Allied Supreme Corp. 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

The Board of Directors and Shareholders
Allied Supreme Corp.

Introduction

We have reviewed the accompanying consolidated balance sheets of Allied Supreme Corp. and its subsidiaries (collectively, the "Group") as of June 30, 2026 and 2025, the related consolidated statements of comprehensive income for the three months ended June 30, 2026 and 2025 and for the six months ended June 30, 2026 and 2025, the consolidated statements of changes in equity and cash flows for the six months then ended, 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 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 Group as of June 30, 2026 and 2025, its consolidated financial performance for the three months ended June 30, 2026 and 2025, and its consolidated financial performance 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 Shih-Hsuan, Peng and Pan-Fa, Wang.

Shihhsuan Peng Panfa Wang

Deloitte & Touche
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August 7, 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.

ALLIED SUPREME CORP. 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 (Notes 6 and 25)	$ 2,267,155	22	$ 3,227,950	31	$ 3,001,428	31
Financial assets at amortized cost - current (Notes 7 and 25)	1,155,463	12	658,042	6	245,460	3
Notes receivable (Notes 8, 20 and 25)	419,004	4	362,104	4	284,817	3
Trade receivables (Notes 8, 20 and 25)	1,870,559	18	2,033,014	20	1,905,237	20
Other receivables (Notes 8 and 25)	12,839	-	17,400	-	14,266	-
Current tax assets (Note 4)	9,654	-	11,849	-	1,654	-
Inventories (Note 9)	2,052,140	20	1,585,456	15	1,788,491	19
Other current financial assets (Notes 14, 25 and 27)	331,788	3	313,387	3	157,034	2
Other current assets (Note 14)	115,876	1	79,186	1	221,163	2
Total current assets	8,234,478	80	8,288,388	80	7,619,550	80
NON-CURRENT ASSETS						
Financial assets at amortized cost - non-current (Notes 7 and 25)	93,800	1	89,920	1	-	-
Property, plant and equipment (Notes 11 and 27)	1,783,319	18	1,800,188	18	1,755,686	18
Right-of-use assets (Note 12)	83,711	1	68,398	1	48,888	1
Other intangible assets (Note 13)	11,003	-	10,550	-	10,952	-
Deferred tax assets (Note 4)	29,067	-	35,496	-	33,280	-
Net defined benefit assets (Note 4)	25,912	-	25,282	-	20,528	-
Other non-current financial assets (Notes 14, 25 and 27)	-	-	2,976	-	11,292	-
Other non-current assets (Note 14)	31,093	-	33,073	-	39,706	1
Total non-current assets	2,057,905	20	2,065,883	20	1,920,332	20
TOTAL	$ 10,292,383	100	$ 10,354,271	100	$ 9,539,882	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 15 and 25)	$ -	-	$ 150,000	2	$ -	-
Trade payables (Notes 16 and 25)	775,082	8	611,537	6	580,027	6
Other payables (Notes 17 and 25)	383,036	4	440,972	4	361,004	4
Current tax liabilities (Note 4)	109,317	1	36,938	-	152,148	2
Provisions - current (Note 18)	23,396	-	23,939	-	13,266	-
Lease liabilities - current (Note 12)	17,702	-	6,751	-	2,646	-
Contract liabilities (Note 20)	411,553	4	430,623	4	497,036	5
Current portion of long-term borrowings (Notes 15, 25 and 27)	43,068	-	83,688	1	104,521	1
Other current liabilities (Note 17)	2,312	-	2,029	-	1,713	-
Total current liabilities	1,765,466	17	1,786,477	17	1,712,361	18
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 15, 25 and 27)	32,301	1	229,835	2	271,679	3
Deferred tax liabilities (Note 4)	91,926	1	92,973	1	89,479	1
Lease liabilities - non-current (Note 12)	15,956	-	12,691	-	907	-
Other non-current liabilities (Notes 17 and 25)	450	-	450	-	450	-
Total non-current liabilities	140,633	2	335,949	3	362,515	4
Total liabilities	1,906,099	19	2,122,426	20	2,074,876	22
EQUITY (Note 19)						
Share capital						
Ordinary shares	799,760	8	799,760	8	799,760	8
Capital surplus	2,045,485	20	2,045,485	20	2,045,485	21
Retained earnings						
Legal reserve	1,174,342	11	1,092,426	10	1,092,426	12
Special reserve	-	-	-	-	-	-
Unappropriated earnings	4,119,206	40	4,230,467	41	3,839,296	40
Other equity						
Exchange differences on translating foreign operations	247,491	2	63,707	1	(311,961)	(3)
Total equity	8,386,284	81	8,231,845	80	7,465,006	78
TOTAL	$ 10,292,383	100	$ 10,354,271	100	$ 9,539,882	100

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

ALLIED SUPREME CORP. 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 (Note 20)	$ 1,304,540	100	$ 1,312,327	100	$ 2,363,145	100	$ 2,278,177	100
OPERATING COSTS (Notes 9 and 21)	839,817	64	822,061	63	1,528,495	65	1,435,884	63
GROSS PROFIT	464,723	36	490,266	37	834,650	35	842,293	37
OPERATING EXPENSES (Notes 21 and 26)								
Selling and marketing expenses	59,383	5	53,166	4	110,072	5	101,122	5
General and administrative expenses	52,097	4	50,569	4	98,301	4	96,492	4
Research and development expenses	36,620	3	29,961	2	71,377	3	54,092	2
Expected credit loss	17,034	1	3,918	-	44,826	2	6,997	-
Total operating expenses	165,134	13	137,614	10	324,576	14	258,703	11
PROFIT FROM OPERATIONS	299,589	23	352,652	27	510,074	21	583,590	26
NON-OPERATING INCOME AND EXPENSES (Note 21)								
Interest income	17,984	1	9,973	1	34,197	2	21,412	1
Other income	4,018	-	2,656	-	8,197	-	5,242	-
Other gains and losses	(2,655)	-	(72,339)	(6)	4,162	-	(57,689)	(3)
Finance costs	(1,411)	-	(1,331)	-	(2,988)	-	(2,726)	-
Total non-operating income and expenses	17,936	1	(61,041)	(5)	43,568	2	(33,761)	(2)
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	317,525	24	291,611	22	553,642	23	549,829	24
INCOME TAX EXPENSE (Notes 4 and 22)	(68,640)	(5)	(71,403)	(5)	(103,131)	(4)	(121,843)	(5)
NET PROFIT FOR THE PERIOD	248,885	19	220,208	17	450,511	19	427,986	19
OTHER COMPREHENSIVE INCOME								
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations	57,709	5	(429,432)	(33)	183,784	8	(348,621)	(16)
Other comprehensive income (loss) for the period, net of income tax	57,709	5	(429,432)	(33)	183,784	8	(348,621)	(16)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 306,594	24	$ (209,224)	(16)	$ 634,295	27	$ 79,365	3

(Continued)

ALLIED SUPREME CORP. 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	%
EARNINGS PER SHARE (Note 23)								
Basic	$ 3.11		$ 2.75		$ 5.63		$ 5.35	
Diluted	$ 3.11		$ 2.75		$ 5.62		$ 5.33	

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

ALLIED SUPREME CORP. AND SUBSIDIARIES

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

	Share Capital			Retained Earnings			Other Equity	
	Ordinary Shares (In Thousands of Shares)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Total Equity
BALANCE AT JANUARY 1, 2025	79,976	$ 799,760	$ 2,045,485	$ 918,118	$ 75,379	$ 4,469,951	$ 36,660	$ 8,345,353
Appropriation of 2024 earnings								
Legal reserve	-	-	-	174,308	-	(174,308)	-	-
Special reserve	-	-	-	-	(75,379)	75,379	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(959,712)	-	(959,712)
Net profit for the six months ended June 30, 2025	-	-	-	-	-	427,986	-	427,986
Other comprehensive income for the six months ended June 30, 2025, net of income tax	-	-	-	-	-	-	(348,621)	(348,621)
Total comprehensive income for the six months ended June 30, 2025	-	-	-	-	-	427,986	(348,621)	79,365
BALANCE AT JUNE 30, 2025	79,976	$ 799,760	$ 2,045,485	$ 1,092,426	$ -	$ 3,839,296	$ (311,961)	$ 7,465,006
BALANCE AT JANUARY 1, 2026	79,976	$ 799,760	$ 2,045,485	$ 1,092,426	$ -	$ 4,230,467	$ 63,707	$ 8,231,845
Appropriation of 2025 earnings								
Legal reserve	-	-	-	81,916	-	(81,916)	-	-
Special reserve	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(479,856)	-	(479,856)
Net profit for the six months ended June 30, 2026	-	-	-	-	-	450,511	-	450,511
Other comprehensive income for the six months ended June 30, 2026, net of income tax	-	-	-	-	-	-	183,784	183,784
Total comprehensive income for the six months ended June 30, 2026	-	-	-	-	-	450,511	183,784	634,295
BALANCE AT JUNE 30, 2026	79,976	$ 799,760	$ 2,045,485	$ 1,174,342	$ -	$ 4,119,206	$ 247,491	$ 8,386,284

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

ALLIED SUPREME CORP. 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		
Income before income tax	$ 553,642	$ 549,829
Adjustments for:		
Depreciation expenses	100,899	95,248
Amortization expenses	3,970	3,471
Expected credit loss on trade receivables	44,826	6,997
Finance costs	2,988	2,726
Interest income	(34,197)	(21,412)
Loss on disposal of property, plant and equipment	4,531	68
Property, plant and equipment transferred to expenses	1,874	714
Reversal of write-down of inventories	(28,902)	(7,467)
Net unrealized loss (gain) on foreign currency exchange	115,126	(163,752)
Reversal of provisions	(804)	(6,478)
Changes in operating assets and liabilities		
Notes receivable	(56,935)	46,356
Trade receivables	147,500	810,237
Other receivables	(2,687)	569
Inventories	(442,144)	(59,779)
Other current assets	(37,141)	(76,501)
Other non-current assets	(33,724)	-
Trade payables	164,121	102,217
Other payables	(57,745)	(173,643)
Contract liabilities	(19,070)	(39,393)
Other current liabilities	283	(18,134)
Net defined benefit assets	(630)	(614)
Cash generated from operations	425,781	1,051,259
Interest received	41,445	20,922
Interest paid	(3,179)	(2,851)
Income tax paid	(23,175)	(201,370)
Net cash generated from operating activities	440,872	867,960
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(501,301)	(257,593)
Payments for property, plant and equipment	(60,795)	(82,675)
Proceeds from disposal of property, plant and equipment	232	104
Increase in refundable deposits	(4,115)	(899)
Payments for intangible assets	(4,197)	(5,852)
Increase in other financial assets	(15,425)	-
Decrease in other financial assets	-	130,382
Increase in prepayments for equipment and premises	-	(12,294)
Decrease in prepayments for equipment and premises	6,546	-
Net cash used in investing activities	(579,055)	(228,827)

(Continued)

ALLIED SUPREME CORP. 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 FINANCING ACTIVITIES		
Repayments of short-term borrowings	$ (150,000)	$ -
Repayments of long-term borrowings	(238,154)	(51,911)
Repayment of the principal portion of lease liabilities	(8,736)	(3,890)
Dividends paid to owners of the Company	(479,856)	(959,712)
Net cash used in financing activities	(876,746)	(1,015,513)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	54,134	(152,046)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(960,795)	(528,426)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3,227,950	3,529,854
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 2,267,155	$ 3,001,428

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

1. GENERAL INFORMATION

Allied Supreme Corp. (the "Company") was established in the Republic of China (ROC) in 1981. The Company mainly manufactures and sells surface coating treatment of various metals and non-metals, special surface treatment of various machinery and parts, finished and semi-finished products such as fluorinated resin raw material round bars and flat plates.

In September 2020, the Company's shares were listed on the Emerging Stock Board of the Taipei Exchange. In September 2021, the Company's application for listing on the Taiwan Stock Exchange was approved by the Taiwan Stock Exchange Review Committee and submitted to the Financial Supervisory Commission for approval. As of December 2021, the Company's shares have been listed on the Taiwan Stock Exchange.

The consolidated financial statements are presented in the Company's functional currency, the New Taiwan dollar. The Company and its subsidiaries are collectively referred to as the "Group".

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on August 7, 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 FSC

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Company and entities controlled by the Company (collectively, the "Group") accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2027

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 1)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (including the 2025 amendments to IFRS 19)	January 1, 2027
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 2)

Note 1: IFRS 18 will take effect starting from January 1, 2028 for domestic entities. Earlier application is permitted.

Note 2: An entity shall apply the amendments when it applies IFRS 18.

IFRS 18 "Presentation and Disclosure in Financial Statements" and consequential amendments and Amendments to IAS 28 "Amendments to the Fair Value Option for Investments in Associates and Joint Ventures"

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

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

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

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

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

At the date of initial application of IFRS 18, an entity that is a venture capital organization, mutual fund, unit trust or similar entity is permitted to change its election from measuring an investment in an associate or joint venture from the equity method to fair value through profit or loss. The amendments to IAS 28 clarify that aforementioned "similar entity" includes the entity that performs the assessments in accordance with the requirements of IFRS 18 and concludes that it has a main business activity of investing in particular types of assets. If eligible, the Group may apply the transition upon initial application.

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

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

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

The Group is continuously assessing whether to apply IFRS 18 and consequential amendments earlier.

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

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
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 20 "Regulatory Assets and Regulatory Liabilities"	January 1, 2029

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

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

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

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

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

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the 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.

c. Basis of consolidation

Principles for preparing the consolidated financial statements

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

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, 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 Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 10 and Table 4 to the consolidated financial statements 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) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Income tax expense

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimates, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of climate change and related government policies and regulations, inflation and interest rate fluctuations, volatility in energy markets, US reciprocal tariffs, conflicts in the Middle East and related geopolitical developments on the economic environment on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	$ 1,079	$ 1,076	$ 1,062
Checking accounts and demand deposits	1,230,726	1,658,406	1,606,360
Cash equivalents (investments with original maturities of 3 months or less)			
Time deposits	1,035,350	1,568,468	1,394,006
	$ 2,267,155	$ 3,227,950	$ 3,001,428

As of June 30, 2026, December 31, 2025 and June 30, 2025, the market rate intervals of time deposits with original maturities of 3 months or less were 0.30%-1.62%, 0.30%-4.04% and 0.45%-4.51%, respectively.

7. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2026	December 31, 2025	June 30, 2025
Current			
Domestic investments			
Time deposits with original maturities of more than 3 months	$ 1,155,463	$ 478,202	$ 81,820
Negotiable certificates of deposit with original maturities of more than 3 months	-	179,840	163,640
	$ 1,155,463	$ 658,042	$ 245,460

As of June 30, 2026, December 31, 2025 and June 30, 2025, the interest rate of time deposits with original maturities of more than 3 months were 0.72%-3.18%, 0.675%-1.64% and 1.8%, respectively.

As of December 31, 2025 and June 30, 2025, the interest rate of negotiable certificates of deposit with maturities of more than three months was 3.25% per annum.

	June 30, 2026	December 31, 2025	June 30, 2025
Non-current			
Domestic investments			
Time deposits with original maturities of more than 12 months	$ 93,800	$ 89,920	$ -

As of June 30, 2026 and December 31, 2025, the interest rate of time deposit with original maturities of more than 12 months was 2.00%.

8. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable			
At amortized cost			
Gross carrying amount	$ 419,389	$ 362,454	$ 285,079
Less: Allowance for impairment loss	(385)	(350)	(262)
	$ 419,004	$ 362,104	$ 284,817
Trade receivables			
At amortized cost			
Gross carrying amount	$ 1,900,402	$ 2,049,806	$ 1,921,651
Less: Allowance for impairment loss	(29,843)	(16,792)	(16,414)
	$ 1,870,559	$ 2,033,014	$ 1,905,237
Overdue receivables			
Gross carrying amount	$ 44,852	$ 11,128	$ 136
Less: Allowance for impairment loss	(44,852)	(11,128)	(136)
	$ -	$ -	$ -
Other receivables			
Interest receivable	$ 9,331	$ 16,579	$ 14,031
Others	3,508	821	235
	$ 12,839	$ 17,400	$ 14,266

Credit periods are typically provided in the Group's sales agreements. Before accepting any new customer, the Group assesses the potential customer's credit quality and defines its credit limits. Credit limits and scores attributed to customers are reviewed regularly.

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

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default records of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date.

The Group writes off a trade receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation, or when the trade receivables are past due. 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.

The following table details the loss allowance of trade receivables and overdue receivables based on the Group's provision matrix:

June 30, 2026

	Invoice Date 1 to 180 Days	Invoice Date 181 to 270 Days	Invoice Date 271 to 360 Days	Invoice Date 361 to 450 Days	Invoice Date 450 Days or More	Total
Expected credit loss rate	0%-0.1%	0%-0.8%	0%-9%	0%-14%	0%-100%	
Gross carrying amount	$ 1,331,641	$ 91,518	$ 192,505	$ 186,782	$ 142,808	$ 1,945,254
Loss allowance (Lifetime ECLs)	(655)	(629)	(7,726)	(10,588)	(55,097)	(74,695)
Amortized cost	$ 1,330,986	$ 90,889	$ 184,779	$ 176,194	$ 87,711	$ 1,870,559

December 31, 2025

	Invoice Date 1 to 180 Days	Invoice Date 181 to 270 Days	Invoice Date 271 to 360 Days	Invoice Date 361 to 450 Days	Invoice Date 450 Days or More	Total
Expected credit loss rate	0%-0.1%	0%-0.8%	0%-9%	0%-14%	0%-100%	
Gross carrying amount	$ 1,468,155	$ 353,810	$ 92,764	$ 75,906	$ 70,299	$ 2,060,934
Loss allowance (Lifetime ECLs)	(648)	(1,936)	(6,345)	(3,364)	(15,627)	(27,920)
Amortized cost	$ 1,467,507	$ 351,874	$ 86,419	$ 72,542	$ 54,672	$ 2,033,014

June 30, 2025

	Invoice Date 1 to 180 Days	Invoice Date 181 to 270 Days	Invoice Date 271 to 360 Days	Invoice Date 361 to 450 Days	Invoice Date 450 Days or More	Total
Expected credit loss rate	0%-0.1%	0%-0.8%	0%-9%	0%-14%	0%-100%	
Gross carrying amount	$ 1,437,575	$ 270,421	$ 78,459	$ 47,169	$ 88,163	$ 1,921,787
Loss allowance (Lifetime ECLs)	(637)	(1,279)	(5,399)	(5,813)	(3,422)	(16,550)
Amortized cost	$ 1,436,938	$ 269,142	$ 73,060	$ 41,356	$ 84,741	$ 1,905,237

The movements of the loss allowance were as follows:

	For the Six Months Ended June 30, 2026			
	Notes Receivable	Trade Receivables	Overdue Receivables	Total
Balance at January 1	$ 350	$ 16,792	$ 11,128	$ 28,270
Expected credit loss recognized	19	12,129	32,678	44,826
Foreign exchange translation gains and losses	16	922	1,046	1,984
Balance at June 30	$ 385	$ 29,843	$ 44,852	$ 75,080

	For the Six Months Ended June 30, 2025			
	Notes Receivable	Trade Receivables	Overdue Receivables	Total
Balance at January 1	$ 324	$ 10,709	$ 136	$ 11,169
Expected credit (reversed) loss recognized	(37)	7,034	-	6,997
Foreign exchange translation gains and losses	(25)	(1,329)	-	(1,354)
Balance at June 30	$ 262	$ 16,414	$ 136	$ 16,812

Overdue receivables were classified under other assets and provided with allowance for expected credit loss.

9. INVENTORIES

	June 30, 2026	December 31, 2025	June 30, 2025
Raw materials	$ 566,990	$ 444,451	$ 669,144
Semi-finished goods	191,086	173,604	193,681
Work in process	386,439	327,393	475,257
Finished goods	907,625	640,008	450,409
	$ 2,052,140	$ 1,585,456	$ 1,788,491

The cost of inventories recognized as cost of goods sold for the three months ended June 30, 2026 and 2025 and for the six months ended June 30, 2026 and 2025 was as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Cost of inventories sold	$ 860,140	$ 833,941	$ 1,557,397	$ 1,443,351
Inventory write-downs reversed	(20,323)	(11,880)	(28,902)	(7,467)
	$ 839,817	$ 822,061	$ 1,528,495	$ 1,435,884

10. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

			Percentage of Ownership		
Investor	Investee	Nature of Activities	June 30, 2026	December 31, 2025	June 30, 2025
Allied Supreme Corp. ("ASC")	Allied Supreme (Samoa) Corp. ("ASC (Samoa)")	Investment	100.00	100.00	100.00
Allied Supreme (Samoa) Corp.	Allied Supreme (China) Corp. ("ASC (China)")	Investment	100.00	100.00	100.00
Allied Supreme (China) Corp.	Allied Supreme (Jia Xing) Corp. ("ASC (Jia Xing)")	Production of special functional composite materials and products and sales of self-produced products	100.00	100.00	100.00
ASC	Aston Fluorotech Corp. ("AFTC")	Sales of special functional composite materials and products	100.00	100.00	100.00

11. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery Equipment	Other Equipment	Construction-in-progress and Equipment Ready for Inspection	Total
Cost						
Balance at January 1, 2025	$ 259,857	$ 1,245,255	$ 1,013,922	$ 188,090	$ 30,095	$ 2,737,219
Additions	6,460	9,115	20,575	1,570	44,955	82,675
Disposals	-	-	(16,672)	(678)	-	(17,350)
Transferred from prepayments for land and building	58,130	33,261	-	-	-	91,391
Reclassifications	-	3,934	13,158	4,672	(22,478)	(714)
Effect of exchange rate differences	-	(39,025)	(31,198)	(6,824)	(211)	(77,258)
Balance at June 30, 2025	$ 324,447	$ 1,252,540	$ 999,785	$ 186,830	$ 52,361	$ 2,815,963
Accumulated depreciation						
Balance at January 1, 2025	$ -	$ 357,616	$ 586,658	$ 79,925	$ -	$ 1,024,199
Depreciation expense	-	28,685	46,979	13,501	-	89,165
Disposals	-	-	(16,515)	(663)	-	(17,178)
Effect of exchange rate differences	-	(15,572)	(17,097)	(3,240)	-	(35,909)
Balance at June 30, 2025	$ -	$ 370,729	$ 600,025	$ 89,523	$ -	$ 1,060,277
Carrying amount at June 30, 2025	$ 324,447	$ 881,811	$ 399,760	$ 97,307	$ 52,361	$ 1,755,686
Cost						
Balance at January 1, 2026	$ 324,447	$ 1,294,021	$ 1,071,992	$ 210,527	$ 87,107	$ 2,988,094
Additions	-	564	15,613	1,466	43,152	60,795
Disposals	-	-	(49,473)	(3,776)	-	(53,249)
Reclassifications	-	6,889	29,935	26,712	(65,410)	(1,874)
Effect of exchange rate differences	-	19,563	16,236	3,474	145	39,418
Balance at June 30, 2026	$ 324,447	$ 1,321,037	$ 1,084,303	$ 238,403	$ 64,994	$ 3,033,184
Accumulated depreciation						
Balance at January 1, 2026	$ -	$ 416,741	$ 666,319	$ 104,846	$ -	$ 1,187,906
Depreciation expense	-	29,666	48,477	13,020	-	91,163
Disposals	-	-	(44,720)	(3,766)	-	(48,486)
Effect of exchange rate differences	-	8,567	8,797	1,918	-	19,282
Balance at June 30, 2026	$ -	$ 454,974	$ 678,873	$ 116,018	$ -	$ 1,249,865
Carrying amount at January 1, 2026	$ 324,447	$ 877,280	$ 405,673	$ 105,681	$ 87,107	$ 1,800,188
Carrying amount at June 30, 2026	$ 324,447	$ 866,063	$ 405,430	$ 122,385	$ 64,994	$ 1,783,319

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	30-56 years
Building accessory equipment	2-11 years
Machinery equipment	2-11 years
Other equipment	2-20 years

Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 27 to the consolidated financial statements.

12. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amount			
Land	$ 79,143	$ 65,863	$ 46,513
Buildings	2,426	94	283
Transportation equipment	2,142	2,441	2,092
	$ 83,711	$ 68,398	$ 48,888

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Addition to right-of-use assets	$ 1,405	$ -	$ 22,904	$ -
Depreciation charge for right-of-use assets				
Land	$ 4,463	$ 1,796	$ 8,920	$ 5,529
Buildings	231	94	439	188
Transportation equipment	190	179	377	366
	$ 4,884	$ 2,069	$ 9,736	$ 6,083

b. Lease liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amount			
Current	$ 17,702	$ 6,751	$ 2,646
Non-current	$ 15,956	$ 12,691	$ 907

Range of discount rate for lease liabilities was as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Land	1.375%	1.375%	1%-1.375%
Buildings	1.375%	1.25%	1.25%
Transportation equipment	1.375%-4.23%	1.375%-4.23%	1%-4.23%

c. Material leasing activities and terms

The Group leases plants, offices, dormitories and company vehicles under leases with terms of 2 to 5 years. Prepayments for land use rights in China are recognized as right-of-use assets - land. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Expenses relating to short-term leases	$ 647	$ 669	$ 1,384	$ 1,088
Total cash outflow for leases	$ (5,161)	$ (2,398)	$ (10,387)	$ (5,026)

The Group leases certain assets under short-term leases and leases of low-value assets. The Group has elected to apply the recognition exemptions and, therefore, does not recognize right-of-use assets or lease liabilities for these leases.

13. INTANGIBLE ASSETS

	Computer Software	Patent	Total
Cost			
Balance at January 1, 2025	$ 49,361	$ 2,000	$ 51,361
Additions	5,852	-	5,852
Effect of foreign currency exchange differences	(2,685)	-	(2,685)
Balance at June 30, 2025	$ 52,528	$ 2,000	$ 54,528
Accumulated amortization and impairment			
Balance at January 1, 2025	$ 40,341	$ 2,000	$ 42,341
Amortization expense	3,471	-	3,471
Effect of foreign currency exchange differences	(2,236)	-	(2,236)
Balance at June 30, 2025	$ 41,576	$ 2,000	$ 43,576
Carrying amount at June 30, 2025	$ 10,952	$ -	$ 10,952
Cost			
Balance at January 1, 2026	$ 57,053	$ 2,000	$ 59,053
Additions	4,197	-	4,197
Disposals	(4,418)	-	(4,418)
Effect of foreign currency exchange differences	1,305	-	1,305
Balance at June 30, 2026	$ 58,137	$ 2,000	$ 60,137

(Continued)

	Computer Software	Patent	Total
Accumulated amortization and impairment			
Balance at January 1, 2026	$ 46,503	$ 2,000	$ 48,503
Amortization expense	3,970	-	3,970
Disposals	(4,418)	-	(4,418)
Effect of foreign currency exchange differences	1,079	-	1,079
Balance at June 30, 2026	$ 47,134	$ 2,000	$ 49,134
Carrying amount at January 1, 2026	$ 10,550	$ -	$ 10,550
Carrying amount at June 30, 2026	$ 11,003	$ -	$ 11,003

(Concluded)

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

Software	1-5 years
Patent	3-5 years

14. OTHER ASSETS

	June 30, 2026	December 31, 2025	June 30, 2025
Current			
Other financial assets (Note 27)			
Secured deposits (Note)	$ 331,788	$ 313,387	$ 157,034
Other current assets			
Prepayments	$ 110,966	$ 75,700	$ 214,120
Refundable deposits	490	941	4,196
Others	4,420	2,545	2,847
	$ 115,876	$ 79,186	$ 221,163
Non-current			
Other financial assets (Note 27)			
Secured deposits (Note)	$ -	$ 2,976	$ 11,292
Other non-current assets			
Refundable deposits	$ 23,413	$ 18,847	$ 16,408
Prepayments for equipment	7,680	14,226	23,298
Overdue receivables	44,852	11,128	136
Allowance for impairment loss - overdue receivables	(44,852)	(11,128)	(136)
	$ 31,093	$ 33,073	$ 39,706

Note: The secured deposits were pledged as collateral for bank borrowings, usance letters of credit and quality guarantees. The ranges of weighted average effective interest rates on secured deposits were 0.05%-1.70%, 0.675%-1.70% and 0.10%-2.31% as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively.

15. BORROWINGS

Short-term Borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured borrowings			
Line of credit borrowings	$ -	$ 150,000	$ -

The interest rate on the revolving bank loan was 2.20% as of December 31, 2025.

Long-term Borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Secured borrowings (Note 27)			
Mega Bank (a)	$ -	$ 216,620	$ 236,930
Fubon Bank (b)	75,369	96,903	118,437
	75,369	313,523	355,367
Unsecured borrowings			
Fubon Bank (c)	-	-	20,833
Less: Current portion of long-term borrowings	(43,068)	(83,688)	(104,521)
	$ 32,301	$ 229,835	$ 271,679

a. As of December 31, 2025 and June 30, 2025, the weighted average effective interest rate of the bank borrowings secured by the Group's freehold land and buildings (see Note 27 to the consolidated financial statements) was 1.375% per annum.

b. As of June 30, 2026, December 31, 2025 and June 30, 2025, the weighted average effective interest rate of the bank borrowings secured by the Group's owned plant and equipment (see Note 27 to the consolidated financial statements) was 1.263% per annum.

c. As of June 30, 2025, the weighted average effective interest rate of the bank unsecured borrowings was 1.263% per annum.

Repayment and interest payment methods:

Name	Period	Repayment and Interest Payment Methods
Mega Bank (a)	2021.05-2031.05	Interest is paid monthly. Principal is payable in equal monthly amounts from the 37th month from the date of the loan.
Fubon Bank (b)	2023.03-2028.03	Interest is paid monthly. Principal is payable in equal monthly amounts from the 25th month from the date of the loan.
Fubon Bank (c)	2020.12-2025.12	Interest is paid monthly. Principal is payable in equal monthly amounts from the 25th month from the date of the loan.

16. TRADE PAYABLES

	June 30, 2026	December 31, 2025	June 30, 2025
Trade payables			
Operating	$ 775,082	$ 611,537	$ 580,027

17. OTHER LIABILITIES

	June 30, 2026	December 31, 2025	June 30, 2025
Current			
Other payables			
Payables for salaries	$ 130,355	$ 176,033	$ 122,523
Business taxes payable	50,163	75,292	73,434
Payables for equipment	33,055	24,168	18,164
Others	169,463	165,479	146,883
	$ 383,036	$ 440,972	$ 361,004
Other liabilities			
Others	$ 2,312	$ 2,029	$ 1,713
Non-current			
Guarantee deposits received	$ 450	$ 450	$ 450

18. PROVISIONS

	June 30, 2026	December 31, 2025	June 30, 2025
Current			
Warranties	$ 23,396	$ 23,939	$ 13,266

	Warranties
Balance at January 1, 2025	$ 19,833
Reversal of unused balance	(6,478)
Effects of foreign currency exchange differences	(89)
Balance at June 30, 2025	$ 13,266
Balance at January 1, 2026	$ 23,939
Reversal of unused balance	(804)
Effects of foreign currency exchange differences	261
Balance at June 30, 2026	$ 23,396

The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under the legislation on the local sale of goods. The estimate had been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

19. EQUITY

a. Share capital

Ordinary shares

	June 30, 2026	December 31, 2025	June 30, 2025
Shares authorized (in thousands of shares)	168,000	168,000	168,000
Shares authorized, par value of $10	$ 1,680,000	$ 1,680,000	$ 1,680,000
Shares issued and fully paid (in thousands of shares)	79,976	79,976	79,976
Shares issued and fully paid	$ 799,760	$ 799,760	$ 799,760

b. Capital surplus

	June 30, 2026	December 31, 2025	June 30, 2025
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*			
Issuance of ordinary shares	$ 2,042,900	$ 2,042,900	$ 2,042,900
May only be used to offset deficits			
Exercise of disgorgement	2,380	2,380	2,380
Expired employee share options	205	205	205
	$ 2,045,485	$ 2,045,485	$ 2,045,485

* Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the 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 legal reserve 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 at the shareholders' meeting for the distribution of dividends and bonuses to shareholders. The aforementioned distribution of dividends and bonuses from the legal reserve or capital surplus shall be authorized by the board of directors in its meeting attended by at least two-thirds of all directors and resolved by more than half of the directors present and reported to the shareholders in their meeting.

The Company's dividend policy takes into consideration the industry and investment environments, funding requirements, profitability, capital structure, and future operating needs. The policy also seeks to protect shareholders' interests, maintain a balance in dividend distributions, and support the Company's long-term financial plans. Each year, the Company shall distribute no less than 10% of its distributable earnings as dividends to shareholders. However, no distribution may be made if the dividend distributable per share is less than $0.1. Dividends may be distributed in the form of cash or shares, provided that cash dividends shall account for no less than 30% of the total dividends distributed.

For the rules on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note 21-g to the consolidated financial statements.

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

The Company shall set aside from or reverse to unappropriated earnings amounts of special reserve for the net amount of other equity deductions accumulated in prior periods.

The appropriations of earnings and dividends per share for 2025 and 2024 were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2025	2024
Legal reserve	$ 81,916	$ 174,308
(Reserved of) special reserve	$ -	$ (75,379)
Cash dividends	$ 479,856	$ 959,712
Dividends per share (NT$)	$ 6	$ 12

The cash dividend distributions from the 2025 and 2024 earnings described above were approved by the Company's board of directors on March 9, 2026 and March 7, 2025, respectively. The remaining appropriations of earnings were approved at the shareholders' meetings held on June 2, 2026 and May 29, 2025, respectively.

d. Other equity

Exchange differences on translating foreign operations

	For the Six Months Ended June 30	
	2026	2025
Balance at January 1	$ 63,707	$ 36,660
Exchange differences on the translation of the financial statements of foreign operations	183,784	(348,621)
Balance at June 30	$ 247,491	$ (311,961)

20. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Revenue from the sale of goods	$ 1,234,491	$ 1,191,432	$ 2,266,246	$ 2,084,984
Revenue from the rendering of services	70,049	120,895	96,899	193,193
	$ 1,304,540	$ 1,312,327	$ 2,363,145	$ 2,278,177

Contract Balances

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Notes and trade receivables (Note 8)	$ 2,289,563	$ 2,395,118	$ 2,190,054	$ 3,054,873
Contract liabilities - current				
Revenue from the sale of goods and rendering of services	$ 411,553	$ 430,623	$ 497,036	$ 536,429

Revenue in the current year that was recognized from the contract liability balance at the beginning of the year and from the performance obligations satisfied in the previous periods was summarized as follows:

	For the Six Months Ended June 30	
	2026	2025
From contract liabilities at the start of the year		
Sale of goods	$ 97,515	$ 204,470

21. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Bank deposits	$ 17,984	$ 9,973	$ 34,197	$ 21,412

b. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Others	$ 4,018	$ 2,656	$ 8,197	$ 5,242

c. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Loss on disposal of property, plant and equipment	$ (2,129)	$ (54)	$ (4,531)	$ (68)
Net foreign exchange (losses) gain	(28)	(72,189)	9,291	(57,226)
Others	(498)	(96)	(598)	(395)
	$ (2,655)	$ (72,339)	$ 4,162	$ (57,689)

d. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Interest on bank loans	$ 1,283	$ 1,310	$ 2,721	$ 2,678
Interest on lease liabilities	128	21	267	48
	$ 1,411	$ 1,331	$ 2,988	$ 2,726

e. 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	$ 45,206	$ 44,144	$ 91,163	$ 89,165
Right-of-use assets	4,884	2,069	9,736	6,083
Intangible assets	2,074	1,713	3,970	3,471
	$ 52,164	$ 47,926	$ 104,869	$ 98,719
An analysis of depreciation by function				
Operating costs	$ 40,004	$ 37,166	$ 80,980	$ 75,514
Operating expenses	10,086	9,047	19,919	19,734
	$ 50,090	$ 46,213	$ 100,899	$ 95,248
An analysis of amortization by function				
Operating costs	$ 400	$ 261	$ 789	$ 404
Operating expenses	1,674	1,452	3,181	3,067
	$ 2,074	$ 1,713	$ 3,970	$ 3,471

f. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Post-employment benefits				
Defined contribution plans	$ 9,164	$ 9,574	$ 17,101	$ 20,782
Defined benefit plans	(36)	-	(71)	10
	9,128	9,574	17,030	20,792
Other employee benefits	216,399	192,158	402,957	382,198
Total employee benefits expense	$ 225,527	$ 201,732	$ 419,987	$ 402,990
An analysis of employee benefits expense by function				
Operating costs	$ 143,561	$ 121,548	$ 261,697	$ 243,355
Operating expenses	81,966	80,184	158,290	159,635
	$ 225,527	$ 201,732	$ 419,987	$ 402,990

g. Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at rates of 5%-10% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company approved amendments to the Company's Articles of Incorporation at the 2025 annual shareholders' meeting. The amendments explicitly stipulate the allocation of no less than 1% of net profit before income tax, compensation of employees, and remuneration of directors as compensation distributions for non-executive employees. The compensation of employees and remuneration of directors for the three months ended June 30, 2026 and 2025 and for the six months ended June 30, 2026 and 2025 were as follows:

Accrual rate

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Compensation of employees	6.00%	6.25%	5.96%	6.06%
Remuneration of directors	1.55%	1.61%	1.54%	1.57%

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Compensation of employees	$ 19,408	$ 18,255	$ 34,007	$ 33,964
Remuneration of directors	$ 5,014	$ 4,716	$ 8,785	$ 8,774

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

The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024 which have been approved by the Company's board of directors on March 9, 2026 and March 7, 2025, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2025	2024
Compensation of employees	5.97%	6.00%
Remuneration of directors	1.54%	1.55%

Amount

	For the Year Ended December 31			
	2025		2024	
	Cash	Share	Cash	Share
Compensation of employees	$ 60,637	$ -	$ 131,005	$ -
Remuneration of directors	15,664	-	33,843	-

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2025 and 2024.

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

h. Gains or losses on foreign currency exchange

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Foreign exchange gains	$ 5,009	$ 3,006	$ 21,407	$ 19,796
Foreign exchange losses	(5,037)	(75,195)	(12,116)	(77,022)
	$ (28)	$ (72,189)	$ 9,291	$ (57,226)

22. INCOME TAXES RELATED TO CONTINUING OPERATIONS

a. Major components of tax expense recognized in profit or loss

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Current tax				
In respect of the current year	$ 54,407	$ 48,654	$ 102,754	$ 98,529
Income tax on unappropriated earnings	12,869	34,222	12,869	34,222
Adjustments from previous fiscal year	(1,654)	(3,183)	(17,874)	(3,183)
Deferred tax				
In respect of the current year	3,018	(8,290)	5,382	(7,725)
Income tax expense recognized in profit or loss	$ 68,640	$ 71,403	$ 103,131	$ 121,843

b. Income tax assessments

The Company's income tax filings for fiscal years up to and including 2024 have been assessed by the tax authorities.

23. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Basic earnings per share	$ 3.11	$ 2.75	$ 5.63	$ 5.35
Diluted earnings per share	$ 3.11	$ 2.75	$ 5.62	$ 5.33

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

Net Profit for the Year

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Net profits attributable to the owners of the Company	$ 248,885	$ 220,208	$ 450,511	$ 427,986

Weighted Average Number of Ordinary Shares Outstanding

Unit: In Thousands of Shares

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Weighted average number of ordinary shares used in the computation of basic earnings per share	79,976	79,976	79,976	79,976
Effect of potentially dilutive ordinary shares:				
Employee compensation	159	135	256	262
Weighted average number of ordinary shares used in the computation of diluted earnings per share	80,135	80,111	80,232	80,238

The Group may settle compensation of employees by cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be 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.

24. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising issued capital, reserves, retained earnings and other equity).

The Group is not subject to any externally imposed capital requirements.

25. FINANCIAL INSTRUMENTS

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

Except the financial instruments measured at fair value, management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements which are not measured at fair value approximate their fair values.

b. Categories of financial instruments

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets			
Financial assets at amortized cost (1)	$ 6,150,608	$ 6,704,793	$ 5,619,534
Financial liabilities			
Amortized cost (2)	1,233,937	1,516,482	1,317,681

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable and trade receivables, other receivables, financial assets at amortized cost, and other financial assets.

2) The balances include financial liabilities measured at amortized cost, which comprise trade payables, other payables, the current portion of long-term borrowings, long-term borrowings, and guarantee deposits received.

c. Financial risk management objectives and policies

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

1) Market risk

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

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

a) Foreign currency risk

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

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities are set out in Note 29 to the consolidated financial statements.

Sensitivity analysis

The Group is mainly exposed to the U.S. dollar and the Chinese Yuan.

The following table details the Group's sensitivity to a 5% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 5%. A positive (negative) number indicates an increase (decrease) in pre-tax profit associated with the New Taiwan dollar weakening (strengthening) 5% against the relevant foreign currencies. Conversely, there would be an equal and opposite impact on pre-tax profit for a 5% strengthening (weakening) of the New Taiwan dollar against the relevant foreign currencies.

	USD Impact		RMB Impact	
	For the Six Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Profit or loss	$ 1,639	$ 11,210	$ 4,626	$ 2,738

Note: This was mainly attributable to the exposure on outstanding USD and RMB bank deposits and receivables which were not hedged at the end of the reporting period.

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at floating interest rates. The risk is managed by the Group based on management's knowledge and insight obtained from the financial markets to maintain an appropriate mix of fixed and floating rate borrowings.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Cash flow interest rate risk	$ 75,369	$ 463,523	$ 376,200

The Group was also exposed to cash flow interest rate risk in relation to variable-rate bank borrowings.

Sensitivity analysis

The sensitivity analysis below was based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease was 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 100 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the six months ended June 30, 2026 and 2025 would decrease/increase by $377 thousand and $1,881 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk (without consideration of the collateral held as security or other credit enhancements, and irrevocable maximum exposure amounts), which would cause a financial loss to the Group due to the failure of counterparties to discharge an obligation and financial guarantees provided by the Group, could arise from the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts.

The Group's largest customer, Group A, accounted for 22%, 24% and 23% of total trade receivables as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively.

3) Liquidity risk

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

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

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

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.

June 30, 2026

	Less than 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 1,158,568	$ -	$ -	$ -	$ 1,158,568
Variable interest rate liabilities	43,068	32,301	-	-	75,369
	$ 1,201,636	$ 32,301	$ -	$ -	$ 1,233,937

December 31, 2025

	Less than 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 1,052,959	$ -	$ -	$ -	$ 1,052,959
Variable interest rate liabilities	233,688	83,688	132,627	13,520	463,523
	$ 1,286,647	$ 83,688	$ 132,627	$ 13,520	$ 1,516,482

June 30, 2025

	Less than 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 941,481	$ -	$ -	$ -	$ 941,481
Variable interest rate liabilities	104,521	83,688	154,161	33,830	376,200
	$ 1,046,002	$ 83,688	$ 154,161	$ 33,830	$ 1,317,681

The amounts of floating rate instruments for the above non-derivative financial assets and liabilities will vary due to the difference between the floating rate and the rate estimated at the balance sheet date.

b) Financing facilities

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured bank loan facilities:			
Amount used	$ -	$ 150,000	$ 20,833
Letter of guarantee used	4,840	37,548	98,597
Amount unused	1,234,035	1,323,177	1,254,620
	$ 1,238,875	$ 1,510,725	$ 1,374,050
Secured bank loan facilities:			
Amount used	$ 75,369	$ 313,523	$ 355,367
Letter of guarantee used	158	-	11,625
Amount unused	620,192	492,440	665,078
	$ 695,719	$ 805,963	$ 1,032,070

d. Transfers of financial assets

The Group entered into a non-recourse factoring agreement with its customers and Agricultural Bank of China, Industrial and Commercial Bank of China and China Construction Bank Corporation. Under the agreement, the Group applied for the transfer of accounts receivable through the cooperative platform of the Agricultural Bank of China, Industrial and Commercial Bank of China and China Construction Bank Corporation within the factoring facility provided by the bank, respectively. Within this facility, any losses arising from commercial disputes (such as sales returns or allowances) are borne by the Group, while losses arising from credit risk are borne by the bank. As such, the transfer of accounts receivable qualifies as a non-recourse transaction. Upon the transfer of accounts receivable, the Group receives the full amount of the transferred receivables. The transaction-related service fees and factoring financing interest are borne by the customers. Since the Group has transferred substantially all risks and rewards associated with the ownership of these accounts receivable and has no continuing involvement, the transfer meets the criteria for derecognition of financial assets.

As of June 30, 2026, December 31, 2025 and June 30, 2025, the relevant information for the transfer of outstanding trade receivables that had not yet matured were as follows:

June 30, 2026

Counterparty	Receivables Factoring Proceeds	Written-off Amount (Received)	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)
Agricultural Bank of China	$ 19,430	$ 19,430	$ -	$ 19,430	2.88 (Customer to bear)
Industrial and Commercial Bank of China	9,380	9,380	-	9,380	3.00 (Customer to bear)
China Construction Bank Corporation	4,690	4,690	-	4,690	2.90 (Customer to bear)
	$ 33,500	$ 33,500	$ -	$ 33,500	

December 31, 2025

Counterparty	Receivables Factoring Proceeds	Written-off Amount (Received)	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)
Industrial and Commercial Bank of China	$ 33,001	$ 33,001	$ -	$ 33,001	3.10 (Customer to bear)
Agricultural Bank of China	21,194	21,194	-	21,194	2.70 (Customer to bear)
	$ 54,195	$ 54,195	$ -	$ 54,195	

June 30, 2025

Counterparty	Receivables Factoring Proceeds	Written-off Amount (Received)	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)
Agricultural Bank of China	$ 23,746	$ 23,746	$ -	$ 23,746	3.09 (Customer to bear)
Industrial and Commercial Bank of China	33,566	33,566	-	33,566	3.30 (Customer to bear)
Agricultural Bank of China	10,518	10,518	-	10,518	2.70 (Customer to bear)
	$ 67,830	$ 67,830	$ -	$ 67,830	

The Group transferred a portion of its banker's acceptance bills in mainland China to some of its suppliers in order to settle the trade payables to these suppliers. As the Group had transferred substantially all risks and rewards relating to these bills receivable, it derecognized the full carrying amount of the bills receivable and the associated trade payables. However, if the derecognized bills receivable are not paid at maturity, the suppliers have the right to request the Group to pay the unsettled balance; therefore, the Group still has continuing involvement in these bills receivable.

The maximum exposure to loss from the Group's continuing involvement in the derecognized bills receivable is equal to the face values of the transferred but unsettled bills receivable, and as of June 30, 2026, December 31, 2025 and June 30, 2025, the face values of these unsettled bills receivable were $166,996 thousand, $24,298 thousand and $91,766 thousand, respectively. The unsettled bills receivable will mature within 1 to 6 months after the respective reporting dates. Taking into consideration the credit risk of these derecognized bills receivable, the Group estimates that the fair values of its continuing involvement are not significant.

During the six months ended June 30, 2026 and 2025, the Group did not recognize gains or losses upon the transfer of the banker's acceptance bills. No gains or losses arising from the continuing involvement were recognized, either during the period or cumulatively.

26. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, 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 Group and other related parties are disclosed below.

Remuneration of Key Management Personnel

The amounts of the remuneration of directors and key management personnel for the three months ended June 30, 2026 and 2025 and for the six months ended June 30, 2026 and 2025 were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Short-term employee benefits	$ 15,470	$ 15,052	$ 32,095	$ 32,297

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

27. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were pledged as collateral for bank borrowings and as security for usance letters of credit and quality guarantees:

	June 30, 2026	December 31, 2025	June 30, 2025	Object
Land	$ 61,436	$ 61,436	$ 61,436	Bank borrowings
Real estate and construction	271,818	274,959	277,855	Bank borrowings
Machinery and other equipment	52,417	62,108	73,304	Bank borrowings
Time deposits (other financial assets - current)	331,788	313,387	157,034	Bank borrowings, usance letters of credit and quality guarantees
Time deposits (other financial assets - non-current)	-	2,976	11,292	Quality guarantees
	$ 717,459	$ 714,866	$ 580,921	

28. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those items which have been disclosed in other notes, the significant contingent liabilities and unrecognized contract commitments of the Group as of June 30, 2026 were as follows:

a. The Group issued promissory notes totaling NT$82,833 thousand as guarantees for contract performance.

b. Taishin Bank has issued guarantee letters amounting to NT$4,840 thousand in respect of the Group's contract performance advances and warranty obligations.

c. Mega International Commercial Bank issued guarantee letters amounting to US$5 thousand in respect of the Group's contract performance and warranty obligations.

d. China Construction Bank (Asia) Corporation Limited issued guarantee letters amounting to RMB7,405 thousand in respect of the Group's contract performance and warranty obligations.

e. In February 2026, Aston Fluorotech Corp. ("AFTC"), a subsidiary of the Group, received notification that Barnum Mechanical, Inc. ("BMI"), a subcontractor of the Arizona chemical plant project, had filed a claim with the Pinal County Superior Court of Arizona against the Company, AFTC, and the project owner. The claim relates to a dispute concerning alleged additional costs incurred by BMI in connection with the project. BMI is seeking approximately US$2,990 thousand, together with related attorneys' fees and litigation costs. Based on the assessment of external legal counsel, the maximum potential exposure of the Group, including estimated legal expenses, is approximately US$3,500 thousand. As of the date of approval of these consolidated financial statements, the case remains at a preliminary stage. At present, the parties are still engaged in procedural matters and the submission of their respective pleadings. The proceedings have not yet advanced to the stages of discovery or substantive adjudication. According to the legal counsel engaged by AFTC, due to the complexity of the documentary evidence involved and the requirement for engineering experts to assess project delays and additional costs, it is currently not practicable to determine the likely outcome of the litigation or to reliably estimate the potential financial effect, if any, arising from this matter.

29. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

June 30, 2026

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 5,723	31.85	$ 182,278
RMB	19,729	4.69	92,529
Financial liabilities			
Monetary items			
USD	4,694	31.85	149,504

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 11,334	31.43	$ 356,228
RMB	22,772	4.496	102,383
Financial liabilities			
Monetary items			
USD	4,201	31.43	132,037

June 30, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 9,747	29.300	$ 285,587
RMB	13,384	4.091	54,754
Financial liabilities			
Monetary items			
USD	2,095	29.300	61,384

For the three months ended June 30, 2026 and 2025, realized and unrealized net foreign exchange (losses) gains were $(28) thousand and $(72,189) thousand, respectively; for the six months ended June 30, 2026 and 2025, realized and unrealized net foreign exchange (losses) gains were $9,291 thousand and $(57,226) thousand, respectively. It is impractical to disclose net foreign exchange losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the Group.

30. SEGMENT INFORMATION

Segment Revenue and Results

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

	For the Six Months Ended June 30, 2026				
	China	Taiwan	America	Adjustments and Eliminations	Total
Revenue from external customers	$ 953,410	$ 1,359,655	$ 50,080	$ -	$ 2,363,145
Inter-segment revenue	24,128	208,702	-	(232,830)	-
	$ 977,538	$ 1,568,357	$ 50,080	$ (232,830)	$ 2,363,145
Segment profit (loss)	$ 153,155	$ 527,792	$ 10,416	$ (137,721)	$ 553,642
Segment assets	$ 5,089,787	$ 9,713,585	$ 206,520	$ (4,717,509)	$ 10,292,383

	For the Six Months Ended June 30, 2025				
	China	Taiwan	America	Adjustments and Eliminations	Total
Revenue from external customers	$ 1,108,476	$ 1,100,057	$ 69,644	$ -	$ 2,278,177
Inter-segment revenue	2,385	232,995	-	(235,380)	-
	$ 1,110,861	$ 1,333,052	$ 69,644	$ (235,380)	$ 2,278,177
Segment profit (loss)	$ 269,472	$ 517,630	$ 21,825	$ (259,098)	$ 549,829
Segment assets	$ 4,082,575	$ 8,624,454	$ 616,524	$ (3,783,671)	$ 9,539,882

Note: The Group operates in three principal geographical areas - China, Taiwan and America.

31. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

1) Financing provided to others: None.

2) Endorsements/guarantees provided: Table 1.

3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures): None.

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: None.

6) Intercompany relationships and significant intercompany transactions: Table 3.

b. Information on investees: Tables 4-5.

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 of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 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: Table 7.

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

c) The amount of property transactions and the amount of the resultant gains or losses.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

ALLIED SUPREME CORP. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
JUNE 30, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	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
		Name	Relationship											
0	Allied Supreme Corp.	Allied Supreme (Jia Xing) Corp.	2	The limit is 20% of the net value of the financing company based on the latest audited financial statements.	$ 70,350 (RMB 15,000)	$ 70,350 (RMB 15,000) (Note B)	$ -	$ -	0.84	Note A	Y	N	Y	

Note A: Aggregate endorsement/guarantee limit is 40% of the net value of the financing company = $8,386,284 thousand x 40% = $3,354,514 thousand.

Note B: Outstanding endorsement/guarantee at the end of the period was based on the average buy/sell closing exchange rate on June 30, 2026.

TABLE 2

ALLIED SUPREME CORP. 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	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Allied Supreme Corp.	Allied Supreme (Jia Xing) Corp.	Third-tier subsidiary	Sale	$ (204,696)	(13)	Note	Note	Note	Accounts receivable $ 47,267	6	

Note: The transactions are as follows:

Sale of goods

Allied Supreme (Jia Xing) Corp.: The terms of the transaction refer to the market price, while the collection period is 30 days.

TABLE 3

ALLIED SUPREME CORP. AND SUBSIDIARIES

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

No. (Note A)	Investee Company	Counterparty	Relationship (Note B)	Transaction Details			% of Total Sales or Assets (Note C)
				Financial Statement Account	Amount	Payment Terms	
	For the six months ended June 30, 2026						
0	Allied Supreme Corp.	Allied Supreme (Jia Xing) Corp.	1	Sales	$ 204,696	Note D	9
0	Allied Supreme Corp.	Allied Supreme (Jia Xing) Corp.	1	Cost of goods sold	24,128	Note D	1

Note A: The intercompany transactions between each company are identified and numbered as follows:

1. Parent company: 0.
2. Subsidiaries are numbered starting from 1.

Note B: The types of transactions between related parties are as follows:

1. From parent company to subsidiary.
2. From subsidiary to parent company.
3. Between subsidiaries.

Note C: The percentage to total assets or sales is the ratio of the ending balance to consolidated assets or the cumulative income amount to consolidated revenue.

Note D: The terms of transactions between the parent company and its subsidiary were as follows:

1. Purchase of goods

   Allied Supreme (Jia Xing) Corp.: The terms of the transaction refer to the market price, while the payment term is 75 days after shipment.

2. Sale of goods

   Allied Supreme (Jia Xing) Corp.: The terms of the transaction refer to the market price, while the collection period is 30 days.

ALLIED SUPREME CORP. 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			
Allied Supreme Corp.	Allied Supreme (Samoa) Corp.	Samoa	Investment	$ 373,284	$ 373,284	11,750,000	100	$ 4,414,565	$ 129,642	$ 129,334	Subsidiary
	Aston Fluorotech Corp.	U.S.A.	Trading of special functional composite materials and products	18,537	18,537	600,000	100	182,989	8,079	8,079	Subsidiary
Allied Supreme (Samoa) Corp.	Allied Supreme (China) Corp.	Samoa	Investment	373,284	373,284	11,750,000	100	4,414,143	128,623		Second-tier subsidiary

ALLIED SUPREME CORP. 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	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Allied Supreme (Jia Xing) Corp.	Allied Supreme Corp.	Ultimate parent entity	Purchase	$ 204,696	27	Note	Note	Note	Trade payable $ (47,267)	(19)	

Note: Refer to Table 2.

ALLIED SUPREME CORP. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars, In Thousands of Foreign Currencies)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026	Investment Flows		Accumulated Outward Remittance for Investments from Taiwan as of June 30, 2026	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of June 30, 2026	Accumulated Repatriation of Investment Income as of June 30, 2026
					Outflow	Inflow						
Allied Supreme (Jia Xing) Corp.	Manufacturing of special functional composite materials and products	$ 604,005 (US$ 20,000)	Note	$ 373,284 (US$ 11,750)	$ -	$ -	$ 373,284 (US$ 11,750)	$ 129,772	100	$ 129,464	$ 4,410,329	$ -

Accumulated Outward Remittance for Investments in Mainland China as of June 30, 2026	Investment Amounts Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
$373,284 (US$11,750)	$604,005 (US$20,000)	$5,031,770

Note: Parent company: Allied Supreme Corp.; subsidiary: Allied Supreme (Samoa) Corp.; second-tier subsidiary: Allied Supreme (China) Corp.; third-tier subsidiary: Allied Supreme (Jia Xing) Corp.

TABLE 7

ALLIED SUPREME CORP. AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company in Mainland China	Transaction Type	Amount	Transaction Details			Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss
			Price	Payment Terms	Comparison with Normal Transactions	Ending Balance	%	
Allied Supreme (Jia Xing) Corp.	Purchases of goods	$ 204,696	Note	Note	Note	Trade payable $ (47,267)	(19)	$ 28,573

Note: The payment term is 30 days and the collection term is 75 days after shipment, according to the specifications set by both parties.