Evermore Chemical Industry Co., Ltd. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Review Report

Third Quarter of 2024 and 2023

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Independent Auditors' Review Report

The Board of Directors and Shareholders Evermore Chemical Industry Co., Ltd.

Foreword

We have completed our review of Evermore Chemical Industry Co., Ltd. and Subsidiaries (Evermore Group) Consolidated Balance Sheet as of September 30, 2024 and 2023; and Consolidated Statements of Comprehensive Income for the three months and nine months ended September 30, 2024 and 2023, and Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies) for the nine months ended September 30, 2024 and 2023 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

We conducted ours reviews in accordance with the Standards on Review Engagement, TWSRE 2410 “Review of 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 Group as of September 30, 2024 and 2023 and its consolidated financial performance and its consolidated cash flows for the three months and nine months ended September 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Deloitte Taiwan

CPA Shu-Ching Chiang

Su Ting-Chien, CPA

Approval reference of the Financial Supervisory Commission
Jin-Guan-Zheng-Shen-Zi No. 1000028068

Approval reference of the Financial Supervisory Commission
SFB Shenzi No. 1070323246

November 12, 2024

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

September 30, 2024, December 31, 2023 and September 30, 2023

Unit: NTD thousand

Code	ASSETS	September 30, 2024 Amount	%	December 31, 2023 Amount	%	September 30, 2023 Amount	%
	CURRENT ASSETS						
1100	Cash and cash equivalents (Notes VI)	$ 360,346	11	$ 372,784	11	$ 359,431	11
1136	Financial assets measured at amortized cost - current (Notes VII and XXIV)	17,325	-	16,853	-	17,635	-
1150	Notes receivable (Note VIII)	162,307	5	150,539	5	179,009	5
1170	Accounts receivable due from non-related parties (Note VIII)	406,864	12	397,825	12	381,279	11
1180	Accounts receivable due from related parties (Notes VIII and XXIII)	62,138	2	44,216	1	59,898	2
1200	Other receivables (Note XXIII)	6,433	-	13,141	-	4,855	-
1220	Current tax assets (Notes IV and XIX)	2,194	-	199	-	203	-
130X	Inventories (Note IX)	589,594	18	578,164	18	593,144	18
1410	Prepayments	56,269	2	50,409	2	56,645	2
1479	Other current assets	279	-	229	-	359	-
11XX	Total current assets	1,663,749	50	1,624,359	49	1,652,458	49
	NON-CURRENT ASSETS						
1600	Property, plant, and equipment (Notes XI and XXIV)	1,398,347	42	1,335,939	41	1,336,848	40
1755	Right-of-use assets (Notes XII and XXIV)	191,061	6	194,215	6	204,252	6
1760	Investment properties	1,007	-	1,007	-	1,007	-
1780	Intangible assets	9,569	-	10,499	-	10,566	1
1805	Goodwill (Note XIII)	44,546	1	41,524	1	43,604	1
1840	Deferred tax assets (Notes IV and XIX)	25,048	1	29,478	1	29,856	1
1915	Prepayments for equipment	9,347	-	57,811	2	64,776	2
1920	Refundable deposits	2,832	-	2,837	-	1,181	-
15XX	Total non-current assets	1,681,757	50	1,673,310	51	1,692,090	51
1XXX	TOTAL	$ 3,345,506	100	$ 3,297,669	100	$ 3,344,548	100

Code	LIABILITIES AND EQUITY	September 30, 2024 Amount	%	December 31, 2023 Amount	%	September 30, 2023 Amount	%
	CURRENT LIABILITIES						
2100	Short-term bank loans (Notes XIV and XXIV)	$ 821,779	25	$ 889,062	27	$ 903,354	27
2110	Short term notes and bills payable (Note XIV)	129,901	4	39,939	1	39,944	1
2150	Notes payable	2,167	-	3,436	-	3,989	-
2170	Accounts payable (Note XXIII)	287,517	9	261,270	8	292,338	9
2200	Other payables (Notes XV and XXIII)	138,955	4	120,857	4	109,682	3
2230	Current tax liabilities (Notes IV and XIX)	7,814	-	22,165	1	12,825	1
2280	Lease liabilities - current (Note XII)	3,944	-	3,911	-	3,899	-
2322	Long-term bank loans due within one year (Notes XIV and XXIV)	101,000	3	91,500	3	79,000	2
2399	Other current liabilities	8,971	-	9,500	-	5,788	-
21XX	Total current liabilities	1,502,048	45	1,441,640	44	1,450,819	43
	Noncurrent liabilities						
2541	Short-term bank loans (Notes XIV and XXIV)	210,117	6	285,117	9	311,117	9
2570	Deferred tax liabilities (Notes IV and XIX)	55,606	2	43,100	1	56,343	2
2580	Lease liabilities - non-current (Note XII)	26,762	1	29,725	1	30,706	1
2645	Guarantee deposits	452	-	433	-	442	-
25XX	Total non-current liabilities	292,937	9	358,375	11	398,608	12
2XXX	Total liabilities	1,794,985	54	1,800,015	55	1,849,427	55
	EQUITY						
3110	Share capital from common stock	993,880	30	993,880	30	993,880	30
3200	Capital surplus	98,017	3	98,017	3	98,017	3
	Retained earnings						
3310	Statutory reserves	234,075	7	226,553	7	226,553	7
3320	Special reserve	13,937	-	-	-	-	-
3350	Undistributed earnings	193,786	6	193,141	6	169,557	5
3400	Other equity	16,826	-	(13,937)	(1)	7,114	-
3XXX	Total equity	1,550,521	46	1,497,654	45	1,495,121	45
	TOTAL	$ 3,345,506	100	$ 3,297,669	100	$ 3,344,548	100

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

Chairman: Ho Wen-Chieh Manager: Huang Chng-Tze Chief Accountant: Chen Hsiang-Li

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

July 1 to September 30, 2024 and 2023, and January 1 to September 30, 2024 and 2023

Unit: NTD Thousand, Except Earnings Per Share

		July 1 to September 30, 2024		July 1 to September 30, 2023		January 1 to September 30, 2024		January 1 to September 30, 2023	
Code		Amount	%	Amount	%	Amount	%	Amount	%
4000	NET SALES REVENUES (Note XXIII)	$ 685,985	100	$ 630,053	100	$ 1,981,751	100	$ 1,750,026	100
5000	Operating costs (Notes IX, XVIII and XXIII)	556,872	81	511,226	81	1,634,864	83	1,438,679	82
5900	Gross profit	129,113	19	118,827	19	346,887	17	311,347	18
	OPERATING EXPENSES (Note XVIII)								
6100	Selling and marketing expenses	38,666	6	34,843	5	116,588	6	100,839	6
6200	Management expenses	42,336	6	46,076	7	128,177	7	126,247	7
6300	Research and development expenses	16,314	2	16,395	3	47,447	2	47,328	3
6450	Expected credit impairment gain (Note VIII)	(292)	-	(7,064)	(1)	(30,841)	(2)	(17,630)	(1)
6000	Total operating expenses	97,024	14	90,250	14	261,371	13	256,784	15
6900	Operating profit	32,089	5	28,577	5	85,516	4	54,563	3
	Non-operating revenue and expenditure								
7010	Other revenue	3,022	1	2,346	-	11,809	1	8,150	1
7020	Other gains and losses	(214)	-	(617)	-	(1,111)	-	(2,060)	-
7100	Interest income	2,238	-	1,512	-	6,463	-	4,195	-
7230	Foreign currency exchange net gains (loss)	(4,684)	(1)	12,042	2	9,326	1	19,805	1
7510	Interest fees	(5,543)	(1)	(6,085)	(1)	(16,652)	(1)	(19,069)	(1)
7000	Total non-operating income and expenses	(5,181)	(1)	9,198	1	9,835	1	11,021	1
7900	Net profits before tax	26,908	4	37,775	6	95,351	5	65,584	4
7950	INCOME TAX EXPENSE (Notes IV and XIX)	7,578	1	8,028	1	23,553	1	13,953	1
8200	Net income for the period	19,330	3	29,747	5	71,798	4	51,631	3
	Other comprehensive income								
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translating the financial statements of foreign operations	12,729	2	20,827	3	38,122	2	5,531	-
8399	Income tax related to items that may be reclassified to profit or loss	(2,273)	(1)	(4,837)	(1)	(7,359)	(1)	(2,175)	-
8300	Other comprehensive income for the period (Net amount after tax)	10,456	1	15,990	2	30,763	1	3,356	-
8500	Total comprehensive income for the period	$ 29,786	4	$ 45,737	7	$ 102,561	5	$ 54,987	3
	EARNINGS PER SHARE (Note XX)								
9710	Basic	$ 0.19		$ 0.30		$ 0.72		$ 0.52	
9810	Diluted	$ 0.19		$ 0.30		$ 0.72		$ 0.52	

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

Chairman: Ho Wen-Chieh Manager: Huang Chng-Tze Chief Accountant: Chen Hsiang-Li

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

January 1 to September 30, 2024 and 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		EQUITY						
		Ordinary Shares (Note XVII)	Capital Surplus (Note XVII)	Retained Earnings (Note X and XVII)			Exchange differences on translating the financial statements of foreign operations	Total Equity
				Legal Reserve	Special Reserve	Unappropriated Earnings		
A1	Balance on January 1, 2023	$ 993,880	$ 98,017	$ 223,032	$ 24,313	$ 152,499	$ 3,758	$ 1,495,499
	Earnings allocation and distribution for 2022							
B1	Statutory reserves	-	-	3,521	-	(3,521)	-	-
B5	Cash dividends to the Company's shareholders	-	-	-	-	(49,694)	-	(49,694)
B17	Reversal of special reserve	-	-	-	(24,313)	24,313	-	-
M3	Reorganization	-	-	-	-	(5,671)	-	(5,671)
D1	Net profit for January 1 to September 30, 2023	-	-	-	-	51,631	-	51,631
D3	Other comprehensive income after tax for January 1 to September 30, 2023	-	-	-	-	-	3,356	3,356
D5	Total comprehensive income for January 1 to September 30, 2023	-	-	-	-	51,631	3,356	54,987
Z1	Balance on September 30, 2023	$ 993,880	$ 98,017	$ 226,553	$ -	$ 169,557	$ 7,114	$ 1,495,121
A1	Balance on January 1, 2024	$ 993,880	$ 98,017	$ 226,553	$ -	$ 193,141	($ 13,937)	$ 1,497,654
	Earnings allocation and distribution for 2023							
B1	Statutory reserves	-	-	7,522	-	(7,522)	-	-
B3	Special reserve	-	-	-	13,937	(13,937)	-	-
B5	Cash dividends to the Company's shareholders	-	-	-	-	(49,694)	-	(49,694)
D1	Net profit for January 1 to September 30, 2024	-	-	-	-	71,798	-	71,798
D3	Other comprehensive income after tax for January 1 to September 30, 2024	-	-	-	-	-	30,763	30,763
D5	Total comprehensive income for January 1 to September 30, 2024	-	-	-	-	71,798	30,763	102,561
Z1	Balance on September 30, 2024	$ 993,880	$ 98,017	$ 234,075	$ 13,937	$ 193,786	$ 16,826	$ 1,550,521

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

Chairman: Ho Wen-Chieh Manager: Huang Chng-Tze Chief Accountant: Chen Hsiang-Li

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOW

January 1 to September 30, 2024 and 2023

Unit: NTD thousand

Code		January 1 to September 30, 2024	January 1 to September 30, 2023
	CASH FLOW FROM OPERATING ACTIVITIES		
A10000	Net profits before tax for the period	$ 95,351	$ 65,584
	Income and expenses:		
A20100	Depreciation expense	82,907	80,931
A20200	Amortization expense	1,465	1,451
A20300	Reversal gain of expected credit impairment	(30,841)	(17,630)
A20900	Interest fees	16,652	19,069
A21200	Interest income	(6,463)	(4,195)
A22500	Loss (gain) on disposal of property, plant, and equipment	154	(89)
A23800	Loss for market price decline and obsolete and slow-moving inventories	9,573	981
A24100	Unrealized foreign exchange losses (gains)	630	(8,971)
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	(7,355)	99,677
A31150	Accounts receivable	12,006	37,323
A31180	Other receivables	6,898	(2,899)
A31200	Inventories	(11,558)	87,155
A31230	Prepayments	(3,160)	(6,655)
A31240	Other current assets	(50)	269
A32130	Notes payable	(1,269)	(21,437)
A32150	Trade payables	22,832	85,650
A32180	Other payables	13,508	(3,862)
A32230	Other current liabilities	(529)	(6,926)
A33000	Cash generated from operations	200,751	405,426
A33100	Interest received	6,463	4,195
A33300	Interest paid	(15,563)	(18,322)
A33500	Income tax paid	(30,410)	(6,599)
AAAA	Net cash flow from operating activities	161,241	384,700

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Code		January 1 to September 30, 2024	January 1 to September 30, 2023
	CASH FLOW FROM INVESTING ACTIVITIES		
B00050	Disposal of financial assets measured at amortized cost	$ -	$ 1,106
B02700	Payments for property, plant, and equipment	(67,339)	(37,070)
B02800	Proceeds from disposal of property, plant, and equipment	52	89
B03700	Increase in refundable deposits	(34)	-
B03800	Decrease in refundable deposits	124	73
B04500	Acquisition of intangible assets	(137)	(723)
B07100	Increase in prepayments for equipment	(13,567)	(25,701)
BBBB	Net cash used in investing activities	(80,901)	(62,226)
	CASH FLOW FROM FINANCING ACTIVITIES		
C00100	Proceeds from short-term borrowings	3,907,957	4,478,525
C00200	Repayments of short-term borrowings	(4,003,591)	(4,484,005)
C00600	Proceeds (repayments) from short-term bills payable	88,957	(70,528)
C01700	Repayments of long-term borrowings	(65,500)	(40,500)
C04020	Payments of lease liabilities	(2,930)	(2,896)
C04500	Dividends paid to owners of the Company	(49,694)	(49,694)
C05700	Income tax paid for disposal of subsidiary	-	(5,671)
CCCC	Net cash flow used in financing activities	(124,801)	(174,769)
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	32,023	(3,422)
EEEE	Net increase (decrease) in cash and cash equivalents for the period	(12,438)	144,283
E00100	Opening balance of cash and cash equivalents	372,784	215,148
E00200	Closing balance of cash and cash equivalents	$ 360,346	$ 359,431

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

Chairman: Ho Wen-Chieh　　Manager: Huang Chng-Tze　　Chief Accountant: Chen Hsiang-Li

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

January 1 to September 30, 2024 and 2023

(In Thousands of New Taiwan Dollars and Foreign Currencies, Unless Stated Otherwise)

I. GENERAL INFORMATION

Evermore Chemical Industry Co., Ltd. (the "Company") was incorporated in 1989. The Company's shares were listed on the Taiwan Stock Exchange ("TWSE") in 2002 after being traded on the Taipei Exchange ("TPEx") since 2000.

The Company mainly engages in the manufacturing and selling of synthetic resin, synthetic chemistry, and investment related business operations.

The parent company of the Company is AICA Kogyo Company Limited (AICA) of Japan. As of September 30, 2024 and December 31, 2023 and September 30, 2023, it held 50.1% of the Company's common stock.

II. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Directors on November 12, 2024.

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

(I) Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, or SIC Interpretations endorsed by the Financial Supervisory Commission (hereafter IFRSs)

The application of the revised FSC approved and issued effective IFRSs will not cause significant changes to the consolidated entity's accounting policies.

(II) IFRSs endorsed by the FSC applicable in 2025

New, Revised or Amended Standards and Interpretations	Effective date of IASB announcement
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)

Note 1: Effective for the annual reporting period beginning on January 1, 2025 At the initial application of the amendment, comparative periods shall not be restated. Instead, the impact should be recognized in retained earnings or the cumulative translation adjustment of foreign operations (as applicable) and the related affected assets and liabilities as of the initial application date.

As of the date the consolidated financial statements were authorized for issue, the consolidated entity assessed that there would be no material impact of the initial application of said standards and the amendments to interpretations on its financial position and results of operations.

(III) New IFRSs in issue by IASB but not yet endorsed and issued into effect by the FSC

New, Revised or Amended Standards and Interpretations	Effective Date Announced by IASB (Note 1)
"Annual Improvements to IFRS - Volume 11"	January 1, 2026
Amendments to IFRS 9 and IAS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	Unresolved
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9—Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS No. 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note 1: Unless otherwise specified, all new/amended/modified standards and interpretations above shall take effect from the financial year that begins after the specified date.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements." The main changes in this standard include:

- The income statement should categorize income and expense items into operating, investing, financing, income tax, and discontinued operations.
- The income statement should report operating profit and loss, financing and pre-tax profit and loss, as well as the subtotals and totals of profit and loss.
- Provide guidelines to enhance aggregation and segmentation requirements: Consolidated companies must identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events, and classify and aggregate them based on common characteristics, ensuring that each line item reported in the primary financial statements possesses at least one similar characteristic. Items with different characteristics should be disaggregated in the primary financial statements and in the notes. The consolidated company only marks such items as "others" when no more informative name can be found.

- Increase the disclosure of performance measures defined by management: When a consolidated company engages in public communication outside of financial statements, and when communicating management's perspective on a specific aspect of the consolidated company's overall financial performance to users of the financial statements, it should disclose information about performance measures defined by management in a single note to the financial statements. This includes a description of the measure, how it is calculated, a reconciliation with subtotals or totals specified by IFRS accounting standards, and the impact of related reconciliation items on income tax and non-controlling interests.

In addition to the above effects, as of the date the consolidated financial statements were approved for issue, the consolidated entity is continuously assessing the possible other impact that the application of each standard and interpretations will have on the consolidated entity's financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

(IV) Reclassification of the presentation

The management of the consolidated company was of the opinion that the restrictions on the use of repatriated funds for substantive investment and financial investment in accordance with the "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act" did not change the nature of the deposits, the consolidated company could obtain such deposits upon request and it should be more advisable that the special account deposit was stated as cash and cash equivalents. Therefore, the presentation of the consolidated balance sheets and the consolidated statements of cash flow was changed. On September 30, 2023 and January 1, 2023, financial assets measured at amortized cost were reclassified into cash and cash equivalents with the carrying amounts, NT$19,290 thousand and NT$42,929 thousand, respectively. The effect of cash flow items from January 1 to September 30, 2023 is as follows:

	Adjustment
Net cash outflow from investing activities	($ 23,639)
Decrease in cash and cash equivalents	($ 23,639)

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(I) 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" approved and released by the FSC. These consolidated financial statements do not include all the disclosures required by IFRS accounting standards for a full set of annual financial statements.

(II) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments.

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 the asset or liability.

(III) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income, and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

Refer to Note X and Table 5 and 6 for the detailed information of subsidiaries (including the percentages of ownership and main businesses).

(IV) Other significant accounting policies

In addition to the following explanations, please refer to the summary of significant accounting policies in the 2023 consolidated financial statements.

1. Classification of current and non-current assets and liabilities

Current assets include:

(1) Assets held primarily for the purpose of trading;

(2) Assets expected to be realized within 12 months after the reporting period; and

(3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

(1) Liabilities held primarily for the purpose of trading;

(2) Liabilities due to be settled within 12 months after the reporting period, and

(3) Liabilities for which there is no substantive right to defer settlement beyond the balance sheet date to at least 12 months after the balance sheet date.

Assets and liabilities that are not classified as current are classified as non-current.

2. Income tax expense

Income tax expense is the sum of the current income tax and deferred income tax. The interim income tax is evaluated on an annual basis, and is calculated based on the interim pre-tax benefits at the tax rate applicable to the expected annual total earnings.

V. Critical Accounting Judgments And Key Sources Of Estimation Uncertainty

When the consolidated company develops significant accounting estimates, please refer to the explanations of the Significant Accounting Assumptions and Judgments and Major Sources of Estimates Uncertainty in the 2023 consolidated financial statements.

VI. Cash And Cash Equivalents

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand and petty cash	$ 1,921	$ 2,302	$ 2,861
Checking accounts and demand deposits	358,425	278,291	267,572
Cash equivalent			
Time deposits with original maturities of less than 3 months	-	92,191	88,998
	$ 360,346	$ 372,784	$ 359,431

VII. Financial assets measured at amortized cost - current

	September 30, 2024	December 31, 2023	September 30, 2023
Bank time deposits with original maturities of more than 3 months	$ 17,325	$ 16,853	$ 17,635

For the information about pledge of the financial assets measured at amortized cost, please refer to Note XXIV.

VIII. Notes receivable and accounts receivable

	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable			
Notes receivable - operating	$ 162,307	$ 150,539	$ 179,009
Less: Loss allowance	-	-	-
	$ 162,307	$ 150,539	$ 179,009
Trade receivables - unrelated parties			
Measured by cost after amortization			
Total carrying amount	$ 491,304	$ 509,362	$ 499,638
Less: Loss allowance	(84,440)	(111,537)	(118,359)
	$ 406,864	$ 397,825	$ 381,279
Accounts receivables - related parties			
Measured by cost after amortization			
Total carrying amount	$ 62,138	$ 44,216	$ 59,898
Less: Loss allowance	-	-	-
	$ 62,138	$ 44,216	$ 59,898

(I) Notes receivable

The aging of notes receivable was as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Not past due	$ 162,307	$ 150,539	$ 179,009
Past due	-	-	-
Total	$ 162,307	$ 150,539	$ 179,009

The above aging schedule was based on the number of past due days from the invoice date.

(II) Accounts receivable

In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the consolidated entity reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. Accordingly, the consolidated company's management believes that the consolidated company's credit risk is significantly reduced.

The consolidated entity recognizes loss provisions on accounts receivable based on expected credit losses over the duration. The expected credit losses on trade receivables are estimated using a provision matrix 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 forecast direction of economic conditions at the reporting date. As the consolidated entity's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the consolidated entity's different customer base.

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

Loss provisions on accounts receivable recognized by the consolidated entity are as follows:

	Not Past Due	Less than 30 Days	31 to 90 Days	Over 91 Days	Total
September 30, 2024					
Expected credit loss rate (%)	0-1	1-3	5-100	100	
Total carrying amount	$ 453,995	$ 12,262	$ 2,198	$ 84,987	$ 553,442
Allowance for loss (Expected credit loss during the period)	(2,860)	(158)	(554)	(80,868)	(84,440)
Amortized cost	$ 451,135	$ 12,104	$ 1,644	$ 4,119	$ 469,002
December 31, 2023					
Expected credit loss rate (%)	0-1	1-3	5-100	100	
Total carrying amount	$ 429,844	$ 7,947	$ 1,547	$ 114,240	$ 553,578
Allowance for loss (Expected credit loss during the period)	(1,616)	(239)	(232)	(109,450)	(111,537)
Amortized cost	$ 428,228	$ 7,708	$ 1,315	$ 4,790	$ 442,041
September 30, 2023					
Expected credit loss rate (%)	0-1	1-3	5-100	100	
Total carrying amount	$ 430,241	$ 11,520	$ 1,541	$ 116,234	$ 559,536
Allowance for loss (Expected credit loss during the period)	(1,893)	(154)	(78)	(116,234)	(118,359)
Amortized cost	$ 428,348	$ 11,366	$ 1,463	$ -	$ 441,177

The movements of the loss allowance of notes and accounts receivables are as follows:

	January 1 to September 30, 2024	January 1 to September 30, 2023
Opening balance	$ 111,537	$ 135,890
Reversal of impairment loss in current period	(30,841)	(17,630)
Foreign exchange gains and losses	3,744	99
Closing balance	$ 84,440	$ 118,359

IX. Inventories

	September 30, 2024	December 31, 2023	September 30, 2023
Finished goods	$ 270,930	$ 268,050	$ 265,255
Raw materials and supplies	231,247	211,810	243,919
Merchandise	64,546	80,770	74,264
Inventories in transit	22,871	17,534	9,706
	$ 589,594	$ 578,164	$ 593,144

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

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Cost of inventories sold	$ 553,719	$ 497,907	$ 1,599,156	$ 1,407,915
Inventory devaluation (or reversal gains)	(5,672)	3,387	9,573	981
Unallocated production overhead	8,825	9,932	26,135	29,783
	$ 556,872	$ 511,226	$ 1,634,864	$ 1,438,679

A rebound in net realizable value of inventories was caused by increases in the sales prices of inventory in specific markets.

X. SUBSIDIARIES

Subsidiary included in the consolidated financial statements:

		% of Ownership		
Investor	Investee	September 30, 2024	December 31, 2023	September 30, 2023
The Company	NEOLITE INVESTMENTS LIMITED (NEOLITE)	100	100	100
	GIANT STAR TRADING CO., LTD (GIANT STAR)	100	100	100
	CHEM-MAT TECHNOLOGIES CO., LTD (CHEM-MAT)	100	100	100
	U-BEST VIETNAM POLYMER INDUSTRY COMPANY LIMITED （U-BEST）	100	100	100
	SUCCESS INVESTMENTS LIMITED （SUCCESS）	100	100	100
	TOPWELL ELASTIC TECHNOLOGY CO., LTD. （TOPWELL）	100	100	100
Giant Star Trading Co.	NEOTOP INVESTMENTS LIMITED （NEOTOP）	-	-	100
CHEM-MAT	LEADERSHIP (SHANGHAI) CO., LTD (LEADERSHIP)	100	100	100
NEOLITE	LIBERTY BELL INVESTMENTS LTD. (LIBERTY BELL)	100	100	100
LIBERTY BELL	BAOJIAN CHEMICAL CO.,LTD (BAOJIAN)	100	100	100
Dongguan Baojian Company	TOPCO (SHANGHAI) CO., LTD (TOPCO)	100	100	100
SUCCESS	VIETNAM SUNYAD TECHNOLOGY LIMITED （SUNYAD）	100	100	100

Refer to Tables 5 and 6 following the notes to consolidated financial statements for the information on subsidiaries' places of incorporation and principal places of business.

In July 2023, Neotop transferred its 100% equity interest in TOPCO to Dongguan Baojian at the price of RMB 20,250 thousand and thereby resulted in the income tax, RMB 1,303 thousand, which should be directly recognized in equity. Meanwhile, it resolved to liquidate Neotop in November 2023, and the liquidation was completed in 2023.

In April 2024, Giant Star Trading Co Ltd. refunded the share payment of NT$ 81,000 thousand due to cash capital decrease, and the Company's shareholding ratio in it remained unchanged.

XI. PROPERTY, PLANT, AND EQUIPMENT

January 1 to September 30, 2024	Land	Building	Machinery and equipment	Transportation equipment	Other equipment	Total
Cost						
Opening balance	$ 732,859	$ 839,594	$ 1,273,515	$ 28,107	$ 347,364	$ 3,221,439
Add	-	5,356	39,786	-	23,656	68,798
Disposal	-	-	(13,243)	-	(1,710)	(14,953)
Reclassified	-	-	54,778	-	7,253	62,031
Effects of Foreign Currency Exchange Differences	2,376	16,732	15,060	577	3,468	38,213
Closing balance	$ 735,235	$ 861,682	$ 1,369,896	$ 28,684	$ 380,031	$ 3,375,528
Accumulated depreciation						
Opening balance	$ -	$ 510,762	$ 1,090,217	$ 22,985	$ 261,536	$ 1,885,500
Depreciation expense	-	21,320	35,441	1,455	17,020	75,236
Disposal	-	-	(13,037)	-	(1,710)	(14,747)
Effects of Foreign Currency Exchange Differences	-	13,451	14,284	425	3,032	31,192
Closing balance	$ -	$ 545,533	$ 1,126,905	$ 24,865	$ 279,878	$ 1,977,181
Closing net amount	$ 735,235	$ 316,149	$ 242,991	$ 3,819	$ 100,153	$ 1,398,347
January 1 to September 30, 2023						
Cost						
Opening balance	$ 732,646	$ 826,019	$ 1,253,904	$ 28,423	$ 347,726	$ 3,188,718
Add	-	3,067	14,811	-	6,190	24,068
Disposal	-	-	(1,910)	(653)	(7,243)	(9,806)
Reclassified	-	2,572	6,127	-	1,656	10,355
Effects of Foreign Currency Exchange Differences	(332)	3,823	1,760	(7)	828	6,072
Closing balance	$ 732,314	$ 835,481	$ 1,274,692	$ 27,763	$ 349,157	$ 3,219,407
Accumulated depreciation						
Opening balance	$ -	$ 487,117	$ 1,055,434	$ 21,839	$ 251,282	$ 1,815,672
Depreciation expense	-	21,317	33,633	1,777	16,610	73,337
Disposal	-	-	(1,910)	(653)	(7,243)	(9,806)
Effects of Foreign Currency Exchange Differences	-	1,888	1,303	(15)	180	3,356
Closing balance	$ -	$ 510,322	$ 1,088,460	$ 22,948	$ 260,829	$ 1,882,559
Closing net amount	$ 732,314	$ 325,159	$ 186,232	$ 4,815	$ 88,328	$ 1,336,848

Depreciation expenses are provided on a straight-line basis over useful years shown as follows:

Building	
Main building of the factory premises	25 to 50 years
Additional project	2-50 years
Others	5 years
Machinery and equipment	2-10 years
Transportation equipment	5 years
Other equipment	
Office equipment	2-10 years
Landscape gardening	15 years
Others	2-20 years

For the amounts of pledged collateral used as property, plant and equipment loan guarantees, please refer to Note XXIV.

XII. Lease arrangements

(I) Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of right-of-use assets			
Land	$ 160,782	$ 160,908	$ 169,935
Building	30,279	33,307	34,317
	$ 191,061	$ 194,215	$ 204,252

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Depreciation expenses of right-of-use assets				
Land	$ 1,561	$ 1,548	$ 4,643	$ 4,566
Buildings	1,009	1,010	3,028	3,028
	$ 2,570	$ 2,558	$ 7,671	$ 7,594

Except for depreciation expenses recognized, the consolidated company's right-of-use assets did not have significant subleases or impairments during January 1 to September 30, 2024 and 2023.

(II) Lease liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying amount of lease liabilities			
Current	$ 3,944	$ 3,911	$ 3,899
Non-current asset	$ 26,762	$ 29,725	$ 30,706

The discount rate of lease liabilities (%) is stated as following:

	September 30, 2024	December 31, 2023	September 30, 2023
Building	1.14	1.14	1.14

(III) Major leasing activities and terms

It is the consolidated entity's land use rights in mainland China and in Vietnam respectively recognized as current year expenses in 1957 and as the average from 1959 to 1960. The land use is for the construction of production plants, offices and staff dormitories. The Company's building use right in Nantou City, Taiwan, effective for 10 years. The building is used as factory premises and warehouse.

For the amounts of pledged collateral used as loan guarantees, please refer to Note XXIV.

(IV) Other lease information

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Short-term lease expenses	$ 1,335	$ 1,231	$ 4,015	$ 3,745
Low-value asset lease expenses	$ 161	$ 65	$ 484	$ 159
Total cash outflow from rent			$ 7,701	$ 7,107

XIII. Goodwill

	September 30, 2024	December 31, 2023	September 30, 2023
Opening balance	$ 41,524	$ 43,708	$ 43,708
Impairment loss	-	(2,096)	-
Effects of Foreign Currency Exchange Differences	3,022	(88)	(104)
Closing balance	$ 44,546	$ 41,524	$ 43,604

The consolidated entity acquired U-BEST, SUCCESS and TOPWELL in 2020 respectively. The consideration paid includes the expected merger synergy. Because the transfer consideration exceeds the fair value of the acquired identifiable assets and liabilities, it is recognized as goodwill on the acquisition date.

For the purpose of the impairment testing, the goodwill has been amortized to cash-generating units. The recoverable amount of the cash-generating unit is determined based on the value in use, and the cash flow estimate is based on the financial budget for the next 5 years approved by the management of the consolidated entity. The key assumptions used by the management in formulating the financial budget for the next 5 years are stated as follows:

1. Estimated operating revenue growth rate: Based on past experience, adjusted according to sales and market trends, and operating decisions related to the cash-generating unit.

2. Estimated gross profit on sales: Adjusted upward by the average gross profit on sales achieved before the budget period and subject to the expected improvement in efficiency. It reflects past experience, in addition to the improvement in efficiency.

Upon assessment, the recoverable amount of the U-BEST and TOPWELL cash-generating units was found greater than the carrying amount, so no impairment loss was recognized. The recoverable amount of the SUCCESS cash-generating units as of December 31, 2023 was less than the carrying amount, so the goodwill impairment, NT$2,096 thousand, was recognized and stated into other gains and losses. The recognition of such impairment loss resulted from the macro-environmental factors affecting SUCCESS. As a result, the actual operating revenue growth was lower than expected upon the consolidation.

XIV. Loans

(I) Short-term bank borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Secured borrowings	$ 385,472	$ 513,429	$ 414,641
Credit loans	418,800	359,950	466,950
Letter of credit loans	17,507	15,683	21,763
	$ 821,779	$ 889,062	$ 903,354
Interest rate per annum (%)			
Secured borrowings	1.88-5.21	1.80-5.01	1.85-5.01
Credit loans	1.89-2.03	1.80-1.90	1.84-1.90
Letter of credit loans	6.41-6.91	7.10-8.80	1.87-7.10

Mortgage loans are secured by the mortgages of the consolidated company's own land, buildings, and financial assets measured at amortized cost. Please refer to Note XXIV.

(II) Short-term bills payable

	September 30, 2024	December 31, 2023	September 30, 2023
Commercial paper	$ 130,000	$ 40,000	$ 40,000
Less: Unamortized discounts on bills payable	(99)	(61)	(56)
	$ 129,901	$ 39,939	$ 39,944

(III) Long-term bank borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Credit loans	$ 255,000	$ 280,000	$ 280,000
Secured borrowings	56,117	96,617	110,117
	311,117	376,617	390,117
Less: Current portion	(101,000)	(91,500)	(79,000)
Long-term borrowings	$ 210,117	$ 285,117	$ 311,117
Rates of interest per annum (%)			
Credit loans	1.15	1.15	1.05
Secured borrowings	2.07-2.14	1.94-2.03	1.94-2.03

Mortgage loans are secured by the mortgages of the consolidated entity's own land and buildings. Please refer to Note XXIV.

XV. Other payables

	September 30, 2024	December 31, 2023	September 30, 2023
Payable for salaries and bonuses	$ 54,912	$ 49,378	$ 38,139
Payable for commissions and professional service fees	12,515	12,035	15,997
Payable for purchase of equipment	8,059	6,600	9,443
Others	63,469	52,844	46,103
	$ 138,955	$ 120,857	$ 109,682

XVI. RETIREMENT BENEFIT PLANS

The pension expenses related to defined benefit plans recognized for the three months ended September 30, 2024 and 2023 and for the nine months ended September 30, 2024 and 2023. The pension cost rate is calculated based on the actuarial determination of the pension fund as of December 31, 2023 and 2022.

XVII. EQUITY

(I) Share capital from common stock

	September 30, 2024	December 31, 2023	September 30, 2023
Authorized shares (thousand shares)	120,000	120,000	120,000
Authorized capital stock	$ 1,200,000	$ 1,200,000	$ 1,200,000
Shares issued and received in full (thousand shares)	99,388	99,388	99,388
Issued share capital	$ 993,880	$ 993,880	$ 993,880

(II) Capital surplus

	September 30, 2024	December 31, 2023	September 30, 2023
Issuance of common shares	$ 70,860	$ 70,860	$ 70,860
Treasury share transactions	27,157	27,157	27,157
	$ 98,017	$ 98,017	$ 98,017

The capital surplus arising from shares issued in excess of par (including share premium from issuance of ordinary shares and treasury share transactions) and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year). However, capitalization of this reserve is capped at a certain percentage of the Company's paid-up capital each year.

(III) Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a Statutory reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

The dividend policy considers the future operating expansion and capital expenditures meet the best capital budget and diluted earnings per share, and the annual allocated surplus accounts for at least 50% of the available surplus. Distribution of profits may also be made by way of cash dividend provided; however, the ratio of share dividend shall exceed 25% of total distribution.

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

The Company conducted the annual general meetings in June 2024 and 2023, and passed the following earnings distribution for 2023 and 2022:

	Appropriation of Earnings		Dividend per share (NTD)	
	2023	2022	2023	2022
Statutory reserves	$ 7,522	$ 3,521		
Appropriation (reversal) of special reserve	13,937	(24,313)		
Cash dividend	49,694	49,694	$ 0.5	$ 0.5

XVIII. NET PROFIT

(I) Depreciation and amortization

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Summarization of depreciation expenses by function				
Operating costs	$ 19,828	$ 17,639	$ 56,302	$ 53,343
Operating expenses	8,828	9,539	26,605	27,588
	$ 28,656	$ 27,178	$ 82,907	$ 80,931
Summarization of amortization expenses by function				
Operating costs	$ 53	$ 90	$ 231	$ 277
Operating expenses	390	395	1,234	1,174
	$ 443	$ 485	$ 1,465	$ 1,451

(II) Employee benefit expenses

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Short-term employee benefits	$ 74,345	$ 63,711	$ 214,946	$ 187,641
Retirement benefits				
Defined contribution plans	3,352	4,031	9,895	9,653
Other employee benefits	6,731	5,795	19,787	17,093
Total employee benefit expenses	$ 84,428	$ 73,537	$ 244,628	$ 214,387
Summarization by function				
Operating costs	$ 40,517	$ 33,874	$ 115,597	$ 97,958
Operating expenses	43,911	39,663	129,031	116,429
	$ 84,428	$ 73,537	$ 244,628	$ 214,387

(III) Employees' compensation and remuneration of directors and supervisors

According to the Articles of Incorporation of the Company, the Company accrued employees' compensation and remuneration of directors and supervisors at rates of 3% to 5% and no higher than 2%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors and supervisors. The estimated remuneration to employees, directors and supervisors for the three and nine months ended September 30, 2024 and 2023 is as follows:

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Employees' compensation (5%)	$ 1,278	$ 1,640	$ 4,871	$ 3,094
Remuneration of directors and supervisors (2%)	518	655	1,940	1,237

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

The Company held the Board of Directors meeting in March 2024 and 2023, and resolved the remuneration to employees and directors and supervisors for 2023 and 2022 as follows:

	2023	2022
Remuneration to employees	$ 4,975	$ 2,353
Remuneration of directors and supervisors	1,990	941

There are no differences between the actual allotment amounts of employee remuneration and directors and supervisors' remuneration for 2023 and 2022 and the amounts recognized in the consolidated financial statements for 2023 and 2022.

For information about the remuneration of employees and the remuneration of directors and supervisors as decided by the Board of Directors of the company, please go to the Market Observation Post System of the Taiwan Stock Exchange for inquiries.

XIX TAXES

(I) Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Current income tax				
Incurred in the current period	$ 4,859	$ 5,720	$ 13,956	$ 13,673
Tax refund on repatriation of overseas funds	-	-	-	(2,210)
Adjustments for prior years	-	(40)	-	711
	4,859	5,680	13,956	12,174
Deferred tax				
Incurred in the current period	2,719	2,348	9,597	1,779
Income tax expense recognized in profit or loss	$ 7,578	$ 8,028	$ 23,553	$ 13,953

(II) Income tax assessments

The tax collection authority approved the Profit-seeking Enterprise Income Tax Return cases for the Company, Giant Star Trading Co., and CHEM-MAT through 2022.

XX. EARNINGS PER SHARE

Unit: NT$ per share

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Basic earnings per share	$ 0.19	$ 0.30	$ 0.72	$ 0.52
Diluted earnings per share	$ 0.19	$ 0.30	$ 0.72	$ 0.52

The net profit and weighted average number of common stocks used to calculate the Earnings per Share are stated as following:

Net income for the period

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
The net profit used to calculate the Earnings per Share	$ 19,330	$ 29,747	$ 71,798	$ 51,631
The net profit used to calculate the diluted Earnings per Share	$ 19,330	$ 29,747	$ 71,798	$ 51,631

Quantity of shares

Unit: Thousand Shares

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
The weighted average number of common stocks used to calculate the Earnings per Share	99,388	99,388	99,388	99,388
Effect of potentially dilutive ordinary shares:				
Remuneration to employees	200	183	274	225
The weighted average number of common stocks used to calculate the diluted Earnings per Share	99,588	99,571	99,662	99,613

If the Company offered to settle the compensation or bonuses paid to employees in cash or shares, the Company assumed that the entire amount of the compensation or bonuses will be settled in shares, and the resulting potential shares were 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 should be 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.

XXI. Capital risk management

The consolidated entity manages their capital to ensure that entities in the consolidated entity 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 consolidated entity consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the consolidated entity (comprising issued capital, reserves, retained earnings and other equity).

Key management personnel of the consolidated entity regularly review the capital structure. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

XXII. FINANCIAL INSTRUMENTS

(I) Fair value of financial instruments

1. Financial instruments carried at fair value

The following table provides an analysis of financial instruments that are measured at fair value subsequent to initial recognition. 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 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 fair value measurement refers to the evaluation technology that is based on the input value of the asset or liability that is not based on observable market data (unobservable input value) to derive the fair value.

From January 1 to September 30, 2024 and 2023, there will be no transfer of fair value measurement between Level 1 and Level 2.

2. Financial instruments not carried at fair value

The fair value of financial assets and financial liabilities is determined in the following:

(1) The fair value of short-term financial instruments is estimated by their carrying amount on the balance sheet for the carrying amount at the end of reporting period because the maturity date is close to the reporting date or the payment price is similar to the carrying amount. The carrying amount should be a reasonable basis for the estimated fair value. This method is applied to cash and cash equivalents, financial assets measured at amortized cost-current, notes and accounts receivable, other receivables, other financial assets, refundable deposits-time deposits, short-term bank loans, short term notes and bills payable, other payables, and refundable deposits.

(2) The fair value of long-term borrowings (including current portion) is determined using the discounted value of future cash flow. If the Company's

long-term borrowings rate is a floating rate, the carrying amount is equal to the fair value.

(II) Categories of financial instruments

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets			
Financial assets at amortized cost (Note 1)	$ 1,018,245	$ 998,195	$ 1,003,288
Financial liabilities			
Financial liabilities at amortized cost (Note 2)	1,691,888	1,691,614	1,739,866

Note 1: Balances include financial assets measured at amortized cost including cash and cash equivalents, financial assets measured at amortized cost-current, notes and accounts receivable, other receivables, and refundable deposit, etc.

Note 2: The balances include financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, notes payable, trade payables, other payables, and long-term borrowings (including current portion).

(III) Financial risk management objectives and policies

The consolidated entity's major financial instruments include trade receivables, trade payables, and borrowings. The consolidated entity’s corporate treasury function provides services to the business, coordinates access to financial markets, monitors and manages the financial risks relating to the operations of the consolidated entity through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk, and liquidity risk.

1. Market risk

The consolidated entity’s activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

There has been no change to the consolidated entity’s exposure to market risks or the manner in which these risks are managed and measured. The major financial risks are as follows:

(1) Foreign currency risk

The consolidated entity has foreign currency sales and purchases, which exposed the consolidated entity to foreign currency risk.

The carrying amounts of the consolidated company’s non-functional foreign currency denominated monetary assets and monetary liabilities (including non-functional foreign currency denominated monetary items written-off on the consolidated financial statements) at the end of the reporting period are set out in Note XXVI.

Sensitivity analysis

The consolidated entity's sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period. A positive number below indicates an increase in post-tax profit associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on the net profit after tax and the balances below would be negative.

Currency	January 1 to September 30, 2024	January 1 to September 30, 2023
NTD:USD	$ 1,616	$ 1,869
RMB:USD	2,343	1,308
NTD:RMB	241	1,182

The sensitivity rate used by the Group when reporting foreign currency risk internally to key management personnel is 1%, which represents management's assessment of the reasonably possible change in foreign exchange rates.

In management's opinion, sensitivity analysis was unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

(2) Interest rate risk

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

	September 30, 2024	December 31, 2023	September 30, 2023
Fair value interest rate risk			
Financial assets	$ 17,325	$ 109,044	$ 106,633
Financial liabilities	650,607	553,575	654,549
Cash flow interest rate risk			
Financial assets	358,395	278,253	267,546
Financial liabilities	642,896	785,679	713,471

Sensitivity analysis

For the consolidated company's financial assets and liabilities with floating interest rates, when the interest rate changes by 0.25%, with other conditions remaining unchanged, the consolidated company's net income before tax from

January 1 to September 30, 2024 and 2023 underwent changes amounting to NT$533 thousand and NT$836 thousand.

2. Credit risk

The consolidated entity's transactions are targeted at reputable financial and securities institutions, and it also transacts with a number of financial institutions to spread the risks, so the probability of default from contractual counterparty is very low; even if the other party defaults, the consolidated entity will not suffer significant loss.

The Group is required to go through the credit confirmation procedure only after it has dealt with the approved third party, and the policy of the Group is to conduct credit transactions with the customer, and to regularly assess the possibility of recovering the receivables while providing appropriate allowances for doubtful debts, so the Group doesn't expect the possibility of major losses.

3. Liquidity risk

The Group has built an appropriate liquidity risk management framework for the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining banking facilities, obtaining the loan commitment, and continuously monitoring forecasted and actual cash flow as well as the maturity profiles of financial assets and liabilities. As of September 30, 2024, December 31, 2023 and September 30, 2023, the Group's undrawn bank financing facilities were NT$571,517 thousand, NT$496,168 thousand, and NT$689,613 thousand, respectively.

Liquidity and interest rate risk tables

The following table details the consolidated entity's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flow of financial liabilities from the earliest date on which the consolidated entity can be required to pay.

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

Non-derivative financial liabilities	Less Than 1 Year	1~5 years	5~10 years
September 30, 2024			
Non-interest bearing liabilities	$ 428,639	$ 452	$ -
Lease liabilities	4,270	17,078	10,674
Variable interest rate liabilities	637,779	5,117	-
Fixed interest rate liabilities	414,901	205,000	-
	$ 1,485,589	$ 227,647	$ 10,674
December 31, 2023			
Non-interest bearing liabilities	$ 385,563	$ 433	$ -
Lease liabilities	4,270	17,078	13,876
Variable interest rate liabilities	743,062	42,617	-

Fixed interest rate liabilities	277,439	242,500	-
	$ 1,410,334	$ 302,628	$ 13,876

Non-derivative financial liabilities	Less Than 1 Year	1~5 years	5~10 years
September 30, 2023			
Non-interest bearing liabilities	$ 406,009	$ -	$ -
Lease liabilities	4,270	17,078	14,944
Variable interest rate liabilities	657,354	56,117	-
Fixed interest rate liabilities	364,944	255,000	-
	$ 1,432,577	$ 328,195	$ 14,944

XXIII. TRANSACTIONS WITH RELATED PARTIES

Transactions, account balances, income and expense between consolidated entities have been eliminated on consolidation and are not disclosed in this note. Except as described in other financial notes, the relationships and transactions with other related parties are as follows:

(I) Related party name and category

Name of related party	Related Party Category
AICA	The Company’s parent
PT. AICA Indonesia	Fellow subsidiary
AICA Adtek Sdn. Bhd	Fellow subsidiary
AICA Malaysia Sdn. Bhd.	Fellow subsidiary
Shenyang AICA-HOPE Kogyo Co., Ltd.	Fellow subsidiary
Exeter New Materials (Guangdong) Co., Ltd. (Exeter)	Fellow subsidiary
AICA Bangkok Co., Ltd. （AICA Thailand）	Fellow subsidiary
Aica Dongnai Co., Ltd. （AICA Dongnai）	Fellow subsidiary
TAIWAN AICA KOGYO CO., LTD.	Fellow subsidiary
Pou Chen Corporation and its subsidiaries	Other related parties (affiliated companies of the company's corporate directors)
Yue Yuen Industrial (Holdings) Limited and its subsidiaries	Other related parties (affiliated companies of the company's corporate directors)

(II) Sales of goods

Accounts	Related Party Category/Name	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Income from sales	Other related parties	$ 59,721	$ 69,233	$ 164,141	$ 168,556
	Parent company	41,103	31,546	117,351	107,126
	Fellow subsidiary	7,157	4,749	18,313	12,912
		$ 107,981	$ 105,528	$ 299,805	$ 288,594

The sales transactions of the consolidated entity to related parties are quoted based on the differences between the products and the acceptance of the market, and the credit period is from 60 days to 180 days.

Accounts	Related Party Category/Name	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Purchases of goods	Parent company	$ 5,641	$ 2,413	$ 10,299	$ 6,907
	Fellow subsidiary	4	-	1,566	-
		$ 5,645	$ 2,413	$ 11,865	$ 6,907

The purchase price and payment term between the consolidated entity and related parties were similar to those for third parties.

The following balances of trade receivables from related parties were outstanding at the end of the reporting period:

Accounts	Related Party Category/Name	September 30, 2024	December 31, 2023	September 30, 2023
Accounts receivable	Other related parties	$ 37,931	$ 21,724	$ 28,417
	Parent company	19,555	19,524	28,254
	Fellow subsidiary	4,652	2,968	3,227
		$ 62,138	$ 44,216	$ 59,898
Other receivables	Fellow subsidiary	$ -	$ 251	$ -

The outstanding trade receivables from related parties are unsecured.

The following balances of trade payables from related parties were outstanding at the end of the reporting period:

Accounts	Related Party Category/Name	September 30, 2024	December 31, 2023	September 30, 2023
Trade payables	Parent company	$ 2,254	$ 2,197	$ 1,598
Other payables	Other related parties	$ 119	$ 165	$ 156

(III) Payables to related parties

The following balances of trade payables from related parties were outstanding at the end of the reporting period.

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Short-term employee benefits	$ 3,752	$ 2,930	$ 11,075	$ 8,320
Retirement benefits	61	61	183	183
	$ 3,813	$ 2,991	$ 11,258	$ 8,503

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

XXIV. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	September 30, 2024	December 31, 2023	September 30, 2023
Property, plant and equipment	$ 506,314	$ 497,429	$ 509,225
Right-of-use assets	15,438	-	15,070
Financial assets measured at amortized cost - current	17,325	16,853	17,635
	$ 539,077	$ 514,282	$ 541,930

XXV. Significant contingent liabilities and unrecognized contract commitments

The consolidated company has the following major commitments on the balance sheet date:

(I) As of September 30, 2024, December 31, 2023 and September 30, 2023, the balances of letters of credit issued but not used were approximately US$264 thousand, US$97 thousand, and US$217 thousand, respectively.

(II) The consolidated company's unrecognized contractual commitments are stated as following:

	September 30, 2024	December 31, 2023	September 30, 2023
Payments for property, plant, and equipment	$ 2,100	$ 22,771	$ 22,771

XXVI. The significant assets and liabilities denominated in foreign currencies

The significant assets and liabilities denominated in foreign currencies were as follows:

	September 30, 2024		
Financial assets	Foreign currency	Exchange Rate	Carrying Amount
Monetary items			
USD	$ 7,123	31.65 (USD:NTD)	$ 225,443
USD	8,497	6.998 (USD:RMB)	268,930
RMB	5,324	4.523 (RMB:NTD)	24,080
Financial liabilities			
Monetary items			
USD	2,016	31.65 (USD:NTD)	63,806
USD	1,095	6.998 (USD:RMB)	34,657
USD	1,023	24,575 (USD:VND)	32,378
USD	1,098	32.0734 (USD: THB)	34,752

	December 31, 2023					
Financial assets	Foreign currency		Exchange Rate		Carrying Amount	
Monetary items						
USD	$	8,801	30.705	(USD:NTD)	$	270,235
USD		5,900	7.096	(USD:RMB)		181,160
RMB		26,171	4.327	(RMB:NTD)		113,242
Financial liabilities						
Monetary items						
USD		2,071	30.705	(USD:NTD)		63,590
USD		1,541	7.096	(USD:RMB)		47,316
USD		1,653	24,245	(USD:VND)		50,755
USD		1,343	34.0523	(USD: THB)		41,237

	September 30, 2023					
Financial assets	Foreign currency		Exchange Rate		Carrying Amount	
Monetary items						
USD	$	7,788	32.27	(USD:NTD)	$	251,319
USD		5,247	7.309	(USD:RMB)		169,321
RMB		26,767	4.415	(RMB:NTD)		118,176
Financial liabilities						
Monetary items						
USD		1,996	32.27	(USD:NTD)		64,411
USD		1,194	7.309	(USD:RMB)		38,530
USD		1,006	23,585	(USD:VND)		32,464
USD		1,532	36.579	(USD: THB)		49,438

The significant realized and unrealized foreign exchange gain and losses were as follows:

The Group's realized and unrealized foreign currency exchange gains (losses) for the three and nine months ended September 30, 2024 and 2023, were NTD (4,684) thousand, NTD12,042 thousand, NTD9,326 thousand, and NTD19,805 thousand, respectively. Due to the wide variety of functional currencies of foreign currency transactions and the entities of the Group, it is impossible to disclose the foreign exchange gains and losses by each currency with significant impact.

XXVII. SEPARATELY DISCLOSED ITEMS

(I) Information about significant transactions and investees and (II) Transfer investment information:

1. Financing provided to others: Table 1.
2. Endorsements/guarantees provided: Table 2.
3. Marketable securities held at the end of the period: None.
4. Marketable securities acquired and disposed of at costs or prices at least $300 million or 20% of the paid-in capital: None.
5. Acquisition of individual real estate at costs of at least $300 million or 20% of the paid-in capital. (None)
6. Disposal of individual real estate at prices of at least $300 million or 20% of the paid-in capital: None.
7. Total purchases from or sales to related parties amounting to at least $100 million or 20% of the paid-in capital. (Table 3)
8. Receivables from related parties amounting to at least $100 million or 20% of the paid-in capital: None.
9. Trading in derivative instruments: None.
10. Intercompany relationships and significant intercompany transactions. (Table 4)
11. Information on investees. (Table 5)

(III) Investments in Mainland China

1. Information on investees in mainland China, including the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in mainland China: Table 6.
2. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
   (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None.
   (2) Sale amount and percentage and the related receivables ending balance and percentage: Table 3 and 4.
   (3) The amount of property transactions and the amount of the resultant gains or losses: None.
   (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.

(5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1.

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

(IV) Information on principal shareholders: The names, amounts, and proportions of shares of shareholders with a shareholding ratio of 5% or more: Table 7.

XXVIII. Department 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. The consolidated entity's segment information is disclosed as follows:

1. Domestic operations - manufacturing and sales in Taiwan.
2. Asia operations - manufacturing and sales in Asian countries except Taiwan.

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

	Segment Revenue		Segment Profit	
	January 1 to September 30, 2024	January 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Domestic operations	$ 1,077,383	$ 908,298	$ 59,277	$ 24,974
Asia operations	904,368	841,728	26,239	29,589
Total for continuing operations	$ 1,981,751	$ 1,750,026	85,516	54,563
Interest income			6,463	4,195
Gain on foreign exchange, net			9,326	19,805
Interest fees			(16,652)	(19,069)
Loss on disposal of property, plant, and equipment			(154)	89
General income and benefits			11,809	8,150
General expenses and losses			(956)	(2,149)
Net profits before tax			$ 95,352	$ 65,584

Segment gains refers to the profits made by each department, excluding interest revenue, net foreign exchange gains, interest expenses, losses from disposal of property, plant and equipment, and income tax expenses. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Evermore Chemical Industry Co., Ltd. and Subsidiaries

FINANCING PROVIDED TO OTHERS

January 1 to September 30, 2024

Table 1

Unit: In thousands of NTD or foreign currencies

Number	Lender	Loan and counterparty (Note 1)	Financial Statement Account	Related party	The highest balance in the current period	Ending Balance (Note 2)	Actual amount of expenditure	Interest Rate	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for bad debt	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit	Note
													Item	Value			
0	The Company	TOPWELL	Other receivables	Yes	$ 18,954 (USD 600)	$ 12,660 (USD 400)	$ 10,720 (USD 339)	(Note 3)	Necessary for short-term financing	$ -	Operating capital	$ -	—	$ -	$ 155,052 (Note 4)	$ 620,208 (Note 4)	

Note 1: Significant intercompany accounts and transactions have been eliminated.

Note 2: The ending balance amount has been approved by the board of directors.

Note 3: Interest rate according to bank loan contract.

Note 4: The loan and limit and total limit of individual funds are limited to the sum of 10% of the Company’s net worth and the monthly average transaction value over the previous year, or 40% of the Company's net worth.

Evermore Chemical Industry Co., Ltd. and Subsidiaries

ENDORSEMENTS/GUARANTEES PROVIDED

January 1 to September 30, 2024

Table 2

Unit: In thousands of NTD or foreign currencies

Number	Endorser/ Guarantor	Endorsee/ Guarantee		Limited endorsements/ guarantees limits (Note)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual amount of expenditure	Amount Endorsed/ Guaranteed by Collateral	The ratio of the accumulated endorsement guarantee amount to the net value of the financial report for the period	Endorsement guarantee maximum limit (Note)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Company name	Relationship											
0	The Company	TOPWELL	Refer to Note X of consolidated financial statements	$ 775,261	$ 16,418 (USD 500)	$ 15,825 (USD 500)	$ 15,825 (USD 500)	$ 15,825 (USD 500)	1.02%	$ 1,085,365	Y	—	—	
1	The Company	Dongguan Baojian Company	Refer to Note X of consolidated financial statements	775,261	268,515 (USD 8,500)	31,650 (USD 1,000)	1,689 (USD 53)	-	2.04%	1,085,365	Y	—	—	

Note: The guarantee limit and maximum limit for individual entity are 50% and 70% of the net worth of the Company, respectively.

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST $100 MILLION OR 20% OF THE PAID-IN CAPITAL

January 1 to September 30, 2024

Table 3

Unit: NTD thousand

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
The Company	U-BEST	Subsidiary	(Sales)	($ 106,313)	(6)	T/T 90 days	Note 1	—	$ 26,194	6	

Note 1: The price of sales transactions with related parties is quoted based on product differentiation and market condition.

Note 2: Significant intercompany accounts and transactions have been eliminated.

Evermore Chemical Industry Co., Ltd. and Subsidiaries

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS

January 1 to September 30, 2024

Table 4

Unit: NTD Thousand or Foreign Currencies

Number	Trader	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% to Total Sales or Assets
0	The Company	Dongguan Baojian Company	1	Sales	$ 42,040	T/T 90 days	2
		U-BEST	1	Sales	106,313	T/T 90 days	5
		U-BEST	1	Accounts receivable	26,914	T/T 90 days	1
		TOPWELL	1	Sales	73,110	T/T 90 days	4
1	U-BEST	SUN YAD	2	Sales	34,778	T/T 90 days	2
2	Dongguan Baojian Company	U-BEST	2	Sales	48,022	T/T 90 days	2

Note 1: Significant intercompany accounts and transactions have been eliminated.

Note 2: Relationship with the counterparty: (1) parent entity to subsidiary; (2) subsidiary to subsidiary; (3) subsidiary to parent entity.

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES

January 1 to September 30, 2024

Table 5

Unit: NTD Thousand or Foreign Currencies/Thousands of Shares

Investor	Investee company name	Location	Main business items	Original Investment Amount		Held at end of period			Current net income (loss) of the Investee	Share of investment profit (loss) recognized in the current period
				End of current period	End of last year	Number of Shares	%	Carrying Amount		
The Company	NEOLITE	British Virgin Islands	Financial investment and international trade	$ 413,902	$ 413,902	13,059	100	$ 633,954	$ 10,542	$ 10,920
	Giant Star Trading Co.	Taichung City	Trading of chemical raw materials	16,367	97,367	4,500	100	45,737	390	390
	CHEM-MAT	Nantou County	Wholesale of coating, pigments, and industrial catalyst	111,484	111,484	7,199	100	116,211	(1,773)	(1,534)
	U-BEST	Vietnam	Production and sales of PU resin and adhesives	132,314	132,314	-	100	177,228	20,897	19,169
	TOPWELL	Thailand	Synthetic resin trading business	76,201	76,201	8,000	100	42,525	(1,911)	(1,744)
	SUCCESS	Samoa	Financial investment and international trade	185,064	185,064	5,000	100	152,757	(2,405)	(6,185)
NEOLITE	LIBERTY BELL	British Virgin Islands	Financial investment and international trade	563,243	563,243	21,000	100	635,915	(10,512)	(Note)
SUCCESS	SUNYAD	Vietnam	Manufacturing and sales of PU synthetic leather products	185,064	185,064	-	100	50,556	(2,405) (USD 75)	(Note)

Note: Not applicable.

EVERMORE CHEMICAL INDUSTRY CO., LTD. AND SUBSIDIARIES

Investments in Mainland China

January 1 to September 30, 2024

Table 6

Unit: NTD Thousand or Foreign Currencies

INFORMATION ON INVESTMENTS IN MAINLAND CHINA	Main business items	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan, beginning	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of the period (Note 2)	Investee profit or loss for the period	% Ownership of Direct or Indirect Investment	Investment gain (loss) recognized for the period (Note 3)	Carrying amount of investment at the end of the period	Accumulated Repatriation of Investment Income, ending
					Outward	Inward						
Dongguan Baojian Company	Production and sales of PU resin	$ 512,818 RMB 120,789	(Note 1)	$ 244,425 USD 7,576	$ -	$ -	$ 244,425 USD 7,576	$ 10,557 RMB 2,394	100%	$ 10,557 RMB 2,394	$ 634,855 RMB 140,362	$ -
TOPCO	Wholesale of chemical products	38,922 RMB 8,053	(Note 1)	26,450 USD 820	-	-	26,450 USD 820	(11,225) (RMB 2,523)	100%	(11,225) (RMB 2,523)	69,348 RMB 15,601	162,194 RMB 35,789
LEADERSHIP SHANGHAI	Wholesale of chemical products	15,400 RMB 3,474	(Note 1)	15,400 USD 500	-	-	15,400 USD 500	(181) (RMB 50)	100%	(181) (RMB 50)	(1,372) (RMB 303)	-

Accumulated Outward Remittance for Investment in Mainland China at the end of the period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$ 412,055 (USD 12,796)	$ 921,115 (USD 29,126) (Note 4)	(Note 5)

Note1: Investments in mainland China were through companies established in the third region.

Note2: Including investment in equipment and expertise, but not including the surplus of investment in China's investment business, and reinvestment of investment in the third region.

Note 3: The financial statements of the investee were audited by the ROC parent company's CPA during the same period.

Note 4: Investment of US$29,126 thousand was authorized by the Investment Commission, MOEA, not including the surplus of investment in China's investment business, and reinvestment of investment in the third region (NEOLITE) of US$ 5,591 thousand.

Note 5: In accordance with "Principle of Examination on Investment or Technical Cooperation in Mainland China" stipulated by the Investment Commission, MOEA on August 29, 2008, the Company obtained the scope certificate for the headquarters issued by the Industrial Development Bureau, MOEA, with no upper limit for the investment amount in mainland China.

Evermore Chemical Industry Co., Ltd.

Information on principal shareholders

September 30, 2024

Table 7

Name of Major Shareholder	Shares	
	Number of shares held (shares)	Shareholding
AICA	49,793,388	50.10%
Ho Wen Chieh	7,003,532	7.04%

Note: Principal shareholder information in this schedule is prepared by the depository corporation based on the last business day at the end of the quarter, calculating the information that shareholders held more than 5% of the Company's common stock and preferred stock that have been delivered without physical registration (including treasury shares). The share capital recorded in the Company’s consolidated financial statements and the actual number of shares delivered without physical registration may be different due to different calculation bases or other differences.