Stock Code: 2838

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Consolidated Financial Statements and the Independent Auditors' Review Report

The First Quarter, 2025 and 2024

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§Table of Content§

Independent Auditors' Review Report

To: The Board of Directors and Stockholders Union Bank of Taiwan

Foreword

We have reviewed the accompanying consolidated financial statements of Union Bank of Taiwan (the "Bank") and its subsidiaries (collectively, the "Company"), which comprise the consolidated balance sheets as of March 31, 2025 and 2024, as well as the consolidated statements of comprehensive income and changes in equity and cash flows from January 1 to March 31, 2025 and 2024, and the notes to the consolidated financial statements, including a summary of significant accounting policies. Pursuant to the "Regulations Governing the Preparation of Financial Statements by Public Banks," "Regulations Governing the Preparation of Financial Statements by Securities Firms," and the International Accounting Standards ("IAS") No. 34 "Interim Financial Statement," recognized, released and effected by the Financial Supervisory Commission, preparing the Financial Statements fairly presented is the responsibility of the management; our responsibility is to conclude the Consolidated Financial Statements based on the review results.

Scope

We conducted the review in accordance with the "Review of Financial Statements" of the Auditing Standard No. 2410. The procedures implemented during the review of financial statements include inquiry (mainly inquire the personnel in charge of finance and accounting affairs), analytical procedures, and other review procedures. The scope of work for review is obviously less than the scope of work for audit; therefore, we may not detect all material matters may be identified through audit, and thus no audit opinion may be expressed.

Conclusion

In our opinion, we have not found any incompliance with the "Regulations Governing the Preparation of Financial Statements by Public Banks," "Regulations Governing the Preparation of Financial Statements by Securities Firms," and the International Accounting Standards ("IAS") No. 34 "Interim Financial Statement" when preparing the aforesaid Consolidated Financial Statements in all material aspect that may cause the Bank and the Company to fairly present the consolidated financial status as of March 31, 2025 and 2024, as well as the consolidated financial performance and consolidated cash flows during January 1 to March 31, 2025 and 2024.

Deloitte Taiwan

Kuan-Hao Li, CPA

Chun-Hung Shih, CPA

Document Number of Approval by the FSC
Jin-Guan-Zheng-Shen-Zhi No. 1100372936

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Jin-Guan-Zheng-Shen-Zhi No. 1110348898

May 12, 2025

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Consolidated Balance Sheet

March 31, 2025, December 31 and March 31, 2024

Unit: NTD thousand

Code	Asset	March 31, 2025 Amount	%	December 31 2024 Amount	%	March 31, 2024 Amount	%
11000	Cash and cash equivalents (Note VI)	$ 8,768,476	1	$ 10,828,862	1	$ 10,502,357	1
11500	Due from the central bank and call loans to other banks (Notes VII and XLVIII)	41,323,183	4	41,848,692	4	34,119,340	4
12000	Financial assets measured at fvtpl (Notes VIII and XLVII)	76,419,329	7	56,021,935	6	61,881,778	6
12100	Financial assets measured at fvtoci (Notes V, IX, XI and XVII)	66,864,465	7	62,897,886	6	64,386,542	7
12200	Investment of debt instrument measured at amortized costs (Notes V, X, and XI)	81,398,938	8	81,725,126	8	81,522,338	9
12500	Securities purchased under agreements to resell (Note XII)	64,703,501	6	59,118,321	6	61,378,797	6
13000	Receivables, net (Notes V and XIII)	39,902,161	4	40,464,033	4	37,857,812	4
13200	Current tax assets	88,818	-	8,019	-	91,039	-
13500	Discounts and loans, net (Notes V, XIV, XV and XLVII)	610,321,365	59	606,021,210	61	567,618,628	59
15000	Investments accounted for using the equity method, net (Notes IX and XVII)	455,747	-	360,711	-	387,793	-
15500	Other financial assets, net (Notes XVIII and XLVIII)	1,551,742	-	1,562,805	-	1,608,266	-
18500	Property and equipment, net (Note XIX and XLVIII)	16,308,298	2	16,106,731	2	15,511,259	2
18600	Right-of-use assets, net (Note XX)	1,724,538	-	1,745,478	-	1,925,655	-
18700	Investment properties, net (Notes XXI, XXXI, and XLVIII)	4,668,455	1	4,563,187	1	4,602,219	1
19007	Goodwill (Note XXII)	1,985,307	-	1,985,307	-	1,985,307	-
19009	Computer software	197,099	-	214,722	-	181,648	-
19300	Deferred tax assets (Note IV)	721,532	-	759,038	-	782,397	-
19500	Other assets, net (Notes XXIII, XLVII, and XLIX)	9,253,210	1	9,225,403	1	9,163,765	1
10000	Total	$ 1,026,656,164	100	$ 995,457,466	100	$ 955,506,940	100
Code	Liabilities and equity						
	Liabilities						
21000	Deposits from the central bank and other banks (Note XXIV)	$ 11,252,011	1	$ 15,232,374	2	$ 10,811,564	1
21500	Due to the central bank and other banks (Notes XXV and XXX)	1,801,018	-	1,405,281	-	1,247,305	-
22000	Financial liabilities measured at FVTPL (Note VIII)	287,807	-	468,953	-	405,926	-
22500	Securities sold under agreements to repurchase (Note XXVI)	76,986,515	8	58,563,701	6	63,843,981	7
23000	Payables (Note XXVII)	7,893,119	1	8,504,262	1	10,454,696	1
23200	Current tax liabilities	525,091	-	209,587	-	364,897	-
23500	Deposits and remittances (Notes XXVIII and XLVII)	816,508,551	80	803,449,537	81	768,255,351	81
24000	Financial bonds payable (Note XXIX)	5,000,000	1	5,000,000	1	5,000,000	1
24100	Corporate bonds payable (Notes XXI and XXX)	936,585	-	885,881	-	899,354	-
24500	Preference shares liabilities (Note XXXI)	375,000	-	375,000	-	375,000	-
25500	Other financial liabilities (Note XXXII)	13,335,378	1	13,244,765	1	11,382,041	1
25600	Provisions (Notes V, XXXIII, and XLI)	525,446	-	510,926	-	412,884	-
26000	Lease liabilities (Notes XX and XLVII)	1,728,467	-	1,747,230	-	1,921,511	-
29300	Deferred tax liabilities (Note IV)	2,941,868	-	2,749,178	-	2,415,114	-
29500	Other liabilities (Notes XXI, XXXV, and XLIX)	3,621,307	-	3,658,193	-	3,586,421	-
20000	Total liabilities	943,718,163	92	916,004,868	92	881,376,045	92
	Equity attributable to owners of parent						
	Share capital						
31101	Share capital of common stock	40,500,729	4	40,500,729	4	37,789,525	4
31103	Share capital of preference shares	2,000,000	-	2,000,000	-	2,000,000	-
31100	Total share capital	42,500,729	4	42,500,729	4	39,789,525	4
31500	Capital reserve	8,177,085	1	8,168,291	1	8,125,732	1
	Retained earnings						
32001	Legal reserve	12,972,292	1	12,972,292	1	11,518,843	1
32003	Special surplus reserve	627,440	-	627,440	-	757,036	-
32011	Undistributed earnings	8,326,341	1	7,108,802	1	6,996,498	1
32000	Total retained earnings	21,926,073	2	20,708,534	2	19,272,377	2
32500	Other equity	8,139,268	1	5,857,262	1	4,734,597	1
31000	Total equity attributable to owners of the parent	80,743,155	8	77,234,816	8	71,922,231	8
38000	Non-controlling interests	2,194,846	-	2,217,782	-	2,208,664	-
30000	Total equity	82,938,001	8	79,452,598	8	74,130,895	8
	Total liabilities and equity	$ 1,026,656,164	100	$ 995,457,466	100	$ 955,506,940	100

The attached notes are the integral part of the Consolidated Financial Statements.

Chairperson: Lin Hung-Lian; Manager: Hsu Wei-Wen; Accounting Officer: Lu Wen-Chuan

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to March 31, 2025 and 2024

Unit: NTD thousand, Except NTD for Earnings Per Share

		January 1 to March 31, 2025		January 1 to March 31, 2024	
Code		Amount	%	Amount	%
	Net interest income (Notes XXXVII and XLVII)				
41000	Interest income	$ 5,841,946	125	$ 5,233,586	100
51000	Interest expense	3,619,342	78	3,295,494	63
49010	Total net interest income	2,222,604	47	1,938,092	37
	Net income other than interest				
49100	Commissions and fee revenue, net (Notes XXXVIII and XLVII)	956,431	20	799,589	15
49200	Gain on financial assets and liabilities at FVTPL (Note XXXIX)	749,020	16	3,856,949	74
49310	Realized gain on financial assets at FVTOCI (Note XL)	73,449	2	69,364	1
49750	Share of gain/loss of affiliates adopted the equity method (Note XVI and XVII)	(2,911)	-	522,851	10
49600	Net foreign exchange profit or loss	34,875	1	(2,649,477)	(51)
49700	Reversal of impairment profit (loss) on assets (Note V and XLI)	98,215	2	(52,879)	(1)
49831	Securities brokerage fee revenue, net	78,163	2	85,963	2
49851	Lease income	565,216	12	546,781	11
49899	Other non-interest gains/losses, net	(92,425)	(2)	95,892	2
4xxxx	Net income	4,682,637	100	5,213,125	100
58200	Allowance for doubtful accounts - provision for losses on commitments and guarantees (Notes V, XV, and XXXIII)	142,453	3	299,706	5

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Code		January 1 to March 31, 2025 Amount	%	January 1 to March 31, 2024 Amount	%
	Operating expenses				
58500	Employee benefit expenses (Note XLII)	$ 1,288,675	27	$ 1,661,075	32
59000	Depreciation and amortization (Note XLIII)	707,073	15	662,846	13
59500	Other operating and management expenses (Notes XLIV and XLVII)	1,059,111	23	1,110,884	21
58400	Total operating expenses	3,054,859	65	3,434,805	66
61001	Net profit before tax	1,485,325	32	1,478,614	29
61003	Income tax expense (Note XLV)	301,926	7	144,031	3
64000	Consolidated net income	1,183,399	25	1,334,583	26
	Other comprehensive income				
65200	Items that will not be reclassified subsequently to profit or loss				
65204	Valuation gain/loss of the equity instruments measured at fair value through other comprehensive income	1,636,717	35	2,313,787	44
65220	Income tax relating to items that will not be reclassified subsequently to profit or loss (Note XLV)	(195,440)	(4)	(173,666)	(3)
65300	Items that may be reclassified subsequently to profit or loss:				
65301	Exchange difference from translating the financial statements of overseas operations	300,817	6	561,544	11
65308	Gain/loss of the debt instruments measured at fair value through other comprehensive income	608,943	13	(435,499)	(9)
65320	Profit or loss on income tax relating to items that may be reclassified subsequently (Note XLV)	(57,827)	(1)	(112,309)	(2)
65000	Other comprehensive income for the period (net of tax)	2,293,210	49	2,153,857	41
66000	Total comprehensive income	$ 3,476,609	74	$ 3,488,440	67

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Code		January 1 to March 31, 2025 Amount	%	January 1 to March 31, 2024 Amount	%
	Net income attributable to:				
67101	Owners of the parent	$ 1,206,352	26	$ 1,334,424	26
67111	Non-controlling interests	(22,953)	(1)	159	-
67100		$ 1,183,399	25	$ 1,334,583	26
	Comprehensive income attributable to:				
67301	Owners of the parent	$ 3,499,545	75	$ 3,488,279	67
67311	Non-controlling interests	(22,936)	(1)	161	-
67300		$ 3,476,609	74	$ 3,488,440	67
	Earnings per share (Note XLVI)				
67500	Basic earnings per share	$ 0.30		$ 0.33	
67700	Diluted earnings per share	$ 0.30		$ 0.33	

The attached notes are the integral part of the Consolidated Financial Statements.

Chairperson: Lin Hung-Lian Manager: Hsu Wei-Wen Accounting Officer: Lu Wen-Chuan

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Consolidated Statement of Changes in Equity

January 1 to March 31, 2025 and 2024

Unit: NTD thousand

		Equity Attributable Owners of the Company													
		Share capital (Note XXXVI)			Capital reserve	Retained earnings (Note XXXVI)				Other Equity (Note XXXVI)					
Code		Share capital of common stock	Share capital of preference shares	Total	(Note XXXVI)	Legal reserve	Special surplus reserve	Undistributed earnings	Total	Exchange difference from translating the financial statements of overseas operations	Unrealized gain (loss) on financial assets at FVTOCI	Total	TOTAL	Non-controlling interests	TOTAL
A1	Balance at January 1, 2024	$37,789,525	$ 2,000,000	$39,789,525	$ 8,125,732	$11,518,843	$ 757,036	$ 5,623,241	$17,899,120	($ 609,272)	$ 3,228,847	$ 2,619,575	$68,433,952	$ 2,208,503	$70,642,455
D1	Net profit, January 1 to March 31, 2024	-	-	-	-	-	-	1,334,424	1,334,424	-	-	-	1,334,424	159	1,334,583
D3	Other comprehensive income after tax, January 1 to March 31, 2024	-	-	-	-	-	-	-	-	449,235	1,704,620	2,153,855	2,153,855	2	2,153,857
Q1	Disposal of the equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	38,833	38,833	-	(38,833)	(38,833)	-	-	-
Z1	Balance at March 31, 2024	$37,789,525	$ 2,000,000	$39,789,525	$ 8,125,732	$11,518,843	$ 757,036	$ 6,996,498	$19,272,377	($ 160,037)	$ 4,894,634	$ 4,734,597	$71,922,231	$ 2,208,664	$74,130,895
A1	Balance at January 1, 2025	$40,500,729	$ 2,000,000	$42,500,729	$ 8,168,291	$12,972,292	$ 627,440	$ 7,108,802	$20,708,534	$ 143,157	$ 5,714,105	$ 5,857,262	$77,234,816	$ 2,217,782	$79,452,598
D1	Net profit (loss), January 1 to March 31, 2025	-	-	-	-	-	-	1,206,352	1,206,352	-	-	-	1,206,352	(22,953)	1,183,399
D3	Other comprehensive income after tax, January 1 to March 31, 2025	-	-	-	-	-	-	-	-	242,990	2,050,203	2,293,193	2,293,193	17	2,293,210
C7	Changes in affiliates accounted for using the equity method	-	-	-	8,794	-	-	-	-	-	-	-	8,794	-	8,794
Q1	Disposal of the equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	11,187	11,187	-	(11,187)	(11,187)	-	-	-
Z1	Balance at March 31, 2025	$40,500,729	$ 2,000,000	$42,500,729	$ 8,177,085	$12,972,292	$ 627,440	$ 8,326,341	$21,926,073	$ 386,147	$ 7,753,121	$ 8,139,268	$80,743,155	$ 2,194,846	$82,938,001

The attached notes are the integral part of the Consolidated Financial Statements.

Chairperson: Lin Hung-Lian Manager: Hsu Wei-Wen Accounting Officer: Lu Wen-Chuan

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Consolidated Statement of Cash Flow

January 1 to March 31, 2025 and 2024

Unit: NTD thousand

Code		January 1 to March 31, 2025	January 1 to March 31, 2024
	Cash flows from operating activities		
A10000	Current net income before income tax	$ 1,485,325	$ 1,478,614
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	680,987	640,085
A20200	Amortization expense	26,086	22,761
A20300	Expected credit losses/provision of allowance for doubtful accounts	142,453	299,706
A20400	Net gain on financial assets and liabilities measured at fair value through profit or loss	(741,879)	(3,845,749)
A20900	Interest expense	3,619,342	3,295,494
A21200	Interest income	(5,841,946)	(5,233,586)
A21300	Dividend incomes	(70,884)	(80,564)
A22300	Share of gain/loss of affiliates recognized with the equity method	2,911	(522,851)
A22500	Gain on disposal and scrape of properties and equipment	(6,027)	(5,186)
A23100	Gain on disposal of investments	(9,705)	-
A23500	Impairment loss on financial assets	4,457	56,901
A23600	Gain on reversal of impairment loss on financial assets	(102,672)	(4,022)
	Changes in operating assets and liabilities, net		
A41110	Due from the Central Bank and call loans to banks	525,509	(2,345,589)
A41120	Financial Assets Measured at Fair Value Through Profit or Loss	(17,938,002)	(4,246,143)
A41123	Financial Assets Measured at Fair Value Through Other Comprehensive Income	(1,631,673)	(2,085,444)
A41125	Investment of debt instrument measured at amortized costs	326,922	86,043
A41150	Accounts receivable	552,744	(22,744)
A41160	Discounts and loans	(4,398,678)	(3,732,505)
A41190	Other financial assets	(1,637)	234,022
A42110	Deposits from the Central Bank and Peers	(3,980,363)	(2,032,663)
A42120	Financial liabilities measured at fair value through profit or loss	(1,898,659)	(2,352,429)

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Code		January 1 to March 31, 2025	January 1 to March 31, 2024
A42140	Securities sold under agreements to repurchase	$ 18,422,814	$ 2,764,786
A42150	Accounts payable	(1,080,665)	764,907
A42160	Deposits and remittances	13,059,014	12,092,692
A42170	Other financial liabilities	2,181	(8,034)
A42180	Reserve for the liability of employees' benefit	(123)	(101)
A42990	Other liability reserves	(26,524)	(244)
A33000	Cash inflow (outflow) from operations	1,121,308	(4,781,843)
A33100	Interest received	5,829,142	5,192,580
A33200	Dividends received	70,884	80,564
A33300	Interest paid	(3,099,155)	(2,764,854)
A33500	Income tax paid	(90,292)	(74,554)
AAAA	Cash inflow (outflow) from operating activities, net	3,831,887	(2,348,107)
	Cash flows from investing activities		
B01800	Investments accounted for using the equity method	(89,153)	-
B02700	Acquisition of properties and equipment	(333,100)	(279,196)
B02800	Disposal of properties and equipment	-	14
B03600	Settlement and Clearing Fund	(135)	1,754
B03800	Decrease in refundable deposits	124,036	403,897
B04500	Acquisition of intangible assets	(8,463)	(28,304)
B06700	Increase in other assets	(556,196)	(454,336)
BBBB	Cash outflow from investment activities, net	(863,011)	(356,171)
	Cash flows from financing activities		
C00300	Increase in due to Central Bank and other banks	380,424	-
C00400	Decrease in due to Central Bank and other banks	-	(129,619)
C00700	Increase in commercial paper payable	88,432	-
C00800	Decrease in commercial paper payable	-	(24,232)
C01200	Issuance of corporate bonds payable	447,052	-
C01300	Repayment of corporate bonds payable	(452,614)	(2,325)
C03000	Increase in guarantee deposits	9,858	-
C03100	Decrease in guarantee deposits	-	(2,523)
C04020	Repayment of lease liability principals	(125,495)	(122,534)
C04400	Decrease in other liabilities	(62,048)	(42,454)
CCCC	Cash inflow (outflow) from financing activities, net	285,609	(323,687)

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Code		January 1 to March 31, 2025	January 1 to March 31, 2024
DDDD	Effects of exchange rate changes on cash and cash equivalents	$ 270,309	$ 654,685
EEEE	Increase (decrease) in cash and cash equivalents of the period	3,524,794	(2,373,280)
E00100	Cash and cash equivalents at the beginning of the period	69,947,183	74,254,434
E00200	Balance of cash and cash equivalents at the end of the period	$ 73,471,977	$ 71,881,154

RECONCILATION OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

Code		March 31, 2025	March 31, 2024
E00210	Cash and cash equivalents in the consolidated balance sheets	$ 8,768,476	$ 10,502,357
E00230	Securities purchased under agreements to resell that meet the definition of cash and cash equivalents in IAS 7 "Cash Flow Statements"	64,703,501	61,378,797
E00200	Cash and cash equivalents	$ 73,471,977	$ 71,881,154

The attached notes are the integral part of the Consolidated Financial Statements.

Chairperson: Lin Hung-Lian Manager: Hsu Wei-Wen Accounting Officer: Lu Wen-Chuan

Union Bank of Taiwan Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statement
January 1 to March 31, 2025 and 2024
(In NT$ thousand unless specified otherwise)

I. Company History

The Union Bank of Taiwan (the "Bank" or the "Parent") was incorporated on December 31, 1991 after obtaining approval from the Ministry of Finance (MOF) on August 1, 1991 and started operations on January 21, 1992. The Bank is mainly engaged in activities including deposits, loans, discounts, remittances, acceptances, issuance of guarantees and letters of credit, short-term bills transactions, investments, foreign exchange transactions, savings, trust, and other agent business.

On the Bank's merger with Chung Shing Bank on March 19, 2005, the Bank took over all of the assets, liabilities and operating units of Chung Shing Bank.

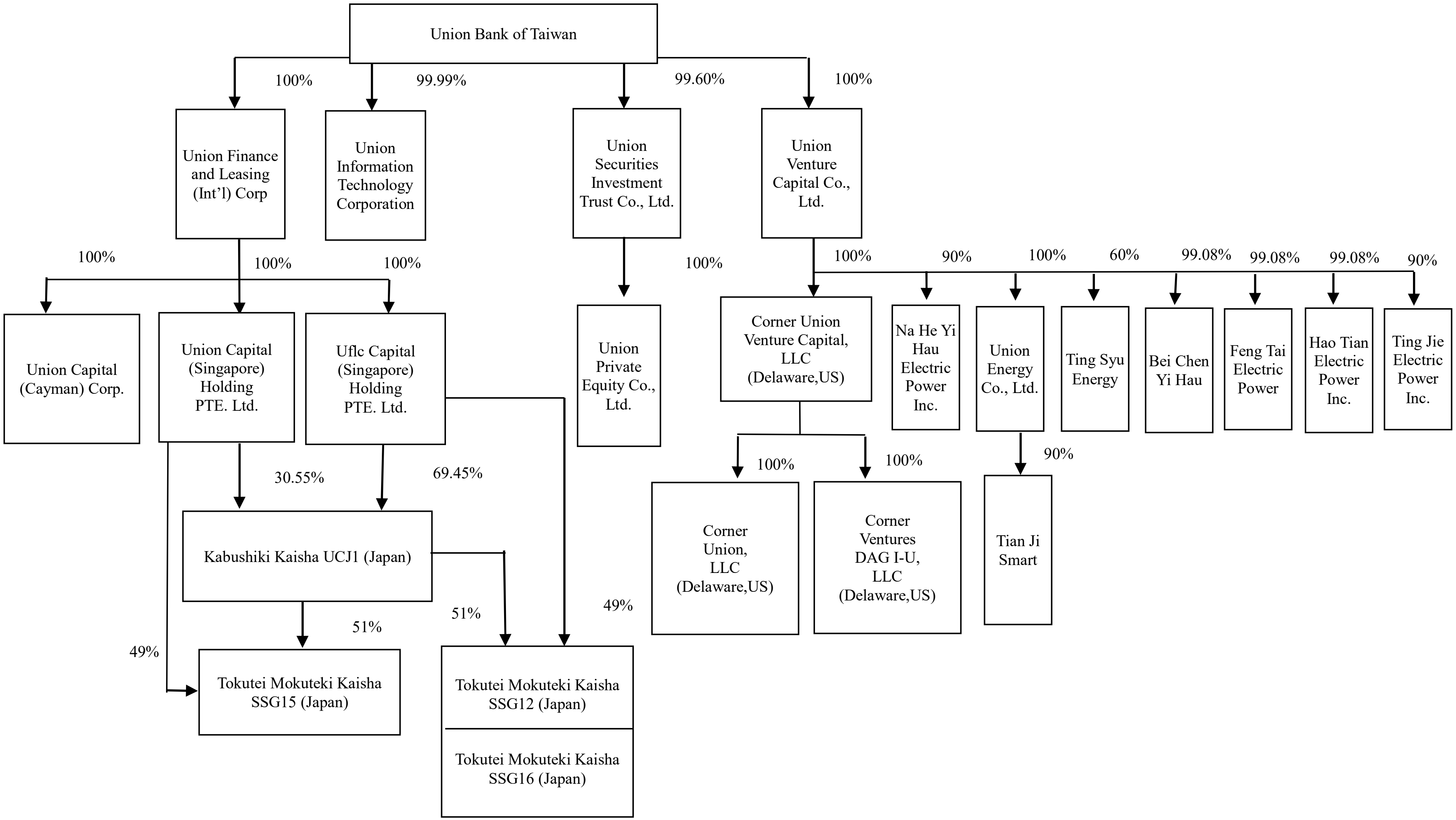
The Bank merged with Union Bills Finance Corporation (UBF) on August 16, 2010, with the Bank as the surviving entity.

On August 26, 2015, the board of directors of the Bank resolved to merge UIB in order to integrate the resources, strengthen management and business synergy. The merger was approved by the Financial Supervisory Commission (FSC) under Rule No. 10502022990 dated March 21, 2016. The effective date of this merger was August 1, 2016.

As of March 31, 2025, the Bank's operating units included Trust, Wealth Management, Security Finance, Bills Finance, International Banking, Insurance Agency, Offshore Banking Units (OBU), overseas representative offices in Ho Chi Minh City and Hanoi, Vietnam, and 90 domestic branches (including the business department).

In response to the division of labor of the enterprise and changes in the financial environment, achieve the goal of cross-industry comprehensive operating efficiency and thereby improve competitiveness and operating performance, the Bank's board of directors resolved to pass a resolution on August 26, 2024 pursuant to Article 36-1 of the Business Mergers and Acquisitions Act, the Company Act and relevant laws and regulations of the R.O.C., a new 100%-owned securities subsidiary "TBA Securities Co., Ltd." with securities brokerage business and futures introducing brokerage business was separated from the Bank's concurrent securities business, which now only reserves the proprietary bond trading business. The newly established securities subsidiary issued shares to the Company, and the Company became the only shareholder of the subsidiary. The newly established securities subsidiary divided from the Company is still subject to the approval of the competent authority. If there is supplemental information required for the base date of division, business scope, amount (including assets and liabilities), and the division proposal, or if the competent authority requires adjustments according to law, the board of directors has the full authority to handle such matters. The base date of the division is tentatively set on November 1, 2025.

Please refer to Note XVI for the businesses of the Bank and its subsidiaries (collectively referred to as the “Company”) as of March 31, 2025; the following chart presents the investment relationship and the percentage of ownership :



The Company's functional currency is the New Taiwan Dollar, and the consolidated financial statements are presented in the New Taiwan Dollar.

II. Date and Procedures Passing the Financial Statements

The consolidated financial statements were approved by the Company's Board of Directors on May 12, 2025.

III. Standards Recently Published or Amended, and the Applications of the Interpretations

(I) Initial application of the amended Regulations Governing the Preparation of Financial Statements by Public Banks and the International Financial Statementing Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The initial application of the amended Regulations Governing the Preparation of Financial Statements by Public Banks and the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Company's accounting policies:

(II) IFRSs endorsed by the FSC applicable since 2026

Standards Recently Published /Amended/Applications of the Interpretations	Effective date of IASB release
The amendments to the application of the classification of financial assets in the IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026 (Note 1)

Note 1: It is applicable to the annual reporting periods beginning on or after January 1, 2026. Enterprises may also choose to apply the same earlier on January 1, 2025.

The amendments to the application of the classification of financial assets in the IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

The amendments mainly revised the classification of financial assets, including:

1. If a financial asset containing a contingency that can change the timing or amount of the contract cash flow, and the nature of the contingency is not directly related to changes in the basic lending risk and cost (such as whether the debtor has achieved a specific reduction in carbon emissions), the contract cash flow of such financial assets will still be entirely interest on the principal paid and the outstanding principal amount when the following two conditions are met:
   - All contractual cash flows generated under all possible scenarios (before or after the contingency) are interest payment on principal and outstanding principal amount.
   - There is no significant difference between the contractual cash flows generated under all possible scenarios and the cash flows from financial instruments with the same contractual terms but without contingent characteristics.
2. Financial assets with no right to recourse refer to the ultimate right to receive cash flows of an enterprise. According to the contract, it is limited to the cash flows generated from a specific asset.

3. Clarify that contract-linked instruments are structured to establish a variety of levels of securities to establish a priority sequence for payment of financial assets holders, and thus generate credit risk concentration and lead to the cash shortage of the underlying pool due to the different levels of securities.

When the amendments are first applied, they shall be applied retrospectively and the effects of the amendments shall be recognized on the date of initial application, but it is not necessary to re-state the comparison period. However, if the enterprise does not adopt a forward-looking mindset, it may choose to re-state the comparison period.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Bank and subsidiaries have assessed that the other amendments to standards and interpretations will not have any material impact on the Company's financial position and financial performance.

(III) New IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

Standards Recently Published /Amended/Applications of the Interpretations	Effective dates issued by IASB (Note)
"IFRS accounting standards Annual Improvements - Volume 11"	January 1, 2026
The amendments to the application of the derecognition of financial liabilities in the 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
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 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosures in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries with No Public Responsibility: Disclosures"	January 1, 2027

Note 1: Unless noted otherwise, the above said standards recently released/amended/amended standards or interpretations take effects from the year of reporting period after the dates of release or amendment.

1. Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"

According to the amendments, if the Company sells or invests assets to an affiliate (or joint venture), or the Company loses control of a subsidiary but retains significant influence (or joint control) over the subsidiary, or, if the aforementioned assets or former subsidiary meets the definition of "business" in IFRS 3 "Business Combination," the Company recognizes all gains and losses arising from the transaction.

In addition, if the Company sells or invests assets to an affiliated enterprise (or joint venture), or the Company loses control of a subsidiary in a transaction with an affiliated enterprise (or joint venture), but retains significant influence (or joint control) over the subsidiary, or, if the aforementioned assets or the former subsidiary do not meet the definition of "business" in IFRS 3, the Company only recognizes the profit or loss arising from the transaction to the extent of unrelated investors' interests in the affiliated enterprise (or joint venture). That is, the Company's share of the profit or loss shall be eliminated.

2. IFRS 18 "Presentation and Disclosures in Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation in Financial Statements", and the main changes include:

- Income and loss items should be classified as operating, investment, financing, income tax, and discontinued operation in the income statement.
- The operating profit or loss, profit or loss before financing and before tax, as well as the subtotal and total of the profit and loss shall be presented in the income statement.
- Provide guidelines to strengthen the requirement of aggregation and segmentation: The Company must identify assets, liabilities, equity, income, expenses, and cash flows incurred by individual transactions or other events, and classify and summarize them based on common characteristics so that each line item presented in the primary financial statements has at least one similar feature. Items with dissimilar characteristics should be broken down in the main financial statements and notes. The Company only marks such items as "others" if no more informative name can be found.
- Increase the disclosure of performance measurement defined by management: When the Company conducts public communication outside the financial statements, and when communicating the management's point of view on a certain aspect of the Company's overall financial performance with the users of the financial statements, the performance measurement related information defined by the management should be disclosed in a single note to the financial statements, including the description of the measurement, how the calculation is performed, the adjustment to the subtotal or total specified in IFRS accounting standards, and the income tax and non-controlling equity impact of related adjustments.

3. The amendments to the application of the derecognition of financial liabilities in the IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

The amendments mainly describe that when an enterprise uses an electronic payment system to settle financial liabilities in cash, the financial liabilities may be derecognized before the settlement date if the following conditions are met:

- The enterprise does not have the actual ability to withdraw, stop or cancel the payment instruction;
- Due to the payment instruction, the enterprise has no actual ability to access the cash to be used for the settlement; and
- The settlement risk associated with the electronic payment system is not significant.

The Company shall apply the amendments retrospectively and the effects of the amendments shall be recognized on the date of initial application, but it is not necessary to re-state the comparison period.

4. Amendments to IFRS 9 and IFRS 7 - "Contracts Referencing Nature-dependent Electricity"

A contract referencing nature-dependent electricity is a contract whose source of electricity depends on an uncontrolled natural factor, causing the party to assume the risk of uncertainty of actual power generation, including the purchase or sale of a contract referencing nature-dependent electricity or a financial instrument related to the said electricity. According to the amendment, if the Company enters into a contract referencing nature-dependent electricity, and is exposed to the risk that the amount of electricity purchased is greater than its demand within a certain period of time, and the design and operation of the electricity market requires the Company to sell the electricity that is not used within the prescribed period of time, such sale does not necessarily mean that the Company will not meet the conditions of the electricity purchase contract that it must hold in order to meet the demand for electricity consumption. Therefore, the Company is expected to treat the contract as a financial instrument. If the Company will buy the same amount of electricity in the same market within a reasonable period after the sale of electricity, the contract will still be met.

The amendments also stipulate that if the Company enters into a contract referencing nature-dependent electricity and designates it as an expected hedging instrument, the changes in the expected electricity transaction volume consistent with the aforementioned contract can be used as hedging items.

The Company shall apply the amendments to whether the contract referencing nature-dependent electricity is in compliance with the conditions of the expected power consumption demand, but it is not necessary to re-state the comparison period, and the effect of the initial application is recognized on the date of the initial application. The provisions related to hedge accounting should be deferred from the application.

In addition to the effects above, as of the date the consolidated financial statements were approved for release, the Company continues evaluating the other impacts of revisions to various standards and interpretations on the financial condition and performance. The relevant impacts will be disclosed upon completion of the evaluation.

IV. Summaries of the Material Accounting Policies

(I) Statement of Compliance

The Consolidated Financial Statements are prepared pursuant to the "Regulations Governing the Preparation of Financial Statements by Public Banks," "Regulations Governing the Preparation of Financial Statements by Securities Firms" and IAS 34 "Interim Financial Reporting." This consolidated financial statement does not contain all the information disclosed in the annual financial statements as required by IFRS accounting standards.

(II) Basis of Consolidation

Please refer to the 2024 Consolidated Financial Statements for the principles for preparing Consolidated Financial Statements.

For the details, shareholding percentage, and businesses of subsidiaries, please refer to Note XVI.

(III) Other material accounting policies

Except for the following explanation, please refer to the summary of the material accounting policies in the 2024 Consolidated Financial Statements

1. Defined benefits and post-employment benefits

   The pension costs for the interim period are calculated with the pension cost rate determined by the actuarial calculation at the end date of the previous year from the beginning of the year to the end of the period; adjustments are made as well for the material market fluctuation, material plan modification, repayment, or other material one-time-off events during the period, if any.

2. Income Taxes

   Income tax expense are the sum of the current income tax and deferred income taxes. The income tax for the interim period is assessed on the annual basis, to calculate the interim profit before tax with the expected applicable tax rate for the total annual earnings.

V. Material Accounting Judgement, Estimations, and the Main Sources of Uncertainties for Estimation

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about 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 to be relevant. Actual results may differ from these estimates.

The Company, when making significant accounting estimates, incorporated the potential impact of the Russo-Ukrainian War and relevant international sanctions on the economic environment into relevant material accounting estimates, such as cash flows, growth rates, discount rates, and profitability. Management will continue to review the estimates and underlying assumptions.

Estimated Impairment of Financial Assets

The provision for impairment of loan, receivables, investments in debt instruments, and financial guarantee contracts is based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Company's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. For details of the key assumptions and inputs used, see Note LIII. Where the actual future cash inflows are less than expected, a material impairment loss may arise. Moreover, the impacts of market fluctuations due to the Russo-Ukrainian War and relevant international sanctions on the credit risk of financial assets, result in greater uncertainty regarding the estimation of the probability of default.

VI. Cash and Cash Equivalents

	March 31, 2025	December 31 2024	March 31, 2024
Cash on hand	$ 5,213,461	$ 7,057,827	$ 4,964,955
Checks for clearing	843,312	1,316,427	3,207,346
Due from banks	2,711,703	2,454,608	2,330,056
	$ 8,768,476	$ 10,828,862	$ 10,502,357

VII. Due from the Central Bank and Call Loans to Other Banks

	March 31, 2025	December 31 2024	March 31, 2024
Deposit reserve - checking account	$ 14,896,506	$ 16,175,820	$ 11,178,349
Required deposit reserve	26,303,904	25,551,582	22,822,628
Deposit reserve - foreign-currency deposits	122,773	121,290	118,363
	$ 41,323,183	$ 41,848,692	$ 34,119,340

Under a directive issued by the Central Bank of the ROC, the Company determines monthly NTD-denominated reserve deposits at prescribed rates based on the average balances of customers' NTD-denominated deposits, which are subject to withdrawal restrictions.

In addition, the foreign-currency reserve deposits are determined at rates prescribed for balances of foreign-currency deposits. These reserves may be withdrawn anytime and do not bear interest.

VIII. Financial Products Measured at Fair Value Through Profit or Loss

	March 31, 2025	December 31 2024	March 31, 2024
Financial assets mandatorily measured at fair value			
Commercial paper	$ 64,870,512	$ 44,253,476	$ 54,584,957
Domestic listed shares	991,527	1,242,068	1,740,134
Overseas government bonds	7,478,944	6,884,346	2,015,762
Overseas unlisted preference shares	12,827	23,949	23,371
Funds and beneficiary certificates	1,867,124	2,037,132	1,473,592
Future exchange margins - self owned	66,903	66,095	63,897
Overseas asset-backed securities	15,392	15,892	19,099
Subtotal	75,303,229	54,522,958	59,920,812
Derivative financial products			
Currency swap contracts	934,994	1,325,915	1,800,741
Option contracts	126,872	114,242	113,051
Foreign exchange forward contracts	54,234	58,820	47,174
Subtotal	1,116,100	1,498,977	1,960,966
	$ 76,419,329	$ 56,021,935	$ 61,881,778
Financial liabilities held for trading			
Derivative financial products			
Currency swap contracts	$ 140,386	$ 333,155	$ 280,598
Option contracts	126,890	114,268	113,131
Foreign exchange forward contracts	20,531	21,530	12,197
	$ 287,807	$ 468,953	$ 405,926

The Company engaged in derivative transactions mainly to accommodate customers' needs and manage its exposure positions. The financial risk management objective of the Company was to minimize risks due to changes in fair value or cash flows.

The contract amounts (notional amounts) of the derivative transactions for accommodating customers' needs and managing its exposure positions as of March 31, 2025, December 31 and March 31, 2024 are as follows:

	Contract amount		
	March 31, 2025	December 31 2024	March 31, 2024
Currency swap contracts	$ 82,955,016	$ 85,854,435	$ 88,940,856
Foreign exchange forward contracts	1,309,939	1,029,327	1,027,112
Option contracts			
Call options	5,878,054	5,697,638	5,209,413
Put options	5,878,054	5,697,638	5,209,413

As of March 31, 2025, December 31 and March 31, 2024, financial assets at fair value through profit and loss in the amounts of NT$41,601,073 thousand, NT$23,480,327 thousand and NT$29,036,749 thousand, respectively, were sold under repurchase agreements.

IX. Financial Assets Measured at Fair Value Through Other Comprehensive Income

	March 31, 2025	December 31 2024	March 31, 2024
Investments of the equity instruments measured at fair value through other comprehensive income			
Domestic listed shares	$ 16,389,166	$ 7,084,331	$ 6,541,338
Overseas listed shares	3,690,168	9,709,474	8,386,461
Unlisted shares, domestic and overseas	2,681,016	2,759,825	5,584,544
Subtotal	22,760,350	19,553,630	20,512,343
Investments of the debt instruments measured at fair value through other comprehensive income			
Overseas government bonds	18,633,474	17,659,018	14,723,058
Overseas corporate bonds	16,073,732	16,140,375	16,411,864
Domestic corporate bonds	4,076,315	4,065,252	6,593,788
Domestic government bonds	2,799,898	2,890,073	2,899,280
Overseas financial bonds	2,220,964	2,289,785	3,246,209
Domestic financial bonds	299,732	299,753	-
Subtotal	44,104,115	43,344,256	43,874,199
	$ 66,864,465	$ 62,897,886	$ 64,386,542

Details of the Company’s investments in foreign and domestic unlisted shares are as follows:

	March 31, 2025	December 31 2024	March 31, 2024
LINE Pay Taiwan Limited (Note XVII)	$ -	$ -	$ 2,873,880
Taiwan Futures Exchange	659,996	640,752	597,894
LINE Bank Taiwan Limited	503,612	510,815	539,871
Financial Information Service Co., Ltd.	522,559	502,047	466,288
RFD Micro Electricity Co., Ltd.	302,089	391,443	460,542
Taiwan Depository & Clearing Corporation	107,739	103,762	94,709
Others	585,021	611,006	551,360
	$ 2,681,016	$ 2,759,825	$ 5,584,544

(I) Investments of the equity instruments measured at fair value through other comprehensive income

The Company holds the listed, emerging, and unlisted shares for long-term strategic purposes, and expects to earn profits via the long-term investment. The management believes it is inconsistent to the aforesaid long-term investment planning if the short-term fair value fluctuations of such investments are listed to profit and loss, and thus elected to designate these investments in equity instruments as at FVTOCI.

Due to the consideration of the investment strategy, the Company sold the equity instrument investment measured at fair value through other comprehensive income from January 1 to March 31, 2025 and 2024. The fair value of the sale was NT$450,867 thousand and NT$454,815 thousand, respectively. Meanwhile, the unrealized valuation gains of NT$11,187 thousand and gains of NT$38,833 thousand accumulated during the disposal were transferred from other equity to retained earnings.

The dividend income recognized by the Company as equity instrument investments measured at fair value through other comprehensive income from January 1 to March 31, 2025 and 2024 was NT$63,743 thousand and NT$69,364 thousand, respectively. As of March 31, 2025 and 2024, the amounts still held were NT$63,743 thousand and NT$69,364 thousand, respectively.

(II) Investments of the debt instruments measured at fair value through other comprehensive income

For further information regarding credit risk management and impairment assessment of financial assets at FVTOCI, refer to Note XI.

The Company had sold NT$21,128,171 thousand, NT$19,831,849 thousand and NT$20,157,633 thousand of its financial assets at FVTOCI under a repurchase agreement on March 31, 2025, December 31 and March 31, 2024, respectively.

X. Financial Assets Measured at Amortized Costs

	March 31, 2025	December 31 2024	March 31, 2024
Negotiable certificates of deposit	$ 42,900,000	$ 42,900,000	$ 42,900,000
Debt instruments			
Domestic government bonds	5,632,504	6,431,769	7,357,483
Overseas asset-backed securities	32,866,434	32,393,357	31,264,855
Subtotal	38,498,938	38,825,126	38,622,338
	$ 81,398,938	$ 81,725,126	$ 81,522,338

For further information regarding credit risk management and impairment assessment on financial assets at amortized cost, refer to Note XI.

The Company sold financial assets at amortized cost under repurchase agreements in the amounts of NT$29,284,731 thousand, NT$28,866,742 thousand and NT$29,839,912 thousand as of March 31, 2025, December 31 and March 31, 2024, respectively.

XI. Credit Risk Management for Investments in Debt Instruments

Debt instruments that the Company invested in have been further split into two categories, financial assets at FVTOCI and financial assets at amortized cost:

March 31, 2025

	At fair value through other comprehensive income	At amortized costs	Total
Total carrying amount	$ 50,653,800	$ 38,764,778	$ 89,418,578
Loss allowance	(1,545,436)	(265,840)	(1,811,276)
Fair value adjustment	(5,004,249)	-	(5,004,249)
	$ 44,104,115	$ 38,498,938	$ 82,603,053

December 31 2024

	At fair value through other comprehensive income	At amortized costs	Total
Total carrying amount	$ 50,660,895	$ 39,087,754	$ 89,748,649
Loss allowance	(1,624,442)	(262,628)	(1,887,070)
Fair value adjustment	(5,692,197)	-	(5,692,197)
	$ 43,344,256	$ 38,825,126	$ 82,169,382

March 31, 2024

	At fair value through other comprehensive income	At amortized costs	Total
Total carrying amount	$ 51,144,152	$ 38,902,862	$ 90,047,014
Loss allowance	(1,542,273)	(280,524)	(1,822,797)
Fair value adjustment	(5,727,680)	-	(5,727,680)
	$ 43,874,199	$ 38,622,338	$ 82,496,537

The Company continuously monitors the external credit rating information and price movements of the debt instruments invested in to assess whether their credit risks have significantly increased since initial recognition.

The Company takes into consideration the multi-period default probability table for each ratings of securities issued by credit rating agencies and the recovery rates of different types of bonds to assess the 12-month expected credit losses or lifetime expected credit losses. The carrying values of financial assets at FVTOCI and at amortized cost sorted by credit rating are as follows:

			March 31, 2025	
Credit Risk Ratings	Terms and definitions	ECL Recognition Basis	Expected Credit Loss Rate	Carrying amount (Including Premiums and Discounts)
Low credit risk	Low credit risk at the reporting date	12-month expected credit losses	0.00%~0.51%	$ 81,590,316
Significant increase in credit risk	Credit risk has increased significantly since initial recognition	Lifetime expected credit losses (no credit impairment)	0.42%~0.45%	446,798
Default	Evidence of impairment at the reporting date	Lifetime expected credit losses (with credit impairment)	25.10%~ 50.00%	565,939

Credit Risk Ratings	Terms and definitions	ECL Recognition Basis	December 31 2024	
			Expected Credit Loss Rate	Carrying amount (Including Premiums and Discounts)
Low credit risk	Low credit risk at the reporting date	12-month expected credit losses	0.00%~0.51%	$ 81,252,689
Significant increase in credit risk	Credit risk has increased significantly since initial recognition	Lifetime expected credit losses (no credit impairment)	0.40%~0.45%	445,298
Default	Evidence of impairment at the reporting date	Lifetime expected credit losses (with credit impairment)	40.33%~ 50.00%	471,395

Credit Risk Ratings	Terms and definitions	ECL Recognition Basis	March 31, 2024	
			Expected Credit Loss Rate	Carrying amount (Including Premiums and Discounts)
Low credit risk	Low credit risk at the reporting date	12-month expected credit losses	0%~0.2330%	$ 81,544,063
Significant increase in credit risk	Credit risk has increased significantly since initial recognition	Lifetime expected credit losses (no credit impairment)	0.3480%	378,096
Default	Evidence of impairment at the reporting date	Lifetime expected credit losses (with credit impairment)	31.56%~ 52.28%	574,378

The following table shows changes in balances of loss allowances of financial assets at FVTOCI and debt instruments at amortized cost, sorted by credit risk ratings

	Credit Rating		
	Low credit risk (12-month expected credit losses)	Significant increase in credit risk (lifetime expected credit losses without credit impairment)	With objective evidence of impairment Lifetime expected credit losses (with credit impairment)
Balance at January 1, 2025	$ 277,995	$ 3,533	$ 1,605,542
Changes in credit risk ratings			
- Low credit risk to significant increase in credit risk	-	-	-
- Significant increase in credit risk to low credit risk	158	(158)	-
- Significant increase in credit risk to default	-	-	-
New debt instruments purchased	-	-	-
Derecognition	(16)	-	-
Changes in risk or model parameters	(180)	72	(98,091)
Change in exchange rates	2,740	41	19,640
Loss allowance on March 31, 2025	$ 280,697	$ 3,488	$ 1,527,091

	Credit Rating		
	Low credit risk (12-month expected credit losses)	Significant increase in credit risk (lifetime expected credit losses without credit impairment)	With objective evidence of impairment Lifetime expected credit losses (with credit impairment)
Balance at January 1, 2024	$ 271,378	$ 1,779	$ 1,426,623
Changes in credit risk ratings			
- Low credit risk to significant increase in credit risk	(497)	497	-
- Significant increase in credit risk to low credit risk	-	-	-
- Significant increase in credit risk to default	-	-	-
New debt instruments purchased	-	-	-
Derecognition	(13)	-	-
Changes in risk or model parameters	19,138	22	33,732
Change in exchange rates	11,812	73	58,253
Loss allowance on March 31, 2024	$ 301,818	$ 2,371	$ 1,518,608

XII. Securities Purchased Under Agreements to Resell

	March 31, 2025	December 31 2024	March 31, 2024
Commercial paper	$ 47,072,091	$ 31,312,980	$ 29,098,555
Corporate bonds	17,631,410	23,800,079	29,007,876
Negotiable certificates of deposits	-	4,005,262	3,272,366
	$ 64,703,501	$ 59,118,321	$ 61,378,797
Maturity date	April 2025	January 2025	April 2024
Proceeds agreed for resale	$ 64,758,767	$ 59,159,820	$ 61,413,400

The Company’s securities purchased under agreements to resell are not offered to be sold with repurchase agreement conditions.

XIII. Receivables, Net

	March 31, 2025	December 31 2024	March 31, 2024
Credit card receivables	$ 23,717,969	$ 24,999,598	$ 24,573,992
Notes and accounts receivable	8,824,844	8,340,979	5,656,637
Interest receivable	1,964,848	1,932,514	1,834,471
Interbank clearing fund receivable	3,009,652	3,021,822	3,000,830
Collections receivable	1,912,799	1,205,517	1,976,976
Receipts under custody for non-peers receivable	189,135	199,780	101,683
Acceptances receivable	105,177	113,667	147,102
Proceed of delivery	180,737	309,991	393,700
Others	370,903	706,739	479,698
	40,276,064	40,830,607	38,165,089
Less: Allowance for doubtful accounts	373,903	366,574	307,277
Net	$ 39,902,161	$ 40,464,033	$ 37,857,812

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

The changes in gross carrying amounts of receivables are as follows:

March 31, 2025

	12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses (Credit-impaired Financial Assets)	Total
Balance at the beginning of the period	$ 39,777,435	$ 161,408	$ 891,764	$ 40,830,607
Receivables assessed collectively	(1,438)	(10,047)	11,485	-
Receivables purchased or originated	7,606,552	107,285	124,682	7,838,519
Write-offs	-	-	(88,988)	(88,988)
Derecognition	(8,159,846)	(84,224)	(60,004)	(8,304,074)
Balance at the end of the period	$ 39,222,703	$ 174,422	$ 878,939	$ 40,276,064

December 31 2024

	12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses (Credit-impaired Financial Assets)	Total
Balance at the beginning of the period	$ 37,097,858	$ 177,426	$ 814,953	$ 38,090,237
Receivables assessed collectively	(156,206)	(58,160)	214,366	-
Receivables purchased or originated	13,881,826	148,907	385,273	14,416,006
Write-offs	-	-	(357,492)	(357,492)
Derecognition	(11,046,043)	(106,765)	(165,336)	(11,318,144)
Balance at the end of the period	$ 39,777,435	$ 161,408	$ 891,764	$ 40,830,607

March 31, 2024

	12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses (Credit-impaired Financial Assets)	Total
Balance at the beginning of the period	$ 37,097,858	$ 177,426	$ 814,953	$ 38,090,237
Receivables assessed collectively	(1,138)	(10,383)	11,521	-
Receivables purchased or originated	9,121,404	154,129	122,340	9,397,873
Write-offs	-	-	(61,429)	(61,429)
Derecognition	(9,135,474)	(71,456)	(54,662)	(9,261,592)
Balance at the end of the period	$ 37,082,650	$ 249,716	$ 832,723	$ 38,165,089

The Bank had set up an allowance for doubtful accounts on accounts receivable. The details of and changes in allowance for doubtful accounts on accounts receivable are as follows:

March 31, 2025

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected- credit Losses (Credit-impaired Financial Assets)	Impairment Loss under IFRS 9	Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	Total
Accounts receivable						
Balance at the beginning of the period	$ 150,505	$ 18,437	$ 136,198	$ 305,140	$ 61,434	$ 366,574
Changes of financial instruments recognized at the beginning of the current reporting period						
- Transferred to lifetime ECL	(486)	1,180	(694)	-	-	-
- Transferred to credit-impaired financial assets	(356)	(17,208)	17,564	-	-	-
- Transferred to 12-month ECL	675	(524)	(151)	-	-	-
- Derecognition of financial assets in the current reporting period	(28,973)	(6,058)	(21,990)	(57,021)	-	(57,021)
New financial assets purchased or originated	7,390	16,571	89,004	112,965	-	112,965
Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	-	-	-	-	38,150	38,150
Write-offs	-	-	(88,988)	(88,988)	-	(88,988)
Recovery of written-off receivables	-	-	62,379	62,379	-	62,379
Change in risk parameters and other changes	58	80	(60,334)	(60,196)	-	(60,196)
Change in exchange rates	40	-	-	40	-	40
Balance at the end of the period	$ 128,853	$ 12,478	$ 132,988	$ 274,319	$ 99,584	$ 373,903

December 31 2024

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected- credit Losses (Credit-impaired Financial Assets)	Impairment Loss under IFRS 9	Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	Total
Accounts receivable						
Balance at the beginning of the period	$ 124,800	$ 16,986	$ 100,799	$ 242,585	$ 39,263	$ 281,848
Changes of financial instruments recognized at the beginning of the current reporting year						
- Transferred to lifetime ECL	(512)	695	(183)	-	-	-
- Transferred to credit-impaired financial assets	(155,674)	(62,330)	218,004	-	-	-
- Transferred to 12-month ECL	540	(443)	(97)	-	-	-
- Derecognition of financial assets in the current reporting period	(16,982)	(4,440)	(24,724)	(46,146)	-	(46,146)
New financial assets purchased or originated	205,688	68,000	166,463	440,151	-	440,151
Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	-	-	-	-	22,171	22,171
Write-offs	-	-	(357,492)	(357,492)	-	(357,492)
Recovery of written-off receivables	-	-	322,661	322,661	-	322,661
Change in risk parameters and other changes	(7,587)	(31)	(289,233)	(296,851)	-	(296,851)
Change in exchange rate	232	-	-	232	-	232
Balance at the end of the period	$ 150,505	$ 18,437	$ 136,198	$ 305,140	$ 61,434	$ 366,574

March 31, 2024

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected- credit Losses (Credit-impaired Financial Assets)	Impairment Loss under IFRS 9	Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	Total
Accounts receivable						
Balance at the beginning of the period	$ 124,800	$ 16,986	$ 100,799	$ 242,585	$ 39,263	$ 281,848
Changes of financial instruments recognized at the beginning of the current reporting period						
- Transferred to lifetime ECL	(354)	726	(372)	-	-	-
- Transferred to credit-impaired financial assets	(311)	(14,188)	14,499	-	-	-
- Transferred to 12-month ECL	474	(412)	(62)	-	-	-
- Derecognition of financial assets in the current reporting period	(13,057)	(2,510)	(15,821)	(31,388)	-	(31,388)
New financial assets purchased or originated	18,430	25,295	69,198	112,923	-	112,923
Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	-	-	-	-	(7,390)	(7,390)
Write-offs	-	-	(61,429)	(61,429)	-	(61,429)
Recovery of written-off receivables	-	-	60,628	60,628	-	60,628
Change in risk parameters and other changes	(157)	(43)	(47,841)	(48,041)	-	(48,041)
Change in exchange rates	126	-	-	126	-	126
Balance at the end of the period	$ 129,951	$ 25,854	$ 119,599	$ 275,404	$ 31,873	$ 307,277

XIV. Discounts and Loans, Net

	March 31, 2025	December 31 2024	March 31, 2024
Discounts and overdraft	$ 60,343	$ 64,654	$ 48,611
Accounts receivable - financing	30,860	23,270	49,110
Short-term loans	23,998,979	25,371,894	22,462,754
Secured short-term borrowing	137,102,279	135,738,368	120,480,274
Medium-term loans	42,855,421	41,345,714	41,904,781
secured mid-term borrowing	150,852,795	147,764,500	136,499,047
Long-term loans	6,820,385	7,096,380	7,931,505
Secured long-term borrowing	254,821,079	254,910,977	243,991,584
Import and export negotiations	-	20,929	10,496
Non-accrual loans from loans	1,083,083	864,718	1,341,586
Subtotal	617,625,224	613,201,404	574,719,748
Less: Allowance for doubtful accounts	7,303,859	7,180,194	7,101,120
	$ 610,321,365	$ 606,021,210	$ 567,618,628

As of March 31, 2025, December 31 and March 31, 2024, the balances of nonaccrual loans were NT$1,083,083 thousand, NT$864,718 thousand and NT$1,341,586 thousand, respectively. The unrecognized interest revenues on nonperforming loans were NT$9,372 thousand and NT$22,808 thousand during January 1 to March 31, 2025 and 2024. The Company has no credit re-sold without collection during January 1 to March 31, 2025 and 2024.

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

The changes in gross carrying amounts on receivables are as follows:

March 31, 2025

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected-credit Losses (Credit- impaired Financial Assets)	Total
Balance at the beginning of the period	$ 608,055,032	$ 3,029,721	$ 2,116,651	$ 613,201,404
Discount and loans assessed collectively	(979,378)	706,838	272,540	-
Discount and loans purchased or originated	92,263,187	118,905	82,562	92,464,654
Write-offs	-	-	(16,217)	(16,217)
Derecognition	(87,575,518)	(244,784)	(204,315)	(88,024,617)
Balance at the end of the period	$ 611,763,323	$ 3,610,680	$ 2,251,221	$ 617,625,224

December 31 2024

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected-credit Losses (Credit- impaired Financial Assets)	Total
Balance at the beginning of the period	$ 566,033,237	$ 2,711,467	$ 2,236,465	$ 570,981,169
Discount and loans assessed collectively	(1,516,607)	483,911	1,032,696	-
Discount and loans purchased or originated	302,440,651	782,177	226,658	303,449,486
Write-offs	-	-	(863,683)	(863,683)
Derecognition	(258,902,249)	(947,834)	(515,485)	(260,365,568)
Balance at the end of the period	$ 608,055,032	$ 3,029,721	$ 2,116,651	$ 613,201,404

March 31, 2024

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected-credit Losses (Credit- impaired Financial Assets)	Total
Balance at the beginning of the period	$ 566,033,237	$ 2,711,467	$ 2,236,465	$ 570,981,169
Discount and loans assessed collectively	(824,611)	482,048	342,563	-
Discount and loans purchased or originated	88,268,290	153,000	177,746	88,599,036
Write-offs	-	-	(32,146)	(32,146)
Derecognition	(84,246,743)	(291,180)	(290,388)	(84,828,311)
Balance at the end of the period	$ 569,230,173	$ 3,055,335	$ 2,434,240	$ 574,719,748

The Bank had set up an allowance for doubtful accounts on discounts and loans. The details of and changes in allowance for doubtful accounts on discounts and loans are as follows:

March 31, 2025

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected- credit Losses (Credit-impaired Financial Assets)	Impairment Loss under IFRS 9	Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	Total
Discounts and loans						
Balance at the beginning of the period	$ 504,970	$ 147,094	$ 471,908	$ 1,123,972	$ 6,056,222	$ 7,180,194
Changes of financial instruments recognized at the beginning of the current reporting period						
- Transferred to lifetime ECL	(559)	10,960	(10,401)	-	-	-
- Transferred to credit-impaired financial assets	(82)	(12,575)	12,657	-	-	-
- Transferred to 12-month ECL	23,371	(12,927)	(10,444)	-	-	-
- Derecognition of financial assets in the current reporting period	(164,951)	(8,158)	(66,451)	(239,560)	-	(239,560)
New financial assets purchased or originated	158,492	14,547	47,224	220,263	-	220,263
Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	-	-		-	(205,503)	(205,503)
Write-offs	-	-	(16,217)	(16,217)	-	(16,217)
Recovery of written-off receivables	-	-	39,709	39,709	-	39,709
Change in risk parameters and other changes	78,840	131,307	113,208	323,355	-	323,355
Change in exchange rate	1,618	-	-	1,618	-	1,618
Balance at the end of the period	$ 601,699	$ 270,248	$ 581,193	$ 1,453,140	$ 5,850,719	$ 7,303,859

December 31 2024

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected- credit Losses (Credit-impaired Financial Assets)	Impairment Loss under IFRS 9	Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	Total
Discounts and loans						
Balance at the beginning of the period	$ 697,689	$ 158,499	$ 265,770	$ 1,121,958	$ 5,751,587	$ 6,873,545
Changes of financial instruments recognized at the beginning of the current reporting year						
- Transferred to lifetime ECL	(528)	9,230	(8,702)	-	-	-
- Transferred to credit-impaired financial assets	(505)	(17,972)	18,477	-	-	-
- Transferred to 12-month ECL	34,355	(20,866)	(13,489)	-	-	-
- Derecognition of financial assets in the current reporting period	(429,134)	(65,611)	(145,609)	(640,354)	-	(640,354)
New financial assets purchased or originated	353,171	96,555	98,766	548,492	-	548,492
Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	-	-	-	-	304,635	304,635
Write-offs	-	-	(863,683)	(863,683)	-	(863,683)
Recovery of written-off receivables	-	-	231,779	231,779	-	231,779
Change in risk parameters and other changes	(162,334)	(12,741)	888,599	713,524	-	713,524
Change in exchange rate	12,256	-	-	12,256	-	12,256
Balance at the end of the period	$ 504,970	$ 147,094	$ 471,908	$ 1,123,972	$ 6,056,222	$ 7,180,194

March 31, 2024

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected- credit Losses (Credit-impaired Financial Assets)	Impairment Loss under IFRS 9	Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	Total
Discounts and loans						
Balance at the beginning of the period	$ 697,689	$ 158,499	$ 265,770	$ 1,121,958	$ 5,751,587	$ 6,873,545
Changes of financial instruments recognized at the beginning of the current reporting period						
- Transferred to lifetime ECL	(447)	4,372	(3,925)	-	-	-
- Transferred to credit-impaired financial assets	(171)	(22,565)	22,736	-	-	-
- Transferred to 12-month ECL	25,075	(15,119)	(9,956)	-	-	-
- Derecognition of financial assets in the current reporting period	(209,608)	(20,081)	(41,967)	(271,656)	-	(271,656)
New financial assets purchased or originated	164,166	57,475	75,499	297,140	-	297,140
Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	-	-	-	-	314,364	314,364
Write-offs	-	-	(32,146)	(32,146)	-	(32,146)
Recovery of written-off receivables	-	-	30,944	30,944	-	30,944
Change in risk parameters and other changes	(74,537)	(24,706)	(19,003)	(118,246)	-	(118,246)
Change in exchange rate	7,175	-	-	7,175	-	7,175
Balance at the end of the period	$ 609,342	$ 137,875	$ 287,952	$ 1,035,169	$ 6,065,951	$ 7,101,120

XV. Allowance for Doubtful Accounts, Provision for Losses on Commitments and Guarantees

	January 1 to March 31, 2025	January 1 to March 31, 2024
Provision of allowance for doubtful accounts on accounts receivable	$ 33,898	$ 26,104
Provision for doubtful accounts on discounts and loans	98,555	221,602
Provision for guarantee liabilities	10,000	52,000
	$ 142,453	$ 299,706

XVI. SUBSIDIARIES

The investees included in the consolidated financial statements

The entities of the Consolidated Financial Statements are as follows:

Investor	Investee	Main Businesses	Percentage of Ownership March 31, 2025	December 31 2024	March 31, 2024	Description
Union Bank of Taiwan Co., Ltd.	UFLIC	Installment, leasing and accounts receivable factoring	100.00%	100.00%	100.00%	(I)
	Union Information Technology Corporation (UIT)	Software and hardware product retail and distribution, system programming development, system development outsourcing, website design, e-commerce, etc.	99.99%	99.99%	99.99%	(II)
	Union Finance International (HK) Limited	Import and export financing	-	100.00%	100.00%	(III)
	Union Securities Investment Trust Corporation (USITC)	Securities investment trust	99.60%	99.60%	99.60%	(IV)
	Union Venture Capital Co., Ltd.	Venture Investment	100.00%	100.00%	100.00%	(V)
UFLIC	Union Capital (Cayman) Corp.	Investment, overseas financing, equipment leasing, installment selling, acquisition of accounts receivable, etc.	100.00%	100.00%	100.00%	(VI)
	Union Capital (Singapore) Holding PTE. Ltd.	Investment, overseas financing, equipment leasing, installment selling, acquisition of accounts receivable, etc.	100.00%	100.00%	100.00%	(VI) and (VIII)

(continue to next page)

(Cont')

Investor	Investee	Main Businesses	Percentage of Ownership March 31, 2025	December 31 2024	March 31, 2024	Description
	Uflc Capital (Singapore) Holding PTE. Ltd.	Investment, overseas financing, equipment leasing, installment selling, acquisition of accounts receivable, etc.	100.00%	100.00%	100.00%	(VI) and (VIII)
Union Capital (Singapore) Holding PTE. Ltd.	Kabushiki Kaisha UCJ1 (Japan)	Sale, purchasing and leasing of real estates, etc.	30.55%	30.55%	30.55%	(VII) and (VIII)
	Tokutei Mokuteki Kaisha SSG15 (Japan)	A real estate securitized special purpose company	49.00%	49.00%	49.00%	(VII) and (VIII)
Uflc Capital (Singapore) Holding PTE. Ltd.	Kabushiki Kaisha UCJ1 (Japan)	Sale, purchasing and leasing of real estates, etc.	69.45%	69.45%	69.45%	(VII) and (VIII)
	Tokutei Mokuteki Kaisha SSG12 (Japan)	A real estate securitized special purpose company	49.00%	49.00%	49.00%	(VII) and (VIII)
	Tokutei Mokuteki Kaisha SSG16 (Japan)	A real estate securitized special purpose company	49.00%	49.00%	49.00%	(VII) and (VIII)
Kabushiki Kaisha UCJ1 (Japan)	Tokutei Mokuteki Kaisha SSG15 (Japan)	A real estate securitized special purpose company	51.00%	51.00%	51.00%	(VII) and (VIII)
	Tokutei Mokuteki Kaisha SSG12 (Japan)	A real estate securitized special purpose company	51.00%	51.00%	51.00%	(VII) and (VIII)
	Tokutei Mokuteki Kaisha SSG16 (Japan)	A real estate securitized special purpose company	51.00%	51.00%	51.00%	(VII) and (VIII)
Union Venture Capital Co., Ltd.	Corner Union Venture Capital, LLC (Delaware, US)	Venture Investment	100.00%	100.00%	100.00%	(IX)
	Na He Yi Hau Electric Power Inc.	Energy development and technology service	90.00%	90.00%	89.70%	(X)
	Ting Jie Electric Power Inc.	Energy development and technology service	90.00%	90.00%	-	(XI)
	Union Energy Co., Ltd.	Venture Investment	100.00%	100.00%	100.00%	(XII)
	Ting Syu Energy Co., Ltd.	Energy development and technology service	60.00%	60.00%	60.00%	(XV)
	Bei Chen Yi Hau Electric Power Inc.	Energy development and technology service	99.08%	99.08%	99.08%	(XVI)
	Hao Tian Electric Power Inc.	Energy development and technology service	99.08%	99.08%	99.08%	(XVII)
	Feng Tai Electric Power	Energy development and technology service	99.08%	99.08%	99.08%	(XVII)
Union Energy Co., Ltd.	Na He Yi Hau Electric Power Inc.	Energy development and technology service	-	-	0.30%	(X)
	Ting Jie Electric Power Inc.	Energy development and technology service	-	-	90.00%	(XI)
	Tian Ji Smart Energy Co., Ltd.	Energy development and technology service	90.00%	90.00%	90.00%	(XIV)
Corner Union Venture Capital, LLC (Delaware, US)	Corner Ventures DAG I-U, LLC (Delaware, US)	Venture Investment	100.00%	100.00%	100.00%	(IX)
	Corner Union, LLC (Delaware, US)	Venture Investment	100.00%	100.00%	100.00%	(IX)
Union Securities Investment Trust Corporation (USITC)	Union Private Equity Co., Ltd.	Venture Investment	100.00%	100.00%	100.00%	(XIII)

(I) Union Finance & Leasing (Int'l) Corp. (UFLIC) was established under the Company Act on November 11, 1996. UFLIC trades and leases real estates, motor vehicles and machinery and equipment and does accounts receivable factoring, as well as the development and leasing of residences and buildings.

(II) Union Information Technology Corporation (UIT), which was incorporated on August 10, 1998, mainly renders software services, wholesale and retail of information software and telecommunications equipment, enterprise management consulting, etc.

(III) Union Finance International (HK) Limited was incorporated in Hong Kong on April 23, 1996. It mainly engages in financial services and financial investments. On November 13, 2023, the Company's board of directors approved the closure of Union Finance International (H.K.) Limited after taking into account the overseas professional layout plan. The Company's cancellation of company registration was approved by the Hong Kong Registration Office on January 17, 2025, and the earnings were repatriated on February 18, 2025.

(IV) Union Securities Investment Trust Corporation (USITC) was incorporated on November 20, 1998. It obtained a securities investment trust enterprise license and started operations on February 26, 1999; it mainly establishes securities investment trust funds by issuing beneficiary certificates, and apply the securities investment trust funds to invest securities and related products.

(V) In order to actively support the FSC's needs to adapt to the nation's overall industry development and to boost the diversification of the corporate banking business as well as improve the efficiency in the use of funds, the Bank established Union Venture Capital ("UVC") in coordination with the nation's financial policies, which was approved by the board of directors. The investment was approved by the FSC under Rule No. 10802042270 on March 28, 2019. Union Venture Capital was established by the Bank on November 21, 2019; it mainly engages in general business investment.[E. Chen1]

(VI) Union Capital (Cayman) Corp. was established in the British West Indies in July 1997, and is mainly engaged in financial investment.

Uflc Capital (Singapore) Holding PTE. Ltd. and Union Capital (Singapore) Holding PTE. Ltd. are both 100%-owned subsidiaries and established by Union Capital (Cayman) Corp. in Singapore with an investment of US$1 in March 2016 and September 2014, respectively. The main businesses are investment, offshore financing, equipment leasing, installment sales, and accounts receivable collection.

The subsidiary of UFLIC, Union Capital (Cayman) Corp., wants to comply with local economic regulations. Therefore, on February 25, 2020, the board approved to restructure the investment by transferring to Uflc Capital (Singapore) Holding PTE., Ltd. and Union Capital (Singapore) Holding PTE on July 1, and July 23, 2020. Ltd. the (the consideration was offset with the debt payable to UFLIC) and equity from Union Capital (Cayman) at the carrying value on June 30, 2020 to UFLIC.

(VII) Kabushiki Kaisha UCJ1, Tokutei Mokuteki Kaisha SSG15, SSG12, and SSG16 are entities established in Japan under the real estate securitization structure by Union Capital (Singapore) Holding PTE. Ltd. and Uflc Capital (Singapore) Holding PTE. Ltd. for the purpose of acquiring real estate. Kabushiki Kaisha UCJ1 mainly buys, sells, and leases real estate. Tokutei Mokuteki Kaisha SSG15, SSG12 and SSG16 is a special purpose entity that securitizes real estate.

(VIII) Union Capital (Singapore) Holding PTE. Ltd., Uflc Capital (Singapore) Holding PTE. Ltd., Kabushiki Kaisha UCJ1, Tokutei Mokuteki Kaisha SSG15, SSG12 and SSG16 have fiscal years different from calendar years. To apply the equity method, the Company recognized the consolidated financial statements of the said companies on December 31, 2024, and properly adjusted for changes from significant transactions since the date up to March 31, 2025.

(IX) In order to manage Union Venture Corporation's investment, on March 5, 2020, the board agreed to sign investment advisory contract with Corner Venture Partners, LLC. With the contract, a subsidiary, Corner Union Venture Capital, LLC, and sub-subsidiaries Corner Ventures DAG I-U, LLC and Corner Union, LLC, were established in Delaware, USA, with the approval by Delaware state government in April and July 2020. Union Venture Corporation held 100% equity in the subsidiaries and engages in general business investment.

(X) In alignment with the development of startup industries created by the government of the Republic of China, Union Venture Capital Co., Ltd. (UVC) and Union Energy Co., Ltd. (Union Energy) invested a capital amount of NT$148,900 thousand and NT$500,000, respectively, accounting for 89.7% and 0.3% of the common shares, respectively, in the acquisition of Na He Yi Hau Electric Power Inc. (Na He Yi Hau), which mainly engages in energy development and provision of technical services. In order to improve the financial structure, the Board of Directors of the Union Energy resolved and approved the transfer of 0.3% of the common shares of the Union Energy's original holding of Na He Yi Hau to Union Venture Capital Co., Ltd. on November 25, 2024, at NTD 10 per share.

(XI) In order to actively adapt to the development of the nation's startup industries, on November 24th, 2020, the board approved to acquire 90% equity of Ting Jie Electric Power Inc. with total invested capital of NT$900 thousand. For the investment development strategy and investment restructuring plan, on July 28th, 2021, the board of UVC resolved to sell a total of 90 thousand common stock of Ting Jie Electric Power at NT$10 dollars per share to Union Energy. To promote power plant construction in the future, Ting Jie Electric Power Inc. completed the capital increase in cash on July 30, 2021. Union Energy invested NT$18,000 thousand in proportion to its shareholding. Union Energy has invested a total of NT$18,900 thousand and held 90% of equity. In order to improve the financial structure, the Board of Directors of the Union Energy resolved to transfer 1,890 thousand common shares of Ting Jie Electric Power Inc. to the Union Venture Capital Co., Ltd. on November 25, 2024, at NTD 10 per share. The main business of Ting Jie Electric Power Inc. is in the energy manufacturing and technical service industries.

(XII) In order to manage Union Venture Corporation's investments in startups in the future, it established Union Energy Co., Ltd. (Union Energy) and held 100% equity on December 17, 2020. It mainly engages in general business investment management.

(XIII) Union Securities Investment Trust Corporation actively supports the FSC's needs to adapt to the nation's overall industry development and has established Union Private Equity Co., Ltd. (United Private Equity), which mainly engages in general business investment and investment management advice.

(XIV) Union Energy Co., Ltd. actively supports FSC's financial strategy, investment in the green energy technology industry, and efficiency of fund application. In May 2020, the Board of Union Energy Co., Ltd. approved the acquisition of Tianji Smart Energy Co., Ltd. (Tianji Smart), which mainly engages in energy development and provision of technical services.

(XV) In order to actively adapt to the development of the nation's startup industries, UVC's Board resolved to set up Ting Xu Energy Co., Ltd. (Ting Xu Energy) on May 31, 2022. Ting Xu Energy was fully established on July 7, 2022. It mainly engages in energy development and provision of technical services.

(XVI) In order to comply with the government's policy of developing startup industries in Taiwan, the board of directors of Union Venture Capital Co., Ltd. resolved, on March 13, 2023, to acquire 99.08% of the equity inBei Chen Yi Hau Electric Power Inc. (Bei Chen Yi Hau) in May 2023. The total invested capital was NT$108,000 thousand. The major businesses are energy development and technology service.

(XVII) In order to cooperate with the development of startup industries by the government of Taiwan, Union Venture Capital's Board of Directors has on March 13, 2023 approved to invest NT$108,000 thousand to acquire Hao Tian Electric Power Inc. (Hao Tian Electric) and Feng Tai Electric Power Inc. (Feng Tai Power) in July 2023 with a 99.08% stake in the companies. The major businesses are energy development and technology service.

XVII. Investments Accounted for Using the Equity Method, Net

	March 31, 2025	December 31 2024	March 31, 2024
Not individually material			
Union Construction Management Co., Ltd.	$ 51,863	$ 51,939	$ 51,827
iPASS Corporation	295,197	197,768	222,918
Blue Borders Medical and Health Management Consulting Co., Ltd.	108,687	111,004	113,048
	$ 455,747	$ 360,711	$ 387,793

The summarized financial information in respect of the Company's affiliates not individually material is set out below:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Share of profit or loss attributed to the Company		
Current net profit (loss)	($ 2,911)	$ 522,851

To promote innovative financial technology services, and popularize mobile payment endorsed by the government, the board of directors of the Bank approved the investment in Line BIZ+ Taiwan Limited on July 25, 2018, and later acquired 5,471 thousand shares at a price of NT$1,579,977 thousand on September 21, 2018, resulting in a 10% shareholding. The Bank is a director of Line BIZ+ Taiwan with substantial influence; therefore the latter is recognized with the equity method. Acquired Line BIZ+ Taiwan Limited has generated NT$977,235 thousand of goodwill and was included in the investment's cost.

In April 2023, LINE Pay Taiwan Limited executed employee stock options, resulting in a decrease in the Company's shareholding to 9.76%. On January 2, 2024, the Bank stepped down as a director of LINE Pay Taiwan Limited and lost its influence. In January 2024, the equity method was discontinued and the financial assets measured at fair value through other comprehensive gain or loss were considered for investment purposes (Note IX), and a gain of NT$526,654 thousand was recognized.

The Company's share of profits and losses and other income on investments using the equity method is based on the unreviewed financial statements of the same period. The management of the Company considers that the financial statements of the investees are not reviewed by CPAs, therefore there is no material effect.

XVIII. Other Financial Assets, Net

	March 31, 2025	December 31 2024	March 31, 2024
Assets Pledged (Note XLVIII)	$ 1,529,229	$ 1,543,325	$ 1,541,768
Due from banks - time deposit	22,513	19,480	66,489
Others	-	-	9
	$ 1,551,742	$ 1,562,805	$ 1,608,266

The amount of due from banks - time deposits with maturities longer than three months or certificate of deposits that cannot be cancelled or used.

XIX. Property and Equipment, Net

	March 31, 2025	December 31 2024	March 31, 2024
Carrying amount of each category			
Land	$ 4,451,794	$ 4,451,794	$ 4,451,794
Buildings	3,099,777	3,120,023	3,171,390
Machinery and Computer Equipment	5,134,006	5,176,702	2,214,461
Transportation Equipment	55,222	54,663	54,987
Lease Improvements	199,038	192,611	200,296
Prepayment for equipment and property	3,368,461	3,110,938	5,418,331
	$ 16,308,298	$ 16,106,731	$ 15,511,259

The Company's property and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	33-55 years
Equipment installed in buildings	3-20 years
Machinery and Computer Equipment	1-5years
Transportation Equipment	1-8 years
Lease Improvements	2-5years

XX. Lease Arrangements

(I) Right-of-use assets

	March 31, 2025	December 31 2024	March 31, 2024
Carrying amounts of right-of-use assets			
Land and buildings	$ 1,724,538	$ 1,745,478	$ 1,925,655

	January 1 to March 31, 2025	January 1 to March 31, 2024
Increase in right-of-use assets	$ 123,381	$ 252,285
Depreciation expense of right-of-use assets		
Land and buildings	$ 127,672	$ 125,016

(II) Lease liabilities

	March 31, 2025	December 31 2024	March 31, 2024
Carrying amounts of lease liabilities	$ 1,728,467	$ 1,747,230	$ 1,921,511

Range of discount rate for lease liabilities was as follows:

	March 31, 2025	December 31 2024	March 31, 2024
Land and buildings	0.72%~2.87%	0.72%~2.87%	0.72%~2.30%

(III) Other lease information

	January 1 to March 31, 2025	January 1 to March 31, 2024
Expenses relating to short-term leases	$ 28,036	$ 39,405
Total cash (outflow) for leases	($ 153,531)	($ 161,939)

The Company has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

XXI. Investment Properties, Net

	March 31, 2025	December 31 2024	March 31, 2024
Land	$ 4,127,842	$ 4,039,921	$ 4,050,669
Buildings	540,613	523,266	551,550
	$ 4,668,455	$ 4,563,187	$ 4,602,219

Investment properties are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	15-50 years
Equipment installed in buildings	6-15 years

The fair values of investment properties were NT$6,171,533 thousand, NT$6,018,451 thousand and NT$5,969,528 thousand as of March 31, 2025, December 31 and March 31, 2024, respectively. The fair values were based on the valuation at these dates by independent appraisers that were not the Company's related parties and estimated by the management according to the prices of similar properties in the vicinity.

Refer to Note XXX for information relating to investment properties pledged as guarantee.

The investment properties were leased out for 3 to 20 years. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

As of March 31, 2025, December 31 and March 31, 2024, refundable deposits paid under operating leases were NT$68,991 thousand, NT$65,986 thousand, and NT$63,195 thousand (included in other assets - refundable deposits), respectively.

The total amount of lease payments to be collected in the future for leased investment properties through business leasing as of March 31, 2025, and December 31 and March 31, 2024 are as follows:

	March 31, 2025	December 31 2024	March 31, 2024
Year 1	$ 87,471	$ 95,994	$ 106,170
Year 2	60,293	63,594	63,488
Year 3	53,016	51,608	51,796
Year 4	52,772	51,193	50,845
Year 5	48,370	48,233	50,845
Year 6 onwards	385,458	387,287	421,386
	$ 687,380	$ 697,909	$ 744,530

XXII. Goodwill

The Bank acquired Chung Shing Bank (Chung Shing) on March 19, 2005 and recognized goodwill amounting to NT$3,309,000 thousand. The goodwill amortization period was five years, and the amortization expense in 2005 was NT$551,500 thousand. However, the amortization of goodwill was no longer required from January 1, 2006. The Bank merged with Union Bills Finance Corporation on August 16, 2010, with the Bank as the survivor entity, and recognized goodwill amounting to NT$130,498 thousand.

For the impairment test on Chung Shing, the Bank treated individual business units as cash-generating units (CGUs). Goodwill resulting from the merger was allocated to the relevant CGUs. The recoverable amount was determined by the value in use of each CGU, and the key assumptions adopted use the actual operations and business of CGUs or the objective information of the economic cycles as the basis of future cash flow estimation; based on the going-concern assumption, the net cash flows generated from the operations of each CGU in the next five years are forecasted. As of March 31, 2025, December 31 and March 31, 2024, there was no impairment after evaluation by Union Bank of Taiwan. As of March 31, 2025, December 31 and March 31, 2024, Union Bank of Taiwan had recognized goodwill impairment loss of NTD 902,691 thousand in total.

XXIII. Other Assets, Net

	March 31, 2025	December 31 2024	March 31, 2024
Assets leased to others, net	$ 5,956,769	$ 5,936,413	$ 5,877,162
Refundable deposits	2,369,101	2,493,002	2,423,058
Prepaid expenses	566,409	400,514	561,221
Prepaid pension	79,631	111,759	27,924
Others	281,300	283,715	274,400
	$ 9,253,210	$ 9,225,403	$ 9,163,765

XXIV. Deposits from the Central Bank and Peers

	March 31, 2025	December 31 2024	March 31, 2024
Call loans from banks	$ 5,410,689	$ 9,330,000	$ 7,079,250
Deposits from Chunghwa Post Co., Ltd.	5,574,680	5,574,680	3,574,680
Overdraft from other banks	172,271	194,635	79,247
Deposits from the Central Bank and Peers	94,371	133,059	78,387
	$ 11,252,011	$ 15,232,374	$ 10,811,564

XXV. Due to the Central Bank and Other Banks

	March 31, 2025	December 31 2024	March 31, 2024
Due to other banks (Note XXX)	$ 1,801,018	$ 1,405,281	$ 1,247,305

XXVI. Securities sold under agreements to repurchase

	March 31, 2025	December 31 2024	March 31, 2024
Commercial paper	$ 41,634,568	$ 23,495,917	$ 29,080,804
Asset-backed securities	16,587,107	16,925,265	16,071,395
Corporate bonds	6,672,653	6,870,062	8,062,806
Government bonds	11,011,719	10,220,295	9,630,547
Financial bonds	1,080,468	1,052,162	998,429
	$ 76,986,515	$ 58,563,701	$ 63,843,981
Maturity date	April - September 2025	January - September 2025	April - June 2024
Agreed repurchase price	$ 77,343,594	$ 58,921,888	$ 64,234,511

XXVII. Accounts Payable

	March 31, 2025	December 31 2024	March 31, 2024
Interest payable	$ 2,093,203	$ 1,585,847	$ 2,030,359
Collection payable	1,429,741	1,307,077	2,058,807
Exchange clearing payable	843,312	1,316,426	3,207,363
Expense payables	801,594	1,488,924	1,106,481
Proceed of delivery	666,625	203,996	301,576
Accrued payable	322,657	205,608	320,013
Accounts Payable	268,509	420,164	12,640
Remittance payable	202,175	219,344	137,065
Tax payable	122,317	266,478	103,504
Interbank transactions payable	54	336,367	-
Others	1,142,932	1,154,031	1,176,888
	$ 7,893,119	$ 8,504,262	$ 10,454,696

XXVIII. Deposits and Remittances

	March 31, 2025	December 31 2024	March 31, 2024
Savings deposits	$ 461,525,730	$ 456,634,884	$ 445,352,972
Demand deposits	161,457,585	161,390,857	147,758,029
Time deposits	187,854,799	178,001,094	169,099,274
Checking deposits	5,386,045	7,059,281	5,740,109
Negotiable certificates of deposit	183,100	230,000	245,000
Inward and outward remittances	101,292	133,421	59,967
	$ 816,508,551	$ 803,449,537	$ 768,255,351

XXIX. Bank Debentures

	March 31, 2025	December 31 2024	March 31, 2024
First issue of subordinated bank debentures in 2019; fixed rate at 1.10%; maturity: September 2026	$ 500,000	$ 500,000	$ 500,000
First issue of subordinated bank debentures in 2019; fixed rate at 1.23%; maturity: September 2029	1,500,000	1,500,000	1,500,000
First issue of subordinated bank debentures in 2021; no maturity date and non-cumulative; redeemable at face value plus interest accrued under the approval of the authorities when the issue term is above 5.6 years; fixed rate at 1.92% (the benchmark interest rate is +1.1183%)	3,000,000	3,000,000	3,000,000
	$ 5,000,000	$ 5,000,000	$ 5,000,000

XXX. Corporate Bonds Payable

	March 31, 2025	December 31 2024	March 31, 2024
Overseas corporate bonds - secured	$ 936,585	$ 885,881	$ 899,354

(I) TTK SSG15

In order to comply with the regulations governing the special purpose association of Japan, for overseas secured corporate bonds to be issued by TMK SSG15, the subsidiary UNION CAPITAL (SINGAPORE) HOLDING PTE. LTD. must transfer more than half of the common stock of TMK SSG15 to the legal entity Ippam Shadan Hojin UCJ1 (ISH UCJ1) established due to its donation, in order to establish a bankruptcy isolation mechanism. TMK SSG15 also provided an investment property of JPY3,787,112 thousand (equivalent to NT$842,307 thousand) as the collateral to issue the five-year secured corporate bond with an issuance amount of JPY2,200,000 thousand (NT$489,311 thousand) in March 2020. According to the contract, the issuance period can be extended by one year, the interest every quarter shall be paid and a principal of JPY11,000 thousand be repaid in installment. The corporate bond matures in March 2025 and its book value was JPY1,991,000 thousand (NT$442,826 thousand). The issuance interest rates of the original corporate bonds are as follows:

1. The first to fifth years: Base interest rate + +0.41%

   Base rate: The Tokyo Swap Rate (TSR), six-month LIBOR-based 5-year JPY/JPY-interest swap rate displayed on page 17143 of the Telerate screen at 10:00 am (JST) on the day that is two business days before the issuance date.

2. The sixth year: Base interest rate + +1.41%

   Base rate: The 3-month TIBOR (based on 365 days) displayed as the Japanese yen TIBOR as published by the JBA TIBOR Administration on page 17097 of the Telerate screen at 11:00 am JST on the day that is two business days before the interest payment date.

   The abovementioned corporate bonds have matured in March 2025, TMK SSG15 has provided the aforesaid investment property as a collateral, and issued the five-year secured corporate bonds with an issuance amount of JPY2,010,000 thousand (NT$447,052 thousand) in March 2025. According to the contract, the issuance can be extended by one year. The interest rate of the corporate bond is as follows:

1. The first to fifth years: Base interest rate + +0.37%

   Base rate: The 6-month DTIBOR/TONA plus five-year yen-yen swap rate displayed on Refinitiv Screem TKFX9154 as the index rate as of 11 a.m. Tokyo time two business days prior to the issue date.

2. The sixth year: Base interest rate + +1.37%

   Base rate: The 3-month TIBOR (based on 365 days) displayed as the Japanese yen TIBOR as published by the JBA TIBOR Administration on page 17097 of the Telerate screen at 11:00 am JST on the day that is two business days before the interest payment date.

(II) TTK SSG12

To issue overseas secured corporate bonds by TMK SSG12, the sub-subsidiary Kabushiki Kaisha UCJ1 must transfer more than half of the common stock of TMK SSG12 to the legal entity Ippam Shadan Hojin UCJ2 (ISH UCJ2) in order to establish bankruptcy isolation mechanism. TMK SSG12 has provided the aforesaid investment property as a collateral, and issued the five-year secured corporate bonds with an issuance amount of JPY1,920,000 thousand (NT$427,035 thousand) in September 2021. According to the contract, the issuance can be extended by one year. The issuance interest rates of the corporate bonds as of March 31, 2025 are as follows:

1. The first to fifth years: Base interest rate + +0.5%

   Base rate: The five-year yen-yen swap rate displayed on Refinitiv Screen page 17143 as the index rate as of 10 a.m. Tokyo time two business days prior to the issue date.

2. The sixth year: Base interest rate + +0.5%

   Base rate: The three-month yen TIBOR published by JBA TIBOR Administration as of 11 a.m., Tokyo time two business days prior to the first day of each interest calculation period during the tail period.

(III) TTK SSG16

To issue overseas secured corporate bonds by TMK SSG16, the sub-subsidiary Kabushiki Kaisha UCJ1 must transfer more than half of the common stock of TMK SSG16 to the legal entity Ippam Shadan Hojin UCJ2 (ISH UCJ2) in order to establish bankruptcy isolation mechanism. By providing investment property as a collateral, TMK SSG16 issued four-year secured corporate bonds in September 2021 with a face value of JPY300,000 thousand (equivalent to NT$66,724 thousand) and borrowed with collateral for JPY1,250,000 thousand (equivalent to NT$278,017 thousand), both recognized as due from banks (Note XXV). The issuance interest rates of the corporate bonds and borrowing with collateral on March 31, 2025 is the base rate +0.850%. (Base rate: four-year exchange interest rate of the reference exchange interest rates in Tokyo.)

XXXI. PREFERENCE SHARES LIABILITIES

	March 31, 2025	December 31 2024	March 31, 2024
PREFERENCE SHARES LIABILITIES	$ 375,000	$ 375,000	$ 375,000

On November 2, 2023, the board of directors of Union Energy Co., Ltd. approved the issue of 37,500 thousand class C preference shares, with the par value of NT$10 per share, and the amount issued totaled NT$375,000 thousand. On February 24, 2025, the extraordinary shareholders' meeting of the Union Energy Co., Ltd. passed a resolution to amend the issuance conditions of class C preference shares. The main conditions for the issuance of class C class A preference shares after the amendment are as follows:

(I) Maturity: 20 years from the date of issuance for Class C preference shares.

(II) Dividend: Annual rate of interest of the issue price of share is capped at 6.5%.

(III) Dividend payment: Whereas Union Energy makes profit in a fiscal year, apart from paying the income tax by law, it shall first compensate for the deficits in previous years, appropriate the legal reserve, and appropriate or reverse the special reserve with respect to these Articles of Incorporation before distributing dividends deserved for preference shares of the year. Union Energy has the sole discretion on the distribution of dividends of preference shares, which includes but not limited to the their discretion to resolve not to distribute dividends to the preferential shareholders if there is no surplus, or if earnings in the fiscal year are insufficient to fully pay off dividends to the shareholders of the preference shares, the preferential shareholders shall raise no objection if the resolution is not to distribute dividends of preference shares; the dividends resolved not to be distributed or not paid in full amount will be accumulated and deferred to paid in the years with profits. The class C preference shares if distributed will be in cash and in one payment in a year. After the annual general meeting of shareholders ratifies the financial statements, the Board of Directors shall determine the base date to disburse the dividends for the previous year. The year of issuance and the recovery of the number of dividends issued of the year shall be calculated based on the actual number of days of issuance in the year. The amount of dividends distributed should be recognized on the dividend statements.

(IV) Exceeding Dividend Distribution: Under no circumstances shall holders of preference shares be entitled to receive the dividend distributed for common stock from this Bank’s earnings and legal reserves in cash or capital reserves. However, this does not apply to capital reserve generated from investment.

(V) Redemption of class C preference shares: Union Energy Co., Ltd. may redeem all or part of the preference shares on the day following the end of three years after the issuance or within 30 days from the day following the end of each year after the balance sheet date, at the actual price of issuance, plus compensation at an annual rate of interest of 7.25%, based on the number of days starting from the date of issuance; however, the amount of cumulative dividends paid before the redemption date should be deducted. The rights and obligations of the initial issuance conditions shall continue for the preference shares that have not yet been redeemed. Or if these shares have not been outstanding for three full years, and Union Energy wishes to redeem all or part of such preference shares due to business adjustments, it must obtain the approval of more than half of the preference shareholders. The redemption price should be calculated at the actual price of issuance, plus compensation at an annual interest rate of 7.25%, based on the number of days since the issuance date; however, the amount of cumulative dividends paid before the redemption date should be deducted.

(VI) Preference Shares Reverse Repurchase: The repurchase of class C preference shares cannot be reversed by the preferred shareholders.

(VII) Liquidation priority: Holders of preference shares D are entitled to a higher priority than holders of common stock in the distribution of the Company's residual property and to the same priority in the right to claim of holders of all types of preference shares issued by Union Energy, but the right to claim shall be limited to the issuance amount only.

(VIII) Voting and election rights: Holders of class C class A preference shares are not entitled to vote or elect, except for the meeting of holders of preference shares or meeting of shareholders involving the rights and obligations of holders of preference shares, both of which shall be entitled to the voting rights.

(IX) Conversion of Ordinary Shares: Holders of class C preference shares must not be converted into ordinary shares.

(X) When the Company issues new shares in cash, the shareholders of class C class A preference shares and the common stock shall be entitled to equivalent preemptive rights on the new shares.

Union Green Energy I Private Equity Limited Partnership acquired all of the Union Energy issued preferred stock.

XXXII. Other Financial Liabilities

	March 31, 2025	December 31 2024	March 31, 2024
Commercial paper payable	$ 13,333,197	$ 13,244,765	$ 11,382,041
Principals of structured products	2,181	-	-
	$ 13,335,378	$ 13,244,765	$ 11,382,041

XXXIII. Provisions

	March 31, 2025	December 31 2024	March 31, 2024
Reserve for losses on guarantee liabilities and loan commitment	$ 388,196	$ 378,164	$ 368,639
Decommissioning of provisions	135,160	130,549	35,252
Reserve for the liability of employees' benefit	661	784	7,564
Others	1,429	1,429	1,429
	$ 525,446	$ 510,926	$ 412,884

Details and changes in allowances for guarantees and financial commitments are as follows:

March 31, 2025

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected- credit Losses (Credit-impaired Financial Assets)	Impairment Loss under IFRS 9	Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	Total
Reserve for losses on guarantees and loan commitment						
Balance at the beginning of the period	$ 84,043	$ 5,072	$ 191	$ 89,306	$ 288,858	$ 378,164
Changes of financial instruments recognized at the beginning of the current reporting year						
- Transferred to lifetime ECL	(67)	67	-	-	-	-
- Transferred to credit-impaired financial assets	(23)	-	23	-	-	-
- Transferred to 12-month ECL	3,411	(3,411)	-	-	-	-
- Derecognition of financial assets in the current reporting period	(58,663)	(126)	(84)	(58,873)	-	(58,873)
New financial assets purchased or originated	35,612	1,031	37	36,680	-	36,680
Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	-	-	-	-	34,638	34,638
Change in risk parameters and other changes	(2,445)	-	-	(2,445)	-	(2,445)
Change in exchange rate	32	-	-	32	-	32
Balance at the end of the period	$ 61,900	$ 2,633	$ 167	$ 64,700	$ 323,496	$ 388,196

December 31 2024

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected- credit Losses (Credit-impaired Financial Assets)	Impairment Loss under IFRS 9	Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	Total
Reserve for losses on guarantees and loan commitment						
Balance at the beginning of the period	$ 113,007	$ 3,146	$ 309	$ 116,462	$ 200,076	$ 316,538
Changes of financial instruments recognized at the beginning of the current reporting year						
- Transferred to lifetime ECL	(99)	99	-	-	-	-
- Transferred to credit-impaired financial assets	(136)	(12)	148	-	-	-
- Transferred to 12-month ECL	517	(514)	(3)	-	-	-
- Derecognition of financial assets in the current reporting period	(84,935)	(2,103)	(315)	(87,353)	-	(87,353)
New financial assets purchased or originated	55,525	4,456	52	60,033	-	60,033
Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	-	-	-	-	88,782	88,782
Change in risk parameters and other changes	-	-	-	-	-	-
Change in exchange rate	164	-	-	164	-	164
Balance at the end of the period	$ 84,043	$ 5,072	$ 191	$ 89,306	$ 288,858	$ 378,164

March 31, 2024

	12-month expected credit losses	Lifetime expected credit losses	Lifetime Expected- credit Losses (Credit-impaired Financial Assets)	Impairment Loss under IFRS 9	Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	Total
Reserve for losses on guarantees and loan commitment						
Balance at the beginning of the period	$ 113,007	$ 3,146	$ 309	$ 116,462	$ 200,076	$ 316,538
Changes of financial instruments recognized at the beginning of the current reporting year						
- Transferred to lifetime ECL	(52)	52	-	-	-	-
- Transferred to credit-impaired financial assets	(17)	(2)	19	-	-	-
- Transferred to 12-month ECL	494	(494)	-	-	-	-
- Derecognition of financial assets in the current reporting period	(60,801)	(2,006)	(158)	(62,965)	-	(62,965)
New financial assets purchased or originated	54,032	5,055	115	59,202	-	59,202
Difference of Impairment Loss under the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-accrual Loans"	-	-	-	-	55,763	55,763
Change in risk parameters and other changes	-	-	-	-	-	-
Change in exchange rate	101	-	-	101	-	101
Balance at the end of the period	$ 106,764	$ 5,751	$ 285	$ 112,800	$ 255,839	$ 368,639

XXXIV. Post-Employment Benefit Plan

(I) Defined contribution plans:

The Company (except for Union Finance International (HK) Limited) adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Company makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The total expenses recognized in consolidated statement of comprehensive income during January 1 to March 31, 2025 and 2024, for NT$52,245 thousand and NT$50,663 thousand, respectively, as the contributions payable to these plans by the Company at proportion specified in the defined contribution plan.

(II) Defined benefit plans:

The Company (except for Union Finance International (HK) Limited) adopted the defined benefit plan under the Labor Standards Act. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contributes a fixed proportion of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Company of Taiwan and in the Company's Business Department in the committee's name (opened at the Bank's Department of Business). The fund is deposited in the Bank of Taiwan under management of Bureau of Labor Funds, Ministry of Labor. The Company (except for Union Finance International (HK) Limited) has no right to influence the investment policy and strategy. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year.

The Company (except for Union Finance International (HK) Limited) recognized the pension expenses of NT$1,693 thousand and NT$1,945 thousand for the three months ended March 31, 2025 and 2024, based on the pension cost rates determined by the actuarial calculation on December 31, 2024 and 2023.

(III) Post-employment benefit plan of Union:

Union Finance International (HK) Limited has a defined contribution plan under foreign standards and regulations and is thus not covered by the Labor Pension Act and the Labor Standards Act. Its pension costs were NT$5,428 thousand for the three months ended March 31, 2024.

XXXV. Other Liabilities

	March 31, 2025	December 31 2024	March 31, 2024
Guarantee deposits	$ 2,457,820	$ 2,447,962	$ 2,459,657
Advance receipts	1,005,089	1,054,253	1,000,312
Others	158,398	155,978	126,452
	$ 3,621,307	$ 3,658,193	$ 3,586,421

XXXVI. Rights and benefits

(I) Share capital

Common stock	March 31, 2025	December 31 2024	March 31, 2024
Authorized number of shares (thousand shares)	4,500,000	4,500,000	4,500,000
Authorized share capital	$ 45,000,000	$ 45,000,000	$ 45,000,000
Number of shares issued and fully paid (thousand shares)	4,050,073	4,050,073	3,778,953
Issued share capital	$ 40,500,729	$ 40,500,729	$ 37,789,525

Issued common stock with the par value of NT$10 per share, and carry one vote per share and carry a right to dividends.

Preference shares

Due to the capital needs of the Bank for future long-term business development and operational scale expansion, the Bank's shareholders approved and authorized the board of directors to issue ordinary shares or special shares for domestic cash capital increase (one or both, as appropriate) on June 20, 2017, in accordance with the provisions of the Articles of Incorporation or the relevant laws and regulations, in order to raise the long-term funds. The total funds to be raised through issuing new shares as authorized this time shall not be more than NT$10,000,000 thousand (inclusive) as the principle. The number of shares for issue shall not be more than 800,000 thousand shares (inclusive) as the principle. On June 28, 2017, the Banks's board of directors resolved to issue class A preference shares totaling 200,000 thousand shares, with a par value of NT$10 per share, at NT$50 per share. The issuance of shares has been approved by the FSC under Order No. 1060033586 issued on September 1st, 2017.

On October 24th, 2017, the capital from issue of class A class A preference shares mounted to NT$10,000,000 thousand. The class A class A preference shares was listed on Taiwan Stock Exchange on December 1, 2017.

The rights and other important conditions of issuance of the class A class A preference shares are as follows:

1. Maturity: Perpetual for the class A preference shares of the Bank.

2. Dividend: The annual interest rate is 4.8% per annum (5-year IRS interest rate, 0.89125%+3.90875%) for the class A preference shares, based on the price per share. The 5-year IRS will be reset on the next business day after each fifth and half anniversary day after issuance thereafter. The pricing date for reset is the second business day of financial industry in Taipei immediately preceding each reset date. The 5-year IRS rate is the arithmetic mean of 5-year IRS rates appearing on Reuters pages "PYTWDFIX" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing date for reset. As the price of "PYTWDFIX" at the five-year IRS rate at 11:00 a.m. was not available, the Company decided to adopt the arithmetic mean of 5-year IRS rates of "TAIFXIRS" and "COSMOS3" appearing on Reuters pages at 11:00 a.m. dated April 20, 2023 as the 5-year IRS rate based on the integrity principle and reasonable market conditions. The dividend yield (annual rate) reset for the Company's Class A preference shares from April 24, 2023 is 5.26125%.
3. Dividend payment: Whereas Union Bank of Taiwan makes profit in a fiscal year, apart from paying the income tax by law, it shall first compensate for the deficits in previous years, appropriate the legal reserve, and appropriate or reverse the special reserve with respect to these Articles of Incorporation before distributing dividends deserved for preference shares of the year. Union Bank of Taiwan shall enjoy the discretionary power over the distribution of dividends for preference shares, including but not limited to no earnings or earnings are insufficient for distribution of the dividend of class A preference shares after the annual account is closed; or should the distribution of the dividend for preference shares will cause this Bank's capital adequacy to become lower than the minimum requirements by law or as specified by competent authorities; or should there be other necessary considerations, this Bank may decide not to distribute the dividend for preference shares, and under no circumstances shall shareholders make objections thereof. In addition, the undistributed dividends or the shortfall in distributed dividends shall not be accumulated for compensation in future years with earnings. Dividends of class A preference shares if distributed will be in cash and in one payment in a year. After the annual general meeting of shareholders ratifies the financial statements, the Board of Directors shall determine the base date to disburse the dividends for the previous year. The year of issuance and the recovery of the number of dividends issued of the year shall be calculated based on the actual number of days of issuance in the year. The amount of dividends distributed should be recognized on the dividend statements.
4. Exceeding dividend distribution: class A preference shares, other than the dividends received as dividend rate prescribed in the preceding paragraph, under no circumstances shall holders of preference shares be entitled to receive the dividend distributed for common stock from this Bank's earnings and legal reserves in cash or capital reserves.
5. Redemption of class A preference shares: After 5.5 years from the issue date, the Bank may redeem a portion or all of the outstanding shares of class A preference shares at any time at the issue price. The rights and obligations of all types of issuance conditions of unrecovered preference shares will continue. Should the board meeting resolution of the Bank determine to issue dividends for class A preference shares in the recovery year, the dividends to be

distributed shall be calculated by the day of recovery based on the actual number of days issued in the year.

6. Liquidation preference: In the event of liquidation, when the competent authority assigned officials to take receivership over the Bank, order the Bank to suspend and wind up business, or liquidate the Bank, in accordance with the “Regulations Governing the Capital Adequacy and Capital Category of Banks”, the order of priority for the distribution of the earnings and assets of the shareholders of class A preference shares is the same as that of a common shareholder, otherwise the shareholders of preference shares shall be given priority to claim on the Bank’s remaining assets over the shareholders of common stock, and equal to shareholders of other preference shares issued by the Bank, but subordinate to the holders of Tier 2 capital, depositors, and other general creditors, and not more than the issuance amount of outstanding shares of class A preference shares.
7. Voting rights or election rights: The shareholders of class A class A preference shares are not entitled to any voting rights or election rights in shareholders’ meeting. However, they may vote in preference shares shareholders’ meetings and in general shareholder meetings with regard to agenda items concerning rights and obligations of the shareholders of preference shares.
8. Convertibility to common stock: Under no circumstances shall the conversion from class A preference shares into common stock be allowed, nor shall holders of preference shares be entitled to request the Bank to recover their class A preference shares held.
9. When the Bank issues new shares in cash to increase the capital, the shareholders of class A preference shares, and the common stock shall be entitled to equivalent rights on subscribing new shares.

(II) Capital reserve

	March 31, 2025	December 31 2024	March 31, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Premium of issuing preference shares	$ 8,000,000	$ 8,000,000	$ 8,000,000
Treasury share transactions	32,413	32,413	32,413
Premium of issuing common stock	101,379	101,379	70,389
May only be used to offset a deficit			
Changes in percentage of ownership interests in subsidiaries (2)	$ 659	$ 659	$ 659
Changes in net values of equities of affiliates recognized with the equity method	42,634	33,840	22,271
	$ 8,177,085	$ 8,168,291	$ 8,125,732

1. The capital surplus from shares issued in excess of par (additional paid-in capital from issuance of ordinary shares and treasury stock transactions) and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital limited to a certain percentage of the Company's capital surplus and to once a year.
2. The changes in ownership of subsidiaries under the capital reserve, are generated from the effects of equity transaction recognized due to changes of the subsidiaries' equities, but not actually acquiring or disposing the subsidiaries' equities.

(III) Legal reserve

Legal reserve should be appropriated until it equals the Company's paid-in-capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of its paid-in capital, the excess may be transferred to capital or distributed in cash. In addition, pursuant to the Banking Act, if the legal reserve is less than the Company's paid-in capital, the amount that may be distributed in cash should not exceed 15% of the Company's paid-in-capital. These who possess the legal reserve equal to the total capital, or are financially and operationally health and provide the legal reserve as required by the Company Act, are not subject to the restriction in the preceding paragraph.

(IV) Special surplus reserve

	January 1 to March 31, 2025	January 1 to March 31, 2024
Balance at the beginning of the period	$ 627,440	$ 757,036
Special reserves appropriated of the period	-	-
Balance at the end of the period	$ 627,440	$ 757,036

The Bank appropriates and reverses the special reserve pursuant to Rule No. 109015022 issued by the FSC dated on March 31, 2021 and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards" should be appropriated to or reversed from a special reserve by the Bank. For the reversal of balance for other shareholders' equity deduction, earning distributions may be made from the reversed portion.

If a special reserve appropriated on the first-time adoption of IFRS accounting standards relates to investment properties other than land, the special reserve may be reversed continuously over the period of use. The special reserve relating to land may be reversed on the disposal or reclassification of the related assets.

The above special reserve may be used to offset a deficit; if the reserve has reached at least 50% of the paid-in capital, half of this special reserve may be capitalized.

According to May 25, 2016 Rule No. 10510001510 issued by the FSC, a special reserve should be appropriated between 0.5% and 1% of net income after tax when banks appropriate earnings of 2016 through 2018. Since 2017, the Company is allowed to reverse the special reserve at the amount of the costs of employee transfer and arrangement in connection with the development of financial technology.

(V) Retained earnings and dividend policy

Should there be net earnings after the account is closed, apart from paying the income tax by law, the Bank shall first compensate for the deficits in previous years and then appropriate thirty percent (30%) as the legal reserve. Next, the balance shall be appropriated or reversed as the special reserve by law or based on business needs. Then, the balance after that, if any, shall be combined to the accumulative unappropriated earnings of the previous year for BOD to draw up a proposal for earnings distribution and submit to AGM for adoption of the distribution of dividends and bonuses.

BOD shall draw up the proportion of distribution in cash or in share for dividends and bonuses based on the temporal financial trend, future status of profitability, and the Bank's budget planning. On principle, if the regulatory capital to risk-weighted assets ratio of the Bank is lower than the ratio required by competent authorities plus one percentage point after earnings distribution, distribution in stock shall first be adopted. When the legal reserve is lower than the total capital, the maximum amount of earnings distribution in cash shall not exceed fifteen percent (15%) of the total capital.

The 2024 and 2023 earnings distribution proposals were passed by the Bank at the Board meeting on March 10, 2025 and shareholders' meeting on June 14, 2024 are as follows:

	Earning distribution		Dividends per share (NT$)	
	2024	2023	2024	2023
Legal reserve	$ 2,016,695	$ 1,453,449		
Reversal of special reserve	-	(129,596)		
Share dividends of common stock	2,835,051	2,645,267	$ 0.700	$ 0.700
Cash dividends of common stock	1,417,526	755,790	0.350	0.200
Cash dividends of preference shares	526,125	511,845	2.631	2.559

The 2024 earnings distribution proposal is pending a resolution by the shareholders' meeting on June 13, 2025.

(VI) Other equity items

1. Exchange difference from translating the financial statements of overseas operations

	January 1 to March 31, 2025	January 1 to March 31, 2024
Balance at the beginning of the period	$ 143,157	($ 609,272)
Exchange differences arising on translation the foreign operations	300,817	561,544
Profit or loss on income tax on exchange differences on translation of the net assets of foreign operations	(57,827)	(112,309)
Balance at the end of the period	$ 386,147	($ 160,037)

2. Unrealized gain or loss on financial assets at fair value through other comprehensive income

	January 1 to March 31, 2025	January 1 to March 31, 2024
Balance at the beginning of the period	$ 5,714,105	$ 3,228,847
Generated in the current period		
Unrealized gain (loss)		
Debt instruments	697,654	(520,237)
Equity instrument	1,441,260	2,140,119
Adjustments to loss allowance for debt instruments	(79,006)	84,738
Adjustment for reclassification		
Disposal of debt instruments	($ 9,705)	$ -
Other comprehensive income for the period	2,050,203	1,704,620
Accumulated gain (loss) transferred to retained earnings from disposal of equity instruments	(11,187)	(38,833)
Balance at the end of the period	$ 7,753,121	$ 4,894,634

(VII) Non-controlling interests

	January 1 to March 31, 2025	January 1 to March 31, 2024
Balance at the beginning of the period	$ 2,217,782	$ 2,208,503
Shares attributable to non-controlling interests		
Net profit (loss) of the current year	(22,953)	159
Unrealized gain (loss) on financial assets at FVTOCI	17	2
Recall of preferred shares by the subsidiary	(800,000)	-
Preferential shares issued by subsidiaries	800,000	-
Balance at the end of the period	$ 2,194,846	$ 2,208,664

Due to the business demands, Ting Jie Electric Power Inc. redeemed 40,000 thousand Class A class A preference shares at the original issuance price of NT$400,000 thousand plus compensation for NT$137,568 thousand for a total of NT$537,578 thousand with the consent of the Board in March 2025.

Due to the business demands, Ting Jie Electric Power Inc. redeemed 40,000 thousand class B class A preference shares at the original issuance price of NT$400,000 thousand plus compensation for NT$87,370 thousand for a total of NT$487,370 thousand with the consent of the Board in March 2025.

On March 19, 2025, the extraordinary shareholders' meeting of the Ting Jie Electric Power Inc. passed a resolution to amend the issuance conditions of class B preference shares. The main conditions for the issuance of class B class A preference shares after the amendment are as follows:

(I) Maturity: There is no maturity date for the Class A preference shares.

(II) Interest: The annual interest rate is 6% per annum for the preference shares, based on the price per share.

(III) Dividend payment: Whereas Ting Jie Electric Power Inc. makes profit in a fiscal year, apart from paying the income tax by law, it shall first compensate for the deficits in previous years, appropriate the legal reserve, and appropriate or reverse the special reserve with respect to these Articles of Incorporation before distributing dividends deserved for preference shares of the year. Ting Jie Electric Power has the sole discretion on the distribution of dividends of preference shares, which includes but not limited to the their discretion to resolve not to distribute dividends to the preferential shareholders if there is no surplus, or if earnings in the fiscal year are insufficient to fully pay off dividends to the shareholders of the preference shares, the preferential shareholders shall raise no objection if the resolution is not to distribute dividends of preference shares; the dividends resolved not to be distributed or not paid in full amount may be accumulated and deferred to paid in the years with profits. Dividends of class B preference shares if distributed will be in cash and in one payment in a year. After the annual general meeting of shareholders ratifies the financial statements, the Board of Directors shall determine the base date to disburse the dividends for the previous year. The year of issuance and the recovery of the number of dividends issued of the year shall be calculated based on the actual number of days of issuance in the year. The amount of dividends distributed should be recognized on the dividend statements.

(IV) Exceeding dividend distribution: preference shares, other than the dividends received as dividend rate prescribed in the preceding paragraph, under no circumstances shall holders of preference shares be entitled to receive the dividend distributed for common stock from this Bank’s earnings and legal reserves in cash or capital reserves.

(V) Redemption of preference shares: Or if such class B preference shares have not yet been issued for three full years, and Ting Jie Electric Power Inc. intends to redeem all or part of such shares due to business adjustments, it should obtain the approval of more than half of the preferred shareholders, and calculate the redemption price at the actual price of issuance. The interest rate will be calculated at 7.5% per annum as compensation, based on the number of days for which such shares have been issued.

(VI) preference shares repurchase: preference shares cannot be sold by the holders of preference shares.

(VII) Liquidation priority: Holders of class A preference shares are entitled to a higher priority than holders of common stock in the distribution of Ting Jie Electric Power’s residual property and to the same priority in the right to claim of holders of all types of preference shares issued by Ting Jie Electric Power, but the right to claim shall be limited to the issuance amount only.

(VIII) Voting and election rights: Holders of class A preference shares are not entitled to vote or elect, except for the meeting of holders of preference shares or meeting of shareholders involving the rights and obligations of holders of preference shares, both of which shall be entitled to the voting rights.

(IX) Convertibility to Common Shares: Under no circumstances shall the conversion from preference shares into common shares be allowed, nor shall holders of preference shares be entitled to request Ting Jie Electric Power to recover their preference shares held.

(X) When Ting Jie Electric Power issues new shares in cash, the shareholders of class A class A preference shares and the common stock shall be entitled to equivalent preemptive rights on the new shares.

For the purpose of operation, Ting Jie Electric Power issued 80,000 thousand shares of class C preference shares in March 2025, at a par value of NTD 10 per share, in the amount of NTD 800,000 thousand. The issuance conditions of the class A preference shares are consistent with the above-mentioned amendments to the class B preference shares.

In the Articles of Incorporation of Na He Yi Hau Electric Power Inc., 12,400 thousand shares of class A preference shares are issued at a par value of NTD 10 per share. As of March 31, 2025, NTD 124,000 thousand has been issued. The main conditions for the issuance are as follows:

(I) Maturity: Perpetual for the class A preference shares

(II) Interest: The annual interest rate is 6.5% per annum for the class A preference shares, based on the price per share.

(III) Dividend payment: Whereas Na He Yi Hau makes profit in a fiscal year, apart from paying the income tax by law, it shall first compensate for the deficits in previous years, appropriate the legal reserve, and appropriate or reverse the special reserve with respect to these Articles of Incorporation before distributing dividends deserved for preference shares of the year. Na He Yi Hau has the sole discretion on the distribution of dividends of preference shares, which includes but not limited to the their discretion to resolve not to distribute dividends to the preferential shareholders if there is no surplus, or if earnings in the fiscal year are insufficient to fully pay off dividends to the shareholders of the preference shares, the preferential shareholders shall raise no objection if the resolution is not to distribute dividends of preference shares; the dividends resolved not to be distributed or not paid in full amount may be accumulated and deferred to paid in the years with profits. Dividends of class A preference shares if distributed will be in cash and in one payment in a year. After the annual general meeting of shareholders ratifies the financial statements, the Board of Directors shall determine the base date to disburse the dividends for the previous year. The year of issuance and the recovery of the number of dividends issued of the year shall be calculated based on the actual number of days of issuance in the year. The amount of dividends distributed should be recognized on the dividend statements.

(IV) Exceeding dividend distribution: class A preference shares, other than the dividends received as dividend rate prescribed in the preceding paragraph, under no circumstances shall holders of preference shares be entitled to receive the dividend distributed for common stock from this Bank’s earnings and legal reserves in cash or capital reserves.

(V) Redemption of class A preference shares: After 5 years from the issue date, Na He Yi Hau may redeem a portion or all of the outstanding shares of class A preference shares at any time at the issue price. The rights and obligations of all types of issuance conditions of unrecovered preference shares will continue. Should the board meeting resolution of Na He Yi Hau determine to issue dividends for class A preference shares in the recovery year, the dividends to be distributed shall be calculated by the day of recovery based on the actual number of days issued in the year.

(VI) preference shares repurchase: preference shares cannot be sold by the holders of preference shares.

(VII) Liquidation priority: Holders of class A class A preference shares are entitled to a higher priority than holders of common stock in the distribution of Na He Yi Hau’s residual property and to the same priority in the right to claim of holders of all types of preference shares issued by Na He Yi Hau, but the right to claim shall be limited to the issuance amount only.

(VIII) Voting and election rights: Holders of class A class A preference shares are not entitled to vote or elect, except for the meeting of holders of preference shares or meeting of shareholders involving the rights and obligations of holders of preference shares, both of which shall be entitled to the voting rights.

(IX) Convertibility to common stock: Under no circumstances shall the conversion from class A preference shares into common stock be allowed, nor shall holders of preference shares be entitled to request Na He Yi Hau to recover their class A preference shares held.

(X) When Na He Yi Hau issues new shares in cash, the shareholders of class A class A preference shares and the common stock shall be entitled to equivalent preemptive rights on the new shares.

Union Green Energy I Private Equity Limited Partnership acquired all of the preference shares issued by Ting Jie Electric Power and Na He Yi Hau.

For the needs of business, and approved by the directors in December 2021, Tian Ji Smart issued preferential shares at the premium of NT$50 per share. The shares for the capital increase is 5,280 thousand shares for total NT$264,000 thousand. Tian Ji Smart redeemed 3,000 thousand Class-A class A preference shares at the original issuance price plus compensation for NT$159,349 thousand with the consent of the Board in March 2023. As of March 31, 2025, 114,000 thousand was issued and the conditions for the issuance of class A preference shares are as follows:

(I) Maturity: Perpetual for the class A preference shares

(II) Interest: The annual interest rate is capped at 6.5% per annum for the class A preference shares, based on the price per share.

(III) Dividend payment: Whereas Tian Ji Smart makes profit in a fiscal year, apart from paying the income tax by law, it shall first compensate for the deficits in previous years, appropriate the legal reserve, and appropriate or reverse the special reserve with respect to these Articles of Incorporation before distributing dividends deserved for preference shares of the year. Tian Ji Smart has the sole discretion on the distribution of dividends of preference shares, which includes but is not limited to their discretion to resolve not to distribute dividends to the preferential shareholders if there is no surplus, or if earnings in the fiscal year are insufficient to fully pay off dividends to the shareholders of the preference shares, the preferential shareholders shall raise no objection if the resolution is not to distribute dividends of preference shares; the dividends resolved not to be distributed or not paid in full amount may be accumulated and deferred to paid in the years with profits. Dividends of class A preference shares if distributed will be in cash and in one payment in a year. After the annual general meeting of shareholders ratifies the financial statements, the Board of Directors shall determine the base date to disburse the dividends for the previous year. The year of issuance and the recovery of the number of dividends issued of the year shall be calculated based on the actual number of days of issuance in the year.

(IV) Exceeding dividend distribution: class A preference shares, other than the dividends received as dividend rate prescribed in the preceding paragraph, under no circumstances shall holders of preference shares be entitled to receive the dividend distributed for common stock from this Bank’s earnings and legal reserves in cash or capital reserves.

(V) Redemption of class A preference shares: After 6 months from the issue date,[E. Chen2] Tian Ji Smart may redeem a portion or all of the outstanding shares of class A preference shares at any time at the issue price. The rights and obligations of all types of issuance conditions of unrecovered preference shares will continue. Should the board meeting resolution of Tian Ji Smart determine to issue dividends for class A preference shares in the recovery year, the dividends to be distributed shall be calculated by the day of recovery based on the actual number of days issued in the year.

(VI) preference shares repurchase: preference shares cannot be sold by the holders of preference shares during the issuance period.

(VII) Liquidation priority: Holders of class A class A preference shares are entitled to a higher priority than holders of common stock in the distribution of Tian Ji Smart's residual property and to the same priority in the right to claim of holders of all types of preference shares issued by Tian Ji Smart, but the right to claim shall be limited to the issuance amount only.

(VIII) Voting and election rights: Holders of class A class A preference shares are not entitled to vote or elect, except for the meeting of holders of preference shares or meeting of shareholders involving the rights and obligations of holders of preference shares, both of which shall be entitled to the voting rights.

(IX) Convertibility to common stock: Under no circumstances shall the conversion from class A preference shares into common stock be allowed, nor shall holders of preference shares be entitled to request Tian Ji Smart to recover their class A preference shares held.

The issuance of class A preference shares was approved by the shareholders' meeting of the Bei Chen Yi Hau in 2022. The total number of shares issued is18,750thousand shares, with a par value of NTD 10 per share, for a total of NT$187,500 thousand. Due to business needs, Bei Chen Yi Hau's Board of Directors approved the proposal to increase the issuance price of the preferred shares from NT$110,000 thousand plus compensation amount NT$16,206 thousand and NT$77,500 thousand plus compensation amount NT$4,612 thousand in April 2024 and April 2023, respectively, for a total of NT$208,318 thousand, and to recover 18,750 thousand shares of class A preference shares. On April 15, 2024, the extraordinary shareholders' meeting of Bei Chen Yi Hau passed a resolution to amend the issuance conditions of class A preference shares. The main conditions for the issuance of class A preference shares after the amendment are as follows:

(I) Maturity: Perpetual for the class A preference shares

(II) Interest: The annual interest rate is 6% per annum for the class A preference shares, based on the price per share.

(III) Dividend payment: Whereas Bei Chen Yi Hau makes profit in a fiscal year, apart from paying the income tax by law, it shall first compensate for the deficits in previous years, appropriate the legal reserve, and appropriate or reverse the special reserve with respect to these Articles of Incorporation before distributing dividends deserved for preference shares of the year. Bei Chen Yi Hau has the sole discretion on the distribution of dividends of preference shares, which includes but not limited to the their discretion to resolve not to distribute dividends to the preferential shareholders if there is no surplus, or if earnings in the fiscal year are insufficient to fully pay off dividends to the shareholders of the preference shares, the preferential shareholders shall raise no objection if the resolution is not to distribute dividends of preference shares; the dividends resolved not to be distributed or not paid in full amount may be accumulated and deferred to paid in the years with profits. Dividends of class A preference shares if distributed will be in cash and in one payment in a year. After the annual general meeting of shareholders ratifies the financial statements, the Board of Directors shall determine the base date to disburse the dividends for the previous year. The year of issuance and the recovery of the number of dividends issued of the year shall be calculated based on the actual number of days of issuance in the year. The amount of dividends distributed should be recognized on the dividend statements.

(IV) Exceeding dividend distribution: class A preference shares, other than the dividends received as dividend rate prescribed in the preceding paragraph, under no circumstances shall holders of preference shares be entitled to receive the dividend distributed for common stock from this Bank's earnings and legal reserves in cash or capital reserves.

(V) Redemption of class A preference shares: Or if such shares have not yet been issued for three full years, and Bei Chen Yi Hau intends to redeem all or part of such shares due to business adjustments, it should obtain the approval of more than half of the preferred shareholders, and calculate the redemption price at the actual price of issuance. The interest rate will be calculated at 7.5% per annum as compensation, based on the number of days for which such shares have been issued.

(VI) preference shares repurchase: preference shares cannot be sold by the holders of preference shares.

(VII) Distribution of residual property: Holders of class A class A preference shares are entitled to a higher priority than holders of common stock in the distribution of Bei Chen Yi Hau's residual property, and the same order applies to holders of all types of preference shares issued by Bei Chen Yi Hau, but the right to claim shall be limited to the issuance amount.

(VIII) Voting and election rights: Holders of class A class A preference shares are not entitled to vote or elect, except for the meeting of holders of preference shares or meeting of shareholders involving the rights and obligations of holders of preference shares, both of which shall be entitled to the voting rights.

(IX) Convertibility to common shares: Under no circumstances shall the conversion from class A preference shares into common shares be allowed, nor shall holders of preference shares be entitled to request Bei Chen Yi Hau to recover their preference shares held.

(X) When Bei Chen Yi Hau issues new shares in cash, the shareholders of class A preference shares and the common stock shall be entitled to equivalent preemptive rights on the new shares.

For the purpose of operation, Bei Chen Yi Hau issued 12,000 thousand shares of class B preference shares in April 2024, at a par value of NTD 10 per share, in the amount of NTD 120,000 thousand. The issuance conditions of the class A preference shares are consistent with the above-mentioned amendments to the Class A Preferred Shares.

The preference shares issued by Bei Chen Yi Hau were fully subscribed by Union Green Energy I Private Equity Limited Partnership.

In 2022, the shareholders' meeting of Hao Tian Electric Power resolved the issuance conditions of Class A preference shares in the Articles of Incorporation. Such class A preference shares are 10,150 thousand shares in total with the face value of NT$10 per share. As of March 31, 2025, a total of NT$101,500 thousand was issued. The main terms and conditions of the issuance of Class-A class A preference shares are as follows:

(I) Maturity: Perpetual for the class A preference shares

(II) Interest: The annual interest rate is 6% per annum for the class A preference shares, based on the price per share.

(III) Dividend payment: Whereas Hao Tian Electric Power makes profit in a fiscal year, apart from paying the income tax by law, it shall first compensate for the deficits in previous years, appropriate the legal reserve, and appropriate or reverse the special reserve with respect to these Articles of Incorporation before distributing dividends deserved for preference shares of the year. Hao Tian Electric Power has the sole discretion on the distribution of dividends of preference shares, which includes but not limited to the their discretion to resolve not to distribute dividends to the preferential shareholders if there is no surplus, or if earnings in the fiscal year are insufficient to fully pay off dividends to the shareholders of the preference shares, the preferential shareholders shall raise no objection if the resolution is not to distribute dividends of preference shares; the dividends resolved not to be distributed or not paid in full amount may be accumulated and deferred to paid in the years with profits. Dividends of class A preference shares if distributed will be in cash and in one payment in a year. After the annual general meeting of shareholders ratifies the financial statements, the Board of Directors shall determine the base date to disburse the dividends for the previous year. The year of issuance and the recovery of the number of dividends issued of the year shall be calculated based on the actual number of days of issuance in the year. The amount of dividends distributed should be recognized on the dividend statements.

(IV) Exceeding dividend distribution: class A preference shares, other than the dividends received as dividend rate prescribed in the preceding paragraph, under no circumstances shall holders of preference shares be entitled to receive the dividend distributed for common stock from this Bank's earnings and legal reserves in cash or capital reserves.

(V) Redemption of class A preference shares: After 3 years from the issue date, Hao Tian Electric Power may redeem a portion or all of the outstanding shares of class A preference shares at any time at the issue price. The rights and obligations of all types of issuance conditions of unrecovered preference shares will continue. Should the board meeting resolution of Hao Tian Electric Power determine to issue dividends for class A preference shares in the recovery year, the dividends to be distributed shall be calculated by the day of recovery based on the actual number of days issued in the year.

Or if such shares have not yet been issued for three full years, and Hao Tian Electric Power intends to redeem all or part of such shares due to business adjustments, it should obtain the approval of more than half of the preferred shareholders, and calculate the redemption price at the actual price of issuance. The interest rate will be calculated at 6% per annum as compensation, based on the number of days for which such shares have been issued.

(VI) preference shares repurchase: preference shares cannot be sold by the holders of preference shares.

(VII) Liquidation priority: Holders of class A class A preference shares are entitled to a higher priority than holders of common stock in the distribution of Hao Tian Electric Power's residual property and to the same priority in the right to claim of holders of all types of preference shares issued by Hao Tian Electric Power, but the right to claim shall be limited to the issuance amount only.

(VIII) Voting and election rights: Holders of class A class A preference shares are not entitled to vote or elect, except for the meeting of holders of preference shares or meeting of shareholders involving the rights and obligations of holders of preference shares, both of which shall be entitled to the voting rights.

(IX) Convertibility to common stock: Under no circumstances shall the conversion from class A preference shares into common stock be allowed, nor shall holders of preference shares be entitled to request Hao Tian Electric Power to recover their class A preference shares held.

(X) When Hao Tian Electric Power issues new shares in cash, the shareholders of class A class A preference shares and the common stock shall be entitled to equivalent preemptive rights on the new shares.

The preference shares issued by Hao Tian Electric Power were fully subscribed by Union Green Energy Private Equity Limited Partnership.

In 2022, the shareholders' meeting of Feng Tai Electric Power resolved the issuance conditions of class A preference shares in the Articles of Incorporation. Such class A preference shares are 10,150 thousand shares in total with the face value of NT$10 per share. As of March 31, 2025, a total of NT$101,500 thousand was issued. The main terms and conditions of the issuance of Class-A class A preference shares are as follows:

(I) Maturity: Perpetual for the class A preference shares

(II) Interest: The annual interest rate is 6% per annum for the class A preference shares, based on the price per share.

(III) Dividend payment: Whereas Feng Tai Electric Power makes profit in a fiscal year, apart from paying the income tax by law, it shall first compensate for the deficits in previous years, appropriate the legal reserve, and appropriate or reverse the special reserve with respect to these Articles of Incorporation before distributing dividends deserved for preference shares of the year. Feng Tai Electric Power has the sole discretion on the distribution of dividends of preference shares, which includes but not limited to the their discretion to resolve not to distribute dividends to the preferential shareholders if there is no surplus, or if earnings in the fiscal year are insufficient to fully pay off dividends to the shareholders of the preference shares, the preferential shareholders shall raise no objection if the resolution is not to distribute dividends of preference shares; the dividends resolved not to be distributed or not paid in full amount may be accumulated and deferred to paid in the years with profits. Dividends of class A preference shares if distributed will be in cash and in one payment in a year. After the annual general meeting of shareholders ratifies the financial statements, the Board of Directors shall determine the base date to disburse the dividends for the previous year. The year of issuance and the recovery of the number of dividends issued of the year shall be calculated based on the actual number of days of issuance in the year. The amount of dividends distributed should be recognized on the dividend statements.

(IV) Exceeding dividend distribution: class A preference shares, other than the dividends received as dividend rate prescribed in the preceding paragraph, under no circumstances shall holders of preference shares be entitled to receive the dividend distributed for common stock from this Bank's earnings and legal reserves in cash or capital reserves.

(V) Redemption of class A preference shares: Or if such shares have not yet been issued for three full years, and Feng Tai Electric Power intends to redeem all or part of such shares due to business adjustments, it should obtain the approval of more than half of the preferred shareholders, and calculate the redemption price at the actual price of issuance. The interest rate will be calculated at 6% per annum as compensation, based on the number of days for which such shares have been issued.

(VI) Preference shares repurchase: preference shares cannot be sold by the holders of preference shares.

(VII) Liquidation priority: Holders of class A class A preference shares are entitled to a higher priority than holders of common stock in the distribution of Feng Tai Electric Power's residual property and to the same priority in the right to claim of holders of all types of preference shares issued by Feng Tai Electric Power, but the right to claim shall be limited to the issuance amount only.

(VIII) Voting and election rights: Holders of class A class A preference shares are not entitled to vote or elect, except for the meeting of holders of preference shares or meeting of shareholders involving the rights and obligations of holders of preference shares, both of which shall be entitled to the voting rights.

(IX) Convertibility to common stock: Under no circumstances shall the conversion from class A preference shares into common stock be allowed, nor shall holders of preference shares be entitled to request Feng Tai Electric Power to recover their class A preference shares held.

(X) When Feng Tai Electric Power issues new shares in cash, the shareholders of class A class A preference shares and the common stock shall be entitled to equivalent preemptive rights on the new shares.

The preference shares issued by Feng Tai Electric Power were fully subscribed by Union Green Energy Private Equity Limited Partnership.

XXXVII. Net Interest Income

	January 1 to March 31, 2025	January 1 to March 31, 2024
Interest income		
Discounts and loans	$ 4,434,600	$ 3,939,107
Interests from revolving credit	258,610	235,339
Due from the Central Bank and call loans to other banks	79,533	61,404
Investment of bonds under reverse repurchase agreement	235,762	204,401
Interests from debt instruments measured at amortized costs	432,143	415,774
Interests from financial assets measured at fair value through other comprehensive income	312,209	304,910
Other interest income	89,089	72,651
Subtotal	5,841,946	5,233,586
Interest expense		
Interests from deposits	2,910,543	2,574,452
Interests from notes under repurchase agreement and bonds	537,244	571,905
Interests from financial bonds	20,387	20,387
Due to Chunghwa Post Co., Ltd.	24,013	14,434
Other interest expense	127,155	114,316
Subtotal	3,619,342	3,295,494
Total	$ 2,222,604	$ 1,938,092

XXXVIII. Commission and Fee Income, Net

	January 1 to March 31, 2025	January 1 to March 31, 2024
Fee income		
Fees from credit cards and debit cards	$ 955,618	$ 777,101
Commission and fee revenue, net	282,612	266,707
Fees from trust	229,988	211,465
Fees from loans	147,769	118,374
Incomes from interbank service	15,206	16,085
Fees from underwriting	$ 50,258	$ 44,518
Fees from guarantee	35,115	41,594
Others	75,837	102,617
Subtotal	1,792,403	1,578,461
Commission and fee expense		
Fees from acquiring liquidation deal	437,398	344,461
Fees from credit cards	348,236	373,334
Fees from credit inquiry	13,808	12,730
Fees from interbank service	5,325	9,861
Others	31,205	38,486
Subtotal	835,972	778,872
Total	$ 956,431	$ 799,589

XXXIX. Net profit or loss on financial assets and liabilities measured at fair value through profit or loss

	January 1 to March 31, 2025	January 1 to March 31, 2024
Realized gain or loss on financial assets at fair value through profit or loss		
Currency swap contracts	$ 634,575	$ 408,574
Interest income	331,606	232,902
Commercial paper	2,765	4,449
Foreign exchange forward contracts	(12,499)	6,551
Option contracts	2,081	1,397
Dividend incomes	7,141	11,200
Beneficiary securities and shares	(64,098)	125,199
Subtotal	901,571	790,272
Profit or loss of financial assets or liabilities at FVTPL		
Derivative financial assets and liabilities	(200,999)	2,869,143
Government bonds and corporate bonds	186,933	(35,202)
Commercial paper	(3,619)	3,789
Beneficiary securities and shares	(134,866)	228,947
Subtotal	(152,551)	3,066,677
Total	$ 749,020	$ 3,856,949

XL. Realized gain on financial assets at FVTOCI

	January 1 to March 31, 2025	January 1 to March 31, 2024
Dividend income	$ 63,744	$ 69,364
Net income on disposal - debt instruments	9,705	-
Total	$ 73,449	$ 69,364

XLI. Reversal of Loss (Impairment Loss)

	January 1 to March 31, 2025	January 1 to March 31, 2024
Debt instruments measured at fair value through other comprehensive income	$ 98,215	($ 24,996)
Financial assets measured at amortized costs	-	(27,883)
Total	$ 98,215	($ 52,879)

XLII. Employee Benefits

	January 1 to March 31, 2025	January 1 to March 31, 2024
Salaries and wages	$ 763,301	$ 698,051
Bonus	318,120	761,611
Post-employment benefits		
Defined contribution plans	52,245	56,091
Defined benefit plans	1,693	1,945
Labor insurance and national health insurance	123,168	112,378
Other employee benefits	30,148	30,999
Total	$ 1,288,675	$ 1,661,075

The Bank accrued remuneration of employees and directors at the rates of between 1% and 5% and no higher than 0.1%, respectively, of net profit before income tax (in case of accumulated losses, the amount to offset the losses shall be set aside in advance)

The remuneration of employees and directors estimated for January 1 to March 31, 2025 and 2024 are as follows:

Accrual rate

	January 1 to March 31, 2025	January 1 to March 31, 2024
Remuneration of employees	1.84%	1.84%
Remuneration of directors	0.09%	0.09%

Amount

	January 1 to March 31, 2025	January 1 to March 31, 2024
Remuneration of employees	$ 28,066	$ 27,562
Remuneration of directors	$ 1,373	$ 1,348

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.

The Company held Board meetings on March 10, 2025 and March 11, 2024 to resolve the 2024 and 2023 remuneration to employees and directors, respectively. The details are as below:

	2024		2023	
	Cash	Shares	Cash	Shares
Remuneration of employees	$ -	$ 114,719	$ -	$ 96,927
Remuneration of directors	5,611	-	4,741	-

The remunerations of employees for 2024 and 2023 were 6,974 thousand shares and 6,594 thousand shares, and the calculation were based on the closing prices, NT$16.45 and NT$14.70 of the day before the board's resolution date.

There was no difference in the remunerations of employees and directors paid and the amounts recognized in the financial statements for 2024 and 2023.

Information on the remunerations to employees and directors resolved by the Bank's board of directors in 2024 and 2023 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

XLIII. Depreciation and Amortization

	January 1 to March 31, 2025	January 1 to March 31, 2024
Depreciation of properties and equipment	$ 127,662	$ 90,269
Depreciation of investment properties	11,266	10,974
Depreciation of assets leased	414,386	413,826
Depreciation of right-of-use assets	127,673	125,016
Amortization of intangible assets	26,086	22,761
Total	$ 707,073	$ 662,846

XLIV. Other operating and management expenses

	January 1 to March 31, 2025	January 1 to March 31, 2024
Taxation and levies	$ 314,886	$ 285,142
Advertising expenses	167,549	198,020
Outsourcing service fee	95,461	101,285
Computer information expense	73,216	69,176
Business promotion expenses	27,797	64,181
Postage/cable charge	50,493	53,156
Deposit insurance premium	48,649	47,519
Repair and maintenance expense	53,593	45,103
Rent	39,429	39,405
Others	188,038	207,897
Total	$ 1,059,111	$ 1,110,884

XLV. Income Tax

(I) Income tax recognized in profit or loss

The main components of income tax expense were as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Current income tax		
Incurred in the current year	$ 328,214	$ 137,315
Deferred tax		
Incurred in the current year	(26,288)	6,716
Income tax expense recognized in profit or loss	$ 301,926	$ 144,031

(II) Income tax recognized in other comprehensive income

	January 1 to March 31, 2025	January 1 to March 31, 2024
Deferred tax		
Recognized in other comprehensive income:		
- Translating the financial statements of overseas operations	($ 57,827)	($ 112,309)
- Unrealized gain or loss on financial assets at fair value through other comprehensive income	(195,440)	(173,666)
Income tax expenses recognized in other comprehensive income	($ 253,267)	($ 285,975)

(III) Income tax assessments

	Assessments
Union Bank of Taiwan	Approved until 2020
Union Finance and Leasing (Int'l) Corp	Approved until 2022
Union Information Technology Corporation	Approved until 2022
Union Securities Investment Trust Co., Ltd.	Approved until 2023
Union Private Equity	Approved until 2022
Union Venture Capital Co., Ltd.	Approved until 2023
Union Energy Co., Ltd.	Approved until 2023
Tian Ji Smart	Approved until 2023
Ting Jie Electric Power Inc.	Approved until 2023
Na He Yi Hau Electric Power Inc.	Approved until 2023
Bei Chen Yi Hau	Approved until 2023
Feng Tai Electric Power	Approved until 2023
Hao Tian Electric Power Inc.	Approved until 2023

XLVI. Earnings Per Share

	January 1 to March 31, 2025	January 1 to March 31, 2024
Basic earnings per share	$ 0.30	$ 0.33
Diluted earnings per share	$ 0.30	$ 0.33

Net profit of the year

	January 1 to March 31, 2025	January 1 to March 31, 2024
Earnings used in the computation of basic earnings per share	$ 1,206,352	$ 1,334,424
Earnings used in the computation of diluted earnings per share	$ 1,206,352	$ 1,334,424

The weighted average number of common stock outstanding (in thousands of shares) is as follows:

Number of shares

Unit: thousand shares

	January 1 to March 31, 2025	January 1 to March 31, 2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	4,051,777	4,045,001
Effect of potentially dilutive ordinary shares		
Remuneration of employees	6,925	6,879
Weighted average number of ordinary shares used in the computation of diluted earnings per share	4,058,702	4,051,880

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

When calculating earnings per share, the impact of the unpaid rights issue has been retrospectively adjusted, and the ex-date for the unpaid rights issue was set on July 24, 2024. The basic and diluted earnings per share were both adjusted from NT$0.35 to NT$0.33 for the period between January 1 to March 31, 2024 due to the retrospective adjustment.

XLVII. Transactions with Related Parties

The transactions, account balance, incomes and expenses between the Company and subsidiaries (as the related parties of the Company) are all cancelled when consolidating, and thus not disclosed in the Note. Unless otherwise disclosed in the Notes, other significant transactions between the Company and other related parties are as follows:

(I) Related parties and their relationships with the Company

Related Party	Relationship with the Company
Union Construction Management Co., Ltd. (Union Construction Management)	Affiliate
iPASS Corporation	Affiliate
Blue Borders Medical and Health Management Consulting Co., Ltd. (Blue Borders)	Affiliate
Horng Gow Construction Co., Ltd. (Horng Gow)	Related party in substance

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(Cont’)

Related Party	Relationship with the Company
The Liberty Times Co., Ltd. (the Liberty Times)	Related party in substance
Long Shan Lin Corporation (Long Shan Lin)	Related party in substance
Yung Hsuan Co., Ltd	Related party in substance
Union Enterprise Construction Co., Ltd. (Union Enterprise Construction)	Related party in substance
Yu-Bon Limited Co. (Yu-Bon)	Related party in substance
Lianhe Investment Co., Ltd. (Lianhe Investment)	Related party in substance
Union Recreation Enterprise Corporation (Union Recreation Enterprise)	Related party in substance
Union Optronics Corp. (Union Optronics)	Related party in substance
Hi-Life International Co., Ltd. (Hi-Life International)	Related party in substance
Hope Vision Co., Ltd. (Hope Vision)	Substantive related party (not a related party as of November 2024)
Issued by Union Securities Investment Trust	Issued by Union Securities Investment Trust
Union Green Energy Private Equity Limited Partnership (Union Green Energy)	Union Private Equity Co., Ltd. and UFLIC are general partner and limited partner, respectively
Union Green Energy I Private Equity Limited Partnership (Union Green Energy I)	Subsidiary, Union Private Equity Co., Ltd. is general partner
Union Green Energy II Private Equity Limited Partnership (Union Green Energy II)	Subsidiary, Union Private Equity Co., Ltd. is general partner
Others	The Company's directors, managers, their relatives, and their substantive related parties

(II) Material transactions with related parties

In addition to the disclosures in the notes to the financial statements, the significant transactions between the Company and its related parties are as follows:

1. Loans

March 31, 2025

Type	Number of Account or Related Parties	Highest Balance in the period	Balance at the end of the period	Fulfillment Status		Collaterals	Differences in Terms of Transaction with Those for Unrelated Parties
				Normal Loans	Overdue loan		
Consumer loans	14 households	$ 23,447	$ 20,806	$ 20,806	$ -	Lands, buildings, movables and securities	None
Self-used housing mortgage loans	36 households	142,023	131,589	131,589	-	Real estates	None
Other loans	10 households	30,864	30,273	30,273	-	Lands, buildings, and securities	None

December 31 2024

Type	Number of Account or Related Parties	Highest Balance in the period	Balance at the end of the period	Fulfillment Status		Collaterals	Differences in Terms of Transaction with Those for Unrelated Parties
				Normal Loans	Overdue loan		
Consumer loans	19 households	$ 27,552	$ 21,512	$ 21,512	$ -	Lands, buildings, and securities	None
Self-used housing mortgage loans	38 households	182,588	147,830	147,830	-	Real estates	None
Other loans	15 households	48,525	31,719	31,719	-	Lands, buildings, and securities	None

March 31, 2024

Type	Number of Account or Related Parties	Highest Balance in the period	Balance at the end of the period	Fulfillment Status		Collaterals	Differences in Terms of Transaction with Those for Unrelated Parties
				Normal Loans	Overdue loan		
Consumer loans	16 households	$ 25,777	$ 25,195	$ 25,195	$ -	Lands, buildings, and securities	None
Self-used housing mortgage loans	40 households	114,850	109,658	109,658	-	Real estates	None
Other loans	11 households	33,388	32,075	32,075	-	Lands, buildings, and securities	None
Other loans	Hope Vision	22,208	21,125	21,125	-	Small and Medium Enterprise Credit Guarantee Fund of Taiwan	None

Year	Balance at March 31	% in the account	Annual interest rate	Interest income from January 1 to March 31	% in the account
2025	$ 182,668	0.03%	1.95%-3.07%	$ 1,163	0.02%
2024	188,053	0.03%	1.70%-3.20%	1,135	0.02%

2. Deposit

Year	Balance at March 31	% in the account	Annual interest rate (Note)	Interest expenses from January 1 to March 31	% in the account
2025	$ 6,797,044	0.83%	0.00%-5.15%	$ 20,303	0.56%
2024	13,367,152	1.71%	0.00%-5.50%	24,359	0.74%

Note: Interest rates of foreign currencies included.

3. Guarantees and letters of credit

March 31, 2025

Related Party	Highest Balance in the period	Balance at the end of the period	Balance of Guarantees and Letters of Credit (Note)	Rate Range	Collaterals
Union Recreation Enterprise Corporation	$ 7,365	$ 7,365	$ -	1.00%	Time Deposit
The Liberty Times Co., Ltd.	2,888	-	-	0.05%	Time Deposit
Long Shan Lin Corporation	71,040	71,040	-	0.50%	Time Deposit
Hi-Life International Co., Ltd.	118,645	32,595	-	0.40%	Time Deposit

December 31 2024

Related Party	Highest Balance in the period	Balance at the end of the period	Balance of Guarantees and Letters of Credit (Note)	Rate Range	Collaterals
Union Recreation Enterprise Corporation	$ 7,265	$ 7,265	$ -	1.00%	Time Deposit
The Liberty Times Co., Ltd.	2,890	-	-	0.05%	Time Deposit
Long Shan Lin Corporation	71,040	71,040	-	0.50%	Time Deposit
Hi-Life International Co., Ltd.	37,395	37,395	-	0.40%	Time Deposit
iPASS Corporation	43,378	-	-	0.50%	Time Deposit

March 31, 2024

Related Party	Highest Balance in the period	Balance at the end of the period	Balance of Guarantees and Letters of Credit (Note)	Rate Range	Collaterals
Union Recreation Enterprise Corporation	$ 7,265	$ 7,265	$ -	1.00%	Time Deposit
The Liberty Times Co., Ltd.	2,815	2,815	-	0.05%	Time Deposit
Long Shan Lin Corporation	71,040	71,040	-	0.50%	Time Deposit
Hi-Life International Co., Ltd.	17,922	17,922	-	0.40%	Time Deposit
iPASS Corporation	43,378	43,378	-	0.50%	Time Deposit

Note: the guarantee obligations reserves are provided based on the entire credit.

4. Lease agreement

Under operating lease agreements with terms of one year to five years, the Company rents office spaces from related parties for use by the Company's Head Office, Trust, International Banking Department, Wealth Management, Information Technology Department, Consumer Banking Department, Insurance Agency Department, Credit Card Department, Northern Collaterals Appraisal Center, five branches, USITC, UFLIC and UIT. Rentals are paid quarterly or are taken from lease deposits. Rental expenses and lease deposits were as follows:

(1) The Company as the lessee

		Balance of Lease Deposit at March 31 (Other Assets - Refundable Deposits)		Lease liabilities on March 31	
Year	Lessor	Amount	% in the account	Amount	% in the account
2025	Yu-Bon	$ 461,391	19.48%	$ 41,195	2.38%
	Horng Gow	219,464	9.26%	32,868	1.90%
	Yung Hsuan	21,118	0.89%	266,148	15.40%
	UECC	5,701	0.24%	11,880	0.69%
2024	Yu-Bon	461,391	19.04%	62,109	3.23%
	Horng Gow	219,464	9.06%	129,938	6.76%
	Yung Hsuan	21,228	0.88%	346,598	18.04%
	UECC	5,286	0.22%	25,683	1.34%

For the three months ended March 31, 2025 and 2024, the rent expenses of ATM premises leased by Hi-life International Corporation were NT$5,319 thousand and NT$3,589 thousand, respectively.

(2) The Company as the lessor

The Company leased the properties at Zhongxiao Rd., Taichung City to Hi-Life from March 2020 to April 2030. The rental income in 2024 and for the three months ended March 31, 2025 was NT$229 thousand. It is collected on a monthly basis, and the rent deposits collected are NT$80 thousand (recognized as other liabilities - guarantee deposits received).

The Company leased the properties at Dunhua South Road, Taipei City, to Blue Borders from January 2022 to January 2032. The rental income during the three months ended March 31, 2025 and 2024 was NT$3,424 thousand for both periods. The rent is received on the monthly basis. In addition, the deposit of NT$5,980 thousand was received (accounted for other liabilities - guarantee deposit received).

The long-term car rental of the subsidiary, Union Finance and Leasing (Int'l) Corp was leased to Hi-Life International Co., Ltd. from January 2022 to June 2026. The rental income for the three months ended March 31, 2025 and 2024 were NT$533 thousand and NT$416 thousand, respectively. The rent is collected on a monthly basis.

5. Financial Assets Measured at Fair Value Through Profit or Loss

To enhance the efficiency of capital application and participate in domestic investment in green energy generation industry, Union Private Equity Co., Ltd., the Company's subsidiary, established "Union Green Energy Private Equity Limited Partnership" on December 2020 with the Company as a general partner. UFLIC also served as a limited partner of the fund. The total investment is NT$556,334 thousand as of March 31, 2025.

In June 2021, as general partner, Union Private Equity Co., Ltd. raised Union Green Energy I Private Equity Limited Partnership; the total investment was NT$14,878 thousand as of March 31, 2025.

In October 2021, the subsidiary Union Private Equity Co., Ltd. established "Union Green Energy II Private Equity Limited Partnership" as a general partner; the total investment was NT$20 thousand as of March 31, 2025.

Union Private Equity Co., Ltd. charged Union Green Energy Private Equity Limited Partnership management fee pursuant to the limited partnership agreement. For the three months ended March 31, 2025 and 2024, the amounts were both NT$2,522 thousand.

As of March 31, 2025, December 31 and March 31, 2024, the Bank and the UFLIC have hold 9,815 thousand units, 10,287 thousand units, and 8,804 thousand units of beneficiary certificates issued by USITC, which amounted to NT$120,605 thousand, NT$128,693 thousand and NT$127,749 thousand, respectively.

6. Hi-Life provided the product bonus redemptions and marketing campaigns to the Company. The advertising fees were NT$8,623 thousand and NT$5,910 thousand, respectively, during January 1 to March 31, 2025 and 2024.

7. Construction of solar power plant

In order to build a solar power station and operate the turnover, Nan He Yi Hau entered into a revolving commercial paper commitment agreement in December 2020, with International Bills Finance Corporation as the guarantor for a total limit of NT$1,130,000 thousand. It is jointly endorsed and guaranteed by Union Venture Capital and RFD Micro Electricity. As of March 31, 2024, the face value of the commercial paper payable was NT$242,100 thousand, and the maturity date was August 13, 2024, with an interest rate of 1.7000%. As of March 31, 2025, the face value of the commercial paper payable was NT$0 thousand.

8. Installment payment

The subsidiary Union Finance and Leasing (Int'l) Corp. (UFLIC) undertakes the installment payment for Blue Borders, with machinery and equipment as collateral. The repayment is made each month from July 2023 to July 2030, with the Chairman of Blue Borders as the joint guarantor. From January to March 31, 2025 and 2024, the interest income was NT$1,199 thousand and NT$546 thousand respectively, and the installment receivables on March 31, 2025 and December 31, 2024 and March 31, 2024, were NT$61,348 thousand, NT$63,918 thousand, and NT$71,513 thousand, respectively

9. Financial lease

The subsidiary, Union Finance and Leasing (Int'l) Corp has undertaken a financial lease, with machinery and equipment as collateral for Hi-Life. From September 2020 to September 2028, the repayment is made in one instalment each month, and the Chairman of Hi-Life serves as the joint guarantor. The interest revenues from January to March 31, 2025 and 2024 were NTD 95 thousand and NTD 119 thousand, respectively, and the lease payments receivable as of March 31, 2025, December 31 and March 31, 2024 were NT$16,531 thousand, NT$17,664 thousand, and NT$21,026 thousand, respectively.

Under the Article 32 and 33 of the Banking Act, no unsecured loan may be provided to the stakeholders except for within the consumer loan limits and government loans, credits extended by the Bank to any related party should be fully secured, and the credit terms for related parties should not be favorable to those for unrelated parties.

(III) Rewards and compensations to major management

During January 1 to March 31, 2025 and 2024, the rewards and compensations to directors and other major management are as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Short-term employment benefits		
Salaries	$ 18,395	$ 19,194
Transportation expenses	310	335
Others	133	135
	18,838	19,664
Post-employment benefits	263	5,992
	$ 19,101	$ 25,656

Compensation of directors and management is determined by the remuneration committee on the basis of individual performance and market trends.

XLVIII. Assets Pledged

(I) Union Bank of Taiwan

As of March 31, 2025, December 31 and March 31, 2024, government bonds and bank debentures, which amounted to NT$378,105 thousand, NT$390,805 thousand, and $356,105 thousand (all amounts included in other financial assets), respectively, had been provided to the courts and the Bank of Taiwan as guarantee deposits on provisional seizures against the debtors' properties, as reserve for credit card receivables, as guarantee deposits on bills finance operations, brokering life insurance, property and casualty insurance, and as trust reserve.

As of March 31, 2025, December 31 and March 31, 2024, the Bank pledged a time deposit of both NT$1,100,000 thousand (listed under other financial assets) to Mega International Commercial Bank Co., Ltd. and Mizuho Bank to be part of the latter's online bank-to-bank payment system.

(II) The following assets of the Company had been used as collaterals to apply for loans, issue commercial papers and apply for provisional seizure of certain assets:

	March 31, 2025	December 31 2024	March 31, 2024
Other financial assets			
Assets Pledged	$ 123,947	$ 93,240	$ 138,360
Investment properties	$ 2,300,921	$ 2,170,685	$ 2,178,413

As of March 31, 2025, December 31 and March 31, 2024, notes receivable (not expired) amounting to NT$537,078 thousand, NT$600,863 thousand and NT$637,754 thousand had been used as collaterals to apply for loans and issue commercial papers, respectively.

(III) Ting Jie Electric Power obtained a syndicated loan in 2022 for the construction of a power station, and provided personal property for photovoltaic equipment operation worth NT$3,093,671 thousand according to the syndicated loan agreement starting January 30, 2024 (Note XIX). The registration of the mortgage right is valid until March 28, 2047.

XLIX. Material Contingent Liabilities and the Contractual Commitments not Recognized

(I) As of March 31, 2025, December 31 and March 31, 2024, the Company's commitments consisted of the following:

	March 31, 2025	December 31 2024	March 31, 2024
Unused standby loan commitment	$ 148,909,924	$ 155,746,503	$ 150,968,871
Unused credit card commitment	182,144,348	305,777,821	342,021,507
Unused letters of credit	1,552,956	2,585,787	1,375,736
Other guarantees	29,929,730	23,001,788	27,200,680
Collections for customers	18,319,371	17,255,571	17,392,853
Guarantee notes payable	1,382,100	1,394,800	1,360,100
Trust assets	122,756,038	118,104,838	110,581,345
Marketable securities under custody	3,422,977	3,251,534	3,901,652

(II) The duration of leasing cars (included in other assets) is about 1 to 3 years. Minimum future annual rentals for the irrevocable operating leases are as follows:

	March 31, 2025	December 31 2024	March 31, 2024
Within 1 year	$ 1,886,873	$ 1,864,298	$ 1,873,791
Over 1 year to 5 years	2,164,969	2,110,632	2,019,604
	$ 4,051,842	$ 3,974,930	$ 3,893,395

(III) Computer equipment purchase contracts

As of March 31, 2025, December 31 and March 31, 2024, the Company had contracts to purchase computer equipment and software for NT$825,912 thousand, NT$901,515 thousand and NT$832,452 thousand, respectively, of which NT$496,373 thousand, NT$560,809 thousand and NT$410,865 thousand had not been paid, respectively as of March 31, 2025, December 31 and March 31, 2024.

(IV) Power plant contract

The amount of the solar photovoltaic system construction contract signed by the Company with Micropower Energy is NT$14,892,150 thousand. As of March 31, 2025 and December 31 and March 31, 2024, NT$4,997,191 thousand, NT$4,997,191 thousand and NT$4,835,605 thousand have been paid respectively.

Ting Jie Electric Power Inc. approved the signing of a solar power generation system construction (in areas around Madou District and Xuejia District, Tainan) contract with RFD Micro Electricity Co., Ltd. The total planned capacity is 160 mega watts, and the expected total price before tax is NT$8,936,000 thousand. The final total capacity shall comply with the total approved capacity of the permission letter for the construction. This project is in the stage of being connected to the grid of the Taipower system with about 32 MW. The remaining construction is still in progress. To facilitate the process, Ting Jie Electric Power signed a syndicated loan with 11 financial Institutions with a limit of NT$7,500,000 thousand. The joint guarantors are the parent company, UVC, Union Energy, and RFD Micro Electricity. There were 1,890 thousand shares in Ting Jie Electric Power pledged as collateral for the loan.

(V) System development contract

In order to develop the application system services, the Company signed a system development service contract with the Union Information Technology Corporation on March 13, 2025. The contract price was NT$80,400 thousand, and the contract period was from May 16, 2025 to May 15, 2027.

(VI) Union Securities Investment Trust Co., Ltd.

The private equity funds managed by USITC, a subsidiary of the Bank, were mainly invested in the Fairfield Sentry Funds (F Funds) of the Madoff Investment Securities' (Madoff Company) Fairfield Company (Fairfield). On January 10, 2011, the liquidator of the F Funds sued USITC, the private equity funds managed by USITC and the beneficiaries who bought USITC's private equity funds to demand the return of the redemption proceeds of US$17,206 thousand received by USITC's private equity funds from the F Funds. This case remained pending before the Bankruptcy Court for the Southern District of New York.

The bankruptcy trustee of Bernard L. Madoff Investment Securities LLC. (hereinafter "Madoff Company") filed a lawsuit on March 23, 2012, against the Company and its private equity funds, alleging that the redemption proceeds received by Fund F from Madoff Company constituted unjust enrichment. The plaintiff requested the return of a total of approximately US$17.206 million, including earnings and redeemed investment amounts obtained by the Company's private equity funds from Fund F. Because the plaintiff requested the U.S. court to serve the complaint to the Taipei District Court through judicial assistance, pursuant to Article 402, Paragraph 1, Subparagraph 2 of the Code of Civil Procedure and related judicial practice, the complaint was legally served to the Company. To avoid enforcement of an adverse judgment in Taiwan, the Company appointed U.S. counsel to assist in defense. Other defendants in similar situations—non-U.S. foreign investors receiving distributions from the Fairfield series funds—disputed the applicability of U.S. bankruptcy law and the jurisdiction of U.S. courts. The U.S. District Court for the Southern District of New York initially ruled, based on international comity, that U.S. bankruptcy law did not apply to these defendants. However, this ruling was overturned and finalized by a higher court. Consequently, the bankruptcy court has since resumed jurisdiction and is reconsidering the case. According to updates from the Company's appointed U.S. law firm, due to legal deficiencies in the plaintiff's claims in the complaint, the U.S. counsel filed a motion to dismiss the plaintiff's suit on April 4, 2022. However, the bankruptcy court denied the motion on August 19 of the same year. The Company then submitted a substantive answer to the bankruptcy court on November 1. On February 22, 2023, counsel for both parties completed and submitted a case management plan to the bankruptcy court. On April 10, 2023, both parties submitted initial disclosures. The Company has since begun collecting and disclosing relevant evidence. On November 27, 2023, the Company submitted a response to the plaintiff's evidence disclosure to the bankruptcy court and on May 31, 2024, responded to the plaintiff's inquiries. The Company provided the plaintiff with analysis reports, investment decision documents, investment execution records, and monthly investment review reports for three private equity funds based on arbitrage strategy. The plaintiff claims the Company's document production is incomplete due to the absence of emails and has threatened to petition the court to compel further disclosures. Both parties are currently negotiating and disputing this issue.

The private equity funds managed by USITC and mainly invested in the F Funds of Fairfield had become a loss for USITC. Thus, on June 26, 2013, USITC joined Fairfield Greenwich, Citco and PwC in a class action litigation on this investment loss. Regarding the class action suit against Fairfield Greenwich, United States District Court of the Southern District of New York approved the settlement of the two parties on December 19, 2014. The settlement fee was distributed among the settling parties in February 2015. Regarding the class action suit against Citco, the two parties had already come to a settlement on August 12, 2015; the court also approved the settlement of Citco on November 20, 2015. The settlement fee is going to be distributed among the settling parties. Regarding the class action suit against PwC, the court gave a preliminary verdict of settlement to the two parties and opened a court session on January 7, 2016, for a hearing on the fairness of the settlement and the granting of permission on May 6, 2016; there has been no further appeals since then. The settlement fee would be distributed to the settling parties after deducting the approved amount of counselor fees and disbursement fees. The private equity funds managed by USITC received the check of settlement fee from Rust Consulting Inc. on January 3, 2017 and redeemed for cash on February 6, 2017. As the last defendant, PwC, had settled with the plaintiff's attorneys, the case would be closed upon the completion of the distribution. In addition, the indemnity claimed to Madoff Victim Fund was applied under the name of each fund investor with the assistance of the Company, and would be reviewed by the Fund.

L. Other Matters

Since the start of Russia-Ukraine War in February 2022, the credit rating agencies lowered the sovereign rating of Russia and thus the credit risks of the financial instruments of the Company in investment positions in Russia increased. The Company has considered the related impacts and disclosed in Notes XI and XLI of the financial statements

LI. Description and Amounts of Trust Business Under the Trust Act

Balance Sheet of Trust Accounts

March 31, 2025

Trust assets	Amount	Trust Liabilities and Capital	Amount
Bank deposits	$ 20,581,268	Management fees payable	$ 1
Investment		Income tax payable	3,230
Fund investments	80,456,081	Marketable securities under custody payable	12,000,611
Bond investment	29,085	Trust capital	110,285,952
Investments in common stock	559,953	Reserves and cumulative deficit	466,244
Accounts receivable	38,367		
Marketable securities under custody	12,000,611		
Real estate - land and building	9,090,673		
Total trust assets	$ 122,756,038	Total trust liabilities and capital	$ 122,756,038

Balance Sheet of Trust Accounts

December 31 2024

Trust assets	Amount	Trust Liabilities and Capital	Amount
Bank deposits	$ 19,551,180	Income tax payable	$ 6,493
Investment		Marketable securities under custody payable	12,012,184
Fund investments	76,781,609	Trust capital	105,714,288
Bond investment	9,123	Reserves and cumulative profit/deficit	371,873
Investments in common stock	518,992		
Accounts receivable	67,983		
Marketable securities under custody	12,012,184		
Real estate - land and building	9,163,767		
Total trust assets	$ 118,104,838	Total trust liabilities and capital	$ 118,104,838

Balance Sheet of Trust Accounts

March 31, 2024

Trust assets	Amount	Trust Liabilities and Capital	Amount
Bank deposits	$ 20,207,955	Management fees payable	$ 1
Investment		Income tax payable	3,098
Fund investments	65,640,861	Marketable securities under custody payable	13,371,678
Bond investment	9,308	Trust capital	96,937,105
Investments in common stock	455,247	Reserves and cumulative deficit	269,463
Accounts receivable	35,117		
Marketable securities under custody	13,371,678		
Real estate - land and building	10,861,179		

Total trust assets	$ 110,581,345	Total trust liabilities and capital	$ 110,581,345

Income Statement of Trust Accounts

January 1 to March 31, 2025

	Amount
Trust Income	
Interest revenue - demand account	$ 9,811
Interest revenue - time deposit	25,832
Interest revenue - bond	286
Common share cash dividend income	107
Income distributed from beneficiary certificate	98
Realized capital gain - fund	16
Unrealized capital gain - unlisted common share	175,405
Unrealized capital gain - fund	559
Total trust income	212,114
Trust expenses	
Management fee	3,298
Unrealized capital loss - listed common share	249
Unrealized capital loss - bond	4,286
Realized capital loss - fund	108
Unrealized capital loss - fund	130
Other expenses	601
Total trust expense	8,672
Net profit before tax	203,442
Income tax expense	(3,206)
Net profit after tax	$ 200,236

Note: The above income statement is based on the gain or loss of the assets entrusted by the Trust Department of the Union Bank of Taiwan, and is not included in the income of the Union Bank of Taiwan.

Income Statement of Trust Accounts

January 1 to March 31, 2024

	Amount
Trust Income	
Interest revenue - demand account	$ 7,350
Interest revenue - time deposit	21,326
Interest revenue - bond	121
Common share cash dividend income	70
Income distributed from beneficiary certificate	144
Unrealized capital gain - unlisted common share	133,334
Unrealized capital gain - fund	507
Total trust income	162,852
Trust expenses	
Management fee	4,595
Unrealized capital loss - listed common share	692
Unrealized capital loss - bond	3,094
Unrealized capital loss - fund	64
Other expenses	628
Total trust expense	9,073
Net profit before tax	153,779
Income tax expense	(2,570)
Net profit after tax	$ 151,209

Note: The above income statement is based on the gain or loss of the assets entrusted by the Trust Department of the Union Bank of Taiwan, and is not included in the income of the Union Bank of Taiwan.

Trust Property and Equipment Accounts

March 31, 2025

Investment Portfolio	Amount
Bank deposits	$ 20,581,268
Investment	
Fund investments	80,456,081
Bond investment	29,085
Investments in common stock	559,953
Accounts receivable	38,367
Marketable securities under custody	12,000,611
Real estate - land and building	9,090,673
Total	$ 122,756,038

Trust Property and Equipment Accounts

December 31 2024

Investment Portfolio	Amount
Bank deposits	$ 19,551,180
Investment	
Fund investments	76,781,609
Bond investment	9,123
Investments in common stock	518,992
Accounts receivable	67,983
Marketable securities under custody	12,012,184
Real estate - land and building	9,163,767
Total	$ 118,104,838

Trust Property and Equipment Accounts

March 31, 2024

Investment Portfolio	Amount
Bank deposits	$ 20,207,955
Investment	
Fund investments	65,640,861
Bond investment	9,308
Investments in common stock	455,247
Accounts receivable	35,117
Marketable securities under custody	13,371,678
Real estate - land and building	10,861,179
Total	$ 110,581,345

LII. Financial Instruments

(I) Information on fair value

1. Overview

A fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When initially recognizing a financial instrument, its fair value is accounted for; in many cases, it usually refers to the transaction price. Other than some financial instruments are measured at the amortized costs, the subsequent measurements are at fair values. The best evidence of fair values are the public quotations in active markets. Where the market of a financial instrument is not activate, the Company applies the valuation models, or the quotations from Bloomberg, Reuters, or transaction counterparties to measure the fair values of the financial instruments.

2. Definitions of fair value hierarchy

(1) Level 1

Level 1 financial products are traded in an active market in which there are quoted prices for identical financial products. An active market has the following characteristics:

A. All financial instruments in the market are homogeneous.

B. There are willing buyers and sellers in the market all the time.

C. The public can access the price information easily.

The products in this level, such as listed shares and beneficiary securities, usually have high liquidity or are traded in exchanges.

(2) Level 2

The products in Level 2 have fair values that can be inferred from either directly or indirectly observable inputs other than quoted prices in an active market. Examples of these inputs are:

A. Quoted prices from the similar products in an active market. This means the fair value can be derived from the current trading prices of similar products, and whether they are similar products should be judged on the characteristics and trading rules. The fair price valuation in this circumstance may be adjusted due to time differences, trading rule's differences (time apart from present), related parties' prices, and the correlation of observable transaction price between itself and the similar goods;

B. Quoted prices for identical or similar financial instruments in inactive markets;

C. For the valuation model method, the inputs to this model (such as interest rates, yield curves and volatilities) should be data available in the market (the observable inputs mean that they can be obtained from the market and can reflect the expectation of market participants);

D. Inputs that are derived from observable market data through correlation or other means.

The fair values of products categorized in this level are usually calculated using a valuation model generally accepted by the market. Examples are forward contracts, cross-currency swap, simple interest bearing bonds, convertible bonds and commercial paper.

(3) Level 3

The fair values of the products in Level 3 are typically based on management assumptions or expectations other than the direct market data. For example, historical volatility used in valuing options is an unobservable input because it cannot represent the entire market participants' expectation on future volatility.

The products in this level are complex derivate financial instruments or products with prices that are provided by brokers. Examples are investments in equities unlisted or without active markets, or complex foreign exchange options.

3. Measured at fair value on a recurring basis

(1) Information of the fair value hierarchies

The Company's financial instruments measured at fair value are all measured at fair value on a recurring basis. The fair value hierarchies of the Company's financial instruments are as follows:

Unit: NTD thousand

Asset and liability items	March 31, 2025			
	Total	Level 1	Level 2	Level 3
Measured at fair value on a recurring basis				
Nonderivative financial instruments				
Assets				
Financial Assets Measured at Fair Value Through Profit or Loss				
Financial assets mandatorily classified as at FVTPL				
Share investments	$ 1,004,354	$ 991,527	$ -	$ 12,827
Funds and beneficiary certificates	1,867,124	1,229,210	-	637,914
Commercial paper	64,870,512	-	64,870,512	-
Asset-backed securities	15,392	-	15,392	-
Future exchange margins - self owned	66,903	66,903	-	-
Bond investment	7,478,944	-	7,478,944	-
Financial Assets Measured at Fair Value Through Other Comprehensive Income				
Share investments	$ 22,760,350	$ 20,079,334	$ -	$ 2,681,016
Bond investment	44,104,115	-	44,104,115	-
Derivative financial products				
Assets				
Financial Assets Measured at Fair Value Through Profit or Loss	1,116,100	-	989,228	126,872
Liabilities				
Financial liabilities measured at fair value through profit or loss	287,807	-	160,917	126,890

Unit: NTD thousand

Asset and liability items	December 31 2024			
	Total	Level 1	Level 2	Level 3
Measured at fair value on a recurring basis				
Nonderivative financial instruments				
Assets				
Financial Assets Measured at Fair Value Through Profit or Loss				
Financial assets mandatorily classified as at FVTPL				
Share investments	$ 1,266,017	$ 1,242,068	$ -	$ 23,949
Funds and beneficiary certificates	2,037,132	1,413,124	-	624,008
Commercial paper	44,253,476	-	44,253,476	-
Asset-backed securities	15,892	-	15,892	-
Future exchange margins - self owned	66,095	66,095	-	-
Bond investment	6,884,346	-	6,884,346	-
Financial Assets Measured at Fair Value Through Other Comprehensive Income				
Share investments	19,553,629	16,793,804	-	2,759,825
Bond investment	43,344,256	-	43,344,256	-
Derivative financial products				
Assets				
Financial Assets Measured at Fair Value Through Profit or Loss	1,498,977	-	1,384,735	114,242
Liabilities				
Financial liabilities measured at fair value through profit or loss	468,953	-	354,685	114,268

Unit: NTD thousand

Asset and liability items	March 31, 2024			
	Total	Level 1	Level 2	Level 3
Measured at fair value on a recurring basis				
Nonderivative financial instruments				
Assets				
Financial Assets Measured at Fair Value Through Profit or Loss				
Financial assets mandatorily classified as at FVTPL				
Share investments	$ 1,763,505	$ 1,740,134	$ -	$ 23,371
Funds and beneficiary certificates	1,473,592	873,902	-	599,690
Commercial paper	54,584,957	-	54,584,957	-
Asset-backed securities	19,099	-	19,099	-
Future exchange margins - self owned	63,897	63,897	-	-
Bond investment	2,015,762	-	2,015,762	-
Financial Assets Measured at Fair Value Through Other Comprehensive Income				
Share investments	20,512,343	14,927,799	-	5,584,544
Bond investment	43,874,199	-	43,874,199	-
Derivative financial products				
Assets				
Financial Assets Measured at Fair Value Through Profit or Loss	1,960,966	-	1,847,915	113,051
Liabilities				
Financial liabilities measured at fair value through profit or loss	405,926	-	292,795	113,131

(2) Valuation technique of measurement at fair value

A fair value refers to the amount for asset exchange or debt repayment between two parities with sufficient understanding and willingness of transaction in an arm-length transaction. The fair values of financial instruments at fair value, financial assets at fair value through other comprehensive income, available-for-sale financial assets and hedging derivative financial instruments with quoted price in an active market are based on their market prices. Financial instruments with no quoted prices in an active market are estimated by valuation methods.

A. Marking to market

This method should be used first to determine fair value. Following are the principles to follow in marking to market:

a. Ensure the consistency and integrity of market data.
b. The source of market data should be transparent and easy to access and can be referred to by independent resources.
c. Listed securities with tradable prices should be valued at closing prices.
d. Evaluating unlisted securities that lack tradable closing prices should use quoted prices from independent brokers.

B. Marking to model

The use of marking to model is suggested if marking to market is infeasible. This valuation methodology is based upon model inputs that are used to derive the value of the trading positions. The Company uses the same estimations and assumptions as those used by market participants to determine the fair value.

The Company uses the forward rates provided by Reuters to estimate the fair values of forward contracts, foreign exchange swap contracts, interest rate swap and cross-currency swap contracts and the discounted cash flow method to calculate the fair values of each contract. For foreign exchange option transactions, the Company uses the option pricing models which are generally used by other market participants (e.g., Garman & Kohlhagen model) to calculate the fair value of the contracts.

(3) Fair value adjustment

<u>Credit risk assessment adjustment</u>

Credit risk assessment adjustment refers to the fair value of the over the counter (OTC) derivative financial commodity contracts, which also reflects the credit risk of both parties. It can be mainly divided into “credit evaluation adjustment” and “debit evaluation adjustment”:

A. Credit value adjustments (CVA): A transaction in a non-concentrated trading market, that is, the adjustment of the derivatives contract evaluation in the OTC transaction, which reflects the possibility of the Company may not be able to collect the full market value or the counterparty may default on the repayment on the fair value.

B. Debit value adjustments (DVA): It refers to the transactions of the non-concentrated trading market, that is, the adjustment of the derivatives contract evaluation in the OTC transaction, which reflects the possibility that the Company may not be able to collect the full market value or the counterparty may default on the repayment of the fair value.

Both CVA and DVA are concepts of estimated loss, calculated as the probability of default (PD) multiplied by the default loss rate (LGD) and multiplied by the exposure at default (EAD).

For customers with external credit ratings, the default probability is based on the default probability corresponding to the external rating; for customers without external credit ratings, the impairment rate calculated according to the Company’s loan and receivable impairment assessment and the average incidence of impairment is taken as the default probability.

The Company uses the fair value of OTC derivatives to calculate the amount of default risk (EAD).

The Company uses 60% as the default loss rate based on the recommendation of “IFRS 13 CVA and DVA Related Disclosure Guidelines” of the Stock Exchange.

The Company incorporates the credit risk assessment adjustment into the fair value calculation of financial instruments to reflect the counterparty’s credit risk and the Company’s credit quality.

(4) Transfers between Level 1 and Level 2

During January 1 to March 31, 2025 and 2024, there was no material transfer between Level 1 and Level 2.

(5) Reconciliation of Level 3 items of financial instruments

Changes in Level 3 financial assets at fair value

January 1 to March 31, 2025

Unit: NTD thousand

Name	Balance at the beginning of the period	Valuation Gains (Losses)		Increase for the period		Decrease for the period		Balance at the end of the period
		In Net Income	In Other Comprehensive Income	Purchased or issued	Transfer to Level 3	Sale, disposal, or delivery	Transfer from Level 3	
Financial Assets Measured at Fair Value Through Profit or Loss								
Derivative financial products	$ 114,242	$ 8,167	$ -	$ 28,070	$ -	($ 23,607)	$ -	$ 126,872
Fund beneficiary certificates	624,008	13,906	-	-	-	-	-	637,914
Share investments	23,949	(11,122)	-	-	-	-	-	12,827
Financial Assets Measured at Fair Value Through Other Comprehensive Income								
Share investments	2,759,825	-	(76,193)	-	-	(2,616)	-	2,681,016

January 1 to March 31, 2024

Unit: NTD thousand

Name	Balance at the beginning of the period	Valuation Gains (Losses)		Increase for the period		Decrease for the period		Balance at the end of the period
		In Net Income	In Other Comprehensive Income	Purchased or issued	Transfer to Level 3	Sale, disposal, or delivery	Transfer from Level 3	
Financial Assets Measured at Fair Value Through Profit or Loss								
Derivative financial products	$ 121,266	($ 4,954)	$ -	$ 20,264	$ -	($ 23,525)	$ -	$ 113,051
Fund beneficiary certificates	585,716	13,974	-	-	-	-	-	599,690
Share investments	626,110	(179,064)	-	-	-	(423,675)	-	23,371
Financial Assets Measured at Fair Value Through Other Comprehensive Income								
Share investments	2,721,625	-	2,768	2,923,241	-	(2,616)	(60,474)	5,584,544

The valuation profit and loss above are listed in the current profit and loss, and attributed to the amount of profit and loss of the assets held in the accounts as of March 31, 2025 and 2024; the profits are NT$10,951 thousand and loss NT$170,049 thousand, respectively.

B. Changes in Level 3 financial liabilities at fair value

January 1 to March 31, 2025

Unit: NTD thousand

Name	Balance at the beginning of the period	Valuation Gains (Losses)		Increase for the period		Decrease for the period		Balance at the end of the period
		In Net Income	In Other Comprehensive Income	Purchased or issued	Transfer to Level 3	Sale, disposal, or delivery	Transfer from Level 3	
Financial liabilities measured at fair value through profit or loss Derivative financial products	$ 114,268	$ 17,206	$ -	$ 25,774	$ -	($ 30,358)	$ -	$ 126,890

January 1 to March 31, 2024

Unit: NTD thousand

Name	Balance at the beginning of the period	Valuation Gains (Losses)		Increase for the period		Decrease for the period		Balance at the end of the period
		In Net Income	In Other Comprehensive Income	Purchased or issued	Transfer to Level 3	Sale, disposal, or delivery	Transfer from Level 3	
Financial liabilities measured at fair value through profit or loss Derivative financial products	$ 121,570	($ 11,388)	$ -	$ 24,194	$ -	($ 21,245)	$ -	$ 113,131

The valuation profit and loss above are listed in the current profit and loss, and attributed to the amount of profit and loss of the liabilities assumed in the accounts as of March 31, 2025 and 2024, with a loss of NT$17,206 thousand and a profit of NT$11,388 thousand, respectively.

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

The Company's Level 3 fair value assets are investments in unlisted stocks or equity without an active market and derivative financial instruments.

The quantitative information of significant unobservable inputs - Level 3 fair value measurement is shown in the following table:

Name	Products	Fair value on March 31, 2025	Valuation Technique	Significant Unobservable Inputs	Interval (Weighted-average)	Relation Between Input and Fair Value
Measured at fair value on a recurring basis Financial Assets Measured at Fair Value Through Profit or Loss						
Derivative financial assets	Foreign exchange options	$ 126,872	Option pricing model	Fluctuation	EUR/GBP 5.26%~5.29% GBP/AUD 7.15%~7.98% GBP/USD 7.43% USD/JPY 10.39% USD/TWD 4.08%~6.74% USD/ZAR 12.42%~14.06%	The higher the fluctuation is, the higher the fair value
Non-derivative financial assets	Share investments	12,827	Asset method	Allowance of minor equity and liquidity	-	The higher the allowance is, the lower the fair value
	Funds and beneficiary certificates	637,914	Asset method	Allowance of minor equity and liquidity	15%	The higher the allowance is, the lower the fair value

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Name	Products	Fair value on March 31, 2025	Valuation Technique	Significant Unobservable Inputs	Interval (Weighted-average)	Relation Between Input and Fair Value
Financial Assets Measured at Fair Value Through Other Comprehensive Income						
Nonderivative financial instruments	Share investments	$ 2,220,942	Asset method	Allowance of minor equity and liquidity	5%~30%	The higher the allowance is, the lower the fair value
	Share investments	460,074	Market method	Liquidity allowance	20%	The higher the allowance is, the lower the fair value
Financial liabilities measured at fair value through profit or loss						
Derivative financial liabilities	Foreign exchange options	126,890	Option pricing model	Fluctuation	EUR/GBP 5.26%~5.29% GBP/AUD 7.15%~7.98% GBP/USD 7.43% USD/JPY 10.39% USD/TWD 4.08%~6.74% USD/ZAR 12.42%~14.06%	The higher the fluctuation is, the higher the fair value

Name	Products	Fair value on December 31, 2024	Valuation Technique	Significant Unobservable Inputs	Interval (Weighted-average)	Relation Between Input and Fair Value
Measured at fair value on a recurring basis						
Financial Assets Measured at Fair Value Through Profit or Loss						
Derivative financial assets	Foreign exchange options	$ 114,242	Option pricing model	Fluctuation	GBP/AUD 6.93%~8.35% GBP/USD 8.22% USD/TWD 4.41%~7.68% USD/ZAR 11.78%~14.56% EUR/GBP 5.43%	The higher the fluctuation is, the higher the fair value
Non-derivative financial assets	Share investments	23,949	Assets value model	Allowance of minor equity and liquidity	-	The higher the allowance is, the lower the fair value
	Funds and beneficiary certificates	624,008	Assets value model	Allowance of minor equity and liquidity	15%	The higher the allowance is, the lower the fair value
Financial Assets Measured at Fair Value Through Other Comprehensive Income						
Nonderivative financial instruments	Share investments	2,329,169	Assets value model	Allowance of minor equity and liquidity	5%~30%	The higher the allowance is, the lower the fair value
	Share investments	430,656	Market method	Liquidity allowance	20%	The higher the allowance is, the lower the fair value
Financial liabilities measured at fair value through profit or loss						
Derivative financial liabilities	Foreign exchange options	114,268	Option pricing model	Fluctuation	GBP/AUD 6.93%~8.35% GBP/USD 8.22% USD/TWD 4.41%~7.68% USD/ZAR 11.78%~14.56% EUR/GBP 5.43%	The higher the fluctuation is, the higher the fair value

Name	Products	Fair value on March 31, 2024	Valuation Technique	Significant Unobservable Inputs	Interval (Weighted-average)	Relation Between Input and Fair Value
Measured at fair value on a recurring basis						
Financial Assets Measured at Fair Value Through Profit or Loss						
Derivative financial assets	Foreign exchange options	$ 113,051	Option pricing model	Fluctuation	GBP/AUD 6.47%~7.10% AUD/USD 7.54%~8.00% USD/TWD 4.40%~6.79% USD/ZAR 11.63%~14.81% EUR/GBP 3.01%~4.59%	The higher the fluctuation is, the higher the fair value
Non-derivative financial assets	Share investments	23,371	Asset method	Allowance of minor equity and liquidity	-	The higher the allowance is, the lower the fair value
	Beneficiary certificates	599,690	Asset method	Allowance of minor equity and liquidity	15%	The higher the allowance is, the lower the fair value

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Name	Products	Fair value on March 31, 2025	Valuation Technique	Significant Unobservable Inputs	Interval (Weighted-average)	Relation Between Input and Fair Value
Financial Assets Measured at Fair Value Through Other Comprehensive Income						
Nonderivative financial instruments	Share investments	$ 5,057,106	Asset method	Allowance of minor equity and liquidity	5%~30%	The higher the allowance is, the lower the fair value
	Share investments	527,438	Market method	Liquidity allowance	20%	The higher the allowance is, the lower the fair value
Financial liabilities measured at fair value through profit or loss						
Derivative financial liabilities	Foreign exchange options	113,131	Option pricing model	Fluctuation	GBP/AUD 6.47%~7.10% AUD/USD 7.54%~8.00% USD/TWD 4.40%~6.79% USD/ZAR 11.63%~14.81% EUR/GBP 3.01%~4.59%	The higher the fluctuation is, the higher the fair value

(7) The valuation process of Level 3 fair value measurement

To ensure that the product assessment results can be close to the market, the risk management department of the Bank is responsible for the verification of the independent fair value. For products valuated by the model, before daily valuation, the information required for the valuation will be verified as correct and consistent with each other and the department will calibrate the model to the market quotation and update the input value required for the valuation model. In addition to regular checking of the accuracy of the valuation model, the reasonableness of the prices provided by third parties will also be checked.

The asset method is adopted for the Company's equity investment unlisted or without active market. By valuating the total value of the individual asset and liability covered by the valuation target, the overall value of the target is reflected.

(8) Sensitivity analysis of Level 3 fair value if reasonably possible alternative assumptions were used

The Company's Level 3 financial instruments are foreign exchange options. When engaging in foreign exchange option transactions, the Company makes a match for other banks and customers. Thus, the Company does not hold positions, and its source of profit and loss is from receiving and paying premiums. The sensitivity analysis has no effect on profit and loss since the Company does back-to-back transactions and the assets offset the liabilities.

The fair value measurement of equity investment unlisted or without active market is reasonable; provided, the use of different valuation models or parameters may lead to different results. For financial instruments classified in Level 3, if the parameter changes by 10%, the effects on profit or loss or other comprehensive income for the current periods are as follows:

March 31, 2025

	Changes in Fair Value Are Reflected in Other Comprehensive Income for the Current Period	
	Favorable Changes	Unfavorable Changes
Equity instruments under financial assets measured at fair value through other comprehensive income	$ 268,102	($ 268,102)

December 31 2024

	Changes in Fair Value Are Reflected in Other Comprehensive Income for the Current Period	
	Favorable Changes	Unfavorable Changes
Equity instruments under financial assets measured at fair value through other comprehensive income	$ 275,983	($ 275,983)

March 31, 2024

	Changes in Fair Value Are Reflected in Other Comprehensive Income for the Current Period	
	Favorable Changes	Unfavorable Changes
Equity instruments under financial assets measured at fair value through other comprehensive income	$ 558,454	($ 558,454)

(II) Not measured at fair value

1. Information on fair value

Other than the items in the following table, the financial assets and liabilities of the Company not measured at fair value have the carrying amounts approximate to their fair values, or the fair values cannot be measured reliably:

	March 31, 2025		December 31 2024		March 31, 2024	
	Carrying Amount	Fair value	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial assets						
Financial assets measured at amortized costs	$ 81,398,938	$ 75,820,169	$ 81,725,126	$ 75,538,170	$ 81,522,338	$ 76,513,393
Financial liabilities						
Bank debentures	5,000,000	4,947,440	5,000,000	4,944,576	5,000,000	4,948,571

2. Information of the fair value hierarchies

Asset and liability items	March 31, 2025			
	Total	Level 1	Level 2	Level 3
Financial assets				
Financial assets measured at amortized costs	$ 75,820,169	$ -	$ 75,820,169	$ -
Financial liabilities				
Bank debentures	4,947,440	-	4,947,440	-

Asset and liability items	December 31 2024			
	Total	Level 1	Level 2	Level 3
Financial assets				
Financial assets measured at amortized costs	$ 75,538,170	$ -	$ 75,538,170	$ -
Financial liabilities				
Bank debentures	4,944,576	-	4,944,576	-

Asset and liability items	March 31, 2024			
	Total	Level 1	Level 2	Level 3
Financial assets				
Financial assets measured at amortized costs	$ 76,513,393	$ -	$ 76,513,393	$ -
Financial liabilities				
Bank debentures	4,948,571	-	4,948,571	-

LIII. Financial Risk Management

(I) Overview

To deal with any expected or unexpected business risk, the Company has established a comprehensive risk management system to allocate resources effectively and efficiently, strengthen business competitiveness, mitigate operational risk to a tolerable or acceptable level, and maintain the capital adequacy ratio to meet the minimum requirements of the authorities and the Basel Accord framework.

(II) Risk management framework

The board of directors, which occupies the highest level in the Company's risk management framework, reviews risk management policies, the overall risk management framework and organization structure for carrying out responsibilities and exercising accountability. The Audit Committee is responsible for assisting the Board of Directors to review the Bank's risk management policy, review relevant risk control reports, and supervise the implementation of risk management. The Asset/Liability and Risk Management Committee inspects management reports or information provided by business units and the Risk Management Division. The Risk Management Division is an independent unit that is in charge of reviewing the risk management system designed by business units and the compliance with risk management requirements; this division also submits risk management reports to the authorities and develops a series of risk management tools to assess the risks identified. Business units establish risk control procedures, manage and monitor the implementation of those controls in operation units. Operation units perform daily risk management work and internal controls to ensure the accuracy and completeness of the risk management information generated.

(III) Credit risk

1. Definitions and sources of credit risks

Credit risk refers to the risk of losses caused by clients or counterparties' failure to fulfill their contractual obligations. The sources of credit risks cover the in- and off-balance sheet items.

2. Strategy/objectives/policies and processes
   (1) Credit risk management strategy: The Company has established the “Credit Risk Management Standards of Union Bank of Taiwan” as the basis of planning, implementing, and managing credit risk management system.
   (2) Credit risk management objective: The objectives are to establish and implement an effective credit risk management mechanism to mitigate credit risk, archive operational and management goals, and balance business development and risk control.
   (3) Credit risk management policy: The policies are meant to ensure that credit risk falls within an acceptable range and that adequate capital is maintained to meet credit risk management objectives and create maximum risk-adjusted returns.
   (4) Credit risk management process: The Company carries out credit risk identification, credit risk measurement, credit risk mitigation, credit risk monitoring and control and credit risk reporting process as part of its credit risk management mechanism.
3. Credit risk management organization and framework
   (1) The board of directors: The board of directors, the top risk supervisor of the Company, reviews risk management policies, operational risk limits and the design and change of credit risk management framework.
   (2) Audit Committee: Assisting the board of directors in reviewing the Company's credit risk management guidelines, reviewing credit risk control reports, and supervising the implementation of credit risk management.
   (3) Asset/Liability and Risk Management Committee: Reviewing and inspecting the management reports or information provided by business units and the Risk Management Division.
   (4) Risk Management Division: The Risk Management Division is an independent unit that is in charge of work related to three pillars of Basel and reviews the risk management system designed by business units and the compliance with risk management requirements; the division also submits risk management reports to the authorities and develops risk management tools to assess the risk identified.
   (5) Business units: Business units are responsible for establishing risk management regulations and risk control procedures and managing and monitoring the implementation of those controls in operation units.
   (6) Operation units: Under the risk management regulations and procedures set by business units, operation units perform daily risk management work and internal controls and prepares reports on these tasks.
4. Scope and features of credit risk report and the measurement system
   (1) Scope of credit risk report:
      A. Each business unit will regularly report the promotion of the business and the allocation of risk assets to the Assets/Liability and Risk Management Committee (ALRMC).

B. The Company's risk management department regularly monitors the credit limit control situations and reports to the ALRMC the credit and investment concentration and the status of each business' achieving BIS (Bank for International Settlements) goals. The department also presents the volume of business NPL situation, credit concentration and the execution of credit risk control to the board of directors.

(2) Measurement system: The Company's credit risk management adopts the use of the standardized approach to calculate capital charge and regularly submits related reports to the government. The risk management division and business units implement the Company's management system and monitors the credit exposure of the business, industry, and countries as well as the concentration of credit and collateral to effectively measure and manage investment portfolio.

5. Policy for mitigation of risks or hedging of credit risk, and the strategies/processes to monitor the continuing effectiveness of risk hedging and mitigation tools

The Company is exposed to loss on each credit risk faced by its business. Thus, depending on the nature of the business and the cost considerations, the Company will take appropriate remeasures to control risk. The Company's information systems provide information that can be used in managing risk control procedures, and the risk management division reports to the board every six months the business risk management status.

6. Maximum exposure to credit risk

The maximum credit exposures of assets in the consolidated balance sheets are almost equivalent to their carrying values, without considering the collaterals or other credit enhancement tools. These off-balance sheet maximum credit exposures (excluding collaterals and other credit enhancement instruments) are shown as follows:

Off-balance sheet items	Maximum exposure to credit risk		
	March 31, 2025	December 31 2024	March 31, 2024
Irrevocable standby loan commitment	$ 2,892,485	$ 4,266,360	$ 4,384,669
Unused letters of credit	1,552,956	2,585,787	1,375,736
Other guarantees	29,929,730	23,001,788	27,200,680
Unused credit card commitments	182,144,348	305,777,821	342,021,507

The financial effects on the maximum credit risk exposure from the collaterals, netting arrangements, and other credit enhancement held in the assets in the consolidated balance sheets and off-balance sheet items are shown in the table below.

March 31, 2025	Collaterals	Netting Arrangements	Other Credit Enhancement	Total
In-balance sheet items				
Discounts and loans	$ 567,639,587	$ -	$ -	$ 567,639,587

December 31 2024	Collaterals	Netting Arrangements	Other Credit Enhancement	Total
In-balance sheet items				
Discounts and loans	$ 564,011,218	$ -	$ -	$ 564,011,218

March 31, 2024	Collaterals	Netting Arrangements	Other Credit Enhancement	Total
In-balance sheet items				
Discounts and loans	$ 526,313,952	$ -	$ -	$ 526,313,952

The Company's management believes that the credit risk exposure of these off-balance sheet items may be controlled continuously and minimized because the Company adopts a more rigorous review process with subsequent regular reviews when granting credits.

7. Concentrations of credit risk exposure

Concentrations of credit risk arise when a number of counterparties or exposure have comparable economic characteristics, or such counterparties are engaged in similar activities, or operate in the same geographical areas or industry sectors, so that their collective ability to meet contractual obligations is uniformly affected by changes in economic or other conditions.

There can be credit risk concentrations in a bank's assets, liabilities, or off-balance sheet items through the execution or processing of transactions (either product or service), or through a combination of exposures across these broad categories. These exposures can cover credits, loans and deposits, call loans to banks, investments, receivables and derivatives. The Company does not concentrate transactions with a single client or counterparty, nor any total transaction amount of a single client or counterparty accounts for a significant share in the Company's discounts and loans (including non-accrual loan), accounts receivable factoring without recourse, acceptances receivable, and balance of guarantee deposit receivable. The Company's most significant concentrations of credit risk by industry, by geographical area, and by collaterals are summarized as follows:

(1) By industry

By industry	March 31, 2025		December 31 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%
Private enterprises	$ 206,929,492	31.95	$ 196,901,686	30.94	$ 190,499,920	31.64
Public enterprises	-	-	-	-	44,681	-
Government organizations	2,000,000	0.31	5,000,000	0.79	4,335,895	0.72
Nonprofit organizations	993,539	0.15	880,180	0.14	645,599	0.10
Private	434,727,134	67.12	430,214,452	67.61	404,336,530	67.16
Financial institutions	1,096,820	0.17	1,427,810	0.22	715,020	0.12
Overseas	1,913,146	0.30	1,892,731	0.30	1,489,885	0.26
Total	$ 647,660,131	100.00	$ 636,316,859	100.00	$ 602,067,530	100.00

(2) By geographical area

The Company's operations are mainly in Taiwan except for the OBU business, and thus no significant credit risk concentration in terms of geographical area.

(3) By collaterals

By collaterals	March 31, 2025		December 31 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%
Unsecured	$ 67,141,619	10.37	$ 59,928,545	9.42	$ 64,455,744	10.71
Secured						
- Financial collaterals	15,841,472	2.45	15,059,537	2.36	12,726,631	2.11
- Share collaterals	27,861,894	4.30	25,956,598	4.08	20,636,546	3.43
- Property collaterals	490,850,428	75.79	489,840,638	76.98	460,787,291	76.53
- Movable collaterals	27,095,103	4.18	26,398,944	4.15	25,175,339	4.18
- Guarantee	12,724,331	1.96	13,211,203	2.08	14,516,503	2.41
- Others	6,145,284	0.95	5,921,394	0.93	3,769,476	0.63
Total	$ 647,660,131	100.00	$ 636,316,859	100.00	$ 602,067,530	100.00

8. Description of the collaterals and other credit enhancement

On the basis of the result of a credit evaluation, the Company may require collaterals before the credit facilities are granted. To minimize credit risk, appropriate collaterals are required on the basis of the borrowers' financials and debt service capabilities. All guarantees and appraisal procedures follow the authorities' relevant regulations and the Company's internal rules. The Company's internal rules describe the acceptable types of collaterals, appraisal methods, appraisal process, and post-approval collateral management, which require close monitoring of the value of collaterals to ensure repayment. The main collateral types are summarized as follows:

(1) Real estates

(2) Movables

(3) Negotiable securities/shares

(4) Deposits/certificates of deposits

(5) Credit guarantee fund or government guarantee

The Company observes the value of collateral for financial instruments and takes into consideration the impairment loss that should be recognized for financial assets that are credit-impaired. The values of the credit-impaired financial assets and the values of collateral to mitigate potential losses are as follows:

March 31, 2025	Total carrying amount	Allowance for Impairment Loss	Exposure Amount (Amortized Cost)	Fair Value of Collateral
Credit-impaired Financial Assets:				
Accounts receivable				
- Credit Card	$ 860,947	$ 130,387	$ 730,560	$ -
- Others	17,992	2,600	15,391	27,076
Discounts and loans	2,251,221	581,193	1,670,029	3,368,051
Total impaired financial assets	$ 3,130,160	$ 714,180	$ 2,415,980	$ 3,395,127

December 31 2024	Total carrying amount	Allowance for Impairment Loss	Exposure Amount (Amortized Cost)	Fair Value of Collateral
Credit-impaired Financial Assets:				
Accounts receivable				
- Credit Card	$ 846,159	$ 134,753	$ 711,406	$ -
- Others	45,605	1,445	44,160	22,298
Discounts and loans	2,116,651	471,908	1,644,743	2,911,287
Total impaired financial assets	$ 3,008,415	$ 608,106	$ 2,400,309	$ 2,933,585

March 31, 2024	Total carrying amount	Allowance for Impairment Loss	Exposure Amount (Amortized Cost)	Fair Value of Collateral
Credit-impaired Financial Assets:				
Accounts receivable				
- Credit Card	$ 823,591	$ 111,085	$ 712,506	$ -
- Others	9,132	8,514	618	32,866
Discounts and loans	2,434,240	287,952	2,146,288	3,537,438
Total impaired financial assets	$ 3,266,963	$ 407,551	$ 2,859,412	$ 3,570,304

9. Judgment that credit risk has increased significantly since the initial recognition

On each reporting date, the Bank assesses the change in the default risk of financial assets, as well as considers reasonable and corroborative information that shows the credit risk has increased significantly since initial recognition, to determine whether the credit risk has increased significantly. For the assessment, the Company considers the supporting evidence showing that the credit risk has increased significantly since the initial recognition (including the forward-looking information. The main considerations include:

<u>Quantitative indicators:</u>

A. The borrower pays the amount for contracts overdue for at least one month (more than or equal to 30 days for the credit card business), or the amounts for other contracts that are overdue for at least one month (more than or equal to 30 days for the credit card business).

B. Debt instruments whose prices on the reporting date have fallen more than 40% from the original price since the acquisition date.

C. Debt instruments that have non-investment grades based on the debt (priority), issuer, and guarantor's credit rating and that have fallen by more than two grades and whose prices have fallen by more than 15% on the reporting date.

<u>Qualitative indicators</u>

A. The borrower's check bounced due to insufficient funds in the Bank's checking account, or announced as a rejected account.

B. The borrower's collateral was seized.

C. The borrower's debt has been recognized as a non-accrual loan or transferred to bad debt by other financial institutions.

D. The borrower has request restructured and ruled for the restructure.

E. An auditors' report on the borrower has been released where it was stated that a material uncertainty exists that may cast significant doubt on the borrower's ability to continue as a going concern.

F. The borrower has other bad debts that indicate that the borrower's ability to perform its debt obligations is weak or has signs of impairment, which has been assessed to affect its operations or solvency.

10. Definition of default and credit impaired financial assets

The Company uses the same definitions for default and credit impairment of financial assets. If one or more of the conditions below are met, the Company determines that the financial assets have defaulted and are credit impaired:

A. The borrower pays the amount for contracts overdue for at least 3 months (90 days and above for the credit card business).

B. The debtor has significant financial difficulties (e.g., the debtor has ceased operations, is bankrupt, or has liquidated).

C. Economic or legal considerations, concessions to borrowers with financial difficulties (such as debt negotiations).

If the financial assets no longer meet the definition of default and credit impairment, they are judged as regaining their status of meeting performance obligations and are no longer regarded as financial assets that have defaulted and are credit impaired.

11. Write-off policy

When the Company is not reasonably expected to recover all or part of the financial assets, the indicators that all or part of the financial assets that cannot be reasonably expected to be recovered include the following:

A. Recourse activities have stopped.

B. The borrower is assessed to have insufficient assets or sources of income to pay the outstanding amount.

The financial assets that have been written off by the Company may still have ongoing recourse activities in accordance with the relevant policies.

12. Contractual cash flow modification of financial assets

The Company may modify the contractual cash flow of financial assets due to the borrower's financial difficulties, increase in the recovery rate of the doubtful borrowers, or to maintain customer relationships. The modification of the contractual terms of the financial assets may include extending the contract period, modifying the interest payment time, and modifying the agreed interest rate or the exemption of some of the outstanding debts. The modification of contractual cash flows of financial assets may result in the delisting of existing financial assets in accordance with the Company's financial assets delisting policy and recognition of new financial assets at fair value.

If the contractual cash flow modification of a financial asset does not result in a derecognition, the Company assesses whether the credit risk of the financial asset has increased significantly by comparing the following:

(1) Risk of default on the reporting date (based on modified contract terms).

(2) The risk of default at the time of original recognition (based on the original unmodified contract terms).

The Company considers the borrower's subsequent payment in accordance with the revised terms and several relevant behavioral indicators to assess the probability of default of the revised financial assets and confirm whether the contract modification improves or restores the ability of the Company to recover the relevant contract payments. If the borrower pays the contract amount according to the revised terms and shows good payment behavior, it can be determined that the credit risk is reduced and the loss allowance will be measured by the 12-month expected credit loss.

The Company regularly reviews the changes in credit risk of the revised financial assets in accordance with relevant policies, and evaluates whether there is a significant increase in credit risk following the revised financial assets based on a specific model.

13. Measurement of expected credit losses

For the purpose of assessing expected credit losses, credit assets are classified into the following groups based on the credit risk characteristics of the borrower's industry, credit risk rating, collateral type and remaining maturity period:

Business	Group	Terms and definitions
Corporate banking	Corporate banking	Corporate Finance
Consumer banking	Mortgages	Mortgages business
	Financial loans	Financial loan business
	Credit card	Credit card business
	Others	Other business

The Company adopts the 12-month ECL model to evaluate the loss allowance of financial instruments whose credit risk have not increased significantly since initial recognition, and adopt the lifetime ECL model to evaluate the loss allowance of financial instruments whose credit risk has increased significantly since initial recognition or of that are credit-impaired.

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

"PD" refers to the borrower's probability to default and "LGD" refers to losses caused by the default. The Company calculates the "PD" and "LGD" used in the impairment assessment of the credit business according to each group's historical information (such as credit loss experience) from internal statistical data, and after adjustment of the historical data based on current observable and forward-looking macroeconomic information.

	Accounts receivable				
	March 31, 2025				
	Stage 1	Stage 2	Stage 3	Impairment required to be provided pursuant to the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans"	
	12-month expected credit losses	Lifetime ECL	Lifetime ECL		Total
Total carrying amount	$ 39,222,703	$ 174,422	$ 878,939	$ -	$ 40,276,064
Less: Allowance for impairment	128,853	12,478	132,988	-	274,319
Less: Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	-	-	-	99,584	99,584
Total	$ 39,093,850	$ 161,944	$ 745,951	$ 99,584	$ 39,902,161

	Accounts receivable				
	December 31 2024				
	Stage 1	Stage 2	Stage 3	Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	
	12-month expected credit losses	Lifetime ECL	Lifetime ECL		Total
Total carrying amount	$ 39,777,435	$ 161,408	$ 891,764	$ -	$ 40,830,607
Less: Allowance for impairment	150,505	18,437	136,198	-	305,140
Less: Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	-	-	-	61,434	61,434
Total	$ 39,626,930	$ 142,971	$ 755,566	$ 61,434	$ 40,464,033

	Accounts receivable				
	March 31, 2024				
	Stage 1	Stage 2	Stage 3	Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	
	12-month expected credit losses	Lifetime ECL	Lifetime ECL		Total
Total carrying amount	$ 37,082,650	$ 249,716	$ 832,723	$ -	$ 38,165,089
Less: Allowance for impairment	129,951	25,854	119,599	-	275,404
Less: Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	-	-	-	31,873	31,873
Total	$ 36,952,699	$ 223,862	$ 713,124	$ 31,873	$ 37,857,812

	Discounts and loans				
	March 31, 2025				
	Stage 1	Stage 2	Stage 3	Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	
	12-month expected credit losses	Lifetime ECL	Lifetime ECL		Total
Total carrying amount	$ 611,763,323	$ 3,610,680	$ 2,251,221	$ -	$ 617,625,224
Less: Allowance for impairment	601,699	270,248	581,193	-	1,453,140
Less: Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	-	-	-	5,850,719	5,850,719
Total	$ 611,161,624	$ 3,340,432	$ 1,670,028	$ 5,850,719	$ 610,321,365

	Discounts and loans				
	December 31 2024				
	Stage 1	Stage 2	Stage 3	Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	
	12-month expected credit losses	Lifetime ECL	Lifetime ECL		Total
Total carrying amount	$ 608,055,032	$ 3,029,721	$ 2,116,651	$ -	$ 613,201,404
Less: Allowance for impairment	504,970	147,094	471,908	-	1,123,972
Less: Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	-	-	-	6,056,222	6,056,222
Total	$ 607,550,062	$ 2,882,627	$ 1,644,743	$ 6,056,222	$ 606,021,210

	Discounts and loans				
	March 31, 2024				
	Stage 1	Stage 2	Stage 3	Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	
	12-month expected credit losses	Lifetime ECL	Lifetime ECL		Total
Total carrying amount	$ 569,230,173	$ 3,055,335	$ 2,434,240	$ -	$ 574,719,748
Less: Allowance for impairment	609,342	137,875	287,952	-	1,035,169
Less: Impairment required to be provided pursuant to the "Bank Assets Assessment Loss Provision and Overdue Loan Collections and Bad Debts"	-	-	-	6,065,951	6,065,951
Total	$ 568,620,831	$ 2,917,460	$ 2,146,288	$ 6,065,951	$ 567,618,628

When the Company estimates the 12-month and lifetime expected credit losses for its loan commitments, it will give different credit conversion factors according to the characteristics of each product. The Company will also take into consideration the amount that is expected to be utilized within 12 months from the reporting date and the expected lifetime of each commitment in determining the default risk amount that is used to calculate the expected credit loss.

The estimation techniques or material assumptions used to assess expected credit losses have not changed significantly during the current period.

14. Consideration of forward-looking information

The Company's credit (including credit card) segments are based on different loan properties, such as corporate banking, consumer finance, credit, car loans and credit cards, and forward-looking model estimates are carried out, based on actual default rates and overall economic variables of each segment in the past quarters. The default rate for the next year is estimated using the credit risk chain model, by estimating the relationship between the default rate and the overall economic variables. The investment function makes reference to external credit ratings in their consideration of forward-looking information.

(IV) Liquidity Risks

1. Source and definition of liquidity risk

Liquidity risk means banks cannot provide sufficient funding for asset size growth and for meeting obligations on matured liabilities or have to make late payments to counterparties or raise emergency funding to cover funding gaps.

2. Liquidity risk management strategy and principles

(1) The board of directors, the top risk supervisor of the Company, regularly reviews liquidity risk management policies. The Asset/Liability Management Committee, the top liquidity risk executive of the Company, supervises the implementation of liquidity risk monitoring and control procedures and is responsible for taking any needed remedial measures. The Asset/Liability Management Committee shall be the top implementation unit of liquidity risk management to establish appropriate monitoring processes and take necessary actions.

(2) In making internal transfer pricing, performance evaluation and new product development decisions, the operation units take liquidity cost and product effectiveness and risks into consideration and align their decisions with the Company's overall liquidity risk management policies.

(3) Capital management departments shall establish a conservative and steady capital management strategy, effectively disperse capital sources and time limits, constantly participate in the lending market, maintain a close relationship with capital providers, and maintain fluency in all fund-raising channels, in order to ensure the stability and reliability of capital sources.

(4) To strengthen the Company's liquidity risk management, related regulations shall be established to define the routine handling process and implementation details to maintain appropriate liquidity.

(5) The risk management units report the Company's liquidity position to the Asset/Liability Management Committee monthly and report the Company's liquidity risk management to the board of directors regularly.

3. The maturity analysis of financial assets held for managing the liquidity risks and non-derivative financial liabilities

(1) Financial assets held for managing the liquidity risks

The Company holds cash and quality profit-generating assets with high liquidity to fund the debt-repaying obligation, and the assets held for managing the liquidity risk to fund the needs of potential emergent fund deployment existing in the market, including: cash and cash equivalents, dues from the Central Bank and other banks, financial assets measured at FVTPL, financial assets measured at FVTOCI, investment of debt instrument measured at amortized costs, and discounts and loans.

(2) The maturity analysis of non-derivative financial liabilities

The following table shows the analysis of cash outflows from non-derivative financial liabilities by the residual maturities between the balance sheet dates to maturities. The amounts of cash outflows are based on contractual cash flows, so some amounts may not correspond to those that shown in the consolidated balance sheets.

A. The maturity analysis of financial liabilities

	March 31, 2025					
	Due in One Month	Due Between after One Month and Three Months	Due Between after Three Months and Six Months	Due Between after Six Months and One Year	Due after One Year	Total
Deposits from the Central Bank and Peers	$ 3,923,543	$ 1,540,000	$ 450,000	$ 5,054,680	$ 283,788	$ 11,252,011
Due to the central bank and other banks	284,689	463,377	20,153	40,624	992,175	1,801,018
Notes and bonds sold under agreements to repurchase	58,489,684	18,853,910	-	-	-	77,343,594
Accounts payable	4,786,887	2,111,057	530,894	353,243	111,038	7,893,119
Deposits and remittances	60,800,712	103,912,016	131,796,030	224,339,013	295,660,780	816,508,551
PREFERENCE SHARES LIABILITIES	-	-	-	-	375,000	375,000
Bank debentures	-	-	-	-	5,000,000	5,000,000
Corporate bonds payable	442,826	-	66,724	-	427,035	936,585
Other liabilities	10,200,691	5,466,226	-	-	126,281	15,793,198

	December 31 2024					
	Due in One Month	Due Between after One Month and Three Months	Due Between after Three Months and Six Months	Due Between after Six Months and One Year	Due after One Year	Total
Deposits from the bank industry peers	$ 7,097,587	$ 1,039,680	$ 1,000,000	$ 5,705,000	$ 390,107	$ 15,232,374
Due to the central bank and other banks	268,917	83,307	20,047	40,412	992,598	1,405,281
Notes and bonds sold under agreements to repurchase	39,359,281	19,352,529	-	210,078	-	58,921,888
Accounts payable	5,059,682	1,671,735	1,388,570	283,677	100,598	8,504,262
Deposits and remittances	62,397,946	110,884,938	111,253,238	224,500,726	294,448,541	803,485,389
PREFERENCE SHARES LIABILITIES	-	-	-	-	375,000	375,000
Financial bonds payable	-	-	-	-	5,000,000	5,000,000
Corporate bonds payable	-	-	-	885,881	-	885,881
Other liabilities	10,348,701	5,216,230	-	-	127,796	15,692,727

	March 31, 2024					
	Due in One Month	Due Between after One Month and Three Months	Due Between after Three Months and Six Months	Due Between after Six Months and One Year	Due after One Year	Total
Deposits from the Central Bank and Peers	$ 5,725,491	$ 1,306,000	$ 350,000	$ 3,034,680	$ 395,393	$ 10,811,564
Due to the central bank and other banks	1,247,305	-	-	-	-	1,247,305
Notes and bonds sold under agreements to repurchase	49,235,788	14,998,723	-	-	-	64,234,511
Accounts payable	6,985,887	2,079,016	583,641	698,347	107,805	10,454,696
Deposits and remittances	55,282,373	91,274,284	132,940,815	212,546,119	276,367,502	768,411,093
PREFERENCE SHARES LIABILITIES	-	-	-	-	375,000	375,000
Bank debentures	-	-	-	-	5,000,000	5,000,000
Corporate bonds payable	-	-	-	430,126	469,228	899,354
Other liabilities	7,670,333	4,488,076	1,000,000	558,396	124,893	13,841,698

Further information on the maturity analysis of lease liabilities on March 31, 2025 is as follows:

	Less than 1 Year	Over 1 year to 5 years	Over 5 year to 10 years	Over 10 year to 15 years	Over 15 year to 20 years	More than 20 years	Total
Lease liabilities	$ 425,843	$ 880,948	$ 369,142	$ 173,876	$ 56,919	$ -	$ 1,906,728

Further information on the maturity analysis of lease liabilities on December 31, 2024 is as follows:

	Less than 1 Year	Over 1 year to 5 years	Over 5 year to 10 years	Over 10 year to 15 years	Over 15 year to 20 years	More than 20 years	Total
Lease liabilities	$ 441,224	$ 905,070	$ 309,561	$ 162,916	$ 69,776	$ -	$ 1,888,547

Further information on the maturity analysis of lease liabilities on March 31, 2024 is as follows:

	Less than 1 Year	Over 1 year to 5 years	Over 5 year to 10 years	Over 10 year to 15 years	Over 15 year to 20 years	More than 20 years	Total
Lease liabilities	$ 488,540	$ 922,143	$ 277,448	$ 116,064	$ 31,036	$ -	$ 1,835,231

B. Maturity analysis of derivatives financial liabilities - forward exchange contracts and currency swap contracts

	March 31, 2025					
	Due in One Month	Due Between after One Month and Three Months	Due Between after Three Months and Six Months	Due Between after Six Months and One Year	Due after One Year	Total
Derived liabilities with delivery						
Inflow	$ 7,706,171	$ 1,386,464	$ 694,928	$ 493,820	$ -	$ 10,281,383
Outflow	(7,593,157)	(1,370,050)	(682,019)	(475,240)	-	(10,120,466)
Subtotal	113,014	16,414	12,909	18,580	-	160,917
Derived liabilities without delivery						
Non-deliverable forward	-	-	-	-	-	-
Total	$ 113,014	$ 16,414	$ 12,909	$ 18,580	$ -	$ 160,917

	December 31 2024					
	Due in One Month	Due Between after One Month and Three Months	Due Between after Three Months and Six Months	Due Between after Six Months and One Year	Due after One Year	Total
Derived liabilities with delivery						
Inflow	$ 11,385,108	$ 3,060,000	$ 1,268,660	$ 541,514	$ -	$ 16,255,282
Outflow	(11,129,397)	(3,004,613)	(1,236,844)	(529,743)	-	(15,900,597)
Subtotal	255,711	55,387	31,816	11,771	-	354,685
Derived liabilities without delivery						
Non-deliverable forward	-	-	-	-	-	-
Total	$ 255,711	$ 55,387	$ 31,816	$ 11,771	$ -	$ 354,685

	March 31, 2024					
	Due in One Month	Due Between after One Month and Three Months	Due Between after Three Months and Six Months	Due Between after Six Months and One Year	Due after One Year	Total
Derived liabilities with delivery						
Inflow	$ 12,318,501	$ 5,769,272	$ 874,380	$ 877,521	$ -	$ 19,839,674
Outflow	(12,130,924)	(5,707,860)	(847,675)	(860,419)	-	(19,546,878)
Subtotal	187,577	61,412	26,705	17,102	-	292,796
Derived liabilities without delivery						
Non-deliverable forward	-	-	-	-	-	-
Total	$ 187,577	$ 61,412	$ 26,705	$ 17,102	$ -	$ 292,796

C. The maturity analysis of derivatives financial liabilities-option contracts

	March 31, 2025					
	Due in One Month	Due Between after One Month and Three Months	Due Between after Three Months and Six Months	Due Between after Six Months and One Year	Due after One Year	Total
Without delivery	$ 6,271	$ 9,260	$ 11,798	$ 14,419	$ -	$ 41,748

	December 31 2024					
	Due in One Month	Due Between after One Month and Three Months	Due Between after Three Months and Six Months	Due Between after Six Months and One Year	Due after One Year	Total
Without delivery	$ 6,874	$ 8,667	$ 5,227	$ 14,219	$ -	$ 34,987

	March 31, 2024					
	Due in One Month	Due Between after One Month and Three Months	Due Between after Three Months and Six Months	Due Between after Six Months and One Year	Due after One Year	Total
Without delivery	$ 3,965	$ 13,953	$ 11,396	$ 11,202	$ -	$ 40,516

(V) Market risks

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 the trading book to give rise to a potential loss in- or off-balance sheet items.

2. Market risk management strategy and processes

(1) The Company implements the “Market Risk Management Standards of Union Bank of Taiwan”, which had been approved by the board of directors, as the basis of market risk management.

(2) The market risk management processes are risk identification, risk measurement, risk monitoring and control, risk reporting and risk mitigation.

A. Risk identification: For balance sheet and off-balance sheet items, the Company identifies and assesses market risk factors of products and the investment business and subjects them to risk management, monitoring and control procedures.

B. Risk measurement: In principle, each investment or transaction has at least one risk measurement tool - such as sensitivity analysis, value at risk and stress testing, which can be applied to variables, such as fair market value and notional amounts, to quantify market risk.

C. Risk monitoring and control: Each operation unit observes the risk limit regulation stated in its operating manual and regularly monitors risk control. The department of risk management is responsible for summarizing and reporting the Company’s overall market risk monitoring.

D. Risk reporting: The risk management reports are classified as regular report, over-limit report and exception report. Regular reports are the management statements sent to the appropriate level in accordance with certain requirements. Over-limit reports are about situations in which risk limits are exceeded. Exception reports contain operation units’ recommendations on how to meet temporary business needs.

E. Risk mitigation: An operation unit may take certain action to reduce risk, such as hedging, investment combination adjustment, position adjustment, setting a break-even point, halting new transactions, etc.

3. Market risk management organization and framework

(1) The board of directors: The board of directors, the top market risk supervisor of the Company, reviews market risk management policies, operational risk limits and the design and change of market risk management framework.

(2) Audit Committee: Responsible for assisting the Board of Directors in reviewing the Bank's market risk management guidelines.
Review market risk control reports and supervise the execution of market risk management.

(3) Asset/Liability and Risk Management Committee: Reviewing the management reports or information provided by the Risk Management Division and business management units.

(4) Risk Management Division: The Risk Management Division is an independent unit in charge of the work related to three pillars of Basel and of the development of market risk management tools to assess and control the risk identified through setting risk limits.

(5) Operation units: Operation units perform daily market risk management work and report the market risk of investment positions and related information to the authorities.

4. Scope and features of market risk report and the measurement system

(1) The market risk of the trading book financial instruments is measured in accordance with the fair market value or evaluation model and the profit and loss situation is evaluated regularly.

(2) The business units and the risk management division prepares management reports periodically and report to the appropriate level.

(3) The market risk management system combines the evaluation of the front and middle offices to generate information that will assist management in risk monitoring. Moreover, the system supports the capital accrual method being used by the Company through generating internal and external reports for management’s decision making.

5. Market risk measurement of trading book

The Company assesses the market risk exposure of the trading book in conformity with an assessment model using publicly quoted market prices or other measurement methods, including interest rate sensitivity analysis (DV01 value) and stress tests. The interest rate sensitivity analysis (DV01 value) refers to changes in market interest by 1 basis point (0.01%); the abnormal stress test system deals with market volatility and involves the regular estimation of possible losses (stress loss) and of the impact of stress test scenarios on major asset portfolios and the Company’s profit and loss.

6. Banking book market risk

(1) Interest rate risk

For the deposits, loans and other interest rate-related positions on the balance sheet of Union Bank of Taiwan, including Interest rate-sensitive assets and interest rate-sensitive liabilities, any risk of decline in the Union Bank of Taiwan surplus due to changes in lending rate can be measured using the earnings perspective.

For the loans and deposits and other interest rate-related items in the Company’s balance sheet, including interest rate sensitive assets and interest rate sensitive liabilities; for the period of January 1 to March 31, 2025 and 2024, assuming all market risk indicators, except interest rates, remained constant, an interest rate increase or decrease by 100bps would result in an increase or decrease in profit before tax by $627,303 thousand and $582,525 thousand, respectively.

(2) Exchange rate risk

The exchange rate risk of the banking book refers to the business operation of the International Banking Department of the Company’s Head Office and the operating funds in foreign currencies required by the ROC or local regulations; if there are adverse exchange rate changes, the income statement or cumulative translation adjustments in equity would be negatively affected.

The International Banking Department (IBD) of the Company’s Head Office is a going concern, and its operating funds are foreign currencies for business needs.

However, the exchange rate risk on these funds is not significant because the percentage of the operating funds to the Company's total assets is small, as shown by the immaterial ratio of the IBD's cumulative translation adjustment to the Companies' net worth.

7. Exchange rate risk concentration information

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

Unit: Each Foreign Currency (In Thousands)/NTD thousand

	March 31, 2025		
	Foreign currency	Exchange rate	NTD
Financial assets			
USD	$ 4,247,338	33.1820	$ 140,935,185
JPY	45,333,052	0.2224	10,082,705
GBP	6,446	43.0039	277,190
AUD	81,275	20.8051	1,690,932
HKD	76,145	4.2651	324,768
CAD	12,611	23.1427	291,849
CNY	588,186	4.5702	2,688,134
SGD	2,684	24.7461	66,425
ZAR	849,746	1.8178	1,544,688
CHF	1,321	37.6683	49,765
NZD	18,728	18.9137	354,210
EUR	33,857	35.9461	1,217,029
Financial liabilities			
USD	3,887,913	33.1820	129,008,732
JPY	40,759,395	0.2224	9,065,460
GBP	6,477	43.0039	278,550
AUD	81,332	20.8051	1,692,117
HKD	76,169	4.2651	324,869
CAD	12,599	23.1427	291,565
CNY	587,566	4.5702	2,685,300
SGD	2,773	24.7461	68,609
ZAR	850,326	1.8178	1,546,287
CHF	1,305	37.6683	49,159
NZD	18,706	18.9137	353,804
EUR	33,866	35.9461	1,217,340

	December 31 2024		
	Foreign currency	Exchange rate	NTD
Financial assets			
USD	$ 4,184,773	32.7810	$ 137,181,030
JPY	52,427,788	0.2098	11,000,661
GBP	7,369	41.1762	303,439
AUD	84,956	20.3931	1,732,513
HKD	86,861	4.2221	366,739
CAD	13,036	22.8121	297,387
CNY	576,732	4.4778	2,582,484
SGD	3,266	24.1179	78,772
ZAR	860,964	1.7507	1,507,315
CHF	1,154	36.2782	41,849
NZD	19,698	18.4655	363,728
EUR	43,944	34.1316	1,499,877
Financial liabilities			
USD	3,850,261	32.7810	126,215,410
JPY	47,895,673	0.2098	10,049,710
GBP	7,393	41.1762	304,433
AUD	84,970	20.3931	1,732,791
HKD	86,689	4.2221	366,013
CAD	12,914	22.8121	294,589
CNY	576,154	4.4778	2,579,894
SGD	3,295	24.1179	79,467
ZAR	861,066	1.7507	1,507,493
CHF	553	36.2782	20,074
NZD	19,664	18.4655	363,108
EUR	43,310	34.1316	1,478,253

	March 31, 2024		
	Foreign currency	Exchange rate	NTD
Financial assets			
USD	$ 4,176,913	31.9900	$ 133,619,459
JPY	37,274,706	0.2114	7,878,531
GBP	7,083	40.3650	285,919
AUD	75,979	20.8255	1,582,294
HKD	136,058	4.0878	556,172
CAD	11,805	23.6019	287,626
CNY	633,085	4.4074	2,790,276
SGD	4,742	23.7051	112,400
ZAR	872,543	1.6878	1,472,706
CHF	979	35.4696	34,722
NZD	16,684	19.0980	318,632
EUR	31,876	34.4500	1,098,116
Financial liabilities			
USD	3,881,993	31.9900	124,184,943
JPY	42,240,223	0.2114	8,928,063
GBP	7,058	40.3650	284,882
AUD	75,965	20.8255	1,582,012
HKD	97,315	4.0878	397,802
CAD	11,816	23.6019	278,873
CNY	633,231	4.4074	2,790,921
SGD	4,675	23.7051	110,827
ZAR	872,914	1.6878	1,473,332
CHF	1,004	35.4696	35,625
NZD	16,693	19.0980	318,809
EUR	31,856	34.4500	1,097,444

(VI) Transfers of financial assets

Transferred financial assets not entirely derecognized

Most of the transferred financial assets of the Company during daily operations that are not derecognized in their entirety are debenture securities under repurchase agreements or the equity securities loaned under the securities loaning agreement. According to these transactions, the right on cash flow of the transferred financial assets would be transferred to other entities and the associated liabilities of the Company's obligation to repurchase the transferred financial assets at a fixed price in the future are reflected. As the Company is restricted to use, sell or pledge the transferred financial assets throughout the term of transaction, and is still exposed to interest rate risks and credit risks on these instruments, the transferred financial assets are not derecognized in their entirety. The details of financial assets that are not derecognized in their entirety and the associated financial liabilities are as follows:

March 31, 2025					
Financial asset classes	Carrying Amount of Transferred Financial Asset	Carrying Amount of Associated Financial Liability	Fair Value of Transferred Financial Asset	Fair Value of Associated Financial Liability	Fair Value of Net Position
Financial Assets Measured at Fair Value Through Profit or Loss Repurchase agreements	$ 41,601,073	$ 41,634,568	$ 41,601,073	$ 41,634,568	($ 33,495)
Financial Assets Measured at Fair Value Through Other Comprehensive Income Repurchase agreements	21,128,171	18,764,840	21,128,171	18,764,840	2,363,331
Investment of debt instrument measured at amortized costs Repurchase agreements	29,284,731	16,587,107	24,460,633	16,587,107	7,873,526

December 31 2024					
Financial asset classes	Carrying Amount of Transferred Financial Asset	Carrying Amount of Associated Financial Liability	Fair Value of Transferred Financial Asset	Fair Value of Associated Financial Liability	Fair Value of Net Position
Financial Assets Measured at Fair Value Through Profit or Loss Repurchase agreements	$ 23,480,327	$ 23,495,917	$ 23,480,327	$ 23,495,917	($ 15,590)
Financial Assets Measured at Fair Value Through Other Comprehensive Income Repurchase agreements	19,831,849	18,142,519	19,831,849	18,142,519	1,689,330
Investment of debt instrument measured at amortized costs Repurchase agreements	28,866,742	16,925,265	23,356,904	16,925,265	6,431,639

March 31, 2024					
Financial asset classes	Carrying Amount of Transferred Financial Asset	Carrying Amount of Associated Financial Liability	Fair Value of Transferred Financial Asset	Fair Value of Associated Financial Liability	Fair Value of Net Position
Financial Assets Measured at Fair Value Through Profit or Loss Repurchase agreements	$ 29,036,749	$ 29,080,804	$ 29,036,749	$ 29,080,804	($ 44,055)
Financial Assets Measured at Fair Value Through Other Comprehensive Income Repurchase agreements	20,157,633	18,691,782	20,157,633	18,691,782	1,465,851
Investment of debt instrument measured at amortized costs Repurchase agreements	29,839,912	16,071,395	24,935,734	16,071,395	8,864,339

(VII) measured at FVTPL

The Company has the financial instrument transaction offsetting to which the Paragraph 42 of IAS 32 endorsed by the FSC is applicable; the financial assets and liabilities related to such transactions are presented on a net basis on the balance sheets.

The Company also has the repurchase or reverse repurchase agreements not complying to the offsetting criteria in IAS but entered the enforceable netting arrangements or similar agreements, such as global master repurchase agreement or global securities lending agreement. When delivering in net amount is elected by both transaction parties under the enforceable netting arrangements or similar agreements, the delivery may be made in the net amount after offsetting the financial assets and liabilities, or in the total amount if no such agreement. However, where any of the transaction party defaults, the counterparty may opt to deliver in the net amount.

The tables below present the information on said financial assets and financial liabilities that have been offset

March 31, 2025						
Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements.						
Description	Gross Amount of Recognized Financial Assets (a)	Gross Amount of Recognized Financial Liabilities Offset in the Balance Sheets (b)	Net Amount of Financial Assets Presented in the Balance Sheets (c)=(a)-(b)	Related Amount Not Offset in the Balance Sheets (d)		Net Amount (e)=(c)-(d)
				Financial instruments (Note)	Cash Collateral Received	
Derivatives	$1,116,100	$ -	$1,116,100	$ 45,706	$ -	$1,070,394

Note: Including the master netting arrangements and non-cash financial collaterals.

March 31, 2025						
Financial liabilities subject to offsetting, enforceable master netting arrangements or similar agreements.						
Description	Gross Amount of Recognized Financial Liabilities (a)	Gross Amount of Recognized Financial Assets Offset in the Balance Sheets (b)	Net Amount of Financial Liabilities Presented in the Balance Sheets (c)=(a)-(b)	Related Amount Not Offset in the Balance Sheets (d)		Net Amount (e)=(c)-(d)
				Financial instruments (Note)	Cash Collateral Pledged	
Derivatives	$ 287,807	$ -	$ 287,807	$ 45,706	$ -	$ 242,101

Note: Including the master netting arrangements and non-cash financial collaterals.

December 31 2024						
Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements.						
Description	Gross Amount of Recognized Financial Assets (a)	Gross Amount of Recognized Financial Liabilities Offset in the Balance Sheets (b)	Net Amount of Financial Assets Presented in the Balance Sheets (c)=(a)-(b)	Related Amount Not Offset in the Balance Sheets (d)		Net Amount (e)=(c)-(d)
				Financial instruments (Note)	Cash Collateral Received	
Derivatives	$1,498,977	$ -	$1,498,977	$ 17,771	$ -	$1,481,206

Note: Including the master netting arrangements and non-cash financial collaterals.

December 31 2024						
Financial liabilities subject to offsetting, enforceable master netting arrangements or similar agreements.						
Description	Gross Amount of Recognized Financial Liabilities (a)	Gross Amount of Recognized Financial Assets Offset in the Balance Sheets (b)	Net Amount of Financial Liabilities Presented in the Balance Sheets (c)=(a)-(b)	Related Amount Not Offset in the Balance Sheets (d)		Net Amount (e)=(c)-(d)
				Financial instruments (Note)	Cash Collateral Pledged	
Derivatives	$ 468,953	$ -	$ 468,953	$ 17,771	$ 188,398	$ 262,784

Note: Including the master netting arrangements and non-cash financial collaterals.

March 31, 2024						
Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements.						
Description	Gross Amount of Recognized Financial Assets (a)	Gross Amount of Recognized Financial Liabilities Offset in the Balance Sheets (b)	Net Amount of Financial Assets Presented in the Balance Sheets (c)=(a)-(b)	Related Amount Not Offset in the Balance Sheets (d)		Net Amount (e)=(c)-(d)
				Financial instruments (Note)	Cash Collateral Received	
Derivatives	$1,960,966	$ -	$1,960,966	$ 448	$ -	$1,960,518

Note: Including the master netting arrangements and non-cash financial collaterals.

March 31, 2024						
Financial liabilities subject to offsetting, enforceable master netting arrangements or similar agreements.						
Description	Gross Amount of Recognized Financial Liabilities (a)	Gross Amount of Recognized Financial Assets Offset in the Balance Sheets (b)	Net Amount of Financial Liabilities Presented in the Balance Sheets (c)=(a)-(b)	Related Amount Not Offset in the Balance Sheets (d)		Net Amount (e)=(c)-(d)
				Financial instruments (Note)	Cash Collateral Pledged	
Derivatives	$ 405,926	$ -	$ 405,926	$ 448	$ 132,777	$ 272,701

Note: Including the master netting arrangements and non-cash financial collaterals.

LIV. Capital Management

(I) Strategies to maintain capital adequacy

Under the regulations set by the authorities, the Company complies with the requirements set for the supervisory benchmarking ratio, including the common equity Tier I capital ratio; the Company's leverage ratio is also in accordance with the requirements of the relevant authorities. These ratios are applied in accordance with the regulations announced by the authorities.

(II) Capital assessment procedure

The capital ratios and leverage ratios are applied, analyzed, monitored and reported regularly, and are assigned to each business unit as the target capital adequacy ratios. The business units' compliance with the ratio requirements is tracked regularly, and remedial action is taken if the capital and leverage ratio requirements are not met.

LV. Loan Asset Quality, Concentration of Credit Concentration, Interest Rate Sensitivity, Profitability and Maturity Analysis

Union Bank of Taiwan

(I) Credit risk

1. Loan asset quality: See Note LIII and Table VI.

2. Concentration of credit extensions

Unit: In NTD thousand, %

March 31, 2025			
Rank	Sector to Which the Company or Group Belongs	Credit Extension Balance	% to Net Asset Value
1	Group H - Retail Sale of Other Food, Beverages and Tobacco in Specialized Stores	4,919,000	5.92
2	Group G - Other Financial Services Not Elsewhere Classified	3,348,000	4.04
3	Company I - Manufacture of Man-made Fibers	3,277,600	3.95
4	Group B- Financial leasing	2,699,333	3.25
5	Company U - Other Financial Services Not Elsewhere Classified	2,600,000	3.13
6	Group P - Iron and Steel Refining	2,017,070	2.43
7	Company B- Financial leasing	1,793,788	2.16
8	Company L - Wholesale of Building Materials	1,590,071	1.92
9	Company T - Manufacture of Grain Mill Products	1,555,000	1.87
10	Company Y - Other Holding	1,161,370	1.40

December 31 2024			
Rank	Sector to Which the Company or Group Belongs	Credit Extension Balance	% to Net Asset Value
1	Group H - Retail Sale of Other Food, Beverages and Tobacco in Specialized Stores	5,119,000	6.44
2	Group G - Other Financial Services Not Elsewhere Classified	3,348,000	4.21
3	Company I - Manufacture of Man-made Fibers	3,277,600	4.12
4	Company U - Classified as Other Financial Services	3,077,320	3.87
5	Group B- Financial leasing	2,299,333	2.89
6	Group P - Iron and Steel Refining	2,015,888	2.54
7	Company L - Wholesale of Building Materials	1,574,089	1.98
8	Company B- Financial leasing	1,480,107	1.86
9	Group T - Manufacture of Grain Mill Products	1,455,000	1.83
10	Company D - Air Transport	1,059,944	1.33

March 31, 2024			
Rank	Sector to Which the Company or Group Belongs	Credit Extension Balance	% to Net Asset Value
1	Group H - Retail Sale of Other Food, Beverages and Tobacco in Specialized Stores	4,737,000	6.39
2	Group G - Other Financial Services Not Elsewhere Classified	3,348,000	4.52
3	Company I - Manufacture of Man-made Fibers	2,802,000	3.78
4	Group A - Real Estate Development Activities	1,818,174	2.45
5	Company L - Wholesale of Building Materials	1,597,078	2.15
6	Company B- Financial leasing	1,558,932	2.10
7	Company T - Manufacture of Grain Mill Products	1,520,000	2.05
8	Group P - Iron and Steel Refining	1,371,979	1.85
9	Company Z - Printing	1,032,563	1.39
10	Company S - Manufacture of Motor Vehicles	959,700	1.29

(II) Market risks

Interest Rate Sensitive Asset/Liability Analysis (NT$)

March 31, 2025

Unit: In NTD thousand, %

Item	1-90 days (inclusive)	91-180 days (inclusive)	181 days to one year (inclusive)	More than one year	Total
Interest rate-sensitive assets	744,741,877	7,608,573	13,008,744	65,104,073	830,463,267
Interest rate-sensitive liabilities	377,075,388	328,425,010	98,188,728	21,821,040	825,510,166
Interest rate-sensitive gap	367,666,489	(320,816,437)	(85,179,984)	43,283,033	4,953,101
Net value					78,512,717
Ratio of interest rate-sensitive assets to liabilities					100.60%
Ratio of interest rate sensitivity gap to net worth					6.31%

Interest Rate Sensitive Asset/Liability Analysis (NT$)

December 31 2024

Unit: In NTD thousand, %

Item	1-90 days (inclusive)	91-180 days (inclusive)	181 days to one year (inclusive)	More than one year	Total
Interest rate-sensitive assets	717,875,751	6,436,916	13,622,345	64,333,145	802,268,157
Interest rate-sensitive liabilities	409,405,200	280,557,083	88,201,457	20,422,704	798,586,444
Interest rate-sensitive gap	308,470,551	(274,120,167)	(74,579,112)	43,910,441	3,681,713
Net value					76,218,363
Ratio of interest rate-sensitive assets to liabilities					100.46%
Ratio of interest rate sensitivity gap to net worth					4.83%

Interest Rate Sensitive Asset/Liability Analysis (NT$)

March 31, 2024

Unit: In NTD thousand, %

Item	1-90 days (inclusive)	91-180 days (inclusive)	181 days to one year (inclusive)	More than one year	Total
Interest rate-sensitive assets	697,532,034	10,816,014	11,203,325	68,261,673	787,813,046
Interest rate-sensitive liabilities	390,181,479	293,463,177	73,629,053	15,175,567	772,449,276
Interest rate-sensitive gap	307,350,555	(282,647,163)	(62,425,728)	53,086,106	15,363,770
Net value					71,365,142
Ratio of interest rate-sensitive assets to liabilities					101.99%
Ratio of interest rate sensitivity gap to net worth					21.53%

Note: I. The above amounts included only the New Taiwan dollar held by the Bank's head office and branches (excluding foreign currency).

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

III. Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

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

Interest Rate Sensitive Asset/Liability Analysis (USD)

March 31, 2025

(In Thousands of U.S. Dollars, %)

Item	1-90 days (inclusive)	91-180 days (inclusive)	181 days to one year (inclusive)	More than one year	Total
Interest rate-sensitive assets	1,060,560	1,105,637	100,016	2,427,707	4,693,920
Interest rate-sensitive liabilities	2,545,243	517,915	280,099	467,761	3,811,018
Interest rate-sensitive gap	(1,484,683)	587,722	(180,083)	1,959,946	882,902
Net value					105,358
Ratio of interest rate-sensitive assets to liabilities					123.17%
Ratio of interest rate sensitivity gap to net worth					838.00%

Interest Rate Sensitive Asset/Liability Analysis (USD)

December 31 2024

(In Thousands of U.S. Dollars, %)

Item	1-90 days (inclusive)	91-180 days (inclusive)	181 days to one year (inclusive)	More than one year	Total
Interest rate-sensitive assets	2,107,053	80,475	114,916	2,363,389	4,665,833
Interest rate-sensitive liabilities	2,506,250	418,627	401,559	446,503	3,772,939
Interest rate-sensitive gap	(399,197)	(338,152)	(286,643)	1,916,886	892,894
Net value					78,004
Ratio of interest rate-sensitive assets to liabilities					123.67%
Ratio of interest rate sensitivity gap to net worth					1,144.68%

Interest Rate Sensitive Asset/Liability Analysis (USD)

March 31, 2024

(In Thousands of U.S. Dollars, %)

Item	1-90 days (inclusive)	91-180 days (inclusive)	181 days to one year (inclusive)	More than one year	Total
Interest rate-sensitive assets	1,790,865	593,570	122,475	2,165,967	4,672,877
Interest rate-sensitive liabilities	2,127,135	602,180	591,708	439,015	3,760,038
Interest rate-sensitive gap	(336,270)	(8,610)	(469,233)	1,726,952	912,839
Net value					58,554
Ratio of interest rate-sensitive assets to liabilities					124.28%
Ratio of interest rate sensitivity gap to net worth					1,558.97%

Note: I. The above amounts included only U.S. dollar amounts held by the Bank's headquarter, domestic branches, OBU and overseas branches and excluded contingent assets and contingent liabilities.

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

III. Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

IV. Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets ÷ Interest rate-sensitive liabilities (in USD)..

(III) Liquidity Risks

1. Profitability (consolidated)

Unit: %

Item		January 1 to March 31, 2025	January 1 to March 31, 2024
Return on total assets	Before tax	0.15	0.16
	After tax	0.12	0.14
Return on common share net worth	Before tax	2.09	2.37
	After tax	1.66	2.14
Net income ratio		25.27	25.60

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

II. Return on common share net worth = [Income before (after) income tax - dividends preference shares] ÷ Average common stock net worth

III. Net income ratio = Income after income tax ÷ Total net revenues

IV. Income before (after) income tax represents income for current year up to March 31

2. Maturity analysis of assets and liabilities

Maturity Analysis of New Taiwan Dollar

March 31, 2025

Unit: NTD thousand

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year
Main capital inflow on maturity	926,743,843	240,268,928	44,644,197	62,940,535	126,238,592	452,651,591
Main capital outflow on maturity	1,058,485,821	116,312,075	107,080,381	176,656,448	268,522,227	389,914,690
Gap	(131,741,978)	123,956,853	(62,436,184)	(113,715,913)	(142,283,635)	62,736,901

Maturity Analysis of New Taiwan Dollar

December 31 2024

Unit: NTD thousand

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year
Main capital inflow on maturity	899,462,319	211,196,870	42,029,267	69,406,494	128,228,214	448,601,474
Main capital outflow on maturity	1,037,457,808	105,208,035	149,020,257	129,522,993	265,483,775	388,222,748
Gap	(137,995,489)	105,988,835	(106,990,990)	(60,116,499)	(137,255,561)	60,378,726

Maturity Analysis of New Taiwan Dollar

March 31, 2024

Unit: NTD thousand

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year
Main capital inflow on maturity	868,776,211	216,579,769	53,565,563	56,754,689	114,027,089	427,849,101
Main capital outflow on maturity	998,737,865	108,401,919	123,459,067	158,583,827	243,960,289	364,332,763
Gap	(129,961,654)	108,177,850	(69,893,504)	(101,829,138)	(129,933,200)	63,516,338

Note: The above amounts included only the New Taiwan dollar held by the Bank’s head office and branches (excluding foreign currency).

Maturity Analysis of USD

March 31, 2025

In Thousands of U.S. Dollars

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year
Main capital inflow on maturity	4,838,011	770,685	580,319	1,136,441	100,409	2,250,157
Main capital outflow on maturity	4,840,249	1,455,770	1,646,499	544,630	294,702	898,648
Gap	(2,238)	(685,085)	(1,066,180)	591,811	(194,293)	1,351,509

Maturity Analysis of USD

December 31 2024

In Thousands of U.S. Dollars

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year
Main capital inflow on maturity	4,835,017	858,679	1,547,148	82,988	142,479	2,203,723
Main capital outflow on maturity	4,838,921	1,494,770	1,614,716	459,582	420,086	849,767
Gap	(3,904)	(636,091)	(67,568)	(376,594)	(277,607)	1,353,956

Maturity Analysis of USD

March 31, 2024

In Thousands of U.S. Dollars

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year
Main capital inflow on maturity	4,848,010	704,167	1,166,117	613,623	123,159	2,240,944
Main capital outflow on maturity	4,827,702	1,459,566	1,289,496	632,589	622,718	823,333
Gap	20,308	(755,399)	(123,379)	(18,966)	(499,559)	1,417,611

Note: The above amounts are sum of the U.S. dollar amounts held by the Bank's headquarter, domestic branches, OBU and overseas branches.

LVI. Disclosed Matters in Notes

(I) Information Related to Material Transactions and (II) Information of the Re-investees

1. Loan provided: not applicable to the Bank, and please see Table 1 for other re-investees.
2. Endorsement/guarantee provided: Table 2.
3. Negotiable securities held at the end of the period, and please see Table 3 for other re-investees.
4. Trading shares of the same investee for NT$300 million, or 10% of the paid-in capital or more cumulatively: None.
5. Acquisition of individual real estate at costs of NT$300 million or 10% of the paid-in capital or more: None.
6. Disposal of individual real estate at costs of NT$300 million or 10% of the paid-in capital or more: 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: Table 4.
9. Sale of nonperforming loans: None.
10. Asset securitization under the "Financial Asset Securitization Act" or the "Clauses of the Real Estate Securitization Act": None.

11. Other significant transactions which may affect the decisions of users of Financial Statements: Table 5.

12. Names, locations and other information of investees on which the Bank exercises significant influence: exempted for quarterly report.

13. Derivative transactions: Note VIII.

(II) Investment in Mainland China: None.

(III) Business Relationships Among Parent and Subsidiaries, and Key Transactions: See Table 6 for the details of business relationships between the parent and subsidiaries and key transactions.

(IV) Information of major shareholders which hold ownership of 5% or greater: Table 7.

LVII. Department Information

The information reported to the Company's chief operating decision makers for the assessment of segment performance focuses mainly on operation and profitability. The Company's reportable segments are as follows:

(I) Corporate banking unit: Corporate banking, foreign exchange business, debt management and public treasury business, etc.

(II) Consumer banking unit: Consumer banking, financial management and loan business, credit card business and car-loan business, etc.

(III) Wealth management and trust unit: Wealth management and trust business, etc.

(IV) Investing unit: Investing business in the financial market, etc.

(V) Leasing unit: Leasing of vehicles, buildings, etc.

The analysis of the Bank's operating revenue and results by reportable segment was as follows:

	January 1 to March 31, 2025						
	Corporate Finance	Consumer banking unit	Wealth management and trust unit	Investing unit	Leasing unit	Others	Total
Net interest (Note)	$ 602,720	$ 1,245,275	$ 29	$ 33,615	($ 6,447)	$ 679,018	$ 2,554,210
Commission and fee income, net	80,281	271,815	439,134	69,046	12,174	83,982	956,432
Net revenues other than interest	65,200	(2,940)	1,172	42,209	624,849	441,505	1,171,995
Net income	748,201	1,514,150	440,335	144,870	630,576	1,204,505	4,682,637
Bad debt expense	18,755	92,783	-	2,195	3,277	25,443	142,453
Operating expenses	265,099	906,000	213,599	55,511	573,835	1,040,815	3,054,859
Net profit before tax	$ 464,347	$ 515,367	$ 226,736	$ 87,164	$ 53,464	$ 138,247	$ 1,485,325

	January 1 to March 31, 2024						
	Corporate Finance	Consumer banking unit	Wealth management and trust unit	Investing unit	Leasing unit	Others	Total
Net interest (Note)	$ 636,977	$ 1,286,197	$ 8	$ 14,964	($ 8,683)	$ 241,531	$ 2,170,994
Commission and fee income, net	65,109	147,501	423,132	61,692	23,173	78,982	799,589
Net revenues other than interest	73,988	(1,492)	331	374,738	609,177	1,185,800	2,242,542
Net income	776,074	1,432,206	423,471	451,394	623,667	1,506,313	5,213,125
Bad debt expense	93,669	68,520	-	3,146	8,634	125,737	299,706
Operating expenses	236,759	963,355	195,102	56,872	574,147	1,408,570	3,434,805
Net profit before tax	$ 445,646	$ 400,331	$ 228,369	$ 391,376	$ 40,886	($ 27,994)	$ 1,478,614

Note: Include interest of financial assets at fair value through profit or loss.

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Loan provided to others

January 1 to March 31, 2025

Table 1. Unit: In NTD thousand (Foreign Currency)

No.	Lender	Borrower	Financial Statement Account	Highest Balance in the period (Note 1)	Balance at the end of the period (Note 2)	Actual Drafted Amount	Interest Rate Range (%)	Nature of loan	Business Transaction Amount (Note 3)	Reason for Short-term Financing	Amount of allowance for doubtful accounts provided	Collaterals		Financing Limit for Each Borrower (Note 4)	Aggregate Financing Limit (Note 5)
												Name	Value		
1	UFLIC	Union Capital (Singapore) Holding PTE. Ltd.	Accounts receivable from affiliates	$ 822,932 (JPY 3,700,000)	$ 822,932 (JPY 3,700,000)	$ 584,332 (JPY 2,627,225)	2.16%-2.17%	Business transaction	$ 822,932 (JPY 3,700,000)	—	$ -	—	$ -	$ 3,469,206	$ 3,469,206
		Uflc Capital (Singapore) Holding PTE. Ltd.	Accounts receivable from affiliates	1,334,484 (JPY 6,000,000)	1,334,484 (JPY 6,000,000)	1,228,572 (JPY 5,523,808)	2.16%-2.17%	Business transaction	1,334,484 (JPY 6,000,000)	—	-	—	-	3,469,206	3,469,206
		Junwei Development and Construction Co., Ltd.	Accounts receivable	9,269	9,269	9,269	5%-8%	Short-term financing	-	Business turnover	185	Real estates	12,447	346,921	1,387,683
		Qiaoda Social Enterprise Co., Ltd.	Accounts receivable	128,647	125,969	125,969	3%-6%	Short-term financing	-	Investment in equity of affiliates	1,260	Real estates	150,380	346,921	1,387,683
		Sing Hong Yang Construction Co., Ltd.	Accounts receivable	21,682	20,979	20,979	3%-6%	Short-term financing	-	Business turnover	210	Real estates	29,593	346,921	1,387,683
		NFC I Renewable Power Co., Ltd.	Accounts receivable	100,000	100,000	100,000	3%-6%	Short-term financing	-	Business turnover	1,000	—	-	346,921	1,387,683
		NFC II Renewable Power Co., Ltd.	Accounts receivable	100,000	100,000	100,000	3%-6%	Short-term financing	-	Business turnover	1,000	—	-	346,921	1,387,683
		NFC III Renewable Power Co., Ltd.	Accounts receivable	250,000	250,000	250,000	3%-6%	Short-term financing	-	Business turnover	2,500	—	-	346,921	1,387,683
		De Ken Construction Co., Ltd.	Accounts receivable	120,000	120,000	120,000	3%-6%	Short-term financing	-	Repayment of borrowings	1,200	Real estates	152,136	346,921	1,387,683
		He Hua Cultural and Creative Enterprise Co., Ltd.	Accounts receivable	98,370	97,542	97,542	4%-7%	Short-term financing	-	Business turnover	975	Real estates	182,343	346,921	1,387,683
2	Union Capital (Singapore) Holding PTE. Ltd.	Kabushiki Kaisha UCJ1 (Japan)	Accounts receivable from affiliates	422,587 (JPY 1,900,000)	422,587 (JPY 1,900,000)	326,029 (JPY 1,465,865)	2.75%	Business transaction	422,587 (JPY 1,900,000)	—	-	—	-	3,469,206-	3,469,206
3	Uflc Capital (Singapore) Holding PTE. Ltd.	Kabushiki Kaisha UCJ1 (Japan)	Accounts receivable from affiliates	733,966 (JPY 3,300,000)	733,966 (JPY 3,300,000)	635,104 (JPY 2,855,504)	2.75%	Business transaction	733,966 (JPY 3,300,000)	—	-	—	-	3,469,206-	3,469,206
4	Union Venture Capital Co., Ltd.	Bei Chen Yi Hau Electric Power Inc.	Accounts receivable	109,000	109,000	109,000	3.00%	Short-term financing	-	Business turnover	-	—	-	580,177	1,450,442
		Hao Tian Electric Power Inc.	Accounts receivable	136,000	136,000	136,000	3.00%	Short-term financing	-	Business turnover	-	—	-	580,177	1,450,442
		Feng Tai Electric Power	Accounts receivable	134,000	134,000	134,000	3.00%	Short-term financing	-	Business turnover	-	—	-	580,177	1,450,442
		Na He Yi Hau Electric Power Inc.	Accounts receivable	160,000	160,000	160,000	3.00%	Short-term financing	-	Business turnover	-	—	-	580,177	1,450,442
		Ting Jie Electric Power Inc.	Accounts receivable	700,000	700,000	310,000	3.00%	Short-term financing	-	Business turnover	-	—	-	580,177	1,450,442
		Ting Syu Energy Co., Ltd.	Accounts receivable	3,000	3,000	3,000	3.00%	Short-term financing	-	Business turnover	-	—	-	580,177	1,450,442

Note 1: Highest balance of loans provided to others in the current year.

Note 2: Where the public companies submits the loaning of funds one by one to the board of directors for resolution pursuant to Paragraph 1, Article 14 of the " Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies," even though the fund is not disbursed, the amount resolved by the board shall be listed in the announced balance to disclose the risk assumed; provided, when the fund is repaid, the balance after the repayment shall be disclosed to reflect the risk adjustment. Where the public companies have the board of directors to resolve a limit to be loaned for several times or drafted on the revolving basis within the limit during the period of one year pursuant to Paragraph 2, Article 14 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies," the resolved limit of loans shall still be announced as the reported balance. Although repayments may be made later, such limit may be used again, and thus the limit approved by the board shall be the announced and reported balance.

Note 3: Where a loaning of funds is a business transaction in the nature, the amount of such transaction shall be entered; the business transaction amounts within a year between the lender and the borrower.

Note 4: For the transactions with the subsidiaries 100% voting rights held directly and indirectly, and the loaning of funds for short-term financing, the limit is the net worth of UFLIC; in terms of loaning of funds for short-term financing to the non-subsidiaries, the limit is 10% of UFLIC; for those with business transactions that are in demand of short-term financing, the limit is 40% of the net worth of Union Venture Capital Co., Ltd.

Note 5: For the transactions with the subsidiaries 100% voting rights held directly and indirectly, and the loaning of funds for short-term financing, the limit is the net worth of Union Finance & Leasing (Int'l) Corp.; in terms of loaning of funds for short-term financing to the non-subsidiaries, the limit is 40% of the net worth of Union Finance & Leasing (Int'l) Corp.; for the inter-company and firms having business transactions, and in need of loaning of funds for short-term financing, the limit is 100% of the net worth of Union Venture Capital Co., Ltd.

Note 6: All the "balance" and "amount" referred in the statement, other than the actual borrowing amount, business transaction amount, and amount of allowance for doubtful accounts provided, are the limit or amount financed to others occurring on the date of occurrence (the earliest among date of the Board's resolution, date of contract execution, date of payment, or date sufficient to ensure the counterparty and transaction amount) pursuant to Article 7 of the handling standards.

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Endorsement/guarantee provided

January 1 to March 31, 2025

Table 2

Unit: In NTD thousand, unless specified otherwise

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party(Note 5)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 3)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 4)	Actual Drafted Amount (Note 6)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 7)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Company name	Relationship (Note 2)										
1	Union Venture Capital Co., Ltd.	Ting Jie Electric Power Inc.	4	$ 14,504,424	$ 5,325,000	$ 5,325,000	$ 2,175,000	$ -	6.6%	$ 43,513,272	Yes	No	No

Note 1: Description of number column

(1) Issuer: 0

(2) The investees are numbered from 1 by the companies.

Note 2: There are seven relationships between the endorser/guarantor and endorsee/guarantee, only the type needs to be indicated.

(1) Company with business relationships

(2) Companies in which the Company holds shares for more than 50% voting rights directly or indirectly.

(3) Companies hold the Company’s shares for more than 50% voting rights directly or indirectly

(4) Among the companies in which the Company holds shares for more than 90% voting rights directly or indirectly.

(5) Companies guarantee each other as peers or joint constructors under contracts based on the requirements of construction contracting.

(6) All the shareholders to the companies they endorse and guarantee due to the joint investment proportionally to their shareholdings.

Note 3: The maximum balance of the endorsement/guarantee provided to others of the current year.

Note 4: The endorsement/guarantee limit was approved by the board of directors

Note 5: The total amount of endorsement or guarantee provided by UVC to a single company shall not exceed 10 times UVC’s and 25 times Union Energy’s net worth.

Note 6: Enter the actual amount drafted withing the balance of endorsement/guarantee by the endorsee/guarantee.

Note 7: The total amount of endorsement or guarantee provided by UVC to others shall not exceed 30 times UVC’s and 50 times Union Energy’s net worth.

Note 8: Ting Jie Electric Power signed a syndicate with 11 financial Institutions with the limit of NT$7,500,000 thousand. The joint guarantors are the parent company, UVC and Union Energy.

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Details of negotiable securities held at the end of the period

March 31, 2025

Table 3. Unit: for amounts, thousand NTD (foreign currency); for shares and units, thousand shares and thousand units

Held by	Types and names of negotiable securities	Relationship with the negotiable securities issuers	Account	At the end of the period				Remark
				Shares/units	Book amount	Shareholding ratio	Fair value	
UFLIC	Shares							
	Hey-Song Corporation	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	4,551	$ 182,495	1.13%	$ 182,495	
	Funds and beneficiary certificates							
	U.S. Investment Grade Bond Fund - Type A	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	4,000	40,624	-	40,624	
	Union APEC Balanced A	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	1,102	23,518	-	23,518	
	Union Utilities and Infrastructure Equity Income Fund - Type A	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	820	13,017	-	13,017	
	Union Taiwan Select Income Multi-asset Fund - Type A	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	3,893	43,446	-	43,446	
	Union Green Energy Private Equity Limited Partnership	—	Financial Assets Measured at Fair Value Through Profit or Loss	-	573,791	25.98%	573,791	
Union Information Technology Corporation (UIT)	Shares							
	ELTA Technology Co., Ltd.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	3,537	274,841	13.33%	274,841	
Union Securities Investment Trust Corporation (USITC)	Shares							
	Fundrish Securities Co., Ltd.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	594	9,127	0.94%	9,127	
	Funds and beneficiary certificates							
	Union Money Market Fund	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	1,380	19,072	-	19,072	
	Union Advantage Global Fixed Income Portfolio Fund	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	1,068	16,252	-	16,252	
	Union APEC Balanced A	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	503	10,727	-	10,727	
	Union Asia Non Investment Grade Bond Fund - A	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	1,983	15,063	-	15,063	
	Union Technology Fund	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	159	4,622	-	4,622	
	Union China Fund	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	98	5,449	-	5,449	

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Held by	Types and names of negotiable securities	Relationship with the negotiable securities issuers	Account	At the end of the period				Remark
				Shares/units	Book amount	Shareholding ratio	Fair value	
	Union Golden Balanced Fund	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	172	$ 7,277	-	$ 7,277	
	Union Taiwan Select Income Multi-asset Fund - Type A	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	143	1,598	-	1,598	
	U.S. Investment Grade Bond Fund - Type A	Issued by Union Securities Investment Trust	Financial Assets Measured at Fair Value Through Profit or Loss	1,181	11,994	-	11,994	
Union Venture Capital Co., Ltd.	Shares							
	Greenway Environmental Technology Co., Ltd.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	1,100	-	1.96%	-	
	Hope Vision Co., Ltd.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	529	2,110	2.55%	2,110	
	RFD Micro Electricity Co., Ltd.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	10,127	302,089	14.24%	302,089	
	MaiCoin	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	429	78,617	0.93%	78,617	
	Thermolysis Co.,Ltd.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	1,000	3,441	1.88%	3,441	
Corner Ventures DAG I-U, LLC (Delaware, US)	Shares							
	AnyRoad Inc.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	7	USD 37	-	USD 37	
	Assemble Stream, Inc	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	32	USD 8	-	USD 8	
	Adanate, Inc	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	5	USD 12	-	USD 12	
	Cargomatic, Inc	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	19	USD 142	-	USD 142	
	Engageli, Inc.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	170	USD 369	-	USD 369	
	FINDEM, Inc.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	4	USD 36	-	USD 36	
	Garuda Labs, Inc.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	14	USD 343	-	USD 343	
	Get Fabric Ltd.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	1,536	USD 1,239	-	USD 1,239	

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Held by	Types and names of negotiable securities	Relationship with the negotiable securities issuers	Account	At the end of the period							Remark
				Shares/units	Book amount		Shareholding ratio	Fair value			
	Halcyon Tech, Inc	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	5,530	USD	3,302	-	USD	3,302		
	Healthy.io Limited	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	14	USD	145	-	USD	145		
		—	Financial Assets Measured at Fair Value Through Profit or Loss	36	USD	387	-	USD	387		
	Latigo Biotherapeutics, Inc.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	223	USD	351	-	USD	351		
	Meilo Ltd.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	1,213	USD	480	-	USD	480		
	Nexar Ltd.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	83	USD	319	-	USD	319		
	Prismo Systems Inc.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	39	USD	10	-	USD	10		
	Solv Health, Inc.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	111	USD	483	-	USD	483		
	Travelier(fka Bookaway Ltd.)	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	53	USD	615	-	USD	615		
	Twin Health, Inc.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	159	USD	1,295	-	USD	1,295		
	Underdog Sports, Inc.	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	1	USD	40	-	USD	40		
	Corner Ventures(Cayman)Ⅰ LP**	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	-	USD	110	-	USD	110		
	Folius Digital Opportunities Offshore,LTD*	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	-	USD	96	-	USD	96		
	ParaFi Digital Opportunites InternationalLP*	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	-	USD	71	-	USD	71		
	ParaFi Private OpportunitiesLLC	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	-	USD	31	-	USD	31		
	Sybi lCapital Fund I-B Feeder,LP**	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	-	USD	250	-	USD	250		
Corner Union LLC (Delaware, US)	Shares										
	Healthy.io Limited	—	Financial Assets Measured at Fair Value Through Other Comprehensive Income	36	USD	385	-	USD	385		
Union Private Equity Co., Ltd.	Beneficiary certificates										
	Union Green Energy Private Equity Limited Partnership	—	Financial Assets Measured at Fair Value Through Profit or Loss	4,300		47,551	2.01%		47,551		
	Union Green Energy I Private Equity Limited Partnership	—	Financial Assets Measured at Fair Value Through Profit or Loss	1,488		16,560	3.05%		16,560		
	Union Green Energy II Private Equity Limited Partnership	—	Financial Assets Measured at Fair Value Through Profit or Loss	2		12	16.67%		12		

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Receivables from related parties amounting to at least NT$300 million or 10% of the paid-in capital

March 31, 2025

Table 4

In NTD thousand (Foreign Currency)

Company accounted for accounts receivable	Counterparty	Relationship	Balance of receivable from related party	Turnover Rate	Overdue receivables from related party		Amounts received in subsequent period	Amount of allowance for doubtful accounts provided
					Amount	Actions Taken		
UFLIC	Union Capital (Singapore) Holding PTE. Ltd.	Group subsidiary	$ 584,332 (JPY 2,627,225)	-	$ -	-	$ -	$ -
UFLIC	Uflc Capital (Singapore) Holding PTE. Ltd.	Group subsidiary	1,228,572 (JPY 5,523,808)	-	-	-	-	-
UFLIC	Tian Ji Smart Energy Co., Ltd.	Group subsidiary	1,483,510	-	-	-	6,671	14,835
Union Capital (Singapore) Holding PTE. Ltd.	Kabushiki Kaisha UCJ1 (Japan)	Group subsidiary	326,029 (JPY 1,465,865)	-	-	-	-	-
Uflc Capital (Singapore) Holding PTE. Ltd.	Kabushiki Kaisha UCJ1 (Japan)	Group subsidiary	635,104 (JPY 2,855,504)	-	-	-	-	-

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Overdue loans and accounts

March 31, 2025, December 31 and March 31, 2024

Table 5. Unit: In NTD thousand, %

Year Month			March 31, 2025					March 31, 2024				
Business\item			Amount of overdue loan	Total loans	Overdue ratio (Note 2)	Amount of allowance for doubtful accounts	Coverage ratio (Note 3)	Amount of nonperforming loans	Total loans	Overdue ratio	Amount of allowance for doubtful accounts	Coverage ratio
Corporate finance	Guarantee		$ 437,207	$ 201,407,917	0.22%	$ 2,763,471	525.82%	$ 856,043	$ 179,099,464	0.48%	$ 2,838,881	260.02%
	Unsecured		88,347	44,092,810	0.20%			235,770	43,733,059	0.54%		
Consumer finance	Home mortgage (Note 4)		656,829	266,139,615	0.25%	3,349,217	509.91%	449,817	256,449,854	0.18%	3,208,863	713.37%
	Debit card		110	2,112	5.21%	118	107.27%	21	3,384	0.62%	115	547.62%
	Small-scale credit loans (Note 5)		20,395	782,684	2.61%	94,243	462.09%	16,311	531,873	3.07%	67,785	415.58%
	Others (Note 6)	Guarantee	247,086	83,835,636	0.29%	1,096,810	329.73%	135,012	75,125,260	0.18%	985,476	461.98%
		Unsecured	85,549	23,158,238	0.37%			78,303	21,335,785	0.37%		
Total loan			1,535,523	619,419,012	0.25%	7,303,859	475.66%	1,771,277	576,278,679	0.31%	7,101,120	400.90%
Business\item			Nonperforming Loan	Balance of Account Receivables	Ratio of Nonperforming Loan	Amount of allowance for doubtful accounts	Coverage ratio	Nonperforming Loan	Balance of Account Receivables	Ratio of Nonperforming Loan	Amount of allowance for doubtful accounts	Coverage ratio
Credit card business			$ 53,309	$ 22,443,333	0.24%	$ 215,928	405.05%	$ 42,643	$ 24,077,305	0.18%	$ 179,630	421.24%
Accounts receivable factored without recourse			-	-	-	-	-	-	-	-	-	-

Note 1: Nonperforming 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 Nonperforming/Non-accrued Loans."
Nonperforming credit card receivables are reported to the authorities and disclosed to the public, as required by the FSC (IV) dated July 6, 2005 (Ref. No. 0944000378).

Note 2: Ratio of nonperforming loans: Nonperforming loans ÷ Outstanding loan balance; Ratio of nonperforming credit card receivables: Nonperforming credit card receivables ÷ Outstanding credit card receivables balance.

Note 3: Coverage ratio of loans: Allowance for possible losses for loans ÷ Nonperforming loans. Coverage ratio of credit card receivables: Allowance for possible losses for credit card receivables ÷ Nonperforming 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: Based on the FSC (IV) dated December 19, 2005 (Ref. No. 09440010950), small-scale credit loans are unsecured, in small amounts and exclude credit cards and cash cards.

Note 6: Other consumer banking loans refer to secured or unsecured loans that exclude housing mortgage, cash cards, credit cards and small-scale credit loans.

Note 7: As required by the FSC (V) dated July 19, 2005 (Ref. No. 094000494), accounts receivable factored without recourse are reported as nonperforming receivables within three months after the factors or insurance companies refuse to indemnify banks for any liabilities on these accounts.

Year Month			December 31 2024				
Business\item			Amount of overdue loan	Total loans	Overdue ratio (Note 2)	Amount of allowance for doubtful accounts	Coverage ratio (Note 3)
Corporate finance	Guarantee		$ 426,597	$ 197,849,485	0.22%	$ 2,678,619	559.06%
	Unsecured		52,534	44,280,181	0.12%		
Consumer finance	Home mortgage (Note 4)		554,683	267,280,472	0.21%	3,356,661	605.15%
	Cash card		62	2,396	2.59%	134	216.13%
	Small-scale credit loans (Note 5)		18,048	714,625	2.53%	82,816	458.87%
	Others (Note 6)	Guarantee	198,568	81,718,401	0.24%	1,061,964	372.44%
		Unsecured	86,566	22,835,951	0.38%		
Total loan			1,337,058	614,681,511	0.22%	7,180,194	537.01%
			Nonperforming Loan	Balance of Account Receivables	Ratio of Nonperforming Loan	Amount of allowance for doubtful accounts	Coverage ratio
Credit card business			$ 60,797	$ 24,297,069	0.25%	$ 211,536	347.94%
Accounts receivable factored without recourse			-	-	-	-	-

Not reported as nonperforming loans or nonperforming receivables

	March 31, 2025		December 31 2024		March 31, 2024	
	Not Reported as Nonperforming Loan	Not Reported as Nonperforming Receivable	Not Reported as Nonperforming Loan	Not Reported as Nonperforming Receivable	Not Reported as Nonperforming Loan	Not Reported as Nonperforming Receivable
Amounts of executed contracts on negotiated debts not reported as nonperforming loans and receivables (Note 1)	$ 2,052	$ 11,453	$ 2,352	$ 12,890	$ 3,605	$ 19,273
Amounts of discharged and executed contracts on clearance of consumer debts not reported as nonperforming loans and receivables (Note 2)	270,962	568,410	264,573	564,056	247,521	569,963
Total	273,014	579,863	266,925	576,946	251,126	589,236

Note 1: Amounts of executed contracts on negotiated debts that are not reported as nonperforming loans or receivables are reported in accordance with the FSC (I) dated April 25, 2006 (Ref. No. 09510001270)

Note 2: Amounts of discharged and executed contracts on clearance of consumer debts that are not reported as nonperforming loans or receivables are reported in accordance with the FSC (I) dated September 15, 2008 (Ref. No. 09700318940).

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Business Relationships among Parent and Subsidiaries, and Key Transactions

March 31, 2025

Table 6. Unit: In NTD thousand

No. (Note 1)	Names of Transaction Parties	Counterparty of the Transaction	Relationship with the counterparty (Note 2)	Status of transaction			
				Account	Amount	Transaction terms	Ratio to the consolidated net income or total assets (Note 3)
0	Union Bank of Taiwan	Union Finance and Leasing (Int'l) Corp and its subsidiaries	1	Deposits and remittance - Demand deposits	$ 227,997	Note 4	0.02%
0	Union Bank of Taiwan	Union Finance and Leasing (Int'l) Corp and its subsidiaries	1	Deposits and remittance - Checking deposits	16,729	Note 4	0.00%
0	Union Bank of Taiwan	Union Finance and Leasing (Int'l) Corp and its subsidiaries	1	Deposits and remittance - Time deposits	793,155	Note 4	0.08%
1	Union Finance and Leasing (Int'l) Corp and its subsidiaries	Union Bank of Taiwan	2	Due from banks	1,037,881	Note 4	0.10%
0	Union Bank of Taiwan	Union Finance and Leasing (Int'l) Corp and its subsidiaries	1	Deposits and remittance - Time deposits	55,811	Note 4	0.01%
1	Union Finance and Leasing (Int'l) Corp and its subsidiaries	Union Bank of Taiwan	2	Other financial assets	55,811	Note 4	0.01%
0	Union Bank of Taiwan	Union Finance and Leasing (Int'l) Corp and its subsidiaries	1	Discounts and loans	1,793,788	Note 4	0.17%
1	Union Finance and Leasing (Int'l) Corp and its subsidiaries	Union Bank of Taiwan	2	Deposits from the central bank and other banks - call loans to other banks	1,793,788	Note 4	0.17%
0	Union Bank of Taiwan	Union Finance and Leasing (Int'l) Corp and its subsidiaries	1	Interest income	9,429	Note 4	0.20%
1	Union Finance and Leasing (Int'l) Corp and its subsidiaries	Union Bank of Taiwan	2	Interest expense	9,429	Note 4	0.20%
0	Union Bank of Taiwan	Union Information Technology Corporation	1	Deposits and remittance - Demand deposits	19,255	Note 4	0.00%
2	Union Information Technology Corporation	Union Bank of Taiwan	2	Due from banks	19,255	Note 4	0.00%
0	Union Bank of Taiwan	Union Information Technology Corporation	1	Accounts payable - expenses payable	7,677	Note 4	0.00%
2	Union Information Technology Corporation	Union Bank of Taiwan	2	Accounts receivable - accounts receivable	7,677	Note 4	0.00%
0	Union Bank of Taiwan	Union Information Technology Corporation	1	Other assets	39,809	Note 4	0.00%
2	Union Information Technology Corporation	Union Bank of Taiwan	2	Other liabilities	39,809	Note 4	0.00%
0	Union Bank of Taiwan	Union Information Technology Corporation	1	Other operating and management expenses	62,299	Note 4	1.33%
2	Union Information Technology Corporation	Union Bank of Taiwan	2	Net revenues other than interest	62,299	Note 4	1.33%
0	Union Bank of Taiwan	Union Information Technology Corporation	1	Deposits and remittance - Time deposits	58,500	Note 4	0.01%
2	Union Information Technology Corporation	Union Bank of Taiwan	2	Other financial assets	58,500	Note 4	0.01%
0	Union Bank of Taiwan	Union Venture Capital Co., Ltd. and its subsidiaries	1	Deposits and remittance - Demand deposits	678,156	Note 4	0.07%
0	Union Bank of Taiwan	Union Venture Capital Co., Ltd. and its subsidiaries	1	Deposits and remittance - Checking deposits	722	Note 4	0.00%
3	Union Venture Capital Co., Ltd. and its subsidiaries	Union Bank of Taiwan	2	Due from banks	678,878	Note 4	0.07%
0	Union Bank of Taiwan	Union Venture Capital Co., Ltd. and its subsidiaries	1	Deposits and remittance - Time deposits	18,624	Note 4	0.00%
3	Union Venture Capital Co., Ltd. and its subsidiaries	Union Bank of Taiwan	2	Other financial assets	18,624	Note 4	0.00%
0	Union Bank of Taiwan	Union Securities Investment Trust Co., Ltd. and its subsidiaries	1	Deposits and remittance - Demand deposits	6,425	Note 4	0.00%
4	Union Securities Investment Trust Co., Ltd. and its subsidiaries	Union Bank of Taiwan	2	Due from banks	6,425	Note 4	0.00%
0	Union Bank of Taiwan	Union Securities Investment Trust Co., Ltd. and its subsidiaries	1	Fee income	10,067	Note 4	0.21%
4	Union Securities Investment Trust Co., Ltd. and its subsidiaries	Union Bank of Taiwan	2	Commission and fee expense	10,067	Note 4	0.21%
1	Union Finance and Leasing (Int'l) Corp and its subsidiaries	Union Venture Capital Co., Ltd. and its subsidiaries	3	Lease payment receivable	1,483,510	Note 4	0.14%
3	Union Venture Capital Co., Ltd. and its subsidiaries	Union Finance and Leasing (Int'l) Corp and its subsidiaries	3	Lease payment payable	1,483,510	Note 4	0.14%

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No. (Note 1)	Names of Transaction Parties	Counterparty of the Transaction	Relationship with the counterparty (Note 2)	Status of transaction			
				Account	Amount	Transaction terms	Ratio to the consolidated net income or total assets (Note 3)
1	Union Finance and Leasing (Int'l) Corp and its subsidiaries	Union Venture Capital Co., Ltd. and its subsidiaries	3	Interest income	$ 7,847	Note 4	0.17%
3	Union Venture Capital Co., Ltd. and its subsidiaries	Union Finance and Leasing (Int'l) Corp and its subsidiaries	3	Interest expense	7,847	Note 4	0.17%
5	Union Finance and Leasing (Int'l) Corp	Tian Ji Smart	3	Temporary credits	27,801	Note 4	0.00%
6	Tian Ji Smart	Union Finance and Leasing (Int'l) Corp	3	Refundable deposits	27,801	Note 4	0.00%
5	Union Finance and Leasing (Int'l) Corp	Tian Ji Smart	3	Fee income	14,119	Note 4	0.00%
6	Tian Ji Smart	Union Finance and Leasing (Int'l) Corp	3	Miscellaneous interest	14,119	Note 4	0.00%
5	Union Finance and Leasing (Int'l) Corp	Uflc Capital (Singapore) Holding PTE. Ltd.	3	Interest income	6,300	Note 4	0.13%
7	Uflc Capital (Singapore) Holding PTE. Ltd.	Union Finance and Leasing (Int'l) Corp	3	Interest expense	6,300	Note 4	0.13%
8	Union Capital (Singapore) Holding PTE. Ltd.	Kabushiki Kaisha UCJ1	3	Account receivable - accounts receivable from affiliates	328,583	Note 4	0.03%
9	Kabushiki Kaisha UCJ1	Union Capital (Singapore) Holding PTE. Ltd.	3	Account payable - accounts payable to affiliates	328,583	Note 4	0.03%
7	Uflc Capital (Singapore) Holding PTE. Ltd.	Kabushiki Kaisha UCJ1	3	Account receivable - accounts receivable from affiliates	649,938	Note 4	0.06%
9	Kabushiki Kaisha UCJ1	Uflc Capital (Singapore) Holding PTE. Ltd.	3	Account payable - accounts payable to affiliates	649,938	Note 4	0.06%
10	Union Venture Capital Co., Ltd.	Bei Chen Yi Hau	3	Accounts receivable - accounts receivable	109,000	Note 4	0.01%
11	Bei Chen Yi Hau	Union Venture Capital Co., Ltd.	3	Payables - accounts payable	109,000	Note 4	0.01%
10	Union Venture Capital Co., Ltd.	Feng Tai Electric Power	3	Accounts receivable - accounts receivable	134,000	Note 4	0.01%
12	Feng Tai Electric Power	Union Venture Capital Co., Ltd.	3	Payables - accounts payable	134,000	Note 4	0.01%
10	Union Venture Capital Co., Ltd.	Hao Tian Electric Power Inc.	3	Accounts receivable - accounts receivable	136,000	Note 4	0.01%
13	Hao Tian Electric Power Inc.	Union Venture Capital Co., Ltd.	3	Payables - accounts payable	136,000	Note 4	0.01%
10	Union Venture Capital Co., Ltd.	Na He Yi Hau Electric Power Inc.	3	Accounts receivable - accounts receivable	160,000	Note 4	0.02%
14	Na He Yi Hau Electric Power Inc.	Union Venture Capital Co., Ltd.	3	Payables - accounts payable	160,000	Note 4	0.02%
10	Union Venture Capital Co., Ltd.	Ting Jie Electric Power Inc.	3	Accounts receivable - accounts receivable	310,000	Note 4	0.03%
15	Ting Jie Electric Power Inc.	Union Venture Capital Co., Ltd.	3	Payables - accounts payable	310,000	Note 4	0.03%

Note 1: The transacting corporation is identified in the No. column as follows:

1. 0 for parent company.
2. Sequentially from 1 for subsidiaries.

Note 2: There are three types of relationships with counterparties; just indicate the type:

1. From parent company to subsidiary.
2. From subsidiary to parent company.
3. Between subsidiaries

Note 3: for the calculation of the ratio transaction amounts to the consolidated net income or total assets, in case of the asset/liability account, the calculation is the ratio of the ending balance to the consolidated total assets; for the profit and loss, the calculation is the ratio of the interim accumulated amount to the consolidated net income.

Note 4: Equivalent to the unrelated parties

Note 5: Referring to transactions exceeding NT$5 million.

Union Bank of Taiwan Co., Ltd. and Subsidiaries

Information of Major Shareholders

March 31, 2025

Table 7

Unit: Shares

Name of Major Shareholder	Shares			
	Number of shares			Shareholding ratio
	Common stock	Preference shares	Total shares	
Tsong-Li Investment Co., Ltd.	320,023,220	-	320,023,220	7.52%

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of common stock and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

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