

TAIWAN COOPERATIVE BANK, HONG KONG BRANCH

Financial Information Disclosure Statement

For the Year Ended December 31, 2025

TAIWAN COOPERATIVE BANK, HONG KONG BRANCH
FINANCIAL INFORMATION DISCLOSURE STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2025

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SECTION A- INFORMATION OF THE BRANCH (HONG KONG BRANCH ONLY)

**I. PROFIT AND LOSS INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025**

Figures in HKD thousands

	2025-12-31	2024-12-31
INTEREST INCOME	308,038	361,605
INTEREST EXPENSE	<u>(158,366)</u>	<u>(202,098)</u>
	<u>149,672</u>	<u>159,507</u>
OTHER OPERATING INCOME		
Gains less losses arising from dealing in foreign currencies	643	730
Gains less losses on securities held for trading purposes	0	0
Gains less losses from other trading activities	0	0
Net fees and commission income		
Gross fees and commission income	4,099	2,830
Fees and commission expense	<u>(1,134)</u>	<u>(995)</u>
Others	<u>540</u>	<u>4</u>
	<u>4,148</u>	<u>2,569</u>
Total income	153,820	162,076
OPERATING EXPENSES		
Staff and rental expenses	(17,974)	(20,786)
Other expenses (less fees and commission expenses)	<u>(16,107)</u>	<u>(17,214)</u>
	<u>(34,081)</u>	<u>(38,000)</u>
IMPAIRMENT PROVISION FOR LOANS	(1,551)	(2,557)
Total expenses	35,632	40,557
PROFIT BEFORE TAXATION	118,188	121,519
TAXATION CHARGE	<u>(19,954)</u>	<u>(20,623)</u>
PROFIT AFTER TAXATION	<u><u>98,234</u></u>	<u><u>100,896</u></u>

II. BALANCE SHEET INFORMATION
AS AT 31 DECEMBER 2025

	Figures in HKD thousands	
	2025-12-31	As at 2025-06-30
ASSETS		
Cash and short term fund (except those included in amount due from overseas offices)	153,889	136,820
Placement with Bank maturity of more than one month but not more than 12 months (except those included in amount due from overseas offices)	1,649,469	1,513,298
Amount due from overseas offices	0	0
Loans and advances less impairment allowances	3,490,991	3,572,406
Certificates of deposit held	1,308,168	592,023
Amortised cost securities	0	0
Fair value through other comprehensive income securities	962,378	1,057,008
Other accounts	38,754	24,619
Property, plant and equipment	27,643	25,632
Accumulated depreciation	(22,627)	(19,081)
Intangible assets	6,033	5,934
Total Assets	<u>7,614,698</u>	<u>6,908,659</u>
LIABILITIES		
Deposit and balances from banks (except those included in amount due to overseas offices)	465,833	286,017
Deposit from customers		
-Demand deposits and current accounts	701	13,173
-Savings deposits	2,438,508	2,075,397
-Time, call and notice deposits	3,384,122	3,292,243
Amount due to overseas offices	81,658	87,049
Other accounts	98,094	74,582
Total Liabilities	<u>6,468,916</u>	<u>5,828,461</u>
Reserves and current profit	1,145,782	1,080,198
Total equity and Liabilities	<u>7,614,698</u>	<u>6,908,659</u>

III. SUPPLEMENT FINANCIAL INFORMATION

AS AT 31 DECEMBER 2025

Figures in HKD thousands

	2025-12-31	As at 2025-06-30
A. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES		
Advances to customers	1,834,889	2,028,443
Advances to banks	1,691,365	1,580,048
Total	<u>3,526,254</u>	<u>3,608,491</u>
Collective impairment allowances	(35,263)	(36,085)
Individual impairment allowances	<u>0</u>	<u>0</u>
Total	<u>(35,263)</u>	<u>(36,085)</u>
Gross advances less impairment allowances	<u>3,490,991</u>	<u>3,572,406</u>
Allowances as a percentage of gross advances		
-Collective impairment allowances	1.00%	1.00%
-Individual impairment allowances	0.00%	0.00%
Total allowances	<u>1.00%</u>	<u>1.00%</u>

A1. IMPAIRMENT ALLOWANCES

	2025-12-31			As at 2025-06-30		
	Collective impairment allowances	Individual impairment allowances	Total	Collective impairment allowances	Individual impairment allowances	Total
Advances to customers	18,349	0	18,349	20,285	0	20,285
Advances to banks	16,914	0	16,914	15,800	0	15,800
Total			<u>35,263</u>			<u>36,085</u>

a) Impaired advances to customers

	2025-12-31	As at 2025-06-30
Amount of individual impaired loans and advances	0	0
Amount of individual impairment allowances made	0	0
Value of collateral	0	0
As a percentage of total advances to customers	0.00%	0.00%

b) Impaired advances to banks

	2025-12-31	As at 2025-06-30
Amount of individual impaired loans and advances	0	0
Amount of individual impairment allowances made	0	0
Value of collateral	0	0
As a percentage of total advances to banks	0.00%	0.00%

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 31 DECEMBER 2025

Figures in HKD thousands

B. OVERDUE AND RESCHEDULED ASSETS

	2025-12-31		2025-06-30	
	Amount	%	Amount	%
a) Loans and Advances to customers overdue for				
More than 3 months and up to 6 months	0	0	0	0
More than 6 months and up to 1 year	0	0	0	0
More than 1 year	0	0	0	0
b) Rescheduled loans and advances to customers	0	0	0	0
c) Value of collateral held against such overdue loans and advances to customers				
- Current market value of collateral held against the covered portion of overdue loans and advances	0	0	0	0
- Covered portion of overdue loans and advances	0	0	0	0
- Uncovered portion of overdue loans and advances	0	0	0	0
d) Individual impairment allowances on such overdue loans and advances	0	0	0	0

B1. Loans and advances to banks and other financial institutions

There were no loans and advances to banks and other financial institutions which were overdue as at 31 December 2025 and 30 June 2025.

B2. OTHER ASSETS (including debt securities)

There were no other assets (including debt securities) which were overdue as at 31 December 2025 and 30 June 2025.

B3. REPOSSESSED ASSETS

There were no repossessed assets held by Hong Kong branch as at 31 December 2025 and 30 June 2025.

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 31 DECEMBER 2025

Figures in HKD thousands

C. OFF-BALANCE SHEET INFORMATION

C1. CONTINGENT LIABILITIES AND COMMITMENTS

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments :

	As at	
	2025-12-31	2025-06-30
Off-balance sheet exposures (in contractual amounts)		
Direct credit substitutes	0	0
Transaction-related contingencies	0	0
Trade-related contingencies	103,545	159,379
Other commitments	1,175,084	754,655
Forward forward deposits placed	0	0
	<u>1,278,629</u>	<u>914,034</u>
C2. DERIVATIVES		
Interest rate contracts	0	0
Exchange rate contracts	10,102	0
	<u>10,102</u>	<u>0</u>
C3. REPLACEMENT COSTS OF DERIVATIVES		
Interest rate contracts	0	0
Exchange rate contracts	0	0
	<u>0</u>	<u>0</u>

For contingent liabilities and commitments, the contract amounts represent the amounts at risk should the contract be fully drawn upon and the client default. The total of the contract amount is not representative of future liquidity requirements. The replacement costs represent the cost of replacing all contracts which have a positive value when marked to market . They do not take into account the effects of bilateral netting arrangements.

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 31 DECEMBER 2025

Figures in HKD thousands

D. SEGMENTAL INFORMATION

D1. GROSS LOANS AND ADVANCES TO CUSTOMERS BY MAJOR SECTORS ANALYSIS

The following information concerning advances to customers by industry sectors has been classified in accordance with industry categories contained in the banking return of "Quarterly Analysis of Loans and Advances and Provisions" which was submitted to Hong Kong Monetary Authority ("HKMA").

	<u>2025-12-31</u>		<u>2025-06-30</u>	
	Gross Amount	Balance covered by collateral	Gross Amount	Balance covered by collateral
D2. LOANS AND ADVANCES FOR USE IN HONG KONG				
a). Industrial, commercial and financial:				
-Property development	0	0	0	0
-Property investment	0	0	0	0
-Financial concerns	30,000	0	30,000	0
-Stockbrokers	0	0	0	0
-Wholesale and retail trade	0	0	0	0
-Manufacturing	67,517	0	17,665	0
-Transport and transport equipment	0	0	0	0
-Electricity and gas	0	0	0	0
-Recreational activities	0	0	0	0
-Information technology	0	0	50,050	0
-Other	0	0	0	0
b). Individuals				
-Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	0	0	0	0
-Loans for the purchase of other residential properties	0	0	0	0
-Credit card advances	0	0	0	0
-Others	0	0	0	0
D3. TRADE FINANCE	13,235	4,671	13,292	4,711
D4. LOANS AND ADVANCES FOR USE OUTSIDE HONG KONG	1,724,137	13,500	1,917,436	74,345
Total loans & advances to customers	1,834,889	18,171	2,028,443	79,056

D5. GROSS LOANS AND ADVANCES TO CUSTOMERS BY COUNTRIES OR GEOGRAPHICAL AREAS ANALYSIS

After taking into account the transfer of risk, exposures to a single country or geographical area exceeding 10% of the aggregate gross advances to customers which are disclosed as follows:

	<u>2025-12-31</u>	<u>2025-06-30</u>
-Hong Kong	518,252	626,007
-China	0	0
-British Virgin Islands	0	0
-Singapore	221,376	244,509
-Others	1,095,261	1,157,927
Total	1,834,889	2,028,443

D6. OVERDUE AND IMPAIRED LOANS BY COUNTRIES OR GEOGRAPHICAL AREAS ANALYSIS

	<u>2025-12-31</u>	<u>2025-06-30</u>
-Hong Kong	0	0
-China	0	0
-British Virgin Islands	0	0
-Singapore	0	0
-Others	0	0
Total	0	0

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 31 DECEMBER 2025

Figures in HKD millions

E. INTERNATIONAL CLAIMS

The following tables analyses international claims by location and types of counterparties. Country or geographical segment classification is based upon the locations of counterparties after taking into account any recognized risk transfer. They are prepared in accordance with the completion instructions of HKMA Return of "International Banking Statistics". Countries or geographical segments constituting not less than 10% of the total cross-border claims are disclosed.

	<u>Banks</u>	<u>Non-bank private sector</u>		<u>Total</u>	
		<u>Official Sectors</u>	<u>Non-bank Financial Insitution</u>		<u>Non-financial private sector</u>
<u>As at December 31, 2025</u>					
1. Developed countries	1,264	0	101	86	1,451
2. Offshore centres	91	15	75	685	866
of which: Hong Kong	40	15	75	450	580
3. Developing Europe	0	0	0	0	0
4. Developing Latin America and Caribbean	38	37	0	78	153
5. Developing Africa and Middle East	1,248	304	39	210	1,801
6. Developing Asia-Pacific	2,585	57	438	275	3,355
of which: China	93	0	0	0	93
Taiwan	883	0	0	0	883
7. International Organisations	0	0	0	0	0
Total	5,226	413	653	1,334	7,626

	<u>Banks</u>	<u>Non-bank private sector</u>		<u>Total</u>	
		<u>Official Sectors</u>	<u>Non-bank Financial Insitution</u>		<u>Non-financial private sector</u>
<u>As at June 30, 2025</u>					
1. Developed countries	833	0	101	87	1,021
2. Offshore centres	84	28	75	809	996
of which: Hong Kong	33	28	75	564	700
3. Developing Europe	0	0	0	0	0
4. Developing Latin America and Caribbean	38	37	0	79	154
5. Developing Africa and Middle East	422	301	38	245	1,006
6. Developing Asia-Pacific	2,948	57	443	309	3,757
of which: China	98	0	0	0	98
Taiwan	1,002	0	0	6	1,008
7. International Organisations	0	0	0	0	0
Total	4,325	423	657	1,529	6,934

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 31 DECEMBER 2025

Figures in HKD millions

F. NON-BANK MAINLAND EXPOSURES

Non-bank counterparties are identified in accordance with the definitions set out in the "Return of Mainland Activities" issued by the HKMA.

Exposures in Mainland China arising from non-bank counterparties are summarised as follows:

<u>As at December 31, 2025</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
1. Central government, central government-owned entities and their subsidiaries and JVs	0	0	0
2. Local governments, local government-owned entities and their subsidiaries and JVs	0	0	0
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	0	0	0
4. Other entities of central government not reported in item 1 above	0	0	0
5. Other entities of local governments not reported in item 2 above	0	0	0
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	45	0	45
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
Total	45	0	45
Total assets after provision	7,615		
On-balance sheet exposures as percentage of total assets	0.59%		

<u>As at June 30, 2025</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
1. Central government, central government-owned entities and their subsidiaries and JVs	0	0	0
2. Local governments, local government-owned entities and their subsidiaries and JVs	0	0	0
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	0	0	173
4. Other entities of central government not reported in item 1 above	0	0	67
5. Other entities of local governments not reported in item 2 above	0	0	0
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	45	0	45
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
Total	45	0	285
Total assets after provision	6,909		
On-balance sheet exposures as percentage of total assets	0.65%		

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 31 DECEMBER 2025

Figures in HKD millions

G. FOREIGN CURRENCY POSITION

The foreign currency exposures are prepared in accordance with the completion instructions of HKMA banking return of "Foreign Currency Position Of An Authorized Institution". The net position in foreign currencies are disclosed as follows:

As at December 31, 2025

	USD	EUR	JPY	CNY	AUD	NZD	Total
Spot assets	5,851	20	94	239	95	10	6,309
Spot liabilities	(5,862)	(21)	(93)	(232)	(94)	(10)	(6,312)
Forward purchases	0	0	0	0	0	0	0
Forward sales	0	0	0	0	0	0	0
Net long (short) position	(11)	(1)	1	7	1	0	(3)

As at June 30, 2025

	USD	EUR	JPY	CNY	AUD	NZD	Total
Spot assets	5,162	104	79	235	98	10	5,688
Spot liabilities	(5,163)	(105)	(79)	(234)	(97)	(11)	(5,689)
Forward purchases	0	0	0	0	0	0	0
Forward sales	0	0	0	0	0	0	0
Net long (short) position	(1)	(1)	0	1	1	(1)	(1)

There were no foreign currency structural positions as at 31 December 2025 and 30 June 2025.

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 31 DECEMBER 2025

Figures in HKD thousands

H. LIQUIDITY INFORMATION

	<u>For the quarter</u> <u>ended</u>	<u>For the quarter</u> <u>ended</u>
	31-Dec-25	31-Dec-24
Average liquidity maintenance ratio for the period	60.42%	63.33%

The average liquidity maintenance ratio for the period is the simple average of each calendar month's average liquidity maintenance ratio. The liquidity maintenance ratio ("LMR") is computed in accordance with the Banking (Liquidity) Rules with effect from 1 January 2015.

Liquidity Risk Management

(1) Governance of liquidity risk management

The liquidity risk of our branch was managed in accordance with the "Head Office's Liquidity and Interest Rate Risk Management Policy", "Hong Kong Branch's Liquidity Management Guidelines", "Hong Kong Branch's Stress Testing Standards", "Hong Kong Branch's Contingency Funding Standards" and other related regulations received from our Head Office to ensure maintaining stable and adequate liquidity in order to meet the payment and settlement obligation under the normal and pressure situations. Therefore, the payment and settlement system can be operated smoothly.

(2) Structure and responsibilities for liquidity risk management

The Risk Management Committee is mainly responsible for the liquidity risk management in our Branch. The Chief Executive is the chairman of the Committee. The members include the Chief Executive, the Alternate Chief Executive, the Heads of Risk Management Department, Compliance Department, Deposits Department, Information Technology and Security Department, Treasury Department, Settlement Department, and Accounting Department. Chief Executive could also invite other staff to attend the Committee meeting if necessary.

(3) Liquidity risk reports

The branch prepares daily LMR report and delivers it to the management, and prepares monthly maturity gap ratio and repricing gap reports to The Investment Management Committee and Head Office. Based on liquidity gap analysis and the changes of the structure, the branch allocates adequate funding to reduce liquidity risk.

(4) Funding strategy

The branch manages the liquidity risk to maintain adequate liquidity level and ensure payment ability under the daily and specific stress scenarios. The liquidity risk management principles includes :

1. The funding sources should be diversified, stable and reliable.
2. The use of funds should be broad.
3. Regularly assess the structure of the asset and liability portfolio.

(5) Liquidity risk mitigation techniques

The minimum liquidity maintenance ratio included in our branch internal policy is higher than the statutory minimum requirement and liquidity position is monitored by the management on a daily basis to ensure that our branch maintains adequate liquidity.

(6) Stress testing

Liquidity stress test should be performed periodically for institution-specific, market-wide and combined stress scenarios and the results will be reported and delivered to the management. The result will be the reference for the improvement of liquidity risk management and contingency funding plan.

(7) Contingency funding plan

The Contingency Funding Plan (CFP) specifies a contingency plan when the market faces abnormal volatility and our branch fails to get funding at reasonable cost or lacks liquidity. The CFP should test periodically.

(8) Sources of funding

Our branch's source of funding is mainly from customer deposits and borrowing from banks.

	As % of total liabilities
Customer deposits	76%
Borrowing from banks	7%

(9) Analysis the on and off balance sheet items by remaining maturity

	Total	up to 1 month	1 month up to 3 months	3 months up to 6 months	6 months up to 1 year	Over 1 year	Balancing amount
31-Dec-25							
On-balance sheet assets	7,652,967	3,039,201	806,776	88,499	521,339	3,183,166	13,986
On-balance sheet liabilities	7,614,698	3,348,856	1,970,242	562,267	493,985	2,785	1,236,563
Off-balance sheet claims	113,647	56,814	54,497	2,336	0	0	0
Off-balance sheet obligations	1,288,731	329,301	106,626	432,863	303,187	116,754	0
Contractual Maturity Mismatch		(582,142)	(1,215,595)	(904,295)	(275,833)	3,063,627	
Cumulative Contractual Maturity Mismatch		(582,142)	(1,797,737)	(2,702,032)	(2,977,865)	85,762	
31-Dec-24							
On-balance sheet assets	6,960,642	2,485,176	982,369	398,504	218,587	2,858,332	17,674
On-balance sheet liabilities	6,925,565	2,991,059	2,123,381	351,203	360,386	6,252	1,093,284
Off-balance sheet claims	126,574	62,122	62,122	2,330	0	0	0
Off-balance sheet obligations	654,012	62,122	62,122	33,392	313,245	183,131	0
Contractual Maturity Mismatch		(505,883)	(1,141,012)	16,239	(455,044)	2,668,949	
Cumulative Contractual Maturity Mismatch		(505,883)	(1,646,895)	(1,630,656)	(2,085,700)	583,249	

SECTION B-INFORMATION OF THE BANK (CONSOLIDATED BASIS)

AS AT 31 DECEMBER 2025

A. CAPITAL AND CAPITAL ADEQUACY RATIO

	31-Dec-2025	30-Jun-2025
	(%)	(%)
a) Capital Adequacy Ratio	16.00	15.70
	NTD in thousands	NTD in thousands
b) Aggregate amount of shareholder's funds	303,568,453	278,367,677

The capital adequacy ratio is computed in accordance with the "Basel III Capital Accord" and the basis of computation incorporates allowances for credit risk, market risk and operational risk.

B. OTHER FINANCIAL INFORMATION

	As at	As at
	31-Dec-2025	30-Jun-2025
	NTD in thousands	NTD in thousands
Total assets	5,145,681,444	5,048,282,250
Total liabilities	4,842,112,991	4,769,914,573
Total advances	3,125,186,525	3,022,382,321
Total customers deposits	4,202,806,139	4,107,801,829

	For the year ended	
	31-Dec-2025	31-Dec-2024
	NTD in thousands	NTD in thousands
Profit / (Loss) before taxation	25,211,854	23,172,659

SECTION C - REMUNERATION DISCLOSURE

In respect to the disclosure requirement under the HKMA's Supervisory Policy Manual (CG-5) Guideline on Sound Remuneration System, please refer to the Annual Report 2025(Chinese Version Only) Taiwan Cooperative Bank, in the part of Report of Corporate Governance.

Note: A copy of the Disclosure Statement is available on the website below for public inspection.
<https://www.tcb-bank.com.tw/about-tcb/info/locations/oversea/hk/disclosure>

Declaration

According to the requirement of the Hong Kong Monetary Authority on Key Financial Information Disclosure Statement of authorized institutions incorporated outside Hong Kong, we have pleasure in presenting the Financial Information Disclosure Statements of Taiwan Cooperative Bank, Hong Kong Branch for the year ended 31 Dec 2025. We confirmed that the information contained therein complies, in all material respects, with the supervisory policy manual CA-D-1 “Guideline on the Application of the Banking (Disclosure) Rules”, and to the best of my knowledge and belief, it is not false or misleading.



Chief Executive
Taiwan Cooperative Bank
Hong Kong Branch
23 Apr, 2026