Stock Code: 3663

ThinTech Materials Technology Co., Ltd. and Its Subsidiaries

Consolidated Financial Statements and Independent Auditor's Review Report

For the Six Months Ended June 30, 2026 and 2025

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Independent Auditor's Report

To ThinTech Materials Technology Co., Ltd.,

Introduction

We have reviewed the accompanying consolidated balance sheets of ThinTech Materials Technology Co., Ltd. ("the Company") and its subsidiaries (collectively, "the Group") as of June 30, 2026 and 2025, the consolidated statements of comprehensive income for the three months ended June 30, 2026 and 2025, and six months ended June 30, 2026 and 2025, and the consolidated statements of changes in equity and of cash flows for the six months ended June 30, 2026 and 2025, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the consolidated financial statements). 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 (FSC) of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Corporation and its subsidiaries as of June 30, 2026 and 2025, and of its consolidated financial performance for the three months ended June 30, 2026 and 2025, and six months ended June 30, 2026 and 2025, and its consolidated cash flows for the six months ended June 30, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC.

The engagement partners on the reviews resulting in this independent auditors' review report are Wang, Chao-Chun and Kuo, Li-Yua.

Deloitte &
Touche
Taipei,
Taiwan
Republic of
China

August 5, 2026

Notice to Readers

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

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

ThinTech Materials Technology Co., Ltd. and Its Subsidiaries
Consolidated Balance sheets

Unit: NT$ thousand

Code	Assets	June 30, 2026 Amount	%	December 31, 2025 Amount	%	June 30, 2025 Amount	%
	Current assets						
1100	Cash and cash equivalents (Note 6)	$ 648,003	12	$ 381,671	9	$ 421,979	11
1110	Financial assets at fair value through profit or loss - current (Note 7)	-	-	-	-	7,885	-
1120	Financial assets at fair value through other comprehensive income - current (Note 8)	756,802	14	119,029	3	-	-
1139	Financial assets for hedging - current (Note 28)	9,096	-	58,062	1	15,964	-
1150	Notes payable (Notes 9、28 and 30)	508,121	10	520,430	12	447,320	11
1170	Accounts receivable, net (Notes 9 and 29)	563,345	11	429,161	10	567,508	14
1200	Other receivables (Notes 9 and 29)	8,116	-	24,639	-	15,499	-
1220	Current income tax assets	8,819	-	12,233	-	-	-
130X	Inventory (Note 10)	1,644,452	30	1,757,807	40	1,420,871	36
1410	Prepayments (Note 11)	217,599	4	78,134	2	102,940	3
1476	Other financial assets - current (Note 14)	52,933	1	73,454	2	65,574	2
1479	Other current assets	227	-	172	-	321	-
11XX	Total non-current assets	4,417,513	82	3,454,792	79	3,065,861	77
	Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current (Note 7)	26,871	1	18,093	-	11,962	-
1517	Financial assets at fair value through other comprehensive income - non-current (Note 8)	14,355	-	1,642	-	37,882	1
1550	Investments using the equity method (Note 13)	47,315	1	33,086	1	31,937	1
1600	Property, plant and equipment (Notes 15 and 30)	622,762	11	556,875	13	515,649	13
1755	Right-of-use assets (Note 16)	192,475	4	188,561	4	184,803	5
1760	Investment properties(Note 17)	16,753	-	16,798	-	15,957	-
1801	Computer software	1,707	-	2,596	-	3,298	-
1840	Deferred tax assets	33,008	1	43,892	1	45,113	1
1915	Prepayments for equipment	303	-	42,361	1	27,771	1
1920	Guarantee deposits paid (Note 29)	11,932	-	3,962	-	14,945	-
1975	Net defined benefit assets (Note 4)	20,459	-	20,319	1	18,469	1
1980	Other financial assets – noncurrent (Note 14)	10,802	-	10,353	-	9,419	-
1990	Other non-current assets (Note 9)	2,351	-	2,522	-	2,586	-
15XX	Total non-current assets	1,001,093	18	941,060	21	919,791	23
1XXX	Total assets	$5,418,606	100	$4,395,852	100	$3,985,652	100
Code	Liabilities and equity						
	Current liabilities						
2100	Short-term borrowings (Notes 18 and 30)	$ 77,760	1	$ 368,235	8	$ 251,987	6
2120	Financial liabilities at fair value through profit or loss - current (Note 7)	29	-	-	-	-	-
2126	Financial liabilities for hedging - current (Note 28)	33,785	1	83,420	2	80,532	2
2130	Contract liabilities - current (Note 23)	331,410	6	260,782	6	142,577	4
2150	Notes payable	570,653	11	472,198	11	495,139	13
2170	Accounts payable	48,264	1	21,653	1	47,033	1
2216	Dividend payable (Note 22)	-	-	-	-	43,398	1
2219	Other payables (Notes 19 and 29)	78,182	2	87,807	2	67,471	2
2230	Current tax liabilities	4,523	-	2,517	-	13,924	-
2280	Lease liabilities - current (Note 16)	6,179	-	5,956	-	5,909	-
2310	Unearned receipts(Notes 17 and 29)	3,932	-	3,769	-	3,430	-
2322	Current portion of long-term liabilities（Note 18）	65,000	1	75,000	2	83,333	2
2399	Other current liabilities	1,476	-	1,820	-	1,353	-
21XX	Total current liabilities	1,221,193	23	1,383,157	32	1,236,086	31
	Non-current liabilities						
2541	Long-term bank borrowings（Note 18）	260,000	5	437,500	10	416,667	10
2550	Provisions - noncurrent（Note 20）	73,576	1	71,626	2	65,273	2
2570	Deferred tax liabilities	6,680	-	12,144	-	4,017	-
2580	Lease liabilities - non-current (Note 16)	98,211	2	96,724	2	99,714	3
2645	Guarantee deposits received	1,149	-	988	-	695	-
2670	Other non-current liabilities(Notes 17 and 29)	10,017	-	9,360	-	10,231	-
25XX	Total non-current liabilities	449,633	8	628,342	14	596,597	15
2XXX	Total liabilities	1,670,826	31	2,011,499	46	1,832,683	46
	Equity attributable to owners of the Company (Note 22)						
	Share capital						
3110	Ordinary share capital	1,084,940	20	1,084,940	25	1,084,940	27
3200	Capital surplus	752,214	14	752,214	17	752,214	19
	Retained earnings						
3310	Legal reserve	52,894	1	52,894	1	52,894	1
3320	Special reserve	60,974	1	60,974	1	60,974	2
3350	Unappropriated earnings (accumulated deficit)	616,736	12	(4,978)	-	(1,164)	-
3300	Total retained earnings	730,604	14	108,890	2	112,704	3
	Other equity						
3410	Exchange differences arising from the translation of the financial statements of foreign operations	(100,429)	(2)	(151,019)	(3)	(258,402)	(6)
3420	Unrealized gain or loss on financial assets at fair value through other comprehensive income	766,414	14	88,502	2	5,363	-
3400	Total other equity	665,985	12	(62,517)	(1)	(253,039)	(6)
31XX	Total equity attributable to owners of the Company	3,233,743	60	1,883,527	43	1,696,819	43
36XX	Non-controlling interests	514,037	9	500,826	11	456,150	11
3XXX	Total equity	3,747,780	69	2,384,353	54	2,152,969	54
	Total liabilities and equity	$5,418,606	100	$4,395,852	100	$3,985,652	100

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

ThinTech Materials Technology Co., Ltd. and Its Subsidiaries
Consolidated Statements of Comprehensive Income
Unit: In NT$ thousand, except for earnings (Loss) per share in NT$

Code		For the Three Months Ended June 30				For the Six Months Ended June 30			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue, net (Notes 23 and 29)	$1,646,617	100	$1,604,273	100	$4,095,477	100	$2,753,210	100
5000	Operating costs (Notes 10 and 24)	1,590,528	97	1,536,147	96	3,912,628	95	2,612,069	95
5900	Gross profit	56,089	3	68,126	4	182,849	5	141,141	5
	Operating expenses (Notes 9, 24 and 29)								
6100	Selling expenses	11,901	-	15,021	1	23,392	-	28,305	1
6200	Administrative expenses	29,454	2	27,041	2	66,493	2	59,894	2
6300	R&D expenses	14,664	1	13,810	1	28,184	1	25,307	1
6450	Expected credit losses (reversal)	(5)	-	7	-	(12)	-	7	-
6000	Total operating expenses	56,014	3	55,879	4	118,057	3	113,513	4
6900	Net operating income	75	-	12,247	-	64,792	2	27,628	1
	Non-operating income and expenses (Notes 24 and 29)								
7100	Interest income	1,181	-	1,028	-	1,511	-	3,143	-
7010	Other income	6,501	-	15,587	1	9,047	-	28,596	1
7020	Other gains and losses	4,339	-	(29,837)	(2)	(17,175)	(1)	(22,650)	(1)
7050	Financial costs	(8,145)	-	(5,155)	-	(15,034)	-	(10,137)	-
7060	Share of profit or loss on affiliates using the equity method	424	-	264	-	347	-	281	-
7000	Total non-operating income and expenses	4,300	-	(18,113)	(1)	(21,304)	(1)	(767)	-
7900	Net income (loss) before tax	4,375	-	(5,866)	(1)	43,488	1	26,861	1
7950	Income tax expense (benefit) (Notes 4 and 25)	(735)	-	4,015	-	11,343	-	21,110	1
8200	Net income (loss) for the period	5,110	-	(9,881)	(1)	32,145	1	5,751	-
	Other comprehensive income (Note 22)								
8310	Items not reclassified to profit or loss								

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Code		For the Three Months Ended June 30				For the Six Months Ended June 30			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
8316	Unrealized gains or losses on investment in equity instruments at fair value through other comprehensive income	$1,089,125	66	($ 2,477)	-	$1,252,987	31	$ 6,624	-
	Remeasurements of defined benefit plans of affiliates								
8321	Unrealized gains or losses on affiliates' investment in equity instruments at fair value through other comprehensive income	-	-	-	-	1	-	5	-
8326	Unrealized gains or losses on investment in equity instruments at fair value through other comprehensive income	5,567	1	(523)	-	15,916	-	(1,641)	-
8360	Items that may subsequently be reclassified to profit or loss								
8361	Exchange differences arising from the translation of the financial statements of foreign operations	22,809	1	(178,249)	(11)	72,227	2	(141,934)	(5)

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Code		For the Three Months Ended June 30				For the Six Months Ended June 30			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
8300	Other comprehensive income for this year (net of tax)	$1,117,501	68	($ 181,249)	(11)	$1,341,131	33	($ 136,946)	(5)
8500	Total comprehensive income for the period	$1,122,611	68	($ 191,130)	(12)	$1,373,276	34	($ 131,195)	(5)
	Net income (loss) for the period attributable to:								
8610	Owners of the Company	$ 2,602		($ 11,608)		$ 30,722		($ 2,372)	
8620	Non-controlling interests	2,508		1,727		1,423		8,123	
8600		$ 5,110		($ 9,881)		$ 32,145		$ 5,751	
	Total comprehensive income for this year attributable to:								
8710	Owners of the Company	$1,113,267		($ 139,371)		$1,350,216		($ 96,961)	
8720	Non-controlling interests	9,344		(51,759)		23,060		(34,234)	
8700		$1,122,611		($ 191,130)		$1,373,276		($ 131,195)	
	Earnings (loss) per share (Note 26)								
9750	Basic	$ 0.02		($ 0.11)		$ 0.28		($ 0.02)	
9850	Diluted	0.02		(0.11)		0.28		(0.02)	

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

ThinTech Materials Technology Co., Ltd. and Its Subsidiaries
Consolidated Statements of Changes in Equity

Unit: NT$ thousand

Code		Equity attributable to owners of the Company										
		Share capital			Retained earnings			Other equity items				
		Ordinary share capital	Capital collected in advance	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings (accumulated deficit)	Exchange differences arising from the translation of the financial statements of foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive income	Total	Non-controlling Interests	Total equity
A1	Balance as of January 1, 2026	$ 1,084,940	$ -	$ 752,214	$ 52,894	$ 60,974	($ 4,978)	($ 151,019)	$ 88,502	$ 1,883,527	$ 500,826	$ 2,384,353
D1	Net income for the six months ended June 30, 2026	-	-	-	-	-	30,722	-	-	30,722	1,423	32,145
D3	Other comprehensive income after tax for the six months ended June 30, 2026	-	-	-	-	-	1	50,590	1,268,903	1,319,494	21,637	1,341,131
D5	Total comprehensive income for the six months ended June 30, 2026	-	-	-	-	-	30,723	50,590	1,268,903	1,350,216	23,060	1,373,276
O1	Adjustment of non-controlling interests(Note 22)	-	-	-	-	-	-	-	-	-	(9,849)	(9,849)
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income (Note 22)	-	-	-	-	-	590,991	-	(590,991)	-	-	-
Z1	Balance as of June 30, 2026	$ 1,084,940	$ -	$ 752,214	$ 52,894	$ 60,974	$ 616,736	($ 100,429)	$ 766,414	$ 3,233,743	$ 514,037	$ 3,747,780
A1	Balance as of January 1, 2025	$ 1,077,831	$ 7,109	$ 795,626	$ 47,494	$ -	$ 66,374	($ 158,825)	$ 1,583	$ 1,837,192	$ 520,566	$ 2,357,758
	Earnings appropriation and distribution for 2024 (Note 22)											
B1	Legal reserve	-	-	-	5,400	-	(5,400)	-	-	-	-	-
B3	Special reserve provided	-	-	-	-	60,974	(60,974)	-	-	-	-	-
		-	-	-	5,400	60,974	(66,374)	-	-	-	-	-
C7	Changes in capital surplus from investments in associates and joint ventures accounted for by using equity method	-	-	(14)	-	-	-	-	-	(14)	-	(14)
C15	Appropriation of capital surplus in cash (Note 22)	-	-	(43,398)	-	-	-	-	-	(43,398)	-	(43,398)
D1	Net income (loss) for the six months ended June 30, 2025	-	-	-	-	-	(2,372)	-	-	(2,372)	8,123	5,751
D3	Other comprehensive income after tax for the six months ended June 30, 2025	-	-	-	-	-	5	(99,577)	4,983	(94,589)	(42,357)	(136,946)
D5	Total comprehensive income for the six months ended June 30, 2025	-	-	-	-	-	(2,367)	(99,577)	4,983	(96,961)	(34,234)	(131,195)
I1	Convertible bonds converted to ordinary shares	7,109	(7,109)	-	-	-	-	-	-	-	-	-
O1	Adjustment of non-controlling interests(Note 22)	-	-	-	-	-	-	-	-	-	(30,182)	(30,182)
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income (Note 22)	-	-	-	-	-	1,203	-	(1,203)	-	-	-
Z1	Balance as of June 30, 2025	$ 1,084,940	$ -	$ 752,214	$ 52,894	$ 60,974	($ 1,164)	($ 258,402)	$ 5,363	$ 1,696,819	$ 456,150	$ 2,152,969

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

ThinTech Materials Technology Co., Ltd. and Its Subsidiaries
Consolidated Statements of Cash Flows

Unit: NT$ thousand

Code		For the Six Ended June 30 2026	2025
	Cash flows from operating activities		
A10000	Net income before tax for this year	$ 43,488	$ 26,861
A20010	Income and expense items		
A20100	Depreciation expenses	43,451	42,603
A20200	Amortization expenses	1,189	1,229
A20300	Expected credit losses (reversal)	(12)	7
A20400	Net loss on financial assets and liabilities at fair value through profit or loss	19,949	2,201
A20900	Financial costs	15,034	10,137
A21200	Interest income	(1,511)	(3,143)
A21300	Dividends income	(55)	-
A22300	Share of the profit of associates	(347)	(281)
A22500	Loss (Gain) on disposal of property, plant and equipment	40	(165)
A23800	Losses on inventory valuation loss (gains on inventory value recovery)	40,476	(14,389)
A29900	Recognition of provisions	-	834
A30000	Net movements in operating assets and liabilities		
A31115	Financial assets mandatorily at fair value through profit or loss	79	894
A31130	Notes receivable	12,309	106,750
A31150	Accounts receivable	(134,172)	(70,593)
A31180	Other receivables	18,663	4,714
A31200	Inventory	72,110	111,070
A31230	Prepayments	(139,465)	41,647
A31240	Other current assets	(55)	(119)
A31990	Net defined benefit assets	(140)	(138)
A32120	Financial liabilities for hedging	(49,635)	(88,553)
A32125	Contract liabilities	70,628	16,921
A32130	Notes payable	98,455	(43,688)
A32150	Accounts payable	26,611	(2,252)
A32180	Other payables	(6,522)	(42,321)
A32210	Unearned receipts	163	(324)

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Code		For the Six Ended June 30 2026	2025
A32200	Provisions	($ 1,120)	($ 1,480)
A32230	Other current liabilities	(344)	(28)
A32990	Other non-current liabilities	249	238
A33000	Cash inflow from operations	129,516	98,632
A33500	Income tax paid	(286)	(23,203)
AAAA	Net cash inflow from operating activities	129,230	75,429
	Cash flows from investing activities		
B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	602,500	-
B00100	Acquisition of financial assets at fair value through profit or loss	(4,500)	-
B01500	Acquisition of financial assets for hedging	-	(20,356)
B01600	Disposal of financial assets for hedging	24,689	-
B02700	Acquisition of property, plant and equipment	(58,849)	(16,091)
B02800	Proceeds from disposal of property, plant and equipment	-	635
B03700	Increase in guarantee deposits paid	(7,970)	(10,564)
B06500	Increase in other financial assets	-	(19,910)
B06600	Decrease in other financial assets	20,072	-
B06700	Increase in other non-current assets	-	(58)
B07100	Increase in prepayments for equipment	-	(3,473)
B07500	Interest received	1,511	3,212
B07600	Dividends received	55	-
BBBB	Net cash inflow (outflow) from investing activities	577,508	(66,605)
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	1,338,694	748,628
C00200	Decrease in short-term borrowings	(1,631,500)	(693,801)
C00500	Increase in short-term bills payable	-	80,000
C00600	Decrease in short-term bills payable	-	(80,000)
C01700	Repayments of long-term borrowings	(187,500)	-
C03000	Proceeds from guarantee deposits received	160	-
C03100	Refund of guarantee deposits received	-	(290)
C04020	Repayment of lease principal	(3,047)	(2,919)
C05600	Interest paid	(15,496)	(9,928)
C05800	Decrease in non-controlling interests	-	(30,182)
CCCC	Net cash inflow (outflow) from financing activities	(498,689)	11,508

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Code		For the Six Ended June 30 2026	2025
DDDD	Effect of movements in exchange rates on cash and cash equivalents	$ 58,283	($ 125,464)
EEEE	Net increase (decrease) in cash and cash equivalents	266,332	(105,132)
E00100	Opening balance of cash and cash equivalents	381,671	527,111
E00200	Ending balance of cash and cash equivalents	$ 648,003	$ 421,979

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

1. Company history

ThinTech Materials Technology Co., Ltd. (hereinafter referred to as "the Company") was incorporated in March 2000 and mainly engages in the processing and sales of a variety of thin film sputtering targets and precious metals, as well as trading of commodity metals.

The Company's parent company is Gains Investment Corporation (with substantive control power), which held 46.62%、46.88% and 46.9% of the Company's ordinary shares as of June 30, 2026 and December 31 and June 30, 2025, respectively. The Company's ultimate parent company is China Steel Corporation.

The Company's stock has been listed on the Taipei Exchange for trading since November 20, 2012.

The consolidated financial statements are presented in the Company's functional currency, i.e., New Taiwan dollar (NTD).

2. Date and Procedures for Approval of Financial Statements

The consolidated financial statements were published after being approved by the Board of Directors on August 5, 2026.

3. Application of New and Revised Standards and Interpretation

(1) Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The application of the IFRSs endorsed and issued into effect by the FSC will not cause a material change in the Group's accounting policies.

(2) The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (including the 2025 amendments to IFRS 19)	January 1, 2027
IFRS 20 "Regulatory Assets and Regulatory Liabilities"	January 1, 2029
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027
Amendments to IAS 28 "Amendments to the Fair Value Option for Investments in Associates and Joint Ventures"	January 1, 2027 (Note 3)

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect

starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

Note 3: An entity shall apply the amendments when it applies IFRS 18.

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

IFRS 18 will supersede IAS 1" Presentation of Financial Statements". The main changes comprise:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.

- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities.

In addition to the above impacts, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of other standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. Summary of Significant Accounting Policies

(1) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. The consolidated financial statements do not present full disclosures required for a complete set of IFRSs annual financial statements.

(2) Basis of preparation

The consolidated financial statements were prepared on the historical cost basis, except for financial instruments measured at fair value and net defined benefit liabilities recognized at the present value of defined benefit obligation less the fair value of plan assets.

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

I. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

II. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

III. Level 3 inputs are unobservable inputs for an asset or liability.

(3) Basis of consolidation

See Note 12 and Tables 3 and 4 for more information on subsidiaries' statements shareholding ratios, and main business).

(4) Other significant accounting policies

Except for the following, refer to the summary of significant accounting policies and basis of preparation in the consolidated financial statements for the year ended December 31, 2025.

I. Retirement 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 end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

II. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated on an interim period's pre-tax income by applying to the tax rate that would be applicable to expected total annual earnings.

5. Significant Accounting Judgments and Estimations, and Main Sources of Assumption Uncertainties

When the Group adopts accounting policies, the management is required to make judgments, estimates and assumptions that are based on historical experience and other factors that are not readily apparent from other sources. Actual results may differ from the estimates.

The management will continue to review the estimates and basic assumptions. If a revision of an estimate affects only the current year, it is recognized in the period in which it is revised. If a revision of an accounting estimate affects both the current year and future periods, it is recognized in the year in which it is revised and in the future periods.

The remaining significant accounting judgments, estimates and key sources of assumption uncertainty used in this Consolidated Financial Statements are the same as those used in the FY2025 Consolidated Financial Statements.

6. Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand and working capital	$ 445	$ 390	$ 379
Demand deposits in banks	420,928	250,897	216,793
Cash equivalents			
Bank demand deposits with initial duration of more than 3 months	226,630	130,384	204,807
	$648,003	$381,671	$421,979

7. Financial instruments at fair value through profit or loss

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets - current			
Mandatorily at fair value through profit or loss			
Derivatives (not designated for hedging)			
Forward exchange agreements	$ -	$ -	$ 46
Domestic emerging market shares	-	-	7,839
	$ -	$ -	$ 7,885
Financial assets – non-current			
Mandatorily at fair value through profit or loss			
Mutual funds	$26,871	$18,093	$11,962
Financial liabilities -current			
Financial liabilities held for trading			
Forward exchange agreements	$ 29	$ -	$ -

The Company's forward exchange agreements are primarily used to hedge risks arising from foreign-currency assets and liabilities due to exchange rate fluctuations. As the failure to adopt hedge accounting for the three months and six months ended June 30, 2026 and 2025 results in a gain of NT$63 thousand, NT$ 991 thousand, NT$50 thousand and NT$970 thousand, respectively, recognized in the financial assets at fair value through profit or loss and liabilities.

At the consolidated balance sheet date, the outstanding forward exchange agreements are as follows:

	Currency	Due period	Contract amount (in thousands of dollars)
June 30, 2026			
Forward exchange agreements	From USD to NTD	2026.07	USD150／NTD4,744
June 30, 2025			
Forward exchange agreements	From USD to NTD	2025.07	USD150／NTD4,412

8. Financial assets at fair value through other comprehensive income

	June 30, 2026	December 31, 2025	June 30, 2025
Current			
Domestic investment			
Listed shares	$756,802	$119,029	$ -
Non-current			
Domestic investment			
Emerging market shares	$ 14,355	$ -	$ 37,740
Unlisted stocks	-	1,642	142
	$ 14,355	$ 1,642	$ 37,882

The Group invests in domestic stocks in alignment with the medium and long-term strategic purposes and anticipates makeing profits through long-term investment. The Group's management believes that if the short-term fair value fluctuations of such investments are recognized in profit or loss, it is inconsistent with the afore-mentioned long-term investment strategy, so it has chosen to designate such investments as at fair value through other comprehensive income.

9. Notes and accounts receivable and other receivables

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable (from operations)			
At amortized cost	$508,121	$520,430	$447,320
Accounts receivable			
At amortized cost			
Total carrying amount	$563,345	$429,173	$567,515
Less: Allowance for losses	-	12	7
	$563,345	$429,161	$567,508
Other receivables			
Amount of transfer of debt of TCMC, a disposed subsidiary	$ 15,333	$ 15,333	$ 15,332
Business tax refund	5,735	22,726	10,392
Dividend receivable	2,175	-	2,803
Others	206	1,913	2,304
	23,449	39,972	30,831
Less: Allowance for losses	15,333	15,333	15,332
	$ 8,116	$ 24,639	$ 15,499

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	June 30, 2026	December 31, 2025	June 30, 2025
Overdue receivables collected (recognized in other non-current assets)			
At amortized cost			
Total carrying amount	$ 71	$ 71	$ 71
Less: Allowance for losses	71	71	71
	$ -	$ -	$ -

(1) Notes and accounts receivable

The Group's average credit periods for the sales and the production of silver materials are net 7–10 days from the invoice date and 30–120 days from the end of each month, respectively.

The Group prudently assesses its clients, which are companies or institutions with good credit ratings and without significant credit risk expected. However, the Group has an issue of significant client concentration, so the credit concentration risk is high.

To mitigate credit risk, the Group's management assigns a team dedicated to determining and approving clients' credit lines and carrying out other monitoring procedures to ensure that appropriate actions have been taken to recover overdue account receivables. In addition, the Group will review the recoverable amount of receivables on each balance sheet date to ensure that appropriate impairment loss has been recognized for the uncollectible receivables. As such, the Group's management believes that its credit risk has been significantly reduced.

The Group recognizes an allowance for losses on accounts receivable on the basis of lifetime expected credit losses. Lifetime expected credit losses are calculated using a provision matrix based on each client's past default record, current financial position, and industry outlook. Based on the Group's history of credit losses, as there was no significant difference in the loss patterns among different groups of clients, the groups of clients were not further differentiated in the provision matrix, and only expected credit loss ratio was set based on the number of days for which accounts receivable was past due.

When there was evidence indicating that the counterparty was in severe financial difficulty and the Group could not reasonably expect the amount to be recovered, the Group would write off relevant accounts receivable and continued to collect the overdue receivables. The receivable recovered was recognized in profit or loss.

The table below shows the allowance for losses on notes and accounts receivable based on the Group's provision matrix:

June 30, 2026

	Not past due	Overdue 1–30 days	Overdue 31–60 days	Overdue 61–180 days	Identified individually	Total
Total carrying amount	$ 1,041,359	$ 24,464	$ 5,633	$ 10	$ -	$ 1,071,466
Allowance for losses (lifetime expected credit losses)	-	-	-	-	-	-
Amortized cost	$ 1,041,359	$ 24,464	$ 5,633	$ 10	$ -	$ 1,071,466

December 31, 2025

	Not past due	Overdue 1–30 days	Overdue 31–60 days	Overdue 61–180 days	Identified individually	Total
Total carrying amount	$ 939,243	$ 10,221	$ 23	$ 116	$ -	$ 949,603
Allowance for losses (lifetime expected credit losses)	-	-	-	(12)	-	(12)
Amortized cost	$ 939,243	$ 10,221	$ 23	$ 104	$ -	$ 949,591

June 30, 2025

	Not past due	Overdue 1–30 days	Overdue 31–60 days	Overdue 61–180 days	Identified individually	Total
Total carrying amount	$ 977,344	$ 34,305	$ 2,851	$ 335	$ -	$ 1,014,835
Allowance for losses (lifetime expected credit losses)	-	-	-	(7)	-	(7)
Amortized cost	$ 977,344	$ 34,305	$ 2,851	$ 328	$ -	$ 1,014,828

Movements in the allowance for losses on accounts receivable and overdue receivables are as follows

	For the Six Months Ended June 30			
	2026		2025	
	Accounts receivable	Overdue receivables	Accounts receivable	Overdue receivables
Opening balance	$ 12	$ 71	$ -	$ 15,326
Provision (reversal) during this year	(12)	-	7	-
Reclassification	-	-	-	(15,377)
Foreign currency translation difference	-	-	-	122
Ending balance	$ -	$ 71	$ 7	$ 71

(2) Other receivables

The Group recognizes allowance for losses based on estimates of uncollectible amounts, taking into consideration historical experience, customers' historical default experience, and their current financial condition. As of June 30, 2026, the allowance for losses amounted to NT$15,333 thousand.

10. Inventory

	June 30, 2026	December 31, 2025	June 30, 2025
Raw materials and supplies	$ 844,736	$ 934,531	$ 578,803
Work in progress	383,263	358,910	370,206
Semi-finished goods	280,314	340,956	300,250
Finished goods	114,634	116,962	108,902
Merchandise	17,560	6,448	62,710
Inventory in transit	3,945	-	-
	$ 1,644,452	$ 1,757,807	$ 1,420,871

The costs of inventories recognized as operating costs for the three months and six months ended June 30,2025 and 2024 were NTS1,590,528 thousand, NT$1,536,147 thousand, NT$3,912,628 thousand and NT$2,612,069 thousand, respectively, including loss on inventory NT$16,391 thousand, loss on inventory NT$5,497 thousand, loss on inventory NT$40,476 thousand and reversal of loss on inventory NT$14,389 thousand, respectively. Reversal of loss on inventory was due to the disappearance of the factors that previously caused the net realizable value of inventories to be lower than the cost.

11. Prepayments

	June 30, 2026	December 31, 2025	June 30, 2025
Prepayments to suppliers	$198,493	$ 59,032	$ 74,708
Prepaid expenses	19,106	19,102	28,232
	$217,599	$ 78,134	$102,940

12. Subsidiary

(1) Subsidiaries included in the consolidated financial statements:

The following is the main body of this consolidated financial report:

			Shareholding (%)			
Name of investor	Name of subsidiary	Nature of business	June 30, 2026	December 31, 2025	June 30, 2025	Remarks
The Company	Thintech Global Limited（TTGL）	An investment holding company	-	-	100	Note 1
The Company	OmniGains Investment Corporation（OmniGains）	An investment holding company	-	-	100	Note 2
The Company	Changzhou CSPM, Ltd.(CSPM）	Production and sale of titanium and titanium alloys, nickel and nickel alloys	70	70	35	Note 2
OmniGains	Changzhou CSPM, Ltd.(CSPM）	Production and sale of titanium and titanium alloys, nickel and nickel alloys	-	-	35	Note 2

Note1: To align with the Group's consideration of future development strategies, the Company's board of directors resolved in July 2025 to liquidate its subsidiary TTGL, completing the relevant procedures in October 2025.

Note2: To align with align with the Group's future development strategy, the Company's Board of Directors resolved in July 2025 to directly acquire the 35% equity interest in CSPM held by its subsidiary, OmniGains. Following the completion of this equity transfer, the liquidation procedures for OmniGains were finalized in October 2025.

(2) Information on Subsidiaries with Significant Non-Controlling Interests

	Percentage of shareholding and voting rights held by non-controlling interests		
Name of subsidiary	June 30, 2026	December 31, 2025	June 30, 2025
CSPM	30%	30%	30%

The information on the country that the principal place of business and company registered is shown in Table 4.

	Net income for the period allocated to non-controlling interests						
	For the Three Months Ended June 30		For the Six Months Ended June 30		Non-controlling interests		
Name of subsidiary	2026	2025	2026	2025	June 30, 2026	December 31, 2025	June 30, 2025
CSPM	$ 2,508	$ 1,727	$ 1,423	$ 8,123	$514,037	$500,826	$456,150

The summary financial information of Changzhou CSPM is prepared on the basis of intercompany transactions before elimination:

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	$ 1,990,238	$ 1,898,277	$ 1,894,786
Non-current assets	531,844	506,340	450,503
Current liabilities	(723,886)	(653,223)	(748,591)
Non-current liabilities	(84,742)	(81,975)	(76,200)
Equity	$ 1,713,454	$ 1,669,419	$ 1,520,498
Equity attributable to：			
Owners of the Company	$ 1,199,417	$ 1,168,593	$ 1,064,348
Non-controlling interests	514,037	500,826	456,150
	$ 1,713,454	$ 1,669,419	$ 1,520,498

	For the Six Months Ended June 30	
	2026	2025
Operating revenue, net	$ 913,326	$ 988,579
Net income for the period	$ 4,742	$ 27,076
Other comprehensive income	-	-
Total comprehensive income	$ 4,742	$ 27,076
Net profit and comprehensive income attributable to:		
Owners of the Company	$ 3,319	$ 18,953
Non-controlling interests	1,423	8,123
	$ 4,742	$ 27,076

13. Investments Using the Equity Method

	June 30, 2026	December 31, 2025	June 30, 2025
Individually immaterial affiliates	$ 47,315	$ 33,086	$ 31,937

The Group's total shareholdings in the investees valuated using the equity method and the parent company, China Steel Corporation, and its sister companies reach 20% or more, so they are valuated using the equity method.

The share of profit or loss and other comprehensive income of associates for the six months ended June 30, 2026 and 2025, were calculated based on the reviewed financial statements. The Corporation's management considered the use of unreviewed financial statements as acceptable and will not have material impact on both the investments and income accounted for using the equity method.

14. Other Financial Assets

	June 30, 2026	December 31, 2025	June 30, 2025
Current			
Time deposits with the initial duration of more than 3 months	$46,900	$67,440	$65,574
Deposits for projects	6,033	6,014	-
	$52,933	$73,454	$65,574
Non-current			
Restricted Bank Deposits	$10,802	$10,353	$ 9,419

The restricted bank deposits were attributable to the disposal of Taicang TCMC's equity in 2024 and the establishment of an escrow account pursuant to the share transfer agreement.

15. Property, plant and equipment

For the six months ended June 30 2026

	Buildings	Machinery equipment	Transportation equipment	Office equipment	Other equipment	Unfinished construction and equipment to be accepted	Total
Cost							
Balance as of January 1, 2026	$ 778,099	$ 984,383	$ 20,927	$ 36,115	$ 112,182	$ 4,017	$1,935,723
Additions	14,033	13,293	-	-	1,259	59,832	88,417
Disposal	(196)	(886)	(315)	(3,005)	(140)	-	(4,542)
Net exchange difference	20,476	22,979	122	-	2,683	1,119	47,379
Balance as of June 30, 2026	812,412	1,019,769	20,734	33,110	115,984	64,968	2,066,977
Accumulated depreciation and impairment							
Balance as of January 1, 2026	497,554	744,196	18,065	22,514	96,519	-	1,378,848
Depreciation	14,822	19,573	453	1,281	1,827	-	37,956
Disposal	(196)	(886)	(283)	(3,005)	(132)	-	(4,502)
Net exchange difference	13,413	16,247	99	-	2,154	-	31,913
Balance as of June 30, 2026	525,593	779,130	18,334	20,790	100,368	-	1,444,215
Net amount as of December 31, 2025	$ 280,545	$ 240,187	$ 2,862	$ 13,601	$ 15,663	$ 4,017	$ 556,875
Net amount as of June 30, 2026	$ 286,819	$ 240,639	$ 2,400	$ 12,320	$ 15,616	$ 64,968	$ 622,762

For the six months ended June 30 2025

	Buildings	Machinery equipment	Transportation equipment	Office equipment	Other equipment	Unfinished construction and equipment to be accepted	Total
Cost							
Balance as of January 1, 2025	$ 751,411	$1,041,577	$ 20,916	$ 24,711	$ 111,788	$ 566	$1,950,969
Additions	204	4,333	-	-	1,292	12,799	18,628
Disposal	-	(5,426)	-	(167)	(604)	-	(6,197)
Reclassification	-	(84,119)	-	-	-	13,369	(70,750)
Net exchange difference	(38,156)	(45,224)	(256)	-	(5,431)	(1,787)	(90,854)
Balance as of June 30, 2025	713,459	911,141	20,660	24,544	107,045	24,947	1,801,796
Accumulated depreciation and impairment							
Balance as of January 1, 2025	469,671	784,584	17,079	21,934	93,753	-	1,387,021
Depreciation	13,821	19,926	518	962	2,137	-	37,364
Disposal	-	(5,017)	-	(167)	(543)	-	(5,727)
Reclassification	-	(70,750)	-	-	-	-	(70,750)
Net exchange difference	(25,342)	(32,027)	(198)	(1)	(4,193)	-	(61,761)
Balance as of June 30, 2025	458,150	696,716	17,399	22,728	91,154	-	1,286,147
Net amount as of June 30, 2025	$ 255,309	$ 214,425	$ 3,261	$ 1,816	$ 15,891	$ 24,947	$ 515,649

Based on the business strategy plan, as the recoverable amount of the Company's equipment for producing silver powder and conductive adhesive was lower than its book value, it was recognized in impairment losses. As of June 30, 2026, the cumulative impairment of the equipment was NT$1,615 thousand.

The Group's property, plant and equipment are depreciated on a straight-line basis over the useful lives below:

Buildings	2 to 35 years
Machinery equipment	2 to 20 years
Transportation equipment	3 to 15 years
Office equipment	2 to 8 years
Other equipment	2 to 11 years

Please refer to Note 16 for the information on the locations of the Group's plants leased from the government.

Please refer to Note 30 for the amount of property, plant and equipment provided by the Company as collateral for borrowings.

16. Lease agreements

(1) Right-of-use assets

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amount of right-of-use assets			
Land	$192,475	$188,561	$184,803

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Additions to right-of-use assets			$4,757	$ -
Right-of-use asset depreciation expenses				
Land	$2,375	$2,240	$4,739	$4,518

In addition to the additions and those recognized in depreciation expenses above, the Group's right-of-use assets were not significantly subleased or impaired for the six months ended June 30, 2026 and 2025.

(2) Lease liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amount of lease liabilities			
Current	$ 6,179	$ 5,956	$ 5,909
Non-current	$ 98,211	$ 96,724	$ 99,714

The range of discount rates for lease liabilities is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Land	1.8382	1.6007	1.6007

(3) Major lease activities and terms

The Company has leased land from the government in the Kaohsiung Industrial Park in the Southern Taiwan Science Park. The lease term will expire in May 2027. According to the lease agreement, the Company may sign a new agreement with the government when the lease term ends, but the government may adjust the rent when the assessed present value increases and may terminate the lease under certain conditions.

The land use right acquired by the Company's subsidiary, CSPM, in December 2008 and October 2009 in mainland China, with a useful life of 50 years will expire in October 2059.

(4) Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Expense relating to short-term leases and low-value asset leases	$ 786	$ 880	$1,365	$1,412
Expense relating to variable leases payments not included in the measurement of lease liabilities	$ 83	$ -	$ 83	$ -
Total cash outflows from leases			$5,471	$5,190

The Group has elected to apply the recognition exemptions to the leases of buildings, transportation equipment and other equipment that qualify as short-term and low-value asset leases and does not recognize such leases in relevant right-of-use assets and lease liabilities.

17. Investment properties

For the six months ended June 30, 2026

	Buildings
Cost	
Balance as of January 1, 2026	$32,821
Net exchange difference	1,416
Balance as of June 30, 2026	34,237
Accumulated depreciation and impairment	
Balance as of January 1, 2026	16,023
Depreciation	756
Net exchange difference	705
Balance as of June 30, 2026	17,484
Net amount as of December 31, 2025	$16,798
Net amount as of June 30, 2026	$16,753

For the six months ended June 30, 2025

	Buildings
Cost	
Balance as of January 1, 2025	$32,689
Net exchange difference	(2,825)
Balance as of June 30, 2025	29,864
Accumulated depreciation and impairment	
Balance as of January 1, 2025	14,487
Depreciation	721
Net exchange difference	(1,301)
Balance as of June 30, 2025	13,907
Net amount as of June 30, 2025	$15,957

Investment properties leased out have lease terms ranging from 1 to 20 years, the lessees do not have bargain purchase options to acquire the assets at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating lease payments was as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
1 Year	$ 2,331	$ 2,235	$ 2,033
2 Year	2,331	2,235	2,033
3 Year	2,331	2,235	2,033
4 Year	2,331	2,235	2,033
5 Year	2,331	2,235	2,033
Over 5 years	4,662	6,701	6,100
	$16,317	$17,876	$16,265

The investment properties are depreciated on a straight-line basis over 20 years.

The above investment properties were leased to Changzhou CSPM. for a term of 20 years at a lump-sum factory rent of RMB730 thousand and an annual land rent of RMB473 thousand, respectively. As of June 30, 2026 and December 31 and June 30, 2025, the balance of rentals received in advance amounted to NT$13,949 thousand, NT$13,129 thousand and NT$13,661 thousand, which are classified under current and noncurrent liabilities, respectively, as described in Note 29.

The fair value of this investment property has not been assessed by an independent appraiser and has been measured solely by the management of the subsidiary using Level 3 inputs with reference to recently traded prices in neighboring areas.

As of June 30, 2026 and December 31 and June 30, 2025, the fair value of these properties amounted to NT$73,868 thousand, NT$70,812 thousand and NT$64,433 thousand, respectively.

All of the Corporation and its subsidiaries' investment properties are held under freehold interests.

18. Borrowings

(1) Short-term Borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Secured bank borrowings	$ 15,020	$ 84,734	$221,987
Unsecured bank borrowings	62,740	283,501	30,000
	$ 77,760	$368,235	$251,987
Annual rate of interest (%)			
Secured borrowings	-	-	1.88
Unsecured borrowings	4.38	4.56～4.65	1.89

(2) Long-term borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured bank borrowings			
Maturing in July – August 2028 and March 2031, respectively	$325,000	$512,500	$500,000
Less: Current portion	65,000	75,000	83,333
	$260,000	$437,500	$416,667
Annual rate of interest (%)	1.845	1.858～1.875	1.875

19. Other payables

	June 30, 2026	December 31, 2025	June 30, 2025
Salary and wages and bonuses payable	$ 19,136	$ 24,247	$ 16,456
Processing fees payable	16,393	16,358	18,080
Payables for purchases of equipment	3,063	15,553	4,330
Consumable costs payable	2,995	4,839	3,406
Taxes payable	2,990	4,691	2,989
Pension payable	3,182	2,936	2,710
Others	30,423	19,183	19,500
	$ 78,182	$ 87,807	$ 67,471

20. Provisions

	For the Six Months Ended June 30	
	2026	2025
Opening balance	$71,626	$72,108
Provision during this year	-	834
Payments during the year	(1,120)	(1,480)
Foreign currency translation difference	3,070	(6,189)
Ending balance	$73,576	$65,273

CSPM has set up a specialized Reserve Fund in accordance with the laws and regulations of China. The fund is used to finance production safety expenses and is withdrawn as a percentage of operating revenues on an over-accumulation basis.

21. Post-employment benefit plans

(1) Defined contribution pension plan

The Company adopted a pension scheme under the Labor Pension Act, which is a government-managed defined contribution plan. Under the act, the Company makes monthly contributions, equal to 6% of their monthly salary and wages, to employees' individual pension accounts under the Bureau of Labor Insurance.

Subsidiary, Taicang TCMC, contributes to the pension insurance funds managed by relevant government departments in accordance with the laws and regulations of mainland China.

(2) Defined benefit plan

Employee benefit expenses in respect of the Company defined benefit retirement plans were calculated using the actuarially determined pension cost rate as of December 31, 2025 and 2024.

22. Equity

(1) Ordinary share capital

	June 30, 2026	December 31, 2025	June 30, 2025
Authorized number of shares (in thousands)	150,000	150,000	150,000
Authorized share capital	$ 1,500,000	$ 1,500,000	$ 1,500,000
Number of shares issued and fully paid (in thousands)	108,494	108,494	108,494
Share capital publicly offered	$ 939,529	$ 939,529	$ 939,529
Share capital through private placement			
Initial share capital publicly offered	140,000	140,000	140,000
Share capital received due to capitalization of earnings	5,411	5,411	5,411
	145,411	145,411	145,411
Share capital already publicly offered	$ 1,084,940	$ 1,084,940	$ 1,084,940

The capital collected in advance of the Company on December 31, 2024 was due to the execution of the conversion and issuance of new shares by the holders of the convertible bonds. The Board of Directors resolved to propose February 26, 2025 as the base date for capital increase.

To enrich the working capital, repay debts, and attract strategic investors, the Company conducted a private placement of 7,000,000 ordinary shares in 2010 and 2011, respectively, at the issue prices of NT$16 and NT$35.7, respectively. The difference between the par value and the issue price was recognized in "capital surplus - additional paid-in capital".

In principle, the rights and obligations of the ordinary shares in the private placements are the same as those of the ordinary shares issued by the Company.

(2) Capital surplus

	June 30, 2026	December 31, 2025	June 30, 2025
For loss make-up, payment in cash or capitalization as equity (Note)			
Additional paid-in capital - issuance of shares	$567,476	$567,476	$567,476
Additional paid-in capital - conversion of corporate bonds	183,200	183,200	183,200
Stock options invalidated	1,469	1,469	1,469
Treasury shares traded	69	69	69
	$752,214	$752,214	$752,214

Note: Such capital surplus may be used to make up for losses or, when the Company has no losses, to distribute cash or to capitalize equity, provided that the capitalization is limited to a certain percentage of the paid-in capital each year.

(3) Retained earnings and dividend policy

As per the earnings distribution policy, where the Company makes a profit for a fiscal year, the profit shall be first used for paying the tax in accordance with the laws and regulations, offsetting the cumulative deficit, setting aside 10% of the remaining profit as a legal reserve, unless it has reached the total amount of the Company's paid-in capital, setting aside an amount for or reversing a special reserve in accordance with the laws and regulations; and then any remaining profit, together with any undistributed retained earnings from the prior period, shall be adopted by the Company's Board of Directors as the basis for making a distribution proposal, which shall then be submitted to the shareholders' meeting for a resolution.

The industry, in which Company is in, is still growing. We must take into account the current and future operating conditions and focus on the stability of dividends when drawing up a dividend policy. When the Company has cumulative distributable earnings, the amount to be distributed shall not be lower than 50%, of which the cash dividends to be distributed shall not be lower than 50% of the total amount to be distributed.

The legal reserve may be used to offset losses. If there is no loss, the amount of legal reserve in excess of the paid-in capital by 25% could be allocated as capital stock and paid out in cash.

The Company's 2024 earnings appropriation, as approved by the resolution of the general shareholders' meeting in June 2025, is as follows:

	2024	
	Earnings distribution proposals	Dividend per share (NTD)
Legal reserve	$ 5,400	
Provision of special reserve	60,974	
Cash dividend	-	$ -

In June 2025, the Company's General Meeting of Shareholders resolved to distribute cash dividends of NT$0.4 per share, totaling NT$43,398 thousand, from capital surplus.

In June 2026, the Company's General Meeting of Shareholders resolved that no dividends would be distributed due to accumulated losses.

(4) Special reserves

Due to a net impairment loss recognized in other equity arising from the acquisition of subsidiary CSPM in May 2024, the Company set aside a special reserve from retained earnings in 2025 in an amount equal to such loss, totaling NT$60,974 thousand, in accordance with Article 41 of the Securities and Exchange Act.

(5) Other equity items

I. Exchange differences arising from the translation of the financial statements of foreign operations

	For the Six Months Ended June 30	
	2026	2025
Opening balance	($151,019)	($158,825)
Recognized for the period		
Exchange differences arising from the translation of the financial statements of foreign operations	50,590	(99,577)
Ending balance	($100,429)	($258,402)

II. Unrealized gain or loss on financial assets at fair value through other comprehensive income

	For the Six Months Ended June 30	
	2026	2025
Opening balance	$ 88,502	$ 1,583
Incurred during the year		
Equity instruments - unrealized gains and losses	1,252,987	6,624
Shares of affiliates using the equity method	15,916	(1,641)
Cumulative gains and losses from the disposal of equity instruments are transferred to retained earnings.	(590,991)	(1,203)
Ending balance	$766,414	$ 5,363

(6) Non-controlling interests

	For the Six Months Ended June 30	
	2026	2025
Opening balance	$500,826	$520,566
Net income for the period	1,423	8,123
Exchange differences on translation of the financial statements of foreign operations	21,637	(42,357)
Cash dividends from subsidiaries	(9,849)	(30,182)
Ending balance	$514,037	$456,150

23. Revenue

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Revenue from customer contracts				
Merchandise sales revenue	$ 1,646,617	$ 1,604,273	$ 4,095,477	$ 2,753,210

(1) Balance of contracts

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Notes receivable	$508,121	$520,430	$447,320	$554,070
Accounts receivable	$563,345	$429,161	$567,508	$496,922
Contract liabilities - current				
Merchandise sales	$153,218	$ 79,669	$ 97,047	$ 37,816
Collection of clients' scrapped targets in advance	178,192	181,113	45,530	87,840
	$331,410	$260,782	$142,577	$125,656

The movements in contract liabilities mainly arise from the difference between the point at which performance obligations are satisfied and the point at which clients pay.

The amounts of contract liabilities from the beginning of this period recognized in revenue for this year are as follows:

	For the Six Months Ended June 30	
	2026	2025
Merchandise sales revenue	$ 73,522	$ 42,682

(2) Details of revenue from customer contracts

For the six months ended June 30, 2026

	The Company	CSPM	Total
Major regional markets			
Taiwan	$ 3,112,401	$ 21,362	$ 3,133,763
Asia	31,268	877,645	908,913
The Americas	52,801	-	52,801
	$ 3,196,470	$ 899,007	$ 4,095,477
Major products			
Sputtering targets	$ 220,548	$ 26,286	$ 246,834
Precious metals	2,928,872	-	2,928,872
Titanium/nickel Products	-	583,689	583,689
Rutile products, etc.	$ -	$ 279,049	$ 279,049
Others	47,050	9,983	57,033
	$ 3,196,470	$ 899,007	$ 4,095,477

For the six months ended June 30, 2025

	The Company	CSPM	Total
Major regional markets			
Taiwan	$ 1,765,966	$ 14,882	$ 1,780,848
Asia	11,421	949,486	960,907
The Americas	11,455	-	11,455
	$ 1,788,842	$ 964,368	$ 2,753,210
Major products			
Sputtering targets	$ 226,168	$ 12,264	$ 238,432
Precious metals	1,503,269	-	1,503,269
Titanium/nickel Products	-	668,307	668,307
Rutile products, etc.	-	280,329	280,329
Others	59,405	3,468	62,873
	$ 1,788,842	$ 964,368	$ 2,753,210

24. Net income before tax

Net income before tax includes the following components:

(1) Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Technical service income	$ 5,320	$ -	$ 5,320	$ 11,707
Grant income	21	7	1,246	7
Rental income	996	917	1,976	1,886
Recovery of accounts of TCMC, a disposed subsidiary.	-	14,595	-	14,595
Others	164	68	505	401
	$ 6,501	$ 15,587	$ 9,047	$ 28,596

(2) Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Net foreign exchange gain or loss	$ 682	($ 23,276)	$ 3,173	($ 19,730)
Net loss on financial assets and liabilities at fair value through profit or loss	2,682	(76)	4,328	2,191
Hedging ineffectiveness gains and losses				
The ineffective part of fair value hedging	1,209	(6,082)	(24,277)	(4,392)
Gain (loss) on disposal of property, plant and equipment	(5)	176	(40)	165
Others	(229)	(579)	(359)	(884)
	$ 4,339	($ 29,837)	($ 17,175)	($ 22,650)

The above net foreign exchange gains and losses are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Total foreign exchange gains	$ 4,124	$ 509	$ 15,988	$ 4,983
Total foreign exchange losses	(3,442)	(23,785)	(12,815)	(24,713)
Net gains or losses	$ 682	($ 23,276)	$ 3,173	($ 19,730)

(3) Financial costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Interest on bank borrowings	$ 3,226	$ 4,383	$ 7,252	$ 7,423
Interest on silver materials borrowed	4,434	345	6,806	1,770
Interest on the lease liabilities	485	427	976	859
Others	-	-	-	85
	$ 8,145	$ 5,155	$ 15,034	$ 10,137

(4) Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Depreciation				
Property, plant and equipment	$19,237	$18,148	$37,956	$37,364
Investment properties	381	350	756	721
Right-of-use assets	2,375	2,240	4,739	4,518
	$21,993	$20,738	$43,451	$42,603
Amortization				
Computer software	$ 440	$ 471	$ 922	$ 944
Others	134	144	267	285
	$ 574	$ 615	$ 1,189	$ 1,229
Depreciation aggregated by function				
Operating cost	$18,404	$17,525	$36,350	$36,039
Operating expense	3,589	3,213	7,101	6,564
	$21,993	$20,738	$43,451	$42,603
Amortization aggregated by function				
Operating cost	$ 458	$ 451	$ 914	$ 906
Operating expense	116	164	275	323
	$ 574	$ 615	$ 1,189	$ 1,229

(5) Employee benefit expenses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Short-term employee benefits				
Salary and wages	$ 61,432	$ 60,908	$131,760	$127,184
Labor and health insurance	6,608	6,618	13,378	13,360
Others	7,637	7,754	15,908	15,198
	75,677	75,280	161,046	155,742
Post-employment benefits				
Defined contribution pension plan	6,022	5,920	12,000	11,971
Defined benefit plan	(71)	(68)	(140)	(137)
	5,951	5,852	11,860	11,834
	$ 81,628	$ 81,132	$172,906	$167,576

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	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Aggregated by function				
Operating cost	$ 37,190	$ 55,541	$ 92,215	$111,353
Operating expense	44,438	25,591	80,691	56,223
	$ 81,628	$ 81,132	$172,906	$167,576

The Company's Articles of Incorporation provide that not less than 0.1% of the current year's profit shall be appropriated as employees' compensation and not more than 1% as directors' compensation.

Pursuant to the amendment to the Securities and Exchange Act in August 2024, the Company amended its Articles of Incorporation upon approval by the shareholders at the 2025 Annual General Meeting to stipulate that not less than 30% of employees' compensation shall be allocated to grassroots employees.

As of December 31, 2025, the Company was not permitted to distribute earnings until a special reserve had been appropriated to offset the negative balance under other equity in accordance with applicable regulations. Accordingly, no employees' compensation or directors' compensation was accrued.The estimated employees' compensatio(including compensation for grassroots employees) and directors' compensation for the three-month and six-month periods ended June 30, 2026 and 2025 are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Employee remuneration	($ 6)	$ -	$ 50	$ -
Directors' remuneration	(19)	-	167	-

The Company appropriated a special reserve for the year 2024, resulting in no earnings available for distribution, which was resolved by the Board of Directors in February 2025.

If there are any changes in the amounts after the authorization date of the annual consolidated financial statements, such changes will be treated as changes in accounting estimates and adjusted in the following year.

Information regarding the remuneration to employees and directors resolved by the Board of Directors is available on the Market Observation Post System (MOPS) of the Taiwan Stock Exchange.

25. Income tax

(1) Income tax recognized in profit or loss

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Current income tax expenses				
Incurred during this year	$ 2,085	$ 1,230	$ 2,208	$ 24,936
Adjustment to the prior years	(501)	3,596	3,522	2,856
	1,584	4,826	5,730	27,792
Deferred tax				
Incurred during this year	2,202	(967)	10,134	(1,206)
Adjustment to the prior years	(4,521)	156	(4,521)	(5,476)
	(2,319)	(811)	5,613	(6,682)
	($ 735)	$ 4,015	$ 11,343	$ 21,110

(2) Income tax return approval

The Company's profit-seeking enterprise income tax returns filed up to 2023 have been approved by the tax authority.

26. Earnings (loss) Per Share

The net income (loss) (attributable to the owners of the Company) and weighted average number of ordinary shares used to calculate earnings (loss) per share are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Profit (loss) for the period attributable to owners of the Company	$ 2,602	($ 11,608)	$ 30,722	($ 2,372)

Number of shares

Unit: In thousands of shares

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Weighted average number of ordinary shares used to calculate the basic earnings per share	108,494	108,494	108,494	108,494
Influence of potential common stock with dilutive effect:				
Employee remuneration	1	-	1	-
Weighted average number of ordinary shares used to calculate the diluted earnings per share	108,495	108,494	108,495	108,494

If the Company may elect to pay employee remuneration in stock or cash, when diluted earnings per share are calculated, it is assumed that employee remuneration will be paid out in

stock, and when the ordinary shares are potentially dilutive, they will be included in the weighted average number of outstanding shares to calculate diluted earnings per share. The dilution effect of these potential ordinary shares will also continue to be considered when the diluted earnings per share is calculated before the following year's shareholders' meeting resolves a decision on the number of shares distributed for employee remuneration.

27. Capital risk management

The Group engages in capital management to ensure that it can maximize shareholder returns by optimizing debt and equity balances while continuing to operate. The Group's capital structure consists of liability and equity and is not subject to other external capital requirements.

28. Financial instruments

(1) Fair value of financial instruments that are not measured at fair value

The Management Team of Group believe that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximated their fair values.

(2) Fair value information - financial instruments measured at fair value on a recurring basis

I. Fair value hierarchy

June 30, 2026	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Mutual funds	$ -	$ -	$ 26,871	$ 26,871
Financial assets for hedging				
Futures contracts	$ -	$ 9,096	$ -	$ 9,096
Financial assets at fair value through other comprehensive income				
Domestic emerging market shares	$ -	$ -	$ 14,355	$ 14,355
Listed shares	756,802	-	-	756,802
	$756,802	$ -	$ 14,355	$771,157
Financial liabilities at fair value through profit or loss				
Forward exchange agreements	$ -	$ 29	$ -	$ 29

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	Level 1	Level 2	Level 3	Total
December 31, 2025				
Financial assets at fair value through profit or loss				
Mutual funds	$ -	$ -	$ 18,093	$ 18,093
Financial assets for hedging				
Futures contracts	$ -	$ 58,062	$ -	$ 58,062
Financial assets at fair value through other comprehensive income				
Listed shares	$119,029	$ -	$ -	$119,029
Domestic unlisted stocks	-	-	1,642	1,642
	$119,029	$ -	$ 1,642	$120,671
June 30, 2025				
Financial assets at fair value through profit or loss				
Forward exchange agreements	$ -	$ 46	$ -	$ 46
Domestic emerging market shares	-	-	7,839	7,839
Mutual funds	-	-	11,962	11,962
	$ -	$ 46	$ 19,801	$ 19,847
Financial assets for hedging				
Futures contracts	$ -	$ 15,964	$ -	$ 15,964
Financial assets at fair value through other comprehensive income				
Domestic emerging market shares	$ -	$ -	$ 37,740	$ 37,740
Domestic unlisted stocks	-	-	142	142
	$ -	$ -	$ 37,882	$ 37,882

There were no transfers between Level 1 and Level 2 fair values for the three months ended June 30 ,2026 and 2025.

II. Reconciliation of financial instruments measured at fair value in Level 3

	Financial assets at fair value through profit or loss	
	For the Six Months Ended June 30	
Financial assets	2026	2025
Opening balance	$18,093	$18,580
Additions	4,500	-
Recognized in profit or loss	4,278	1,221
Ending balance	$26,871	$19,801

	Financial assets at fair value through other comprehensive income	
	Equity instruments	
	For the Six Months Ended June 30	
Financial assets	2026	2025
Opening balance	$ 1,642	$31,258
Recognized in other comprehensive income	12,713	6,624
Ending balance	$14,355	$37,882

III. Valuation techniques and inputs for Level 2 fair value measurement

Types of financial instruments	Valuation techniques and inputs
Derivatives - precious metals futures contracts	There is no market price available as a reference for the precious metals' futures contracts traded by the Company, and such contracts were estimated through valuation. The estimates and assumptions adopted in the valuation are consistent with the information adopted by market participants for estimation and assumption when they priced financial instruments.
Derivatives - forward exchange agreements	The Company estimated the future cash flow based on the observable forward exchange rates and the exchange rates specified in the agreements at the end of the period and discounted each of them at a discount rate that could reflect each counterparty's credit risk. The estimates and assumptions adopted in the valuation are consistent with the information adopted by market participants for estimation and assumption when they priced financial instruments.

IV. Valuation techniques and inputs for Level 3 fair value measurement

For market shares of emerging stock board company, fair values were estimated on the basis of the closing price and the liquidity discount on the balance sheet date.

The fair values of unlisted stocks were estimated by reference to the net worth of the Company.

The fair value of the beneficiary certificates was estimated by reference to the net worth of the Company.

(3) Types of financial instruments

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets			
At fair value through profit or loss - mandatorily at fair value through profit or loss	$ 26,871	$ 18,093	$ 19,847
Financial assets for hedging	9,096	58,062	15,964
Financial assets at amortized cost (Note 1)	1,801,077	1,443,670	1,539,441
Financial assets at fair value through other comprehensive income - investment in equity instruments	771,157	120,671	37,882
Financial liabilities			
At fair value through profit or loss - held for trading	29	-	-
Financial liabilities for hedging	33,785	83,420	80,532
At amortized cost (Note 2)	1,091,159	1,463,381	1,362,325

Note 1: The balance includes cash and cash equivalents, notes receivable, accounts receivable, net, other receivables (excluding dividend receivable), other financial assets (current and non-current), and guarantee deposits paid.

Note 2: The balance represents financial liabilities at amortized cost, including short-term borrowings, notes payable, accounts payable, other payables, current portion of long-term liabilities, long-term bank borrowings and guarantee deposits received.

(4) Purpose and policy of financial risk management

The Group's main financial instruments include notes receivable, accounts receivable, net, short-term and long-term borrowings, notes payable ,accounts payable, and lease liabilities. The Group's Management Department provides services to each business unit, coordinates the operations of investments in the domestic and international financial markets, and supervises and manages the financial risks related to the Group's operations by analyzing the internal risk reports on the exposure as per the breadth and depth of risks. Such risks include market risk (including exchange rate risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group uses derivatives to avoid exposure to risk, thereby reducing the impact of these risks. The trading of derivatives is regulated by the policies approved by the Group's Board of Directors; such policies are the written principles to regulate exchange rate risk, interest rate risk, credit risk, trading of derivatives and non-derivatives, and investment with surplus liquidity. Internal auditors continue to review compliance with the policies and the amounts exposed to such risks. The Group does not trade financial instruments (including derivatives) for speculative purposes.

Market risk

I. Exchange rate risk

The Group's silver material transactions are all denominated in non-functional currency (USD). In addition, part of the income from processing services is traded in a non-functional currency, which has resulted in exchange rate fluctuation risk. The Group has adopted derivatives, such as forward foreign exchange agreements and purchase of foreign currency deposits to reduce the exchange rate risk.

Please refer to Note 32 for the carrying amounts of the Group's monetary assets and monetary liabilities denominated in non-functional currencies on the balance sheet date.

The Group is mainly affected by the exchange rate fluctuations of the USD, RMB, and JPY. The table below details the Company's sensitivity analysis when the exchange rate of the Group's functional currency against the USD, RMB, and JPY increased and decreased by 1%. One percent is the sensitivity rate used in reporting the exchange rate risk to the key management team within the Group and represents the management's assessment of the reasonable range of potential changes in foreign-currency exchange rates. The sensitivity analysis only included monetary items in foreign currencies in circulation. The table below shows the influence on profit and loss before tax when the Group's functional currency depreciated by 1% against the USD, RMB, and JPY:

	For the Six Months Ended June 30	
	2026	2025
USD	$ 1,025	$ 897
RMB	$ 76	$ 432
JPY	$ 91	$ 445

Note: It is mainly due to the USD, RMB, and JPY including cash and cash equivalents, accounts receivable, other receivables , guarantee deposits paid, other financial assets and accounts payable still in circulation on the balance sheet date, the cash flows of which have not been hedged.

The management believes that sensitivity analysis cannot represent the inherent exchange rate risk as foreign currency exposures on the balance sheet date cannot reflect the interim exposures. Sales denominated in USD will vary with clients' orders and spot prices.

II. Exchange rate risk

Interest rate exposures arise when the Group borrows funds at both fixed and floating interest rates. The Group diversifies the risk of interest rate changes by maintaining an appropriate combination of fixed and floating interest rates.

The carrying amounts of the Group's financial assets and financial liabilities exposed to the interest rate risk on the balance sheet date are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Fair value interest rate risk			
Financial liabilities	$104,390	$102,680	$105,623
Cash flow interest rate risk			
Financial assets	420,928	250,897	216,793
Financial liabilities	402,760	880,735	751,987

The following sensitivity analyses are based on the interest rate risk exposure of the non-derivative instruments on the balance sheet date. For liabilities at floating rates, the analysis is based on the assumption that the amounts of the liabilities outstanding at the balance sheet date were all outstanding throughout the reporting period. An increase or decrease in interest rates by 1% is the sensitivity rate adopted in reporting the interest rate risk to the key management team within the Group and represents the management's assessment of the reasonable range of potential changes in interest rates.

If the interest rate decreased/increased by 1%, with all other variables remaining unchanged, the Group's net income before tax for the six months ended June 30 ,2026 and 2025 would have decreased/increased by NT$2,014 thousands and NT$3,760 thousands, respectively.

(5) Other price risks

The Group engage in precious metal futures trading to hedge the risks arising from price fluctuations of inventories. The Group hold spot positions in underlying derivatives, so the market price risk is not significant.

The Group signed precious metal borrowing contracts with suppliers with the prices being the quotes in the international precious metal market, plus a certain percentage of profit margin. To manage the inventory exposed to the risk of precious metals prices, the Group adopts the international precious metal borrowing contracts in the same category and quantity as the fair value risk hedging instrument for the precious metal price risk component contained in the inventory. As per the historical experience, the movements in the fair values of the designated precious metal price risk components cover the movements in prices of the overall contracts on average, so the market price risk is not significant.

Hedge accounting

The Group entered into fair value hedges by engaging in precious metal borrowing contracts to mitigate the risk of changes in fair value of financial liabilities due to fluctuations in international precious metal prices, and by engaging in precious metal futures contracts to hedge the risk of changes in price of inventories. The fair value of precious metal borrowing transactions at the balance sheet date is estimated based on the market price of precious metals. The fair value of precious metal futures transactions at the balance sheet date is estimated by holding the spot position of the underlying derivatives.

The above precious metal borrowing transactions and precious metals futures contracts matched the terms of financial liabilities. As per the Group's qualitative assessment, precious metal borrowing transactions and precious metals futures contracts and the values of hedged financial items will change in reverse in a systematic manner due to the movements in the hedged international precious metal prices. The hedge ineffectiveness mainly comes from the influence of the credit risk between the Group and the counterparties on the fair values of the precious metal borrowing transactions. The credit risk will not affect the hedged items due to the movements in the fair values of the international precious metal prices. No other sources of hedge ineffectiveness appeared during the hedge period.

The information on the hedging of the risk from the movements in the international precious metal prices exposed to the Group is aggregated as follows:

June 30, 2026

Hedging instruments	Contract amount	Due period	Balance sheet line items	Carrying amount Asset/Liability	Movements in the fair values of hedging instruments used to evaluate the hedge ineffectiveness for the year
Fair value hedge					
Precious metal borrowing contracts	$ 41,836	-	Financial liabilities for hedging	$ 33,785	$ 8,051
Sell futures contracts-Silver	9,426	2026.09	Financial Assets for hedging	9,096	85
Sell futures contracts-Silver	168,945	2026.01～2026.06	Financial Assets for hedging	-	7,419

	Carrying amount	Cumulative fair value adjustments	Movements in the fair values of hedged items used

Hedged items	Assets	Assets	to evaluate the hedge ineffectiveness for the year
Fair value hedge			
Inventory - Borrowing materials for hedging	$ 33,785	($ 8,051)	($ 8,051)
Inventory - futures contracts	16,672	(2,832)	(2,832)
	$ 50,457	($ 10,883)	($ 10,883)

December 31, 2025

Hedging instruments	Contract amount	Due period	Balance sheet line items	Carrying amount Asset/Liability	Movements in the fair values of hedging instruments used to evaluate the hedge ineffectiveness for the year
Fair value hedge					
Precious metal borrowing contracts	$ 83,420	-	Financial liabilities for hedging	$ 83,420	$ -
Sell futures contracts-Silver	139,719	2026.03	Financial Assets for hedging	58,062	(48,900)
Sell futures contracts-Silver	578,685	2025.02～2025.12	Financial Assets for hedging	-	(29,254)

Hedged items	Carrying amount Assets	Cumulative fair value adjustments Assets	Movements in the fair values of hedged items used to evaluate the hedge ineffectiveness for the year
Fair value hedge			
Inventory - Borrowing materials for hedging	$ 83,420	$ -	$ -
Inventory - futures contracts	166,745	77,849	77,849
	$250,165	$ 77,849	$ 77,849

June 30, 2025

Hedging instruments	Contract amount	Due period	Balance sheet line items	Carrying amount Asset/Liability	Movements in the fair values of hedging instruments used to evaluate the hedge ineffectiveness for the year
Fair value hedge					
Precious metal borrowing contracts	$ 80,532	-	Financial liabilities for hedging	$ 80,532	$ -
Sell futures contracts-Silver	27,614	2025.09	Financial Assets for hedging	15,964	44
Sell futures contracts-Silver	146,434	2025.02～2025.06	Financial Assets for hedging	-	(4,784)

	Carrying amount	Cumulative fair value adjustments	Movements in the fair values of hedged items used

Hedged items	Assets	Assets	to evaluate the hedge ineffectiveness for the year
Fair value hedge			
Inventory - Borrowing materials for hedging	$ 80,532	$ -	$ -
Inventory - futures contracts	26,925	348	348
	$107,457	$ 348	$ 348

(6) Credit risk

Credit risk refers to the risk that a counterparty defaults on its contractual obligations, resulting in a financial loss to the Group. As of the balance sheet date, the Group's maximum exposure to credit risk of financial loss due to non-performance by counterparties is from the carrying amounts of financial assets recognized in consolidated balance sheets.

Except for a small number of clients whose accounts receivable and overdue receivable were estimated to be irrecoverable with significant credit risks and an allowance for such losses already provide, the Group's clients are all companies with good credit ratings. The business unit grants each of such clients a credit line based on the credit investigation results and regularly tracks their payment status; thus, no significant credit risk is expected.

The Group's receivables are significantly concentrated in certain clients, most of whom engage in similar business activities with similar economic characteristics, and their ability to perform contracts is also similarly influenced by their financial positions or other conditions, so significant credit risk concentration exists. The balance of accounts receivable from clients, on which the credit risk is significantly concentrated, (accounting for 10% or more of the balance of notes receivable, accounts receivable, and other receivables) is as follows:

Name of client	June 30, 2026	December 31, 2025	June 30, 2025
Company A	$139,903	$ 94,873	$114,098

(7) Liquidity risk

The Group manages and maintains sufficient cash and cash equivalents to support the operations and signs loan contracts with financial institutions to maintain an appropriate amount required for business operations. As the Group's equity in the capital structure is much greater than its liabilities, and remaining amount of bank loans is sufficient. As of June 30, 2026 and December 31 and June 30, 2025, the Group's unused bank financing facilities were NT$5,733,091 thousand, NT$4,144,348 thousand and NT$3,871,580 thousand, respectively. Thus, no liquidity risk was posed to the Company.

The table below lists the analysis of the Group's financial liabilities during the agreed repayment period based on the maturity dates and the undiscounted principal amounts:

	Less than 1 year	1 to 5 years	5 years or above	Total
June 30, 2026				
Short-term Borrowings	$ 77,876	$ -	$ -	$ 77,876
Financial liabilities for hedging - current	33,785	-	-	33,785
Payable	618,917	-	-	618,917
Lease liabilities	8,046	32,184	79,119	119,349
Other payables	77,522	-	-	77,522
long-term bank borrowings	70,297	269,194	-	339,491
	$ 886,443	$ 301,378	$ 79,119	$1,266,940
December 31, 2025				
Short-term Borrowings	$ 370,941	$ -	$ -	$ 370,941
Financial liabilities for hedging - current	83,420	-	-	83,420
Payable	493,851	-	-	493,851
Lease liabilities	7,556	30,226	78,083	115,865
Other payables	86,685	-	-	86,685
long-term bank borrowings	83,772	454,075	-	537,847
	$1,126,225	$ 484,301	$ 78,083	$1,688,609
June 30, 2025				
Short-term Borrowings	$ 252,405	$ -	$ -	$ 252,405
Financial liabilities for hedging - current	80,532	-	-	80,532
Payable	542,172	-	-	542,172
Lease liabilities	7,556	30,226	81,861	119,643
Dividend payable	43,398	-	-	43,398
Other payables	66,481	-	-	66,481
long-term bank borrowings	91,797	435,547	-	527,344
	$1,084,341	$ 465,773	$ 81,861	$1,631,975

Further information on maturity analysis of lease liabilities is as follows:

	Less than 1 year	1–5 years	5–10 years	10–15 years	15–20 years
June 30, 2026					
Lease liabilities	$ 8,046	$32,184	$32,184	$32,184	$14,751
December 31, 2025					
Lease liabilities	$ 7,556	$ 30,226	$ 30,226	$ 30,226	$ 17,631
June 30, 2025					
Lease liabilities	$ 7,556	$30,226	$30,226	$30,226	$21,409

(8) Financial Asset Transfer Information

The subsidiary, CSPM, entered into a contract for discounting notes receivable with a bank. According to the contract, if the bank acceptance receivable is uncollectible upon maturity, the transferee has the right to demand the subsidiary, CSPM, to pay the outstanding balance. Therefore, CSPM did not transfer the material risks and rewards of the bankers' acceptance receivables and continued to recognize all bankers' acceptance receivables and used the transferred bankers' acceptance receivables as collaterals for its borrowings, as described in Note 30.

As of June 30, 2026 and December 31 and June 30, 2025, the carrying amounts of the un-derecognized transferred bank acceptance receivables were $15,020 thousand, $84,734 thousand and $121,987 thousand, respectively, and the carrying amounts of the related liabilities were $15,020 thousand, $84,734 thousand and $121,987 thousand, respectively.

29. Related Party Transactions

Except for those disclosed in other notes, transactions between the Group and related parties are as follows.

(1) Name of related party and relations therewith

Name of related party	Relations with the Group
China Steel Corporation (CSC)	Ultimate parent company
Gains Investment Corporation	Parent company
CSC Solar Corporation	Sister company
CSGT Japan Co., Ltd. (CSGT Japan)	Sister company
C.S. Aluminium Corporation (CSAC)	Sister company
China Steel Chemical Corporation	Sister company
Infochamp Systems Corporation	Sister company
Ever Wealthy International	Sister company
CHC Resources Corporation	Sister company
China Steel Security Corporation	Sister company
Dragon Steel Corporation	Sister company
Mentor Consulting Corporation	Sister company
Changzhou China Steel New Materials Technology Co., Ltd.(CSNM)	Sister company
Changshu Walsin Specialty Steel Co., Ltd.	Enterprises with significant influence over subsidiaries
Yantai Walsin Stainless Steel Co., Ltd.	Enterprises with significant influence over subsidiaries
Jiangyin Walsin Specialty Alloy Materials Co.,Ltd	Enterprises with significant influence over subsidiaries
Walsin Singapore Pte. Ltd	Enterprises with significant influence over subsidiaries
United Renewable Energy Co., Ltd.	A director of the Company

(2) Operating revenue

		For the Three Months Ended June 30		For the Six Months Ended June 30	
Account	Category of related party	2026	2025	2026	2025
Sales revenue	Ultimate parent company	$ 450	$180,043	$ 726	$191,392
	Sister company	6,878	4,825	18,208	15,415
	Enterprises with significant influence over subsidiaries	1,936	4,056	3,255	11,838
		$ 9,264	$188,924	$ 22,189	$218,645

There is no similar transaction available to be used to compare with the sales revenue from part of the sales to the ultimate parent company, and there is no significant difference in the selling prices and payment terms between the transactions with the ultimate parent company and non-related parties.

(3) Purchases

	For the Three Months Ended June 30		For the Six Months Ended June 30	
Category of related party	2026	2025	2026	2025
Ultimate parent company	$ -	$2,113	$ 537	$4,738
Sister company	-	-	-	62
Enterprises with significant influence over subsidiaries	-	160	-	630
	$ -	$2,273	$ 537	$5,430

Regarding purchases from related parties, the transaction prices cannot be compared because the same products were not purchased from a non-related party, and the payment terms are not significantly different from those for general suppliers. Payments are made in 30 to 60 days at the end of each month.

(4) Other related party transactions

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Processing fees				
Sister company				
CSAC	$ 7,586	$ 6,898	$11,989	$16,902

The Company pays processing fees to the above related parties. As no non-related party was not entrusted to provide similar product processing services, the transaction prices could not be compared. The payment terms are 30 to 60 days at the end of each month for the above related parties and 60 to 90 days at the end of each month for the non-related parties.

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Research and professional services fees				
Ultimate parent company	$ 555	$ 896	$1,065	$1,275
Security fees				
Sister company	$ 627	$ 599	$1,239	$1,168

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	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Corporate Consultancy Fee				
Ultimate parent company	$1,165	$1,165	$2,329	$2,329
Sister company	-	-	-	19
	$1,165	$1,165	$2,329	$2,348
Rental income				
Sister company	$ 996	$ 917	$1,976	$1,886

(5) Ending balance

	June 30, 2026	December 31, 2025	June 30, 2025
Accounts receivable			
Ultimate parent company	$ -	$ -	$84,335
Sister company	6,878	2,648	2,236
Enterprises with significant influence over subsidiaries	63	2,034	-
	$ 6,941	$ 4,682	$86,571
Rent received in advance （Recorded as unearned receipts）			
Sister company			
CSNM	$ 3,932	$ 3,769	$ 3,430
Guarantee deposits paid			
Sister company			
CSGT Japan	$ 2,843	$ 2,912	$ 2,950
Other payables			
Ultimate parent company	$ 1,233	$ 1,233	$ 1,102
Parent company	83	-	-
Sister company	3,674	3,095	1,501
A director of the Company	42	-	-
	$ 5,032	$ 4,328	$ 2,603
Rent received in advance （Recorded as other non-current liabilities）			
Sister company			
CSNM	$10,017	$ 9,360	$10,231

(6) Remuneration to key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Short-term employee benefits	$2,709	$2,927	$5,477	$6,143
Post-employment benefits	51	41	92	105
	$2,760	$2,968	$5,569	$6,248

30. Pledged Assets

The Group has provided the assets below as collateral for the bank borrowing facilities, borrowings drawn, dormitory leased from the Southern Taiwan Science Park Bureau, customs import and discounted notes receivable:

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	$ 15,020	$ 84,734	$121,987
Buildings	101,790	105,015	108,240
	$116,810	$189,749	$230,227

31. Material Contingencies and Unrecognized Contractual Commitments

(1) As of June 30, 2026, to purchase raw materials, the Company guaranteed the amount of NT$289,718 thousand from financial institutions.
(2) As of June 30, 2026, the company signed contracts to purchase real estate, plant and equipment, and the outstanding amount was NT$51,485 thousand.

32. Information on Foreign Currency Assets and Liabilities with Significant Effect

The information below is aggregated and presented in foreign currencies other than the Group's functional currency. The exchange rates disclosed refer to the rates at which these foreign currencies are converted to the functional currency. The information on foreign currency assets and liabilities with significant effect is as follows:

Unit: In thousands in each foreign currency / exchange rate

	Foreign currency	Exchange rate		Carrying amount
June 30, 2026				
Foreign currency assets under monetary items				
USD	$ 4,764	31.85	(USD: NTD)	$ 151,718
USD	666	6.7889	(USD: RMB)	21,228
RMB	1,612	4.69	(RMB: NTD)	7,558
JPY	46,128	0.1963	(JPY: NTD)	9,055
Foreign currency liabilities under monetary items				
USD	$ 2,207	31.85	(USD: NTD)	$ 70,295
USD	4	6.7889	(USD: RMB)	140

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	Foreign currency	Exchange rate		Carrying amount
December 31, 2025				
Foreign currency assets under monetary items				
USD	2,163	31.43	(USD: NTD)	67,999
USD	364	6.9930	(USD: RMB)	11,465
RMB	264	4.496	(RMB: NTD)	1,185
JPY	220,619	0.2008	(JPY: NTD)	44,300
Foreign currency liabilities under monetary items				
USD	9,037	31.43	(USD: NTD)	284,042
USD	5	6.9930	(USD: RMB)	138
June 30, 2025				
Foreign currency assets under monetary items				
USD	2,714	29.3	(USD: NTD)	79,525
USD	367	7.1633	(USD: RMB)	10,756
RMB	10,552	4.091	(RMB: NTD)	43,169
JPY	218,628	0.2034	(JPY: NTD)	44,469
Foreign currency liabilities under monetary items				
USD	17	29.3	(USD: NTD)	499
USD	4	7.1633	(USD: RMB)	129

The Group's foreign exchange gains or loss for the three months ended June 30, 2026 and 2025, and for the six months ended June 30, 2026 and 2025, were a gain of NT$682 thousand, a loss of NT$23,276 thousand, a gain of NT$3,173 thousand, and a loss of NT$19,730 thousand, respectively. Due to the wide variety of foreign currency transactions, it is not practicable to disclose the exchange gains or loss by each major foreign currency with significant influence.

33. Additional Disclosures

(1) Information on material transactions for the period ended June 30, 2026

I. Loans to others. (None)
II. Endorsements/Guarantees to others. (None)
III. Marketable securities held (investments in subsidiaries and affiliates are not included). (Table 1)
IV. Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital. (None)
V. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. (None)
VI. Other: Business relations and important transactions between parent company and subsidiaries and among subsidiaries and amounts (Table 2)

(2) Information on investees (Table 3)

(3) Information on investment in Mainland China

I. Information on investees in mainland China, including the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, percentage of ownership, profit or loss and investment income or loss recognized for the period, book value of the investment at the end of the period, repatriation of investment income, and limit on the amount of investment in the mainland China area. (Table 4)

II. Any of the following significant transactions with investees in mainland China, either directly or indirectly through a third region, and the price:

(I) The amount and percentage of purchases and the balance and percentage of the relevant payables at the end of the period: (Table 2)

(II) The amount and percentage of sales and the balance and percentage of the relevant receivables at the end of the year. (Table 2)

(III) The amount of property transactions and the amount of the resulting gains or losses. (None)

(IV) The balance of negotiable instrument endorsements or guarantees or collateral pledged at the end of the period and the purposes. (None)

(V) The highest balance, the closing balance, the interest rate range, and total current-period interest with respect to financing of funds. (None)

(VI) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of labor services. (None)

34. Segment Information

The Group's information reported to the operating decision-maker for resource allocation and segment performance assessment focuses on types of goods or services delivered or provided. The Group's reportable operating segments are as follows:

- ThinTech Materials Technology Co., Ltd.
  Mainly engaging in the processing and sales of various thin film sputtering targets and precious metals, as well as trading of general metals.
- Changzhou CSPM, Ltd.
  Production and sale of titanium and titanium alloys, nickel and nickel alloys
- Others - The subsidiaries of the consolidated entity are the operating segments. Please refer to Note 12. All the operating segments have not reached the quantitative threshold.

(1) Segment revenue and operating performance

The Group's segment revenue and operating performance are as follows:

For the Six Months Ended June 30, 2026	The Company	CSPM	Other	Adjustments and write-offs	Consolidation
Revenue from clients other than the parent company and subsidiaries	$3,196,470	$ 899,007	$ -	$ -	$4,095,477
Revenue from the parent company and subsidiaries	41	14,319	-	(14,360)	-
Total revenue	$3,196,511	$ 913,326	$ -	($ 14,360)	$4,095,477
Profit of segments	$ 57,541	($ 1,650)	$ -	$ 8,901	$ 64,792
Interest income	538	973	-	-	1,511
Financial costs	(14,794)	(240)	-	-	(15,034)
Share of profit on subsidiaries and affiliates using the equity method	3,621	-	-	(3,274)	347
Other non-operating income and expenses	(5,755)	6,573	-	(8,946)	(8,128)
Net income before tax	41,151	5,656	-	(3,319)	43,488
Income tax expense	10,429	914	-	-	11,343
Net income for the period	$ 30,722	$ 4,742	$ -	($ 3,319)	$ 32,145

For the Six Months Ended June 30, 2025	The Company	CSPM	Other	Adjustments and write-offs	Consolidation
Revenue from clients other than the parent company and subsidiaries	$1,788,842	$ 964,368	$ -	$ -	$2,753,210
Revenue from the parent company and subsidiaries	-	24,211	-	(24,211)	-
Total revenue	$1,788,842	$ 988,579	$ -	($ 24,211)	$2,753,210
Profit of segments	($ 5,800)	$ 30,692	$ -	$ 2,736	$ 27,628
Interest income	294	2,202	647	-	3,143
Financial costs	(9,454)	(683)	-	-	(10,137)
Share of profit on subsidiaries and affiliates using the equity method	24,228	-	9,476	(33,423)	281
Other non-operating income and expenses	(564)	1,420	7,644	(2,554)	5,946
Net income before tax	8,704	33,631	17,767	(33,241)	26,861
Income tax expense	11,076	6,555	3,479	-	21,110
Net income (loss) for the period	($ 2,372)	$ 27,076	$ 14,288	($ 33,241)	$ 5,751

Profit (loss) of segments refers to the profit earned by each segment, excluding the apportioned headquarters management costs and directors' remuneration, interest income, gains or losses on disposal of real estate, plant and equipment, foreign currency exchange gains or losses, financial instrument valuation gains or losses, financial costs, and income tax expenses. This amount measured is provided to the operating decision-maker for allocation of resources to segments and measurement of their performance.

(2) Total segment assets and liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Segment assets			
Continuing operations			
The Company	$ 4,130,346	$ 3,169,892	$ 2,708,941
CSPM	2,522,082	2,404,617	2,345,289
Other	-	-	610,281
Adjustments and write-offs	(1,233,822)	(1,178,657)	(1,678,859)
Total consolidated assets	$ 5,418,606	$ 4,395,852	$ 3,985,652
Segment liabilities			
Continuing operations			
The Company	$ 896,602	$ 1,286,365	$ 1,012,120
CSPM	808,628	735,198	824,791
Adjustments and write-offs	(34,404)	(10,064)	(4,228)
Total consolidated liabilities	$ 1,670,826	$ 2,011,499	$ 1,832,683

ThinTech Materials Technology Co., Ltd. and Its Subsidiaries
Marketable securities held
June 30, 2026

Table 1

Unit: NT$ thousand
(unless specified otherwise)

Company	Type and name of securities held	Relations with securities issuer	Account title	June 30, 2026				Remarks
				Number of shares/units	Carrying amount	Shareholding (%)	Fair value	
The Company	Common stock							
	Lianyou Metals Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	339,373	$756,802	-	$756,802	
	LINCO Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	55,000	14,355	0.07	14,355	Note 1
	Funds							
	CDIB-Innolux II Limited Partnership	-	Financial assets at fair value through profit or loss - non-current	-	26,871	-	26,871	Note 2

Note 1：The fair value is determined based on the transaction price, taking into account a liquidity risk premium.

Note 2：The calculation is based on the net worth on June 30, 2026.

ThinTech Materials Technology Co., Ltd. and Its Subsidiaries
Business Relations and Important Transactions Between Parent Company and Subsidiaries and Among Subsidiaries
For the period ended June 30, 2026

Table 2

Unit: NT$ thousand
(unless specified otherwise)

No.	Name of trader	Transaction counterparty	Relations with trader	Transaction			
				Item	Amount	Transaction conditions	As a % of total consolidated revenue or total assets
0	The Company	Changzhou CSPM, Ltd.	Parent company to subsidiary	Prepayments to suppliers	$ 3,923	As per the contract	-
0	The Company	Changzhou CSPM, Ltd.	Parent company to subsidiary	Sales revenue	41	As per the contract	-
0	The Company	Changzhou CSPM, Ltd.	Parent company to subsidiary	Other income	8,946	As per the contract	-
0	The Company	Changzhou CSPM, Ltd.	Parent company to subsidiary	Other receivables	7,534	As per the contract	-
1	Changzhou CSPM, Ltd.	The Company	Subsidiary to parent company	Sales revenue	14,319	As per the contract	-

ThinTech Materials Technology Co., Ltd. and Its Subsidiaries
Information on Investees
For the period ended June 30,2026

Table 3

Unit: NT$ thousand
(unless specified otherwise)

Name of investor	Name of investee	Location	Principal business activities	Initial investment amount		As of June 30,2026			Net Income (Loss) of the Investee	Share of Profit (Loss)	Remarks
				June 30, 2026	December 31, 2025	Number of shares	(%)	Carrying amount			
The Company	Pro-Ascentek Investment Corporation	Taiwan	General investment	$ 30,000	$ 30,000	3,000,000	2.5	$ 47,315	$ 13,871	$ 347	

ThinTech Materials Technology Co., Ltd. and Its Subsidiaries
Information on investment in Mainland China
For the period ended June 30, 2026

Table 4

Unit: NT$ thousand
(unless specified otherwise)

Name of investee	Principal business activities	Paid-in capital (Note 1)	Investment method (Note 3)	Cumulative investment amount remitted From Taiwan at the beginning of this year (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of June 30,2026 (Note 1)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of June 30,2026	Accumulated Repatriation of Investment Income as of June 30,2026	Remarks
					Outward remittance	Inward remittance							
Changzhou CSPM, Ltd.	Production and sale of titanium and titanium alloys, nickel and nickel alloys	$ 1,620,528	1	$ 1,475,824	$ -	$ -	$ 1,475,824	$ 4,742	70	$ 3,319	$ 1,196,945	$ 94,812	Notes 4 and 5

Name of investor	Accumulated Outward Remittance for Investment in Mainland China as of June 30,2026 (Note 1)	Amount of investment approved by the Investment Commission, MOEA (Note 1)	Limit of investment by the Company in China (Note 2)
ThinTech Materials Technology Co., Ltd.	$1,475,824	$1,475,824	$ -

Note 1: The amounts were calculated based on the foreign exchange rate as of June 30,2026.
Note 2: The Company is not subject to the limitations on the amount of investment in Mainland China as certified by the Industrial Development Bureau (IDB) of the Ministry of Economic Affairs (MOEA) that the Company is in compliance with the scope of operation of the head office.
Note 3: Investment methods are divided into the three types below.
1. Direct investment in China.
2. Indirect investment in China through a third-region company.
3. Other methods.
Note 4: It is recognized and disclosed based on the financial statements for the same periods audited by the Company's CPAs and it has been written off when the consolidated financial statements were prepared.
Note 5: The foreign currency amounts in the above table are converted into NTD at the exchange rate prevailing on the balance sheet date.