Stock Code: 1735

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

Consolidated Financial Statements and Independent Auditors' Review Report

First Quarter of 2026 and 2025

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Independent Auditors' Review Report

To Evermore Chemical Industry Co., Ltd.

Foreword

We have completed our review of Evermore Chemical Industry Co., Ltd. and Subsidiaries (Evermore Group) Consolidated Balance Sheet as of March 31, 2026 and 2025; and Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies) for the three months ended March 31, 2026 and 2025. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects the consolidated financial position of the Group as of March 31, 2026 and 2025 and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 12, 2026

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

March 31, 2026, December 31 and March 31, 2025

Unit: NTD thousand

Code	ASSETS	March 31, 2026 Amount	%	December 31, 2025 Amount	%	March 31, 2025 Amount	%
	Current assets						
1100	Cash and cash equivalents (Notes VI)	$ 419,544	14	$ 393,681	13	$ 392,137	12
1136	Financial assets measured at amortized cost - current (Notes VII and XXV)	17,498	1	17,215	1	18,103	1
1150	Notes receivable (Note VIII)	130,912	4	144,343	5	185,681	5
1170	Accounts receivable due from non-related parties (Note VIII)	389,879	13	363,298	12	416,387	12
1180	Accounts receivable - related parties (Notes VIII and XXIV)	37,650	1	34,313	1	30,857	1
1200	Other receivables	23,546	1	21,483	1	5,893	-
1220	Current tax assets (Notes IV and XIX)	3,540	-	3,129	-	2,210	-
130X	Inventories (Note IX)	547,146	18	496,009	17	598,225	18
1410	Prepayments	47,181	1	43,909	1	52,969	2
1479	Other current assets	606	-	335	-	384	-
11XX	Total current assets	1,617,502	53	1,517,715	51	1,702,846	51
	NON-CURRENT ASSETS						
1600	Property, plant, and equipment (Notes XI and XXV)	1,249,363	41	1,268,968	43	1,368,227	41
1755	Right-of-use assets (Note XII)	81,865	3	82,350	3	191,207	6
1760	Investment properties	1,007	-	1,007	-	1,007	-
1780	Intangible assets	11,223	-	8,146	-	9,038	-
1805	Goodwill (Note XIII)	43,590	2	44,191	2	44,561	1
1840	Deferred tax assets (Notes IV and XIX)	18,396	1	19,145	1	25,267	1
1915	Prepayments for equipment	8,681	-	10,759	-	7,844	-
1920	Refundable deposits	3,340	-	3,094	-	3,308	-
15XX	Total non-current assets	1,417,465	47	1,437,660	49	1,650,459	49
1XXX	TOTAL	$ 3,034,967	100	$ 2,955,375	100	$ 3,353,305	100
Code	LIABILITIES AND EQUITY						
	Current liabilities:						
2100	Short-term bank loans (Notes XIV and XXV)	$ 674,543	22	$ 678,173	23	$ 821,916	25
2110	Short term notes and bills payable (Note XIV)	-	-	-	-	129,919	4
2150	Notes payable	2,292	-	3,104	-	1,758	-
2170	Accounts payable (Note XXIV)	281,002	9	205,565	7	305,967	9
2200	Other payables (Notes XV and XXIV)	97,314	3	118,296	4	111,733	3
2230	Current tax liabilities (Notes IV and XIX)	16,586	1	11,820	1	14,282	1
2280	Lease liabilities - current (Note XII)	4,012	-	4,001	-	3,967	-
2322	Long-term bank loans due within one year (Notes XIV and XXV)	200,000	7	212,500	7	79,117	2
2399	Other current liabilities	9,132	1	7,389	-	11,884	-
21XX	Total current liabilities	1,284,881	43	1,240,848	42	1,480,543	44
	Non-current liabilities						
2541	Long-term bank loans (Notes XIV and XXV)	71,667	2	76,667	2	180,000	5
2570	Deferred tax liabilities (Notes IV and XIX)	68,057	2	63,186	2	63,248	2
2580	Lease liabilities - non-current (Note XII)	20,761	1	21,769	1	24,773	1
2645	Guarantee deposits	524	-	509	-	457	-
25XX	Total non-current liabilities	161,009	5	162,131	5	268,478	8
2XXX	Total liabilities	1,445,890	48	1,402,979	47	1,749,021	52
	EQUITY						
3110	Share capital from common stock	993,880	33	993,880	34	993,880	30
3200	Capital surplus	98,017	3	98,017	3	98,017	3
	Retained earnings						
3310	Legal reserves	243,716	8	243,716	8	234,075	7
3320	Special reserve	-	-	-	-	13,937	-
3350	Undistributed earnings	240,502	8	220,811	8	235,077	7
3400	Other equity	12,962	-	(4,028)	-	29,298	1
3XXX	Total equity	1,589,077	52	1,552,396	53	1,604,284	48
	TOTAL	$ 3,034,967	100	$ 2,955,375	100	$ 3,353,305	100

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

Chairman: Ho Wen-Chieh Managerial Officer: Huang Chang-Tze Accounting Officer: Chen Hsiang-Li

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

January 1 to March 31, 2026 and 2025

Unit: NTD Thousand, Except that Earnings Per Share is NTD

Code		January 1 to March 31, 2026		January 1 to March 31, 2025	
		Amount	%	Amount	%
4000	Net Operating Revenue (Note XXIV)	$ 599,713	100	$ 626,263	100
5000	Operating costs (Notes IX, XVIII and XXIV)	484,199	81	511,723	81
5900	Gross operating profit	115,514	19	114,540	19
	OPERATING EXPENSES (Note XVIII)				
6100	Selling and marketing expenses	33,510	6	36,142	6
6200	Management expenses	37,812	6	40,511	7
6300	Research and development expenses	14,613	2	14,974	2
6450	Expected credit loss (Note VIII)	404	-	504	-
6000	Total operating expenses	86,339	14	92,131	15
6900	Net operating profit	29,175	5	22,409	4
	Non-operating revenue and expenditure				
7010	Other revenue	2,040	-	818	-
7020	Other gains and losses	51	-	331	-
7100	Interest income	2,508	-	2,408	-
7510	Interest expense	(4,403)	(1)	(5,718)	(1)
7630	Foreign currency exchange net gains (loss)	(1,768)	-	3,229	1
7000	Total non-operating income and expenses	(1,572)	(1)	1,068	-
7900	Net profits before tax	27,603	4	23,477	4
7950	INCOME TAX EXPENSE (Notes IV and XIX)	7,912	1	6,801	1
8200	Net income for the period	19,691	3	16,676	3

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Code		January 1 to March 31, 2026 Amount	%	January 1 to March 31, 2025 Amount	%
	Other comprehensive income				
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign financial statements	$ 21,237	4	$ 18,139	3
8399	Income tax related to items that may be reclassified to profit or loss	(4,247)	(1)	(3,634)	(1)
8300	Other comprehensive income for the period (net amount after tax)	16,990	3	14,505	2
8500	Total comprehensive income for the period	$ 36,681	6	$ 31,181	5
	EARNINGS PER SHARE (Note XX)				
9750	Basic	$ 0.20		$ 0.17	
9850	Diluted	$ 0.20		$ 0.17	

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

Chairman: Ho Wen-Chieh Managerial Officer: Huang Chang-Tze Accounting Officer: Chen Hsiang-Li

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

January 1 to March 31, 2026 and 2025

Unit: NTD thousand

Code		EQUITY						
				Retained Earnings (Note XVII)				
		Share capital from common stock (Note XVII)	Capital surplus (Note XVII)	Legal reserves	Special reserve	Undistributed earnings	Exchange differences on translation of foreign financial statements	Total equity
A1	Balance on January 1, 2025	$ 993,880	$ 98,017	$ 234,075	$ 13,937	$ 218,401	$ 14,793	$ 1,573,103
D1	Net profit for January 1 to March 31, 2025	-	-	-	-	16,676	-	16,676
D3	Other comprehensive income for January 1 to March 31, 2025	-	-	-	-	-	14,505	14,505
D5	Total comprehensive income for January 1 to March 31, 2025	-	-	-	-	16,676	14,505	31,181
Z1	Balance on March 31, 2025	$ 993,880	$ 98,017	$ 234,075	$ 13,937	$ 235,077	$ 29,298	$ 1,604,284
A1	Balance on January 1, 2026	$ 993,880	$ 98,017	$ 243,716	$ -	$ 220,811	($ 4,028)	$ 1,552,396
D1	Net profit for January 1 to March 31, 2026		-	-	-	19,691	-	19,691
D3	Other comprehensive income for January 1 to March 31, 2026	-	-	-	-	-	16,990	16,990
D5	Total comprehensive income for January 1 to March 31, 2026	-	-	-	-	19,691	16,990	36,681
Z1	Balance on March 31, 2026	$ 993,880	$ 98,017	$ 243,716	$ -	$ 240,502	$ 12,962	$ 1,589,077

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

Chairman: Ho Wen-Chieh Managerial Officer: Huang Chang-Tze Accounting Officer: Chen Hsiang-Li

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOW

January 1 to March 31, 2026 and 2025

Unit: NTD thousand

Code		January 1 to March 31, 2026	January 1 to March 31, 2025
	Cash flow from operating activities		
A10000	Net profits before tax for the period	$ 27,603	$ 23,477
A20000	Income and expenses:		
A20100	Depreciation expense	24,225	28,494
A20200	Amortization expense	383	437
A20300	Expected credit loss	404	504
A20900	Interest expense	4,403	5,718
A21200	Interest income	(2,508)	(2,408)
A23700	Losses on (Gains on reversal of) market price decline and obsolete and slow-moving inventories	986	(2,089)
A22500	Gains from disposal of property, plant, and equipment	(280)	(551)
A24100	Gain on foreign exchange, net	(298)	(275)
A22900	Loss on disposal of subsidiary	9	-
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	15,515	(18,796)
A31150	Accounts receivable	(26,449)	17,570
A31180	Other receivables	(133)	(284)
A31200	Inventories	(47,817)	(25,956)
A31230	Prepayments	(2,475)	1,734
A31240	Other current assets	(271)	223
A32130	Notes payable	(813)	(1,470)
A32150	Accounts payable	73,863	40,800
A32180	Other payables	(19,753)	(33,956)
A32230	Other current liabilities	1,743	470
A33000	Cash generated from operations	48,337	33,642
A33100	Interest received	2,508	2,408
A33300	Interest paid	(4,483)	(5,210)
A33500	Income tax paid	(4,962)	(2,601)
AAAA	Net cash flow from operating activities	41,400	28,239

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Code		January 1 to March 31, 2026	January 1 to March 31, 2025
	CASH FLOW FROM INVESTING ACTIVITIES		
B02200	Net cash inflow from disposal of subsidiaries	$ 1,507	$ -
B02700	Payments for property, plant, and equipment	(4,670)	(3,980)
B02800	Proceeds from disposal of property, plant, and equipment	580	551
B03700	Increase in refundable deposits	(184)	(290)
B07100	Increase in prepayments for equipment	(1,700)	(2,530)
BBBB	Net cash used in investing activities	(4,467)	(6,249)
	CASH FLOW FROM FINANCING ACTIVITIES		
C00100	Proceeds from short-term borrowings	852,781	1,690,830
C00200	Repayments of short-term borrowings	(855,895)	(1,639,618)
C00600	Net decrease in short-term notes and bills payable	-	(574)
C01700	Repayments of long-term borrowings	(17,500)	(26,000)
C04020	Payments of lease liabilities	(997)	(984)
CCCC	Net cash generated from (used in) financing activities	(21,611)	23,654
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	10,541	4,819
EEEE	Net increase in cash and cash equivalents	25,863	50,463
E00100	Opening balance of cash and cash equivalents	393,681	341,674
E00200	Closing balance of cash and cash equivalents	$ 419,544	$ 392,137

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

Chairman: Ho Wen-Chieh Managerial Officer: Huang Chang-Tze Accounting Officer: Chen Hsiang-Li

I. COMPANY HISTORY

Evermore Chemical Industry Co., Ltd. (the "Company") was incorporated in 1989. The Company's shares were traded on the Taipei Exchange in 2000 and listed on the Taiwan Stock Exchange in 2002.

The Company mainly engages in the manufacturing and selling of synthetic resin, synthetic chemistry, and investment related business operations.

The parent company of the Company is AICA Kogyo Company Limited (AICA) of Japan. As of March 31, 2026, it held 50.1% of the Company's common stock.

II. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Directors on May 12, 2026.

III. APPLICATION OF NEW, AMENDED, AND REVISED STANDARDS AND INTERPRETATIONS

(I) Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, or SIC Interpretations endorsed by the Financial Supervisory Commission (hereafter IFRSs)

The application of the FSC approved and issued effective IFRSs will not cause significant changes to the consolidated entity's accounting policies.

(II) New IFRSs in issue by International Accounting Standards Board (IASB) but not yet endorsed and issued into effect by the FSC

New, Revised or Amended Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	Unresolved
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS No. 19 "Subsidiaries without Public Accountability: Disclosures" (including amendments in 2025)	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

Note 1: Unless otherwise specified, all new/amended/modified standards and interpretations above shall take effect from the financial year that begins after the specified date.

Note 2: On September 25, 2025, the FSC announced that Taiwanese companies will be required to adopt IFRS 18 starting January 1, 2028, or may choose to adopt it earlier with FSC approval.

IFRS 18 "Presentation and Disclosure in Financial Statements" and related amendments

IFRS 18 will replace IAS 1 "Presentation of Financial Statements." The main changes in this standard include:

- The Group shall assess whether it has invested in specific types of assets and provided financing for customers' key operating activities, thereby classifying the income and expense items in the income statement into operating, investing, financing, income tax, and discontinued operations.
- The income statement shall report the operating income, pre-tax income before financing, and the subtotal and total of profit and loss.
- Provide guidance on the aggregation and disaggregation rules: The Group must identify the assets, liabilities, equity, income, expenses and cash flows generated from individual transactions or other matters, and classify and aggregate them based on the common characteristics, so that at least one of the items in the financial statements has a similar characteristic. Items with un-similar characteristics should be disaggregated in the primary financial statements and in the notes. The Group only marks such items as "others" when it is impossible to find a more information sign.
- Increase the disclosure of performance measures defined by management: When a Group engages in public communication outside of financial statements, and when communicating management's perspective on a specific aspect of the Group's overall financial performance to users of the financial statements, it should disclose information about performance measures defined by management in a single note to the financial statements. This includes a description of the measure, how it is calculated, a reconciliation with subtotals or totals specified by IFRS accounting standards, and the impact of related reconciliation items on income tax and non-controlling interests.

In addition, the following amendments were made to IAS 7, "Statement of Cash Flows":

- When the Group prepares the cash flow statement of operating activities using the indirect method, operating profit or loss should be used as the starting point for adjustment.
- The interest and dividends received by the Group should be classified as investment activities, and the interest and dividends paid should be classified as financing activities. If the Group is assessed to have specific primary operating activities, it must consider the types of dividend income, interest income, and interest expense presented in the income statement to determine how to classify the receipt of dividends, receipt of interest, and payment of interest in the statement of cash flows. However, these cash flows can only be classified separately within a single activity in the statement of cash flows.

In addition to the above effects, as of the date the consolidated financial statements were approved, the Group is continuously assessing the possible other impact that the application of each standard and interpretations will have on the Group's financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(I) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" approved and released by the FSC. These consolidated financial statements do not include all the disclosures required by IFRS accounting standards for a full set of annual financial statements.

(II) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments.

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 an 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.

(III) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income, and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

Refer to Note X and Table 4 and 5 for the detailed information of subsidiaries (including the percentages of ownership and main businesses).

(IV) Other significant accounting policies

In addition to the following explanations, please refer to the summary of significant accounting policies in the 2025 consolidated financial statements.

Income tax expense

Income tax expense is the sum of the current income tax and deferred income tax. The interim income tax is evaluated on an annual basis, and is calculated based on the interim pre-tax benefits at the tax rate applicable to the expected annual total earnings.

V. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In order to develop the important accounting estimates, the consolidated entity took into account the potential impact when estimating the cash flow, growth rate, discount rate and profitability. The estimates and underlying assumptions are reviewed on an ongoing basis. For other matters, please refer to the explanations of the Significant Accounting Assumptions and Judgments and Major Sources of Estimates Uncertainty in the 2025 consolidated financial statements.

VI. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand and petty cash	$ 1,304	$ 880	$ 1,826
Checking accounts and demand deposits	403,813	381,686	381,314
Cash equivalent			
Time deposits with original maturities of less than 3 months	14,427	11,115	8,997
	$ 419,544	$ 393,681	$ 392,137

VII. FINANCIAL ASSETS MEASURED AT AMORTIZED COST - CURRENT

	March 31, 2026	December 31, 2025	March 31, 2025
Bank time deposits with original maturities of more than 3 months	$ 17,498	$ 17,215	$ 18,103

For the information about pledge of the financial assets measured at amortized cost, please refer to Note XXV.

VIII. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable			
Notes receivable - operating	$ 130,912	$ 144,343	$ 185,681
Less: Loss allowance	-	-	-
	$ 130,912	$ 144,343	$ 185,681
Trade receivables - unrelated parties			
Measured by cost after amortization			
Total carrying amount	$ 472,478	$ 443,215	$ 499,340
Less: Loss allowance	(82,599)	(79,917)	(82,953)
	$ 389,879	$ 363,298	$ 416,387
Accounts receivables - related parties			
Measured by cost after amortization			
Total carrying amount	$ 37,650	$ 34,313	$ 30,857
Less: Loss allowance	-	-	-
	$ 37,650	$ 34,313	$ 30,857

(I) Notes receivable

The aging of notes receivable was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Not past due	$ 130,912	$ 144,343	$ 185,681
Past due	-	-	-
Total	$ 130,912	$ 144,343	$ 185,681

The above aging schedule was based on the number of past due days from the invoice date.

(II) Accounts receivable

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. Accordingly, the consolidated company's management believes that the consolidated company's credit risk is significantly reduced.

The consolidated entity recognizes loss provisions on accounts receivable based on expected credit losses over the duration. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default

experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

Loss provisions on accounts receivable recognized by the consolidated entity are as follows:

	Not Past Due	Less than 30 Days	31 to 90 Days	Over 91 Days	Total
March 31, 2026					
Expected credit loss rate (%)	0-1	1-3	4-100	10-100	
Total carrying amount	$ 404,249	$ 20,982	$ 1,756	$ 83,141	$ 510,128
Allowance for loss (Expected credit loss during the period)	(2,275)	(354)	(70)	(79,900)	(82,599)
Amortized cost	$ 401,974	$ 20,628	$ 1,686	$ 3,241	$ 427,529
December 31, 2025					
Expected credit loss rate (%)	0-1	1-3	4-100	10-100	
Total carrying amount	$ 388,455	$ 7,461	$ 276	$ 81,336	$ 477,528
Allowance for loss (Expected credit loss during the period)	(2,072)	(112)	(82)	(77,651)	(79,917)
Amortized cost	$ 386,383	$ 7,349	$ 194	$ 3,685	$ 397,611
March 31, 2025					
Expected credit loss rate (%)	0-1	1-3	4-100	10-100	
Total carrying amount	$ 440,076	$ 8,917	$ 903	$ 80,301	$ 530,197
Allowance for loss (Expected credit loss during the period)	(2,752)	(84)	(45)	(80,072)	(82,953)
Amortized cost	$ 437,324	$ 8,833	$ 858	$ 229	$ 447,244

The movements of the loss allowance of notes and accounts receivables are as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Opening balance	$ 79,917	$ 80,775
Impairment losses of the current period	404	504
Foreign exchange gains and losses	2,278	1,674
Closing balance	$ 82,599	$ 82,953

IX. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Finished goods	$ 229,428	$ 233,999	$ 274,725
Raw materials and supplies	261,211	223,192	242,443
Merchandise	30,734	32,148	54,364
Inventories in transit	25,773	6,670	26,693
	$ 547,146	$ 496,009	$ 598,225

The nature of the cost of goods sold was as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Cost of inventories sold	$ 475,025	$ 505,800
Inventory devaluation (or reversal gains)	986	(2,089)
Unallocated production overhead	8,188	8,012
	$ 484,199	$ 511,723

A rebound in net realizable value of inventories was caused by increases in the sales prices of inventory in specific markets.

X. SUBSIDIARIES

Subsidiary included in the consolidated financial statements:

		% of Ownership		
Name of investor	Investee	March 31, 2026	December 31, 2025	March 31, 2025
The Company	NEOLITE INVESTMENTS LIMITED (NEOLITE)	100	100	100
	GIANT STAR TRADING CO., LTD (GIANT STAR)	-	100	100
	CHEM-MAT TECHNOLOGIES CO., LTD (CHEM-MAT)	100	100	100
	U-BEST VIETNAM POLYMER INDUSTRY COMPANY LIMITED（U-BEST）	100	100	100

	SUCCESS INVESTMENTS LIMITED（SUCCESS）	-	-	100
	TOPWELL ELASTIC TECHNOLOGY CO., LTD.（TOPWELL）	100	100	100
NEOLITE	LIBERTY BELL INVESTMENTS LTD. (LIBERTY BELL)	100	100	100
LIBERTY BELL	Dongguan Pou Chien Chemical Co., Ltd. (Dongguan Pou Chien)	100	100	100
Dongguan Pou Chien	TOPCO (SHANGHAI) CO., LTD. (TOPCO (SHANGHAI))	100	100	100
SUCCESS	VIETNAM SUNYAD TECHNOLOGY LIMITED（SUNYAD）	-	-	100

Please refer to Attachment 4 and 5 for the nature of business, the principal place of business, and information on the country of registration of the above-mentioned subsidiaries.

GIANT STAR returned capital of NT$44,000 thousand in cash in November 2025.

Please refer to Note 21 for the disclosure regarding the Company's disposal of SUCCESS and GIANT STAR.

XI. PROPERTY, PLANT, AND EQUIPMENT

January 1 to March 31, 2026	Land	Building	Machinery and equipment	Transportation equipment	Other equipment	Total
Cost						
Opening balance	$ 725,630	$ 785,747	$ 1,376,015	$ 27,033	$ 385,565	$ 3,299,990
Add	-	345	553	-	1,663	2,561
Disposal	-	-	(12)	(4,549)	(37)	(4,598)
Reclassified	-	115	92	-	-	207
Effects of Foreign Currency Exchange Differences	(662)	9,093	9,966	119	2,335	20,851
Closing balance	$ 724,968	$ 795,300	$ 1,386,614	$ 22,603	$ 389,526	$ 3,319,011
Accumulated depreciation						
Opening balance	$ -	$ 535,825	$ 1,168,171	$ 24,816	$ 302,210	$ 2,031,022
Depreciation expense	-	5,720	11,354	215	5,325	22,614
Disposal	-	-	(12)	(3,949)	(37)	(3,998)
Effects of Foreign Currency Exchange Differences	-	8,121	9,641	118	2,130	20,010
Closing balance	$ -	$ 549,666	$ 1,189,154	$ 21,200	$ 309,628	$ 2,069,648
Closing net amount	$ 724,968	$ 245,634	$ 197,460	$ 1,403	$ 79,898	$ 1,249,363

January 1 to March 31, 2025	Land	Building	Machinery and equipment	Transportation equipment	Other equipment	Total
Cost						
Opening balance	$ 734,550	$ 863,083	$ 1,373,021	$ 28,537	$ 383,656	$ 3,382,847
Add	-	659	2,455	250	2,014	5,378
Disposal	-	-	(2,519)	(671)	(3,222)	(6,412)
Effects of Foreign Currency Exchange Differences	612	7,862	7,291	215	1,694	17,674
Closing balance	$ 735,162	$ 871,604	$ 1,380,248	$ 28,331	$ 384,142	$ 3,399,487
Accumulated depreciation						
Opening balance	$ -	$ 550,985	$ 1,135,748	$ 25,133	$ 284,816	$ 1,996,682
Depreciation expense	-	7,329	12,468	386	5,722	25,905
Disposal	-	-	(2,519)	(671)	(3,222)	(6,412)
Effects of Foreign Currency Exchange Differences	-	6,515	6,875	174	1,521	15,085
Closing balance	$ -	$ 564,829	$ 1,152,572	$ 25,022	$ 288,837	$ 2,031,260
Closing net amount	$ 735,162	$ 306,775	$ 227,676	$ 3,309	$ 95,305	$ 1,368,227

Depreciation expenses are provided on a straight-line basis over useful years shown as follows:

Building	
Main building of the factory premises	25 to 50 years
Additional project	2-50 years
Other	5 years
Machinery and equipment	2-10 years
Transportation equipment	5 years
Other equipment	
Office equipment	2-10 years
Landscape gardening	15 years
Other	2-20 years

For the amounts of pledged collateral used as property, plant and equipment loan guarantees, please refer to Note XXV.

XII. LEASE ARRANGEMENTS

(I) Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount of right-of-use assets			
Land	$ 57,641	$ 57,118	$ 162,946
Building	24,224	25,232	28,261
	$ 81,865	$ 82,350	$ 191,207

	January 1 to March 31, 2026	January 1 to March 31, 2025
Depreciation expenses of right-of-use assets		
Land	$ 602	$ 1,580
Buildings	1,009	1,009
	$ 1,611	$ 2,589

Except for depreciation expenses recognized, the consolidated company's right-of-use assets did not have significant subleases or impairments during January 1 to March 31, 2026 and 2025.

(II) Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount of lease liabilities			
Current	$ 4,012	$ 4,001	$ 3,967
Non-current asset	$ 20,761	$ 21,769	$ 24,773

The discount rate of lease liabilities (%) is stated as following:

	March 31, 2026	December 31, 2025	March 31, 2025
Building	1.14	1.14	1.14

(III) Major leasing activities and terms

It is the consolidated entity's land use rights in mainland China and in Vietnam respectively recognized as current year expenses in 1957 and as the average from 1959 to 1960. The land use is for the construction of production plants, offices and staff dormitories. The Company's building use right in Nantou City, Taiwan, effective for 10 years. The building is used as factory premises and warehouse.

(IV) Other lease information

	January 1 to March 31, 2026	January 1 to March 31, 2025
Short-term lease expenses	$ 1,233	$ 2,457
Low-value asset lease expenses	$ 107	$ 80
Total cash outflow from rent	$ 2,407	$ 3,604

XIII. GOODWILL

	March 31, 2026	December 31, 2025	March 31, 2025
Opening balance	$ 44,191	$ 43,716	$ 43,716
Effects of Foreign Currency Exchange Differences	(601)	475	845
Closing balance	$ 43,590	$ 44,191	$ 44,561

The consolidated entity acquired U-BEST and TOPWELL in 2020 respectively. The consideration paid includes the expected merger synergy. Because the transfer consideration exceeds the fair value of the acquired identifiable assets and liabilities, it is recognized as goodwill on the acquisition date.

XIV. LOANS

(I) Short-term bank borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Mortgage borrowings	$ 357,281	$ 510,845	$ 514,116
Credit loans	300,000	150,000	300,000
Letter of credit loans	17,262	17,328	7,800
	$ 674,543	$ 678,173	$ 821,916
Rates of interest per annum (%)			
Mortgage borrowings	1.9-4.16	1.90-4.18	1.90-4.95
Credit loans	1.85-1.88	1.85	2.00-2.43
Letter of credit loans	4.61-5.98	4.39-5.28	5.14-6.47

Mortgage loans are secured by the mortgages of the consolidated company's own land, buildings, and financial assets measured at amortized cost. Please refer to Note XXV.

(II) Short-term bills payable

	March 31, 2026	December 31, 2025	March 31, 2025
Commercial paper	$ -	$ -	$ 130,000
Less: Unamortized discounts on bills payable	-	-	(81)
	$ -	$ -	$ 129,919

(III) Long-term bank borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Credit loans	$ 180,000	$ 192,500	$ 230,000
Mortgage borrowings	91,667	96,667	29,117
	271,667	289,167	259,117
Less: Current portion	(200,000)	(212,500)	(79,117)
Long-term borrowings	$ 71,667	$ 76,667	$ 180,000
Rates of interest per annum (%)			
Credit loans	1.15	1.15	1.15
Mortgage borrowings	2.07	2.07	2.07-2.14

Mortgage loans are secured by the mortgages of the consolidated entity's own land and buildings. Please refer to Note XXV.

XV. OTHER PAYABLES

	March 31, 2026	December 31, 2025	March 31, 2025
Payable for salaries and bonuses	$ 29,435	$ 54,112	$ 28,443
Payable for commissions and professional service fees	10,132	11,075	10,928
Payable for employee's compensation and remuneration of directors and supervisors	8,848	7,009	10,902
Other	48,899	46,100	61,460
	$ 97,314	$ 118,296	$ 111,733

XVI. RETIREMENT BENEFIT PLANS

The pension expenses related to defined benefit plans recognized for the three months ended March 31, 2026 and 2025. The pension cost rate is calculated based on the actuarial determination of the pension fund as of December 31, 2025 and 2024.

XVII. EQUITY

(I) Share capital from common shares

	March 31, 2026	December 31, 2025	March 31, 2025
Authorized shares (thousand shares)	120,000	120,000	120,000
Authorized capital stock	$ 1,200,000	$ 1,200,000	$ 1,200,000
Shares issued and received in full (thousand shares)	99,388	99,388	99,388
Issued share capital	$ 993,880	$ 993,880	$ 993,880

(II) Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
Issuance of common shares	$ 70,860	$ 70,860	$ 70,860
Treasury share transactions	27,157	27,157	27,157
	$ 98,017	$ 98,017	$ 98,017

The capital surplus arising from shares issued in excess of par (including share premium from issuance of ordinary shares and treasury share transactions) and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year). However, capitalization of this reserve is capped at a certain percentage of the Company's paid-up capital each year.

(III) Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a Statutory reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

The dividend policy considers the future operating expansion and capital expenditures meet the best capital budget and diluted earnings per share, and the annual allocated surplus accounts for at least 50% of the available surplus. Distribution of profits may also be made by way of cash dividend provided; however, the ratio of share dividend shall exceed 25% of total distribution.

An appropriation of earnings to a Statutory reserve shall be made until the Statutory reserve equals the Company's paid-in capital. The Statutory reserve may be used to offset deficit. If the Company has no deficit and the Statutory reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

At the Board meeting held in March 2026 and the general shareholders' meeting in May 2025, the Company proposed and resolved to approve the 2025 and 2024 earnings appropriations as follows:

	Appropriation of Earnings		Dividend per share (NTD)	
	2025	2024	2025	2024
Legal reserves	$ 7,762	$ 9,641		
Appropriation (reversal) of special reserve	4,028	(13,937)		
Cash dividend	64,602	79,510	$ 0.65	$ 0.8

The earnings distribution plan for 2025 has yet to be resolved at the Annual General Meeting that is expected to be held in May 2026.

XVIII. NET PROFIT

(I) Depreciation and amortization

	January 1 to March 31, 2026	January 1 to March 31, 2025
Summarization of depreciation expenses by function		
Operating costs	$ 18,143	$ 19,763
Operating expenses	6,082	8,731
	$ 24,225	$ 28,494
Summarization of amortization expenses by function		
Operating costs	$ 67	$ 31
Operating expenses	316	406
	$ 383	$ 437

(II) Employee benefit expenses

	January 1 to March 31, 2026	January 1 to March 31, 2025
Short-term employee benefits	$ 68,013	$ 68,865
Retirement benefits		
Defined contribution plans	3,420	3,587
Other employee benefits	6,592	6,317
Total employee benefit expenses	$ 78,025	$ 78,769
Summarization by function		
Operating costs	$ 36,931	$ 37,477
Operating expenses	41,094	41,292
	$ 78,025	$ 78,769

(III) Employees' compensation and remuneration of directors and supervisors

According to the Articles of Incorporation of the Company, the Company accrued employees' compensation and remuneration of directors and supervisors at rates of 3% to 5% and no higher than 2%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors and supervisors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the Company has the amendment to its Articles of Incorporation approved at the 2025 Shareholders' Meeting, stipulating that 3% to 5% of pre-tax profits shall allocated to employees before distributing the remuneration for employees, directors and supervisors in the current year, of which at least 50% of profits shall be set aside for distribution to non-executive employees as part of their remuneration. The estimated remuneration to employees (non-executive employees), directors and supervisors for the three months ended March 31, 2026 and 2025 is as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Employees' compensation (5%)	$ 1,317	$ 1,123
Remuneration of directors and supervisors (2%)	527	449

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

The Company held the Board of Directors meeting in March 2026 and 2025, and resolved the remuneration to employees and directors and supervisors for 2025 and 2024 as follows:

	2025	2024
Employee remuneration	$ 4,937	$ 6,469
Remuneration of directors and supervisors	1,975	2,587

The Company held Board of Directors meetings in March 2025, which resulted in a difference between the actual employee and director/supervisor remuneration paid and the amounts recognized in the annual consolidated financial statements. This difference was adjusted to the profit and loss for 2025.

	2024	
	Employee remuneration	Remuneration of directors and supervisors
Amount of dividend distribution resolved by the Board of Directors	$ 6,469	$ 2,587
Amount recognized in the annual financial report	$ 6,469	$ 1,226

For information about the remuneration of employees and the remuneration of directors and supervisors as decided by the Board of Directors of the company, please go to the Market Observation Post System of the Taiwan Stock Exchange for inquiries.

XIX TAXES

(I) Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Current income tax		
Incurred in the current period	$ 7,283	$ 7,436
Deferred tax		
Incurred in the current period	629	(635)
Income tax expense recognized in profit and loss	$ 7,912	$ 6,801

(II) Income tax assessments

The tax collection authority approved the Profit-seeking Enterprise Income Tax Return case for the Group through 2023.

XX. EARNINGS PER SHARE

Unit: NT$ per share

	January 1 to March 31, 2026	January 1 to March 31, 2025
Basic earnings per share	$ 0.20	$ 0.17
Diluted earnings per share	$ 0.20	$ 0.17

The net profit and weighted average number of common stocks used to calculate the Earnings per Share are stated as following:

Net income for the period

	January 1 to March 31, 2026	January 1 to March 31, 2025
The net profit used to calculate the Earnings per Share	$ 19,691	$ 16,676
The net profit used to calculate the diluted Earnings per Share	$ 19,691	$ 16,676

Number of shares Unit: Thousand Shares

	January 1 to March 31, 2026	January 1 to March 31, 2025
The weighted average number of common stocks used to calculate the Earnings per Share	99,388	99,388
Effect of potentially dilutive ordinary shares:		
Employee remuneration	249	304
The weighted average number of common stocks used to calculate the diluted Earnings per Share	99,637	99,692

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

XXI. DISPOSAL OF SUBSIDIARIES

The Group entered into agreements on November 28, 2025 and January 26, 2026 to dispose of the equity interests in SUCCESS and GIANT STAR, respectively. SUCCESS was responsible for the Group’s financial investment and international trading operations, while GIANT STAR was responsible for the Group’s purchase and sale of chemical raw materials. The Group completed the disposals on December 31, 2025 and January 30, 2026, respectively, and lost control of the subsidiaries.

(I) Consideration received

	SUCCESS Company	Giant Star Trading Co.
Cash and cash equivalents	$ 164,633	$ 1,536
Investment proceeds receivable	18,361	1,546
Total consideration received	$ 182,994	$ 3,082

(II) Analysis of assets and liabilities where control has been lost

	SUCCESS Company	Giant Star Trading Co.
Current assets		
Cash and cash equivalents	$ 12,364	$ 29
Current tax assets	-	1,914
Prepayments	3,181	104
NON-CURRENT ASSETS		
Property, plant, and equipment	32,327	300
Right-of-use assets	91,844	-
Deferred income tax assets	-	744
Current liabilities:		
Other payables	(4)	-
Net assets disposed of	$ 139,712	$ 3,091

(III) Gain (loss) on disposal of subsidiary

	SUCCESS Company	Giant Star Trading Co.
Consideration received	$ 182,994	$ 3,082
Foreign currency exchange gains on consideration received	613	-
Taxes on disposal of subsidiary	(3,914)	-
Realized exchange differences on translating financial statements of foreign operations	8,841	-
Net assets disposed of	(139,712)	(3,091)
Gain (loss) on disposal	$ 48,822	($ 9)

(IV) Net cash inflow from disposal of subsidiaries

	SUCCESS Company	Giant Star Trading Co.
Consideration received in cash and cash equivalents	$ 164,633	$ 1,536
Less: Balance of cash and cash equivalents from disposal	(12,364)	(29)
	$ 152,269	$ 1,507

XXII. CAPITAL RISK MANAGEMENT

The consolidated entity manages their capital to ensure that entities in the consolidated entity will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Group (comprising issued capital, reserves, retained earnings and other equity).

Key management personnel of the Group regularly review the capital structure. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

XXIII. FINANCIAL INSTRUMENTS

(I) Fair value of financial instruments

1. Financial instruments carried at fair value

The following table provides an analysis of financial instruments that are measured at fair value subsequent to initial recognition. 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 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 an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(3) Level 3 fair value measurement refers to the evaluation technology that is based on the input value of the asset or liability that is not based on observable market data (unobservable input value) to derive the fair value.

From January 1 to March 31, 2026 and 2025, there will be no transfer of fair value measurement between Level 1 and Level 2.

2. Financial instruments not carried at fair value

The fair value of financial assets and financial liabilities is determined in the following:

(1) The fair value of short-term financial instruments is estimated by their carrying amount on the balance sheet for the carrying amount at the end of reporting period because the maturity date is close to the reporting date or the payment price is similar to the carrying amount. The carrying amount should be a reasonable basis for the estimated fair value. This method is applied to cash and cash equivalents, financial assets measured at amortized cost-current, notes and accounts receivable, other receivables/payables, refundable deposits, short-term bank loans, short-term notes and bills payable and refundable deposits.

(2) The fair value of long-term borrowings (including current portion) is determined using the discounted value of future cash flow. If the Company's long-term borrowings rate is a floating rate, the carrying amount is equal to the fair value.

(II) Categories of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
Financial assets at amortized cost (Note 1)	$ 1,022,369	$ 977,427	$ 1,052,366
Financial liabilities			
Financial liabilities at amortized cost (Note 2)	1,327,342	1,294,814	1,630,867

Note 1: Balances include financial assets measured at amortized cost including cash and cash equivalents, financial assets measured at amortized cost-current, notes and accounts receivable, other receivables, and refundable deposit, etc.

Note 2: The balances include financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, notes payable, trade payables, other payables, and long-term borrowings (including current portion).

(III) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, trade payables, and borrowings. The Group's corporate treasury function provides services to the business, coordinates access to financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk, and liquidity risk.

1. Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured. The major financial risks are as follows:

(1) Foreign currency risk

The Group has foreign currency sales and purchases, which exposed the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note XXVIII.

Sensitivity analysis

The consolidated entity's sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period. A positive number below indicates an increase in post-tax profit associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on the net profit after tax and the balances below would be negative.

Currency	January 1 to March 31, 2026	January 1 to March 31, 2025
NTD:USD	$ 1,616	$ 2,052
RMB:USD	3,281	2,443

The sensitivity rate used by the Company when reporting foreign currency risk internally to key management personnel is 1%, which represents management's assessment of the reasonably possible change in foreign exchange rates.

In management's opinion, sensitivity analysis was unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

(2) Interest rate risk

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
Financial assets	$ 31,925	$ 28,330	$ 27,100
Financial liabilities	204,773	218,270	508,659
Cash flow interest rate risk			
Financial assets	403,794	381,656	381,312
Financial liabilities	766,210	774,840	731,033

Sensitivity analysis

For the consolidated company's financial assets and liabilities with floating interest rates, when the interest rate changes by 0.25%, with other conditions remaining unchanged, the consolidated company's net income before tax from January 1 to March 31, 2026 and 2025 underwent changes amounting to NT$227 thousand and NT$219 thousand.

2. Credit risk

The Group's transactions are targeted at reputable financial and securities institutions, and it also transacts with a number of financial institutions to spread the risks, so the probability of default from contractual counterparty is very low; even if the other party defaults, the Group will not suffer significant loss.

The Group is required to go through the credit confirmation procedure only after it has dealt with the approved third party, and the policy of the Group is to conduct credit transactions with the customer, and to regularly assess the possibility of recovering the receivables while providing appropriate allowances for doubtful debts, so the Group doesn't expect the possibility of major losses.

3. Liquidity risk

The Group has built an appropriate liquidity risk management framework for the Group's short, medium and long-term funding and liquidity management requirements. The consolidated entity manages liquidity risk by maintaining sufficient reserve or banking facilities, obtaining the loan commitment, collecting debts proactively, and continuously monitoring forecast and actual cash flow as well as the maturity profiles of financial assets and liabilities. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group's undrawn bank financing facilities were NT$1,160,643 thousand, NT$1,154,350 thousand, and NT$581,526 thousand, respectively.

Schedule of liquidity and interest rate risk

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flow of financial liabilities from the earliest date on which the Group can be required to pay.

To the extent that interest flows are at floating rate, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

Non-derivative financial liabilities	Less Than 1 Year	1~5 years	5~10 years
March 31, 2026			
Non-interest bearing liabilities	$ 380,608	$ 524	$ -
Lease liabilities	4,270	17,078	4,270
Variable interest rate liabilities	694,543	71,667	-
Fixed interest rate liabilities	180,000	-	-
	$ 1,259,421	$ 89,269	$ 4,270

Non-derivative financial liabilities	Less Than 1 Year	1~5 years	5~10 years
December 31, 2025			
Non-interest bearing liabilities	$ 326,965	$ 509	$ -
Lease liabilities	4,270	17,078	5,337
Variable interest rate liabilities	698,173	76,667	-
Fixed interest rate liabilities	192,500	-	-
	$ 1,221,908	$ 94,254	$ 5,337
March 31, 2025			
Non-interest bearing liabilities	$ 419,458	$ 457	$ -
Lease liabilities	4,270	17,078	8,539
Variable interest rate liabilities	731,033	-	-
Fixed interest rate liabilities	299,919	180,000	-
	$ 1,454,680	$ 197,535	$ 8,539

XXIV. RELATED PARTY TRANSACTIONS

Transactions, account balances, income and expense among the consolidated companies are eliminated upon have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other financial statement notes, relationship and transactions of the Group with other related parties are disclosed below:

(I) Related party name and relationship

Name of related party	Related Party Category
AICA	The Company's parent
PT. AICA INDRIA (PT. AICA)	Fellow subsidiary
AICA Adtek Sdn. Bhd	Fellow subsidiary
AICA Malaysia Sdn. Bhd	Fellow subsidiary
Exeter New Materials (Nanjing) Co., Ltd. (Aica Nanjing)	Fellow subsidiary
Aica Guangdong Co., Ltd. (Aica Guangdong)	Fellow subsidiary
AICA Bangkok Co., Ltd. (AICA Thailand)	Fellow subsidiary
AICA Dongnai Co., Ltd. (AICA Dongnai)	Fellow subsidiary
TAIWAN AICA KOGYO CO., LTD.	Fellow subsidiary
Pou Chen Corporation and its subsidiaries	Other related parties (affiliated companies of the company's corporate directors)
Yue Yuen Industrial (Holdings) Limited and its subsidiaries	Other related parties (affiliated companies of the company's corporate directors)

(II) Sales of goods

Accounts	Related Party Category/Name	January 1 to March 31, 2026	January 1 to March 31, 2025
Sales	Parent Company	$ 44,409	$ 34,455
	Other related parties	44,182	20,315
	Fellow subsidiary	4,049	2,854
		$ 92,640	$ 57,624

The sales transactions of the Group to related parties are quoted based on the differences between the products and the acceptance of the market, and the credit period is from 60 days to 180 days.

Accounts	Related Party Category/Name	January 1 to March 31, 2026	January 1 to March 31, 2025
Purchases of goods	Parent Company	$ 10,276	$ 3,599
	Fellow subsidiary	-	485
		$ 10,276	$ 4,084

The purchase price and payment term between the Group and related parties were similar to those for third parties.

The following balances of trade receivables from related parties were outstanding at the end of the reporting period:

Accounts	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable	Parent Company	$ 11,480	$ 7,498	$ 16,986
	Fellow subsidiary	2,221	3,937	2,008
	Other related parties	23,949	22,878	11,863
		$ 37,650	$ 34,313	$ 30,857

The outstanding trade receivables from related parties are unsecured.

The following balances of trade payables from related parties were outstanding at the end of the reporting period:

Accounts	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Accounts payable	Parent Company	$ 2,837	$ 2,358	$ 3,041
	Fellow subsidiary	-	-	229
		$ 2,837	$ 2,358	$ 3,270
Other payables	Other related parties	$ 122	$ 118	$ 120
	Parent Company	-	-	42
		$ 122	$ 118	$ 162

(III) Remunerations of key management personnel

The following balances of trade payables from related parties were outstanding at the end of the reporting period.

	January 1 to March 31, 2026	January 1 to March 31, 2025
Short-term employee benefits	$ 3,200	$ 3,095
Retirement benefits	53	61
	$ 3,253	$ 3,156

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

XXV. PLEDGED ASSETS

The following assets were provided as collateral for bank borrowings:

	March 31, 2026	December 31, 2025	March 31, 2025
Property, plant, and equipment	$ 470,109	$ 472,450	$ 493,395
Financial assets measured at amortized cost - current	17,498	17,215	18,103
	$ 487,607	$ 489,665	$ 511,498

XXVI. SIGNIFICANT COMMITMENTS AND CONTINGENCIES

The consolidated company has the following major commitments on the balance sheet date:

(I) As of March 31, 2026, December 31, 2025 and March 31, 2025, the balances of letters of credit issued but not used were approximately US$421 thousand, US$133 thousand, and US$278 thousand, respectively.

(II) The Group’s unrecognized contractual commitments are stated as following:

	March 31, 2026	December 31, 2025	March 31, 2025
Payments for property, plant, and equipment	$ 1,097	$ 1,097	$ 2,100

XXVII. SUBSEQUENT MATERIAL EVENTS

On March 10, 2026, the Board of Directors of Chem-Mat Technologies Co., Ltd. resolved to subscribe for the cash capital increase of APPLY LABWORK INC. On April 27, 2026, Chem-Mat Technologies Co., Ltd. acquired a 17.63% equity interest in APPLY LABWORK INC. for NT$15,000 thousand.

XXVIII. THE SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The significant assets and liabilities denominated in foreign currencies were as follows:

	March 31, 2026		
Foreign currency assets	Foreign currency	Exchange Rate	Carrying Amount
Monetary items			
USD	$ 6,934	31.995 (USD:NTD)	$ 221,853
USD	11,102	6.912 (USD:CNY)	355,208
RMB	94	4.629 (CNY:NTD)	435
Foreign currency liabilities			
Monetary items			
USD	1,883	31.995 (USD:NTD)	60,247
USD	846	6.912 (USD:CNY)	27,068
USD	554	26,344 (USD:VND)	17,725
USD	1,031	32.708 (USD:THB)	32,987

	December 31, 2025		
Foreign currency assets	Foreign currency	Exchange Rate	Carrying Amount
Monetary items			
USD	$ 5,013	31.43 (USD:NTD)	$ 157,559
USD	10,364	6.991 (USD:CNY)	325,741
RMB	188	4.496 (CNY:NTD)	845
Foreign currency liabilities			
Monetary items			
USD	1,544	31.43 (USD:NTD)	48,528
USD	878	6.991 (USD:CNY)	27,596
USD	998	26,301 (USD:VND)	31,367
USD	989	31.370 (USD:THB)	31,084

	March 31, 2025		
Foreign currency assets	Foreign currency	Exchange Rate	Carrying Amount
Monetary items			
USD	$ 7,891	33.205 (USD:NTD)	$ 262,021
USD	8,592	7.261 (USD:CNY)	285,297
RMB	3,884	4.573 (CNY:NTD)	17,762
Foreign currency liabilities			
Monetary items			
USD	1,711	33.205 (USD:NTD)	56,814
USD	1,234	7.261 (USD:CNY)	40,975
USD	893	25,553 (USD:VND)	29,652
USD	1,228	33.7381 (USD:THB)	40,776

The significant realized and unrealized foreign exchange gain and losses were as follows:

The Group's realized and unrealized foreign currency exchange gains (losses) for the year ended March 31, 2026 and 2025, were NTD (1,768) thousand and NTD 3,229 thousand, respectively. Due to the wide variety of functional currencies of foreign currency transactions and the entities of the Group, it is impossible to disclose the foreign exchange gains and losses by each currency with significant impact.

XXIX. SEPARATELY DISCLOSED ITEMS

(I) Information about significant transactions and investees and (II) Transfer investment information:

1. Financing provided to others: Table 1.
2. Endorsements/guarantees provided: Table 2.
3. Significant marketable securities held at the end of the period: None.
4. Total purchases from or sales to related parties amounting to at least $100 million or 20% of the paid-in capital: None.
5. Receivables from related parties amounting to at least $100 million or 20% of the paid-in capital: None.
6. Other: Business relationships and significant transactions and amount between parent company and subsidiaries and among subsidiaries: Table 3.
7. Information on investees: Table 4

(III) Investments in Mainland China

1. Information on investees in mainland China, including the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding, investment income 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 mainland China: Table 5.
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:
   (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None.
   (2) Sale amount and percentage and the related receivables ending balance and percentage: Table 3.
   (3) The amount of property transactions and the amount of the resultant gains or losses: None.
   (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
   (5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: None.
   (6) 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.

XXX. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group's segment information is disclosed as follows:

1. Domestic operations - manufacturing and sales in Taiwan.
2. Asia operations - manufacturing and sales in Asian countries except Taiwan.

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments:

	Segment Revenue		Segment Profit	
	January 1 to March 31, 2026	January 1 to March 31, 2025	January 1 to March 31, 2026	January 1 to March 31, 2025
Domestic operations	$ 358,066	$ 361,705	$ 22,594	$ 24,581
Asia operations	241,647	264,558	6,581	(2,172)
Total for continuing operations	$ 599,713	$ 626,263	29,175	22,409
Interest income			2,508	2,408
Foreign exchange profits/losses			(1,768)	3,229
Gains from disposal of property, plant, and equipment			280	551
Net gain or loss on disposal of investments			(9)	-
Interest expense			(4,403)	(5,718)
General income and benefits			2,040	818
General expenses and losses			(220)	(220)
Net profits before tax			$ 27,603	$ 23,477

Segment gains refer to the profits made by each department, excluding interest revenue, gain on disposal of investments, income from disposal of property, plant and equipment, foreign exchange gains and losses, interest expenses, and ocations of income tax expenses. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS

January 1 to March 31, 2026

Table 1

Unit: In thousands of NTD or foreign currencies

Number	Lender(s)	Loan and counterparty (Note 1)	Financial Statement Account	Related Party	The highest balance in the current period	Ending Balance (Note 2)	Amount actually drawn	Interest Rate	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for bad debt	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit	Remark
													Name	Value			
0	The Company	TOPWELL	Other receivables	Yes	$ 22,482 (US$ 720)	$ 10,238 (US$ 320)	$ 9,877 (US$ 309)	(Note 3)	Necessary for short-term financing	$ -	Operating capital	$ -	—	$ -	$ 158,908 (Note 4)	$ 635,631 (Note 4)	

Note 1: Eliminated.

Note 2: The limit approved by the board of directors.

Note 3: Interest rate according to bank loan contract.

Note 4: The loan and limit and total limit of individual funds are limited to the sum of 10% of the Company’s net worth and the monthly average transaction value over the previous year, or 40% of the Company’s net worth.

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED

January 1 to March 31, 2026

Table 2 Unit: In thousands of NTD or foreign currencies

Number	Endorser/ Guarantor	Endorsee & guaranteed company		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Amount actually drawn	Amount Endorsed/ Guaranteed by Collateral	The ratio of the accumulated endorsement guarantee amount to the net value of the financial report for the period	Endorsement guarantee maximum limit (Note)	Endorsement / Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement / Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement / Guarantee Given on Behalf of Companies in Mainland China	Remark
		Company name	Relationship											
0	The Company	TOPWELL	Refer to Note X of consolidated financial statements	$ 794,539	$ 15,998 (US$ 500)	$ 15,998 (US$ 500)	$ 15,998 (US$ 500)	$ 15,998 (US$ 500)	1.01%	$ 1,112,354	Y	—	—	
		Dongguan Pou Chien	Refer to Note X of consolidated financial statements	794,539	31,995 (USD 1,000)	31,995 (USD 1,000)	$ 1,695 (US$ 53)	-	2.01%	1,112,354	Y	—	—	

Note: The guarantee limit and maximum limit for individual entity are 50% and 70% of the net worth of the Company, respectively.

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS

January 1 to March 31, 2026

Table 3

Unit: In thousands of NTD or foreign currencies

Number	Trader	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% to Total Sales or Assets
0	The Company	Dongguan Pou Chien	1	Sales	$ 29,477	T/T 90 days	5
		U-BEST	1	Sales	16,798	T/T 90 days	3
		TOPWELL	1	Sales	19,355	T/T 90 days	3
1	Dongguan Pou Chien	U-BEST	2	Sales	21,599	T/T 90 days	4
		Evermore Chemical Industry	3	Sales	4,415	T/T 90 days	1

Note 1: Eliminated.

Note 2: Relationship of counterparty: (1) parent entity to subsidiary; (2) subsidiary to subsidiary; (3) subsidiary to parent entity.

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES

January 1 to March 31, 2026

Table 4

Unit: In thousands of NTD or foreign currencies/Thousands Shares

Name of investor	Name of Investee	Location	Main business items	Original Investment Amount		Held at end of period			Current net income (loss) of the Investee	Share of investment profit (loss) recognized in the current period
				End of current period	End of last year	Number of Shares	%	Carrying Amount		
The Company	NEOLITE	British Virgin Islands	Financial investment and international trade	$ 413,902	$ 413,902	13,059	100	$ 666,247	$ 1,589	$ 1,715
	Giant Star Trading Co.	Taichung City	Trading of chemical raw materials	-	16,367	-	-	-	-	-
	CHEM-MAT	Nantou County	Wholesale of coating, pigments, and industrial catalyst	111,484	111,484	7,199	100	110,737	545	(229)
	U-BEST	Vietnam	Production and sales of PU resin and adhesives	132,314	132,314	-	100	203,004	3,714	3,171
	TOPWELL	Thailand	Synthetic resin trading business	76,201	76,201	8,000	100	45,675	(2,086)	(2,024)
NEOLITE	LIBERTY BELL	British Virgin Islands	Financial investment and international trade	563,243	563,243	21,000	100	668,477	1,581	(Note)

Note: Not applicable.

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

Investments in Mainland China

January 1 to March 31, 2026

Table 5

Unit: In thousands of NTD or foreign currencies

INFORMATION ON INVESTMENTS IN MAINLAND CHINA	Main business items	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan, beginning	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of the period (Note 2)	Current net income (loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment gain (loss) recognized for the period (Note 3)	Carrying amount of investment at the end of the period	Accumulated Repatriation of Investment Income, ending
					Outward	Inward						
Dongguan Pou Chien	Production and sales of PU resin	$ 512,818 RMB 120,789	(Note 1)	$ 244,425 USD 7,576	$ -	$ -	$ 244,425 USD 7,576	$ 1,562 RMB 321	100%	$ 1,562 RMB 321	$ 667,392 RMB 144,176	$ -
TOPCO	Wholesale of chemical products	38,922 RMB 8,053	(Note 1)	26,450 US$ 820	-	-	26,450 USD 820	(712) (RMB 156)	100%	(712) (RMB 156)	52,789 RMB 11,402	162,194 RMB 35,789

Accumulated Outward Remittance for Investment in Mainland China at the end of the period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$ 412,055 (US$ 12,796)	$ 921,115 (USD 29,126) (Note 4)	(Note 5)

Note 1: Investments in mainland China were through companies established in the third region.

Note 2: Including investment in equipment and expertise, but not including the surplus of investment in China's investment business, and reinvestment of investment in the third region.

Note 3: The financial statements of the investee were audited by the ROC parent company's CPA during the same period.

Note 4: Investment of US$29,126 thousand was authorized by the Investment Commission, MOEA, not including the surplus of investment in China's investment business, and reinvestment of investment in the third region (NEOLITE) of US$ 5,591 thousand.

Note 5: In accordance with "Principle of Examination on Investment or Technical Cooperation in Mainland China" stipulated by the Investment Commission, MOEA on August 29, 2008, the Company obtained the scope certificate for the headquarters issued by the Industrial Development Bureau, MOEA, with no upper limit for the investment amount in mainland China.