# CHC Resources Corporation and Subsidiaries

## Consolidated Financial Statements for the Six Months Ended June 30, 2026 and 2025 and Independent Auditors' Review Report

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# INDEPENDENT AUDITORS' REVIEW REPORT

CHC Resources Corporation

## Introduction

We have reviewed the accompanying consolidated balance sheets of CHC Resources Corporation (the "Corporation") and its subsidiaries as of June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2026 and 2025, and the consolidated statements of changes in equity and cash flows for the six months then ended June 30, 2026 and 2025, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

## Scope of Review

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

## Conclusion

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

The engagement partners on the reviews resulting in this independent auditors' review report are Yu-Shiang Liu and Chao-Chun Wang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 6, 2026

*Notice to Readers*

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

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

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS
**(In Thousands of New Taiwan Dollars)**

| | June 30, 2026 | | December 31, 2025 | | June 30, 2025 | |
|---|---|---|---|---|---|---|
| **ASSETS** | **Amount** | **%** | **Amount** | **%** | **Amount** | **%** |
| CURRENT ASSETS | | | | | | |
| Cash and cash equivalents (Note 6) | $ 573,557 | 5 | $ 352,883 | 3 | $ 629,966 | 5 |
| Financial assets at fair value through other comprehensive income - current (Notes 7 and 28) | 242,856 | 2 | 205,687 | 2 | 203,522 | 2 |
| Contract assets - current (Notes 23 and 29) | 174 | - | 109 | - | 1,293 | - |
| Notes receivable (Note 8) | 152,426 | 2 | 224,355 | 2 | 281,594 | 3 |
| Accounts receivable (Note 8) | 210,072 | 2 | 250,673 | 2 | 242,738 | 2 |
| Accounts receivable - related parties (Notes 8 and 29) | 908,484 | 8 | 1,020,128 | 9 | 974,855 | 8 |
| Other receivables | 7,045 | - | 5,436 | - | 7,609 | - |
| Other receivables - related parties (Note 29) | 39,140 | - | 34,086 | - | 30,500 | - |
| Current tax assets | 865 | - | 592 | - | - | - |
| Inventories (Note 9) | 546,983 | 5 | 468,684 | 4 | 449,394 | 4 |
| Prepayments (Notes 10 and 29) | 102,184 | 1 | 161,732 | 2 | 64,767 | 1 |
| Other financial assets - current (Notes 11 and 30) | 64,207 | 1 | 162,383 | 2 | 54,518 | - |
| Refundable deposits - current (Note 15) | 26,235 | - | 22,797 | - | 13,641 | - |
| Costs to fulfil a contract (Note 23) | 11,873 | - | 12,793 | - | 14,441 | - |
| Other current assets | 10,727 | - | 20,231 | - | 15,266 | - |
| Total current assets | 2,896,828 | 26 | 2,942,569 | 26 | 2,984,104 | 25 |
| NON-CURRENT ASSETS | | | | | | |
| Financial assets at fair value through other comprehensive income - non-current (Notes 7 and 28) | 17,157 | - | 36,922 | - | 33,415 | - |
| Investments accounted for using the equity method (Note 13) | 312,377 | 3 | 287,225 | 2 | 275,190 | 3 |
| Property, plant and equipment (Notes 14, 30 and 32) | 4,401,138 | 39 | 4,428,558 | 39 | 4,303,559 | 38 |
| Right-of-use assets (Notes 15, 29 and 30) | 953,228 | 8 | 1,092,980 | 10 | 1,173,157 | 10 |
| Investment properties (Note 16) | 2,321,297 | 20 | 2,322,792 | 20 | 2,324,287 | 20 |
| Intangible assets (Note 17) | 5,891 | - | 5,294 | - | 3,966 | - |
| Deferred tax assets | 82,612 | 1 | 86,915 | 1 | 92,937 | 1 |
| Prepayments for equipment | 57,075 | 1 | 59,920 | - | 60,523 | 1 |
| Refundable deposits - non-current (Note 15) | 211,530 | 2 | 219,725 | 2 | 225,715 | 2 |
| Net defined benefit assets | 21,858 | - | 9,153 | - | - | - |
| Other financial assets - non-current (Notes 11 and 30) | 3,850 | - | 3,850 | - | 3,850 | - |
| Other non-current assets | 683 | - | 467 | - | 4,410 | - |
| Total non-current assets | 8,388,696 | 74 | 8,553,801 | 74 | 8,501,009 | 75 |
| TOTAL | $ 11,285,524 | 100 | $ 11,496,370 | 100 | $ 11,485,113 | 100 |
| **LIABILITIES AND EQUITY** | | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Short-term borrowings (Note 18) | $ 309,320 | 3 | $ 303,836 | 3 | $ 405,787 | 4 |
| Contract liabilities - current (Notes 23 and 29) | 157,556 | 1 | 56,390 | - | 58,514 | 1 |
| Notes payable | 9,998 | - | 7,848 | - | 13,276 | - |
| Accounts payable | 138,553 | 1 | 178,882 | 2 | 205,442 | 2 |
| Accounts payable - related parties (Note 29) | 89,867 | 1 | 100,880 | 1 | 73,363 | 1 |
| Payables on equipment | 15,987 | - | 23,355 | - | 1,765 | - |
| Payables for dividends | 1,004,991 | 9 | 413 | - | 1,005,995 | 9 |
| Other payables (Note 19) | 743,581 | 7 | 785,522 | 7 | 775,421 | 7 |
| Other payables - related parties (Notes 19 and 29) | 137,180 | 1 | 191,171 | 2 | 168,533 | 1 |
| Current tax liabilities | 135,551 | 1 | 138,114 | 1 | 161,955 | 1 |
| Lease liabilities - current (Notes 15 and 29) | 355,421 | 3 | 370,716 | 3 | 336,084 | 3 |
| Current portion of long-term borrowings (Notes 18 and 30) | 61,273 | 1 | 60,247 | 1 | 56,658 | - |
| Guarantee deposits received - current | 46,391 | - | 38,172 | - | 35,810 | - |
| Other current liabilities (Note 29) | 7,403 | - | 6,940 | - | 5,688 | - |
| Total current liabilities | 3,213,072 | 28 | 2,262,486 | 20 | 3,304,291 | 29 |
| NON-CURRENT LIABILITIES | | | | | | |
| Long-term borrowings (Notes 18 and 30) | 597,313 | 5 | 1,178,267 | 10 | 660,524 | 6 |
| Provisions - non-current (Note 20) | 368,476 | 3 | 393,760 | 3 | 386,489 | 3 |
| Deferred tax liabilities | 145,286 | 2 | 152,032 | 2 | 143,143 | 1 |
| Lease liabilities - non-current (Notes 15 and 29) | 547,027 | 5 | 675,822 | 6 | 788,450 | 7 |
| Guarantee deposits received - non-current | 5,335 | - | 7,025 | - | 6,110 | - |
| Total non-current liabilities | 1,663,437 | 15 | 2,406,906 | 21 | 1,984,716 | 17 |
| Total liabilities | 4,876,509 | 43 | 4,669,392 | 41 | 5,289,007 | 46 |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 22) | | | | | | |
| Ordinary shares | 2,485,404 | 22 | 2,485,404 | 22 | 2,485,404 | 21 |
| Capital surplus | 162,398 | 1 | 162,398 | 1 | 162,398 | 1 |
| Retained earnings | | | | | | |
| Legal reserve | 1,899,658 | 17 | 1,776,482 | 15 | 1,776,482 | 15 |
| Special reserve | 161,783 | 1 | 104,464 | 1 | 104,464 | 1 |
| Unappropriated earnings | 1,593,416 | 14 | 2,227,243 | 19 | 1,667,506 | 16 |
| Total retained earnings | 3,654,857 | 32 | 4,108,189 | 35 | 3,548,452 | 32 |
| Other equity | (117,599) | - | (161,784) | (1) | (214,822) | (2) |
| Total equity attributable to owners of the Corporation | 6,185,060 | 55 | 6,594,207 | 57 | 5,981,432 | 52 |
| NON-CONTROLLING INTERESTS (Note 22) | 223,955 | 2 | 232,771 | 2 | 214,674 | 2 |
| Total equity | 6,409,015 | 57 | 6,826,978 | 59 | 6,196,106 | 54 |
| TOTAL | $ 11,285,524 | 100 | $ 11,496,370 | 100 | $ 11,485,113 | 100 |

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

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

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

| | For the Three Months Ended June 30 | | | | For the Six Months Ended June 30 | | | |
|---|---|---|---|---|---|---|---|---|
| | 2026 | | 2025 | | 2026 | | 2025 | |
| | Amount | % | Amount | % | Amount | % | Amount | % |
| OPERATING REVENUE (Notes 23 and 29) | | | | | | | | |
| Sales | $ 1,968,349 | 58 | $ 2,190,864 | 60 | $ 3,923,434 | 59 | $ 4,203,470 | 59 |
| Construction revenue | 848 | - | 2,138 | - | 2,161 | - | 5,302 | - |
| Service revenue | 1,413,231 | 42 | 1,489,316 | 40 | 2,743,443 | 41 | 2,935,197 | 41 |
| Total operating revenue | 3,382,428 | 100 | 3,682,318 | 100 | 6,669,038 | 100 | 7,143,969 | 100 |
| OPERATING COSTS (Notes 9, 24 and 29) | | | | | | | | |
| Cost of goods sold | 1,574,749 | 47 | 1,690,431 | 46 | 3,095,587 | 46 | 3,232,964 | 45 |
| Construction costs | 808 | - | 2,035 | - | 2,058 | - | 5,049 | - |
| Service costs | 1,351,112 | 40 | 1,423,072 | 39 | 2,622,187 | 39 | 2,787,307 | 39 |
| Total operating costs | 2,926,669 | 87 | 3,115,538 | 85 | 5,719,832 | 85 | 6,025,320 | 84 |
| GROSS PROFIT | 455,759 | 13 | 566,780 | 15 | 949,206 | 15 | 1,118,649 | 16 |
| OPERATING EXPENSES (Notes 24 and 29) | | | | | | | | |
| Selling and marketing expenses | 66,070 | 2 | 58,469 | 2 | 133,455 | 2 | 107,057 | 2 |
| General and administrative expenses | 77,829 | 2 | 65,778 | 2 | 148,009 | 2 | 135,951 | 2 |
| Research and development expenses | 7,503 | - | 6,509 | - | 15,139 | - | 13,187 | - |
| Expected credit impairment loss | - | - | 2,460 | - | - | - | 2,460 | - |
| Total operating expenses | 151,402 | 4 | 133,216 | 4 | 296,603 | 4 | 258,655 | 4 |
| PROFIT FROM OPERATIONS | 304,357 | 9 | 433,564 | 11 | 652,603 | 11 | 859,994 | 12 |
| NON-OPERATING INCOME AND EXPENSES (Notes 24 and 29) | | | | | | | | |
| Interest income | 2,210 | - | 1,891 | - | 4,651 | - | 3,626 | - |
| Other income | 31,150 | 1 | 10,418 | - | 40,445 | - | 19,773 | - |
| Other gains and losses | (2,778) | - | 489 | - | (3,390) | - | (3,847) | - |
| Finance costs | (11,666) | - | (13,045) | - | (24,739) | - | (27,892) | - |
| Share of profit or loss of associates accounted for using the equity method | 8,001 | - | 6,194 | - | 10,533 | - | 7,589 | - |
| Total non-operating income and expenses | 26,917 | 1 | 5,947 | - | 27,500 | - | (751) | - |
| PROFIT BEFORE INCOME TAX | 331,274 | 10 | 439,511 | 11 | 680,103 | 11 | 859,243 | 12 |
| INCOME TAX EXPENSE (Note 25) | 62,434 | 2 | 93,094 | 2 | 132,456 | 3 | 177,583 | 2 |
| NET PROFIT FOR THE PERIOD | 268,840 | 8 | 346,417 | 9 | 547,647 | 8 | 681,660 | 10 |

(Continued)

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

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

| | For the Three Months Ended June 30 | | | | For the Six Months Ended June 30 | | | |
|---|---|---|---|---|---|---|---|---|
| | 2026 | | 2025 | | 2026 | | 2025 | |
| | Amount | % | Amount | % | Amount | % | Amount | % |
| OTHER COMPREHENSIVE INCOME (LOSS) (Note 22) | | | | | | | | |
| 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 | $ (2,629) | - | $ (42,904) | (1) | $ 17,404 | - | $ (11,107) | - |
| Share of the other comprehensive income (loss) of associates accounted for using the equity method | 11,604 | - | (11,530) | - | 20,165 | - | (4,896) | - |
| Items that may be reclassified subsequently to profit or loss | | | | | | | | |
| Exchange differences on translation of the financial statements of foreign operations | (582) | - | (116,569) | (3) | 14,032 | - | (109,688) | (2) |
| Share of the other comprehensive income (loss) of associates accounted for using the equity method | 80 | - | (220) | - | 181 | - | (207) | - |
| Other comprehensive income (loss) for the period, net of income tax | 8,473 | - | (171,223) | (4) | 51,782 | - | (125,898) | (2) |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | $ 277,313 | 8 | $ 175,194 | 5 | $ 599,429 | 8 | $ 555,762 | 8 |
| NET PROFIT ATTRIBUTABLE TO: | | | | | | | | |
| Owners of the Corporation | $ 263,901 | 8 | $ 340,888 | 9 | $ 536,705 | 8 | $ 671,000 | 10 |
| Non-controlling interests | 4,939 | - | 5,529 | - | 10,942 | - | 10,660 | - |
| | $ 268,840 | 8 | $ 346,417 | 9 | $ 547,647 | 8 | $ 681,660 | 10 |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | | | | | | |
| Owners of the Corporation | $ 272,437 | 8 | $ 187,373 | 5 | $ 585,014 | 8 | $ 561,666 | 8 |
| Non-controlling interests | 4,876 | - | (12,179) | - | 14,415 | - | (5,904) | - |
| | $ 277,313 | 8 | $ 175,194 | 5 | $ 599,429 | 8 | $ 555,762 | 8 |
| EARNINGS PER SHARE (Note 26) | | | | | | | | |
| Basic | $ 1.06 | | $ 1.37 | | $ 2.16 | | $ 2.70 | |
| Diluted | $ 1.06 | | $ 1.37 | | $ 2.15 | | $ 2.69 | |

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

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
**(In Thousands of New Taiwan Dollars)**

| | Total Equity Attributable to Owners of the Corporation | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Retained Earnings | | | | Other Equity | | | | | |
| | Ordinary Shares | Capital Surplus | Legal Reserve | Special Reserve | Unappropriated Earnings | Total | Exchange Differences on Translation of the Financial Statements of Foreign Operations | Unrealized Valuation Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income | Total | Total Equity Attributable to Owners of the Corporation | Non-controlling Interests | Total Equity |
| BALANCE AT JANUARY 1, 2026 | $ 2,485,404 | $ 162,398 | $ 1,776,482 | $ 104,464 | $ 2,227,243 | $ 4,108,189 | $ (76,852) | $ (84,932) | $ (161,784) | $ 6,594,207 | $ 232,771 | $ 6,826,978 |
| Appropriation of 2025 earnings (Note 22) | | | | | | | | | | | | |
| Legal reserve | - | - | 123,176 | - | (123,176) | - | - | - | - | - | - | - |
| Special reserve | - | - | - | 57,319 | (57,319) | - | - | - | - | - | - | - |
| Cash dividends | - | - | - | - | (994,161) | (994,161) | - | - | - | (994,161) | - | (994,161) |
| | - | - | 123,176 | 57,319 | (1,174,656) | (994,161) | - | - | - | (994,161) | - | (994,161) |
| Net profit for the six months ended June 30, 2026 | - | - | - | - | 536,705 | 536,705 | - | - | - | 536,705 | 10,942 | 547,647 |
| Other comprehensive income for the six months ended June 30, 2026, net of income tax | - | - | - | - | 1 | 1 | 12,108 | 36,200 | 48,308 | 48,309 | 3,473 | 51,782 |
| Total comprehensive income for the six months ended June 30, 2026 | - | - | - | - | 536,706 | 536,706 | 12,108 | 36,200 | 48,308 | 585,014 | 14,415 | 599,429 |
| Adjustment of non-controlling interests | - | - | - | - | - | - | - | - | - | - | (23,231) | (23,231) |
| Disposal of investments in equity instruments at fair value through other comprehensive income (loss) | - | - | - | - | 4,123 | 4,123 | - | (4,123) | (4,123) | - | - | - |
| BALANCE AT JUNE 30, 2026 | $ 2,485,404 | $ 162,398 | $ 1,899,658 | $ 161,783 | $ 1,593,416 | $ 3,654,857 | $ (64,744) | $ (52,855) | $ (117,599) | $ 6,185,060 | $ 223,955 | $ 6,409,015 |
| BALANCE AT JANUARY 1, 2025 | $ 2,485,404 | $ 162,411 | $ 1,657,720 | $ 17,532 | $ 2,195,338 | $ 3,870,590 | $ (25,722) | $ (78,743) | $ (104,465) | $ 6,413,940 | $ 240,103 | $ 6,654,043 |
| Appropriation of 2024 earnings (Note 22) | | | | | | | | | | | | |
| Legal reserve | - | - | 118,762 | - | (118,762) | - | - | - | - | - | - | - |
| Special reserve | - | - | - | 86,932 | (86,932) | - | - | - | - | - | - | - |
| Cash dividends | - | - | - | - | (994,161) | (994,161) | - | - | - | (994,161) | - | (994,161) |
| | - | - | 118,762 | 86,932 | (1,199,855) | (994,161) | - | - | - | (994,161) | - | (994,161) |
| Changes in capital surplus from investments in associates accounted for using the equity method | - | (13) | - | - | - | - | - | - | - | (13) | - | (13) |
| Net profit for the six months ended June 30, 2025 | - | - | - | - | 671,000 | 671,000 | - | - | - | 671,000 | 10,660 | 681,660 |
| Other comprehensive income (loss) for the six months ended June 30, 2025, net of income tax | - | - | - | - | 5 | 5 | (93,442) | (15,897) | (109,339) | (109,334) | (16,564) | (125,898) |
| Total comprehensive income (loss) for the six months ended June 30, 2025 | - | - | - | - | 671,005 | 671,005 | (93,442) | (15,897) | (109,339) | 561,666 | (5,904) | 555,762 |
| Adjustment of non-controlling interests | - | - | - | - | - | - | - | - | - | - | (19,525) | (19,525) |
| Disposal of investments in equity instruments at fair value through other comprehensive income (loss) | - | - | - | - | 1,018 | 1,018 | - | (1,018) | (1,018) | - | - | - |
| BALANCE AT JUNE 30, 2025 | $ 2,485,404 | $ 162,398 | $ 1,776,482 | $ 104,464 | $ 1,667,506 | $ 3,548,452 | $ (119,164) | $ (95,658) | $ (214,822) | $ 5,981,432 | $ 214,674 | $ 6,196,106 |

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

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS
## (In Thousands of New Taiwan Dollars)

| | For the Six Months Ended June 30 | |
|---|---|---|
| | 2026 | 2025 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before income tax | $ 680,103 | $ 859,243 |
| Adjustments for: | | |
| Depreciation expense | 417,399 | 435,350 |
| Amortization expense | 11,930 | 12,879 |
| Expected credit impairment loss | - | 2,460 |
| Net gain on financial assets at fair value through profit or loss | (324) | (389) |
| Finance costs | 24,739 | 27,892 |
| Interest income | (4,651) | (3,626) |
| Share of profit of associates accounted for using the equity method | (10,533) | (7,589) |
| Gain on disposal of property, plant and equipment | - | (86) |
| Impairment loss on property, plant and equipment | 953 | - |
| Write-down of inventories | 3,470 | 499 |
| Recognition of provisions | 54,731 | 9,382 |
| Others | (5) | - |
| Changes in operating assets and liabilities | | |
| Contract assets - current | (65) | (985) |
| Notes receivable | 71,929 | 29,473 |
| Accounts receivable | 40,601 | (41,658) |
| Accounts receivable - related parties | 111,644 | (48,539) |
| Other receivables | 3,581 | 23,404 |
| Other receivables - related parties | (5,054) | 7,554 |
| Inventories | (81,769) | (46,946) |
| Prepayments | 59,548 | 32,663 |
| Other current assets | 9,504 | 2,366 |
| Other financial assets | 98,176 | 37,059 |
| Costs to fulfil a contract | 920 | 250 |
| Contract liabilities - current | 101,166 | 12,284 |
| Notes payable | 2,150 | (1,810) |
| Accounts payable | (40,329) | 46,557 |
| Accounts payable - related parties | (11,013) | (29,796) |
| Other payables | (54,166) | (85,654) |
| Other payables - related parties | (53,991) | (10,064) |
| Provisions | (80,015) | - |
| Other current liabilities | 463 | 556 |
| Net defined benefit assets and liabilities | (12,705) | (8,277) |
| Cash generated from operations | 1,338,387 | 1,254,452 |
| Income taxes paid | (137,807) | (175,331) |
| Net cash generated from operating activities | 1,200,580 | 1,079,121 |

(Continued)

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS
## (In Thousands of New Taiwan Dollars)

| | For the Six Months Ended June 30 | |
|---|---|---|
| | 2026 | 2025 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of financial assets at fair value through profit or loss | $ (700,000) | $ (640,000) |
| Proceeds from disposal of financial assets at fair value through profit or loss | 700,324 | 640,389 |
| Acquisition of property, plant and equipment | (209,249) | (116,368) |
| Proceeds from disposal of property, plant and equipment | - | 122 |
| Decrease in refundable deposits | 4,757 | 5,509 |
| Payments for intangible assets | (2,686) | (95) |
| Increase in other non-current assets | (10,318) | (10,927) |
| Interest received | 5,184 | 4,387 |
| Net cash used in investing activities | (211,988) | (116,983) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from short-term borrowings | 2,604,511 | 1,538,550 |
| Repayments of short-term borrowings | (2,600,363) | (1,481,599) |
| Proceeds from long-term borrowings | 468,020 | 647,208 |
| Repayments of long-term borrowings | (1,050,000) | (1,300,000) |
| Proceeds from guarantee deposits received | 6,529 | - |
| Refund of guarantee deposits received | - | (898) |
| Repayments of principal portion of lease liabilities | (173,228) | (161,525) |
| Interest paid | (28,072) | (30,470) |
| Net cash used in financing activities | (772,603) | (788,734) |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS | 4,685 | (33,880) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 220,674 | 139,524 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 352,883 | 490,442 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | $ 573,557 | $ 629,966 |

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

(Concluded)

## 1. GENERAL INFORMATION

CHC Resources Corporation (the "Corporation") was jointly incorporated by China Steel Corporation (CSC), TCC Group Holdings Co., LTD. (TCC) and other shareholders in May 1991. CSC is the parent company that has substantive control over the Corporation. As of June 30, 2026, CSC and its subsidiaries owned 35.6% of the Corporation's issued ordinary shares. The Corporation mainly engages in the production, processing and sales of Ground-Granulated Blast-Furnace Slag (GGBFS), Portland Blast-Furnace Slag Cement and reutilization of resources.

The shares of the Corporation have been listed on the Taiwan Stock Exchange since November 1999.

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

## 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation's board of directors and authorized for issue on August 6, 2026.

## 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 application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Corporation and its subsidiaries' accounting policies.

b. 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 |
| IFRS 20 "Regulatory Assets and Regulatory Liabilities" | January 1, 2029 |
| Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency" | January 1, 2027 |
| Amendments to IAS 28 "Amendments to the Fair Value Option for Investments in Associates and Joint Ventures" | January 1, 2027 (Note 3) |

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

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

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

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

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

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

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

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Corporation and its subsidiaries 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 Corporation and its subsidiaries shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Corporation and its subsidiaries label 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 Corporation and its subsidiaries as a whole, the Corporation and its subsidiaries shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

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

- Interest and dividends received by the Corporation and its subsidiaries shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Corporation and its subsidiaries have a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Corporation and its subsidiaries are continuously assessing the impacts of the amendments to the standards and interpretations on the Corporation and its subsidiaries' 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

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. 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, and net defined benefit assets or liabilities 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 an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

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

c. Basis of consolidation

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

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

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 Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Corporation and its subsidiaries' ownership interests in subsidiaries that do not result in the Corporation and its subsidiaries losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Corporation and its subsidiaries 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 Corporation.

See Note 12 and Table 5 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, 2025.

1) Derecognition of financial liabilities

Financial liabilities are derecognized on the settlement date, which is the date on which the liability is extinguished because the obligations are discharged, cancelled or have expired, or the liability is substantially modified or exchanged for a debt instrument with substantially different terms. The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

2) 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.

3) 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.

## 5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same material accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2025.

## 6. CASH AND CASH EQUIVALENTS

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Cash on hand | $ 214 | $ 270 | $ 226 |
| Checking accounts and demand deposits | 514,843 | 323,813 | 491,390 |
| Cash equivalents (time deposits with original maturities of 3 months or less) | 58,500 | 28,800 | 138,350 |
| | $ 573,557 | $ 352,883 | $ 629,966 |

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Domestic and foreign investments (investments in equity instruments) | | | |
| Listed shares | $ 203,522 | $ 205,687 | $ 203,522 |
| Unlisted shares | 56,491 | 36,922 | 33,415 |
| | $ 260,013 | $ 242,609 | $ 236,937 |

(Continued)

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Current | $ 242,856 | $ 205,687 | $ 203,522 |
| Non-current | 17,157 | 36,922 | 33,415 |
| | $ 260,013 | $ 242,609 | $ 236,937 |

(Concluded)

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 fair value through other comprehensive income as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Corporation and its subsidiaries' strategy of holding these investments for long-term purposes.

## 8. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE (INCLUDING RELATED PARTIES)

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Notes receivable | | | |
| At amortized cost | | | |
| Operating | $ 152,426 | $ 224,355 | $ 281,594 |
| Accounts receivable (including related parties) | | | |
| At amortized cost | | | |
| Gross carrying amount | $ 1,118,556 | $ 1,270,801 | $ 1,220,053 |
| Less: Allowance for impairment loss | - | - | 2,460 |
| | $ 1,118,556 | $ 1,270,801 | $ 1,217,593 |

The Corporation and its subsidiaries make prudent assessment of their customers. The counterparties are creditworthy companies; as a result, the significant credit risk is unexpected. The Corporation and its subsidiaries continue to manage the financial condition and entire credit risk of their customers, and obtain sufficient collateral if needed to mitigate the risk of financial loss from late payment.

The expected credit losses on notes receivable and accounts receivable are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date.

The Corporation and its subsidiaries continue to monitor the collection of receivables to ensure that proper actions are made to collect past due receivables. Additionally, the Corporation and its subsidiaries review the recoverable amount of receivables one by one on the balance sheet date to ensure that proper allowances are recognized for unrecoverable receivables.

The Corporation and its subsidiaries write off receivables when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For receivables that have been written off, the Corporation and its subsidiaries continue 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 notes receivable and accounts receivable based on the Corporation and its subsidiaries' provision matrix.

June 30, 2026

| | Not Past Due | 1 to 30 Days | 31 to 60 Days | 61 to 90 Days | 91 to 365 Days | Total |
|---|---|---|---|---|---|---|
| Gross carrying amount | $ 1,227,472 | $ 43,510 | $ - | $ - | $ - | $ 1,270,982 |
| Loss allowance (Lifetime ECLs) | - | - | - | - | - | - |
| Amortized cost | $ 1,227,472 | $ 43,510 | $ - | $ - | $ - | $ 1,270,982 |

December 31, 2025

| | Not Past Due | 1 to 30 Days | 31 to 60 Days | 61 to 90 Days | 91 to 365 Days | Total |
|---|---|---|---|---|---|---|
| Gross carrying amount | $ 1,485,760 | $ 8,125 | $ 855 | $ 379 | $ 37 | $ 1,495,156 |
| Loss allowance (Lifetime ECLs) | - | - | - | - | - | - |
| Amortized cost | $ 1,485,760 | $ 8,125 | $ 855 | $ 379 | $ 37 | $ 1,495,156 |

June 30, 2025

| | Not Past Due | 1 to 30 Days | 31 to 60 Days | 61 to 90 Days | 91 to 365 Days | Total |
|---|---|---|---|---|---|---|
| Gross carrying amount | $ 1,463,307 | $ 31,418 | $ 4,462 | $ 859 | $ 1,601 | $ 1,501,647 |
| Loss allowance (Lifetime ECLs) | - | - | - | (859) | (1,601) | (2,460) |
| Amortized cost | $ 1,463,307 | $ 31,418 | $ 4,462 | $ - | $ - | $ 1,499,187 |

| | For the Six Months Ended June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Balance, beginning of the period | $ - | $ - |
| Allowance for impairment loss | - | 2,460 |
| Balance, end of the period | $ - | $ 2,460 |

## 9. INVENTORIES

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Raw materials | $ 212,438 | $ 140,537 | $ 119,763 |
| Supplies | 209,851 | 201,676 | 204,181 |
| Finished goods | 121,468 | 119,392 | 110,656 |
| Merchandise | 3,226 | 3,261 | 4,514 |
| Materials and supplies in transit | - | 3,818 | 10,280 |
| | $ 546,983 | $ 468,684 | $ 449,394 |

The cost of inventories recognized as cost of goods sold for the three months and six months ended June 30, 2026 and 2025 was NT$1,574,749 thousand, NT$1,690,431 thousand, NT$3,095,587 thousand and NT$3,232,964 thousand, respectively, which included loss on inventories of NT$2,597 thousand, NT$63 thousand, NT$3,470 thousand and NT$499 thousand, respectively.

## 10. PREPAYMENT

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Prepayment for purchases | $ 73,451 | $ 122,151 | $ 33,177 |
| Others | 28,733 | 39,581 | 31,590 |
| | $ 102,184 | $ 161,732 | $ 64,767 |

## 11. OTHER FINANCIAL ASSETS

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Time deposits with original maturities of more than 3 months | $ 51,160 | $ 129,275 | $ 44,950 |
| Pledged time deposits - performance bond (Note 30) | 16,897 | 36,958 | 13,418 |
| | $ 68,057 | $ 166,233 | $ 58,368 |
| Current | $ 64,207 | $ 162,383 | $ 54,518 |
| Non-current | 3,850 | 3,850 | 3,850 |
| | $ 68,057 | $ 166,233 | $ 58,368 |

## 12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements

The consolidated entities were as follows:

| Investor | Investee | Nature of Activities | Percentage of Ownership (%) | | |
|---|---|---|---|---|---|
| | | | June 30, 2026 | December 31, 2025 | June 30, 2025 |
| CHC Resources Corporation | Union Steel Development Corporation | a. | 93 | 93 | 93 |
| CHC Resources Corporation | Pao Good Industrial Co., Ltd. | b. | 51 | 51 | 51 |
| CHC Resources Corporation | Yu Cheng Lime Corporation | c. | 90 | 90 | 90 |
| CHC Resources Corporation | CHC Resources Vietnam Co., Ltd. | d. | 85 | 85 | 85 |

a. The company mainly engages in the manufacture and sales of iron powder, OEM and sales of refractory, trading, and labor dispatch.

b. The company mainly engages in sales of fly ash, manufacture and sales of dry-mix mortar, and trading.

c. The company mainly engages in real estate leasing and management of raw materials.

d. The company mainly engages in the manufacture and sales of GGBFS, sales of Granulated Blast - Furnace Slag (GBFS).

## 13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in associates

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Associates that are not individually material | $ 312,377 | $ 287,225 | $ 275,190 |

| | For the Six Months Ended June 30 | |
|---|---|---|
| | 2026 | 2025 |
| The Corporation and its subsidiaries' share of: | | |
| Net profit for the period | $ 10,533 | $ 7,589 |
| Other comprehensive loss | 20,346 | (5,103) |
| Total comprehensive income (loss) | $ 30,879 | $ 2,486 |

The Corporation and its subsidiaries held more than 20% of the shares of certain investees together with CSC and fellow subsidiaries; such investees were accounted for using the equity method.

For the three months and six months ended June 30, 2026 and 2025, the share of profit and other comprehensive income or loss of associates accounted for using the equity method is partly recognized based on the financial statements of the same period that have not been reviewed by accountants. However, the management of the Corporation and its subsidiaries believe there is no material impact on the above-mentioned financial statements that have not been reviewed.

## 14. PROPERTY, PLANT AND EQUIPMENT

Refer to Table 6 for the movements in property, plant and equipment for the six months ended June 30, 2026 and 2025.

The property, plant and equipment of the Corporation and its subsidiaries are depreciated on a straight-line basis over their estimated useful lives as follows:

| | |
|---|---|
| Land improvements | |
| Drainage system | 30 years |
| Others | 2-15 years |
| Buildings | |
| Main buildings | 5-55 years |
| Rain shelters and container houses | 3-35 years |
| Pipelines and other facilities | 2-20 years |
| Machinery and equipment | 2-21 years |
| Transportation equipment | 5-10 years |
| Office equipment | 1-13 years |
| Leasehold improvement | 2-35 years |
| Other equipment | 10 years |

The carrying amounts of property, plant and equipment that were pledged by the Corporation and its subsidiaries for bank financing credit line are set out in Note 30.

In February 2025, the Corporation received a ruling from the Kaohsiung District Court for a criminal provisional attachment, ordering the seizure of the Corporation's land located at Lot No. 1310, Erqiao Section, Xiaogang District, Kaohsiung City, up to an amount of NT$128,104 thousand. For further details, please refer to Note 32.

For the six months ended June 30, 2026 and 2025, the Corporation and its subsidiaries entered into the following non-cash investing activities which were not reflected in the statements of cash flows:

| | For the Six Months Ended June 30 | |
|---|---|---|
| | **2026** | **2025** |
| Affect both cash and non-cash items from investing activities | | |
| Increase in property, plant and equipment | $ 207,744 | $ 101,171 |
| Increase (decrease) in prepayments for equipment | (2,845) | 1,376 |
| Decrease in payables on equipment | 7,368 | 14,759 |
| Capitalized interest | (3,018) | (938) |
| Paid in cash | $ 209,249 | $ 116,368 |

## 15. LEASE ARRANGEMENTS

a. Right-of-use assets

| | **June 30, 2026** | **December 31, 2025** | **June 30, 2025** |
|---|---|---|---|
| Carrying amount | | | |
| Land | $ 677,992 | $ 815,206 | $ 912,259 |
| Buildings | 263,487 | 264,347 | 246,143 |
| Transportation equipment | 11,749 | 13,427 | 14,755 |
| | $ 953,228 | $ 1,092,980 | $ 1,173,157 |

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | **2026** | **2025** | **2026** | **2025** |
| Additions to right-of-use assets | | | $ 26,331 | $ 4,580 |
| Depreciation charge for right-of-use assets | | | | |
| Land | $ 70,880 | $ 68,979 | $ 141,766 | $ 137,979 |
| Buildings | 12,665 | 11,769 | 25,316 | 23,529 |
| Transportation equipment | 1,895 | 1,901 | 3,823 | 3,779 |
| | $ 85,440 | $ 82,649 | $ 170,905 | $ 165,287 |

Except for the addition and recognition of depreciation expenses listed above, the Corporation and its subsidiaries did not have significant sublease or impairment of right-of-use assets during the six months ended June 30, 2026 and 2025.

b. Lease liabilities

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Carrying amount | | | |
| Current | $ 355,421 | $ 370,716 | $ 336,084 |
| Non-current | $ 547,027 | $ 675,822 | $ 788,450 |

Range of discount rates (%) for lease liabilities was as follows:

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Land | 0.59-2.05 | 0.59-2.05 | 0.59-1.97 |
| Buildings | 0.92-3.45 | 1.67-3.45 | 1.67-3.45 |
| Transportation equipment | 0.59-1.92 | 0.59-1.92 | 0.59-1.92 |

c. Material leasing activities and terms

1) Blast-Furnace Slag Cement and resource reutilization business of Taichung Factory

In order to expand business in Taichung, the Corporation signed the investment permission "The Contract Investment, Construction and Operating of Slag Grinding and Processing Plant in the Special Zone for Industry (IV) of Taichung Port" (the "Taichung Factory") with Port of Taichung Taiwan International Ports Corporation, Ltd (the "Ports Corporation") in December 2006. The Corporation commenced operations in the 2nd quarter of 2009 and 1st quarter of 2016.

For one year beginning from operation date of the first period, the Corporation has committed that the quantities of import and export goods at Taichung Port should be at least the minimum of annual guaranteed traffic volume, which is settled once a year. If the traffic volume is not reached, the Corporation should pay punitive damage to the Ports Corporation for unreached quantities according to the agreed calculation method. As of June 30, 2026, the Corporation had no punitive damages payable.

The Taichung Factory investment permission described above is for a period of 50 years, commencing from January 1, 2007 to December 31, 2056. Additionally, the lease term of land associated with the Taichung Factory investment permission is for a period of 20 years, commencing from January 1, 2007 to December 31, 2026. The lease cost of land includes rent, fixed operating royalty and variable operating royalty. The Corporation could apply for renewal before the contract expires. The period is limited to 20 years each time, until the permission period expires. The terms of renewal are to be arranged.

The rents for land of the Taichung Factory and the fixed operating royalty described above are paid every three months; the variable operating royalty paid is calculated based on the Taichung Factory's annual audited gross profit multiplied by the agreed contribution rate.

In addition, for the expansion of stacking volume of slag and the Corporation's long-term policy regarding the land in Taichung Factory, the Corporation has continued to rent land in the Special Zone for industry of Taichung Port from the Ports Corporation. The lease will expire in 2036 and the Corporation could apply for renewal before the contract expires. The terms of renewal are to be arranged.

The Corporation had provided performance bond amounting to NT$3,040 thousand, and classified it as current refundable deposits according to its liquidity. The bank also provided performance bond amounting to NT$49,940 thousand.

2) Blast-Furnace Slag Cement business in Taipei Port

The Corporation signed an agreement with Chia Hsin Cement Corp. in 2010 to acquire the exclusive right of GGBFS storage facility in Taipei Port. The period is up to 31 years from the beginning operation date of the storage facility (from May 2014 to May 2045). As of June 30, 2026, the Corporation had paid performance bonds amounted to NT$191,000 thousand, and classified it as current and non-current refundable deposits according to its liquidity.

The Corporation is committed to pay Chia Hsin Cement Corp. for storage and delivery expenses from the beginning operation date of the storage facility to the date of termination of the contract (from January 2015 to May 2045) on the basis of the agreed rates and minimum capacity agreed with Chia Hsin Cement Corp.

Additionally, the Corporation has to pay NT$13,834 thousand for site management expenses arising from storage and delivery every year from May 2014 to May 2045, and the amount is paid on a pro-rata basis if the operating period is less than one year.

3) Other resource reutilization business

The Corporation leases land and plants from non-related parties as a premise for resource reutilization business. The leases will successively expire through October 2037.

4) Land use right

CHC Resources Vietnam Co. Ltd. acquired the land use rights in July 2019 from the government of Vietnam, and the lease will expire in May 2051. The carrying amounts of right-of-use assets that had been pledged by the subsidiary for bank borrowing are set out in Note 30.

d. Other lease information

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | **2026** | **2025** | **2026** | **2025** |
| Expenses relating to short-term leases and low-value asset leases | $ 3,266 | $ 3,441 | $ 6,627 | $ 6,762 |
| Total cash outflow for leases | | | $ 190,222 | $ 180,561 |

The Corporation and its subsidiaries have elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities as short-term and low-value asset leases.

## 16. INVESTMENT PROPERTIES

For the six months ended June 30, 2026

| | Land | Buildings | Total |
|---|---|---|---|
| Cost | | | |
| Balance at January 1, 2026 and June 30, 2026 | $ 2,308,845 | $ 51,865 | $ 2,360,710 |
| Accumulated depreciation | | | |
| Balance at January 1, 2026 | $ - | $ 37,918 | $ 37,918 |
| Depreciation expenses | - | 1,495 | 1,495 |
| Balance at June 30, 2026 | $ - | $ 39,413 | $ 39,413 |
| Carrying amount at December 31, 2025 | $ 2,308,845 | $ 13,947 | $ 2,322,792 |
| Carrying amount at June 30, 2026 | $ 2,308,845 | $ 12,452 | $ 2,321,297 |

For the six months ended June 30, 2025

| | Land | Buildings | Total |
|---|---|---|---|
| Cost | | | |
| Balance at January 1, 2025 and June 30, 2025 | $ 2,308,845 | $ 51,865 | $ 2,360,710 |
| Accumulated depreciation | | | |
| Balance at January 1, 2025 | $ - | $ 34,927 | $ 34,927 |
| Depreciation expenses | - | 1,496 | 1,496 |
| Balance at June 30, 2025 | $ - | $ 36,423 | $ 36,423 |
| Carrying amount at June 30, 2025 | $ 2,308,845 | $ 15,442 | $ 2,324,287 |

The maturity analysis of lease receivables under operating leases of investment properties was as follows:

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Year 1 | $ 29,638 | $ 29,638 | $ 29,014 |
| Year 2 | 14,439 | 22,055 | 29,014 |
| Year 3 | - | 7,219 | 14,026 |

Buildings are depreciated over 3-26 years on a straight-line basis.

As of June 30, 2026, December 31, 2025, and June 30, 2025, the fair values of investment properties at the Corporation and its subsidiaries were NT$2,523,260 thousand, NT$2,484,004 thousand and NT$2,484,004 thousand, respectively. Part of the land fair values were measured using Level 3 inputs based on appraisals by real estate professionals. These appraisals were based on the actual transaction prices of comparable land in the same area with significant unobservable inputs including the related expense ratio. Other properties were not evaluated by independent qualified professional valuers. The management of the Corporation and its subsidiaries applied valuation models commonly used by market participants, and the fair values were determined using Level 3 inputs.

All investment properties of the Corporation and its subsidiaries are from self-owned equity.

## 17. INTANGIBLE ASSETS

For the six months ended June 30, 2026

| | Computer Software | Carbon Credits | Total |
|---|---|---|---|
| Cost | | | |
| Balance at January 1, 2026 | $ 12,644 | $ - | $ 12,644 |
| Additions | 1,772 | 914 | 2,686 |
| Others | - | (275) | (275) |
| Derecognition | (3,061) | - | (3,061) |
| Effects of foreign currency exchange differences | 32 | - | 32 |
| Balance at June 30, 2026 | 11,387 | 639 | 12,026 |
| Accumulated amortization | | | |
| Balance at January 1, 2026 | 7,350 | - | 7,350 |
| Amortization expenses | 1,828 | - | 1,828 |
| Derecognition | (3,061) | - | (3,061) |
| Effects of foreign currency exchange differences | 18 | - | 18 |
| Balance at June 30, 2026 | 6,135 | - | 6,135 |
| Carrying amount at December 31, 2025 | $ 5,294 | $ - | $ 5,294 |
| Carrying amount at June 30, 2026 | $ 5,252 | $ 639 | $ 5,891 |

For the six months ended June 30, 2025

| | Computer Software |
|---|---|
| Cost | |
| Balance at January 1, 2025 | $ 15,449 |
| Additions | 95 |
| Derecognition | (3,437) |
| Effects of foreign currency exchange differences | (141) |
| Balance at June 30, 2025 | 11,966 |
| Accumulated amortization | |
| Balance at January 1, 2025 | 9,350 |
| Amortization expenses | 2,207 |
| Derecognition | (3,437) |
| Effects of foreign currency exchange differences | (120) |
| Balance at June 30, 2025 | 8,000 |
| Carrying amount at June 30, 2025 | $ 3,966 |

Computer software is depreciated over 3-5 years on a straight-line basis.

## 18. BORROWINGS

a. Short-term borrowings

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Unsecured bank loans - annual interest rates range was 1.80%-8.00%, 1.75%-5.55% and 1.80%-5.00% as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively | $ 278,021 | $ 280,223 | $ 385,980 |
| Letters of credit - annual interest rates range was 1.84%-1.88%, 1.84% and 1.85% as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively | 31,299 | 23,613 | 19,807 |
| | $ 309,320 | $ 303,836 | $ 405,787 |

b. Long-term borrowings

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Unsecured bank loans - due in May 2030, annual interest rates range was 1.72%-1.80%, 1.72%-1.80% and 1.72%-1.81% as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively | $ 536,040 | $ 1,118,020 | $ 547,208 |
| Secured bank loans - due in July 2027, annual interest rates range was 7.80%-9.20%, 6.44%-9.20% and 5.33%-5.73% as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively | 122,546 | 120,494 | 169,974 |
| | 658,586 | 1,238,514 | 717,182 |
| Less: Current portion | 61,273 | 60,247 | 56,658 |
| | $ 597,313 | $ 1,178,267 | $ 660,524 |

## 19. OTHER PAYABLES (INCLUDING RELATED PARTIES)

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Freight | $ 248,372 | $ 292,856 | $ 275,158 |
| Salaries and bonuses | 136,664 | 212,610 | 127,736 |
| Outsourced salaries | 123,973 | 120,926 | 117,651 |
| Compensation of employees and remuneration of directors and supervisors | 85,493 | 64,252 | 90,775 |
| Utility bill | 46,710 | 48,586 | 55,433 |
| Professional service payables | 10,543 | 17,642 | 11,675 |

(Continued)

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Subcontracting expenses | $ 11,581 | $ 13,894 | $ 10,264 |
| Taxes payable | 7,365 | 11,040 | 6,909 |
| Others | 210,060 | 194,887 | 248,353 |
| | $ 880,761 | $ 976,693 | $ 943,954 |

(Concluded)

In October 2020, the Environmental Protection Bureau of Kaohsiung City issued a letter requesting the Corporation and other jointly liable parties to submit a cleanup plan for the Basic Oxygen Furnace Slag Aggregate backfilled on certain land parcels in the Dalin Section, Qishan District. In response to this letter, the Corporation submitted a cleanup plan, and the estimated expenses were NT$210,796 thousand, NT$235,036 thousand, and NT$299,000 thousand, as of June 30, 2026, December 31, 2025, and June 30, 2025, respectively. The amounts were recognized as other payables-others and provisions.

## 20. PROVISIONS – NON-CURRENT

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Cost of resource reutilization | $ 368,476 | $ 393,760 | $ 386,489 |

| | For the Six Months Ended June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Balance, beginning of the period | $ 393,760 | $ 377,107 |
| Additions | 54,731 | 9,382 |
| Provisions used during the period | (80,015) | - |
| Balance, end of the period | $ 368,476 | $ 386,489 |

The provision for resource reutilization represents the amount of the best estimate for product promotion based on recent experience because the Corporation is required to settle obligations on the balance sheet date, which would be adjusted in accordance with relevant laws and regulations.

## 21. RETIREMENT BENEFIT PLANS

For the three months and six months ended June 30, 2026 and 2025, the pension expense of defined benefit plans were NT$731 thousand, NT$755 thousand, NT$1,522 thousand and NT$1,511 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2025 and 2024, respectively.

## 22. EQUITY

a. Ordinary shares

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Number of shares authorized (in thousands of shares) | 300,000 | 300,000 | 300,000 |
| Shares authorized | $ 3,000,000 | $ 3,000,000 | $ 3,000,000 |
| Number of shares issued and fully paid (in thousands of shares) | 248,540 | 248,540 | 248,540 |
| Shares issued | $ 2,485,404 | $ 2,485,404 | $ 2,485,404 |

Issued ordinary shares with a par value of NT$10, carry one vote per share and the right to dividends.

b. Capital surplus

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| May be used to offset deficits, distribute as cash dividends, or transfer to share capital (Note 1) | | | |
| Additional paid-in capital | $ 4,419 | $ 4,419 | $ 4,419 |
| Consolidation excess | 157,497 | 157,497 | 157,497 |
| Donations | 108 | 108 | 108 |
| May only be used to offset deficits | | | |
| Changes in ownership interests in subsidiaries (Note 2) | 374 | 374 | 374 |
| | $ 162,398 | $ 162,398 | $ 162,398 |

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

Note 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 dividend policy

Under the dividend policy, where the Corporation made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing 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 Corporation's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonuses to shareholders.

The Corporation is currently in a growing industry environment and the Corporation intends to take advantage of the economic environment to seek for a sustainable operation. The Corporation's dividend policy is to focus on dividend stability and growth by referring to future operating conditions; also, the Corporation should distribute not less than 50% of distributable earnings, and cash dividend may not be less than 50% of the amount distributed.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Corporation's paid-in capital. The legal reserve may be used to offset deficit. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2025 and 2024, which were approved in the shareholders' meeting in May 2026 and June 2025, respectively, were as follows:

| | For the Year Ended December 31 | |
|---|---|---|
| | **2025** | **2024** |
| Legal reserve | $ 123,176 | $ 118,762 |
| Special reserve | 57,319 | 86,932 |
| Cash dividends | 994,161 | 994,161 |
| Cash dividends per share (NT$) | 4.0 | 4.0 |

d. Other equity items

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

| | For the Six Months Ended June 30 | |
|---|---|---|
| | **2026** | **2025** |
| Balance, beginning of the period | $ (76,852) | $ (25,722) |
| Recognized for the period | | |
| Exchange differences on translation of the financial statements of foreign operations | 11,927 | (93,235) |
| Share from associates accounted for using the equity method | 181 | (207) |
| Balance, end of the period | $ (64,744) | $ (119,164) |

2) Unrealized valuation gains and losses on financial assets at fair value through other comprehensive income

| | For the Six Months Ended June 30 | |
|---|---|---|
| | **2026** | **2025** |
| Balance, beginning of the period | $ (84,932) | $ (78,743) |
| Recognized for the period | | |
| Unrealized loss - equity instruments | 16,036 | (10,996) |
| Share from associates accounted for using the equity method | 20,164 | (4,901) |
| Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal | (4,123) | (1,018) |
| Balance, end of the period | $ (52,855) | $ (95,658) |

e. Non-controlling interests

| | For the Six Months Ended June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Balance, beginning of the period | $ 232,771 | $ 240,103 |
| Share of profit for the period | 10,942 | 10,660 |
| Other comprehensive income (loss) for the period | | |
| Exchange differences on translating of the financial statements of foreign operations | 2,105 | (16,453) |
| Unrealized valuation gains and losses on financial assets at fair value through other comprehensive income | 1,368 | (111) |
| Dividend distribution | (23,231) | (19,525) |
| Balance, end of the period | $ 223,955 | $ 214,674 |

## 23. REVENUE

a. Contract balances

| | June 30, 2026 | December 31, 2025 | June 30, 2025 | January 1, 2025 |
|---|---|---|---|---|
| Notes receivable and accounts receivable (Note 8) | $ 1,270,982 | $ 1,495,156 | $ 1,499,187 | $ 1,440,923 |
| Contract assets - current | | | | |
| Construction contracts | $ - | $ - | $ 1,037 | $ - |
| Retentions receivable on sales and construction contracts | 174 | 109 | 256 | 308 |
| Less: Allowance for impairment loss | - | - | - | - |
| | $ 174 | $ 109 | $ 1,293 | $ 308 |
| Contract liabilities - current | | | | |
| Sale received in advance | $ 92,154 | $ 54,780 | $ 56,701 | $ 44,052 |
| Services received in advance | 65,402 | 1,610 | 1,813 | 2,178 |
| | $ 157,556 | $ 56,390 | $ 58,514 | $ 46,230 |

b. Assets related to contract costs

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Current | | | |
| Cost to fulfil a contract | | | |
| Executing cost | $ 11,873 | $ 12,793 | $ 14,441 |

c. Disaggregation of revenue

Refer to Note 35 for information on the disaggregation of revenue.

## 24. PROFIT BEFORE INCOME TAX

a. Other income

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Rental income | $ 7,729 | $ 7,540 | $ 15,370 | $ 14,930 |
| Others | 23,421 | 2,878 | 25,075 | 4,843 |
| | $ 31,150 | $ 10,418 | $ 40,445 | $ 19,773 |

b. Other gains and losses

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Net gain on financial assets at fair value through profit or loss | $ 98 | $ 165 | $ 324 | $ 389 |
| Net (loss) gain on disposal of property, plant and equipment | - | (41) | - | 86 |
| Net foreign exchange gain | 316 | 1,748 | 773 | 2,365 |
| Others | (3,192) | (1,383) | (4,487) | (6,687) |
| | $ (2,778) | $ 489 | $ (3,390) | $ (3,847) |

c. Finance costs

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Interest on borrowings | $ 8,288 | $ 7,479 | $ 17,390 | $ 16,556 |
| Interest on lease liabilities | 4,985 | 5,991 | 10,367 | 12,274 |
| | 13,273 | 13,470 | 27,757 | 28,830 |
| Less: Amounts included in the cost of qualifying assets | 1,607 | 425 | 3,018 | 938 |
| | $ 11,666 | $ 13,045 | $ 24,739 | $ 27,892 |

Information on capitalized interest was as follows:

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Capitalized interest amounts | $ 1,607 | $ 425 | $ 3,018 | $ 938 |
| Capitalization rates (%) | 1.78-1.79 | 1.80-1.81 | 1.76-1.79 | 1.80-1.81 |

d. Depreciation and amortization

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Property, plant and equipment | $ 120,733 | $ 137,041 | $ 244,999 | $ 268,567 |
| Right-of-use assets | 85,440 | 82,649 | 170,905 | 165,287 |
| Investment properties | 747 | 748 | 1,495 | 1,496 |
| Intangible assets | 878 | 1,019 | 1,828 | 2,207 |
| Other non-current assets | 4,750 | 5,582 | 10,102 | 10,672 |
| | $ 212,548 | $ 227,039 | $ 429,329 | $ 448,229 |
| An analysis of depreciation by function | | | | |
| Operating costs | $ 190,846 | $ 207,897 | $ 385,671 | $ 410,905 |
| Operating expenses | 15,304 | 11,770 | 30,188 | 22,904 |
| Others | 770 | 771 | 1,540 | 1,541 |
| | $ 206,920 | $ 220,438 | $ 417,399 | $ 435,350 |
| An analysis of amortization by function | | | | |
| Operating costs | $ 4,840 | $ 5,633 | $ 10,303 | $ 10,773 |
| Operating expenses | 788 | 968 | 1,627 | 2,106 |
| | $ 5,628 | $ 6,601 | $ 11,930 | $ 12,879 |

e. Employee benefits expense

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Short-term employee benefits | | | | |
| Salaries | $ 175,049 | $ 160,353 | $ 349,539 | $ 330,107 |
| Labor and health insurance | 13,306 | 12,023 | 27,310 | 25,455 |
| Others | 9,687 | 10,006 | 18,330 | 18,621 |
| | 198,042 | 182,382 | 395,179 | 374,183 |
| Post-employment benefits | | | | |
| Defined contribution plans | 4,097 | 3,864 | 8,109 | 7,649 |
| Defined benefit plans (Note 21) | 731 | 755 | 1,522 | 1,511 |
| | 4,828 | 4,619 | 9,631 | 9,160 |
| Termination benefits | - | - | - | 11 |
| | $ 202,870 | $ 187,001 | $ 404,810 | $ 383,354 |

(Continued)

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Analysis of employee benefits expense by function | | | | |
| Operating costs | $ 124,776 | $ 118,082 | $ 251,653 | $ 243,023 |
| Operating expenses | 78,094 | 68,919 | 153,157 | 140,331 |
| | $ 202,870 | $ 187,001 | $ 404,810 | $ 383,354 |

(Concluded)

f. Compensation of employees and remuneration of directors

The Corporation accrues compensation of employees and remuneration of directors at rates of no less than 0.1% and no higher than 1%, 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 Corporation had resolved the amendments to the Corporation's Articles at their 2025 regular meeting, stipulating that no less than 30% of the total employee compensation shall be distributed to non-executive employees.

The compensation of employees (including non-executive employees) and remuneration of directors for the three months and six months ended June 30, 2026 and 2025, are as follows:

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Compensation of employees | $ 12,653 | $ 9,661 | $ 25,862 | $ 25,944 |
| Remuneration of directors | 2,530 | 1,932 | 5,172 | 5,189 |

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 accounting estimate in the next year.

The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Corporation's board of directors in February 2026 and 2025, respectively, are as follows:

| | For the Year Ended December 31 | |
|---|---|---|
| | 2025 | 2024 |
| Compensation of employees | $ 52,630 | $ 47,672 |
| Remuneration of directors | 10,526 | 9,534 |

There is no difference between the amount recognized and approved in the consolidated financial statements for the year ended December 31, 2025 and 2024.

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

## 25. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Current tax | | | | |
| In respect of the period | $ 79,723 | $ 90,008 | $ 137,732 | $ 164,288 |
| Adjustment for prior year | (2,261) | 431 | (2,261) | 431 |
| Deferred tax | (15,028) | 2,655 | (3,015) | 12,864 |
| | $ 62,434 | $ 93,094 | $ 132,456 | $ 177,583 |

b. Income tax assessments

The Corporation and its domestic subsidiaries' income tax returns through 2024 have been assessed by the tax authorities. The foreign subsidiary calculated the tax in accordance with the local laws.

## 26. EARNINGS PER SHARE

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

Net profit for the period

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Net profit attributable to owners of the Corporation | $ 263,901 | $ 340,888 | $ 536,705 | $ 671,000 |

Number of ordinary shares (in thousands of shares)

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Weighted average number of ordinary shares used in computation of basic earnings per share | 248,540 | 248,540 | 248,540 | 248,540 |
| Effects of potential dilutive ordinary shares: | | | | |
| Compensation of employees | 390 | 345 | 616 | 555 |
| Weighted average number of ordinary shares used in computation of diluted earnings per share | 248,930 | 248,885 | 249,156 | 249,095 |

The Corporation may settle the compensation of employees in cash or shares; therefore, the Corporation 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.

## 27. CAPITAL MANAGEMENT

The Corporation and its subsidiaries manage its capital to ensure that entities in the Corporation and its subsidiaries will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Corporation and its subsidiaries consist of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Corporation (comprising issued capital, reserves, retained earnings, other equity).

The Corporation and its subsidiaries are not subject to any externally imposed capital requirements.

## 28. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management considers the carrying amounts of financial instruments that are not measured at fair value approximate their fair value.

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

1) Fair value hierarchy

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| June 30, 2026 | | | | |
| Financial assets at fair value through other comprehensive income | | | | |
| Equity instruments | | | | |
| Domestic listed shares | $ 203,522 | $ - | $ - | $ 203,522 |
| Domestic and foreign unlisted shares | - | - | 56,491 | 56,491 |
| | $ 203,522 | $ - | $ 56,491 | $ 260,013 |

(Continued)

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| December 31, 2025 | | | | |
| Financial assets at fair value through other comprehensive income | | | | |
| Equity instruments | | | | |
| Domestic listed shares | $ 205,687 | $ - | $ - | $ 205,687 |
| Domestic and foreign unlisted shares | - | - | 36,922 | 36,922 |
| | $ 205,687 | $ - | $ 36,922 | $ 242,609 |
| June 30, 2025 | | | | |
| Financial assets at fair value through other comprehensive income | | | | |
| Equity instruments | | | | |
| Domestic listed shares | $ 203,522 | $ - | $ - | $ 203,522 |
| Domestic and foreign unlisted shares | - | - | 33,415 | 33,415 |
| | $ 203,522 | $ - | $ 33,415 | $ 236,937 |

(Concluded)

There was no transfer between Level 1 and Level 2 for the six months ended June 30, 2026 and 2025.

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

| | For the Six Months Ended June 30 | |
|---|---|---|
| | 2026 | 2025 |
| Financial assets at fair value through other comprehensive income (equity instruments) | | |
| Balance, beginning of the period | $ 36,922 | $ 35,320 |
| Recognized in other comprehensive income | 19,569 | (1,905) |
| Balance, end of the period | $ 56,491 | $ 33,415 |

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

The fair value of unlisted equity securities were determined based on industry types, valuations of similar companies and operations.

c. Categories of financial instruments

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Financial assets | | | |
| Financial assets at fair value through other comprehensive income - equity instruments | $ 260,013 | $ 242,609 | $ 236,937 |
| Financial assets at amortized cost (Note 1) | 2,196,546 | 2,296,316 | 2,464,986 |
| Financial liabilities | | | |
| Financial liabilities at amortized cost (Note 2) | 2,156,487 | 2,877,576 | 2,402,689 |

Note 1: The balances included financial assets at amortized cost, which comprise cash and cash equivalents, notes and accounts receivable (including related parties), other receivables (including related parties), other financial assets and refundable deposits.

Note 2: The balances included financial liabilities at amortized cost, which comprise short-term borrowings, notes and accounts payable (including related parties), payables on equipment, other payables (including related parties), guarantee deposits received, refund liabilities (under other current liabilities) and long-term borrowings (including current portion).

d. Financial risk management objectives and policies

The Corporation and its subsidiaries place great emphasis on financial risk management. By tracking and managing the market risk, credit risk, and liquidity risk efficiently, the management ensured that the Corporation and its subsidiaries were equipped with sufficient and cost - efficient working capital, which reduced financial uncertainty that may have adverse effects on the operations.

The significant financial activities of the Corporation and its subsidiaries are reviewed by the board of directors in accordance with relevant regulations and internal controls. The finance department follows the accountability and related financial risk control procedures required by the Corporation and its subsidiaries for executing financial projects. Compliance with policies and exposure limits is continually reviewed by the internal auditors. The Corporation and its subsidiaries did not enter into or trade financial instruments for speculative purposes.

1) Market risk

The Corporation and its subsidiaries' activities exposed them primarily to financial risks as follows:

a) Foreign currency risk

The Corporation and its subsidiaries had sales in foreign currencies, which were exposed to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing were mitigated by future receivables and payables denominated in the same foreign currency.

The carrying amounts of the Corporation and its subsidiaries' foreign currency-denominated monetary assets and monetary liabilities at the end of the year are set out in Note 33.

Sensitivity analysis

The Corporation and its subsidiaries are mainly exposed to the USD.

The 1% sensitivity rate is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes cash and cash equivalents, accounts receivable, other receivables, accounts payable and other payables. If the U.S. dollar had appreciated/depreciated by 1% against the New Taiwan dollar, profit before income tax for the six months ended June 30, 2026 and 2025 would have increased/decreased by NT$273 thousand and NT$208 thousand, respectively.

b) Interest rate risk

The carrying amounts of the Corporation and its subsidiaries' financial assets and financial liabilities with exposure to interest rates at the balance sheet date were as follows:

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Fair value interest rate risk | | | |
| Financial liabilities | $ 902,448 | $ 1,046,538 | $ 1,124,534 |
| Cash flow interest rate risk | | | |
| Financial assets | 588,836 | 463,473 | 622,817 |
| Financial liabilities | 967,906 | 1,542,350 | 1,122,969 |

The sensitivity analysis below was determined based on the Corporation and its subsidiaries' 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 reporting period was outstanding for the whole year. 1% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher/lower and all other variables were held constant, the Corporation and its subsidiaries' cash flows for the six months ended June 30, 2026 and 2025 would have increased/decreased by NT$4,840 thousand and NT$5,615 thousand, respectively, which were mainly a result of variable-rate borrowings.

c) Other price risk

The Corporation and its subsidiaries were exposed to equity price risk through their investments in listed and unlisted equity securities, which are held for strategic rather than trading purposes, the Corporation and its subsidiaries do not actively trade these investments. The Corporation and its subsidiaries' equity price risk is mainly concentrated in equity instruments of listed and unlisted companies in the steel industry and unlisted companies in the cement industry.

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

If equity prices had been 1% higher/lower, the pre-tax other comprehensive income for the six months ended June 30, 2026 and 2025 would have increased/decreased by NT$2,600 thousand and NT$2,369 thousand, respectively, as a result of the changes in fair value of financial assets at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Corporation and its subsidiaries. At the end of the reporting period, the Corporation and its subsidiaries' maximum exposure to credit risk, which would cause a financial

loss to the Corporation and its subsidiaries due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Corporation and its subsidiaries, could be equal mainly to the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

The adopted policies are only for transactions with creditworthy counterparty to obtain sufficient guarantees to mitigate the risk of financial losses arising from defaults. The Corporation and its subsidiaries use other publicly available financial information and mutual transaction records to evaluate major customers, and also continuously monitor credit risk and credit rating of counterparties, and distribute the total transaction amount to qualified customers. The Corporation and its subsidiaries also control credit risk insurance by credit limit every year.

The Corporation and its subsidiaries' concentrations of credit risk in the industries were as follows:

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Cement industry | $ 358,910 | $ 459,250 | $ 430,861 |
| Steel industry | 582,176 | 676,829 | 644,798 |
| | $ 941,086 | $ 1,136,079 | $ 1,075,659 |

3) Liquidity risk

The management of the Corporation and its subsidiaries continuously monitor the movement of cash flows, net cash position, significant capital expenditures and the utilization of bank loan commitments to ensure compliance with loan covenants.

As of June 30, 2026, the current liabilities of the Corporation and its subsidiaries exceeded current assets by NT$316,244 thousand. However, the Corporation and its subsidiaries' operating profits were normal and had sufficient unutilized short-term and long-term bank financing lines; therefore, there was no liquidity risk arising from the inability to raise funds to fulfill contractual obligations.

The Corporation and its subsidiaries rely on bank borrowings as a significant source of liquidity. As of the balance sheet date, the Corporation and subsidiaries had available unutilized short-term and long-term bank loan facilities as set out in (b) below.

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

The following table details the Corporation and its subsidiaries' 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 Corporation and subsidiaries 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 of 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.

| | Less Than 1 Year | 1-5 Years | Over 5 Years | Total |
|---|---|---|---|---|
| June 30, 2026 | | | | |
| Non-interest bearing liabilities | $ 2,188,237 | $ 5,335 | $ - | $ 2,193,572 |
| Variable interest rate instruments | 378,288 | 625,788 | - | 1,004,076 |
| Lease liabilities | 366,807 | 380,841 | 252,361 | 1,000,009 |
| | $ 2,933,332 | $ 1,011,964 | $ 252,361 | $ 4,197,657 |
| December 31, 2025 | | | | |
| Non-interest bearing liabilities | $ 1,328,614 | $ 7,025 | $ - | $ 1,335,639 |
| Variable interest rate instruments | 372,719 | 1,220,920 | - | 1,593,639 |
| Lease liabilities | 380,200 | 510,407 | 263,696 | 1,154,303 |
| | $ 2,081,533 | $ 1,738,352 | $ 263,696 | $ 4,083,581 |
| June 30, 2025 | | | | |
| Non-interest bearing liabilities | $ 2,279,605 | $ 6,110 | $ - | $ 2,285,715 |
| Variable interest rate instruments | 476,678 | 680,998 | - | 1,157,676 |
| Lease liabilities | 347,127 | 619,488 | 274,724 | 1,241,339 |
| | $ 3,103,410 | $ 1,306,596 | $ 274,724 | $ 4,684,730 |

The amount included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Financing facilities

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Unsecured bank facilities | | | |
| Amount used | $ 1,265,317 | $ 2,059,695 | $ 1,303,648 |
| Amount unused | 8,129,383 | 6,624,445 | 7,659,752 |
| | $ 9,394,700 | $ 8,684,140 | $ 8,963,400 |
| Secured bank facilities | | | |
| Amount used | $ 122,546 | $ 120,495 | $ 169,974 |
| Amount unused | 20,000 | 20,000 | 20,000 |
| | $ 142,546 | $ 140,495 | $ 189,974 |

## 29. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Corporation and its subsidiaries, which are related parties of the Corporation, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Corporation and its subsidiaries and other related parties were disclosed as follows:

a. Related party name and category

| Related Party Name | Related Party Category |
|---|---|
| China Steel Corporation (CSC) | Parent of the Corporation |
| Chung Hung Steel Corporation (CHSC) | Fellow subsidiary |
| Dragon Steel Corporation (DSC) | Fellow subsidiary |
| United Steel Engineering & Construction Corporation (USECC) | Fellow subsidiary |
| China Steel Resources Corporation (CSRC) | Fellow subsidiary |
| China Steel Security Corporation (CSSC) | Fellow subsidiary |
| China Steel Express Corporation (CSEC) | Fellow subsidiary |
| Universal Exchange Inc. | Fellow subsidiary |
| Steel Castle Technology Corporation | Fellow subsidiary |
| China Steel Chemical Corporation | Fellow subsidiary |
| China Ecotek Corporation | Fellow subsidiary |
| InfoChamp Systems Corporation | Fellow subsidiary |
| China Steel Structure Co., Ltd. | Fellow subsidiary |
| C.S.Aluminium Corporation | Fellow subsidiary |
| CSC Solar Corporation | Fellow subsidiary |
| Betacera Inc. | Fellow subsidiary |
| China Steel Global Trading Corporation | Fellow subsidiary |
| Thintech Materials Technology Co., Ltd. | Fellow subsidiary |
| TCC Group Holdings Co., Ltd. (TCC) | Director of the Corporation |
| Asia Cement Corporation (ACC) | Director of the Corporation |
| Universal Cement Corporation | Director of the Corporation |
| Southeast Cement Corporation | Director of the Corporation |
| Taiwan Transport & Storage Corporation (TTSC) | Subsidiary of director of the Corporation |
| Nan-Hwa Cement Corporation (NHCC) | Subsidiary of director of the Corporation |
| Ta-Ho Maritime Corporation | Subsidiary of director of the Corporation |
| Ya Tung Ready Mixed Concrete Co., Ltd. | Subsidiary of director of the Corporation |
| Ya Sing Ready Mixed Concrete Corp. | Subsidiary of director of the Corporation |
| Universal Cement Concrete Corporation | Subsidiary of director of the Corporation |
| Kuan-Ho Refractories Industry Corporation | Subsidiary of director of the Corporation |
| Ya Li Transportation Corporation (YL) | Subsidiary of director of the Corporation |
| Southeast Topgood Resources Recycling Co., Ltd. | Subsidiary of director of the Corporation |
| Formosa Ha Tinh Steel Corporation (FHSC) | Other related party |

b. Operating revenue

| Account Items | Related Party Category/Name | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|---|
| | | 2026 | 2025 | 2026 | 2025 |
| Sales | Parent entity - CSC | $ 10,777 | $ 34,231 | $ 51,552 | $ 73,025 |
| | Fellow subsidiaries | 67,485 | 42,248 | 127,510 | 69,651 |
| | Directors and its subsidiaries | | | | |
| | TCC | 204,605 | 227,931 | 408,761 | 431,753 |
| | Others | 238,373 | 253,386 | 467,309 | 458,562 |
| | | $ 521,240 | $ 557,796 | $ 1,055,132 | $ 1,032,991 |

(Continued)

| Account Items | Related Party Category/Name | For the Three Months Ended June 30 2026 | For the Three Months Ended June 30 2025 | For the Six Months Ended June 30 2026 | For the Six Months Ended June 30 2025 |
|---|---|---|---|---|---|
| Service revenue | Parent entity - CSC | $ 745,957 | $ 732,604 | $ 1,429,588 | $ 1,422,126 |
| | Fellow subsidiaries | | | | |
| | DSC | 332,956 | 427,283 | 685,286 | 853,133 |
| | CSRC | 186,574 | 180,522 | 350,621 | 360,773 |
| | Others | 316 | 298 | 599 | 600 |
| | Directors and its subsidiaries | 42,667 | 45,540 | 83,819 | 87,773 |
| | Other related parties | 59,618 | 53,338 | 102,105 | 115,070 |
| | | $ 1,368,088 | $ 1,439,585 | $ 2,652,018 | $ 2,839,475 |
| Construction revenue | Fellow subsidiaries - CSRC | $ 848 | $ 2,138 | $ 2,161 | $ 5,302 |

(Concluded)

The prices of sales, rendering of services, and construction services to related parties by the Corporation and its subsidiaries were negotiated and determined by both parties. Except for the transaction prices of GGBFS (ground granulated blast-furnace slag) to directors and their subsidiaries, which did not differ materially from those with non-related parties, the prices of other items were not comparable to those with non-related parties as no similar transactions were available for comparison. The collection terms with both related and non-related parties were determined by mutual agreement.

c. Purchase of goods

| Related Party Category/Name | For the Three Months Ended June 30 2026 | For the Three Months Ended June 30 2025 | For the Six Months Ended June 30 2026 | For the Six Months Ended June 30 2025 |
|---|---|---|---|---|
| Parent entity - CSC | $ 247,117 | $ 202,429 | $ 450,075 | $ 401,960 |
| Fellow subsidiaries | | | | |
| DSC | 137,276 | 63,073 | 252,634 | 152,088 |
| Others | 101,953 | 164,210 | 226,093 | 266,890 |
| Directors and its subsidiaries | 101,867 | 133,529 | 221,377 | 280,896 |
| Others - FHSC | 114,197 | 103,896 | 203,609 | 225,024 |
| | $ 702,410 | $ 667,137 | $ 1,353,788 | $ 1,326,858 |

Purchases of cement from directors and their subsidiaries were made at arm's length and were consistent with similar market transactions. Other transactions did not involve non-related parties for comparison. The payment terms with related and non-related parties were determined by mutual agreement.

d. Contract assets - current

| Related Party Category/Name | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Fellow subsidiary - CSRC | $ - | $ - | $ 1,037 |

For the six months ended June 30, 2026 and 2025, no impairment loss was recognized for contract assets from related parties.

e. Contract liabilities - current

| Related Party Category/Name | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Parent entity - CSC | $ 61,062 | $ - | $ - |
| Directors and its subsidiaries | 1,161 | 797 | 1,608 |
| | $ 62,223 | $ 797 | $ 1,608 |

f. Other material transactions with related parties

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| 1) Operating lease Rental income | | | | |
| Parent entity - CSC | $ 7,440 | $ 7,251 | $ 14,792 | $ 14,501 |
| 2) Security expense | | | | |
| Fellow subsidiary - CSSC | 12,843 | 12,311 | 26,193 | 24,699 |
| 3) Outsourced manufacturing expense | | | | |
| Subsidiary of director - NHCC | 31,302 | 31,760 | 64,975 | 70,420 |
| 4) Charges for handling service and freight | | | | |
| Fellow subsidiary | | | | |
| CSEC | 161,344 | 191,506 | 318,533 | 392,672 |
| USECC | 23,839 | 10,865 | 46,722 | 23,536 |
| Subsidiary of director | | | | |
| YL | 47,574 | 69,345 | 94,492 | 129,633 |
| TTSC | 9,422 | 9,363 | 9,422 | 18,216 |
| 5) Other professional service expense | | | | |
| Director - ACC | 19,323 | 30,953 | 37,983 | 52,883 |

The above transaction prices, collection and payment term are agreed upon by both parties.

g. Accounts receivable - related parties

| Related Party Category/Name | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Parent entity - CSC | $ 354,008 | $ 504,164 | $ 396,109 |
| Fellow subsidiaries | | | |
| DSC | 170,400 | 120,610 | 195,813 |
| Others | 85,870 | 79,287 | 73,341 |

(Continued)

| Related Party Category/Name | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Directors and its subsidiaries | | | |
| TCC | $ 161,858 | $ 187,707 | $ 178,551 |
| Others | 103,398 | 106,308 | 112,205 |
| Others related parties | 32,950 | 22,052 | 18,836 |
| | $ 908,484 | $1,020,128 | $ 974,855 |

(Concluded)

The outstanding receivables from related parties are unsecured. For the six months ended June 30, 2026 and 2025, no impairment losses were recognized for trade receivables from related parties.

h. Other receivables - related parties

| Related Party Category/Name | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Parent entity - CSC | $ 39,140 | $ 34,086 | $ 30,500 |

i. Accounts payable - related parties

| Related Party Category/Name | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Parent entity - CSC | $ 19,951 | $ 23,301 | $ 12,271 |
| Fellow subsidiaries | 39,387 | 33,436 | 28,953 |
| Directors and its subsidiaries | 30,529 | 44,143 | 32,139 |
| | $ 89,867 | $ 100,880 | $ 73,363 |

The outstanding accounts payable to related parties are unsecured.

j. Other payables - related parties

| Related Party Category/Name | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Parent entity - CSC | $ 3,147 | $ 5,515 | $ 5,433 |
| Fellow subsidiaries | 78,773 | 119,638 | 93,835 |
| Directors and its subsidiaries | 54,115 | 65,167 | 68,747 |
| Other related parties | 1,145 | 851 | 518 |
| | $ 137,180 | $ 191,171 | $ 168,533 |

k. Prepayments

| Related Party Category/Name | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Parent entity - CSC | $ 1,971 | $ 1,971 | $ 1,328 |
| Fellow subsidiaries | 865 | 10,854 | 465 |
| Directors and its subsidiaries | 536 | - | - |
| Other related parties - FHSC | 14,831 | 20,982 | 6,961 |
| | $ 18,203 | $ 33,807 | $ 8,754 |

l. Unearned revenue (recognized in other current liabilities)

| Related Party Category/Name | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Parent entity - CSC | $ 2,539 | $ 2,495 | $ 2,495 |
| Fellow subsidiaries | 264 | 248 | 265 |
| | $ 2,803 | $ 2,743 | $ 2,760 |

m. Lease arrangements

| Related Party Category/Name | For the Six Months Ended June 30 2026 | 2025 |
|---|---|---|
| Additions to right-of-use assets | | |
| Parent entity - CSC | $ 23,079 | $ - |

| Account Item | Related Party Category/Name | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|---|
| Lease liabilities | Parent entity - CSC | $ 29,012 | $ 17,044 | $ 25,001 |

| Related Party Category/Name | For the Three Months Ended June 30 2026 | 2025 | For the Six Months Ended June 30 2026 | 2025 |
|---|---|---|---|---|
| Interest expense | | | | |
| Parent entity - CSC | $ 116 | $ 120 | $ 251 | $ 257 |
| Lease expense | | | | |
| Parent entity - CSC | $ 466 | $ 894 | $ 912 | $ 1,316 |
| Fellow subsidiaries | - | 12 | - | 12 |
| Other related parties | 135 | 134 | 272 | 280 |
| | $ 601 | $ 1,040 | $ 1,184 | $ 1,608 |

n. Remuneration of key management personnel

The remuneration of directors and other members of key management personnel was as follows:

| | For the Three Months Ended June 30 | | For the Six Months Ended June 30 | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Short-term employee benefits (including salaries, remuneration and bonuses) | $ 10,834 | $ 7,860 | $ 20,284 | $ 18,120 |
| Post-employment benefits | 139 | 72 | 320 | 139 |
| | $ 10,973 | $ 7,932 | $ 20,604 | $ 18,259 |

## 30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for performance guarantees, bank overdrafts and bank borrowings as follows:

| | June 30, 2026 | December 31, 2025 | June 30, 2025 |
|---|---|---|---|
| Pledged time deposits (under other financial assets) | $ 16,897 | $ 36,958 | $ 13,418 |
| Property, plant and equipment | | | |
| Land | 40,172 | 40,172 | 40,172 |
| Buildings | 197,789 | 199,317 | 192,078 |
| Machinery and equipment | 375,784 | 381,414 | 369,901 |
| Right-of-use assets | | | |
| Land | 118,908 | 119,264 | 114,365 |
| | $ 749,550 | $ 777,125 | $ 729,934 |

## 31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant commitments and contingencies of the Corporation and its subsidiaries as of June 30, 2026 were as follows:

a. Unused letters of credit for importation of materials amounted to NT$354,417 thousand.

b. The Corporation provided performance bond of NT$65,540 thousand guaranteed by financial institutions.

c. To expand the production line, the Corporation entered into the construction contracts amounted to NT$1,857,173 thousand, which have not been recorded yet.

## 32. Others

In February 2025, the Corporation received an indictment from the Kaohsiung District Prosecutors Office, accusing that relevant personnel of the Corporation's Transportation Department breached the Water Pollution Control Act and others, enabling the Corporation to obtain benefits such as underpayment of sewage treatment fees amounting to approximately NT$116 million. The Kaohsiung District Prosecutors Office filed a public prosecution, and the case is currently being tried by the Kaohsiung District Court. The Corporation has doubts about the alleged amount of underpayment of sewage treatment fees and has filed an appeal.

Regarding the aforementioned case, the Kaohsiung District Court ordered a provisional attachment on the Corporation's land located at No. 1310, Erciao Section, Xiaogang District, Kaohsiung City, within the value of approximately NT$128 million. The Corporation filed an appeal against the attachment order, which was dismissed by the court in March 2025.

The Corporation assesses that the above matters have no significant impact on its operations and finances.

## 33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

| | Foreign Currencies (In Thousands) | Exchange Rate | Carrying Amount (In Thousands of New Taiwan Dollars) |
|---|---|---|---|
| June 30, 2026 | | | |
| Monetary financial assets | | | |
| USD | $ 1,424 | 31.85 | $ 45,364 |
| Non-monetary financial assets | | | |
| Financial assets at fair value through other comprehensive income | | | |
| CNY | 8,387 | 4.69 | 39,334 |
| Investments accounted for using the equity method | | | |
| VND | 576,676,987 | 0.001195 | 689,129 |
| Monetary financial liabilities | | | |
| USD | 568 | 31.85 | 18,083 |

(Continued)

| | Foreign Currencies (In Thousands) | Exchange Rate | Carrying Amount (In Thousands of New Taiwan Dollars) |
|---|---|---|---|
| December 31, 2025 | | | |
| Monetary financial assets | | | |
| USD | $ 1,574 | 31.43 | $ 49,460 |
| Non-monetary financial assets | | | |
| Financial assets at fair value through other comprehensive income | | | |
| CNY | 4,141 | 4.496 | 18,619 |
| Investments accounted for using the equity method | | | |
| VND | 615,982,128 | 0.001175 | 723,779 |
| Monetary financial liabilities | | | |
| USD | 230 | 31.43 | 7,231 |
| June 30, 2025 | | | |
| Monetary financial assets | | | |
| USD | 1,177 | 29.3 | 34,485 |
| Non-monetary financial assets | | | |
| Financial assets at fair value through other comprehensive income | | | |
| CNY | 4,132 | 4.091 | 16,905 |
| Investments accounted for using the equity method | | | |
| VND | 581,517,647 | 0.001105 | 642,577 |
| Monetary financial liabilities | | | |
| USD | 468 | 29.3 | 13,698 |

(Concluded)

## 34. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions

1) Financing provided to others: None

2) Endorsements/guarantees provided: None

3) Significant marketable securities held (excluding investments in subsidiaries and associates): Table 1

4) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 2

5) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 3

6) Intercompany relationships and significant intercompany transactions: Table 4

b. Information on investees: Table 5

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 (loss) of the investees, investment gain (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 areas: None

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices and payment terms, and unrealized gains or losses:

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None

c) The amount of property transactions and the amount of the resultant gains or losses: None

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None

e) The highest balance, the end of period balance and the interest rate range and total interest amount for the period with respect to financing of funds: None

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None

## 35. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Reported segments of the Corporation and its subsidiaries were as follows:

- Blast-Furnace Slag Cement Division - production and marketing of Blast-Furnace Slag Cement products from the Corporation and CHC Resources Vietnam Co., Ltd.

- Resource Reutilization Division - disposal of waste, reutilization of resources and remediation, etc.

- Others - Union Steel Development Corporation (manufacture and sales of iron powder, OEM and sales of refractory, trading, labor dispatch), Pao Good Industrial Co., Ltd. (sales of fly ash, manufacture and sales of dry-mix mortar, trading) and Yu Cheng Lime Corporation (real estate leasing and management of raw materials).

Segment revenue and results

The details of the Corporation and its subsidiaries' reporting segments were as follows:

| | Blast-Furnace Slag Cement Division | Resource Reutilization Division | Others | Total |
|---|---|---|---|---|
| For the Six Months Ended June 30, 2026 | | | | |
| Revenue from external customers | $ 3,697,411 | $ 2,749,298 | $ 222,329 | $ 6,669,038 |
| Inter segment revenue | 28,351 | 11,448 | 149,942 | 189,741 |
| Segment revenue | $ 3,725,762 | $ 2,760,746 | $ 372,271 | 6,858,779 |
| Eliminations | | | | (189,741) |
| Consolidated revenue | | | | $ 6,669,038 |
| Segment income | $ 727,565 | $ 163,833 | $ 57,808 | $ 949,206 |
| Operating expenses | | | | (296,603) |
| Share of profit of associates accounted for using the equity method | | | | 10,533 |
| Other non-operating gains and losses | | | | 16,967 |
| Profit before income tax | | | | $ 680,103 |
| For the Six Months Ended June 30, 2025 | | | | |
| Revenue from external customers | $ 4,071,628 | $ 2,911,879 | $ 160,462 | $ 7,143,969 |
| Inter segment revenue | 55,694 | 11,509 | 142,693 | 209,896 |
| Segment revenue | $ 4,127,322 | $ 2,923,388 | $ 303,155 | 7,353,865 |
| Eliminations | | | | (209,896) |
| Consolidated revenue | | | | $ 7,143,969 |
| Segment income | $ 920,486 | $ 163,222 | $ 34,941 | $ 1,118,649 |
| Operating expenses | | | | (258,655) |
| Share of profit of associates accounted for using the equity method | | | | 7,589 |
| Other non-operating gains and losses | | | | (8,340) |
| Profit before income tax | | | | $ 859,243 |

Segment income represented the profit before tax earned by each segment without administration costs and directors' salaries, share of profit of associates, rental revenue, interest income, gains or losses on disposal of property, plant and equipment, exchange gains or losses, valuation gains or losses on financial instruments, finance costs 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.

**TABLE 1**

## CHC RESOURCES CORPORATION AND SUBSIDIARIES

**SIGNIFICANT MARKETABLE SECURITIES HELD**
**JUNE 30, 2026**
**(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 | JUNE 30, 2026 | | | | Note |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | Shares/Units | Carrying Value | Percentage of Ownership (%) | Fair Value | |
| CHC Resources Corporation | Ordinary shares | China Steel Corporation | Parent company | Financial assets at fair value through other comprehensive income - current | 10,401,806 | $ 195,554 | - | $ 195,554 | |
| CHC Resources Corporation | Ordinary shares | Feng Sheng Enterprise Corporation | No relationship | Financial assets at fair value through other comprehensive income - non-current | 932,053 | $ 17,157 | 2 | $ 17,157 | |
| Union Steel Development Corporation | Ordinary shares | China Steel Corporation | Ultimate parent company | Financial assets at fair value through other comprehensive income - current | 423,849 | $ 7,968 | - | $ 7,968 | |
| Union Steel Development Corporation | Ordinary shares | Shanghai Bao Shun Steel Corporation | The holding company as its director | Financial assets at fair value through other comprehensive income - current | Certificate of rights | $ 39,334 | 19 | $ 39,334 | |

# CHC RESOURCES CORPORATION 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 SIX MONTHS ENDED JUNE 30, 2026**
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| Buyer | Related Party | Relationship | Relationship | | | | Abnormal Transaction | | Notes/Accounts Receivable (Payable) | | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Purchase/Sale | Amount | % of Total | Payment Terms | Unit Price | Payment Terms | Ending Balance | % of Total | |
| CHC Resources Corporation | TCC Group Holdings Co., LTD. | Director of the Corporation | Sales | $ (408,761) | (7) | Open account 60 days | Note 1 | Note 1 | $ 161,858 | 14 | |
| CHC Resources Corporation | Ya Tung Ready Mixed Concrete Co., Ltd. | Subsidiary of director of the Corporation | Sales | (266,949) | (5) | Open account 60 days | Note 1 | Note 1 | 67,194 | 6 | |
| CHC Resources Corporation | Universal Cement Corporation | Director of the Corporation | Sales | (122,657) | (2) | Open account 60 days | Note 1 | Note 1 | 3,729 | - | |
| CHC Resources Corporation | C.S.Aluminium Corporation | Fellow subsidiary | Sales | (105,374) | (2) | Open account 30 days | Note 1 | Note 1 | 19,253 | 2 | |
| CHC Resources Corporation | China Steel Corporation | Parent company | Service revenue | (1,429,588) | (24) | Receivables were collected after final acceptance | Note 1 | Note 1 | 350,249 | 31 | |
| CHC Resources Corporation | Dragon Steel Corporation | Fellow subsidiary | Service revenue | (685,286) | (12) | Receivables were collected after final acceptance | Note 1 | Note 1 | 165,435 | 15 | |
| CHC Resources Corporation | China Steel Resources Corporation | Fellow subsidiary | Service revenue | (350,621) | (6) | Receivables were collected after final acceptance | Note 1 | Note 1 | 66,463 | 6 | |
| CHC Resources Corporation | China Steel Corporation | Parent company | Purchases | 450,075 | 23 | Letter of credit | Note 1 | Note 1 | (19,951) | (9) | |
| CHC Resources Corporation | Dragon Steel Corporation | Fellow subsidiary | Purchases | 252,634 | 13 | Letter of credit | Note 1 | Note 1 | (9,180) | (4) | |
| CHC Resources Corporation | Chung Hung Steel Corporation | Fellow subsidiary | Purchases | 100,872 | 5 | Letter of credit | Note 1 | Note 1 | (19,676) | (9) | |
| Union Steel Development Corporation | CHC Resources Corporation | Parent company | Service revenue | (134,924) | (63) | According to the contract | Note 1 | Note 1 | 29,503 | 69 | Note 2 |
| CHC Resources Vietnam Co., Ltd. | Formosa Ha Tinh Steel Corporation | Other related party | Service revenue | (102,105) | (18) | Net 10 days from invoice date | Note 1 | Note 1 | 32,950 | 40 | |
| CHC Resources Vietnam Co., Ltd. | Formosa Ha Tinh Steel Corporation | Other related party | Purchases | 203,609 | 97 | Prepaid before shipping | Note 1 | Note 1 | - | - | |

Note 1: Refer to Note 29.

Note 2: The transaction had been eliminated when preparing consolidated financial statements.

**TABLE 3**

## CHC RESOURCES CORPORATION AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL**
**JUNE 30, 2026**
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| Company Name | Related Party | Relationship | Ending Balance | Turnover Rate | Overdue | | Amount Received in Subsequent Period | Allowance for Impairment Loss |
|---|---|---|---|---|---|---|---|---|
| | | | | | Amount | Actions Taken | | |
| CHC Resources Corporation | China Steel Corporation | Parent company | $ 350,249 | 7 | $ - | - | $ 21 | $ - |
| CHC Resources Corporation | Dragon Steel Corporation | Fellow subsidiary | 165,435 | 10 | 825 | Received in subsequent period | 26,353 | - |
| CHC Resources Corporation | TCC Group Holdings Co., Ltd. | Director of the Corporation | 161,858 | 5 | 47 | Expected to be collected before the end of July | 11 | - |

**TABLE 4**

## CHC RESOURCES CORPORATION AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS**
**FOR THE SIX MONTHS ENDED JUNE 30, 2026**
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| No. | Investee Company | Counterparty | Relationship | Transaction Details | | | % of Total Operating Revenue or Assets |
|---|---|---|---|---|---|---|---|
| | | | | Financial Statement Accounts | Amount | Payment Terms | |
| 1 | Union Steel Development Corporation | CHC Resources Corporation | Subsidiary to parent Company | Service revenue | $ 134,924 | According to the contract | 2 |

# CHC RESOURCES CORPORATION AND SUBSIDIARIES

**INFORMATION ON INVESTEES**
**FOR THE SIX MONTHS ENDED JUNE 30, 2026**
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

| Investor Company | Investee Company | Location | Main Businesses and Products | Original Investment Amount | | As of June 30, 2026 | | | Net Income (Loss) of the Investee | Share of Profit (Loss) | Note |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | June 30, 2026 | December 31, 2025 | Number of Shares | % | Carrying Amount | | | |
| CHC Resources Corporation | CHC Resources Vietnam Co., Ltd | Vietnam | Manufacture and sales of GGBFS, sales of Granulated Blast-Furnace Slag | $ 647,338 | $ 647,338 | - | 85 | $ 689,129 | $ 34,079 | $ 29,484 | Subsidiary (Note 1) |
| CHC Resources Corporation | Yu Cheng Lime Corporation | Republic of China | Real estate leasing, management of raw materials | 126,010 | 126,010 | 108,000 | 90 | 140,786 | 1,278 | 1,098 | Subsidiary (Note 1) |
| CHC Resources Corporation | Union Steel Development Corporation | Republic of China | Manufacture and sales of iron powder, OEM and sales of refractory, trading, labor dispatch | 53,345 | 53,345 | 4,668,333 | 93 | 108,060 | 10,973 | 10,246 | Subsidiary (Note 1) |
| CHC Resources Corporation | Pao Good Industrial Co., Ltd. | Republic of China | Sales of fly ash, manufacture and sales of dry-mix mortar, trading | 50,937 | 50,937 | 5,408,550 | 51 | 84,243 | 11,207 | 5,716 | Subsidiary (Note 1) |
| CHC Resources Corporation | Hsin Hsin Cement Enterprise Corporation | Republic of China | Cement manufacturing, nonmetallic mining, cement and concrete mixing manufacturing | 73,269 | 73,269 | 9,298,583 | 10 | 140,236 | 63,358 | 7,049 | Note 2 |
| CHC Resources Corporation | Pro-Ascentek Investment Corporation | Republic of China | General investment | 30,000 | 30,000 | 3,000,000 | 3 | 47,315 | 13,871 | 347 | |
| CHC Resources Corporation | Eminent III Venture Capital Corporation | Republic of China | General investment | 30,000 | 30,000 | 3,000,000 | 2 | 27,620 | 12,121 | 201 | |
| CHC Resources Corporation | Gau Ruei Investment Corporation | Republic of China | General investment | 12,306 | 12,306 | 1,046,500 | 35 | 21,214 | 71 | 25 | |
| CHC Resources Corporation | Ding Da Investment Corporation | Republic of China | General investment | 12,516 | 12,516 | 1,196,000 | 40 | 18,462 | 988 | 395 | |
| CHC Resources Corporation | Sheng Lih Dar Investment Corporation | Republic of China | General investment | 9,600 | 9,600 | 960,000 | 40 | 16,750 | 1,106 | 443 | |
| CHC Resources Corporation | Shin Mau Investment Corporation | Republic of China | General investment | 10,316 | 10,316 | 897,000 | 30 | 15,706 | 1,663 | 499 | |
| CHC Resources Corporation | Jiing-Cherng-Fa Investment Corporation | Republic of China | General investment | 9,200 | 9,200 | 920,000 | 40 | 14,493 | 491 | 197 | |
| CHC Resources Corporation | HIMAG Magnetic Corporation | Republic of China | Manufacture and trading of magnetic materials, specialty chemicals and iron oxide | 10,970 | 10,970 | 716,938 | 2 | 10,581 | 76,899 | 1,377 | |

Note1: The amount was eliminated in the consolidated financial statements.

Note2: The share of profit included amortization of the difference between equity and carrying amounts of the investment.

## CHC RESOURCES CORPORATION AND SUBSIDIARIES

**STATEMENT OF PROPERTY, PLANT AND EQUIPMENT**
**FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025**
**(In Thousands of New Taiwan Dollars)**

For the six months ended June 30, 2026

| | Land | Land Improvement | Building | Machinery and Equipment | Transportation Equipment | Office Equipment | Leasehold Improvement | Other Equipment | Property under Construction and Equipment under Acceptance | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Cost | | | | | | | | | | |
| Balance at January 1, 2026 | $ 1,136,268 | $ 220,887 | $ 2,837,994 | $ 6,554,744 | $ 18,944 | $ 74,086 | $ 1,175,555 | $ 360 | $ 264,072 | $ 12,282,910 |
| Additions | - | - | 27,988 | 32,577 | - | 1,713 | 9,201 | - | 136,265 | 207,744 |
| Disposals | - | - | (2,385) | (10,087) | (475) | (463) | (3,589) | - | - | (16,999) |
| Effects of foreign currency exchange differences | - | 1,166 | 4,038 | 9,274 | 29 | 115 | - | - | - | 14,622 |
| Balance at June 30, 2026 | $ 1,136,268 | $ 222,053 | $ 2,867,635 | $ 6,586,508 | $ 18,498 | $ 75,451 | $ 1,181,167 | $ 360 | $ 400,337 | $ 12,488,277 |
| Accumulated depreciation and impairment | | | | | | | | | | |
| Balance at January 1, 2026 | $ 6,370 | $ 174,425 | $ 1,382,668 | $ 5,301,944 | $ 17,462 | $ 56,993 | $ 914,130 | $ 360 | $ - | $ 7,854,352 |
| Depreciation expense | - | 8,409 | 48,950 | 116,330 | 232 | 3,105 | 67,973 | - | - | 244,999 |
| Disposals | - | - | (2,385) | (10,087) | (475) | (463) | (3,589) | - | - | (16,999) |
| Impairment loss | - | - | - | 863 | - | - | 90 | - | - | 953 |
| Effects of foreign currency exchange differences | - | 987 | 715 | 2,034 | 17 | 81 | - | - | - | 3,834 |
| Balance at June 30, 2026 | $ 6,370 | $ 183,821 | $ 1,429,948 | $ 5,411,084 | $ 17,236 | $ 59,716 | $ 978,604 | $ 360 | $ - | $ 8,087,139 |
| Carrying amount at December 31, 2025 | $ 1,129,898 | $ 46,462 | $ 1,455,326 | $ 1,252,800 | $ 1,482 | $ 17,093 | $ 261,425 | $ - | $ 264,072 | $ 4,428,558 |
| Carrying amount at June 30, 2026 | $ 1,129,898 | $ 38,232 | $ 1,437,687 | $ 1,175,424 | $ 1,262 | $ 15,735 | $ 202,563 | $ - | $ 400,337 | $ 4,401,138 |

(Continued)

For the six months ended June 30, 2025

| | Land | Land Improvement | Building | Machinery and Equipment | Transportation Equipment | Office Equipment | Leasehold Improvement | Other Equipment | Property under Construction and Equipment under Acceptance | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Cost | | | | | | | | | | |
| Balance at January 1, 2025 | $ 1,136,268 | $ 224,453 | $ 2,850,572 | $ 6,445,801 | $ 18,645 | $ 71,043 | $ 1,163,839 | $ 360 | $ 113,340 | $ 12,024,321 |
| Additions | - | - | 18,392 | 101,565 | 1,668 | 2,400 | 5,590 | - | (28,444) | 101,171 |
| Disposals | - | - | (28,692) | (70,723) | (1,241) | (246) | - | - | - | (100,902) |
| Effects of foreign currency exchange differences | - | (9,330) | (32,301) | (73,742) | (227) | (755) | - | - | - | (116,355) |
| Balance at June 30, 2025 | $ 1,136,268 | $ 215,123 | $ 2,807,971 | $ 6,402,901 | $ 18,845 | $ 72,442 | $ 1,169,429 | $ 360 | $ 84,896 | $ 11,908,235 |
| Accumulated depreciation and impairment | | | | | | | | | | |
| Balance at January 1, 2025 | $ 6,370 | $ 160,198 | $ 1,299,903 | $ 5,149,443 | $ 18,146 | $ 50,189 | $ 777,461 | $ 360 | $ - | $ 7,462,070 |
| Depreciation expense | - | 9,268 | 50,058 | 136,913 | 362 | 3,968 | 67,998 | - | - | 268,567 |
| Disposals | - | - | (28,692) | (70,723) | (1,241) | (210) | - | - | - | (100,866) |
| Effects of foreign currency exchange differences | - | (6,881) | (4,577) | (12,947) | (130) | (560) | - | - | - | (25,095) |
| Balance at June 30, 2025 | $ 6,370 | $ 162,585 | $ 1,316,692 | $ 5,202,686 | $ 17,137 | $ 53,387 | $ 845,459 | $ 360 | $ - | $ 7,604,676 |
| Carrying amount at June 30, 2025 | $ 1,129,898 | $ 52,538 | $ 1,491,279 | $ 1,200,215 | $ 1,708 | $ 19,055 | $ 323,970 | $ - | $ 84,896 | $ 4,303,559 |

(Concluded)