

**Coremax Corporation and Subsidiaries**  
**Consolidated Financial Statements**  
**With Independent Auditors' Review Report**  
**For the Three Months Ended March 31, 2024 and 2023**

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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## Independent Auditors' Review Report

To the Board of Directors  
Coremax Corporation:

### Introduction

We have reviewed the accompanying consolidated balance sheets of Coremax Corporation and its subsidiaries ( "the Group") as of March 31, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. 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 of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the 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 conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Basis for Qualified Conclusion

As stated in Note 4(2), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$1,036,712 thousand and \$800,740 thousand, constituting 11% and 8% of the consolidated total assets; and the total liabilities amounting to \$28,032 thousand and \$17,811 thousand, constituting 0.9% and 0.4% of the consolidated total liabilities as of March 31, 2024 and 2023, respectively; as well as the total comprehensive income(loss) amounting to \$(4,906) thousand and \$(16,829) thousand, constituting 6% and 35% of the consolidated total comprehensive income (loss) for the three months ended March 31, 2024 and 2023, respectively.



## **Qualified Conclusion**

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes 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, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the review resulting in this independent auditors’ review report are Chen, Pei-Chi and Hsu, Ming-Fang.

KPMG

Taipei, Taiwan (Republic of China)

May 8, 2024

## **Notes to Readers**

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

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**Coremax Corporation and subsidiaries**

**Consolidated Balance Sheets**

**March 31, 2024, December 31, 2023, and March 31, 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

Assets	March 31, 2024		December 31, 2023		March 31, 2023		Liabilities and Equity	March 31, 2024		December 31, 2023		March 31, 2023	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
<b>Current assets:</b>							<b>Current liabilities:</b>						
Cash and cash equivalents (note 6(1))	\$ 2,593,330	27	2,781,105	28	2,258,389	22	Short-term borrowings (notes 6(12) and 8)	\$ 567,372	6	1,070,154	11	1,596,833	15
Financial assets at fair value through profit or loss— current (note 6(2))	8,745	-	19,588	-	19,188	-	Financial liabilities at fair value through profit or loss- current(notes 6(2), (14) )	4,311	-	3,602	-	-	-
Notes receivable, net (note 6(4))	23,443	-	12,340	-	13,690	-	Notes payable	355	-	350	-	3,203	-
Accounts receivable, net (note 6(4))	521,891	6	472,992	5	571,427	6	Accounts payable	77,665	1	92,387	1	137,381	1
Other receivable (note 6(7))	215,290	2	406,631	4	325,433	3	Other payables (note 6(13))	143,123	2	167,449	2	201,399	2
Inventories (note 6(5))	802,601	9	849,178	9	1,758,097	17	Current tax liabilities	33,929	-	13,347	-	173,883	2
Prepayments to suppliers	9,003	-	51,245	1	349,330	3	Current lease liabilities (note 6(15))	2,588	-	2,644	-	3,067	-
Other financial assets— current (note 6(2), (9) and 8)	84,313	1	114,772	1	76,128	1	Bonds payable, current portion (note 6(14) and 8 )	688,492	7	687,380	7	-	-
Other current assets, others (note 6(8))	151,362	2	143,168	2	211,103	2	Long-term borrowings, current portion (notes 6(12) and 8)	184,800	2	181,096	2	130,495	1
	4,409,978	47	4,851,019	50	5,582,785	54	Other current liabilities (note 6(13))	175,311	2	172,860	2	212,043	2
								1,877,946	20	2,391,269	25	2,458,304	23
<b>Non-current assets:</b>							<b>Non-current liabilities:</b>						
Financial assets at fair value through other comprehensive income— non-current (note 6(3))	3,369	-	3,369	-	3,369	-	Financial liabilities at fair value through profit or loss— non-current (notes 6(2) and (14))	-	-	-	-	2,482	-
Property, plant and equipment (notes 6(10) and 8)	4,754,855	51	4,790,690	48	4,503,722	44	Convertible bonds payable (note 6(14))	-	-	-	-	684,032	7
Right-of-use assets (note 6(11))	30,448	-	30,990	-	34,446	-	Long-term borrowings (notes 6(12) and 8)	759,169	8	807,280	8	967,969	9
Deferred tax assets	87,406	1	95,248	1	95,670	1	Deferred tax liabilities	338,181	4	343,654	3	357,975	4
Net defined benefit asset— non-current	16,282	-	16,282	-	15,156	-	Non-current lease liabilities (note 6(15))	6,234	-	6,815	-	8,828	-
Other financial assets-non current (notes 6(9) and 8)	109,735	1	111,418	1	110,986	1	Net defined benefit liability— non-current	6,351	-	6,351	-	6,691	-
Other non-current assets (note 6(8))	20,037	-	21,210	-	38,806	-	Deposits received	126	-	126	-	107	-
	5,022,132	53	5,069,207	50	4,802,155	46		1,110,061	12	1,164,226	11	2,028,084	20
								2,988,007	32	3,555,495	36	4,486,388	43
							<b>Total liabilities</b>						
							<b>Equity</b> (notes 6 (14) and (18)):						
							Equity attributable to parent company shareholders:						
							Ordinary share capital	1,190,293	13	1,190,293	12	1,070,293	10
							Capital surplus	3,400,289	36	3,400,289	34	2,695,476	26
							Retained earnings	1,011,686	11	958,705	9	1,320,854	13
							Other equity interest	(42,311)	(1)	(51,793)	(1)	(33,893)	-
							Treasury shares	(84,658)	(1)	(84,658)	(1)	(85,516)	(1)
								5,475,299	58	5,412,836	53	4,967,214	48
							Non-controlling interests	968,804	10	951,895	11	931,338	9
							<b>Total equity</b>	6,444,103	68	6,364,731	64	5,898,552	57
<b>Total assets</b>	<b>\$ 9,432,110</b>	<b>100</b>	<b>9,920,226</b>	<b>100</b>	<b>10,384,940</b>	<b>100</b>	<b>Total liabilities and equity</b>	<b>\$ 9,432,110</b>	<b>100</b>	<b>9,920,226</b>	<b>100</b>	<b>10,384,940</b>	<b>100</b>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**Coremax Corporation and subsidiaries**

**Consolidated Statements of Comprehensive Income**

**For the three months ended March 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars, except for earnings per share)**

	<b>For the three months ended March 31,</b>			
	<b>2024</b>		<b>2023</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Net operating revenue</b> (note 6(20))	\$ 1,090,208	100	1,535,632	100
<b>Operating costs</b> (notes 6(5), (16) and (21))	932,842	86	1,514,830	99
<b>Gross profit</b>	157,366	14	20,802	1
<b>Operating expenses</b> (notes 6(16) and (21)):				
Selling expenses	24,838	2	17,201	1
General administrative expenses	60,525	6	38,071	2
Research and development expenses	4,442	-	2,434	-
Expected credit loss (notes 6(4))	-	-	-	-
<b>Total operating expenses</b>	89,805	8	57,706	3
<b>Net operating income (loss)</b>	67,561	6	(36,904)	(2)
<b>Non-operating income and expenses:</b>				
Other income (note 6(22))	7,955	-	5,150	-
Other gains and losses, net (note 6(22))	(617)	-	11,644	1
Finance costs (notes 6(14), (15), and (22))	(15,768)	(1)	(21,594)	(2)
Total interest income (note 6(22))	5,245	-	4,367	-
Net foreign currency exchange benefit (note 6(23))	27,049	3	(8,546)	(1)
	23,864	2	(8,979)	(2)
<b>Income(loss) before income tax</b>	91,425	8	(45,883)	(4)
Income tax expenses (note 6(17))	18,282	1	6,505	-
<b>Net income (loss)</b>	73,143	7	(52,388)	(4)
<b>Other comprehensive income:</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Exchange differences on translation of foreign financial statements	8,600	-	4,468	-
Income tax relating to item that may be reclassified subsequently (note 6(17))	2,371	-	377	-
Total items that may be reclassified subsequently to profit or loss	6,229	-	4,091	-
<b>Other comprehensive income</b>	6,229	-	4,091	-
<b>Total comprehensive income</b>	<b>\$ 79,372</b>	<b>7</b>	<b>(48,297)</b>	<b>(4)</b>
<b>Net income(loss) attributable to:</b>				
Shareholders of the parent	\$ 52,981	5	(54,654)	(4)
Non-controlling interests	20,162	2	2,266	-
	<b>\$ 73,143</b>	<b>7</b>	<b>(52,388)</b>	<b>(4)</b>
<b>Total comprehensive income (loss) attributable to:</b>				
Shareholders of the parent	\$ 62,463	6	(53,144)	(3)
Non-controlling interests	16,909	1	4,847	-
	<b>\$ 79,372</b>	<b>7</b>	<b>(48,297)</b>	<b>(3)</b>
<b>Earnings(loss) per share (New Taiwan Dollars)</b> (note 6(19)):				
Basic earnings(loss) per share	<b>\$ 0.45</b>		<b>(0.52)</b>	
Diluted earnings(loss) per share	<b>\$ 0.44</b>		<b>(0.52)</b>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Coremax Corporation and subsidiaries  
Consolidated Statements of Changes in Equity  
For the three months ended March 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

							Other equity interest						
	Retained earnings						Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets	Total other equity interest	Treasury shares	Subtotal of equity attributable to the shareholders of the parent	Non-controlling interests	Total equity
	Ordinary share capital	Capital surplus	Legal reserve	Special reserve	Retained earnings	Total		measured at fair value through other comprehensive income					
Balance at January 1, 2023	\$ 1,070,293	2,673,415	283,401	46,536	1,047,285	1,377,222	(13,656)	(21,747)	(35,403)	(87,230)	4,998,297	914,050	5,912,347
Net loss for the period	-	-	-	-	(54,654)	(54,654)	-	-	-	-	(54,654)	2,266	(52,388)
Other comprehensive income (loss) for the period	-	-	-	-	-	-	1,510	-	1,510	-	1,510	2,581	4,091
Total comprehensive income (loss) for the period	-	-	-	-	(54,654)	(54,654)	1,510	-	1,510	-	(53,144)	4,847	(48,297)
Disposal of company's share by subsidiaries recognized as treasury share transactions	-	22,061	-	-	(1,714)	(1,714)	-	-	-	1,714	22,061	12,441	34,502
Balance at March 31, 2023	<u>\$ 1,070,293</u>	<u>2,695,476</u>	<u>283,401</u>	<u>46,536</u>	<u>990,917</u>	<u>1,320,854</u>	<u>(12,146)</u>	<u>(21,747)</u>	<u>(33,893)</u>	<u>(85,516)</u>	<u>4,967,214</u>	<u>931,338</u>	<u>5,898,552</u>
Balance at January 1, 2024	\$ 1,190,293	3,400,289	332,362	35,403	590,940	958,705	(32,408)	(19,385)	(51,793)	(84,658)	5,412,836	951,895	6,364,731
Net income for the period	-	-	-	-	52,981	52,981	-	-	-	-	52,981	20,162	73,143
Other comprehensive income (loss) for the period	-	-	-	-	-	-	9,482	-	9,482	-	9,482	(3,253)	6,229
Total comprehensive income (loss) for the period	-	-	-	-	52,981	52,981	9,482	-	9,482	-	62,463	16,909	79,372
Balance at March 31, 2024	<u>\$ 1,190,293</u>	<u>3,400,289</u>	<u>332,362</u>	<u>35,403</u>	<u>643,921</u>	<u>1,011,686</u>	<u>(22,926)</u>	<u>(19,385)</u>	<u>(42,311)</u>	<u>(84,658)</u>	<u>5,475,299</u>	<u>968,804</u>	<u>6,444,103</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**Coremax Corporation and subsidiaries**  
**Consolidated Statements of Cash Flows**  
**For the three months ended March 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
Income (loss) before income tax	\$ 91,425	(45,883)
<b>Adjustments:</b>		
Adjustments to reconcile profit:		
Depreciation	80,481	77,393
Net profit on financial assets and liabilities at fair value through profit or loss	(881)	(12,968)
Interest expense	15,768	21,594
Interest income	(5,245)	(4,367)
Adjustment for other non-cash-related losses, net	(261)	3
<b>Subtotal of gains or losses on non-cash activities</b>	<b>89,862</b>	<b>81,655</b>
<b>Changes in operating assets and liabilities:</b>		
Notes receivable	(11,103)	10,127
Accounts receivable	(49,786)	15,107
Other receivable	191,341	(316,770)
Inventories	46,577	494,112
Prepayments to suppliers	42,242	(90,262)
Other current assets	(8,194)	(10,781)
Notes payable	5	2,771
Accounts payable	(14,722)	64,160
Other payable	(30,854)	(109,075)
Other current liabilities	6,922	(145,034)
<b>Total adjustments</b>	<b>262,290</b>	<b>(3,990)</b>
Cash inflow generated from operations	353,715	(49,873)
Interest received	5,245	4,271
Interest paid	(19,102)	(20,342)
Income tax paid	(403)	(346)
<b>Net cash from operating activities</b>	<b>339,455</b>	<b>(66,290)</b>
<b>Cash flows from investing activities:</b>		
Acquisition of property, plant and equipment	(28,048)	(137,782)
Proceeds from disposal of property, plant and equipment	1,572	168
Decrease in other financial assets	42,892	31,042
Decrease in refundable deposits	1,683	640
Decrease (increase) in other non-current assets	(4,823)	10,095
<b>Net cash used in investing activities</b>	<b>13,276</b>	<b>(95,837)</b>
<b>Cash flows from financing activities:</b>		
Decrease in short-term loans	(525,434)	(660,272)
Repayments of long-term borrowings (including current portion)	(44,407)	(26,697)
Payment of lease liabilities	(662)	(911)
Disposal of company's share by subsidiaries	-	34,502
<b>Net cash from financing activities</b>	<b>(570,503)</b>	<b>(653,378)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>29,997</b>	<b>2,154</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(187,775)</b>	<b>(813,351)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,781,105</b>	<b>3,071,740</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 2,593,330</b>	<b>2,258,389</b>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**COREMAX CORPORATION AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**March 31, 2024 and 2023**

**(amounts expressed in Thousands of New Taiwan Dollars,  
except for per share information and unless otherwise noted)**

**1. Company history**

Coremax Corporation (the “Company”) was incorporated in Hsinchu, Republic of China (R.O.C.), on June 16, 1992. The registered address of the Company’s office is 11 Wenhua Road, Hsinchu Industrial Park, Hsinchu County 30352, Taiwan R.O.C. The Company’s ordinary shares were publicly listed on the Taiwan Stock Exchange on September 8, 2017 and the trading of Taipei Exchange stock was officially terminated on the same date.

The Company and subsidiaries (together referred to as the “Group”) are mainly involved in the manufacturing, sales, import and export of oxidation catalyst, battery materials, chemical fertilizers and specialty chemicals.

As of December 31, 2023, the Company underwent an organizational restructuring and entered into a joint venture agreement with its subsidiary, Uranus Chemicals Co., Ltd. (Uranus), wherein it divided and transferred its cobalt sulfate business to Uranus. Please refer to Note 7 and Note 12 of consolidated financial statements as of December 31, 2023 for details.

**2. Approval date and procedures of the consolidated financial statements**

The consolidated financial statements were authorized for issue by the Board of Directors on May 8, 2024..

**3. New standards, amendments and interpretations adopted:**

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Non-current Liabilities with Covenants”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

**Coremax Corporation and subsidiaries**  
**Notes to the Consolidated Financial Statements**

- (b) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>• A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.</li> <li>• Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li> <li>• Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li> </ul>	January 1, 2027

## Coremax Corporation and subsidiaries

### Notes to the Consolidated Financial Statements

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”
- Amendments to IAS21 “Lack of Exchangeability”

#### 4. Summary of material accounting policies

##### (1) Statement of compliance

The consolidated financial statements have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” (hereinafter referred to as the Regulations) and the guidelines of IAS 34 Interim Financial Reporting (hereinafter referred to as “IAS 34”) which are endorsed by the FSC, and do not include all of the information required by the Regulations and by the IFRS endorsed by the FSC for a complete set of the annual consolidated financial statements.

Except as described in the following paragraph, the Group's significant accounting policies are applied consistently for the consolidated financial statements for the year ended December 31, 2023. For related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2023.

##### (2) Basis of consolidation

##### (i) List of subsidiaries in the consolidated financial statements

The consolidated entities were as follows:

Name of Investor	Name of Subsidiary	Business Nature	Percentage of Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	COREMAX (BVI) CORPORATION	Investment company	100 %	100 %	100 %	Note 1
The Company	Uranus Chemicals Co., Ltd. (Uranus Chemicals)	Manufacturing and sales of oxalic acid 、organic and inorganic acid 、rare earth compounds and related products	66.24 %	66.24 %	63.94 %	
The Company	Hengi Chemical Co., Ltd. (Hengi)	Manufacturing and sales of chemical fertilizers, chemical raw materials, organic fertilizer and fertilizers with organic matter. Import and export of related business. Recycling and reproduce of solvent and pollutants.	82.44 %	82.44 %	82.44 %	

**Coremax Corporation and subsidiaries**  
**Notes to the Consolidated Financial Statements**

Name of Investor	Name of Subsidiary	Business Nature	Percentage of Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	VINACOREMAX COMPANY LIMITED	Manufacturing and sales of organic and inorganic acid.	100 %	100 %	- %	Note 1 & 3
COREMAX (BVI) CORPORATION	Coremax Ningbo Chemical Co., Ltd.	Manufacturing and processing of pure terephthalic acid oxidation catalyst, sodium carbonate solutions, wastewater treatment solutions, exhaust gas absorbent and cobalt compound series products.	100 %	100 %	100 %	Note 1
COREMAX (BVI) CORPORATION	COREMAX (THAILAND) CO., LTD.	Manufacturing and processing of pure terephthalic acid oxidation catalyst, sodium carbonate solutions, wastewater treatment solutions, exhaust gas absorbent and cobalt compound series products.	100 %	100 %	100 %	Note 1
COREMAX (BVI) CORPORATION and Coremax Ningbo Chemical Co., Ltd.	Coremax (Zhangzhou) Chemical Co., Ltd.	Manufacturing, processing and wholesale of pure terephthalic acid oxidation catalyst, sodium carbonate solutions, wastewater treatment solutions, waste gas absorbent and cobalt compound series products, and regeneration treatment of abort oxidation catalyst.	100 %	100 %	100 %	Notes 1 & 2
Uranus Chemicals Co., Ltd. (Uranus Chemicals)	Jiangxi Tianjiang Materials Co., Ltd.	Manufacturing and sales of oxalic acid, organic and inorganic acid, rare earth compounds and related products	100 %	100 %	100 %	Note 1

Note1: The financial statements of non-significant subsidiary have not been reviewed.

Note 2: Coremax (Zhangzhou) Chemical Co., Ltd has been holding by COREMAX (BVI) CORPORATION (82%) and Coremax (Ningbo) Chemical Co., Ltd(18%) with total 100%.

Note3: The company investment VINACOREMAX COMPANY LIMITED on October, 2023, the registration and increasing capital has been completed.

(ii) List of subsidiaries which are not included in the consolidated financial statements: None.

**(3) Classification of current and non-current assets and liabilities**

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

- (i) It expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- (ii) It holds the asset primarily for the purpose of trading;
- (iii) It expects to realize the asset within twelve months after the reporting date; or
- (iv) The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

**Coremax Corporation and subsidiaries**  
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The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

- (i) It expects to settle the liability in its normal operating cycle;
- (ii) It holds the liability primarily for the purpose of trading;
- (iii) The liability is due to be settled within twelve months after the reporting date; or
- (iv) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(d) Employee benefits

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

(e) Income tax

Income tax expense in the financial statements is measured and disclosed according to paragraph B12 of IAS 34 endorsed by the FSC.

Income tax expense for the period is best estimated by multiplying the pretax income for the reporting period by the effective annual tax rate as forecasted by the management. This is allocated to current and deferred taxes based on its proportionate size.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases are measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled and recognized directly in equity or other comprehensive income as income tax expense.

**5. Significant accounting assumptions and judgments, and major sources of estimation uncertainty**

The preparation of the consolidated financial statements in conformity with the Regulations and IFRS Accounting Standards (in accordance with IAS 34 "Interim Financial Reporting" and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2023.

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**6. Explanation of significant accounts**

Except as described below there no significant changes in the description of significant accounts mentioned in the consolidated financial statements for the year ended December 31, 2023. For other information about the description of significant accounts, please refer to note 6 of the consolidated financial statements for the year ended December 31, 2023

(1) Cash and cash equivalents

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Cash on hand	\$ 610	613	506
Demand deposits and checking accounts	1,725,720	1,965,082	1,693,537
Time deposits	<u>867,000</u>	<u>815,410</u>	<u>564,346</u>
	<b><u>\$ 2,593,330</u></b>	<b><u>2,781,105</u></b>	<b><u>2,258,389</u></b>

Please refer to note 6(23) for the disclosure of currency risk of the financial assets and liabilities.

(2) Financial assets and liabilities measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss — current :

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Futures	<b><u>\$ 8,745</u></b>	<b><u>19,588</u></b>	<b><u>19,188</u></b>

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Financial liabilities — current			
Call and put option-convertible bond payable	\$ 3,602	3,602	-
Forward exchange	<u>709</u>	<u>-</u>	<u>-</u>
	<b><u>\$ 4,311</u></b>	<b><u>3,602</u></b>	<b><u>-</u></b>
Financial liabilities — non current			
Call and put option — convertible bonds payable	<u>\$ -</u>	<u>-</u>	<u>2,482</u>

**Coremax Corporation and subsidiaries**  
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- (i) The Group uses derivative financial instruments to hedge the price fluctuations risk of raw materials due to fluctuations in international metal market. As of March 31, 2024, December 31 and March 31, 2023, the following derivative instruments, without the application of hedge accounting, were classified as mandatorily measured at fair value through profit or loss:

	<b>Buyer/Seller</b>	<b>Open Position</b>		<b>Fair Value</b>
		<b>Amount (ton)</b>	<b>Transaction Price</b>	
March 31, 2024	Seller	127	USD 16,750/ton ~USD38,801/ton	\$ <u><u>8,745</u></u>
December 31, 2023	Seller	187	USD 16,092/ton ~USD 38,801/ton	\$ <u><u>19,588</u></u>
March 31, 2023	Seller	204	USD 23,455/ton ~USD 51,809/ton	\$ <u><u>19,188</u></u>

The futures trading day of the open position on March 31, 2024 is from October 2023 to March 2024 and the settlement dates would be at the period from March 2024 to September 2024, with net cash settlement.

The futures trading day of the open position on December 31, 2023 is from July 2023 to December 2023, and the settlement dates would be at the period from January 2024 to June 2024, with net cash settlement.

The futures trading day of the open position on March 31, 2023 is from October 2022 to March 2023, and the settlement dates would be at the period from March 2023 to September 2023, with net cash settlement.

Please refer to note 6(9) for details of the outstanding futures contract margin on March 31, 2024, December 31 and March 31, 2023.

- (ii) The Group holds derivative financial instruments to hedge the foreign exchange rate risk the Group is exposed to, arising from its operating activities. The following derivatives instruments, without the application of hedge accounting, were classified as financial assets and liabilities mandatorily measured at fair value through profit or loss:

	<b>March 31, 2024</b>		
	<b>Amount (thousand)</b>	<b>Currency</b>	<b>Maturity Dates</b>
Forward exchange	USD 3,000	USD to NTD	2024.3.21~2024.4.3

On March 31, 2024, the forward exchange contract amounted to 709 thousand, classified as Financial assets at fair value through profit or loss—current.

- (iii) Please refer to note 6(22) for The Group's net profit and loss (including realized and unrealized) generated from trading in derivative financial instruments for the three months ended March 31, 2024 and 2023.

**Coremax Corporation and subsidiaries**  
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(3) Financial assets at fair value through other comprehensive income — non-current

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Non-current:			
Domestic unlisted stocks	\$ <u><u>3,369</u></u>	<u><u>3,369</u></u>	<u><u>3,369</u></u>

The purpose of these equity instruments is for long-term strategic investments and is not held for trading. As such, these instruments have been designated to be measured at fair value through other comprehensive income.

ORGCHEM TECHNOLOGIES, INC., which is held by the Group, has started liquidation from January, 2022. The Group has received \$28,739 thousands of capital liquidation payments until December 31, 2023, and for the amounts below original value, the Group recognized loss amounted to \$26,378 thousands until December 31, 2022. The Group Impairment losses reversal to \$2,864 on 2023. The liquidation process was in progress at the balance sheet date, and the accumulated evaluation gain or loss would be transferred from other equities to retained earnings one the process is completed.

(4) Notes and accounts receivable, net

(i) Notes receivable, net:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Notes receivable from operating activities	\$ <u><u>23,443</u></u>	<u><u>12,340</u></u>	<u><u>13,690</u></u>

(ii) Accounts receivable, net:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Accounts receivable	\$ 549,025	499,239	600,337
Less: loss allowance	<u>(27,134)</u>	<u>(26,247)</u>	<u>(28,910)</u>
	<u><u>\$ 521,891</u></u>	<u><u>472,992</u></u>	<u><u>571,427</u></u>

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The Group applies the simplified approach to provide for its loss allowance used for ECL, which permit the use of lifetime expected loss provision for all receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. The loss allowance provision was determined as follows:

	<b>March 31, 2024</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 472,581	0%	-
1 to 90 days past due	72,753	0%	-
91 to 180 days past due	-	0%	-
More than 181 days past due	-	100%	-
	<b>\$ 545,334</b>		<b>-</b>

	<b>December 31, 2023</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 425,783	0%	-
1 to 90 days past due	59,549	0%	-
91 to 180 days past due	-	0%	-
More than 181 days past due	-	100%	-
	<b>\$ 485,332</b>		<b>-</b>

	<b>March 31, 2023</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 523,232	0%	-
1 to 90 days past due	61,885	0%	-
91 to 180 days past due	-	0%	-
More than 181 days past due	-	100%	-
	<b>\$ 585,117</b>		<b>-</b>

Note 1: As of March 31, 2024, December 31 and March 31, 2023. The accounts receivable amounting to \$27,134, \$26,247 and \$28,910, respectively from specific companies have been fully provided with impairment losses.

**Coremax Corporation and subsidiaries**  
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The movement in the loss allowance for notes and accounts receivable was as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Balance at beginning of period	\$ 26,247	29,112
Effect of exchange rate changes	887	(202)
Balance at end of period	<u><b>\$ 27,134</b></u>	<u><b>28,910</b></u>

As of March 31, 2024, December 31 and March 31, 2023, the Group's account receivables were not pledged as collaterals.

(5) Inventories

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Raw materials	\$ 457,145	449,195	920,286
Work in process	254,469	257,358	427,292
Finished goods	90,987	142,625	410,519
	<u><b>\$ 802,601</b></u>	<u><b>849,178</b></u>	<u><b>1,758,097</b></u>

The components of operating costs were as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Cost of goods sold	\$ 978,825	1,506,983
Inventory devaluation loss (reversal gain)	(45,129)	8,813
Gain from sale of scrap	(854)	(966)
	<u><b>\$ 932,842</b></u>	<u><b>1,514,830</b></u>

As of March 31, 2024, December 31 and March 31, 2023, the Group's inventories were not pledged as collaterals.

(6) Changes in the Company's ownership interest in the subsidiary

There was no significant change in Material NCI of subsidiaries for the three month ended March 31, 2024 and 2023. Please refer to note6(7) of the 2023 annual consolidated financial statements for other related information.

**Coremax Corporation and subsidiaries**  
**Notes to the Consolidated Financial Statements**

(7) Other receivables

	March 31, 2024	December 31, 2023	March 31, 2023
Receivable material	\$ 207,144	399,539	318,595
Other	8,146	7,092	6,838
	<u>\$ 215,290</u>	<u>406,631</u>	<u>325,433</u>

(8) Other current assets and other non-current assets

Other current assets :

	March 31, 2024	December 31, 2023	March 31, 2023
Offset against business tax payable and business tax receivables	\$ 126,892	125,668	156,140
Other	24,470	17,500	54,963
	<u>\$ 151,362</u>	<u>143,168</u>	<u>211,103</u>

Other non-current assets :

	March 31, 2024	December 31, 2023	March 31, 2023
Other intangible assets	\$ 12,846	12,846	12,846
Prepaid equipment	3,603	3,085	18,619
Other	3,588	5,279	7,341
	<u>\$ 20,037</u>	<u>21,210</u>	<u>38,806</u>

(9) Other financial assets

Current:

	March 31, 2024	December 31, 2023	March 31, 2023
Margin on futures contracts	<u>\$ 84,313</u>	<u>114,772</u>	<u>76,128</u>

Non-current:

	March 31, 2024	December 31, 2023	March 31, 2023
Refundable deposits	\$ 6,395	8,078	7,646
Restricted deposits	103,340	103,340	103,340
	<u>\$ 109,735</u>	<u>111,418</u>	<u>110,986</u>

**Coremax Corporation and subsidiaries**  
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(10) Property, plant and equipment

		<b>Land</b>	<b>Building</b>	<b>Machinery and equipment</b>	<b>Other equipment</b>	<b>Prepaid Equipment and Construction in process</b>	<b>Total</b>
Cost:							
Balance at January 1, 2024	\$	1,716,223	2,147,088	2,590,079	504,568	336,513	7,294,471
Additions		-	2,144	4,010	6,338	10,881	23,373
Disposals and scrap		-	-	(19,438)	(1,521)	-	(20,959)
Reclassification		-	16,067	(15,073)	998	15,207	17,199
Effect of exchange rate changes		(117)	1,895	793	221	3,822	6,614
Balance at March 31, 2024	\$	<u>1,716,106</u>	<u>2,167,194</u>	<u>2,560,371</u>	<u>510,604</u>	<u>366,423</u>	<u>7,320,698</u>
Balance at January 1, 2023	\$	1,716,173	2,014,954	2,387,423	480,635	130,263	6,729,448
Additions		-	11,337	21,738	117	67,490	100,682
Disposals and scrap		-	-	(9,451)	-	-	(9,451)
Reclassification		-	-	5,694	-	(4,484)	1,210
Effect of exchange rate changes		21	822	877	101	74	1,895
Balance at March 31, 2023	\$	<u>1,716,194</u>	<u>2,027,113</u>	<u>2,406,281</u>	<u>480,853</u>	<u>193,343</u>	<u>6,823,784</u>
Accumulated depreciation and impairment losses:							
Balance at January 1, 2024	\$	-	833,289	1,402,468	268,024	-	2,503,781
Depreciation for the period		-	23,606	45,325	10,707	-	79,638
Disposals and scrap		-	-	(18,172)	(1,476)	-	(19,648)
Reclassification		-	-	(14)	14	-	-
Effect of exchange rate changes		-	891	1,009	172	-	2,072
Balance at March 31, 2024	\$	<u>-</u>	<u>857,786</u>	<u>1,430,616</u>	<u>277,441</u>	<u>-</u>	<u>2,565,843</u>
Balance at January 1, 2023	\$	-	742,460	1,273,236	236,375	-	2,252,071
Depreciation for the period		-	25,393	40,360	10,519	-	76,272
Disposals and scrap		-	-	(9,280)	-	-	(9,280)
Effect of exchange rate changes		-	360	565	74	-	999
Balance at March 31, 2023	\$	<u>-</u>	<u>768,213</u>	<u>1,304,881</u>	<u>246,968</u>	<u>-</u>	<u>2,320,062</u>
Carrying amounts:							
Balance at January 1, 2024	\$	<u>1,716,223</u>	<u>1,313,799</u>	<u>1,187,611</u>	<u>236,544</u>	<u>336,513</u>	<u>4,790,690</u>
Balance at March 31, 2024	\$	<u>1,716,106</u>	<u>1,309,408</u>	<u>1,129,755</u>	<u>233,163</u>	<u>366,423</u>	<u>4,754,855</u>
Balance at March 31, 2023	\$	<u>1,716,194</u>	<u>1,258,900</u>	<u>1,101,400</u>	<u>233,885</u>	<u>193,343</u>	<u>4,503,722</u>

The property, plant and equipment of the Group pledged as collateral, please refer to note 8.

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**Notes to the Consolidated Financial Statements**

(11) Right-of-use assets

The Group leases many assets including land, buildings and transportation equipment. Information about leases for which the Group as a lessee was presented below:

	<u>Land use right</u>	<u>Buildings</u>	<u>Transportation equipment and others</u>	<u>Total</u>
Carrying amount:				
Balance at January 1, 2024	\$ <u>26,437</u>	<u>902</u>	<u>3,651</u>	<u>30,990</u>
Balance at March 31, 2024	\$ <u>26,443</u>	<u>834</u>	<u>3,171</u>	<u>30,448</u>
Balance at March 31, 2023	\$ <u>27,808</u>	<u>1,181</u>	<u>5,457</u>	<u>34,446</u>

(12) Long-term/Short-term borrowings

(i) Short-term borrowings:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Secured bank loans	\$ 275,694	328,748	600,846
Unsecured bank loans	291,678	741,406	995,987
	<u>\$ 567,372</u>	<u>1,070,154</u>	<u>1,596,833</u>
Unused short-term credit lines	<u>\$ 7,186,316</u>	<u>6,576,049</u>	<u>7,133,205</u>
Range of interest rates	<u>0.5%~6.23%</u>	<u>0.5%~6.23%</u>	<u>1.52%~5.86%</u>

For the collateral for short-term borrowings, please refer to note 8.

Please refer to note 6(23) for the disclosure of interest risk, currency risk and liquidity risk.

(ii) Long-term borrowings:

<u>Lender</u>	<u>Use</u>	<u>Maturity year and Repayment</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Chang Hwa Commercial Bank	Long-term working capital	Effective from January 2024, repayable quarterly in 47 equal instalments.	\$ 74,894	80,000	80,000
Chang Hwa Commercial Bank	Machinery and equipment	Effective from January 2024, repayable monthly in 84 equal instalments.	39,835	41,310	41,310
Chang Hwa Commercial Bank	Building	Effective from February 2024, repayable monthly in 83 equal instalments	93,686	96,000	96,000

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**Notes to the Consolidated Financial Statements**

<b>Lender</b>	<b>Use</b>	<b>Maturity year and Repayment</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Chang Hwa Commercial Bank	Building	Effective from January 2024, repayable monthly in 84 equal instalments.	27,935	28,970	28,970
Chang Hwa Commercial Bank	Machinery and equipment	Effective from January 2024, repayable monthly in 84 equal instalments.	210,079	217,860	217,860
O-Bank	Working capital	From 2018 to 2033, repayable monthly in 101 equal instalments.	257,312	257,312	257,312
O-Bank	Working capital	From 2019 to 2026, effective from June 2022, repayable monthly in 49 equal instalments.	82,636	91,822	119,380
Mega Bank	Working capital	From 2019 to 2026, effective from June 2022, repayable monthly in 49 equal instalments.	137,755	153,061	198,979
Mega Bank	Machinery and equipment	From 2020 to 2026, effective from June 2022, repayable monthly in 49 equal instalments.	19,837	22,041	28,653
O-Bank	Machinery extension	From 2022 to 2025, effective from March 2024, repayable monthly in 5 equal instalments.	-	-	30,000
Less: Current portion of long-term borrowings			(184,800)	(181,096)	(130,495)
			<u>\$ 759,169</u>	<u>807,280</u>	<u>967,969</u>
Unused long-term credit lines			<u>\$ 31,860</u>	<u>31,860</u>	<u>31,860</u>
Range of interest rates at year end			0.05%~	0.05%~	0.05%~
			<u>2.42%</u>	<u>2.42%</u>	<u>2.29%</u>

The Group signed a loan agreement with bank.

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As of March 31, 2024, December 31 and March 31, 2023, the Group were in compliance with the loan covenants.

The collateral of long-term borrowings, please refer to note 8.

(13) Other payables and other current liabilities

Other payables and other current liabilities mainly include salary payables, bonus payable, equipment payables, environment examination and rectification fee payables and others. The valuation of bonuses payable by the Group will be adjusted in accordance with changes in the overall economic environment and other factors.

(14) Convertible bonds

The Company issued the third domestic guaranteed convertible bond on October 28, 2021, by pledging \$40,000 thousand ordinary shares of Hengi Chemical, \$30,000 thousand ordinary shares of Uranus Chemicals Co., Ltd., and a demand deposit of \$100,000 to Chang Hwa Commercial Bank Co., Ltd., and Chang Hwa Commercial Bank Co., Ltd. was the guarantor. The relevant information of the Company's convertible corporate bonds is as follows:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Total proceeds from convertible corporate bonds issued	\$ 700,000	700,000	700,000
Less: issued corporate bonds discount	(11,508)	(12,620)	(15,968)
Corporate bonds payable balance at year-end	\$ 688,492	687,380	684,032
Reclass : convertible corporate bonds could be sold by within one year	\$ (688,492)	(687,380)	-
Convertible bonds payable-non current	\$ -	-	684,032
Embedded derivative – call and put options(recorded in financial assets (liabilities) at FVTPL–current and non-current)	\$ (3,602)	(3,602)	(2,482)
	<b>For the three months ended March 31</b>		
	<b>2024</b>	<b>2023</b>	
Interest expense	\$ 1,112	1,092	

The Company's third domestic guaranteed convertible corporate bonds are five year guaranteed convertible bonds with zero coupon rate, each with value of \$100, amounting to \$700,000. The conversion price on March 31, 2024, December 31 and March 31, 2023, were \$101.7, \$101.7 and \$106.1, respectively.

The date on which the above mentioned convertible corporate bonds are issued for three years (October 28, 2024) shall be the base date for the holders of convertible corporate bonds to sell them back in advance.

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The holders of the convertible corporate bonds issued by the Company may exercise their right to sell them back within the period specified in the issuance regulations. Hence, the Company classified the convertible corporate bonds under current liabilities as of December 31, 2023, whereas the Company may not necessarily be required by its bondholders to repay the bonds in the following year.

The Company has separately recognized its rights and liabilities of the above-mentioned convertible bonds upon issuance. The details are as follows:

<b>Item</b>	<b>Amount</b>
Total convertible corporate bonds issued	\$ 808,056
Fair value of embedded non-equity derivatives upon issued	6,408
Issuing cost	<u>(677,745)</u>
Equity component-stock options (reported in capital surplus-stock options)	<u><u>\$ 136,719</u></u>

After the separation of the above-mentioned embedded derivatives, the effective interest rate of the third domestic guaranteed convertible bond was 0.65%.

(15) Lease liabilities

The Group's lease liabilities were as follow:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Current	\$ <u>2,588</u>	<u>2,644</u>	<u>3,067</u>
Non-current	\$ <u>6,234</u>	<u>6,815</u>	<u>8,828</u>

For the maturity analysis, please refer to note 6(23).

The amounts recognized in profit or loss were as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Interest on lease liabilities	\$ <u>25</u>	<u>33</u>
Expenses relating to short-term leases and leases of low-value assets	\$ <u>863</u>	<u>541</u>
Total cash outflow for leases	<u><u>\$ 1,550</u></u>	<u><u>1,485</u></u>

(i) Land and buildings leases

As of March 31, 2024, December 31 and March 31, 2023, the Group leases land and buildings for a period of 4 to 20 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

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(ii) Other leases

The Group leases vehicles and others, with lease terms of 1 to 6 years. In some cases, the Group has options to purchase the assets at the end of the contract term.

The Group also leases printers and staff dormitory with contract terms of 1 to 2 years. These leases are short-term and leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(16) Employee benefits

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2023 and 2022.

For information related to the Group's pension costs, please refer to note 12.

(17) Income tax

(i) Income tax expense

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Current tax expense		
Current period	\$ 18,282	5,652
Adjustment for prior periods	-	853
	18,282	6,505
Deferred tax expense	-	-
Income tax expense	<b>\$ 18,282</b>	<b>6,505</b>

The amount of income tax expense (benefits) recognized in other comprehensive income were as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Exchange differences on translation of foreign financial statements	\$ 2,371	377

(ii) The company's tax returns have been examined by the tax authorities through 2021.

(18) Capital and other equity

Except as described in the following paragraph, there were no significant changes in the Group's capital and other equity interest for the three months ended March 31, 2024 and 2023. For related information on the shareholders' equity, please refer to note 6(19) of the 2023 annual consolidated financial statements.

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(i) Issuance and cancellation of ordinary shares

As of March 31, 2024, December 31 and March 31, 2023, the authorized capital of the Company all amounted to \$1,500,000 thousand; the issued capital amounted to \$1,190,293 thousand, \$1,190,293 thousand and \$1,070,293 thousand on March 31, 2024, December 31 and March 31, 2023, respectively. With par value at \$10 per share.

(ii) Capital surplus

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Additional paid-in capital	\$ 2,681,998	2,681,998	1,981,318
Difference between consideration and carrying amount arising from acquisition or disposal of subsidiaries shareholdings	312,065	312,065	320,617
Treasury share transaction	204,049	204,049	193,385
Share options and others	202,177	202,177	200,156
	<b><u>\$ 3,400,289</u></b>	<b><u>3,400,289</u></b>	<b><u>2,695,476</u></b>

The resolution decided by board of directors on February 27, 2024 to appropriate the 2023 earnings distribution via cash dividends from the capital reserve by issuing ordinary shares, with a par value of \$0.31 per share, amounting to \$36,457 thousand, has to be approved during the shareholders' meeting of the Company.

(iii) Retained earnings

The following are the appropriation of earnings in last two years which were proposed by the Board of Directors on February 27, 2024 and approved during the shareholders' meeting held on June 30, 2023, respectively:

	<b>2023</b>		<b>2022</b>	
	<b>Amount per share (TWD)</b>	<b>Total amount</b>	<b>Amount per share (TWD)</b>	<b>Total amount</b>
Dividends distributed to ordinary shareholders:				
Cash	<b>0.49</b>	<b>\$ <u>57,626</u></b>	<b>3.0</b>	<b><u>316,813</u></b>

The appropriation of retained earnings for 2022 is consistent with the resolutions proposed by the Board of Directors. The appropriation of earnings distribution for 2023 will be presented for resolution in annual shareholders' meeting. The related information will be available on the Market Observation Post System on the website after the meeting.

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(iv) Treasury stock

The Company repurchased treasury shares, in accordance with the relevant provisions of the Securities and Exchange Law to transfer the shares to employees.

The relevant information is as follows:

<b>For the three months ended March 31, 2024</b>				
<b>Reason for holding shares</b>	<b>Number of shares at the beginning of the period</b>	<b>Increased in this period</b>	<b>Transferred in this period</b>	<b>Number of shares at the end of the period</b>
Transferred shares to employees	1,425	-	-	1,425

<b>For the three months ended March 31, 2023</b>				
<b>Reason for holding shares</b>	<b>Number of shares at the beginning of the period</b>	<b>Increased in this period</b>	<b>Transferred in this period</b>	<b>Number of shares at the end of the period</b>
Transferred shares to employees	1,425	-	-	1,425

In accordance with the requirements of Securities and Exchange Act, treasury shares held by the Company should not be pledged, and do not hold any shareholder rights before the transfer. Shares of the Company held by its subsidiaries are accounted for as treasury shares, which are not allowed in participating in the Company's capital increase and without voting rights, except that, other right is the same as the general shareholders' rights.

Uranus Chemicals holds 673 thousand, 673 thousand and 853 thousand ordinary shares of the Company, with the acquisition price of \$5,014 thousand, \$5,014 thousand and \$6,354 thousand for the three months ended March 31, 2024, year ended December 31 and three months ended March 31 2023, respectively. As of March 31, 2024, December 31 and March 31, 2023, the amount of deemed treasury shares the Company recognized was \$3,024 and \$3,024 and \$4,062 thousand, respectively, which was determined based on the Company's shareholding ratio in Uranus Chemicals of 66.24%, 66.24% and 63.94%, respectively.

Uranus Chemicals Co., Ltd. sold part of the Company's shares in January 1 2023 to March 31 2023, at a price totaling \$37,182 thousand, respectively. Because the deal was deemed as the treasury stock transaction, according to the Company's shareholding ratio, the difference between the sale price and the cost of the treasury stock was adjusted to the capital surplus amounting to \$22,061 thousand, respectively.

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(19) Earnings (loss) per share

		<b>For the three months ended March 31</b>	
		<b>2024</b>	<b>2023</b>
Basic earnings (loss) per share:			
Net income (loss) attributable to ordinary shareholders of the company	\$	<u>52,981</u>	<u>(54,654)</u>
Weighted-average number of ordinary shares outstanding during the year (in thousands of shares)		<u>116,931</u>	<u>104,941</u>
Basic earnings (loss) per share (TWD)	\$	<u>0.45</u>	<u>(0.52)</u>
		<b>For the three months ended March 31</b>	
		<b>2024</b>	<b>2023</b>
Diluted earnings (loss) per share:			
Net income(loss) attributable to ordinary shareholders of the Company (basic)	\$	52,981	(54,654)
Interest expense on convertible bonds, net of tax		<u>890</u>	<u>-</u>
Net income(loss) attributable to ordinary shareholders of the Company (diluted)	\$	<u>53,871</u>	<u>(54,654)</u>
Weighted average number of ordinary shares outstanding (in thousands) (basic)		116,931	104,941
Potential ordinary shares with dilutive effect:			
Effect of employee remuneration in share		-	-
Effect of conversion of convertible bonds		<u>6,883</u>	<u>-</u>
Weighted average number of ordinary shares outstanding (in thousands) (diluted)	\$	<u>123,814</u>	<u>104,941</u>
Diluted earnings(loss) per share (TWD)	\$	<u>0.44</u>	<u>(0.52)</u>

When calculating earnings (loss) per share, if the potential ordinary shares of convertible corporate bonds and employee compensation that can be allotted by stocks have an anti-dilution effect, they will not be included in the calculation.

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(20) Revenue from contracts with customers

Revenue from major markets region and products:

For the three months ended March 31, 2024						
	<b>Oxidation catalyst department</b>	<b>Battery material department</b>	<b>Chemical fertilizer department</b>	<b>Specialty chemical department</b>	<b>Other</b>	<b>Total</b>
Taiwan	\$ 68,241	131,182	137,047	150,771	16,075	503,316
China and other	106,988	297,161	-	79,388	103,355	586,892
	<b>\$ 175,229</b>	<b>428,343</b>	<b>137,047</b>	<b>230,159</b>	<b>119,430</b>	<b>1,090,208</b>

  

For the three months ended March 31, 2023						
	<b>Oxidation catalyst department</b>	<b>Battery material department</b>	<b>Chemical fertilizer department</b>	<b>Specialty chemical department</b>	<b>Other</b>	<b>Total</b>
Taiwan	\$ 82,329	39,062	177,404	127,403	26,231	452,429
China and other	113,107	738,547	-	172,620	58,929	1,083,203
	<b>\$ 195,436</b>	<b>777,609</b>	<b>177,404</b>	<b>300,023</b>	<b>85,160</b>	<b>1,535,632</b>

(21) Remuneration to employees, directors and supervisors

The Company's articles of incorporation require that earnings shall first be offset against any deficit, then, a minimum of 1.5% will be distributed as employee remuneration, and a maximum of 5% will be allocated as remuneration to directors and supervisors. Employees who are entitled to receive the above-mentioned employee remuneration, in share or cash, include the employees of the Company's subsidiaries who meet certain specific requirements.

For the three months ended March 31, 2024 and 2023, the Company accrued and recognized its employee remuneration amounting to \$0 and \$2,700, respectively. These amounts were calculated by using the Company's pre-tax net profit for the period before deducting the amounts of the remuneration to employees, multiplied by the distribution of ratio of the remuneration to employees based on the Company's articles of incorporation, and expensed under operating costs or expenses. If there would be any changes after the reporting date, the changes shall be accounted for as changes in accounting estimates and recognized as profit or lost in the following year. If, however, the shareholders determine that the employee remuneration is to be distributed through share, the number of shares to be distributed shall be calculated using the stock price on the day before the shareholders' meeting.

For the year ended March 31, 2023, the Company estimated its employee remuneration and director's remuneration at both \$0. There were no differences between the estimated and the actual amounts of employee and directors' remuneration. Related information would be available at the Market Observation Post System website.

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(22) Non-operating income and expenses

(i) Other gains and losses, net

<b>For the three months ended March 31</b>	
<b>2024</b>	<b>2023</b>
Rental income	\$ 2,118
Dividend income	5,837
<b>\$ 7,955</b>	<b>5,150</b>

(ii) Other gains and losses, net

<b>For the three months ended March 31</b>	
<b>2024</b>	<b>2023</b>
Gain (Loss) on disposal of property, plant and equipment	\$ 261
Gain on valuation of financial assets and liabilities at FVTPL	881
Others	(1,759)
<b>\$ (617)</b>	<b>11,644</b>

(iii) Finance costs

<b>For the three months ended March 31</b>	
<b>2024</b>	<b>2023</b>
Interest expense – borrowings	\$ 14,631
Interest expense – lease liabilities	25
Interest expense – convertible bonds payable	1,112
<b>\$ 15,768</b>	<b>21,594</b>

(iv) Interest income

<b>For the three months ended March 31</b>	
<b>2024</b>	<b>2023</b>
Interest income from bank deposits	\$ 5,245
Other interest income	-
<b>\$ 5,245</b>	<b>4,367</b>

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(23) Financial instruments

Financial Instruments Except as described in the following paragraph, there were no significant changes in the Group's fair value of financial instruments exposed to credit risk and market risk. For related information about the fair value on financial instruments, please refer to note 6(24) of the 2023 annual consolidated financial statements.

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets and contract assets represent the maximum credit exposure.

2) Credit risk of receivables

For credit risk exposure of note and trade receivables, please refer to note 6(4).

(ii) Liquidity risk

The following are the contractual maturities of financial liabilities, (including interest payments):

	<u>Carrying amount</u>	<u>Contractual cash flow</u>	<u>Within 6 months</u>	<u>6 to 12 months</u>	<u>1 to 2 years</u>	<u>Above 2 years</u>
<b>March 31, 2024</b>						
Non-derivative financial liabilities						
Deposit received	\$ 126	126	-	-	-	126
Short-term borrowings	567,372	577,381	450,262	127,119	-	-
Notes and accounts payable	78,020	78,020	78,020	-	-	-
Other payable	29,493	29,493	29,493	-	-	-
Long-term borrowing (including current portion of long-term borrowings)	943,969	984,536	96,155	98,350	298,387	491,644
Lease liabilities (including current and non-current)	8,822	9,310	1,379	1,315	1,892	4,724
Convertible bonds payable (including current portion of convertible bonds payable)	688,492	700,000	-	700,000	-	-
	<u>\$ 2,316,294</u>	<u>2,378,866</u>	<u>655,309</u>	<u>926,784</u>	<u>300,279</u>	<u>496,494</u>
	<u>Carrying amount</u>	<u>Cash flow of contract</u>	<u>Within 6 months</u>	<u>6 to 12 months</u>	<u>1 to 2 years</u>	<u>Above 2 years</u>
<b>December 31, 2023</b>						
Non-derivative financial liabilities						
Deposit received	\$ 126	126	-	-	-	126
Short-term borrowings	1,070,154	1,081,071	1,025,561	55,510	-	-
Notes and accounts payable	92,737	92,737	92,737	-	-	-
Other payables	59,183	59,183	59,183	-	-	-
Long-term borrowing (including current portion of long-term borrowings)	988,376	1,027,957	95,865	95,597	292,847	543,648
Lease liabilities (including current and non-current)	9,459	9,955	1,378	1,362	2,060	5,155
Convertible bonds payable (including current portion of convertible bonds payable)	687,380	700,000	-	700,000	-	-
	<u>\$ 2,907,415</u>	<u>2,971,029</u>	<u>1,274,724</u>	<u>852,469</u>	<u>294,907</u>	<u>548,929</u>

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	<u>Carrying amount</u>	<u>Cash flow of contract</u>	<u>Within 6 months</u>	<u>6 to 12 months</u>	<u>1 to 2 years</u>	<u>Above 2 years</u>
<b>March 31, 2023</b>						
Non-derivative financial liabilities						
Deposit received	\$ 107	107	-	-	-	107
Short-term borrowings	1,596,833	1,617,401	1,476,218	141,183	-	-
Notes and accounts payable	140,584	140,584	140,584	-	-	-
Other payables	63,528	63,528	63,528	-	-	-
Long-term borrowing (including current portion of long-term borrowings)	1,098,464	1,146,385	58,759	82,242	217,998	787,386
Lease liabilities (including current and non-current)	11,895	12,487	1,771	1,415	2,679	6,622
Convertible bonds payable	684,032	700,000	-	-	-	700,000
	<u>\$ 3,595,443</u>	<u>3,680,492</u>	<u>1,740,860</u>	<u>224,840</u>	<u>220,677</u>	<u>1,494,115</u>

The Group does not expect that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(iii) Currency risk

1) Exposure to currency risk

The Group's financial assets and liabilities exposed to exchange rate risk were as follows:

<b>March 31, 2024</b>			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD</u>
<u>Financial Assets</u>			
<u>Monetary items</u>			
USD	\$ 49,188	32.00	1,574,016
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
USD	27,473	32.00	879,136
<b>December 31, 2023</b>			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD</u>
<u>Financial Assets</u>			
<u>Monetary items</u>			
USD	\$ 53,938	30.705	1,656,146
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
USD	26,809	30.705	823,170
<b>March 31, 2023</b>			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD</u>
<u>Financial Assets</u>			
<u>Monetary items</u>			
USD	\$ 55,766	30.45	1,698,075
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
USD	28,704	30.45	874,037

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2) Sensitivity analysis

The Group's exposure to foreign current risk arises from the translation of cash and cash equivalents, receivables, short-term borrowing, accounts payable, and other payables, that are denominated in USD. Assuming all other variable factors remain constant, a strengthening (weakening) of \$1 of the TWD against USD as of March 31, 2024 and 2023, would have increased (decreased) the net income \$17,372 thousand and \$21,650 thousand, respectively.

3) Exchange gains and losses of monetary items

Due to the variety of the functional currencies of the Group's entities, the Group's foreign exchange gains (losses) on monetary items amounted to \$27,049 thousand and \$(8,546) thousand for the years ended March 31, 2024 and 2023, respectively.

(iv) Interest rate analysis

The Group's interest rate exposure regarding its financial assets and liabilities has been disclosed in the note of financial risk management.

The following sensitivity analysis is based on the exposure to interest rate risk of the derivative and non-derivative instruments on the reporting date.

For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities are outstanding for the whole year on the reporting date. If the interest rate had increased or decreased by 1%, the Group's net income would have increased or decreased by \$3,023 thousand and \$5,391 thousand for the three months ended March 31, 2024 and 2023, respectively, with all other variable factors remaining constant.

(v) Fair value of financial instruments

1) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

<b>March 31, 2024</b>				
	<b>Carrying amount</b>	<b>Fair Value</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Financial assets at FVOCI-current	\$ <u>8,745</u>	<u>8,745</u>	<u>-</u>	<u>-</u>
Financial liabilities at FVTPL-current	\$ <u>4,311</u>	<u>-</u>	<u>4,311</u>	<u>-</u>
Financial assets at FVOCI-non current	\$ <u>3,369</u>	<u>-</u>	<u>-</u>	<u>3,369</u>
Convertible bonds payable (recorded in coporate convertible bonds callable in 1 year)	\$ <u>688,492</u>	<u>717,850</u>	<u>-</u>	<u>-</u>
				<u>717,850</u>

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<b>December 31, 2023</b>					
	<b>Carrying amount</b>	<b>Fair Value</b>			
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL-current	\$ <u>19,588</u>	<u>19,588</u>	<u>-</u>	<u>-</u>	<u>19,588</u>
Financial liabilities at FVTPL-current	\$ <u>3,602</u>	<u>-</u>	<u>3,602</u>	<u>-</u>	<u>3,602</u>
Financial assets at FVOCI-non current	\$ <u>3,369</u>	<u>-</u>	<u>-</u>	<u>3,369</u>	<u>3,369</u>
Bonds payable (recorded in coporate convertible bonds callable in 1 year)	\$ <u>687,380</u>	<u>748,790</u>	<u>-</u>	<u>-</u>	<u>748,790</u>

<b>March 31, 2023</b>					
	<b>Carrying amount</b>	<b>Fair Value</b>			
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL-current	\$ <u>19,188</u>	<u>19,188</u>	<u>-</u>	<u>-</u>	<u>19,188</u>
Financial assets at FVTPL-non current	\$ <u>2,482</u>	<u>-</u>	<u>2,482</u>	<u>-</u>	<u>2,482</u>
Financial assets at FVOCI-non current	\$ <u>3,369</u>	<u>-</u>	<u>-</u>	<u>3,369</u>	<u>3,369</u>
Convertible bonds payable	\$ <u>684,032</u>	<u>771,540</u>	<u>-</u>	<u>-</u>	<u>771,540</u>

2) Valuation techniques for financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

Financial assets and financial liabilities measured at amortized cost. If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

3) Valuation techniques for financial instruments that are measured at fair value

The right-of-call or put option that embedded in derivative is measured by using the appropriate option pricing models.

There is no transfer between the levels for the years ended March 31, 2024 and 2023.

4) Quantitative information on significant unobservable inputs (Level 3) used in fair value measurement

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The Group's financial instruments that use Level 3 inputs to measure fair value include financial assets at FVOCI (equity instrument investments). Quantitative information of significant unobservable inputs was as follows:

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between significant unobservable inputs and fair value measurement</u>
Financial assets at FVOCI ( equity instrument investments without an active market)	Asset-based approach	<ul style="list-style-type: none"> <li>Net asset</li> <li>Liquidity discount (March 31, 2024, December 31, and March 31, 2023 were all 30%)</li> </ul>	<ul style="list-style-type: none"> <li>The higher the net asset ratio multiplier, the higher fair value.</li> <li>The higher of liquidity discount, the lower fair value.</li> </ul>

5) Reconciliation of Level 3 fair values

	<b>Equity instrument investment at FVOCI</b>
March 31, 2024(as beginning balance)	<u><u>\$ 3,369</u></u>
March 31, 2023(as beginning balance)	<u><u>\$ 3,369</u></u>

(24) Financial risk management

There were no significant changes in the Group's objectives and policies applied in the financial risk management from those in the note 6(25) of consolidated financial statement for the year ended December 31, 2023.

(25) Capital management

The Group's objectives, policies and processes for capital management were consistent with those of consolidated financial statements for the year ended December 31, 2023. There were no significant changes in quantified factors of capital management from those in the consolidated financial statement for the year ended December 31, 2023. For related information about the capital management, please refer to note 6(26) of the consolidated financial statements for the year ended December 31, 2023.

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(26) Financing activities not affecting current cash flow

Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2024	Cash flows	Non-cash changes Additions	Foreign exchange movement and others	March 31, 2024
Deposit received	\$ 126	-	-	-	126
Short-term borrowings	\$ 1,070,154	(525,434)	-	22,652	567,372
Long-term borrowing (including current portion)	\$ 988,376	(44,407)	-	-	943,969
Lease liabilities (including current and non-current)	\$ 9,459	(662)	-	25	8,822
Convertible bonds payable (including current portion)	\$ 687,380	-	-	1,112	688,492
			Non-cash changes Additions	Foreign exchange movement and others	
Deposit received	\$ 107	-	-	-	107
Short-term borrowings	\$ 2,247,855	(660,272)	-	9,250	1,596,833
Long-term borrowings (including current portion)	\$ 1,125,161	(26,697)	-	-	1,098,464
Lease liabilities (including current and non-current)	\$ 12,805	(911)	-	1	11,895
Convertible bonds payable	\$ 682,940	-	-	1,092	684,032

**7. Related-party transactions**

(1) Transactions with key management personnel

Key management personnel remuneration comprised:

	For the three months ended March 31	
	2024	2023
Short-term employee benefits	\$ 10,349	10,645
Post-employment benefits	54	54
	\$ 10,403	10,699

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(2) Division and assignment of enterprises

(i) Partition and assignment of enterprises

As mentioned in Note 1, the Company divided transferred its cobalt sulfate business to its subsidiary, Uranus on December 31, 2023 by acquiring 4,125 thousand new shares issued by Uranus. The carrying value of the assets and liabilities please refer to note 7(2) of the consolidated financial statements for the year ended December 31, 2023.

**8. Pledged assets**

Except for note 6(14), the carrying amount of the Group's pledged assets are as follows:

<u>Assets</u>	<u>Purpose of pledge</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Land	Long- and short-term borrowings and obtaining credit limit for short-term borrowings	\$ 1,361,049	1,361,049	1,340,105
Buildings	Long- and short-term borrowings and obtaining credit limit for short-term borrowings	708,199	716,180	352,244
Machinery and Equipment	Long- and short-term borrowings	190,338	193,840	204,347
Restricted deposits (recorded in other financial assets — non-current)	Long-term borrowings	1,840	1,840	1,840
Restricted deposits (recorded in other financial assets — non-current)	Guarantee deposit of natural gas	1,500	1,500	1,500
Restricted deposit (recorded in other financial assets — non-current)	Create a pledge of convertible bonds payable	100,000	100,000	100,000
		<u>\$ 2,362,926</u>	<u>2,374,409</u>	<u>2,000,036</u>

**9. Commitments and contingencies**

Except for the note 6(12), as of March 31, 2024, December 31 and March 31, 2023, the remaining commitments and contingencies were as follow:

- (1) The Group had acquired property, plant and equipment, with the remaining commitments of \$381,286 thousand, \$321,380 thousand and \$72,732 thousand, respectively.
- (2) Coremax (BVI) Corporation, had applied for a borrowing facility with an amount of USD3,000 thousand (equivalent to \$96,000 thousand, \$92,115 thousand and \$91,350 thousand, respectively) from a bank, in which the Company holds the responsibility as its joint guarantor.

**Coremax Corporation and subsidiaries**  
**Notes to the Consolidated Financial Statements**

- (3) As of December 31, 2022, Uranus Chemical applied for a financing amount from a bank, with the Company serving as the joint guarantor for the endorsement/guarantee amounting to \$100,000 thousand. The Company stop gurantees and endorsements for Uranus Chemicals from the date of November 15, 2023.

**10. Losses Due to Major Disasters: None**

**11. Subsequent Events: None**

**12. Other**

- (1) A summary of employee benefits, depreciation, and amortization, by function, is as follows:

By function	For the three months ended March 31, 2024			For the three months ended March 31, 2023		
	Classified as operating cost	Classified as operating expenses	Total	Classified as operating cost	Classified as operating expenses	Total
<b>By item</b>						
Employee benefits						
Salaries	61,177	32,208	93,385	32,407	8,565	40,972
Labor and health insurance	6,057	3,600	9,657	6,671	3,552	10,223
Pension	2,508	1,089	3,597	2,777	1,020	3,797
Others	5,959	4,324	10,283	5,476	1,730	7,206
Depreciation	73,701	6,780	80,481	69,912	7,481	77,393

- (2) Disclosure information on organizational reorganization - division and transfer of business

As mentioned in Note 1, the Company, the ultimate parent of the Group, underwent an organizational restructuring as of December 31, 2023, wherein it divided and transferred its cobalt sulfate business to its subsidiary, Uranus. The Company has elected not to deem the cobalt sulfate business owned by Uranus from the very beginning, and thus, did not restate its financial statements for the comparative period. For the related information please refer to note 12(2) of the consolidated financial statements for the year ended December 31, 2023.

**Coremax Corporation and subsidiaries**  
**Notes to the Consolidated Financial Statements**

**13. Other disclosures**

(1) Information on significant transactions:

The following is the information on the Group's significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”:

- (i) Loans to other parties: Please refer to Table 1.
- (ii) Guarantees and endorsements for other parties: Please refer to Table 2.
- (iii) Securities held as of March 31, 2024 (excluding investment in subsidiaries, associates and joint ventures): Please refer to Table 3.
- (iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock: None.
- (v) Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None.
- (vi) Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None.
- (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None.
- (viii) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: Please refer to Table 4.
- (ix) Trading in derivative instruments: Note 6(2).
- (x) Business relationships and significant intercompany transactions: Please refer to Table 5.

(2) Information on investees: Please refer to Table 6.

(3) Information on investment in mainland China:

- (i) The names of investees in Mainland China, the main businesses and products, and other information: Please refer to Table 7(1).
- (ii) Limitation on investment in Mainland China: Please refer to Table 7(2).
- (iii) Significant transactions:

The significant inter-company transactions with the subsidiaries in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information on significant transactions”.

**Coremax Corporation and subsidiaries**  
**Notes to the Consolidated Financial Statements**

(d) Major shareholders:

<b>Shareholder's Name</b>	<b>Shareholding</b>	<b>Shares</b>	<b>Percentage</b>
CHANG XING INVESTMENT CO., LTD		14,943,609	12.55 %
CHEH JADE ENTERPRISE CO., LTD		14,455,940	12.14 %

Note 1: The information on major shareholders, which is provided by the Taiwan Depository & Clearing Corporation, summarized the shareholders who held over 5% of the total nonphysical ordinary shares and preference shares (including treasury shares) on the last business date of each quarter. The actual registered non-physical shares may be different from the capital shares disclosed in the consolidated financial statements due to the use of different calculation basis.

Note 2: In the case of the above information, if a shareholder delivers shares to the trust, the shares will be individually disclosed by the trustee who opened the trust account. As for shareholders' declarations of insider's equity holdings exceeding 10% in accordance with the Securities and Exchange Act, their shareholding include their own shareholding, plus the shares delivered to the trust, and the right to use the trust property. For further information on relevant insider shares, please refer to the Public Information Observatory.

#### **14. Segment information**

(1) For related information about segment ,please refer note 6(20).

**Coremax Corporation and Subsidiaries**  
**Loans to other parties**  
**For the three month ended March 31, 2024**

Table 1

(Amounts in Thousands)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 5)	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits (Note 3)	Maximum limit of fund financing (Note 2)
													Item	Value		
1	COREMAX (BVI) CORPORATION	Coremax Ningbo Chemical	Other receivables	Yes	25,600	25,600	-	5%	2	-	Operating demand	-	None	-	103,968	155,952
1	COREMAX (BVI) CORPORATION	Coremax (Thailand) Chemical Co., Ltd.	Other receivables	Yes	80,000	80,000	65,600	4%-5.5%	2	-	Operating demand	-	None	-	103,968	155,952
1	COREMAX (BVI) CORPORATION	Coremax (Zhangzhou) Chemical co., Ltd.	Other receivables	Yes	32,000	32,000	-	5%	2	-	Operating demand	-	None	-	103,968	155,952
2	Coremax Ningbo Chemical Co., Ltd.	Coremax (Zhangzhou) Chemical co., Ltd.	Other receivables	Yes	17,632	17,632	-	3.5%	2	-	Operating demand	-	None	-	33,253	49,879
3	Jiangxi Tianjiang Materials Co., Ltd.	Coremax (Zhangzhou) Chemical co., Ltd.	Other receivables	Yes	11,020	11,020	-	5%	2	-	Operating demand	-	None	-	12,626 (Note 4)	15,783 (Note 4)
4	Coremax (Zhangzhou) Chemical co., Ltd.	Coremax (Ningbo) Chemical co., Ltd.	Other receivables	Yes	17,632	17,632	-	3.5%	2	-	Operating demand	-	None	-	47,281	70,922

Note 1: The number denote the following :

(1)The issuer is number 0

(2)Interest are listed in accordance with names and sequential order starting with 1.

Note2: Limit of total financing amount shall not exceed 30% of latest financial statements of the lender's capital.

Note3: Limit of financing amount for individual counter-party shall not exceed 20% of the latest financial statements of the lender's capital.

Note4: Limit of total financing amount shall not exceed 100% of latest financial statements of the lender's capital. Limit of financing amount for individual counter-party shall not exceed 80% of the latest financial statements of the lender's capital.

Note5: (1) Parties which have business relationship with the Company

(2) The need for short-term financing

**Coremax Corporation and Subsidiaries**  
**Guarantees and endorsements for other parties**  
**For the year ended March 31, 2024**

Table 2

(Amounts in Thousands)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 4)	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements (Note 3)	Parent company	Subsidiary	Endorsements
		Name	Relationship with the Company (Note 2)								endorsements / guarantees to third parties on behalf of subsidiary	endorsements/ guarantees to third parties on behalf of parent company	/ guarantees to third parties on behalf of companies in Mainland China
0	The company	Coremax (BVI) Corporation	2	1,095,060	96,000	96,000	-	-	1.75 %	2,737,650	Y	N	N

Note 1: The numbers denote the following:

- (1) The issuer is number 0.
- (2) Investees are listed in accordance with names and in sequential order starting with 1.

Note 2: The relation between guarantor and guarantee and their endorsement should be disclosed as one of the following:

- (1) An entity that is with business relationship.
- (2) Subsidiary which owned more than 50 percent by the guarantor.
- (3) An investee owned more than 50 percent in total by both the guarantor and its subsidiary.
- (4) An investee owned more than 90 percent by the guarantor or its subsidiary.
- (5) Fulfillment of contractual obligations by providing mutual endorsements and guarantor for peer or joint builders in order to undertake a construction project.
- (6) An entity that is guaranteed and endorsed by all capital contributing shareholders in proportion to their shareholding percentages.
- (7) The companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for per-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: The total amount for guarantees and endorsements provided by the Company to other entities shall not exceed 50% of latest financial statements of the Company's net worth audited.

Note 4: The total amount for guarantees and endorsements provided by the Company to any individual entity shall not exceed 20% of latest financial statements of the Company's net worth audited.

**Coremax Corporation and Subsidiaries**  
**Securities held as of March 31, 2024 (excluding investment in subsidiaries, associates and joint ventures)**  
**March 31, 2024**

Table 3

(Shares in Thousands /Amounts in Thousands)

Name of holder	Category and name of security	Relationship with company	Account title	Account title	Ending balance			Note
					Carrying value	Percentage of ownership	Fair value	
Hengi Chemical	ORGCHEM TECHNOLOGIES, INC.	None	Non-current financial assets at fair value through other comprehensive income	2,873	-	5.00 %	-	Note 1
Uranus Chemicals	HSINCHU GOLF COUNTRY CLUB Co.,Ltd	None	Non-current financial assets at fair value through other comprehensive income	3	3,369	-	3,369	

Note 1: ORGCHEM TECHNOLOGIES, INC. has started liquidation process from January, 2022; the Company has received \$28,739 thousands of capital liquidation payments until March 31, 2024, and the remaining carrying value of the investment has been adjusted to zero.

**Coremax Corporation and Subsidiaries**  
**Receivables from Related Parties Amounting to at least NT\$100 Million or 20% of the Paid-in Capital**  
**March 31, 2024**

Table 4

(Amounts in Thousands)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period(Note 1)	Allowance for Bad Debts
					Amount	Action Taken		
The Company	Uranus Chemicals Co., Ltd.	Subsidiary	681,420 (Note 2)	-	-	-	592,361	-
Uranus Chemicals Co., Ltd.	The Company	Parent company	489,100 (Note 2)	-	-	-	489,100	-

Note 1: The amount recovered as of April 24, 2024.

Note 2: Includes other receivables arising from the parent company and Subsidiary.

Note 3: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

**Coremax Corporation and Subsidiaries**  
**Business relationships and significant intercompany transactions**  
**For the year ended March 31, 2024**

Table 5

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	Uranus Chemicals Co., Ltd.	The parent company to the subsidiary.	Purchase	32,168	No significant difference from Ordinary transation	2.95 %
0	The Company	Uranus Chemicals Co., Ltd.	The parent company to the subsidiary.	Receivables	681,420	"	7.22 %
0	The Company	Coremax (Zhangzhou) Chemical co., Ltd.	The parent company to the subsidiary	Sales	12,638	"	1.16 %
1	Uranus Chemicals Co., Ltd.	The Company	Subsidiary to the company	Receivables	489,100	"	5.19 %

**Coremax Corporation and Subsidiaries**  
**Information on Investees (Excluding Information on Investees in Mainland China)**  
**For the year ended March 31, 2024**

Table 6

(Shares in Thousands /Amount in Thousands)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2024			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2024	December 31, 2023	Shares (thousands)	Percentage of ownership	Carrying value			
The Company	COREMAX (BVI) CORPORATION	British Virgin Islands	Investment company	302,406	302,406	9,658	100 %	514,403	(4,013)	(4,013)	Note 1
The Company	Hengi Chemical Co., Ltd.	Taiwan	Manufacturing and sales of chemical fertilizers, chemical raw materials, organic fertilizer and fertilizers with organic matter. Import and export of related business. Recycling and reproduce of solvent and pollutants.	1,143,369	1,143,369	41,058	82.44 %	1,524,520	28,828	23,795	Note 1
The Company	Uranus Chemicals CO., Ltd.	Taiwan	Manufacturing and sales of oxalic acid (organic) and inorganic acid and related products	949,438	949,438	43,966	66.24 %	1,259,035	44,730	29,708	Note 1
The Company	VINACOREMAX COMPANY LIMITED	Vietnam	Manufacturing and sales of inorganic acid and related products	446,155	318,764	-	100 %	430,293	(1,302)	(1,302)	Note 1
COREMAX (BVI) CORPORATION	COREMAX (THAILAND) CO., LTD.	Thailand	Manufacturing and processing of pure terephthalic acid oxidation catalyst, sodium carbonate solutions, wastewater treatment solutions, exhaust gas absorbent and cobalt compound series products	67,047	67,047	70	100 %	84,705	1,263	1,263	Note 1

Note: The relevant transactions and ending balance are eliminated in consolidated financial statement.

**Coremax Corporation and Subsidiaries**  
**Information on Investment in Mainland China**  
**For the year ended March 31, 2024**

Table 7

(Amounts in Thousands)

(1) The names of investees in Mainland China, the main businesses and products, and other information

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2024	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2024	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Notes 3, 5)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Coremax Ningbo Chemical Co., Ltd.	Manufacturing and processing of pure terephthalic acid oxidation catalyst, sodium carbonate solutions, wastewater treatment solutions, exhaust gas absorbent and cobalt compound series products.	98,482	Investment in companies in Mainland China through investment companies in the third regions.(Note 1)	81,240	-	-	81,240	(331)	100.00%	(331)	166,263	-
Coremax (Zhangzhou) Chemical Co., Ltd.	Manufacturing, processing and wholesale of pure terephthalic acid oxidation catalyst, sodium carbonate solutions, wastewater treatment solutions, waste gas absorbent and cobalt compound series products, and regeneration treatment of abort oxidation catalyst.	185,654	Investment in companies in Mainland China through investment companies in the third regions.(Note 2)	148,795	-	-	148,795	(5,762)	100.00%	(5,762)	236,407	-
Jiangxi Tianjiang Materials Co., Ltd.	Manufacturing and sales of oxalic acid 、organic and inorganic acid 、rare earth compounds and related products	43,947	Uranus Chemical invest companies in Mainland China	43,947	-	-	43,947	408	100.00%	408	15,782	-

(2) Limitation on investment in Mainland China

Cumulated Investment in Mainland China as of March 31, 2024	Investment Amounts Authorized by Investment Commission, MOEA (note 6)	Upper Limit on Investment (Note 4)
273,982 (USD 8,808 )	457,216 (USD 14,288 )	3,285,179

Note 1: The paid-up capital amount is NTD \$98,482 thousand (USD3,000 thousand), which included the cash remitted by the Company through its subsidiary, COREMAX (BVI) CORPORATION amounting to NTD 81,240 thousand (USD2,470 thousand) and surplus from COREMAX (BVI) CORPORATION amounting to NTD17,242 thousand (USD530 thousand).

Note 2: The paid up capital amount is NTD185,654 thousand (USD6,280 thousand), which included the cash remitted by the Company through its subsidiary, COREMAX (BVI) CORPORATION, amounting to NTD124,097 thousand (USD4,200 thousand), surplus from COREMAX (BVI) CORPORATION amounting to NTD6,055 thousand (USD200 thousand), Coremax (BVI) Corporation acquired of shares from other external shareholders amounting to NTD24,698 thousand (USD788 thousand) in obtaining paid up capital of NTD21,890 thousand (USD750 thousand), cash remitted by Coremax Zhuhai Chemical Co., Ltd. is amounting to NTD20,720 thousand (USD700 thousand), and cash remitted by Coremax Ningbo Chemical Co., Ltd. Is amounting to NTD12,892 thousand (USD430 thousand).

Note 4: Amount was recognized based on the unreviewed financial statement.

Note 5: The Company investment in Mainland China pursuant to "Principle of investment or Technical Cooperation in Mainland China" is not exceeding the investment amount or percentage limit.

Note 6: The relevant transactions and ending balance are eliminated in consolidated financial statement.

Note 7: Exchange rates at the dates of balance sheet date.