	0.13%
1	Taishin Bank	Taishin Venture Capital	3	Deposits and remittances	101,667	Under arm's length terms	0.00%
1	Taishin Bank	Taishin D.A. Finance	4	Deposits and remittances	188,166	Under arm's length terms	0.00%
1	Taishin Bank	Taishin Futures	4	Deposits and remittances	2,573,057	Under arm's length terms	0.03%
1	Taishin Bank	Taishin Securities Venture Capital	4	Deposits and remittances	276,056	Under arm's length terms	0.00%
2	Shin Kong Life Insurance	Taishin Bank	3	Payables, net	588,944	Under arm's length terms	0.01%
2	Shin Kong Life Insurance	Taishin Bank	3	Net service fee and commission income	3,396,286	Under arm's length terms	3.48%
2	Shin Kong Life Insurance	Taiwan Shin Kong Commercial Bank	3	Net service fee and commission income	1,661,198	Under arm's length terms	1.70%
2	Shin Kong Life Insurance	Taishin Securities Investment Trust	3	Net other non-interest income	199,014	Under arm's length terms	0.20%
2	Shin Kong Life Insurance	Taiwan Shin Kong Commercial Bank	3	Net other non-interest income	140,308	Under arm's length terms	0.14%
2	Shin Kong Life Insurance	Shin Shou Building Management	4	Payables, net	100,602	Under arm's length terms	0.14%

Number (Note 1)	Main party	Counterparty	Relationship (Note 2)	Transactions			
				Account	Amount	Terms	% of Consolidated operating revenues or consolidated total assets (Note 3)
2	Shin Kong Life Insurance	Shin Shou Building Management	4	Other general and administrative expenses	$243,037	Under arm's length terms	0.25%
3	Taishin Securities B	Shin Kong Life Insurance	3	Net service fee and commission income	142,344	Under arm's length terms	0.15%
3	Taishin Securities B	Taiwan Shin Kong Commercial Bank	3	Net other non-interest income	112,001	Under arm's length terms	0.11%
4	Taishin Futures	Taishin Bank	5	Other financial liabilities	1,065,027	Under arm's length terms	0.01%
4	Taishin Futures	Taishin Securities B	5	Other financial liabilities	4,513,087	Under arm's length terms	0.05%
5	Taiwan Shin Kong Commercial Bank	Shin Kong Life Insurance	3	Receivable, net	193,939	Under arm's length terms	0.00%
5	Taiwan Shin Kong Commercial Bank	Shin Kong Life Insurance	3	Right-of-use assets, net	660,570	Under arm's length terms	0.01%
5	Taiwan Shin Kong Commercial Bank	Shin Kong Life Insurance	3	Lease liabilities	697,149	Under arm's length terms	0.01%
5	Taiwan Shin Kong Commercial Bank	Shin Kong Life Insurance	3	Deposits and remittances	24,903,115	Under arm's length terms	0.27%
5	Taiwan Shin Kong Commercial Bank	Shin Shou Building Management	4	Deposits and remittances	206,734	Under arm's length terms	0.00%
5	Taiwan Shin Kong Commercial Bank	Taishin Securities B	3	Deposits and remittances	6,952,510	Under arm's length terms	0.07%
5	Taiwan Shin Kong Commercial Bank	Taishin Futures	4	Deposits and remittances	2,132,611	Under arm's length terms	0.02%
5	Taiwan Shin Kong Commercial Bank	Taishin Securities Investment Trust	3	Deposits and remittances	640,067	Under arm's length terms	0.01%
5	Taiwan Shin Kong Commercial Bank	Shin Kong Venture Capital	3	Deposits and remittances	848,252	Under arm's length terms	0.01%
5	Taiwan Shin Kong Commercial Bank	Shin Kong Life Insurance	3	Interest expenses	150,526	Under arm's length terms	0.15%

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.