

## **Eternal Materials Co., Ltd.**

### **Parent Company Only Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors' Report**

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

## INDEPENDENT AUDITORS' REPORT

Eternal Materials Co., Ltd.

### Opinion

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

In our opinion, based on our audits and the reports of other auditors (refer to the Other Matter paragraph), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinion

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

### Key Audit Matters

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

The key audit matter identified in the Company's parent company only financial statements for the year ended December 31, 2024 is described as follows:

## THE TIME AND OCCURRENCE OF REVENUE RECOGNITION FROM THE SUBSIDIARIES OF THE ELECTRONIC MATERIALS DEPARTMENT'S SALE OF VACUUM LAMINATOR

### 1. Description

The unit price and gross profit margin of the vacuum laminator sold by the subsidiaries of the electronic materials department are higher. In addition, taking into account the characteristics and risks of the industry, we identified the time and occurrence of the above revenue recognition as a key audit matter in accordance with Communicating Key Audit Matters in the Independent Auditor's Report of TWSA.

### 2. The audit procedures we performed in response to the above key audit matters are as follows:

- a. We obtained an understanding of the relevant process and the control of revenue recognition in vacuum laminator and tested their effectiveness.
- b. We performed the test of details, which selected the samples for a certain period before and after the end of the year and obtained supporting documents or evidence to confirm that the revenue of the vacuum laminator has been recognized in the appropriate period.
- c. We performed the test of details, which selected the samples for the full year and obtained supporting documents or evidence to confirm that the revenue transactions of the vacuum laminator have been installed and the control has been transferred.
- d. We performed a sampling review of significant sales returns and allowances occurring after the period to determine if there are any irregularities in revenue recognition.

### **Other Matter**

The financial statements of some associates were audited by other auditors. Therefore, our opinion on the amounts included in the accompanying financial statements was based on the financial statements audited by other auditors. Such investments accounted for using the equity method amounted to NT\$735,614 thousand and NT\$714,968 thousand, both representing 2% of the Company's total assets as of December 31, 2024 and 2023, respectively; the share of the profit of these associates amounted to NT\$129,549 thousand and NT\$119,325 thousand, representing 3% and 11% of the Company's total comprehensive income for the years ended December 31, 2024 and 2023, respectively.

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

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

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

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

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

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

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

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

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

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

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

reasonably be expected to outweigh the public interest benefits of such communication.

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

Wang, Chao - Chun

Yu-Hsiang Liu

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 14, 2025

Notice to Readers

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

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

# Eternal Materials Co., Ltd.

## PARENT COMPANY ONLY BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 435,078	1	\$ 204,029	-
Notes receivable, net (Notes 4 and 7)	202,694	-	276,813	1
Accounts receivable, net (Notes 4, 5 and 7)	2,538,155	5	2,309,532	5
Accounts receivable from related parties, net (Notes 4, 5, 7 and 26)	847,071	2	882,032	2
Other receivables (Notes 7 and 26)	519,996	1	458,750	1
Inventories (Notes 4, 5 and 8)	2,784,885	6	2,661,185	6
Other current assets - others (Notes 20 and 27)	461,204	1	212,165	-
Total current assets	7,789,083	16	7,004,506	15
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 9)	708,901	2	799,386	2
Investments accounted for using the equity method (Notes 4 and 10)	32,083,776	67	31,598,687	67
Property, plant and equipment (Notes 4 and 11)	7,358,145	15	7,315,748	16
Right-of-use assets (Notes 4 and 12)	40,103	-	42,282	-
Investment properties (Notes 4 and 13)	49,308	-	49,991	-
Intangible assets (Notes 4 and 14)	177,965	-	191,801	-
Deferred tax assets (Notes 4 and 20)	139,387	-	170,168	-
Other non-current assets - others (Note 27)	52,826	-	68,471	-
Total non-current assets	40,610,411	84	40,236,534	85
<b>TOTAL</b>	<b>\$ 48,399,494</b>	<b>100</b>	<b>\$ 47,241,040</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Notes 4, 15 and 26)	\$ 4,263,929	9	\$ 4,569,047	10
Notes payable	97	-	2,362	-
Accounts payable (Note 26)	1,157,152	2	1,143,698	3
Other payables - others (Note 16)	764,663	2	742,282	2
Current tax liabilities (Note 20)	510,217	1	176,636	-
Lease liabilities - current (Notes 4 and 12)	13,082	-	15,369	-
Current portion of long-term liabilities (Notes 4 and 15)	2,025,000	4	3,448,969	7
Other current liabilities - others (Note 18)	36,388	-	31,985	-
Total current liabilities	8,770,528	18	10,130,348	22
<b>NON-CURRENT LIABILITIES</b>				
Bonds payable (Notes 4 and 15)	2,498,252	5	2,497,203	5
Long-term borrowings (Notes 4 and 15)	6,465,000	13	7,090,000	15
Deferred tax liabilities (Notes 4, 5 and 20)	2,009,570	4	2,219,628	5
Lease liabilities - non-current (Notes 4 and 12)	24,390	-	24,078	-
Other non-current liabilities (Notes 4, 5 and 16)	317,343	1	545,153	1
Total non-current liabilities	11,314,555	23	12,376,062	26
Total liabilities	20,085,083	41	22,506,410	48
<b>EQUITY (Note 17)</b>				
Ordinary shares	11,782,655	24	11,782,655	25
Capital surplus	1,353,668	3	664,785	1
Retained earnings				
Legal reserve	5,230,730	11	5,083,381	11
Special reserve	1,358,789	3	977,601	2
Unappropriated earnings	8,328,467	17	7,584,997	16
Total retained earnings	14,917,986	31	13,645,979	29
Other equity	260,102	1	(1,358,789)	(3)
Total equity	28,314,411	59	24,734,630	52
<b>TOTAL</b>	<b>\$ 48,399,494</b>	<b>100</b>	<b>\$ 47,241,040</b>	<b>100</b>

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 14, 2025)

## Eternal Materials Co., Ltd.

### PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 18 and 26)	\$ 14,370,268	100	\$ 13,317,700	100
OPERATING COSTS (Notes 8, 16, 19 and 26)	<u>11,407,792</u>	<u>79</u>	<u>10,889,118</u>	<u>82</u>
GROSS PROFIT	<u>2,962,476</u>	<u>21</u>	<u>2,428,582</u>	<u>18</u>
OPERATING EXPENSES (Notes 7, 16 and 19)				
Selling and marketing expenses	841,142	6	689,541	5
General and administrative expenses	876,857	6	807,831	6
Research and development expenses	1,115,983	8	1,090,214	8
Expected credit loss (gain)	<u>(877)</u>	<u>-</u>	<u>538</u>	<u>-</u>
Total operating expenses	<u>2,833,105</u>	<u>20</u>	<u>2,588,124</u>	<u>19</u>
OPERATING INCOME (LOSS)	<u>129,371</u>	<u>1</u>	<u>(159,542)</u>	<u>(1)</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	2,583	-	16,112	-
Other income (Notes 19 and 26)	553,183	4	480,061	3
Other gains and losses (Note 19)	88,935	1	(34,704)	-
Finance costs (Notes 4, 19 and 26)	(319,108)	(3)	(312,050)	(3)
Share of profit of subsidiaries, associates and joint ventures (Note 10)	<u>1,681,129</u>	<u>12</u>	<u>1,689,092</u>	<u>13</u>
Total non-operating income and expenses	<u>2,006,722</u>	<u>14</u>	<u>1,838,511</u>	<u>13</u>
PROFIT BEFORE INCOME TAX	2,136,093	15	1,678,969	12
INCOME TAX EXPENSE (Notes 4 and 20)	<u>(301,541)</u>	<u>(2)</u>	<u>(175,282)</u>	<u>(1)</u>
NET PROFIT FOR THE YEAR	<u>1,834,552</u>	<u>13</u>	<u>1,503,687</u>	<u>11</u>

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# Eternal Materials Co., Ltd.

## PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2024		2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
(Notes 16, 17 and 20)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ 144,211	1	\$ (41,065)	-
Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	190,751	1	122,330	1
Remeasurement of defined benefit plans of subsidiaries, associates and joint ventures accounted for using the equity method	1,071	-	2,659	-
Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method	79,386	-	44,677	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	(24,456)	-	11,847	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	1,474,849	10	(579,276)	(4)
Share of other comprehensive income (loss) of associates and joint ventures	<u>88,218</u>	<u>1</u>	<u>(22,920)</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>1,954,030</u>	<u>13</u>	<u>(461,748)</u>	<u>(3)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 3,788,582</u>	<u>26</u>	<u>\$ 1,041,939</u>	<u>8</u>
EARNINGS PER SHARE (Note 21)				
Basic	\$ 1.56		\$ 1.28	
Diluted	1.55		1.27	

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

(With Deloitte & Touche auditors' report dated March 14, 2025)



# Eternal Materials Co., Ltd.

## PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Ordinary Shares	Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Other Equity	Total Other Equity	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized Gains and Losses on Financial Assets at Fair Value Through Other Comprehensive Income		
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
Appropriation of the 2023 earnings (Note 17)									
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)
	-	-	147,349	381,188	(1,471,149)	-	-	-	(942,612)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method (Note 17)	-	(490)	-	-	-	-	-	-	(490)
Net profit for the year ended December 31, 2024	-	-	-	-	1,834,552	-	-	-	1,834,552
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	116,440	1,563,067	274,523	1,837,590	1,954,030
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	1,950,992	1,563,067	274,523	1,837,590	3,788,582
Difference between the consideration received or paid and the carrying amount of the subsidiaries during actual disposal or acquisition (Note 22)	-	688,615	-	-	-	44,464	-	44,464	733,079
Changes in percentage of ownership interests in subsidiaries (Note 22)	-	758	-	-	-	464	-	464	1,222
Disposal of investments in equity instruments at fair value through other comprehensive income(Notes 9 and 17)	-	-	-	-	263,627	-	(263,627)	(263,627)	-
BALANCE AT DECEMBER 31, 2024	\$ 11,782,655	\$ 1,353,668	\$ 5,230,730	\$ 1,358,789	\$ 8,328,467	\$ (278,845)	\$ 538,947	\$ 260,102	\$ 28,314,411
BALANCE AT JANUARY 1, 2023	\$ 11,782,655	\$ 368,946	\$ 4,803,617	\$ 1,181,819	\$ 7,600,968	\$ (1,335,011)	\$ 357,410	\$ (977,601)	\$ 24,760,404
Appropriation of the 2022 earnings (Note 17)									
Legal reserve appropriated	-	-	279,764	-	(279,764)	-	-	-	-
Reversal of special reserve	-	-	-	(204,218)	204,218	-	-	-	-
Cash dividends - NT\$1.2 per share	-	-	-	-	(1,413,919)	-	-	-	(1,413,919)
	-	-	279,764	(204,218)	(1,489,465)	-	-	-	(1,413,919)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method (Note 17)	-	3,348	-	-	-	-	-	-	3,348
Net profit for the year ended December 31, 2023	-	-	-	-	1,503,687	-	-	-	1,503,687
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	(30,193)	(602,196)	170,641	(431,555)	(461,748)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	1,473,494	(602,196)	170,641	(431,555)	1,041,939
Changes in percentage of ownership interests in subsidiaries (Note 22)	-	292,491	-	-	-	50,367	-	50,367	342,858
BALANCE AT DECEMBER 31, 2023	\$ 11,782,655	\$ 664,785	\$ 5,083,381	\$ 977,601	\$ 7,584,997	\$ (1,886,840)	\$ 528,051	\$ (1,358,789)	\$ 24,734,630

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche auditors' report dated March 14, 2025)

# Eternal Materials Co., Ltd.

## PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 2,136,093	\$ 1,678,969
Adjustments for:		
Depreciation expense	724,474	643,835
Amortization expense	15,238	16,618
Expected credit loss (gain)	(877)	538
Interest expense	319,108	312,050
Interest income	(2,583)	(16,112)
Dividend income	(44,044)	(13,013)
Share-based compensation	-	2,780
Share of the profit of subsidiaries, associates and joint ventures	(1,681,129)	(1,689,092)
Loss on disposal of property, plant and equipment	3,567	1,929
Gain on disposal of intangible assets	(1,600)	-
Gain on disposal of investments	(83,021)	-
Impairment loss recognized on non-financial assets	87,278	53,301
Others	(182)	(418)
Changes in operating assets and liabilities		
Notes receivable	74,119	(857)
Accounts receivable	(227,749)	137,083
Accounts receivable from related parties	34,964	(4,376)
Other receivables	(42,628)	60,317
Inventories	(210,978)	636,156
Other current assets	11,570	(29,648)
Notes payable	(2,265)	1,829
Accounts payable	13,454	98,781
Other payables	35,015	(127,709)
Other current liabilities	4,403	(12,155)
Other non-current liabilities	(83,599)	(39,020)
Cash generated from operations	1,078,628	1,711,786
Interest received	2,583	16,125
Dividends received	2,856,684	1,573,655
Interest paid	(346,083)	(322,481)
Income taxes paid	(417,302)	(297,733)
Net cash generated from operating activities	<u>3,174,510</u>	<u>2,681,352</u>

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# Eternal Materials Co., Ltd.

## PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	\$ (19,000)	\$ (50,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income	300,236	-
Proceeds from disposal of investments accounted for using the equity method	95,381	-
Payment for property, plant and equipment	(737,653)	(1,136,344)
Proceeds from disposal of property, plant and equipment	1,163	1,848
Decrease in other receivables from related parties	-	307,100
Payment for intangible assets	(1,402)	(1,270)
Proceeds from disposal of intangible assets	1,600	-
Decrease in other financial assets	-	15,000
Decrease (increase) in other non-current assets	<u>645</u>	<u>(16,172)</u>
Net cash used in investing activities	<u>(359,030)</u>	<u>(879,838)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase(decrease) in short-term borrowings	(305,118)	1,103,483
Repayments of bonds payable	(3,000,000)	-
Proceeds from long-term borrowings	9,650,000	6,000,000
Repayments of long-term borrowings	(8,700,000)	(7,294,000)
Increase in guarantee deposits received	-	654
Repayment of the principal portion of lease liabilities	(16,461)	(21,244)
Dividends paid	(942,612)	(1,413,919)
Acquisition of additional interests in subsidiaries	(258,246)	(758,236)
Disposal of ownership interests in subsidiaries (without losing control)	988,006	-
Proceeds from capital reduction of subsidiaries accounted for using the equity method	<u>-</u>	<u>454,125</u>
Net cash used in financing activities	<u>(2,584,431)</u>	<u>(1,929,137)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>231,049</b>	<b>(127,623)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u><b>204,029</b></u>	<u><b>331,652</b></u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u><u><b>\$ 435,078</b></u></u>	<u><u><b>\$ 204,029</b></u></u>

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

(With Deloitte & Touche auditors' report dated March 14, 2025)

# Eternal Materials Co., Ltd.

## NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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### 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 parent company only financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the Company’s board of directors and authorized for issue on March 14, 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 a material impact on the Company’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note 2)

Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Company shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or

liabilities.

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025. An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the parent company only financial statements were authorized for issue, the Company has assessed that the application of above standards and interpretations will not have a material impact on the Company's financial position and financial performance.

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

<b><u>New, Amended and Revised Standards and Interpretations</u></b>	<b><u>Effective Date Announced by IASB (Note)</u></b>
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
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 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 shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Company as a whole, the Company 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 effects of related reconciliation items.

Except for the above impact, as of the date the parent company only financial statements were authorized for issue, the Company is continuously assessing other impacts of the above amended standards and interpretations will have on the Company's 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 parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

##### **b. Basis of preparation**

The parent company only financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

When preparing the parent company only financial statements, the Company accounted for investments in subsidiaries and associates using the equity method. In order for the amount of net income, other comprehensive income and equity in the parent company only financial statements to be equal to those attributable to owners of the Company in the consolidated financial statements, the differences in the accounting treatment between the parent company only basis and the consolidated basis are adjusted under the heading of investments accounted for using the equity method, share of profit or loss of subsidiaries, associates and joint ventures, share of other comprehensive income (loss) of subsidiaries, associates and joint ventures in the parent company only financial statements.

##### **c. Classification of current and non-current assets and liabilities**

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and

- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the parent company only financial statements are authorized for issue; and
- 3) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the Company's own equity instruments do not affect its classification as current or non-current if the Company classifies the option as an equity instrument.

d. Foreign currencies

In preparing the parent company only financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the closing rates at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is included in the calculation of equity transactions but is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate of exchange at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

e. Inventories

Inventories consist of raw materials, supplies, finished goods and inventory in transit. Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost.

f. Investments in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Company. Under the equity method, an investment is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the share of other equity of subsidiaries.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control over the subsidiary are accounted for as equity transactions. Differences between the carrying amounts of the investment and the fair value of consideration paid or received are directly recognized in equity.

When the Company's share of loss of a subsidiary equals to or exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further losses.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount of cash-generating units based on the investee's financial statements as a whole. If the recoverable amount of the investment subsequently increases, the Company recognizes the profit for reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in subsequent periods.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of previous investment at the date when control is lost is recognized in profit or loss. Besides, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

Unrealized profits and losses resulting from downstream transactions with subsidiaries are eliminated in the parent company only financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized in the parent company only financial statements only to the extent of interests in the subsidiaries that are not related to the Company.

g. Investments in associates

An associate is an entity over which the Company has significant influence and that is not a subsidiary.



The Company uses the equity method to account for its investments in associates.

Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate. The Company also recognizes the changes in the share of equity of associates.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Company's proportionate interest in the associate. The Company records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - share of changes in equities of associates and investments accounted for using the equity method. If the Company's ownership interest is reduced due to subscription of the new shares of associate at a percentage different from its existing ownership percentage, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be a deduction to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is deducted from retained earnings.

When the Company's share of losses of an associate equals or exceeds their interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing their share of further losses, if any. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

When impairment loss is evaluated, the entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is deducted from investment and the carrying amount of investment is net of impairment loss. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment has subsequently increased.

The Company discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Company accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When the Company transacts with its associates, profits and losses on these transactions are recognized in the parent company only financial statements only to the extent of interests in the associates that are not related to the Company.

#### h. Property, plant, and equipment

Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less accumulated recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use and depreciated accordingly.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting year, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rent and land held for a currently undetermined future use. Freehold investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognized using the straight-line method except for freehold land.

For a transfer of classification from property, plant and equipment to investment properties, the deemed cost of the property for subsequent accounting is its carrying amount at the end of owner-occupation.

For a transfer of classification from investment properties to property, plant and equipment, the deemed cost of the property for subsequent accounting is its carrying amount at the commencement of owner-occupation.

For a contract where a landowner provides land for the construction of buildings by a property developer in exchange for a certain percentage of buildings, any exchange gain or loss is recognized when the exchange transaction occurs, if the buildings acquired are classified as investment properties and if the exchange transaction has commercial substance.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting year, with the effect of any changes in the estimates accounted for on a prospective basis.

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

k. Impairment of property, plant and equipment, investment properties, right-of-use assets and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, investment properties, right-of-use assets and intangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company

estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. The impairment loss is recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined for the asset or cash-generating unit (net of amortization or depreciation) had no impairment loss been recognized in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

#### 1. Non-current assets held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset or disposal group is available for immediate sale in its present condition. To meet the criteria for the sale being highly probable, the appropriate level of management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Events or circumstances may extend the period to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude an asset or disposal group from being classified as held for sale if the delay is caused by events or circumstances beyond the Company's control and there is sufficient evidence that the Company remains committed to its plan to sell the asset or disposal group.

Non-current assets or disposal groups classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Recognition of depreciation of those assets would cease.

When a sale plan would result in a loss of control of a subsidiary, all of the carrying amounts of the investments in that subsidiary are classified as held for sale, regardless of whether there is any residual interest in that subsidiary after the sale. However, such investment is still accounted for using the equity method.

When the Company is committed to a sale plan involving the disposal of an investment or a portion of an investment in an associate, only the investment or the portion of the investment that will be disposed of is classified as held for sale when the classification criteria are met, and the Company discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method. If the Company ceases to have significant influence over the investment after the disposal takes place, the Company accounts for any retained interest that has not been classified as held for sale in accordance with the accounting policies for financial instruments.

When a subsidiary, associate or a portion of an interest in an associate previously classified as held for sale no longer meets the criteria to be classified as such, it is measured at the carrying amount that would have been recognized as such interests had not been classified as held for sale. The financial statements for the prior periods with interests classified as held for sale are amended accordingly.

m. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

The Company's financial assets are classified into the following categories: financial assets at amortized cost and investments in equity instruments at FVTOCI.

i Financial assets at amortized cost

The Company's financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, notes and accounts receivable at amortized cost, other receivables, other financial assets - current and non-current and refundable deposits are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

ii Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive

income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (mainly on accounts receivable).

The Company recognizes lifetime expected credit losses (ECLs) for accounts receivable. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. The risk of default of accounts receivable is assessed based on the number of days past due. The risk of default of other financial assets for the next 12 months is assessed based on internal or external information.

The impairment loss of all financial assets is recognized by a reduction in their carrying amounts through a allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and any associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes the proceeds received as collateral for borrowings or payables.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI in its entirety, the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Financial liabilities

a) Subsequent measurement

The Company measures all financial liabilities at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

n. Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

1) Revenue from the sale of goods

Revenue from the sale of goods is recognized when the committed goods are delivered from the Company to customers to satisfy performance obligations. Unearned sales revenues are recognized as contract liabilities until performance obligations are satisfied.

Revenue is measured at the transaction price (net of commercial discounts and quantity discounts) agreed to by the Company with customers. For a contract where the period between the date the Company transfers a promised good to a customer and the date of consideration received is one year or less, the Company does not adjust the promised amount of consideration for any effect of a significant financing component.

2) Revenue from the rendering of services

The rendering of services of the Company pertain to intangible asset licensing and logistics support. The service price is charged according to the basis of calculation as stated in the contract. Since the period between the date of service transferred and the date of consideration received is less than one year, the Company does not adjust the promised amount of consideration for any effect of a significant financing component.

o. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

1) The Company as lessor

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Under finance leases, the lease payments comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives payable. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Company's net investment outstanding in respect of leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the lease terms.

## 2) The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

Right-of-use assets are presented on a separate line in the parent company only balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. However, if leases transfer ownership of the underlying assets to the Company by the end of the lease terms or if the costs of right-of-use assets reflect that the Company will exercise a purchase option, the Company depreciates the right-of-use assets from the commencement dates to the end of the useful lives of the underlying assets.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, the amounts expected to pay under residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Company accounts for the remeasurement of the lease liability by (a) decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing any gain or loss on the partial or full termination of the lease in profit or loss; (b) making a corresponding adjustment to the right-of-use asset of all other lease modifications. Lease liabilities are presented on a separate line in the parent company only balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

### p. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All borrowing costs other than those stated above are recognized in profit or loss in the period in which they are incurred.

q. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (current service cost and past service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur or when the plan amendment or curtailment occurs. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

r. Taxation

Income tax expense represents the sum of current tax and deferred tax.

1) Current tax

The Company's income tax payable (refundable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized on deductible temporary differences provided there will be sufficient taxable profit against which the benefits of the temporary differences can be used.

Deferred tax liabilities are recognized on taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the



foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at each balance sheet date and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the balance sheet date, to recover or settle the carrying amount of the assets and liabilities.

The Company has applied the exception from the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes. Accordingly, the Company neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

### 3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

## 5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

### Key Sources of Estimation and Assumption Uncertainty

#### a. Income taxes

Since a portion of the earnings is expected to be used for expanding foreign operations, it will not be remitted in the foreseeable future. The realization of deferred income tax liabilities mainly depends on the scale of operation expansion in the future. If the actual investment amount in the future is less than the expected investment amount, a recognition of deferred tax liabilities may arise and such amount will be recognized in profit and loss upon occurrence.

#### b. Estimated impairment of accounts receivable

The provision for impairment of accounts receivable is based on assumptions about risk of default and expected credit loss rates. The Company uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Company's historical experience, existing market conditions as well as forward looking information. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

c. Write-down of inventories

The net realizable value of inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience with product sales of a similar nature. Changes in future market conditions may have a material impact on the estimation of the net realizable value.

d. Recognition and measurement of defined benefit plans

The resulting defined benefit costs under the defined benefit pension plans and the net defined benefit liabilities (assets) are calculated using the projected unit credit method. Actuarial assumptions comprise the discount rates, rates of employee turnover, future salary increases rate, etc. Changes in economic circumstances and market conditions will affect these assumptions and may have an impact on the amount of expenses and liabilities.

## 6. CASH AND CASH EQUIVALENTS

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Cash on hand	\$ 3,057	\$ 3,459
Checking accounts and demand deposits	<u>432,021</u>	<u>200,570</u>
	<u>\$ 435,078</u>	<u>\$ 204,029</u>

## 7. NOTES, ACCOUNTS AND OTHER RECEIVABLES

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Notes receivable	<u>\$ 202,694</u>	<u>\$ 276,813</u>
Accounts receivable	\$ 2,597,454	\$ 2,372,223
Less: Allowance for loss	<u>(59,299)</u>	<u>(62,691)</u>
	<u>\$ 2,538,155</u>	<u>\$ 2,309,532</u>
Accounts receivable from related parties	\$ 847,071	\$ 882,035
Less: Allowance for loss	<u>-</u>	<u>(3)</u>
	<u>\$ 847,071</u>	<u>\$ 882,032</u>
Other receivables	\$ 549,796	\$ 488,550
Less: Allowance for loss	<u>(29,800)</u>	<u>(29,800)</u>
	<u>\$ 519,996</u>	<u>\$ 458,750</u>

a. Notes receivable and accounts receivable

The notes and accounts receivable of the Company are measured at amortized cost. For the related credit management policies, refer to Note 25.

The loss allowance for the Company's 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's provision matrix:

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	\$ 3,079,476	\$ 263,648	\$ 166,380	\$ 75,212	\$ 62,503	\$ 3,647,219
Loss allowance (lifetime ECL)	-	(94)	(253)	(265)	(58,687)	(59,299)
Amortized cost	<u>\$ 3,079,476</u>	<u>\$ 263,554</u>	<u>\$ 166,127</u>	<u>\$ 74,947</u>	<u>\$ 3,816</u>	<u>\$ 3,587,920</u>

December 31, 2023

	Not Past Due	0 to 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Gross carrying amount	\$ 2,997,164	\$ 294,699	\$ 119,265	\$ 47,278	\$ 72,665	\$ 3,531,071
Loss allowance (lifetime ECL)	(211)	(214)	(348)	(28)	(61,893)	(62,694)
Amortized cost	<u>\$ 2,996,953</u>	<u>\$ 294,485</u>	<u>\$ 118,917</u>	<u>\$ 47,250</u>	<u>\$ 10,772</u>	<u>\$ 3,468,377</u>

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

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Balance at beginning of the year	\$ 62,694	\$ 79,499
Recognized (reversed) in the current year	(877)	538
Written off in the current year	<u>(2,518)</u>	<u>(17,343)</u>
Balance at end of the year	<u>\$ 59,299</u>	<u>\$ 62,694</u>

b. Other receivables

The Company's loss allowance is based on historical experience and current financial position. As of December 31, 2024 and 2023, the balance of the loss allowance of the Company was \$29,800 thousand.

## 8. INVENTORIES

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Raw materials	\$ 1,203,704	\$ 1,190,226
Supplies	41,518	31,534
Finished goods	1,389,201	1,313,797
Inventory in transit	<u>150,462</u>	<u>125,628</u>
	<u>\$ 2,784,885</u>	<u>\$ 2,661,185</u>

The cost of inventories recognized as operating costs for the years ended December 31, 2024 and 2023 was \$11,407,792 thousand and \$10,889,118 thousand, respectively, including write-down of inventories of \$87,278 thousand and \$53,301 thousand, respectively.

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

	December 31	
	2024	2023
Domestic investments		
Listed shares		
President Securities Corp.	\$ 570,048	\$ 655,657
Unlisted shares		
Universal Venture Capital Investment Corp.	55,724	52,949
Der Yang Biotechnology Venture Capital Co., Ltd.	-	2,979
Research Innovation Capital Corporation	48,384	49,374
Winchain Material Technology Co., Ltd.	18,249	-
	<u>692,405</u>	<u>760,959</u>
Foreign investments		
Unlisted shares		
TBG Diagnostics Limited	<u>16,496</u>	<u>38,427</u>
	<u>\$ 708,901</u>	<u>\$ 799,386</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's 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 December 31 2024, 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 expected 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.

In 2024, the Company adjusted its investment portfolio to realize partial gains by selling its shares in Der Yang Biotechnology Venture Capital Co., Ltd. and a portion of its shares in President Securities Corp. at fair value of \$300,236 thousand. In accordance with IFRS Accounting Standards, the related other equity arising from unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income of \$263,627 thousand were transferred to retained earnings.

## 10. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2024	2023
Investments in subsidiaries	\$ 30,624,212	\$ 30,253,808
Investments in associates	<u>1,459,564</u>	<u>1,344,879</u>
	<u>\$ 32,083,776</u>	<u>\$ 31,598,687</u>

a. Investments in subsidiaries

	December 31			
	2024		2023	
	Amount	Percentage	Amount	Percentage
Eternal Holdings Inc.	\$ 20,722,295	100	\$ 19,838,131	100
Eternal Global (BVI) Co., Ltd.	4,047,552	100	4,826,794	100
Mixville Holdings Inc.	3,741,248	100	3,625,674	100
New E Materials Co., Ltd.	32,489	62.80	32,056	62.80
Eternal Precision Mechanics Co., Ltd.	1,128,171	70.20 (Note 22)	1,263,256	84.61 (Note 22)
Eternal Electronic Material (Thailand) Co., Ltd.	397,721	90 (Note 22)	131,098	75
CHOU-KOU Materials Co., Ltd.	284,574	100	221,434	100
Elga Europe S.r.l.	26,968	72.68	18,008	72.68
Eternal Technology Corporation	<u>243,194</u>	100	<u>297,357</u>	100
	<u>\$ 30,624,212</u>		<u>\$ 30,253,808</u>	

b. Investments in associates

	December 31	
	2024	2023
Associates that are not individually material	<u>\$ 1,459,564</u>	<u>\$ 1,344,879</u>

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

	For the Year Ended December 31	
	2024	2023
The Company's share of		
Net profit for the year	\$ 231,948	\$ 195,347
Other comprehensive income (loss) for the year	<u>28,840</u>	<u>(7,754)</u>
Total comprehensive income for the year	<u>\$ 260,788</u>	<u>\$ 187,593</u>

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

Name of Associate	December 31	
	2024	2023
Daxin Materials Corporation	<u>\$ 4,370,724</u>	<u>\$ 2,325,985</u>

Refer to Statement 6 for the changes in investments accounted for using the equity method. Refer to Table 9 for the main businesses and countries of incorporation of the subsidiaries and associates.

## 11. PROPERTY, PLANT AND EQUIPMENT

### For the Year Ended December 31, 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	<u>\$ 2,516,584</u>	<u>\$ 913,726</u>	<u>\$ 1,919,880</u>	<u>\$ 179,992</u>	<u>\$ 361,464</u>	<u>\$ 36,682</u>	<u>\$ 1,387,420</u>	<u>\$ 7,315,748</u>
<u>Cost</u>								
Balance at January 1, 2024	\$ 2,516,584	\$ 3,920,070	\$ 10,440,157	\$ 720,290	\$ 1,343,939	\$ 181,466	\$ 1,387,420	\$ 20,509,926
Additions	-	538,041	768,584	56,658	54,005	14,200	(676,629)	754,859
Disposals	-	(6,195)	(59,167)	(10,366)	(29,886)	(5,304)	(1,206)	(112,124)
Balance at December 31, 2024	<u>\$ 2,516,584</u>	<u>\$ 4,451,916</u>	<u>\$ 11,149,574</u>	<u>\$ 766,582</u>	<u>\$ 1,368,058</u>	<u>\$ 190,362</u>	<u>\$ 709,585</u>	<u>\$ 21,152,661</u>
<u>Accumulated depreciation and impairment</u>								
Balance at January 1, 2024	\$ -	\$ 3,006,344	\$ 8,520,277	\$ 540,298	\$ 982,475	\$ 144,784	\$ -	\$ 13,194,178
Depreciation expense	-	140,390	440,203	24,616	87,766	14,755	-	707,730
Disposals	-	(6,195)	(56,264)	(9,979)	(29,650)	(5,304)	-	(107,392)
Balance at December 31, 2024	<u>\$ -</u>	<u>\$ 3,140,539</u>	<u>\$ 8,904,216</u>	<u>\$ 554,935</u>	<u>\$ 1,040,591</u>	<u>\$ 154,235</u>	<u>\$ -</u>	<u>\$ 13,794,516</u>
Carrying amount at December 31, 2024	<u>\$ 2,516,584</u>	<u>\$ 1,311,377</u>	<u>\$ 2,245,358</u>	<u>\$ 211,647</u>	<u>\$ 327,467</u>	<u>\$ 36,127</u>	<u>\$ 709,585</u>	<u>\$ 7,358,145</u>

### For the Year Ended December 31, 2023

	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, 2023	<u>\$ 2,516,584</u>	<u>\$ 882,640</u>	<u>\$ 1,830,807</u>	<u>\$ 170,745</u>	<u>\$ 382,025</u>	<u>\$ 41,339</u>	<u>\$ 1,072,972</u>	<u>\$ 6,897,112</u>
<u>Cost</u>								
Balance at January 1, 2023	\$ 2,516,584	\$ 3,775,348	\$ 10,033,105	\$ 702,821	\$ 1,318,226	\$ 174,873	\$ 1,072,972	\$ 19,593,929
Additions	-	150,543	472,361	30,564	65,645	10,110	314,448	1,043,671
Disposals	-	(5,821)	(65,309)	(13,095)	(39,932)	(3,517)	-	(127,674)
Balance at December 31, 2023	<u>\$ 2,516,584</u>	<u>\$ 3,920,070</u>	<u>\$ 10,440,157</u>	<u>\$ 720,290</u>	<u>\$ 1,343,939</u>	<u>\$ 181,466</u>	<u>\$ 1,387,420</u>	<u>\$ 20,509,926</u>
<u>Accumulated depreciation and impairment</u>								
Balance at January 1, 2023	\$ -	\$ 2,892,708	\$ 8,202,298	\$ 532,076	\$ 936,201	\$ 133,534	\$ -	\$ 12,696,817
Depreciation expense	-	118,947	381,899	21,181	86,199	14,767	-	622,993
Disposals	-	(5,311)	(63,920)	(12,959)	(39,925)	(3,517)	-	(125,632)
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ 3,006,344</u>	<u>\$ 8,520,277</u>	<u>\$ 540,298</u>	<u>\$ 982,475</u>	<u>\$ 144,784</u>	<u>\$ -</u>	<u>\$ 13,194,178</u>
Carrying amount at December 31, 2023	<u>\$ 2,516,584</u>	<u>\$ 913,726</u>	<u>\$ 1,919,880</u>	<u>\$ 179,992</u>	<u>\$ 361,464</u>	<u>\$ 36,682</u>	<u>\$ 1,387,420</u>	<u>\$ 7,315,748</u>

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

Buildings	5-50 years
Machinery and equipment	3-20 years
Storage equipment	5-20 years
Examination equipment	5-15 years
Other equipment	3-12 years

Land (including those recorded as investment properties) held by the Company was revalued in 1980, 1990, 1997 and 2004. As of December 31, 2024 and 2023, the revaluation increments of the land were \$1,973,324 thousand.

## 12. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Carrying amounts		
Land	\$ 9,249	\$ 9,757
Buildings	9,219	15,223
Storage equipment	5,273	7,566
Other equipment	<u>16,362</u>	<u>9,736</u>
	<u>\$ 40,103</u>	<u>\$ 42,282</u>
	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Additions to right-of-use assets	<u>\$ 15,123</u>	<u>\$ 11,184</u>
Depreciation charge for right-of-use assets		
Land	\$ 512	\$ 503
Buildings	7,130	11,432
Storage equipment	2,729	2,297
Other equipment	<u>5,690</u>	<u>5,927</u>
	<u>\$ 16,061</u>	<u>\$ 20,159</u>

### b. Lease liabilities

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Carrying amounts		
Current	<u>\$ 13,082</u>	<u>\$ 15,369</u>
Non-current	<u>\$ 24,390</u>	<u>\$ 24,078</u>

Ranges of discount rates (%) for lease liabilities were as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Land	1.72-2.29	1.72-2.29
Buildings	1.63-6.09	1.63-6.09
Storage equipment	1.63-1.83	1.63-1.83
Other equipment	0.69-6.16	0.69-6.16

### c. Other lease information

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Expenses relating to short-term and low-value asset leases	<u>\$ 33,292</u>	<u>\$ 29,616</u>
Total cash outflow for all leases arrangements (including short-term and low-value asset leases)	<u>\$ 50,526</u>	<u>\$ 51,896</u>

### 13. INVESTMENT PROPERTIES

#### For the Year Ended December 31, 2024

	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
Carrying amount at January 1, 2024	<u>\$ 17,412</u>	<u>\$ 32,579</u>	<u>\$ 49,991</u>
<u>Cost</u>			
Balance at January 1, 2024 and December 31, 2024	<u>\$ 17,412</u>	<u>\$ 34,174</u>	<u>\$ 51,586</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2024	\$ -	\$ 1,595	\$ 1,595
Depreciation expense	<u>-</u>	<u>683</u>	<u>683</u>
Balance at December 31, 2024	<u>\$ -</u>	<u>\$ 2,278</u>	<u>\$ 2,278</u>
Carrying amount at December 31, 2024	<u>\$ 17,412</u>	<u>\$ 31,896</u>	<u>\$ 49,308</u>

#### For the Year Ended December 31, 2023

	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
Carrying amount at January 1, 2023	<u>\$ 17,412</u>	<u>\$ 33,262</u>	<u>\$ 50,674</u>
<u>Cost</u>			
Balance at January 1, 2023 and December 31, 2023	<u>\$ 17,412</u>	<u>\$ 34,174</u>	<u>\$ 51,586</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2023	\$ -	\$ 912	\$ 912
Depreciation expense	<u>-</u>	<u>683</u>	<u>683</u>
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ 1,595</u>	<u>\$ 1,595</u>
Carrying amount at December 31, 2023	<u>\$ 17,412</u>	<u>\$ 32,579</u>	<u>\$ 49,991</u>

The investment properties were leased for terms of 5 years.

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

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Year 1	\$ 1,914	\$ 1,800
Year 2	1,943	1,914
Year 3	486	1,943
Year 4	<u>-</u>	<u>486</u>
	<u>\$ 4,343</u>	<u>\$ 6,143</u>



The fair value of the investment properties was evaluated by the management of the Company by reference to market evidence of transaction prices for similar properties, the evaluation was using the Level 3 approach. The fair value was as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Fair value	<u>\$ 194,425</u>	<u>\$ 175,170</u>

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

Buildings	50 years
-----------	----------

Operating income and expenses directly related to investment properties

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Rental income	<u>\$ 1,800</u>	<u>\$ 1,714</u>
Operating expenses directly related to investment properties	<u>\$ 683</u>	<u>\$ 683</u>

#### 14. INTANGIBLE ASSETS

For the Year Ended December 31, 2024

	<b>Computer Software</b>	<b>Others</b>	<b>Total</b>
Carrying amount at January 1, 2024	<u>\$ 191,021</u>	<u>\$ 780</u>	<u>\$ 191,801</u>
<hr/>			
Cost			
Balance at January 1, 2024	\$ 253,162	\$ 16,831	\$ 269,993
Additions	<u>1,402</u>	<u>-</u>	<u>1,402</u>
Balance at December 31, 2024	<u>\$ 254,564</u>	<u>\$ 16,831</u>	<u>\$ 271,395</u>
<hr/>			
Accumulated amortization and impairment			
Balance at January 1, 2024	\$ 62,141	\$ 16,051	\$ 78,192
Amortization expense	<u>14,458</u>	<u>780</u>	<u>15,238</u>
Balance at December 31, 2024	<u>\$ 76,599</u>	<u>\$ 16,831</u>	<u>\$ 93,430</u>
Carrying amount at December 31, 2024	<u>\$ 177,965</u>	<u>\$ -</u>	<u>\$ 177,965</u>

For the Year Ended December 31, 2023

	<b>Computer Software</b>	<b>Others</b>	<b>Total</b>
Carrying amount at January 1, 2023	<u>\$ 205,328</u>	<u>\$ 1,821</u>	<u>\$ 207,149</u>
<u>Cost</u>			
Balance at January 1, 2023	\$ 251,892	\$ 16,831	\$ 268,723
Additions	<u>1,270</u>	<u>-</u>	<u>1,270</u>
Balance at December 31, 2023	<u>\$ 253,162</u>	<u>\$ 16,831</u>	<u>\$ 269,993</u>
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2023	\$ 46,564	\$ 15,010	\$ 61,574
Amortization expense	<u>15,577</u>	<u>1,041</u>	<u>16,618</u>
Balance at December 31, 2023	<u>\$ 62,141</u>	<u>\$ 16,051</u>	<u>\$ 78,192</u>
Carrying amount at December 31, 2023	<u>\$ 191,021</u>	<u>\$ 780</u>	<u>\$ 191,801</u>

The Company's intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	2-20 years
Other intangible assets	3-5 years

## 15. BORROWINGS

### a. Short-term borrowings

<b>Type of Borrowings</b>	<b>Interest Rate Range (%)</b>	<b>Amount</b>
December 31, 2024		
Unsecured loans	0.77-5.40	\$ 2,559,109
Loans from related parties (Note 26)	4.73-5.01	<u>1,704,820</u>
		<u>\$ 4,263,929</u>
December 31, 2023		
Unsecured loans	0.58-6.45	\$ 2,972,387
Loans from related parties (Note 26)	5.80-5.88	<u>1,596,660</u>
		<u>\$ 4,569,047</u>

b. Long-term borrowings

Type of Borrowings	Agreement Period and Interest Payable Schedule	Interest Rate Range (%)	Amount
December 31, 2024 Unsecured loans	From August 23, 2022 to June 3, 2029. Interest is paid based on schedule.	1.85-2.13	\$ 8,490,000
Less: Current portion			<u>(2,025,000)</u>
			<u>\$ 6,465,000</u>
December 31, 2023 Unsecured loans	From May 31, 2021 to August 18, 2026. Interest is paid based on schedule.	1.71-2.11	\$ 7,540,000
Less: Current portion			<u>(450,000)</u>
			<u>\$ 7,090,000</u>

c. Facility agreements and financial covenants

- During the period of the below credit facility agreements, the Company 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 breaches 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 credit facility agreements based on the consolidated financial statements for the years ended December 31, 2024 and 2023.
- As of December 31, 2024, the Company utilized the credits under signed facility agreements of the following banks.

Bank	Currency	Credit line
HSBC Bank (Taiwan) Limited	NTD	\$ 1,100,000
CTBC Bank Co., Ltd.	NTD	450,000

- As of December 31, 2024, the Company has entered into a syndicated credit facility agreement 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 the repayment of bank borrowings and the expansion of medium-term working capital.

d. Bonds payable

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
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	-	(1,031)
	<u>-</u>	<u>2,998,969</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
Less: Issuance cost	(1,748)	(2,797)
	<u>2,498,252</u>	<u>2,497,203</u>
	2,498,252	5,496,172
Less: Current portion	-	(2,998,969)
	<u>\$ 2,498,252</u>	<u>\$ 2,497,203</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.

## 16. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Based on the LPA, the Company makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plans

The Company has a defined benefit plan in accordance with the Labor Standards Act; the pension plan is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 10% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. The Company has no right to influence the investment policy and strategy of the pension fund. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year.

The amounts included in the balance sheets in respect of the Company's defined benefit plans were as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Present value of defined benefit obligation	\$ 1,551,547	\$ 1,624,243
Fair value of plan assets	<u>(1,230,857)</u>	<u>(1,075,618)</u>
Net defined benefit liabilities	<u>\$ 320,690</u>	<u>\$ 548,625</u>
Current (recorded as other payables - others)	\$ 4,302	\$ 4,426
Non-current (recorded as other non-current liabilities)	<u>316,388</u>	<u>544,199</u>
	<u>\$ 320,690</u>	<u>\$ 548,625</u>

Movements of net defined benefit liabilities (assets) were as follows:

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit Liabilities</b>
Balance at January 1, 2024	<u>\$ 1,624,243</u>	<u>\$ (1,075,618)</u>	<u>\$ 548,625</u>
Service cost			
Current service cost	15,001	-	15,001
Interest expense (income)	<u>19,490</u>	<u>(12,907)</u>	<u>6,583</u>
Recognized in profit or loss	<u>34,491</u>	<u>(12,907)</u>	<u>21,584</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(104,794)	(104,794)
Actuarial gain - changes in financial assumptions	(51,867)	-	(51,867)
Actuarial loss - experience adjustments	<u>12,450</u>	<u>-</u>	<u>12,450</u>
Recognized in other comprehensive income	<u>(39,417)</u>	<u>(104,794)</u>	<u>(144,211)</u>
Contributions from the employer	-	(105,308)	(105,308)
Benefits paid	<u>(67,770)</u>	<u>67,770</u>	<u>-</u>
	<u>(67,770)</u>	<u>(37,538)</u>	<u>(105,308)</u>
Balance at December 31, 2024	<u>\$ 1,551,547</u>	<u>\$ (1,230,857)</u>	<u>\$ 320,690</u>
Balance at January 1, 2023	<u>\$ 1,788,879</u>	<u>\$ (1,241,808)</u>	<u>\$ 547,071</u>
Service cost			
Current service cost	18,415	-	18,415
Interest expense (income)	<u>25,045</u>	<u>(17,385)</u>	<u>7,660</u>
Recognized in profit or loss	<u>43,460</u>	<u>(17,385)</u>	<u>26,075</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(4,484)	(4,484)

(Continued)

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit Liabilities</b>
Actuarial loss - changes in financial assumptions	\$ 28,723	\$ -	\$ 28,723
Actuarial loss - experience adjustments	<u>16,826</u>	<u>-</u>	<u>16,826</u>
Recognized in other comprehensive income	<u>45,549</u>	<u>(4,484)</u>	<u>41,065</u>
Contributions from the employer	-	(65,586)	(65,586)
Benefits paid	<u>(253,645)</u>	<u>253,645</u>	<u>-</u>
	<u>(253,645)</u>	<u>188,059</u>	<u>(65,586)</u>
Balance at December 31, 2023	<u>\$ 1,624,243</u>	<u>\$ (1,075,618)</u>	<u>\$ 548,625</u> (Concluded)

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Operating costs	\$ 10,694	\$ 13,132
Operating expenses	<u>10,890</u>	<u>12,943</u>
	<u>\$ 21,584</u>	<u>\$ 26,075</u>

The Company is exposed to the following risks through the defined benefit plan:

1) Investment risk

The plan assets are invested in domestic and foreign equity securities, debt securities, and bank deposits, etc. The investment is conducted at the discretion of the Bureau of Labor Funds, Ministry of Labor or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk

A decrease in the government and corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk

The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations are as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Discount rate (%)	1.60	1.20
Expected rate of salary increase (%)	3.00	3.00
Mortality rate (%)	Population was based on the 6th Taiwan Standard Ordinary Experience Mortality Table	Population was based on the 6th Taiwan Standard Ordinary Experience Mortality Table
Resignation rate (%)	0.00-23.00	0.00-23.00
Early retirement rate (%)	0.10-99.00	0.10-99.00

If possible reasonable change in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Discount rate		
0.25% increase	<u>\$ (31,175)</u>	<u>\$ (35,791)</u>
0.25% decrease	<u>\$ 32,124</u>	<u>\$ 36,949</u>
Expected rate of salary increase		
0.25% increase	<u>\$ 27,845</u>	<u>\$ 32,246</u>
0.25% decrease	<u>\$ (27,207)</u>	<u>\$ (31,457)</u>

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Expected contributions to the plan for the next year	<u>\$ 69,642</u>	<u>\$ 105,215</u>
Average duration of the defined benefit obligation	9 years	9 years

## 17. EQUITY

### a. Share capital

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Number of shares authorized (in thousands)	<u>1,800,000</u>	<u>1,800,000</u>
Shares authorized	<u>\$ 18,000,000</u>	<u>\$ 18,000,000</u>

(Continued)

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Number of shares issued and fully paid (in thousands)	<u>1,178,266</u>	<u>1,178,266</u>
Shares issued	<u>\$ 11,782,655</u>	<u>\$ 11,782,655</u>
		(Concluded)

b. Capital surplus

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
May be used to offset a deficit, distributed as cash or transferred to share capital (Note 1)		
Additional paid-in capital	\$ 309,017	\$ 309,017
Treasury share transactions	19,642	19,642
Difference between the consideration received or paid and the carrying amount of the subsidiaries during actual disposal or acquisition	<u>701,487</u>	<u>12,872</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	26,867	27,357
Changes in percentage of ownership interests in subsidiaries (Note 2)	293,249	292,491
Others	<u>58</u>	<u>58</u>
	<u>320,174</u>	<u>319,906</u>
May not be used for any purpose		
Share of changes in equities of associates or joint ventures	<u>3,348</u>	<u>3,348</u>
	<u>\$ 1,353,668</u>	<u>\$ 664,785</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 profits, 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 December 31, 2024 and 2023, the special reserve were \$426,285 thousand.

The appropriations of earnings for 2023 and 2022 were as follows:

	<b>Appropriations of Earnings</b>		<b>Dividends Per Share (NT\$)</b>	
	<b>For the Year</b>		<b>For the Year</b>	
	<b>Ended December 31</b>		<b>Ended December 31</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Legal reserve	\$ 147,349	\$ 279,764		
Special reserve (reversal)	381,188	(204,218)		
Cash dividends	942,612	1,413,919	\$ 0.8	\$ 1.2

The above appropriations for cash dividends were resolved by the Company's board of directors in March 2024 and 2023, respectively. The other proposed appropriations were resolved by the shareholders in their meeting in June 2024 and June 2023, respectively.

The appropriations of earnings for 2024 that had been proposed by the Company's board of directors in March 2025 are as follows:

	<b>Appropriation of Earnings</b>	<b>Dividend Per Share (NT\$)</b>
Legal reserve	\$ 221,462	
Reversal of special reserve	(932,504)	
Cash dividends	1,178,265	\$ 1.0

Additionally, 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 appropriation for cash dividends was resolved by the Company's board of directors. The others are subject to the resolution of the shareholders in their meeting to be held in June 2025.

d. Other equity items

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

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Balance at beginning of the year	\$ (1,886,840)	\$ (1,335,011)
Recognized for the year		
Exchange differences on translation of the financial statements of foreign operations	1,474,849	(579,276)
Share of exchange differences of associates and joint ventures accounted for using the equity method	<u>88,218</u>	<u>(22,920)</u>
Other comprehensive income (loss) for the year	<u>1,563,067</u>	<u>(602,196)</u>
Disposal of partial interests in subsidiaries (without losing control)	<u>44,928</u>	<u>50,367</u>
Balance at end of the year	\$ <u>(278,845)</u>	\$ <u>(1,886,840)</u>

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 invested in mainland China.

2) Unrealized gains and losses on financial assets at FVTOCI

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Balance at beginning of the year	\$ <u>528,051</u>	\$ <u>357,410</u>
Recognized for the year		
Unrealized gains and losses - equity instruments	195,137	125,964
Share of associates accounted for using the equity method	<u>79,386</u>	<u>44,677</u>
Other comprehensive income for the year	<u>274,523</u>	<u>170,641</u>
Reclassification adjustments		
Cumulative unrealized gains and losses of equity instruments transferred to retained earnings due to disposal	<u>(263,627)</u>	<u>-</u>
Balance at end of the year	\$ <u>538,947</u>	\$ <u>528,051</u>

## 18. REVENUE

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Revenue from contracts with customers		
Revenue from the sale of goods	\$ <u>14,370,268</u>	\$ <u>13,317,700</u>

a. Contract balances

	<b>December 31</b>		<b>January 1,</b>
	<b>2024</b>	<b>2023</b>	<b>2023</b>
Notes and accounts receivable	<u>\$ 3,587,920</u>	<u>\$ 3,468,377</u>	<u>\$ 3,600,765</u>
Contract liabilities (recorded as other current liabilities - others)			
Sale of goods	<u>\$ 26,148</u>	<u>\$ 21,670</u>	<u>\$ 20,458</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 year from the balance of contract liabilities at the beginning of the year is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
From the balance of contract liabilities at the beginning of the year		
Sale of goods	<u>\$ 21,616</u>	<u>\$ 19,958</u>

b. Disaggregation of revenue

	<b>Reportable Segments</b>				
	<b>Resins Materials</b>	<b>Electronic Materials</b>	<b>High Performance Materials</b>	<b>Others</b>	<b>Total</b>
<u>For the year ended December 31, 2024</u>					
Type of revenue					
Sale of goods	<u>\$ 6,899,570</u>	<u>\$ 3,569,806</u>	<u>\$ 3,896,103</u>	<u>\$ 4,789</u>	<u>\$ 14,370,268</u>
<u>For the year ended December 31, 2023</u>					
Type of revenue					
Sale of goods	<u>\$ 7,054,385</u>	<u>\$ 3,467,871</u>	<u>\$ 2,750,318</u>	<u>\$ 45,126</u>	<u>\$ 13,317,700</u>

## 19. PROFIT BEFORE INCOME TAX

a. Other income

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Dividend income	\$ 44,044	\$ 13,013
Others (Note 26)	<u>509,139</u>	<u>467,048</u>
	<u>\$ 553,183</u>	<u>\$ 480,061</u>

b. Other gains and losses

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Loss on disposal of property, plant and equipment	\$ (3,567)	\$ (1,929)
Gain on disposal of intangible assets	1,600	-
Gain on disposal of investments	83,021	-
Net foreign exchange gains	50,696	8,634
Finance fees	(38,133)	(40,140)
Others	<u>(4,682)</u>	<u>(1,269)</u>
	<u>\$ 88,935</u>	<u>\$ (34,704)</u>

c. Finance costs

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Interest expense		
Interest on loans	\$ 337,223	\$ 338,896
Interest on lease liabilities	773	1,036
Less: Amounts included in the cost of qualifying assets	<u>(18,888)</u>	<u>(27,882)</u>
	<u>\$ 319,108</u>	<u>\$ 312,050</u>

Information about capitalized interest was as follows:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Capitalized interest amount	<u>\$ 18,888</u>	<u>\$ 27,882</u>
Capitalization rates (%)	1.75-2.23	1.60-2.24

d. Depreciation and amortization

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Property, plant and equipment	\$ 707,730	\$ 622,993
Investment properties	683	683
Right-of-use assets	16,061	20,159
Intangible assets	<u>15,238</u>	<u>16,618</u>
	<u>\$ 739,712</u>	<u>\$ 660,453</u>
Analysis of depreciation by function		
Operating costs	\$ 505,164	\$ 439,469
Operating expenses	<u>219,310</u>	<u>204,366</u>
	<u>\$ 724,474</u>	<u>\$ 643,835</u>

(Continued)

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Analysis of amortization by function		
Operating costs	\$ 699	\$ 529
Operating expenses	<u>14,539</u>	<u>16,089</u>
	<u>\$ 15,238</u>	<u>\$ 16,618</u>
		(Concluded)

e. Employee benefits

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Short-term employee benefits		
Salaries	\$ 1,923,139	\$ 1,934,967
Labor and health insurance	176,348	170,533
Others	<u>131,029</u>	<u>119,082</u>
	<u>2,230,516</u>	<u>2,224,582</u>
Post-employment benefits		
Defined contribution plans	68,387	72,684
Defined benefit plans (Note 16)	<u>21,584</u>	<u>26,075</u>
	<u>89,971</u>	<u>98,759</u>
	<u>\$ 2,320,487</u>	<u>\$ 2,323,341</u>
Analysis of employee benefits by function		
Operating costs	\$ 996,240	\$ 972,013
Operating expenses	<u>1,324,247</u>	<u>1,351,328</u>
	<u>\$ 2,320,487</u>	<u>\$ 2,323,341</u>

f. 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. The accrual amounts recognized in the financial statements and amounts approved by the Company's board of directors for the year ended December 31, 2024 are as follows:

	<b>Accrual Amounts Recognized in the Financial Statements</b>	<b>Amounts Approved by the Company's Board of Directors</b>
Compensation of employees	<u>\$ 101,676</u>	<u>\$ 101,358</u>
Remuneration of directors	<u>\$ 14,642</u>	<u>\$ 14,641</u>

The difference between the amounts recognized and approved by Company's board of directors is recorded as a change in 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 2024 and 2023, respectively, and accrual amounts recognized in the parent company only financial statements were as follows:

	<b>For the Year Ended December 31</b>			
	<b>2023</b>		<b>2022</b>	
	<b>Compensation of Employees</b>	<b>Remuneration of Directors</b>	<b>Compensation of Employees</b>	<b>Remuneration of Directors</b>
Amounts approved in the board of directors' meeting	\$ 79,662	\$ 11,507	\$ 127,083	\$ 18,356
Amounts recognized in the financial statements	<u>80,000</u>	<u>11,300</u>	<u>130,000</u>	<u>18,250</u>
Differences	<u>\$ (338)</u>	<u>\$ 207</u>	<u>\$ (2,917)</u>	<u>\$ 106</u>

The differences were adjusted to profit and loss for the years ended December 31, 2024 and 2023, 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.

## 20. INCOME TAX

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

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Current tax		
In respect of the current year	\$ 510,236	\$ 176,636
Adjustment for prior years	<u>(4,962)</u>	<u>(22,584)</u>
	<u>505,274</u>	<u>154,052</u>
Deferred tax		
In respect of the current year	<u>(203,733)</u>	<u>21,230</u>
	<u>\$ 301,541</u>	<u>\$ 175,282</u>

The reconciliation of accounting profit and income tax expense (benefit) was as follows:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Profit before income tax	<u>\$ 2,136,093</u>	<u>\$ 1,678,969</u>
Income tax expense calculated at the statutory rate	\$ 427,219	\$ 335,794
Effect from items adjusted by regulation	(56,216)	(92,484)
Income tax on unappropriated earnings	-	14,556
Investment credits	(64,500)	(60,000)
Adjustment for prior years	<u>(4,962)</u>	<u>(22,584)</u>
	<u>\$ 301,541</u>	<u>\$ 175,282</u>

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

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Deferred tax		
In respect of the current year		
Remeasurement of defined benefit plans	\$ 28,842	\$ (8,213)
Unrealized gains and losses on financial assets at fair value through other comprehensive income	<u>(4,386)</u>	<u>(3,634)</u>
	<u>\$ 24,456</u>	<u>\$ (11,847)</u>

c. Current tax assets and liabilities

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Current tax assets		
Prepaid income tax (recorded as other current assets - others)	<u>\$ 369,276</u>	<u>\$ 123,667</u>
Current tax liabilities		
Income tax payable	<u>\$ 510,217</u>	<u>\$ 176,636</u>

d. Deferred tax assets and liabilities

Movements of deferred tax assets and liabilities were as follows:

For the Year Ended December 31, 2024

	<b>Balance at Beginning of the Year</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>Balance at End of the Year</b>
<u>Deferred tax assets</u>				
Temporary differences	\$ 87,493	\$ (16,720)	\$ (28,842)	\$ 41,931
Defined benefit plan	<u>82,675</u>	<u>10,395</u>	<u>4,386</u>	<u>97,456</u>
Others	<u>\$ 170,168</u>	<u>\$ (6,325)</u>	<u>\$ (24,456)</u>	<u>\$ 139,387</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Investment income	\$(1,576,570)	\$ 208,141	\$ -	\$(1,368,429)
Gains on land revaluation	(640,717)	-	-	(640,717)
Unrealized gains on foreign exchange	<u>(2,341)</u>	<u>1,917</u>	<u>-</u>	<u>(424)</u>
	<u>\$(2,219,628)</u>	<u>\$ 210,058</u>	<u>\$ -</u>	<u>\$(2,009,570)</u>

For the Year Ended December 31, 2023

	Balance at Beginning of the Year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Balance at End of the Year
<u>Deferred tax assets</u>				
Temporary differences	\$ 87,084	\$ (7,804)	\$ 8,213	\$ 87,493
Defined benefit plan	<u>90,268</u>	<u>(11,227)</u>	<u>3,634</u>	<u>82,675</u>
Others				
	<u>\$ 177,352</u>	<u>\$ (19,031)</u>	<u>\$ 11,847</u>	<u>\$ 170,168</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Investment income	\$(1,572,827)	\$ (3,743)	\$ -	\$(1,576,570)
Gains on land revaluation	(640,717)	-	-	(640,717)
Unrealized gains on foreign exchange	<u>(3,885)</u>	<u>1,544</u>	<u>-</u>	<u>(2,341)</u>
	<u>\$(2,217,429)</u>	<u>\$ (2,199)</u>	<u>\$ -</u>	<u>\$(2,219,628)</u>

e. Income tax assessment

The Company's income tax returns as of 2022 have been assessed by the tax authorities.

f. Pillar Two income tax legislation

As of December 31, 2024, 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 is continuously assessing of the above potential exposure and will disclose the relevant impact when the assessment is completed.

## 21. EARNINGS PER SHARE

	<u>For the Year Ended December 31</u>	
	<u>2024</u>	<u>2023</u>
Basic earnings per share	<u>\$ 1.56</u>	<u>\$ 1.28</u>
Diluted earnings per share	<u>\$ 1.55</u>	<u>\$ 1.27</u>

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

	<u>For the Year Ended December 31</u>	
	<u>2024</u>	<u>2023</u>
Net profit for the year	<u>\$ 1,834,552</u>	<u>\$ 1,503,687</u>



Number of ordinary shares

Unit: Thousand Shares

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,178,266	1,178,266
Effect of potentially dilutive ordinary shares		
Compensation of employees	<u>4,100</u>	<u>3,478</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u><u>1,182,366</u></u>	<u><u>1,181,744</u></u>

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.

**22. PARTIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES - WITHOUT LOSING CONTROL**

In the fourth quarter of 2023, the Company subscribed for cash capital increase of the subsidiary Eternal Precision Mechanics Co., Ltd. at a percentage different from its existing ownership percentage and the employees of the Company and its subsidiaries subscribed to the employee share options of the subsidiary Eternal Precision Mechanics Co., Ltd., reducing of its percentage of ownership from 100% to 84.61%.

In 2024, the Company disposed 9,000 thousand shares of the subsidiary Eternal Precision Mechanics Co., Ltd., and the procedure was completed in the end of 2024. The percentage of ownership reducing from 84.61% to 70.20% was mainly from the aforementioned release of shares of the subsidiary and the rest from the employee share options of the subsidiary Eternal Precision Mechanics Co., Ltd. exercised by employees of the Company and its subsidiaries, etc.

In the second quarter of 2024, the Company subscribed for cash capital increase of the subsidiary Eternal Electronic Material (Thailand) Co., Ltd. at a percentage different from its existing ownership percentage, increasing of its percentage of ownership from 75% to 90%.

The above transactions were accounted for as equity transactions since the Company did not change the control over the subsidiary. Refer to Note 27 of the consolidated financial statements for the year ended December 31, 2024 for related information.

**23. CASH FLOW INFORMATION**

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Additions of property, plant and equipment	\$ 754,859	\$ 1,043,671
Decrease in payables for equipment	<u>1,682</u>	<u>120,555</u>
	756,541	1,164,226
Capitalized interest	<u>(18,888)</u>	<u>(27,882)</u>
Cash paid	<u><u>\$ 737,653</u></u>	<u><u>\$ 1,136,344</u></u>

## 24. CAPITAL MANAGEMENT

The Company's objectives in capital management are to safeguard the Company's 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 supports future operations. Capital includes the Company's shares, capital surplus, and retained earnings.

## 25. 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 value, or their fair value 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>December 31, 2024</u>				
Financial instruments at FVTOCI				
Equity instruments				
Domestic and foreign listed shares	<u>\$ 570,048</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 570,048</u>
Domestic and foreign unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,853</u>	<u>\$ 138,853</u>
<u>December 31, 2023</u>				
Financial instruments at FVTOCI				
Equity instruments				
Domestic and foreign listed shares	<u>\$ 655,657</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 655,657</u>
Domestic and foreign unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 143,729</u>	<u>\$ 143,729</u>

There was no transfer between Level 1 and Level 2 during the years ended December 31, 2024 and 2023.

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

For the Year ended December 31, 2024

	<b>Stocks Financial Assets at FVTOCI</b>
<u>Financial assets</u>	
Balance at beginning of the year	\$ 143,729
Additions	19,000
Recognized in other comprehensive income	(22,680)
Disposals	<u>(1,196)</u>
Balance at end of the year	<u>\$ 138,853</u>

For the Year ended December 31, 2023

	<b>Stocks Financial Assets at FVTOCI</b>
<u>Financial assets</u>	
Balance at beginning of the year	\$ 104,866
Additions	50,000
Recognized in other comprehensive income	<u>(11,137)</u>
Balance at end of the year	<u>\$ 143,729</u>

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

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

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
<u>Financial assets</u>		
Financial assets at amortized cost (Note 1)	\$ 4,580,827	\$ 4,170,048
Financial assets at fair value through other comprehensive income - equity instruments	708,901	799,386
<u>Financial liabilities</u>		
Financial liabilities at amortized cost (Note 2)	17,175,047	19,494,515

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

- others).

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) and guarantee deposits received (recorded as other non-current liabilities).

d. Financial risk management objectives and policies

The financial risk management objectives of the Company 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 has set up policies, procedures and internal controls to manage the risks in its financial activities. The significant financial activities of the Company are in accordance with relevant regulations and internal controls approved by the board of directors. During the execution of financial management activities, the Company should be in compliance with the relevant rules of financial risk management.

1) Market risk

a) Foreign currency risk

The Company's operating activities and net investments in foreign operation are denominated mainly in foreign currencies. Consequently, the Company is 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 utilizes 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's significant non-functional currency denominated monetary assets and liabilities at the balance sheet date, refer to Note 30.

Sensitivity analysis

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

	<b>Impact on Profit or Loss</b>	
	<b>2024</b>	<b>2023</b>
<hr/>		
Foreign Currencies: Functional Currency		
<hr/>		
Financial assets		
Monetary items		
USD:NTD	\$ 26,766	\$ 23,366
RMB:NTD	3,751	3,350
JPY:NTD	2,148	2,074
EUR:NTD	714	1,108
Financial liabilities		
Monetary items		
USD:NTD	24,659	19,942
JPY:NTD	1,334	2,209

b) Interest rate risk

The borrowings of the Company 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's financial assets and financial liabilities with exposure to interest rate risks at the balance sheet dates were as follows:

	<b>December 31</b>	
	<b>2024</b>	<b>2023</b>
Fair value interest rate risk		
Financial assets	\$ 15,000	\$ 15,000
Financial liabilities	2,535,724	5,535,619
Cash flow interest rate risk		
Financial assets	232,584	165,671
Financial liabilities	12,753,929	12,109,047

If interest rates had been 1% higher and all other variables were held constant, the Company's financial liabilities would have increased cash outflows by \$127,539 thousand and \$121,090 thousand for the years ended December 31, 2024 and 2023, respectively.

c) Other price risk

The Company was exposed to equity price risk through their investments in equity securities. If equity prices had been 1% higher/lower, other comprehensive income for the years ended December 31, 2024 and 2023 would have increased/decreased by \$5,700 thousand and \$6,557 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk of financial loss to the Company arising from default by clients or counterparties of financial instruments on the contract obligations. According to the Company's policy, each operating entity in the Company 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 engages in credit enhancement by covering specific outstanding trade receivables by collateral. While the Company has 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 manages 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's financial liabilities based on contractual undiscounted payments, including principal and interest.

## 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	\$ 4,347,984	\$ -	\$ -	\$ -	\$ -	\$ 4,347,984
Notes payable	97	-	-	-	-	97
Accounts payable	1,157,152	-	-	-	-	1,157,152
Other payables	764,663	-	-	-	-	764,663
Lease liabilities	13,724	9,312	5,417	6,195	5,113	39,761
Long-term borrowings						
(including current portion)	5,766,943	1,508,337	1,159,517	213,740	-	8,648,537
Financial guarantee liabilities	2,226,331	113,607	942,155	851,269	-	4,133,362
Bonds payable	14,500	2,514,500	-	-	-	2,529,000
	<u>\$ 14,291,394</u>	<u>\$ 4,145,756</u>	<u>\$ 2,107,089</u>	<u>\$ 1,071,204</u>	<u>\$ 5,113</u>	<u>\$ 21,620,556</u>

## December 31, 2023

	Less Than 1 Year	1-2 Years	2-3 Years	3-5 Years	Over 5 Years	Total
Non-derivative financial liabilities						
Short-term borrowings	\$ 4,673,433	\$ -	\$ -	\$ -	\$ -	\$ 4,673,433
Notes payable	2,362	-	-	-	-	2,362
Accounts payable	1,143,698	-	-	-	-	1,143,698
Other payables	742,282	-	-	-	-	742,282
Lease liabilities	16,048	10,650	5,859	3,716	5,506	41,779
Long-term borrowings						
(including current portion)	3,138,275	3,237,115	1,340,067	-	-	7,715,457
Financial guarantee liabilities	1,796,499	2,282	11,412	1,413,680	-	3,223,873
Bonds payable (including current portion)	3,035,326	14,500	2,509,455	-	-	5,559,281
	<u>\$ 14,547,923</u>	<u>\$ 3,264,547</u>	<u>\$ 3,866,793</u>	<u>\$ 1,417,396</u>	<u>\$ 5,506</u>	<u>\$ 23,102,165</u>

The amounts included above for financial guarantee liabilities were the maximum amounts the Company could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the balance sheet date, the Company considers that it is unlikely to pay the amount under the arrangement.

As of December 31, 2024, the Company's current liabilities exceeded its current assets by \$981,445 thousand. After the Company's management assessment, the Company's cash flows and credit lines were still sufficient and available to cover operating activities.

## 26. TRANSACTIONS WITH RELATED PARTIES

### a. Related party names and relationships

Related Party Name	Relationship
Eternal Chemical (China) Co., Ltd.	Subsidiary
Eternal Materials (Guangdong) Co., Ltd.	Subsidiary
Eternal Synthetic Resins (Changshu) Co., Ltd.	Subsidiary
Eternal Chemical (Tianjin) Co., Ltd.	Subsidiary
Eternal Chemical (Chengdu) Co., Ltd.	Subsidiary
Eternal Material Industry (Tongling) Co., Ltd.	Subsidiary
Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Subsidiary
Eternal Electronic (Suzhou) Co., Ltd.	Subsidiary
Eternal Specialty Materials (Zhuhai) Co., Ltd.	Subsidiary
Eternal Specialty Materials (Suzhou) Co., Ltd.	Subsidiary
Eternal (China) Investment Co., Ltd.	Subsidiary
CHOU-KOU Materials Co., Ltd.	Subsidiary

(Continued)

<b>Related Party Name</b>	<b>Relationship</b>
Eternal Precision Mechanics Co., Ltd.	Subsidiary
Eternal Materials (Malaysia) Sdn. Bhd.	Subsidiary
Eternal Technology Corporation	Subsidiary
Eternal Electronic Material (Thailand) Co., Ltd.	Subsidiary
Nikko-Materials Co., Ltd.	Subsidiary
Elga Europe S.r.l.	Subsidiary
Eternal Holdings Inc.	Subsidiary
Eternal Nanyang Investment Co., Ltd.	Subsidiary
Eternal Materials India Private Limited	Subsidiary
PT Eternal Materials Indonesia	Subsidiary
Allnex-Eternal Resins Corporation Limited	Associate
Daxin Materials Corporation	Associate
Covestro Eternal Resins (Far East) Ltd.	Associate
Polymics Ltd.	Associate
Kwang Yang Motor Co., Ltd.	Key management personnel
	(Concluded)

b. Operating revenue

<b>Account Item</b>	<b>Related Party Category</b>	<b>For the Year Ended December 31</b>	
		<b>2024</b>	<b>2023</b>
Revenue from sales of goods	Subsidiaries	\$ 3,049,034	\$ 2,855,714
	Associates	<u>82,198</u>	<u>85,062</u>
		<u>\$ 3,131,232</u>	<u>\$ 2,940,776</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

<b>Related Party Category</b>	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Subsidiaries	\$ 490,362	\$ 441,633
Associates	<u>734</u>	<u>887</u>
	<u>\$ 491,096</u>	<u>\$ 442,520</u>

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

d. Other income

<b>Related Party Category/Name</b>	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Subsidiaries		
Eternal (China) Investment Co., Ltd.	\$ 95,652	\$ 106,206
Eternal Materials (Guangdong) Co., Ltd.	53,749	48,227
Eternal Specialty Materials (Zhuhai) Co., Ltd.	50,540	48,288

(Continued)

Related Party Category/Name	For the Year Ended December 31	
	2024	2023
Others	\$ 217,274	\$ 191,688
Associates	3,494	3,469
Key management personnel	<u>-</u>	<u>20</u>
	<u>\$ 420,709</u>	<u>\$ 397,898</u>
		(Concluded)

Other income is mainly service fee, trademark license fee and endorsement/guarantee fee and so on.

e. Receivables from related parties

Account Item	Related Party Category/Name	December 31	
		2024	2023
Accounts receivable	Subsidiaries		
	CHOU-KOU Materials Co., Ltd.	\$ 157,050	\$ 187,638
	Eternal Specialty Materials (Zhuhai) Co., Ltd.	118,555	129,661
	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	118,662	78,419
	Elga Europe S.r.l.	68,643	108,237
	Eternal Technology Corporation	132,471	90,770
	Others	230,235	264,950
	Associates	<u>21,455</u>	<u>22,357</u>
		<u>\$ 847,071</u>	<u>\$ 882,032</u>

The receivables arose mainly from sales transactions; the receivables were not guaranteed, pledged and do not bear interest. As of December 31, 2024 and 2023, the balance of loss allowance of accounts receivable from related parties was \$0 thousand and \$3 thousand, respectively.

Account Item	Related Party Category/Name	December 31	
		2024	2023
Other receivables	Subsidiaries		
	Eternal (China) Investment Co., Ltd.	\$ 98,324	\$ 105,170
	Eternal Materials (Guangdong) Co., Ltd.	55,225	47,744
	Eternal Specialty Materials (Zhuhai) Co., Ltd.	51,958	47,787
	Others	212,669	172,794
	Associates	18,620	32
			(Continued)



Account Item	Related Party Category/Name	December 31	
		2024	2023
	Key management personnel	\$ -	\$ 21
		<u>\$ 436,796</u>	<u>\$ 373,548</u>
			(Concluded)

As of December 31, 2024 and 2023, the balance of loss allowance of other receivables was \$29,800 thousand.

f. Payables to related parties

Account Item	Related Party Category	December 31	
		2024	2023
Accounts payable	Subsidiaries	\$ 63,700	\$ 120,638
	Associates	<u>378</u>	<u>-</u>
		<u>\$ 64,078</u>	<u>\$ 120,638</u>

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

g. Loans from related parties

Account Item	Related Party Category/Name	December 31	
		2024	2023
Short-term borrowings	Subsidiaries		
	Eternal Holdings Inc.	<u>\$ 1,704,820</u>	<u>\$ 1,596,660</u>
Account Item	Related Party Category/Name	For the Year Ended December 31	
		2024	2023
Interest expense	Subsidiaries		
	Eternal Holdings Inc.	<u>\$ 93,619</u>	<u>\$ 76,410</u>

The Company borrowed loans from related parties at rates comparable to market interest rates.

h. Endorsements/guarantees provided

As of December 31, 2024 and 2023, guarantees provided by the Company to the related parties for investment compliance were as follows:

Related Party Category/Name	December 31	
	2024	2023
Subsidiaries		
Eternal Material Industry (Tongling) Co., Ltd.		
Amount endorsed	\$ 1,664,699	\$ 1,582,352
Amount utilized	<u>(454,427)</u>	<u>(45,650)</u>
	<u>\$ 1,210,272</u>	<u>\$ 1,536,702</u>
		(Continued)

Related Party Category/Name	December 31	
	2024	2023
Eternal Materials (Malaysia) Sdn. Bhd.		
Amount endorsed	\$ 2,714,392	\$ 2,540,511
Amount utilized	<u>(1,586,037)</u>	<u>(1,295,950)</u>
	<u>\$ 1,128,355</u>	<u>\$ 1,244,561</u>
Eternal Holdings Inc.		
Amount endorsed	\$ 590,130	\$ 552,690
Amount utilized	<u>-</u>	<u>-</u>
	<u>\$ 590,130</u>	<u>\$ 552,690</u>
Eternal Nanyang Investment Co., Ltd.		
Amount endorsed	\$ 1,967,100	\$ 1,842,300
Amount utilized	<u>(1,586,794)</u>	<u>(1,412,430)</u>
	<u>\$ 380,306</u>	<u>\$ 429,870</u>
Others		
Amount endorsed	\$ 678,775	\$ 511,069
Amount utilized	<u>(506,104)</u>	<u>(469,843)</u>
	<u>\$ 172,671</u>	<u>\$ 41,226</u>
		(Concluded)

i. Remuneration of key management personnel

	For the Year Ended December 31	
	2024	2023
Short-term employee benefits	\$ 98,963	\$ 93,569
Post-employment benefits	<u>1,189</u>	<u>1,069</u>
	<u>\$ 100,152</u>	<u>\$ 94,638</u>

## 27. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The Company's assets pledged as customs guarantee were as follows:

	December 31	
	2024	2023
Other financial assets - current and non-current (recorded as other current assets - others and other non-current assets - others)		
Time deposit certificates	<u>\$ 15,000</u>	<u>\$ 15,000</u>

## 28. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

- a. The Company has issued but unused letters of credit with an aggregate amount of \$128,850 thousand as of December 31, 2024.

- b. The Company has contracts that were not yet incurred to purchase property, plant and equipment and intangible assets of \$306,166 thousand as of December 31, 2024.

## 29. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

None.

## 30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

	Foreign Currency (In Thousands)	Exchange Rate		Carrying Amount
<hr/> December 31, 2024 <hr/>				
Financial assets				
Monetary items				
USD	\$ 81,641	32.7850	(USD:NTD)	\$ 2,676,600
RMB	82,242	4.5608	(RMB:NTD)	375,091
JPY	1,036,401	0.2073	(JPY:NTD)	214,804
Non-monetary items				
Investments accounted for using the equity method				
USD	877,056	32.7850	(USD:NTD)	28,754,289
JPY	4,308,289	0.2073	(JPY:NTD)	892,936
THB	413,303	0.9623	(THB:NTD)	397,721
Financial liabilities				
Monetary items				
USD	75,214	32.7850	(USD:NTD)	2,465,891
JPY	643,440	0.2073	(JPY:NTD)	133,359
<hr/> December 31, 2023 <hr/>				
Financial assets				
Monetary items				
USD	76,098	30.7050	(USD:NTD)	2,336,589
RMB	77,271	4.3352	(RMB:NTD)	334,986
JPY	958,047	0.2165	(JPY:NTD)	207,408
EUR	3,252	34.0713	(EUR:NTD)	110,800
Non-monetary items				
Investments accounted for using the equity method				
USD	931,052	30.7050	(USD:NTD)	28,587,956
JPY	3,362,259	0.2165	(JPY:NTD)	727,929
THB	145,390	0.9017	(THB:NTD)	131,098
Financial liabilities				
Monetary items				
USD	64,948	30.7050	(USD:NTD)	1,994,228
JPY	1,020,454	0.2165	(JPY:NTD)	220,918

The total realized and unrealized foreign exchange gains were \$50,696 thousand and \$8,634 thousand for the years ended December 31, 2024 and 2023, respectively. Considering the variety of the foreign currency transactions, the Company disclosed the significant foreign exchange gains and losses in aggregate.

### 31. ADDITIONAL DISCLOSURES

a. Information about significant transactions and investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (Table 3)
- 4) Marketable securities acquired or disposed at costs or prices at least NT\$300 million or 20% of the paid-in capital: (Table 4)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: (Table 5)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 7)
- 9) Trading in derivative instruments: (Refer to Note 7 of the consolidated financial statements for the year ended December 31, 2024)
- 10) 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 8)
- 11) Information on investees (Table 9)

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, net income of investees, 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 10)
- 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 6)

- b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period (Table 6)
  - 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
- c. Information of major shareholders: list of the shareholders with ownership of 5 percent or greater, showing the names, the number of shares and percentage of ownership held by each shareholder (Table 11)

## **32. SEGMENT INFORMATION**

Disclosure of the segment information in parent company only financial statements is waived.

**TABLE 1****Eternal Materials Co., Ltd. and Subsidiaries****FINANCING PROVIDED TO OTHERS****FOR THE YEAR ENDED DECEMBER 31, 2024****(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 Chemical (Tianjin) Co., Ltd.	Other receivables from related parties	Y	\$ 451,022	\$ -	\$ -	-	2	\$ -	Operating needs	\$ -	-	\$ -	\$ 7,393,209	\$ 7,393,209	Note 5
1	Eternal Chemical (China) Co., Ltd.	Eternal Synthetic Resins (Changshu) Co., Ltd.	Other receivables from related parties	Y	451,022	-	-	-	2	-	Operating needs	-	-	-	7,393,209	7,393,209	Note 5
1	Eternal Chemical (China) Co., Ltd.	Eternal Materials (Guangdong) Co., Ltd.	Other receivables from related parties	Y	90,204	-	-	-	2	-	Operating needs	-	-	-	7,393,209	7,393,209	Note 5
1	Eternal Chemical (China) Co., Ltd.	Eternal Specialty Materials (Suzhou) Co., Ltd.	Other receivables from related parties	Y	225,511	-	-	-	2	-	Operating needs	-	-	-	7,393,209	7,393,209	Note 5
1	Eternal Chemical (China) Co., Ltd.	Eternal Chemical (Chengdu) Co., Ltd.	Other receivables from related parties	Y	880,924	-	-	-	2	-	Operating needs	-	-	-	7,393,209	7,393,209	Note 5
1	Eternal Chemical (China) Co., Ltd.	Eternal Chemical Investment Co., Ltd.	Other receivables from related parties	Y	2,052,369	2,052,369	399,764	1.76	2	-	Operating needs	-	-	-	7,393,209	7,393,209	Note 5
1	Eternal Chemical (China) Co., Ltd.	Eternal Electronic (Suzhou) Co., Ltd.	Other receivables from related parties	Y	451,022	-	-	-	2	-	Operating needs	-	-	-	7,393,209	7,393,209	Note 5
1	Eternal Chemical (China) Co., Ltd.	Eternal Photoelectric Material Industry (Yingkou) Co., Ltd.	Other receivables from related parties	Y	67,653	-	-	-	2	-	Operating needs	-	-	-	7,393,209	7,393,209	Note 5
1	Eternal Chemical (China) Co., Ltd.	Eternal Optical Material (Suzhou) Co., Ltd.	Other receivables from related parties	Y	44,046	-	-	-	2	-	Operating needs	-	-	-	7,393,209	7,393,209	Note 5
2	Eternal Materials (Guangdong) Co., Ltd.	Eternal Chemical (China) Co., Ltd.	Other receivables from related parties	Y	225,511	-	-	-	2	-	Operating needs	-	-	-	6,791,038	6,791,038	Note 5
2	Eternal Materials (Guangdong) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	501,690	501,690	-	-	2	-	Operating needs	-	-	-	6,791,038	6,791,038	Note 5
3	Eternal Holdings Inc.	Eternal Materials Co., Ltd.	Other receivables from related parties	Y	3,321,760	1,704,820	1,704,820	4.73-5.01	2	-	Operating needs	-	-	-	41,741,519	41,741,519	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Chemical (China) Co., Ltd.	Other receivables from related parties	Y	451,022	-	-	-	2	-	Operating needs	-	-	-	31,582,131	31,582,131	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Chemical (Chengdu) Co., Ltd.	Other receivables from related parties	Y	1,961,153	1,961,153	727,801	2.76	2	-	Operating needs	-	-	-	31,582,131	31,582,131	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Chemical (Tianjin) Co., Ltd.	Other receivables from related parties	Y	1,190,732	1,003,380	206,373	2.76	2	-	Operating needs	-	-	-	31,582,131	31,582,131	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Synthetic Resins (Changshu) Co., Ltd.	Other receivables from related parties	Y	1,459,462	1,459,462	582,580	2.76	2	-	Operating needs	-	-	-	31,582,131	31,582,131	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Electronic (Suzhou) Co., Ltd.	Other receivables from related parties	Y	1,373,922	1,368,246	456,686	2.76	2	-	Operating needs	-	-	-	31,582,131	31,582,131	Note 5
4	Eternal (China) Investment Co., Ltd.	Eterkon Semiconductor Materials Co., Ltd.	Other receivables from related parties	Y	219,828	109,460	109,460	3.45	2	-	Operating needs	-	-	-	6,316,426	6,316,426	Note 6
4	Eternal (China) Investment Co., Ltd.	Eternal Specialty Materials (Suzhou) Co., Ltd.	Other receivables from related parties	Y	364,866	364,866	-	-	2	-	Operating needs	-	-	-	31,582,131	31,582,131	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Photoelectric Material Industry (Yingkou) Co., Ltd.	Other receivables from related parties	Y	136,825	136,825	-	-	2	-	Operating needs	-	-	-	31,582,131	31,582,131	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Materials (Guangdong) Co., Ltd.	Other receivables from related parties	Y	136,825	136,825	-	-	2	-	Operating needs	-	-	-	31,582,131	31,582,131	Note 5
4	Eternal (China) Investment Co., Ltd.	Eternal Material Industry (Tongling) Co., Ltd.	Other receivables from related parties	Y	228,041	228,041	-	-	2	-	Operating needs	-	-	-	31,582,131	31,582,131	Note 5
5	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal Chemical (China) Co., Ltd.	Other receivables from related parties	Y	676,533	-	-	-	2	-	Operating needs	-	-	-	7,904,255	7,904,255	Note 5
5	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	1,824,328	1,824,328	658,288	1.76	2	-	Operating needs	-	-	-	7,904,255	7,904,255	Note 5

(Continued)

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			
6	Eternal Specialty Materials (Suzhou) Co., Ltd.	Eternal Chemical (China) Co., Ltd.	Other receivables from related parties	Y	\$ 225,511	\$ -	\$ -	-	2	\$ -	Operating needs	\$ -	-	\$ -	\$ 3,969,574	\$ 3,969,574	Note 5
6	Eternal Specialty Materials (Suzhou) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	912,164	912,164	-	1.76	2	-	Operating needs	-	-	-	3,969,574	3,969,574	Note 5
7	Eternal Specialty Materials (Zuhai) Co., Ltd.	Eternal Chemical (China) Co., Ltd.	Other receivables from related parties	Y	225,511	-	-	-	2	-	Operating needs	-	-	-	1,048,705	1,048,705	Note 6
7	Eternal Specialty Materials (Zuhai) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	912,164	912,164	139,242	1.76	2	-	Operating needs	-	-	-	1,048,705	1,048,705	Note 6
8	Eternal Photoelectric Material Industry (Yingkou) Co., Ltd.	Eternal (China) Investment Co., Ltd.	Other receivables from related parties	Y	68,412	68,412	-	-	2	-	Operating needs	-	-	-	377,170	377,170	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 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.

(Concluded)

**TABLE 2****Eternal Materials Co., Ltd. and Subsidiaries****ENDORSEMENTS/GUARANTEES PROVIDED****FOR THE YEAR ENDED DECEMBER 31, 2024****(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	\$ 28,314,411	\$ 591,030	\$ 590,130	\$ -	\$ -	2.08	\$ 28,314,411	Y	N	N	Notes 3 and 6
0	Eternal Materials Co., Ltd.	Eternal Materials (Malaysia) Sdn. Bhd.	2	28,314,411	2,716,554	2,714,392	1,586,037	-	9.59	28,314,411	Y	N	N	Notes 3 and 6
0	Eternal Materials Co., Ltd.	Elga Europe S.r.l.	2	28,314,411	534,587	514,850	473,319	-	1.82	28,314,411	Y	N	N	Notes 3 and 6
0	Eternal Materials Co., Ltd.	Eternal Nanyang Investment Co., Ltd.	2	28,314,411	1,970,100	1,967,100	1,586,794	-	6.95	28,314,411	Y	N	N	Notes 3 and 6
0	Eternal Materials Co., Ltd.	Eternal Material Industry (Tongling) Co., Ltd.	2	28,314,411	1,679,810	1,664,699	454,427	-	5.88	28,314,411	Y	N	Y	Notes 3 and 6
0	Eternal Materials Co., Ltd.	Eternal Technology Corporation	2	28,314,411	164,175	163,925	32,785	-	0.58	28,314,411	Y	N	N	Notes 3 and 6
1	Eternal (China) Investment Co., Ltd.	Eternal Material Industry (Tongling) Co., Ltd.	2	15,791,065	460,222	456,082	354,465	-	2.89	15,791,065	N	N	Y	Note 7
2	Eternal Precision Mechanics Co., Ltd.	Eternal Precision Mechanics (Guangzhou) Co., Ltd.	2	1,607,109	91,216	91,216	-	-	5.68	1,607,109	N	N	Y	Note 7

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 financial statements as of December 31, 2024.

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 are based on its net worth as of December 31, 2024, and translated into NTD using the exchange rate at the balance sheet date.



**TABLE 3****Eternal Materials Co., Ltd. and Subsidiaries****MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES)****DECEMBER 31, 2024****(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	December 31, 2024				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	\$ 570,048	1.52	\$ 570,048	
	TBG Diagnostics Limited (stock)	-	Financial assets at fair value through other comprehensive income - non-current	40,200,000	16,496	18.48	16,496	
	Universal Venture Capital Investment Corp. (stock)	-	Financial assets at fair value through other comprehensive income - non-current	5,000,000	55,724	4.15	55,724	
	Research Innovation Capital Corporation (stock)	-	Financial assets at fair value through other comprehensive income - non-current	10,000,000	48,384	22.88 (Note 1)	48,384	
	Winchain Material Technology Co., Ltd. (stock)	-	Financial assets at fair value through other comprehensive income - non-current	1,900,000	18,249	19	18,249	
	Hwa Nan Venture Capital Co., Ltd. (stock)	-	Financial assets at fair value through other comprehensive income - non-current	57,438	-	10.6	-	
Mixville Holdings Inc.	Grace THW Holding Limited (stock)	-	Financial assets at fair value through other comprehensive income - non-current	1,900,000	336,684	Note 2	336,684	
	Pacven Walden Ventures V, L.P. (mutual fund)	-	Financial assets at fair value through profit or loss - non-current	-	9,382	Note 2	9,382	

Note 1: The Company has no significant influence on it, please refer to Note 9.

Note 2: The percentage of ownership is less than 1%.

## Eternal Materials Co., Ltd. and Subsidiaries

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2024

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal			Gain/Loss on Disposal	Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Amount	Carrying Value		Shares (Note 2)	Amount (Note 3)
Eternal Materials Co., Ltd.	Eternal Precision Mechanics Co., Ltd.	Investments accounted for using the equity method	Note 1	Note 1	52,085,384	\$ 1,263,256	8,358	\$ 84	(9,053,253)	\$ 988,006	\$ (299,636 )	Note 1	49,720,308	\$ 1,128,171

Note 1: Mainly from the Company released shares of the subsidiary Eternal Precision Mechanics Co., Ltd. in 2024. The transaction was accounted for as an equity transaction since the Company and its subsidiaries did not cease to have control over the subsidiary. (Please refer to Note 27 of the consolidated financial statements for the year ended December 31, 2024)

Note 2: Including shares received as stock dividends.

Note 3: Including share of the profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method, exchange differences on translation of the financial statements of foreign operations and other related adjustment.

**TABLE 5****Eternal Materials Co., Ltd. and Subsidiaries****ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL****FOR THE YEAR ENDED DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars)**

Buyer	Property	Event Date	Transaction Amount (Note 1)	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Eternal Specialty Materials (Suzhou) Co., Ltd.	Engaging to build the factory building on own land.	February 21, 2024	\$ 336,982	Payment in accordance with the terms	Jiangsu Santong Construction Co., Ltd., etc.	Non- related party	-	-	-	\$ -	Price negotiation in accordance with the terms	Self-use	None
Eternal Materials (Malaysia) Sdn. Bhd.	Engaging to build the factory building on own land.	June 28, 2024	403,370	Payment in accordance with the terms	Note 2	Note 2	-	-	-	-	Price negotiation in accordance with the terms	Self-use	None

Note 1: This is based on the expected transaction information in the capital budget approved by the board of directors. The actual transaction price will be based on the contract of the Company and its subsidiaries.

Note 2: The counterparty has not yet been determined.

**TABLE 6****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 YEAR ENDED DECEMBER 31, 2024**

**(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.	Eternal Specialty Materials (Zhuhai) Co., Ltd.	Subsidiary	Sales	\$ 669,251	5	Note 1	\$ -	-	\$ 118,555	3	
	CHOU-KOU Materials Co., Ltd.	Subsidiary	Sales	659,130	5	Note 1	-	-	157,050	4	
	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Subsidiary	Sales	411,064	3	Note 1	-	-	118,662	3	
	Eternal (China) Investment Co., Ltd.	Subsidiary	Sales	376,432	3	Note 1	-	-	59,189	2	
	Eternal Materials (Guangdong) Co., Ltd.	Subsidiary	Sales	235,757	2	Note 1	-	-	31,644	1	
	Eternal Technology Corporation	Subsidiary	Sales	153,116	1	Note 1	-	-	132,471	4	
	Eternal Chemical (China) Co., Ltd.	Subsidiary	Sales	189,288	1	Note 1	-	-	45,337	1	
	Eternal Materials (Malaysia) Sdn. Bhd.	Subsidiary	Sales	111,676	1	Note 1	-	-	38,423	1	
	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Sister company	Sales	452,068	8	Note 1	-	-	99,878	4	
	Eternal Chemical (China) Co., Ltd.	Sister company	Sales	166,728	3	Note 1	-	-	46,527	2	
Eternal Materials (Guangdong) Co., Ltd.	Allnex-Eternal Resins (Guangdong) Co., Ltd.	Associate	Sales	444,145	8	Note 1	-	-	117,973	5	
	Eternal Materials Co., Ltd.	Ultimate parent company	Sales	226,804	5	Note 1	-	-	30,107	2	
	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Sister company	Sales	300,576	9	Note 1	-	-	118,950	6	
Eternal Specialty Materials (Zhuhai) Co., Ltd.	Eternal Electronic Material (Thailand) Co., Ltd.	Sister company	Sales	126,563	4	Note 1	-	-	67,335	4	
	Eternal Electronic (Suzhou) Co., Ltd.	Sister company	Sales								
Eternal Chemical (China) Co., Ltd.	Allnex-Eternal Resins (Guangdong) Co., Ltd.	Associate	Sales	170,528	4	Note 1	-	-	97,737	5	
Eternal Specialty Materials (Suzhou) Co., Ltd.	Eternal Electronic (Suzhou) Co., Ltd.	Sister company	Sales	198,326	7	Note 1	-	-	87,242	11	
Eternal Electronic (Suzhou) Co., Ltd.	Eternal Photoelectric Material Industry (Yingkou) Co., Ltd.	Sister company	Sales	117,801	8	Note 1	-	-	59,213	8	

(Continued)

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 Chemical (Tianjin) Co., Ltd.	Eternal Chemical (China) Co., Ltd.	Sister company	Sales	\$ 125,896	5	Note 1	\$ -	-	\$ 32,440	4	
CHOU-KOU Materials Co., Ltd.	Eternal Electronic Material (Thailand) Co., Ltd.	Sister company	Sales	136,340	11	Note 1	-	-	32,530	10	

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.

(Concluded)

**TABLE 7****Eternal Materials Co., Ltd. and Subsidiaries****RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL****DECEMBER 31, 2024****(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	\$ 157,050	3.82	\$ 18,932	Collected subsequently	\$ 54,966	\$ -
	Eternal Specialty Materials (Zhuhai) Co., Ltd.	Subsidiary	118,555	5.39	-	-	61,480	-
	Eternal Technology Corporation	Subsidiary	132,471	1.37	79,650	Collected subsequently	6,875	-
	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Subsidiary	118,662	4.17	-	-	63,966	-
Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal Electronic Material (Thailand) Co., Ltd	Sister company	118,950	3.32	28,690	Collected subsequently	-	-
Eternal Materials (Guangdong) Co., Ltd.	Allnex-Eternal Resins (Guangdong) Co., Ltd.	Associate	117,973	4.04	16,668	Collected subsequently	47,215	260

**TABLE 8****Eternal Materials Co., Ltd. and Subsidiaries****INTERCOMPANY BUSINESS RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS****FOR THE YEAR ENDED DECEMBER 31, 2024****(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.	Eternal Specialty Materials (Zhuhai) Co., Ltd.	1	Revenue from sales of goods	\$ 669,251	Note 3	1.51
0	Eternal Materials Co., Ltd.	CHOU-KOU Materials Co., Ltd.	1	Revenue from sales of goods	659,130	Note 3	1.49
0	Eternal Materials Co., Ltd.	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	1	Revenue from sales of goods	411,064	Note 3	0.93
0	Eternal Materials Co., Ltd.	Eternal (China) Investment Co., Ltd.	1	Revenue from sales of goods	376,432	Note 3	0.85
0	Eternal Materials Co., Ltd.	Eternal Materials (Guangdong) Co., Ltd.	1	Revenue from sales of goods	235,757	Note 3	0.53
0	Eternal Materials Co., Ltd.	Eternal Technology Corporation	1	Revenue from sales of goods	153,116	Note 3	0.35
0	Eternal Materials Co., Ltd.	Eternal Chemical (China) Co., Ltd.	1	Revenue from sales of goods	189,288	Note 3	0.43
0	Eternal Materials Co., Ltd.	Eternal Materials (Malaysia) Sdn. Bhd.	1	Revenue from sales of goods	111,676	Note 3	0.25
0	Eternal Materials Co., Ltd.	CHOU-KOU Materials Co., Ltd.	1	Notes and accounts receivable from related parties	157,050	Note 3	0.25
0	Eternal Materials Co., Ltd.	Eternal Specialty Materials (Zhuhai) Co., Ltd.	1	Notes and accounts receivable from related parties	118,555	Note 3	0.19
0	Eternal Materials Co., Ltd.	Eternal Technology Corporation	1	Notes and accounts receivable from related parties	132,471	Note 3	0.21
0	Eternal Materials Co., Ltd.	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	1	Notes and accounts receivable from related parties	118,662	Note 3	0.19
1	Eternal Holdings Inc.	Eternal Materials Co., Ltd.	2	Other receivables from related parties	1,704,820	Note 4	2.73
2	Eternal (China) Investment Co., Ltd.	Eternal Chemical (Chengdu) Co., Ltd.	1	Other receivables from related parties	727,801	Note 4	1.17
2	Eternal (China) Investment Co., Ltd.	Eternal Chemical (Tianjin) Co., Ltd.	1	Other receivables from related parties	206,373	Note 4	0.33
2	Eternal (China) Investment Co., Ltd.	Eternal Synthetic Resins (Changshu) Co., Ltd.	1	Other receivables from related parties	582,580	Note 4	0.93
2	Eternal (China) Investment Co., Ltd.	Eternal Electronic (Suzhou) Co., Ltd.	1	Other receivables from related parties	456,686	Note 4	0.73
3	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal Electronic Material (Thailand) Co., Ltd.	3	Revenue from sales of goods	300,576	Note 3	0.68
3	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal Electronic (Suzhou) Co., Ltd.	3	Revenue from sales of goods	126,563	Note 3	0.29
3	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal Electronic Material (Thailand) Co., Ltd.	3	Notes and accounts receivable from related parties	118,950	Note 3	0.19
3	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Eternal (China) Investment Co., Ltd.	2	Other receivables from related parties	658,288	Note 4	1.05

(Continued)

No. (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Item (Note 5)	Amount	Terms	% to Total Revenues or Assets
4	Eternal Materials (Guangdong) Co., Ltd.	Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	3	Revenue from sales of goods	\$ 452,068	Note 3	1.02
4	Eternal Materials (Guangdong) Co., Ltd.	Eternal Chemical (China) Co., Ltd.	3	Revenue from sales of goods	166,728	Note 3	0.38
5	Eternal Specialty Materials (Zhuhai) Co., Ltd.	Eternal Materials Co., Ltd.	2	Revenue from sales of goods	226,804	Note 3	0.51
5	Eternal Specialty Materials (Zhuhai) Co., Ltd.	Eternal (China) Investment Co., Ltd.	3	Other receivables from related parties	139,242	Note 4	0.22
6	Eternal Chemical (China) Co., Ltd.	Eternal (China) Investment Co., Ltd.	3	Other receivables from related parties	399,764	Note 4	0.64
7	Eternal Specialty Materials (Suzhou) Co., Ltd.	Eternal Electronic (Suzhou) Co., Ltd.	3	Revenue from sales of goods	198,326	Note 3	0.45
8	Eternal Electronic (Suzhou) Co., Ltd.	Eternal Photoelectric Material Industry (Yingkou) Co., Ltd.	3	Revenue from sales of goods	117,801	Note 3	0.27
9	Eternal Chemical (Tianjin) Co., Ltd.	Eternal Chemical (China) Co., Ltd.	3	Revenue from sales of goods	125,896	Note 3	0.28
10	CHOU-KOU Materials Co., Ltd.	Eternal Electronic Material (Thailand) Co., Ltd.	3	Revenue from sales of goods	136,340	Note 3	0.31

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.

(Concluded)



**TABLE 9****Eternal Materials Co., Ltd. and Subsidiaries****INFORMATION ON INVESTEEES (EXCLUDING INVESTMENTS IN MAINLAND CHINA)****FOR THE YEAR ENDED DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2024			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2024	December 31, 2023	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
Eternal Materials Co., Ltd.	Eternal Holdings Inc.	Samoa	International investment	\$ 5,681,836	\$ 5,681,836	185,108,859	100.00	\$ 20,722,295	\$ 726,201	\$ 717,135	
Eternal Materials Co., Ltd.	Eternal Global (BVI) Co., Ltd.	British Virgin Islands	International investment	703,144	703,144	16,357,914	100.00	4,047,552	192,408	196,076	
Eternal Materials Co., Ltd.	Mixville Holdings Inc.	British Virgin Islands	International investment	899,392	899,392	26,630,000	100.00	3,741,248	292,170	290,401	
Eternal Materials Co., Ltd.	Advanced PETFILM Investment Co., Ltd.	Japan	International investment	788,630	788,630	270	20.00	608,362	347,464	74,612	
Eternal Materials Co., Ltd.	Daxin Materials Corporation	Taiwan	Manufacturing and selling of chemical, resins materials and electronic materials	187,417	191,052	23,003,812	22.40	735,614	570,612	129,549	
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	32,489	690	433	
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	115,588	59,909	27,787	
Eternal Materials Co., Ltd.	Eternal Precision Mechanics Co., Ltd.	Taiwan	Manufacturing and selling of vacuum laminator	458,620	555,123	49,720,308	70.20	1,128,171	298,754	254,710	Note 27 of the consolidated financial statements for the year ended December 31, 2024
Eternal Materials Co., Ltd.	Eternal Electronic Material (Thailand) Co., Ltd.	Thailand	Trading services, cutting and selling of dry film photoresist	349,081	90,919	2,812,500	90.00	397,721	(23,636)	(20,535)	
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	284,574	75,451	74,950	Note 27 of the consolidated financial statements for the year ended December 31, 2024
Eternal Materials Co., Ltd.	Elga Europe S.r.l.	Italy	Manufacturing, selling, distribution and processing of electronic chemical products	287,169	287,169	-	72.68	26,968	12,709	9,237	
Eternal Materials Co., Ltd.	Eternal Technology Corporation	United States	Manufacturing and selling of photoresist; selling of chemical prouduts	622,950	622,950	1,000	100.00	243,194	(73,226)	(73,226)	
Eternal Precision Mechanics Co., Ltd.	Nikko-Materials Co., Ltd.	Japan	Manufacturing and selling of vacuum laminator	300,150	300,150	11,520	100.00	1,023,031	385,075	-	Note
Eternal Holdings Inc.	Eternal International (BVI) Co., Ltd.	British Virgin Islands	International investment	5,062,308	5,062,308	161,793,592	100.00	15,827,843	225,020	-	Note
Eternal Holdings Inc.	E-Chem Corp.	Samoa	International investment	165,608	165,608	4,990,000	100.00	2,512,645	522,500	-	Note
Eternal Holdings Inc.	Eternal Nanyang Investment Co., Ltd.	Samoa	International investment	841,453	841,453	28,350,000	90.00	14,923	(212,547)	-	Note
Eternal Holdings Inc.	PT Eternal Materials Indonesia	Indonesia	Trading of chemical products	13,360	13,360	670	67.00	11,628	(5,017)	-	Note
Eternal Holdings Inc.	Eternal Materials India Private Limited	India	Trading of chemical products	13,643	13,643	3,465,000	99.00	13,359	347	-	Note
Eternal Holdings Inc.	Allnex-Eternal Resins Corporation Limited	Hong Kong	Trading and international investment	14,496	14,496	49,000	49.00	483,390	200,499	-	Note
Eternal Holdings Inc.	Polymer Instrumentation and Consulting Services, Ltd.	United States	Plastic products manufacturing	121,913	121,913	4,694,296	30.00	-	-	-	Note

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2024			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2024	December 31, 2023	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
E-Chem Corp	Eternal Materials India Private Limited	India	Trading of chemical products	\$ 138	\$ 138	35,000	1.00	\$ 135	\$ 347	\$ -	Note
Mixville Holdings Inc.	High Expectation Limited	Cayman Islands	International investment	871,519	871,519	26,005,000	100.00	3,396,763	292,165	-	Note
Eternal (China) Investment Co., Ltd.	Elga Europe S.r.l.	Italy	Manufacturing, selling, distribution and processing of electronic chemical products	58,610	58,610	-	22.32	8,947	12,709	-	Note
Eternal Nanyang Investment Co., Ltd.	Eternal Materials (Malaysia) Sdn. Bhd.	Malaysia	Manufacturing, selling, trading and providing services of resins material and chemical related products	2,082,818	2,082,818	395,922,000	100.00	1,610,813	(110,125)	-	Note

Note: 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.

(Concluded)

TABLE 10

## Eternal Materials Co., Ltd. and Subsidiaries

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE YEAR ENDED DECEMBER 31, 2024

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee 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, 2024	Investment Flows		Accumulated Outward Remittance for Investments from Taiwan as of December 31, 2024	Net Income (Loss) of the Investee	% of Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024	Note
					Outward	Inward							
Eternal Chemical (China) Co., Ltd.	Manufacturing and selling of resins material and processing products	\$ 755,651	2	\$ 625,549	\$ -	\$ -	\$ 625,549	\$ 176,640	100.00	\$ 176,640	\$ 3,696,605	\$ 2,975,452	Note 2
Covestro Eternal Resins (Kunshan) Co., Ltd.	Manufacturing and selling of powder coating resin	183,470	2	91,735	-	-	91,735	22,720	50.00	15,871	353,924	600,691	Note 2
Eternal Optical Material (Suzhou) Co., Ltd.	Manufacturing and selling of optical films, and leasing business	1,563,967	2	-	-	-	-	(21,482)	100.00	(21,482)	154,914	-	Notes 2 and Note 10 of the consolidated financial statements for the year ended December 31, 2024
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	202,116	100.00	202,116	3,952,127	983,767	Note 2
Eternal Photoelectric Material Industry (Yingkou) Co., Ltd.	Researching, developing and manufacturing of photoresist dry film, liquid photo imaginal solder masks and printed circuit board related materials	469,402	2	-	-	-	-	1,607	100.00	1,607	188,585	-	Note 2
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	79,495	40.00	34,435	347,641	-	Note 2
Eternal Synthetic Resins (Changshu) Co., Ltd.	Manufacturing and selling of unsaturated polyester resin	726,426	2	279,811	-	-	279,811	(23,301)	100.00	(23,301)	159,335	-	Note 2
Eternal Chemical (Tianjin) Co., Ltd.	Manufacturing and selling of adhesives, resins material and processing products	1,008,004	2	599,320	-	-	599,320	6,290	100.00	6,290	997,640	-	Note 2
Eternal Specialty Materials (Zhuhai) Co., Ltd.	Manufacturing and selling of acrylic resin and methacrylic acid	611,011	2	243,540	-	-	243,540	535,247	90.00	521,832	2,496,743	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	292,680	100.00	292,680	3,395,519	2,589,220	Note 2
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	223,501	100.00	223,501	15,791,065	-	Notes 2 and 3
Eternal Chemical (Chengdu) Co., Ltd.	Researching, manufacturing and selling of resins material	1,454,071	2	-	-	-	-	(128,973)	100.00	(128,973)	33,082	-	Note 2
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	1,929,180	2	-	-	-	-	(113,338)	100.00	(113,338)	2,000,867	-	Note 2
Eternal Specialty Materials (Suzhou) Co., Ltd.	Researching and developing chemical products, and selling, providing technical services of self-produced products	1,199,225	2	-	-	-	-	195,465	100.00	195,465	1,984,787	-	Note 2
Resonac New Material (Zhuhai) Co., Ltd.	Manufacturing and selling of functional resins, resins composite material and providing technical services	366,881	2	-	-	-	-	4,207	30.00	1,370	97,135	-	Note 2
Eternal Material Industry (Tongling) Co., Ltd.	Manufacturing, selling and providing technical services of products related to resins material	1,872,330	2	-	-	-	-	12,974	100.00	12,974	1,909,536	-	Note 2
Eternal Precision Mechanics (Guangzhou) Co., Ltd.	Manufacturing and selling of computers, communications and other electronic equipment	132,928	1	132,928	-	-	132,928	6,214	70.20	5,309	94,029	-	Note 2

Investor Company	Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2024 (Note 4)	Investment Amount Authorized by the Investment Commission, MOEA (Note 4)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (Note 5)
Eternal Materials Co., Ltd. Eternal Precision Mechanics Co., Ltd.	\$ 7,622,793 132,928	\$ 28,198,265 132,928	\$ - 964,265

(Continued)

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 audited by the parent company's CPA in the ROC in accordance with SAS No. 600 "Special Considerations - Audits of Group Financial Statements".

Note 3: The investment gains and losses of Eternal (China) Investment Co., Ltd. included the income (loss) of the investee company.

Note 4: The amounts were translated into NTD using the exchange rate of application date or remittance date.

Note 5: According to the "Regulation Governing the Approval of Investment or Technical Cooperation in Mainland China", which was modified on August 29, 2008, the Company 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.

(Concluded)

**TABLE 11**

**Eternal Materials Co., Ltd.**

## INFORMATION OF MAJOR SHAREHOLDERS DECEMBER 31, 2024

[illegible]

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

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

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**STATEMENT 1****Eternal Materials Co., Ltd.****STATEMENT OF CASH AND CASH EQUIVALENTS****DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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<b>Item</b>	<b>Description</b>	<b>Amount</b>
Cash on hands		\$ 3,057
Cash in banks	Checking accounts	199,437
	NTD demand deposits	77,315
	USD demand deposits (USD 3,353 thousand @ 32.7850)	109,927
	JPY demand deposits (JPY 207,601 thousand @ 0.2073)	43,027
	SGD demand deposits (SGD 78thousand @ 24.1300)	1,888
	RMB demand deposits (RMB 94thousand @ 4.5608)	427
		<hr/>
		<u>\$ 435,078</u>

**STATEMENT 2****Eternal Materials Co., Ltd.****STATEMENT OF ACCOUNTS RECEIVABLE, NET  
DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars)**

<b>Client Name</b>	<b>Description</b>	<b>Amount</b>	<b>Remark</b>
Non-related parties			
Luxis Technology (Kunshan) Co., Ltd.	Sales of goods	\$ 229,598	
Aalborz Chemical Llc DbA Aal Chem	Sales of goods	193,680	
Others	Sales of goods	<u>2,174,176</u>	Notes 1 and 2
		2,597,454	
Less: Allowance for loss		<u>(59,299)</u>	
		<u>\$ 2,538,155</u>	
Related parties			
CHOU-KOU Materials Co., Ltd.	Sales of goods	\$ 157,050	
Eternal Technology Corporation	Sales of goods	132,471	
Eternal Photo Electronic Materials (Guangzhou) Co., Ltd.	Sales of goods	118,662	
Eternal Specialty Materials (Zhuhai) Co., Ltd.	Sales of goods	118,555	
Elga Europe S.r.l.	Sales of goods	68,643	
Eternal (China) Investment Co., Ltd.	Sales of goods	59,189	
Eternal Chemical (China) Co., Ltd.	Sales of goods	45,337	
Others	Sales of goods	<u>147,164</u>	Note 2
		847,071	
Less: Allowance for loss		<u>-</u>	
		<u>\$ 847,071</u>	

Note 1: The amount of overdue accounts receivable exceeding 365 days is \$58,687 thousand, which has been fully recognized as allowance for loss by the Company.

Note 2: The amount of individual client included in others does not exceed 5% of the account balance.



**STATEMENT 3****Eternal Materials Co., Ltd.****STATEMENT OF OTHER RECEIVABLES****DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Description</b>	<b>Amount</b>
Receivable for trademark license fee		\$ 264,646
Receivable for service fee		115,151
Receivable for business tax		72,278
Receivable for endorsement and guarantee fees		37,784
Others (Note)		<u>59,937</u>
		549,796
Less: Allowance for loss		<u>(29,800)</u>
		<u>\$ 519,996</u>

Note: The amount of individual item included in others does not exceed 5% of the account balance.

**STATEMENT 4****Eternal Materials Co., Ltd.****STATEMENT OF INVENTORIES****DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars)**

Item	Description	Amount		Remark
		Cost	Net Realizable Value	
Raw materials		\$ 1,203,704	\$ 1,550,672	Note
Supplies		41,518	41,518	Note
Finished goods		1,389,201	1,810,075	Note
Inventory in transit		<u>150,462</u>	<u>150,462</u>	Note
		<u>\$ 2,784,885</u>	<u>\$ 3,552,727</u>	

Note: Refer to Note 4 (e) for the method used in determining the net realizable value.

## Eternal Materials Co., Ltd.

STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT  
FOR THE YEAR ENDED DECEMBER 31, 2024

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Name	Beginning of the Year		Additions		Decrease		End of the Year		Guarantee or Pledge	Remark
	Number of Shares	Fair Value (Note 1)	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Fair Value (Note 1)		
Domestic listed shares										
President Securities Corp.	33,366,767	\$ 655,657	-	\$ 213,430	(11,229,000)	\$ (299,039)	22,137,767	\$ 570,048	None	Note 2
Domestic unlisted shares										
Universal Venture Capital Investment Corp.	5,000,000	52,949	-	2,775	-	-	5,000,000	55,724	None	Note 2
Der Yang Biotechnology Venture Capital Co., Ltd.	230,096	2,979	-	-	(230,096)	(2,979)	-	-	None	Note 2
Hwa Nan Venture Capital Co., Ltd.	57,438	-	-	-	-	-	57,438	-	None	
Research Innovation Capital Corporation	10,000,000	49,374	-	-	-	(990)	10,000,000	48,384	None	Note 2
Winchain Material Technology Co., Ltd.	-	-	1,900,000	19,000	-	(751)	1,900,000	18,249	None	Note 2
Foreign unlisted shares										
TBG Diagnostics Limited	40,200,000	<u>38,427</u>	-	<u>-</u>	-	<u>(21,931)</u>	40,200,000	<u>16,496</u>	None	Note 2
		<u>\$ 799,386</u>		<u>\$ 235,205</u>		<u>\$ (325,690)</u>		<u>\$ 708,901</u>		

Note 1: Fair value is determined by the evaluation approach shown in Note 25.

Note 2: The changes for the year are due to increased investment, valuation adjustment and share disposals. For details on disposal transactions, please refer to Note 9.

## Eternal Materials Co., Ltd.

**STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD  
FOR THE YEAR ENDED DECEMBER 31, 2024**  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Name	Balance at Beginning of the Year		Additions (Note 1)		Decrease (Note 2)		Investment Gain (Loss)	Other Adjustments (Note 3)	Balance at End of the Year			Market Value or Net Assets Value		Guarantee or Pledge	Remark
	Number of Shares (In Thousands)	Amount	Number of Shares (In Thousands)	Amount	Number of Shares (In Thousands)	Amount			Number of Shares (In Thousands)	%	Amount	Unit price (NT\$)	Total Amount		
Eternal Holdings Inc.	185,109	\$ 19,838,131	-	\$ -	-	\$ (944,082 )	\$ 717,135	\$ 1,111,111	185,109	100.00	\$ 20,722,295	\$ 113	\$ 20,870,759	None	
Eternal Global (BVI) Co., Ltd.	16,358	4,826,794	-	-	-	(1,203,390 )	196,076	228,072	16,358	100.00	4,047,552	248	4,053,040	None	
Mixville Holdings Inc.	26,630	3,625,674	-	-	-	(439,200 )	290,401	264,373	26,630	100.00	3,741,248	141	3,754,872	None	
Advanced PETFILM Investment Co., Ltd.	-	506,495	-	-	-	-	74,612	27,255	-	20.00	608,362	2,160,081	583,222	None	Note 4
Daxin Materials Corporation	23,424	714,968	-	-	(420 )	(108,903 )	129,549	-	23,004	22.40	735,614	190	4,370,724	None	
New E Materials Co., Ltd.	6,908	32,056	-	-	(3,454 )	-	433	-	3,454	62.80	32,489	9	32,489	None	
Covestro Eternal Resins (Far East) Ltd.	3,660	123,416	-	-	-	(37,200 )	27,787	1,585	3,660	40.00	115,588	32	115,588	None	
Eternal Precision Mechanics Co., Ltd.	52,085	1,263,256	6,688	84	(9,053 )	(410,966 )	254,710	21,087	49,720	70.20	1,128,171	160	7,931,881	None	
Eternal Electronic Material (Thailand) Co., Ltd.	938	131,098	1,875	258,162	-	-	(20,535 )	28,996	2,813	90.00	397,721	142	398,982	None	
CHOU-KOU Materials Co., Ltd.	10	221,434	-	-	-	-	74,950	(11,810 )	10	100.00	284,574	30,381	296,517	None	
Elga Europe S.r.l.	-	18,008	-	-	-	-	9,237	(277 )	-	72.68	26,968	-	27,477	None	Note 5
Eternal Technology Corporation	1	<u>297,357</u>	-	<u>-</u>	-	<u>-</u>	<u>(73,226 )</u>	<u>19,063</u>	1	100.00	<u>243,194</u>	251,199	<u>251,199</u>	None	
		<u>\$ 31,598,687</u>		<u>\$ 258,246</u>		<u>\$ (3,143,741 )</u>	<u>\$ 1,681,129</u>	<u>\$ 1,689,455</u>			<u>\$ 32,083,776</u>		<u>\$ 42,686,750</u>		

Note 1: Capital increase, share dividends, and so on.

Note 2: Capital reduction to offset losses, cash dividends from investee companies, disposing of investee company shares, and handling the share release of its subsidiary, Eternal Precision Mechanics Co., Ltd. (Please refer to Note 22).

Note 3: Other adjustments:

- 1) Exchange differences on translation of the financial statements of foreign operations that are recognized using the equity method.
- 2) Recognized remeasurement of defined benefit plans of investments accounted for using the equity method.
- 3) Recognized unrealized gains and losses on financial assets at FVTOCI of investments accounted for using the equity method.
- 4) Recognized in percentage of ownership interests in subsidiaries.

Note 4: Less than a thousand shares.

Note 5: No shares issued; not applicable.

**STATEMENT 7****Eternal Materials Co., Ltd.****STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars)**

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Item	Balance at Beginning of the Year	Additions (Note)	Decrease	Balance at End of the Year	Remark
Land	\$ 12,121	\$ 4	\$ -	\$ 12,125	
Buildings	29,976	1,963	(2,511)	29,428	
Storage equipment	12,268	436	-	12,704	
Other equipment	<u>28,922</u>	<u>12,720</u>	<u>(14,199)</u>	<u>27,443</u>	
	<u>\$ 83,287</u>	<u>\$ 15,123</u>	<u>\$ (16,710)</u>	<u>\$ 81,700</u>	

Note: Including lease modification.

**STATEMENT 8****Eternal Materials Co., Ltd.****STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF RIGHT-OF-USE ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Balance at Beginning of the Year</b>	<b>Additions</b>	<b>Decrease</b>	<b>Balance at End of the Year</b>	<b>Remark</b>
Land	\$ 2,364	\$ 512	\$ -	\$ 2,876	
Buildings	14,753	7,130	(1,674)	20,209	
Storage equipment	4,702	2,729	-	7,431	
Other equipment	<u>19,186</u>	<u>5,690</u>	<u>(13,795)</u>	<u>11,081</u>	
	<u>\$ 41,005</u>	<u>\$ 16,061</u>	<u>\$ (15,469)</u>	<u>\$ 41,597</u>	

**STATEMENT 9****Eternal Materials Co., Ltd.****STATEMENT OF ACCOUNTS PAYABLE****DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars)**

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<b>Vendor Name</b>	<b>Description</b>	<b>Amount</b>	<b>Remark</b>
Nan Ya Plastics Corporation	Purchase of goods	\$ 102,082	
Formosa Plastics Corporation	Purchase of goods	73,422	
Chang Chun Plastics Co., Ltd.	Purchase of goods	63,489	
Chang Chun Petrochemical Co., Ltd.	Purchase of goods	61,458	
Formosa Chemicals & Fibre Corporation	Purchase of goods	58,749	
Others (including the amount of related parties)	Purchase of goods	797,952	Note
		<hr/>	
		<u>\$ 1,157,152</u>	

Note: The amount of individual supplier in others does not exceed 5% of the account balance.

**STATEMENT 10****Eternal Materials Co., Ltd.****STATEMENT OF OTHER PAYABLES - OTHERS****DECEMBER 31, 2024****(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Description</b>	<b>Amount</b>
Payable for equipment		\$ 167,982
Bonus		108,350
Compensation of employees		101,676
Others (Note)		<u>386,655</u>
		<u>\$ 764,663</u>

Note: The amount of individual item in others does not exceed 5% of the account balance.



**Eternal Materials Co., Ltd.**

**STATEMENT OF SHORT-TERM BORROWINGS**

**DECEMBER 31, 2024**

**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Type	Balance at End of Year	Contract Period	Range of Interest Rates (%)	Loan Commitments (Thousands)	Collateral
Unsecured loans					
The Shanghai Commercial and Savings Bank, Ltd.	\$ 426,205	2024.09.13-2025.02.27	5.30-5.40	US\$ 20,000	None
First Commercial Bank	550,000	2024.12.27-2025.01.24	1.87	NT\$ 600,000	None
Taipei Fubon Commercial Bank Co., Ltd.	82,904	2024.10.18-2025.03.13	0.77-1.17	NT\$ 500,000	None
CTBC Bank Co., Ltd.	700,000	2024.12.06-2025.01.24	1.79	NT\$ 750,000	None
The Export-Import Bank of the Republic of China	100,000	2024.01.22-2025.01.22	1.85	NT\$ 300,000	None
Yuanta Commercial Bank Co., Ltd.	300,000	2024.10.30-2025.01.24	1.84	NT\$ 1,000,000	None
Bank of Taiwan	400,000	2024.11.15-2025.02.13	1.79	NT\$ 400,000	None
Loans from related parties					
Eternal Holdings Inc.	<u>1,704,820</u>	2024.09.23-2025.10.23	4.73-5.01	US\$ 52,000	None
	<u>\$ 4,263,929</u>				

**STATEMENT 12**

**Eternal Materials Co., Ltd.**

**STATEMENT OF OTHER NON-CURRENT LIABILITIES**

**DECEMBER 31, 2024**

**(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Description</b>	<b>Amount</b>
Net defined benefit liabilities		\$ 316,388
Others (Note)		<u>955</u>
		<u>\$ 317,343</u>

Note: The amount of individual item in others does not exceed 5% of the account balance.

## Eternal Materials Co., Ltd.

## STATEMENT OF LONG-TERM BORROWINGS

DECEMBER 31, 2024

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Creditors	Description	Loan Amount	Agreement Period	Interest Rate Range (%)	Pledge or Guarantee	Remark
Unsecured loans						
First commercial bank	Bullet repayment, non-revolving credit	\$ 600,000	2022.11-2025.11	1.95	None	
HSBC Bank (Taiwan) Limited	Repay in installment, non-revolving credit	300,000	2022.08-2025.08	2.13	None	
E.SUN Commercial Bank, Ltd.	Repay in installment, non-revolving credit	300,000	2023.05-2026.05	2.01	None	
Syndicated credit facility agreement with ten banks led by E.SUN Commercial Bank, Ltd.	Bullet repayment, revolving credit	3,000,000	2024.11-2025.01	2.09	None	
Mega International Commercial Bank Co., Ltd.	Bullet repayment, non-revolving credit	800,000	2022.09-2025.09	1.98	None	
Bank of Taiwan	Repay in installment, non-revolving credit	1,000,000	2024.08-2027.08	1.88	None	
Bank of Taiwan	Repay in installment, non-revolving credit	200,000	2023.08-2026.08	1.88	None	
The Export-Import Bank of Republic of China	Bullet repayment, non-revolving credit	300,000	2024.05-2029.05	1.91	None	
The Export-Import Bank of Republic of China	Bullet repayment, non-revolving credit	190,000	2024.06-2029.06	1.91	None	
Bank of China	Bullet repayment, revolving credit	150,000	2024.12-2025.06	1.85	None	
Yuanta Commercial Bank Co., Ltd.	Repay in installment, non-revolving credit	350,000	2023.06-2026.06	1.93	None	
Chang Hwa Commercial Bank, Ltd.	Bullet repayment, non-revolving credit	300,000	2023.08-2026.08	1.94	None	
Mizuho bank, Ltd.	Bullet repayment, revolving credit	200,000	2024.10-2025.04	1.90	None	
Hua Nan Commercial Bank, Ltd.	Bullet repayment, non-revolving credit	500,000	2023.08-2026.08	1.92	None	
CTBC Bank Co., Ltd.	Bullet repayment, revolving credit	<u>300,000</u>	2024.11-2025.01	1.89	None	
		8,490,000				
Less: Current portion		<u>(2,025,000)</u>				
		<u>\$ 6,465,000</u>				

**Eternal Materials Co., Ltd.**

**STATEMENT OF BONDS PAYABLE**

**DECEMBER 31, 2024**

**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Bond Name	Trustee	Issuance Date	Interest Payment Date and Repayment Method	Annual Rate (%)	Amount					
					Total Amount Issued	Repayment Paid	Balance at End of the Year	Issuance Costs	Carrying Value	Collateral
5-year secured bonds	CTBC Bank Co., Ltd.	2021.08-2026.08	Principal repayable at maturity and interest payable annually	0.58	\$ 2,500,000	\$ -	\$ 2,500,000	\$ (1,748)	\$ 2,498,252	Note 15

**Eternal Materials Co., Ltd.**

**STATEMENT OF LEASE LIABILITIES**  
**DECEMBER 31, 2024**  
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Item	Description	Lease Term	Discount Rate (%)	Balance at End of the Year	Remark
Land		2019.01-2043.06	1.72-2.29	\$ 5,846	
Buildings		2020.05-2028.10	1.63-6.09	9,787	
Storage equipment		2020.09-2028.10	1.63-1.83	5,381	
Other equipment		2020.06-2029.10	0.69-6.16	<u>16,458</u>	
				37,472	
Less: Current portion				<u>(13,082)</u>	
				<u>\$ 24,390</u>	

**STATEMENT 16****Eternal Materials Co., Ltd.****STATEMENT OF OPERATING REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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<b>Item</b>	<b>Quantity</b>	<b>Amount</b>	<b>Remark</b>
Resins materials	104 thousand tons	\$ 6,899,570	
Electronic materials	597,925 thousand square feet, 14,456 thousand square meter and 3 thousand tons	3,569,806	
High performance materials	27 thousand tons	3,896,103	
Others		<u>4,789</u>	
		<u>\$ 14,370,268</u>	

**STATEMENT 17****Eternal Materials Co., Ltd.****STATEMENT OF OPERATING COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Amount</b>
Balance of raw materials and materials in transit, beginning of the year	\$ 1,321,081
Add: Raw materials purchased	8,275,995
Transferred from finished goods to manufacturing	14,620,222
Less: Raw materials sold	(147,324)
Others	(98,941)
Balance of raw materials and materials in transit, end of the year	<u>(1,361,272)</u>
Raw materials used	<u>22,609,761</u>
Balance of supplies, beginning of the year	31,534
Add: Supplies purchased	558,307
Less: Supplies sold	(10,338)
Others	(95,178)
Balance of supplies, end of the year	<u>(41,518)</u>
Supplies used	<u>442,807</u>
Raw materials and supplies used	23,052,568
Direct labor	335,289
Manufacturing expenses	<u>1,515,402</u>
Manufacturing cost	24,903,259
Balance of finished goods, beginning of the year	1,343,199
Add: Finished goods purchased	574,575
Less: Transferred to manufacturing	(14,620,222)
Others	(8,084)
Balance of finished goods, end of the year	<u>(1,434,618)</u>
Operating costs - finished goods	10,758,109
Operating costs - raw materials	147,324
Operating costs - supplies	10,338
Operating costs - others	<u>492,021</u>
Operating costs	<u>\$ 11,407,792</u>

**STATEMENT 18**

**Eternal Materials Co., Ltd.**

**STATEMENT OF SELLING AND MARKETING EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Description</b>	<b>Amount</b>	<b>Remark</b>
Shipping expense		\$ 429,248	
Payroll expense		171,936	
Others (Note)		<u>239,958</u>	
		<u>\$ 841,142</u>	

Note: The amount of individual item in others does not exceed 5% of the account balance.



**STATEMENT 19****Eternal Materials Co., Ltd.****STATEMENT OF GENERAL AND ADMINISTRATIVE EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Description</b>	<b>Amount</b>	<b>Remark</b>
Salaries		\$ 390,494	
Depreciation expense		42,766	
Information technology expense		49,376	
Professional service fees		47,295	
Others (Note)		<u>346,926</u>	
		<u>\$ 876,857</u>	

Note: The amount of individual item in others does not exceed 5% of the account balance.

**Eternal Materials Co., Ltd.**

**STATEMENT OF RESEARCH AND DEVELOPMENT EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Description</b>	<b>Amount</b>	<b>Remark</b>
Salaries		\$ 522,827	
Depreciation expense		172,284	
Laboratory fees		105,110	
Others (Note)		<u>315,762</u>	
		<u>\$ 1,115,983</u>	

Note: The amount of individual item in others does not exceed 5% of the account balance.

**STATEMENT 21****Eternal Materials Co., Ltd.**

**STATEMENT OF EMPLOYEE BENEFIT, DEPRECIATION AND AMORTIZATION BY  
FUNCTION  
FOR THE YEAR ENDED DECEMBER 31, 2024 and 2023  
(In Thousands of New Taiwan Dollars)**

<b>Function Nature</b>	<b>For the Year Ended December 31, 2024</b>		
	<b>Classified as Operating Costs</b>	<b>Classified as Operating Expenses</b>	<b>Total</b>
Employee benefit expense			
Salaries	817,163	1,085,257	1,902,420
Labor and health insurance	81,031	95,317	176,348
Pension	39,840	50,131	89,971
Remuneration of directors	-	20,719	20,719
Others	58,206	72,823	131,029
Depreciation	505,164	219,310	724,474
Amortization	699	14,539	15,238

<b>Function Nature</b>	<b>For the Year Ended December 31, 2023</b>		
	<b>Classified as Operating Costs</b>	<b>Classified as Operating Expenses</b>	<b>Total</b>
Employee benefit expense			
Salaries	798,442	1,119,389	1,917,831
Labor and health insurance	78,842	91,691	170,533
Pension	41,890	56,869	98,759
Remuneration of directors	-	17,136	17,136
Others	52,839	66,243	119,082
Depreciation	439,469	204,366	643,835
Amortization	529	16,089	16,618

Note 1: For the years ended December 31, 2024 and 2023, the Company had 1,971 and 2,046 employees, respectively, and there were 11 non-employee directors.

Note 2: Additional disclosures as follows:

- 1) Average employee benefit expense for the year ended December 31, 2024 was \$1,173 thousand (calculated as total employee benefit expense net of total remuneration of directors for the year divided by number of employees net of number of non-employee directors for the year). Average employee benefit expense for the year ended December 31, 2023 was \$1,133 thousand (calculated as total employee benefit expense net of total remuneration of directors for the previous year divided by the number of employees net of number of non-employee directors for the previous year).
- 2) Average salaries for the year ended December 31, 2024 was \$971 thousand (calculated as total salaries for the year divided by number of employees net of number of non-employee directors for the year). Average salaries for the year ended December 31, 2023 was \$942 thousand (calculated as total salaries for the previous year divided by number of employees net of number of non-employee directors for the previous year).

(Continued)

- 3) Changes of adjustment of average salaries was 3.08% (calculated as average salaries for the year net of average salaries for the previous year divided by average salaries for the previous year).
- 4) The Company has no supervisors.
- 5) The Company conducts salary surveys every year to measure the market's salary level and overall economic indicators and makes appropriate adjustments to its overall salary policy. In addition to the annual salary adjustments and a comprehensive promotion system, various reward systems are in place to encourage colleagues with superior performance. According to the Company's Articles of Incorporation, if the Company makes a profit in the current year, 4.5% (inclusive) to 5.5% of the profit shall be appropriated as compensation of employees.

According to the Company's Articles of Incorporation, the remuneration of directors is based on the extent of their participation in the Company's operations and the value of their contributions, and approved by reference to industry standards. If the Company makes a profit in the current year, the remuneration of directors shall be no more than 1% of the profit. Remuneration of independent directors is paid quarterly according to the Company's "Directors' Remuneration and Remuneration Standards".

The annual compensation package of managers includes salary, bonus and employees' compensation from the distribution of earnings. Compensation is determined by reference to industry standards, taking into consideration the Company's operating performance, individual performance and future risks. The compensation of managers is also subject to review by the compensation committee and approval of the board of directors in accordance with the law.

(Concluded)