

Coremax Corporation and Subsidiaries
Consolidated Financial Statements
With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2025 and 2024

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 September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2025 and 2024, as well as the changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, 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 Interim 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 \$1,737,388 thousand and \$1,018,982 thousand, constituting 15.4% and 10.6% of consolidated total assets at September 30, 2025 and 2024, respectively, total liabilities amounting to \$719,347 thousand and \$39,302 thousand, constituting 14.8% and 1.3% of consolidated total liabilities at September 30, 2025 and 2024, respectively, and total comprehensive income (loss) amounting to (\$6,573) thousand, \$38,119 thousand, \$47,715 thousand and \$10,123 thousand, constituting 5.0%, 56.0%, 117.1% and 4.5% of the absolute value of consolidated total comprehensive income (loss) for the three months and nine months ended September 30, 2025 and 2024, 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 Coremax Corporation and its subsidiaries as of September 30, 2025 and 2024, and of its consolidated financial performance for the three months and nine months ended September 30, 2025 and 2024, as well as its consolidated cash flows for the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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

KPMG

Taipei, Taiwan (Republic of China)
November 10, 2025

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

September 30, 2025, December 31, 2024, and September 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets		September 30, 2025		December 31, 2024		September 30, 2024		Liabilities and Equity		September 30, 2025		December 31, 2024		September 30, 2024	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:							
1100	Cash and cash equivalents (note 6(1))	\$ 2,787,446	25	2,905,786	29	2,605,876	27	2100	Short-term borrowings (notes 6(13) and 8)	\$ 1,609,575	14	862,491	9	677,329	7
1110	Financial assets at fair value through profit or loss— current (note 6(2))	-	-	16,461	-	12,786	-	2120	Financial liabilities at fair value through profit or loss-current (note 6(2))	4,198	-	-	-	7,102	-
1150	Notes receivable, net (note 6(4))	18,152	-	14,349	-	21,269	-	2130	Contract liabilities - current (note 6(21))	11,733	-	-	-	-	-
1170	Accounts receivable, net (note 6(4))	551,918	5	376,285	4	545,552	6	2150	Notes payable	-	-	256	-	373	-
1200	Other receivable (note 6(8))	509,470	5	240,240	2	196,319	2	2170	Accounts payable	257,767	2	75,241	1	84,454	1
130X	Inventories (note 6(5))	1,436,471	13	852,620	9	836,420	9	2200	Other payables (note 6(14))	233,638	2	233,976	2	180,723	2
1410	Prepayments to suppliers	32,322	-	80,544	1	55,651	-	2230	Current tax liabilities	61,395	1	39,852	-	65,409	1
1476	Other financial assets—current (notes 6(10) and 8)	124,648	-	93,136	1	102,078	1	2280	Current lease liabilities (note 6(16))	1,372	-	1,988	-	2,196	-
1479	Other current assets, others (note 6(9))	173,983	2	176,182	2	161,719	2	2321	Bonds payable, current portion (notes 6(15) and 8)	689,715	6	686,417	7	690,733	7
		<u>5,634,410</u>	<u>50</u>	<u>4,755,603</u>	<u>48</u>	<u>4,537,670</u>	<u>47</u>	2322	Long-term borrowings, current portion (notes 6(13) and 8)	283,092	3	221,304	2	200,089	2
Non-current assets:								2399	Other current liabilities (note 6(14))	186,553	2	176,669	3	187,758	2
	Financial assets at fair value through other									<u>3,339,038</u>	<u>30</u>	<u>2,298,194</u>	<u>24</u>	<u>2,096,166</u>	<u>22</u>
1517	comprehensive income—non-current(note 6(3))	3,369	-	3,369	-	3,369	-	Non-current liabilities:							
1600	Property, plant and equipment (notes 6(11) and 8)	4,899,836	44	4,502,181	46	4,447,684	46	2540	Long-term borrowings (notes 6(13) and 8)	1,195,139	10	678,714	7	652,754	7
1755	Right-of-use assets (note 6(12))	217,751	2	246,668	3	249,094	3	2570	Deferred tax liabilities	318,417	3	318,417	3	343,654	4
1840	Deferred tax assets	50,703	-	38,038	-	88,777	1	2580	Non-current lease liabilities (note 6(16))	3,933	-	4,821	-	5,305	-
1975	Net defined benefit asset—non-current	18,225	-	18,225	-	16,282	-	2640	Net defined benefit liability—non-current	5,543	-	5,543	-	6,351	-
	Other financial assets—non-current (notes 6(10) and 8)	211,593	2	113,276	1	112,606	1	2645	Deposits received	122	-	152	-	149	-
1980		<u>231,914</u>	<u>2</u>	<u>174,961</u>	<u>2</u>	<u>159,722</u>	<u>2</u>			<u>1,523,154</u>	<u>13</u>	<u>1,007,647</u>	<u>10</u>	<u>1,008,213</u>	<u>11</u>
1990	Other non-current assets (note 6(9))	5,633,391	50	5,096,718	52	5,077,534	53		Total liabilities	<u>4,862,192</u>	<u>43</u>	<u>3,305,841</u>	<u>34</u>	<u>3,104,379</u>	<u>33</u>
								Equity attributable to parent company shareholders (notes 6(6) 、(15) and (19)):							
								3100	Ordinary share capital	1,186,493	11	1,190,293	12	1,190,293	12
								3200	Capital surplus	3,369,131	30	3,392,812	34	3,380,397	35
								3300	Retained earnings	998,117	9	1,052,785	11	1,030,268	11
								3400	Other equity interest	(61,856)	(1)	(11,194)	-	(6,604)	-
								3500	Treasury shares	(3,206)	-	(84,658)	(1)	(84,658)	(1)
										<u>5,488,679</u>	<u>49</u>	<u>5,540,038</u>	<u>56</u>	<u>5,509,696</u>	<u>57</u>
								36XX	Non-controlling interests	916,930	8	1,006,442	10	1,001,129	10
									Total equity	<u>6,405,609</u>	<u>57</u>	<u>6,546,480</u>	<u>66</u>	<u>6,510,825</u>	<u>67</u>
Total assets		<u>\$ 11,267,801</u>	<u>100</u>	<u>9,852,321</u>	<u>100</u>	<u>9,615,204</u>	<u>100</u>	Total liabilities and equity		<u>\$ 11,267,801</u>	<u>100</u>	<u>9,852,321</u>	<u>100</u>	<u>9,615,204</u>	<u>100</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 Comprehensive Income

For the three months and nine months ended September 30, 2025 and 2024

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

	For the three months ended				For the nine months ended				
	September 30,				September 30,				
	2025		2024		2025		2024		
	Amount	%	Amount	%	Amount	%	Amount	%	
4000	Net operating revenue (note 6(21))	\$ 1,760,196	100	997,040	100	4,264,505	100	3,191,091	100
5000	Operating costs (notes 6(5), (17) and (22))	1,544,065	88	852,517	86	3,703,142	87	2,734,910	86
	Gross profit	<u>216,131</u>	<u>12</u>	<u>144,523</u>	<u>14</u>	<u>561,363</u>	<u>13</u>	<u>456,181</u>	<u>14</u>
6000	Operating expenses (notes (17) and (22)):								
6100	Selling expenses	22,608	1	21,587	2	64,006	1	72,628	2
6200	General administrative expenses	64,705	4	60,174	6	207,556	5	184,330	6
6300	Research and development expenses	5,047	-	6,012	1	14,677	1	14,943	-
6450	Expected credit loss (gain)	3,487	-	(613)	-	3,487	-	(613)	-
	Total operating expenses	<u>95,847</u>	<u>5</u>	<u>87,160</u>	<u>9</u>	<u>289,726</u>	<u>7</u>	<u>271,288</u>	<u>8</u>
6900	Net operating income	<u>120,284</u>	<u>7</u>	<u>57,363</u>	<u>5</u>	<u>271,637</u>	<u>6</u>	<u>184,893</u>	<u>6</u>
7000	Non-operating income and expenses:								
7010	Other income (note 6(23))	14,275	1	9,549	1	28,096	-	32,637	1
7020	Other gains and losses, net (note 6(23) and 12)	(4,592)	-	8,959	1	(169,736)	(4)	10,897	-
7050	Finance costs (notes 6(15), (16) and (23))	(28,848)	(2)	(10,490)	(1)	(64,220)	(1)	(38,438)	(1)
7100	Interest income (note 6(23))	7,441	1	8,943	1	29,664	-	30,812	1
7230	Net foreign currency exchange benefit (note 6(24))	22,749	1	(2,594)	-	(23,127)	-	37,522	1
		<u>11,025</u>	<u>1</u>	<u>14,367</u>	<u>2</u>	<u>(199,323)</u>	<u>(5)</u>	<u>73,430</u>	<u>2</u>
	Income before income tax	<u>131,309</u>	<u>8</u>	<u>71,730</u>	<u>7</u>	<u>72,314</u>	<u>1</u>	<u>258,323</u>	<u>8</u>
7950	Income tax expenses (note 6(18))	<u>31,337</u>	<u>2</u>	<u>21,186</u>	<u>2</u>	<u>60,295</u>	<u>1</u>	<u>58,307</u>	<u>2</u>
	Net income	<u>99,972</u>	<u>6</u>	<u>50,544</u>	<u>5</u>	<u>12,019</u>	<u>-</u>	<u>200,016</u>	<u>6</u>
8300	Other comprehensive income:								
8360	Items that may be reclassified subsequently to profit or loss								
8361	Exchange differences on translation of foreign financial statements	37,035	2	21,204	2	(65,439)	(1)	31,478	1
8399	Income tax relating to item that may be reclassified subsequently to profit or loss (note 6(18))	6,648	-	4,024	-	(12,666)	-	6,472	-
	Total items that may be reclassified subsequently to profit or loss	<u>30,387</u>	<u>2</u>	<u>17,180</u>	<u>2</u>	<u>(52,773)</u>	<u>(1)</u>	<u>25,006</u>	<u>1</u>
8300	Other comprehensive income	<u>30,387</u>	<u>2</u>	<u>17,180</u>	<u>2</u>	<u>(52,773)</u>	<u>(1)</u>	<u>25,006</u>	<u>1</u>
8500	Total comprehensive income	<u>\$ 130,359</u>	<u>8</u>	<u>67,724</u>	<u>7</u>	<u>(40,754)</u>	<u>(1)</u>	<u>225,022</u>	<u>7</u>
	Net income (loss) attributable to:								
8610	Shareholders of the parent	\$ 84,155	5	39,334	4	63,363	1	148,574	4
8620	Non-controlling interests	15,817	1	11,210	1	(51,344)	(1)	51,442	2
		<u>\$ 99,972</u>	<u>6</u>	<u>50,544</u>	<u>5</u>	<u>12,019</u>	<u>-</u>	<u>200,016</u>	<u>6</u>
	Total comprehensive income (loss) attributable to:								
8710	Shareholders of the parent	\$ 110,750	7	55,749	6	12,701	-	174,460	5
8720	Non-controlling interests	19,609	1	11,975	1	(53,455)	(1)	50,562	2
		<u>\$ 130,359</u>	<u>8</u>	<u>67,724</u>	<u>7</u>	<u>(40,754)</u>	<u>(1)</u>	<u>225,022</u>	<u>7</u>
	Earnings per share (New Taiwan Dollars) (note 6(20))								
9750	Basic earnings per share	<u>\$ 0.71</u>		<u>0.34</u>		<u>0.54</u>		<u>1.27</u>	
9850	Diluted earnings per share	<u>\$ 0.68</u>		<u>0.32</u>		<u>0.53</u>		<u>1.22</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 Changes in Equity
For the nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					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	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income					Total other equity interest
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	-	-	-	-	148,574	148,574	-	-	-	-	148,574	51,442	200,016
Other comprehensive income (loss) for the period	-	-	-	-	-	-	25,886	-	25,886	-	25,886	(880)	25,006
Total comprehensive income (loss) for the period	-	-	-	-	148,574	148,574	25,886	-	25,886	-	174,460	50,562	225,022
Appropriation and distribution of retained earnings:													
Appropriated legal reserve	-	-	-	16,390	(16,390)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(57,626)	(57,626)	-	-	-	-	(57,626)	-	(57,626)
Other changes in capital surplus:													
Cash dividends from capital surplus	-	(36,457)	-	-	-	-	-	-	-	-	(36,457)	-	(36,457)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	539	-	-	-	-	-	-	-	-	539	-	539
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	15,205	-	-	-	-	(82)	-	(82)	-	15,123	-	15,123
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(19,385)	(19,385)	-	19,385	19,385	-	-	-	-
Changes in ownership interests in subsidiaries	-	821	-	-	-	-	-	-	-	-	821	438	1,259
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(21,543)	(21,543)
Non-controlling interests increase	-	-	-	-	-	-	-	-	-	-	-	19,777	19,777
Balance at September 30, 2024	\$ 1,190,293	3,380,397	332,362	51,793	646,113	1,030,268	(6,604)	-	(6,604)	(84,658)	5,509,696	1,001,129	6,510,825
Balance at January 1, 2025	\$ 1,190,293	3,392,812	332,362	51,793	668,630	1,052,785	(11,194)	-	(11,194)	(84,658)	5,540,038	1,006,442	6,546,480
Net income for the period	-	-	-	-	63,363	63,363	-	-	-	-	63,363	(51,344)	12,019
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(50,662)	-	(50,662)	-	(50,662)	(2,111)	(52,773)
Total comprehensive income (loss) for the period	-	-	-	-	63,363	63,363	(50,662)	-	(50,662)	-	12,701	(53,455)	(40,754)
Appropriation and distribution of retained earnings:													
Appropriated legal reserve	-	-	15,171	-	(15,171)	-	-	-	-	-	-	-	-
Reversed special reserve	-	-	-	(40,599)	40,599	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(112,717)	(112,717)	-	-	-	-	(112,717)	-	(112,717)
Transfer treasury shares to employees (including subsidiaries)	-	(13,192)	-	-	-	-	-	-	-	59,732	46,540	-	46,540
Cancellation of treasury shares	(3,800)	(12,606)	-	-	(5,314)	(5,314)	-	-	-	21,720	-	-	-
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	640	-	-	-	-	-	-	-	-	640	-	640
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(36,846)	(36,846)
Changes in ownership interests in subsidiaries	-	1,477	-	-	-	-	-	-	-	-	1,477	789	2,266
Balance at September 30, 2025	\$ 1,186,493	3,369,131	347,533	11,194	639,390	998,117	(61,856)	-	(61,856)	(3,206)	5,488,679	916,930	6,405,609

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 nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30	
	2025	2024
Cash flows from operating activities:		
Income before income tax	\$ 72,314	258,323
Adjustments:		
Adjustments to reconcile profit:		
Depreciation	257,445	244,386
Expected credit loss (gain)	3,487	(613)
Net loss (profit) on financial assets and liabilities at fair value through profit or loss	60,462	(21,560)
Interest expense	64,220	38,438
Interest income	(29,664)	(30,812)
Adjustment for other non-cash-related losses, net	1,824	(245)
Subtotal of gains or losses on non-cash activities	<u>357,774</u>	<u>229,594</u>
Changes in operating assets and liabilities:		
Notes receivable	(3,803)	(8,929)
Accounts receivable	(175,590)	(70,913)
Other receivable	(272,597)	212,315
Inventories	(583,851)	12,758
Prepayments to suppliers	48,222	(4,406)
Other current assets	55,980	(18,551)
Contract liabilities	11,733	-
Notes payable	(256)	23
Accounts payable	182,526	(7,933)
Other payable	5,482	7,722
Other current liabilities	(48,186)	21,100
Total adjustments	<u>(422,566)</u>	<u>372,780</u>
Cash (outflow) inflow generated from operations	(350,252)	631,103
Interest received	29,579	28,809
Interest paid	(2,799)	(41,214)
Income taxes paid	(60,904)	(11,469)
Net cash (used in) from operating activities	<u>(384,376)</u>	<u>607,229</u>
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(688,714)	(136,203)
Proceeds from disposal of property, plant and equipment	282	2,272
(Increase) decrease in other financial assets	(169,474)	44,556
Increase in refundable deposits	(157)	(1,188)
Increase in other non-current assets	(62,403)	(98,324)
Net cash used in investing activities	<u>(920,466)</u>	<u>(188,887)</u>
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	733,985	(402,682)
Proceeds from long-term borrowings	974,379	-
Repayments of long-term borrowings (including current portion)	(404,180)	(135,533)
(Decrease) increase in guarantee deposits received	(30)	23
Payment of lease liabilities	(1,574)	(2,031)
Cash dividends paid	(112,077)	(93,544)
Treasury stocks transfer to employees	46,540	-
Cash dividends paid for non-controlling interests	(36,846)	(21,543)
Disposal of ownership interests in subsidiaries (without losing control)	-	33,499
Net cash from (used in) financing activities	<u>1,200,197</u>	<u>(621,811)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(13,695)</u>	<u>28,240</u>
Net decrease in cash and cash equivalents	(118,340)	(175,229)
Cash and cash equivalents at beginning of period	<u>2,905,786</u>	<u>2,781,105</u>
Cash and cash equivalents at end of period	<u>\$ 2,787,446</u>	<u>2,605,876</u>

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

September 30, 2025 and 2024

(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 County 303035, 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.

2. Approval date and procedures of the consolidated financial statements

The consolidated financial statements were authorized for issue by the Board of Directors on November 10, 2025.

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, 2025:

- Amendments to IAS 21 “Lack of Exchangeability

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

- (c) The impact of IFRS Accounting Standards 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:

Standards or Interpretations	Content of amendment	Effective date per IASB
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"> ● 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. ● 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. ● 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. 	<p>January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.</p>

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 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

4. Summary of material accounting policies

(1) Statement of compliance

These 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 IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as FSC). The consolidated financial statements do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (altogether referred to “IFRS Accounting Standards” endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2024.

(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
			September 30, 2025	December 31, 2024	September 30, 2024	
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、cobalt compound and related products	65.18 %	65.18 %	65.18 %	-

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Business Nature	Percentage of Ownership (%)			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	Heng I Chemical Co., Ltd. (Heng I)	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 %	-
The Company	VINACOREMAX COMPANY LIMITED	Manufacturing and sales of organic and inorganic acid.	100 %	100 %	100 %	Note 1
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: 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%.

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

(3) 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.

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

(4) Income tax

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of IAS 34 “Interim Financial Reporting” .

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management’s best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be 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 be recognized directly in equity or other comprehensive income as 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 IAS 34 “Interim Financial Reporting” endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, 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 conformity with the consolidated financial statements for the year ended December 31, 2024.

6. Explanation of significant accounts

(1) Cash and cash equivalents

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, 2024. 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, 2024.

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 624	527	569
Demand deposits and checking accounts	1,482,320	1,580,259	1,255,307
Time deposits	<u>1,304,502</u>	<u>1,325,000</u>	<u>1,350,000</u>
	<u><u>\$ 2,787,446</u></u>	<u><u>2,905,786</u></u>	<u><u>2,605,876</u></u>

Please refer to note 6(24) for the disclosure of currency risk of the financial assets and liabilities.

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

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

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets measured at fair value through profit or loss – current:			
Futures	\$ -	16,461	12,786
	September 30, 2025	December 31, 2024	September 30, 2024
Financial liabilities – current:			
Futures	\$ 4,198	-	-
Call and put option – convertible bonds payable	-	-	7,102
Total	\$ 4,198	-	7,102

- (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 September 30, 2025, December 31 and September 30, 2024, the following derivative instruments, without the application of hedge accounting, were classified as mandatorily measured at fair value through profit or loss:

	Open Position			Fair Value
	Buyer/Seller	Amount (ton)	Transaction Price	
September 30, 2025	Seller	216	USD 15,000/ton ~USD40,785/ton	\$ (4,198)
December 31, 2024	Seller	333	USD 15,200/ton ~USD29,652/ton	\$ 16,461
September 30, 2024	Seller	260	USD 16,200/ton ~USD33,069/ton	\$ 12,786

The futures trading day of the open position on September 30, 2025 is from October 2024 to September 2025, and the settlement dates would be at the period from September 2025 to March 2026, with net cash settlement.

The futures trading day of the open position on December 31, 2024 is from February 2024 to December 2024, and the settlement dates would be at the period from December 2024 to December 2025, with net cash settlement.

The futures trading day of the open position on September 30, 2024 is from March 2024 to September 2024, and the settlement dates would be at the period from September 2024 to July 2025, with net cash settlement.

Please refer to note 6(10) for details of the outstanding futures contract margin on September 30, 2025, December 31 and September 30, 2024.

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

(ii) Please refer to note 6(24) for The Group's net profit and loss (including realized and unrealized) generated from trading in derivative financial instruments for the nine months ended September 30, 2025 and 2024.

(3) Financial assets at fair value through other comprehensive income— non-current

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Non-current:			
Domestic unlisted stocks	\$ <u>3,369</u>	<u>3,369</u>	<u>3,369</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.

(4) Notes and accounts receivable, net

(i) Notes receivable, net:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Notes receivable from operating activities	\$ <u>18,152</u>	<u>14,349</u>	<u>21,269</u>

(ii) Accounts receivable, net:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Accounts receivable	\$ 556,628	381,003	550,266
Less: loss allowance	<u>(4,710)</u>	<u>(4,718)</u>	<u>(4,714)</u>
	<u>\$ 551,918</u>	<u>376,285</u>	<u>545,552</u>

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:

	<u>September 30, 2025</u>		
	<u>Gross carrying amount</u>	<u>Weighted-average loss rate</u>	<u>Loss allowance provision</u>
Current	\$ 528,014	0%	-
1 to 90 days past due	40,067	0%	-
91 to 180 days past due	1,989	0%	-
More than 181 days past due	<u>-</u>	100%	<u>-</u>
	<u>\$ 570,070</u>		<u>-</u>

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

	December 31, 2024		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 339,250	0%	-
1 to 90 days past due	47,995	0%	-
91 to 180 days past due	3,389	0%	-
More than 181 days past due	-	100%	-
	\$ 390,634		-

	September 30, 2024		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 530,905	0%	-
1 to 90 days past due	25,792	0%	-
91 to 180 days past due	10,124	0%	-
More than 181 days past due	-	100%	-
	\$ 566,821		-

Note 1: As of September 30, 2025, December 31 and September 30, 2024, the accounts receivable amounting to \$4,710 thousand, \$4,718 thousand and \$4,714 thousand respectively from specific companies have been fully provided with impairment losses.

The movement in the loss allowance for accounts receivable was as follows:

	For the nine months ended September 30,	
	2025	2024
Balance at beginning of period	\$ 4,718	26,247
Impairment losses reversed	-	(613)
Amounts written off	-	(19,886)
Effect of exchange rate changes	(8)	(1,034)
Balance at end of period	\$ 4,710	4,714

As of September 30, 2025, December 31 and September 30, 2024, the Group's account receivables were not pledged as collaterals.

(5) Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	\$ 703,689	366,904	365,837
Work in process	290,697	274,938	328,088
Finished goods	442,085	210,778	142,495
	\$ 1,436,471	852,620	836,420

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

The components of operating costs were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Cost of goods sold	\$ 1,575,351	870,357	3,777,632	2,816,474
Reversal of write-downs of inventories	(30,735)	(17,027)	(70,857)	(79,024)
Gain from sale of scrap	(551)	(813)	(3,633)	(2,540)
	<u>\$ 1,544,065</u>	<u>852,517</u>	<u>3,703,142</u>	<u>2,734,910</u>

As of September 30, 2025, December 31 and September 30, 2024, the Group's inventories were not pledged as collaterals.

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

As of June, 2024, the Company disposed a portion of its shareholdings in Uranus Chemicals Co. for \$33,499 thousand, without losing control over the company, resulting in its disposal gain of \$13,804 thousand to be recognized as capital surplus in the consolidated statements of changes in equity.

(7) Material NCI of subsidiaries

There was no significant change in Material NCI of subsidiaries for the nine month ended September 30, 2025 and 2024. Please refer to note 6(7) of the 2024 annual consolidated financial statements for other related information.

(8) Other receivables

	September 30, 2025	December 31, 2024	September 30, 2024
Receivable material	\$ 468,027	237,144	185,593
Other	44,895	3,096	10,726
Less: loss allowance	(3,452)	-	-
	<u>\$ 509,470</u>	<u>240,240</u>	<u>196,319</u>

The movement in the loss allowance for other receivable was as follows:

	For the nine months ended September 30,	
	2025	2024
Balance at beginning of period	\$ -	-
Impairment loss recognized in the period	3,487	-
Effect of exchange rate changes	(35)	-
Balance at end of period	<u>\$ 3,452</u>	<u>-</u>

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

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

Other current assets :

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Offset against business tax payable and others	\$ 114,731	158,043	137,895
Other	<u>59,252</u>	<u>18,139</u>	<u>23,824</u>
	<u>\$ 173,983</u>	<u>176,182</u>	<u>161,719</u>

Other non-current assets :

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Other intangible assets	\$ 12,846	12,846	12,846
Prepaid equipment	209,273	148,396	141,822
Other	<u>9,795</u>	<u>13,719</u>	<u>5,054</u>
	<u>\$ 231,914</u>	<u>174,961</u>	<u>159,722</u>

(10) Other financial assets

Current:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Margin on futures contracts	\$ 111,835	93,136	102,078
Time deposits with maturity of more than three months	<u>12,813</u>	<u>-</u>	<u>-</u>
	<u>\$ 124,648</u>	<u>93,136</u>	<u>102,078</u>

Non-current:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Refundable deposits	\$ 8,893	8,736	8,066
Restricted deposits	<u>202,700</u>	<u>104,540</u>	<u>104,540</u>
	<u>\$ 211,593</u>	<u>113,276</u>	<u>112,606</u>

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

(11) Property, plant and equipment

	<u>Land</u>	<u>Building</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Prepaid equipment and construction in process</u>	<u>Total</u>
Cost:						
Balance at January 1, 2025	\$ 1,716,623	2,193,985	2,589,454	531,123	218,197	7,249,382
Additions	-	12,449	32,235	15,515	622,695	682,894
Disposals and scrap	-	(1,707)	(27,125)	(1,270)	-	(30,102)
Reclassification and others	-	12,038	94,467	12,297	(114,293)	4,509
Effect of exchange rate changes	(104)	(7,157)	(7,332)	(1,058)	(31,095)	(46,746)
Balance at September 30, 2025	<u>\$ 1,716,519</u>	<u>2,209,608</u>	<u>2,681,699</u>	<u>556,607</u>	<u>695,504</u>	<u>7,859,937</u>
Balance at January 1, 2024	\$ 1,716,223	2,147,088	2,590,079	504,568	336,513	7,294,471
Additions	-	8,982	52,014	16,806	63,953	141,755
Disposals and scrap	-	(187)	(38,202)	(3,923)	(340)	(42,652)
Reclassification and others	-	12,832	(5,501)	620	(270,420)	(262,469)
Effect of exchange rate changes	563	9,371	10,763	1,260	8,632	30,589
Balance at September 30, 2024	<u>\$ 1,716,786</u>	<u>2,178,086</u>	<u>2,609,153</u>	<u>519,331</u>	<u>138,338</u>	<u>7,161,694</u>
Accumulated depreciation and impairment losses:						
Balance at January 1, 2025	\$ -	923,015	1,520,702	303,484	-	2,747,201
Depreciation for the period	-	71,851	147,562	32,063	-	251,476
Disposals and scrap	-	(1,056)	(26,720)	(1,161)	-	(28,937)
Effect of exchange rate changes	-	(3,609)	(5,301)	(729)	-	(9,639)
Balance at September 30, 2025	<u>\$ -</u>	<u>990,201</u>	<u>1,636,243</u>	<u>333,657</u>	<u>-</u>	<u>2,960,101</u>
Balance at January 1, 2024	\$ -	833,289	1,402,468	268,024	-	2,503,781
Depreciation for the period	-	70,259	135,191	32,303	-	237,753
Disposals and scrap	-	(187)	(36,609)	(3,829)	-	(40,625)
Effect of exchange rate changes	-	4,503	7,653	945	-	13,101
Balance at September 30, 2024	<u>\$ -</u>	<u>907,864</u>	<u>1,508,703</u>	<u>297,443</u>	<u>-</u>	<u>2,714,010</u>
Carrying amounts:						
Balance at January 1, 2025	<u>\$ 1,716,623</u>	<u>1,270,970</u>	<u>1,068,752</u>	<u>227,639</u>	<u>218,197</u>	<u>4,502,181</u>
Balance at September 30, 2025	<u>\$ 1,716,519</u>	<u>1,219,407</u>	<u>1,045,456</u>	<u>222,950</u>	<u>695,504</u>	<u>4,899,836</u>
Balance at September 30, 2024	<u>\$ 1,716,786</u>	<u>1,270,222</u>	<u>1,100,450</u>	<u>221,888</u>	<u>138,338</u>	<u>4,447,684</u>

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

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

(12) 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</u>	<u>Buildings</u>	<u>Transportation equipment and others</u>	<u>Total</u>
Carrying amount:				
Balance at January 1, 2025	\$ <u>244,307</u>	<u>632</u>	<u>1,729</u>	<u>246,668</u>
Balance at September 30, 2025	\$ <u>216,605</u>	<u>430</u>	<u>716</u>	<u>217,751</u>
Balance at September 30, 2024	\$ <u>246,185</u>	<u>699</u>	<u>2,210</u>	<u>249,094</u>

(13) Long-term/Short-term borrowings

(i) Short-term borrowings:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Secured bank loans	\$ 706,212	587,491	637,329
Unsecured bank loans	903,363	275,000	40,000
	<u>\$ 1,609,575</u>	<u>862,491</u>	<u>677,329</u>
Unused short-term credit lines	<u>\$ 7,002,606</u>	<u>7,149,334</u>	<u>7,163,462</u>
Range of interest rates	<u>1.70%~6.76%</u>	<u>1.70%~5.07%</u>	<u>1.72%~5.39%</u>

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

Please refer to note 6(24) for the disclosure of interest risk, currency risk and liquidity risk.

(ii) Long-term borrowings:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Secured bank loans	\$ 803,511	647,141	666,008
Unsecured bank loans	674,720	252,877	186,835
Less: Current portion of long-term borrowings	<u>(283,092)</u>	<u>(221,304)</u>	<u>(200,089)</u>
	<u>\$ 1,195,139</u>	<u>678,714</u>	<u>652,754</u>
Unused long-term credit lines	<u>\$ 1,290,413</u>	<u>106,171</u>	<u>31,860</u>
Range of interest rates	<u>0.05%~6.76%</u>	<u>0.05%~2.14%</u>	<u>0.05%~2.42%</u>

As of September 30, 2025, December 31 and September 30, 2024, the Group were in compliance with the loan covenants.

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

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

(14) 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.

(15) Convertible bonds

The Company issued the third domestic guaranteed convertible bond on October 28, 2021, by pledging land \$26,741 thousand, buildings \$27,139 thousand, \$40,000 thousand ordinary shares of Heng I Chemical, a demand deposit and time deposit of \$200,000 thousand 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:

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
Total proceeds from convertible corporate bonds issued	\$ 700,000	700,000	700,000
Less: issued corporate bonds discount	(4,855)	(8,153)	(9,267)
Cumulative redeemed amount	<u>(5,430)</u>	<u>(5,430)</u>	<u>-</u>
Corporate bonds payable balance at year-end	689,715	686,417	690,733
Less : convertible corporate bonds could be sold by within one year	<u>(689,715)</u>	<u>(686,417)</u>	<u>(690,733)</u>
Convertible bonds payable – non-current	<u>\$ -</u>	<u>-</u>	<u>-</u>
Embedded derivative – call and put options (recorded in financial assets (liabilities) at FVTPL – current and non-current)	<u>\$ -</u>	<u>-</u>	<u>(7,102)</u>
	<u>For the three months ended</u> <u>September 30,</u>	<u>For the nine months ended</u> <u>September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u> <u>2024</u>
Interest expense	<u>\$ 1,113</u>	<u>1,128</u>	<u>3,297</u> <u>3,353</u>

The Company's third domestic guaranteed convertible corporate bonds are five year guaranteed convertible bonds with zero coupon rate, each with value of \$100 thousand, amounting to \$700,000 thousand. The conversion price on September 30, 2025, December 31 and September 30, 2024, were \$98.5, \$100.5 and \$100.5, 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:

<u>Item</u>	<u>Amount</u>
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>\$ 136,719</u>

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

(16) Lease liabilities

The Group's lease liabilities were as follow:

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
Current	<u>\$ 1,372</u>	<u>1,988</u>	<u>2,196</u>
Non-current	<u>\$ 3,933</u>	<u>4,821</u>	<u>5,305</u>

For the maturity analysis, please refer to note 6(24).

The amounts recognized in profit or loss were as follows:

	<u>For the three months ended</u> <u>September 30,</u>		<u>For the nine months ended</u> <u>September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Interest on lease liabilities	<u>\$ 16</u>	<u>21</u>	<u>53</u>	<u>73</u>
Expenses relating to short-term leases and leases of low-value assets	<u>\$ 1,901</u>	<u>938</u>	<u>4,702</u>	<u>2,809</u>

	<u>For the nine months ended</u> <u>September 30,</u>	
	<u>2025</u>	<u>2024</u>
Total cash outflow for leases	<u>\$ 6,329</u>	<u>4,913</u>

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(i) Land and buildings leases

As of September 30, 2025, December 31 and September 30, 2024, the Group leases land and buildings for a period of 4 to 41 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.

(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.

(17) 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, 2024 and 2023.

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

(18) Income tax

(i) Income tax expense

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Current tax expense				
Current period	\$ 31,337	20,925	60,295	59,738
Adjustment for prior periods	-	261	-	(1,431)
	31,337	21,186	60,295	58,307
Deferred tax expense	-	-	-	-
Income tax expense	\$ 31,337	21,186	60,295	58,307

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

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Exchange differences on translation of foreign financial statements	\$ 6,648	4,024	(12,666)	6,472

(ii) The Company's tax returns have been examined by the tax authorities through 2022.

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(19) 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 nine months ended September 30, 2025 and 2024. For related information on the shareholders' equity, please refer to note 6(19) of the 2024 annual consolidated financial statements.

(i) Issuance of ordinary shares

As of September 30, 2025, December 31 and September 30, 2024, the authorized capital of the Company all amounted to \$1,500,000 thousand; the issued capital amounted to \$1,186,493 thousand, \$1,190,293 thousand and \$1,190,293 thousand with par value of \$10 per share on September 30, 2025, December 31 and September 30, 2024, respectively.

(ii) Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
Additional paid-in capital	\$ 2,639,285	2,645,541	2,645,541
Difference between consideration and carrying amount arising from acquisition or disposal of subsidiaries shareholdings	327,270	327,270	327,270
Treasury share transaction	184,507	204,049	204,049
Share options and others	218,069	215,952	203,537
	\$ 3,369,131	3,392,812	3,380,397

The Company resolved in the shareholders' meeting held on May 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. Related information would be available at the Market Observation Post System website.

(iii) Retained earnings

The following are the appropriation of earnings in last two years which were approved during the shareholders' meeting held on May 28, 2025 and May 27, 2024, respectively:

	2024		2023	
	Amount per share (TWD)	Total amount	Amount per share (TWD)	Total amount
Dividends distributed to ordinary shareholders:				
Cash	0.95	\$ <u>112,717</u>	0.49	<u>57,626</u>

The appropriation of retained earnings for 2024 and 2023 is consistent with the resolution of the shareholder's 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:

In Thousands of Units/Shares

For the nine months ended September 30, 2025				
Reason for holding shares	Number of shares at the beginning of the period	Transferred in this period	Cancelled in this period	Number of shares at the end of the period
Transferred shares to employees	1,425	1,045	380	-
For the nine months ended September 30, 2024				
Reason for holding shares	Number of shares at the beginning of the period	Transferred in this period	Cancelled in this period	Number of shares at the end of the period
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.

On December 20, 2024, the board of directors resolved to transfer a total of 1,081 thousand treasury stocks to the employees of the company and its subsidiary at the transfer price of \$44.67 per share with the employee stock subscription base date set on December 20, 2024. Therefore, the recognized share-based compensation cost was \$10,357 thousand and the adjustment of the investments accounted for using equity method was \$1,566 thousand. The Company transferred \$1,045 thousand shares on February 21, 2025.

On May 9, 2025, the Board of Directors resolved to cancel 380 thousand treasury shares in accordance with Article 28-2, Paragraph 4 of the Securities and Exchange Act. The capital reduction base date was set as May 18, 2025, and the statutory registration procedures for the change have been completed on June 16, 2025.

As of September 30, 2025, December 31 and September 30, 2024, Uranus Chemicals holds 673 thousand ordinary shares of the Company, with the acquisition price of \$5,014 thousand and the amount of deemed treasury shares the Company recognized were both \$3,206 thousand, which was determined based on the Company's shareholding ratio in Uranus Chemicals of 65.18%.

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(20) Earnings per share

	For the three months ended September 30,		For the nine months ended September 30,	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Basic earnings per share:				
Net income attributable to ordinary shareholders of the company	\$ <u>84,155</u>	<u>39,334</u>	<u>63,363</u>	<u>148,574</u>
Weighted-average number of ordinary shares outstanding during the year (in thousands of shares)	<u>118,015</u>	<u>117,165</u>	<u>118,015</u>	<u>117,161</u>
Basic earnings per share (TWD)	\$ <u>0.71</u>	<u>0.34</u>	<u>0.54</u>	<u>1.27</u>
Diluted earnings per share:				
Net income attributable to ordinary shareholders of the Company (basic)	\$ 84,155	39,334	63,363	148,574
Interest expense on convertible bonds, net of tax	<u>891</u>	<u>902</u>	<u>2,638</u>	<u>2,682</u>
Net income attributable to ordinary shareholders of the Company (diluted)	\$ <u>85,046</u>	<u>40,236</u>	<u>66,001</u>	<u>151,256</u>
Weighted average number of ordinary shares outstanding (in thousands) (basic)	118,015	117,165	118,015	117,161
Effect of employee remuneration in share	20	79	36	79
Effect of conversion of convertible bonds	<u>7,051</u>	<u>6,883</u>	<u>7,051</u>	<u>6,883</u>
Weighted average number of ordinary shares outstanding (in thousands) (diluted)	\$ <u>125,086</u>	<u>124,127</u>	<u>125,102</u>	<u>124,123</u>
Diluted earnings per share (TWD)	\$ <u>0.68</u>	<u>0.32</u>	<u>0.53</u>	<u>1.22</u>

When calculating earnings 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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(21) Revenue from contracts with customers

Revenue from major markets region and products:

		For the three months ended September 30, 2025					
		Oxidation catalyst department	Battery material department	Chemical fertilizer department	Specialty chemical department	Other	Total
Taiwan	\$	62,923	17,930	103,324	160,202	12,339	356,718
China and other		136,082	1,159,904	-	52,182	55,310	1,403,478
		\$ 199,005	1,177,834	103,324	212,384	67,649	1,760,196

		For the three months ended September 30, 2024					
		Oxidation catalyst department	Battery material department	Chemical fertilizer department	Specialty chemical department	Other	Total
Taiwan	\$	48,809	26,180	100,096	164,155	20,017	359,257
China and other		123,168	444,945	-	57,463	12,207	637,783
		\$ 171,977	471,125	100,096	221,618	32,224	997,040

		For the nine months ended September 30, 2025					
		Oxidation catalyst department	Battery material department	Chemical fertilizer department	Specialty chemical department	Other	Total
Taiwan	\$	160,885	51,411	342,762	479,328	48,331	1,082,717
China and other		430,976	2,473,209	-	161,061	116,542	3,181,788
		\$ 591,861	2,524,620	342,762	640,389	164,873	4,264,505

		For the nine months ended September 30, 2024					
		Oxidation catalyst department	Battery material department	Chemical fertilizer department	Specialty chemical department	Other	Total
Taiwan	\$	164,952	83,742	347,820	467,468	56,117	1,120,099
China and other		367,968	1,226,505	-	198,658	277,861	2,070,992
		\$ 532,920	1,310,247	347,820	666,126	333,978	3,191,091

For details on notes and accounts receivables and allowance for impairment, please refer to note 6(4).

As of September 30, 2025, the contract liabilities – current amounting to 11,733 thousand.

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(22) Remuneration to employees and directors

On May 28, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if there is a profit for the fiscal year, the Company shall allocate no less than 1.5% of the profit as employees' remuneration. At least 40% of the total amount allocated for employees' remuneration shall be distributed to entry-level employees. The remuneration to employees may be distributed in the form of stock or cash, as resolved by the Board of Directors. Employees in subordinate companies who meet certain criteria are entitled to receive remuneration. The Company may have the Board of Directors resolve to appropriate no more than 5% of the aforementioned amount as the directors' remuneration. The distribution of employees' and directors' remunerations shall be reported in the Shareholders' Meeting. Where there is an accumulated loss, the profit shall be reserved to make up for the loss before appropriating the employees' and directors' remunerations. Prior to the amendment, the Articles of Incorporation stipulated that, if there is a profit in the year, the Company shall allocate no less than 1.5% of the profit as employees' remuneration. The remuneration to employees will be distributed in shares or cash by a resolution made by the board of directors. Employees in subordinate companies who meet certain criteria are entitled to receive remuneration. The Company may have the Board of Directors resolve to appropriate no more than 5% of the aforementioned amount as the directors' remuneration. The distribution of employees' and directors' remunerations shall be reported in the Shareholders' Meeting. Where there is an accumulated loss, the profit shall be reserved to make up for the loss before appropriating the employees' and directors' remunerations.

For the three months and nine months ended September 30, 2025 and 2024, the Company accrued and recognized its employee remuneration amounting to \$1,379 thousand, \$2,385 thousand, \$1,379 thousand and \$4,770 thousand and the director's remuneration were all amounting to \$0 thousand. These amounts were calculated using the Company's pre-tax income for each period before deducting the remunerations of employees and directors, multiplied by the proposed percentages of remunerations of employees and directors as stated in the Company's Articles of Incorporation. These remunerations were expensed under operating costs or expenses for each period. If there are any subsequent adjustments to the actual remuneration amounts after the annual shareholders' meeting, the adjustments will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year.

For the year 2024, the Company estimated its employee remuneration and director's remuneration amounting to \$4,770 thousand and \$0 thousand. There were no differences between the accrued and actual distributed amounts. Related information would be available at the Market Observation Post System website.

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(23) Non-operating income and expenses

(i) Other income

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Rental income	\$ 1,739	2,109	6,141	6,666
Other	12,536	7,440	21,955	25,971
	\$ 14,275	9,549	28,096	32,637

(ii) Other gains and losses, net

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Gain (loss) on disposal of property, plant and equipment	\$ (858)	132	(882)	245
Gain (loss) on valuation of financial assets and liabilities at FVTPL	(3,552)	11,959	(60,462)	21,560
Other loss (note12(3))	-	-	(108,015)	-
Others	(182)	(3,132)	(377)	(10,908)
	\$ (4,592)	8,959	(169,736)	10,897

(iii) Finance costs

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest expense – borrowings	\$ (27,719)	(9,341)	(60,870)	(35,012)
Interest expense – lease liabilities	(16)	(21)	(53)	(73)
Interest expense – convertible bonds payable	(1,113)	(1,128)	(3,297)	(3,353)
	\$ (28,848)	(10,490)	(64,220)	(38,438)

(iv) Interest income

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest income from bank deposits	\$ 7,437	8,940	29,658	30,808
Other interest income	4	3	6	4
	\$ 7,441	8,943	29,664	30,812

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(24) 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 2024 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>
September 30, 2025						
Non-derivative financial liabilities						
Short-term borrowings	\$ 1,609,575	1,628,244	1,503,945	124,299	-	-
Notes and accounts payable	257,767	257,567	257,567	-	-	-
Other payable	108,129	108,129	108,129	-	-	-
Long-term borrowing (including current portion of long-term borrowings)	1,478,231	1,661,676	180,638	152,074	370,335	958,629
Lease liabilities (including current and non-current)	5,305	5,754	949	498	524	3,783
Convertible bonds payable (including current portion of convertible bonds payable)	689,715	694,500	-	694,500	-	-
Deposit received	122	122	-	-	-	122
	<u>\$ 4,148,844</u>	<u>4,355,992</u>	<u>2,051,228</u>	<u>971,371</u>	<u>370,859</u>	<u>962,534</u>
	<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>
December 31, 2024						
Non-derivative financial liabilities						
Short-term borrowings	\$ 862,491	871,250	859,129	12,121	-	-
Notes and accounts payable	75,497	75,497	75,497	-	-	-
Other payables	113,949	113,949	113,949	-	-	-
Long-term borrowing (including current portion of long-term borrowings)	900,018	939,849	113,516	118,117	184,807	523,409
Lease liabilities (including current and non-current)	6,809	7,225	1,143	932	1,127	4,023
Convertible bonds payable (including current portion of convertible bonds payable)	686,417	694,500	-	694,500	-	-
Deposit received	152	152	-	-	-	152
	<u>\$ 2,645,333</u>	<u>2,702,422</u>	<u>1,163,234</u>	<u>825,670</u>	<u>185,934</u>	<u>527,584</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>
September 30, 2024						
Non-derivative financial liabilities						
Deposit received	\$ 149	149	-	-	-	149
Short-term borrowings	677,329	684,421	628,980	55,441	-	-
Notes and accounts payable	84,827	84,827	84,827	-	-	-
Other payable	64,735	64,735	64,735	-	-	-
Long-term borrowing (including current portion of long-term borrowings)	852,843	888,380	98,351	110,746	193,335	485,948
Lease liabilities (including current and non-current)	7,501	7,941	1,332	957	1,430	4,222
Convertible bonds payable (including current portion of convertible bonds payable)	690,733	700,000	-	700,000	-	-
	<u>\$ 2,378,117</u>	<u>2,430,453</u>	<u>878,225</u>	<u>867,144</u>	<u>194,765</u>	<u>490,319</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:

September 30, 2025			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD</u>
<u>Financial Assets</u>			
<u>Monetary items</u>			
USD	\$ 50,710	30.445	1,543,886
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
USD	40,860	30.445	1,243,983
December 31, 2024			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD</u>
<u>Financial Assets</u>			
<u>Monetary items</u>			
USD	\$ 28,816	32.785	944,733
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
USD	10,832	32.785	355,127
September 30, 2024			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>TWD</u>
<u>Financial Assets</u>			
<u>Monetary items</u>			
USD	\$ 30,749	31.650	973,206
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
USD	16,139	31.650	510,799

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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 September 30, 2025 and 2024, would have increased (decreased) the net income \$7,880 thousand and \$11,688 thousand, respectively.

3) Exchange gains and losses of monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the nine months ended September 30, 2025 and 2024, the foreign exchange gains (losses) (including realized and unrealized portions) amounted to \$22,749 thousand, \$(2,594) thousand, \$(23,127) thousand and \$37,522 thousand, 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.

If the interest rate had increased or decreased by 1%, the Group's net income would have decreased or increased by \$18,527 thousand and \$9,181 thousand for the nine months ended September 30, 2025 and 2024, 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:

	September 30, 2025				
	Carrying amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial liabilities at FVTPL-current	\$ 4,198	4,198	-	-	4,198
Financial assets at FVOCI-non-current	\$ 3,369	-	-	3,369	3,369
Convertible bonds payable (recorded in corporate convertible bonds callable in 1 year)	\$ 689,715	726,239	-	-	726,239

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	December 31, 2024				
	Carrying amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at FVTPL-current	\$ <u>16,461</u>	<u>16,461</u>	<u>-</u>	<u>-</u>	<u>16,461</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 corporate convertible bonds callable in 1 year)	\$ <u>686,417</u>	<u>701,792</u>	<u>-</u>	<u>-</u>	<u>701,792</u>

	September 30, 2024				
	Carrying amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at FVTPL-current	\$ <u>12,786</u>	<u>12,786</u>	<u>-</u>	<u>-</u>	<u>12,786</u>
Financial liabilities at FVOCI-non-current	\$ <u>7,102</u>	<u>-</u>	<u>7,102</u>	<u>-</u>	<u>7,102</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 (recorded in corporate convertible bonds callable in 1 year)	\$ <u>690,733</u>	<u>723,590</u>	<u>-</u>	<u>-</u>	<u>723,590</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 nine months ended September 30, 2025 and 2024.

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

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:

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Notes to the Consolidated Financial Statements

<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	Net asset · Liquidity discount (September 30, 2025, December 31 and September 30, 2024 were all 30%)	· The higher the net asset ratio multiplier, the higher fair value. · The higher of liquidity discount, the lower fair value.

5) Reconciliation of Level 3 fair values

	Equity instrument investment at FVOCI
September 30, 2025 (as beginning balance)	\$ 3,369
September 30, 2024 (as beginning balance)	\$ 3,369

(25) 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, 2024.

(26) 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, 2024, There were no significant changes in quantified factors of capital management from those in the consolidated financial statement for the year ended December 31, 2024. For related information about the capital management, please refer to note 6(26) of the consolidated financial statements for the year ended December 31, 2024.

(27) Financing activities not affecting current cash flow

Reconciliation of liabilities arising from financing activities were as follows:

	<u>January 1, 2025</u>	<u>Cash flows</u>	<u>Non-cash changes</u>		<u>September 30, 2025</u>
			<u>Additions</u>	<u>Foreign exchange movement and others</u>	
Deposit received	\$ 152	(30)	-	-	122
Short-term borrowings	\$ 862,491	733,985	-	13,099	1,609,575
Long-term borrowing (including current portion)	\$ 900,018	570,199	-	8,014	1,478,231
Lease liabilities (including current and non-current)	\$ 6,809	(1,574)	17	53	5,305
Convertible bonds payable (including current portion)	\$ 686,417	-	-	3,298	689,715

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	January 1, 2024	Cash flows	Non-cash changes		September 30, 2024
			Additions	Foreign exchange movement and others	
Deposit received	\$ 126	23	-	-	149
Short-term borrowings	\$ 1,070,154	(402,682)	-	9,857	677,329
Long-term borrowings (including current portion)	\$ 988,376	(135,533)	-	-	852,843
Lease liabilities (including current and non-current)	\$ 9,459	(2,031)	-	73	7,501
Convertible bonds payable (including current portion)	\$ 687,380	-	-	3,353	690,733

7. Related-party transactions

(1) Transactions with key management personnel

Key management personnel remuneration comprised:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Short-term employee benefits	\$ 7,750	8,146	28,297	27,845
Post-employment benefits	43	70	103	208
	\$ 7,793	8,216	28,400	28,053

8. Pledged assets

Except for note 6(15), the carrying amount of the Group's pledged assets are as follows:

Assets	Purpose of pledge	September 30, 2025	December 31, 2024	September 30, 2024
Land	Long- and short-term borrowings, obtaining credit limit for short-term borrowings and create a pledge of convertible bonds payable	\$ 1,387,790	1,361,049	1,361,049
Buildings	Long- and short-term borrowings, obtaining credit limit for short-term borrowings and create a pledge of convertible bonds payable	715,339	710,630	708,848
Machinery and Equipment	Long- and short-term borrowings	167,001	182,186	185,460
Restricted deposits (recorded in other financial assets – non-current)	Long-term borrowings	-	1,840	1,840
Restricted deposits (recorded in other financial assets – non-current)	Guarantee deposit of natural gas	2,700	2,700	2,700
Restricted deposit (recorded in other financial assets – non-current)	Create a pledge of convertible bonds payable	200,000	100,000	100,000
		\$ 2,472,830	2,358,405	2,359,897

Coremax Corporation and subsidiaries
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9. Commitments and contingencies

Except for the note 6(14), the remaining commitments and contingencies were as follows:

- (1) As of September 30, 2025, December 31 and September 30, 2024, the Group had acquired property, plant and equipment, with the remaining commitments of \$304,889 thousand, \$610,333 thousand and \$692,095 thousand, respectively.
- (2) As of September 30, 2025, December 31 and September 30, 2024, Coremax (BVI) Corporation, had applied for a borrowing facility with an amount of USD \$3,000 thousand (equivalent to \$91,335 thousand, \$98,355 thousand and \$94,950 thousand, respectively) from a bank, in which the Company holds the responsibility as its joint guarantor.
- (3) As of September 30, 2025, December 31 and September 30, 2024, VINACOREMAX COMPANY LIMITED, had applied for a borrowing facility with an amount of USD \$30,000 thousand and VND \$400,000,000 thousand (equivalent to \$1,369,350 thousand, \$1,491,550 thousand and \$1,457,500 thousand, respectively) from a bank, in which the Company holds the responsibility as its joint guarantor.

10. Losses due to major disasters: None

11. Subsequent events

In order to repay bank loans and strengthen operating capital, the Company resolved at the Board of Directors meeting on October 15, 2025 to conduct a cash capital increase by issuing new shares. The tentative issue price is NTD \$50 per share, with the total number of shares not exceeding 6,000,000 shares. The actual issue price will be determined by the Board of Directors in accordance with relevant regulations after approval by the competent authority.

In order to repay bank loans and strengthen operating capital, the Company resolved at the Board of Directors meeting on October 15, 2025 to issue the fourth domestic guaranteed convertible bonds, with a total issuance amount not exceeding NTD\$600,000 thousand. The relevant conversion procedures will be handled in accordance with applicable laws and regulations and submitted for approval by the competent securities authority. The Chairman is authorized to handle all related matters.

12. Other

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

By function	For the three months ended September 30 2025			For the three months ended September 30 2024		
	Classified as operating cost	Classified as operating expenses	Total	Classified as operating cost	Classified as operating expenses	Total
By item						
Employee benefits						
Salaries	59,619	37,729	97,348	54,888	31,027	85,915
Labor and health insurance	6,120	4,153	10,273	6,044	3,410	9,454
Pension	2,292	1,180	3,472	2,496	1,158	3,654
Remuneration of directors	-	3,581	3,581	-	4,286	4,286
Others	6,731	2,084	8,815	4,282	1,054	5,336
Depreciation	83,559	7,605	91,164	70,734	10,651	81,385

Coremax Corporation and subsidiaries
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By function	For the nine months ended September 30 2025			For the nine months ended September 30 2024		
	Classified as operating cost	Classified as operating expenses	Total	Classified as operating cost	Classified as operating expenses	Total
By item						
Employee benefits						
Salaries	180,886	111,045	291,931	179,026	101,111	280,137
Labor and health insurance	18,729	12,959	31,688	18,298	10,655	28,953
Pension	7,225	3,501	10,726	7,469	3,340	10,809
Remuneration of directors	-	10,417	10,417	-	7,860	7,860
Others	20,408	6,717	27,125	18,799	5,764	24,563
Depreciation	233,789	23,656	257,445	217,384	27,002	244,386

(2) Seasonality of operations

The Group's operations were not affected by seasonality factors.

(3) Others:

During a handover inventory count conducted by personnel of the Company's subsidiary, Uranus Chemicals, a suspected internal misappropriation of inventory by employees was discovered. The Group has recognized an estimated loss of \$108,015 thousand, which was recorded in "other losses" for the nine months ended September 30, 2025. Please refer to Note 6(23). Legal proceedings have been initiated with the assistance of judicial authorities and attorneys to assess potential claims for compensation against the suspected party, in order to recover losses and protect shareholders' interests.

The case is still under investigation. Based on the Company's evaluation, the incident is not expected to have a material impact on the financial position and operations of the Company and its subsidiary, Uranus Chemicals.

13. Other disclosures

(1) Information on significant transactions:

The followings were the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the nine months ended September 30, 2025:

- (i) Lending 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 September 30, 2025 (excluding investment in subsidiaries, associates and joint ventures): Please refer to Table 3.
- (iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None.

Coremax Corporation and subsidiaries
Notes to the Consolidated Financial Statements

- (v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None.
- (vi) Business relationships and significant intercompany transactions: Please refer to Table 4.
- (2) Information on investees (excluding information on investees in Mainland China): The information on investees for the nine months ended September 30, 2025, please refer to Table 5.
- (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 6(1).
 - (ii) Limitation on investment in Mainland China: Please refer to Table 6(2).
 - (iii) Significant transactions:

The significant inter-company transactions with the subsidiaries in Mainland China for the nine months ended September 30, 2025, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information on significant transactions”.

14. Segment information

For related information about segment, please refer to note 6(21).

Coremax Corporation and Subsidiaries
Lending to other parties
For the nine months ended September 30, 2025

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 limits (Note 3)	Maximum limit of fund financing (Note 2)
													Item	Value		
1	COREMAX (BVI) CORPORATION	Coremax Ningbo Chemical Co., Ltd.	Other receivables	Yes	26,564	24,356	-	5%	2	-	Operating demand	-	None	-	110,106	165,159
1	COREMAX (BVI) CORPORATION	COREMAX (THAILAND) CO., LTD.	Other receivables	Yes	83,013	76,113	62,412	4.5%	2	-	Operating demand	-	None	-	110,106	165,159
1	COREMAX (BVI) CORPORATION	Coremax (Zhangzhou) Chemical Co., Ltd.	Other receivables	Yes	33,205	30,445	-	5%	2	-	Operating demand	-	None	-	110,106	165,159
2	Coremax Ningbo Chemical Co., Ltd.	Coremax (Zhangzhou) Chemical Co., Ltd.	Other receivables	Yes	18,292	17,084	-	3.5%	2	-	Operating demand	-	None	-	34,065	51,098
3	Coremax (Zhangzhou) Chemical Co., Ltd.	Coremax Ningbo Chemical Co., Ltd.	Other receivables	Yes	18,292	17,084	-	3.5%	2	-	Operating demand	-	None	-	40,338	60,508

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 nine months ended September 30, 2025

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 endorsements / guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements / guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 2)										
0	The Company	COREMAX (BVI) CORPORATION	2	2,744,339	99,615	91,335	-	-	1.66 %	2,744,339	Y	N	N
0	The Company	VINACOREMAX COMPANY LIMITED	2	2,744,339	1,508,150	1,369,350	602,972	-	24.95 %	2,744,339	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 reviewed/ audited.

Note 4: The total amount for guarantees and endorsements provided by the Company to any individual entity shall not exceed 50% of latest financial statements of the Company's net worth reviewed/ audited.

Coremax Corporation and Subsidiaries
Securities held as of September 30, 2025 (excluding investment in subsidiaries, associates and joint ventures)
For the nine months ended September 30, 2025

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	
Uranus Chemicals Co., Ltd.	Stock of HSINCHU GOLF COUNTRY CLUB Co., Ltd	None	Non-current financial assets at fair value through other comprehensive income	3	3,369	0.35 %	3,369	-

Coremax Corporation and Subsidiaries
Business relationships and significant intercompany transactions
For the nine months ended September 30, 2025

Table 4

(Amounts in Thousands)

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	VINACOREMAX COMPANY LIMITED	The parent company to the subsidiary	Sales	75,644	No significant difference from Ordinary transaction	1.77 %
0	The Company	COREMAX (THAILAND) CO., LTD.	The parent company to the subsidiary	Sales	75,343	"	1.77 %
1	COREMAX (BVI) CORPORATION	COREMAX (THAILAND) CO., LTD.	The parent company to the subsidiary	Other Receivables	63,861	Financing capital	0.57 %

Coremax Corporation and Subsidiaries
Information on Investees (Excluding Information on Investees in Mainland China)
For the nine months ended September 30, 2025

Table 5

(Shares in Thousands /Amount in Thousands)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2025	December 31, 2024	Shares (thousands)	Percentage of ownership	Carrying value			
The Company	COREMAX (BVI) CORPORATION	British Virgin Islands	Investment company	302,406	302,406	9,658	100 %	545,072	69,370	69,370	Note 1
The Company	Heng I 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 %	1,573,261	102,211	84,373	Note 1
The Company	Uranus Chemicals Co., Ltd.	Taiwan	Manufacturing and sales of oxalic acid (organic) and inorganic acid 、 rare earth compounds 、 cobalt compound and related products	934,321	934,321	43,266	65.18 %	1,086,791	(199,005)	(130,090)	Note 1
The Company	VINACOREMAX COMPANY LIMITED	Vietnam	Manufacturing and sales of inorganic acid and related products	446,155	446,155	-	100 %	339,339	(37,467)	(37,467)	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 %	129,649	20,332	20,332	Note 1

Note1: The relevant transactions and ending balance are eliminated in consolidated financial statement.

Coremax Corporation and Subsidiaries
Information on Investment in Mainland China
For the nine months ended September 30, 2025

Table 6

(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, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2025	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Notes 3, 6)	Book value	Accumulated remittance of earnings in current period	Note
					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	31,851	100.00%	31,851	170,327	-	Note 3
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	15,663	100.00%	15,663	201,694	-	Note 3
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	(525)	100.00%	(525)	12,525	-	Note 4

(2) Limitation on investment in Mainland China

Cumulated Investment in Mainland China as of September 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA (note 7)	Upper Limit on Investment (Note 5)
273,982 (USD 8,808)	434,998 (USD 14,288)	3,293,207

Note 1: The paid-up capital amount is NTD \$98,482 thousand (USD\$3,000 thousand), which included the cash remitted by the Company through its subsidiary, COREMAX (BVI) CORPORATION amounting to NTD \$81,240 thousand (USD \$2,470 thousand) and surplus from COREMAX (BVI) CORPORATION amounting to NTD \$17,242 thousand (USD \$530 thousand).

Note 2: The paid up capital amount is NTD \$185,654 thousand (USD \$6,280 thousand), which included the cash remitted by the Company through its subsidiary, COREMAX (BVI) CORPORATION, amounting to NTD \$124,097 thousand (USD \$4,200 thousand), surplus from COREMAX (BVI) CORPORATION amounting to NTD \$6,055 thousand (USD \$200 thousand), Coremax (BVI) Corporation acquired of shares from other external shareholders amounting to NTD \$24,698 thousand (USD \$788 thousand) in obtaining paid up capital of NTD \$21,890 thousand (USD \$750 thousand), cash remitted by Coremax Zhuhai Chemical Co., Ltd (the entity was disposed of to a third party in July 2021). is amounting to NTD \$20,720 thousand (USD \$700 thousand), and cash remitted by Coremax Ningbo Chemical Co., Ltd. Is amounting to NTD \$12,892 thousand (USD \$430 thousand).

Note 3: Amount was recognized based on the unreviewed financial statement.

Note 4: Amount was recognized based on the reviewed 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.