O-Bank and Subsidiaries

Consolidated Financial Statements for the Six Months Ended June 30, 2025 and 2024 and Independent Auditors' Report

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
O-Bank

Opinion

We have audited the accompanying consolidated financial statements of O-Bank (the "Bank") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of June 30, 2025, December 31, 2024 and June 30, 2024, the consolidated statements of comprehensive income for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the six months ended June 30, 2025 and 2024, and related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

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, 2025, December 31, 2024 and June 30, 2024, its consolidated financial performance for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, and its consolidated cash flows for the six months ended June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Publicly Held Bills Finance Companies, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 for the six months ended June 30, 2025. 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 descriptions of the key audit matters of the consolidated financial statements for the six months ended June 30, 2025 are as follows:

Allowance for Credit Losses of Loans

The Bank is principally engaged in providing loans to customers. The Bank's management performed a loan impairment assessment in accordance with the requirements of International Financial Reporting Standard 9 "Financial Instruments". In addition, the allowance for credit losses of loans was calculated and classified in accordance with the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans" (referred to as "Banking Institutions Regulations Governing the Procedures for Bad Debt").

For details on the accounting policy on the allowance for credit losses, refer to Note 4 to the accompanying consolidated financial statements; for details on the material accounting judgments, estimations and assumptions of loan impairment, refer to Note 5 to the accompanying consolidated financial statements; and for details on the allowance for credit losses, refer to Note 14 to the accompanying consolidated financial statements.

The Bank shall assess the classification of credit-granting assets and recognize allowance for credit losses on loans in accordance with the "Banking Institutions Regulations Governing the Procedures for Bad Debt". As the assessment and recognition of loss allowance involve subjective judgments, critical estimations and assumptions of the management, we have included the assessment of allowance for credit losses of loans as a key audit matter.

The main audit procedures we performed in response to certain aspects of the key audit matter described above are as follows:

- We obtained an understanding and performed testing on the internal controls with respect to the Bank's loan impairment assessment.

- We examined the classifications of loans and determined that they were in accordance with the "Banking Institutions Regulations Governing the Procedures for Bad Debt". We also recalculated the amount of the allowance for credit losses on loans and checked and confirmed that the allowance has met the requirements of the regulation.

Assessment of Reserve for Losses on Guarantee Contracts

China Bills Finance Corporation sets aside reserves for guarantee liabilities. It is required to comply, with both the International Financial Reporting Standard 9, "Financial Instruments", whereby the expected losses on guarantee obligations generated by financial guarantee contracts are assessed, and the "Regulations Governing the Procedures for Bills Finance Companies to Evaluate Assets, Set Aside Loss Reserves, and Handle Non-performing Credit, Non-accrual Loans, and Bad Debt" (referred to as the "Bills Finance Companies Regulations for Evaluating Bad Debt"), whereby the reserves for guarantee liabilities are classified and made.

For details on the accounting policy on the reserve for guarantee liabilities, refer to Note 4 to the accompanying consolidated financial statements; for details on the material accounting judgments, estimations and assumptions of the reserve for guarantee liabilities, refer to Note 5 to the accompanying consolidated financial statements; and for details on the reserve for guarantee liabilities, refer to Note 14 to the accompanying consolidated financial statements.

China Bills Finance Corporation assessment of the reserve for guarantee contracts which involve subjective judgments, critical estimations and assumptions of the management. The classification of credit-granting assets and recognition of the reserve for guarantee contracts in accordance with the "Bills Finance Companies Regulations for Evaluating Bad Debt" influence the amounts of the reserve for guarantee contracts. Thus, we considered the assessment of reserve losses on guarantee contracts as a key audit matter.

The main audit procedures we performed in response to certain aspects of the key audit matter described above are as follows:

- We obtained an understanding of the internal controls on the estimated impairment of reserve for losses on guarantee contracts, and we tested the effectiveness of the operation of the controls.

- We reviewed the assessment schedule of reserve for losses on credit-granting assets, which the management of China Bills Finance Corporation used to assess the reserve. We checked the completeness of the amount of credit-granting assets in the schedule and the rationality of the classifications. We recalculated the amounts of reserve for losses on guarantee contracts in the schedule and checked and confirmed that the reserve has met the requirements of the "Bills Finance Companies Regulations for Evaluating Bad Debt" or not.

Other Matter

We have also audited the parent company only financial statements of the Bank as of and for the six months ended June 30, 2025 and 2024 on which we have issued an unmodified opinion.

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 Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Publicly Held Bills Finance Companies, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the 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 the audit committee, are responsible for overseeing the Group's financial reporting process.

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 maintain 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 Group's internal control.

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 Group's ability to continue as a going concern. 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 disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 for the six months ended June 30, 2025 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.

The engagement partners on the audits resulting in this independent auditors' report are Kuan-Hao Lee and Wei-Chun Ma.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 21, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance 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 audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

O-BANK AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	June 30, 2025		December 31, 2024		June 30, 2024	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CASH AND CASH EQUIVALENTS (Note 6)	$ 7,070,303	1	$ 9,401,107	2	$ 9,878,222	2
DUE FROM THE CENTRAL BANK AND CALL LOANS TO BANKS (Note 7)	15,648,020	2	19,486,537	3	27,109,090	4
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Notes 8 and 42)	183,323,995	27	184,911,881	27	170,609,695	25
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Notes 9, 42 and 46)	167,303,488	24	167,848,261	25	173,035,649	26
INVESTMENTS IN DEBT INSTRUMENTS AT AMORTIZED COST (Notes 10, 42 and 46)	27,285,899	4	25,955,538	4	25,505,719	4
BILLS AND BONDS PURCHASED UNDER RESELL AGREEMENTS (Note 11)	13,225,921	2	7,932,028	1	6,488,166	1
RECEIVABLES, NET (Notes 12 and 14)	4,700,342	1	4,088,068	1	3,993,125	1
CURRENT TAX ASSETS	347,911	-	710,461	-	664,241	-
DISCOUNTS AND LOANS, NET (Notes 13, 14, 41 and 42)	253,853,580	37	247,488,056	36	240,170,227	36
INVESTMENT ACCOUNTED FOR USING EQUITY METHOD, NET (Note 16)	6,438,543	1	6,975,022	1	7,010,830	1
OTHER FINANCIAL ASSETS (Note 17)	431,460	-	1,098,205	-	1,099,458	-
PROPERTY AND EQUIPMENT, NET (Notes 18 and 43)	2,606,782	1	2,379,140	-	2,346,828	-
RIGHT-OF-USE ASSETS, NET (Note 19)	361,095	-	409,387	-	444,529	-
INTANGIBLE ASSETS, NET (Note 20)	1,623,163	-	1,743,557	-	1,676,347	-
DEFERRED TAX ASSETS (Note 39)	748,374	-	848,532	-	999,504	-
OTHER ASSETS (Notes 19 and 21)	2,113,540	-	1,809,374	-	1,713,618	-
TOTAL	$ 687,082,416	100	$ 683,085,154	100	$ 672,745,248	100
LIABILITIES AND EQUITY						
LIABILITIES						
Deposits from the Central Bank and other banks (Note 22)	$ 47,968,203	7	$ 38,651,705	6	$ 34,997,706	5
Financial liabilities at fair value through profit or loss (Note 8)	1,677,362	-	1,364,632	-	1,032,414	-
Bills and bonds sold under repurchase agreements (Note 23)	222,997,825	33	215,304,631	32	207,281,562	31
Payables (Note 24)	8,986,360	1	5,996,974	1	11,646,571	2
Current tax liabilities	362,300	-	157,788	-	342,483	-
Deposits and remittances (Notes 25 and 41)	312,979,972	46	331,170,002	48	331,228,946	49
Bank debentures payable (Note 26)	13,450,000	2	13,450,000	2	15,450,000	3
Other financial liabilities (Note 27)	13,335,644	2	11,393,737	2	7,861,238	1
Provisions (Notes 14, 28 and 29)	2,003,762	-	2,006,251	-	1,989,757	-
Lease liabilities (Note 19)	379,230	-	428,616	-	463,486	-
Deferred tax liabilities	868,621	-	968,320	-	842,902	-
Other liabilities (Note 30)	654,537	-	672,105	-	768,614	-
Total liabilities	625,663,816	91	621,564,761	91	613,905,679	91
EQUITY ATTRIBUTABLE TO OWNERS OF THE BANK						
Capital						
Common stock	28,053,579	4	28,053,579	4	27,419,753	4
Preferred stock	2,500,000	-	2,500,000	-	2,910,310	-
Total capital	30,553,579	4	30,553,579	4	30,330,063	4
Capital surplus	572,019	-	568,184	-	26,377	-
Retained earnings						
Legal reserve	7,370,243	1	6,527,632	1	6,527,632	1
Special reserve	1,587,188	-	1,970,247	-	1,970,247	-
Unappropriated earnings	3,727,857	1	4,722,209	1	3,924,412	1
Total retained earnings	12,685,288	2	13,220,088	2	12,422,291	2
Other equity	(1,346,390)	-	(1,450,123)	-	(1,949,780)	-
Treasury stock	(221,695)	-	(87,267)	-	(73,183)	-
Total equity attributable to owners of the Bank	42,242,801	6	42,804,461	6	40,755,768	6
NON-CONTROLLING INTERESTS	19,175,799	3	18,715,932	3	18,083,801	3
Total equity (Note 31)	61,418,600	9	61,520,393	9	58,839,569	9
TOTAL	$ 687,082,416	100	$ 683,085,154	100	$ 672,745,248	100

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

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
INTEREST REVENUE (Notes 32 and 41)	$ 3,480,608	134	$ 4,009,407	157	$ 7,404,799	150	$ 7,876,442	143
INTEREST EXPENSE (Notes 32 and 41)	(2,983,968)	(115)	(3,541,957)	(139)	(6,330,780)	(128)	(6,956,523)	(126)
NET INTEREST	496,640	19	467,450	18	1,074,019	22	919,919	17
NET REVENUE OTHER THAN INTEREST REVENUE								
Service fee income, net (Notes 33 and 41)	595,396	23	575,495	23	1,268,491	26	1,399,314	25
Gains (losses) on financial assets or liabilities measured at fair value through profit or loss (Note 34)	(780,427)	(30)	1,544,687	60	571,838	11	4,387,208	79
Realized gains on financial assets at fair value through other comprehensive income (Note 35)	306,242	12	82,703	3	388,479	8	246,101	4
Foreign exchange gain (loss), net	2,096,757	81	(179,693)	(7)	1,833,614	37	(1,517,908)	(27)
Reversal of (losses on) impairment of assets	9,345	-	(3,890)	-	6,993	-	(9,840)	-
Share of profit (loss) of associates accounted for using equity method (Note 16)	(146,659)	(6)	44,082	2	(237,792)	(5)	63,873	1
Other net revenue other than interest	23,068	1	20,180	1	45,685	1	42,747	1
Total net revenue other than interest revenue	2,103,722	81	2,083,564	82	3,877,308	78	4,611,495	83
NET REVENUE	2,600,362	100	2,551,014	100	4,951,327	100	5,531,414	100
BAD DEBTS EXPENSE, COMMITMENT AND GUARANTEE LIABILITY PROVISION (Notes 4 and 14)	(195,517)	(7)	(214,472)	(9)	(230,014)	(4)	(317,802)	(6)
OPERATING EXPENSES								
Employee benefits expenses (Notes 29, 36 and 41)	729,429	28	740,953	29	1,448,324	29	1,538,935	28
Depreciation and amortization expenses (Note 37)	113,184	4	156,696	6	235,288	5	309,873	6
Other general and administrative expenses (Notes 38 and 41)	400,769	16	331,824	13	782,525	16	696,237	12
Total operating expenses	1,243,382	48	1,229,473	48	2,466,137	50	2,545,045	46
PROFIT BEFORE INCOME TAX	1,161,463	45	1,107,069	43	2,255,176	46	2,668,567	48
INCOME TAX EXPENSE (Note 39)	258,700	10	243,974	9	523,821	11	534,094	10
NET PROFIT FOR THE PERIOD	902,763	35	863,095	34	1,731,355	35	2,134,473	38

(Continued)

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:								
Gains (losses) on remeasurements of defined benefit plans	$ -	-	$ -	-	$ 321	-	$ 560	-
Revaluation gains (losses) on investments in equity instruments measured at fair value through other comprehensive income	12,851	1	168,553	7	(46,458)	(1)	776,976	14
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method	5,398	-	2,148	-	12,137	-	10,623	-
Income tax related to components of other comprehensive income (loss) that will not be reclassified to profit or loss (Note 39)	-	-	-	-	-	-	(112)	-
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax	18,249	1	170,701	7	(34,000)	(1)	788,047	14
Components of other comprehensive income (loss) that will be reclassified to profit or loss:								
Exchange differences on translation of financial statements of foreign operations	(1,151,153)	(44)	19,336	1	(1,004,478)	(20)	494,833	9
Gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	948,253	36	(666,461)	(26)	1,594,838	32	(1,123,970)	(20)
Income tax related to components of other comprehensive income (loss) that will be reclassified to profit or loss (Note 39)	107,233	4	(7,908)	(1)	5,011	-	(11,706)	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss, net of tax	(95,667)	(4)	(655,033)	(26)	595,371	12	(640,843)	(11)
Other comprehensive income (loss) for the period, net of income tax	(77,418)	(3)	(484,332)	(19)	561,371	11	147,204	3
TOTAL COMPREHENSIVE INCOME	$ 825,345	32	$ 378,763	15	$ 2,292,726	46	$ 2,281,677	41

(Continued)

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Bank	$ 485,724	19	$ 681,229	27	$ 1,022,819	21	$ 1,634,702	29
Non-controlling interests	417,039	16	181,866	7	708,536	14	499,771	9
	$ 902,763	35	$ 863,095	34	$ 1,731,355	35	$ 2,134,473	38
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Bank	$ 128,512	5	$ 375,434	15	$ 1,083,640	22	$ 1,912,572	34
Non-controlling interests	696,833	27	3,329	-	1,209,086	24	369,105	7
	$ 825,345	32	$ 378,763	15	$ 2,292,726	46	$ 2,281,677	41
EARNINGS PER SHARE (Note 40)								
Basic	$0.13		$0.20		$0.32		$0.55	
Diluted	$0.12		$0.18		$0.30		$0.50	

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

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Bank (Notes 9 and 31)													
									Other Equity					
	Capital Stock				Retained Earnings									
	Common Stock	Preferred Stock	Total	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on the Translation of Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Stock	Owners of the Bank	Non-controlling Interests (Note 31)	Total Equity
BALANCE ON JANUARY 1, 2024	$ 27,339,923	$ 2,990,140	$ 30,330,063	$ 19,624	$ 5,789,200	$ 3,197,011	$ 2,756,051	$ 11,742,262	$ 109,410	$ (1,937,803)	$ (161,521)	$ 40,102,035	$ 18,415,711	$ 58,517,746
Reversal of special reserve	-	-	-	-	-	(1,226,764)	1,226,764	-	-	-	-	-	-	-
Appropriation and distribution of 2023 earnings														
Legal reserve	-	-	-	-	738,432	-	(738,432)	-	-	-	-	-	-	-
Cash dividends of common stock distributed by the Bank	-	-	-	-	-	-	(1,228,974)	(1,228,974)	-	-	-	(1,228,974)	-	(1,228,974)
Cash dividends of preferred stock distributed by the Bank	-	-	-	-	-	-	(124,956)	(124,956)	-	-	-	(124,956)	-	(124,956)
Changes in capital surplus from investments in subsidiaries accounted for using equity method	-	-	-	4,479	-	-	-	-	-	-	-	4,479	-	4,479
Unclaimed dividends	-	-	-	589	-	-	-	-	-	-	-	589	1,229	1,818
Cash dividends distributed by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(702,244)	(702,244)
Net profit for the six months ended June 30, 2024	-	-	-	-	-	-	1,634,702	1,634,702	-	-	-	1,634,702	499,771	2,134,473
Other comprehensive income (loss) for the six months ended June 30, 2024, net of income tax	-	-	-	-	-	-	(452)	(452)	384,210	(105,888)	-	277,870	(130,666)	147,204
Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	-	-	1,634,250	1,634,250	384,210	(105,888)	-	1,912,572	369,105	2,281,677
Common shares converted from convertible preferred shares	79,830	(79,830)	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of treasury stock to employees under share-based payment arrangements	-	-	-	1,685	-	-	-	-	-	-	88,338	90,023	-	90,023
Disposals of investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	399,709	399,709	-	(399,709)	-	-	-	-
BALANCE ON JUNE 30, 2024	$ 27,419,753	$ 2,910,310	$ 30,330,063	$ 26,377	$ 6,527,632	$ 1,970,247	$ 3,924,412	$ 12,422,291	$ 493,620	$ (2,443,400)	$ (73,183)	$ 40,755,768	$ 18,083,801	$ 58,839,569
BALANCE ON JANUARY 1, 2025	$ 28,053,579	$ 2,500,000	$ 30,553,579	$ 568,184	$ 6,527,632	$ 1,970,247	$ 4,722,209	$ 13,220,088	$ 541,303	$ (1,991,426)	$ (87,267)	$ 42,804,461	$ 18,715,932	$ 61,520,393
Reversal of special reserve	-	-	-	-	-	(383,059)	383,059	-	-	-	-	-	-	-
Appropriation and distribution of 2024 earnings														
Legal reserve	-	-	-	-	842,611	-	(842,611)	-	-	-	-	-	-	-
Cash dividends of common stock distributed by the Bank	-	-	-	-	-	-	(1,391,209)	(1,391,209)	-	-	-	(1,391,209)	-	(1,391,209)
Cash dividends of preferred stock distributed by the Bank	-	-	-	-	-	-	(119,972)	(119,972)	-	-	-	(119,972)	-	(119,972)
Changes in capital surplus from investments in subsidiaries accounted for using the equity method	-	-	-	3,422	-	-	-	-	-	-	-	3,422	-	3,422
Disgorgement exercised	-	-	-	3	-	-	-	-	-	-	-	3	-	3
Unclaimed dividends	-	-	-	410	-	-	-	-	-	-	-	410	1,124	1,534
Cash dividends distributed by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(750,343)	(750,343)
Net profit for the six months ended June 30, 2025	-	-	-	-	-	-	1,022,819	1,022,819	-	-	-	1,022,819	708,536	1,731,355
Other comprehensive income (loss) for the six months ended June 30, 2025, net of income tax	-	-	-	-	-	-	337	337	(796,059)	856,543	-	60,821	500,550	561,371
Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	-	-	1,023,156	1,023,156	(796,059)	856,543	-	1,083,640	1,209,086	2,292,726
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	(134,428)	(134,428)	-	(134,428)
Actual acquisition of interests in subsidiaries	-	-	-	-	-	-	(3,526)	(3,526)	-	-	-	(3,526)	-	(3,526)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	(43,249)	(43,249)	-	43,249	-	-	-	-
BALANCE ON JUNE 30, 2025	$ 28,053,579	$ 2,500,000	$ 30,553,579	$ 572,019	$ 7,370,243	$ 1,587,188	$ 3,727,857	$ 12,685,288	$ (254,756)	$ (1,091,634)	$ (221,695)	$ 42,242,801	$ 19,175,799	$ 61,418,600

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

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 2,255,176	$ 2,668,567
Adjustments for:		
Depreciation expense	157,259	150,065
Amortization expense	78,029	159,808
Expected credit losses/recognition of provisions	223,021	327,642
Net gain on financial assets or liabilities at fair value through profit or loss	(571,838)	(4,387,208)
Interest expense	6,330,780	6,956,523
Interest revenue	(7,404,799)	(7,876,442)
Dividend income	(285,997)	(83,058)
Share-based payment arrangements	-	7,253
Share of loss (profit) of associates accounted for using equity method	237,792	(63,873)
Loss on disposal of property and equipment	183	47
Gain on disposal of investments	(102,482)	(163,043)
Changes in operating assets and liabilities		
Due from the Central Bank and call loans to banks	2,987,140	(432,567)
Financial assets at fair value through profit or loss	1,666,939	(11,841,691)
Financial assets at fair value through other comprehensive income	2,549,841	(1,981,978)
Investment in debt instruments at amortized cost	(1,340,951)	353,091
Bills and bonds purchased under resell agreements	(5,361,144)	(546,141)
Receivables	(217,484)	1,065,386
Discounts and loans	(6,651,159)	(17,545,331)
Other assets	(304,166)	(19,466)
Deposits from the Central Bank and other banks	9,316,498	4,658,457
Financial liabilities at fair value through profit or loss	312,730	(369,291)
Bills and bonds sold under repurchase agreements	7,693,194	13,194,294
Payables	915,898	4,100,159
Deposits and remittances	(18,190,030)	14,666,648
Provisions	52,026	1,302
Other liabilities	(17,565)	307,669
Cash generated from (used in) operations	(5,671,109)	3,306,822
Interest received	7,308,744	7,617,200
Dividends received	31,330	50,056
Interest paid	(6,518,928)	(6,689,090)
Income taxes refunded (paid)	52,044	(445,184)
Net cash generated from (used in) operating activities	(4,797,919)	3,839,804
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(332,740)	(77,427)
Proceeds from disposal of property and equipment	1,046	468

(Continued)

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	**2024**
Acquisition of intangible assets	$ (55,417)	$ (49,904)
Increase in other financial assets	(17,888)	-
Decrease in other financial assets	-	11,049
Net cash used in investing activities	(404,999)	(115,814)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	100,000	-
Decrease in commercial papers	(11,848)	(202,580)
Proceeds from issuing bank debentures	-	2,500,000
Repayments of the principal portion of lease liabilities	(78,909)	(79,588)
Increase in other financial liabilities	1,853,755	4,327,681
Payments to acquire treasury stock	(134,428)	-
Transfer of treasury stock to employees	-	82,770
Net cash generated from financing activities	1,728,570	6,628,283
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(459,717)	254,654
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,934,065)	10,606,927
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	18,368,252	18,767,399
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	$ 14,434,187	$ 29,374,326

Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets at June 30, 2025 and 2024:

	June 30	
	2025	**2024**
Cash and cash equivalents reported in the consolidated balance sheets	$ 7,070,303	$ 9,878,222
Due from the Central Bank and call loans to banks qualifying for cash and cash equivalents under the definition of IAS 7	4,544,315	15,445,165
Bills and bonds purchased under resell agreements qualifying for cash and cash equivalents under the definition of IAS 7	2,520,500	3,077,000
Other items qualifying for cash and cash equivalents under the definition of IAS 7	299,069	973,939
Cash and cash equivalents at the end of the period	$ 14,434,187	$ 29,374,326

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

O-BANK AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Industrial Bank of Taiwan started its preparation for incorporation on March 2, 1998, was authorized for incorporation by the Ministry of Finance on July 27, 1999, and began its business operations on September 2, 1999.

To be in coordination with the government's financial liberation policy and to increase the operating efficiency, on August 14, 2015, the Industrial Bank of Taiwan's board of directors approved of the application for a change of registration to a commercial bank and for a change of name to "O-Bank Co., Ltd." ("O-Bank" or the "Bank"). The Financial Supervisory Commission ("FSC") accepted the application on December 15, 2016 and required the Bank to submit its proposed adjustment plan to comply with the Banking Act of the Republic of China. On January 1, 2017, the Banking Bureau approved and issued the operating license for the Bank to operate a commercial banking business. The Bank's name was changed from "Industrial Bank of Taiwan" to "O-Bank Co., Ltd." on January 1, 2017.

The Bank's operations include the following: (a) accepting various deposits; (b) issuing bank debentures; (c) providing loans, discounts, and acceptance business; (d) providing domestic and foreign exchange and guarantee business; (e) issuing letters of credit at home and abroad; (f) making receipts and payments by agents; (g) investing in and underwriting offering of securities; (h) dealing in bonds; (i) factoring; (j) providing financial advisory services to financing and non-financing business; (k) wealth management business; (l) providing personal insurance and property insurance agent business; (m) dealing with debit card business; (n) providing foreign exchange services for client's imports or exports, overseas remittances, foreign currency deposits, and foreign currency loans and guarantees; (o) overseeing trust business under the Trust Business Law and regulations; and (p) dealing in derivative financial instruments and participating in other operations authorized by the central authorities.

As of June 30, 2025, the Bank has ten main departments - Financial Business Department, Financial Market Department, Overseas Business Department, Risk Control Department, Operation Management Department, Science and Technology Financial Department, Legal Affairs and Legal Compliance Department, Strategic Development Department, Internal Audit Department and Corporate Sustainability and Communications Department. It also has Operating Segment, Nanjing Fuxing branch, Taoyuan branch, Hsinchu branch, Taichung branch and Kaohsiung branch. In addition, it has an Offshore Banking Unit, Hong Kong branch, and Tianjin and Sydney representative office.

The Bank's stocks were listed on the Emerging Stock Market of the Taipei Exchange ("TPEx") starting in August 2004. The TWSE approved the Bank's application for listing on November 28, 2016 and transferred the listing from the TPEx to the TWSE on May 5, 2017.

The consolidated financial statements are presented in the Bank's functional currency, the New Taiwan dollar.

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Bank and its subsidiaries (the "Group") had 1,523, 1,526 and 1,477 employees, respectively.

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors and authorized for issue on August 21, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the FSC

   Initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023

Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

1) The amendments mainly amend the requirements for the classification of financial assets, including:

   a) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,

      - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and

      - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

   b) To clarify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

   c) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

2) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Group can choose to derecognize the financial liability before the settlement date if, and only if, the Group has initiated a payment instruction that resulted in:

- The Group having no practical ability to withdraw, stop or cancel the payment instruction;
- The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

The Group shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the above amendments would not have a material impact on the Group's financial position and financial performance.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

1) IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, the Regulations Governing the Preparation of Financial Reports by Publicly Held Bills Finance Companies, and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the IFRS Accounting Standards disclosure information required in a complete set of annual consolidated financial statements.

Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at revalued amounts or fair values and the net defined benefit liabilities (assets) recognized at the fair value of the assets. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Classification of Current and Non-current Assets and Liabilities

Since the operating cycle in the banking industry could not be clearly identified, accounts included in the consolidated financial statements of the Group were not classified as current or noncurrent. Nevertheless, accounts were properly categorized according to the nature of each account and sequenced by their liquidity. Refer to Note 46 for the maturity analysis of liabilities.

Basis of Consolidation

Principles for preparing consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Bank and the entities controlled by the Bank. Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Bank. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. The total comprehensive income of subsidiaries shall be attributed to the owners of the Bank and to the non-controlling interests, even if the balance becomes negative or loss is incurred.

Refer to Note 15, Table 3 and Table 4 for the list of main business activities and ownership percentages of subsidiaries.

Other Material Accounting and Reporting Policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

a. 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.

b. Income tax expense

   Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes 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.

c. Impairment of financial assets

   The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including discounts and loans and receivables), investments in debt instruments that are measured at FVTOCI.

   The Group's policy is to always recognize lifetime expected credit losses (ECLs) on trade receivables and lease receivables. For all other financial instruments, the Group will recognize lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group will measure the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

   Expected credit losses reflect the weighted average of credit losses calculated by using the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

   For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the group):

   1) Internal or external information show that the debtor is unlikely to pay its creditors.

   2) When a financial asset is more than 90 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

   The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and does not reduce the carrying amount of such a financial asset.

Under the “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans” issued by the FSC, the Bank should classify credit assets as sound credit assets or unsound credit assets, with the unsound assets further categorized as noteworthy, substandard, having highly doubtful collectability and uncollectable, on the basis of the customers’ financial position, a valuation of the respective collateral and the length of time in which the principal repayments or interest payments have become overdue.

The Bank made minimum provisions of 1%, 2%, 10%, 50% and 100% for credit assets deemed to be uncollectable, to have highly doubtful collectability, to be substandard, to be noteworthy and to have sound credit (excluding assets that represent claims against an ROC government agency), respectively.

Furthermore, the Bank should make at least 1.5% provisions each for sound credit assets in Mainland China (pertaining to short-term advance for trade finance) and loans for house purchases, renovations and constructions, respectively.

In addition to valuating impairment loss of receivables and recognizing allowance or bad debts under IFRS 9, China Bills Finance Corporation (CBF) will evaluate impairment loss, under the “Regulations Governing the Procedures for Bills Finance Companies to Evaluate Assets, Set Aside Loss Reserves, and Handle Non-Performing Credit, Non-Accrual Loans, and Bad Debt” issued by the authorities and the CBF’s provision procedures, and recognize the higher of allowance of and debts between the above regulations expect.

The Group shall determine the unrecoverable claims and write them off after reporting them to the Board for approval.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

Estimated Impairment of Loans and Financial Guarantee Contract

The impairment of loans and financial guarantee contracts is based on assumptions about the risk of default and expected loss rates. The Group uses judgment in making these assumptions and in selecting the inputs of the impairment calculation, based on the Group’s past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

6. CASH AND CASH EQUIVALENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and petty cash	$ 141,000	$ 90,804	$ 141,534
Checking for clearing	2,153,532	1,098,026	5,434,330
Due from banks	4,775,771	8,212,277	4,302,358
	$ 7,070,303	$ 9,401,107	$ 9,878,222

The cash and cash equivalents of the consolidated cash flows and the related adjustments of the consolidated balance sheets on December 31, 2024 are as follows. The adjustments as of June 30, 2025 and 2024, refer to the consolidated statements of cash flows.

	December 31, 2024
Cash and cash equivalents in the consolidated balance sheets	$ 9,401,107
Due from the Central Bank and call loans to banks qualifying for cash and cash equivalents under the definition of IAS 7	5,395,692
Bills and bonds purchased under resell agreements qualifying for cash and cash equivalents under the definition of IAS 7	2,587,751
Other items qualifying for cash and cash equivalents under the definition of IAS 7	983,702
Cash and cash equivalents in the consolidated statements of cash flows	$ 18,368,252

7. DUE FROM THE CENTRAL BANK AND CALL LOANS TO BANKS

	June 30, 2025	December 31, 2024	June 30, 2024
Reserves for deposits - Type A	$ 1,611,628	$ 5,370,506	$ 4,099,599
Reserves for deposits - Type B	6,933,477	6,727,519	5,993,791
Due from Central Bank - Financial	2,513,740	1,500,970	1,505,606
Call loans to banks	4,544,315	5,821,962	15,445,165
Others	44,860	65,580	64,929
	$ 15,648,020	$ 19,486,537	$ 27,109,090

Under a directive issued by the Central Bank, deposit reserves are determined monthly at prescribed rates on average balances of customers’ deposits. Type B deposit reserves are subject to withdrawal restrictions.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets mandatorily classified as at FVTPL			
Hybrid financial assets			
Convertible bonds - domestic (include assets swap contracts)	$ 11,508,312	$ 9,611,517	$ 7,757,009
Derivative financial assets			
Currency swap contracts	457,396	1,482,335	1,235,802
Forward contracts	52,237	206,635	39,115
Interest rate swap contracts	104,307	320,740	203,486
Currency option contracts - call	222,879	57,244	91,502
Promised purchase contracts	6	-	24
Future exchange margins	66,599	59,021	59,910
Total return swap agreement	485,422	-	-
	1,388,846	2,125,975	1,629,839
Non-derivative financial assets			
Commercial paper	126,477,941	136,553,833	127,698,340
Commercial paper contracts	192,877	223,030	257,310
Negotiable certificates of deposit	41,113,504	30,582,405	29,007,636
Stocks and beneficiary certificates	1,208,653	1,397,719	2,345,612
Government bonds	555,654	3,011,021	508,388
Corporate bonds	878,208	1,406,381	1,405,561
	170,426,837	173,174,389	161,222,847
	$ 183,323,995	$ 184,911,881	$ 170,609,695
Held-for-trading financial liabilities			
Derivative financial instruments			
Currency swap contracts	$ 1,289,957	$ 797,199	$ 651,183
Forward contracts	49,941	174,441	45,884
Interest rate swap contracts	106,152	324,404	204,366
Currency option contracts - put	223,579	56,917	88,916
Promised purchase contracts	4,122	10,103	15,976
	1,673,751	1,363,064	1,006,325
Non-derivative financial liabilities			
Commercial paper contracts	3,611	1,568	26,089
	$ 1,677,362	$ 1,364,632	$ 1,032,414

The Group engages in derivative transactions, including forward contracts, currency swap contracts and currency option contracts, mainly for accommodating customers' needs and managing the exposure positions. As for the engagement in interest rate swap contracts, its purpose is to hedge risk of cash flow and risk of market value caused by the change of interest rates or exchange rates. The Group strategy is to hedge most of the market risk exposures using hedging instruments with market value changes that have a highly negative correlation with the changes in the market of the exposures being hedged.

The contract amounts (or notional amounts) of outstanding derivative transactions as of June 30, 2025, December 31, 2024 and June 30, 2024 were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Interest rate swap contracts	$ 32,681,943	$ 27,010,257	$ 19,162,607
Currency swap contracts	79,940,451	128,440,523	170,468,779
Forward contracts	14,192,881	35,652,957	20,424,926
Currency option contracts			
Buy	8,290,985	5,123,018	5,924,814
Sell	8,296,832	3,981,518	3,046,159
Promised purchase contracts	5,550,000	6,450,000	6,450,000
Futures contract	239,255	-	240,218
Total return swap agreement	2,603,771	-	-

As of June 30, 2025, December 31, 2024 and June 30, 2024, financial assets at fair value through profit and loss under agreement to repurchase were in the face amount of $120,043,300 thousand, $114,562,700 thousand and $99,739,800 thousand, respectively.

Refer to Note 42 for information relating to financial assets at fair value through profit or loss pledged as security.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2025	December 31, 2024	June 30, 2024
Investments in equity instruments at FVTOCI	$ 6,083,511	$ 2,077,968	$ 6,379,312
Investments in debt instruments at FVTOCI			
Government bonds	19,864,577	20,237,993	19,194,931
Bank debentures	26,986,287	27,005,088	28,324,314
Corporate bonds	88,716,421	90,284,144	87,939,769
Overseas government bonds	3,527,416	3,462,867	2,729,827
Commercial paper	3,571,564	2,753,669	4,444,005
Negotiable certificates of deposit	16,332,624	19,383,077	21,554,315
Mortgage-backed securities	2,221,088	2,643,455	2,469,176
	$ 167,303,488	$ 167,848,261	$ 173,035,649

a. Investments in equity instruments at FVTOCI

These investments in listed, unlisted and emerging stocks are not held for trading. Instead, they are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The Group disposed stock classified as at FVTOCI for invested management purpose for the six months ended June 30, 2025 and 2024. The fair value of stocks classified as at FVTOCI which had to be disposed of were $3,822,101 thousand and $4,595,253 thousand and the accumulated gain or loss related to the sold assets of $43,249 thousand loss and $399,709 thousand gain, respectively, were transferred from other equity-unrealized valuation gain or loss on financial assets at FVTOCI to retained earnings.

Dividends income from FVTOCI of $285,997 thousand and $83,058 thousand were recognized in profit or loss for the six months ended June 30, 2025 and 2024. The dividends related to investments held at the end of the reporting period were $71,545 thousand and $50,941 thousand, respectively.

In accordance with the Q&A issued by the FSC, for the investments in the limited partnership held before June 30, 2023 in which the investment contract stipulates that the limited partnership has a limited duration and whether the duration can be extended is subject to the resolution of partners in the partners' meeting, the Group elected not to retrospectively apply the Q&A "Classification of Investments in a Limited Partnership" issued by the Accounting Research and Development Foundation (ARDF), and therefore the abovementioned investments are still classified as investments in equity instruments at FVTOCI.

b. Investments in debt instruments at FVTOCI

Refer to Note 42 for information relating to investments in debt instruments at FVTOCI pledged as security.

Refer to Note 46 for information relating to the credit risk management and impairment assessment of investments in debt instruments at FVTOCI.

Investments in debt instruments at FVTOCI under agreement to repurchase were in the face amount of $93,800,212 thousand, $92,588,254 thousand and $99,177,645 thousand, on June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

10. INVESTMENTS IN DEBT INSTRUMENTS AT AMORTIZED COST

	June 30, 2025	December 31, 2024	June 30, 2024
Government bonds	$ 13,906,005	$ 13,198,713	$ 13,207,442
Bank debentures	5,727,023	6,802,257	6,350,915
Corporate bonds	5,523,794	5,469,472	5,467,770
Overseas government bonds	148,730	490,186	484,453
Principal of structured products	500,000	-	-
Mortgage-backed securities	1,484,111	-	-
	27,289,663	25,960,628	25,510,580
Less: Allowance for impairment loss	(3,764)	(5,090)	(4,861)
	$ 27,285,899	$ 25,955,538	$ 25,505,719

Refer to Note 42 for information relating to investments in debt instruments at amortized cost pledged as security.

Refer to Note 46 for information relating to the credit risk management and impairment assessment of investments in debt instruments at amortized cost.

Investments in debt instruments at amortized cost under agreement to repurchase was in the face amount of $4,986,143 thousand, $6,007,780 thousand and $4,511,627 thousand, as of June 30, 2025, December 31, 2024 and June 30, 2024.

11. BILLS AND BONDS PURCHASED UNDER RESELL AGREEMENTS

As of June 30, 2025, December 31, 2024 and June 30, 2024, bonds and bills in the amounts of $13,225,921 thousand, $7,932,028 thousand and $6,488,166 thousand, respectively, had been purchased under resell agreements would subsequently be sold for $13,280,842 thousand, $7,967,626 thousand and $6,506,181 thousand before September 2025, April 2025 and September 2024, respectively. As of June 30, 2025, December 31, 2024 and June 30, 2024, bonds and bills purchased under resell agreements were sold under repurchase agreements in the face amount of $4,252,300 thousand, $2,027,900 thousand and $3,408,000 thousand, respectively.

12. RECEIVABLES, NET

	June 30, 2025	December 31, 2024	June 30, 2024
Factored receivable	$ 661,176	$ 904,106	$ 499,033
Interest receivable	2,547,590	2,440,752	2,528,308
Accounts receivable	434,007	293,855	334,562
Investment settlements receivable	465,008	4,814	71,015
Acceptances receivable	229,723	358,898	306,149
Dividends receivable	290,599	200	202,819
Others	94,344	109,760	71,353
	4,722,447	4,112,385	4,013,239
Less: Allowance for credit losses	22,105	24,317	20,114
Receivables, net	$ 4,700,342	$ 4,088,068	$ 3,993,125

The changes in gross carrying amount on receivables for the six months ended June 30, 2025 and 2024 were as follows:

	12-month ECLs	Lifetime ECLs	Lifetime ECLs (Credit-impaired Financial Assets)	Total
Balance on January 1, 2025	$ 3,888,297	$ 186,309	$ 37,779	$ 4,112,385
Transfers				
To 12-month ECLs	3,854	(3,854)	-	-
To lifetime ECLs	(24,969)	24,989	(20)	-
To credit-impaired financial assets	(1,046)	(7,433)	8,479	-
New financial assets purchased or originated	2,426,266	48,549	22,995	2,497,810
Derecognition of financial assets in the reporting period	(1,703,284)	(122,696)	(5,694)	(1,831,674)
Exchange rate or other changes	(46,111)	(4,759)	(5,204)	(56,074)
Balance on June 30, 2025	$ 4,543,007	$ 121,105	$ 58,335	$ 4,722,447

(Continued)

	12-month ECLs	Lifetime ECLs	Lifetime ECLs (Credit-impaired Financial Assets)	Total
Balance on January 1, 2024	$ 4,563,763	$ 53,458	$ 8,078	$ 4,625,299
Transfers				
To 12-month ECLs	119	(118)	(1)	-
To lifetime ECLs	(13,055)	13,711	(656)	-
To credit-impaired financial assets	(2,099)	(52)	2,151	-
New financial assets purchased or originated	1,157,422	44,281	10,417	1,212,120
Derecognition of financial assets in the reporting period	(1,827,572)	(24,998)	(417)	(1,852,987)
Exchange rate or other changes	29,514	(3,254)	2,547	28,807
Balance on June 30, 2024	$ 3,908,092	$ 83,028	$ 22,119	$ 4,013,239

(Concluded)

The Group provides an appropriate allowance for doubtful debts for the assessment of receivables. Refer to Note 14 for the details and changes in the allowance for doubtful debts of receivables.

Refer to Note 46 for the impairment loss analysis of receivables.

13. DISCOUNTS AND LOANS, NET

	June 30, 2025	December 31, 2024	June 30, 2024
Short-term	$ 105,879,109	$ 105,128,211	$ 94,194,849
Medium-term	115,155,419	114,269,585	120,403,788
Long-term	35,882,776	31,144,903	28,451,201
Export bill negotiated	97,100	-	258,789
Overdue loans	271,229	276,514	354,341
	257,285,633	250,819,213	243,662,968
Less: Allowance for credit losses	3,432,053	3,331,157	3,492,741
	$ 253,853,580	$ 247,488,056	$ 240,170,227

The changes in gross carrying amount on discounts and loans for the six months ended June 30, 2025 and 2024 were as follows:

	12-month ECLs	Lifetime ECLs	Lifetime ECLs (Credit-impaired Financial Assets)	Total
Balance on January 1, 2025	$ 229,270,483	$ 18,338,346	$ 3,210,384	$ 250,819,213
Transfers				
To 12-month ECLs	1,097,528	(1,097,528)	-	-
To lifetime ECLs	(4,408,868)	4,412,515	(3,647)	-
To credit-impaired financial assets	(108,405)	(864,655)	973,060	-
New financial assets purchased or originated	114,542,746	10,958,811	127,032	125,628,589
Derecognition of financial assets in the reporting period	(105,596,208)	(7,376,973)	(825,230)	(113,798,411)
Write-offs	-	-	(90,226)	(90,226)
Exchange rate or other changes	(4,416,339)	(579,946)	(277,247)	(5,273,532)
Balance on June 30, 2025	$ 230,380,937	$ 23,790,570	$ 3,114,126	$ 257,285,633
Balance on January 1, 2024	$ 215,289,947	$ 10,080,624	$ 1,258,763	$ 226,629,334
Transfers				
To 12-month ECLs	33,831	(33,776)	(55)	-
To lifetime ECLs	(3,774,767)	3,965,776	(191,009)	-
To credit-impaired financial assets	(485,700)	(828,469)	1,314,169	-
New financial assets purchased or originated	104,783,909	9,006,195	280,746	114,070,850
Derecognition of financial assets in the reporting period	(93,706,252)	(5,637,062)	(101,519)	(99,444,833)
Write-offs	-	-	(623,777)	(623,777)
Exchange rate or other changes	2,764,865	233,861	32,668	3,031,394
Balance on June 30, 2024	$ 224,905,833	$ 16,787,149	$ 1,969,986	$ 243,662,968

The balance of the overdue loans of the Group as of June 30, 2025, December 31, 2024 and June 30, 2024 no longer include the calculation of interest. The unrecognized interest revenue on the above loans amounted to $4,654 thousand and $3,450 thousand for the six months ended June 30, 2025 and 2024, respectively. For the six months ended June 30, 2025 and 2024, the Group wrote off credits only upon completing the required legal procedures.

Refer to Note 42 for information relating to discounts and loan assets pledged as security.

The Group provides an appropriate allowance for doubtful debts based on the assessment of discounts and loans. Refer to Note 14 for the details and changes in the allowance for doubtful debts of discounts and loans.

Refer to Note 46 for the impairment loss analysis of discounts and loans.

14. ALLOWANCE FOR CREDIT LOSSES AND PROVISIONS

The changes in allowance for credit losses and provisions for six months ended June 30, 2025 were as follows:

Allowance for Receivables	12-month ECLs	Lifetime ECLs	Lifetime ECLs (Credit-impaired Financial Assets)	Accumulated Amount under IFRS 9	Difference Between IFRS 9 and Local Requirements	Total
Balance on January 1, 2025	$ 2,727	$ 1,837	$ 7,579	$ 12,143	$ 12,174	$ 24,317
Transfers						
To 12-month ECLs	14	(14)	-	-	-	-
To lifetime ECLs	(184)	186	(2)	-	-	-
To credit-impaired financial assets	(812)	(212)	1,024	-	-	-
New financial assets purchased or originated	2,014	516	2,330	4,860	-	4,860
Derecognition of financial assets in the reporting period	(2,194)	(1,358)	(738)	(4,290)	-	(4,290)
Change in model or risk parameters	954	329	(924)	359	-	359
Difference between IFRS 9 and local requirements	-	-	-	-	(2,356)	(2,356)
Withdrawal after write-offs	-	-	4	4	-	4
Exchange rate or other changes	(7)	(14)	(631)	(652)	(137)	(789)
Balance on June 30, 2025	$ 2,512	$ 1,270	$ 8,642	$ 12,424	$ 9,681	$ 22,105

Allowance for Discounts and Loans	12-month ECLs	Lifetime ECLs	Lifetime ECLs (Credit-impaired Financial Assets)	Accumulated Amount under IFRS 9	Difference Between IFRS 9 and Local Requirements	Total
Balance on January 1, 2025	$ 505,303	$ 216,750	$ 319,402	$ 1,041,455	$ 2,289,702	$ 3,331,157
Transfers						
To 12-month ECLs	5,790	(5,790)	-	-	-	-
To lifetime ECLs	(46,755)	47,645	(890)	-	-	-
To credit-impaired financial assets	(75,846)	(22,018)	97,864	-	-	-
New financial assets purchased or originated	209,318	120,562	99,275	429,155	-	429,155
Derecognition of financial assets in the reporting period	(140,718)	(68,017)	(88,612)	(297,347)	-	(297,347)
Change in model or risk parameters	113,736	71,496	(21,584)	163,648	-	163,648
Difference between IFRS 9 and local requirements	-	-	-	-	(9,821)	(9,821)
Write-offs	-	-	(90,226)	(90,226)	-	(90,226)
Withdrawal after write-offs	-	-	23,495	23,495	-	23,495
Exchange rate or other changes	(11,317)	(4,716)	(11,370)	(27,403)	(90,605)	(118,008)
Balance on June 30, 2025	$ 559,511	$ 355,912	$ 327,354	$ 1,242,777	$ 2,189,276	$ 3,432,053

Reserve for Losses on Guarantees Contracts and Financing Commitments	12-month ECLs	Lifetime ECLs	Lifetime ECLs (Credit-impaired Financial Assets)	Accumulated Amount under IFRS 9	Difference Between IFRS 9 and Local Requirements	Total
Balance on January 1, 2025	$ 108,679	$ 24,415	$ -	$ 133,094	$ 1,769,174	$ 1,902,268
Transfers						
To 12-month ECLs	111	(111)	-	-	-	-
To lifetime ECLs	(674)	674	-	-	-	-
New financial assets purchased or originated	39,964	11,789	-	51,753	-	51,753
Derecognition of financial assets in the reporting period	(53,012)	(12,573)	-	(65,585)	-	(65,585)
Change in model or risk parameters	(14,214)	(5,203)	-	(19,417)	-	(19,417)
Difference between IFRS 9 and local requirements	-	-	-	-	(20,945)	(20,945)
Withdrawal after write-offs	-	-	-	-	76,362	76,362
Exchange rate or other changes	(982)	(64)	-	(1,046)	(2,003)	(3,049)
Balance on June 30, 2025	$ 79,872	$ 18,927	$ -	$ 98,799	$ 1,822,588	$ 1,921,387

The changes in allowance for credit losses and provisions for six months ended June 30, 2024 were as follows:

Allowance for Receivables	12-month ECLs	Lifetime ECLs	Lifetime ECLs (Credit-impaired Financial Assets)	Accumulated Amount under IFRS 9	Difference Between IFRS 9 and Local Requirements	Total
Balance on January 1, 2024	$ 4,043	$ 201	$ 1,608	$ 5,852	$ 13,756	$ 19,608
Transfers						
To lifetime ECLs	(75)	108	(33)	-	-	-
To credit-impaired financial assets	(367)	(41)	408	-	-	-
New financial assets purchased or originated	1,559	38	2,285	3,882	-	3,882
Derecognition of financial assets in the reporting period	(2,553)	(120)	(388)	(3,061)	-	(3,061)
Change in model or risk parameters	349	6	(4)	351	-	351
Difference between IFRS 9 and local requirements	-	-	-	-	(1,047)	(1,047)
Exchange rate or other changes	(790)	-	830	40	341	381
Balance on June 30, 2024	$ 2,166	$ 192	$ 4,706	$ 7,064	$ 13,050	$ 20,114

Allowance for Discounts and Loans	12-month ECLs	Lifetime ECLs	Lifetime ECLs (Credit-impaired Financial Assets)	Accumulated Amount under IFRS 9	Difference Between IFRS 9 and Local Requirements	Total
Balance on January 1, 2024	$ 556,255	$ 200,184	$ 289,738	$ 1,046,177	$ 2,649,709	$ 3,695,886
Transfers						
To 12-month ECLs	1,182	(1,181)	(1)	-	-	-
To lifetime ECLs	(34,668)	64,342	(29,674)	-	-	-
To credit-impaired financial assets	(42,318)	(3,970)	46,288	-	-	-
New financial assets purchased or originated	180,098	40,061	246,428	466,587	-	466,587
Derecognition of financial assets in the reporting period	(157,030)	(12,613)	(99,187)	(268,830)	-	(268,830)
Change in model or risk parameters	(34,437)	7,457	(48,638)	(75,618)	-	(75,618)
Difference between IFRS 9 and local requirements	-	-	555,923	555,923	(369,509)	186,414
Write-offs	-	-	(623,777)	(623,777)	-	(623,777)
Withdrawal after write-offs	-	-	31,271	31,271	-	31,271
Exchange rate or other changes	11,320	3,785	1,106	16,211	64,597	80,808
Balance on June 30, 2024	$ 480,402	$ 298,065	$ 369,477	$ 1,147,944	$ 2,344,797	$ 3,492,741

Reserve for Losses on Guarantees Contracts and Financing Commitments	12-month ECLs	Lifetime ECLs	Lifetime ECLs (Credit-impaired Financial Assets)	Accumulated Amount under IFRS 9	Difference Between IFRS 9 and Local Requirements	Total
Balance on January 1, 2024	$ 116,948	$ 15,780	$ -	$ 132,728	$ 1,696,070	$ 1,828,798
Transfers						
To lifetime ECLs	(326)	326	-	-	-	-
New financial assets purchased or originated	44,471	2,170	-	46,641	-	46,641
Derecognition of financial assets in the reporting period	(62,202)	(9,042)	-	(71,244)	-	(71,244)
Change in model or risk parameters	(14,382)	1,890	-	(12,492)	-	(12,492)
Difference between IFRS 9 and local requirements	-	-	-	-	46,219	46,219
Withdrawal after write-offs	-	-	-	-	699	699
Exchange rate or other changes	461	11	-	472	1,134	1,606
Balance on June 30, 2024	$ 84,970	$ 11,135	$ -	$ 96,105	$ 1,744,122	$ 1,840,227

15. SUBSIDIARIES

a. Subsidiary included in consolidated financial statements:

Investor	Investee	Main Business	% of Ownership June 30, 2025	% of Ownership December 31, 2024	% of Ownership June 30, 2024	Remark	Audited by CPA
The Bank	China Bills Finance Co. (CBF)	Bonds underwriting, dealing and brokerage of securities	28.37	28.37	28.37	Founded in 1978	Yes
	IBT Holding Corp. (IBTH)	Holding company	100.00	100.00	100.00	Founded in 2006 in California	Yes
	IBTM	Investment consulting	100.00	100.00	100.00	Founded in 2000	Yes
	IBT VII Venture Capital Co., Ltd.	Venture capital	100.00	100.00	100.00	Founded in 2014	Yes
IBTH	EverTrust Bank	Banking	91.78	91.78	91.78	Founded in 1994 in California	Yes

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Principal Place of Business	Proportion of Ownership and Voting Rights Held by Non-controlling Interests June 30, 2025	December 31, 2024	June 30, 2024
CBF	Taipei	71.63%	71.63%	71.63%

The summarized financial information below represents amounts before intragroup eliminations:

	June 30, 2025	December 31, 2024	June 30, 2024
CBF			
Equity attributable to:			
Owners of CBF	$ 7,352,148	$ 7,155,225	$ 6,923,439
Non-controlling interests of CBF	18,564,170	18,066,939	17,481,682
	$ 25,916,318	$ 25,222,164	$ 24,405,121

	For the Six Months Ended June 30 2025	2024
Net revenue	$ 1,426,597	$ 1,099,416
Net profit from continuing operations	$ 967,431	$ 677,331
Other comprehensive income (loss) for the period	772,663	(226,788)
Total comprehensive income for the period	$ 1,740,094	$ 450,543
Profit attributable to:		
Owners of CBF	$ 274,449	$ 192,151
Non-controlling interests of CBF	692,982	485,180
	$ 967,431	$ 677,331

(Continued)

	For the Six Months Ended June 30	
	2025	2024
Total comprehensive income attributable to:		
Owners of CBF	$ 493,644	$ 127,814
Non-controlling interests of CBF	1,246,450	322,729
	$ 1,740,094	$ 450,543
Net cash inflow (outflow) from:		
Operating activities	$ (1,745,318)	$ (426,041)
Investing activities	188	(29,138)
Financing activities	1,194,266	477,380
Net cash inflow (outflow)	$ (550,864)	$ 22,201
Dividends paid to non-controlling interests of CBF	$ -	$ -

(Concluded)

16. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD, NET

Investments in Associates

	June 30, 2025	December 31, 2024	June 30, 2024
Associates - Infinite Finance Co., Ltd.	$ 5,325,202	$ 5,787,663	$ 5,777,242
Associates - Beijing Sunshine Consumer Finance Co., Ltd.	1,113,341	1,187,359	1,233,588
	$ 6,438,543	$ 6,975,022	$ 7,010,830

The Bank was jointly invested in Beijing Sunshine Consumer Finance Co., Ltd., with China Everbright Bank and China CYT Holdings Co. The Bank's investment amounted to RMB200,000 thousand with the shareholding ratio of 20%, and Beijing Sunshine Consumer Finance Co., Ltd. has begun operation since August 17, 2020.

On July 21, 2022, the Bank's board of directors resolved to merge IBT Leasing with Jih Sun International Leasing & Finance Co., Ltd. (referred to as "Jih Sun Leasing"). In this merger, Jih Sun Leasing is the surviving company and is renamed Infinite Finance Co., Ltd. The share exchange ratio is one IBT Leasing ordinary share for 0.5834 Jih Sun Leasing shares, with Jih Sun Leasing anticipating issuing 156,193 thousand shares to the Bank. Merged conversion amounted to NT$6,198,618 thousand. The record date of the merger is December 1, 2022. After the merger, the Bank will hold 44.48% shares of the surviving company and has no control over it.

On June 19, 2023, the Bank disposed of 713 thousand shares of Infinite Finance for NT$26,738 thousand. After the disposal, the bank's shareholding ratio was 44.27%. The Bank subscribed for additional new shares issued of Infinite Finance at a percentage different from its existing ownership percentage in August 2024, and reduced its continuing interest from 44.27% to 41.64%.

Refer to Table 3 “Name, locations and other information of investees on which the Bank exercises significant influence” and Table 4 “Information on Investments in Mainland China” for the nature of activities, principal place of business and country of incorporation of the associate.

17. OTHER FINANCIAL ASSETS

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits with original maturities more than 3 months	$ 17,496	$ 34,758	$ 65,903
Call loans to securities corporation limited	299,069	983,702	973,939
Repurchase agreement margins	114,895	79,745	59,616
	$ 431,460	$ 1,098,205	$ 1,099,458

18. PROPERTY AND EQUIPMENT

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amounts of each class of			
Land	$ 781,970	$ 781,970	$ 781,970
Buildings	1,088,534	1,112,682	1,131,208
Machinery and computer equipment	508,697	294,036	268,456
Transportation equipment	38,138	23,350	22,520
Office and other equipment	37,767	31,927	31,077
Lease improvement	57,155	69,304	75,712
Construction in progress and prepayments for equipment	94,521	65,871	35,885
	$ 2,606,782	$ 2,379,140	$ 2,346,828

The movements of property and equipment for the six months ended June 30, 2025 and 2024 are summarized as follows:

	Freehold Land	Buildings	Machinery and Computer Equipment	Transportation Equipment	Office and Other Equipment	Lease Improvement	Construction in Progress and Prepayments for Equipment	Total
Cost								
Balance on January 1, 2025	$ 781,970	$ 1,919,554	$ 902,979	$ 58,709	$ 299,134	$ 424,936	$ 65,871	$ 4,453,153
Additions	-	390	222,770	2,322	8,923	431	97,904	332,740
Disposals and scrapped	-	(1,507)	(911)	(16,291)	(12,339)	-	-	(31,048)
Reclassification and others	-	-	37,762	16,745	1,972	-	(68,943)	(12,464)
Effect of foreign currency exchange differences	-	-	(4,172)	(614)	(5,380)	(15,746)	(311)	(26,223)
Balance on June 30, 2025	$ 781,970	$ 1,918,437	$ 1,158,428	$ 60,871	$ 292,310	$ 409,621	$ 94,521	$ 4,716,158
Accumulated depreciation and impairment								
Balance on January 1, 2025	$ -	$ 806,872	$ 608,943	$ 35,359	$ 267,207	$ 355,632	$ -	$ 2,074,013
Disposals and scrapped	-	(603)	(906)	(15,986)	(12,324)	-	-	(29,819)
Depreciation expense	-	23,634	43,447	3,932	4,090	9,271	-	84,374
Reclassification and others	-	-	(1)	-	1	-	-	-
Effect of foreign currency exchange differences	-	-	(1,752)	(572)	(4,431)	(12,437)	-	(19,192)
Balance on June 30, 2025	$ -	$ 829,903	$ 649,731	$ 22,733	$ 254,543	$ 352,466	$ -	$ 2,109,376
Carrying amounts								
Balance on June 30, 2025	$ 781,970	$ 1,088,534	$ 508,697	$ 38,138	$ 37,767	$ 57,155	$ 94,521	$ 2,606,782

(Continued)

	Freehold Land	Buildings	Machinery and Computer Equipment	Transportation Equipment	Office and Other Equipment	Lease Improvement	Construction in Progress and Prepayments for Equipment	Total
Cost								
Balance on January 1, 2024	$ 781,970	$ 1,913,782	$ 814,516	$ 56,887	$ 287,586	$ 396,050	$ 76,157	$ 4,326,948
Additions	-	849	31,114	5,365	3,304	411	36,384	77,427
Disposals and scrapped	-	(125)	(9,681)	(1,554)	(3,407)	-	-	(14,767)
Reclassification	-	-	10,036	-	5,051	15,943	(77,197)	(46,167)
Effect of foreign currency exchange differences	-	-	1,427	474	2,994	8,202	541	13,638
Balance on June 30, 2024	$ 781,970	$ 1,914,506	$ 847,412	$ 61,172	$ 295,528	$ 420,606	$ 35,885	$ 4,357,079
Accumulated depreciation and impairment								
Balance on January 1, 2024	$ -	$ 759,899	$ 554,961	$ 36,242	$ 258,830	$ 327,379	$ -	$ 1,937,311
Disposals and scrapped	-	(75)	(9,673)	(1,295)	(3,209)	-	-	(14,252)
Depreciation expense	-	23,474	32,739	3,307	6,143	10,976	-	76,639
Effect of foreign currency exchange differences	-	-	929	398	2,687	6,539	-	10,553
Balance on June 30, 2024	$ -	$ 783,298	$ 578,956	$ 38,652	$ 264,451	$ 344,894	$ -	$ 2,010,251
Carrying amounts								
Balance on June 30, 2024	$ 781,970	$ 1,131,208	$ 268,456	$ 22,520	$ 31,077	$ 75,712	$ 35,885	$ 2,346,828

(Concluded)

The above items of property and equipment are depreciated on a straight-line basis at the following rates per annum:

Buildings	5-55 years
Machinery and computer equipment	3-25 years
Transportation equipment	3-5 years
Office and other equipment	3-15 years
Lease improvement	5-8 years

19. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amounts			
Buildings	$ 352,081	$ 397,687	$ 430,642
Machinery	-	-	147
Transportation equipment	7,924	10,007	12,090
Office equipment	1,090	1,693	1,650
	$ 361,095	$ 409,387	$ 444,529

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Additions to right-of-use assets	$ 27,290	$ 39,410	$ 44,448	$ 69,024
Depreciation charge for right-of-use assets				
Buildings	$ 34,068	$ 35,411	$ 70,318	$ 70,623
Machinery	-	73	-	147
Transportation equipment	1,042	1,075	2,083	2,181
Office equipment	235	242	484	475
	$ 35,345	$ 36,801	$ 72,885	$ 73,426

Except for the aforementioned addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the six months ended June 30, 2025 and 2024.

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amounts	$ 379,230	$ 428,616	$ 463,486

Range of discount rates for lease liabilities was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Buildings	1.35%-5.88%	1.35%-5.88%	1.35%-5.88%
Machinery	-	1.36%	1.36%
Transportation equipment	1.85%-2.76%	1.85%-2.76%	1.85%-2.76%
Office equipment	1.08%-4.51%	1.08%-4.51%	1.08%-4.48%

c. Material lease-in activities

Due to the rental of buildings, the Group had entered into various leasehold contracts with others, respectively. These contracts are gradually expiring before the end of March 2033. As of June 30, 2025, December 31, 2024 and June 30, 2024, refundable deposits paid under operating lease amounted to $31,467 thousand, $33,069 thousand and $33,116 thousand, respectively.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	$ 1,081	$ 1,249	$ 2,110	$ 2,673
Expenses relating to low-value asset leases	$ 1,751	$ 1,674	$ 3,340	$ 3,079
Total cash outflow for leases			$ (84,359)	$ (85,340)

20. INTANGIBLE ASSETS, NET

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amounts of each class of			
Computer software	$ 487,967	$ 499,863	$ 444,900
Goodwill	1,135,196	1,243,694	1,231,447
	$ 1,623,163	$ 1,743,557	$ 1,676,347

The changes in of intangible assets for the six months ended June 30, 2025 and 2024 are summarized as follows:

	Computer Software	Goodwill	Others	Total
Cost				
Balance on January 1, 2025	$ 2,773,641	$ 1,243,694	$ 8,005	$ 4,025,340
Additions	55,417	-	-	55,417
Scrapped	(2,860)	-	-	(2,860)
Reclassification	11,702	-	-	11,702
Effect of foreign currency exchange differences	(8,695)	(108,498)	(704)	(117,897)
Balance on June 30, 2025	$ 2,829,205	$ 1,135,196	$ 7,301	$ 3,971,702
Accumulated amortization and impairment				
Balance on January 1, 2025	$ 2,273,778	$ -	$ 8,005	$ 2,281,783
Amortization	78,029	-	-	78,029
Scrapped	(2,860)	-	-	(2,860)
Effect of foreign currency exchange differences	(7,709)	-	(704)	(8,413)
Balance on June 30, 2025	$ 2,341,238	$ -	$ 7,301	$ 2,348,539
Carrying amounts				
Balance on June 30, 2025	$ 487,967	$ 1,135,196	$ -	$ 1,623,163
Cost				
Balance on January 1, 2024	$ 2,538,244	$ 1,167,045	$ 7,508	$ 3,712,797
Additions	49,904	-	-	49,904
Scrapped	(310)	-	-	(310)
Reclassification	46,167	-	-	46,167
Effect of foreign currency exchange differences	4,377	64,402	418	69,197
Balance on June 30, 2024	$ 2,638,382	$ 1,231,447	$ 7,926	$ 3,877,755

(Continued)

	Computer Software	Goodwill	Others	Total
Accumulated amortization and impairment				
Balance on January 1, 2024	$ 2,030,110	$ -	$ 7,508	$ 2,037,618
Amortization	159,808	-	-	159,808
Scrapped	(310)	-	-	(310)
Effect of foreign currency exchange differences	3,874	-	418	4,292
Balance on June 30, 2024	$ 2,193,482	$ -	$ 7,926	$ 2,201,408
Carrying amounts				
Balance on June 30, 2024	$ 444,900	$ 1,231,447	$ -	$ 1,676,347

(Concluded)

The goodwill was recognized from IBT Holding Corp.'s purchase of 100% of the stocks of Ever Trust Bank on March 30, 2007. The investment cost exceeded the fair value of net identifiable assets.

When the Group executes the goodwill impairment test, Ever Trust Bank was used as a cash-generating unit, and the recoverable amount is assessed by the value in use of the cash-generating unit. The key assumptions base the expected future cash flows on the actual profit conditions of the cash-generating units. On the assumption of sustainable operations, the Group discounts the net cash flows from those of the operations of the cash-generating units in the next five years in order to calculate the value in use. Under the estimation of the Group, there is no occurrence of impairment.

The computer software and other intangible assets are amortized on a straight-line basis of 1 to 15 years.

21. OTHER ASSETS

	June 30, 2025	December 31, 2024	June 30, 2024
Refundable deposits	$ 1,464,759	$ 1,155,561	$ 959,393
Life insurance cash surrender value	334,795	365,620	360,305
Prepayments	129,539	102,055	186,455
Others	184,447	186,138	207,465
	$ 2,113,540	$ 1,809,374	$ 1,713,618

22. DEPOSITS FROM THE CENTRAL BANK AND OTHER BANKS

	June 30, 2025	December 31, 2024	June 30, 2024
Call loans from banks	$ 33,276,579	$ 23,700,600	$ 27,075,889
Deposits from Chunghwa Post Co., Ltd.	12,000,000	12,000,000	5,000,000
Call loans from the Central Bank	2,691,624	2,951,105	2,921,817
	$ 47,968,203	$ 38,651,705	$ 34,997,706

23. BILLS AND BONDS SOLD UNDER REPURCHASE AGREEMENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Bills	$ 118,474,353	$ 113,093,346	$ 97,617,507
Government bonds	17,209,351	11,154,714	17,250,199
Corporate bonds	67,631,309	67,890,598	69,263,703
Bank debentures	19,682,812	23,085,973	22,650,153
Beneficiary securities	-	80,000	500,000
	$ 222,997,825	$ 215,304,631	$ 207,281,562
Date of agreements to repurchase	Before April 2026	Before December 2025	Before April 2025
Amount of agreements to repurchase	$ 217,631,934	$ 212,930,386	$ 203,279,842

The Bank and its subsidiaries have repurchased bills and bond liabilities with an unspecified maturity date as of June 30, 2025, December 31, 2024 and June 30, 2024, with a face value of $6,297,499 thousand, $3,056,435 thousand and $5,036,650 thousand, respectively.

24. PAYABLES

	June 30, 2025	December 31, 2024	June 30, 2024
Investment settlements payable	$ 752,560	$ 66,212	$ 153,734
Acceptances	229,723	358,898	337,313
Accounts payable	181,167	80,241	105,793
Accrued interest	1,766,302	1,960,703	2,079,514
Accrued expenses	894,872	1,414,729	1,047,330
Collections payable	193,267	168,203	172,006
Factored payables	415,062	732,899	167,018
Checks for clearing payables	2,153,532	1,098,026	5,434,330
Dividends payable	2,262,133	-	2,056,762
Others	137,742	117,063	92,771
	$ 8,986,360	$ 5,996,974	$ 11,646,571

25. DEPOSITS AND REMITTANCES

	June 30, 2025	December 31, 2024	June 30, 2024
Deposits			
Checking	$ 5,306,394	$ 5,177,524	$ 5,145,638
Demand	43,961,687	45,063,521	46,802,571
Time	241,540,980	256,736,845	253,749,184
Savings deposits	22,148,651	24,177,419	25,524,834
Export remittances	22,260	14,693	6,719
	$ 312,979,972	$ 331,170,002	$ 331,228,946

26. BANK DEBENTURES PAYABLE

	June 30, 2025	December 31, 2024	June 30, 2024
Subordinate bonds type B first issued in 2016; fixed 1.80% interest rate; maturity: June 29, 2024; interest paid annually and repayment of the principal at maturity	$ -	$ -	$ 1,500,000
Subordinate bonds first issued in 2017; fixed 1.97% interest rate; maturity: September 5, 2027; interest paid annually and repayment of the principal at maturity	2,000,000	2,000,000	2,000,000
Subordinate bonds type B second issued in 2017; fixed 1.82% interest rate; maturity: December 27, 2027; interest paid annually and repayment of the principal at maturity	1,000,000	1,000,000	1,000,000
Subordinate bonds type A first issued in 2018; fixed 4.00% interest rate; no maturity, interest paid annually	700,000	700,000	700,000
Subordinate bonds type B first issued in 2018; fixed 1.75% interest rate; maturity: June 29, 2028; interest paid annually and repayment of the principal at maturity	1,050,000	1,050,000	1,050,000
Subordinate bonds first issued in 2019; fixed 1.50% interest rate; maturity: June 6, 2026; interest paid annually and repayment of the principal at maturity	2,500,000	2,500,000	2,500,000
Subordinate bonds first issued in 2021; fixed 0.90% interest rate; maturity: June 25, 2028; interest paid annually and repayment of the principal at maturity	1,000,000	1,000,000	1,000,000
Bonds second issued in 2021; fixed 0.65% interest rate; maturity: December 22, 2024; interest paid annually and repay the principal at maturity	-	-	500,000

(Continued)

	June 30, 2025	December 31, 2024	June 30, 2024
Subordinate bonds first issued in 2022; fixed 2.30% interest rate; maturity: September 27, 2029; interest paid annually and repayment of the principal at maturity	$ 1,100,000	$ 1,100,000	$ 1,100,000
Subordinate bonds first issued in 2023; fixed 2.00% interest rate; maturity: April 27, 2030; interest paid annually and repayment of the principal at maturity	900,000	900,000	900,000
Subordinate bonds second issued in 2023; fixed 2.20% interest rate; maturity: September 27, 2030; interest paid annually and repayment of the principal at maturity	700,000	700,000	700,000
Subordinate bonds first issued in 2024; fixed 2.30% interest rate; maturity: March 27, 2031; interest paid annually and repayment of the principal at maturity	1,500,000	1,500,000	1,500,000
Subordinate bonds second issued in 2024; fixed 2.50% interest rate; maturity: June 27, 2031; interest paid annually and repayment of the principal at maturity	1,000,000	1,000,000	1,000,000
	$ 13,450,000	$ 13,450,000	$ 15,450,000

(Concluded)

27. OTHER FINANCIAL LIABILITIES

	June 30, 2025	December 31, 2024	June 30, 2024
Bank borrowings	$ 163,800	$ 63,800	$ 64,000
Commercial papers payable	91,825	103,673	88,883
Principal of structured products	10,820,672	8,961,432	5,924,375
Funds obtained from the government - intended for specific types of loans	2,259,347	2,264,832	1,783,980
	$ 13,335,644	$ 11,393,737	$ 7,861,238

a. Bank borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
Short-term borrowings	$ 163,800	$ 63,800	$ 64,000
Interest rate interval			
New Taiwan dollars	2.20%-2.28%	2.20%-2.22%	2.19%-2.20%

b. Commercial papers payable

	June 30, 2025	December 31, 2024	June 30, 2024
Commercial papers payable	$ 92,000	$ 104,000	$ 89,000
Less: Unamortized discount	(175)	(327)	(117)
	$ 91,825	$ 103,673	$ 88,883
Interest rate interval	2.22%-2.24%	2.17%-2.24%	2.19%-2.22%

c. Funds obtained from the government - intended for specific types of loans

	June 30, 2025	December 31, 2024	June 30, 2024
Funds obtained from the government - intended for specific types of loans	$ 2,259,347	$ 2,264,832	$ 1,783,980

The Lending Fund is a development fund established by the Executive Yuan to promote the development of the financial market economy. The Bank applied for the quota and appointed Export-Import Bank of the Republic of China and Taiwan Enterprise Bank to act as the managing bank wherein the loan quota is available for use.

28. PROVISIONS

	June 30, 2025	December 31, 2024	June 30, 2024
Provisions for employee benefits	$ 82,375	$ 103,983	$ 149,530
Provisions for losses on guarantees contracts	1,833,666	1,814,547	1,729,006
Provisions for losses on financing commitments	87,721	87,721	111,221
	$ 2,003,762	$ 2,006,251	$ 1,989,757

Refer to Note 14 for the details and changes in the provision for losses on guarantees contracts and financing commitments.

29. RETIREMENT BENEFIT PLANS

Defined Contribution Plan

The pension system under the “Labor Pensions Ordinance” applicable to the Bank and its subsidiaries is the required retirement plan stipulated by the government, except that of Ever Trust Bank which is not more than 10% of the annual salary of the respective employees. A pension of 6% of an employee’s monthly salary is paid to the Labor Insurance Bureau under each individual’s account.

The amount to be paid in accordance with the percentage specified in the proposed plan for the three months ended June 30, 2025 and 2024 and the six months ended June 30, 2025 and 2024 was recognized in the consolidated statements of comprehensive income in the total amounts of $21,067 thousand, $22,087 thousand, $44,978 thousand and $44,505 thousand, respectively.

Defined Benefit Plan

The retirement benefit expenses recognized under defined benefit plans for the three months ended June 30, 2025 and 2024 and the six months ended June 30, 2025 and 2024 were calculated using the respective 2024 and 2023 annually determined discount rates as of December 31, 2024 and 2023 and amounted to $3,028 thousand, $3,488 thousand, $5,920 thousand and $6,795 thousand, respectively.

30. OTHER LIABILITIES

	June 30, 2025	December 31, 2024	June 30, 2024
Guarantee deposits received	$ 222,451	$ 299,431	$ 255,553
Advance receipts	53,637	53,110	47,564
Payable for custody	11,741	7,652	20,045
Receipts in suspense and pending settlement	277,447	219,494	368,214
Deferred revenue	82,144	83,066	68,457
Others	7,117	9,352	8,781
	$ 654,537	$ 672,105	$ 768,614

31. EQUITY

a. Capital stock

	June 30, 2025	December 31, 2024	June 30, 2024
Number of stock authorized (in thousands)	3,500,000	3,500,000	3,500,000
Amount of capital stock authorized	$ 35,000,000	$ 35,000,000	$ 35,000,000
Number of stocks issued and fully paid (in thousands)			
Common stock	2,805,358	2,805,358	2,741,975
Preferred stock	250,000	250,000	291,031
Amount of stocks issued	$ 30,553,579	$ 30,553,579	$ 30,330,063

Fully paid common stock, which have a par value of $10, carry one vote per share and carry a right to dividends.

On June 27, 2018, the Bank's board of directors resolved to issue 300,000 thousand Series A preferred stock, with a par value of $10. The subscription date was November 29, 2018, and the Bank finished the registration on December 21, 2018. The rights and obligations of Series A preferred stockholders are as follows:

1) The interest rate of Series A preferred stock shall be based on the 5-year Interest Rate Swap (IRS) rate on the pricing date and the interest shall be calculated on the issue price per share; the interest rate is initially set at 0.94375% plus 3.30625% (total 4.25%) per annum. The interest Rate Swap issued price per share. Interest rate per annum will be reset on the day after the 5.5-year anniversary of the issue date and the day after each subsequent period of 5.5 years thereafter. This Series A preferred stock is based on the arithmetic average of the 5-year IRS "TAIFXIRS" and "COSMOS3" as of 11:00 AM on May 28, 2024, from Reuters (now Refinitiv), which is 1.7665%. Adding the fixed spread rate of 3.30625% at the time of issuance, the dividend rate will be reset to 5.07275% starting from May 30, 2024. Dividends for the Series A preferred stock shall be declared once every

year in cash. After the stockholders' approval of the Bank's financial statements at its annual stockholders' meeting, the board of directors may set a record date for the distribution of dividends declared from the previous year. Dividend distribution for the years of issuance and redemption shall be calculated pursuant to actual issued days of the given year.

2) The Bank has sole discretion on dividend issuance of Series A preferred stock including, but not limited to, its discretion to not declare dividends when no profit is recorded, or insufficient profit is recorded for preferred stock dividends, or preferred stock dividend declaration would render the Bank of International Settlement (BIS) ratio below the level required by the law or relevant authorities, or due other necessary consideration. The Series A preferred stockholders shall not have any objection toward the Bank's cancellation of preferred stock dividend declaration. Undeclared or under declared dividends are not cumulative and are not paid in subsequent years with profit.

3) Unless the authorities take over the Bank, order the Bank to suspend, terminate or liquidate its business in accordance with the "Regulations Governing the Capital Adequacy and Capital Category of Banks", Series A preferred stockholders shall have the same priority as the common stockholders in the event of liquidation, both second to tier 2 capital instrument holder, depositor, and common creditor, but will be capped at the value of issuance.

4) Series A preferred stockholders have no voting rights at the annual stockholders' meeting and cannot elect directors. However, the preferred stockholders should have voting rights at the preferred stockholders' meeting and also at the stockholders' meeting when it involves the rights and obligations of the preferred stockholders, and the aforesaid stockholders are eligible for director candidacy. Series A preferred stockholders have voting rights at Series A stockholders' meeting.

5) The Series A preferred stock issued by the Bank shall not be converted within one year from the date of issuance. Starting from the day after the expiration of one year, stockholders of convertible preferred stock may apply for the conversion of part or all of the preferred stock held, from preferred stock to common stock during the conversion period (conversion ratio 1:1). After the convertible preferred stock are converted into common stock, their rights and obligations are the same as the common stock. The issuance of annual dividends for the convertible Series A preferred stock is based on the ratio of the actual number of issued days in the current year to the number of days within the full year. However, stockholders who converted their preferred stock into common stock before the date of distribution of dividends (interests) in each year shall not participate in the distribution in that year but may participate in the distribution of common stock surplus and additional paid in capital.

6) After five and a half years from the issue date, the Bank may, subject to the competent authority's approval, redeem a portion or all of the outstanding shares of preferred stock any time at the issue price. The rights and obligations associated with any remaining outstanding shares of preferred stock shall continue as specified in the agreement. If the Bank's board of directors approves the distribution of dividends in the year the Bank redeems the outstanding shares of preferred stock - A, the dividends payable shall be calculated at the ratio of the number of days outstanding from beginning of year to the redemption date to total days in a fiscal year.

7) When the Bank issues new shares for cash, Series A preferred stockholders have the same subscription rights as the common stockholders.

As of December 31, 2024, 72,352 thousand of preferred Series A shares has been converted into common stock.

On June 27, 2024, the Bank's board of directors resolved to process the early withdrawal of all outstanding shares of Series A convertible preferred stock. This repurchase has been approved by the FSC, with a capital reduction date of October 17, 2024. The Bank had acquired 227,648 thousand shares of Series A preferred stock for $2,276,484 thousand. The Bank registered with Ministry of Economic Affairs on December 20, 2024.

The Bank’s board of directors resolved to issue 250,000 thousand Series B convertible preferred stock, with a par value of $10. The issue price was $12 per share, and the total amount issued was $3,000,000 thousand on May 2, 2024. This issuance was approved by the Financial Supervisory Commission. The subscription date was September 25, 2024. The Bank finished the registration on October 29, 2024. The rights and obligations of Series B preferred stockholders are as follows:

1) The interest rate of Series B preferred stock shall be based on the 5-year NTD Interest Rate Swap (IRS) rate on the pricing date and the interest shall be calculated on the issue price per share; the interest rate is initially set at 1.7325% plus 2.7675% (total 4.5%) per annum. The NTD interest Rate Swap issued price per share. Interest rate per annum will be reset on the day after the 5.5-year anniversary of the issue date and the day after each subsequent period of 5.5 years thereafter. Dividends for the Series B preferred stock shall be declared once every year in cash. After the stockholders’ approval of the Bank’s financial statements at its annual stockholders’ meeting, the board of directors may set a record date for the distribution of dividends declared from the previous year. Dividend distribution for the years of issuance and redemption shall be calculated pursuant to actual issued days of the given year.

2) The Bank has sole discretion on dividend issuance of Series B preferred stock including, but not limited to, its discretion to not declare dividends when no profit is recorded, or insufficient profit is recorded for preferred stock dividends, or preferred stock dividend declaration would render the Bank of International Settlement (BIS) ratio below the level required by the law or relevant authorities, or due other necessary consideration. The Series B preferred stockholders shall not have any objection toward the Bank’s cancellation of preferred stock dividend declaration. Undeclared or under declared dividends are not cumulative and are not paid in subsequent years with profit.

3) Unless the authorities take over the Bank, order the Bank to suspend, terminate or liquidate its business in accordance with the “Regulations Governing the Capital Adequacy and Capital Category of Banks”, Series B preferred stockholders shall have the same priority as the common stockholders in the event of liquidation, both second to tier 2 capital instrument holder, depositor, and common creditor, but will be capped at the value of issuance.

4) Series B preferred stockholders have no voting rights and cannot elect directors. However, the preferred stockholders should have voting rights at the preferred stockholders’ meeting and also at the stockholders’ meeting when it involves the rights and obligations of the preferred stockholders, and the aforesaid stockholders are eligible for director candidacy. Series B preferred stockholders have voting rights at Series B stockholders’ meeting.

5) The Series B convertible preferred stock issued by the Bank shall not be converted within one year from the date of issuance. Starting from the day after the expiration of one year, stockholders of convertible preferred stock may apply for the conversion of part or all of the preferred stock held, from preferred stock to common stock during the conversion period (conversion ratio 1:1). After the convertible preferred stock are converted into common stock, their rights and obligations are the same as the common stock. The issuance of annual dividends for the convertible preferred stock is based on the ratio of the actual number of issued days in the current year to the number of days within the full year. However, stockholders who converted their preferred stock into common stock before the date of distribution of dividends (interests) in each year shall not participate in the distribution in that year but may participate in the distribution of common stock surplus and additional paid in capital.

6) After five and a half years from the issue date, the Bank may, subject to the competent authority's approval, redeem a portion or all of the outstanding shares of preferred stock any time at the issue price. The rights and obligations associated with any remaining outstanding shares of preferred stock shall continue as specified in the agreement. If the Bank's board of directors approves the distribution of dividends in the year the Bank redeems the outstanding shares of preferred stock - B, the dividends payable shall be calculated at the ratio of the number of days outstanding from beginning of year to the redemption date to total days in a fiscal year.

7) When the Bank issues new shares for cash, Series B preferred stockholders have the same subscription rights as the common stockholders.

b. Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
May be used to offset a deficit, distributed as dividends, or transferred to capital stock (Note 1)			
Issuance of ordinary shares	$ 500,000	$ 500,000	$ -
Treasury share transactions	10,746	10,746	10,746
	510,746	510,746	10,746
Must be used to offset a deficit			
Disgorgement exercised	13	10	10
Unclaimed dividends	3,671	3,261	3,261
Share of changes in capital surplus of subsidiaries associates or joint ventures (Note 2)	53,527	50,550	-
	57,211	53,821	3,271
May not be used for any purpose			
Share of changes in capital surplus of subsidiaries associates or joint ventures	4,062	3,617	12,360
	$ 572,019	$ 568,184	$ 26,377

Note 1: Such capital surplus may be used to offset a deficit; in addition, when the Bank has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital stock (limited to a certain percentage of the Bank's capital surplus and once a year).

Note 2: Such capital surplus arises from the effects of changes in ownership interests in associates resulting from equity transactions other than actual disposals or acquisitions or from changes in capital surplus of associates accounted for using equity method.

c. Special reserves

	June 30, 2025	December 31, 2024	June 30, 2024
Trading loss and default loss reserve	$ 133,955	$ 133,955	$ 133,955
Employee transfer or placement expenditure related to financial technology development	3,110	7,899	7,899
Other equity deductions special reserves	1,450,123	1,828,393	1,828,393
	$ 1,587,188	$ 1,970,247	$ 1,970,247

The Bank reclassified reserve for trading loss and default losses as of December 31, 2010 to a special reserve account, which is part of equity, in accordance with Order No. 10010000440 issued by the FSC.

In addition, according to Rule No. 10510001510 issued by the FSC on May 25, 2016, a public bank shall appropriate to special reserve an amount in the range of 0.5% to 1% of net profit after tax from 2016 to 2018; from 2017, the same amount of employee transfer or placement expenditure arising from financial technology development shall be reversed from the balance of the special reserve. The above order was repealed by the FSC Rule No. 10802714560 on May 15, 2019, which stipulates that in 2019, a public bank shall no longer continue to provide a special reserve for the purpose of protecting the interests of domestic bank practitioners in the development of financial technology. The Bank is allowed to reverse the special reserve appropriated in 2016 to 2018 at the amounts of the following expenses.

1) Expenses for staff transfer or placement, including the related expenses for assisting employees to transfer between departments or groups, and the payment of retirement and severance benefits to employees that are superior to labor-related laws and regulations.

2) Expenses for financial technology or banking business development, i.e., expenditure for education and training to enhance or develop employee functions.

Under related regulations, the Bank should appropriate or reverse to a special reserve according to the net debit balance of other equity. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and thereafter distributed.

d. Retained earnings and dividend policy

1) The Bank's dividend policy approved by the stockholders' meeting of the Bank on June 13, 2025 is as follows:

   Where the Bank made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 30% of the remaining profit until the accumulated legal reserve equals the Bank's paid-in capital, setting aside or reversing a special reserve in accordance with the laws and regulations, and then the remaining profit is undistributed retained earnings. These earnings, combined with undistributed retained earnings at the beginning of the period, shall form the cumulative distributable earnings. Dividends for preferred shares shall be distributed with priority, followed by dividends and bonuses for common shares (collectively referred to as "dividends"). The Board of Directors shall prepare a proposal for the distribution plan , which should be resolved in the stockholders' meeting for distribution of dividends and bonus to stockholders.

   In the event of a shortfall in "other previously accumulated net deductions from stockholders' equity" when the Bank sets aside a portion of distributable earnings for special reserve, it shall first set aside an equal amount of special reserve from undistributed earnings from the previous period. If any shortfall remains, the Bank shall make an allocation from the undistributed earnings of the current period that also take account of net profit plus other items of the current period.

   In principle, common stock dividends shall not be less than 20% of the available for distribution retained earnings minus the amount for preferred stock dividends and the reversal of special reserve for the current year. Cash dividend shall not be less than 20% of the total dividend for the current year. When the amount of legal reserve has not reached the Bank's total capital, the amount of cash dividends cannot exceed 15% of the Bank's paid-in capital.

The Bank shall consider its future capital budget plan, financial needs for various businesses, and financial structure in the adoption of a stable and balanced dividend policy. The board of directors may, according to the actual needs, propose adjustments to the dividend distribution, and submit the proposal for approval in the stockholders' meeting.

2) The dividend policy before June 13, 2025 is as follows:

Under the dividends policy as set forth in the amended Articles, where the Bank made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 30% of the remaining profit until the accumulated legal reserve equals the Bank's paid-in capital, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the board of directors as the basis for proposing a distribution plan, which should be resolved in the stockholders' meeting for distribution of dividends and bonus to stockholders.

In the event of a shortfall in "other previously accumulated net deductions from stockholders' equity" when the Bank sets aside a portion of distributable earnings for special reserve, it shall first set aside an equal amount of special reserve from undistributed earnings from the previous period. If any shortfall remains, the Bank shall make an allocation from the undistributed earnings of the current period that also take account of net profit plus other items of the current period.

In principle, common stock dividends shall not be less than 20% of the available for distribution retained earnings minus the amount for preferred stock dividends and the reversal of special reserve for the current year. Cash dividend shall not be less than 20% of the total dividend for the current year. When the amount of legal reserve has not reached the Bank's total capital, the amount of cash dividends cannot exceed 15% of the Bank's paid-in capital.

The Bank shall consider its future capital budget plan, financial needs for various businesses, and financial structure in the adoption of a stable and balanced dividend policy. The board of directors may, according to the actual needs, propose adjustments to the dividend distribution, and submit the proposal for approval in the stockholders' meeting.

For the policies on distribution of compensation of employees and remuneration of directors, please refer to Note 36.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Bank's paid-in capital. Legal reserve may be used to offset deficit. If the Bank has no deficit and the legal reserve has exceeded 25% of the Bank's paid-in capital, the excess may be transferred to capital or distributed in cash. In addition, the Banking Law limits the appropriation of cash dividends to 15% of the Bank's paid-in capital.

The appropriations of earnings for 2024 and 2023 have been proposed by the Bank's board of directors and approved in the stockholders' meetings on June 13, 2025 and June 14, 2024, respectively. The appropriations and dividends per share were as follows:

	2024	**2023**
Legal reserve	$ 842,611	$ 738,432
Special reserve (reversed)	(383,059)	(1,226,764)
Cash dividends - common stock	1,391,209	1,228,974
Series A Preferred stock dividends (Note)	83,825	124,956
Series B Preferred stock dividends	36,147	-

Note: As of July 30, 2024, a total of 239,775 thousand preference shares of the Company had not been converted. Since the board of directors resolved to distribute preference share dividends of 0.425 per share, the Company distributed $101,904 thousand for preference share dividends.

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Six Months Ended June 30	
	2025	**2024**
Balance on January 1	$ 541,303	$ 109,410
Exchange differences arising on translating the financial statements of foreign operations	(946,449)	463,640
Income tax related to gains arising on translating the financial statements of foreign operations	150,390	(79,430)
Balance on June 30	$ (254,756)	$ 493,620

2) Unrealized valuation gains (losses) on financial assets at FVTOCI

	For the Six Months Ended June 30	
	2025	**2024**
Balance on January 1	$ (1,991,426)	$ (1,937,803)
Recognized during the period		
Unrealized gains (losses)		
Debt instruments	869,986	(695,358)
Equity instruments	(10,193)	584,921
Loss allowance of debt instruments	(3,250)	4,549
Other comprehensive income (loss) recognized in the period	856,543	(105,888)
Cumulative unrealized gains (losses) of equity instruments transferred to retained earnings due to disposal	43,249	(399,709)
Balance on June 30	$ (1,091,634)	$ (2,443,400)

f. Non-controlling interests

	For the Six Months Ended June 30	
	2025	**2024**
Balance on January 1	$ 18,715,932	$ 18,415,711
Attributed to non-controlling interests		
Share of profit for the year	708,536	499,771
Capital surplus	1,124	1,229
Other comprehensive income		
Exchange differences arising on translation of foreign entities	(58,029)	31,193
Unrealized valuation gains or losses on FVTOCI		
Debt instruments	668,600	(408,040)
Equity instruments	(24,374)	203,257
Tax effects	(85,877)	42,603
Actuarial profit and loss of defined benefit plan	230	321
Cash dividends paid by subsidiaries	(750,343)	(702,244)
Balance on June 30	$ 19,175,799	$ 18,083,801

g. Treasury stocks

Unit: In Thousands of Shares

	For the Six Months Ended June 30	
	2025	**2024**
Number of shares on January 1	9,357	17,522
Increase during the period	13,582	-
Decrease during the period	-	(9,583)
Number of shares on June 30	22,939	7,939

The Bank had transferred 7,061 thousand and 2,522 thousand shares to employees at the price of $9.65 and $5.90 per share in February 2024, respectively. As a result, treasury shares decreased by $88,338 thousand.

On December 25, 2024, the board of directors proposed to acquire treasury stocks transfer to employees. The acquiring period was from December 26, 2024 to February 25, 2025. As of February 25, 2025, the Bank had acquired 13,582 thousand shares of treasury stocks for $134,428 thousand.

Under the Securities and Exchange Act, the Bank shall neither pledge treasury shares nor exercise stockholders' rights on these shares, such as the rights to receive dividends or to vote.

32. NET INTEREST

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	**2024**	**2025**	**2024**
Interest revenue				
Discounts and loans	$ 2,402,028	$ 2,744,760	$ 5,123,696	$ 5,406,485
Investments in securities	941,023	1,010,748	1,942,774	1,973,775
Due from the Central Bank and call loans to other banks	65,140	203,532	186,471	402,456
Others	72,417	50,367	151,858	93,726
	3,480,608	4,009,407	7,404,799	7,876,442
Interest expense				
Deposits	1,771,097	2,331,982	3,842,773	4,577,650
Deposits from the Central Bank and other banks	196,871	194,309	403,727	385,897
Bills and bonds sold under repurchase agreements	976,565	931,856	1,963,263	1,831,992
Others	39,435	83,810	121,017	160,984
	2,983,968	3,541,957	6,330,780	6,956,523
	$ 496,640	$ 467,450	$ 1,074,019	$ 919,919

33. SERVICE FEE REVENUE, NET

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Service fee				
Guarantee business	$ 284,668	$ 249,799	$ 569,559	$ 495,454
Loan business	107,905	152,571	236,098	434,787
Underwrite business	155,565	120,177	296,489	250,460
Trust business	6,941	19,770	23,127	36,378
Credit examining business	15,493	20,551	76,258	87,539
Import and export business	4,831	4,998	9,432	10,216
Factoring business	2,160	2,015	6,158	3,452
Insurance agent business	8,830	6,298	18,929	23,777
Others	62,044	38,736	130,954	128,752
	648,437	614,915	1,367,004	1,470,815
Service charge				
Others	53,041	39,420	98,513	71,501
	$ 595,396	$ 575,495	$ 1,268,491	$ 1,399,314

34. GAINS (LOSSES) ON FINANCIAL ASSETS OR LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Realized gains or losses				
Bills	$ 24,445	$ 3,536	$ 36,424	$ 14,360
Stocks and beneficiary certificates	(551)	72,968	33,708	391,522
Bonds	168,700	90,471	248,682	166,231
Derivatives	(492,079)	821,693	163,936	1,427,924
	(299,485)	988,668	482,750	2,000,037
Gains (losses) on valuation				
Bills	2,344	(17,738)	(41,490)	10,640
Stocks and beneficiary certificates	55,798	67,035	12,289	43,356
Bonds	9,572	(3,842)	11,235	8,425
Derivatives	(1,331,181)	(82,036)	(1,455,198)	1,148,784
	(1,263,467)	(36,581)	(1,473,164)	1,211,205
Interest revenue	782,525	592,600	1,562,252	1,175,966
	$ (780,427)	$ 1,544,687	$ 571,838	$ 4,387,208

35. REALIZED GAINS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Realized gain - debt instruments	$ 29,740	$ 15,197	$ 102,482	$ 163,043
Dividend revenue	276,502	67,506	285,997	83,058
	$ 306,242	$ 82,703	$ 388,479	$ 246,101

36. EMPLOYEE BENEFITS EXPENSES

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits				
Salaries and wages	$ 600,179	$ 615,043	$ 1,179,240	$ 1,264,797
Labor insurance and national health insurance	41,974	39,328	84,317	78,918
Others	62,883	60,954	133,129	143,848
Post-employment benefits				
Pension expenses	24,095	25,575	50,898	51,300
Pension benefits	298	53	740	72
	$ 729,429	$ 740,953	$ 1,448,324	$ 1,538,935

According to the Company’s Articles of Incorporation, the Bank accrued employees’ compensation and remuneration of directors at the rates no lower than 0.5% and no higher than 2.5%, respectively, of net profit before income tax, employees’ compensation, and remuneration of directors. In accordance with the amendment to the Securities and Exchange Act in August 2024, the Bank revised its Articles of Incorporation at the stockholders’ meeting held on June 13, 2025. The proposed revision will stipulate that among the total amount of employee compensation, the portion allocated to non-executive employees staff shall not be less than 20%.

The amounts and accrual rates of employees’ compensation (including non-executive employees) and remuneration of directors for the six months ended June 30, 2025 and 2024 were as follows:

Accrual rate

	For the Six Months Ended June 30	
	2025	2024
Compensation of employees	1.50%	1.50%
Remuneration of directors	1.30%	1.50%

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Compensation of employees	$ 8,484	$ 12,780	$ 18,766	$ 29,910
Remuneration of directors	$ 7,353	$ 12,780	$ 16,264	$ 29,910

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

The compensation of employees and remuneration of directors for 2024 and 2023, which were approved by the Bank's board of director on May 2, 2025 and April 9, 2024, respectively, were as follows:

	2024	2023
	Cash	Cash
Compensation of employees	$ 52,586	$ 43,314
Remuneration of directors	$ 45,574	$ 43,314

There are no differences between 2024 and 2023 the actual amounts of compensation of employees and remuneration of directors paid and 2024 and 2023 the amounts recognized in the annual consolidated financial statement.

Information for the compensation of employees and remuneration of directors proposed by the Board 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	
	2025	2024	2025	2024
Property and equipment	$ 44,484	$ 38,412	$ 84,374	$ 76,639
Right-of-use assets	35,345	36,801	72,885	73,426
Intangible assets	33,355	81,483	78,029	159,808
	$ 113,184	$ 156,696	$ 235,288	$ 309,873

38. OTHER GENERAL AND ADMINISTRATIVE EXPENSES

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Taxation	$ 111,497	$ 93,862	$ 217,985	$ 191,525
Rental	2,832	2,924	5,450	5,753
Management fees	11,054	10,723	20,702	22,570
Computer operating and consulting fees	94,491	104,491	215,293	209,977
Entertainment fees	9,315	5,975	21,643	17,213
Professional services fees	27,782	27,777	43,951	48,965
Advertisement fees	15,549	15,500	26,736	25,407
Postage fees	20,805	17,479	40,937	37,975
Other fees	107,444	53,093	189,828	136,852
	$ 400,769	$ 331,824	$ 782,525	$ 696,237

39. INCOME TAXES

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Current tax				
In respect of the current period	$ 226,504	$ 186,567	$ 516,979	$ 411,205
Income tax on unappropriated earnings	28,989	36,589	28,989	36,589
Adjustment of prior years	(16,840)	(111)	(15,047)	(111)
	238,653	223,045	530,921	447,683
Deferred tax				
In respect of the current period	20,047	20,929	(7,100)	86,411
Income tax expense recognized in profit or loss	$ 258,700	$ 243,974	$ 523,821	$ 534,094

b. Income tax recognized in other comprehensive income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Deferred tax				
Translation of foreign operations	$ (168,710)	$ 21,574	$ (150,390)	$ 79,430
Remeasurements of defined benefit plans	-	-	-	112
Unrealized gain (loss) on financial assets at FVTOCI	61,477	(13,666)	145,379	(67,724)
Income tax expense (benefit) recognized in other comprehensive income	$ (107,233)	$ 7,908	$ (5,011)	$ 11,818

c. Assessment of the income tax returns

The income tax returns of the Bank, the Bank's subsidiaries IBT Management Corp. and IBT VII Venture Capital Co., Ltd. through 2023 have been assessed by the tax authorities. The Bank's subsidiaries CBF through 2022, except 2021, have been assessed by the tax authorities.

40. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Basic earnings per share	$ 0.13	$ 0.20	$ 0.32	$ 0.55
Diluted earnings per share	$ 0.12	$ 0.18	$ 0.30	$ 0.50

Earnings used in calculating earnings per share and weighted average number of common stocks are as follows:

Net Profit for the Period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Profit for the period attributable to owners of the Bank	$ 485,724	$ 681,229	$ 1,022,819	$ 1,634,702
Less: Declared preferred stock dividend	119,972	123,688	119,972	123,688
Earnings used in the computation of diluted earnings per share	$ 365,752	$ 557,541	$ 902,847	$ 1,511,014

Stock (In Thousand Shares)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Weighted average number of common stocks in computation of basic earnings per share	2,782,419	2,730,805	2,784,900	2,725,796
Effect of potentially dilutive common stocks:				
Compensation of employees	3,982	3,230	5,768	5,205
Convertible preferred stock	250,000	294,262	250,000	296,639
Weighted average number of common stocks in the computation of diluted earnings per share	3,036,401	3,028,297	3,040,668	3,027,640

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

41. RELATED PARTY TRANSACTIONS

The transactions, account balances, income and loss of the Bank and its subsidiaries (which are the related parties of the Bank) are all eliminated upon consolidation, so they are not disclosed in this note. Except for other transactions disclosed in other notes, the transactions between the Group and other related parties are as follows:

a. The related parties and their relationships with the Group are summarized as follows:

Related Party	Relationship with the Bank
Beijing Sunshine Consumer Finance Co., Ltd.	Associates
Infinite Finance Co., Ltd. (Infinite Finance)	Associates
IBT Education Foundation	The Bank is the major donor of the foundation
Yi Chang Investment Co., Ltd.	The Bank's legal director
Ming Shan Investment Co., Ltd.	The Group's legal director
Taixuan Investment Co., Ltd.	The Bank's legal director
Others	The Group's management and their other related party

b. The significant transactions and balances with the related parties are summarized as follows:

1) Deposits (part of deposits and remittances)

	Ending Balance	Interest Expense	Rate (%)
For the six months ended June 30, 2025			
Associates	$ 25,348	$ 83	0.71-0.80
Others	2,990,172	59,751	0.00-10.00
	$ 3,015,520	$ 59,834	
For the six months ended June 30, 2024			
Associates	$ 30,229	$ 72	0.71-1.45
Others	3,381,167	79,153	0.00-8.00
	$ 3,411,396	$ 79,225	

2) Loan

	Maximum Balance	Ending Balance	Interest Income	Rate (%)
For the six months ended June 30, 2025				
Others	$ 109,264	$ 93,810	$ 980	1.90-6.90
For the six months ended June 30, 2024				
Associates	$ 41,940	$ -	$ 32	2.56
Others	102,987	80,047	845	2.05-2.65
	$ 144,927	$ 80,047	$ 877	

June 30, 2025							
Category	**Account Volume or Name**	**Maximum Balance (Note)**	**Ending Balance**	**Normal Loans**	**Non-performing Loans**	**Collateral**	**Difference of Terms of the Transactions with Unrelated Parties**
Consumer loans	16	$ 14,546	$ 13,477	$ 13,477	$ -	None	None
Self-used residential mortgage	4	$ 94,718	$ 80,333	$ 80,333	$ -	Real estate	None

June 30, 2024							
Category	**Account Volume or Name**	**Maximum Balance (Note)**	**Ending Balance**	**Normal Loans**	**Non-performing Loans**	**Collateral**	**Difference of Terms of the Transactions with Unrelated Parties**
Consumer loans	4	$ 3,121	$ 2,846	$ 2,846	$ -	None	None
Self-used residential mortgage	3	$ 99,866	$ 77,201	$ 77,201	$ -	Real estate	None
Other loans	Infinite Finance	$ 41,940	$ -	$ -	$ -	Real estate	None

Note: The maximum balance of daily total for each category of loan.

3) Dividend receivable (part of account receivable)

Related Party Categories	June 30, 2025	December 31, 2024	June 30, 2024
Associates	$ 31,096	$ -	$ 155,480

4) Service fees income (part of service fee income, net)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Others	$ -	$ 6	$ 4	$ 8

Service fee income is earned by providing authentication, custody and fund purchase services.

5) Other expenses (part of other general and administrative expense)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Others	$ 4,350	$ -	$ 8,550	$ 13,450

Other expenses are donations.

c. Remuneration of key management personnel

The remuneration of directors and other members of key management personnel for the three months and six months ended June 30, 2025 and 2024 were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	$ 54,691	$ 53,579	$ 104,803	$ 106,756
Post-employment benefits	1,055	1,005	2,108	2,041
Share-based payments	-	-	-	4,157
	$ 55,746	$ 54,584	$ 106,911	$ 112,954

The remuneration of directors and other key management personnel is reviewed by the remuneration committee and determined by the Bank's board of director or chairman.

The terms of the transactions with related parties are similar to those for third parties, except for the preferential interest rates given to employees for savings and loans. These rates should be within certain limits.

Under the Banking Law Article 32 and 33, except for consumer loans and government loans, credits extended by the Bank to any related parties should be 100% secured, and the terms of credits extended to related parties should be similar to those for third parties.

42. PLEDGED ASSETS

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets at FVTPL	$ 8,312,742	$ 8,010,796	$ 10,012,121
Financial assets at FVTOCI	9,703,006	10,481,787	5,708,946
Investment in debt instruments at amortized cost	2,690,071	2,190,041	2,188,290
Discounts and loans	8,454,664	8,391,594	7,807,057
	$ 29,160,483	$ 29,074,218	$ 25,716,414

Under the requirement for joining the Central Bank's Real-time Gross Settlement (RTGS) clearing system, the Bank provided negotiable certificates of deposits (part of financial assets at FVTPL and financial assets at FVTOCI) as collateral for deposits placed with authorities to carry out bills finance businesses and intraday overdrafts. The pledged amount is adjustable based on the respective overdraft amount, and at the end of the day, the unused part can be used for liquidity reserve. Pledged financial assets at FVOCI are bonds and beneficiary securities, which are mainly trust compensation reserves, bond delivery settlement reserves, treasury custody reserve for contracts, operating deposit of personal insurance department, and credit line for loans. Besides, the Bank contracted for foreign currency call-loan and remittances to provide the negotiable certificates of deposits to the Department of Foreign Exchange of Central Bank and financial interbank. Pledged financial assets at AC are bonds, which are mainly deposits placed with bank overdrafts, credit line for loans, OTC electronic bond trading reserve, and deposits placed with authorities to operate as a security dealer. For EverTrust Bank to issue certificates of deposit collateral in the United States. Furthermore, the above loans were provided as collateral for EverTrust Bank to apply for credit limits with the Federal Home Loan Bank of San Francisco.

43. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those mentioned in other notes, as of June 30, 2025, December 31, 2024 and June 30, 2024, the Group had commitments as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Office decorating and contracts of computer software			
Amount of contracts	$ 228,446	$ 158,827	$ 86,192
Payments for construction in progress and prepayments for equipment	94,521	65,871	35,885

44. TRUST BUSINESS UNDER THE TRUST LAW

Balance Sheet of Trust Accounts

	June 30, 2025	December 31, 2024	June 30, 2024
Trust assets			
Petty cash	$ 100	$ 100	$ 100
Bank deposits	960,719	951,872	1,469,049
Financial assets	3,736,904	3,688,407	3,454,607
Receivables	103	33	40
Prepayments	400	1,292	409
Real estate	8,435,793	7,776,905	7,818,544
Intangible assets	52,813	52,813	52,813
Structured products	218,767	33,676	144,843
Other assets	86	310	155
Total trust assets	$ 13,405,685	$ 12,505,408	$ 12,940,560
Trust liabilities and capital			
Payables	$ 1,149	$ 654	$ 2,948
Unearned receipts	1,680	2,287	1,377
Taxes payable	3,016	4,059	2,988
Guarantee deposits received	20,063	20,095	18,405
Other liabilities	912	935	922
Trust capital	12,932,856	12,033,628	12,721,780
Provisions and accumulated profit and loss	446,009	443,750	192,140
Total trust liabilities and capital	$ 13,405,685	$ 12,505,408	$ 12,940,560

Income Statements of Trust Accounts

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Trust revenue				
Interest revenue	$ 1,889	$ 2,593	$ 3,757	$ 8,029
Rent revenue	28,070	27,588	58,112	55,214
	29,959	30,181	61,869	63,243
Trust expenses				
Management fees	-	(1,187)	-	(2,613)
Service charge	-	(987)	-	(2,594)
Other expenses	(3,291)	(3,271)	(8,340)	(6,451)
Tax	(3,419)	(3,439)	(6,904)	(6,954)
Income tax expense	(139)	(208)	(272)	(675)
	(6,849)	(9,092)	(15,516)	(19,287)
	$ 23,110	$ 21,089	$ 46,353	$ 43,956

Note: The above income accounts of the trust business were not included in the Group's income statement.

Trust Property List

	June 30, 2025	December 31, 2024	June 30, 2024
Petty cash	$ 100	$ 100	$ 100
Bank deposits	960,719	951,872	1,469,049
Stocks	259,555	259,555	236,936
Funds	2,227,231	2,156,156	2,016,128
Bonds	1,250,118	1,272,696	1,201,543
Land	7,585,392	6,926,505	7,006,432
Buildings	850,401	850,400	812,112
Right of superficies	52,813	52,813	52,813
Receivables	103	33	40
Prepayments	400	1,292	409
Structured products	218,767	33,676	144,843
Other	86	310	155
	$ 13,405,685	$ 12,505,408	$ 12,940,560

45. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not carried at fair value

1) Financial instruments significant difference between carrying amount and fair value

Except as detailed in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognized in the condensed consolidated financial statements approximate their fair values cannot be reliably measured.

	June 30, 2025		December 31, 2024		June 30, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets						
Investments in debt instruments at amortized cost	$ 27,285,899	$ 27,151,098	$ 25,955,538	$ 25,449,656	$ 25,505,719	$ 24,852,526
Financial liabilities						
Bank debentures payable	13,450,000	13,502,477	13,450,000	13,514,207	15,450,000	15,526,310

2) The fair value hierarchy

Financial Instrument Items at Fair Value	June 30, 2025			
	Total	Level 1	Level 2	Level 3
Financial assets				
Investments in debt instruments at amortized cost	$ 27,151,098	$ 10,536,102	$ 16,614,996	$ -
Financial liabilities				
Bank debentures payable	13,502,477	-	13,502,477	-

Financial Instrument Items at Fair Value	December 31, 2024 Total	Level 1	Level 2	Level 3
Financial assets				
Investments in debt instruments at amortized cost	$ 25,449,656	$ 9,889,371	$ 15,560,285	$ -
Financial liabilities				
Bank debentures payable	13,514,207	-	13,514,207	-

Financial Instrument Items at Fair Value	June 30, 2024 Total	Level 1	Level 2	Level 3
Financial assets				
Investments in debt instruments at amortized cost	$ 24,852,526	$ 9,408,526	$ 15,444,000	$ -
Financial liabilities				
Bank debentures payable	15,526,310	-	15,526,310	-

Refer to quoted market prices for fair value if there are public quotations on financial instrument with active market. If quoted market prices are not available, the fair value is determined by using a valuation technique or counterparty quotation.

b. Fair value information - financial instruments measured at fair value on a recurring basis

1) The fair value hierarchy of the financial instruments as of June 30, 2025, December 31, 2024 and June 30, 2024 were as follows:

Item	June 30, 2025 Total	Level 1	Level 2	Level 3
Non-derivative financial instruments				
Assets				
Financial assets at FVTPL				
Stocks and beneficial certificates	$ 1,208,653	$ 508,851	$ 296,583	$ 403,219
Bills	126,670,818	-	126,670,818	-
Bonds	1,433,862	-	1,433,862	-
Hybrid financial assets	11,508,312	405,368	71,769	11,031,175
Negotiable certificates of deposit	41,113,504	-	41,113,504	-
Financial assets at FVTOCI				
Equity instruments	6,083,511	5,069,365	165,393	848,753
Bills	3,571,564	-	3,571,564	-
Debt instruments	141,315,789	15,575,576	125,740,213	-
Negotiable certificates of deposit	16,332,624	-	16,332,624	-
Liabilities				
Financial liabilities at FVTPL	3,611	-	3,611	-

(Continued)

Item	June 30, 2025 Total	Level 1	Level 2	Level 3
Derivative financial instruments				
Assets				
Financial assets at FVTPL	$ 1,388,846	$ 66,599	$ 1,322,247	$ -
Liabilities				
Financial liabilities at FVTPL	1,673,751	-	1,673,751	-

(Concluded)

Item	December 31, 2024 Total	Level 1	Level 2	Level 3
Non-derivative financial instruments				
Assets				
Financial assets at FVTPL				
Stocks and beneficial certificates	$ 1,397,719	$ 558,938	$ 496,830	$ 341,951
Bonds	4,417,402	-	4,417,402	-
Bills	136,776,863	-	136,776,863	-
Hybrid financial assets	9,611,517	311,975	72,379	9,227,163
Negotiable certificates of deposit	30,582,405	-	30,582,405	-
Financial assets at FVTOCI				
Equity instruments	2,077,968	1,066,387	165,933	845,648
Bills	2,753,669	-	2,753,669	-
Debt instruments	143,633,547	16,855,821	126,777,726	-
Negotiable certificates of deposit	19,383,077	-	19,383,077	-
Liabilities				
Financial liabilities at FVTPL	1,568	-	1,568	-
Derivative financial instruments				
Assets				
Financial assets at FVTPL	2,125,975	59,021	2,066,954	-
Liabilities				
Financial liabilities at FVTPL	1,363,064	-	1,363,064	-

Item	June 30, 2024 Total	Level 1	Level 2	Level 3
Non-derivative financial instruments				
Assets				
Financial assets at FVTPL				
Stocks and beneficial certificates	$ 2,345,612	$ 1,523,676	$ 495,340	$ 326,596
Bills	127,955,650	-	127,955,650	-
Bonds	1,913,949	-	1,913,949	-
Hybrid financial assets	7,757,009	381,663	25,224	7,350,122
Negotiable certificates of deposit	29,007,636	-	29,007,636	-
Financial assets at FVTOCI				
Equity instruments	6,379,312	5,438,640	156,407	784,265
Bills	4,444,005	-	4,444,005	-
Debt instruments	140,658,017	18,009,086	122,648,931	-
Negotiable certificates of deposit	21,554,315	-	21,554,315	-
Liabilities				
Financial liabilities at FVTPL	26,089	-	26,089	-
Derivative financial instruments				
Assets				
Financial assets at FVTPL	1,629,839	59,910	1,569,929	-
Liabilities				
Financial liabilities at FVTPL	1,006,325	-	1,006,325	-

2) Valuation techniques and assumptions applied for the purpose of measuring the fair values

   In a fair deal, the transaction is fully understood and there is willingness to achieve by the two sides, in exchange of assets or settle of liabilities, fair value is the amount settled. Financial instruments at fair value through profit or loss and available-for-sale financial assets refer to quoted market prices for fair value. If quoted market prices are not available, then fair value is determined by using a valuation technique.

   a) Marking-to-market

      This measurement should be used first. Following are the factors that should be considered when using marking-to-market:

      i. Ensure the consistency and completeness of market data.

      ii. The source of market data should be transparent, easy to access, and should come from independent resources.

      iii. Listed securities with high liquidity and representative closing prices should be valued at closing prices.

      iv. Unlisted securities which lack tradable closing prices should use quoted middle prices from independent brokers and follow the guidelines required by regulatory authorities.

   b) Marking-to-model

      The marking-to-model is used if marking-to-market is infeasible. This valuation methodology is based upon the market parameters to derive the value of the positions and incorporate estimates, as well as assumptions consistent with acquirable information generally used by other market participants to price financial instruments.

      Fair values of forward contracts used by the Group are estimated based on the forward rates provided by Bloomberg. Fair values of interest rate swap and cross-currency swap contracts are based on counterparties' quotation, using the Murex$^+$ information system to capture market data from Bloomberg for calculating the fair value assessment of individual contracts. Option trading instruments use option pricing model commonly used in the market (ex: Black-Scholes model) to calculate the fair value.

      i. Level 1 - quoted prices in active markets for identical assets or liabilities. Active markets are markets with all of the following conditions: (i) the products traded in the market are homogeneous, (ii) willing parties are available anytime in the market, and (iii) price information is available to the public.

      ii. Level 2 - inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices).

      iii. Level 3 - inputs not based on observable market data (unobservable inputs. i.e., option pricing model of historical volatility, due to historical volatility could not represent the overall market participants' volatility expectations of the future).

3) Reconciliation of the financial instruments classified in Level 3

For the six months ended June 30, 2025

Financial Assets	Financial Assets at Fair Value Through Profit or Loss		Financial Assets at Fair Value Through Other Comprehensive Income Equity Instruments	Total
	Hybrid Financial Assets	Equity Instruments		
Beginning balance	$ 9,227,163	$ 341,951	$ 845,648	$ 10,414,762
Recognition in profit or loss - financial assets at fair value through profit or loss	38,012	70,253	-	108,265
Recognition in other comprehensive income - financial assets at fair value through other comprehensive income	-	-	3,381	3,381
Purchases	4,267,800	79,148	-	4,346,948
Disposals	(2,501,800)	(35,134)	(276)	(2,537,210)
Transferred out of Level 3 (Note 1)	-	(52,999)	-	(52,999)
Ending balance	$ 11,031,175	$ 403,219	$ 848,753	$ 12,283,147

For the six months ended June 30, 2024

Financial Assets	Financial Assets at Fair Value Through Profit or Loss		Financial Assets at Fair Value Through Other Comprehensive Income Equity Instruments	Total
	Hybrid Financial Assets	Equity Instruments		
Beginning balance	$ 4,987,988	$ 275,282	$ 879,367	$ 6,142,637
Recognition in profit or loss - financial assets at fair value through profit or loss	8,734	82,683	-	91,417
Recognition in other comprehensive income - financial assets at fair value through other comprehensive income	-	-	(26,415)	(26,415)
Purchases	5,576,800	37,850	6,000	5,620,650
Disposals	(3,223,400)	(93,432)	(74,687)	(3,391,519)
Transferred into Level 3 (Note 2)	-	24,213	-	24,213
Ending balance	$ 7,350,122	$ 326,596	$ 784,265	$ 8,460,983

The assets held at the balance sheet date, which were included in the profit and loss and the unrealized gains and losses for the six months ended June 30, 2025 and 2024, were consisted of $131,902 thousand in gain and $23,104 thousand in gain, respectively.

Note 1: The stock transferred into Level 1 since the quoted price in active markets is available.

Note 2: The stock transferred into Level 3 since the quoted price in active markets is unavailable.

4) Transfers between Level 1 and Level 2

The Group had no significant transfers between Level 1 and Level 2 for the six months period ended June 30, 2025 and 2024.

5) Quantitative information of Level 3 financial instruments

The financial instruments measured at fair value by the Group on a recurring basis are classified as Level 3 significant unobservable inputs as follows:

June 30, 2025

	Fair Value	Valuation Techniques	Significant Unobservable Input	Range	The Relation Between Inputs and Fair Value
Financial assets at FVTPL					
Hybrid financial assets	$ 11,031,175	Discounted cash flow method	a) Discount rate b) Liquidity risk premium	1.4889%-1.8795% 66BP-307BP	The higher of discount rate, the lower of fair value. The higher of liquidity risk premium, the lower of fair value.
Unlisted shares	403,219	Market method	Lack of liquidity discount and control discount	10%-30%	The higher of liquidity and control discount, the lower of fair value.
Financial assets at FVTOCI					
Unlisted shares	410,626	Asset method	Lack of liquidity discount and control discount	10%	The higher of liquidity discount, the lower of fair value.
Unlisted shares	407,862	Market method	Lack of liquidity discount and control discount	10%-30%	The higher of liquidity and control discount, the lower of fair value.
Limited partnership	30,265	Asset method	Not applicable	-	Not applicable

December 31, 2024

	Fair Value	Valuation Techniques	Significant Unobservable Input	Range	The Relation Between Inputs and Fair Value
Financial assets at FVTPL					
Hybrid financial assets	$ 9,227,163	Discounted cash flow method	a) Discount rate b) Liquidity risk premium	1.4722%-1.9109% 66BP-220BP	The higher of discount rate, the lower of fair value. The higher of liquidity risk premium, the lower of fair value.
Unlisted shares	341,951	Market method	Lack of liquidity discount and control discount	10%-30%	The higher of liquidity and control discount, the lower of fair value.
Financial assets at FVTOCI					
Unlisted shares	390,664	Asset method	Lack of liquidity discount and control discount	10%	The higher of liquidity and control discount, the lower of fair value.
Unlisted shares	425,320	Market method	Lack of liquidity discount and control discount	10%-30%	The higher of liquidity and control discount, the lower of fair value.
Limited partnership	29,664	Asset method	Not applicable	-	Not applicable

June 30, 2024

	Fair Value	Valuation Techniques	Significant Unobservable Input	Range	The Relation Between Inputs and Fair Value
Financial assets at FVTPL					
Hybrid financial assets	$ 7,350,122	Discounted cash flow method	a) Discount rate b) Liquidity risk premium	1.5283%-1.9022% 75BP-220BP	The higher of discount rate, the lower of fair value. The higher of liquidity risk premium, the lower of fair value.
Unlisted shares	326,596	Market method	Lack of liquidity discount and control discount	10%-30%	The higher of liquidity and control discount, the lower of fair value.
Financial assets at FVTOCI					
Unlisted shares	379,578	Asset method	Lack of liquidity discount and control discount	10%	The higher of liquidity and control discount, the lower of fair value.
Unlisted shares	375,694	Market method	Lack of liquidity discount and control discount	10%-30%	The higher of liquidity and control discount, the lower of fair value.
Limited partnership	28,993	Asset method	Not applicable	-	Not applicable

6) Sensitivity to using reasonable alternative in assumption against Level 3 fair value

The fair value measurement of financial instruments is reasonable, although the use of different valuation models or parameters may lead to different evaluation results. For the fair value measurements of structured bonds which fall under Level 3 of the fair value hierarchy, they are evaluated according to counterparty quotes; for bonds and convertible bonds for asset swaps which have no quoted market prices, they are evaluated using the future cash flows discounted model. Were there to be a 10% or 1 basis point change in either direction of the quotes from respective counterparties or in discount rates and all other conditions remained the same, the effects on the income and other comprehensive income for the six months ended June 30, 2025 and 2024 periods would be as follows:

For the six months ended June 30, 2025

Item	Movement: Upward/ Downward	Effect on Profit and Loss		Effect on Other Comprehensive Income	
		Favorable	Unfavorable	Favorable	Unfavorable
Convertible bond	1BP	$ 1,788	$ (1,788)	$ -	$ -
Equity instruments	10%	40,322	(40,322)	94,466	(94,466)

For the six months ended June 30, 2024

Item	Movement: Upward/ Downward	Effect on Profit and Loss		Effect on Other Comprehensive Income	
		Favorable	Unfavorable	Favorable	Unfavorable
Convertible bond	1BP	$ 1,105	$ (1,105)	$ -	$ -
Equity instruments	10%	32,660	(32,660)	87,291	(87,291)

c. Transfer of financial assets

Transferred financial assets not derecognized

Most of the transferred financial assets of the Group that were not fully derecognized were securities sold under repurchase agreements. Under the terms of these transfers, the right to the cash flows of the transferred financial assets would be transferred to other entities, and the associated liabilities of the Group's obligation to repurchase the transferred financial assets at a fixed price in the future would be recognized. Since the Group is restricted from using, selling, or pledging the transferred financial assets within the transaction period, and is still exposed to interest rate risks and credit risks on these assets, the transferred financial assets were not fully derecognized.

June 30, 2025

Category of Financial Assets	Carrying Amount of Transferred Financial Assets	Carrying Amount of Associated Financial Liabilities
Financial assets at FVTPL		
Bills sold under repurchase agreements	$ 118,284,873	$ 118,474,353
Bonds sold under repurchase agreements	1,378,853	1,340,865
Financial assets at FVTOCI		
Bonds sold under repurchase agreements	93,950,000	93,922,279
Instruments in debt instruments measured at amortized cost		
Bonds sold under repurchase agreements	5,273,313	4,677,509
Securities purchase under resell agreements		
Bonds sold under repurchase agreements	4,095,668	4,582,819

December 31, 2024

Category of Financial Assets	Carrying Amount of Transferred Financial Assets	Carrying Amount of Associated Financial Liabilities
Financial assets at FVTPL		
Bills sold under repurchase agreements	$ 112,980,317	$ 113,093,346
Bonds sold under repurchase agreements	1,229,865	1,218,518
Financial assets at FVTOCI		
Bonds sold under repurchase agreements	92,089,762	93,413,573
Instruments in debt instruments measured at amortized cost		
Bonds sold under repurchase agreements	6,267,619	5,544,817
Securities purchase under resell agreements		
Bonds sold under repurchase agreements	1,914,275	2,034,377

June 30, 2024

Category of Financial Assets	Carrying Amount of Transferred Financial Assets	Carrying Amount of Associated Financial Liabilities
Financial assets at FVTPL		
Bills sold under repurchase agreements	$ 97,528,068	$ 97,617,507
Bonds sold under repurchase agreements	1,934,088	1,941,606
Financial assets at FVTOCI		
Bonds sold under repurchase agreements	98,011,817	100,082,103
Instruments in debt instruments measured at amortized cost		
Bonds sold under repurchase agreements	4,701,563	4,150,950
Securities purchase under resell agreements		
Bonds sold under repurchase agreements	3,411,166	3,489,396

d. Offsetting financial assets and financial liabilities

Certain transactions of the Bank and its subsidiaries are covered by enforceable master netting agreements or similar agreements, or under similar repurchase agreements may not meet all offsetting criteria under IFRS Accounting Standards. However, in these transactions, financial liabilities are allowed to be offset against financial assets when any of the counterparties specifies to settle at net amounts. If no counterparty specifies to settle at net amounts, the transactions will be settled at gross amounts instead. One of the counterparties can decide to settle at net amounts if the other party of the transaction defaults.

The tables below present the quantitative information of financial assets and financial liabilities on the balance sheets that had been offset or are covered by enforceable master netting arrangements or similar agreements.

June 30, 2025

Financial Assets	Gross Amounts of Recognized Financial Assets	Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet	Net Amounts of Financial Assets Presented in the Balance Sheet	Related Amounts Not Offset in the Balance Sheet		Net Amount
				Financial Instruments (Note)	Cash Collateral Pledged	
Derivatives	$ 1,388,840	$ -	$ 1,388,840	$ (268,132)	$ (122,027)	$ 998,681
Resell agreements	9,078,148	-	9,078,148	(9,078,148)	-	-
	$ 10,466,988	$ -	$ 10,466,988	$ (9,346,280)	$ (122,027)	$ 998,681

Financial Liabilities	Gross Amounts of Recognized Financial Liabilities	Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet	Net Amounts of Financial Liabilities Presented in the Balance Sheet	Related Amounts Not Offset in the Balance Sheet		Net Amount
				Financial Instruments (Note)	Cash Collateral Pledged	
Derivatives	$ 1,669,629	$ -	$ 1,669,629	$ (268,132)	$ (496,460)	$ 905,037
Repurchase agreements	222,997,825	-	222,997,825	(221,928,508)	-	1,069,317
	$ 224,667,454	$ -	$ 224,667,454	$ (222,196,640)	$ (496,460)	$ 1,974,354

December 31, 2024

Financial Assets	Gross Amounts of Recognized Financial Assets	Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet	Net Amounts of Financial Assets Presented in the Balance Sheet	Related Amounts Not Offset in the Balance Sheet: Financial Instruments (Note)	Related Amounts Not Offset in the Balance Sheet: Cash Collateral Pledged	Net Amount
Derivatives	$ 2,125,975	$ -	$ 2,125,975	$ (542,558)	$ (284,846)	$ 1,298,571
Resell agreements	5,976,328	-	5,976,328	(5,976,328)	-	-
	$ 8,102,303	$ -	$ 8,102,303	$ (6,518,886)	$ (284,846)	$ 1,298,571

Financial Liabilities	Gross Amounts of Recognized Financial Liabilities	Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet	Net Amounts of Financial Liabilities Presented in the Balance Sheet	Related Amounts Not Offset in the Balance Sheet: Financial Instruments (Note)	Related Amounts Not Offset in the Balance Sheet: Cash Collateral Pledged	Net Amount
Derivatives	$ 1,352,961	$ -	$ 1,352,961	$ (542,558)	$ (306,791)	$ 503,612
Repurchase agreements	215,304,631	-	215,304,631	(213,358,818)	-	1,945,813
	$ 216,657,592	$ -	$ 216,657,592	$ (213,901,376)	$ (306,791)	$ 2,449,425

June 30, 2024

Financial Assets	Gross Amounts of Recognized Financial Assets	Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet	Net Amounts of Financial Assets Presented in the Balance Sheet	Related Amounts Not Offset in the Balance Sheet: Financial Instruments (Note)	Related Amounts Not Offset in the Balance Sheet: Cash Collateral Pledged	Net Amount
Derivatives	$ 1,629,815	$ -	$ 1,629,815	$ (339,336)	$ (213,640)	$ 1,076,839
Resell agreements	3,077,000	-	3,077,000	(3,077,000)	-	-
	$ 4,706,815	$ -	$ 4,706,815	$ (3,416,336)	$ (213,640)	$ 1,076,839

Financial Liabilities	Gross Amounts of Recognized Financial Liabilities	Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet	Net Amounts of Financial Liabilities Presented in the Balance Sheet	Related Amounts Not Offset in the Balance Sheet: Financial Instruments (Note)	Related Amounts Not Offset in the Balance Sheet: Cash Collateral Pledged	Net Amount
Derivatives	$ 990,349	$ -	$ 990,349	$ (339,336)	$ (127,309)	$ 523,704
Repurchase agreements	207,281,562	-	207,281,562	(204,634,377)	-	2,647,185
	$ 208,271,911	$ -	$ 208,271,911	$ (204,973,713)	$ (127,309)	$ 3,170,889

Note: Included non-cash financial collaterals.

46. FINANCIAL RISK MANAGEMENT

a. Overview

For the potential expected and unexpected risk, the Group establishes a comprehensive risk management system to distribute resource effectively and enhance competitiveness by ensuring that all operating risks are controlled to an acceptable extent. The Group continues to engage actively in the capital adequacy ratio with in the accordance to the regulator’s requirements and monitors to meet the international requirement of the Basel Commission.

b. Risk management framework

Ultimate responsibility for setting the Bank's risk appetite rests with the board of director. The Auditing Department, Audit Committee and Compensation Committee report to the board of director. Risk Management Committee, which is also authorized by the Chairman. The chairman serves as the chairman of the committee, and the members of the committee include at least 2 directors authored by the board of directors who own the background of risk management or finance, president, governance officer and designated senior supervisors at all levels under the Chairman, deliberate the bank risk management mechanism and the risk management proposals of the board of directors, supervising the risk management of each risk and review the implementation effect, new type business or setting up risk management. Assets and Liabilities Committee and Loan Evaluation Subcommittee, which are under the President, hold Meetings for discussing and considering risk management proposals regularly. The Risk Management Department is responsible for establishing a total scheme of risk management and monitoring the execution of such management.

China Bills Finance Corporation's (CBF) board of directors has the ultimate responsibility for risk framework decision making and oversees the implementation of risk management. Business risk management which is headed by the President is comprised of Financial Assets and Liabilities Management Committee, Business Committee and the Investment Commission for the joint implementation of market risk, credit risk, operational risk control, and other set of business and oversight of the audit office, and the business risk control management unit case. To effectively manage the overall risk and risks associated with integration of information, CBF has defined risk assessment methods and has summarized risk positions for the risk management group responsible for implementing the risk management operations.

c. Credit risk

1) Sources and definition of credit risk

Credit risk is the potential loss due to the failure of counterparty to meet its obligations to pay the Group in accordance with agreed terms. The source of credit risks includes the subjects in the balance sheet and off-balance sheet items.

2) Strategy/objectives/policies and procedures

a) Credit risk management strategy: The Bank implements the relevant provisions of the principles of credit risk management requirement and establish the Bank's credit risk management mechanism to ensure that credit risk control is within effective but affordable range, and maintain adequate capital, and execute sound management of the Bank credit risk, and achieve operational and management objectives.

b) Credit risk management objectives: Through appropriate risk management strategies, policies and procedures, the Bank's credit risk management is carried out in accordance with the principle of risk diversification to minimize potential financial losses and optimize risk and rewards.

Sound risk management systems and control processes, strengthened information integration, analysis and early warning validation, bring out credit management and monitoring functions to ensure compliance with laws, regulations and group standards so as to maintain high credit standards and asset quality.

c) Credit risk management policy: In order to establish the Bank's risk management system and ensure the development and sound operations of the Bank, and serve as the basis of business risk management and compliance, the Bank stipulated its "Risk Management Policy" in accordance with the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries" issued by the FSC. The Bank maintains an adequate amount of capital within the Bank's acceptable range of credit risk to achieve the objectives of credit risk strategy and create maximum risk-adjusted returns.

d) Credit risk management process:

i. Risk identification

Credit risk management process begins with the identification of existing and potential risks, including all the transactions in banking book and trading book, balance sheet and off-balance sheet transactions. With financial innovation, as new credit businesses become increasingly complex; business executives in order do existing and new credit businesses, should be fully aware of the complexity involved in the business of re-order business and other cases or transactions to be able to identify any possibility of having an event of default.

ii. Risk measurement

i) The Bank manages asset portfolios by the risk rating scale.

The risk rating scale qualifies the default possibilities of debtors and operation difficulty possibilities of investees in the next year. Risk ratings must actually be scaled when the individual credit and investment accounts are approved. The continual change of the market gives rise to the change in credit or investment household. Therefore, risk ratings must be reevaluated and updated often to adjust the risk rating scale when it is verified.

ii) Portfolio management:

- It is used to ensure the risk of loan is within the tolerable scope.

- "Concentrative risks" are concentration-limited, avoiding the risks to be overly centralized to sufficiently diversify the risk.

- It achieves the optimal profits.

iii. Risk communication

i) Internal reporting: Risk management position shall establish appropriate credit risk reporting mechanism for regular statistical reporting and the preparation of a variety of business risk management reports which contain correct, consistent, and real-time credit risk reporting information to ensure any exceptions can be acted on immediately, and as a reference for decision-making. The above communication may include asset quality, portfolio rating classification status, and all kinds of exception reports.

ii) External disclosure: To comply with the requirements for capital adequacy supervisory review and market discipline principles, the business director of credit risk level should prepare reports in the format specified by the competent authority showing contents, methods and frequency to provide information on the credit risk of the Bank's quantitative, qualitative indicators to illustrate the self-assessment and credit risk management system and disclose information about capital and other capital adequacy matters.

iv. Risk monitoring

i) The Bank establish monitoring system to assess the changes in credit risk of borrower or counterparty or issuer (e.g., bonds issuer and guarantor of issuers of equity related products, derivatives counterparties' credit rating information and credit information), to serve timely detection of problems on assets or transactions, and take immediate action to cope with the possible breach.

ii) Besides monitoring the individual credit risk, the Bank also deal with credit portfolio monitoring and management.

iii) Establish stringent credit processes, credit standards and loan management; the project includes the credit factors that should be considered for new credit and credit transfer period, commitment to the periodic review of credit, maintenance of credit records and the proportion of various types of loans in the credit portfolio.

iv) Establish quota management system to avoid excessive concentration of credit risk to nationality, industry types, same group, same relations, etc.

v) Establish collateral management system to ensure that collaterals can be effectively managed.

3) Credit risk management and framework

a) Board of Directors: Responsible for authorizing and reviewing the credit risk management strategies and approving the credit risk management framework. The strategy reflects the level of risk that the Bank can tolerate and the level of profitability that the Bank expects to achieve under various credit risks.

b) Audit Committee: Responsible for the stipulation and amendment on issues relating to the internal control framework, effectiveness of the internal control framework, assessment of the effectiveness of the information security system, acquisition or disposal of assets or derivatives, monitoring of directors' self-interest issues, appointment or dismissal of the CPA and internal auditors, and other important issues ruled by the FSC.

c) Risk Management Committee: Responsible for the risk management policies, various risk management regulations, annual risk appetites, limits, risk management proposals for the board of directors' approval and various risk management mechanisms, supervise and review credit, market, operations, liquidity, information security, AML, personal data protection, climate changes, emergencies and other risk management, improve the Bank's risk management mechanism to ensure the effective implementation of the Bank's risk management procedures.

d) Assets and Liabilities Committee: Holds asset/liability management meeting to inspect asset/liability management, liquidity risk, interest rate sensitivity risk management, market risk, BIS management, and is in charge of making decisions on policies.

e) Loan Evaluation Subcommittee: Reviews the loan cases rendered by the corporate credit management department and retail credit management department. After passing the provisions, the cases are still required to be submitted to the relevant management for review.

f) Loan Assets Quality Evaluation Meeting: In charge of formulating policies and strategies for identifying the possibilities of loss on credit assets. The Bank evaluates the adequacy of the allowance for credit assets.

g) Risk Management Department: Independent risk management unit which is in charge of risk management and responsible for the related operations of credit risks. It ensures the Bank follows the BASEL regulations and is also responsible for the preparation of risk management reports presented to the appropriate management, and plans to establish monitoring tools for credit risk measurement.

h) Corporate Credit Management Department: Supervises the establishment of corporate finance risk identification, measurement, monitoring and management, preparation of regulatory review of credit grading, devising and enhancement of deed lists, deed for credit and guarantee amount control, proper release and other release matters.

i) Retail Credit Management Department: Manages personal financial risk, identifies, measures, monitors the allowance for bad debts, and prepares for bad debts presentation, loss assessment and post-loan management.

4) The scope and characteristics of credit risk reports and measurement system

For the credit risks implicated in all products and business activities, new products and business, the Bank regularly monitors the credit risk management and is authorized by the board of directors or appropriate committee.

Credit risk measurement and control procedures include credit review, rating scoring, credit control, post-loan management and collection operations. The risk management units regularly provide analysis reports of various types of credit risk and asset quality in addition to the above operational procedures for management indicators. In addition, the Bank also actively controls and periodically reports the monitoring results to the board of directors to grasp the risk situations faced by the state, the group, the industry, the same related parties and the related enterprise risks.

In order to understand the risk appetite and its changes in the financial environment and the impact on capital adequacy, the Bank handles its credit according to the “Bank Credit Risk Stress Test Guidelines” issued by the FSC, as an important basis for credit risk management, and continues to adjust the direction of business development, credit policy and credit evaluation procedures.

5) Mitigation of risks or hedging of credit risk and monitoring the risk avoidance

The Bank primarily applies the following risk mitigation tools to reduce extent of credit risk exposures: (1) by requiring the counterparty or third parties to provide collateral, (2) the balance sheet netting: Credit is backed by the counterparty’s bank deposits (on-balance sheet netting), (3) third party guarantees.

Credit risk mitigation tools can reduce or transfer credit risk, but may give rise to other residual risks, including: Legal risk, operational risk, liquidity risk and market risk. The Bank adopted stringent procedures necessary to control these risks, such as policy formulation, development of operating procedures to conduct credit checks and evaluation, system implementation, contract control and so on.

The Bank has developed collateral management policies and operating procedures, and conducted recognition of all collateral data. The Bank uses a computing platform for mitigation of complex risk and completes the required collateral to offset data field collection and analysis, and links credit systems and collateral management system information to build up capital provision.

6) Maximum exposure to credit risk

The maximum credit risk exposure amount of financial assets is the book value of the specific asset on the balance sheet date. The analysis of the maximum credit exposure amount (excluding the fair value of collateral) of each off-balance sheet financial instrument held by the Bank and its subsidiaries is as follows:

Off-balance Sheet Item	Maximum Exposure Amount		
	June 30, 2025	December 31, 2024	June 30, 2024
Financial guarantees and irrevocable documentary letter of credit			
Contract amounts	$ 147,486,625	$ 146,818,452	$ 135,955,657
Maximum exposure amounts	147,486,625	146,818,452	135,955,657
Loan commitments	56,332,214	61,851,748	63,163,321

7) Concentration of credit risk exposure

Concentration of credit risk exist when the counterparty includes only one specific person or include many people who engage in similar business which are similar in economic characteristics. The Group does not concentrate on single customer or counterparty in trading but have similar counterparty, industry and geographic region on the loan business (including loan commitments and guarantees and commercial bond issuing commitments).

On June 30, 2025, December 31, 2024 and June 30, 2024, the Group’s significant concentration of credit risk were summarized as follows (only the top three are shown below):

a) By industry

Credit Risk Profile by Industry Sector	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%
Financial and insurance	$ 108,344,290	29	$ 107,300,739	29	$ 98,727,121	28
Real estate	75,841,787	20	72,063,127	20	71,547,499	20
Private	64,450,063	17	58,941,321	16	52,633,606	15

b) By counterparty

Credit Risk Profile by Counterparty Sector	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%
Private sector	$ 192,835,570	75	$ 191,877,892	77	$ 191,029,362	78
Natural person	64,450,063	25	58,941,321	23	52,633,606	22

c) By geographical area

Credit Risk Profile by Geographical Sector	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%
Domestic	$ 160,777,150	62	$ 153,878,702	61	$ 145,545,717	60
Other Asia area	40,864,997	16	48,642,881	19	50,622,158	21
America	47,349,434	18	41,083,137	16	40,444,553	17

8) Credit quality and impairment assessment of financial assets

Some financial assets such as cash and cash equivalents, due from Central Bank and call loan to other banks, financial asset at fair value through profit or loss, bills and bonds purchased under resell agreements, refundable deposits, operating deposits and settlement fund are regarded as very low credit risk owing to the good credit rating of counterparties.

The related financial asset impairment valuation is as follows:

a) Credit business (including loan commitments and guarantees)

On each reporting date, the Group assesses the change in the default risk of financial assets and considers reasonable and corroborative information that shows the credit risk has increased significantly since initial recognition, including the overdue status of credit assets from clients, actual repayment situations, credit investigation results, announcements of dishonored checks and negotiations of the debts from other financial institutions, or information that the debtor has reorganized or is likely to reorganize, to determine whether the credit risk has increased significantly.

The Group adopts the 12-month ECLs for the evaluation of the loss allowance of financial instruments whose credit risk has not increased significantly since initial recognition and adopts the lifetime ECLs for the evaluation of the loss allowance of financial instruments whose credit risk has increased significantly since initial recognition or which are credit-impaired.

The Group considers both the 12-month and lifetime probability of default ("PD") of the borrower together with the loss given default ("LGD"), multiplied by the exposure at default ("EAD"), and considers the impact of the time value of money in order to calculate the 12-month ECLs and lifetime ECLs, respectively.

The PD refers to the borrower's probability to default, and the LGD refers to losses caused by such default. The Group applies the PD and LGD for the impairment assessment of the credit business according to each group entity's historical information (such as credit loss experience) from internal statistical data and adjusts such historical data based on the current observable and forward-looking macroeconomic information. It then calculates the respective impairment by applying the progressive one factor model.

The Group estimates the balance of each account based on the method of amortization and considers the possible survival rate in order to calculate the EAD. The Group calculates the EAD of expected credit losses by considering the portion of the loan commitments expected to be used within 12 months after the reporting date as compared with the expected lifetime of the loan commitments. It follows the supervisory values of the Credit Conversion Factor (CCF) as stipulated in the Guidelines and Tables for the Calculation of Bank Capital and Risk-Weighted Assets - Standardized Approach for Credit Risk and Leverage Ratio.

The Group uses the same definitions for default and credit impairment of financial assets. If one or more of the conditions are met, for instance, the financial assets are overdue for more than 90 days or the credit investigation appears to be abnormal, then the Group determines that the financial assets have defaulted and are credit-impaired.

Credit assets are classified into five categories. In addition to the first category of credit assets, which are normal credit assets classified as sound assets, the remaining credit assets are classified as unsound assets and assessed according to the respective collateral and the length of time in which the respective payments become overdue. Such unsound credit assets are then categorized within the second category if they should only be noted; within the third category if they have substandard expected recovery; within the fourth category if their collectability is highly doubtful; and within the fifth category if they are considered uncollectable. The Group also sets up policies for the management of provisions for doubtful credit assets and the collection and settlement of overdue debts in order to deal with collection problems.

b) Credit risk management for investments in debt instruments

The Group only invests in debt instruments that are rated the equivalent of investment grade or higher and have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies. The Bank and its subsidiaries' exposure and the external credit ratings are continuously monitored. The Bank and its subsidiaries review change in bonds yields other public information and make an assessment as to whether there has been a significant increase in credit risk since the last period to the current reporting date.

The Group considers the historical default rates of each credit rating supplied by external rating agencies, the current financial condition of debtors, and industry forecasts to estimate 12-month or lifetime expected credit losses.

The Group's current credit risk grading mechanism is as follows:

Category	Description	Basis for Recognizing Expected Credit Losses (ECLs)
Performing	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12-month ECLs
Doubtful	There has been a significant increase in credit risk since initial recognition	Lifetime ECLs - not credit-impaired
In default	There is evidence indicating the asset is credit-impaired	Lifetime ECLs - credit-impaired

The Group's gross carrying amounts of investments in debt instruments by credit category was as follows:

Category	June 30, 2025	December 31, 2024	June 30, 2024
Performing	$ 189,761,782	$ 194,686,004	$ 195,630,587
Doubtful	99,524	-	301,256
In default	-	-	-

The allowance for impairment loss of investments in debt instruments at FVTOCI and amortized cost for the six months ended June 30, 2025 and 2024, grouped by credit rating, is reconciled as follows:

	Credit Rating		
	Performing (12-month ECLs)	Doubtful (Lifetime ECLs - Not Credit-impaired)	Total
Balance on January 1, 2025	$ 51,893	$ -	$ 51,893
Credit level changed			
From performing to doubtful	(203)	203	-
New financial assets purchased	10,822	-	10,822
Derecognition of financial assets	(13,769)	-	(13,769)
Change in model or risk parameters	(4,654)	1,637	(3,017)
Exchange rates or others	(1,817)	1	(1,816)
Balance on June 30, 2025	$ 42,272	$ 1,841	$ 44,113

(Continued)

	Credit Rating		
	Performing (12-month ECLs)	Doubtful (Lifetime ECLs - Not Credit-impaired)	Total
Balance on January 1, 2024	$ 42,321	$ -	$ 42,321
Credit level changed			
From performing to doubtful	(236)	236	-
New financial assets purchased	11,513	-	11,513
Derecognition of financial assets	(7,233)	-	(7,233)
Change in model or risk parameters	4,167	776	4,943
Exchange rates or others	1,095	-	1,095
Balance on June 30, 2024	$ 51,627	$ 1,012	$ 52,639

(Concluded)

In addition to the above, the credit quality analysis of the remaining financial assets of the Bank and its subsidiaries is as follows:

a) Credit analysis for receivables and discounts and loans

June 30, 2025

	Stage 1 12-month ECLs	Stage 2 Lifetime ECLs	Stage 3 Lifetime ECLs	Difference of Impairment Loss Under Regulations	Total
Receivables	$ 4,543,007	$ 121,105	$ 58,335	$ -	$ 4,722,447
Allowance for credit losses	(2,512)	(1,270)	(8,642)	-	(12,424)
Difference of impairment loss under regulations	-	-	-	(9,681)	(9,681)
Net total	$ 4,540,495	$ 119,835	$ 49,693	$ (9,681)	$ 4,700,342
Discounts and loans	$ 230,380,937	$ 23,790,570	$ 3,114,126	$ -	$ 257,285,633
Allowance for credit losses	(559,511)	(355,912)	(327,354)	-	(1,242,777)
Difference of impairment loss under regulations	-	-	-	(2,189,276)	(2,189,276)
Net total	$ 229,821,426	$ 23,434,658	$ 2,786,772	$ (2,189,276)	$ 253,853,580

December 31, 2024

	Stage 1 12-month ECLs	Stage 2 Lifetime ECLs	Stage 3 Lifetime ECLs	Difference of Impairment Loss Under Regulations	Total
Receivables	$ 3,888,297	$ 186,309	$ 37,779	$ -	$ 4,112,385
Allowance for credit losses	(2,727)	(1,837)	(7,579)	-	(12,143)
Difference of impairment loss under regulations	-	-	-	(12,174)	(12,174)
Net total	$ 3,885,570	$ 184,472	$ 30,200	$ (12,174)	$ 4,088,068
Discounts and loans	$ 229,270,483	$ 18,338,346	$ 3,210,384	$ -	$ 250,819,213
Allowance for credit losses	(505,303)	(216,750)	(319,402)	-	(1,041,455)
Difference of impairment loss under regulations	-	-	-	(2,289,702)	(2,289,702)
Net total	$ 228,765,180	$ 18,121,596	$ 2,890,982	$ (2,289,702)	$ 247,488,056

June 30, 2024

	Stage 1 12-month ECLs	Stage 2 Lifetime ECLs	Stage 3 Lifetime ECLs	Difference of Impairment Loss Under Regulations	Total
Receivables	$ 3,908,092	$ 83,028	$ 22,119	$ -	$ 4,013,239
Allowance for credit losses	(2,166)	(192)	(4,706)	-	(7,064)
Difference of impairment loss under regulations	-	-	-	(13,050)	(13,050)
Net total	$ 3,905,926	$ 82,836	$ 17,413	$ (13,050)	$ 3,993,125
Discounts and loans	$ 224,905,833	$ 16,787,149	$ 1,969,986	$ -	$ 243,662,968
Allowance for credit losses	(480,402)	(298,065)	(369,477)	-	(1,147,944)
Difference of impairment loss under regulations	-	-	-	(2,344,797)	(2,344,797)
Net total	$ 224,425,431	$ 16,489,084	$ 1,600,509	$ (2,344,797)	$ 240,170,227

b) Credit analysis for marketable securities

June 30, 2025

	At FVTOCI - Debt Instruments	At Amortized Cost - Debt Instruments	Total
Gross carrying amount	$ 162,571,643	$ 27,289,663	$ 189,861,306
Allowance for impairment loss	(40,349)	(3,764)	(44,113)
Amortized cost	162,531,294	$ 27,285,899	189,817,193
Fair value adjustment	(1,311,317)		(1,311,317)
	$ 161,219,977		$ 188,505,876

December 31, 2024

	At FVTOCI - Debt Instruments	At Amortized Cost - Debt Instruments	Total
Gross carrying amount	$ 168,725,376	$ 25,960,628	$ 194,686,004
Allowance for impairment loss	(46,803)	(5,090)	(51,893)
Amortized cost	168,678,573	$ 25,955,538	194,634,111
Fair value adjustment	(2,908,280)		(2,908,280)
	$ 165,770,293		$ 191,725,831

June 30, 2024

	At FVTOCI - Debt Instruments	At Amortized Cost - Debt Instruments	Total
Gross carrying amount	$ 170,421,263	$ 25,510,580	$ 195,931,843
Allowance for impairment loss	(47,778)	(4,861)	(52,639)
Amortized cost	170,373,485	$ 25,505,719	195,879,204
Fair value adjustment	(3,717,148)		(3,717,148)
	$ 166,656,337		$ 192,162,056

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group had no financial assets which were overdue but not impaired.

d. Liquidity risk

1) Source and definition of liquidity risk

Liquidity is the Group's capacity to realize assets, obtain financing or funds to meet obligations at maturity, including deposits and off-balance sheet guarantees.

Liquidity risk is the risk that the Group's fund is unable to meet its payment obligation and to operate normally.

2) Management strategy and principles of liquidity risk

a) Liquidity risk management process should be able to adequately identify, measure effectively, monitor continuously, and properly control of the Group's liquidity risk, to ensure that banks both in normal operating environments or under pressure, have sufficient funds to cope assets or settle liabilities when due.

b) Manage current assets to ensure that the Group have enough instantly-realized assets to deal with currency risks.

c) Capital management should include regular review of the asset and liability structure, and proper configuration of assets and liabilities, and should take into account the realization of assets and the stability of financing sources to plan combinations of funding sources to ensure that the Group's liquidity.

d) To establish an appropriate information system to measure, monitor and report liquidity risk.

e) The setting of the measurement systems or models should include important factors which affect the currency risks of the Bank fund (including the introduction of new products or services) for managing current risks to help the Bank to evaluate and monitor the fund currency risks in the regular condition and under pressure.

f) To use early warning tools and continuously monitor and report liquidity risk profile, and set liquidity risk limits, with due consideration of business strategy, operational characteristics and risk preference factors.

g) In addition to the monitoring of the capital requirements, under normal business conditions, the Group should regularly conduct stress tests to evaluate the assumptions in the liquidity position and ensure that banks have sufficient liquidity to withstand stress scenarios; assessment should be made to view liquidity risk management indicators and reasonableness of limits.

h) Develop appropriate action plans to respond to possible occurrence of liquidity crisis, and regularly review such plans to ensure that the action plans are in line with the Bank's operating environment and conditions, and can continue to play its role effectively.

As of June 30, 2025, December 31, 2024 and June 30, 2024, the liquidity reserve ratio was 37.51%, 45.40% and 43.14%, respectively.

3) The analysis of cash outflow of non-derivative financial liabilities held was prepared according to the remaining periods from reporting date to contractual maturity date. The maturity analysis of non-derivative financial liabilities was as follows:

June 30, 2025	Less Than 1 Month	1-3 Months	3 Months to 6 Months	6 Months to 1 Year	More Than 1 Year	Total
Deposits from the Central Bank and other banks	$ 35,968,203	$ 3,000,000	$ -	$ -	$ 9,000,000	$ 47,968,203
Financial liabilities at fair value through profit or loss	-	-	-	385	3,226	3,611
Bills and bonds sold under repurchase agreements	196,095,843	19,526,998	1,904,862	1,207,949	4,679,103	223,414,755
Payables	4,999,541	1,759,814	964,829	866,059	145,877	8,736,120
Deposits and remittances	86,561,820	87,966,049	65,887,500	15,967,328	56,597,275	312,979,972
Bank debentures payable	-	-	700,000	2,500,000	10,250,000	13,450,000
Other financial liabilities	13,922	197,402	163,733	509,967	12,450,620	13,335,644
Lease liabilities	11,532	22,764	33,362	64,614	275,168	407,440
	$ 323,650,861	$ 112,473,027	$ 69,654,286	$ 21,116,302	$ 93,401,269	$ 620,295,745

December 31, 2024	Less Than 1 Month	1-3 Months	3 Months to 6 Months	6 Months to 1 Year	More Than 1 Year	Total
Deposits from the Central Bank and other banks	$ 26,651,705	$ -	$ -	$ 3,000,000	$ 9,000,000	$ 38,651,705
Financial liabilities at fair value through profit or loss	-	37	66	-	1,465	1,568
Bills and bonds sold under repurchase agreements	181,544,339	29,777,413	1,715,491	177,611	2,535,862	215,750,716
Payables	2,486,225	752,078	1,178,017	1,270,900	61,997	5,749,217
Deposits and remittances	78,496,709	100,960,815	38,579,520	59,101,358	54,031,600	331,170,002
Bank debentures payable	-	-	-	700,000	12,750,000	13,450,000
Other financial liabilities	144,966	105,459	145,557	232,088	10,765,667	11,393,737
Lease liabilities	13,292	27,424	38,419	63,961	319,799	462,895
	$ 289,337,236	$ 131,623,226	$ 41,657,070	$ 64,545,918	$ 89,466,390	$ 616,629,840

June 30, 2024	Less Than 1 Month	1-3 Months	3 Months to 6 Months	6 Months to 1 Year	More Than 1 Year	Total
Deposits from the Central Bank and other banks	$ 29,166,131	$ 2,831,576	$ -	$ -	$ 2,999,999	$ 34,997,706
Financial liabilities at fair value through profit or loss	-	-	-	17,116	8,973	26,089
Bills and bonds sold under repurchase agreements	161,944,266	39,519,346	2,059,259	229,350	4,066,472	207,818,693
Payables	9,056,003	280,496	812,190	1,077,940	97,466	11,324,095
Deposits and remittances	100,719,387	106,594,216	49,880,113	20,266,119	53,769,111	331,228,946
Bank debentures payable	1,500,000	-	1,200,000	-	12,750,000	15,450,000
Other financial liabilities	16,232	122,222	74,479	237,369	7,410,936	7,861,238
Lease liabilities	12,553	25,950	39,155	74,782	350,462	502,902
	$ 302,414,572	$ 149,373,806	$ 54,065,196	$ 21,902,676	$ 81,453,419	$ 609,209,669

4) The Group assessed based contractual maturities at the balance sheet to understand all the basic elements of derivative financial instruments. The maturity analysis of derivative financial liabilities was as follows:

June 30, 2025	Less Than 1 Month	1-3 Months	3 Months to 6 Months	6 Months to 1 Year	More Than 1 Year	Total
Deliverable						
Forward contracts	$ 28,555	$ 4,345	$ 4,092	$ 12,949	$ -	$ 49,941
Currency swap contracts	587,817	450,714	103,367	148,059	-	1,289,957
Others	33,918	57,657	122,159	11,967	2,000	227,701
	650,290	512,716	229,618	172,975	2,000	1,567,599
Non-deliverable						
Interest rate swap contracts	-	717	1,797	506	103,132	106,152
	$ 650,290	$ 513,433	$ 231,415	$ 173,481	$ 105,132	$ 1,673,751

December 31, 2024	Less Than 1 Month	1-3 Months	3 Months to 6 Months	6 Months to 1 Year	More Than 1 Year	Total
Deliverable						
Forward contracts	$ 148,391	$ 1,226	$ 13,830	$ 10,994	$ -	$ 174,441
Currency swap contracts	522,759	121,014	47,229	106,197	-	797,199
Others	2,951	5,346	4,800	45,313	8,610	67,020
	674,101	127,586	65,859	162,504	8,610	1,038,660
Non-deliverable						
Interest rate swap contracts	163	95	104	1,174	322,868	324,404
	$ 674,264	$ 127,681	$ 65,963	$ 163,678	$ 331,478	$ 1,363,064

June 30, 2024	Less Than 1 Month	1-3 Months	3 Months to 6 Months	6 Months to 1 Year	More Than 1 Year	Total
Deliverable						
Forward contracts	$ 20,005	$ 1,248	$ 2,771	$ 6,259	$ 15,601	$ 45,884
Currency swap contracts	231,927	89,881	77,971	250,674	730	651,183
Others	1,289	18,916	63,439	6,055	15,193	104,892
	253,221	110,045	144,181	262,988	31,524	801,959
Non-deliverable						
Interest rate swap contracts	-	376	173	930	202,887	204,366
	$ 253,221	$ 110,421	$ 144,354	$ 263,918	$ 234,411	$ 1,006,325

5) The maturity analysis of off-balance sheet items shows the remaining balance from the balance sheet date to the maturity date. For the sent financial guarantee contracts, the maximum amounts are possibly asked for settlement in the earliest period. The amounts in the table below were on cash flow basis; therefore, some disclosed amounts will not match with the consolidated balance sheet.

June 30, 2025	Less Than 1 Month	1-3 Months	3 Months to 6 Months	6 Months to 1 Year	More Than 1 Year	Total
Unused letters of credit	$ 510,815	$ 713,445	$ 199,134	$ -	$ -	$ 1,423,394
Other guarantees	41,699,946	97,370,009	4,245,932	993,972	1,753,372	146,063,231
Loan commitments	4,681,207	9,362,414	14,043,621	28,087,242	157,730	56,332,214
	$ 46,891,968	$ 107,445,868	$ 18,488,687	$ 29,081,214	$ 1,911,102	$ 203,818,839

December 31, 2024	Less Than 1 Month	1-3 Months	3 Months to 6 Months	6 Months to 1 Year	More Than 1 Year	Total
Unused letters of credit	$ 785,103	$ 1,339,699	$ 118,044	$ -	$ -	$ 2,242,846
Other guarantees	52,746,060	85,802,303	3,733,738	902,196	1,391,309	144,575,606
Loan commitments	5,139,880	10,279,761	15,419,641	30,839,281	173,185	61,851,748
	$ 58,671,043	$ 97,421,763	$ 19,271,423	$ 31,741,477	$ 1,564,494	$ 208,670,200

June 30, 2024	Less Than 1 Month	1-3 Months	3 Months to 6 Months	6 Months to 1 Year	More Than 1 Year	Total
Unused letters of credit	$ 1,342,206	$ 812,016	$ 178,026	$ 1,996	$ -	$ 2,334,244
Other guarantees	49,293,200	80,083,442	2,111,122	1,413,090	720,559	133,621,413
Loan commitments	5,893,138	11,786,276	17,679,413	27,804,494	-	63,163,321
	$ 56,528,544	$ 92,681,734	$ 19,968,561	$ 29,219,580	$ 720,559	$ 199,118,978

e. Market risk

1) Source and definition of market risk

Market risk is defined as an unfavorable change in market prices (such as interest rates, exchange rates, stock prices and commodity prices) which may cause financial instruments classified in trading book a potential loss on or off the balance sheet.

2) Market risk management strategy and process

The Bank manages the market risk with active, careful attitude.

The Bank makes the profit mainly from trading business through knowing how market risk factors fluctuate. (e.g., market price, exchange rate, interest rate). More violent the market risk factors fluctuate, the bigger the opportunity for profit or loss. When preparing the Annual Trading Budget Report of the trading business, the Bank will refer to the overall economic and industrial analysis of the Bank itself and also the other similar business. After discussions by the president, the trading department and the market risk management department, it is reported to the Risk Management Committee and the Board with the plan of loss quotas and product parts quotas to avoid setting up the goal in an impracticable way that leads the dealer to take more risk on operating.

The Bank sets up definite management rules and risk management indicators for different trading business and its risk attribute. It stipulates exposure amount, submission of expiration, authorization management and ways of disposure. Implement certainly and ensure the trading department to abide by the discipline to control the market risk exposure extent in a safe range.

3) Market risk management organization and framework

a) The Board of Directors: It is the top market risk supervising organization. The product part quotas and total annual stop-loss quotas of the trading business market risk monitored and managed by the Bank, approved by the Board, are the top stipulation in market risk management.

b) Risk Management Committee: In charge of stipulating risk management policy and monitoring the operation of market risk management. The Bank hold a risk management meeting per month to review the market risk limits and regulations, report various market risk limit control situations and market risk related matters.

c) Risk Management Department: In charge of market risk management. According to the Bank's regulation, the department is in charge of every operation related to market risk management, including planning of market risk limit, statistics, reporting and monitoring.

4) Market risk report and evaluation system

The Bank setup the risk index, exposure amount and authority levels by products' type (e.g. equity, interest rate, currency exchange rate).

The Bank setup the limit amount of trading and loss, and other index including VaR, MAT limit, 20-Day average liquidity and FS sensitivity limit to enhance the risk control system.

The Bank calculates the risk exposure amount of the trade department and traders based on authorized amount, and submits risk report, monitors the limits and executes the following measures.

The Bank sets up the index of stop loss to control the risk of transaction including bonds, Forex, securities and derivative by building the risk evaluation module, and monitor the loss caused by the fluctuation of stock market, exchange rate and interest rates.

5) Value at Risk

The Bank adopts Value at Risk to evaluate trading book products such as rate financial instruments, TWD interest products and market risks of trading assets IPO stocks. When market factors happen negative changes, Value at Risk reveals the potential losses of holding financial instruments during a certain period and in a confidence interval. The bank adopts variance-covariance method to estimate Value at Risk, the confidence interval is 99%, the sample interval of rate and stock products is the past year, the sample interval of interest products is the past three years.

The following table illustrates the Value at Risk of the Bank, this risk value is based on confidence interval, estimated in one day potential losses, and assumed unfavorable interest and rate changes can cover all possible fluctuation in one day. Based on this assumption, the Value at Risk of financial assets and liabilities in the table have one in hundred days possibility more than the amount in the table due to the fluctuation of interest, rate, and stock prices. Annual average value, maximum value and minimum value are calculated based on daily Value at Risk. The total market risk value of the bank is less than the sum of the fair value risk value, rate risk value and price risk value of interest changes.

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	June 30, 2025			December 31, 2024			June 30, 2024		
	Average	**High**	**Low**	**Average**	**High**	**Low**	**Average**	**High**	**Low**
Currency exchange rate risk	$ 6,088	$ 19,871	$ 726	$ 4,340	$ 20,543	$ 268	$ 3,490	$ 12,560	$ 500
Fair value risk resulting from interest rate	5,719	14,382	453	1,229	3,134	198	1,451	3,134	198
Fair value resulting from stock price	2,625	5,549	-	16,500	35,439	-	16,008	35,439	2,609

6) Foreign currency rate risk information

The information of significant foreign financial assets and liabilities is as follows:

Unit: Foreign Currencies (Thousands)/NT$(Thousands)

	June 30, 2025		
	Foreign Currencies	**Exchange Rate**	**New Taiwan Dollars**
Financial assets			
Monetary item			
USD	$ 3,459,343	29.9069	$ 103,458,338
JPY	14,346,597	0.2074	2,975,654
HKD	10,651,702	3.8085	40,566,689
EUR	28,088	35.0463	984,367
AUD	449,755	19.5481	8,791,878
RMB	1,181,625	4.1728/4.1741	4,932,247
Investments accounted for using equity method			
RMB	266,806	4.1728	1,113,341

(Continued)

	June 30, 2025		
	Foreign Currencies	**Exchange Rate**	**New Taiwan Dollars**
<u>Financial liabilities</u>			
Monetary item			
USD	$ 5,741,977	29.9069	$ 137,874,665
JPY	8,138,020	0.2074	1,687,921
HKD	6,046,155	3.8085	23,026,600
EUR	8,831	35.0463	309,486
AUD	111,499	19.5481	2,179,600
RMB	483,639	4.1741	2,018,768

(Concluded)

	December 31, 2024		
	Foreign Currencies	**Exchange Rate**	**New Taiwan Dollars**
<u>Financial assets</u>			
Monetary item			
USD	$ 3,234,851	32.7901	$ 106,070,961
JPY	13,087,472	0.2098	2,745,511
HKD	10,849,505	4.2231	45,818,438
EUR	26,428	34.1186	901,672
AUD	494,853	20.3802	10,085,227
RMB	840,783	4.4917/4.4748	3,762,334
Investments accounted for using equity method			
RMB	264,344	4.4917	1,187,359
<u>Financial liabilities</u>			
Monetary item			
USD	5,526,549	32.7901	147,544,634
JPY	20,071,376	0.2098	4,210,605
HKD	6,667,504	4.2231	28,157,469
EUR	11,939	34.1186	407,344
AUD	198,515	20.3802	4,045,785
RMB	701,552	4.4748	3,139,300

	June 30, 2024		
	Foreign Currencies	**Exchange Rate**	**New Taiwan Dollars**
<u>Financial assets</u>			
Monetary item			
USD	$ 3,421,038	32.4646	$ 111,062,749
JPY	14,590,130	0.2016	2,941,023
HKD	11,841,721	4.1579	49,236,455
EUR	23,696	34.7097	822,495
AUD	489,882	21.5433	10,553,660
RMB	1,013,051	4.4673/4.4453	4,503,371
Investments accounted for using equity method			
RMB	276,140	4.4673	1,233,588
<u>Financial liabilities</u>			
Monetary item			
USD	5,697,100	32.4646	156,702,774
JPY	4,028,613	0.2016	812,073
HKD	7,572,317	4.1579	31,484,786
EUR	9,826	34.7097	341,060
AUD	188,767	21.5433	4,066,662
RMB	571,800	4.4453	2,541,843

f. Banking book interest rate risk

1) Source and definition of interest rate risk of banking book

Banking book’s interest rate risk means the probably loss of non-trading book’s position within balance sheet and off-balance sheet arise from interest change.

2) Management strategy and process of interest rate risk of banking book

The Bank controls this interest rate risk with a positive and strict attitude. The Bank hopes to pursue the stability and growth of surplus without liquidity flaws.

The Bank set the clear management methods and risk management indicators with different trading, investment and risk, and set the report of risk amount and over limit, approved level and reaction plan. The Bank executes the procedures clearly, establishes a trading discipline that upholds the discipline of investment, and controls the interest rate risk of banking book within the limit.

3) Management organization and framework of interest rate risk of banking book

a) The Board of Directors: It is the top organization to supervise interest rate risk of banking book. The product part quotas and total annual stop-loss quotas of the trading business market risk monitored and managed by the Bank and approved by the board of director are the top stipulation in bank book interest risk.

b) Risk Management Committee: In charge of stipulating risk management policy of interest rate risk of banking book and monitoring the risk management operating of interest rate risk of banking book. The Bank assembles related departments to hold a risk management assessment meeting to review the risk management conditions of interest rate risk of banking book and the result of interest rate pressure test once a month.

c) Risk Management Department: In charge of risk management of interest rate risk of banking book. According to the Bank's regulation, the department is in charge of every operation related to management of interest rate risk of banking book, including planning limits, statistics, reporting and monitoring.

4) The extent and characteristics of interest rate risk report and evaluation system of banking book

The Risk Management Department set the regulation with banking book interest risk as follow, limit of position, Annual loss limit, FS Sensitivity limit, duration/maturity limit, Individual Investment Target Warning Limits, Individual Investment Target stop buying limit, Earnings View Interest Rate Sensitivity Warning Limit-Rising/falling interest rates by 1bp, First Class Capital Interest Rate Sensitivity Warning Limit: Interest rate rise/fall 25bps, 50bps, 75bps, 100bps. In summary, it is intended to enhance the risk control framework of interest rate risk of banking book. In summary, it is intended to enhance the risk control framework of interest rate risk of banking book.

Besides, the Risk Management Department executes the following tests to assess the impact to the Bank's net income in special situation pressure test, and reports the result to the Assets and Liabilities Committee.

The Risk Management Department calculates the exposure amount of each trading departments and traders, and it also reports the risk reports, monitors over-limits, and performs follow-up actions under the regulations.

g. Climate risk

1) Source and definition of climate risk

Due to the continuous emission of greenhouse gases from various economic activities, the earth is warming up and generating extreme climate, thus creating climate risk. Climate risk is mainly categorized as: Transformation risk due to the impact of external policies and regulations, technological transformation, market preference and reputation in order to achieve the goal of a low-carbon economy, and physical risk due to the impact of climate change or extreme climate.

2) Management strategy and principles of climate risk

The Bank has established climate risk management policies and monitoring indicators to ensure the effectiveness of implementation and the resilience to different climate scenarios, and conducts annual scenario analyses of physical and transformational risks to assess the impact of climate risk on business and finance.

47. CAPITAL MANAGEMENT

a. Strategies to maintain capital adequacy

The Group's common equity ratio of Tier I capital ratio and capital adequacy ratio required by the competent authority shall comply with the minimum capital ratio for each year; leverage ratio measurement basis is subject to the competent authorities. The calculation of the ratio mentioned above by competent authority regulations.

b. Capital assessment program

Measures are taken when capital ratio and leverage ratio deteriorates such as regular calculation, analysis, monitoring and reporting, the annual allocation of each business's capital adequacy ratio targets and regularly tracking the target achievement rate in the capital.

c. Capital adequacy ratio

O-Bank

(In Thousands of New Taiwan Dollars or in %)

Items / **Year**			**June 30, 2025**	
			Standalone Capital Adequacy Ratio	**Consolidated Capital Adequacy Ratio**
Eligible capital	Common stocks equity		$ 32,648,503	$ 32,648,503
	Other Tier 1 capital		235,615	235,615
	Tier 2 capital		2,920,835	2,920,835
	Eligible capital		35,804,953	35,804,953
Risk-weighted assets	Credit risk	Standardized approach	237,687,773	237,687,773
		Internal rating based approach	-	-
		Asset securitization	-	-
	Operational risk	Basic indicator approach	10,120,738	10,120,738
		Standardized/alternative standardized approach	-	-
		Advanced measurement approach	-	-
	Market risk	Standardized approach	13,270,713	13,270,713
		Internal model approach	-	-
	Total risk-weighted assets		261,079,224	261,079,224
Capital adequacy ratio			13.71%	13.71%
Ratio of common stockholders' equity to risk-weighted assets			12.51%	12.51%
Ratio of Tier 1 capital to risk-weighted assets			12.60%	12.60%
Leverage ratio			7.51%	7.51%

(In Thousands of New Taiwan Dollars or in %)

Items \ Year			December 31, 2024 Standalone Capital Adequacy Ratio	December 31, 2024 Consolidated Capital Adequacy Ratio
Eligible capital	Common stocks equity		$ 32,788,633	$ 32,788,633
	Other Tier 1 capital		211,813	211,813
	Tier 2 capital		4,069,316	4,069,316
	Eligible capital		37,069,762	37,069,762
Risk-weighted assets	Credit risk	Standardized approach	249,059,674	249,059,674
		Internal rating based approach	-	-
		Asset securitization	-	-
	Operational risk	Basic indicator approach	12,857,263	12,857,263
		Standardized/alternative standardized approach	-	-
		Advanced measurement approach	-	-
	Market risk	Standardized approach	8,814,588	8,814,588
		Internal model approach	-	-
	Total risk-weighted assets		270,731,525	270,731,525
Capital adequacy ratio			13.69%	13.69%
Ratio of common stockholders' equity to risk-weighted assets			12.11%	12.11%
Ratio of Tier 1 capital to risk-weighted assets			12.19%	12.19%
Leverage ratio			7.57%	7.57%

(In Thousands of New Taiwan Dollars or in %)

Items \ Year			June 30, 2024 Standalone Capital Adequacy Ratio	June 30, 2024 Consolidated Capital Adequacy Ratio
Eligible capital	Common stocks equity		$ 30,745,649	$ 30,745,649
	Other Tier 1 capital		290,138	290,138
	Tier 2 capital		5,177,469	5,177,469
	Eligible capital		36,213,256	36,213,256
Risk-weighted assets	Credit risk	Standardized approach	242,240,738	242,240,738
		Internal rating based approach	-	-
		Asset securitization	-	-
	Operational risk	Basic indicator approach	11,403,825	11,403,825
		Standardized/alternative standardized approach	-	-
		Advanced measurement approach	-	-
	Market risk	Standardized approach	11,078,000	11,078,000
		Internal model approach	-	-
	Total risk-weighted assets		264,722,563	264,722,563
Capital adequacy ratio			13.68%	13.68%
Ratio of common stockholders' equity to risk-weighted assets			11.61%	11.61%
Ratio of Tier 1 capital to risk-weighted assets			11.72%	11.72%
Leverage ratio			7.16%	7.16%

Note 1: Eligible capital, risk-weighted assets total exposures are calculated under the "Regulations Governing the Capital Adequacy Ratio of Banks" and "Explanation of Methods for Calculating the Eligible Capital and Risk-weighted Assets of Banks."

Note 2: Formulas used were as follows:

a) Eligible capital = Common stocks equity Tier 1 + Other Tier 1 capital + Tier 2 capital.

b) Risk-weighted assets = Risk-weighted asset for credit risk + Capital requirements for operational risk and market risk x 12.5.

c) Capital adequacy ratio = Eligible capital ÷ Risk-weighted assets.

d) Ratio of common stockholders' equity to risk-weighted assets = Common stocks equity Tier 1 ÷ Risk-weighted assets.

e) Ratio of Tier 1 capital to risk-weighted assets = (Common stocks equity Tier 1 + Other Tier 1 capital) ÷ Risk-weighted assets.

f) Leverage ratio = Tier 1 capital ÷ Exposure amount.

According to the Banking Law and other related regulations, in order to improve the financial foundation of banks, the Bank's standalone and consolidated capital adequacy ratio shall not be lower than 10.5%. The ratio of Tier 1 capital shall not be lower than 8.5%. The ratio of common stockholders' equity shall not be lower than 7.0%. Should any actual ratios be lower than the requirements, the central competent authority has the right to constrain the earnings distribution.

China Bills Finance Corporation

(Unit: In Thousands of New Taiwan Dollars or in %)

Items	Year	June 30, 2025	June 30, 2024
Eligible capital	Tier 1 capital	$ 25,325,950	$ 23,622,472
	Tier 2 capital	92,045	201,325
	Tier 3 capital	213,823	275,700
	Eligible capital	25,631,818	24,099,497
Risk-weighted assets	Credit risk	130,759,405	122,036,283
	Operational risk	3,690,727	4,071,121
	Market risk	56,834,093	56,785,287
	Total risk-weighted assets	191,284,225	182,892,691
Capital adequacy ratio (Note)		13.40%	13.18%
Ratio of Tier 1 capital to risk-weighted assets (Note)		13.24%	12.92%
Ratio of Tier 2 capital to risk-weighted assets (Note)		0.05%	0.11%
Ratio of Tier 3 capital to risk-weighted assets (Note)		0.11%	0.15%
Ratio of common stockholders' equity to total assets (Note)		5.14%	5.66%

Note:

1) Capital adequacy ratio = Eligible capital ÷ Risk-weighted assets.

2) The amount of total assets used in the calculation refers to all assets in the balance sheets.

3) The capital adequacy ratios (CARs) should be computed at the end of June and December. In the reports of the first-quarter and the third-quarter the CARs disclosed are based on the data of the last preceding period, i.e., the end of December and the end of June, respectively.

4) Eligible capital and risk-weighted assets are calculated under the "Regulations Governing the Capital Adequacy Ratio of Bills Finance Companies" and "Explanation of Methods for Calculating the Eligible Capital and Risk-weighted Assets of Bills Finance Companies."

48. ASSET QUALITY, CONCENTRATION OF LOANS EXTENSIONS, INTEREST RATE SENSITIVITY, PROFITABILITY AND DISCLOSURE OF RELATED INFORMATION OF INDUSTRY REGULATIONS OF MATURITY ANALYSIS OF ASSETS AND LIABILITIES

O-Bank

Credit risk

a. Asset quality of loans: Refer to Table 2.

b. Concentration of loans extensions

June 30, 2025

Rank	Industry of Group Enterprise	Credit Extensions Balance	% of Net Asset Value
1	A Group (wireless telecommunications)	$ 8,826,625	20.89
2	B Group (unclassified other financial service)	3,612,000	8.55
3	C Group (building completion and finishing)	3,155,646	7.47
4	D Group (real estate development)	3,137,939	7.43
5	E Group (real estate development)	2,991,494	7.08
6	F Group (iron and steel rolling and extruding)	2,897,884	6.86
7	G Group (real estate development)	2,686,400	6.36
8	H Group (real estate broking activities)	2,609,392	6.18
9	I Group (unclassified other financial service)	2,400,031	5.68
10	J Group (glass and glass made products manufacturing)	2,118,709	5.02

June 30, 2024

Rank	Industry of Group Enterprise	Credit Extensions Balance	% of Net Asset Value
1	A Group (wireless telecommunications)	$ 9,574,955	23.49
2	D Group (real estate development)	3,388,824	8.31
3	K Group (real estate leasing and rental)	3,108,973	7.63
4	L Group (other holding company)	2,918,976	7.16
5	E Group (real estate development)	2,668,868	6.55
6	J Group (glass and glass made products manufacturing)	2,484,114	6.10
7	B Group (unclassified other financial service)	2,470,000	6.06
8	G Group (real estate development)	2,334,830	5.73
9	M Group (wire and cable manufacturing)	2,329,048	5.71
10	I Group (unclassified other financial service)	2,177,865	5.34

Note 1: The list shows top 10 rankings by total amount of credit, endorsement or other transactions but excludes government-owned or state-run enterprises. If the borrower is a member of a group enterprise, the total amount of credit, endorsement or other transactions of the entire group enterprise must be listed and disclosed by code and line of industry. The industry of the group enterprise should be presented as the industry of the member firm with the highest risk exposure. The lines of industry should be described in accordance with the Standard Industrial Classification System of the Republic of China published by the Directorate - General of Budget, Accounting and Statistics under the Executive Yuan.

Note 2: Group enterprise refers to a group of corporate entities as defined by Article 6 of "Supplementary Provisions to the Taiwan Stock Exchange Corporation Rules for Review of Securities Listings".

Note 3: Total amount of credit, endorsement or other transactions is the sum of various loans (including import and export negotiations, discounts, overdrafts, unsecured and secured short-term loans, margin loans receivable, unsecured and secured medium-term loans, unsecured and secured long-term loans and overdue loans), exchange bills negotiated, accounts receivable factored without recourse, acceptances and guarantees.

c. Interest rate sensitivity

Interest Rate Sensitivity Balance Sheet (New Taiwan Dollars)

June 30, 2025

Items	0 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	$ 199,660,139	$ 10,373,137	$ 14,855,427	$ 42,542,116	$ 267,430,819
Interest rate-sensitive liabilities	114,195,934	87,348,924	14,395,745	24,575,433	240,516,036
Interest rate-sensitive gap	85,464,205	(76,975,787)	459,682	17,966,683	26,914,783
Net worth					42,100,412
Ratio of interest rate-sensitive assets to liabilities					111.19%
Ratio of interest rate sensitivity gap to net worth					63.93%

June 30, 2024

Items	0 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	$ 189,302,860	$ 13,134,438	$ 10,707,887	$ 45,482,667	$ 258,627,852
Interest rate-sensitive liabilities	123,627,737	63,712,763	16,040,879	36,758,292	240,139,671
Interest rate-sensitive gap	65,675,123	(50,578,325)	(5,332,992)	8,724,375	18,488,181
Net worth					40,255,749
Ratio of interest rate-sensitive assets to liabilities					107.70%
Ratio of interest rate sensitivity gap to net worth					45.93%

Note 1: The above amounts included only New Taiwan dollar amounts held by the Bank and excluded contingent assets and contingent liabilities items.

Note 2: Interest rate-sensitive assets and liabilities mean the revenues or costs of interest-earning assets and interest-bearing liabilities affected by interest rate changes.

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

Note 4: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets ÷ Interest rate-sensitive liabilities (in New Taiwan dollars).

Interest Rate Sensitivity Balance Sheet (U.S. Dollars)

June 30, 2025

(In Thousands of U.S. Dollars or in %)

Items	0 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	$ 1,079,765	$ 32,839	$ 89,119	$ 1,797,749	$ 2,999,472
Interest rate-sensitive liabilities	2,151,888	742,424	103,135	246	2,997,693
Interest rate-sensitive gap	(1,072,123)	(709,585)	(14,016)	1,797,503	1,779
Net worth					(3,367)
Ratio of interest rate-sensitive assets to liabilities					100.06%
Ratio of interest rate sensitivity gap to net worth					(52.84%)

June 30, 2024

(In Thousands of U.S. Dollars or in %)

Items	0 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	$ 1,248,256	$ 25,156	$ 51,131	$ 2,019,592	$ 3,344,135
Interest rate-sensitive liabilities	2,337,649	843,743	117,694	279	3,299,365
Interest rate-sensitive gap	(1,089,393)	(818,587)	(66,563)	2,019,313	44,770
Net worth					9,038
Ratio of interest rate-sensitive assets to liabilities					101.36%
Ratio of interest rate sensitivity gap to net worth					495.35%

Note 1: The above amounts included only U.S. dollar amounts held by the Bank and excluded contingent assets and contingent liabilities.

Note 2: Interest rate-sensitive assets and liabilities mean the revenues or costs of interest-earning assets and interest-bearing liabilities affected by interest rate changes.

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

Note 4: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets ÷ Interest rate-sensitive liabilities (in U.S. dollars).

d. Profitability

(In %)

Items		For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Return on total assets	Before income tax	0.30	0.48
	After income tax	0.25	0.40
Return on equity	Before income tax	2.86	4.79
	After income tax	2.41	4.04
Net income ratio		30.06	38.60

Note 1: Return on total assets = Income before (after) income tax ÷ Average total assets.

Note 2: Return on equity = Income before (after) income tax ÷ Average equity.

Note 3: Net income ratio = Income after income tax ÷ Total net revenue.

Note 4: Income before (after) income tax represents income for the six months ended June 30, 2025 and 2024.

e. Maturity analysis of assets and liabilities

Maturity Analysis of Assets and Liabilities (New Taiwan Dollars)

June 30, 2025

	Total	Remaining Period to Maturity					
		0-10 Days	11-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	$ 304,393,411	$ 45,445,345	$ 32,032,476	$ 31,831,312	$ 24,201,388	$ 27,226,719	$ 143,656,171
Main capital outflow on maturity	345,503,409	25,644,493	40,970,208	86,183,505	66,624,859	25,107,960	100,972,384
Gap	(41,109,998)	19,800,852	(8,937,732)	(54,352,193)	(42,423,471)	2,118,759	42,683,787

June 30, 2024

	Total	Remaining Period to Maturity					
		0-10 Days	11-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	$ 303,490,969	$ 49,835,990	$ 28,825,234	$ 37,369,222	$ 20,550,198	$ 21,563,643	$ 145,346,682
Main capital outflow on maturity	349,781,984	37,588,030	38,075,417	85,533,105	45,932,804	49,868,347	92,784,281
Gap	(46,291,015)	12,247,960	(9,250,183)	(48,163,883)	(25,382,606)	(28,304,704)	52,562,401

Note: The above amounts included only New Taiwan dollar amounts held by the Bank.

Maturity Analysis of Assets and Liabilities (U.S. Dollars)

June 30, 2025

(In Thousands of U.S. Dollars)

	Total	Remaining Period to Maturity				
		0-30 Days	31-90 Days	91-180 Days	181 Days- 1 Year	Over 1 Year
Main capital inflow on maturity	$ 4,526,518	$ 2,176,881	$ 855,206	$ 241,034	$ 359,392	$ 894,005
Main capital outflow on maturity	4,613,729	2,309,644	978,512	422,531	252,706	650,336
Gap	(87,211)	(132,763)	(123,306)	(181,497)	106,686	243,669

June 30, 2024

(In Thousands of U.S. Dollars)

	Total	Remaining Period to Maturity				
		0-30 Days	31-90 Days	91-180 Days	181 Days- 1 Year	Over 1 Year
Main capital inflow on maturity	$ 6,083,972	$ 3,558,999	$ 572,625	$ 339,097	$ 525,933	$ 1,087,318
Main capital outflow on maturity	6,202,346	3,381,489	1,209,250	482,661	439,775	689,171
Gap	(118,374)	177,510	(636,625)	(143,564)	86,158	398,147

Note 1: The above amounts included only U.S. dollar amounts held by the Bank.

Note 2: If the overseas assets are at least 10% of the total assets, there should be additional disclosures.

Maturity Analysis of Overseas Branch's Assets and Liabilities (U.S. Dollars)

June 30, 2025

(In Thousands of U.S. Dollars)

	Total	Remaining Period to Maturity				
		0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year
Main capital inflow on maturity	$ 2,067,589	$ 1,491,092	$ 328,898	$ 28,896	$ 87,841	$ 130,862
Main capital outflow on maturity	1,943,352	1,124,571	438,466	137,915	89,021	153,379
Gap	124,237	366,521	(109,568)	(109,019)	(1,180)	(22,517)

June 30, 2024

(In Thousands of U.S. Dollars)

	Total	Remaining Period to Maturity				
		0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year
Main capital inflow on maturity	$ 2,028,760	$ 1,662,965	$ 142,244	$ 8,460	$ 8,025	$ 207,066
Main capital outflow on maturity	1,946,940	985,346	510,934	145,279	75,827	229,554
Gap	81,820	677,619	(368,690)	(136,819)	(67,802)	(22,488)

China Bills Finance Corporation

a. Asset quality

Item \ Period	June 30, 2025	June 30, 2024
Balance of guarantees and endorsement credits overdue within 3 months	$ -	$ -
Non-performing debts (include overdue receivables)	-	-
Credits under observation	-	-
Overdue receivables	-	-
Ratio of non-performing debts	0.00%	0.00%
Ratio of non-performing debts and credits under observation	0.00%	0.00%
Required provision for credit losses and reserve for losses on guarantees	1,396,580	1,307,285
Actual provision for credit losses and reserve for losses on guarantees	1,414,077	1,371,077

b. The principal operation

Item \ Period	June 30, 2025	June 30, 2024
Balance of guarantees and endorsement securities	$ 114,760,600	$ 107,475,300
Multiple of guarantees and endorsement securities to net worth	4.82	4.55
Short-term bills and bonds sold under repurchase agreement	209,517,392	191,496,768
Multiple of short-term bills and bonds sold under repurchase agreement to net worth	8.81	8.11

c. The provision policy and allowance for doubtful accounts, refer to Note 14.

d. Concentrations of credit extensions

(In %)

Item \ Period	June 30, 2025		June 30, 2024	
Credit of the common interested party	$ -		$ -	
Ratio of credit extensions to common interest parties	-		-	
Ratio of credit extensions secured by pledged share	20.38		22.01	
Loan concentration by industry (ratio of top three industries to which credit line issued to credit extension balance)	**Type of Industry**	**%**	**Type of Industry**	**%**
	Finance and insurance industry	31.85	Finance and insurance industry	31.71
	Manufacturing industry	14.54	Manufacturing industry	18.28
	Real estate industry	28.10	Real estate industry	26.23

Note 1: Ratio of credit extensions to common interest related parties: Credit to common interest related party ÷ Total credit.

Note 2: Ratio of credit extensions secured by pledged stocks: Credit with stocks pledged ÷ Total credit.

Note 3: Total credit included guarantees, endorsement notes and overdue credit (including overdue receivables, accounts receivable, and notes receivable).

e. Average amount and average interest rate of interest-earning assets and interest-bearing liabilities

	For the Six Months Ended June 30			
	2025		2024	
	Average Balance	Average Rate (%)	Average Balance	Average Rate (%)
Interest-earning assets				
Cash and cash equivalents, other assets - refundable deposits	$ 879,495	0.56	$ 833,196	0.62
Call loans to banks	1,823	0.80	175,385	1.12
Financial assets at FVTPL - bonds and bills	140,482,229	1.67	117,308,447	1.48
Financial assets at FVTOCI - debt instruments	94,425,428	2.15	94,321,497	2.00
Financial assets at FVTPL - hybrid financial assets	9,965,168	3.23	7,069,239	2.48
Investments in debt instruments measured at amortized cost	2,488,810	1.42	2,187,431	1.41
Bills and bonds purchased under resell agreements	4,149,113	1.08	3,757,611	0.88
Interest-bearing liabilities				
Call loans from other banks	20,057,289	1.95	20,191,509	1.90
Bank overdraft	5,317	2.38	1,484	2.40
Securities sold under repurchase agreements	206,526,076	1.75	181,050,766	1.76

f. Interest rate sensitivity information of the balance sheet

June 30, 2025

(In Millions of New Taiwan Dollars or in %)

Items	1 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	$ 136,633	$ 6,582	$ 13,047	$ 99,865	$ 256,127
Interest rate-sensitive liabilities	229,505	1,892	102	-	231,499
Interest rate-sensitive gap	(92,872)	4,690	12,945	99,865	24,628
Net worth					25,916
Ratio of interest rate-sensitive assets to liabilities (%)					110.64
Ratio of interest rate sensitivity gap to net worth (%)					95.03

June 30, 2024

(In Millions of New Taiwan Dollars or in %)

Items	1 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	$ 122,303	$ 10,556	$ 7,469	$ 91,560	$ 231,888
Interest rate-sensitive liabilities	207,375	2,039	61	-	209,475
Interest rate-sensitive gap	(85,072)	8,517	7,408	91,560	22,413
Net worth					24,405
Ratio of interest rate-sensitive assets to liabilities (%)					110.70
Ratio of interest rate sensitivity gap to net worth (%)					91.84

Note 1: Interest rate-sensitive assets and liabilities mean the revenues or costs of interest-earning assets and interest-bearing liabilities affected by interest rate changes.

Note 2: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets ÷ Interest rate-sensitive liabilities (in New Taiwan dollars).

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

g. The use of funding sources table

June 30, 2025

(In Millions of New Taiwan Dollars)

Items \ Period		1 to 30 Days	31 to 90 Days	91 to 180 Days	181 Days to 1 Year	Over 1 Year
Cash used in	Bills	$ 63,873	$ 65,098	$ 4,344	$ 7,315	$ -
	Bonds	2,550	637	2,238	5,732	99,865
	Due from banks	327	-	-	-	-
	Call loans	-	-	-	-	-
	Securities purchased under resell agreements	3,129	1,019	-	-	-
	Total	69,879	66,754	6,582	13,047	99,865
Cash provided by	Borrowing	22,308	-	-	-	-
	Securities sold under repurchase agreements	189,182	18,015	1,892	102	-
	Eligible capital	-	-	-	-	25,916
	Total	211,490	18,015	1,892	102	25,916
Net cash flows		(141,611)	48,739	4,690	12,945	73,949
Accumulated cash flows		(141,611)	(92,872)	(88,182)	(75,237)	(1,288)

June 30, 2024

(In Millions of New Taiwan Dollars)

Items \ Period		1 to 30 Days	31 to 90 Days	91 to 180 Days	181 Days to 1 Year	Over 1 Year
Cash used in	Bills	$ 63,146	$ 54,568	$ 5,840	$ 1,966	$ -
	Bonds	297	591	4,716	5,503	91,560
	Due from banks	290	-	-	-	-
	Call loans	-	-	-	-	-
	Securities purchased under resell agreements	2,820	591	-	-	-
	Total	66,553	55,750	10,556	7,469	91,560
Cash provided by	Borrowing	18,389	-	-	-	-
	Securities sold under repurchase agreements	152,695	36,291	2,039	61	-
	Eligible capital	-	-	-	-	24,405
	Total	171,084	36,291	2,039	61	24,405
Net cash flows		(104,531)	19,459	8,517	7,408	67,155
Accumulated cash flows		(104,531)	(85,072)	(76,555)	(69,147)	(1,992)

h. Matters requiring special notation

Causes	June 30, 2025	June 30, 2024
Within the past year, a responsible person or professional employee violated the law in the course of business, resulting in an indictment by a prosecutor	None	None
Within the past year, a fine was levied on for violations of the Act Governing Bills Finance Business and the other laws	None	None
Within the past year, misconduct occurred, resulting in the Ministry of Finance’s imposing strict corrective measures	None	None
Within the past year, the individual loss or total loss from employee fraud, accidental and material events, or failure to abide by the “Guidelines for Maintenance of Soundness of Financial Institutions” which exceeded NT$50 million dollars	None	None
Other	None	None

Note: The term “within the past year” means one year before the balance sheet date.

49. CASH FLOWS INFORMATION

a. None cash flow activities

The cash dividends allotted by the Bank as determined by the stockholders' meeting were not paid on June 30, 2025 and 2024, refer to Notes 24 and 31 d.

b. Changes in liabilities from financing activities

For the six months ended June 30, 2025

	January 1, 2025	Cash Inflow (Outflow)	Non-cash Changes New Leases	Non-cash Changes Other	June 30, 2025
Bank debentures payable	$ 13,450,000	$ -	$ -	$ -	$ 13,450,000
Lease liabilities	428,616	(78,909)	44,448	(14,925)	379,230
Other financial liabilities	11,393,737	1,941,907	-	-	13,335,644
	$ 25,272,353	$ 1,862,998	$ 44,448	$ (14,925)	$ 27,164,874

For the six months ended June 30, 2024

	January 1, 2024	Cash Inflow (Outflow)	Non-cash Changes New Leases	Non-cash Changes Other	June 30, 2024
Bank debentures payable	$ 12,950,000	$ 2,500,000	$ -	$ -	$ 15,450,000
Lease liabilities	463,732	(79,588)	69,024	10,318	463,486
Other financial liabilities	3,736,137	4,125,101	-	-	7,861,238
	$ 17,149,869	$ 6,545,513	$ 69,024	$ 10,318	$ 23,774,724

50. ADDITIONAL DISCLOSURES

a. Related information of significant transactions and investees and b. Names, locations, and other information of investees over which the Bank exercises significant influence.

1) Financing provided: None

2) Endorsement/guarantee provided: None

3) Marketable securities held: The Group - not applicable; investees - Table 1 (attached)

4) Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 10% of the paid-in capital: None

5) Acquisition of individual real estate at costs of at least NT$300 million or 10% of the paid-in capital: None

6) Disposal of individual real estate at costs of at least NT$300 million or 10% of the paid-in capital: None

7) Allowance of service fees to related parties amounting to at least NT$5 million: None

8) Receivables from related parties amounting to at least NT$300 million or 10% of the paid-in capital: None

9) Sale of non-performing loans: None

10) Information of applying for authorization of securitized product type according to the "Regulations of Financial Assets Securitization or Regulations of Real Estate Securitization": None

11) Other significant transactions which may affect the decisions of users of individual financial reports: None

12) Related information and total stockholding circumstances of "Name, locations and other information of investees on which the Group exercises significant influence": Table 3 (attached)

13) Derivative instrument transactions: Note 8

c. Investment in mainland China: Table 4 (attached)

d. Business relationships and significant transactions among the group: Table 5 (attached)

e. Information of major stockholders: List all stockholders with ownership of 5% or greater showing the name of the stockholder, the number of shares owned, and percentage of ownership of each stockholder: Table 6 (attached)

51. OPERATING SEGMENT FINANCIAL INFORMATION

The Group provides CODM to assess segment performance, focusing on the nature of business operations, assets and profit and loss. The accounting policies of each operating segment are described in Note 4. the same material accounting policies. The Group shall be reported to the operating divisions are as follows:

a. Bank: Business ruled by Banking Law Article 71.

b. Overseas: Overseas banking business.

c. Bills: Bills-related business approved by the competent authority.

d. Others: Other non-core businesses.

The following was an analysis of the Group's revenue and results by reportable segment.

	Bank	Overseas	Bills	Others	Eliminations	Consolidated
For the six months ended June 30, 2025						
Net interest						
From unaffiliated segment	$ 1,490,489	$ 537,160	$ (952,034)	$ (2,005)	$ 409	$ 1,074,019
From other segment	(329)	-	-	329	-	-
	$ 1,490,160	$ 537,160	$ (952,034)	$ (1,676)	$ 409	$ 1,074,019
Net revenue other than interest						
From unaffiliated segment	$ 1,894,309	$ 17,721	$ 2,395,772	$ 97,576	$ -	$ 4,405,378
From other segment	17,919	-	(17,141)	(332)	(528,516)	(528,070)
	$ 1,912,228	$ 17,721	$ 2,378,631	$ 97,244	$ (528,516)	$ 3,877,308
Income from continuing operation	$ 1,022,819	$ 188,106	$ 967,431	$ 21,842	$ (468,843)	$ 1,731,355
Identifiable assets	$ 394,317,707	$ 30,195,839	$ 261,395,497	$ 1,712,809	$ (539,436)	$ 687,082,416
Depreciation and amortization	$ 205,599	$ 22,679	$ 13,061	$ 705	$ (6,756)	$ 235,288
Capital expenditures	$ 324,624	$ 4,101	$ 3,954	$ 61	$ -	$ 332,740

(Continued)

	Bank	Overseas	Bills	Others	Eliminations	Consolidated
For the six months ended June 30, 2024						
Net interest						
From unaffiliated segment	$ 1,209,876	$ 510,094	$ (797,643)	$ (2,498)	$ 90	$ 919,919
From other segment	(139)	-	-	139	-	-
	$ 1,209,737	$ 510,094	$ (797,643)	$ (2,359)	$ 90	$ 919,919
Net revenue other than interest						
From unaffiliated segment	$ 3,010,407	$ 32,719	$ 1,911,551	$ 209,927	$ -	$ 5,164,604
From other segment	15,120	-	(14,492)	(333)	(553,404)	(553,109)
	$ 3,025,527	$ 32,719	$ 1,897,059	$ 209,594	$ (553,404)	$ 4,611,495
Income from continuing operation	$ 1,634,702	$ 177,208	$ 677,331	$ 163,956	$ (518,724)	$ 2,134,473
Identifiable assets	$ 405,301,174	$ 28,914,408	$ 237,361,400	$ 1,578,810	$ (410,544)	$ 672,745,248
Depreciation and amortization	$ 280,543	$ 22,878	$ 12,588	$ 704	$ (6,840)	$ 309,873
Capital expenditures	$ 69,850	$ 601	$ 6,864	$ 112	$ -	$ 77,427

(Concluded)

O-BANK AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars and U.S. Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025				Note
				Stocks/Units (Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
IBT Holdings	Stocks							
	EverTrust Bank	Subsidiaries	Investments accounted for using the equity method	10,714	US$ 228,208	91.78	US$ 228,208	
IBT Management Corp.	Closed type beneficiary certificate							
	O-Bank Real Estate Investment Trust "Successful One"	-	Financial asset at FVTOCI	3,059	22,025	1.02	22,025	
	Stocks							
	Thunder Tiger Biotechnology Co., Ltd.	-	Financial asset at FVTPL	1,703	32,361	7.08	32,361	Note 2
	TaiRx Co., Ltd.	-	Financial asset at FVTPL	433	9,882	0.39	9,882	Note 2
	Shihlien China Holding Co., Limited	-	Financial asset at FVTPL	19,682	139,074	0.46	139,074	Notes 1 and 2
	Beauty Essentials International Ltd. (Samoa)	-	Financial asset at FVTPL	25,974	22,322	2.44	22,322	Note 2
	Houdou Pinshan (Cayman) Co., Ltd.	-	Financial asset at FVTPL	500	5,199	2.17	5,199	Note 2
	Pharmosa Biopharm Inc.	-	Financial asset at FVTPL	160	6,739	0.12	6,739	
	Obigen Pharma, Inc.	-	Financial asset at FVTPL	400	83,269	0.38	83,269	
	Brain Navi Biotechnology Co., Ltd.	-	Financial asset at FVTPL	325	15,945	0.79	15,945	
	High Performance Information Co., Ltd.	-	Financial asset at FVTPL	720	42,336	2.71	42,336	
	Mercuries F&B Co., Ltd.	-	Financial asset at FVTPL	350	18,025	0.53	18,025	
	Anxo Pharmaceutical Co., Ltd.	-	Financial asset at FVTPL	500	8,495	0.90	8,495	
	Foxtron Vehicle Technologies Co., Ltd.	-	Financial asset at FVTPL	600	25,200	0.03	25,200	
	Creative Life Science Co., Ltd.	-	Financial asset at FVTPL	294	33,078	1.32	33,078	
	Andra Capital Fund LP Class U Side Pocket (Series B, xAI)	-	Financial asset at FVTPL	500	39,487	3.92	39,487	
	Eternal Precision Mechanics Co., Ltd.	-	Financial asset at FVTPL	115	16,483	0.16	16,483	
IBT VII Venture Capital Co., Ltd.	Closed type beneficiary certificate							
	O-Bank Real Estate Investment Trust "Successful One"	-	Financial asset at FVTOCI	14,000	100,800	4.67	100,800	
	Stocks							
	TaiRx Co., Ltd.	-	Financial asset at FVTPL	3,435	78,426	3.10	78,426	Note 2
	Reon Biotech Co., Ltd.	-	Financial asset at FVTPL	250	4,851	0.55	4,851	
	Shihlien China Holding Co., Limited	-	Financial asset at FVTPL	41,635	294,198	0.96	294,198	Notes 1 and 2
	Advanced Echem Materials Company Limited	-	Financial asset at FVTPL	190	121,600	0.20	121,600	Note 2
	Chipwell tech Corporation	-	Financial asset at FVTPL	348	6,270	1.30	6,270	Note 2
	THEVAX GENET ICS Vaccine Co., Ltd.	-	Financial asset at FVTPL	1,008	690	0.98	690	Note 2

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025				Note
				Stocks/Units (Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Reber Genetics Co., Ltd.	-	Financial asset at FVTPL	280	$ 4,661	0.56	$ 4,661	Note 2
	Kaohsiung Rapid Transit Corporation All Rights Reserved.	-	Financial asset at FVTPL	3,845	55,154	1.38	55,154	
	Evergreen Aviation Technologies Corp.	-	Financial asset at FVTPL	395	41,475	0.11	41,475	
	Power Win Taiwan Co., Ltd.	-	Financial asset at FVTPL	291	14,669	1.22	14,669	
	Revivegen Environmental Technology Co., Ltd.	-	Financial asset at FVTPL	205	6,201	0.34	6,201	
	Chenfeng Optronics Corporation	-	Financial asset at FVTPL	1,000	31,931	0.99	31,931	
	Arizon RFID Technology (Cayman) Co., Ltd.	-	Financial asset at FVTPL	107	16,478	0.14	16,478	
	Pharmosa Biopharm Inc.	-	Financial asset at FVTPL	131	5,521	0.10	5,521	
	Handa Pharmaceuticals, Inc.	-	Financial asset at FVTPL	124	10,210	0.08	10,210	
	Coremax Corporation	-	Financial asset at FVTPL	100	5,230	0.08	5,230	
	Teclison Limited	-	Financial asset at FVTPL	125	58,880	1.12	58,880	
	WIESON TECHNOLOGIES CO., LTD.	-	Financial asset at FVTPL	22	1,127	0.03	1,127	
	GrandTech Cloud Services Inc.	-	Financial asset at FVTPL	6	942	0.03	942	
	SYNCELL (TAIWAN) INC.	-	Financial asset at FVTPL	765	16,175	0.55	16,175	
	GRAID Technology Inc	-	Financial asset at FVTPL	314	32,975	0.82	32,975	
	Enli Technology Co., Ltd	-	Financial asset at FVTPL	7	1,869	0.05	1,869	
	MiTAC Digital Technology Corporation	-	Financial asset at FVTPL	1,000	42,710	0.91	42,710	
	Mesh Cooperative Ventures Fund LP	-	Financial asset at FVTOCI	29,775	30,265	2.46	30,265	

Note 1: The holding company is registered in Hong Kong. The registered capital stock and number of stocks are in Hong Kong dollars and Hong Kong stocks.

Note 2: The securities are transferred within the group and are listed in the financial asset at FVTOCI when they are combined.

(Concluded)

O-BANK AND SUBSIDIARIES

NON-PERFORMING LOANS AND ACCOUNTS RECEIVABLE
JUNE 30, 2025 AND 2024
(In Thousands of New Taiwan Dollars or in %)

Period			June 30, 2025					June 30, 2024				
Items			Non-performing Loans (Note 1)	Outstanding Loan Balance	Ratio of Non-performing Loans (Note 2)	Allowance for Possible Losses	Coverage Ratio (Note 3)	Non-performing Loans (Note 1)	Outstanding Loan Balance	Ratio of Non-performing Loans (Note 2)	Allowance for Possible Losses	Coverage Ratio (Note 3)
Corporate banking	Secured		$ 138,561	$ 107,880,749	0.13%	$ 1,467,672	1,059.22%	$ 293,069	$ 102,664,811	0.29%	$ 1,454,631	496.34%
	Unsecured		50,886	82,373,367	0.06%	1,012,488	1,989.72%	5,084	83,725,749	0.01%	1,266,921	24,919.77%
Consumer banking	Housing mortgage (Note 4)		3,220	13,081,379	0.02%	196,681	6,108.11%	12,384	10,722,046	0.12%	161,379	1,303.13%
	Cash card		-	-	-	-	-	-	-	-	-	-
	Small-scale credit loans (Note 5)		-	3,455,068	-	53,005	-	-	3,276,313	-	48,021	-
	Other (Note 6)	Secured	6,967	7,789,958	0.09%	78,823	1,131.38%	1,773	6,059,977	0.03%	61,281	3,456.35%
		Unsecured	71,595	18,836,371	0.38%	332,692	464.69%	42,031	15,665,951	0.27%	260,776	620.44%
Total			271,229	233,416,892	0.12%	3,141,361	1,158.20%	354,341	222,114,847	0.16%	3,253,009	918.04%
			Non-performing Receivables	Outstanding Receivable Balance	Ratio of Non-performing Receivables	Allowance for Possible Losses	Coverage Ratio	Non-performing Receivables	Outstanding Receivable Balance	Ratio of Non-performing Receivables	Allowance for Possible Losses	Coverage Ratio
Credit cards			-	-	-	-	-	-	-	-	-	-
Factored accounts receivable without recourse (Note 7)			-	661,176	-	6,807	-	-	499,033	-	5,416	-

	Exempt from Reporting the Total Balance of Overdue Loans	Exempt from Reporting the Total Balance of Overdue Account Receivable	Exempt from Reporting the Total Balance of Overdue Loans	Exempt from Reporting the Total Balance of Overdue Account Receivable
Exempt amount - due to debt negotiation and performance (Note 8)	$ -	$ -	$ -	$ -
Debt settlement plan and rehabilitative program (Note 9)	186,960	-	135,864	-
Total	186,960	-	135,864	-

Note 1: Non-performing loans are reported to the authorities and disclosed to the public, as required by the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrued Loans."
Non-performing credit card receivables are reported to the authorities and disclosed to the public, as required by the Banking Bureau's letter dated July 6, 2005 (Ref. No. 0944000378).

Note 2: Ratio of Non-performing loans: Non-performing loans ÷ Outstanding loan balance.
Ratio of Non-performing credit card receivables: Non-performing credit card receivables ÷ Outstanding credit card receivables balance.

Note 3: Coverage ratio of loans: Allowance for possible losses for loans ÷ Non-performing loans. Coverage ratio of credit card receivables: Allowance for possible losses for credit card receivables ÷ Non-performing credit card receivables.

Note 4: The mortgage loan is for house purchase or renovation and is fully secured by housing that is purchased (owned) by the borrower, the spouse or the minor children of the borrowers.

Note 5: Small-amount pure credit loans that must be governed by the Bank of China Ref. No. 09440010950 dated December 19, 2005 and are not credit cards or cash cards.

Note 6: "Others" in consumer finance refers to other secured or unsecured consumer loans that are not "residential property mortgage", "cash cards", "small amount pure credit loans", excluding credit cards.

Note 7: As required by the Banking Bureau in its letter dated July 19, 2005 (Ref. No. 0945000494), factored accounts receivable without recourse are reported as non-performing receivables within three months after the factoring or insurance companies refuse to indemnify banks for any liabilities on these accounts.

Note 8: According to the letter of the Bank of China Ref. No. 09510001270 dated April 25, 2006, the letters of credit and the information disclosure requirements as required by the "Unsecured Debt Negotiation Mechanism for Consumer Financial Cases of the Republic of China Banking Association" should include supplemental disclosures of related matters.

Note 9: According to the letter of the Bank of China Ref. No. 09700318940 dated September 15, 2008 and the letter of the Bank of China Ref. No. 10500134790 date September 20, 2016 regarding the "Consumer Debt Clearance Regulations" for pre-negotiation, rehabilitation and liquidation cases, credit reporting and the information disclosure requirements should include supplemental disclosures of related matters.

TABLE 3

O-BANK AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEES OVER WHICH THE BANK EXERCISES SIGNIFICANT INFLUENCE
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars)

Investee Company	Location	Main Business	Percentage of Ownership (%)	Carrying Amount	Investment Gain (Loss)	Consolidated Investment				Note
						Stocks (Thousands)	Pro-forma Share of Ownership	Total		
								Stocks (Thousands)	Percentage of Ownership (%)	
Financial institution										
Investments accounted for using the equity method										
Infinite Finance Co,. Ltd.	Taipei City, Taiwan	Leasing	41.64	$ 5,325,202	$ (248,449)	155,480	-	155,480	41.64	
Beijing Sunshine Consumer Finance Co., Ltd.	Beijing City, China	Financing business	20.00	1,113,341	10,657	200,000	-	200,000	20.00	
China Bills Finance Corp.	Taipei City, Taiwan	Bonds underwriting, dealing and brokerage of securities	28.37	7,285,315	274,623	382,532	-	382,532	28.48	
IBT Holdings Corp.	California, America	Holding company	100.00	6,890,738	172,552	10,869	-	10,869	100.00	
IBT Management Corp.	Taipei City, Taiwan	Investment consulting	100.00	433,676	69,841	13,400	-	13,400	100.00	
IBT VII Venture Capital Co., Ltd	Taipei City, Taiwan	Investment	100.00	996,316	(21,974)	65,000	-	65,000	100.00	
Financial assets at FVTOCI										
Taiwan Mobile Payment Co., Ltd.	Taipei City, Taiwan	Information software services industry	0.50	1,736	-	300	-	300	0.50	

O-BANK AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Renminbi and U.S. Dollars)

O-Bank

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital (Note 1)	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2025 (Note 1)	Investment Flows (Note 1)		Accumulated Outflow of Investment from Taiwan as of June 30, 2025 (Note 1)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of June 30, 2025 (Note 1)	Accumulated Inward Remittance of Earnings as of June 30, 2025
					Outflow	Inflow					
Beijing Sunshine Consumer Finance Co., Ltd.	Financing business	$ 4,172,840 (RMB 1,000,000)	Note 2 b.	$ 834,568 (RMB 200,000)	$ -	$ -	$ 834,568 (RMB 200,000)	20.00	$ 10,657	$ 1,113,341	$ -

Accumulated Investment in Mainland China as of June 30, 2025 (Note 1)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on Investment
$834,568 (RMB200,000)	$834,568 (RMB200,000)	Note 3

IBT Management Corp.

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital (Note 1)	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2025 (Notes 1 and 9)	Investment Flows (Note 1)		Accumulated Outflow of Investment from Taiwan as of June 30, 2025 (Note 1)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of June 30, 2025 (Note 1)	Accumulated Inward Remittance of Earnings as of June 30, 2025
					Outflow	Inflow					
Shanghai Douniushi F&B Management Co., Ltd.	Restaurant retailing	$ 142,357 (US$ 4,760)	Note 2 a.	$ 2,422 (US$ 81)	$ -	$ -	$ 2,422 (US$ 81)	2.17	$ -	$ 748	$ -
Topping Cuisine International Holding, Ltd.	Food retailing	225,926 (US$ 7,554)	Note 2 a.	14,206 (US$ 475)	-	-	14,206 (US$ 475)	2.17	-	4,386	-
Shanghai Dou Mao Food Management Co., Ltd.	Trading	5,981 (US$ 200)	Note 2 a.	209 (US$ 7)	-	-	209 (US$ 7)	2.17	-	65	-
Beauty Essential International, Ltd.	Cosmetic retailing	29,907 (US$ 1,000)	Note 2 a.	20,576 (US$ 688)	-	-	20,576 (US$ 688)	2.44	-	21,419	-
Meike information technology	Cosmetic retailing information technology	35,888 (US$ 1,200)	Note 2 a.	867 (US$ 29)	-	209 (US$ 7)	658 (US$ 22)	0.44	-	903	-
Shinlien Chemical Industrial Jiangsu Co.	Production of glass materials	23,925,544 (US$ 800,000)	Note 2 a.	80,719 (US$ 2,699)	-	-	80,719 (US$ 2,699)	0.40	-	128,197	-
Shinlien Brine Huaian Co.	Production of glass materials	957,022 (US$ 32,000)	Note 2 a.	6,849 (US$ 229)	-	-	6,849 (US$ 229)	0.46	-	10,877	-

Accumulated Investment in Mainland China as of June 30, 2025 (Note 1)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on Investment
$125,639 (US$4,201)	$125,639 (US$4,201)	$260,184 (Note 4)

(Continued)

IBT VII Venture Capital Co., Ltd.

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital (Note 1)	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2025 (Note 1)	Investment Flows (Note 1)		Accumulated Outflow of Investment from Taiwan as of June 30, 2025 (Note 1)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of June 30, 2025 (Note 1)	Accumulated Inward Remittance of Earnings as of June 30, 2025
					Outflow	Inflow					
Shihlien Chemical Industrial Jiangsu Co.	Production of glass materials	$ 23,925,544 (US$ 800,000)	Note 2 a.	$ 139,157 (US$ 4,653)	$ -	$ -	$ 139,157 (US$ 4,653)	0.66	$ -	$ 215,867	$ -
Shihlien Brine Huaian Shiyuan Cailu Co., Ltd	Production of glass materials	957,022 (US$ 32,000)	Note 2 a.	9,660 (US$ 323)	-	-	9,660 (US$ 323)	0.75	-	13,779	-
Arizon RFID Technology Co., Ltd.	RFID antenna design and manufacturing, RFID electronic label packaging, RFID reader design and manufacturing	810,741 (RMB 194,290)	Note 2 a.	8,045 (US$ 269)	-	-	8,045 (US$ 269)	0.14	-	16,478	-

Accumulated Investment in Mainland China as of June 30, 2025 (Note 1)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on Investment
$156,862 (US$5,245)	$164,757 (US$5,509)	$597,790 (Note 4)

Note 1: The amount is after the exchange rate adjustment for the year ended June 30, 2025.

Note 2: There were three investment approaches stated as follows:

a. Indirect investment in mainland China via investing in a current company in a third country. (Shihlien China Holding Co., Limited, Topping Cuisine International Holding, Ltd., Beauty Essential International, Ltd., Arizon RFID Technology (Cayman) Co., Ltd., and YFY RFID CO. LIMITED (HK)).

b. Direct investment in mainland China.

c. Others.

Note 3: The Bank got the recognition from the Industrial Development Bureau, Industry of Economic Affairs in March 2023, so the Bank is not under “the regulation of investing or technology-cooperation in China”.

Note 4: The original investment is within the limit.

Note 5: IBT Management Corp. and IBT VII Venture Capital Co., Ltd. has obtained the verification letter of part of investment from the Investment Review Committee of the Ministry of Economic Affairs, and the remittance amount is mainly based on the verification letter.

(Concluded)

TABLE 5

O-BANK AND SUBSIDIARIES

BUSINESS RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS AMONG THE BANK AND SUBSIDIARIES
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Transaction Corporation	Counterparty	Nature of Relationship (Note 2)	Description of Transactions			
				Financial Statement Account	Amounts	Trading Terms	Percentage of Total Revenue or Total Assets
0	The Bank	IBTM and IBTVC7	a	Deposits	$ 109,353	Note 3	0.02
0	The Bank	IBTM and IBTVC7	a	Interest expense	329	Note 3	0.01
0	The Bank	IBTM and CBF	a	Other net revenue other than interest	17,919	Note 3	0.36
0	The Bank	IBTM and IBTVC7	a	Payables	156	Note 3	-
0	The Bank	CBF	a	Dividend receivable	297,166	Note 3	0.04
1	IBTM	The Bank	b	Cash and cash equivalents	64,531	Note 3	0.01
1	IBTM	The Bank	b	Accounts receivable	127	Note 3	-
1	IBTM	The Bank	b	Interest revenue	240	Note 3	-
1	IBTM	The Bank	b	Other operating and administrative expenses	368	Note 3	0.01
1	IBTM	The Bank	b	Lease interest expense	14	Note 3	-
1	IBTM	IBTVC7	c	Consultancy service income	41,580	Note 3	0.84
2	CBF	The Bank	b	Other operating and administrative expenses	17,316	Note 3	0.35
2	CBF	The Bank	b	Lease interest expense	395	Note 3	0.01
2	CBF	The Bank	b	Dividend payable	297,166	Note 3	0.04
3	IBTVC7	The Bank	b	Cash and cash equivalents	44,822	Note 3	0.01
3	IBTVC7	The Bank	b	Interest revenue	89	Note 3	-
3	IBTVC7	The Bank	b	Accounts receivable	29	Note 3	-
3	IBTVC7	IBTM	c	Other operating and administrative expenses	41,580	Note 3	0.84

(Continued)

Note 1: Information about the business transactions between the Bank and its subsidiaries were classified as follows:

a. 0 for the Bank.
b. Subsidiaries are numbered sequentially starting from the number 1.

Note 2: The types of transactions with related parties were classified as follows:

a. Parent company to subsidiaries.
b. Subsidiaries to parent company.
c. Subsidiaries to subsidiaries.

Note 3: The terms for the transactions between the Bank and related parties are similar to those with unrelated parties.

(Concluded)

TABLE 6

O-BANK AND SUBSIDIARIES

INFORMATION OF MAJOR STOCKHOLDERS
JUNE 30, 2025

Name of Major Stockholders	Shares	
	Number of Shares	Percentage of Ownership (%)
Ming Shan Investment Co., Ltd.	386,271,554	12.64
Yi Chang Investment Co., Ltd.	278,204,793	9.10
Taixuan Investment Co., Ltd.	275,404,275	9.01

Note 1: The major stockholder's information on this table is on the last business day at the end of the quarter from the Taiwan Central Depository and Clearing Co., Ltd. The shareholding included shares that the company has completed the delivery of the common stock and preferred stock without physical registration (including treasury shares) of more than 5%. The share capital recorded in the Bank's consolidated financial report and the actual number of shares has been actually delivered without physical registration. Differences, if any, may be due to the basis of preparation and calculation.

Note 2: If a stockholder delivers the stockholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For stockholders who declare insider stockholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the stockholdings include shares held by stockholders and those delivered to the trust over which stockholders have rights to determine the use of trust property. For information relating to insider stockholding declaration, please refer to Market Observation Post System.

Note 3: The number of shares is the total number of common stocks and preferred stocks.

Note 4: Shareholding ratio (%) = The total number of shares held by the stockholder ÷ The total number of shares that have been delivered without physical registration. It is calculated to the second decimal place and rounded off after the third decimal place.