

Stock Code: 2897



O-Bank Co., Ltd.

The Minutes for 2025 Annual General Meeting of Shareholders

(Summary Translation)

This document is prepared in accordance with the Chinese version and is for reference only. In the event of any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.

June 13, 2025

O-Bank Co., Ltd.
Minutes of 2025 Annual General Meeting of Shareholders

Time: 9 am, June 13 (Friday), 2025

Place: No. 75, Changxing St., Da'an Dist., Taipei City

Sho-chieh Tsiang International Conference Hall, Chung-Hua Institution
for Economic Research (CIER)

Method of Convening the Meeting:

Hybrid Shareholders' Meeting (Physical, assisted with visual communication)

Visual communication platform used at the meeting:

The visual communication platform provided by the Taiwan Depository & Clearing Corporation (<https://stockservices.tdcc.com.tw>)

Total outstanding shares of the Company:

3,032,418,878 shares (deducted by 22,939,000 non-voting shares pursuant to applicable laws and regulations)

Total shares represented by shareholders present:

2,173,390,504 shares (including 1,750,706,942 shares represented by shareholders exercising voting rights electronically)

Percentage of shares held by shareholders present:

71.67%

Non-voting delegates:

Independent Director Lin, Hank H.K. (convener of the Audit Committee),

President Lee, Elton F.Y. (act concurrently as President of O-Bank),

Deputy President Lin, Roger Y.F.,

Executive Vice President Fan, Vivian H.J.,

Executive Vice President Siew, Joy C.Y.,

Executive Vice President Chao, Tillie C.L.,
Executive Vice President Lai, Joseph L.J.,
Executive Vice President Hsieh, Chun,
Deloitte & Touche- CPA Ma, William L.,
Peace & Grace International Attorneys at Law- Lawyer Chen, Shou-Huang,

Directors in attendance:

Managing Director Lo, Kenneth C.M,
Managing Director Lin, Bill K.C.,
Independent Managing Director Hu, Fu-Hsiung (convener of the Compensation Committee, and the Corporate Governance and Nomination Committee),
Independent Director Chiang, Tina W.N.,
Independent Director Wang, Jennifer C.F.,
Director Lee, Mark J.C.,
Director Chien, Chih-Ming,
Director Chen, Alex J.J.,
Director Tang, Grace W.S.,

Chairman: Lo, Tina Y.

Minute Taker: Lee, Yu-Fen

The aggregate shareholding of the shareholders present constituted a quorum.

The Chairman called the meeting to order.

Matters for Reporting

Proposal No. 1

Proposal: Business Report for 2024

Explanation: Please refer to Appendix I.

Proposal No. 2

Proposal: Review Report of 2024 Financial Statements by the Audit Committee

Explanation: Please refer to Appendix II.

Proposal No. 3

Proposal: Report on 2024 Operation of the Audit Committee

Explanation: Please refer to the Shareholders Meeting Agenda Handbook.

Proposal No. 4

Proposal: Distribution of Remunerations to Directors and Employees for 2024

Explanation: Please refer to the Shareholders Meeting Agenda Handbook.

Proposal No. 5

Proposal: Report on the Remuneration Policy for Directors and Senior Management

Explanation: Please refer to the Shareholders Meeting Agenda Handbook.

Proposal No. 6

Proposal: Report of the Share Repurchase and its implementation

Explanation: Please refer to the Shareholders Meeting Agenda Handbook.

Proposal No. 7

Proposal: Report of amendment to the Bank's *Ethical Corporate Management Best Practice Principles*

Explanation: Please refer to the Shareholders Meeting Agenda Handbook.

Proposal No. 8

Proposal: Report of amendment to the Bank's Procedures for *Ethical Management and Guidelines for Conduct*

Explanation: Please refer to the Shareholders Meeting Agenda Handbook.

Proposal No. 9

Proposal: To advocate and raise awareness of the relevant provisions under Article 25 of the *Banking Act*

Explanation: Please refer to the Shareholders Meeting Agenda Handbook.

No questions were raised by shareholders regarding the Reporting proposals.
The foregoing was duly acknowledged and recorded.

Matters for Ratification

Proposal No. 1 (Proposed by the Board of Directors)

Proposal: Business Report and Financial Statements of 2024

Explanation:

1. The Bank's Financial Statements of 2024, which certified public accountants Kuan-Hao Lee and Wei-Chun Ma of Deloitte & Touche audited and for which they presented an unconditional opinion accordingly, and Business Report for 2024 (please refer to Appendices I and III) were approved by the 9th Board of Directors in its 16th meetings and audited by the Audit Committee.
2. Shareholder ratification is respectfully requested.

No questions from shareholders on this proposal.

Resolution: voted and acknowledged as originally proposed.

Voting resolution (including E-voting):

Total shares represented by shareholders present	Approval		Disapproval	Invalid	Abstention /no votes
	votes	%	votes	votes	votes
2,034,900,303	1,990,361,717	97.81	736,774	0	43,801,812

Proposal No. 2 (Proposed by the Board of Directors)

Proposal: Distribution of Earnings for 2024

Explanation:

1. This proposal for distribution of 2024 earnings is made with a view to both meeting the Bank's developmental needs and maximizing shareholder interests (please refer to Appendix IV).

- (1) Due to the conversion of Type A preferred shares into common shares between the dividend record date and the ex-dividend date, a discrepancy arose between the announced and actual dividend distributions for the 2023 earnings, resulting in an increase of NT\$23,051,506 in undistributed earnings.
- (2) The Bank made NT\$2,856,199,365 in net income for the year 2024.
- (3) Undistributed earnings adjustment items :
 - A. (NT\$94,838,905) from disposal of investments in equity instrument designated as at fair value through other comprehensive income, with cumulative gains or losses directly transferred to retained earnings.
 - B. NT\$31,896,644 from adjustment of investment accounted for using equity method.
 - C. NT\$15,447,000 from adjustment of remeasurements of defined benefit plans.
- (4) NT\$842,611,231 Set aside the balance of item 2 adjusted by item 3 as legal reserve appropriation (30%): In accordance with the Jing-Shang-Zi-No. 10802432410 letter of the Ministry of Economic Affairs, the Bank took “the year’s net income plus other items incorporated into the year’s undistributed earnings” as the basis for setting aside its legal reserve.
- (5) Reversal of compulsory special reserve:
 - A. In accordance with Article 41 of the *Securities and Exchange Act*, the decrease in the net deductions from "Other Equity" for the current year is reversed by the special reserve previously allocated: NT\$378,270,152.
 - B. Making a NT\$4,788,888 reversal of special reserve to cover training expenses deemed necessary to accommodate fintech development or the Bank’s operational needs.
- (6) Against the year’s net income of NT\$2,856,199,365, and after applying the adjustments listed in Items (3) to (5), as well as adding the undistributed earnings of NT\$1,890,453,479 at the beginning of the period and the beginning balance adjustment of NT\$23,051,506 in Item (1), the distributable earnings amounted to NT\$4,262,656,898.

(7) Proposed Distribution of Earnings:

- A. Pursuant to Article 8-1 of the Bank's *Articles of Association*, the dividend for Type A preferred shares is calculated based on an issue price of NT\$10 per share at an annual rate of 4.25%. The rate will reset to 5.07275% per annum effective May 30, 2024. However, all 227,648,423 shares of Type A preferred shares have been approved for full redemption by the competent authority on October 17, 2024. Based on the actual number of days outstanding, the estimated dividend payable on Type A preferred shares for 2024 is NT\$83,824,690.
 - B. Pursuant to Article 8-1 of the Bank's *Articles of Association*, the dividend for Type B preferred shares is calculated based on an issue price of NT\$12 per share at an annual rate of 4.5%. Based on 250,000,000 Type B preferred shares outstanding as of March 31, 2025 and the actual number of days outstanding (with the capital increase record date being September 25, 2024), the estimated dividend payable on Type B preferred shares for 2024 is NT\$36,147,541.
 - C. Based on 2,782,418,878 common shares outstanding as of March 31, 2025, the Bank plans to distribute a cash dividend of NT\$0.50 per share, with a total dividend amount of NT\$1,391,209,439 for common shares.
 - D. The total amount of Bank's preferred stock dividends and common stock cash dividends are distributed to individual shareholders rounded up to 1 NTD (rounded down below 1 NTD). The total amount of irregular payments less than 1 NTD shall be included in the Bank's other income.
- (8) The portion of current year's net income plus other items incorporated into the year's undistributed earnings shall be distributed as a priority in the distribution of earnings.
- (9) The aforesaid calculations are presented in the Bank's 2024 earnings distribution table below.
2. If the common shares and preferred shares of the Bank are subsequently converted due to preferred stock conversion, capital increase or decrease, repurchase of the Bank's shares, or share transfer, conversion, cancellation or other factors that affect the number or amount of outstanding shares on the dividend distribution base date, causing the dividend distribution ratio changes

as a result, the actual dividend distribution ratio will be proposed to the shareholders' meeting to authorize the board of directors to adjust it.

3. Subject to approval of this proposed distribution of earnings for 2024 by this shareholders' meeting, it is proposed that the Board of Directors be authorized to determine the record date of the common and preferred stock dividend distribution.
4. This proposal was approved by the 9th Board of Directors in its 18th meeting and audited by the Audit Committee.
5. Shareholder ratification is respectfully requested.

Summary of speech by Shareholder (Account Number 46467):

The shareholder raised questions regarding the Bank's 2024 performance and offered suggestions to enhance O-Bank's brand recognition. The shareholder also inquired whether the appreciation of the U.S. dollar and the depreciation of U.S. Treasury bonds pose any potential risks to the Bank.

Responses by the Chairman and President:

We sincerely thank the shareholder for the continued support and valuable suggestions. Since transitioning from an industrial bank to a commercial bank, O-Bank has continued to demonstrate steady growth and upward momentum in all aspects. The Bank's EPS has increased from NT\$0.41 in 2020 to NT\$1.00 in 2024, and the cash dividend per share has risen from NT\$0.2 to NT\$0.5. Deposits from individuals and SMEs now account for 40% of total deposits, placing the Bank on par with its peers.

Regarding U.S. Treasury bonds, the decline in their value has had limited impact on the Bank. Currently, the Bank's foreign currency deposits exceed its foreign currency loans, and the overall asset structure remains sound.

In terms of brand visibility, O-Bank's strong ESG performance has gained recognition from both domestic and international investors. Moving forward, the Bank will continue engaging with shareholders and investors at home and abroad, while also developing higher-profile products and pursuing greater media exposure to further enhance shareholder support. The Bank remains committed to positioning itself as a boutique bank and will continue building upon its existing foundation with sustained effort.

Resolution: voted and acknowledged as originally proposed.

Voting resolution (including E-voting):

Total shares represented by shareholders present	Approval		Disapproval	Invalid	Abstention /no votes
	votes	%	votes	votes	votes
2,034,900,303	1,990,848,230	97.83	873,572	0	43,178,501

Matters for Discussion**Proposal No. 1 (Proposed by the Board of Directors)**

Proposal: Amendments to the Bank's *Articles of Incorporation*

Explanation:

1. The Bank's *Articles of Incorporation* were amended and approved at the Annual General Shareholders' Meeting on June 14, 2024. To align with applicable regulations and operational practices, certain provisions of the Articles are proposed to be further amended (please refer to Appendix V for a comparison of the original and revised provisions). The proposed amendments are as follows:
 - (1) Article 7: Specifies that employees of the Bank's subsidiaries, as defined under the *Company Act*, may be included as eligible recipients in cases such as the Bank's repurchase of treasury shares for transfer to employees, issuance of new shares with reserved allotments for employees, issuance of employee stock warrants, or restricted stock for employees.
 - (2) Article 8-1: Specifies that preferred share dividends may be distributed from cumulative distributable earnings.
 - (3) Article 32: In accordance with Paragraph 6, Article 14 of the *Securities and Exchange Act*, the ratio of employee remuneration to be allocated to non-managerial staff is specified.
 - (4) Article 32-1: Specifies that preferred share dividends may be distributed from both cumulative distributable earnings and the current year's distributable earnings.
 - (5) Article 34: Updates the record of amendment history.
2. The proposal was approved by the 9th Board of Directors in its 18th meeting.
3. Shareholder approval is respectfully requested.

No questions from shareholders on this proposal.

Resolution: voted and acknowledged as originally proposed.

Voting resolution (including E-voting):

Total shares represented by shareholders present	Approval		Disapproval	Invalid	Abstention /no votes
	votes	%	votes	votes	votes
2,173,390,504	2,128,529,912	97.93	1,024,248	0	43,836,344

Proposal No. 2 (Proposed by the Board of Directors)

Proposal: Proposal for the Release of Non-competition Restrictions on Directors of the Bank

Explanation:

1. Directors of the Bank who invest in or operate other companies with similar or identical business scopes to that of the Bank and serve as directors shall, without damaging the interests of the Bank, seek permission in accordance with Article 209(1) of the *Company Law*, which states, "Directors acting for themselves or others in matters belonging to the business scope of the company shall explain the important contents of their actions to the shareholders and obtain their approval." Hence, the approval to release the restriction on non-competition is requested.
2. The release of the restriction on director's non-competition for the 9th Board of Directors has been completed at the shareholders' meeting in 2023 and 2024. It is proposed to release the restriction on director's non-competition for newly appointed directors of the Bank (as shown in the table below).

Director	Position at the Bank	Positions at other companies
Lin, Bill K.C.	Representative of Juristic-person Director (Tai Hsuan Investment Co., Ltd.)	Chairman, Taiwan Industrial Bank Technology Consulting Co., Ltd.
Chien, Chih-Ming	Representative of Juristic-person Director (Ming Shan Investment Co., Ltd.)	Director, Infinite Commercial Finance Co., Ltd.
Chen, Alex J.J.	Representative of Juristic-person Director (Tai Ya Investment Co., Ltd.)	Chairman, IBT VII Venture Capital Co., Ltd.

3. The proposal was approved by the 9th Board of Directors in its 18th meeting.

4. Shareholder approval is respectfully requested.

No questions from shareholders on this proposal.

Resolution: voted and acknowledged as originally proposed.

Voting resolution (including E-voting):

Total shares represented by shareholders present	Approval		Disapproval	Invalid	Abstention /no votes
	votes	%	votes	votes	votes
2,034,900,303	1,968,698,984	96.74	1,489,496	0	64,711,823

Extempore Motion : None.

Speech by Shareholder via Video Conference (Account Number 105212):

Is there any plan to establish a branch in Japan?

Response by the Chairman:

There is no such plan at the moment.

Adjournment : 10:15 a.m. the same day.

(The Meeting Minutes only reflected the main contents of the meeting. Please refer to the recording for the exact contents and proceeding of the meeting).

Appendix I

Business Report for 2024

1. Business Activities

The Bank mainly operates the following businesses:

- Acceptance of various types of deposits.
- Issuance of financial bonds.
- Handling of loans, discounts, and acceptances.
- Handling of domestic and foreign exchange services.
- Handling of domestic and foreign guarantee services.
- Issuance of domestic and foreign L/Cs.
- Agency collection and payment services.
- Investment in and underwriting of securities.
- Proprietary trading of bonds.
- Factoring services.
- Provision of financial consulting connected with financing and non-financing services.
- Wealth management services.
- Acting as an agent for personal insurance and property insurance.
- Handling of debit card services.
- Handling of guaranteed services connected with export and import foreign exchange, outward and inward remittances, foreign currency deposits and loans, and foreign currency guaranteed payments.
- Handling of services permitted under the Trust Enterprise Act.
- Handling of financial derivatives services.
- Handling of other services approved by the competent authority.

Key Business Area	Major Business Activity
Corporate Banking Services	Provision of corporate financial products and services: lending and deposit, corporate foreign exchange and international finance, project, corporate financial advisory services, and corporate cash management and e-Banking services, etc.
Retail Banking Services	Provision of personal financial products and services: lending and deposit, digital retail banking services, payment, insurance, wealth management, etc.
Trust Business	Trust, securitization, trust asset management, and land superficies rights, etc.
Investment Business	Financial products trading and securities investment, and private equity investments in unlisted companies.
Investment under Equity Method	Please refer to this annual report “Review of Financial Conditions, Operation Results, and Risk Management” for investment details.

Weight of Business Profits

Unit: NT\$ thousands

Item	Year	2024		2023	
		Amount	%	Amount	%
Net interest income		2,646,870	34	2,304,508	34
Net fee income		1,055,341	13	914,467	13
Gains or losses on financial assets (liabilities) at fair value through profit or loss		4,761,412	61	2,237,276	32
Gains from sale of fair value through other comprehensive income financial assets		242,512	3	358,185	5
Net gain or loss on exchange		(2,126,189)	(27)	121,655	2
Impairment loss on assets		(3,174)	-	(5,710)	-
Share of profit or loss of subsidiaries and affiliated businesses accounted for using equity method		1,135,264	15	869,268	13
Net profit apart from interest		75,007	1	66,864	1
Net income		7,787,043	100	6,866,513	100

Weight of Major Business Operations

Unit: NT\$ thousands

Asset	2024	Percentage (%) (Note 1)	Percentage Increase (Decrease) from the previous year	2023	Percentage (%) (Note 1)
Loans- Corporate Banking	189,216,750	46	9	173,694,715	44
Loans- Retail Banking	39,815,040	10	21	32,856,397	8
Deposits- Corporate Banking (Note 2)	264,907,417	71	(1)	266,975,933	76
Deposits - Retail Banking (Note 2)	55,975,354	15	59	35,155,554	10
Investment	127,871,179	31	(3)	131,816,356	34
Investment under Equity Method	22,784,191	6	6	21,521,147	6

Note 1: the proportion of each major business operation item in total assets or total liabilities

Note 2: Deposits include: demand deposits, time deposits and re-deposits from the Chunghwa Post Co.

Unit: NT\$ thousands

Revenue	2024	Percentage (%)	Percentage Increase (Decrease) from the previous year	2023	Percentage (%)
Corporate Banking Services	4,795,966	62	12	4,293,000	63
Investment	931,534	12	(16)	1,110,070	16
Consumer Finance	895,913	11	25	718,389	10
Financial Management	146,805	2	163	55,867	1
Investment under Equity Method and Others	1,016,825	13	48	689,187	10
Net Income	7,787,043	100	13	6,866,513	100

Note: Due to internal adjustments, the definition of revenue for each business segment has been revised.

Volume of Foreign Exchange:

Unit: US\$ thousands

Item	2024	Percentage (%)	Percentage Increase (Decrease) from the previous year	2023	Percentage (%)
Import (Issuance of L/C; DA;DP)	264,589	1.11	(15.51)	313,149	1.34
Export (Negotiation;Collection;DA; DP)	153,104	0.65	(23.74)	200,767	0.86
Remittance (Outward;Inward)	23,345,776	98.24	2.2	22,843,993	97.80
Total	23,763,469	100.00	1.74	23,357,909	100.00

Trust Asset:

Unit: NT\$ thousands

Item	2024.12.31	Percentage (%)	Percentage Increase (Decrease) from the previous year	2023.12.31	Percentage (%)
Monetary	8,090,209	64.69	(11.52)	9,143,083	74.84
Real Estate	4,362,386	34.89	42.79	3,055,102	25.01
Surface Rights	52,813	0.42	192.16	18,077	0.15
Total	12,505,408	100	2.37	12,216,262	100

Note: The item is categorized under Trust Enterprise Act, Article 16.

2. Business Review

The Bank's domestic business locations included its Business Department Headquarters, Nanjing Fuxing Branch, Taoyuan Branch, Hsinchu Branch, Taichung Branch, and Kaohsiung Branch. In addition, the competent authority approved the establishment of regional service units in Taipei, Taoyuan, Taichung, Tainan, and Kaohsiung for corporate banking and business banking affairs; apart from promoting this Bank's financial products, these service units also provide all-round financial services to clients throughout northern, central, and southern Taiwan. Our first overseas branch (Hong Kong Branch) opened in April 2009 and then Tianjin Representative Office opened in April 2012; those branches have since extended our financial products and services platform to Hong Kong and the Greater China area, thereby serving local clients and Taiwanese-invested enterprises from a close distance and promoting win-win outcomes through long-term cooperation characterized by mutual trust and reciprocity. To strengthen the focus on economic and trade development in the Asia-Pacific region, our Sydney Representative Office was established in March 2025. Its mandate includes expanding and maintaining client relationships and gathering market intelligence. The next phase will involve accelerating efforts to upgrade the office into a full branch.

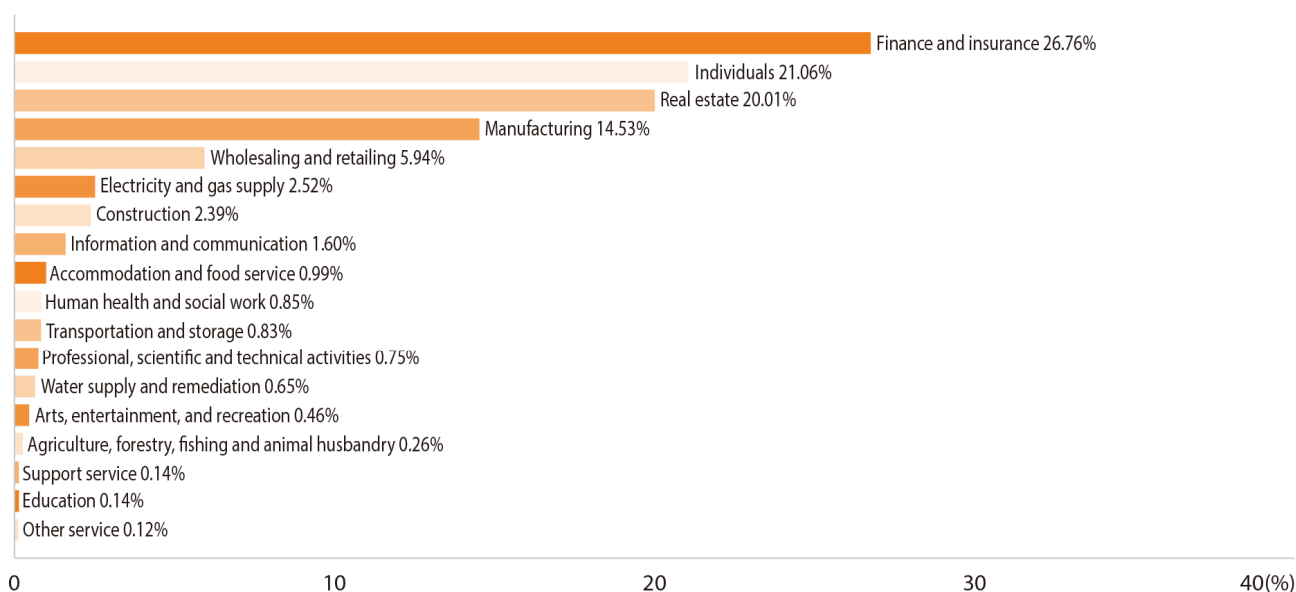
(1) Credit Extension

Looking back on 2024, the Bank continued to deepen its engagement with both domestic and overseas corporate clients while actively expanding its personal banking business. In response to diverse customer needs, the Bank offered a wide range of loan products tailored to different market segments. On the marketing front, the Bank consistently optimized digital client acquisition strategies and worked to meet the financial needs of existing customers, resulting in sustained business growth. Notably, the outstanding balance of mortgage and consumer loans increased by 21% compared to 2023. To ensure steady growth and manage business risks, the Bank not only focused on consolidating its customer base but also actively explored niche markets, particularly mid-market enterprises, as a foundation for promoting cross-selling opportunities.

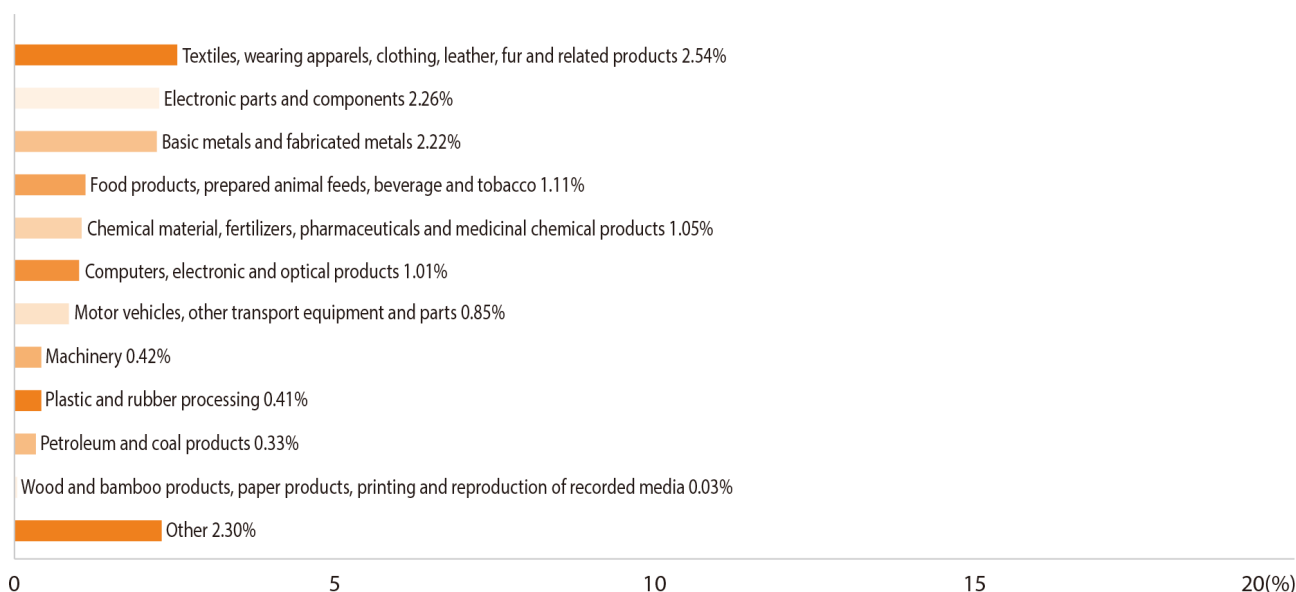
Corporate syndicated loans have long been the core pillar of the Bank's credit business. The Corporate Finance Department is adept at providing clients with tailored, fast, and accurate financing solutions. The Bank has successfully raised capital for clients and helped them address critical challenges. Our target clientele is primarily located in the Greater China region (Taiwan and Hong Kong), spanning various industries. In addition to offering customized solutions for diverse funding needs and supporting the growth of domestic and international enterprises, the Bank's meticulous and professional service enhances clients' continued development and strengthens their market competitiveness.

According to the Standard Industrial Classification of Directorate General of Budget, Accounting and Statistics of the Executive Yuan, the Bank's overall credit risk exposure for 2024, including loans, factoring, receivable acceptances, guarantees, and receivable letters of credit, amounted to NT\$262.7 billion. After excluding exposures fully secured by the Bank's certificates of deposit, the net credit exposure was NT\$251.5 billion. Of these numbers, the financial and insurance industry category accounted for the highest proportion at 26.76%, followed by the individuals at 21.06%, and the real estate industry category at 20.01%. The remaining exposures were allocated to the manufacturing industries at 14.53%, the wholesaling and retailing industry at 5.94%, the electricity and gas supply industry at 2.52%, the construction industry at 2.39%, the information and communication industry at 1.60%, the accommodation and food service industry at 0.99%, the human health and social work industry at 0.85%, the transportation and storage industry at 0.83%, the professional, scientific and technical activities industry at 0.75%, the water supply and remediation industry at 0.65%, the arts, entertainment and recreation industry at 0.46%, the agriculture, forestry, fishing and animal husbandry industry at 0.26%, the support service industry at 0.14%, the education industry at 0.14%, and the other service industry at 0.12%. Within the manufacturing sector, the highest credit risk exposure was to the textiles, wearing apparels, clothing, leather, fur and related products industry at 2.54%, followed by the electronic parts and components at 2.26%, the basic metals and fabricated metal products at 2.22%, the food products, prepared animal feeds, beverages and tobacco industry at 1.11%, and the chemical materials, fertilizers, pharmaceuticals and medical chemical products at 1.05%. Additional exposures included the computers, electronic and optical products at 1.01%, the motor vehicles, other transport equipment and parts at 0.85%, the machinery industry at 0.42%, the rubber and plastic products at 0.41%, the petroleum and coal products at 0.33%, and the wood and bamboo products, paper products, printing and reproduction of recorded media at 0.03%. The remaining 2.30% was distributed among other manufacturing sub-industries.

The credit risk exposure, excluding that fully secured by the Bank's certificates of deposit, at the end of 2024:



The credit risk exposure within the manufacturing sector (14.53%):



In the second half of 2024, following eleven rate hikes in recent years, the U.S. Federal Reserve announced a rate cut aimed at stimulating economic growth. This development is expected to gradually ease the high financing costs faced by businesses. However, interest rates remain relatively high compared to the past decade, and whether operational and investment sentiment will shift toward cautious optimism remains to be seen. Recently, the number of general syndicated loan transactions in the market has declined, largely due to their substitution by bilateral loans. Additionally, the scale and funding requirements of large offshore wind power projects and public infrastructure developments pose significant challenges for lead arrangers. Fortunately, the Bank's long-term client cultivation and boutique bank positioning—eschewing price competition—have proven effective. We

remain focused on enterprises with promising growth prospects and on leveraging group referral mechanisms. The Bank offers appropriate financing strategies aligned with clients' financial planning needs and are also moving in tandem with global and domestic trends such as green energy and environmental sustainability by continuously developing ESG-related financing solutions.

(2) Deposits

As of the end of 2024, the Bank's outstanding balance of NT dollar and foreign currency deposits, excluding export remittances, came in at approximately NT\$320.9 billion and increased 18.8 billion compared with last year. For the sake of both liquidity and security, the Bank gives priority to deposit stability. As such, emphasis is placed on diversifying the maturities of time deposits while actively soliciting demand deposits and small and medium-sized enterprises (SMEs) deposits to bring down capital costs. The Bank continues to launch preferential deposit plans to support B-type and social enterprises, fulfilling the Bank's corporate social responsibility and assisting the development of related enterprises.

The Bank's suite of personal banking deposit and remittance products is planned and developed around its customers' needs and includes: a consolidated statement download function; the ability to view personalized preferential demand deposit interest rates via online banking; the opening of trust accounts for minor children; a "frequently used account" search feature; 24/7 online foreign currency trading year round; and foreign exchange transactions exceeding NT\$500,000 in value—together meeting customers' cash management and fund transfer needs through both digital and branch channels.

(3) Foreign Exchange and Offshore Banking

The Bank continues to expand its trade finance business, while adopting an interest spread maintenance strategy for its foreign exchange financing operations. In its international lending activities, the Bank not only conducts prudent assessments of country and industry risks but also, under controlled risk conditions, steadily broadens the foundation of its international finance platform. The Bank is actively deepening its presence in Australia and Southeast Asia to enhance service quality and generate additional business opportunities.

Furthermore, the Bank is extending the Group's financial services through its overseas branches, with a footprint across the Greater China region and the United States—including its Hong Kong Branch, Tianjin Representative Office, and EverTrust Bank USA subsidiary—as well as via equity method investments in Infinite Finance Co., Ltd. and Beijing Sunshine Consumer Finance Co., Ltd. The establishment of offices in Australia and Singapore further extends the Bank's reach into the Asia Pacific market, allowing the Bank to continue scaling its operations and advancing its global financial network.

(4) Investment Business

After receiving approval from the Financial Supervisory Commission to transition into a commercial bank in March 2015, the Bank actively disposed of its legacy investment portfolio. By the end of 2024, two investment cases had been fully divested.

The Bank's financial product trading business includes proprietary trading and product marketing. Proprietary trading covers foreign exchange, fixed income, derivatives, and equity instruments. Financial product marketing focuses on providing customers with diversified financial services and hedging tools. In 2021, the Bank was approved to launch

non-principal protected structured products composed of foreign currency equity options, foreign currency interest rate swaps, and foreign currency interest rate swap options linked to foreign currency principals, as well as to have its DBU/OBU trade bonds while engaging concurrently in securities business. In 2022, further approvals were obtained to launch principal protected callable structured products composed of foreign currency interest rate options, foreign currency interest rate swaps and foreign currency interest rate swap options linked to foreign currency principals, principal protected callable structured products composed of foreign currency interest rate swaps and foreign currency interest rate options linked to foreign currency principals. In 2024, the Bank filed with and reported to the Financial Supervisory Commission to commence Total Return Swap (TRS) transactions in New Taiwan dollars.

In 2024, as inflationary pressures eased, central banks in major Western economies began rate-cut cycles to lower funding costs and support economic growth. Although the pace of rate cuts varied by country, the global economy showed signs of recovery. The OECD, in its latest World Economic Outlook, projected global economic growth of 3.2% in 2024 and 3.3% in both 2025 and 2026. Nevertheless, geopolitical risks continued to shape market expectations, particularly amid evolving U.S.-China relations following President Trump's inauguration and the ongoing Russia-Ukraine conflict. These factors contributed to a challenging global trade and investment outlook and increased volatility in bond yields. The Bank continued to strengthen risk control over its overall fixed income portfolio, maintaining a position predominantly composed of high-quality fixed income products. However, due to previously held positions with low yields and the slow pace of rate cuts, losses arising from negative spreads in the fixed income portfolio remain difficult to recover.

The Bank's securities investment business continues to be primarily focused on TWSE/TPEX listed companies. In 2024, driven by opportunities in AI infrastructure investments by major U.S.-based CSPs, Taiwan's semiconductor sector and related supply chains experienced significant growth. The overall net profits of listed companies are expected to reach NT\$4 trillion, a 37% increase compared to the previous year. Despite persistent geopolitical risks, U.S. equities remained strong, supported by a resilient U.S. economy, easing inflation, and a shift in Fed policy toward rate cuts. Taiwan's stock market also performed robustly, fueled by AI-related themes and ample liquidity. The TAIEX reached a record high of 24,416 points in the first half of the year and ended 2024 at 23,035 points, marking an annual gain of 28.47%. This strong market performance contributed to the Bank's equity investments achieving NT\$379 million in profit for 2024, surpassing budget targets.

(5) Project Finance

Project finance encompasses project financing and financial advisory. Project financing chiefly provides private companies with a wide range of project financing and project development services. The Bank provides comprehensive project financial planning, investment feasibility assessment, and repayment schedule planning tailored to project income. Services range from structuring of syndicated project loans, transfer of trust beneficiary rights, drafting of strategies for contract negotiations, and assistance with the acquisition of funds to participate in equity investments. This enables enterprises to have more flexible and appropriate financial planning when executing projects. The Bank's financial advisory services are meant to provide clients with tailor-made solutions, that is,

consulting regarding corporate consolidation and M&As, debt arrangement, reorganization, fund-raising, M&A financing, and tax planning.

(6) Trust Business

When it comes to trust business, the Bank primarily operates trust business products, asset securitization, and trust asset management services. The trust business products mainly focus on monetary and real estate trust, with approval obtained in 2022 to operate surface rights trust business.; the asset securitization services are geared toward developing various kinds of securitized products; and the trust asset management services are mainly aimed at helping clients allocate assets and build well-rounded portfolios.

In investment and wealth management, the Bank is earnest to create comprehensive product lines. Emphasis is also placed on promoting “Robot Advisory”: big data analytics is adopted to help clients optimize investment portfolios that strike a balance between flexibility and security for their asset allocations.

As of the end of 2024, the outstanding balance of assets entrusted to the Bank came in at NT\$12.5 billion, a year-over-year increase of NT\$3.0 billion.

(7) Corporate Cash Management and e-Banking

The Bank continues to enhance both its software and hardware infrastructure to optimize transfer and remittance services, enabling customers to conduct large volumes of transactions in a short time via the corporate online banking platform and related products. By tailoring services to meet customers’ flexible and customized needs, the Bank helps corporate clients reduce financial and labor costs, improve transaction efficiency, fulfill diverse requirements, and enhance customer loyalty. In 2024, the total number of online transactions reached 463,952, representing a decrease of 100,827 transactions compared to 564,779 in the previous year. The decline in corporate banking transaction volume compared to the prior year was mainly due to intensified market competition, rapid industry changes, and the Bank’s proactive adjustment of customer composition. In response to these challenges, the Bank is committed to actively developing new clients, enhancing service quality, closely monitoring market dynamics, and timely adjusting business strategies to ensure the steady growth of its corporate banking operations.

To align with digitalization trends, the Bank has undertaken various digital upgrades since 2022, including enhancements to the corporate internet banking platform to support multiple operating systems and offer diversified operation methods tailored to different customer segments. Additionally, the Bank has further optimized its collection services by assisting clients with the automation of accounts receivable reconciliation. Leveraging the Bank’s corporate digital platform as a CRM tool, the Bank has strengthened internal sales operations, management, and overall efficiency. The Bank has also automated its confirmation letter services, improving response efficiency and reducing operational risk. Furthermore, the collection services have been integrated with convenience store payment services and virtual account solutions, thereby enhancing the quality and scope of collection-related services.

In terms of deposit products, the Bank introduced a variety of preferential deposit schemes in 2024 to support business development. In addition to continuing existing interest rate programs, the Bank launched several attractive deposit offers such as the “NTD Tiered

Interest Rate Program for Type B Enterprises,” the “NTD Tiered Interest Rate Program for Social Enterprises,” and the “NTD New Funds Preferred Interest Rate Program,” allowing corporate clients to diversify their fund allocation through a range of time and demand deposit options.

(8) Digital Retail Banking Services

- **Electronic Banking Services:** The Bank offers secure and convenient online and mobile banking services, including account inquiries, fund transfers, foreign exchange trading, bill payments, mutual fund transactions, robo-advisory services, and various other applications. The interface is user-friendly and functionally accessible. A fully integrated 24-hour video customer service system is also in place, allowing customers to enjoy financial services anytime and anywhere without time or location constraints.
- **Digital Wealth Management Services:** The Bank provides a diversified range of wealth management products, including general mutual funds, back-end load funds, and robo-advisory services, with investment options available in both TWD and foreign currencies to meet varying client needs. Customers can also complete their investment risk profiling online to ensure their chosen products are suitable for their financial objectives.

(9) Payment Services

- **Card Payment Services:** In addition to offering more than one hundred customized debit card designs for customer selection, the Bank continues to collaborate with lifestyle membership programs, chain restaurants, fitness brands, charitable organizations, educational institutions, and e-ticketing providers to issue co-branded and affinity cards. These are supported by exclusive card spending offers, cashback rewards, and zero-liability protections, allowing customers to use the Bank’s cards with peace of mind.
- **Electronic Payment Services:** The Bank has integrated with several major payment platforms such as JKOPay, iPASS Money, and Easy Wallet, supporting both “real-time account debit” and “card-linked payments.” In 2024, the real-time account debit function was further expanded to include AllPay, enhancing the Bank’s ability to meet diverse consumer payment needs and broadening the use cases for its payment services.

(10) Insurance Services

The Bank adopts a multi-insurer strategy, introducing top-selling products from leading insurance providers, including participating policies, interest-sensitive life insurance, mortgage life insurance, and investment-linked policies. Through face-to-face sales, the Bank recommends suitable insurance products tailored to various customer segments and life stages. Emphasizing the values of protection and legacy, the Bank builds customer trust and loyalty through professional explanations and personalized advice.

(11) Wealth Management Services

The Bank’s wealth management services are provided through financial consultants who segment and manage clients by individual profiles and business ownership status. A wide range of customized financial products and advisory services are offered, including deposits, investment products, and insurance planning. These services are complemented by tax planning and asset allocation strategies to deliver comprehensive financial solutions. The Bank actively seeks to deepen relationships with its high-net-worth clients, expanding both the breadth and depth of engagement.

Appendix II

O-Bank Co., Ltd. Audit Committee Report

The Board of Directors has compiled and submitted the Bank's consolidated and parent balance sheets, income statements, statements of changes in shareholders' equity, and cash flow statements for 2024 audited by certified public accountants Kuan-Hao Lee and Wei-Chun Ma of Deloitte & Touche, business report, and statement of distribution of earnings to the Audit Committee. After reviewing the abovementioned statements and reports and discussing with the CPAs, the Audit Committee has found them to meet the requirements of applicable laws and regulations. This report is hereby prepared and submitted in accordance with Article 219 of the *Company Act* and Articles 14-4 of the *Securities and Exchange Act*.

Hank Lin
Convener of the Audit Committee
O-Bank Co., Ltd.

Date: April 29, 2025

Appendix III

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
O-Bank

Opinion

We have audited the accompanying consolidated financial statements of O-Bank (the “Bank”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Publicly Held Bills Finance Companies, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the consolidated financial statements for the year ended December 31, 2024 are as follows:

Allowance for Credit Losses of Loans

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

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

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

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

- We obtained an understanding and performed testing on the internal controls with respect to the Bank's loan impairment assessment.
- We examined the classifications of loans and determined that they were in accordance with the "Banking Institutions Regulations Governing the Procedures for Bad Debt". We also recalculated the amount of the allowance for credit losses on loans and checked and confirmed that the allowance has met the requirements of the regulation.

Assessment of Reserve for Losses on Guarantee Contracts

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

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

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

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

- We obtained an understanding of the internal controls on the estimated impairment of reserve for losses on guarantee contracts, and we tested the effectiveness of the operation of the controls.
- We reviewed the assessment schedule of reserve for losses on credit-granting assets, which the management of China Bills Finance Corporation used to assess the reserve. We checked the completeness of the amount of credit-granting assets in the schedule and the rationality of the classifications. We recalculated the amounts of reserve for losses on guarantee contracts in the schedule and checked and confirmed that the reserve has met the requirements of the “Bills Finance Companies Regulations for Evaluating Bad Debt” or not.

Other Matter

We have also audited the parent company only financial statements of the Bank as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Publicly Held Bills Finance Companies, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

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

O-BANK AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CASH AND CASH EQUIVALENTS	\$ 9,401,107	2	\$ 5,555,800	1
DUE FROM THE CENTRAL BANK AND CALL LOANS TO BANKS	19,486,537	3	23,520,359	4
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	184,911,881	27	154,882,250	25
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	167,848,261	25	170,682,918	27
INVESTMENTS IN DEBT INSTRUMENTS AT AMORTIZED COST	25,955,538	4	25,859,398	4
BILLS AND BONDS PURCHASED UNDER RESELL AGREEMENTS	7,932,028	1	2,865,025	1
RECEIVABLES, NET	4,088,068	1	4,605,691	1
CURRENT TAX ASSETS	710,461	-	625,032	-
DISCOUNTS AND LOANS, NET	247,488,056	36	222,933,448	36
INVESTMENT ACCOUNTED FOR USING EQUITY METHOD, NET	6,975,022	1	6,994,838	1
OTHER FINANCIAL ASSETS	1,098,205	-	1,059,166	-
PROPERTY AND EQUIPMENT, NET	2,379,140	-	2,389,637	-
RIGHT-OF-USE ASSETS, NET	409,387	-	446,591	-
INTANGIBLE ASSETS, NET	1,743,557	-	1,675,179	-
DEFERRED TAX ASSETS	848,532	-	959,517	-
OTHER ASSETS	<u>1,809,374</u>	<u>-</u>	<u>1,694,152</u>	<u>-</u>
TOTAL	<u>\$ 683,085,154</u>	<u>100</u>	<u>\$ 626,749,001</u>	<u>100</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Deposits from the Central Bank and other banks	\$ 38,651,705	6	\$ 30,339,249	5
Financial liabilities at fair value through profit or loss	1,364,632	-	1,401,705	-
Bills and bonds sold under repurchase agreements	215,304,631	32	194,087,268	31
Payables	5,996,974	1	5,232,200	1
Current tax liabilities	157,788	-	302,271	-
Deposits and remittances	331,170,002	48	316,562,298	51
Bank debentures payable	13,450,000	2	12,950,000	2
Other financial liabilities	11,393,737	2	3,736,137	1
Provisions	2,006,251	-	1,979,779	-
Lease liabilities	428,616	-	463,732	-
Deferred tax liabilities	968,320	-	715,671	-
Other liabilities	<u>672,105</u>	<u>-</u>	<u>460,945</u>	<u>-</u>
Total liabilities	<u>621,564,761</u>	<u>91</u>	<u>568,231,255</u>	<u>91</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE BANK				
Capital				
Common stock	28,053,579	4	27,339,923	4
Preferred stock	<u>2,500,000</u>	<u>-</u>	<u>2,990,140</u>	<u>1</u>
Total capital	<u>30,553,579</u>	<u>4</u>	<u>30,330,063</u>	<u>5</u>
Capital surplus	<u>568,184</u>	<u>-</u>	<u>19,624</u>	<u>-</u>
Retained earnings				
Legal reserve	6,527,632	1	5,789,200	1
Special reserve	1,970,247	-	3,197,011	1
Unappropriated earnings	<u>4,722,209</u>	<u>1</u>	<u>2,756,051</u>	<u>-</u>
Total retained earnings	<u>13,220,088</u>	<u>2</u>	<u>11,742,262</u>	<u>2</u>
Other equity	<u>(1,450,123)</u>	<u>-</u>	<u>(1,828,393)</u>	<u>(1)</u>
Treasury stock	<u>(87,267)</u>	<u>-</u>	<u>(161,521)</u>	<u>-</u>
Total equity attributable to owners of the Bank	<u>42,804,461</u>	<u>6</u>	<u>40,102,035</u>	<u>6</u>
NON-CONTROLLING INTERESTS	<u>18,715,932</u>	<u>3</u>	<u>18,415,711</u>	<u>3</u>
Total equity	<u>61,520,393</u>	<u>9</u>	<u>58,517,746</u>	<u>9</u>
TOTAL	<u>\$ 683,085,154</u>	<u>100</u>	<u>\$ 626,749,001</u>	<u>100</u>

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023		Percentage Increase (Decrease)
	Amount	%	Amount	%	%
INTEREST REVENUE	\$ 16,088,607	158	\$ 13,939,144	146	15
INTEREST EXPENSE	<u>(14,261,264)</u>	<u>(140)</u>	<u>(11,812,867)</u>	<u>(124)</u>	21
NET INTEREST	<u>1,827,343</u>	<u>18</u>	<u>2,126,277</u>	<u>22</u>	(14)
NET REVENUE OTHER THAN INTEREST REVENUE					
Service fee income, net	2,454,242	24	2,243,871	23	9
Gains on financial assets or liabilities measured at fair value through profit or loss	7,202,363	71	4,481,784	47	61
Realized gains on financial assets at fair value through other comprehensive income	666,434	6	374,340	4	78
Foreign exchange gain (loss), net	(2,047,417)	(20)	102,848	1	(2,091)
Losses on impairment of assets	(8,989)	-	(1,931)	-	366
Share of profit of associates accounted for using equity method	12,856	-	161,741	2	(92)
Other net revenue other than interest	<u>71,881</u>	<u>1</u>	<u>55,015</u>	<u>1</u>	31
Total net revenue other than interest revenue	<u>8,351,370</u>	<u>82</u>	<u>7,417,668</u>	<u>78</u>	13
NET REVENUE	<u>10,178,713</u>	<u>100</u>	<u>9,543,945</u>	<u>100</u>	7
BAD DEBTS EXPENSE, COMMITMENT AND GUARANTEE LIABILITY PROVISION	<u>(53,227)</u>	<u>(1)</u>	<u>(897,034)</u>	<u>(10)</u>	(94)
OPERATING EXPENSES					
Employee benefits expenses	3,039,576	30	2,719,436	28	12
Depreciation and amortization expenses	543,318	5	569,103	6	(5)
Other general and administrative expenses	<u>1,525,988</u>	<u>15</u>	<u>1,329,632</u>	<u>14</u>	15
Total operating expenses	<u>5,108,882</u>	<u>50</u>	<u>4,618,171</u>	<u>48</u>	11

(Continued)

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023		Percentage Increase (Decrease)
	Amount	%	Amount	%	%
PROFIT BEFORE INCOME TAX	\$ 5,016,604	49	\$ 4,028,740	42	25
INCOME TAX EXPENSE	<u>1,123,745</u>	<u>11</u>	<u>602,681</u>	<u>6</u>	86
NET PROFIT FOR THE YEAR	<u>3,892,859</u>	<u>38</u>	<u>3,426,059</u>	<u>36</u>	14
OTHER COMPREHENSIVE INCOME (LOSS)					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:					
Gains (losses) on remeasurements of defined benefit plans	38,922	-	(15,038)	-	359
Revaluation gains on investments in equity instruments measured at fair value through other comprehensive income	50,541	1	181,539	2	(72)
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method	14,311	-	(6,494)	-	320
Income tax related to components of other comprehensive income (loss) that will not be reclassified to profit or loss	<u>(4,695)</u>	<u>-</u>	<u>1,303</u>	<u>-</u>	(460)
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax	<u>99,079</u>	<u>1</u>	<u>161,310</u>	<u>2</u>	(39)
Components of other comprehensive income (loss) that will be reclassified to profit or loss:					
Exchange differences on translation of financial statements of foreign operations	566,004	6	(59,405)	(1)	1,053

(Continued)

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023		Percentage Increase (Decrease)
	Amount	%	Amount	%	%
Gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	\$ (314,842)	(3)	\$ 2,955,661	31	(111)
Income tax related to components of other comprehensive income (loss) that will be reclassified to profit or loss	<u>(54,272)</u>	<u>(1)</u>	<u>(191,978)</u>	<u>(2)</u>	(72)
Components of other comprehensive income that will be reclassified to profit or loss, net of tax	<u>196,890</u>	<u>2</u>	<u>2,704,278</u>	<u>28</u>	(93)
Other comprehensive income for the year, net of tax	<u>295,969</u>	<u>3</u>	<u>2,865,588</u>	<u>30</u>	(90)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 4,188,828</u>	<u>41</u>	<u>\$ 6,291,647</u>	<u>66</u>	(33)
NET PROFIT ATTRIBUTABLE TO:					
Owners of the Bank	\$ 2,856,199	28	\$ 2,492,420	26	15
Non-controlling interests	<u>1,036,660</u>	<u>10</u>	<u>933,639</u>	<u>10</u>	11
	<u>\$ 3,892,859</u>	<u>38</u>	<u>\$ 3,426,059</u>	<u>36</u>	14
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the Bank	\$ 3,187,590	31	\$ 3,683,548	39	(13)
Non-controlling interests	<u>1,001,238</u>	<u>10</u>	<u>2,608,099</u>	<u>27</u>	(62)
	<u>\$ 4,188,828</u>	<u>41</u>	<u>\$ 6,291,647</u>	<u>66</u>	(33)
EARNINGS PER SHARE					
Basic	<u>\$1.00</u>		<u>\$0.87</u>		
Diluted	<u>\$0.90</u>		<u>\$0.78</u>		

(Concluded)

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Bank (Notes 9 and 31)								Other Equity					
				Capital Surplus	Retained Earnings				Exchange Differences on the Translation of Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Stock	Owners of the Bank	Non-controlling Interests (Note 31)	Total Equity
	Common Stock	Capital Stock	Total		Legal Reserve	Special Reserve	Unappropriated Earnings	Total						
BALANCE AT JANUARY 1, 2023	\$ 27,339,923	\$ 2,990,140	\$ 30,330,063	\$ 13,652	\$ 4,341,816	\$ 634,610	\$ 5,469,437	\$ 10,445,863	\$ 165,887	\$ (3,216,389)	\$ (16,837)	\$ 37,722,239	\$ 16,287,325	\$ 54,009,564
Reversal of special reserve	-	-	-	-	-	(2,622)	2,622	-	-	-	-	-	-	-
Appropriation and distribution of 2022 earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	1,447,384	-	(1,447,384)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	2,565,023	(2,565,023)	-	-	-	-	-	-	-
Cash dividends of common stock distributed by the Bank	-	-	-	-	-	-	(1,037,959)	(1,037,959)	-	-	-	(1,037,959)	-	(1,037,959)
Cash dividends of preferred stock distributed by the Bank	-	-	-	-	-	-	(127,081)	(127,081)	-	-	-	(127,081)	-	(127,081)
Changes in capital surplus from investments in subsidiaries accounted for using the equity method	-	-	-	5,257	-	-	-	-	-	-	-	5,257	-	5,257
Unclaimed dividends	-	-	-	715	-	-	-	-	-	-	-	715	1,276	1,991
Net profit for the year ended December 31, 2023	-	-	-	-	-	-	2,492,420	2,492,420	-	-	-	2,492,420	933,639	3,426,059
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	(12,933)	(12,933)	(56,477)	1,260,538	-	1,191,128	1,674,460	2,865,588
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	2,479,487	2,479,487	(56,477)	1,260,538	-	3,683,548	2,608,099	6,291,647
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	(144,684)	(144,684)	-	(144,684)
Cash dividends distributed by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(480,989)	(480,989)
Disposals of investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	(18,048)	(18,048)	-	18,048	-	-	-	-
BALANCE AT DECEMBER 31, 2023	27,339,923	2,990,140	30,330,063	19,624	5,789,200	3,197,011	2,756,051	11,742,262	109,410	(1,937,803)	(161,521)	40,102,035	18,415,711	58,517,746
Reversal of special reserve	-	-	-	-	-	(1,226,764)	1,226,764	-	-	-	-	-	-	-
Appropriation and distribution of 2023 earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	738,432	-	(738,432)	-	-	-	-	-	-	-
Cash dividends of common stock distributed by the Bank	-	-	-	-	-	-	(1,228,974)	(1,228,974)	-	-	-	(1,228,974)	-	(1,228,974)
Cash dividends of preferred stock distributed by the Bank	-	-	-	-	-	-	(101,904)	(101,904)	-	-	-	(101,904)	-	(101,904)
Changes in capital surplus from investments in subsidiaries and associates accounted for using the equity method	-	-	-	6,957	-	-	-	-	-	-	-	6,957	-	6,957
Unclaimed dividends	-	-	-	589	-	-	-	-	-	-	-	589	1,227	1,816
Cash dividends distributed by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(702,244)	(702,244)
Net profit for the year ended December 31, 2024	-	-	-	-	-	-	2,856,199	2,856,199	-	-	-	2,856,199	1,036,660	3,892,859
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	20,195	20,195	431,893	(120,697)	-	331,391	(35,422)	295,969
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	2,876,394	2,876,394	431,893	(120,697)	-	3,187,590	1,001,238	4,188,828
Issuance of shares for cash	-	2,500,000	2,500,000	500,000	-	-	-	-	-	-	-	3,000,000	-	3,000,000
Common shares converted from convertible preferred shares	713,656	(713,656)	-	-	-	-	-	-	-	-	-	-	-	-
Redemption convertible preferred shares	-	(2,276,484)	(2,276,484)	-	-	-	-	-	-	-	-	(2,276,484)	-	(2,276,484)
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	(14,084)	(14,084)	-	(14,084)
Changes in percentage of ownership interests in associates	-	-	-	39,329	-	-	(616)	(616)	-	-	-	38,713	-	38,713
Transfer of treasury stock to employees under share-based payment arrangements	-	-	-	1,685	-	-	-	-	-	-	88,338	90,023	-	90,023
Disposals of investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	(67,074)	(67,074)	-	67,074	-	-	-	-
BALANCE AT DECEMBER 31, 2024	<u>\$ 28,053,579</u>	<u>\$ 2,500,000</u>	<u>\$ 30,553,579</u>	<u>\$ 568,184</u>	<u>\$ 6,527,632</u>	<u>\$ 1,970,247</u>	<u>\$ 4,722,209</u>	<u>\$ 13,220,088</u>	<u>\$ 541,303</u>	<u>\$ (1,991,426)</u>	<u>\$ (87,267)</u>	<u>\$ 42,804,461</u>	<u>\$ 18,715,932</u>	<u>\$ 61,520,393</u>

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 5,016,604	\$ 4,028,740
Adjustments for:		
Depreciation expense	301,225	298,265
Amortization expense	242,093	270,838
Expected credit losses/recognition of provisions	62,216	898,965
Share-based payment arrangements	7,253	-
Net gain on financial assets or liabilities at fair value through profit or loss	(7,202,363)	(4,481,784)
Interest expense	14,261,264	11,812,867
Interest revenue	(16,088,607)	(13,939,144)
Dividend income	(444,751)	(511,373)
Share of profit of associates accounted for using equity method	(12,856)	(161,741)
Gain on disposal of property and equipment	(1,001)	(798)
Loss (gain) on disposal of investments	(221,683)	137,033
Changes in operating assets and liabilities:		
Due from the Central Bank and call loans to banks	(2,859,487)	(1,641,292)
Financial assets at fair value through profit or loss	(23,346,078)	(6,114,136)
Financial assets at fair value through other comprehensive income	3,349,027	(12,118,430)
Investment in debt instruments at amortized cost	(92,507)	(185,814)
Bills and bonds purchased under resell agreements	(2,479,252)	1,086,974
Receivables	648,615	(295,789)
Discounts and loans	(24,532,809)	(19,386,660)
Deposits from the Central Bank and other banks	8,312,456	6,911,605
Financial liabilities at fair value through profit or loss	(37,073)	393,540
Bills and bonds sold under repurchase agreements	21,217,363	13,930,511
Payables	603,213	1,326,470
Deposits and remittances	14,607,704	23,397,312
Provisions	(8,704)	(20,659)
Cash generated from (used in) operations	(8,698,138)	5,635,500
Interest received	15,902,848	13,248,448
Dividends received	694,866	897,408
Interest paid	(14,105,286)	(10,972,748)
Income taxes paid	(967,029)	(675,122)
Net cash flows generated from (used in) operating activities	<u>(7,172,739)</u>	<u>8,133,486</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of investments accounted for using equity method	-	26,657
Acquisition of property and equipment	(197,290)	(180,013)
Proceeds from disposal of property and equipment	1,747	3,423
Increase in refundable deposits	(85,729)	(310,826)
Acquisition of intangible assets	(175,285)	(109,062)

(Continued)

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Decrease in other financial assets	\$ 22,065	\$ 34,647
Increase in other assets	<u>(29,493)</u>	<u>(24,350)</u>
Net cash flows used in investing activities	<u>(463,985)</u>	<u>(559,524)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	-	12,000
Decrease in short-term borrowings	(200)	-
Decrease in commercial papers	(187,790)	(1,931,025)
Proceeds from issuing bank debentures	2,500,000	1,600,000
Repayments of bank debentures	(2,000,000)	(2,250,000)
Repayments of the principal portion of lease liabilities	(161,806)	(140,290)
Increase in other financial liabilities	7,845,590	497,521
Increase in other liabilities	211,160	-
Decrease in other liabilities	-	(39,415)
Dividends paid to owners of the Bank	(1,330,878)	(1,165,040)
Proceeds from issuing shares	3,000,000	-
Redemption convertible preferred shares	(2,276,484)	-
Payments to acquire treasury stock	(14,084)	(144,684)
Transfer of treasury stock to employees	82,770	-
Dividends paid to non-controlling interests	<u>(702,244)</u>	<u>(480,989)</u>
Net cash flows generated from (used in) financing activities	<u>6,966,034</u>	<u>(4,041,922)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>271,543</u>	<u>10,203</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(399,147)	3,542,243
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>18,767,399</u>	<u>15,225,156</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 18,368,252</u>	<u>\$ 18,767,399</u>

(Continued)

O-BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets as of December 31, 2024 and 2023:

	December 31	
	2024	2023
Cash and cash equivalents reported in the consolidated balance sheets	\$ 9,401,107	\$ 5,555,800
Due from the Central Bank and call loans to banks qualifying for cash and cash equivalents under the definition of IAS 7	5,395,692	12,289,001
Bills and bonds purchased under resell agreements qualifying for cash and cash equivalents under the definition of IAS 7	2,587,751	-
Other items qualifying for cash and cash equivalents under the definition of IAS 7	983,702	922,598
Cash and cash equivalents at the end of the year	<u>\$ 18,368,252</u>	<u>\$ 18,767,399</u>

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
O-Bank Co., Ltd.

Opinion

We have audited the accompanying parent company only financial statements of O-Bank Co., Ltd (the “Bank”), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the “parent company only financial statements”).

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Bank as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Bank in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the parent company only financial statements for the year ended December 31, 2024 are as follows:

Allowance for Credit Losses of Loans

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

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

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

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

- We obtained an understanding and performed testing on the internal controls with respect to the Bank’s loan impairment assessment.
- We examined the classifications of loans and determined that they were in accordance with the “Banking Institutions Regulations Governing the Procedures for Bad Debt”. We also recalculated the amount of the allowance for credit losses on loans and checked and confirmed that the allowance has met the requirements of the regulation or not.

Investments Accounted for Using the Equity Method - Assessment of Reserve for Loss on Guarantee Contracts

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

For the accounting policy and details on the investments accounted for using the equity method, refer to Notes 4 and 15 to the accompanying financial statements.

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

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

- We obtained an understanding of the internal controls on the estimated impairment of reserve for losses on guarantee contracts and, we tested the effectiveness of the operation of the controls.
- We reviewed the assessment schedule of reserve for losses on credit-granting assets, which the management of China Bills Finance Corporation used to assess the reserve. We checked the completeness of the amount of credit-granting assets in the schedule and the rationality of the classifications. We recalculated the amounts of reserve for losses on guarantee contracts in the schedule and checked and confirmed that the reserve has met the requirements of the “Bills Finance Companies Regulations for Evaluating Bad Debt” or not.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2025

Notice to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally applied in the Republic of China.

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

O-BANK CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CASH AND CASH EQUIVALENTS	\$ 5,151,237	1	\$ 3,811,226	1
DUE FROM THE CENTRAL BANK AND CALL LOANS TO BANKS	18,467,946	4	22,597,761	6
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	33,619,127	8	35,910,367	9
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	69,502,853	17	71,310,546	18
INVESTMENTS IN DEBT INSTRUMENTS AT AMORTIZED COST	23,765,497	6	23,672,845	6
BILLS AND BONDS PURCHASED UNDER RESELL AGREEMENTS	5,976,328	1	-	-
RECEIVABLES, NET	2,957,640	1	2,862,234	1
CURRENT TAX ASSETS	273,524	-	278,401	-
DISCOUNTS AND LOANS, NET	226,026,167	55	203,604,557	52
INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD, NET	22,784,191	6	21,521,147	6
OTHER FINANCIAL ASSETS	983,702	-	922,598	-
PROPERTY AND EQUIPMENT, NET	2,259,660	1	2,278,118	1
RIGHT-OF-USE ASSETS, NET	219,939	-	235,245	-
INTANGIBLE ASSETS, NET	493,573	-	499,648	-
DEFERRED TAX ASSETS	348,793	-	360,075	-
OTHER ASSETS	798,627	-	719,016	-
TOTAL	<u>\$ 413,628,804</u>	<u>100</u>	<u>\$ 390,583,784</u>	<u>100</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Deposits from the Central Bank and other banks	\$ 17,545,933	4	\$ 12,435,739	3
Financial liabilities at fair value through profit or loss	1,340,836	1	1,367,475	1
Bills and bonds sold under repurchase agreements	11,301,439	3	16,819,251	4
Payables	5,036,890	1	4,472,804	1
Current tax liabilities	31,154	-	286,570	-
Deposits and remittances	308,897,464	75	297,141,118	76
Bank debentures payable	13,450,000	3	12,950,000	4
Other financial liabilities	11,226,264	3	3,380,674	1
Provisions	486,844	-	469,238	-
Lease liabilities	226,287	-	242,211	-
Deferred tax liabilities	919,315	-	679,521	-
Other liabilities	361,917	-	237,148	-
Total liabilities	<u>370,824,343</u>	<u>90</u>	<u>350,481,749</u>	<u>90</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE BANK				
Capital				
Common stock	28,053,579	7	27,339,923	7
Preferred stock	2,500,000	-	2,990,140	1
Total capital	<u>30,553,579</u>	<u>7</u>	<u>30,330,063</u>	<u>8</u>
Capital surplus	568,184	-	19,624	-
Retained earnings				
Legal reserve	6,527,632	2	5,789,200	1
Special reserve	1,970,247	-	3,197,011	1
Unappropriated earnings	4,722,209	1	2,756,051	1
Total retained earnings	<u>13,220,088</u>	<u>3</u>	<u>11,742,262</u>	<u>3</u>
Other equity	(1,450,123)	-	(1,828,393)	(1)
Treasury stock	(87,267)	-	(161,521)	-
Total equity	<u>42,804,461</u>	<u>10</u>	<u>40,102,035</u>	<u>10</u>
TOTAL	<u>\$ 413,628,804</u>	<u>100</u>	<u>\$ 390,583,784</u>	<u>100</u>

O-BANK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023		Percentage Increase (Decrease)
	Amount	%	Amount	%	%
NET INTEREST					
INTEREST REVENUE	\$ 12,350,455	159	\$ 10,748,737	157	15
INTEREST EXPENSE	<u>(9,703,585)</u>	<u>(125)</u>	<u>(8,444,229)</u>	<u>(123)</u>	15
NET INTEREST	<u>2,646,870</u>	<u>34</u>	<u>2,304,508</u>	<u>34</u>	15
NET REVENUE OTHER THAN					
INTEREST REVENUE					
Service fee income, net	1,055,341	13	914,467	13	15
Gains on financial assets or liabilities measured at fair value through profit or loss	4,761,412	61	2,237,276	32	113
Realized gains on financial assets at fair value through other comprehensive income	242,512	3	358,185	5	(32)
Foreign exchange gain (loss), net	(2,126,189)	(27)	121,655	2	(1,848)
Impairment loss on assets	(3,174)	-	(5,710)	-	(44)
Share of profit of subsidiaries and associates accounted for using equity method	1,135,264	15	869,268	13	31
Other net revenue other than interest	<u>75,007</u>	<u>1</u>	<u>66,864</u>	<u>1</u>	12
Total net revenue other than interest revenue	<u>5,140,173</u>	<u>66</u>	<u>4,562,005</u>	<u>66</u>	13
TOTAL NET REVENUE	<u>7,787,043</u>	<u>100</u>	<u>6,866,513</u>	<u>100</u>	13
BAD DEBTS EXPENSE, COMMITMENT AND GUARANTEE LIABILITY PROVISION	<u>(423,413)</u>	<u>(5)</u>	<u>(444,271)</u>	<u>(6)</u>	(5)

(Continued)

O-BANK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023		Percentage Increase (Decrease)
	Amount	%	Amount	%	%
OPERATING EXPENSES					
Employee benefits expenses	\$ 2,226,762	29	\$ 2,020,094	29	10
Depreciation and amortization expenses	483,835	6	510,346	8	(5)
Other general and administrative expenses	<u>1,245,480</u>	<u>16</u>	<u>1,090,850</u>	<u>16</u>	14
Total operating expenses	<u>3,956,077</u>	<u>51</u>	<u>3,621,290</u>	<u>53</u>	9
PROFIT BEFORE INCOME TAX	3,407,553	44	2,800,952	41	22
INCOME TAX EXPENSE	<u>551,354</u>	<u>7</u>	<u>308,532</u>	<u>5</u>	79
NET PROFIT FOR THE YEAR	<u>2,856,199</u>	<u>37</u>	<u>2,492,420</u>	<u>36</u>	15
OTHER COMPREHENSIVE INCOME (LOSS)					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:					
Gains (losses) on remeasurements of defined benefit plans	15,447	-	(8,524)	-	281
Revaluation gains (losses) on investments in equity instruments measured at fair value through other comprehensive income	28,529	-	(211,721)	(3)	113
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method	<u>45,236</u>	<u>1</u>	<u>167,883</u>	<u>3</u>	(73)
Components of other comprehensive income (loss) that will not be reclassified to profit or loss, net of tax	<u>89,212</u>	<u>1</u>	<u>(52,362)</u>	<u>-</u>	270

(Continued)

O-BANK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023		Percentage Increase (Decrease)
	Amount	%	Amount	%	%
Components of other comprehensive income (loss) that will be reclassified to profit or loss:					
Exchange differences on translation of financial statements of foreign operations	\$ 528,113	7	\$ (59,795)	(1)	983
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method	(31,771)	(1)	625,196	9	(105)
Gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	(157,943)	(2)	674,771	10	(123)
Income tax related to components of other comprehensive income (loss) that will be reclassified to profit or loss	<u>(96,220)</u>	<u>(1)</u>	<u>3,318</u>	<u>-</u>	(3,000)
Components of other comprehensive income that will be reclassified to profit or loss, net of tax	<u>242,179</u>	<u>3</u>	<u>1,243,490</u>	<u>18</u>	(81)
Other comprehensive income for the year, net of tax	<u>331,391</u>	<u>4</u>	<u>1,191,128</u>	<u>18</u>	(72)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 3,187,590</u>	<u>41</u>	<u>\$ 3,683,548</u>	<u>54</u>	(13)
EARNINGS PER SHARE					
Basic	<u>\$1.00</u>		<u>\$0.87</u>		
Diluted	<u>\$0.90</u>		<u>\$0.78</u>		

(Concluded)

O-BANK CO., LTD.

**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)**

	Capital Stock (Note 30)			Capital Surplus (Note 30)	Retained Earnings (Notes 9 and 30)				Other Equity (Notes 9 and 30)		Treasury Stock (Note 30)	Total Equity
	Common Stock	Preferred Stock	Total		Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on the Translation of Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income		
BALANCE AT JANUARY 1, 2023	\$ 27,339,923	\$ 2,990,140	\$ 30,330,063	\$ 13,652	\$ 4,341,816	\$ 634,610	\$ 5,469,437	\$ 10,445,863	\$ 165,887	\$ (3,216,389)	\$ (16,837)	\$ 37,722,239
Reversal of special reserve	-	-	-	-	-	(2,622)	2,622	-	-	-	-	-
Appropriation and distribution of 2022 earnings												
Legal reserve	-	-	-	-	1,447,384	-	(1,447,384)	-	-	-	-	-
Special reserve	-	-	-	-	-	2,565,023	(2,565,023)	-	-	-	-	-
Cash dividends of common stock distributed by the Bank	-	-	-	-	-	-	(1,037,959)	(1,037,959)	-	-	-	(1,037,959)
Cash dividends of preferred stock distributed by the Bank	-	-	-	-	-	-	(127,081)	(127,081)	-	-	-	(127,081)
Changes in capital surplus from investments in subsidiaries accounted for using equity method	-	-	-	5,257	-	-	-	-	-	-	-	5,257
Unclaimed dividends	-	-	-	715	-	-	-	-	-	-	-	715
Net profit for the year ended December 31, 2023	-	-	-	-	-	-	2,492,420	2,492,420	-	-	-	2,492,420
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	(12,933)	(12,933)	(56,477)	1,260,538	-	1,191,128
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	2,479,487	2,479,487	(56,477)	1,260,538	-	3,683,548
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	(144,684)	(144,684)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	(18,048)	(18,048)	-	18,048	-	-
BALANCE AT DECEMBER 31, 2023	27,339,923	2,990,140	30,330,063	19,624	5,789,200	3,197,011	2,756,051	11,742,262	109,410	(1,937,803)	(161,521)	40,102,035
Reversal of special reserve	-	-	-	-	-	(1,226,764)	1,226,764	-	-	-	-	-
Appropriation and distribution of 2023 earnings												
Legal reserve	-	-	-	-	738,432	-	(738,432)	-	-	-	-	-
Cash dividends of common stock distributed by the Bank	-	-	-	-	-	-	(1,228,974)	(1,228,974)	-	-	-	(1,228,974)
Cash dividends of preferred stock distributed by the Bank	-	-	-	-	-	-	(101,904)	(101,904)	-	-	-	(101,904)
Changes in capital surplus from investments in subsidiaries accounted for using equity method	-	-	-	6,957	-	-	-	-	-	-	-	6,957
Unclaimed dividends	-	-	-	589	-	-	-	-	-	-	-	589
Net profit for the year ended December 31, 2024	-	-	-	-	-	-	2,856,199	2,856,199	-	-	-	2,856,199
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	20,195	20,195	431,893	(120,697)	-	331,391
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	2,876,394	2,876,394	431,893	(120,697)	-	3,187,590
Issuance of shares for cash	-	2,500,000	2,500,000	500,000	-	-	-	-	-	-	-	3,000,000
Common shares converted from convertible preferred shares	713,656	(713,656)	-	-	-	-	-	-	-	-	-	-
Redemption convertible preferred shares	-	(2,276,484)	(2,276,484)	-	-	-	-	-	-	-	-	(2,276,484)
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	(14,084)	(14,084)
Changes in percentage of ownership interests in associates	-	-	-	39,329	-	-	(616)	(616)	-	-	-	38,713
Transfer of treasury stock to employees under share-based payment arrangements	-	-	-	1,685	-	-	-	-	-	-	88,338	90,023
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	(67,074)	(67,074)	-	67,074	-	-
BALANCE AT DECEMBER 31, 2024	<u>\$ 28,053,579</u>	<u>\$ 2,500,000</u>	<u>\$ 30,553,579</u>	<u>\$ 568,184</u>	<u>\$ 6,527,632</u>	<u>\$ 1,970,247</u>	<u>\$ 4,722,209</u>	<u>\$ 13,220,088</u>	<u>\$ 541,303</u>	<u>\$ (1,991,426)</u>	<u>\$ (87,267)</u>	<u>\$ 42,804,461</u>

O-BANK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit from continuing operations before tax	\$ 3,407,553	\$ 2,800,952
Adjustments for:		
Depreciation expense	246,932	244,027
Amortization expense	236,903	266,319
Expect credit losses/recognition of provisions	426,587	449,981
Net gain on financial assets or liabilities at fair value through profit or loss	(4,761,412)	(2,237,276)
Interest expense	9,703,585	8,444,229
Interest revenue	(12,350,455)	(10,748,737)
Dividends income	(221,620)	(385,101)
Share-based payment arrangements	7,253	-
Share of profit of subsidiaries and associates accounted for using equity method	(1,135,264)	(869,268)
Gain on disposal of property and equipment	(494)	(3,322)
Loss (gain) on disposal of investments	(20,892)	26,916
Changes in operating assets and liabilities:		
Due from the Central Bank and call loans to banks	(2,859,488)	(1,641,292)
Financial assets at fair value through profit or loss	7,026,013	(256,076)
Financial assets at fair value through other comprehensive income	1,701,216	(7,163,902)
Investments in debt instruments at amortized cost	(89,019)	517,257
Bills and bonds purchased under resell agreements	(3,388,577)	-
Receivables	(417,948)	296,303
Discounts and loans	(22,858,867)	(17,941,540)
Deposits from the Central Bank and other banks	5,110,194	(1,484,690)
Bills and bonds sold under repurchase agreements	(5,517,812)	8,533,263
Payables	763,212	1,334,798
Deposits and remittances	11,756,346	22,637,140
Provisions	(9,258)	(9,885)
Cash flows generated from (used in) operations	(13,245,312)	2,810,096
Interest received	12,340,713	10,289,615
Dividends received	722,580	892,110
Interest paid	(9,658,851)	(7,791,559)
Income taxes paid	(578,295)	(235,705)
Net cash flows generated from (used in) operating activities	(10,419,165)	5,964,557
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of investments accounted for using equity method	-	26,657
Acquisition of property and equipment	(174,219)	(171,893)
Proceeds from disposal of property and equipment	872	3,404
Increase in refundable deposits	(85,693)	(306,632)
Acquisition of intangible assets	(173,471)	(105,601)
Increase in other assets	-	(25,079)
Decrease in other assets	6,082	-
Net cash flows used in investing activities	(426,429)	(579,144)

(Continued)

O-BANK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuing bank debentures	\$ 2,500,000	\$ 1,600,000
Repayments of bank debentures	(2,000,000)	(2,250,000)
Increase in funds intended for specific types of loans	945,477	771,667
Repayments of funds intended for specific types of loans	(396,566)	(963,786)
Repayment of the principal portion of lease liabilities	(118,028)	(100,273)
Increase in other financial liabilities	7,296,679	702,569
Increase in other liabilities	124,769	-
Decrease in other liabilities	-	(18,890)
Cash dividends paid	(1,330,878)	(1,165,040)
Proceeds from issuing shares	3,000,000	-
Redemption convertible preferred shares	(2,276,484)	-
Payments to acquire treasury stock	(14,084)	(144,684)
Transfer of treasury stock to employees	<u>82,770</u>	<u>-</u>
Net cash flows generated from (used in) financing activities	<u>7,813,655</u>	<u>(1,568,437)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>31,502</u>	<u>5,190</u>
NET INCREASE (DECREASE) IN CASH	(3,000,437)	3,822,166
CASH AND CASH EQUIVALENT AT BEGINNING OF THE YEAR	<u>16,100,227</u>	<u>12,278,061</u>
CASH AND CASH EQUIVALENT AT END OF THE YEAR	<u>\$ 13,099,790</u>	<u>\$ 16,100,227</u>

Reconciliation of the amounts in the statements of cash flows with the equivalent items reported in the balance sheets as of December 31, 2024 and 2023:

	December 31	
	2024	2023
Cash and cash equivalents reported in the balance sheets	\$ 5,151,237	\$ 3,811,226
Due from the Central Bank and call loans to banks qualifying for cash and cash equivalents under the definition of IAS 7	4,377,100	11,366,403
Bills and bonds purchased under resell agreements qualifying for cash and cash equivalents under the definition of IAS 7	2,587,751	-
Other items qualifying for cash and cash equivalents under the definition of IAS 7	<u>983,702</u>	<u>922,598</u>
Cash and cash equivalents at end of the year	<u>\$ 13,099,790</u>	<u>\$ 16,100,227</u>

(Concluded)

Appendix IV

O-Bank Co., Ltd. Proposed Distribution of 2024 Earnings

Currency: NT\$

Undistributed earnings as of the beginning of the period	1,890,453,479
Plus: Adjustment due to the dividend distribution discrepancy arising from the conversion of Class A preferred shares for 2023 earnings	1,223,068,898
Net income	2,856,199,365
Plus/Less: Undistributed earnings adjustment items	
1. Disposal of investments in equity instrument designated as at fair value through other comprehensive income, with cumulative gains or losses directly transferred to retained earnings	(94,838,905)
2. Adjustment of investment accounted for using equity method	31,896,644
3. Adjustment of remeasurements of defined benefit plans	15,447,000
Current undistributed earnings adjustment items other than net profit after tax plus net profit after tax	2,808,704,104
Less: Legal reserve appropriation (30%)	(842,611,231)
Plus: Reversal of special reserve—pursuant to Article 41 of the Securities and Exchange Act	378,270,152
Plus: Reversal of special reserve—training expenses for fintech development	4,788,888
Earnings available for distribution	4,262,656,898
Distribution items:	
Class A preferred share dividend (Note)	(83,824,690)
Class B preferred share dividend (annual rate of 4.5%)	(36,147,541)
Common stock dividend -2,782,418,878 shares (NT\$0.50 per share)	(1,391,209,439)
Undistributed earnings as of the end of the period	2,751,475,228

(Note): The original annual rate was 4.25%, and was reset to 5.07275% effective May 30, 2024. All Class A preferred shares were fully redeemed by the Bank on October 17, 2024, with approval from the competent authority.

Chairman: Lo, Tina Y.

President: Lee, Elton F.Y.

Accounting Officer: Tai, Hsin Yi

Appendix V

O-Bank Co., Ltd. Articles of Incorporation

Comparison Table of Original and Amended Articles

Amended Article	Original Article	Explanation
<p>Article 7: The total authorized capital of the Bank shall be NT\$35 billion, divided into 3.5 billion shares with a par value of NT\$10 each and including common and preferred shares. The Board of Directors is authorized to, in accordance with the Company Act and applicable laws and regulations, issue such shares in installments if necessary. The source of capital contribution by shareholders is limited to cash only.</p> <p>The Bank may issue employee stock option certificates and new shares with restricted employee rights within the preceding total amount of shares, and the relevant operations shall be handled in accordance with relevant laws and regulations.</p> <p><u>The Bank may, in accordance with the law, repurchase treasury shares for transfer to employees, reserve newly issued shares for employee subscription, enter into stock option agreements with employees, or issue restricted stock for employees. The recipients of such transfers, subscriptions, or issuances may include employees of subsidiaries that meet certain qualifying conditions.</u></p>	<p>Article 7: The total authorized capital of the Bank shall be NT\$35 billion, divided into 3.5 billion shares with a par value of NT\$10 each and including common and preferred shares. The Board of Directors is authorized to, in accordance with the Company Act and applicable laws and regulations, issue such shares in installments if necessary. The source of capital contribution by shareholders is limited to cash only.</p> <p>The Bank may issue employee stock option certificates and new shares with restricted employee rights within the preceding total amount of shares, and the relevant operations shall be handled in accordance with relevant laws and regulations.</p>	<p>To specify that the recipients of treasury shares repurchased and transferred to employees, newly issued shares reserved for employee subscription, employee stock warrants, or restricted stock for employees may include employees of subsidiaries that meet the conditions under the <i>Company Act</i>.</p>
<p>Article 8-1: The rights and obligations of the Bank's preferred shares as well as other important terms of issuance are as follows:</p>	<p>Article 8-1: The rights and obligations of the Bank's preferred shares as well as other important terms of issuance are as follows:</p>	<p>To specify that preferred share dividends may be distributed from cumulative distributable earnings.</p>

Amended Article	Original Article	Explanation
<p>1. If a surplus remains after the Bank closes its books for a given year, the Bank shall, in accordance with its Articles of Incorporation, first set aside funds for taxes and offset the accumulated losses from previous years, make provisions for legal reserve, and register allocation or reverse of special reserve. <u>When added to undistributed earnings at the beginning of the period,</u> the remainder <u>shall constitute the cumulative distributable earnings</u>, giving priority in distributing cash dividends for preferred shares for the year.</p> <p>2. (Omitted)</p> <p>3. The Bank has autonomous discretion on distribution of cash dividends for preferred shares. If the Bank's <u>cumulative distributable earnings are</u> insufficient for distribution of cash dividends for preferred shares, or if distribution of cash dividends will cause the Bank's capital adequacy ratio to fall short of legal requirements or the minimum required by the competent authority, the Bank's decision to cancel distribution of cash dividends for preferred shares shall not be regarded as an event of default. If the preferred shares issued by the Bank are specified as non-cumulative, the undistributed dividends or shortfalls in dividends distributed will not be cumulative and therefore no deferred payment will be paid</p>	<p>1. If a surplus remains after the Bank closes its books for a given year, the Bank shall, in accordance with its <i>Articles of Incorporation</i>, first set aside funds for taxes and offset the accumulated losses from previous years, make provisions for legal reserve, and register allocation or reverse of special reserve <u>before giving priority to using the remainder in distributing cash dividends for preferred shares for the year.</u></p> <p>2. (Omitted)</p> <p>3. The Bank has autonomous discretion on distribution of cash dividends for preferred shares. If the Bank's <u>audited results of a given year show no surplus or a surplus</u> insufficient for distribution of cash dividends for preferred shares, or if distribution of cash dividends will cause the Bank's capital adequacy ratio to fall short of legal requirements or the minimum required by the competent authority, the Bank's decision to cancel distribution of cash dividends for preferred shares shall not be regarded as an event of default. If the preferred shares issued by the Bank are specified as non-cumulative, the undistributed dividends or shortfalls in dividends distributed will not be cumulative and therefore no deferred payment will be paid in subsequent years when there is a surplus in earnings.</p> <p>(Remaining omitted)</p>	

Amended Article	Original Article	Explanation
in subsequent years when there is a surplus in earnings. (Remaining omitted)		
<p>Article 32: If the Bank records a profit in a year, the Bank shall set aside no less than 0.5% of the profit for employee remunerations. If the Bank has accumulated losses, however, the profit shall be used to offset the aforesaid accumulated losses first. <u>Among the total amount of employee remuneration, the portion allocated to non-managerial staff shall not be less than 20%.</u> Distribution of employee remunerations in stock or cash shall require a resolution adopted through a majority vote of the directors present at a meeting attended by not less than two-thirds of all directors, which in turn shall be reported to a shareholders' meeting. The employees entitled to the aforesaid remunerations may include those employed by the Bank's affiliated companies who meet specific requirements.</p>	<p>Article 32: If the Bank records a profit in a year, the Bank shall set aside no less than 0.5% of the profit for employee remunerations. If the Bank has accumulated losses, however, the profit shall be used to offset the aforesaid accumulated losses first. Distribution of employee remunerations in stock or cash shall require a resolution adopted through a majority vote of the directors present at a meeting attended by not less than two-thirds of all directors, which in turn shall be reported to a shareholders' meeting. The employees entitled to the aforesaid remunerations may include those employed by the Bank's affiliated companies who meet specific requirements.</p>	<p>To specify that the allocation ratio of employee remuneration to non-managerial staff shall comply with Paragraph 6, Article 14 of the <i>Securities and Exchange Act</i>.</p>
<p>Article 32-1: If there is a profit after its annual closing of books, the Bank shall first set aside funds for taxes and offset the accumulated losses from previous years before appropriating 30% of the profit toward its legal reserve. No appropriation shall be required if the Bank's legal reserve already equals the total amount of its paid-in capital. After appropriation or reverse of any special reserve, <u>the remaining amount shall constitute the undistributed earnings for the year. These</u></p>	<p>Article 32-1: If there is a profit after its annual closing of books, the Bank shall first set aside funds for taxes and offset the accumulated losses from previous years before appropriating 30% of the profit toward its legal reserve. No appropriation shall be required if the Bank's legal reserve already equals the total amount of its paid-in capital. After appropriation or reverse of any special reserve <u>and distribution of cash dividends for preferred shares, if a profit remains the outstanding balance</u></p>	<p>1. To specify that preferred share dividends may be distributed from cumulative distributable earnings. 2. To further specify that the scope of distributable earnings includes the current year's earnings.</p>

Amended Article	Original Article	Explanation
<p><u>earnings, combined with undistributed earnings at the beginning of the period, shall form the cumulative distributable earnings. Dividends for preferred shares shall be distributed with priority, followed by dividends and bonuses for common shares (collectively referred to as "dividends")</u>, shall be used as the basis for the Board of Directors to propose distribution and seek a resolution of a shareholders' meeting thereof.</p> <p>In the event of a shortfall in "other previously accumulated net deductions from shareholders' equity" when the Bank sets aside a portion of distributable earnings for special reserve, it shall first set aside an equal amount of special reserve from undistributed earnings from the previous period. If any shortfall remains, the Bank shall make an allocation from the undistributed earnings of the current period that also take account of net profit plus other items of the current period.</p> <p>The distribution of common stock dividend shall not be lower than 20% of distributable earnings after deducting distributable but not yet distributed preferred stock dividends for the current year.</p> <p>The aforesaid distributable earnings refer to the outstanding balance derived from deducting preferred stock dividends and reverse of any special reserve from the year's undistributed earnings set forth in paragraph 1 of this article. In particular, the cash dividend payout shall account for not less than 20% of the total common stock dividend</p>	<p>shall be the year's undistributed earnings and, together with undistributed earnings from previous years shall be used as the basis for the Board of Directors to propose distribution and seek a resolution of a shareholders' meeting thereof.</p> <p>In the event of a shortfall in "other previously accumulated net deductions from shareholders' equity" when the Bank sets aside a portion of distributable earnings for special reserve, it shall first set aside an equal amount of special reserve from undistributed earnings from the previous period. If any shortfall remains, the Bank shall make an allocation from the undistributed earnings of the current period that also take account of net profit plus other items of the current period.</p> <p>The distribution of common stock dividend shall not be lower than 20% of distributable earnings after deducting distributable but not yet distributed preferred stock dividends for the current year.</p> <p>The aforesaid distributable earnings refer to the outstanding balance derived from deducting <u>distributable but not yet distributed</u> preferred stock dividends and reverse of any special reserve from the year's undistributed earnings set forth in paragraph 1 of this article. In particular, the cash dividend payout shall account for not less than 20% of the total common stock dividend payout for any given year. Separately, before the legal reserve equals the total amount of capital stock, the maximum cash distribution of</p>	

Amended Article	Original Article	Explanation
<p>payout for any given year. Separately, before the legal reserve equals the total amount of capital stock, the maximum cash distribution of earnings shall not exceed 15% of the total amount of paid-in capital. With regard to the foregoing distribution of common stock dividends, the Bank adopts a policy of stability and balance that takes into account capital budget planning, capital needs for business operations, and commitment to a sound financial structure. The aforesaid method of dividend distribution is intended only as a principle-based guideline; the Bank may consider actual needs and, via the Board of Directors, propose an amendment and seek shareholder approval in the form of a resolution adopted by a shareholders' meeting.</p>	<p>earnings shall not exceed 15% of the total amount of paid-in capital. With regard to the foregoing distribution of common stock dividends, the Bank adopts a policy of stability and balance that takes into account capital budget planning, capital needs for business operations, and commitment to a sound financial structure. The aforesaid method of dividend distribution is intended only as a principle-based guideline; the Bank may consider actual needs and, via the Board of Directors, propose an amendment and seek shareholder approval in the form of a resolution adopted by a shareholders' meeting.</p>	
<p>Article 34 These <i>Articles of Incorporation</i> were enacted on June 22, 1998 . . . ; the 15th amendment on June 2, 2015; the 16th amendment on October 2, 2015; the 17th amendment on June 3, 2016; the 18th amendment on June 14, 2017; the 19th amendment on June 14, 2018; the 20th amendment on June 19, 2020; the 21th amendment on June 17, 2022; the 22th amendment on June 16, 2023; the 23th amendment on June 14, 2024, <u>and the 24th amendment on June 13, 2025.</u></p>	<p>Article 34 These <i>Articles of Incorporation</i> were enacted on June 22, 1998 . . . ; the 15th amendment on June 2, 2015; the 16th amendment on October 2, 2015; the 17th amendment on June 3, 2016; the 18th amendment on June 14, 2017; the 19th amendment on June 14, 2018; the 20th amendment on June 19, 2020; the 21th amendment on June 17, 2022; the 22th amendment on June 16, 2023; the 23th amendment on June 14, 2024.</p>	<p>The date and ordinal number of another amendment are added.</p>