

**Nan Pao Resins Chemical Co., Ltd. and
Subsidiaries**

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2025 and 2024 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Nan Pao Resins Chemical Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Nan Pao Resins Chemical Co., Ltd. (the "Company") and its subsidiaries (collectively, the "Group") as of September 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including material accounting policy information. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, 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.

Basis for Qualified Conclusion

As disclosed in Note 13 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. Total assets of these non-significant subsidiaries were NT\$5,904,953 thousand and NT\$5,606,033 thousand as of September 30, 2025 and 2024, respectively, representing 22% and 21% of the consolidated total assets, respectively. Total liabilities of these subsidiaries were NT\$1,407,209 thousand and NT\$1,377,341 thousand as of September 30, 2025 and 2024, respectively, representing 11% and 12% of the consolidated total liabilities, respectively. The amounts of comprehensive income of these subsidiaries were NT\$104,615 thousand, NT\$54,321 thousand, NT\$215,457 thousand and NT\$191,633 thousand for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, respectively, representing 10%, 8%, 35% and 7% of the consolidated total comprehensive income, respectively, and the information of these subsidiaries disclosed in the notes to the consolidated financial statements was based on the financial statements that were not reviewed to prepare. Furthermore, as disclosed in Note 14 to the consolidated financial statements, the financial

statements of some non-significant investments for using the equity method were not reviewed. Investments accounted for using the equity method were NT\$60,422 thousand and NT\$24,198 thousand as of September 30, 2025 and 2024, respectively, and share of loss for using the equity method were NT\$13,641 thousand, NT\$1,949 thousand, NT\$31,714 thousand and NT\$6,114 thousand for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, respectively.

Qualified Conclusion

Based on our and others reviews (see Other Matter), except for adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of (or “do not present fairly, in all material respects,”) the consolidated financial position of the Group as of September 30, 2025 and 2024, its consolidated financial performance for the three months ended September 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matter

Among the subsidiaries included in the consolidated financial statements of the Group, some subsidiaries were reviewed by other auditors. Our conclusion, insofar as it relates to the amounts and related information included for these subsidiaries, is based solely on the report of other auditors. The total assets of these subsidiaries were NT\$2,231,238 thousand and NT\$2,338,455 thousand as of September 30, 2025 and 2024, respectively, representing 8% and 9% of the consolidated total assets, respectively. The amounts of operating revenue were NT\$852,641 thousand, NT\$829,751 thousand, NT\$2,370,439 thousand and NT\$2,313,394 thousand for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, respectively, all representing 14% of the consolidated operating revenue.

The engagement partners on the reviews resulting in this independent auditors’ review report are Chao-Chin Yang and Chi-Chen Lee.

Deloitte & Touche
Taipei, Taiwan
Republic of China
November 10, 2025

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.

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 6,765,556	25	\$ 6,910,148	25	\$ 6,283,553	23
Financial assets at amortized cost - current (Notes 9, 34 and 36)	476,815	2	581,146	2	548,220	2
Notes receivable (Notes 10 and 26)	403,780	1	344,349	1	384,596	1
Accounts receivable (Notes 10 and 26)	4,574,713	17	4,724,866	17	4,653,816	17
Accounts receivable from related parties (Notes 10, 26 and 35)	405,781	2	452,811	2	459,049	2
Other receivables	157,618	1	171,465	1	129,347	1
Current tax assets	22,273	-	476	-	52,543	-
Inventories (Note 11)	2,955,249	11	2,854,760	11	2,978,720	11
Non-current assets held for sale (Notes 4 and 12)	81,012	-	-	-	-	-
Other current assets (Note 20)	964,787	4	866,391	3	833,005	3
Total current assets	16,807,584	63	16,906,412	62	16,322,849	60
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Notes 7 and 34)	116,318	1	131,474	1	121,467	1
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 34)	1,101,267	4	1,659,564	6	1,895,373	7
Financial assets at amortized cost - non-current (Notes 9, 34 and 36)	40,500	-	33,249	-	32,759	-
Investments accounted for using the equity method (Note 14)	60,422	-	57,208	-	24,198	-
Property, plant and equipment (Notes 15 and 36)	5,738,902	21	5,840,228	21	5,824,021	22
Right-of-use assets (Notes 16 and 36)	1,283,106	5	1,417,530	6	1,484,568	6
Investment properties (Note 17)	25,079	-	17,760	-	17,760	-
Goodwill (Notes 18 and 31)	563,054	2	393,394	1	400,570	1
Other intangible assets (Note 19)	571,552	2	426,989	2	454,535	2
Deferred tax assets	382,365	2	213,933	1	254,602	1
Net defined benefit assets - non-current	95,055	-	89,048	-	46,284	-
Other non-current assets (Note 20)	93,747	-	79,759	-	124,760	-
Total non-current assets	10,071,367	37	10,360,136	38	10,680,897	40
TOTAL	\$ 26,878,951	100	\$ 27,266,548	100	\$ 27,003,746	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 21 and 36)	\$ 2,863,090	11	\$ 3,032,665	11	\$ 3,399,162	13
Contract liabilities - current (Note 26)	24,512	-	28,778	-	41,953	-
Notes payable (Note 22)	6,568	-	197	-	622	-
Accounts payable (Note 22)	2,214,826	8	2,291,845	8	2,481,311	9
Other payables (Note 35)	1,239,600	5	1,325,330	5	1,172,781	4
Current tax liabilities	850,903	3	554,183	2	483,189	2
Lease liabilities - current (Note 16)	92,973	-	118,169	1	129,732	1
Current portion of long-term borrowings (Notes 21 and 36)	61,360	-	70,749	-	86,290	-
Other current liabilities (Notes 23 and 35)	195,898	1	218,523	1	231,293	1
Total current liabilities	7,549,730	28	7,640,439	28	8,026,333	30
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 21 and 36)	3,127,468	12	1,734,639	7	1,640,099	6
Deferred tax liabilities	1,376,811	5	1,341,631	5	1,305,750	5
Lease liabilities - non-current (Note 16)	547,344	2	601,977	2	657,168	2
Other non-current liabilities (Note 23)	11,102	-	11,430	-	10,226	-
Total non-current liabilities	5,062,725	19	3,689,677	14	3,613,243	13
Total liabilities	12,612,455	47	11,330,116	42	11,639,576	43
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 25)						
Share capital - ordinary shares	1,205,707	4	1,205,707	4	1,205,707	4
Capital surplus	2,130,440	8	2,123,816	8	2,122,081	8
Retained earnings						
Legal reserve	2,070,613	8	1,808,236	7	1,808,236	7
Special reserve	313,321	1	313,321	1	313,321	1
Unappropriated earnings	6,918,090	26	7,601,313	28	7,016,768	26
Total retained earnings	9,302,024	35	9,722,870	36	9,138,325	34
Other equity	113,662	-	1,439,196	5	1,426,371	5
Total equity attributable to owners of the Company	12,751,833	47	14,491,589	53	13,892,484	51
NON-CONTROLLING INTERESTS	1,514,663	6	1,444,843	5	1,471,686	6
Total equity	14,266,496	53	15,936,432	58	15,364,170	57
TOTAL	\$ 26,878,951	100	\$ 27,266,548	100	\$ 27,003,746	100

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

(With Deloitte & Touche review report dated November 10, 2025)

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 26 and 35)	\$ 5,910,263	100	\$ 6,087,994	100	\$ 17,270,158	100	\$ 16,861,085	100
OPERATING COSTS (Notes 11 and 27)	3,909,409	66	4,092,727	67	11,354,951	66	11,397,572	68
GROSS PROFIT	2,000,854	34	1,995,267	33	5,915,207	34	5,463,513	32
OPERATING EXPENSES (Notes 10, 27 and 35)								
Selling and marketing expenses	580,883	10	563,990	9	1,698,716	10	1,578,781	9
General and administrative expenses	308,508	5	302,822	5	930,295	5	864,629	5
Research and development expenses	136,482	3	142,216	3	417,389	2	407,699	3
Expected credit loss	12,238	-	18,095	-	11,356	-	24,033	-
Total operating expenses	1,038,111	18	1,027,123	17	3,057,756	17	2,875,142	17
PROFIT FROM OPERATIONS	962,743	16	968,144	16	2,857,451	17	2,588,371	15
NON-OPERATING INCOME AND EXPENSES (Notes 14 and 27)								
Interest income	29,652	1	30,706	-	108,119	-	89,612	1
Other income	21,918	1	30,935	1	170,308	1	177,586	1
Other gains and losses	(39,390)	(1)	(26,662)	-	(251,741)	(1)	13,544	-
Finance costs	(39,502)	(1)	(34,643)	(1)	(111,318)	(1)	(88,047)	(1)
Share of loss of associates	(13,641)	-	(1,949)	-	(31,714)	-	(6,114)	-
Total non-operating income and expenses	(40,963)	-	(1,613)	-	(116,346)	(1)	186,581	1
PROFIT BEFORE INCOME TAX	921,780	16	966,531	16	2,741,105	16	2,774,952	16
INCOME TAX EXPENSE (Notes 4 and 28)	269,252	5	293,140	5	717,528	4	674,836	4
NET PROFIT FOR THE PERIOD	652,528	11	673,391	11	2,023,577	12	2,100,116	12
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 25 and 28)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(25,782)	-	31,409	1	(558,297)	(3)	213,261	1
	(25,782)	-	31,409	1	(558,297)	(3)	213,261	1

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NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of the financial statements of foreign operations	\$ 552,632	9	\$ (60,021)	(1)	\$ (1,036,023)	(6)	\$ 386,938	2
Income tax related to items that may be reclassified subsequently to profit or loss	(103,183)	(2)	15,119	-	191,809	1	(68,539)	-
	<u>449,449</u>	<u>7</u>	<u>(44,902)</u>	<u>(1)</u>	<u>(844,214)</u>	<u>(5)</u>	<u>318,399</u>	<u>2</u>
Other comprehensive income (loss) for the period, net of income tax	<u>423,667</u>	<u>7</u>	<u>(13,493)</u>	<u>-</u>	<u>(1,402,511)</u>	<u>(8)</u>	<u>531,660</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 1,076,195</u>	<u>18</u>	<u>\$ 659,898</u>	<u>11</u>	<u>\$ 621,066</u>	<u>4</u>	<u>\$ 2,631,776</u>	<u>15</u>
NET PROFIT								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 599,011	10	\$ 660,574	11	\$ 1,881,472	11	\$ 2,039,227	12
Non-controlling interests	<u>53,517</u>	<u>1</u>	<u>12,817</u>	<u>-</u>	<u>142,105</u>	<u>1</u>	<u>60,889</u>	<u>-</u>
	<u>\$ 652,528</u>	<u>11</u>	<u>\$ 673,391</u>	<u>11</u>	<u>\$ 2,023,577</u>	<u>12</u>	<u>\$ 2,100,116</u>	<u>12</u>
TOTAL COMPREHENSIVE INCOME								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 985,960	17	\$ 631,509	10	\$ 555,938	3	\$ 2,526,643	15
Non-controlling interests	<u>90,235</u>	<u>1</u>	<u>28,389</u>	<u>1</u>	<u>65,128</u>	<u>1</u>	<u>105,133</u>	<u>-</u>
	<u>\$ 1,076,195</u>	<u>18</u>	<u>\$ 659,898</u>	<u>11</u>	<u>\$ 621,066</u>	<u>4</u>	<u>\$ 2,631,776</u>	<u>15</u>
EARNINGS PER SHARE (Note 29)								
Basic	\$ <u>4.97</u>		\$ <u>5.48</u>		\$ <u>15.60</u>		\$ <u>16.91</u>	
Diluted	\$ <u>4.97</u>		\$ <u>5.48</u>		\$ <u>15.58</u>		\$ <u>16.88</u>	

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

(With Deloitte & Touche review report dated November 10, 2025)

(Concluded)

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Owners of the Company										
	Retained Earnings					Other Equity					
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Other Equity	Total	Non-controlling Interests	Total Equity
BALANCE ON JANUARY 1, 2025	\$ 1,205,707	\$ 2,123,816	\$ 1,808,236	\$ 313,321	\$ 7,601,313	\$ (8,934)	\$ 1,448,130	\$ 1,439,196	\$ 14,491,589	\$ 1,444,843	\$ 15,936,432
Appropriation of 2024 earnings (Note 25)											
Legal reserve	-	-	262,377	-	(262,377)	-	-	-	-	-	-
Cash dividends distributed by the Company - \$19 per share	-	-	-	-	(2,290,845)	-	-	-	(2,290,845)	-	(2,290,845)
Net profit for the nine months ended September 30, 2025	-	-	-	-	1,881,472	-	-	-	1,881,472	142,105	2,023,577
Other comprehensive loss for the nine months ended September 30, 2025, net of income tax	-	-	-	-	-	(767,237)	(558,297)	(1,325,534)	(1,325,534)	(76,977)	(1,402,511)
Total comprehensive income (loss) for the nine months ended September 30, 2025	-	-	-	-	1,881,472	(767,237)	(558,297)	(1,325,534)	555,938	65,128	621,066
Arising from the difference between the consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition (Note 32)	-	(55)	-	-	-	-	-	-	(55)	(445)	(500)
Changes in ownership interests in subsidiaries (Note 32)	-	6,230	-	-	-	-	-	-	6,230	25,765	31,995
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	-	-	(11,473)	-	-	-	(11,473)	-	(11,473)
Issuance of employee share options by subsidiaries (Note 30)	-	449	-	-	-	-	-	-	449	458	907
Decrease in non-controlling interests (Note 25)	-	-	-	-	-	-	-	-	-	(21,086)	(21,086)
BALANCE ON SEPTEMBER 30, 2025	\$ 1,205,707	\$ 2,130,440	\$ 2,070,613	\$ 313,321	\$ 6,918,090	\$ (776,171)	\$ 889,833	\$ 113,662	\$ 12,751,833	\$ 1,514,663	\$ 14,266,496
BALANCE ON JANUARY 1, 2024	\$ 1,205,707	\$ 2,124,891	\$ 1,565,289	\$ 313,321	\$ 7,029,050	\$ (419,351)	\$ 1,358,306	\$ 938,955	\$ 13,177,213	\$ 1,369,466	\$ 14,546,679
Appropriation of 2023 earnings (Note 25)											
Legal reserve	-	-	242,947	-	(242,947)	-	-	-	-	-	-
Cash dividends distributed by the Company - \$15 per share	-	-	-	-	(1,808,562)	-	-	-	(1,808,562)	-	(1,808,562)
Net profit for the nine months ended September 30, 2024	-	-	-	-	2,039,227	-	-	-	2,039,227	60,889	2,100,116
Other comprehensive income for the nine months ended September 30, 2024, net of income tax	-	-	-	-	-	274,155	213,261	487,416	487,416	44,244	531,660
Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	2,039,227	274,155	213,261	487,416	2,526,643	105,133	2,631,776
Changes in ownership interests in subsidiaries (Note 32)	-	(5,812)	-	-	-	-	-	-	(5,812)	21,491	15,679
Issuance of employee share options by subsidiaries (Note 30)	-	3,002	-	-	-	-	-	-	3,002	3,060	6,062
Decrease in non-controlling interests (Note 25)	-	-	-	-	-	-	-	-	-	(27,464)	(27,464)
BALANCE ON SEPTEMBER 30, 2024	\$ 1,205,707	\$ 2,122,081	\$ 1,808,236	\$ 313,321	\$ 7,016,768	\$ (145,196)	\$ 1,571,567	\$ 1,426,371	\$ 13,892,484	\$ 1,471,686	\$ 15,364,170

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

(With Deloitte & Touche review report dated November 10, 2025)

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,741,105	\$ 2,774,952
Adjustments for:		
Depreciation expenses	499,155	479,173
Amortization expenses	85,706	66,702
Expected credit loss recognized on accounts receivable	11,356	24,033
Net loss (gain) on fair value changes of financial assets at fair value through profit or loss	10,718	(3,348)
Finance costs	111,318	88,047
Interest income	(108,119)	(89,612)
Dividend income	(108,315)	(109,424)
Compensation cost of employee share options	907	6,062
Share of loss of associates	31,714	6,114
Loss on disposal of property, plant and equipment	1,011	3,228
Write-down of inventories	17,792	13,687
Gain on lease modification	(218)	(20)
Changes in operating assets and liabilities		
Notes receivable	(42,044)	(40,697)
Accounts receivable	(141,988)	(463,230)
Accounts receivable from related parties	47,030	(109,141)
Other receivables	8,421	(42,608)
Inventories	(241,632)	(242,365)
Other current assets	(97,182)	(106,458)
Other non-current assets	(2,030)	(1,550)
Contract liabilities	(6,754)	12,573
Notes payable	(10,571)	273
Accounts payable	(384)	248,702
Other payables	(117,734)	(36,560)
Other current liabilities	(24,776)	50,146
Net defined benefit liabilities	(4,318)	(5,290)
Other non-current liabilities	408	879
Cash generated from operations	2,660,576	2,524,268
Interest received	115,105	91,632
Interest paid	(113,221)	(86,434)
Income tax paid	(445,270)	(732,177)
Net cash generated from operating activities	2,217,190	1,797,289
CASH FLOWS FROM INVESTING ACTIVITIES		
Net decrease in financial assets at amortized cost	79,652	103,378
Disposal of financial assets at fair value through profit or loss	4,438	3,810
Acquisition of associates	(46,782)	-
Net cash outflow on acquisition of businesses and subsidiaries	(299,841)	(231,310)
Payments for property, plant and equipment	(514,425)	(381,390)
Proceeds from disposal of property, plant and equipment	2,546	3,213
Increase in refundable deposits	(15,393)	-
Decrease in refundable deposits	-	5,524
Payments for intangible assets	(3,326)	(9,236)
Payments for right-of-use assets	-	(104,034)

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NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Dividends received	\$ 108,315	\$ 109,424
Net cash used in investing activities	<u>(684,816)</u>	<u>(500,621)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	7,660,625	6,552,557
Repayments of short-term borrowings	(7,808,802)	(5,019,807)
Proceeds from long-term borrowings	4,682,908	2,458,810
Repayments of long-term borrowings	(3,283,802)	(1,774,342)
Proceeds from guarantee deposits received	1,496	-
Repayments of guarantee deposits received	-	(274)
Repayment of the principal portion of lease liabilities	(95,463)	(65,177)
Dividends paid	(2,413,819)	(1,838,023)
Changes in non-controlling interests	31,554	16,015
Payments for transaction costs attributable to the issue of ordinary shares	<u>(59)</u>	<u>(336)</u>
Net cash generated from (used in) financing activities	<u>(1,225,362)</u>	<u>329,423</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(451,604)</u>	<u>82,897</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(144,592)	1,708,988
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>6,910,148</u>	<u>4,574,565</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 6,765,556</u>	<u>\$ 6,283,553</u>

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

(With Deloitte & Touche review report dated November 10, 2025)

(Concluded)

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Nan Pao Resins Chemical Co., Ltd. (the “Company”) was founded in October 1963, and is mainly engaged in the manufacturing, wholesale, and retail sale of synthetic resins, synthetic plastics, adhesives, resin coatings, dyes, and pigments.

The Company obtained approval for the public issuance of its shares in May 2017, and obtained approval for the trading of its shares on the emerging stock board (ESB) of the Taipei Exchange (TPEX) in July of the same year. Since November 2018, the Company's shares started trading on the Taiwan Stock Exchange.

The consolidated financial statements are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on November 10, 2025.

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

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the accounting policies of the Company and its subsidiaries (collectively referred to as “the Group”).

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

- c. 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 (Note 1)
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

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.

IFRS 18 “Presentation and Disclosure in Financial Statements”

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- 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.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the above amended 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 MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim 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. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit assets which are measured at the present value of the 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:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the assets or liabilities.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

See Note 13, Tables 6 and 7 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

1) 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.

2) Income tax expense

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 by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

3) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. To meet the criteria for the sale being highly probable, the appropriate level of management must be committed to the sale, and the sale should be expected to qualify for recognition as a completed sale within 1 year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Such assets classified as held for sale are not depreciated.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Refer to the statements of material accounting judgments and key sources of estimation uncertainty to the consolidated financial statements for the year ended December 31, 2024.

6. CASH AND CASH EQUIVALENTS

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 4,401	\$ 5,272	\$ 5,334
Checking accounts and demand deposits	4,326,685	4,109,648	3,521,524
Cash equivalents (investments with original maturities of 3 months or less)			
Time deposits	<u>2,434,470</u>	<u>2,795,228</u>	<u>2,756,695</u>
	<u>\$ 6,765,556</u>	<u>\$ 6,910,148</u>	<u>\$ 6,283,553</u>

The market rate intervals of time deposits were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Time deposits	0.60%-5.63%	0.63%-5.75%	0.63%-5.38%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets at FVTPL - non-current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Limited partnership	\$ 116,318	\$ 131,474	\$ 121,467

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME – NON-CURRENT

	September 30, 2025	December 31, 2024	September 30, 2024
Emerging market shares	\$ 21,643	\$ 24,177	\$ 27,102
Unlisted shares	1,079,624	1,635,387	1,868,271
	<u>\$ 1,101,267</u>	<u>\$ 1,659,564</u>	<u>\$ 1,895,373</u>

These investments in equity instruments are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The equity instruments measured at FVTOCI held by the Group are not pledged as security.

9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Time deposits with original maturities of more than 3 months (a)	\$ 438,761	\$ 530,243	\$ 513,600
Pledged time deposits (a)	30,596	31,404	34,283
Restricted demand deposits	-	19,155	-
Refundable deposits	<u>7,458</u>	<u>344</u>	<u>337</u>
	<u>\$ 476,815</u>	<u>\$ 581,146</u>	<u>\$ 548,220</u>

(Continued)

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Non-current</u>			
Pledged time deposits (a)	\$ 5,134	\$ 5,342	\$ 5,352
Refundable deposits	<u>35,366</u>	<u>27,907</u>	<u>27,407</u>
	<u>\$ 40,500</u>	<u>\$ 33,249</u>	<u>\$ 32,759</u>
			(Concluded)

- a. The ranges of interest rates for time deposits were approximately 1.00%-6.25%, 1.30%-6.25% and 1.30%-5.50% per annum as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.
- b. Refer to Note 36 for information relating to investments in financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE (INCLUDING RELATED PARTIES)

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes receivable</u>			
At amortized cost			
Notes receivable - operating	<u>\$ 403,780</u>	<u>\$ 344,349</u>	<u>\$ 384,596</u>
<u>Accounts receivable (including related parties)</u>			
At amortized cost			
Gross carrying amount	\$ 5,094,515	\$ 5,289,982	\$ 5,216,657
Less: Allowance for impairment loss	<u>114,021</u>	<u>112,305</u>	<u>103,792</u>
	<u>\$ 4,980,494</u>	<u>\$ 5,177,677</u>	<u>\$ 5,112,865</u>

a. Notes receivable

As of September 30, 2025, December 31, 2024 and September 30, 2024, the notes receivable analyzed by the Group based on the past due days were not overdue, and the Group did not measure any loss allowance for notes receivable.

b. Accounts receivable (including related parties)

The average credit period of sales of goods was 15 to 180 days, and no interest was charged on accounts receivable. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs.

The expected credit losses on accounts receivable are estimated using a provision matrix prepared by reference to the customers' past default experience, and current financial positions, economic conditions of the industry in which the customer operates, and the industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

The following table details the loss allowance of accounts receivable based on the Group's provision matrix.

September 30, 2025

	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	271 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0.02%-6%	0.12%-42%	6%-42%	21%-47%	38%-100%	100%	
Gross carrying amount	\$ 4,328,687	\$ 592,064	\$ 62,391	\$ 26,770	\$ 19,876	\$ 64,727	\$ 5,094,515
Loss allowance (Lifetime ECLs)	(4,387)	(13,695)	(8,254)	(8,958)	(14,000)	(64,727)	(114,021)
Amortized cost	<u>\$ 4,324,300</u>	<u>\$ 578,369</u>	<u>\$ 54,137</u>	<u>\$ 17,812</u>	<u>\$ 5,876</u>	<u>\$ -</u>	<u>\$ 4,980,494</u>

December 31, 2024

	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	271 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0.02%-0.79%	0.12%-13%	6%-23%	23%-47%	41%-100%	100%	
Gross carrying amount	\$ 4,322,110	\$ 785,163	\$ 77,584	\$ 24,915	\$ 17,576	\$ 62,634	\$ 5,289,982
Loss allowance (Lifetime ECLs)	(4,508)	(13,352)	(11,133)	(7,983)	(12,695)	(62,634)	(112,305)
Amortized cost	<u>\$ 4,317,602</u>	<u>\$ 771,811</u>	<u>\$ 66,451</u>	<u>\$ 16,932</u>	<u>\$ 4,881</u>	<u>\$ -</u>	<u>\$ 5,177,677</u>

September 30, 2024

	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	271 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0.02%-0.79%	0.12%-9%	6%-22%	18%-47%	37%-100%	100%	
Gross carrying amount	\$ 4,404,938	\$ 643,842	\$ 61,889	\$ 25,343	\$ 24,070	\$ 56,575	\$ 5,216,657
Loss allowance (Lifetime ECLs)	(3,630)	(11,552)	(7,838)	(7,576)	(16,621)	(56,575)	(103,792)
Amortized cost	<u>\$ 4,401,308</u>	<u>\$ 632,290</u>	<u>\$ 54,051</u>	<u>\$ 17,767</u>	<u>\$ 7,449</u>	<u>\$ -</u>	<u>\$ 5,112,865</u>

The movements of the loss allowance of accounts receivable were as follows:

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ 112,305	\$ 92,099
Acquisitions through business combinations	40	-
Net remeasurement of loss allowance	11,356	24,033
Amounts written off	(1,940)	(15,209)
Foreign exchange gains and losses	(7,740)	2,869
Balance on September 30	<u>\$ 114,021</u>	<u>\$ 103,792</u>

11. INVENTORIES

	September 30, 2025	December 31, 2024	September 30, 2024
Goods	\$ 226,961	\$ 241,111	\$ 205,527
Finished goods and semi-finished goods	1,148,641	1,050,955	1,015,332
Work in progress	168,550	150,603	175,761
Raw materials and supplies	1,183,712	1,176,675	1,342,189
Inventory in transit	<u>227,385</u>	<u>235,416</u>	<u>239,911</u>
	<u>\$ 2,955,249</u>	<u>\$ 2,854,760</u>	<u>\$ 2,978,720</u>

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

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Cost of inventories sold	\$ 3,914,266	\$ 4,080,404	\$ 11,336,148	\$ 11,380,657
Inventory write-downs (reversed)	(4,747)	10,442	17,792	13,687
Others	<u>(110)</u>	<u>1,881</u>	<u>1,011</u>	<u>3,228</u>
	<u>\$ 3,909,409</u>	<u>\$ 4,092,727</u>	<u>\$ 11,354,951</u>	<u>\$ 11,397,572</u>

12. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE - September 30, 2025

	Amount
Freehold land and buildings held for sale	<u>\$ 81,012</u>

The board of directors of the Company's subsidiary, Nan Pao Chemical Co., Ltd., resolved to dispose of land and buildings located in the Shenxing Section, Shengang Township, Changhua County, to a non-related party, Zhong Mei Industry CO., LTD. in July 2025. The land and buildings sale and purchase agreement was entered into in the same month, with a total transaction price of NT\$316,000 thousand. Upon classification of the land and buildings as non-current assets held for sale, no impairment loss was recognized. In addition, no impairment loss was recognized during the nine months ended September 30, 2025.

13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements were as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2025	December 31, 2024	September 30, 2024	
Nan Pao Resins Chemical Co., Ltd.	Nan Pao Chemical Co. Ltd.	Trading of chemical substances	100	100	100	g
	Nan Pao Application Material Co., Ltd.	Trading of chemical substances	100	100	100	g
	ITLS International Development Co., Ltd.	Trading of construction materials and chemical substances	100	100	100	
	Prince Pharmaceutical Co., Ltd.	Manufacturing, packaging, and processing of raw materials for various pharmaceutical and health food	49.35	49.53	49.53	g (refer to Note 32)
	Phymed Bio-Tec Co., Ltd.	R&D and trading of health food	100	100	100	g
	Biorich Biotechnology Co., Ltd.	R&D, production, trading of new high protein business and health food	57.1	57.1	57.1	g
	Nan Pao Advanced Materials Co., Ltd.	Trading of adhesives and chemicals	70	70	70	g
	Nan Pao Fine Materials Co., Ltd.	Production and trading of adhesives and chemicals	55	55	55	g
	Fuqing Nan Pao Investment Ltd.	General investment	100	100	100	
	Thai Nan Pao Investment Ltd.	General investment	100	100	100	
	Nan Pao Resins India Pvt Ltd.	Trading of adhesives	100	100	100	g
	Nan Pao Materials Vietnam Co., Ltd.	Production and trading of adhesives and chemicals	100	100	100	
	Nan Pao Advanced Materials Vietnam Co., Ltd.	Production and trading of adhesives and chemicals	100	100	100	g
	Nan Pao Overseas Holdings Ltd.	General investment	100	100	100	
	Profit Land Limited	General investment	73.75	73.75	73.75	a
	All Saints Enterprises Ltd.	General investment	54.53	54.53	54.53	a
	Ongoing Profits Ltd.	General investment	32.18	32.18	32.18	a
	PT. Indo Nan Pao Resins Chemical Co., Ltd.	Production and trading of adhesives	67.5	67.5	67.5	
	Nan Pao Philippines Export Inc.	Trading of adhesives	100	100	100	g
	Earnest Wealth Co., Ltd.	General investment	51.11	51.11	51.11	g
	FlexUP Technologies Corp.	Trading of chemical substances	100	100	100	g
	Nan Pao Resins Chemical (Bangladesh) Co., Ltd.	Trading of adhesives	100	100	100	g
	Nan Pao Resins International Ltd.	Trading of chemical substances and related products	100	100	100	
	Nan Pao Resins (HK) Ltd.	Production and trading of adhesives	100	100	100	
	Nan Pao Materials Resins India Private Limited	Trading of adhesives	100	100	100	g
	Yun Teh Industrial Co., Ltd.	Production and trading of curing agents resin	70	-	-	b, g
	Spark Foamtech Enterprise Company Limited	Production and trading of footwear materials	100	-	-	c, g
	ITLS International Development Co., Ltd.	General investment	100	100	100	
	ITLS Holding Pte. Ltd.					
	PT. ITLS Indonesia	Production and trading of construction materials	100	100	100	g
	ITLS Vietnam Co., Ltd.	Production and trading of construction materials	-	100	100	e
	Fuqing Nan Pao Investment Ltd.	Wealth Castle Development Ltd.	100	100	100	

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2025	December 31, 2024	September 30, 2024	
Wealth Castle Development Ltd.	Fuqing Nan Pao Resins Co., Ltd.	Production and trading of adhesives	100	100	100	g
Thai Nan Pao Investment Ltd.	Thai Nanpao Resins Chemical Co., Ltd.	Production and trading of adhesives	100	100	100	g
Nan Pao Overseas Holdings Ltd.	Nan Pao Group Holdings Ltd.	General investment	100	100	100	
Earnest Wealth Co., Ltd.	Apex Polytech Co., Ltd.	Production and trading of adhesives	100	100	100	g
Nan Pao Group Holdings Ltd.	Greatwill Materials (HK) Ltd.	General investment	100	100	100	
	Profit Land Limited	General investment	26.25	26.25	26.25	a
	Nan Pao Resins (Holdings) Ltd.	General investment	100	100	100	
	All Saints Enterprises Ltd.	General investment	45.47	45.47	45.47	a
	NP Australia Pty Ltd.	General investment	100	100	100	
	Ongoing Profits Ltd.	General investment	67.82	67.82	67.82	a
	Treasure Wealth (HK) Ltd.	General investment	100	100	100	
	Goldford Investments Ltd.	General investment	100	100	100	
	Nan Pao Resins Chemical Philippines, Inc.	Trading of adhesives	100	100	100	g
	Nan Pao Advanced Investment Co., Ltd.	General investment	100	100	100	
	Foshan Nan Pao Advanced Materials Co., Ltd.	Production and trading of adhesives	59.58	59.58	59.58	
	Giant Profit Development Ltd.	General investment	100	100	100	
Giant Profit Development Ltd.	Nan Pao Resins (Foshan) Co., Ltd.	Production and trading of adhesives	100	100	100	
Nan Pao Resins (Foshan) Co., Ltd.	Goaden Nan Pao Materials Technology Co., Ltd.	Trading of footwear materials	-	-	51	d
	Foshan Nan Pao Advanced Materials Co., Ltd.	Production and trading of adhesives	0.89	0.89	0.89	
Nan Pao Resins (Holdings) Ltd.	Eastlion Enterprises Ltd.	General investment	100	100	100	
	Nan Pao Resins Development Ltd.	General investment	100	100	100	
Eastlion Enterprises Ltd.	Nan Pao Resins (Dongguan) Co., Ltd.	Processing of adhesives products	100	100	100	g
Nan Pao Resins Development Ltd.	Dongguan Jiaqin Electronics Co., Ltd.	Production and trading of coatings and advanced resins	100	100	100	g
All Saints Enterprises Ltd.	Great Mount Enterprises Ltd.	General investment	100	100	100	
Great Mount Enterprises Ltd.	Nan Pao Resins (China) Co., Ltd.	Production and trading of adhesives and coatings	100	100	100	g
NP Australia Pty Ltd.	RLA Polymers Pty Ltd.	Production and trading of construction materials and chemical substances	100	100	100	
RLA Polymers Pty Ltd.	RLA Polymers (M) SDN BHD	Production and trading of construction materials and chemical substances	100	100	100	g
	Australasian Tiling Adhesives Pty Ltd	Production and trading of construction materials and chemical substances	100	100	100	g
Ongoing Profits Ltd.	Rising Sun Associates Ltd.	General investment	100	100	100	
Rising Sun Associates Ltd.	Nan Pao Resins (Vietnam) Enterprise Ltd.	Production and trading of adhesives	100	100	100	
Treasure Wealth (HK) Ltd.	Noroo-Nan Pao Paints & Coatings (Vietnam) Co., Ltd.	Production and trading of coatings	50	50	50	g
Nan Pao Advanced Investment Co., Ltd.	Nan Pao (Kunshan) Electronic Commerce Co., Ltd.	Online business agency and general merchandise trading	100	100	100	
	Nan Pao New Materials Technology (Huaian) Co., Ltd.	Production and trading of carbon fiber	92.06	94	94.18	(refer to Note 32)
	Nan Pao Optoelectronic Materials (Kunshan) Co., Ltd.	Production and trading of adhesives and chemicals	100	100	100	

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			September 30, 2025	December 31, 2024	September 30, 2024	
Changshu Yu Bo Polymer Materials Co., Ltd.	Nan Pao Fine Chemical Materials (Anhui) Co., Ltd.	Production and trading of coatings and chemicals	93.36	96.41	94.55	(refer to Note 32)
	Changshu Yu Bo Polymer Materials Co., Ltd.	Production and trading of adhesives and chemicals	70	70	70	
	Yu Po Chemical Co., Ltd.	Production and trading of adhesives and chemicals	100	100	-	f, g
(Concluded)						

- Direct and indirect shareholdings totaled 100%.
- The Group acquired Yun Teh Industrial Co., Ltd. in January 2025, and the shareholding ratio was 70% after the acquisition (refer to Note 31).
- The Group invested in and established Spark Foamtech Enterprise Company Limited in February 2025, and have invested capital in the subsidiary in March.
- Goaden Nan Pao Materials Technology Co., Ltd. was liquidated in November 2024.
- ITLS Vietnam Co., Ltd. was liquidated in September 2025.
- The Group acquired Yu Po Chemical Co., Ltd. in November 2024, and the shareholding ratio was 100% after the acquisition.
- Such companies are immaterial subsidiaries, and their financial statements have not been reviewed by the accountants.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	September 30, 2025	December 31, 2024	September 30, 2024
Investments in associates			
Associates that are not individually material	\$ <u>60,422</u>	\$ <u>57,208</u>	\$ <u>24,198</u>

Aggregate information of associates that are not individually material was as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
The Group's share of:				
Net loss for the period	\$ (13,641)	\$ (1,949)	\$ (31,714)	\$ (6,114)
Other comprehensive loss	<u>-</u>	<u>-</u>	<u>(381)</u>	<u>-</u>
Total comprehensive loss for the period	\$ <u>(13,641)</u>	\$ <u>(1,949)</u>	\$ <u>(32,095)</u>	\$ <u>(6,114)</u>

15. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Land improvements	3-20 years
Buildings	2-60 years
Machinery	2-30 years
Transportation equipment	2-20 years
Miscellaneous equipment	2-20 years

Refer to Table 10 for the detailed information of changes in property, plant and equipment.

Impairment assessment was not performed for the nine months ended September 30, 2025 and 2024 as there were no indications of impairment.

Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 36.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amount</u>			
Land (Note)	\$ 876,886	\$ 950,399	\$ 968,493
Buildings	371,537	426,986	472,840
Transportation equipment	32,176	37,977	40,704
Miscellaneous equipment	<u>2,507</u>	<u>2,168</u>	<u>2,531</u>
	<u>\$ 1,283,106</u>	<u>\$ 1,417,530</u>	<u>\$ 1,484,568</u>
	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>
	<u>2025</u>	<u>2024</u>	<u>2025</u> <u>2024</u>
Additions to right-of-use assets			<u>\$ 14,824</u> <u>\$ 182,488</u>
Depreciation charge for right-of-use assets			
Land	\$ 5,685	\$ 6,192	\$ 17,576 \$ 17,377
Buildings	20,642	19,996	64,420 53,048
Transportation equipment	4,014	4,853	12,757 13,867
Miscellaneous equipment	<u>263</u>	<u>229</u>	<u>736</u> <u>675</u>
	<u>\$ 30,604</u>	<u>\$ 31,270</u>	<u>\$ 95,489</u> <u>\$ 84,967</u>

Note: The land use rights of subsidiaries in Vietnam pledged as collateral for bank borrowings are set out in Note 36.

Except for the aforementioned additions and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the nine months ended September 30, 2025 and 2024.

b. Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amount</u>			
Current	\$ 92,973	\$ 118,169	\$ 129,732
Non-current	\$ 547,344	\$ 601,977	\$ 657,168

Range of discount rate for lease liabilities was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	1.56%	1.56%	1.56%
Buildings	0.81%-6%	0.77%-5.53%	0.77%-5.53%
Transportation equipment	1.9%-6.14%	1.3%-5.37%	1.3%-5.37%
Miscellaneous equipment	2.65%-11.05%	5.37%-11.2%	5.37%-11.2%

c. Material leasing activities and terms

The Group leases several land, buildings, and equipment for operating use under lease terms of 2 to 89 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	\$ 13,069	\$ 11,066	\$ 36,795	\$ 32,900
Expenses relating to low-value asset leases	\$ 1,049	\$ 597	\$ 2,214	\$ 1,785
Total cash outflow for leases			\$ 148,684	\$ 114,563

17. INVESTMENT PROPERTIES

	Land	Buildings	Total
<u>Cost</u>			
Balance on January 1, 2025	\$ 17,760	\$ -	\$ 17,760
Additions	-	7,526	7,526
Effects of foreign currency exchange differences	-	(125)	(125)
Balance on September 30, 2025	\$ 17,760	\$ 7,401	\$ 25,161

(Continued)

	Land	Buildings	Total
<u>Accumulated depreciation</u>			
Balance on January 1, 2025	\$ -	\$ -	\$ -
Depreciation expenses	-	84	84
Effects of foreign currency exchange differences	-	(2)	(2)
	<u> </u>	<u> </u>	<u> </u>
Balance on September 30, 2025	<u>\$ -</u>	<u>\$ 82</u>	<u>\$ 82</u>
Carrying amount on December 31, 2024 and January 1, 2025	<u>\$ 17,760</u>	<u>\$ -</u>	<u>\$ 17,760</u>
Carrying amount on September 30, 2025	<u>\$ 17,760</u>	<u>\$ 7,319</u>	<u>\$ 25,079</u>

Cost

Balance on January 1, 2024 and September 30, 2024	<u>\$ 17,760</u>	<u>\$ -</u>	<u>\$ 17,760</u>
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Accumulated depreciation

Balance on January 1, 2024 and September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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Carrying amount on September 30, 2024	<u>\$ 17,760</u>	<u>\$ -</u>	<u>\$ 17,760</u> (Concluded)
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Investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Buildings	20 years
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The fair values of the investment properties - land were both \$78,764 thousand as of December 31, 2024 and 2023. For investment properties not valued by any independent valuer, the Group's management determined their fair values with reference to the closing prices of similar properties in the vicinity of the Group's investment properties. Furthermore, management of the Group had assessed and determined that there were no significant changes in the fair value as of September 30, 2025 and 2024, as compared to that as of December 31, 2024 and 2023.

The market for comparable properties is inactive and alternative reliable measurements of fair value are not available; therefore, the Group determined that the fair value of the investment properties - buildings was not reliably measurable.

These investment properties were not pledged as collateral or restricted in any way.

18. GOODWILL

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Cost</u>			
Balance on January 1	\$ 398,803	\$ 357,407	\$ 357,407
Acquisitions through business combinations (Note 31)	180,562	43,978	33,253
Effects of foreign currency exchange differences	<u>(11,138)</u>	<u>(2,582)</u>	<u>15,205</u>
Balance on September 30	<u>\$ 568,227</u>	<u>\$ 398,803</u>	<u>\$ 405,865</u>
<u>Accumulated impairment losses</u>			
Balance on January 1	\$ 5,409	\$ 5,199	\$ 5,199
Effects of foreign currency exchange differences	<u>(236)</u>	<u>210</u>	<u>96</u>
Balance on September 30	<u>\$ 5,173</u>	<u>\$ 5,409</u>	<u>\$ 5,295</u>
Carrying amount on September 30	<u>\$ 563,054</u>	<u>\$ 393,394</u>	<u>\$ 400,570</u>

The Group carried out impairment testing on the recoverable amount of goodwill at the end of the year, using the value-in-use as the basis for calculation of the recoverable amount. The value-in-use was estimated based on the Group's financial projections of cash flow for the future years, to reflect the specific risk of related cash generating units.

The recoverable amount was determined based on a value-in-use calculation that used the cash flow projections in the financial budgets approved by management covering a 5-year period, and calculated by using the weighted average cost of capital ratio. The assumptions was based on the past operating conditions of the cash-generating unit and management's expectations of the market.

19. OTHER INTANGIBLE ASSETS

	Client relationships	Non-patented technology	Trademark	Others	Total
<u>Cost</u>					
Balance on January 1, 2025	\$ 257,400	\$ 113,271	\$ 164,550	\$ 202,729	\$ 737,950
Additions	-	-	-	3,326	3,326
Acquisitions through business combinations	100,600	-	96,000	48,600	245,200
Effects of foreign currency exchange differences	<u>(9,296)</u>	<u>(6,381)</u>	<u>(8,449)</u>	<u>(4,427)</u>	<u>(28,553)</u>
Balance on September 30, 2025	<u>\$ 348,704</u>	<u>\$ 106,890</u>	<u>\$ 252,101</u>	<u>\$ 250,228</u>	<u>\$ 957,923</u>

(Continued)

	Client relationships	Non-patented technology	Trademark	Others	Total
<u>Accumulated amortization and impairment</u>					
Balance on January 1, 2025	\$ 101,497	\$ 17,461	\$ 52,999	\$ 139,004	\$ 310,961
Amortization expenses	20,055	8,009	32,984	24,658	85,706
Effects of foreign currency exchange differences	(2,277)	(1,163)	(3,092)	(3,764)	(10,296)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance on September 30, 2025	<u>\$ 119,275</u>	<u>\$ 24,307</u>	<u>\$ 82,891</u>	<u>\$ 159,898</u>	<u>\$ 386,371</u>
Carrying amount on December 31, 2024 and January 1, 2025	<u>\$ 155,903</u>	<u>\$ 95,810</u>	<u>\$ 111,551</u>	<u>\$ 63,725</u>	<u>\$ 426,989</u>
Carrying amount on September 30, 2025	<u>\$ 229,429</u>	<u>\$ 82,583</u>	<u>\$ 169,210</u>	<u>\$ 90,330</u>	<u>\$ 571,552</u>
<u>Cost</u>					
Balance on January 1, 2024	\$ 240,092	\$ 97,977	\$ 149,082	\$ 189,464	\$ 676,615
Additions	-	-	-	9,236	9,236
Acquisitions through business combinations	15,652	10,870	10,218	-	36,740
Disposals	-	-	-	(173)	(173)
Effects of foreign currency exchange differences	10,607	4,195	6,409	3,903	25,114
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance on September 30, 2024	<u>\$ 266,351</u>	<u>\$ 113,042</u>	<u>\$ 165,709</u>	<u>\$ 202,430</u>	<u>\$ 747,532</u>
<u>Accumulated amortization and impairment</u>					
Balance on January 1, 2024	\$ 83,360	\$ 6,532	\$ 22,722	\$ 107,084	\$ 219,698
Amortization expenses	15,432	7,638	22,020	21,612	66,702
Disposals	-	-	-	(173)	(173)
Effects of foreign currency exchange differences	4,030	293	1,097	1,350	6,770
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance on September 30, 2024	<u>\$ 102,822</u>	<u>\$ 14,463</u>	<u>\$ 45,839</u>	<u>\$ 129,873</u>	<u>\$ 292,997</u>
Carrying amount on September 30, 2024	<u>\$ 163,529</u>	<u>\$ 98,579</u>	<u>\$ 119,870</u>	<u>\$ 72,557</u>	<u>\$ 454,535</u>

(Concluded)

Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Client relationships	8-12 years
Non-patented technology	10-12 years
Trademark	5-10 years
Others	2-15 years

20. OTHER ASSETS

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Overpaid tax retained for offsetting the future tax payable	\$ 346,896	\$ 333,367	\$ 318,944
Input tax	278,336	293,066	283,201
Prepayments	180,227	133,459	106,754
Prepaid expenses	133,067	82,483	96,777
Others	<u>26,261</u>	<u>24,016</u>	<u>27,329</u>
	<u>\$ 964,787</u>	<u>\$ 866,391</u>	<u>\$ 833,005</u>
<u>Non-current</u>			
Prepayments for equipment	\$ 63,095	\$ 51,242	\$ 95,986
Others	<u>30,652</u>	<u>28,517</u>	<u>28,774</u>
	<u>\$ 93,747</u>	<u>\$ 79,759</u>	<u>\$ 124,760</u>

21. BORROWINGS

a. Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Secured bank loans (Note 36)	\$ 30,000	\$ 75,608	\$ 75,166
Unsecured bank loans	<u>2,833,090</u>	<u>2,957,057</u>	<u>3,323,996</u>
	<u>\$ 2,863,090</u>	<u>\$ 3,032,665</u>	<u>\$ 3,399,162</u>

The ranges of interest rates of short-term borrowings were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Secured bank loans	2.02%	2.02%-3.25%	2.02%-3.45%
Unsecured bank loans	1.799%-5.509%	1.744%-6.878%	1.75%-6.64%

b. Long-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Secured bank loans (1)	\$ 275,431	\$ 267,270	\$ 307,588
Unsecured bank loans (2)	<u>2,913,397</u>	<u>1,538,118</u>	<u>1,418,801</u>
	3,188,828	1,805,388	1,726,389
Less: Current portion	<u>61,360</u>	<u>70,749</u>	<u>86,290</u>
	<u>\$ 3,127,468</u>	<u>\$ 1,734,639</u>	<u>\$ 1,640,099</u>

- 1) As of September 30, 2025, December 31, 2024 and September 30, 2024, the ranges of interest rates of the bank loans secured by the Group's freehold land, buildings and deposit certificates (see Note 36) were all 2.328%-2.433% per annum. Long-term borrowings mentioned above will expire before June 2035, and payments of interest and principal are made on schedule.
- 2) As of September 30, 2025, December 31, 2024 and September 30, 2024, the ranges of interest rates of unsecured bank loans were 1.5273%-4%, 1.5%-4.1% and 1.275%-4.1% per annum, respectively. Long-term borrowings mentioned above will expire before September 2031, and payments of interest and principal are made on schedule.

22. NOTES PAYABLE AND ACCOUNTS PAYABLE

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes payable</u>			
Operating	\$ 6,568	\$ 197	\$ 622
<u>Accounts payable</u>			
Operating	\$ 2,214,826	\$ 2,291,845	\$ 2,481,311

The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

23. OTHER LIABILITIES

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Other liabilities			
Refund liabilities	\$ 151,046	\$ 164,944	\$ 178,804
Guarantee deposits	2,031	-	-
Others	42,821	53,579	52,489
	<u>\$ 195,898</u>	<u>\$ 218,523</u>	<u>\$ 231,293</u>
<u>Non-current</u>			
Other liabilities			
Guarantee deposits	\$ 1,345	\$ 2,081	\$ 1,870
Others	9,757	9,349	8,356
	<u>\$ 11,102</u>	<u>\$ 11,430</u>	<u>\$ 10,226</u>

24. RETIREMENT BENEFIT PLANS

For the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the pension expenses of defined benefit plans were \$195 thousand, \$580 thousand, \$667 thousand and \$1,711 thousand, respectively, and these were calculated based on the pension cost rate

determined by the actuarial calculation on December 31, 2024 and 2023, respectively.

25. EQUITY

a. Share capital

Ordinary shares

	September 30, 2025	December 31, 2024	September 30, 2024
Number of shares authorized (in thousands)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Shares authorized	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>120,570</u>	<u>120,570</u>	<u>120,570</u>
Shares issued	<u>\$ 1,205,707</u>	<u>\$ 1,205,707</u>	<u>\$ 1,205,707</u>

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

b. Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)</u>			
Issuance of ordinary shares	\$ 2,040,204	\$ 2,040,204	\$ 2,040,204
The difference between the consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition	10,604	10,659	10,659
Employee share options	44,083	44,083	44,083
Expired employee share options	135	135	135
<u>May only be used to offset a deficit</u>			
Changes in percentage of ownership interests in subsidiaries (2)	<u>35,414</u>	<u>28,735</u>	<u>27,000</u>
	<u>\$ 2,130,440</u>	<u>\$ 2,123,816</u>	<u>\$ 2,122,081</u>

1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles, when the Company distributed profit, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit (This shall not apply if the accumulated legal reserve has reached the Company's paid-in capital), setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors, refer to compensation of employees and remuneration of directors in Note 27-g.

Proposal for profit distribution or offsetting of losses of the Company should be made at the end of each quarter of the fiscal year. The profit distribution in cash shall be resolved by the board of directors in accordance with Article 228-1 and Article 240-5 of the Company Act which should be submitted in the shareholders' meeting.

The Company is in a period of stable growth. In order to cope with the future operational expansion plan, the total amount of dividends distributed should not be less than 10% of the year's remaining profit. The profit can be as of cash dividends or stock dividends, and the issuance of cash dividends takes precedence over the payment of stock dividends. In principle, stock dividends are limited to 80% of the total dividends distributed.

The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The special reserve is appropriated and reversed by the Company under the Rules.

The appropriations of earnings for 2024 and 2023, which were resolved in the shareholders' meetings in June 2025 and 2024, respectively, were as follows:

	Appropriations of earnings		Dividends per share (NT\$)	
	2024	2023	2024	2023
Legal reserve	\$ 262,377	\$ 242,947		
Cash dividends	2,290,845	1,808,562	\$ 19	\$ 15

The above cash dividends have been resolved by the board of directors in March 2025 and 2024, respectively.

d. Special reserve

On the initial application of IFRS Accounting Standards, the recognized unrealized revaluation adjustments, cumulative translation adjustments, and capital surplus transferred to retained earnings amounted to \$313,321 thousand, while an equivalent amount has been appropriated as special reserve.

e. Other equity items

1) Exchange differences on the translation of the financial statements of foreign operations

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ (8,934)	\$ (419,351)
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	<u>(767,237)</u>	<u>274,155</u>
Balance on September 30	<u>\$ 776,171</u>	<u>\$ (145,196)</u>

2) Unrealized valuation gain (loss) on financial assets at FVTOCI

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ 1,448,130	\$ 1,358,306
Recognized for the period		
Unrealized gain (loss) - equity instruments	<u>(558,297)</u>	<u>213,261</u>
Balance on September 30	<u>\$ 889,833</u>	<u>\$ 1,571,567</u>

f. Non-controlling interests

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ 1,444,843	\$ 1,369,466
Share in profit for the period	142,105	60,889
Other comprehensive income (loss) during the period		
Exchange differences on the translation of the financial statements of foreign operations	(76,977)	44,244
Changes in ownership interests in subsidiaries (Note 32)	25,765	21,491
Acquisition of non-controlling interests in subsidiaries (Note 32)	(445)	-
Issuance of employee share options by subsidiaries (Note 30)	458	3,060
Dividend payout from subsidiaries	(122,974)	(27,464)
Non-controlling interests arising from acquisition of subsidiaries (Note 31)	<u>101,888</u>	<u>-</u>
Balance on September 30	<u>\$ 1,514,663</u>	<u>\$ 1,471,686</u>

26. REVENUE

a. Disaggregation of revenue

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Adhesives	\$ 4,088,383	\$ 4,501,029	\$ 12,056,341	\$ 12,377,988
Construction materials	1,039,227	975,022	2,913,839	2,686,438
Coatings	434,973	387,093	1,346,799	1,130,065
Others	<u>347,680</u>	<u>224,850</u>	<u>953,179</u>	<u>666,594</u>
	<u>\$ 5,910,263</u>	<u>\$ 6,087,994</u>	<u>\$ 17,270,158</u>	<u>\$ 16,861,085</u>

b. Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Notes receivable (Note 10)	<u>\$ 403,780</u>	<u>\$ 344,349</u>	<u>\$ 384,596</u>	<u>\$ 343,899</u>
Accounts receivable (including related parties) (Note 10)	<u>\$ 4,980,494</u>	<u>\$ 5,177,677</u>	<u>\$ 5,112,865</u>	<u>\$ 4,406,887</u>
Contract liabilities - current				
Sale of goods	<u>\$ 24,512</u>	<u>\$ 28,778</u>	<u>\$ 41,953</u>	<u>\$ 29,380</u>

The changes in the balance of contract liabilities primarily result from the timing difference between the Group's satisfaction of performance obligations and the respective customer's payment.

27. NET PROFIT

a. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Bank deposits	<u>\$ 29,652</u>	<u>\$ 30,706</u>	<u>\$ 108,119</u>	<u>\$ 89,612</u>

b. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Dividend income	\$ 324	\$ 4,048	\$ 108,315	\$ 109,424
Grant income	11,631	16,464	28,350	30,134
Rental income	8,070	440	9,671	1,208
Others	<u>1,893</u>	<u>9,983</u>	<u>23,972</u>	<u>36,820</u>
	<u>\$ 21,918</u>	<u>\$ 30,935</u>	<u>\$ 170,308</u>	<u>\$ 177,586</u>

c. Other gains and losses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Net foreign exchange gains (losses)	\$ 18,401	\$ (16,688)	\$ (72,675)	\$ 18,801
Gain (loss) on fair value changes of financial assets - financial assets mandatorily classified as at FVTPL	1,445	(4,308)	(10,718)	3,348
Loss from fire	-	-	(70,861)	-
Compensation loss	(45,201)	(526)	(64,700)	(526)
Others	<u>(14,035)</u>	<u>(5,140)</u>	<u>(32,787)</u>	<u>(8,079)</u>
	<u>\$ (39,390)</u>	<u>\$ (26,662)</u>	<u>\$ (251,741)</u>	<u>\$ 13,544</u>

d. Finance costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Interest on bank loans	\$ 34,911	\$ 29,336	\$ 96,695	\$ 73,346
Interest on lease liabilities	4,591	5,307	14,212	14,701
Interest on contingent consideration	<u>-</u>	<u>-</u>	<u>411</u>	<u>-</u>
	<u>\$ 39,502</u>	<u>\$ 34,643</u>	<u>\$ 111,318</u>	<u>\$ 88,047</u>

e. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Property, plant and equipment	\$ 134,913	\$ 134,312	\$ 403,582	\$ 394,206
Right-of-use assets	30,604	31,270	95,489	84,967
Other intangible assets	27,974	22,569	85,706	66,702
Investment properties	<u>66</u>	<u>-</u>	<u>84</u>	<u>-</u>
	<u>\$ 193,557</u>	<u>\$ 188,151</u>	<u>\$ 584,861</u>	<u>\$ 545,875</u>
An analysis of depreciation by function				
Operating costs	\$ 114,430	\$ 110,307	\$ 344,900	\$ 326,640
Operating expenses	51,087	55,275	154,171	152,533
Other gains and losses	<u>66</u>	<u>-</u>	<u>84</u>	<u>-</u>
	<u>\$ 165,583</u>	<u>\$ 165,582</u>	<u>\$ 499,155</u>	<u>\$ 479,173</u>
An analysis of amortization by function				
Operating costs	\$ 280	\$ 337	\$ 836	\$ 1,138
Operating expenses	<u>27,694</u>	<u>22,232</u>	<u>84,870</u>	<u>65,564</u>
	<u>\$ 27,974</u>	<u>\$ 22,569</u>	<u>\$ 85,706</u>	<u>\$ 66,702</u>

f. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employee benefits				
Salaries	\$ 658,920	\$ 806,881	\$ 1,978,221	\$ 1,951,529
Labor and health insurance	50,176	61,936	149,648	151,579
Others	60,076	76,027	176,348	183,759
	<u>769,172</u>	<u>944,844</u>	<u>2,304,217</u>	<u>2,286,867</u>
Post-employment benefits				
Defined contribution plans	38,867	50,535	114,302	116,327
Defined benefit plans (Note 24)	195	580	667	1,711
	<u>39,062</u>	<u>51,115</u>	<u>114,969</u>	<u>118,038</u>
	<u>\$ 808,234</u>	<u>\$ 995,959</u>	<u>\$ 2,419,186</u>	<u>\$ 2,404,905</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 312,235	\$ 353,625	\$ 907,433	\$ 876,013
Operating expenses	<u>495,999</u>	<u>642,334</u>	<u>1,511,753</u>	<u>1,528,892</u>
	<u>\$ 808,234</u>	<u>\$ 995,959</u>	<u>\$ 2,419,186</u>	<u>\$ 2,404,905</u>

g. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at rates of 2% to 6% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company resolved the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 20% of the compensation of employees as compensation distributions for non-executive employees. The compensation of employees (including non-executive employees) and the remuneration of directors for the three months and nine months ended September 30, 2025 and 2024 are as follows:

Accrual rate

	For the Nine Months Ended September 30	
	2025	2024
Compensation of employees	2.55%	2.30%
Remuneration of directors	1.08%	0.97%

Amount

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Compensation of employees	\$ 20,280	\$ 23,661	\$ 60,840	\$ 57,459
Remuneration of directors	8,580	10,010	25,740	24,310

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

The appropriations of employees' compensation and remuneration of directors for 2024 and 2023 that were resolved by the board of directors in March 2025 and 2024, respectively, are as shown below:

	For the Year Ended December 31	
	2024	2023
	Cash	Cash
Compensation of employees	\$ 81,120	\$ 67,600
Remuneration of directors	34,320	28,600

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

h. Gains or losses on foreign currency exchange

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Foreign exchange gains	\$ (152)	\$ 76,055	\$ 191,416	\$ 222,924
Foreign exchange losses	<u>18,553</u>	<u>(92,743)</u>	<u>(264,091)</u>	<u>(204,123)</u>
	<u>\$ 18,401</u>	<u>\$ (16,688)</u>	<u>\$ (72,675)</u>	<u>\$ 18,801</u>

28. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Current tax				
In respect of the current period	\$ 294,420	\$ 292,864	\$ 684,377	\$ 670,109
Income tax on unappropriated earnings	-	-	-	6,504
Adjustments for prior year	<u>5,866</u>	<u>2,722</u>	<u>(25,406)</u>	<u>(91,211)</u>
	300,286	295,586	658,971	585,402
Deferred tax				
In respect of the current period	<u>(31,034)</u>	<u>(2,446)</u>	<u>58,557</u>	<u>89,434</u>
	<u>\$ 269,252</u>	<u>\$ 293,140</u>	<u>\$ 717,528</u>	<u>\$ 674,836</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
<u>Deferred tax</u>				
In respect of the current period				
Exchange differences on translation of the financial statements of foreign operations	<u>\$ (103,183)</u>	<u>\$ 15,119</u>	<u>\$ 191,809</u>	<u>\$ (68,539)</u>

c. Income tax assessments

The income tax returns of the Company and its domestic subsidiaries through 2023 have been assessed by the tax authorities.

29. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net Profit for the Period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Profit for the period attributable to owners of the Company	<u>\$ 599,011</u>	<u>\$ 660,574</u>	<u>\$ 1,881,472</u>	<u>\$ 2,039,227</u>

The weighted average number of ordinary shares outstanding (in thousands of shares) was as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	120,571	120,571	120,571	120,571
Effect of potentially dilutive ordinary shares				
Compensation of employees	<u>51</u>	<u>78</u>	<u>222</u>	<u>250</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>120,622</u>	<u>120,649</u>	<u>120,793</u>	<u>120,821</u>

The Group may settle the compensation of employees in cash or shares; therefore, the Group assumes that

the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

30. SHARE-BASED PAYMENT ARRANGEMENTS

Qualified employees of the Company's subsidiary, Prince Pharmaceutical Co., Ltd. were granted 2,000 units of share options in September 2022. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of Prince Pharmaceutical Co., Ltd. The options granted are exercisable at certain percentages after the first anniversary from the grant date.

Information on employee share options was as follows:

	For the Nine Months Ended September 30			
	2025		2024	
	Number of Options (In Thousands)	Weighted- average Exercise Price (NT\$)	Number of Options (In Thousands)	Weighted- average Exercise Price (NT\$)
Balance on January 1	1,185	\$ 24.60	1,588	\$ 24.85
Options forfeited	(164)	-	(396)	-
Options exercised	(178)	24.60	-	-
Balance on September 30	<u>843</u>	24.60	<u>1,192</u>	24.60
Options exercisable, end of the period	<u>843</u>	-	<u>128</u>	-

Options granted in September 2022 by Prince Pharmaceutical Co., Ltd. are priced using the Black-Scholes pricing model, and the inputs to the model are as follows:

Grant-date share price (NT\$)	\$ 32.5
Exercise price (NT\$)	\$ 25
Expected volatility	34.85%-42.95%
Expected life (in years)	3 years and one month
Risk-free interest rate	1.31%-1.41%

Expected volatility is based on the volatility of stock returns over the expected life. Expected life of the options shall be in accordance with the regulations of issuance by Prince Pharmaceutical Co., Ltd. The risk-free interest rate is based on the government yield rates of the bonds provided by the TPEX. The determination of fair value does not take into account the services and non-market performance conditions included in the transaction.

In June 2023, Prince Pharmaceutical Co., Ltd. adjusted the exercise price of employee share options granted in September 2022 from NT\$25 to NT\$24.85 in accordance with the Regulations Governing Employee Share Options, and the amendment did not generate incremental fair value. In June 2024, Prince Pharmaceutical Co., Ltd. adjusted the exercise price of employee share options granted in September 2022 from NT\$24.85 to NT\$24.60 in accordance with the Regulations Governing Employee Share Options, and the amendment did not generate incremental fair value.

Compensation costs recognized were \$907 thousand and \$6,062 thousand for the nine months ended September 30, 2025 and 2024, respectively.

31. BUSINESS COMBINATIONS

Businesses acquired

Business	Principal Activity	Date of Acquisition
A.C.N. 154 228 207 Pty Ltd. (formerly known as Australasian Tiling Adhesives Pty Ltd)	Production and sale of adhesives, primers, sealants, bricklaying mixtures, and other related materials	September 2, 2024

The Group acquired the business and asset portfolio from A.C.N. (established in Australia), a non-related party, in September 2024. The acquisition includes the processes involved in the input and handling of resources, with the ability to generate output, meeting the definition of a business. Therefore, the acquisition is accounted for under IFRS 3. The purpose of the acquisition was to expand the business and strengthen the product portfolio.

a. Consideration transferred

	Amount
Cash	\$ 85,910
Contingent consideration arrangement (Note)	<u>10,653</u>
	<u><u>\$ 96,563</u></u>

Note: According to contingent consideration arrangement, the Group is required to make an additional payment to the seller if the agreed-upon conditions are met. The fair value of this obligation was estimated to be \$10,653 thousand as of the acquisition date.

b. Assets acquired and liabilities assumed at the date of acquisition

	Amount
Current assets	
Inventories	\$ 16,343
Non-current assets	
Other intangible assets	36,740
Property, plant and equipment	21,249
Right-of-use assets	14,392
Current liabilities	
Lease liabilities - current	(3,801)
Non-current liabilities	
Lease liabilities - non-current	(10,591)
Deferred tax liabilities	<u>(11,022)</u>
	<u><u>\$ 63,310</u></u>

c. Goodwill recognized on acquisitions

	Amount
Consideration transferred	\$ 96,563
Less: Fair value of identifiable net assets acquired	<u>(63,310)</u>
Goodwill recognized on acquisitions	<u>\$ 33,253</u>

The goodwill recognized in the acquisitions of A.C.N. of the activities and asset portfolio mainly represents the control premium included in the cost of the combinations.

Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Yun Teh Industrial Co., Ltd.	Production and sales of polyamide resins, modified amines, anhydrides, modified epoxy resins, and epoxy resins.	January 2, 2025	70%	<u>\$ 418,300</u>

The Group acquired Yun Teh Industrial Co., Ltd. in January 2025. The purpose of the acquisition was to expand the business and strengthen the product portfolio.

a. Consideration transferred

	Amount
Cash	\$ 399,000
Contingent consideration agreement (Note)	<u>19,300</u>
	<u>\$ 418,300</u>

Note: According to the contingent consideration agreement, the parties agree that the outstanding purchase price may be increased or decreased in accordance with the following factors, (1) Yun Teh Industrial Co., Ltd.'s pre-tax profit for 2024 shall amount to no less than \$47,700 thousand, if there is any shortfall, the deficient amount shall be deducted from the final payment. (2) The cash balance retained on the closing date shall be fixed at \$101,000 thousand, and 70% of any excess or shortfall shall be adjusted against the final payment. The fair value of this obligation was estimated to be \$19,300 thousand as of the acquisition date.

b. Assets acquired and liabilities assumed at the date of acquisition

	Amount
Current assets	
Cash and cash equivalents	\$ 99,159
Accounts receivable and other receivables	48,248
Inventories	39,048
Other current assets	1,214
Non-current assets	
Property, plant and equipment	6,128
Right-of-use assets	17,708
Prepayments for equipment	884
Other intangible assets	245,200
Deferred tax assets	1,038
Other non-current assets	342
Current liabilities	
Accounts payable and other payables	(36,723)
Contract liabilities	(2,488)
Current tax liabilities	(12,916)
Lease liabilities - current	(6,343)
Other current liabilities	(120)
Non-current liabilities	
Lease liabilities - non-current	(11,409)
Deferred tax liabilities	<u>(49,344)</u>
	<u><u>\$ 339,626</u></u>

c. Non-controlling interests

The non-controlling interest of Yun Teh Industrial Co., Ltd. recognized at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to \$101,888 thousand. This fair value was estimated by applying adjustment for market price and the lack of control or lack of marketability that market participants would consider.

d. Goodwill recognized on acquisitions

	Amount
Consideration transferred	\$ 418,300
Plus: Non-controlling interests	101,888
Less: Fair value of identifiable net assets acquired	<u>(339,626)</u>
Goodwill recognized on acquisitions	<u><u>\$ 180,562</u></u>

The goodwill recognized in the acquisition of Yun Teh Industrial Co., Ltd. is primarily due to the control premium. In addition, the consideration paid in the acquisition includes expected synergies, revenue growth, and future market development. However, these benefits do not meet the recognition criteria for identifiable intangible assets and, therefore, are not recognized separately.

e. Net cash outflow on the acquisition of subsidiaries

	Amount
Consideration paid in cash	\$ 418,300
Less: Cash and cash equivalent balances acquired	(99,159)
Less: Other payables	<u>(19,300)</u>
	<u>\$ 299,841</u>

32. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

For the Nine Months Ended September 30, 2025

	Nan Pao New Materials Technology (Huaian) Co., Ltd. (a)	Nan Pao Fine Chemical Materials (Anhui) Co., Ltd. (b)	Prince Pharmaceutical Co., Ltd. (c)
Consideration received	\$ 12,803	\$ 14,872	\$ 3,879
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	<u>(7,285)</u>	<u>(14,419)</u>	<u>(3,616)</u>
Differences recognized from equity transactions	<u>\$ 5,518</u>	<u>\$ 453</u>	<u>\$ 263</u>
<u>Line items adjusted for equity transactions</u>			
Capital surplus - difference between consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition	\$ -	\$ -	\$ (55)
Capital surplus - changes in percentage of ownership interests in subsidiaries	<u>5,518</u>	<u>453</u>	<u>318</u>
	<u>\$ 5,518</u>	<u>\$ 453</u>	<u>\$ 263</u>

For the Nine Months Ended September 30, 2024

	Nan Pao New Materials Technology (Huaian) Co., Ltd. (a)	Nan Pao Fine Chemical Materials (Anhui) Co., Ltd. (b)
Consideration received	\$ -	\$ 16,015
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	<u>(5,574)</u>	<u>(15,917)</u>
Differences recognized from equity transactions	<u>\$ (5,574)</u>	<u>\$ 98</u>
<u>Line items adjusted for equity transactions</u>		
Capital surplus - changes in percentage of ownership interests in subsidiaries	<u>\$ (5,574)</u>	<u>\$ 98</u>

a. In March 2025, the issuance of ordinary shares for cash of Nan Pao New Materials Technology

(Huaian) Co., Ltd., the Group did not subscribe the issuance of ordinary shares in accordance with the shareholding ratio, decreasing its shareholding ratio from 94% to 92.06%. In March, April and July 2024, Nan Pao New Materials Technology (Huaian) Co., Ltd. processed a cash capital increase, which was subscribed by the Group, resulting in an increase in shareholding from 90.91% to 94.18%.

- b. In January 2025, the issuance of ordinary shares for cash of Nan Pao Fine Chemical Materials (Anhui) Co., Ltd., the Group did not subscribe the issuance of ordinary shares in accordance with the shareholding ratio, decreasing its shareholding ratio from 96.41% to 93.36%. In March, May and September 2024, Nan Pao Fine Chemical Materials (Anhui) Co., Ltd. processed a cash capital increase, which was not subscribed by the Group in accordance with the shareholding ratio, resulting in an decrease in shareholding from 100% to 94.55%.
- c. The Group acquired Prince Pharmaceutical Co., Ltd. interests in June 2025, and the shareholding ratio was increased from 49.53% to 49.59% after acquisition. The employees of Prince Pharmaceutical Co., Ltd. exercised 178 thousand the employee share option in July and September 2025, resulting in an decrease in shareholding from 49.59% to 49.35%.

The above transactions were accounted for as equity transactions, since the Group did not cease to have control over these subsidiaries.

33. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will have sufficient financial resources and operating plans to fund its working capital needs, capital asset purchases, research and development expenses, debt repayments, stock dividends and other business requirements associated with its existing operations.

34. FINANCIAL INSTRUMENTS

- a. Fair value of financial instruments not measured at fair value

The Group believes that the carrying amounts of financial instruments not measured at fair value recognized in the consolidated financial statements approximate their fair values.

- b. Fair value of financial instruments measured at fair value on a recurring basis

- 1) Fair value hierarchy

September 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Limited partnership	\$ -	\$ -	\$ 116,318	\$ 116,318
<u>Financial assets at FVTOCI</u>				
Emerging market shares	\$ 21,643	\$ -	\$ -	\$ 21,643
Unlisted shares	-	-	1,079,624	1,079,624
	\$ 21,643	\$ -	\$ 1,079,624	\$ 1,101,267

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Limited partnership	\$ <u> -</u>	\$ <u> -</u>	\$ <u> 131,474</u>	\$ <u> 131,474</u>
<u>Financial assets at FVTOCI</u>				
Emerging market shares	\$ 24,177	\$ -	\$ -	\$ 24,177
Unlisted shares	<u> -</u>	<u> -</u>	<u> 1,635,387</u>	<u> 1,635,387</u>
	\$ <u> 24,177</u>	\$ <u> -</u>	\$ <u> 1,635,387</u>	\$ <u> 1,659,564</u>

September 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Limited partnership	\$ <u> -</u>	\$ <u> -</u>	\$ <u> 121,467</u>	\$ <u> 121,467</u>
<u>Financial assets at FVTOCI</u>				
Emerging market shares	\$ 27,102	\$ -	\$ -	\$ 27,102
Unlisted shares	<u> -</u>	<u> -</u>	<u> 1,868,271</u>	<u> 1,868,271</u>
	\$ <u> 27,102</u>	\$ <u> -</u>	\$ <u> 1,868,271</u>	\$ <u> 1,895,373</u>

2) Reconciliation of Level 3 fair value measurements of financial instruments

Financial Assets at FVTPL

	<u>For the Nine Months Ended September 30</u>	
	<u>2025</u>	<u>2024</u>
Balance on January 1	\$ 131,474	\$ 121,929
Recognized in profit or loss (included in other gains and losses)	(10,718)	3,348
Capital reduction	<u>(4,438)</u>	<u>(3,810)</u>
Balance on September 30	\$ <u> 116,318</u>	\$ <u> 121,467</u>

Financial Assets at FVTOCI

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ 1,635,387	\$ 1,661,816
Recognized in other comprehensive income (loss) (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	<u>(555,763)</u>	<u>206,455</u>
Balance on September 30	<u>\$ 1,079,624</u>	<u>\$ 1,868,271</u>

3) Valuation techniques and inputs applied for Level 3 fair value measurement

a) The market approach is used to estimate the fair values of the unlisted shares, and the determination of fair value takes into consideration the industry type, valuation of comparable companies and the operating situation, or based on the net value of company.

b) Limited partnerships are valued on the basis of their net worth.

c. Categories of financial instruments

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets</u>			
Financial assets at amortized cost (1)	\$ 12,824,763	\$ 13,218,034	\$ 12,491,340
Financial assets at FVTPL - Mandatorily classified as at FVTPL	116,318	131,474	121,467
Financial assets at FVTOCI	1,101,267	1,659,564	1,895,373

Financial liabilities

Amortized cost (2)	9,516,288	8,457,506	8,782,135
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1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable, accounts receivable (including related parties) and other receivables.

2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings (including current portion of long-term borrowings) and guarantee deposits (included in other current liabilities and other non-current liabilities).

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, notes receivable, accounts receivable, notes payable, accounts payable, borrowings, and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Major financing activities of the Group are reviewed by the board of directors based on relevant regulations and the internal control system. When executing the financial plans, the Group's treasury department follows the procedures in accordance with the proper segregation of duties and the related financial risk management. And compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other prices (see (c) below).

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

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

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the period are set out in Note 38.

Sensitivity analysis

The Group is mainly exposed to the USD and the VND.

The following table details the Group's sensitivity to a 1% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items. A positive number below indicates an increase in pre-tax profit associated with the functional currency weakening 1% against the relevant foreign currency. For a 1% strengthening of the functional currency against the relevant foreign currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be negative.

	USD Impact			
	For the Nine Months Ended			
	September 30			
	2025		2024	
Profit or loss	\$ 4,830	\$	4,097	(i)
	VND Impact			
	For the Nine Months Ended			
	September 30			
	2025		2024	
Profit or loss	\$ 6,388	\$	8,796	(ii)

i. This was mainly attributable to the exposure on outstanding foreign monetary items in USD that were not hedged at the end of the period. The Group's sensitivity to foreign currency was not changed significantly during the current period.

ii. This was mainly attributable to the exposure on outstanding foreign monetary items in VND

that were not hedged at the end of the period. The Group's sensitivity to foreign currency decreased during the current period mainly due to the decrease of time deposits in VND.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

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

	September 30, 2025	December 31, 2024	September 30, 2024
Fair value interest rate risk			
Financial assets	\$ 2,951,785	\$ 3,390,468	\$ 3,337,674
Financial liabilities	2,600,794	2,241,601	2,128,384
Cash flow interest rate risk			
Financial assets	4,262,196	4,092,249	3,398,696
Financial liabilities	4,091,441	3,316,598	3,784,067

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the period was outstanding for the whole reporting period.

If interest rates had been 0.25% higher/lower and all other variables were held constant, the Group's pre-tax profit for the nine months ended September 30, 2025 and 2024 would have decreased/increased by \$7,671 thousand and \$7,095 thousand, respectively, which was mainly a result of floating rate borrowings.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. Equity investments are held for strategic rather than for trading purposes, the Group does not actively trade these investments.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the period.

If equity prices had been 3% higher/lower, pre-tax profit for the nine months ended September 30, 2025 and 2024 would have increased/decreased by \$3,490 thousand and \$3,644 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the nine months ended September 30, 2025 and 2024 would have increased/decreased by \$33,038 thousand and \$56,861 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

The Group's sensitivity to equity prices decreased in the current period due to the recognition of unrealized loss on investments in equity instruments.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation, could be equal to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

Since the counterparties of the Group are all creditworthy business organizations, there is no anticipated material credit risk. The Group also continues to evaluate the financial status of clients for accounts receivable.

The Group transacts with a large number of unrelated customers and thus, credit risk is not highly concentrated.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents and liquid financial assets deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group's working capital and the credit line which the Group has obtained are sufficient to support future operational needs, so there is no liquidity risk due to the inability to raise funds to fulfill contractual obligations.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

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

September 30, 2025

	Less than 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>			
Non-interest bearing liabilities	\$ 3,614,071	\$ 1,345	\$ -
Lease liabilities	109,211	296,610	335,325
Fixed interest rate liabilities	1,848,827	145,924	-
Floating interest rate liabilities	<u>1,110,924</u>	<u>2,942,956</u>	<u>168,273</u>
	<u>\$ 6,683,033</u>	<u>\$ 3,386,835</u>	<u>\$ 503,598</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	6-10 Years	11-20 Years	Over 21 Years
Lease liabilities	<u>\$ 109,211</u>	<u>\$ 296,610</u>	<u>\$ 206,976</u>	<u>\$ 37,024</u>	<u>\$ 91,325</u>

December 31, 2024

	Less than 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>			
Non-interest bearing liabilities	\$ 3,782,316	\$ 2,081	\$ -
Lease liabilities	136,705	314,201	384,521
Fixed interest rate liabilities	1,476,400	68,243	-
Floating interest rate liabilities	<u>1,665,592</u>	<u>1,554,649</u>	<u>209,034</u>
	<u>\$ 7,061,013</u>	<u>\$ 1,939,174</u>	<u>\$ 593,555</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	6-10 Years	11-20 Years	Over 21 Years
Lease liabilities	<u>\$ 136,705</u>	<u>\$ 314,201</u>	<u>\$ 240,269</u>	<u>\$ 50,150</u>	<u>\$ 94,102</u>

September 30, 2024

	Less than 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>			
Non-interest bearing liabilities	\$ 3,833,518	\$ 1,870	\$ -
Lease liabilities	149,910	344,399	417,535
Fixed interest rate liabilities	1,335,549	28,887	-
Floating interest rate liabilities	<u>2,193,457</u>	<u>1,489,837</u>	<u>216,960</u>
	<u>\$ 7,512,434</u>	<u>\$ 1,864,993</u>	<u>\$ 634,495</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	6-10 Years	11-20 Years	Over 21 Years
Lease liabilities	<u>\$ 149,910</u>	<u>\$ 344,399</u>	<u>\$ 262,949</u>	<u>\$ 59,558</u>	<u>\$ 95,028</u>

The amounts included above for floating interest rate instruments for both non-derivative financial assets and liabilities are subject to change if changes in floating interest rates differ from those estimates of interest rates determined at the end of the period.

b) Financing facilities

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured bank loan facilities, reviewed annually and payable on demand			
Amount used	\$ 5,899,132	\$ 4,631,329	\$ 4,905,877
Amount unused	<u>11,168,235</u>	<u>9,095,647</u>	<u>7,778,429</u>
	<u>\$ 17,067,367</u>	<u>\$ 13,726,976</u>	<u>\$ 12,684,306</u>
Secured bank loan facilities:			
Amount used	\$ 306,439	\$ 378,016	\$ 383,680
Amount unused	<u>108,341</u>	<u>66,819</u>	<u>68,556</u>
	<u>\$ 414,780</u>	<u>\$ 444,835</u>	<u>\$ 452,236</u>

35. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are the related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed as follows.

a. Related party name and category

Related Party Name	Related Party Category
Pou Chen Corporation and Subsidiaries	Investors with significant influence
Shenglin Investment Co., Ltd.	Other related party
Apogee Optocom Co., Ltd.	Other related party
Kang Ming Senior High School, Tainan	Other related party
Nan Pao Resins Private Welfare Charity Foundation	Other related party
Yu Po Chemical Co., Ltd. (Note)	Other related party
Perfect & Outstanding Technology Inc.	Associate

Note: The Group acquired Yu Po Chemical Co., Ltd., obtaining a 70% controlling interest in November 2024, thereby making it a subsidiary.

b. Sales of goods

Related Party Category	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Investors with significant influence	\$ 394,221	\$ 411,144	\$ 1,177,315	\$ 1,130,600
Other related party	<u>73</u>	<u>8,549</u>	<u>114</u>	<u>23,095</u>
	<u>\$ 394,294</u>	<u>\$ 419,693</u>	<u>\$ 1,177,429</u>	<u>\$ 1,153,695</u>

The sales prices were not significantly different from those with third parties. The credit term is 30 to 105 days, which is not significantly different from that for non-related parties.

c. Receivables from related parties

Line Item	Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable from related parties	Investors with significant influence	\$ 405,781	\$ 452,811	\$ 450,075
	Other related party	<u>-</u>	<u>-</u>	<u>8,974</u>
		<u>\$ 405,781</u>	<u>\$ 452,811</u>	<u>\$ 459,049</u>

The outstanding accounts receivable from related parties are unsecured.

d. Payables to related parties

Line Item	Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Other payables	Investors with significant influence	\$ 127	\$ 135	\$ 134
	Other related party	504	-	-
	Associate	<u>284</u>	<u>-</u>	<u>27</u>
		<u>\$ 915</u>	<u>\$ 135</u>	<u>\$ 161</u>

The outstanding accounts payable to related parties are unsecured.

e. Refund liabilities

Line Item	Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Refund liabilities (included in other current liabilities)	Investors with significant influence	<u>\$ 51,090</u>	<u>\$ 74,949</u>	<u>\$ 79,474</u>

f. Lease arrangements - the Group is lessee

Line Item	Related Party Category	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2025	2024	2025	2024
Lease expense	Other related party	<u>\$ 457</u>	<u>\$ 463</u>	<u>\$ 1,374</u>	<u>\$ 1,377</u>

The Group leased the buildings from related parties, and the rental is based on similar asset's market rates and fixed lease payments are paid monthly.

g. Remuneration of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 24,488	\$ 28,015	\$ 74,511	\$ 71,611
Post-employment benefits	<u>409</u>	<u>413</u>	<u>2,748</u>	<u>4,177</u>
	<u>\$ 24,897</u>	<u>\$ 28,428</u>	<u>\$ 77,259</u>	<u>\$ 75,788</u>

The remuneration of directors and key executives, as determined by the remuneration committee, is based on the reasonableness of industry standards, performance of individuals and the Company, and future risks.

36. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for tariff, letters of credit, and long-term or short-term bank borrowings:

	September 30, 2025	December 31, 2024	September 30, 2024
Property, plant and equipment, net	\$ 618,514	\$ 639,426	\$ 644,330
Pledged deposits (classified as financial assets at amortized cost)	35,730	36,746	39,635
Right-of-use assets	<u>4,056</u>	<u>4,634</u>	<u>4,653</u>
	<u>\$ 658,300</u>	<u>\$ 680,806</u>	<u>\$ 688,618</u>

37. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant contingencies and unrecognized commitments of the Group as of September 30, 2025, December 31, 2024 and September 30, 2024 were as follows:

- As of September 30, 2025, December 31, 2024 and September 30, 2024, unused letters of credit for purchases of raw materials and machinery and equipment were \$115,313 thousand, \$133,094 thousand and \$125,751 thousand, respectively.
- Unrecognized commitments were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Acquisition of property, plant and equipment	\$ 456,615	\$ 275,036	\$ 370,133
Acquisition of raw materials	<u>103,053</u>	<u>92,333</u>	<u>50,912</u>
	<u>\$ 559,668</u>	<u>\$ 367,369</u>	<u>\$ 421,045</u>

c. Material lawsuits

The Company had won the bid for land, plant, and machinery equipment owned by He Kui Chemical Company from Changhua District Court in 2007 and sold the above assets to its subsidiary, Nan Pao Chemical Co., Ltd., for production purposes. On January 31, 2008, third-party Fu-Chien Management Consulting Company claimed to be the mortgagee of the aforementioned machinery equipment at Taiwan Changhua District Court and seized the batch of machinery equipment. Nan Pao Chemical Co., Ltd. has filed for Third Party of Dissent Action arguing that Fu-Chien Management Consulting Company's claims over the above-mentioned machinery equipment were false. Nevertheless, a fire broke out in Nan Pao Chemical Co., Ltd. in January 2010, with all plants and machinery burnt down. Therefore, the content of litigation was changed to confirming whether the machinery had belonged to Nan Pao Chemical Co., Ltd. If the court believed that machinery was not the property of Nan Pao Chemical Co., Ltd., but was destroyed due to its negligence, Nan Pao Chemical Co., Ltd. would be liable for damage. In June 2017, the Supreme Court of Taiwan ruled in a civil lawsuit that machinery and equipment did not belong to Nan Pao Chemical Co., Ltd.

Based on the ruling of the Changhua District Court, He Kui Chemical Company argued for ownership of machinery equipment in the plant. Based on the aforementioned litigation, He Kui Chemical Company filed for an indemnity lawsuit against Nan Pao Chemical Co., Ltd. for damage caused by use of machinery equipment, and sought for indemnity of \$53,102 thousand. Nevertheless, the amount that He Kui Chemical Company claimed for was based on the purchase price of machinery equipment, and did not factor in depreciation based on the useful life of property, plant, and equipment. The batch of machinery was purchased in the 1990s and early 2000s, with surplus value under \$53,102 thousand. The Company has appropriated a liability reserve of \$38,445 thousand based on the remaining value. (recognized as other non-current liabilities). On May 18, 2022, the Changhua District Court ruled Nan Pao Chemical Co., Ltd. should compensate He Kui Chemical Company \$15,267 thousand plus 5% interest of \$7,979 thousand from March 8, 2012 to the date of settlement, which was a total of \$23,246 thousand. On June 27, 2022, Nan Pao Chemical Co., Ltd. appealed the second trial and withdrew the aforementioned compensation amount in July 2022, and reversed the provision of \$15,199 thousand (recognized as other income) in accordance with the ruling of the first trial. On January 24, 2024, Taiwan High Court Taichung Branch Court ruled Nan Pao Chemical Co., Ltd. should compensate He Kui Chemical Company \$12,892 thousand plus 5% interest from March 8, 2012 to the date of settlement. Nan Pao Chemical Co., Ltd. has filed an appeal against the ruling of Taiwan High Court Taichung Branch Court, on November 27, 2024, the Supreme Court remanded the case, the confirmed amount for Nan Pao Chemical Co., Ltd. was \$4,067 thousand, but the Supreme Court also pointed out the issue of missing documents for He Kui Chemical Company.

38. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than the functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

(In Thousands of New Taiwan Dollars and Foreign Currencies)

September 30, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 63,691	30.45 (USD:NTD)	\$ 1,939,062
USD	12,759	7.1055 (USD:CNY)	388,454
USD	13,880	16,637 (USD:IDR)	422,562
USD	5,647	7.7806 (USD:HKD)	171,916
VND	768,590,498	0.000038 (VND:USD)	888,457
<u>Financial liabilities</u>			
Monetary items			
USD	54,817	30.45 (USD:NTD)	1,668,909
USD	2,870	7.1055 (USD:CNY)	87,382
USD	15,425	16,637 (USD:IDR)	469,600
USD	5,194	7.7805 (USD:HKD)	158,137
USD	1,800	4.2291 (USD:MYR)	54,993
VND	215,959,354	0.000038 (VND:USD)	249,648

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 63,986	32.79 (USD:NTD)	\$ 2,097,769
USD	13,809	7.1884 (USD:CNY)	452,697
USD	13,718	16,150 (USD:IDR)	449,732
USD	5,893	7.7654 (USD:HKD)	193,205
VND	1,108,754,587	0.000039 (VND:USD)	1,432,842

Financial liabilities

Monetary items			
USD	54,808	32.77 (USD:NTD)	1,796,231
USD	2,409	7.1884 (USD:CNY)	78,934
USD	5,459	7.7653 (USD:HKD)	178,987
USD	16,592	16,150 (USD:IDR)	543,981
USD	1,811	4.5027 (USD:MYR)	59,840
VND	219,321,256	0.000039 (VND:USD)	283,088

September 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 59,288	31.65 (USD:NTD)	\$ 1,876,479
USD	11,277	7.0074 (USD:CNY)	356,912
USD	15,017	15,216 (USD:IDR)	475,300
USD	5,697	7.767 (USD:HKD)	180,303
VND	940,086,277	0.000041 (VND:USD)	1,210,255

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 56,413	31.65 (USD:NTD)	\$ 1,785,561
USD	2,442	7.0074 (USD:CNY)	77,283
USD	5,286	7.7669 (USD:HKD)	167,305
USD	11,961	15,216 (USD:IDR)	378,560
USD	1,994	4.5953 (USD:MYR)	70,621
VND	257,102,584	0.000041 (VND:USD)	330,618
			(Concluded)

The Group is mainly exposed to the USD. The following information was aggregated by the functional currencies of the entities in the Group, and the exchange rates between the respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

Functional Currency	For the Three Months Ended September 30, 2025		For the Three Months Ended September 30, 2024	
	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
USD	29.948 (USD:NTD)	\$ (8,275)	32.354 (USD:NTD)	\$ 20,469
NTD	1 (NTD:NTD)	27,446	1 (NTD:NTD)	(16,782)
CNY	4.182 (CNY:NTD)	(3,340)	4.458 (CNY:NTD)	(4,010)
AUD	19.59 (AUD:NTD)	233	21.33 (AUD:NTD)	685
IDR	0.00181 (IDR:NTD)	74	0.00200 (IDR:NTD)	(7,631)
VND	0.0011 (VND:NTD)	3,078	0.0013 (VND:NTD)	(9,800)
Others		<u>(815)</u>		<u>381</u>
		<u>\$ 18,401</u>		<u>\$ (16,688)</u>

Functional Currency	For the Nine Months Ended September 30, 2025		For the Nine Months Ended September 30, 2024	
	Exchange Rate	Net Foreign Exchange Gains (losses)	Exchange Rate	Net Foreign Exchange Gains (losses)
USD	31.222 (USD:NTD)	\$ (46,095)	31.90 (USD:NTD)	\$ (32,222)
NTD	1 (NTD:NTD)	(36,158)	1 (NTD:NTD)	50,513
CNY	4.318 (CNY:NTD)	(58)	4.412 (CNY:NTD)	1,172
AUD	19.99 (AUD:NTD)	(3,046)	21.01 (AUD:NTD)	21
IDR	0.00191 (IDR:NTD)	(985)	0.00200 (IDR:NTD)	(3,573)
VND	0.0012 (VND:NTD)	13,229	0.0013 (VND:NTD)	2,554
Others		<u>438</u>		<u>336</u>
		<u>\$ (72,675)</u>		<u>\$ 18,801</u>

39. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Significant marketable securities held (excluding investments in subsidiaries and associates) (Table 3)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
- 6) Others: Intercompany relationships and significant intercompany transactions (Table 9)

b. Information on investees (Table 6)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 7)

- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Tables 2, 4 and 8):
- The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period
 - The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period
 - The amount of property transactions and the amount of the resultant gains or losses
 - The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes
 - The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds
 - 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 receipt of services

40. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were as follows:

Segment revenue and results

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

	Taiwan	Mainland China	Vietnam	Australia	Other Regions	Adjustments and Eliminations	Total
<u>For the nine months ended</u> <u>September 30, 2025</u>							
Revenue							
Revenue from external customers	\$ 3,333,829	\$ 4,733,245	\$ 4,621,273	\$ 2,558,482	\$ 2,023,329	\$ -	\$ 17,270,158
Inter-segment revenue	<u>3,133,074</u>	<u>808,058</u>	<u>678,602</u>	<u>9,472</u>	<u>15,984</u>	<u>(4,645,190)</u>	<u>-</u>
Total revenue	<u>\$ 6,466,903</u>	<u>\$ 5,541,303</u>	<u>\$ 5,299,875</u>	<u>\$ 2,567,954</u>	<u>\$ 2,039,313</u>	<u>\$ (4,645,190)</u>	<u>\$ 17,270,158</u>
Segment income	<u>\$ 1,354,564</u>	<u>\$ 420,164</u>	<u>\$ 665,798</u>	<u>\$ 150,002</u>	<u>\$ 230,952</u>	<u>\$ 35,971</u>	\$ 2,857,451
Interest income							108,119
Other income							170,308
Other gains and losses							(251,741)
Finance costs							(111,318)
Share of loss of associates accounted for using the equity method							(31,714)
Profit before tax							<u>\$ 2,741,105</u>

(Continued)

	Taiwan	Mainland China	Vietnam	Australia	Other Regions	Adjustments and Eliminations	Total
<u>For the nine months ended</u> <u>September 30, 2024</u>							
Revenue							
Revenue from external customers	\$ 2,878,032	\$ 4,997,656	\$ 4,523,723	\$ 2,334,177	\$ 2,127,497	\$ -	\$ 16,861,085
Inter-segment revenue	<u>3,363,547</u>	<u>746,375</u>	<u>1,139,679</u>	<u>395</u>	<u>23,041</u>	<u>(5,273,037)</u>	<u>-</u>
Total revenue	<u>\$ 6,241,579</u>	<u>\$ 5,744,031</u>	<u>\$ 5,663,402</u>	<u>\$ 2,334,572</u>	<u>\$ 2,150,538</u>	<u>\$ (5,273,037)</u>	<u>\$ 16,861,085</u>
Segment income	<u>\$ 1,335,410</u>	<u>\$ 388,041</u>	<u>\$ 593,504</u>	<u>\$ 148,632</u>	<u>\$ 248,789</u>	<u>\$ (126,005)</u>	\$ 2,588,371
Interest income							89,612
Other income							177,586
Other gains and losses							13,544
Finance costs							(88,047)
Share of loss of associates accounted for using the equity method							(6,114)
Profit before tax							<u>\$ 2,774,952</u> (Concluded)

Segment profit represents the profit before tax earned by each segment without non-operating income and expenses and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

The decision of the Group's chief operating decision maker is based on the operating results of the different segments. Information on classified assets and liabilities from different business activities are not evaluated, and only the operating results of the reportable segments are shown.

TABLE 1

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 4)	Aggregate Financing Limit (Note 4)
													Item	Value		
1	Nan Pao Group Holdings Ltd.	Nan Pao Resins Chemical Co., Ltd.	Other receivables from related party	Yes	\$ 697,305	\$ 639,345	\$ 639,345	-	Demand of short-term financing	\$ -	Operating capital	\$ -	None	\$ -	\$ 6,411,589	\$ 6,411,589
2	Nan Pao Overseas Holdings Ltd.	Nan Pao Resins Chemical Co., Ltd.	Other receivables from related party	Yes	962,945	882,905	882,905	-	Demand of short-term financing	-	Operating capital	-	None	-	7,352,497	7,352,497

Note 1: Foreign currency above is translated into NTD at the exchange rates of the end of the month.

Note 2: The aggregate limit for borrowers is 40% of the Company’s net value as stated in the financial statements. The upper limits for each borrower are:

1. For individual entity having business relationship with the Company, shall not exceed the total transaction amount between the parties during the period in 12 months prior to the time or the aggregate limit aforementioned.
2. For individual entity having borrow needs short-term financing, shall not exceed the 20% of the Company’s net value.

Note 3: Subsidiaries engage in financing provided to others with the same limit as the parent company, but the net value is based on the lender’s net value.

Note 4: Both the aggregate limit and upper limit for each borrower between foreign subsidiaries held 100% by the Company directly or indirectly lending to the Company shall not exceed the lender’s net value.

TABLE 2

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Notes 2 & 3)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Notes 2 & 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship (Note 1)										
0	Nan Pao Resins Chemical Co., Ltd.	Nan Pao Group Holdings Ltd.	2	\$ 2,550,367	\$ 33,205	\$ 30,445	\$ -	\$ -	0.24	\$ 6,375,917	Y	N	N
		Nan Pao Group Holdings Ltd.	2	2,550,367	30,590	30,445	-	-	0.24	6,375,917	Y	N	N
		Nan Pao Resins Chemical Philippines, Inc.	2	2,550,367	33,205	30,445	-	-	0.24	6,375,917	Y	N	N
		Nan Pao Resins Chemical Philippines, Inc.	2	2,550,367	30,590	30,445	-	-	0.24	6,375,917	Y	N	N
		Nan Pao Philippines Export Inc.	2	2,550,367	16,603	15,223	-	-	0.12	6,375,917	Y	N	N
		Nan Pao Philippines Export Inc.	2	2,550,367	15,295	15,223	-	-	0.12	6,375,917	Y	N	N
		RLA Polymers (M) SDN BHD	2	2,550,367	66,410	-	-	-	-	6,375,917	Y	N	N
		RLA Polymers Pty Ltd.	2	2,550,367	41,620	40,220	34,590	-	0.32	6,375,917	Y	N	N
		Nan Pao Advanced Investment Co., Ltd.	2	2,550,367	182,920	-	-	-	-	6,375,917	Y	N	Y
		Nan Pao New Materials (Huaian) Co., Ltd.	2	2,550,367	137,190	-	-	-	-	6,375,917	Y	N	Y
		Nan Pao New Materials (Huaian) Co., Ltd.	2	2,550,367	114,325	106,775	7,601	-	0.84	6,375,917	Y	N	Y

Note 1: Relationships between the endorser/guarantor and endorsee/guarantee are as follows:

1. Companies with business relationship.
2. The Company directly and indirectly holds more than 50 percent of the voting rights in a company.
3. A company that directly and indirectly holds more than 50 percent of the voting rights in the Company.
4. The Company directly and indirectly holds more than 90 percent of the voting rights between companies.
5. Companies with the same industry or mutual project undertakers that have mutual guarantee based on contract agreements due to contractual project needs.
6. Due to joint venture, the company's shareholders' endorsement is based on their shareholding ratio.
7. The performance guarantee of the pre-sale house sales contract in the same industry in accordance with the Consumer Protection Law is jointly guaranteed.

Note 2: The limit on endorsement/guarantee given on behalf of individual corporation is 20% of the Company's net value at the end of the period, while the aggregate endorsement/guarantee limit is 50% of the Company's net value.

Note 3: The subsidiaries directly and indirectly invested by the Company shall not endorse/guarantee to individual corporation.

TABLE 3

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Nan Pao Resins Chemical Co., Ltd.	CDIB - Innolux Limited Partnership	None	Financial assets at fair value through profit or loss - non-current	-	<u>\$ 116,318</u>	9	<u>\$ 116,318</u>	
Nan Pao Resins Chemical Co., Ltd.	Dairen Chemical Corp. - publicly owned company	None	Financial assets at fair value through other comprehensive income - non-current	10,424,970	\$ 1,075,115	2	\$ 1,075,115	
	Hua Chi Venture Capital Co., Ltd. - privately-issued equity	"	"	7,895	1,207	1	1,207	
	Opulence Optronics Co., Ltd. - privately-issued equity	"	"	877,208	3,302	8	3,302	
	Revivegen Co., Ltd. - emerging stock	"	"	649,921	<u>21,643</u>	1	<u>21,643</u>	
					<u>\$ 1,101,267</u>		<u>\$ 1,101,267</u>	

Note 1: The marketable securities listed in the table above refer to the shares, bonds, beneficiary certificates and marketable securities derived from the above accounts which fall within the scope of IFRS 9: Financial Instruments.

Note 2: Disclosure of the marketable securities held is decided by the Company based on the materiality principle.

Note 3: Please refer to Tables 6 and 7 for information on investments in subsidiaries and associates.

TABLE 4

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchases/ Sales	Amount (Note)	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance (Note)	% of Total	
Nan Pao Resins Chemical Co., Ltd.	Nan Pao Materials Vietnam Co., Ltd.	Subsidiary	Sales	\$ 236,644	5	Payment within 90 days	Similar to general transactions	Similar to general transactions	\$ 39,358	2	
	PT. Indo Nan Pao Resins Chemical Co., Ltd.	Subsidiary	Sales	478,261	10	Payment within 90 days	Similar to general transactions	Similar to general transactions	320,517	15	
	Nan Pao Resins (Foshan) Co., Ltd.	Subsidiary	Sales	136,412	3	Payment within 90 days	Similar to general transactions	Similar to general transactions	53,349	3	
	Nan Pao Advanced Materials Vietnam Co., Ltd.	Subsidiary	Sales	345,326	7	Payment within 90 days	Similar to general transactions	Similar to general transactions	121,450	6	
	Nan Pao Resins (Vietnam) Enterprise Ltd.	Subsidiary	Sales	1,325,758	27	Payment within 90 days	Similar to general transactions	Similar to general transactions	799,307	38	
Nan Pao Resins (Dongguan) Co., Ltd.	Nan Pao Resins (HK) Ltd.	Same ultimate Parent Company	Processing revenue	241,351	100	Payment within 90 days	No comparable product sales for comparison	No third-party transaction for comparison	94,179	100	
Nan Pao Resins (Foshan) Co., Ltd.	Pou Chen Corporation and Subsidiaries	Investors with significant influence	Sales	112,185	7	Payment within 45 days	Similar to general transactions	Similar to general transactions	46,113	9	
Nan Pao Advanced Materials Vietnam Co., Ltd.	Nan Pao Resins International Ltd.	Same ultimate Parent Company	Sales	235,603	28	Payment within 90 days	Similar to general transactions	Similar to general transactions	113,374	36	
PT. Indo Nan Pao Resins Chemical Co., Ltd.	Pou Chen Corporation and Subsidiaries	Investors with significant influence	Sales	472,690	30	Telegraphic transfer within 90 days	Similar to general transactions	Similar to general transactions	217,464	38	
Nan Pao Resins (Vietnam) Enterprise Ltd.	Pou Chen Corporation and Subsidiaries	Investors with significant influence	Sales	291,367	12	Telegraphic transfer within 60-105 days	Similar to general transactions	Similar to general transactions	73,699	12	
Nan Pao Materials Vietnam Co., Ltd.	Pou Chen Corporation and Subsidiaries	Investors with significant influence	Sales	212,742	14	Telegraphic transfer within 90 days	Similar to general transactions	Similar to general transactions	52,366	12	
	PT. Indo Nan Pao Resins Chemical Co., Ltd.	Same ultimate Parent Company	Sales	108,693	7	Payment within 45 days	Similar to general transactions	Similar to general transactions	38,336	3	

Note: Except for investors with significant influence, they would be eliminated during the preparation of the consolidated financial statements.

TABLE 5

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Ending Balance (Note 2)	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Nan Pao Resins Chemical Co., Ltd.	Nan Pao Resins (Vietnam) Enterprise Ltd.	Subsidiary	\$ 799,307	2.13	\$ -	-	\$ 176,126	\$ -
	PT. Indo Nan Pao Resins Chemical Co., Ltd.	Subsidiary	320,517	1.80	-	-	79,225	-
	Nan Pao Advanced Materials Vietnam Co., Ltd.	Subsidiary	121,450	4.46	-	-	37,587	-
PT. Indo Nan Pao Resins Chemical Co., Ltd.	Pou Chen Corporation and Subsidiaries	Investors with significant influence	217,464	2.76	-	-	43,295	103
Nan Pao Advanced Materials Vietnam Co., Ltd.	Nan Pao Resins International Ltd.	Same ultimate Parent Company	113,374	2.63	-	-	31,864	-
Nan Pao Group Holdings Ltd.	Nan Pao Resins Chemical Co., Ltd.	Parent Company	639,345	(Note 1)	-	-	-	-
Nan Pao Overseas Holdings Ltd.	Nan Pao Resins Chemical Co., Ltd.	Parent Company	882,905	(Note 1)	-	-	-	-

Note 1: For the purpose of other receivables at the end of the period, and thus the turnover ratio is not applicable.

Note 2: Except for investors with significant influence, they would be eliminated during the preparation of the consolidated financial statements.

TABLE 6

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2025			Net (Loss) Income of the Investee	Share of (Loss) Profit (Note 1)	Note
				Ending Balance	Beginning Balance	Number of Shares	%	Carrying Amount			
Nan Pao Resins Chemical Co., Ltd.	Nan Pao Chemical Co., Ltd.	No.519, Zhongshan Rd., Xigang Dist, Tainan City	Trading of chemical substances	\$ 300,000	\$ 300,000	15,000,000	100	\$ 169,115	\$ (3,323)	\$ (3,323)	
	Nan Pao Application Material Co., Ltd.	No.519, Zhongshan Rd., Xigang Dist, Tainan City	Trading of chemical substances	60,000	60,000	200,000	100	8,696	23	23	
	ITLS International Development Co., Ltd.	3F, No.356, Sec.1, NeiHu Rd., Taipei	Trading of construction materials and chemical substances	696,000	696,000	24,600,000	100	261,194	(9,626)	(9,626)	
	Prince Pharmaceutical Co., Ltd.	No. 168, Keyun S. Rd., Kendi Vil., Huwei Township. Yunlin County	Manufacturing, packaging, and processing of raw materials for various pharmaceutical and health food	366,100	365,600	18,151,198	49.35	415,828	48,747	24,154	
	Phymed Bio-Tec Co., Ltd.	No.519, Zhongshan Rd., Xigang Dist, Tainan City	R&D and trading of health food	34,000	34,000	2,400,000	100	7,156	(3,858)	(3,858)	
	Biorich Biotechnology Co., Ltd.	3F, No.356, Sec.1, NeiHu Rd., Taipei	R&D, production, and trading of new high protein business and health food	64,121	64,121	391,462	57.1	23,660	13,617	7,775	
	Nan Pao Advanced Materials Co., Ltd.	No. 521, Zhongshan Rd., Xigang Dist, Tainan City	Trading of adhesives and chemicals	3,500	3,500	350,000	70	13,807	10,541	7,379	
	Nan Pao Fine Materials Co., Ltd.	No.217, Xinxing St., Qingan Vil., Xigang Dist., Tainan City	Production and trading of adhesives and chemicals	13,750	13,750	1,375,000	55	28,947	23,568	14,941	
	FlexUP Technologies Corp.	No.10, Ln. 99, Nanhai St., Nanhai Vil., Xigang Dist., Tainan City	Trading of chemical substances	39,863	39,863	18,880,000	100	88,589	13,578	12,307	
	Perfect & Outstanding Technology Inc.	No. 31, Gongye 2nd Road, Yantian Village, Annan District, Tainan City	Production and trading of renewable energy	40,000	40,000	2,500,000	17.34	18,491	(13,427)	(3,865)	
	Fuqing Nan Pao Investment Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands.	General investment	166,699	166,699	4,990,000	100	264,710	21,492	21,492	
	Thai Nan Pao Investment Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands.	General investment	169,909	169,909	5,282,000	100	199,122	2,518	2,518	
	Nan Pao Resins India Pvt Ltd.	204, Abhishek, off New Link Road, Andheri (W), Mumbai 400053, India	Trading of adhesives	159,118	100,439	18,590,040	100	40,101	(72,733)	(72,733)	
	Nan Pao Materials Resins India Private Limited	ROOM No.6, FLAT NO.3-D, FRONT BLOCK, 188 P H ROAD, Kilpauk, Perambur Purasawalkam, Chennai-600010, Tamil Nadu, India	Trading of adhesives	156,237	126,330	41,151,000	100	135,323	(2,212)	(2,212)	
	Nan Pao Materials Vietnam Co., Ltd.	LotA4, A5, A10, A11 Dai Dang 3 Street, Dai Dang Industrial Park, Binh Duong Ward, Ho Chi Minh City, Vietnam	Production and trading of adhesives and chemicals	685,094	685,094	-	100	1,816,927	263,076	259,455	
	Nan Pao Advanced Materials Vietnam Co., Ltd.	Phuc Son Industrial Area, Dong Hoa Lu Ward, Ninh Binh Province, Vietnam	Production and trading of adhesives and chemicals	465,970	465,970	-	100	867,548	133,272	133,272	
	Nan Pao Overseas Holdings Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands.	General investment	4,956,136	4,854,419	15,804	100	7,233,633	263,066	266,263	
	Profit Land Limited	Equity Trust Chambers, P.O. Box 3269, Apia, Samoa	General investment	186,588	186,588	983,333	73.75	897,268	295,340	217,671	Nan Pao Resins Chemical Co., Ltd. and related companies hold 100% of voting shares
	All Saints Enterprises Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands.	General investment	143,375	143,375	5,452,549	54.53	169,606	(25,948)	(14,150)	Nan Pao Resins Chemical Co., Ltd. and related companies hold 100% of voting shares
	Ongoing Profits Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands.	General investment	46,426	46,426	1,560,000	32.18	132,142	141,919	46,728	Nan Pao Resins Chemical Co., Ltd. and related companies hold 100% of voting shares
	PT. Indo Nan Pao Resins Chemical Co., Ltd.	Jl. Pajajaran Raya No.44, Jatiuwung Tangerang 15137, Indonesia	Production and trading of adhesives	48,987	48,987	7,425,000	67.5	297,561	123,231	83,181	
	Nan Pao Philippines Export Inc.	Lot IL-2 Subic Bay Gateway Park Phase II, Subic Bay Freeport Zone	Trading of adhesives	14,993	14,993	25,750,000	100	23,058	2,859	2,859	
	Nan Pao Resins Chemical (Bangladesh) Co., Ltd.	House No, 42 5th floors, Lake drive Road, Sector 7, Ulttara, Dhaka	Trading of adhesives	25,894	19,322	930,045	100	6,471	(4,663)	(4,663)	
	Earnest Wealth Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	General investment	42,958	42,958	920,000	51.11	46,398	5,632	2,878	
	Nan Pao Resins International Ltd.	Room 13, 10th Floor, Block B, Tonic Industrial Centre, 19 Lam Hing Street, Kowloon Bay, Kowloon, Hong Kong	Trading of chemical substances and related products	6,804	6,804	1,000	100	14,288	740	740	
	Nan Pao Resins (HK) Ltd.	Room 13, 10th Floor, Block B, Tonic Industrial Centre, 19 Lam Hing Street, Kowloon Bay, Kowloon, Hong Kong	Production and trading of adhesives	363,753	363,753	13,400,000	100	369,686	49,481	50,472	
	Contact Biosolutions Pty Ltd	Suite 43, 45 Riversdale Roads, Hawthorn Victoria 3122 Australia	Production and trading of herbicides	233,590	186,808	3,805	38.11	41,931	(75,571)	(27,849)	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2025			Net (Loss) Income of the Investee	Share of (Loss) Profit (Note 1)	Note
				Ending Balance	Beginning Balance	Number of Shares	%	Carrying Amount			
ITLS International Development Co., Ltd.	Yun Teh Industrial Co., Ltd.	No. 131, Dafa Rd., Rende Dist., Tainan City	Production and trading of curing agents resin	\$ 399,000	\$ -	3,220,000	70	\$ 400,019	\$ 31,665	\$ 10,389	
	Spark Foamtech Enterprise Company Limited	Factory Lot D8, Street No. 10, Expanded Thuan Dao Industrial Park, Long Dinh Commune, Can Duoc District, Long An Province, Vietnam	Production and trading of footwear materials	83,512	-	-	100	64,423	(15,890)	(15,890)	
	ITLS Holding Pte. Ltd.	8 Boon Lay Way, #09-14, 8 @ Tradehub 21, Singapore 609964	General investment	502,822	502,822	22,064,549	100	105,078	(24,761)		
	Wealth Castle Development Ltd.	Room 13, 10th Floor, Block B, Tonic Industrial Centre, 19 Lam Hing Street, Kowloon Bay, Kowloon, Hong Kong	General investment	138,829 (USD 4,560,000)	138,829 (USD 4,560,000)	10,000	100	264,228	21,622		
Thai Nan Pao Investment Ltd.	Thai Nanpao Resins Chemical Co., Ltd.	412 Kor Soi, 1cBangpoo Industrial Tumbon Preaksa Ampur Muang Samutprakarn 10280, Thailand	Production and trading of adhesives	169,847 (USD 5,578,821)	169,847 (USD 5,578,821)	21,197,000	100	146,340	996		
Earnest Wealth Co., Ltd.	Apex Polytech Co., Ltd.	Lot No. T29-15A, Street 7, Protrade International Industrial Park, Tay Nam Ward, Ho Chi Minh City, Vietnam	Production and trading of adhesives	65,457 (USD 2,150,000)	65,457 (USD 2,150,000)	-	100	66,874	5,971		
Nan Pao Overseas Holdings Ltd.	Nan Pao Group Holdings Ltd.	Vistra (Cayman) Limited P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	General investment	3,898,033 (USD 128,035,234)	3,804,362 (USD 124,958,502)	128,035,234	100	6,411,589	261,751		
ITLS Holding Pte. Ltd.	PT. ITLS Indonesia	Jl. Pajajaran Raya No. 44, Kel. Gandasari, Kec. Jatiuwung, Tangerang-15137 Indonesia	Production and trading of construction materials	77,075 (USD 2,531,620)	77,075 (USD 2,531,620)	2,507,109	100	15,849	2,057		
Nan Pao Group Holdings Ltd.	ITLS Vietnam Co., Ltd.	No.16 Kim Dong Street, Ninh Xa Ward, Bac Ninh City, Bac Ninh Province	Production and trading of construction materials	-	132,542 (USD 4,353,487)	-	-	-	1,208		
	Greatwill Materials (HK) Ltd.	Room 13, 10th Floor, Block B, Tonic Industrial Centre, 19 Lam Hing Street, Kowloon Bay, Kowloon, Hong Kong	General investment	38,361 (USD 1,260,000)	38,361 (USD 1,260,000)	7,172	100	628,539	85,708		
	Profit Land Limited	Equity Trust Chambers, P.O. Box 3269, Apia, Samoa	General investment	57,469 (USD 1,887,627)	57,469 (USD 1,887,627)	350,000	26.25	324,939	295,340		Nan Pao Resins Chemical Co., Ltd. and related companies hold 100% of voting shares
	Nan Pao Resins (Holdings) Ltd.	P.O.Box 71, Craigmuir Chambers, Road Town, Tortola, British Virgin Islands	General investment	640,991 (USD 21,054,073)	640,991 (USD 21,054,073)	10,000	100	415,631	(9,177)		
	All Saints Enterprises Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands.	General investment	162,365 (USD 5,333,075)	162,365 (USD 5,333,075)	4,547,451	45.47	141,427	(25,948)		Nan Pao Resins Chemical Co., Ltd. and related companies hold 100% of voting shares
	NP Australia Pty Ltd.	215 Colchester Road Kilsyth. VIC 3137	General investment	607,620 (AUD 30,214,354)	607,620 (AUD 30,214,354)	30,214,354	100	1,158,391	96,516		
	Ongoing Profits Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands.	General investment	116,812 (USD 3,836,817)	116,812 (USD 3,836,817)	3,287,546	67.82	384,772	141,919		Nan Pao Resins Chemical Co., Ltd. and related companies hold 100% of voting shares
	Treasure Wealth (HK) Ltd.	Room 13, 10th Floor, Block B, Tonic Industrial Centre, 19 Lam Hing Street, Kowloon Bay, Kowloon, Hong Kong	General investment	140,351 (USD 4,610,000)	140,351 (USD 4,610,000)	4,610	100	152,638	4,799		
Profit Land Limited	Goldford Investments Ltd.	Creque Building, P.O. Box 116, Road Town, Tortola, British Virgin Islands	General investment	17,806 (USD 584,844)	17,806 (USD 584,844)	486,000	100	155,202	5,028		
	Nan Pao Resins Chemical Philippines, Inc.	Road 22 Phase 11, Cogeo Village, Antipolo City, Philippines	Trading of adhesives	6,393 (USD 210,000)	6,393 (USD 210,000)	9,000	100	101,807	7,208		
	Giant Profit Development Ltd.	Room 13, 10th Floor, Block B, Tonic Industrial Centre, 19 Lam Hing Street, Kowloon Bay, Kowloon, Hong Kong	General investment	243,560 (USD 8,000,000)	243,560 (USD 8,000,000)	10,000	100	1,223,334	292,941		
	Eastlion Enterprises Ltd.	P.O.Box 71, Craigmuir Chambers, Road Town, Tortola, British Virgin Islands	General investment	168,668 (USD 5,540,100)	168,668 (USD 5,540,100)	20,240	100	210,305	(22,739)		
Nan Pao Resins (Holdings) Ltd.	Nan Pao Resins Development Ltd.	P.O.Box 71, Craigmuir Chambers, Road Town, Tortola, British Virgin Islands	General investment	91,335 (USD 3,000,000)	91,335 (USD 3,000,000)	3,000	100	197,524	13,381		
	Great Mount Enterprises Ltd.	Unit 2102, 21/F The Broadway, No., 54-62 Lockhart, Road, Wanchai, Hong Kong	General investment	304,450 (USD 10,000,000)	304,450 (USD 10,000,000)	10,000	100	306,872	(25,938)		
	RLA Polymers Pty Ltd.	215 Colchester Road Kilsyth. VIC 3137	Production and trading of construction materials and chemical substances	429,040 (AUD 21,334,344)	429,040 (AUD 21,334,344)	16,552,080	100	1,044,431	96,516		
	Rising Sun Associates Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands.	General investment	147,584 (USD 4,847,546)	147,584 (USD 4,847,546)	3,000,000	100	566,101	142,030		
Treasure Wealth (HK) Ltd.	Noroo-Nan Pao Paints & Coatings (Vietnam) Co., Ltd.	Kcn Nhon Trach II, Xa Nhon Trach, Tinh Dong Nai, Vietnam	Production and trading of coatings	139,743 (USD 4,590,000)	139,743 (USD 4,590,000)	-	50	151,603	10,011		
Rising Sun Associates Ltd.	Nan Pao Resins (Vietnam) Enterprise Ltd.	10 Thong Nhat Boulevard, Song Than 2 Industrial Di An Ward, Ho Chi Minh City, Vietnam	Production and trading of adhesives	103,763 (USD 3,408,217)	103,763 (USD 3,408,217)	-	100	561,100	141,744		
RLA Polymers Pty Ltd.	RLA Polymers (M) SDN BHD	No.2A & 2B, Jalan Canang Emas 7/KS10, Telok Gong, 42000 Pelabuhan Klang, Selangor D.E, Malaysia	Production and trading of construction materials and chemical substances	120,095 (AUD 5,971,801)	120,095 (AUD 5,971,801)	18,415,500	100	229,974	10,670		
	Australasian Tiling Adhesives Pty Ltd	3 Progress Court Laverton North VIC 3026	Production and trading of construction materials and chemical substances	90,496 (AUD 4,500,000)	90,496 (AUD 4,500,000)	4,500,000	100	107,201	12,256		
	Yu Po Chemical Co., Ltd.	No.519, Zhongshan Rd., Xigang Dist, Tainan City	Production and trading of adhesives and chemicals	17,139 (RMB 4,000,000)	17,139 (RMB 4,000,000)	5,000	100	17,758	407		

(Concluded)

Note 1: Only the amount of profit or loss recognized by the Company for each subsidiary directly invested and each investee company using the equity method should be shown, other information can be exempted.

Note 2: Please refer to Table 7 for information on investees in mainland China.

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 4)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 (Note 4)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2025 (Note 4)	Net (Loss) Income of the Investee	% Ownership of Direct or Indirect Investment	Investment (Loss) Gain (Note 2)	Carrying Amount as of September 30, 2025	Accumulated Repatriation of Investment Income as of September 30, 2025
					Outward	Inward						
Nan Pao Resins (China) Co., Ltd.	Production and trading of adhesives and coatings	\$ 304,450 (USD 10,000,000)	(2) Great Mount Enterprises Ltd.	\$ 328,499 (USD 10,789,932)	\$ -	\$ -	\$ 328,499 (USD 10,789,932)	\$ (25,926)	100	\$ (25,926) (2)B.	\$ 306,763	\$ -
Fuqing Nan Pao Resins Co., Ltd.	Production and trading of adhesives	138,829 (USD 4,560,000)	(2) Wealth Castle Development Ltd.	151,921 (USD 4,990,000)	-	-	151,921 (USD 4,990,000)	21,741	100	21,741 (2)B.	264,069	222,197
Nan Pao Resins (Dongguan) Co., Ltd.	Processing of adhesive products	82,202 (USD 2,700,000)	(2) Eastlion Enterprises Ltd.	77,387 (USD 2,541,860)	-	-	77,387 (USD 2,541,860)	(20,678)	100	(20,678) (2)B.	168,772	-
Dongguan Jiaqin Electronics Co., Ltd.	Production and trading of coatings and advanced resins	91,335 (USD 3,000,000)	(2) Nan Pao Resins Development Ltd.	93,304 (USD 3,064,683)	-	-	93,304 (USD 3,064,683)	13,381	100	13,381 (2)B.	197,507	-
Foshan Nan Pao Advanced Materials Co., Ltd.	Production and trading of adhesives	102,833 (RMB 24,000,000)	(2) Greatwill Materials (HK) Ltd. and Nan Pao Resins (Foshan) Co., Ltd.	-	-	-	-	144,159	60.47	87,173 (2)B.	634,825	49,616
Nan Pao Resins (Foshan) Co., Ltd.	Production and trading of adhesives	243,560 (USD 8,000,000)	(2) Giant Profit Development Ltd.	237,094 (USD 7,787,627)	-	-	237,094 (USD 7,787,627)	292,930	100	292,930 (2)B.	1,222,283	1,365,114
Gangyi Electronic (Dongguan) Co., Ltd. (Note 5)	Production and trading of magnetic covers, magnetic rings, iron cores and electronic components	-	(2) Qang Yi Electronic Factory Company Ltd.	12,179 (USD 400,000)	-	-	12,179 (USD 400,000)	-	-	-	-	-
Nan Pao Advanced Investment Co., Ltd.	General investment	1,506,380 (USD 49,478,733)	(2) Nan Pao Group Holdings Ltd.	1,412,709 (USD 46,402,000)	93,671 (USD 3,076,733)	-	1,506,380 (USD 49,478,733)	(115,943)	100	(115,943) (2)B.	1,039,157	-
Nan Pao (Kunshan) Electronic Commerce Co., Ltd.	Online business agency and general merchandise trading	45,668 (USD 1,500,000)	(3) Nan Pao Advanced Investment Co., Ltd.	-	-	-	-	(44)	100	(44) (2)B.	5,175	-
Nan Pao New Materials Technology (Huaian) Co., Ltd.	Production and trading of carbon fiber	575,473 (USD 18,902,037)	(3) Nan Pao Advanced Investment Co., Ltd.	-	-	-	-	(110,599)	92.06	(102,374) (2)B.	215,354	-
Nan Pao Optoelectronic Materials (Kunshan) Co., Ltd.	Production and trading of adhesives and chemical substances	24,356 (USD 800,000)	(3) Nan Pao Advanced Investment Co., Ltd.	-	-	-	-	(1,526)	100	(1,526) (2)B.	7,975	-
Nan Pao Fine Chemical Materials (Anhui) Co., Ltd.	Production and trading of coatings and chemical substances	437,749 (USD 14,378,368)	(3) Nan Pao Advanced Investment Co., Ltd.	-	-	-	-	770	93.36	689 (2)B.	402,137	-
Changshu Yu Bo Polymer Materials Co., Ltd.	Production and trading of adhesives and chemical substances	197,893 (USD 6,500,000)	(3) Nan Pao Advanced Investment Co., Ltd.	-	-	-	-	20,937	70	(7,018) (2)B.	422,032	-

Accumulated Outward Remittance for Investments in Mainland China as of June 30, 2025 (Note 4)	Investment Amount Authorized by the Investment Commission, MOEA (Note 4)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (Note 3)
\$ 2,406,764 (USD 79,052,835)	\$ 4,208,946 (USD 138,247,525)	\$ 8,559,898

Note 1: The methods of investment in mainland China are divided into the following three categories (indicate the category number):

- (1) Direct investment in mainland China.
- (2) Investment in mainland China through companies in a third region (please specify investee company in third region).
- (3) Other methods.

Note 2: Recognized in the investment gain (loss) column in the current period:

- (1) If the Company is still in the preparation stage, and there is still no investment gain or loss, it should be disclosed.
- (2) The basis for recognition of investment gain (loss) which falls under the following 3 categories should be disclosed:

A. The financial statements were audited by an international accounting firm that has a business relationship with an accounting firm in the ROC.

B. The financial statements were audited by the CPA of the parent company in the ROC.

C. Others.

Note 3: The Company's investment limit in mainland China is calculated as follows:
\$14,266,496×60% = \$8,559,898

Note 4: Relevant amounts are calculated based on the exchange rate of US\$1 = NT\$30.445 at the end of the period.
Relevant amounts are calculated based on the exchange rate of RMB 1 = NT\$4.285 at the end of the period.

Note 5: Gangyi Electronic (Dongguan) Co., Ltd. has already completed its liquidation procedures in October 2017, but its share proceeds have not been remitted to Taiwan; hence, it has not been deducted from the investment amount authorized by the Investment Commission, MOEA.

TABLE 8

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Unrealized Gain (Note)
			Purchases/Sales	Amount (Note)	% to Total	Payment Terms			Ending Balance (Note)	% to Total	
							Unit Price	Payment Terms			
Nan Pao Resins Chemical Co., Ltd.	Nan Pao Resins (Foshan) Co., Ltd.	Subsidiary	Sales	\$ (136,412)	(3)	Payment within 90 days	Similar to general transactions	Similar to general transactions	\$ 53,349	3	\$ 15,304
	Dongguan Jiaqin Electronics Co., Ltd.	Subsidiary	Sales	(60,375)	(1)	Payment within 90 days	Similar to general transactions	Similar to general transactions	19,907	1	5,928
Foshan Nan Pao Advanced Materials Co., Ltd.	Nan Pao Resins (Foshan) Co., Ltd.	Same ultimate Parent Company	Sales	(38,506)	(2)	Payment within 90 days	Similar to general transactions	Similar to general transactions	14,590	2	-
	PT. Indo Nan Pao Resins Chemical Co., Ltd.	Same ultimate Parent Company	Sales	(18,561)	(1)	Payment within 90 days	Similar to general transactions	Similar to general transactions	5,261	1	-
Nan Pao Resins (Dongguan) Co., Ltd.	Nan Pao Resins (HK) Ltd.	Same ultimate Parent Company	Processing revenue	(241,351)	(100)	Payment within 90 days	No comparable product sales for comparison	No third-party transaction for comparison	94,179	100	-
Nan Pao Resins (Foshan) Co., Ltd.	Fuqing Nan Pao Resins Co., Ltd.	Same ultimate Parent Company	Sales	(62,070)	(4)	Payment within 90 days	Similar to general transactions	Similar to general transactions	24,183	5	-
	Nan Pao Resins (China) Co., Ltd.	Same ultimate Parent Company	Sales	(37,060)	(2)	Payment within 90 days	Similar to general transactions	Similar to general transactions	15,586	3	-
Fuqing Nan Pao Resins Co., Ltd.	Nan Pao Resins (China) Co., Ltd.	Same ultimate Parent Company	Sales	(29,713)	(11)	Payment within 90 days	Similar to general transactions	Similar to general transactions	11,191	12	-
	Nan Pao Resins (Foshan) Co., Ltd.	Same ultimate Parent Company	Sales	(27,909)	(10)	Payment within 90 days	Similar to general transactions	Similar to general transactions	12,300	14	-

Note: The amounts, ending balances and unrealized gains were eliminated during the preparation of the consolidated financial statements.

TABLE 9

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025**
(Amounts in Thousands of New Taiwan Dollars)

No.	Company Name	Counterparty	Relationship (Note 1)	Transaction Details			
				Financial Statement Accounts	Amount (Note 2)	Payment Terms	% of Total Sales or Assets
0	Nan Pao Resins Chemical Co., Ltd.	Nan Pao Resins (Vietnam) Enterprise Ltd.	1	Accounts receivable - related parties	\$ 799,307		3
				Sales revenue	1,325,758	Calculated based on general transaction prices, telegraphic transfer within 90 days	8
		Nan Pao Resins (Foshan) Co., Ltd.	1	Accounts receivable - related parties	53,349		-
				Sales revenue	136,412	Calculated based on general transaction prices, telegraphic transfer within 90 days	1
		PT. Indo Nan Pao Resins Chemical Co., Ltd.	1	Accounts receivable - related parties	320,517		1
				Sales revenue	478,261	Calculated based on general transaction prices, telegraphic transfer within 90 days	3
		Nan Pao Resins India Pvt Ltd.	1	Accounts receivable - related parties	38,419		-
				Sales revenue	40,121	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Materials Vietnam Co., Ltd.	1	Accounts receivable - related parties	39,358		-
				Sales revenue	236,644	Calculated based on general transaction prices, telegraphic transfer within 90 days	1
		ITLS International Development Co., Ltd.	1	Accounts receivable - related parties	21,417		-
				Sales revenue	56,807	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Advanced Materials Vietnam Co., Ltd.	1	Accounts receivable - related parties	121,450		-
				Sales revenue	345,326	Calculated based on general transaction prices, telegraphic transfer within 90 days	2
		Nan Pao Resins (HK) Ltd.	1	Sales revenue	27,580	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Advanced Materials Co., Ltd.	1	Accounts receivable - related parties	21,727		-
				Sales revenue	61,463	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins Chemical Philippines, Inc.	1	Sales revenue	14,182	Calculated based on general transaction prices, telegraphic transfer within 90 days	
		Dongguan Jiaqin Electronics Co., Ltd.	1	Accounts receivable - related parties	19,907		-
				Sales revenue	60,375	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
1	Nan Pao Resins (Vietnam) Enterprise Ltd.	Spark Foamtech Enterprise Company Limited	1	Accounts receivable - related parties	38,818		-
				Sales revenue	45,029	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Yu Po Chemical Co., Ltd.	1	Sales revenue	21,182	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Thai Nan Pao Investment Ltd.	1	Sales revenue	18,095	Calculated based on general transaction prices, telegraphic transfer within 90 days	
		Nan Pao Group Holdings Ltd.	1	Other payables - related parties	639,345		2
		Nan Pao Overseas Holdings Ltd.	1	Other payables - related parties	882,905		3
		PT. Indo Nan Pao Resins Chemical Co., Ltd.	3	Accounts receivable - related parties	24,065		-
				Sales revenue	52,085	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins International Ltd.	3	Accounts receivable - related parties	19,774		-
				Sales revenue	44,137	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
2	Nan Pao Resins (Foshan) Co., Ltd.	Fuqing Nan Pao Resins Co., Ltd.	3	Accounts receivable - related parties	24,183		-
				Sales revenue	62,070	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins (China) Co., Ltd.	3	Accounts receivable - related parties	15,586		-
				Sales revenue	37,060	Calculated based on general transaction prices, telegraphic transfer within 90 days	
3	Nan Pao Resins (HK) Ltd.	Nan Pao Resins (Dongguan) Co., Ltd.	3	Other payables - related parties	94,179		-
				Processing fee	241,351	No prices for similar products available for comparison, payment made 90 days from the date of the invoice	1
		Nan Pao Advanced Materials Vietnam Co., Ltd.	3	Accounts receivable - related parties	21,573		-
				Sales revenue	56,583	Calculated based on general transaction prices, telegraphic transfer within 90 days	-

(Continued)

No.	Company Name	Counterparty	Relationship (Note 1)	Transaction Details			
				Financial Statement Accounts	Amount (Note 2)	Payment Terms	% of Total Sales or Assets
4	Nan Pao Materials Vietnam Co., Ltd.	Nan Pao Materials Vietnam Co., Ltd.	3	Accounts receivable - related parties	\$ 23,126		-
				Sales revenue	83,718	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		PT. Indo Nan Pao Resins Chemical Co., Ltd.	3	Accounts receivable - related parties	32,575		-
				Sales revenue	54,507	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins (Vietnam) Enterprise Ltd.	3	Sales revenue	24,036	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Philippines Export Inc.	3	Accounts receivable - related parties	19,327		-
				Sales revenue	44,193	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		PT. Indo Nan Pao Resins Chemical Co., Ltd.	3	Accounts receivable - related parties	38,336		-
				Sales revenue	108,693	Calculated based on general transaction prices, telegraphic transfer within 90 days	1
		Nan Pao Advanced Materials Vietnam Co., Ltd.	3	Accounts receivable - related parties	23,928		-
5	Foshan Nan Pao Advanced Materials Co., Ltd.			Sales revenue	65,165	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins (Vietnam) Enterprise Ltd.	3	Accounts receivable - related parties	40,505		-
				Sales revenue	85,967	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins International Ltd.	3	Accounts receivable - related parties	22,105		-
6	Nan Pao Advanced Materials Vietnam Co., Ltd.			Sales revenue	52,111	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins (Foshan) Co., Ltd.	3	Accounts receivable - related parties	14,590		-
				Sales revenue	38,506	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
7	Fuqing Nan Pao Resins Co., Ltd.	PT. Indo Nan Pao Resins Chemical Co., Ltd.	3	Sales revenue	18,561	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins International Ltd.	3	Accounts receivable - related parties	113,374		-
				Sales revenue	235,603	Calculated based on general transaction prices, telegraphic transfer within 90 days	1
8	FlexUP Technologies Corp.			Sales revenue	12,300	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins (Foshan) Co., Ltd.	3	Accounts receivable - related parties	27,909	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins (China) Co., Ltd.	3	Sales revenue	29,713	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
9	Nan Pao Fine Materials Co., Ltd.	Nan Pao Materials Vietnam Co., Ltd.	3	Accounts receivable - related parties	16,983		-
				Sales revenue	91,658	Calculated based on general transaction prices, telegraphic transfer within 90 days	1
		Nan Pao Materials Vietnam Co., Ltd.	3	Accounts receivable - related parties	14,414		-
10	Nan Pao Chemical Co., Ltd.			Sales revenue	70,344	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		PT. Indo Nan Pao Resins Chemical Co., Ltd.	3	Accounts receivable - related parties	17,473		-
				Sales revenue	52,372	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
11	Nan Pao Advanced Materials Co., Ltd.	Nan Pao Resins Chemical Co., Ltd.	2	Sales revenue	14,179	Calculated based on general transaction prices, telegraphic transfer within 90 days	-
		Nan Pao Resins (Foshan) Co., Ltd.	3	Sales revenue	13,430	Calculated based on general transaction prices, telegraphic transfer within 90 days	-

(Concluded)

Note 1: Relationship with counterparty can be specified using the following three categories:

- (1) Parent Company to Subsidiaries.
- (2) Subsidiaries to Parent Company.
- (3) Between Subsidiaries.

Note 2: The amounts were eliminated during the preparation of the consolidated financial statements.

TABLE 10

NAN PAO RESINS CHEMICAL CO., LTD. AND SUBSIDIARIES

**CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

	Land	Land improvement	Buildings	Machinery	Transportation equipment	Miscellaneous equipment	Construction in progress	Total
<u>Cost</u>								
Balance on January 1, 2025	\$ 1,186,096	\$ 27,612	\$ 3,791,140	\$ 3,849,799	\$ 303,901	\$ 1,445,919	\$ 167,276	\$ 10,771,743
Acquisitions through business combinations	-	-	-	43,079	1,134	2,421	-	46,634
Additions	-	5,265	32,239	161,400	8,390	64,853	239,003	511,150
Disposals	-	(2,325)	(153)	(19,325)	(9,604)	(9,613)	-	(41,020)
Reclassification	-	-	49,326	20,541	46	23,828	(93,741)	-
Reclassified as held for sale	(80,282)	-	(1,134)	-	-	-	-	(81,416)
Effects of foreign currency exchange differences	<u>(183)</u>	<u>(320)</u>	<u>(109,975)</u>	<u>(115,452)</u>	<u>(12,550)</u>	<u>(19,193)</u>	<u>(14,275)</u>	<u>(271,948)</u>
Balance on September 30, 2025	<u>\$ 1,105,631</u>	<u>\$ 30,232</u>	<u>\$ 3,761,443</u>	<u>\$ 3,940,042</u>	<u>\$ 291,317</u>	<u>\$ 1,508,215</u>	<u>\$ 298,263</u>	<u>\$ 10,935,143</u>
<u>Accumulated depreciation and impairment</u>								
Balance on January 1, 2025	\$ -	\$ 15,854	\$ 1,196,975	\$ 2,557,043	\$ 217,115	\$ 944,528	\$ -	\$ 4,931,515
Acquisitions through business combinations	-	-	-	37,585	878	2,043	-	40,506
Depreciation expenses	-	2,313	86,435	199,965	18,946	95,923	-	403,582
Disposals	-	(2,325)	(153)	(17,787)	(7,760)	(9,438)	-	(37,463)
Reclassification	-	-	-	(30)	-	30	-	-
Reclassified as held for sale	-	-	(404)	-	-	-	-	(404)
Effects of foreign currency exchange differences	<u>-</u>	<u>(41)</u>	<u>(45,992)</u>	<u>(73,984)</u>	<u>(9,298)</u>	<u>(12,180)</u>	<u>-</u>	<u>(141,495)</u>
Balance on September 30, 2025	<u>\$ -</u>	<u>\$ 15,801</u>	<u>\$ 1,236,861</u>	<u>\$ 2,702,792</u>	<u>\$ 219,881</u>	<u>\$ 1,020,906</u>	<u>\$ -</u>	<u>\$ 5,196,241</u>
Carrying amount on December 31, 2024 and January 1, 2025	<u>\$ 1,186,096</u>	<u>\$ 11,758</u>	<u>\$ 2,594,165</u>	<u>\$ 1,292,756</u>	<u>\$ 86,786</u>	<u>\$ 501,391</u>	<u>\$ 167,276</u>	<u>\$ 5,840,228</u>
Carrying amount on September 30, 2025	<u>\$ 1,105,631</u>	<u>\$ 14,431</u>	<u>\$ 2,524,582</u>	<u>\$ 1,237,250</u>	<u>\$ 71,436</u>	<u>\$ 487,309</u>	<u>\$ 298,263</u>	<u>\$ 5,738,902</u>
<u>Cost</u>								
Balance on January 1, 2024	\$ 1,185,389	\$ 26,256	\$ 3,725,688	\$ 3,637,838	\$ 277,876	\$ 1,340,966	\$ 32,397	\$ 10,226,410
Acquisitions through business combinations	-	-	-	17,212	3,326	711	-	21,249
Additions	-	600	9,516	105,748	22,063	86,394	84,685	309,006
Disposals	-	-	(3,303)	(42,546)	(20,760)	(13,178)	(82)	(79,869)
Reclassification	-	-	-	29,491	-	7,757	(37,248)	-
Effects of foreign currency exchange differences	<u>994</u>	<u>100</u>	<u>69,455</u>	<u>80,620</u>	<u>5,510</u>	<u>12,520</u>	<u>1,148</u>	<u>170,347</u>
Balance on September 30, 2024	<u>\$ 1,186,383</u>	<u>\$ 26,956</u>	<u>\$ 3,801,356</u>	<u>\$ 3,828,363</u>	<u>\$ 288,015</u>	<u>\$ 1,435,170</u>	<u>\$ 80,900</u>	<u>\$ 10,647,143</u>
<u>Accumulated depreciation and impairment</u>								
Balance on January 1, 2024	\$ -	\$ 13,064	\$ 1,063,203	\$ 2,301,491	\$ 209,810	\$ 830,489	\$ -	\$ 4,418,057
Depreciation expenses	-	2,040	87,877	194,697	18,663	90,929	-	394,206
Disposals	-	-	(2,190)	(39,496)	(19,796)	(11,946)	-	(73,428)
Effects of foreign currency exchange differences	<u>-</u>	<u>16</u>	<u>27,461</u>	<u>45,646</u>	<u>3,679</u>	<u>7,485</u>	<u>-</u>	<u>84,287</u>
Balance on September 30, 2024	<u>\$ -</u>	<u>\$ 15,120</u>	<u>\$ 1,176,351</u>	<u>\$ 2,502,338</u>	<u>\$ 212,356</u>	<u>\$ 916,957</u>	<u>\$ -</u>	<u>\$ 4,823,122</u>
Carrying amount on September 30, 2024	<u>\$ 1,186,383</u>	<u>\$ 11,836</u>	<u>\$ 2,625,005</u>	<u>\$ 1,326,025</u>	<u>\$ 75,659</u>	<u>\$ 518,213</u>	<u>\$ 80,900</u>	<u>\$ 5,824,021</u>