Stock Code: 1735

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

Consolidated Financial Statements and Independent Auditors' Review Report

Second 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 June 30, 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 and six months ended June 30, 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 June 30, 2026 and 2025 and its consolidated financial performance and its consolidated cash flows for the three months ended June 30, 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

August 7, 2026

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

June 30, 2026, and December 31 and June 30, 2025

Unit: NTD thousand

Code	ASSETS	June 30, 2026 Amount	%	December 31, 2025 Amount	%	June 30, 2025 Amount	%
	CURRENT ASSETS						
1100	Cash and cash equivalents (Notes VI)	$ 438,020	14	$ 393,681	13	$ 382,631	12
1136	Financial assets measured at amortized cost - current (Note VIII and XXVII)	17,425	1	17,215	1	16,150	1
1150	Notes receivable (Note IX)	167,798	5	144,343	5	159,663	5
1170	Accounts receivable due from non-related parties (Note IX)	403,949	13	363,298	12	360,178	11
1180	Accounts receivable due from related parties (Notes IX and XXVI)	52,960	2	34,313	1	27,467	1
1200	Other receivables	6,038	-	21,483	1	3,554	-
1220	Highest balance of financing to other parties during the period (Note XX)	290	-	3,129	-	1,910	-
130X	Inventories (Note X)	557,684	18	496,009	17	546,486	17
1410	Prepayments	49,148	2	43,909	1	45,937	2
1479	Other current assets	396	-	335	-	326	-
11XX	Total current assets	1,693,708	55	1,517,715	51	1,544,302	49
	NON-CURRENT ASSETS						
1517	Financial assets at fair value through other comprehensive income—non-current (Note VII)	7,020	-	-	-	-	-
1600	Property, plant, and equipment (Notes XII and XXVII)	1,230,775	40	1,268,968	43	1,336,532	43
1755	Right-of-use assets (Notes XIII)	80,249	3	82,350	3	168,941	5
1760	Investment properties	1,007	-	1,007	-	1,007	-
1780	Intangible assets	10,839	-	8,146	-	8,350	-
1805	Goodwill (Note XIV)	43,077	1	44,191	2	40,381	1
1840	Deferred tax assets (Notes IV and XX)	19,174	1	19,145	1	38,135	1
1915	Prepayments for equipment	11,134	-	10,759	-	13,196	1
1920	Refundable deposits	3,387	-	3,094	-	3,018	-
15XX	Total non-current assets	1,406,662	45	1,437,660	49	1,609,560	51
1XXX	TOTAL	$ 3,100,370	100	$ 2,955,375	100	$ 3,153,862	100

Code	LIABILITIES AND EQUITY						
	CURRENT LIABILITIES:						
2100	Short term borrowings (Notes XV and XXVII)	$ 889,825	29	$ 678,173	23	$ 879,340	28
2110	Short-term bills payable (Note XV)	-	-	-	-	129,955	4
2150	Notes payable	2,868	-	3,104	-	5,300	-
2170	Accounts payable (Note XXVI)	288,590	9	205,565	7	217,547	7
2200	Other payables (Notes XVI and XXVI)	171,305	5	118,296	4	184,539	6
2230	Current tax liabilities (Notes IV and XX)	18,051	1	11,820	1	11,147	1
2280	Lease liabilities - current (Note XIII)	4,024	-	4,001	-	3,978	-
2322	Long-term borrowings due within one year (Notes XV and XXVII)	20,000	1	212,500	7	224,167	7
2399	Other current liabilities	6,340	-	7,389	-	7,393	-
21XX	Total current liabilities	1,401,003	45	1,240,848	42	1,663,366	53
	NON-CURRENT LIABILITIES						
2541	Long-term borrowings (Notes XV and XXVII)	66,667	2	76,667	2	-	-
2570	Deferred tax liabilities (Notes IV and XX)	70,881	2	63,186	2	50,432	1
2580	Lease liabilities - non-current (Note XIII)	19,751	1	21,769	1	23,775	1
2645	Guarantee deposits	530	-	509	-	462	-
25XX	Total non-current liabilities	157,829	5	162,131	5	74,669	2
2XXX	Total liabilities	1,558,832	50	1,402,979	47	1,738,035	55
	EQUITY						
3110	Share capital from common stock	993,880	32	993,880	34	993,880	32
3200	Capital surplus	98,017	3	98,017	3	98,017	3
	Retained earnings						
3310	Legal reserves	251,478	8	243,716	8	243,716	8
3320	Special reserve	4,029	-	-	-	-	-
3350	Undistributed earnings	183,279	6	220,811	8	143,458	4
3400	Other equity	10,855	1	(4,028)	-	(63,244)	(2)
3XXX	Total equity	1,541,538	50	1,552,396	53	1,415,827	45
	TOTAL	$ 3,100,370	100	$ 2,955,375	100	$ 3,153,862	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

April 1 to June 30, 2026 and 2025, and January 1 to June 30, 2026 and 2025

Unit: NTD Thousand, Except that Earnings (Loss) Per Share is NTD

Code		April 1 to June 30, 2026		April 1 to June 30, 2025		January 1 to June 30, 2026		January 1 to June 30, 2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Net Operating Revenue (Note XXVI)	$ 663,618	100	$ 557,651	100	$ 1,263,331	100	$ 1,183,914	100
5000	Operating costs (Notes X, XIX and XXVI)	538,135	81	468,262	84	1,022,334	81	979,985	83
5900	Gross operating profit	125,483	19	89,389	16	240,997	19	203,929	17
	Operating expenses (Note XIX)								
6100	Selling and marketing expenses	38,581	6	36,418	6	72,091	6	72,560	6
6200	Management expenses	38,225	6	31,385	6	76,037	6	71,896	6
6300	Research and development expenses	15,654	2	15,664	3	30,267	2	30,638	3
6450	Expected credit loss (reversal)(Note IX)	128	-	(1,271)	-	532	-	(767)	-
6000	Total operating expenses	92,588	14	82,196	15	178,927	14	174,327	15
6900	Net operating profit	32,895	5	7,193	1	62,070	5	29,602	2
	Non-operating revenue and expenditure								
7010	Other revenue	3,162	1	5,266	1	5,202	-	6,084	1
7020	Other gains and losses	(1,180)	-	(1,143)	-	(1,129)	-	(812)	-
7100	Interest income	2,711	-	2,975	1	5,219	1	5,383	-
7230	Net loss from foreign exchange	(6,797)	(1)	(27,113)	(5)	(8,565)	(1)	(23,884)	(2)
7510	Interest expense	(4,402)	(1)	(5,682)	(1)	(8,805)	(1)	(11,400)	(1)
7000	Total non-operating income and expenses	(6,506)	(1)	(25,697)	(4)	(8,078)	(1)	(24,629)	(2)
7900	Net income (loss) before tax Income	26,389	4	(18,504)	(3)	53,992	4	4,973	-
7950	Income tax expense (gain) (Notes IV and XX)	7,219	1	(2,099)	-	15,131	1	4,702	-
8200	Net income (loss) for the period	19,170	3	(16,405)	(3)	38,861	3	271	-
	Other comprehensive income								
	Items that will not be reclassified to profit or loss:								
8316	Unrealized valuation gains and losses on investments in equity instruments measured at fair value through other comprehensive income	(7,980)	(1)	-	-	(7,980)	(1)	-	-
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translation of foreign financial statements	7,342	1	(115,677)	(21)	28,579	2	(97,538)	(8)
8399	Income tax related to items that may be reclassified to profit or loss	(1,469)	-	23,135	4	(5,716)	-	19,501	1
8300	Other comprehensive income for the period (net amount after tax)	(2,107)	-	(92,542)	(17)	14,883	1	(78,037)	(7)
8500	Total comprehensive income for the period	$ 17,063	3	($ 108,947)	(20)	$ 53,744	4	($ 77,766)	(7)
	EARNINGS (LOSS) PER SHARE (Note XXI)								
9750	Basic	$ 0.19		($ 0.1651)		$ 0.39		$ 0.0027	
9850	Diluted	$ 0.19		($ 0.1651)		$ 0.39		$ 0.0027	

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 CHANGES IN EQUITY
January 1 to June 30, 2026 and 2025

Unit: NTD thousand

Code		EQUITY							
							Other equity		
		Share capital from common stock (Note XVIII)	Capital surplus (Note XVIII)	Retained earnings (Note XVIII)			Exchange differences on translation of foreign financial statements	Unrealized gains and losses on equity instruments measured at fair value through other comprehensive income	Total equity
				Legal reserves	Special reserve	Undistributed earnings			
A1	Balance on January 1, 2025	$ 993,880	$ 98,017	$ 234,075	$ 13,937	$ 218,401	$ 14,793	$ -	$ 1,573,103
	Earnings allocation and distribution for 2024								
B1	Legal reserves	-	-	9,641	-	(9,641)	-	-	-
B5	Cash dividends to the Company's shareholders	-	-	-	-	(79,510)	-	-	(79,510)
B17	Reversal of special reserve	-	-	-	(13,937)	13,937	-	-	-
D1	Net profit for January 1 to June 30, 2025	-	-	-	-	271	-	-	271
D3	Other comprehensive income after tax for January 1 to June 30, 2025	-	-	-	-	-	(78,037)	-	(78,037)
D5	Total comprehensive income for January 1 to June 30, 2025	-	-	-	-	271	(78,037)	-	(77,766)
Z1	Balance on June 30, 2025	$ 993,880	$ 98,017	$ 243,716	$ -	$ 143,458	($ 63,244)	$ -	$ 1,415,827
A1	Balance on January 1, 2026	$ 993,880	$ 98,017	$ 243,716	$ -	$ 220,811	($ 4,028)	$ -	$ 1,552,396
	Earnings allocation and distribution for 2025								
B1	Legal reserves	-	-	7,762	-	(7,762)	-	-	-
B3	Special reserve	-	-	-	4,029	(4,029)	-	-	-
B5	Cash dividends to the Company's shareholders	-	-	-	-	(64,602)	-	-	(64,602)
D1	Net profit for January 1 to June 30, 2026	-	-	-	-	38,861	-	-	38,861
D3	Other comprehensive income after tax for January 1 to June 30, 2026	-	-	-	-	-	22,863	(7,980)	14,883
D5	Total comprehensive income for January 1 to June 30, 2026	-	-	-	-	38,861	22,863	(7,980)	53,744
Z1	Balance on June 30, 2026	$ 993,880	$ 98,017	$ 251,478	$ 4,029	$ 183,279	$ 18,835	($ 7,980)	$ 1,541,538

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 June 30, 2026 and 2025

Unit: NTD thousand

Code		January 1 to June 30, 2026	January 1 to June 30, 2025
	CASH FLOW FROM OPERATING ACTIVITIES		
A10000	Net profits before tax for the period	$ 53,992	$ 4,973
A20000	Income and expenses:		
A20100	Depreciation expense	47,740	56,343
A20200	Amortization expense	823	876
A20300	Expected credit loss (reversal)	532	(767)
A20900	Interest expense	8,805	11,400
A21200	Interest income	(5,219)	(5,383)
A22500	Loss (gain) on disposal of property, plant, and equipment	(480)	196
A23700	Loss for market price decline and obsolete and slow-moving inventories	3,871	1,864
A24100	Net loss from foreign exchange	585	3,210
A22900	Loss on disposal of subsidiary	1,388	-
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	(20,349)	(3,572)
A31150	Accounts receivable	(56,095)	52,155
A31180	Other receivables	(1,631)	1,844
A31200	Inventories	(60,156)	(1,496)
A31230	Prepayments	(4,307)	2,692
A31240	Other current assets	(61)	281
A32130	Notes payable	(234)	2,073
A32150	Accounts payable	81,449	(39,787)
A32180	Other payables	(10,559)	(35,816)
A32230	Other current liabilities	(1,049)	(4,021)
A33000	Cash generated from operations	39,045	47,065
A33100	Interest received	5,219	5,383
A33300	Interest paid	(8,796)	(10,434)
A33500	Income tax paid	(6,895)	(5,193)
AAAA	Net cash flow from operating activities	28,573	36,821
	CASH FLOW FROM INVESTING ACTIVITIES		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(15,000)	-
B02200	Net cash inflow from disposal of subsidiaries	18,776	-

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Code		January 1 to June 30, 2026	January 1 to June 30, 2025
B02700	Payments for property, plant, and equipment	(8,293)	(12,693)
B02800	Proceeds from disposal of property, plant, and equipment	780	586
B03700	Increase in refundable deposits	(201)	(203)
B04500	Acquisition of intangible assets	(122)	(112)
B07100	Increase in prepayments for equipment	(4,038)	(8,937)
BBBB	Net cash used in investing activities	(8,098)	(21,359)
	CASH FLOW FROM FINANCING ACTIVITIES		
C00100	Proceeds from short-term borrowings	2,453,230	3,413,009
C00200	Repayments of short-term borrowings	(2,239,189)	(3,301,345)
C00600	Net decrease in short-term notes and bills payable	-	(1,081)
C01700	Repayments of long-term borrowings	(202,500)	(60,950)
C04020	Payments of lease liabilities	(1,995)	(1,971)
CCCC	Net cash inflow from financing activities	9,546	47,662
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	14,318	(22,167)
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	44,339	40,957
E00100	OPENING BALANCE OF CASH AND CASH EQUIVALENTS	393,681	341,674
E00200	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	$ 438,020	$ 382,631

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

January 1 to June 30, 2026 and 2025

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

I. COMPANY HISTORY

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

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 June 30, 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 August 7, 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) IFRSs endorsed by the FSC applicable in 2027

New, Revised or Amended Standards and Interpretations	Effective date of IASB announcement
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 1)
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
Amendments to IAS 28 "Measuring an Associate or Joint Venture at Fair Value"	January 1, 2027 (Note 2)

Note 1: Domestic enterprises shall apply IFRS 18 beginning January 1, 2028, with early adoption permitted.

Note 2: An entity shall apply these amendments concurrently with the application of IFRS 18.

IFRS 18 “Presentation and Disclosure in Financial Statements” and related consequential amendments, and amendments to IAS 28 “Measuring an Associate or Joint Venture at Fair Value”

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.

On initial application of IFRS 18, an entity that is a venture capital organization, or a mutual fund, unit trust and similar entities (including an entity's investment in such entities), may elect to change its measurement of investments in associates or joint ventures from the equity method to fair value through profit or loss. The amendments to IAS 28 clarify that the aforementioned "similar entities" include entities that, in accordance with IFRS 18, assess investing in specific types of assets as a main business activity. If the Group meets the aforementioned conditions, it may elect to make such change at the date of initial application.

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.

The Group does not expect to early adopt IFRS 18 and the related accompanying amendments.

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

(III) New IFRSs in issue by IASB but not yet endorsed and issued into effect by the FSC

New, Revised or Amended Standards and Interpretations	Effective date of IASB announcement (Note)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	Unresolved
IFRS 20 Regulatory Assets and Regulatory Liabilities	January 1, 2029

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

As of the date the consolidated financial statements were authorized for issue, the consolidated entity is continuously assessing the possible impact that the application of the standards and interpretations will have on the consolidated entity'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 XI and Table 5 and 6 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

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand and petty cash	$ 1,076	$ 880	$ 1,896
Checking accounts and demand deposits	422,517	381,686	361,107
Cash equivalent			
Time deposits with original maturities of less than 3 months	14,427	11,115	19,628
	$ 438,020	$ 393,681	$ 382,631

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

	June 30, 2026	December 31, 2025	June 30, 2025
Domestic investments			
Unlisted (over-the-counter) stocks			
APPLY LABWORK INC. (APPLY LABWORK)	$ 7,020	$ -	$ -

In April 2026, the Group acquired 1,000 thousand ordinary shares of APPLY LABWORK for NT$15,000 thousand. These shares were designated as at fair value through other comprehensive income, as the investment was held for medium- to long-term strategic purposes.

The Group invested in the ordinary shares of APPLY LABWORK for medium- to long-term strategic purposes and expects to generate returns through long-term investment. Management of the Group believes that recognizing short-term fluctuations in the fair value of these investments in profit or loss would be inconsistent with the aforementioned long-term investment plan; accordingly, it has elected to designate such investments as measured at fair value through other comprehensive income.

VIII. FINANCIAL ASSETS MEASURED AT AMORTIZED COST - CURRENT

	June 30, 2026	December 31, 2025	June 30, 2025
Bank time deposits with original maturities of more than 3 months	$ 17,425	$ 17,215	$ 16,150

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

IX. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable			
Notes receivable - operating	$ 167,798	$ 144,343	$ 159,663
Less: Loss allowance	-	-	-
	$ 167,798	$ 144,343	$ 159,663
Trade receivables - unrelated parties			
Measured by cost after amortization			
Total carrying amount	$ 487,719	$ 443,215	$ 433,371
Less: Loss allowance	(83,770)	(79,917)	(73,193)
	$ 403,949	$ 363,298	$ 360,178
Accounts receivables - related parties			
Measured by cost after amortization			
Total carrying amount	$ 52,960	$ 34,313	$ 27,467
Less: Loss allowance	-	-	-
	$ 52,960	$ 34,313	$ 27,467

(I) Notes receivable

The aging of notes receivable was as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Not past due	$ 167,798	$ 144,343	$ 159,663
Past due	-	-	-
Total	$ 167,798	$ 144,343	$ 159,663

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
June 30, 2026					
Expected credit loss rate (%)	0-1	1-3	4-100	10-100	
Total carrying amount	$ 440,629	$ 16,384	$ 173	$ 83,493	$ 540,679
Allowance for loss (Expected credit loss during the period)	(2,512)	(201)	(37)	(81,020)	(83,770)
Amortized cost	$ 438,117	$ 16,183	$ 136	$ 2,473	$ 456,909
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
June 30, 2025					
Expected credit loss rate (%)	0-1	1-3	4-100	10-100	
Total carrying amount	$ 377,755	$ 11,335	$ 1,070	$ 70,678	$ 460,838
Allowance for loss (Expected credit loss during the period)	(2,319)	(157)	(39)	(70,678)	(73,193)
Amortized cost	$ 375,436	$ 11,178	$ 1,031	$ -	$ 387,645

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

	January 1 to June 30, 2026	January 1 to June 30, 2025
Opening balance	$ 79,917	$ 80,775
Impairment losses (reversals) of the current period	532	(767)
Foreign exchange gains and losses	3,321	(6,815)
Closing balance	$ 83,770	$ 73,193

X. INVENTORIES

	June 30, 2026	December 31, 2025	June 30, 2025
Finished goods	$ 246,019	$ 233,999	$ 257,114
Raw materials and supplies	261,338	223,192	228,627
Merchandise	35,628	32,148	48,685
Inventories in transit	14,699	6,670	12,060
	$ 557,684	$ 496,009	$ 546,486

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

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Cost of inventories sold	$ 527,103	$ 454,088	$ 1,002,128	$ 959,888
Inventory write-downs	2,885	3,953	3,871	1,864
Unallocated production overhead	8,147	10,221	16,335	18,233
	$ 538,135	$ 468,262	$ 1,022,334	$ 979,985

XI. SUBSIDIARIES

Subsidiary included in the consolidated financial statements:

Name of investor	Investee	% of Ownership June 30, 2026	December 31, 2025	June 30, 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

Refer to Tables 5 and 6 following the notes to consolidated financial statements for the information on subsidiaries' places of incorporation and principal places of business.

GIANT STAR returned capital of NT$44,000 thousand in cash in November 11, 2025.

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

XII. PROPERTY, PLANT AND EQUIPMENT

January 1 to June 30, 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	-	813	2,664	-	2,482	5,959
Disposal	-	-	(201)	(4,549)	(5,086)	(9,836)
Reclassified	-	-	92	-	-	92
Effects of Foreign Currency Exchange Differences	(1,056)	12,897	14,188	153	3,290	29,472
Closing balance	$ 724,574	$ 799,457	$ 1,392,758	$ 22,637	$ 386,251	$ 3,325,677
Accumulated depreciation						
Opening balance	$ -	$ 535,825	$ 1,168,171	$ 24,816	$ 302,210	$ 2,031,022
Depreciation expense	-	11,394	22,238	391	10,495	44,518
Disposal	-	-	(201)	(3,949)	(5,086)	(9,236)
Effects of Foreign Currency Exchange Differences	-	11,681	13,724	153	3,040	28,598
Closing balance	$ -	$ 558,900	$ 1,203,932	$ 21,411	$ 310,659	$ 2,094,902
Closing net amount	$ 724,574	$ 240,557	$ 188,826	$ 1,226	$ 75,592	$ 1,230,775
January 1 to June 30, 2025						
Cost						
Opening balance	$ 734,550	$ 863,083	$ 1,373,021	$ 28,537	$ 383,656	$ 3,382,847
Add	-	1,005	8,809	250	4,213	14,277
Disposal	-	(1,440)	(4,447)	(1,849)	(3,398)	(11,134)
Reclassified	-	-	272	-	783	1,055
Effects of Foreign Currency Exchange Differences	(1,546)	(37,554)	(33,272)	(843)	(7,749)	(80,964)
Closing balance	$ 733,004	$ 825,094	$ 1,344,383	$ 26,095	$ 377,505	$ 3,306,081
Accumulated depreciation						
Opening balance	$ -	$ 550,985	$ 1,135,748	$ 25,133	$ 284,816	$ 1,996,682
Depreciation expense	-	14,471	24,745	764	11,292	51,272
Disposal	-	(658)	(4,447)	(1,849)	(3,398)	(10,352)
Effects of Foreign Currency Exchange Differences	-	(29,361)	(31,239)	(712)	(6,741)	(68,053)
Closing balance	$ -	$ 535,437	$ 1,124,807	$ 23,336	$ 285,969	$ 1,969,549
Closing net amount	$ 733,004	$ 289,657	$ 219,576	$ 2,759	$ 91,536	$ 1,336,532

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 property, plant, and equipment as loan guarantees, please refer to Note XXVII.

XIII. LEASE ARRANGEMENTS

(I) Right-of-use assets

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amount of right-of-use assets			
Land	$ 57,035	$ 57,118	$ 141,690
Building	23,214	25,232	27,251
	$ 80,249	$ 82,350	$ 168,941

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Depreciation expenses of right-of-use assets				
Land	$ 601	$ 1,472	$ 1,203	$ 3,052
Buildings	1,010	1,010	2,019	2,019
	$ 1,611	$ 2,482	$ 3,222	$ 5,071

Except for depreciation expenses recognized, the consolidated company's right-of-use assets did not have significant subleases or impairments during January 1 to June 30, 2026 and 2025.

(II) Lease liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amount of lease liabilities			
Current	$ 4,024	$ 4,001	$ 3,978
Non-current asset	$ 19,751	$ 21,769	$ 23,775

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

	June 30, 2026	December 31, 2025	June 30, 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

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Short-term lease expenses	$ 1,344	$ 1,309	$ 2,577	$ 2,677
Low-value asset lease expenses	$ 109	$ 66	$ 216	$ 146
Total cash outflow from rent			$ 4,928	$ 4,957

XIV. GOODWILL

	June 30, 2026	December 31, 2025	June 30, 2025
Opening balance	$ 44,191	$ 43,716	$ 43,716
Effects of Foreign Currency Exchange Differences	(1,114)	475	(3,335)
Closing balance	$ 43,077	$ 44,191	$ 40,381

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.

XV. BORROWINGS

(I) Short-term bank borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Mortgage borrowings	$ 614,596	$ 510,845	$ 589,119
Credit loans	262,500	150,000	280,000
Letter of credit loans	12,729	17,328	10,221
	$ 889,825	$ 678,173	$ 879,340
Rates of interest per annum (%)			
Mortgage borrowings	1.85-4.02	1.90-4.18	1.90-4.95
Credit loans	1.75-1.83	1.85	1.85-2.00
Letter of credit loans	4.68-5.95	4.39-5.28	5.03-5.96

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 XXVII.

(II) Short-term bills payable

	June 30, 2026	December 31, 2025	June 30, 2025
Commercial paper	$ -	$ -	$ 130,000
Less: Unamortized discounts on bills payable	-	-	(45)
	$ -	$ -	$ 129,955

(III) Long-term bank borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Credit loans	$ -	$ 192,500	$ 217,500
Mortgage borrowings	86,667	96,667	6,667
	86,667	289,167	224,167
Less: Current portion	(20,000)	(212,500)	(224,167)
Long-term borrowings	$ 66,667	$ 76,667	$ -
Rates of interest per annum (%)			
Credit loans	-	1.15	1.15
Mortgage borrowings	2.07	2.07	2.07

Please refer to Note XXVII for mortgage borrowings which are secured by the Group's self-owned land and buildings.

XVI. OTHER PAYABLES

	June 30, 2026	December 31, 2025	June 30, 2025
Dividends payable	$ 64,602	$ -	$ 79,510
Payable for salaries and bonuses	38,656	54,112	32,431
Other	68,047	64,184	72,598
	$ 171,305	$ 118,296	$ 184,539

XVII. RETIREMENT BENEFIT PLANS

The pension expenses related to defined benefit plans recognized for the six months ended June 30, 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.

XVIII. EQUITY

(I) Share capital from common shares

	June 30, 2026	December 31, 2025	June 30, 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

	June 30, 2026	December 31, 2025	June 30, 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.

The Company conducted the annual general meetings in May 2026 and 2025, and passed the following earnings distribution for 2025 and 2024:

	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

XIX. NET PROFIT

(I) Depreciation and amortization

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Summarization of depreciation expenses by function				
Operating costs	$ 17,607	$ 19,393	$ 35,750	$ 39,156
Operating expenses	5,908	8,456	11,990	17,187
	$ 23,515	$ 27,849	$ 47,740	$ 56,343
Summarization of amortization expenses by function				
Operating costs	$ 92	$ 33	$ 159	$ 64
Operating expenses	348	406	664	812
	$ 440	$ 439	$ 823	$ 876

(II) Employee benefit expenses

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Short-term employee benefits	$ 69,686	$ 61,463	$ 137,699	$ 130,328
Retirement benefits				
Defined contribution plans	3,423	2,759	6,843	6,346
Other employee benefits	6,445	4,535	13,037	10,852
Total employee benefit expenses	$ 79,554	$ 68,757	$ 157,579	$ 147,526
Summarization by function				
Operating costs	$ 37,968	$ 34,554	$ 74,899	$ 72,031
Operating expenses	41,586	34,203	82,680	75,495
	$ 79,554	$ 68,757	$ 157,579	$ 147,526

(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.

For the three months ended June 30, 2025, there was loss before tax, so no remuneration to the employees, directors and supervisors was estimated. The estimated remuneration to employees (non-executive employees included), directors and supervisors for the three months ended June 30, 2026, and for the six months ended June 30, 2026 and 2025 are as follows:

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Employees' compensation (5%)	$ 1,266	$ -	$ 2,583	$ 107
Remuneration of directors and supervisors (2%)	506	-	1,033	43

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.

XX. INCOME TAXES

(I) Income tax recognized in profit or loss

The main components of income tax expenses (benefits) are as follows:

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Current income tax				
Incurred in the current period	$ 6,642	$ 448	$ 13,925	$ 7,884
Deferred tax				
Incurred in the current period	577	(2,547)	1,206	(3,182)
Income tax expense (gain) recognized in profit or loss	$ 7,219	($ 2,099)	$ 15,131	$ 4,702

(II) Income tax assessments

The tax collection authority approved the Profit-seeking Enterprise Income Tax Return case for the Company through 2024.

XXI. EARNINGS (LOSS) PER SHARE

Unit: NT$ per share

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Basic earnings (loss) per share	$ 0.19	($ 0.1651)	$ 0.39	$ 0.0027
Diluted earnings (loss) per share	$ 0.19	($ 0.1651)	$ 0.39	$ 0.0027

The net profit (loss) and weighted average number of common stocks used to calculate the earnings (loss) per share are stated as following:

Net income (loss) for the period

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
The net profit (loss) used to calculate the earnings (loss) per share	$ 19,170	($ 16,405)	$ 38,861	$ 271
The net profit (loss) used to calculate the diluted earnings (loss) per share	$ 19,170		$ 38,861	$ 271

Number of shares Unit: Thousand Shares

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
The weighted average number of common stocks used to calculate the earnings (loss) per share	99,388	99,388	99,388	99,388
Effect of potentially dilutive ordinary shares:				
Employee remuneration	118		214	127
The weighted average number of common stocks used to calculate the diluted earnings (loss) per share	99,506		99,602	99,515

For the three months ended June 30, 2025, there was loss before tax; as the loss has the anti-dilution effect, it is not included in the calculation of diluted loss per share.

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.

XXII. 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	(5,293)	-
Realized exchange differences on translating financial statements of foreign operations	8,841	-
Net assets disposed of	(139,712)	(3,091)
Gain (loss) on disposal	$ 47,443	($ 9)

(IV) Net cash inflow from disposal of subsidiaries

	SUCCESS Company	Giant Star Trading Co.
Consideration received in cash and cash equivalents	$ 181,902	$ 1,536
Less: Balance of cash and cash equivalents from disposal	(12,364)	(29)
	$ 169,538	$ 1,507

XXIII. NON CASH TRANSACTIONS

The cash dividend to be distributed resolved by the shareholders' meeting had not yet been distributed as of June 30, 2026 and 2025 (see Notes XVI and XVIII).

XXIV. 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.

XXV. FINANCIAL INSTRUMENTS

(I) Fair Value Information — 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) Fair Value Information — Financial instruments not carried at fair value on a recurring basis

1. Fair Value Hierarchy

	Level 1	Level 2	Level 3	Total
June 30, 2026				
Financial assets at fair value through other comprehensive income				
Investments in equity instruments				
─ Domestic unlisted (over-the-counter) stocks	$ -	$ -	$ 7,020	$ 7,020

From January 1 to June 30, 2026, there was no transfer of fair value measurement between Level 1 and Level 2.

2. Reconciliation of Level 3 Fair Value Measurements of Financial Instruments

January 1 to June 30, 2026

Equity instruments	Financial assets at fair value through other comprehensive income
Opening balance	$ -
Purchases	15,000
Recognized in other comprehensive income (unrealized gains and losses on financial assets measured at fair value through other comprehensive income)	(7,980)
Closing balance	$ 7,020

(III) Categories of financial instruments

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets			
Financial assets at amortized cost (Note 1)	$ 1,089,577	$ 977,427	$ 952,661
Financial assets at fair value through other comprehensive income			
Investments in equity instruments	7,020	-	-
Financial liabilities			
Financial liabilities at amortized cost (Note 2)	1,439,785	1,294,814	1,641,310

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).

(IV) 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 Company's non-functional foreign currency denominated monetary assets and monetary liabilities (including non-functional foreign currency denominated monetary items written-off on the consolidated balance sheet) at the end of the reporting period are set out in Note XXIX.

Sensitivity analysis

The Group'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 Income weakening of the New Taiwan Dollar against the relevant currency, there would be an equal and opposite on the net profit after tax and the balances below would be negative.

Currency	January 1 to June 30, 2026	January 1 to June 30, 2025
NTD:USD	$ 1,636	$ 1,834
RMB:USD	3,733	2,209

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:

	June 30, 2026	December 31, 2025	June 30, 2025
Fair value interest rate risk			
Financial assets	$ 31,852	$ 28,330	$ 35,778
Financial liabilities	23,774	218,270	375,208
Cash flow interest rate risk			

Financial assets	422,491	381,656	361,100
Financial liabilities	976,493	774,840	886,007

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 June 30, 2026 and 2025 underwent changes amounting to NT$693 thousand and NT$656 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 June 30, 2026, December 31, 2025 and June 30, 2025, the Group's undrawn bank financing facilities were NTD 908,769 thousand, NTD 1,154,350 thousand, and NTD 864,850 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
June 30, 2026			
Non-interest bearing liabilities	$ 462,763	$ 530	$ -
Lease liabilities	4,270	17,078	3,202
Variable interest rate liabilities	909,825	66,667	-
	$ 1,376,858	$ 84,275	$ 3,202
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
June 30, 2025			
Non-interest bearing liabilities	$ 407,386	$ 462	$ -
Lease liabilities	4,270	17,078	7,472
Variable interest rate liabilities	886,007	-	-
Fixed interest rate liabilities	347,455	-	-
	$ 1,645,118	$ 17,540	$ 7,472

XXVI. TRANSACTIONS WITH RELATED PARTIES

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

(Continued on the next page)

(Continued from previous page)

Name of related party	Related Party Category
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)
APPLY LABWORK INC.	Other related parties

(II) Sales of goods

Accounts	Related Party Category/Name	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Sales	Parent Company	$ 48,001	$ 39,581	$ 92,410	$ 74,036
	Other related parties	65,906	16,314	110,088	36,629
	Fellow subsidiary	4,975	4,169	9,024	7,023
		$ 118,882	$ 60,064	$ 211,522	$ 117,688

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	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Purchases of goods	Parent Company	$ 8,133	$ 2,405	$ 18,409	$ 6,004
	Fellow subsidiary	22	1,805	22	2,290
		$ 8,155	$ 4,210	$ 18,431	$ 8,294

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	June 30, 2026	December 31, 2025	June 30, 2025
Accounts receivable	Parent Company	$ 17,957	$ 7,498	$ 12,176
	Fellow subsidiary	2,050	3,937	2,671
	Other related parties	32,953	22,878	12,620
		$ 52,960	$ 34,313	$ 27,467

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	June 30, 2026	December 31, 2025	June 30, 2025
Accounts payable	Parent Company	$ 8,468	$ 2,358	$ 861
Other payables	Other related parties	$ 123	$ 118	$ 108
	Parent Company	6	-	-
		$ 129	$ 118	$ 108

(III) Remunerations of key management personnel

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

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Short-term employee benefits	$ 3,047	$ 1,946	$ 6,247	$ 5,041
Retirement benefits	52	61	105	122
	$ 3,099	$ 2,007	$ 6,352	$ 5,163

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

XXVII. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	June 30, 2026	December 31, 2025	June 30, 2025
Property, plant, and equipment	$ 467,699	$ 472,450	$ 488,700
Financial assets measured at amortized cost - current	17,425	17,215	16,150
	$ 485,124	$ 489,665	$ 504,850

XXVIII. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

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

(I) As of June 30, 2026, December 31, 2025 and June 30, 2025, the balances of letters of credit issued but not used were approximately US$271 thousand, US$133 thousand, and US$295 thousand, respectively.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Payments for property, plant, and equipment	$ 1,097	$ 1,097	$ 2,100

XXIX. THE SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

	June 30, 2026		
Foreign currency assets	Foreign currency	Exchange Rate	Carrying Amount
Monetary items			
USD	$ 7,001	31.85 (USD:NTD)	$ 222,982
USD	12,761	6.791 (USD:RMB)	406,438
RMB	73	4.69 (RMB:NTD)	342
Foreign currency liabilities			
Monetary items			
USD	1,864	31.85 (USD:NTD)	59,368
USD	1,040	6.791 (USD:RMB)	33,124
USD	705	26,313 (USD:VND)	22,454
USD	1,124	33.036 (USD:THB)	35,799

	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

	June 30, 2025		
Foreign currency assets	Foreign currency	Exchange Rate	Carrying Amount
Monetary items			
USD	$ 7,836	29.3 (USD:NTD)	$ 229,595
USD	8,176	7.162 (USD:RMB)	239,557
RMB	2,395	4.091 (RMB:NTD)	9,798
Foreign currency liabilities			
Monetary items			
USD	1,577	29.3 (USD:NTD)	46,206
USD	638	7.162 (USD:RMB)	18,693
USD	729	26,093 (USD:VND)	21,360
USD	1,380	32.3079 (USD:THB)	40,434

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 three and six months ended June 30, 2026 and 2025, were NTD (6,797) thousand, NTD (27,113) thousand, NTD (8,565) thousand, and NTD (23,884) 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.

XXX. 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: Table 3.
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 4.
7. Information on investees: Table 5.

(II) 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 6.
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 4.
   (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.

XXXI. 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 June 30, 2026	January 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Domestic operations	$ 753,958	$ 675,136	$ 44,549	$ 28,813
Asia operations	509,373	508,778	17,521	789
Total for continuing operations	$1,263,331	$1,183,914	62,070	29,602
Interest income			5,219	5,383
Net loss from foreign exchange			(8,565)	(23,884)
Gains (Losses) from disposal of property, plant, and equipment			480	(196)
Net gain or loss on disposal of investments			(1,388)	-
Interest expense			(8,805)	(11,400)
General income and benefits			5,202	6,084
General expenses and losses			(221)	(616)
Net profits before tax			$ 53,992	$ 4,973

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 allocations 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 June 30, 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)	$ 10,192 (US$ 320)	$ 9,577 (US$ 301)	(Note 3)	Necessary for short-term financing	$ -	Operating capital	$ -	—	$ -	$ 154,154 (Note 4)	$ 308,308 (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 limit on loans to a single party is 10% of the Company's net worth. The total limit shall not exceed 20% of the average monthly transaction amount for the specific business (the higher of purchases or sales) over the most recent year and 20% of the Company's net worth.

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED

January 1 to June 30, 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 XI of the consolidated financial statements	$ 770,769	$ 15,998 (US$ 500)	$ 15,925 (US$ 500)	$ 15,925 (US$ 500)	$ 15,925 (US$ 500)	1.03%	$ 1,079,076	Y	—	—	
		Dongguan Pou Chien	Refer to Note XI of the consolidated financial statements	770,769	31,995 (USD 1,000)	31,850 (USD 1,000)	-	-	2.07%	1,079,076	Y	—	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

Significant marketable securities held at the end of the period

June 30, 2026

Table 3

Unit: In thousands of NTD/Thousands Shares

Companies held	Type and Name of Securities	Relationship with the Issuer of Securities	Account	At period end				Remarks
				Number of Shares	Carrying Amount	Shareholding (%)	Fair value	
CHEM-MAT	Stock APPLY LABWORK INC.	The Company serves as a director of said company.	Financial assets at fair value through other comprehensive income – non-current	1,000	$ 7,020	17.63	$ 7,020	

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS

January 1 to June 30, 2026

Table 4

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	$ 41,568	T/T 90 days	3
		U-BEST	1	Sales	32,739	T/T 90 days	3
		TOPWELL	1	Sales	44,017	T/T 90 days	3
1	Dongguan Pou Chien	U-BEST	2	Sales	46,463	T/T 90 days	4
		Evermore Chemical Industry	3	Sales	8,561	T/T 90 days	1
2	CHEM-MAT	TOPCO	2	Sales	13,893	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 June 30, 2026

Table 5

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	$ 676,082	$ 3,141	$ 3,267
	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	103,296	2,230	310
	U-BEST	Vietnam	Production and sales of PU resin and adhesives	132,314	132,314	-	100	206,821	8,868	7,787
	TOPWELL	Thailand	Synthetic resin trading business	76,201	76,201	8,000	100	45,583	(1,571)	(1,449)
NEOLITE	LIBERTY BELL	British Virgin Islands	Financial investment and international trade	563,243	563,243	21,000	100	678,836	3,133	(Note)

Note: Not applicable.

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

Investments in Mainland China

January 1 to June 30, 2026

Table 6

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	$ 3,116 RMB 655	100%	$ 3,116 RMB 655	$ 677,753 RMB 144,510	$ -
TOPCO	Wholesale of chemical products	38,922 RMB 8,053	(Note 1)	26,450 US$ 820	-	-	26,450 USD 820	(1,563) (RMB 338)	100%	(1,563) (RMB 338)	52,623 RMB 11,220	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.