

Eternal Materials Co., Ltd. and Subsidiaries

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

For the convenience of readers, the independent auditors' review 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' review report and consolidated financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT

Eternal Materials Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Eternal Materials Co., Ltd. (the “Company”) and its subsidiaries as of June 30, 2025 and 2024, the consolidated statements of comprehensive income for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, and the consolidated statements of changes in equity and cash flows for the six months then ended June 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as 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 Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as described in the following paragraph, we conducted our reviews in accordance with Standards on Review Engagements of the Republic of China 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As described in Note 13 to the consolidated financial statements, total assets of some non-significant subsidiaries included in the consolidated financial statements amounted to NT\$25,426,925 thousand and NT\$28,139,814 thousand, representing 45% and 46% of the consolidated total assets as of June 30, 2025 and 2024, respectively; total liabilities amounted to NT\$8,939,382 thousand and NT\$10,203,205 thousand, representing 28% and 29% of the consolidated total liabilities as of June 30, 2025 and 2024, respectively; total comprehensive income amounted to loss of NT\$1,783,633 thousand, profit of NT\$176,520 thousand, loss of NT\$1,565,675 thousand and profit of NT\$727,172 thousand, representing 54%, 20%, 62% and 27% of the consolidated total comprehensive income for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, respectively. The above amounts and information were based on the financial statements prepared and disclosed by these subsidiaries, which were not reviewed by independent auditors for the same reporting periods. In addition, as described in Note 14 to the consolidated financial statements, the balance of investments accounted for using the equity method of the Company and its subsidiaries amounted to NT\$2,636,496 thousand and NT\$2,741,449 thousand as of June 30, 2025 and 2024, respectively; the share of the profit of associates and joint ventures accounted for using the equity method amounted to NT\$94,043 thousand, NT\$106,271 thousand, NT\$204,689 thousand and NT\$188,899 thousand for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, respectively; the share of the other comprehensive income of associates and joint ventures amounted to loss of NT\$222,081 thousand, profit of NT\$18,036 thousand, loss of NT\$193,689 thousand and profit of NT\$84,921 thousand for the three months ended June 30, 2025 and 2024, and for the six months

ended June 30, 2025 and 2024, respectively. The above amounts and information on investees were based on the financial statements recognized and disclosed by investees, which were not reviewed by independent auditors for the same reporting periods.

Qualified Conclusion

Base on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of some non-significant subsidiaries and investments accounted for using the equity method as described in the preceding paragraph been reviewed by independent auditors, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the financial position of the Company and its subsidiaries as of June 30, 2025 and 2024, and its consolidated financial performance for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, and its consolidated cash flows for the six months ended June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and international Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Chao-Chun Wang and Yu-Hsiang Liu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 8, 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’ review 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’ review report and consolidated financial statements shall prevail.

Eternal Materials Co., Ltd. and Subsidiaries

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 5,840,870	11	\$ 7,074,515	11	\$ 5,624,163	9
Financial assets at fair value through profit or loss — current (Note 7)	205,525	—	822,964	1	383,682	1
Notes receivable, net (Notes 8 and 31)	3,499,540	6	4,031,956	7	4,181,851	7
Notes receivable from related parties, net (Notes 8 and 30)	12,395	—	43,572	—	41,246	—
Accounts receivable, net (Note 8)	9,837,540	18	11,177,337	18	11,397,182	19
Accounts receivable from related parties, net (Notes 8 and 30)	166,926	—	194,359	—	202,867	—
Other receivables (Notes 8 and 30)	707,752	1	710,243	1	609,049	1
Inventories (Note 9)	8,074,325	14	8,533,025	14	8,874,968	14
Non-current assets held for sale (Note 10)	130,641	—	156,464	—	167,472	—
Other financial assets - current (Notes 11 and 31)	1,003,736	2	472,995	1	1,926,763	3
Other current assets - others	609,478	1	1,001,164	2	854,548	2
Total current assets	30,088,728	53	34,218,594	55	34,263,791	56
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	8,196	—	9,382	—	9,951	—
Financial assets at fair value through other comprehensive income - non-current (Note 12)	816,908	1	1,045,585	2	1,422,174	2
Investments accounted for using the equity method (Note 14)	2,636,496	5	2,741,654	4	2,741,449	5
Property, plant and equipment (Notes 15 and 31)	20,008,976	35	20,836,279	33	19,640,216	32
Right-of-use assets (Note 16)	1,500,449	3	1,658,676	3	1,652,692	3
Investment properties (Note 17)	1,094,512	2	1,231,491	2	1,249,971	2
Intangible assets (Note 18)	207,126	—	216,582	—	223,556	—
Deferred tax assets	252,850	—	247,077	1	254,568	—
Other non-current assets - others (Notes 19 and 31)	441,088	1	214,163	—	239,170	—
Total non-current assets	26,966,601	47	28,200,889	45	27,433,747	44
TOTAL	\$57,055,329	100	\$62,419,483	100	\$61,697,538	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 20 and 31)	\$ 5,754,870	10	\$ 5,697,864	9	\$ 4,387,583	7
Contract liabilities - current (Note 23)	350,304	1	597,286	1	604,936	1
Notes payable	1,203,453	2	1,496,784	3	993,611	2
Accounts payable (Note 30)	4,531,950	8	4,787,780	8	5,327,505	8
Other payables - others	1,947,926	3	2,238,326	4	1,773,466	3
Current tax liabilities	345,927	1	780,400	1	483,466	1
Liabilities directly associated with non-current assets held for sale (Note 10)	1,702	—	1,550	—	2,302	—
Lease liabilities - current (Note 16)	62,610	—	72,465	—	76,018	—
Current portion of long-term liabilities (Notes 20 and 31)	1,900,503	3	2,604,571	4	4,303,770	7
Other current liabilities - others	97,100	—	106,829	—	61,255	—
Total current liabilities	16,196,345	28	18,383,855	30	18,013,912	29
NON-CURRENT LIABILITIES						
Bonds payable (Note 20)	2,498,775	4	2,498,252	4	2,497,722	4
Long-term borrowings (Notes 20 and 31)	10,785,822	19	9,759,192	16	11,115,693	18
Deferred tax liabilities	2,096,550	4	2,169,472	3	2,338,815	4
Lease liabilities - non-current (Note 16)	93,857	—	111,542	—	125,674	—
Other non-current liabilities	459,329	1	506,194	1	679,356	1
Total non-current liabilities	15,934,333	28	15,044,652	24	16,757,260	27
Total liabilities	32,130,678	56	33,428,507	54	34,771,172	56
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 22)						
Ordinary shares	11,782,655	21	11,782,655	19	11,782,655	19
Capital surplus	1,118,015	2	1,353,668	2	665,543	1
Retained earnings						
Legal reserve	5,452,192	9	5,230,730	9	5,230,730	8
Special reserve	426,285	1	1,358,789	2	1,358,789	2
Unappropriated earnings	8,564,787	15	8,328,467	13	7,005,229	12
Total retained earnings	14,443,264	25	14,917,986	24	13,594,748	22
Other equity	(2,967,832)	(5)	260,102	—	379,503	1
Treasury shares	(122,758)	—	—	—	—	—
Total equity attributable to owners of the Company	24,253,344	43	28,314,411	45	26,422,449	43
NON-CONTROLLING INTERESTS (Note 22)						
	671,307	1	676,565	1	503,917	1
Total equity	24,924,651	44	28,990,976	46	26,926,366	44
TOTAL	\$57,055,329	100	\$62,419,483	100	\$61,697,538	100

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' review report dated August 8, 2025)

Eternal Materials Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 23 and 30)	\$10,404,731	100	\$11,569,586	100	\$20,465,385	100	\$21,590,131	100
OPERATING COSTS (Notes 9, 24 and 30)	8,236,595	79	9,371,099	81	16,243,413	79	17,227,804	80
GROSS PROFIT	2,168,136	21	2,198,487	19	4,221,972	21	4,362,327	20
OPERATING EXPENSES (Notes 8, 24 and 30)								
Selling and marketing expenses	618,238	6	661,494	6	1,217,647	6	1,247,343	6
General and administrative expenses	588,914	6	592,859	5	1,154,578	6	1,164,380	5
Research and development expenses	442,197	4	377,039	3	871,743	4	744,559	4
Expected credit loss (gain)	(11,951)	-	3,473	-	(237)	-	33,014	-
Total operating expenses	1,637,398	16	1,634,865	14	3,243,731	16	3,189,296	15
PROFIT FROM OPERATIONS	530,738	5	563,622	5	978,241	5	1,173,031	5
NON-OPERATING INCOME AND EXPENSES								
Interest Income (Note 24)	23,606	-	28,102	-	44,741	-	52,726	-
Other income (Notes 24 and 30)	66,102	1	70,750	1	138,544	1	177,928	1
Other gains and losses (Note 24)	(96,922)	(1)	(16,610)	-	(85,248)	-	(23,198)	-
Loss on disposal of financial assets at amortized cost	(5,931)	-	(5,097)	-	(10,160)	-	(6,553)	-
Finance costs (Note 24)	(113,159)	(1)	(112,232)	(1)	(227,838)	(1)	(220,842)	(1)
Share of the profit of associates and joint ventures (Note 14)	94,043	1	106,271	1	204,689	1	188,899	1
Total non-operating income and expenses	(32,261)	-	71,184	1	64,728	1	168,960	1
PROFIT BEFORE INCOME TAX	498,477	5	634,806	6	1,042,969	6	1,341,991	6
INCOME TAX EXPENSE(Notes 4 and 25)	(130,546)	(1)	(179,778)	(2)	(309,531)	(2)	(426,444)	(2)
NET PROFIT FOR THE PERIOD	367,931	4	455,028	4	733,438	4	915,547	4

(Continued)

Eternal Materials Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 14, 22 and 25)								
Items that will not be reclassified subsequently to profit or loss:								
Remeasurement of defined benefit plans	\$ -	-	(\$ 701)	-	\$ -	-	(\$ 701)	-
Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	(89,747)	(1)	183,634	2	(202,623)	(1)	370,339	2
Remeasurement of defined benefit plans of associated and joint ventures accounted for using the equity method	-	-	-	-	1,452	-	1,585	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	508	-	358	-	567	-	528	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of the financial statement of foreign operations	(3,366,298)	(33)	228,686	2	(2,849,634)	(14)	1,277,380	6
Share of the other comprehensive income (loss) of associates and joint ventures	(222,081)	(2)	18,036	-	(195,141)	(1)	83,336	-
Other comprehensive income (loss) for the period, net of income tax	(3,677,618)	(36)	430,013	4	(3,245,379)	(16)	1,732,467	8
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>(\$ 3,309,687)</u>	<u>(32)</u>	<u>\$ 885,041</u>	<u>8</u>	<u>(\$ 2,511,941)</u>	<u>(12)</u>	<u>\$ 2,648,014</u>	<u>12</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 352,936		\$ 445,472		\$ 702,091		\$ 891,190	
Non-controlling interests	<u>14,995</u>		<u>9,556</u>		<u>31,347</u>		<u>24,357</u>	
	<u>\$ 367,931</u>		<u>\$ 455,028</u>		<u>\$ 733,438</u>		<u>\$ 915,547</u>	
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	(\$ 3,278,448)		\$ 880,235		(\$ 2,524,391)		\$ 2,629,209	
Non-controlling interests	<u>(31,239)</u>		<u>4,806</u>		<u>12,450</u>		<u>18,805</u>	
	<u>(\$ 3,309,687)</u>		<u>\$ 885,041</u>		<u>(\$ 2,511,941)</u>		<u>\$ 2,648,014</u>	
EARNINGS PER SHARE (Note 26)								
Basic	\$ 0.30		\$ 0.38		\$ 0.60		\$ 0.76	
Diluted	0.30		0.38		0.59		0.75	

(Concluded)

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' review report dated August 8, 2025)

Eternal Materials Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Owners of the Company											
	Retained Earnings					Other Equity						
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gains and Losses on Financial Assets at Fair Value Through Other Comprehensive Income	Total Other Equity	Treasury Stock	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2025	\$ 11,782,655	\$ 1,353,668	\$ 5,230,730	\$ 1,358,789	\$ 8,328,467	(\$ 278,845)	\$ 538,947	\$ 260,102	\$ -	\$ 28,314,411	\$ 676,565	\$ 28,990,976
Appropriation of 2024 earnings (Note 22)												
Legal reserve appropriated	-	-	221,462	-	(221,462)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(932,504)	932,504	-	-	-	-	-	-	-
Cash dividends—NT\$ 1.0 per share	-	-	-	-	(1,178,265)	-	-	-	-	(1,178,265)	-	(1,178,265)
	-	-	221,462	(932,504)	(467,223)	-	-	-	-	(1,178,265)	-	(1,178,265)
Cash dividends distributed through capital surplus —NT\$ 0.2 per share (Note 22)	-	(235,653)	-	-	-	-	-	-	-	(235,653)	-	(235,653)
Net profit for the for the six months ended June 30, 2025	-	-	-	-	702,091	-	-	-	-	702,091	31,347	733,438
Other comprehensive income (loss) for the six months ended June 30, 2025, net of income tax	-	-	-	-	1,452	(3,025,878)	(202,056)	(3,227,934)	-	(3,226,482)	(18,897)	(3,245,379)
Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	703,543	(3,025,878)	(202,056)	(3,227,934)	-	(2,524,391)	12,450	(2,511,941)
Treasury Stock Acquired (Note 22)	-	-	-	-	-	-	-	-	(122,758)	(122,758)	-	(122,758)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(17,708)	(17,708)
BALANCE AT JUNE 30, 2025	\$ 11,782,655	\$ 1,118,015	\$ 5,452,192	\$ 426,285	\$ 8,564,787	(\$ 3,304,723)	\$ 336,891	(\$ 2,967,832)	(\$ 122,758)	\$ 24,253,344	\$ 671,307	\$ 24,924,651
BALANCE AT JANUARY 1, 2024	\$ 11,782,655	\$ 664,785	\$ 5,083,381	\$ 977,601	\$ 7,584,997	(\$ 1,886,840)	\$ 528,051	(\$ 1,358,789)	\$ -	\$ 24,734,630	\$ 481,339	\$ 25,215,969
Appropriation of 2023 earnings (Note 22)												
Legal reserve appropriated	-	-	147,349	-	(147,349)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	381,188	(381,188)	-	-	-	-	-	-	-
Cash dividends—NT\$0.8 per share	-	-	-	-	(942,612)	-	-	-	-	(942,612)	-	(942,612)
	-	-	147,349	381,188	(1,471,149)	-	-	-	-	(942,612)	-	(942,612)
Net profit (loss) for the six months ended June 30, 2024	-	-	-	-	891,190	-	-	-	-	891,190	24,357	915,547
Other comprehensive income (loss) for the six months ended June 30, 2024, net of income tax	-	-	-	-	1,296	1,366,235	370,488	1,736,723	-	1,738,019	(5,552)	1,732,467
Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	892,486	1,366,235	370,488	1,736,723	-	2,629,209	18,805	2,648,014
Changes in ownership interests in subsidiaries	-	758	-	-	-	464	-	464	-	1,222	3,773	4,995
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	(1,105)	-	1,105	1,105	-	-	-	-
BALANCE AT JUNE 30, 2024	\$ 11,782,655	\$ 665,543	\$ 5,230,730	\$ 1,358,789	\$ 7,005,229	(\$ 520,141)	\$ 899,644	\$ 379,503	\$ -	\$ 26,422,449	\$ 503,917	\$ 26,926,366

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

(With Deloitte & Touche auditors’ review report dated August 8, 2025)

Eternal Materials Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,042,969	\$ 1,341,991
Adjustments for:		
Depreciation expense	1,113,616	1,095,052
Amortization expense	8,545	9,318
Expected credit loss (gain)	(237)	33,014
Net gain on fair value changes of financial assets at fair value through profit or loss	(5,721)	(2,258)
Interest expense	227,838	220,842
Loss on disposal of financial assets at amortized cost	10,160	6,553
Interest income	(44,741)	(52,726)
Share of the profit of associates and joint ventures	(204,689)	(188,899)
Loss on disposal of property, plant and equipment	6,821	3,587
Impairment loss recognized on non-financial assets	34,474	70,433
Others	(8)	44
Changes in operating assets and liabilities		
Notes receivable	127,325	534,252
Notes receivable from related parties	28,288	11,377
Accounts receivable	601,305	(653,691)
Accounts receivable from related parties	11,240	(21,789)
Other receivables	(96,164)	46,519
Inventories	(93,854)	(280,342)
Other current assets	53,151	30,715
Contract liabilities	(246,811)	(230,761)
Notes payable	(153,696)	171,643
Accounts payable	123,364	309,386
Other payables	4,345	(20,698)
Other current liabilities	(2,390)	(7,457)
Other non-current liabilities	(32,309)	(85,842)
Cash generated from operations	2,512,821	2,340,263
Interest received	35,234	46,427
Dividends received	116,159	578
Interest paid	(233,319)	(217,215)
Income taxes paid	(523,033)	(310,028)
Net cash generated from operating activities	1,907,862	1,860,025

(Continued)

Eternal Materials Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of financial assets at fair value through other comprehensive income	\$ –	\$ 1,196
Purchase of financial assets at fair value through profit or loss	(943,908)	(635,533)
Proceeds from disposal of financial assets at fair value through profit or loss	1,495,952	262,513
Proceeds from disposal of investments accounted for using the equity method	16	–
Proceeds from disposal of non-current assets held for sale	51,412	49,812
Payments for property, plant and equipment	(1,707,968)	(1,860,845)
Proceeds from disposal of property, plant and equipment	12,905	3,153
Payments for intangible assets	(153)	(2,598)
Decrease in long-term lease receivables	9,281	10,663
Increase in other financial assets	(885,383)	(585,268)
Increase in other non-current assets	(6,815)	(2,204)
Net cash used in investing activities	(1,974,661)	(2,759,111)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase(decrease) in short-term borrowings	273,142	(1,259,663)
Proceeds from long-term borrowings	1,896,530	5,485,530
Repayments of long-term borrowings	(1,204,177)	(3,244,819)
Increase(decrease) in guarantee deposits received	(4,456)	6,152
Repayments of the principal portion of lease liabilities	(49,354)	(44,377)
Dividends paid	(1,413,918)	(942,612)
Payments to acquire treasury shares	(119,033)	–
Disposal of ownership interests in subsidiaries (without losing control)	–	4,995
Changes in non-controlling interests	(17,708)	–
Net cash generated from (used in) financing activities	(638,974)	5,206
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(529,537)	163,412
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,235,310)	(730,468)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	7,102,753	6,382,309
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 5,867,443</u>	<u>\$ 5,651,841</u>

Reconciliation of cash and cash equivalents as of the end of the period

	June 30	
	2025	2024
Cash and cash equivalents in the consolidated balance sheets	\$ 5,840,870	\$ 5,624,163
Cash and cash equivalents classified to non-current assets held for sale	26,573	27,678
Cash and cash equivalents in the consolidated statements of cash flows	<u>\$ 5,867,443</u>	<u>\$ 5,651,841</u>

(Concluded)

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' review report dated August 8, 2025)

Eternal Materials Co., Ltd. and Subsidiaries

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

1. GENERAL INFORMATION

Eternal Materials Co., Ltd. (the “Company”) was established in December 1964. The Company is mainly engaged in the research, manufacturing, processing, selling and trading of diversified industrial synthetic resins, epoxy resin, acrylates, methacrylates, coating, molding compound, copper clad laminates, film materials, photoresist materials, electronic chemical materials, composite materials and bio-medical testing materials.

The Company’s shares have been listed on the Taiwan Stock Exchange (TWSE) since March 1994.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors and authorized for issue on August 8, 2025.

3. APPLICATION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

- a. The application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC), (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS Accounting Standards endorsed and issued into effect by the FSC will not have material impact on the Company and its subsidiaries’ accounting policies.

- b. The IFRS Accounting Standards announced by IASB but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

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

IFRS 18 “Presentation and Disclosure in Financial Statements”

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Company and its subsidiaries shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company and its subsidiaries shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company and its subsidiaries label items as “other” only if they cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Company and its subsidiaries as a whole, the Company and its subsidiaries shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Company and its subsidiaries are continuously assessing the possible impact that the application of other standards and interpretations will have on the Company and its subsidiaries’ financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. The consolidated financial statements do not present full disclosures required for a complete set of IFRS Accounting Standards annual financial statements.

b. Basis of consolidation

The detailed information of subsidiaries (including the percentages of ownership and main businesses) is provided in Note 13 and Tables 7 and 8.

c. Other material accounting policies

Except for the following, the summary of material accounting policies is the same as that in the consolidated financial statements for the year ended December 31, 2024.

1) Retirement Benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated on an interim period's pre-tax income by applying to the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same material accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements of the year ended December 31, 2024.

6. CASH AND CASH EQUIVALENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	\$ 17,460	\$ 15,900	\$ 14,623
Checking accounts and demand deposits	4,157,929	4,927,827	4,085,966
Cash equivalents (investments with original maturities of three months or less)			
Time deposits	1,665,481	2,130,788	1,523,574
	<u>\$ 5,840,870</u>	<u>\$ 7,074,515</u>	<u>\$ 5,624,163</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets - current</u>			
Hybrid financial assets			
Structured time deposits	<u>\$ 205,525</u>	<u>\$ 822,964</u>	<u>\$ 383,682</u>
<u>Financial assets - non-current</u>			
Non-derivative financial assets			
Mutual fund			
Pacven Walden Ventures V, L.P.	<u>\$ 8,196</u>	<u>\$ 9,382</u>	<u>\$ 9,951</u>

8. NOTES, ACCOUNTS AND OTHER RECEIVABLES

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable	\$ 3,499,540	\$ 4,031,956	\$ 4,181,851
Notes receivable from related parties	\$ 12,395	\$ 43,572	\$ 41,246
Accounts receivable	\$ 10,064,715	\$ 11,423,272	\$ 11,645,262
Less: Allowance for loss	(227,175)	(245,935)	(248,080)
	\$ 9,837,540	\$ 11,177,337	\$ 11,397,182
Accounts receivable from related parties	\$ 167,028	\$ 194,694	\$ 203,030
Less: Allowance for loss	(102)	(335)	(163)
	\$ 166,926	\$ 194,359	\$ 202,867
Other receivables	\$ 737,552	\$ 740,043	\$ 638,849
Less: Allowance for loss	(29,800)	(29,800)	(29,800)
	\$ 707,752	\$ 710,243	\$ 609,049

a. Notes receivable and accounts receivable

The notes and accounts receivable of the Company and its subsidiaries are measured at amortized cost. For the related credit management policies, refer to Note 29.

The loss allowance of the Company and its subsidiaries' accounts receivable is recognized by using lifetime expected credit losses. The lifetime expected credit losses on accounts receivable are estimated using a provision matrix approach considering the past collection experience of the customers, the increase in overdue payments and the forward-looking information of global economic growth rate.

The following table details the loss allowance of notes and accounts receivable based on the Company and its subsidiaries' provision matrix:

June 30, 2025

	Not Past Due	0 to 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Gross carrying amount	\$ 12,441,556	\$ 553,912	\$ 422,098	\$ 148,421	\$ 177,691	\$ 13,743,678
Loss allowance (lifetime ECL)	(9,516)	(7,109)	(12,284)	(27,375)	(170,993)	(227,277)
Amortized cost	\$ 12,432,040	\$ 546,803	\$ 409,814	\$ 121,046	\$ 6,698	\$ 13,516,401

December 31, 2024

	Not Past Due	0 to 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Gross carrying amount	\$ 13,866,446	\$ 929,645	\$ 538,073	\$ 156,820	\$ 202,510	\$ 15,693,494
Loss allowance (lifetime ECL)	(10,228)	(11,443)	(14,984)	(32,007)	(177,608)	(246,270)
Amortized cost	\$ 13,856,218	\$ 918,202	\$ 523,089	\$ 124,813	\$ 24,902	\$ 15,447,224

June 30, 2024

	Not Past Due	0 to 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Gross carrying amount	\$ 14,477,771	\$ 724,760	\$ 494,558	\$ 188,584	\$ 185,716	\$ 16,071,389
Loss allowance (lifetime ECL)	(7,695)	(4,140)	(13,583)	(37,109)	(185,716)	(248,243)
Amortized cost	<u>\$ 14,470,076</u>	<u>\$ 720,620</u>	<u>\$ 480,975</u>	<u>\$ 151,475</u>	<u>\$ –</u>	<u>\$ 15,823,146</u>

The movements of the loss allowance for doubtful accounts receivable were as follows:

	For the Six Months Ended June 30	
	2025	2024
Balance, beginning of the period	\$ 246,270	\$ 222,267
Recognized (Reversal)	(75)	33,014
Written-off	(1,944)	(14,927)
Effects of foreign currency exchange differences	(16,974)	7,889
Balance, end of the period	<u>\$ 227,277</u>	<u>\$ 248,243</u>

b. Other receivables

The Company and its subsidiaries' loss allowance is based on historical experience and current financial position. As of June 30, 2025, December 31, 2024, and June 30, 2024, the balance of the loss allowance of the Company and its subsidiaries was \$29,800 thousand.

9. INVENTORIES

	June 30, 2025	December 31, 2024	June 30, 2024
Raw materials	\$ 2,842,185	\$ 3,036,627	\$ 3,135,708
Supplies	141,076	148,483	139,928
Finished goods	4,643,853	4,933,117	4,927,839
Work in progress	140,730	86,790	222,277
Inventory in transit	306,481	328,008	449,216
	<u>\$ 8,074,325</u>	<u>\$ 8,533,025</u>	<u>\$ 8,874,968</u>

The cost of inventories recognized as operating costs for the three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024 was \$8,216,040 thousand, \$9,350,741 thousand, \$16,209,320 thousand and \$17,194,461 thousand, respectively, including write-downs of inventories of \$31,582 thousand, \$76,010 thousand, \$34,474 thousand and \$70,433 thousand, respectively.

10. NON-CURRENT ASSETS AND LIABILITIES HELD FOR SALE

In May 2023, the board of directors of the Company resolved to dispose of the entire equity interest held by its subsidiary Eternal (China) Investment Co., Ltd., in another subsidiary Eternal Optical Material (Suzhou) Co., Ltd. The disposal contract for the transaction was signed in February 2024, the trading counterparty was a non-related party, and the total transaction amount was RMB \$122,787 thousand. The disposal procedure had not been completed as of June 30, 2025. The relevant assets and liabilities attributed to the subsidiary were reclassified as disposal groups held for sale and presented separately in the consolidated balance sheets by the Company and its subsidiaries. The major classes of assets and liabilities of the disposal groups held for sale were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Cash and cash equivalents	\$ 26,573	\$ 28,238	\$ 27,678
Accounts receivable, net	1,715	2,262	2,179
Other receivables	–	6	–
Other current assets - others	425	659	724
Property, plant and equipment	43,555	52,893	57,257
Right-of-use assets	1,244	1,410	1,432
Investment properties	57,129	70,996	78,202
	<u>\$ 130,641</u>	<u>\$ 156,464</u>	<u>\$ 167,472</u>
Non-current assets held for sale			
Other payables - others	\$ 667	\$ 791	\$ 1,544
Other non-current liabilities	1,035	759	758
	<u>\$ 1,702</u>	<u>\$ 1,550</u>	<u>\$ 2,302</u>
Liabilities directly associated with non-current assets held for sale			

The sales price is higher than the carrying amount of the relevant net assets; therefore, no impairment loss should be recognized. The share transfer of the above transaction was completed in July 2025.

11. OTHER FINANCIAL ASSETS - CURRENT

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits with original maturities of more than three months	\$ 953,808	\$ 457,995	\$ 1,904,392
Restricted time deposit	49,928	15,000	22,371
	<u>\$ 1,003,736</u>	<u>\$ 472,995</u>	<u>\$ 1,926,763</u>

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT

	June 30, 2025	December 31, 2024	June 30, 2024
Domestic investments			
Listed shares			
President Securities Corp.	\$ 499,207	\$ 570,048	\$ 982,651
Unlisted shares			
Universal Venture Capital Investment Corp.	54,923	55,724	58,100
Research Innovation Capital Corporation	47,350	48,384	48,689
Winchain Material Technology Co., Ltd.	19,493	18,249	–
	<u>620,973</u>	<u>692,405</u>	<u>1,089,440</u>

	June 30, 2025	December 31, 2024	June 30, 2024
Foreign investments			
Unlisted shares			
Grace THW Holding Limited	\$ 182,276	\$ 336,684	\$ 295,053
TBG Diagnostics Limited	13,659	16,496	37,681
	<u>195,935</u>	<u>353,180</u>	<u>332,734</u>
	<u>\$ 816,908</u>	<u>\$ 1,045,585</u>	<u>\$ 1,422,174</u>

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

The Company participated in the cash capital increase of Research Innovation Capital Corporation, and as of June 30, 2025, the Company holds a 22.88% equity interest in it. Because the fundraising of Research Innovation Capital Corporation has not yet been completed, and taking into account the capital plan of Research Innovation Capital Corporation, the Company expects the percentage of ownership of Research Innovation Capital Corporation to be less than 20%. Therefore, the Company does not have a significant influence on Research Innovation Capital Corporation.

13. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements were as follows:

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Remarks
			June 30, 2025	December 31, 2024	June 30, 2024	
The Company	Eternal Holdings Inc.	International investment	100	100	100	1)
	Eternal Global (BVI) Co., Ltd.	International investment	100	100	100	1)
	Mixville Holdings Inc.	International investment	100	100	100	1)
	CHOU-KOU Materials Co., Ltd.	Selling, trading and providing services of resins material, electronic material and other related products; manufacturing and selling of dry film photoresist	100	100	100	1)
	Eternal Electronic Material (Thailand) Co., Ltd.	Trading services, cutting and selling of dry film photoresist	90	90	90	1)
	New E Materials Co., Ltd.	Researching, developing, manufacturing and selling of photoelectric, semiconductor process related electronic chemical materials and equipment spare parts	62.80	62.80	62.80	1)
	Eternal Precision Mechanics Co., Ltd.	Manufacturing and selling of vacuum laminator	70.20	70.20	84.48	2) and 4)
	Elga Europe S.r.l.	Manufacturing, selling, distribution and processing of electronic chemical products	95	72.68	72.68	1) and 3)
	Eternal Technology Corporation	Manufacturing and selling of photoresist; selling of chemical products	100	100	100.00	1)
	Eternal Global (BVI) Co., Ltd.	Eternal Chemical (China) Co., Ltd	100	100	100	
Eternal Holdings Inc.	Eternal International (BVI) Co., Ltd.	Manufacturing and selling of resins material and processing products	100	100	100	
	E-Chem Corp.	International investment	100	100	100	1)
	Eternal Nanyang Investment Co., Ltd.	International investment	90	90	90	1)
	PT Eternal Materials Indonesia	Trading of chemical products	67	67	67	1)
	Eternal Materials India Private Limited	Trading of chemical products	99	99	99	1)

(Continued)

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Remarks
			June 30, 2025	December 31, 2024	June 30, 2024	
Eternal International (BVI) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Managing, investing consulting services, researching, leasing, manufacturing and selling of resins material and photoelectric chemical materials	100	100	100	1)
E-Chem Corp.	Eternal Specialty Materials (Zhuhai) Co., Ltd.	Manufacturing and selling of acrylic resin and methacrylic acid	90	90	90	
	Eternal Materials India Private Limited	Trading of chemical products	1	1	1	1)
Eternal Nanyang Investment Co., Ltd.	Eternal Materials (Malaysia) Sdn. Bhd.	Manufacturing, selling, trading and providing services of resins material and chemical related products	100	100	100	1)
Mixville Holdings Inc.	High Expectation Limited	International investment	100	100	100	1)
High Expectation Limited	Eternal Materials (Guangdong) Co., Ltd.	Manufacturing and selling of adhesives, resins material and processing of products	100	100	100	1)
Eternal (China) Investment Co., Ltd.	Eternal Optical Material (Suzhou) Co., Ltd.	Manufacturing and selling of optical films, and leasing business	100	100	100	1) and Note 10
	Eternal Photoelectric Material Industry (Yingkou) Co., Ltd.	Researching, developing and manufacturing of photoresist dry film, liquid photo imagable solder masks and printed circuit board related materials	100	100	100	1)
	Eternal Synthetic Resins (Changshu) Co., Ltd.	Manufacturing and selling of unsaturated polyester resin	100	100	100	1)
	Eternal Chemical (Chengdu) Co., Ltd.	Researching, manufacturing and selling of resins material	100	100	100	1)
	Eternal Electronic (Suzhou) Co., Ltd.	Researching, developing, and manufacturing of dry film photoresist and dry film solder mask which used in electronic materials, researching resin materials and selling, providing after sales service of self-produced products	100	100	100	1)
	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Researching, developing, manufacturing and selling of electronic high-tech chemical and related products	100	100	100	
	Eternal Chemical (Tianjin) Co., Ltd.	Manufacturing and selling of adhesives, resins material and processing products	100	100	100	1)
	Eternal Specialty Materials (Suzhou) Co., Ltd.	Researching and developing chemical products, and selling, providing technical services of self-produced products	100	100	100	
	Elga Europe S.r.l.	Manufacturing, selling, distribution and processing of electronic chemical products	-	22.32	22.32	1) and 3)
	Eternal Material Industry (Tongling) Co., Ltd.	Manufacturing, selling and providing technical services of products related to resins material	100	100	100	1)
	Nikko-Materials Co., Ltd.	Manufacturing and selling of vacuum laminator	100	100	100	4)
	Eternal Precision Mechanics (Guangzhou) Co., Ltd.	Manufacturing and selling of calculators, telecommunication and other electronic equipment	100	100	100	4)

(Concluded)

- 1) This is an immaterial subsidiary for which its financial statements are not reviewed by the Company's independent auditors.
- 2) In the fourth quarter of 2024, the Company and its subsidiaries' percentage of ownership of the subsidiary Eternal Precision Mechanics Co., Ltd. reducing to 70.20% was mainly from the release of shares of the subsidiary and the employee share options of the subsidiary exercised by employees of the Company and its subsidiaries in 2024, etc.. The above transactions were accounted for as equity transactions since the Company and its subsidiaries did not change the control over the subsidiary.

3) The subsidiary Eternal (China) Investment Co., Ltd. had a reorganization in June 2025 to transfer the equity of subsidiary Elga Europe S.r.l. to the Company.

4) The subsidiary was included in the scope of review by the Company's independent auditors since the first quarter of 2025.

b. The Company and its subsidiaries did not have any subsidiary with material non-controlling interests.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2025	December 31, 2024	June 30, 2024
Associates that are not individually material	<u>\$ 2,636,496</u>	<u>\$ 2,741,654</u>	<u>\$ 2,741,449</u>

Information about associates that are not individually material was as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
The Company and its subsidiaries' share of				
Net profit for the period	\$ 94,043	\$ 106,271	\$ 204,689	\$ 188,899
Other comprehensive income for the period	(222,081)	18,036	(193,689)	84,921
Total comprehensive income for the period	<u>(\$ 128,038)</u>	<u>\$ 124,307</u>	<u>\$ 11,000</u>	<u>\$ 273,820</u>

Fair values (Level 1) of investments in associates with available published price quotation are summarized as follows:

<u>Name of Associate</u>	June 30, 2025	December 31, 2024	June 30, 2024
Daxin Materials Corporation	<u>\$ 6,165,022</u>	<u>\$ 4,370,724</u>	<u>\$ 3,455,012</u>

The Company and its subsidiaries held 50% ownership of Covestro Eternal Resins (Kunshan) Co., Ltd. but had no control over it. Therefore, Covestro Eternal Resins (Kunshan) Co., Ltd. was accounted for using the equity method and not included in the consolidated financial statements.

The Company and its subsidiaries' investments accounted for using the equity method as of June 30, 2025 and 2024 are based on the associates' financial statements which have not been reviewed by independent auditors for the same period.

Refer to Tables 7 and 8 for the main businesses and countries of incorporation of the associates that are not individually material.

15. PROPERTY, PLANT AND EQUIPMENT

For the Six Months Ended June 30, 2025

	Land	Buildings	Machinery and Equipment	Storage Equipment	Examination Equipment	Other Equipment	Construction in Progress and Equipment to be Inspected	Total
Carrying amount at January 1, 2025	\$ 2,944,696	\$ 5,579,589	\$ 6,421,167	\$ 699,950	\$ 467,719	\$ 252,063	\$ 4,471,095	\$20,836,279
Cost								
Balance at January 1, 2025	\$ 2,944,696	\$13,455,107	\$25,532,459	\$ 1,819,566	\$ 1,883,891	\$ 1,008,015	\$ 4,471,095	\$51,114,829
Additions	-	1,517,382	875,456	27,786	158,291	51,155	(1,105,816)	1,524,254
Disposals	-	(7,356)	(92,171)	(12,304)	(28,233)	(11,106)	(406)	(151,576)
Effect of foreign currency exchange difference	(13,927)	(901,279)	(1,377,587)	(99,938)	(57,763)	(77,596)	(380,953)	(2,909,043)
Balance at June 30, 2025	\$ 2,930,769	\$14,063,854	\$24,938,157	\$ 1,735,110	\$ 1,956,186	\$ 970,468	\$ 2,983,920	\$49,578,464
Accumulated depreciation and impairment								
Balance at January 1, 2025	\$ -	\$ 7,875,518	\$19,111,292	\$ 1,119,616	\$ 1,416,172	\$ 755,952	\$ -	\$30,278,550
Depreciation expense	-	266,681	618,677	40,806	60,579	35,046	-	1,021,789
Disposals	-	(6,135)	(83,189)	(6,630)	(26,317)	(9,574)	-	(131,845)
Effect of foreign currency exchange difference	-	(462,240)	(990,285)	(54,705)	(35,710)	(56,066)	-	(1,599,006)
Balance at June 30, 2025	\$ -	\$ 7,673,824	\$18,656,495	\$ 1,099,087	\$ 1,414,724	\$ 725,358	\$ -	\$29,569,488
Carrying amount at June 30, 2025	\$ 2,930,769	\$ 6,390,030	\$ 6,281,662	\$ 636,023	\$ 541,462	\$ 245,110	\$ 2,983,920	\$20,008,976

For the Six Months Ended June 30, 2024

	Land	Buildings	Machinery and Equipment	Storage Equipment	Examination Equipment	Other Equipment	Construction in Progress and Equipment to be Inspected	Total
Carrying amount at January 1, 2024	\$ 2,712,872	\$ 4,629,869	\$ 5,992,543	\$ 661,205	\$ 500,961	\$ 266,878	\$ 3,558,592	\$18,322,920
Cost								
Balance at January 1, 2024	\$ 2,712,872	\$11,774,346	\$23,535,543	\$ 1,688,065	\$ 1,817,490	\$ 954,402	\$ 3,558,592	\$46,041,310
Additions	211,941	670,440	953,482	68,962	55,193	19,821	(172,866)	1,806,973
Disposals	-	(5,849)	(67,730)	(8,869)	(21,839)	(15,587)	-	(119,874)
Transferred to investment properties	-	-	-	-	-	-	(261)	(261)
Effect of foreign currency exchange difference	4,810	372,218	616,895	46,155	22,665	31,257	123,015	1,217,015
Balance at June 30, 2024	\$ 2,929,623	\$12,811,155	\$25,038,190	\$ 1,794,313	\$ 1,873,509	\$ 989,893	\$ 3,508,480	\$48,945,163
Accumulated depreciation and impairment								
Balance at January 1, 2024	\$ -	\$ 7,144,477	\$17,543,000	\$ 1,026,860	\$ 1,316,529	\$ 687,524	\$ -	\$27,718,390
Depreciation expense	-	264,394	597,204	40,088	61,934	40,036	-	1,003,656
Disposals	-	(4,464)	(63,807)	(8,377)	(21,060)	(15,426)	-	(113,134)
Effect of foreign currency exchange difference	-	201,916	427,937	27,231	16,257	22,694	-	696,035
Balance at June 30, 2024	\$ -	\$ 7,606,323	\$18,504,334	\$ 1,085,802	\$ 1,373,660	\$ 734,828	\$ -	\$29,304,947
Carrying amount at June 30, 2024	\$ 2,929,623	\$ 5,204,832	\$ 6,533,856	\$ 708,511	\$ 499,849	\$ 255,065	\$ 3,508,480	\$19,640,216

The Company and its subsidiaries' property, plant and equipment are depreciated on a straight-line basis over their useful lives as follows:

Buildings	3-50 years
Machinery and equipment	2-20 years
Storage equipment	2-20 years
Examination equipment	5-15 years
Other equipment	2-15 years

Refer to Note 31 for the amounts of property, plant and equipment pledged by the Company and its subsidiaries as collateral for bank borrowings.

Land (including those recorded as investment properties) held by the Company was revalued in 1980, 1990, 1997 and 2004, and as of June 30, 2025, December 31, 2024 and June 30, 2024, the revaluation increments of the land were \$1,973,324 thousand.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amounts			
Land	\$ 1,336,271	\$ 1,474,866	\$ 1,450,302
Buildings	56,430	72,515	88,246
Machinery and equipment	64,050	77,071	86,530
Storage equipment	17,308	10,419	13,454
Other equipment	26,390	23,805	14,160
	<u>\$ 1,500,449</u>	<u>\$ 1,658,676</u>	<u>\$ 1,652,692</u>

For the Six Months Ended June 30	
2025	2024
\$ 26,558	\$ 5,100

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Depreciation expense for right-of-use assets				
Land	\$ 8,649	\$ 8,745	\$ 17,720	\$ 17,292
Buildings	9,663	9,893	19,623	19,840
Machinery and equipment	6,003	6,056	12,063	12,240
Storage equipment	2,370	1,729	4,150	3,383
Other equipment	2,456	2,415	4,951	4,903
	\$ 29,141	\$ 28,838	\$ 58,507	\$ 57,658

In addition, part of the land use rights located in mainland China is subleased under operating leases, and the relevant right-of-use assets are recorded as investment properties, refer to Note 17 for the details.

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amounts			
Current	\$ 62,610	\$ 72,465	\$ 76,018
Non-current	\$ 93,857	\$ 111,542	\$ 125,674

Range of discount rate (%) for lease liabilities was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Land	1.72~6.66	1.72~6.66	1.72~6.66
Buildings	0.86~5.42	0.86~6.09	0.86~6.09
Machinery and equipment	1.81~6.04	1.81~6.04	1.81~6.04
Storage equipment	0.22~6.58	0.22~6.58	0.22~6.58
Other equipment	0.86~6.16	0.69~6.16	0.69~6.16

c. Material lease activities and terms

Major lease arrangements of the Company and its subsidiaries are land use rights contracts with original lease terms of 39 to 56 years.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Expenses relating to short-term and low-value asset leases	\$ 39,898	\$ 42,963	\$ 78,810	\$ 82,566
			For the Six Months Ended June 30	
			2025	2024
Total cash outflow for all lease arrangements (including short-term and low-value asset leases)			\$ 130,315	\$ 129,525

17. INVESTMENT PROPERTIES

For the Six Months Ended June 30, 2025

	Land	Buildings	Right-of-use Assets	Total
Carrying amount at January 1, 2025	\$ 49,495	\$1,119,428	\$ 62,568	\$1,231,491
<u>Cost</u>				
Balance at January 1, 2025	\$ 49,495	\$1,475,635	\$ 75,930	\$1,601,060
Additions	-	309	-	309
Effects of foreign currency exchange differences	(764)	(144,557)	(7,789)	(153,110)
Balance at June 30, 2025	\$ 48,731	\$1,331,387	\$ 68,141	\$1,448,259

(Continued)

	Land	Buildings	Right-of-use Assets	Total
<u>Accumulated depreciation and impairment</u>				
Balance at January 1, 2025	\$ –	\$ 356,207	\$ 13,362	\$ 369,569
Depreciation expense	–	20,977	1,071	22,048
Effect of foreign currency exchange differences	–	(36,427)	(1,443)	(37,870)
Balance at June 30, 2025	<u>\$ –</u>	<u>\$ 340,757</u>	<u>\$ 12,990</u>	<u>\$ 353,747</u>
Carrying amount at June 30, 2025	<u>\$ 48,731</u>	<u>\$ 990,630</u>	<u>\$ 55,151</u>	<u>\$1,094,512</u>

For the Six Months Ended June 30, 2024

	Land	Buildings	Right-of-use Assets	Total
Carrying amount at January 1, 2024	<u>\$ 50,923</u>	<u>\$1,108,809</u>	<u>\$ 61,590</u>	<u>\$1,221,322</u>
<u>Cost</u>				
Balance at January 1, 2024	\$ 50,923	\$1,407,452	\$ 72,174	\$1,530,549
Transferred from property, plant and equipment	–	261	–	261
Effects of foreign currency exchange differences	(2,325)	63,669	3,630	64,974
Balance at June 30, 2024	<u>\$ 48,598</u>	<u>\$1,471,382</u>	<u>\$ 75,804</u>	<u>\$1,595,784</u>
<u>Accumulated depreciation and impairment</u>				
Balance at January 1, 2024	\$ –	\$ 298,643	\$ 10,584	\$ 309,227
Depreciation expense	–	21,209	1,077	22,286
Effect of foreign currency exchange differences	–	13,733	567	14,300
Balance at June 30, 2024	<u>\$ –</u>	<u>\$ 333,585</u>	<u>\$ 12,228</u>	<u>\$ 345,813</u>
Carrying amount at June 30, 2024	<u>\$ 48,598</u>	<u>\$1,137,797</u>	<u>\$ 63,576</u>	<u>\$1,249,971</u>

(Concluded)

The investment properties were leased for terms of 1 to 10 years.

The maturity analysis of lease payments receivable under operating leases of investment properties is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Year 1	\$ 152,738	\$ 160,277	\$ 174,159
Year 2	148,063	160,918	160,003
Year 3	147,426	159,291	156,789
Year 4	124,758	151,913	159,492
Year 5	25,664	91,598	134,274
Year 6 onwards	3,001	2,315	26,956
	<u>\$ 601,650</u>	<u>\$ 726,312</u>	<u>\$ 811,673</u>

The fair value of the major of the subsidiaries' right-of-use assets and buildings located in China was evaluated by independent appraisers. The rest of investment properties were evaluated by the management of the Company and its subsidiaries using the income approach and by reference to market evidence of transaction prices for similar properties, the evaluation was using the Level 3 approach. The fair values were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value	<u>\$ 2,972,958</u>	<u>\$ 3,276,521</u>	<u>\$ 3,252,747</u>

The following items of investment properties are depreciated on a straight-line basis over their useful lives as follows:

Buildings	20-50 years
Right-of-use assets	34-36 years

Operating income and expenses directly related to investment properties

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Rental income	<u>\$ 37,824</u>	<u>\$ 53,157</u>	<u>\$ 76,644</u>	<u>\$ 101,929</u>
Operating expenses directly related to investment properties	<u>\$ 21,158</u>	<u>\$ 28,322</u>	<u>\$ 43,000</u>	<u>\$ 50,065</u>

18. INTANGIBLE ASSETS

For the Six Months Ended June 30, 2025

	Goodwill	Expertise	Customer Relationships	Computer Software	Others	Total
Carrying amount at January 1, 2025	\$ 29,174	\$ –	\$ –	\$182,535	\$ 4,873	\$216,582
<u>Cost</u>						
Balance at January 1, 2025	\$ 66,174	\$127,513	\$ –	\$262,820	\$104,929	\$561,436
Additions	–	–	–	–	153	153
Derecognition	–	–	–	–	(309)	(309)
Effects of foreign currency exchange differences	(694)	–	–	(306)	(396)	(1,396)
Balance at June 30, 2025	\$ 65,480	\$127,513	\$ –	\$262,514	\$104,377	\$559,884
<u>Accumulated amortization and impairment</u>						
Balance at January 1, 2025	\$ 37,000	\$127,513	\$ –	\$ 80,285	\$100,056	\$344,854
Amortization expense	–	–	–	7,778	552	8,330
Derecognition	–	–	–	–	(309)	(309)
Effects of foreign currency exchange differences	–	–	–	(112)	(5)	(117)
Balance at June 30, 2025	\$ 37,000	\$127,513	\$ –	\$ 87,951	\$100,294	\$352,758
Carrying amount at June 30, 2025	\$ 28,480	\$ –	\$ –	\$174,563	\$ 4,083	\$207,126

For the Six Months Ended June 30, 2024

	Goodwill	Expertise	Customer Relationships	Computer Software	Others	Total
Carrying amount at January 1, 2024	\$ 30,474	\$ –	\$ –	\$195,164	\$ 6,005	\$231,643
<u>Cost</u>						
Balance at January 1, 2024	\$ 67,474	\$127,513	\$ 104,038	\$259,886	\$101,913	\$660,824
Additions	–	–	–	2,449	149	2,598
Derecognition	–	–	–	–	(282)	(282)
Effects of foreign currency exchange differences	(2,115)	–	–	(154)	7,999	5,730
Balance at June 30, 2024	\$ 65,359	\$127,513	\$ 104,038	\$262,181	\$109,779	\$668,870
<u>Accumulated amortization and impairment</u>						
Balance at January 1, 2024	\$ 37,000	\$127,513	\$ 104,038	\$ 64,722	\$ 95,908	\$429,181
Amortization expense	–	–	–	7,742	1,024	8,766
Derecognition	–	–	–	–	(282)	(282)
Effects of foreign currency exchange differences	–	–	–	(116)	7,765	7,649
Balance at June 30, 2024	\$ 37,000	\$127,513	\$ 104,038	\$ 72,348	\$104,415	\$445,314
Carrying amount at June 30, 2024	\$ 28,359	\$ –	\$ –	\$189,833	\$ 5,364	\$223,556

The Company and its subsidiaries will test the recoverable amount of goodwill at the end of the annual financial reporting period.

The Company and its subsidiaries' intangible assets (other than Goodwill) are amortized on a straight-line basis over their estimated useful lives as follows:

Expertise	9 years
Customer relationships	7 years
Computer software	2-20 years
Other intangible assets	3-20 years

19. FINANCE LEASE RECEIVABLES

The lease period of the Company and its subsidiaries' lease contracts for both renovation works and machinery and equipment is ten-year, and the implicit interest rate range of the leases is 4.82%-6.23%. The Company and its subsidiaries entered into a lease agreement with an associate Allnex - Eternal Resins (Guangdong) Co., Ltd. for the leasing out of machinery and equipment for ten years, and the implicit interest rate in the lease was 6.23%. This agreement was deemed as a sales agreement. The gain on disposal will be deferred and subsequently recognized as profit over the lease term. The balance of finance lease receivables from related parties generated from the aforementioned transactions was \$5,404 thousand, \$7,971 thousand, and \$7,957 thousand as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

The Company and its subsidiaries measured the loss allowance of the finance lease receivables based on lifetime expected credit losses. As of June 30, 2025, December 31, 2024 and June 30, 2024, no loss allowance was recognized.

The composition of finance lease receivables (including related parties) is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Undiscounted lease payments			
Year 1	\$ 17,287	\$ 19,555	\$ 19,231
Year 2	17,462	19,458	19,523
Year 3	17,375	19,361	19,425
Year 4	15,449	19,263	19,328
Year 5	12,874	17,215	17,186
Year 6 onwards	–	4,303	14,323
	<u>80,447</u>	<u>99,155</u>	<u>109,016</u>
Less: Unearned financial income	(8,548)	(11,795)	(13,812)
Finance lease receivable (recorded as other non-current assets - others)	<u>\$ 71,899</u>	<u>\$ 87,360</u>	<u>\$ 95,204</u>

20. BORROWINGS

a. Short-term borrowings

Type of Borrowings	Interest Rate Range (%)	Amount
June 30, 2025		
Mortgage secured loans	0.95~1.40	\$ 298,698
Unsecured loans	1.19~5.52	3,747,333
Purchase loans	5.15~5.41	222,767
Secured loans	3.19~5.71	<u>1,486,072</u>
		<u>\$ 5,754,870</u>

Type of Borrowings	Interest Rate Range (%)	Amount
December 31, 2024		
Mortgage secured loans	0.65~1.30	\$ 442,816
Unsecured loans	0.77~5.52	3,312,362
Purchase loans	4.45~6.10	385,403
Secured loans	4.18~5.71	1,557,283
		<u>\$ 5,697,864</u>
June 30, 2024		
Mortgage secured loans	1.12~2.30	\$ 235,254
Unsecured loans	0.60~6.15	2,293,527
Purchase loans	4.25~6.46	298,471
Secured loans	4.18~5.06	1,560,331
		<u>\$ 4,387,583</u>

b. Long-term borrowings

Type of Borrowings	Agreement Period and Interest Payable Schedule	Interest Rate Range (%)	Amount
June 30, 2025			
Mortgage secured loans	From December 17, 2010 to April 15, 2029. Interest is paid based on schedule.	1.60~5.49	\$ 8,013
Secured loans	From July 14, 2023 to April 1, 2031. Interest is paid based on schedule.	2.60~5.12	2,492,253
Unsecured loans	From August 23, 2022 to June 3, 2029. Interest is paid based on schedule.	1.83~2.65	10,186,059
			<u>12,686,325</u>
Less: Current portion			<u>(1,900,503)</u>
			<u>\$ 10,785,822</u>
December 31, 2024			
Mortgage secured loans	From December 17, 2010 to April 15, 2029. Interest is paid based on schedule.	1.60~5.49	\$ 14,261
Secured loans	From July 14, 2023 to April 1, 2031. Interest is paid based on schedule.	2.70~5.35	2,395,686
Unsecured loans	From April 26, 2022 to June 3, 2029. Interest is paid based on schedule.	1.43~3.15	9,953,816
			<u>12,363,763</u>
Less: Current portion			<u>(2,604,571)</u>
			<u>\$ 9,759,192</u>

(Continued)

Type of Borrowings	Agreement Period and Interest Payable Schedule	Interest Rate Range (%)	Amount
June 30, 2024			
Mortgage secured loans	From December 17, 2010 to April 15, 2029. Interest is paid based on schedule.	1.60 ~ 5.49	\$ 20,736
Secured loans	From July 14, 2023 to April 1, 2031. Interest is paid based on schedule.	3.05 ~ 6.20	2,044,147
Unsecured loans	From October 26, 2021 to June 3, 2029. Interest is paid based on schedule.	1.24 ~ 3.50	10,355,007
			<hr/> 12,419,890
Less: Current portion			<hr/> (1,304,197)
			<hr/> \$ 11,115,693
			(Concluded)

c. Facility agreements and financial covenants

- 1) During the period of the below credit facility agreements, the Company and its subsidiaries made agreements with the creditors that the current ratio, liability ratio, interest coverage ratio and net tangible assets of the consolidated financial statements will be maintained within a certain specified ratio or amount and reviewed at least once a year. If the Company and its subsidiaries breach these clauses, the bank and syndicated banks can cancel the credit line or declare that part or all of the loan together with accrued interest is immediately due. The Company and its subsidiaries were in compliance with the syndicated credit facility agreements based on the consolidated financial statements for the years ended December 31, 2024 and 2023.
- 2) As of June 30, 2025, the Company and its subsidiaries utilized the credits under signed facility agreements of the following banks.

Bank	Currency	Credit line
HSBC Bank (Taiwan) Limited	NTD	\$ 1,100,000

- 3) As of June 30, 2025, the Company and its subsidiaries executed syndicated credit facility agreements with the following banks:

In June 2024, the Company entered into a syndicated credit facility agreement with ten banks led by E.SUN Commercial Bank Ltd. for a NT\$6,120,000 thousand credit line; the proceeds are for repaying the existing liabilities and expanding medium-term working capital.

In October 2023, the subsidiary entered into a syndicated credit facility agreement with five banks led by CTBC Bank Co., Ltd. for a US\$60,000 thousand credit line; the proceeds are for expanding medium-term working capital and repaying the existing liabilities.

- 4) Refer to Note 31 for the assets pledged as collateral for bank borrowings of the Company and its subsidiaries.

d. Bonds Payable

	June 30, 2025	December 31, 2024	June 30, 2024
5 year secured bonds - issued at par value Issued in November 2019; annual interest rate at 0.82%; principal repayable at maturity and interest payable annually	\$ -	\$ -	\$ 3,000,000
Less: Issuance cost	-	-	(427)
	<u>-</u>	<u>-</u>	<u>2,999,573</u>
5 year secured bonds - issued at par value Issued in August 2021; annual interest rate at 0.58%; principal repayable at maturity and interest payable annually	2,500,000	2,500,000	2,500,000
Less: Issuance cost	(1,225)	(1,748)	(2,278)
	<u>2,498,775</u>	<u>2,498,252</u>	<u>2,497,722</u>
	2,498,775	2,498,252	5,497,295
Less: Current portion	-	-	(2,999,573)
	<u>\$ 2,498,775</u>	<u>\$ 2,498,252</u>	<u>\$ 2,497,722</u>

In October 2019, the Company entered into a syndicated guarantee facility agreement with four banks led by the Bank of Taiwan for a NT\$3,024,600 thousand credit line; the proceeds are for the repayment of existing borrowings.

In July 2021, the Company entered into a syndicated credit facility agreement with nine banks including E.SUN Commercial Bank, Ltd. and the Bank of Taiwan for a NT\$6,660,000 thousand credit line; the proceeds are for the repayment of bank borrowings and the expansion of medium-term working capital.

21. RETIREMENT BENEFIT PLANS

For the three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024, the pension expenses of defined benefit plans were \$4,635 thousand, \$5,396 thousand, \$9,280 thousand and \$10,792 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2024 and 2023, respectively.

22. EQUITY

a. Share capital

	June 30, 2025	December 31, 2024	June 30, 2024
Number of shares authorized (in thousands)	1,800,000	1,800,000	1,800,000
Shares authorized	<u>\$ 18,000,000</u>	<u>\$ 18,000,000</u>	<u>\$ 18,000,000</u>
Number of shares issued and fully paid (in thousands)	1,178,266	1,178,266	1,178,266
Shares issued	<u>\$ 11,782,655</u>	<u>\$ 11,782,655</u>	<u>\$ 11,782,655</u>

b. Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
May be used to offset deficit, distributed as cash or transferred to share capital (Note 1)			
Additional paid-in capital	\$ 309,017	\$ 309,017	\$ 309,017
Treasury share transactions	19,642	19,642	19,642
Difference between the consideration received or paid and the carrying amount of the subsidiaries during actual disposal or acquisition	<u>465,834</u>	<u>701,487</u>	<u>12,872</u>
	<u>794,493</u>	<u>1,030,146</u>	<u>341,531</u>
May be used to offset deficit only			
Share of changes in equities of associates or joint ventures	30,215	26,867	27,357
Changes in percentage of ownership interests in subsidiaries (Note 2)	293,249	293,249	293,249
Others	<u>58</u>	<u>58</u>	<u>58</u>
	<u>323,522</u>	<u>320,174</u>	<u>320,664</u>
May not be used for any purpose			
Share of changes in equities of associates or joint ventures	<u>—</u>	<u>3,348</u>	<u>3,348</u>
	<u>\$ 1,118,015</u>	<u>\$ 1,353,668</u>	<u>\$ 665,543</u>

Note 1: The capital surplus could be used to offset a deficit or distributed as cash dividends or transferred to capital when the Company has no deficit (limited to a certain percentage of the Company's paid-in capital per year).

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

c. Retained earnings and dividend policy

The Company's Articles stipulate that annual profit should be utilized in the following order:

- 1) Payment of income tax.
- 2) Offset accumulated deficit.
- 3) Appropriate as legal reserve 10% of the remaining profit, until the accumulated legal reserve equals the paid-in capital.
- 4) Setting aside or reversing a special reserve in accordance with the shareholders' meeting or as requested by the authorities.
- 5) The remainder along with the unappropriated earnings are considered as distributable earnings. In accordance with the dividend policy, the proposal of earnings appropriation is prepared by the board of directors and resolved in the shareholders' meeting.

The Company explicitly stipulates in the Articles of Incorporation to authorize the distributable dividends and bonuses in accordance with Article 240 of Company Act, or the legal reserve and capital surplus stipulated in Paragraph 1 of Article 241 of Company Act, in whole or in part may be paid in cash after a resolution has been approved by more than half of the directors with the attendance of more than two-thirds of the total number of directors, and a report of such distribution shall be submitted to the shareholders' meeting.

The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's fully paid share capital, the excess may be transferred to capital or distributed in cash.

As the Company elected to use the exemptions in IFRS 1, \$426,930 thousand was set aside as special reserve. However, as some of the previously disclosed assets were disposed of in September 2021, \$645 thousand was reversed from the special reserve. Therefore, as of June 30, 2025, December 31, 2024 and June 30, 2024, the special reserve was \$426,285 thousand.

The appropriations of earnings for 2024 and 2023 were as follows:

	Appropriations of Earnings		Dividends Per Share (NT\$)	
	For the Year		For the Year	
	Ended December 31		Ended December 31	
	2024	2023	2024	2023
Legal reserve	\$ 221,462	\$ 147,349		
Special reserve (reversal)	(932,504)	381,188		
Cash dividends	1,178,265	942,612	\$ 1.0	\$ 0.8

In March, 2025, the Company's board of directors resolved to distribute the cash dividends of \$235,653 thousand from its capital surplus, at 0.2 per share.

The above appropriations for cash dividends were resolved by the Company's board of directors in March 2025 and 2024, respectively. The other proposed appropriations were resolved by the shareholders in their meeting in June 2025 and 2024, respectively.

d. Other equity items

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

	For the Six Months Ended June 30	
	2025	2024
Balance, beginning of the period	(\$ 278,845)	(\$ 1,886,840)
Recognized for the period		
Exchange differences on translation of the financial statements of foreign operations	(2,830,737)	1,282,899
Share of exchange differences of associates and joint ventures accounted for using the equity method	(195,141)	83,336
Other comprehensive income (loss) for the period	(3,025,878)	1,366,235
Disposal of partial interest in subsidiaries (without losing control)	—	464
Balance, end of the period	(\$ 3,304,723)	(\$ 520,141)

Exchange differences on the translation of the financial statements of foreign operations arose mainly due to the impact of the exchange rate fluctuations of the RMB to the NTD on the subsidiaries which the Company and its subsidiaries invested in mainland China.

2) Unrealized gains and losses on financial assets at FVTOCI

	For the Six Months Ended June 30	
	2025	2024
Balance, beginning of the period	\$ 538,947	\$ 528,051
Recognized for the period		
Unrealized gains and losses - equity instruments	(202,056)	370,488
Reclassification adjustments		
Cumulative unrealized gains and losses of equity instruments transferred to retained earnings due to disposal	—	1,105
Balance, end of the period	\$ 336,891	\$ 899,644

e. Non-controlling interests

	For the Six Months Ended June 30	
	2025	2024
Balance, beginning of the period	\$ 676, 565	\$ 481, 339
Share of net profit for the period	31, 347	24, 357
Other comprehensive income (loss) for the period		
Exchange differences on translation of the financial statements of foreign operations	(18, 897)	(5, 519)
Remeasurements of defined benefit plans	–	(33)
Dividends distributed by subsidiaries	(63, 325)	–
Non-controlling interests arising from capital increase in proportion to the existing ownership percentage of a subsidiary	45, 617	–
Non-controlling interests arising from capital increase not in proportion to the existing ownership percentage of a subsidiary	–	1, 406
Disposal of partial interest in subsidiaries (without losing control)	–	2, 367
Balance, end of the period	<u>\$ 671, 307</u>	<u>\$ 503, 917</u>

f. Treasury shares

Unit: Thousand Shares

	For the Six Months Ended June 30 2025
Number of shares, beginning of the period	–
Increase during the period	<u>4, 846</u>
Number of shares, end of the period	<u><u>4, 846</u></u>

In May 2025, the Company's board of directors resolved to repurchase shares to maintain the Company's credit and shareholders' equity. From May 12, 2025 to July 11, 2025, a total of 10,000 thousand ordinary shares outstanding are planned to be repurchased and then cancelled. As of June 30, 2025, the Company repurchased 4,846 thousand shares for a total of \$122,758 thousand.

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

23. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Revenue from contracts with customers				
Revenue from the sale of goods	\$10,365,077	\$11,516,329	\$20,387,807	\$21,489,707
Lease revenue	39,654	53,257	77,578	100,424
	<u>\$10,404,731</u>	<u>\$11,569,586</u>	<u>\$20,465,385</u>	<u>\$21,590,131</u>

Contract balances

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Notes and accounts receivable	<u>\$ 13,516,401</u>	<u>\$ 15,447,224</u>	<u>\$ 15,823,146</u>	<u>\$ 15,213,220</u>
Contract liabilities				
Sale of goods	<u>\$ 350,304</u>	<u>\$ 597,286</u>	<u>\$ 604,936</u>	<u>\$ 873,877</u>

The changes in the balance of contract liabilities resulted primarily from the difference in timing between the satisfaction of performance obligations and customer payment.

Revenue recognized in the current period from the balance of contract liabilities at the beginning of the year is as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
From the balance of contract liabilities at the beginning of the year				
Sale of goods	<u>\$ 132,438</u>	<u>\$ 211,458</u>	<u>\$ 429,816</u>	<u>\$ 481,846</u>

24. PROFIT BEFORE INCOME TAX

a. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Interest on bank deposits	\$ 22,247	\$ 26,150	\$ 40,861	\$ 48,301
Others	1,359	1,952	3,880	4,425
	<u>\$ 23,606</u>	<u>\$ 28,102</u>	<u>\$ 44,741</u>	<u>\$ 52,726</u>

b. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Subsidy income	\$ 29,163	\$ 37,937	\$ 66,022	\$ 70,309
Others	36,939	32,813	72,522	107,619
	<u>\$ 66,102</u>	<u>\$ 70,750</u>	<u>\$ 138,544</u>	<u>\$ 177,928</u>

c. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Loss on disposal of property, plant and equipment	(\$ 2,809)	(\$ 2,346)	(\$ 6,821)	(\$ 3,587)
Gain on financial assets				
Financial assets at FVTPL	1,767	1,430	5,721	2,258
Finance fees	(8,834)	(12,016)	(17,582)	(24,735)
Net foreign exchange gains and losses	(77,241)	5,897	(48,882)	21,103
Others	(9,805)	(9,575)	(17,684)	(18,237)
	<u>(\$ 96,922)</u>	<u>(\$ 16,610)</u>	<u>(\$ 85,248)</u>	<u>(\$ 23,198)</u>

d. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Interest Expense				
Interest on loans	\$ 119,060	\$ 121,228	\$ 245,775	\$ 237,095
Interest on lease liabilities	1,088	1,239	2,151	2,582
Less: Amounts included in the cost of qualifying assets	(6,989)	(10,235)	(20,088)	(18,835)
	<u>\$ 113,159</u>	<u>\$ 112,232</u>	<u>\$ 227,838</u>	<u>\$ 220,842</u>

Information about capitalized interest was as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Capitalized interest amount	<u>\$ 6,989</u>	<u>\$ 10,235</u>	<u>\$ 20,088</u>	<u>\$ 18,835</u>
Capitalization rates (%)	2.03~3.05	1.87~3.50	2.00~3.05	1.75~3.50

e. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Property, plant and equipment	\$ 501,212	\$ 511,041	\$ 1,021,789	\$ 1,003,656
Investment properties	10,720	11,265	22,048	22,286
Right-of-use assets	29,141	28,838	58,507	57,658
Intangible assets	4,083	4,432	8,330	8,766
Others	5,529	6,055	11,487	12,004
	<u>\$ 550,685</u>	<u>\$ 561,631</u>	<u>\$ 1,122,161</u>	<u>\$ 1,104,370</u>
Analysis of depreciation by function				
Operating costs	\$ 420,600	\$ 437,667	\$ 857,471	\$ 851,655
Operating expenses	125,900	119,255	256,145	243,397
	<u>\$ 546,500</u>	<u>\$ 556,922</u>	<u>\$ 1,113,616</u>	<u>\$ 1,095,052</u>
Analysis of amortization by function				
Operating costs	\$ 344	\$ 344	\$ 713	\$ 648
Operating expenses	3,841	4,365	7,832	8,670
	<u>\$ 4,185</u>	<u>\$ 4,709</u>	<u>\$ 8,545</u>	<u>\$ 9,318</u>

f. Employee benefits

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits				
Salaries	\$ 1,004,635	\$ 987,138	\$ 2,040,274	\$ 1,947,303
Labor and health insurance	91,396	88,547	183,022	180,035
Others	88,637	93,044	173,079	175,621
	<u>1,184,668</u>	<u>1,168,729</u>	<u>2,396,375</u>	<u>2,302,959</u>
Post-employment benefits				
Defined contribution plans	67,478	53,548	138,834	116,971
Defined benefit plans (Note 21)	4,635	5,396	9,280	10,792
	<u>72,113</u>	<u>58,944</u>	<u>148,114</u>	<u>127,763</u>
	<u>\$ 1,256,781</u>	<u>\$ 1,227,673</u>	<u>\$ 2,544,489</u>	<u>\$ 2,430,722</u>
Analysis of employee benefits by function				
Operating costs	\$ 555,203	\$ 562,279	\$ 1,139,743	\$ 1,106,162
Operating expenses	701,578	665,394	1,404,746	1,324,560
	<u>\$ 1,256,781</u>	<u>\$ 1,227,673</u>	<u>\$ 2,544,489</u>	<u>\$ 2,430,722</u>

g. Compensation of employees and remuneration of directors

The Company distributed the compensation of employees and remuneration of directors at rates of 4.5% (inclusive)-5.5% and no higher than 1%, respectively, of pre-tax profit prior to the deduction of the compensation of employees and remuneration of directors. In accordance with the amendment to the Securities and Exchange Act in August 2024, the amendment to the Articles of Incorporation of the Company were resolved in the shareholders' meeting in 2025. The amendment explicitly stipulates that no less than 20% of the above compensation of employees shall be distributed to frontline employees. The accrual amounts of compensation of employees and remuneration of directors are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Compensation of employees	\$ 18,280	\$ 24,645	\$ 37,200	\$ 49,500
Remuneration of directors	\$ 2,665	\$ 3,525	\$ 5,400	\$ 7,110

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

The compensation of employees and remuneration of directors (all in cash) approved by the Company's board of directors in March 2025 and 2024, respectively, and accrual amounts recognized in the consolidated financial statements were as follows:

	For the Year Ended December 31			
	2024		2023	
	Compensation of employees	Remuneration of Directors	Compensation of employees	Remuneration of Directors
Amounts approved in the board of directors' meeting	\$ 101,358	\$ 14,641	\$ 79,662	\$ 11,507
Amounts recognized in the financial statements	101,676	14,642	80,000	11,300
Difference	(\$ 318)	(\$ 1)	(\$ 338)	\$ 207

The differences were adjusted to profit and loss for the years ended December 31, 2025 and 2024, respectively.

Information on the compensation of employees and remuneration of directors approved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

25. INCOME TAX

a. Income tax expense (benefit) recognized in profit or loss

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Current tax	\$ 220,104	\$ 212,485	\$ 390,608	\$ 413,896
Deferred tax	(89,558)	(32,707)	(81,077)	12,548
	<u>\$ 130,546</u>	<u>\$ 179,778</u>	<u>\$ 309,531</u>	<u>\$ 426,444</u>

b. Income tax expense (benefit) recognized in other comprehensive income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Deferred tax				
In respect of the current period				
Remeasurement of defined benefit plans	\$ -	(\$ 293)	\$ -	(\$ 293)
Remeasurement of defined benefit plans of subsidiaries, associates and joint ventures accounted for using the equity method	-	(86)	-	(86)
Unrealized gains and losses on financial assets at fair value through other comprehensive income	(508)	21	(567)	(149)
	<u>(\$ 508)</u>	<u>(\$ 358)</u>	<u>(\$ 567)</u>	<u>(\$ 528)</u>

c. Income tax assessment

The income tax returns of the Company and the subsidiaries in Taiwan have been assessed by the tax authorities through 2022 and 2023.

d. Pillar Two income tax legislation

As of June 30, 2025, with regard to the impacts of the tax jurisdictions where the Pillar Two legislation has been enacted or substantially enacted but has not yet come to effect, the Company and its subsidiaries are continuously assessing of the above potential exposure and will disclose the relevant impact when the assessment is completed.

26. EARNINGS PER SHARE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Basic earnings per share	\$ 0.30	\$ 0.38	\$ 0.60	\$ 0.76
Diluted earnings per share	\$ 0.30	\$ 0.38	\$ 0.59	\$ 0.75

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

Net Profit for the period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Net profit for the period attributable to owners of the Company	\$ 352,936	\$ 445,472	\$ 702,091	\$ 891,190

Number of ordinary shares

Unit: Thousand Shares

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,176,176	1,178,266	1,177,221	1,178,266
Effect of potentially dilutive ordinary shares				
Compensation of employees	1,550	1,602	2,987	2,489
Weighted average number of ordinary shares used in the computation of diluted earnings per share	1,177,726	1,179,868	1,180,208	1,180,755

Since the Company is allowed to settle the compensation paid to employees by cash or shares, the Company assumed that the entire amount of the compensation will be settled in shares and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the shares have a dilutive effect. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees in the meeting in the following year.

27. CASH FLOW INFORMATION

a. Information on investment activities

	For the Six Months Ended June 30	
	2025	2024
Additions of property, plant and equipment	\$ 1,524,254	\$ 1,806,973
Decrease in payables for equipment	203,802	72,707
	1,728,056	1,879,680
Capitalized interest	(20,088)	(18,835)
Cash paid	\$ 1,707,968	\$ 1,860,845

b. Changes in major liabilities arising from financing activities

For the six months ended June 30, 2025

	January 1, 2025	Cash Flows	Non-cash Changes		June 30, 2025
			Exchange Rate Adjustment	Issuance Cost	
Short-term borrowings	\$ 5,697,864	\$ 273,142	(\$ 216,136)	\$ -	\$ 5,754,870
Long-term borrowings	12,363,763	692,353	(369,791)	-	12,686,325
Bonds payable	2,498,252	-	-	523	2,498,775

For the six months ended June 30, 2024

	January 1, 2024	Cash Flows	Non-cash Changes		June 30, 2024
			Exchange Rate Adjustment	Issuance Cost	
Short-term borrowings	\$ 5,557,448	(\$ 1,259,663)	\$ 89,798	\$ -	\$ 4,387,583
Long-term borrowings	10,103,044	2,240,711	76,135	-	12,419,890
Bonds payable	5,496,172	-	-	1,123	5,497,295

28. CAPITAL MANAGEMENT

The Company and its subsidiaries' objectives in capital management are to safeguard the Company and its subsidiaries' ability to continue as a going concern and to provide reasonable returns to shareholders, to maintain an optimal capital structure and to reduce the cost of capital. The Company's capital management policy is to maintain a strong capital base that maintains the confidence of investors, creditors and the market, as well as support future operations. Capital includes the Company's shares, capital surplus, and retained earnings.

29. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

Financial assets and liabilities that are not measured at fair value are of short-term duration and are usually repriced at the current market interest rate. Either their carrying amounts are close to their fair values, or their fair values could not be reliably measured.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

	Level 1	Level 2	Level 3	Total
<u>June 30, 2025</u>				
Financial instruments at FVTPL				
Structured deposit	\$ –	\$ 205,525	\$ –	\$ 205,525
Mutual funds	\$ –	\$ –	\$ 8,196	\$ 8,196
Financial instruments at FVTOCI				
Equity instruments				
Domestic and foreign listed shares	\$ 499,207	\$ –	\$ –	\$ 499,207
Domestic and foreign unlisted shares	\$ –	\$ –	\$ 317,701	\$ 317,701
<u>December 31, 2024</u>				
Financial instruments at FVTPL				
Structured deposit	\$ –	\$ 822,964	\$ –	\$ 822,964
Mutual funds	\$ –	\$ –	\$ 9,382	\$ 9,382
Financial instruments at FVTOCI				
Equity instruments				
Domestic and foreign listed shares	\$ 570,048	\$ –	\$ –	\$ 570,048
Domestic and foreign unlisted shares	\$ –	\$ –	\$ 475,537	\$ 475,537
<u>June 30, 2024</u>				
Financial instruments at FVTPL				
Structured deposit	\$ –	\$ 383,682	\$ –	\$ 383,682
Mutual funds	\$ –	\$ –	\$ 9,951	\$ 9,951
Financial instruments at FVTOCI				
Equity instruments				
Domestic and foreign listed shares	\$ 982,651	\$ –	\$ –	\$ 982,651
Domestic and foreign unlisted shares	\$ –	\$ –	\$ 439,523	\$ 439,523

There was no transfer between Level 1 and Level 2 for the six months ended June 30, 2025 and 2024.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the Six Months Ended June 30, 2025

	Mutual Funds	Stocks	
	Financial Assets	Financial Assets	
	at FVTPL	at FVTOCI	Total
<u>Financial assets</u>			
Balance, beginning of the period	\$ 9,382	\$ 475,537	\$ 484,919
Recognized in profit or loss (recorded as other gains and losses)	(191)	–	(191)
Recognized in other comprehensive income	–	(131,782)	(131,782)
Effects of foreign currency exchange differences	(995)	(26,054)	(27,049)
Balance, end of the period	<u>\$ 8,196</u>	<u>\$ 317,701</u>	<u>\$ 325,897</u>
Unrealized other gains and losses for the period	<u>(\$ 191)</u>		<u>(\$ 191)</u>

For the Six Months Ended June 30, 2024

	Mutual Funds	Stocks	
	Financial Assets	Financial Assets	
	at FVTPL	at FVTOCI	Total
<u>Financial assets</u>			
Balance, beginning of the period	\$ 9,182	\$ 383,184	\$ 392,366
Recognized in profit or loss (recorded as other gains and losses)	247	–	247
Recognized in other comprehensive income	–	43,345	43,345
Disposal	–	(1,196)	(1,196)
Effects of foreign currency exchange differences	522	14,190	14,712
Balance, end of the period	<u>\$ 9,951</u>	<u>\$ 439,523</u>	<u>\$ 449,474</u>
Unrealized other gains and losses for the period	<u>\$ 247</u>		<u>\$ 247</u>

3) Valuation techniques and inputs applied for Level 2 fair value measurement

The fair value of structured time deposits is measured by the future cash flows that are estimated and discounted by the expected yield based on the observable index at the end of period.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of mutual funds were estimated using the net worth of the latest financial statement. The fair values of domestic and foreign unlisted shares were estimated using the net worth of their latest financial statement and the market approach by reference to industry category, the revaluation of similar companies and the company's operations.

c. Categories of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets			
Fair value through profit or loss			
Mandatorily classified as at fair value through profit or loss	\$ 213,721	\$ 832,346	\$ 393,633
Financial assets at amortized cost (Note 1)	21,397,942	23,787,035	24,080,270
Financial assets at fair value through other comprehensive income - equity instruments	816,908	1,045,585	1,422,174
Financial liabilities			
Financial liabilities at amortized cost (Note 2)	28,689,470	29,161,368	30,488,134

Note 1: The balances included financial assets at amortized cost, which comprise cash and cash equivalents, notes and accounts receivable (including related parties), other financial assets - current and non-current (recorded as other non-current assets - others), other receivables, refundable deposits (recorded as other non-current assets - others), and long-term receivables (recorded as other non-current assets - others) and so on.

Note 2: The balances included financial liabilities at amortized cost, which comprise short-term borrowings, notes and accounts payable, other payables - others, long-term borrowings (including current portion), bonds payable (including current portion), guarantee deposits received (recorded as other non-current liabilities) and so on.

d. Financial risk management objectives and policies

The financial risk management objectives of the Company and its subsidiaries are mainly to manage the market risk, credit risk and liquidity risk related to operating activities and to verify, measure and manage the financial risks according to the policies. The Company and its subsidiaries have set up policies, procedures and internal controls to manage the risks in their financial activities. The significant financial activities of the Company and its subsidiaries are in accordance with relevant regulations and internal controls approved by the board of directors. During the execution of financial management activities, the Company and its subsidiaries should be in compliance with the relevant rules of financial risk management.

1) Market risk

a) Foreign currency risk

The Company and its subsidiaries' operating activities and net investments in foreign operations are denominated mainly in foreign currencies. Consequently, the Company and its subsidiaries are exposed to foreign currency risk. To protect against reductions in the value of foreign currency assets and against the volatility of future cash flows caused by changes in foreign exchange rates, the Company and its subsidiaries utilize derivative financial instruments, such as foreign exchange forward contracts, or maintain net foreign currency assets and liabilities. Foreign currency risk could be reduced but might not be fully eliminated by these methods.

For the carrying amounts of the Company and its subsidiaries' significant non-functional currency denominated monetary assets and liabilities (including those eliminated on consolidation) at the balance sheet date, refer to Note 34.

Sensitivity analysis

The following table details the sensitivity to a 1% change in the functional currencies against the relevant foreign currencies.

		Impact on Profit or Loss	
		For the Six Months Ended June 30	
		2025	2024
<u>Foreign Currencies : Functional Currencies</u>			
Financial assets			
Monetary items			
USD:NTD	\$	22,550	\$ 29,481
USD:RMB		8,088	9,984
USD:MYR		4,730	4,207
RMB:NTD		1,618	1,866
JPY:NTD		3,102	3,563
EUR:NTD		1,082	1,125
Financial liabilities			
Monetary items			
USD:NTD		21,745	22,427
USD:RMB		3,988	5,340
USD:MYR		4,804	5,202
JPY:NTD		1,244	1,232
USD:THB		905	1,660

b) Interest rate risk

The borrowings of the Company and its subsidiaries with fixed interest rates were not exposed to cash flow risk. The borrowings with floating interest rates were exposed to cash flow risk as effective interest rates change.

The carrying amounts of the Company and its subsidiaries' financial assets and financial liabilities with exposure to interest rate risks at the balance sheet dates were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value interest rate risk			
Financial assets	\$ 2,986,696	\$ 2,694,438	\$ 3,563,829
Financial liabilities	2,655,242	2,682,259	5,698,987
Cash flow interest rate risk			
Financial assets	4,157,561	5,545,413	4,384,186
Financial liabilities	18,441,195	18,061,627	16,807,473

For assets and liabilities with floating interest rates, if interest rates had been 1% higher/lower and all other variables were held constant, the Company and its subsidiaries' pre-tax profit for

the six months ended June 30, 2025 and 2024 would have decreased/increased by \$71,418 thousand and \$62,116 thousand, respectively.

c) Other price risk

The Company and its subsidiaries were exposed to equity price risk through their investments in equity securities. If equity prices had been 1% higher/lower, other comprehensive income for the six months ended June 30, 2025 and 2024 would have increased/decreased by \$4,992 thousand and \$9,827 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refer to the risk of financial loss to the Company and its subsidiaries arising from default by clients or counterparties of financial instruments on the contract obligations. According to the Company and its subsidiaries' policy, each operating entity in the Company and its subsidiaries is responsible for managing and analyzing the credit risk of each of their new clients before standard payment and delivery terms and conditions are offered. The credit quality of the customers is assessed through internal risk control procedures by taking into account their financial position, past experience and other factors, and the Company and its subsidiaries engage in credit enhancement by covering specific outstanding trade receivables by collateral. While the Company and its subsidiaries have procedures to monitor and limit exposure to credit risk on accounts receivable, there can be no assurance that such procedures will effectively limit credit risk and avoid losses. This risk is heightened during periods when economic conditions worsen.

3) Liquidity risk

The Company and its subsidiaries manage its liquidity risk by maintaining adequate cash and cash equivalents, bank borrowings, and so on. The table below summarizes the maturity profile of the Company and its subsidiaries' financial liabilities based on contractual undiscounted payments, including principal and interest.

June 30, 2025

	Less Than 1 Year	1-2 Years	2-3 Years	3-5 Years	Over 5 Years	Total
Non-derivative financial liabilities						
Short-term borrowings	\$ 5,797,188	\$ -	\$ -	\$ -	\$ -	\$ 5,797,188
Notes payable	1,203,453	-	-	-	-	1,203,453
Accounts payable	4,531,950	-	-	-	-	4,531,950
Other payables	1,947,926	-	-	-	-	1,947,926
Lease liabilities	68,024	43,024	31,289	20,524	4,720	167,581
Long-term borrowings (including current portion)	6,116,662	3,202,378	2,759,194	1,012,457	93,194	13,183,885
Bonds payable	14,500	2,514,500	-	-	-	2,529,000
	<u>\$ 19,679,703</u>	<u>\$ 5,759,902</u>	<u>\$ 2,790,483</u>	<u>\$ 1,032,981</u>	<u>\$ 97,914</u>	<u>\$ 29,360,983</u>

December 31, 2024

	Less Than 1 Year	1-2 Years	2-3 Years	3-5 Years	Over 5 Years	Total
Non-derivative financial liabilities						
Short-term borrowings	\$ 5,744,393	\$ -	\$ -	\$ -	\$ -	\$ 5,744,393
Notes payable	1,496,784	-	-	-	-	1,496,784
Accounts payable	4,787,780	-	-	-	-	4,787,780
Other payables	2,238,326	-	-	-	-	2,238,326
Lease liabilities	75,863	46,950	32,421	29,012	6,220	190,466
Long-term borrowings (including current portion)	6,593,350	2,569,042	2,342,331	1,312,277	122,404	12,939,404
Bonds payable	14,500	2,514,500	-	-	-	2,529,000
	<u>\$ 20,950,996</u>	<u>\$ 5,130,492</u>	<u>\$ 2,374,752</u>	<u>\$ 1,341,289</u>	<u>\$ 128,624</u>	<u>\$ 29,926,153</u>

June 30, 2024

	Less Than 1 Year	1-2 Years	2-3 Years	3-5 Years	Over 5 Years	Total
Non-derivative financial liabilities						
Short-term borrowings	\$ 4,424,909	\$ -	\$ -	\$ -	\$ -	\$ 4,424,909
Notes payable	993,611	-	-	-	-	993,611
Accounts payable	5,327,505	-	-	-	-	5,327,505
Other payables	1,773,466	-	-	-	-	1,773,466
Lease liabilities	79,797	55,806	31,808	33,054	8,340	208,805
Long-term borrowings (including current portion)	5,710,805	3,422,175	1,744,976	2,121,159	73,285	13,072,400
Bonds payable (including current portion)	3,039,100	14,500	2,514,500	-	-	5,568,100
	<u>\$ 21,349,193</u>	<u>\$ 3,492,481</u>	<u>\$ 4,291,284</u>	<u>\$ 2,154,213</u>	<u>\$ 81,625</u>	<u>\$ 31,368,796</u>

e. Transfers of financial assets

Subsidiaries discounted notes receivable with banks and transferred a portion of the banker's acceptance bills of receivables from China to vendors for repayment. If above financial assets are not paid at maturity, the banks and vendors have the right to request the subsidiaries to pay the unsettled balance. As the subsidiaries have not transferred the significant risks and rewards relating to these financial assets, they continue to recognize the full carrying amount of the financial assets and treat the financial assets that have been transferred to banks and vendors as collateral for borrowings or accounts payable.

As of June 30, 2025, December 31, 2024 and June 30, 2024, the carrying amount of the accounts receivable that have been transferred but have not been derecognized amounted to \$2,039,227 thousand, \$2,078,234 thousand and \$2,224,066 thousand, respectively, and the carrying amount of the related borrowings and accounts payable were \$2,038,571 thousand, \$2,077,595 thousand and \$2,223,551 thousand, respectively.

30. TRANSACTIONS WITH RELATED PARTIES

Except for the transactions disclosed in other notes, the transactions between the Company and its subsidiaries and related parties are as follows:

a. Related party names and relationships

Related Party Name	Relationship
Allnex-Eternal Resins Corporation Limited	Associate
Allnex-Eternal Resins (Guangdong) Co., Ltd.	Associate
Eterkon Semiconductor Materials Co., Ltd.	Associate
Daxin Materials Corporation	Associate
Resonac New Material (Zhuhai) Co., Ltd.	Associate
Covestro Eternal Resins (Far East) Ltd.	Associate
Covestro Eternal Resins (Kunshan) Co., Ltd.	Associate

b. Operating revenue

Account Item	Related Party Category	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2025	2024	2025	2024
Revenue from sales of goods	Associates	<u>\$ 161,046</u>	<u>\$ 187,407</u>	<u>\$ 328,938</u>	<u>\$ 350,260</u>

Sales to related parties were made at prices similar to that of general transactions. The payment terms are 60-150 days from the end of the month.

c. Purchase of goods

Related Party Category	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Associates	\$ 66	\$ 150	\$ 391	\$ 1,579

Purchases from related parties were made at prices similar to that of general transactions. The payment terms are 30-120 days from the date the goods are received.

d. Other income

Related Party Category / Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Associates				
Allnex-Eternal Resins (Guangdong) Co., Ltd.	\$ 11,960	\$ 12,588	\$ 25,011	\$ 26,138
Others	4,154	3,961	7,419	7,041
	<u>\$ 16,114</u>	<u>\$ 16,549</u>	<u>\$ 32,430</u>	<u>\$ 33,179</u>

Other income is mainly rental income, service revenue and so on.

e. Receivables from related parties

Account Item	Related Party Category	June 30, 2025	December 31, 2024	June 30, 2024
Notes and accounts receivable	Associates	<u>\$ 179,321</u>	<u>\$ 237,931</u>	<u>\$ 244,113</u>

The receivables arose mainly from sales transactions; the receivables were not guaranteed, pledged and do not bear interest. As of June 30, 2025, December 31, 2024 and June 30, 2024, the balance of loss allowance of accounts receivable from related parties was \$102 thousand, \$335 thousand and \$163 thousand, respectively.

f. Payables to related parties

Account Item	Related Party Category	June 30, 2025	December 31, 2024	June 30, 2024
Accounts payable	Associates	<u>\$ 69</u>	<u>\$ 378</u>	<u>\$ 157</u>

The payables arose mainly from purchase transactions; the payables were not guaranteed and do not bear interest.

g. Loans to related parties

Account Item	Related Party Category / Name	June 30, 2025	December 31, 2024	June 30, 2024
Other receivables	Associates			
	Eterkon			
	Semiconductor Materials Co., Ltd.	\$ 98,232	\$ 109,460	\$ 109,278

The Company and its subsidiaries provided loans to related parties at rates comparable to market interest rates.

h. Compensation of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 22,910	\$ 24,024	\$ 45,623	\$ 47,525
Post-employment benefits	394	297	787	594
	<u>\$ 23,304</u>	<u>\$ 24,321</u>	<u>\$ 46,410</u>	<u>\$ 48,119</u>

31. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The Company and its subsidiaries' assets mortgaged or pledged as collateral for bank borrowings, discounted notes, supplier payment, customs guarantee, performance guarantee and banker's acceptance were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable	\$ 2,039,227	\$ 2,078,234	\$ 2,224,066
Property, plant and equipment	259,226	262,790	268,151
Other financial assets – current and non-current (recorded as other non-current assets - others)			
Time deposit certificates and deposit of escrow account	<u>49,928</u>	<u>18,295</u>	<u>40,659</u>
	<u>\$ 2,348,381</u>	<u>\$ 2,359,319</u>	<u>\$ 2,532,876</u>

32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

- The Company and its subsidiaries have issued but unused letters of credit of \$195,735 thousand as of June 30, 2025.
- The Company and its subsidiaries have contracts that were not yet incurred to purchase property, plant and equipment and intangible assets of \$1,264,105 thousand as of June 30, 2025.

33. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

None.

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Company and its subsidiaries before elimination and the exchange rates between the foreign currencies and the respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

	Foreign Currency (In Thousands)		Exchange Rate	Carrying Amount
<hr/> June 30, 2025 <hr/>				
Financial assets				
Monetary items				
USD	\$ 76,964	29.3000	(USD:NTD)	\$ 2,255,045
USD	27,603	7.1586	(USD:RMB)	808,768
USD	16,142	4.2290	(USD:MYR)	472,961
JPY	1,532,958	0.2023	(JPY:NTD)	310,163
RMB	39,522	4.0930	(RMB:NTD)	161,763
EUR	3,147	34.3909	(EUR:NTD)	108,228
Non-monetary items				
Investments accounted for using the equity method				
USD	886,482	29.3000	(USD:NTD)	25,973,929
RMB	5,595,859	0.1397	(RMB:USD)	22,903,738
RMB	25,227	4.0930	(RMB:NTD)	103,252
JPY	9,044,991	0.2023	(JPY:NTD)	1,830,073
MYR	281,422	0.2365	(MYR:USD)	1,949,790
THB	394,652	0.9069	(THB:NTD)	357,910
Financial liabilities				
Monetary items				
USD	74,216	29.3000	(USD:NTD)	2,174,529
USD	13,611	7.1586	(USD:RMB)	398,802
USD	16,395	4.2290	(USD:MYR)	480,374
JPY	614,774	0.2023	(JPY:NTD)	124,387
<hr/> December 31, 2024 <hr/>				
Financial assets				
Monetary items				
USD	81,996	32.7850	(USD:NTD)	2,688,239
USD	26,078	7.1884	(USD:RMB)	854,967
USD	15,548	4.4600	(USD:MYR)	509,741
RMB	82,281	4.5608	(RMB:NTD)	375,269
JPY	1,801,295	0.2073	(JPY:NTD)	373,336
Non-monetary items				
Investments accounted for using the equity method				
USD	877,056	32.7850	(USD:NTD)	28,754,289
RMB	5,642,375	0.1391	(RMB:USD)	25,733,856
RMB	29,368	4.5608	(RMB:NTD)	133,944
JPY	9,244,268	0.2073	(JPY:NTD)	1,915,967
MYR	219,131	0.2242	(MYR:USD)	1,610,813
THB	413,303	0.9623	(THB:NTD)	397,721

(Continued)

	Foreign Currency (In Thousands)		Exchange Rate	Carrying Amount
Financial liabilities				
Monetary items				
USD	\$ 75,214	32.7850	(USD:NTD)	\$ 2,465,891
USD	14,354	7.1884	(USD:RMB)	470,596
USD	15,045	4.4600	(USD:MYR)	493,250
JPY	693,138	0.2073	(JPY:NTD)	143,660
USD	3,690	33.9879	(USD:THB)	120,977
<hr/>				
June 30, 2024				
Financial assets				
Monetary items				
USD	90,852	32.4500	(USD:NTD)	2,948,147
USD	30,767	7.1268	(USD:RMB)	998,389
USD	12,964	4.7205	(USD:MYR)	420,682
RMB	40,971	4.5532	(RMB:NTD)	186,551
JPY	1,768,476	0.2015	(JPY:NTD)	356,295
EUR	3,225	34.8856	(EUR:NTD)	112,506
Non-monetary items				
Investments accounted for using the equity method				
USD	913,204	32.4500	(USD:NTD)	29,633,482
RMB	5,863,995	0.1403	(RMB:USD)	26,700,177
RMB	29,148	4.5532	(RMB:NTD)	132,717
JPY	8,149,049	0.2015	(JPY:NTD)	1,641,789
MYR	231,813	0.2118	(MYR:USD)	1,593,547
THB	421,377	0.8867	(THB:NTD)	373,635
Financial liabilities				
Monetary items				
USD	69,111	32.4500	(USD:NTD)	2,242,652
USD	16,456	7.1268	(USD:RMB)	533,997
USD	16,032	4.7205	(USD:MYR)	520,238
JPY	611,440	0.2015	(JPY:NTD)	123,187
USD	5,115	36.8497	(USD:THB)	165,982
(Concluded)				

The total realized and unrealized foreign exchange gains and losses were loss of \$77,241 thousand, gain of \$5,897 thousand, loss of \$48,882 thousand and gain of \$21,103 thousand for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, respectively. Considering the variety of the foreign currency transactions and functional currencies of each entity, the Company and its subsidiaries disclosed the significant foreign exchange gains and losses in aggregate.

35. ADDITIONAL DISCLOSURES

a. Information about significant transactions and investees:

- 1) Financing provided to others: (Table 1)
- 2) Endorsements/guarantees provided: (Table 2)
- 3) Significant marketable securities held: (Table 3)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: (Table 4)

- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: (Table 5)
 - 6) Others: The business relationship between the parent company and the subsidiaries and between each subsidiary, and the circumstances and amounts of any significant transactions between them: (Table 6)
 - 7) Information on investees (Table 7)
- b. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment gain or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 8)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period (Table 4)
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period (Table 4)
 - c) The amount of property transactions and the amount of the resultant gains or losses: None
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None
 - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds (Table 1)
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None

36. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the management by industry types. Reported segments of the Company and its subsidiaries were as follows:

- Resins Materials

Mainly operating variety of industrial resins materials.

- Electronic Materials

Mainly operating electronic, optoelectronic industry raw material and vacuum laminator.

- High Performance Materials

Mainly operating UV - light curing raw material.

- Others

The other operating segments which did not meet the quantitative threshold for separate reporting.

Segment revenues and operating results

The Company and its subsidiaries' segment profit (loss) is measured by operating profit or loss and is used as the basis for assessing the performance of the operating segments. The following is an analysis of the Company and its subsidiaries' revenues and results of operations by reportable segment.

	Resins Materials	Electronic Materials	High Performance Materials	Others	Adjustment and Elimination	Total
<u>For the six months ended June 30, 2025</u>						
Revenues from external customers						
Revenue from the sale of goods	\$ 9,928,552	\$ 5,228,469	\$ 5,190,310	\$ 40,476	\$ -	\$ 20,387,807
Revenue from the rental service	-	2,808	-	74,770	-	77,578
Inter-segment revenues	1,087,126	1,348,497	822,569	1,880	(3,260,072)	-
Total revenue	<u>\$ 11,015,678</u>	<u>\$ 6,579,774</u>	<u>\$ 6,012,879</u>	<u>\$ 117,126</u>	<u>(\$ 3,260,072)</u>	<u>\$ 20,465,385</u>
Segment operating profit (loss)	<u>\$ 403,174</u>	<u>\$ 445,939</u>	<u>\$ 529,185</u>	<u>(\$ 400,057)</u>	<u>\$ -</u>	<u>\$ 978,241</u>
<u>For the six months ended June 30, 2024</u>						
Revenues from external customers						
Revenue from the sale of goods	\$ 10,275,289	\$ 5,662,907	\$ 5,548,373	\$ 3,138	\$ -	\$ 21,489,707
Revenue from the rental service	-	2,611	-	97,813	-	100,424
Inter-segment revenues	1,087,019	1,273,105	941,110	1,329	(3,302,563)	-
Total revenue	<u>\$ 11,362,308</u>	<u>\$ 6,938,623</u>	<u>\$ 6,489,483</u>	<u>\$ 102,280</u>	<u>(\$ 3,302,563)</u>	<u>\$ 21,590,131</u>
Segment operating profit (loss)	<u>\$ 318,463</u>	<u>\$ 544,382</u>	<u>\$ 671,130</u>	<u>(\$ 360,944)</u>	<u>\$ -</u>	<u>\$ 1,173,031</u>

TABLE1

Eternal Materials Co., Ltd. and Subsidiaries

**FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Party	Maximum Balance for the Period (Note 2)	Ending Balance (Note 3)	Actual Amount Drawn	Interest Rate (%)	Nature of Financing (Note 4)	Transaction Amount	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company	Financing Company's Total Financing Limit	Note
													Item	Value			
1	Eternal Chemical (China) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	\$ 2,058,741	\$ 818,596	\$ 792,589	1.48-1.76	2	\$ -	Operating needs	\$ -	-	\$ -	\$ 6,010,401	\$ 6,010,401	Note 6
2	Eternal Materials (Guangdong) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	503,248	122,789	-	-	2	-	Operating needs	-	-	-	6,094,427	6,094,427	Note 5
3	Eternal Holdings Inc.	Eternal Materials Co., Ltd.	Other receivables from related parties	Y	1,726,660	1,523,600	1,523,600	4.51-4.65	2	-	Operating needs	-	-	-	37,304,453	37,304,453	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Chemical (Chengdu) Co., Ltd.	Other receivables from related parties	Y	1,960,241	859,526	695,325	2.48-2.76	2	-	Operating needs	-	-	-	28,342,497	28,342,497	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Chemical (Tianjin) Co., Ltd.	Other receivables from related parties	Y	1,006,496	327,438	162,507	2.48-2.76	2	-	Operating needs	-	-	-	28,342,497	28,342,497	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Synthetic Resins (Changshu) Co., Ltd.	Other receivables from related parties	Y	1,463,994	818,596	578,698	2.48-2.76	2	-	Operating needs	-	-	-	28,342,497	28,342,497	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Electronic (Suzhou) Co., Ltd.	Other receivables from related parties	Y	1,387,743	409,298	8,735	2.48-2.76	2	-	Operating needs	-	-	-	28,342,497	28,342,497	Note 5
4	Eternal (China) Investment Co., Ltd.	Eterkon Semiconductor Materials Co., Ltd.	Other receivables from related parties	Y	222,039	98,232	98,232	3.10	2	-	Operating needs	-	-	-	5,668,499	5,668,499	Note 7
4	Eternal (China) Investment Co., Ltd.	Eternal Specialty Materials (Suzhou) Co., Ltd.	Other receivables from related parties	Y	365,998	122,789	-	-	2	-	Operating needs	-	-	-	28,342,497	28,342,497	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Photoelectric Material Industry (Yingkou) Co., Ltd.	Other receivables from related parties	Y	137,249	61,395	-	-	2	-	Operating needs	-	-	-	28,342,497	28,342,497	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Materials (Guangdong) Co., Ltd.	Other receivables from related parties	Y	138,774	122,789	-	-	2	-	Operating needs	-	-	-	28,342,497	28,342,497	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Materials (Tongling) Co., Ltd.	Other receivables from related parties	Y	231,291	204,649	-	-	2	-	Operating needs	-	-	-	28,342,497	28,342,497	Note 5
5	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	1,829,992	1,023,245	1,005,326	1.48-1.76	2	-	Operating needs	-	-	-	6,928,847	6,928,847	Note 6
6	Eternal Specialty Materials (Suzhou) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	914,996	409,298	-	-	2	-	Operating needs	-	-	-	3,041,345	3,041,345	Note 6
7	Eternal Specialty Materials (Zhuhai) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	914,996	409,298	125,961	1.48-1.76	2	-	Operating needs	-	-	-	1,021,286	1,021,286	Note 8
8	Eternal Photoelectric Material Industry (Yingkou) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	69,387	61,395	57,504	1.48	2	-	Operating needs	-	-	-	338,480	338,480	Note 5

Note 1: The representation of the numbers are as follows:

1. No. 0 represents the issuer.
2. Investees are numbered in order from No. 1.

Note 2: The maximum balance for the period had been approved by the board of directors, and translated into NTD using the exchange rate at the balance sheet date.

Note 3: The ending balance for the period had been approved by the board of directors, and translated into NTD using the exchange rate at the balance sheet date.

Note 4: Nature of financing is as follows:

1. Business relationship.
2. Short-term financing

Note 5: According to the subsidiary's Operation Procedures for Lending Funds to Others, either the financing limit for each borrowing company or the financing company's total financing limits shall not exceed 200% of the net worth of the financing company as of December 31, 2024, and it should be translated into NTD using the exchange rate at the balance sheet date.

Note 6: According to the subsidiary's Operation Procedures for Lending Funds to Others, either the financing limit for each borrowing company or the financing company's total financing limits shall not exceed 200% of the net worth of the financing company's latest financial statement, and it should be translated into NTD using the exchange rate at the balance sheet date.

Note 7: According to the subsidiary's Operation Procedures for Lending Funds to Others, either the financing limit for each borrowing company or the financing company's total financing limits shall not exceed 40% of the net worth of the financing company as of December 31, 2024, and it should be translated into NTD using the exchange rate at the balance sheet date.

Note 8: According to the subsidiary's Operation Procedures for Lending Funds to Others, either the financing limit for each borrowing company or the financing company's total financing limits shall not exceed 40% of the net worth of the financing company's latest financial statement, and it should be translated into NTD using the exchange rate at the balance sheet date.

Note 9: Amount was eliminated from the consolidated financial statements, except for investments accounted for using the equity method.

TABLE2

Eternal Materials Co., Ltd. and Subsidiaries

**ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsements /Guarantees Given on Behalf of Each Party	Maximum Amount Endorsements /Guarantees During the Period (Note 4)	Outstanding Endorsements /Guarantees at the End of the Period (Note 5)	Actual Amount Drawn	Amount Endorsements /Guarantees by Collaterals	Ratio of Accumulated Endorsements /Guarantees to Net Equity per Latest Financial Statements (%)	Maximum Endorsements /Guarantees Amount Allowable	Endorsements /Guarantees Given by Parent on Behalf of Subsidiaries	Endorsements /Guarantees by Subsidiaries on Behalf of Parent	Endorsements /Guarantees Given on Behalf of Companies in Mainland China	Note
		Name	Relationship (Note 2)											
0	Eternal Materials Co., Ltd.	Eternal Holdings Inc.	2	\$ 24, 253, 344	\$ 597, 690	\$ 527, 400	\$ -	\$ -	2. 17	\$ 24, 253, 344	Y	N	N	Notes 3 and 6
0	Eternal Materials Co., Ltd.	Eternal Materials (Malaysia) Sdn. Bhd.	2	24, 253, 344	2, 749, 535	2, 135, 727	1, 231, 915	-	8. 81	24, 253, 344	Y	N	N	Notes 3 and 6
0	Eternal Materials Co., Ltd.	Elga Europe S.r.l.	2	24, 253, 344	548, 055	515, 863	474, 250	-	2. 13	24, 253, 344	Y	N	N	Notes 3 and 6
0	Eternal Materials Co., Ltd.	Eternal Nanyang Investment Co., Ltd.	2	24, 253, 344	1, 992, 300	1, 758, 000	1, 467, 930	-	7. 25	24, 253, 344	Y	N	N	Notes 3 and 6
0	Eternal Materials Co., Ltd.	Eternal Technology Corporation	2	24, 253, 344	166, 025	146, 500	102, 550	-	0. 60	24, 253, 344	Y	N	N	Notes 3 and 6
0	Eternal Materials Co., Ltd.	Eternal Material Industry (Tongling) Co., Ltd.	2	24, 253, 344	1, 688, 421	1, 493, 938	616, 172	-	6. 16	24, 253, 344	Y	N	Y	Notes 3 and 6
1	Eternal (China) Investment Co., Ltd.	Eternal Material Industry (Tongling) Co., Ltd.	2	14, 171, 249	462, 581	409, 298	408, 150	-	2. 89	14, 171, 249	N	N	Y	Note 7
2	Eternal Precision Mechanics Co., Ltd.	Eternal Precision Mechanics (Guangzhou) Co., Ltd.	2	1, 478, 024	92, 516	81, 860	42, 235	-	5. 54	1, 478, 024	N	N	Y	Note 8

Note 1: The representation of the numbers are as follows:

- 1. No. 0 represents the issuer.
- 2. Investees are numbered in order from No. 1.

Note 2: Relationships between the endorser/guarantor and the party being endorsed/guaranteed are as follows:

- 1. Have a business relationship.
- 2. The company owns directly or indirectly more than 50% of the voting shares of the company.
- 3. Total ownership of more than 50% of the investee, either directly by the Company and/or indirectly by the Company’s subsidiaries.
- 4. Subsidiaries in which the Company owns directly or indirectly more than 90% of the voting shares.
- 5. Companies where the Company is required to provide guarantees or endorsements for the construction project based on the construction contract.
- 6. Companies where the shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership due to a joint venture.
- 7. According to the Consumer Protection Act, companies that are required to provide guarantees and endorsements for joint and several liabilities if involved in the business of pre-sale of real estate.

Note 3: In accordance with the parent company’s “Procedures for Provision of Endorsements and Guarantees”, limit on endorsement/guarantee given on behalf of each party is 100% of the parent company’s net worth based on the latest financial statements.

Note 4: Maximum amount endorsed/guaranteed during the period is approved by the board of directors, and translated into NTD using the exchange rate at the balance sheet date.

Note 5: Outstanding endorsements/guarantees at the end of the period are approved by the board of directors, and translated into NTD using the exchange rate at the balance sheet date.

Note 6: In accordance with the parent company’s “Procedures for Provision of Endorsements and Guarantees”, maximum endorsement/guarantee amount allowable is 100% of the parent company’s net worth based on the latest financial statements.

Note 7: In accordance with the subsidiary’s “Procedures for Provision of Endorsements and Guarantees”, the limit on endorsement/guarantee given on behalf of each party and the maximum amount endorsed/guaranteed is based on its net worth for the year ended December 31, 2024, and translated into NTD using the exchange rate at the balance sheet date.

Note 8: In accordance with the subsidiary’s “Procedures for Provision of Endorsements and Guarantees”, the limit on endorsement/guarantee given on behalf of each party is 100% of the subsidiary’s net worth based on the latest financial statements.

TABLE3

Eternal Materials Co., Ltd. and Subsidiaries

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES)
JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025				Note
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Eternal Materials Co., Ltd.	President Securities Corp. (stock)	-	Financial assets at fair value through other comprehensive income - non-current	22, 137, 767	\$ 499, 207	1. 52	\$ 499, 207	
Mixville Holdings Inc.	Grace THW Holding Limited (stock)	-	Financial assets at fair value through other comprehensive income - non-current	1, 900, 000	182, 276	Note	182, 276	

Note 1: The percentage of ownership is less than 1%.

TABLE4

Eternal Materials Co., Ltd. and Subsidiaries

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchases/Sales (Note 2)	Amount	% to Total	Payment Terms	Unit Price	Payment Term	Ending Balance	% to Total	
Eternal Materials Co., Ltd.	CHOU-KOU Materials Co., Ltd.	Subsidiary	Sales	\$ 404, 680	6	Note 1	\$ -	-	\$ 211, 325	6	
	Eternal Specialty Materials (Zhuhai) Co., Ltd.	Subsidiary	Sales	291, 132	4	Note 1	-	-	91, 724	3	
	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Subsidiary	Sales	157, 156	2	Note 1	-	-	75, 078	2	
	Eternal (China) Investment Co., Ltd.	Subsidiary	Sales	135, 764	2	Note 1	-	-	35, 101	1	
	Eternal Chemical (China) Co., Ltd.	Subsidiary	Sales	109, 255	2	Note 1	-	-	52, 369	2	
Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal Electronic Material (Thailand) Co., Ltd.	Sister company	Sales	136, 230	9	Note 1	-	-	89, 604	5	
Eternal Materials (Guangdong) Co., Ltd.	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Sister company	Sales	203, 647	8	Note 1	-	-	87, 619	5	
	Allnex-Eternal Resins (Guangdong) Co., Ltd.	Associate	Sales	214, 971	9	Note 1	-	-	97, 554	5	

Note 1: The terms are similar to that of non-related party transactions.

Note 2: For transactions between related parties, only one side of the transaction was disclosed.

Note 3: Amounts were eliminated from the consolidated financial statements, except for investment accounted for using the equity method.

TABLE5

Eternal Materials Co., Ltd. and Subsidiaries

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Doubtful Accounts
					Amount	Actions Taken		
Eternal Materials Co., Ltd.	CHOU-KOU Materials Co., Ltd.	Subsidiary	\$ 211,325	4.39	\$ -	-	\$ 43,307	\$ -
	Eternal Technology Corporation	Subsidiary	115,754	1.29	48,950	Collected subsequently	-	-
	Elga Europe S.r.l.	Subsidiary	106,380	1.88	39,809	Collected subsequently	-	-

Note: Amount was eliminated from the consolidated financial statements.

TABLE6

Eternal Materials Co., Ltd. and Subsidiaries

**INTERCOMPANY BUSINESS RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No. (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Item (Note 5)	Amount	Terms	% to Total Revenues or Assets
0	Eternal Materials Co., Ltd.	CHOU-KOU Materials Co., Ltd.	1	Revenue from sales of goods	\$ 404,680	Note 3	1.98
0	Eternal Materials Co., Ltd.	Eternal Specialty Materials (Zhuhai) Co., Ltd.	1	Revenue from sales of goods	291,132	Note 3	1.42
0	Eternal Materials Co., Ltd.	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	1	Revenue from sales of goods	157,156	Note 3	0.77
0	Eternal Materials Co., Ltd.	Eternal (China) Investment Co., Ltd.	1	Revenue from sales of goods	135,764	Note 3	0.66
0	Eternal Materials Co., Ltd.	Eternal Chemical (China) Co., Ltd.	1	Revenue from sales of goods	109,255	Note 3	0.53
0	Eternal Materials Co., Ltd.	CHOU-KOU Materials Co., Ltd.	1	Notes and accounts receivable from related parties	211,325	Note 3	0.37
0	Eternal Materials Co., Ltd.	Eternal Technology Corporation	1	Notes and accounts receivable from related parties	115,754	Note 3	0.20
0	Eternal Materials Co., Ltd.	Elga Europe S.r.l.	1	Notes and accounts receivable from related parties	106,380	Note 3	0.19
1	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal Electronic Material (Thailand) Co., Ltd.	3	Revenue from sales of goods	136,230	Note 3	0.67
1	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal (China) Investment Co., Ltd.	2	Other receivables from related parties	1,005,326	Note 4	1.76
2	Eternal Holdings Inc.	Eternal Materials Co., Ltd.	2	Other receivables from related parties	1,523,600	Note 4	2.67
3	Eternal (China) Investment Co., Ltd.	Eternal Chemical (Chengdu) Co., Ltd.	1	Other receivables from related parties	695,325	Note 4	1.22
3	Eternal (China) Investment Co., Ltd.	Eternal Chemical (Tianjin) Co., Ltd.	1	Other receivables from related parties	162,507	Note 4	0.28
3	Eternal (China) Investment Co., Ltd.	Eternal Synthetic Resins (Changshu) Co., Ltd.	1	Other receivables from related parties	578,698	Note 4	1.01
4	Eternal Materials (Guangdong) Co., Ltd.	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	3	Revenue from sales of goods	203,647	Note 3	1.00
5	Eternal Specialty Materials (Zhuhai) Co., Ltd.	Eternal (China) Investment Co., Ltd.	3	Other receivables from related parties	125,961	Note 4	0.22
6	Eternal Chemical (China) Co., Ltd.	Eternal (China) Investment Co., Ltd.	3	Other receivables from related parties	792,589	Note 4	1.39

Note 1: The transaction information of the Company and its subsidiaries is numbered in column “No.”. The representation of the numbers are as follows:

- 1. No. 0 represents the Company.
- 2. Subsidiaries are numbered in order from No. 1.

Note 2: The relationships among the parties to the transaction are as follows:

- 1. The parent company to subsidiary.
- 2. The subsidiary to the parent company.
- 3. The subsidiary to another subsidiary.

Note 3: The terms are similar to non-related party transactions.

Note 4: In accordance with the Operation Procedures for Lending Funds to Others.

Note 5: For transactions between related parties, only one side of the transaction was disclosed.

TABLE7

Eternal Materials Co., Ltd. and Subsidiaries

**INFORMATION ON INVESTEEES (EXCLUDING INVESTMENTS IN MAINLAND CHINA)
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2025			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
Eternal Materials Co., Ltd.	Eternal Holdings Inc.	Samoa	International investment	\$ 6,092,391	\$ 5,681,836	197,528,859	100.00	\$ 19,398,913	\$ 342,401	\$ 367,850	
Eternal Materials Co., Ltd.	Eternal Global (BVI) Co., Ltd.	British Virgin Islands	International investment	703,144	703,144	16,357,914	100.00	3,329,001	120,240	114,583	
Eternal Materials Co., Ltd.	Mixville Holdings Inc.	British Virgin Islands	International investment	899,392	899,392	26,630,000	100.00	3,054,432	143,775	155,105	
Eternal Materials Co., Ltd.	Advanced PETFILM Investment Co., Ltd.	Japan	International investment	788,630	788,630	270	20.00	572,145	112,661	24,983	
Eternal Materials Co., Ltd.	Daxin Materials Corporation	Taiwan	Manufacturing and selling of chemical, resins materials and electronic materials	187,417	187,417	23,003,812	22.40	699,488	352,204	78,894	
Eternal Materials Co., Ltd.	New E Materials Co., Ltd.	Taiwan	Researching, developing, manufacturing and selling of photoelectric, semiconductor process related electronic chemical materials and equipment spare parts	82,322	82,322	3,453,793	62.80	32,712	355	223	
Eternal Materials Co., Ltd.	Covestro Eternal Resins (Far East) Ltd.	Taiwan	Manufacturing and selling of powder coating resin	36,400	36,400	3,660,000	40.00	137,892	28,926	20,852	
Eternal Materials Co., Ltd.	Eternal Precision Mechanics Co., Ltd.	Taiwan	Manufacturing and selling of vacuum laminator	458,620	458,620	49,720,308	70.20	1,037,822	111,143	78,291	
Eternal Materials Co., Ltd.	Eternal Electronic Material (Thailand) Co., Ltd.	Thailand	Trading services, cutting and selling of dry film photoresist	349,081	349,081	2,812,500	90.00	357,910	(20,257)	(17,979)	
Eternal Materials Co., Ltd.	CHOU-KOU Materials Co., Ltd.	Japan	Selling, trading and providing services of resins material, electronic material and other related products; manufacturing and selling of dry film photoresist	190,594	190,594	9,760	100.00	312,668	37,704	36,401	
Eternal Materials Co., Ltd.	Elga Europe S.r.l.	Italy	Manufacturing, selling, distribution and processing of electronic chemical products	311,930	287,169	-	95.00	21,344	(15,195)	(11,044)	Note 2
Eternal Materials Co., Ltd.	Eternal Technology Corporation	United States	Manufacturing and selling of photoresist; selling of chemical products	622,950	622,950	1,000	100.00	191,583	(27,282)	(27,282)	
Eternal Precision Mechanics Co., Ltd.	Nikko-Materials Co., Ltd.	Japan	Manufacturing and selling of vacuum laminator	300,150	300,150	11,520	100.00	945,260	160,307	-	Note 1
Eternal Holdings Inc.	Eternal International (BVI) Co., Ltd.	British Virgin Islands	International investment	5,062,308	5,062,308	161,793,592	100.00	14,309,367	89,428	-	Note 1
Eternal Holdings Inc.	E-Chem Corp.	Samoa	International investment	165,608	165,608	4,990,000	100.00	2,450,067	210,465	-	Note 1
Eternal Holdings Inc.	Eternal Nanyang Investment Co., Ltd.	Samoa	International investment	1,252,008	841,453	40,770,000	90.00	434,425	(41,920)	-	Note 1
Eternal Holdings Inc.	PT Eternal Materials Indonesia	Indonesia	Trading of chemical products	13,360	13,360	670	67.00	9,302	(1,653)	-	Note 1
Eternal Holdings Inc.	Eternal Materials India Private Limited	India	Trading of chemical products	13,643	13,643	3,465,000	99.00	12,585	672	-	Note 1
Eternal Holdings Inc.	Allnex-Eternal Resins Corporation Limited	Hong Kong	Trading and international investment	14,496	14,496	49,000	49.00	482,979	87,027	-	Note 1
Eternal Holdings Inc.	Polymer Instrumentation and Consulting Services, Ltd.	United States	Plastic products manufacturing	121,913	121,913	4,694,296	30.00	-	-	-	Note 1
E-Chem Corp.	Eternal Materials India Private Limited	India	Trading of chemical products	138	138	35,000	1.00	127	672	-	Note 1
Mixville Holdings Inc.	High Expectation Limited	Cayman Islands	International investment	871,519	871,519	26,005,000	100.00	2,855,317	143,776	-	Note 1
Eternal (China) Investment Co., Ltd.	Elga Europe S.r.l.	Italy	Manufacturing, selling, distribution and processing of electronic chemical products	-	58,610	-	-	-	(15,195)	-	Notes 1 and 2
Eternal Nanyang Investment Co., Ltd.	Eternal Materials (Malaysia) Sdn. Bhd.	Malaysia	Manufacturing, selling, trading and providing services of resins material and chemical related products	2,538,990	2,082,818	457,621,800	100.00	1,949,790	4,111	-	Note 1

Note 1: It had been consolidated into the net income (loss) of investees recognized by the Company using the equity method, and also considered into the calculation of the Company’s investment income or loss.

Note 2: Reorganization.

Eternal Materials Co., Ltd. and Subsidiaries

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investor Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investments from Taiwan as of January 1, 2025	Investment Flows		Accumulated Outward Remittance for Investments from Taiwan as of June 30, 2025	Net Income (Loss) of the Investee	% of Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of June 30, 2025	Accumulated Repatriation of Investment Income as of June 30, 2025	Note
					Outward	Inward							
Eternal Chemical (China) Co., Ltd.	Manufacturing and selling of resins material and processing products	\$ 755, 651	2	\$ 625, 549	\$ -	\$ -	\$ 625, 549	\$ 104, 046	100. 00	\$ 104, 046	\$ 3, 005, 201	\$ 3, 394, 152	Note 2
Covestro Eternal Resins (Kunshan) Co., Ltd.	Manufacturing and selling of powder coating resin	183, 470	2	91, 735	-	-	91, 735	20, 441	50. 00	16, 310	332, 806	600, 691	Note 3
Eternal Optical Material (Suzhou) Co., Ltd.	Manufacturing and selling of optical films, and leasing business	1, 563, 967	2	-	-	-	-	(10, 877)	100. 00	(10, 877)	128, 939	-	Note 3 and 10
Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Researching, developing, manufacturing and selling of electronic high-tech chemical and related products	2, 256, 739	2	444, 685	-	-	444, 685	130, 412	100. 00	130, 412	3, 464, 424	983, 767	Note 2
Eternal Photoelectric Material Industry (Yingkou) Co., Ltd.	Researching, developing and manufacturing of photoresist dry film, liquid photo imaginable solder masks and printed circuit board related materials	469, 402	2	-	-	-	-	1, 832	100. 00	1, 832	170, 953	-	Note 3
Eterkon Semiconductor Materials Co., Ltd.	Manufacturing and selling of epoxy molding compounds which are used in electronic parts and related products	524, 337	2	456, 427	-	-	456, 427	22, 774	40. 00	13, 950	324, 960	-	Note 3
Eternal Synthetic Resins (Changshu) Co., Ltd.	Manufacturing and selling of unsaturated polyester resin	726, 426	2	279, 811	-	-	279, 811	(17, 442)	100. 00	(17, 442)	126, 807	-	Note 3
Eternal Chemical (Tianjin) Co., Ltd.	Manufacturing and selling of adhesives, resins material and processing products	1, 008, 004	2	599, 320	-	-	599, 320	(6, 895)	100. 00	(6, 895)	889, 322	-	Note 3
Eternal Specialty Materials (Zhuhai) Co., Ltd.	Manufacturing and selling of acrylic resin and methacrylic acid	611, 011	2	243, 540	-	-	243, 540	215, 568	90. 00	210, 166	2, 435, 581	2, 521, 121	Note 2
Eternal Materials (Guangdong) Co., Ltd.	Manufacturing and selling of adhesives, resins material and processing products	1, 297, 259	2	868, 175	-	-	868, 175	143, 775	100. 00	143, 775	2, 854, 205	2, 947, 620	Note 3
Eternal (China) Investment Co., Ltd.	Managing, investing consulting services, researching, leasing, manufacturing and selling of resins material and photoelectric chemicals materials	6, 880, 878	2	3, 810, 719	-	-	3, 810, 719	88, 828	100. 00	88, 828	14, 275, 945	-	Notes 3 and 4
Eternal Chemical (Chengdu) Co., Ltd.	Researching, manufacturing and selling of resins material	1, 454, 071	2	-	-	-	-	(52, 781)	100. 00	(52, 781)	(19, 333)	-	Note 3
Eternal Electronic (Suzhou) Co., Ltd.	Researching, developing, and manufacturing of dry film photoresist and dry film solder masks which are used in electronic materials, researching resin materials and selling, providing after sales service of self-produced products	2, 749, 380	2	-	-	-	-	(36, 667)	100. 00	(36, 667)	2, 580, 526	-	Note 3
Eternal Specialty Materials (Suzhou) Co., Ltd.	Researching and developing chemical products, and selling, providing technical services of self-produced products	1, 199, 225	2	-	-	-	-	71, 363	100. 00	71, 363	1, 520, 672	-	Note 2
Resonac New Material (Zhuhai) Co., Ltd.	Manufacturing and selling of functional resins, resins composite material and providing technical services	366, 881	2	-	-	-	-	321	30. 00	202	86, 226	-	Note 3
Eternal Material Industry (Tongling) Co., Ltd.	Manufacturing, selling and providing technical services of products related to resins material	2, 038, 650	2	-	-	-	-	(26, 364)	100. 00	(26, 364)	1, 852, 055	-	Note 3
Eternal Precision Mechanics (Guangzhou) Co., Ltd	Manufacturing and selling of computers, communications and other electronic equipment	132, 928	1	132, 928	-	-	132, 928	(8, 883)	70. 20	(6, 236)	72, 483	-	Note 2

Investor Company	Accumulated Outward Remittance for Investments in Mainland China as of June 30, 2025 (Note 5)	Investment Amount Authorized by the Investment Commission, MOEA (Note 5)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (Note 6)
Eternal Materials Co., Ltd.	\$ 7, 622, 793	\$ 28, 198, 265	\$ -
Eternal Precision Mechanics Co., Ltd.	132, 928	132, 928	886, 814

Note 1: Investment methods are classified into the following three categories:

1. Direct investment in a company in mainland China.
2. Investing through companies in a third region (Eternal Holdings Inc., Eternal Global (BVI) Co., Ltd. and Mixville Holdings Inc.).
3. Others.

Note 2: The investment gains and losses were recognized from the financial statements reviewed by the parent company's CPA in the ROC.

Note 3: The investment gains and losses were recognized from the financial statements of the investee company which have not been reviewed by CPA.

Note 4: The investment gains and losses of Eternal (China) Investment Co., Ltd. included the income (loss) of the investee company.

Note 5: The amounts were translated into NTD using the exchange rate of application date or remittance date.

Note 6: According to the "Regulation Governing the Approval of Investment or Technical Cooperation in Mainland China", which was modified on August 29, 2008, Eternal Materials Co., Ltd. obtained the approval of the operational headquarters from the Industrial Development Bureau of Ministry of Economic Affairs; hence, there is no need to set an upper limit for the investment amount. For the subsidiary Eternal Precision Mechanics Co., Ltd., the upper limit for the investment amount is 60% of its net worth based on the latest financial statements.