DAXIN

Daxin Materials Corporation

Investor Conference

2026.08.14

A Materials Design House and More

Disclaimer

- This presentation contains forward-looking statements based on information currently available to the Company. Actual results may differ materially from those contained in the forward-looking statements due to significant risks and uncertainties.

- The outlook presented herein is based on the Company's current expectations and projections about future events. Except as required by law, the Company undertakes no obligation to update or revise any forward-looking statement.

Agenda

- Company Profile
- Operating Result
- Outlook

Company Profile

Company Profile

Foundation	July 12th, 2006 (JV of AUO & Eternal Chemical)
Paid-in capital	1,027 million NTD
Employees	450 (until July, 2026) R&D >50%
IPO on TAIEX	July 16th, 2012 (Code：5234)
Revenue	Y2025：4,630 million NTD
Major products	Semiconductor Materials Display Materials Key Raw Materials Other Specialty Chemicals

Major Products

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Semiconductor materials

- Functions: Direct materials and indirect materials for wafer fabrication and packaging processes.
- Products: Organic release layer、Photoresist Stripper、High-Purity Solvents、High-Resolution Etchants、Protection materials for specialty processes

Display materials

- Functions: Direct materials and indirect materials of processes for LCD array, cell and color filter.
- Products: Photo Resists、Alignment layer、Cu Etchant、Optical Clear Resin、Photo Overcoat、Wet Chemicals

Key raw materials

- Functions: Upstream key raw materials for display, green energy industries, chemical-related application industries.
- Products: Functional Monomer、Monoacrylate、Silicon based anode materials of lithium ion batteries

Operation Results

Consolidated Statements of Comprehensive Income-1

Unit：NTD M	2026 Q2		2026 Q1		QoQ	2025 Q2		YoY
Operating revenue	**1,281.7**	**100.0%**	**1,201.3**	**100.0%**	**6.7%**	**1,151.1**	**100.0%**	**11.3%**
Operating costs	731.8	57.1%	683.5	56.9%	7.1%	684.5	59.5%	6.9%
Gross profit from operations	**549.9**	**42.9%**	**517.8**	**43.1%**	**6.2%**	**466.5**	**40.5%**	**17.9%**
Selling expenses	56.2	4.4%	56.1	4.7%	0.2%	53.1	4.6%	5.9%
Administrative expenses	76.9	6.0%	70.0	5.8%	9.9%	57.6	5.0%	33.6%
Research and development expenses	159.4	12.4%	150.3	12.5%	6.0%	135.2	11.7%	17.9%
Operating expenses	292.5	22.8%	276.4	23.0%	5.8%	245.8	21.4%	19.0%
Operating income	**257.5**	**20.1%**	**241.4**	**20.1%**	**6.6%**	**220.7**	**19.2%**	**16.6%**
Non-operating income and expenses	7.4	0.6%	24.1	2.0%	(69.4%)	(34.7)	(3.0%)	(121.3%)
Income before tax	**264.8**	**20.7%**	**265.5**	**22.1%**	**(0.3%)**	**186.0**	**16.2%**	**42.4%**
Income tax expense	36.0	2.8%	38.5	3.2%	(6.4%)	26.7	2.3%	35.0%
Net income	**228.8**	**17.9%**	**227.0**	**18.9%**	**0.8%**	**159.4**	**13.8%**	**43.6%**
Other comprehensive income	(0.4)	0.0%	-	0.0%	0.0%	-	0.0%	0.0%
Total comprehensive income	**228.4**	**17.8%**	**227.0**	**18.9%**	**0.6%**	**159.4**	**13.8%**	**43.3%**

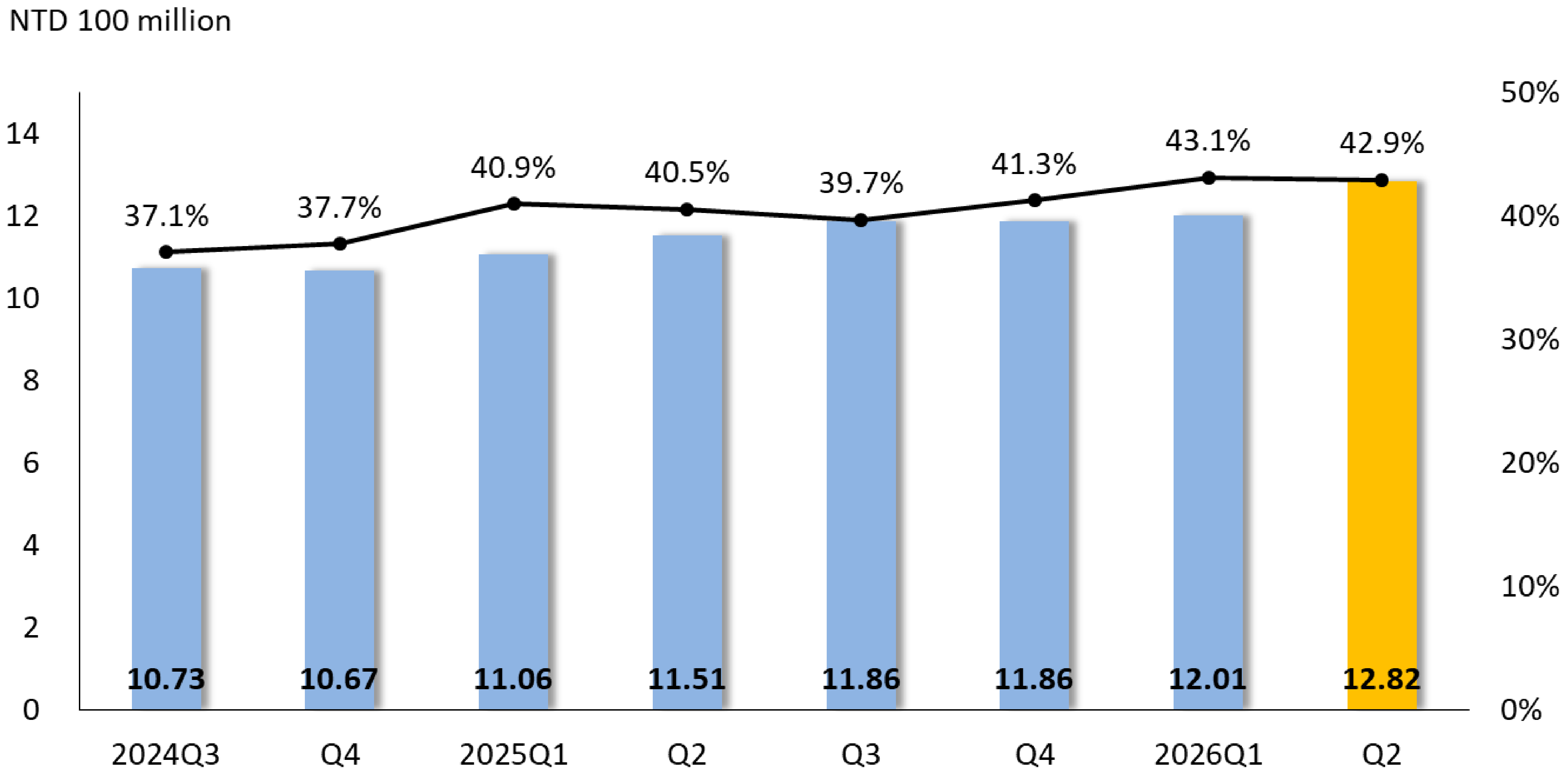
Basic earnings per share (NT$)	2.23	2.21	1.55

Consolidated Statements of Comprehensive Income-2

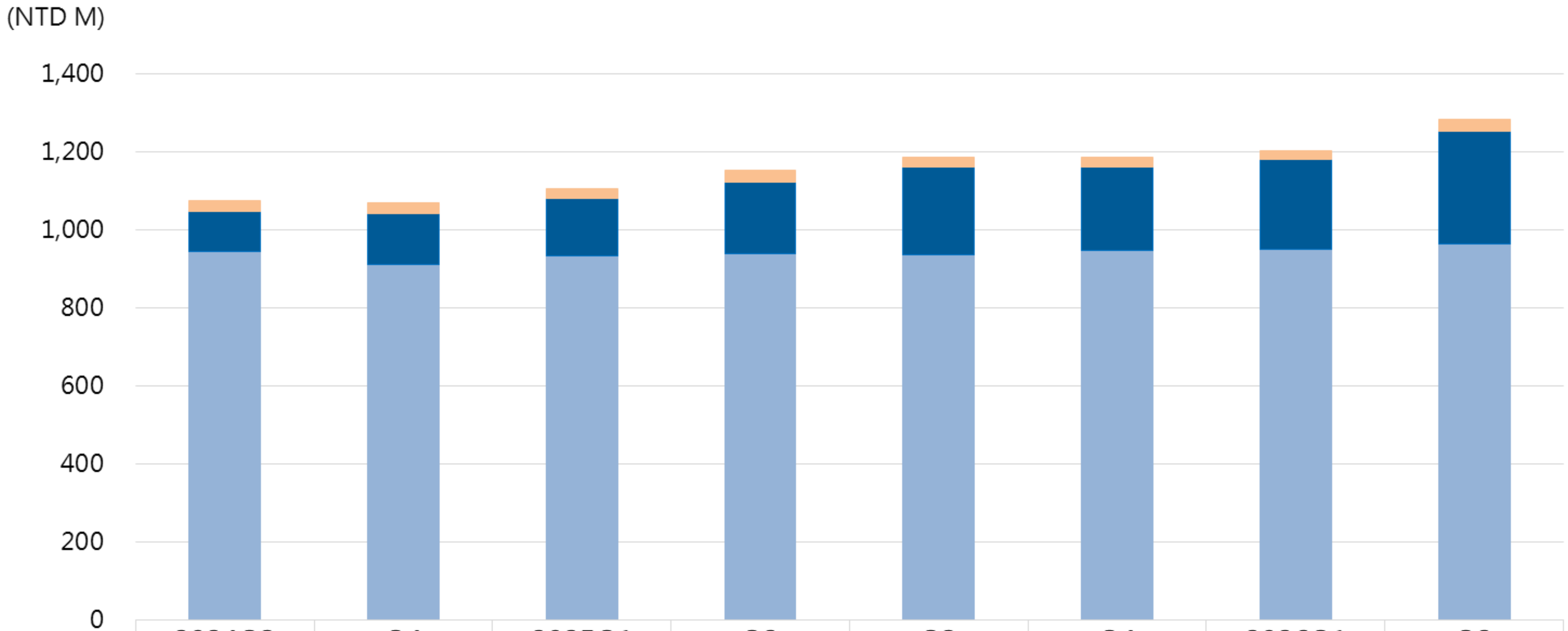
Unit：NTD M	2026 H1		2025 H1		YoY
Operating revenue	**2,483.0**	**100.0%**	**2,257.1**	**100.0%**	**10.0%**
Operating costs	1,415.3	57.0%	1,337.9	59.3%	5.8%
Gross profit from operations	**1,067.7**	**43.0%**	**919.3**	**40.7%**	**16.1%**
Selling expenses	112.3	4.5%	105.6	4.7%	6.4%
Administrative expenses	146.8	5.9%	116.6	5.2%	25.9%
Research and development expenses	309.7	12.5%	269.9	12.0%	14.7%
Operating expenses	568.8	22.9%	492.1	21.8%	15.6%
Operating income	**498.9**	**20.1%**	**427.2**	**18.9%**	**16.8%**
Non-operating income and expenses	31.5	1.3%	(15.6)	(0.7%)	(302.2%)
Income before tax	**530.4**	**21.4%**	**411.6**	**18.2%**	**28.9%**
Income tax expense	74.5	3.0%	59.4	2.6%	25.5%
Net income	**455.8**	**18.4%**	**352.2**	**15.6%**	**29.4%**
Other comprehensive income	(0.4)	0.0%	-	0.0%	0.0%
Total comprehensive income	**455.4**	**18.3%**	**352.2**	**15.6%**	**29.3%**

Basic earnings per share (NT$)	4.44	3.43

Revenue & Gross margin



Revenue by Product



	2024Q3	Q4	2025Q1	Q2	Q3	Q4	2026Q1	Q2
Key raw materials and others	27.7	25.7	26.7	28.4	26.1	24.9	20.7	29.0
Semiconductor materials	101.1	130.5	147.5	185.7	225.8	214.3	230.6	290.7
Display materials	944.7	911.2	931.9	937.0	934.3	947.2	950.0	962.1
TOTAL	1,073.5	1,067.4	1,106.1	1,151.1	1,186.2	1,186.4	1,201.3	1,281.7
Key raw materials and others %	2.6%	2.4%	2.4%	2.5%	2.2%	2.1%	1.7%	2.3%
Semiconductor materials %	9.4%	12.2%	13.3%	16.1%	19.0%	18.1%	19.2%	22.7%

Consolidated Balance Sheets Highlights

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Unit：NTD M	2026/6/30		2026/3/31		2025/6/30	
Cash and cash equivalents	110	2.3%	231	4.4%	266	5.7%
Current financial assets at amortized costs	1,032	21.3%	1,482	28.0%	1,102	23.4%
Accounts receivable	1,224	25.3%	1,196	22.6%	1,192	25.3%
Inventories	482	10.0%	435	8.2%	369	7.8%
Investments accounted for using equity method	45	0.9%	-	0.0%	-	0.0%
Property, plant and equipment	1,542	31.8%	1,553	29.4%	1,461	31.1%
Right-of-use assets	144	3.0%	146	2.8%	151	3.2%
Total assets	**4,841**	**100.0%**	**5,288**	**100.0%**	**4,703**	**100.0%**
Current liabilities	1,295	26.8%	2,004	37.9%	1,256	26.7%
Non-current liabilities	230	4.8%	198	3.7%	324	6.9%
Total liabilities	**1,526**	**31.5%**	**2,201**	**41.6%**	**1,580**	**33.6%**
Total equity	**3,315**	**68.5%**	**3,087**	**58.4%**	**3,123**	**66.4%**

Key financial highlights			
Current ratio	**236%**	**177%**	**241%**
Inventory Turnover (Days)	**58**	**57**	**51**

Consolidated Cash Flows Highlights

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Unit：NTD M	2026 H1	2025 H1
Income before tax	530	412
Depreciation and amortization	133	136
Other operating activities	(181)	(169)
Net cash flows from operating activities	**411**	**319**
Acquisition of property, plant and equipment	(187)	(110)
Acquisition of investments accounted for using equity method	(47)	-
Disposal of financial assets at amortized cost	345	321
Net cash flows from investing activities	**102**	**222**
Net change of bank loans	22	48
Cash dividends paid	(668)	(514)
Net cash flows used in financing activities	**(650)**	**(470)**
Net (decrease) increase in cash and cash equivalents	**(137)**	**71**

Dividend Policy

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■ High Payout Ratio Policy

Year	EPS	Cash Dividends	Stock Dividends	Dividend Payout Ratio
2025	7.37	6.5	0.0	88%
2024	5.56	5.0	0.0	90%
2023	5.10	4.1	0.0	80%
2022	4.15	3.3	0.0	80%
2021	6.62	5.3	0.0	80%
2020	6.15	5.0	0.0	81%

Outlook

Our Products

Semiconductor Materials

2026/H1 Rev. Mix

21%

- **Wafer Process**

(Advanced Process, Mature Process)

- **Advanced Packaging**

(Fan-out, 2.5D, 3DIC)

Display Materials

77%

- **LCD**

(Color Filter, Cell, Array)

- **MicroLED**
- **EPD**

Key Raw Materials

2%

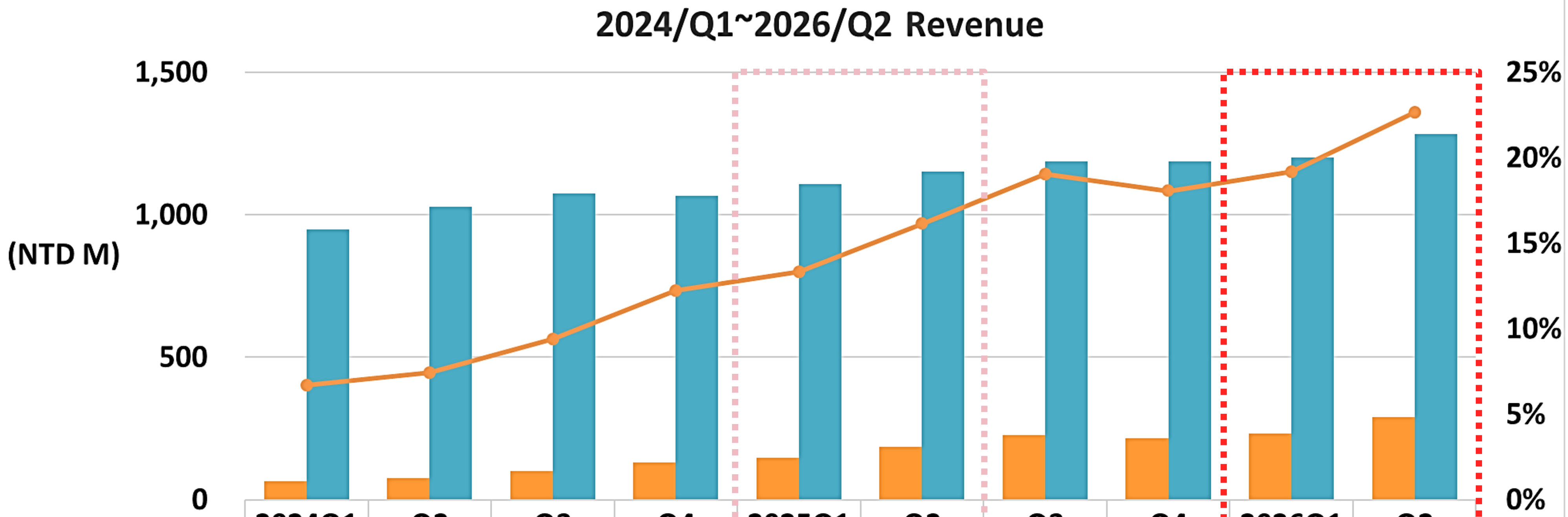
- **Functional Monomers**

(Electronic Materials, Display, Bio)

- **High-Purity Polymers**

(Electronic Materials, SEMI, Green)

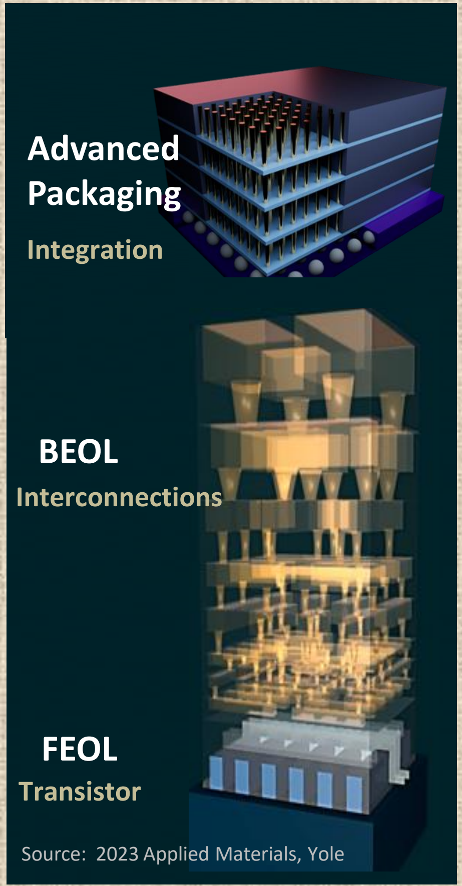
Semiconductor Materials Revenue



	2024Q1	Q2	Q3	Q4	2025Q1	Q2	Q3	Q4	2026Q1	Q2
Semiconductor Materials Rev.	64	76	101	131	147	186	226	214	231	290
Total Revenue	949	1,028	1,074	1,067	1,106	1,151	1,186	1,187	1,201	1,282
% of Semiconductor Materials	7%	7%	9%	12%	13%	16%	19%	18%	19%	23%

◆ Semiconductor revenue reached NTD 521 million in 1H 2026, accounting for 21% of total revenue, representing a 56% YoY increase from NTD 333 million in 1H 2025.

Semiconductor Business Update & Outlook



	Independent Development	Strategic Collaboration
Advanced Packaging	**Specialty** – RL **Wet** – Etchant A **Litho** – PSPI **Specialty** – TBA **Wet** – Etchant C	**Specialty** – Sealant **Wet** – Stripper A **Wet** – Stripper B
Mature Process	**Wet** – Stripper **Litho** – Topcoat **Litho** – TARC **Litho** – Rinse	**Litho** – Polymer A **Litho** – Polymer B **Litho** – Polymer C
Advanced Process	**Litho** – Thinner **Wet** – Etchant B **Wet** – Remover A **Wet** – Remover B **Wet** – Remover C **Wet** – Etchant C	**Wet** – Stripper C **Wet** – Low k treatment **Wet** – Protection A **Wet** – Protection B **Litho** – SiOC **Wet** – Cleaner

HVM
Qualification
Evaluation

- **Expand production capacity with new production lines to support growing demand for mass-production products.**
- **Accelerate new product qualifications, with five products expected to enter customer qualification in 2H 2026.**
- **Deepen strategic partnerships by expanding from single-project engagement to diversified collaboration.**

Display Business Update & Outlook

Material Design to Eliminate Process Bottlenecks


- Enabling Higher Throughput and Improved Yield
- High-Sensitivity PS, High-Speed PS, and Mura-Free PSA PI

Strengthening Sustainable Cost Competitiveness



- Optimize Manufacturing Processes and Increase In-House Raw Material Production
- Maintain Competitive Advantages in PS & Cu Etchants and Expand Market Share

Growth Driver – Liquid Crystal Alignment Layer PI


Expanding Liquid Crystal Alignment PSA PI Adoption at New Mass Production Fabs

Expansion into New Products and Applications

Low-Temperature Process Materials (ESG), FFS Liquid Crystal Alignment Layer, and Cholesteric Liquid Crystal Alignment Layer

Business Outlook

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SEMI Materials

- 3~4 New Products Expected to Enter Mass Production
- Precision Manufacturing Services with Flexible Capacity Expansion

- Expand POR Adoption in Next-Generation Advanced Nodes and Advanced Packaging
- Deepen Diversified Strategic Partnerships with Global Industry Leaders

Display Materials

- Material Design to Eliminate Process Bottlenecks
- Enhance Cost Competitiveness and Expand Market Share

- Advance Low-Temperature, Low-Carbon ESG Materials
- Expand into Next-Generation MicroLED and Optical Communication Materials

Key Raw Materials

- Expand into New Market Applications
- Focus on High-Performance Specialty Raw Materials

- Expand into Next-Generation Communications, Biotechnology, and Green Energy
- Build a High-Value Third Product Line

Q & A

Thank you