

Daxin Materials Corporation

2026 Annual Shareholders' Meeting Minutes

(Translation)

Means of Meeting: Physical

Date and Time: 9:30 am (Friday) May 22, 2026

Place: No.21, Keyuan Rd., Xitun Dist., Taichung City, 407, Taiwan (R.O.C.)
(Office of Continuing Education, Chaoyang University of Technology)

Total DAXIN outstanding shares: 102,715,911 shares

Total shares represented by shareholders present in person or by proxy: 75,002,251 shares
(including 68,372,937 shares casted electronically)

Percentage of shares held by shareholders present in person or by proxy: 73.01%

Directors present: Cheng-Yih Lin, Chairman

Tsung-Hsing Kuo, Vice Chairman

Ting-Li Lin, Director, Representative of Konly Venture Corporation

Xin-Wu Lin, Independent Director and Convener of the Audit Committee

Wei-Shun Cheng, Independent Director and Convener of the Remuneration Committee

Chiao-Mou Cheng, Independent Director

Chih-Chun Tsai, Independent Director

Attendees: Chien-Hui Lu, Certified Public Accountant

Chair: Cheng-Yih Lin, Chairman

Recorder: Pao-Hui Hung

I. Call Meeting to Order (The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chair called the meeting to order.)

II. Chairman's Address (omitted)

III. Report Items

1. To report the Business of 2025

Explanatory Notes:

For 2025 Business Report, please refer to Attachment 1(P.5~8).

2. Audit Committee's review report

Explanatory Notes:

For Audit Committee's review report, please refer to Attachment 2(P.9).

3. To report the distribution of employees' and directors' Remuneration of 2025

Explanatory Notes:

- (1) The Board of Directors approved the distribution of 2025 employees' and directors' remuneration on February 24, 2026. The employees' remuneration is NT\$72,224,628 and the directors' remuneration is NT\$7,222,463; both shall be paid in cash.
- (2) The aforementioned amounts of remuneration to employees and Directors that are approved by the Board of Directors are the same as the amount recognized in the 2025 financial statements.

4. To report the cash dividend distribution of 2025

Explanatory Notes:

- (1) The dividend distribution in the form of cash shall be approved by the Board of Directors and reported to the shareholders' meeting, in accordance with Article 15-1 of Articles of Incorporation.
- (2) The distribution of cash dividends to shareholders is NT\$667,653,422 from the retained earnings available for distribution as of December 31, 2025, and the Company distributed dividends of NT\$6.5 per common share, have been approved by the meeting of Board held on February 24, 2026. The cash dividend will be calculated according to the distribution ratio and distributed, rounded down to the nearest one NT\$. (any amount below one NT\$ will be discarded). The aggregate dividend resulting from the above rounded-down, will be distributed to the shareholders in descending order of decimal point and in ascending order of shareholder account number, until the total amount of cash dividend has been fully distributed. The chairman is authorized to determine the ex-dividend date and other relevant matters.
- (3) The ex-dividend record date is March 28, 2026, and the payment date for the cash dividend is April 21, 2026.

IV. Ratification Items

1. To accept 2025 Business Report and Financial Statements.

(proposed by the Board of Directors)

Explanatory Notes:

- (1) For 2025 Business Report, please refer to Attachment 1(P.5~8).
- (2) The 2025 Financial Statements were audited by Chun-Yuan Wu and Chien-Hui Lu of KPMG. For Independent Auditors' Report, the aforementioned Financial Statements, please refer to Attachment 3 & 4(P.10~25).

Voting results: 75,002,251 shares were represented at the time of voting.

Voting Result	Voting rights	% of the total represented at the time of voting
Votes in favor	69,640,068	92.85%
Votes against	347,512	0.46%
Votes invalid	0	0.00%
Votes abstained	5,014,671	6.68%

RESOLVED, that the above proposal be and hereby was accepted as proposed.

**2. To accept the proposal for the distribution of 2025 earnings.
(proposed by the Board of Directors)**

Explanatory Notes:

For the Proposal for 2025 Earnings Distribution, please refer to Attachment 5(P.26).

Voting results: 75,002,251 shares were represented at the time of voting.

Voting Result	Voting rights	% of the total represented at the time of voting
Votes in favor	69,975,974	93.29%
Votes against	11,512	0.01%
Votes invalid	0	0.00%
Votes abstained	5,014,765	6.68%

RESOLVED, that the above proposal be and hereby was accepted as proposed.

V. Election Item

**To elect nine directors (including four independent directors).
(proposed by the Board of Directors)**

Explanatory Notes:

- (3) The term of office for the seventh-term directors expired on June 14, 2026. Thus, it is proposed to re-elect at the 2026 Annual Shareholders' Meeting.
- (4) According to Article 10 of the Company's Articles of Incorporation, it is proposed to elect 9 directors (including 4 independent directors), and directors shall be elected by adopting candidate nomination system.
- (5) The term of office for the new directors is 3 years from the date for the completion of the 2026 Shareholders' Meeting (from May 22, 2026 to May 21, 2029). The seventh-term directors will leave their office on the date the new directors are elected.
- (6) The list of director candidates has been nominated and approved by the Company's Board of Directors resolution on February 24, 2026, please refer to Attachment 6(P.27~28).

Election results: nine directors (including four independent directors) were elected by the shareholders present. The term of the office of the elected eighth-term is three years commencing on May 22, 2026 and expiring on May 21, 2029. The list of the newly elected directors with indication of votes received by each was as listed below:

Title	Shareholder Name or Name	Votes Received
Director	Cheng-Yih Lin	72,376,828
Director	Tsung-Hsing Kuo	69,137,226
Director	Chin-Yuan Chen Representative of Eternal Materials Co. Ltd.	65,384,183
Director	Ting-Li Lin Representative of Konly Venture Corporation	65,244,389
Director	Yen-Chen Liu	66,911,727
Independent Director	Xin-Wu Lin	62,947,742
Independent Director	Wei-Shun Cheng	62,891,169
Independent Director	Chiao-Mou Cheng	62,870,619
Independent Director	Chih-Chun Tsai	62,835,111

VI. Other Proposal

To lift the non-competition restriction on directors.

(proposed by the Board of Directors)

Explanatory Notes:

- (1) According to Article 209 of the Company Act, "a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval."
- (2) It is proposed to lift the non-competition restrictions on the directors and their representatives at the annual shareholders' meeting. Please refer to Attachment 7(P.29).

Voting results: 75,002,251 shares were represented at the time of voting.

Voting Result	Voting rights	% of the total represented at the time of voting
Votes in favor	69,143,525	92.18%
Votes against	87,272	0.11%
Votes invalid	0	0.00%
Votes abstained	5,771,454	7.69%

RESOLVED, that the above proposal be and hereby was accepted as proposed.

VII. Extemporaneous Motions

There being no extempore motions, and the Chair announced the meeting was adjourned.

VIII. Adjournment

The meeting was adjourned at 10:03 a.m.

【 There were no shareholders' questions at this shareholders' meeting. 】

Note: The percentages of votes in favor, votes against, invalid votes, and abstained votes are truncated to the second decimal place without rounding. Therefore, minor decimal differences may occur, resulting in the total not equaling exactly 100.00%.

Attachment 1

Daxin Materials Corporation 2025 Business Report

In 2025, Daxin achieved solid growth amid challenges. Semiconductor materials, with continued investment in R&D and technology, experienced strong demand and emerged as a key driving force of the Company's revenue and profitability. Following two years of drastic adjustments in the display industry, Daxin maintained stable operating performance by aligning core material solutions with customers' technological transitions. Overall, the Company delivered year-over-year growth in both revenue and profit. Operating income reached NT\$4.63 billion, representing a 12.4% increase from 2024. In the semiconductor materials segment, revenue surged to NT\$773 million, up 108.2% year-over-year, driven by new product qualification and mass production, and accounting for 16.7% of total sales. Display materials revenue also increased to NT\$3.75 billion, representing a 2.7% year-over-year growth.

Semiconductor materials shipments remained strong, driven by robust demand from artificial intelligence (AI), high-performance computing (HPC), and data center applications. Daxin successfully entered the supply chains for advanced semiconductor processes and advanced packaging. Multiple products completed qualification and transitioned into mass production with international semiconductor customers and material companies, contributing to a 108.2% year-over-year increase in semiconductor materials revenue in 2025. As new products are phased in and economies of scale are achieved, overall operating performance continues to improve. Meanwhile, Daxin is accelerating sample delivery and new product qualification for sub-2nm advanced processes and advanced packaging to support future revenue growth.

The display industry experienced a mild recovery in 2025. As supply and demand conditions stabilized, shipment momentum for display materials was sustained. Aligned with customers' technology upgrades and product strategy adjustments, Daxin expanded its product entry opportunities and further enhanced its overall product portfolio compared to the prior year.

Looking ahead to 2026, semiconductor materials are expected to sustain strong growth momentum, supported by a broader pipeline of technology-intensive products entering mass production. In display materials, we remain focused on low-carbon solutions and productivity enhancements, with an optimized product portfolio to support steady gains. In key raw materials, continued R&D investment and application deployment are expected to gradually deliver results, positioning it as a third engine of long-term development.

Daxin will continue to enhance its competitive advantages through product innovation, technology differentiation, and process optimization, aligning with industry megatrends to drive solid operational growth.

Financial Performance

1. Operating revenue

Consolidated operating revenue in 2025 was NT\$4.63 billion, representing a NT\$512 million or 12.4% increase from NT\$4.118 billion in 2024.

2. Operating income

Consolidated operating income in 2025 was NT\$853 million, representing a NT\$246 million or 40.5% increase from NT\$607 million in 2024.

3. Net income

Net income in 2025 was NT\$757 million, representing a NT\$186 million or 32.7% increase from NT\$571 million in 2024.

Environmental, Social and Corporate Governance (ESG)

While driving operational growth, Daxin continues to advance its transition toward net zero and its carbon-reduction targets, systematically integrating climate-related risks and decarbonization initiatives into core operational management. At the same time, we are expanding our use of renewable energy and deepening its low-carbon operational model. In 2025, our environmental management efforts achieved full third-party certification and were further recognized with the “SGS ISO PLUS Award for Excellence in Environmental Management System.”

At Daxin, talent drives innovation. We've designed a workplace where employees thrive professionally and personally across all career stages. For three consecutive years, we have partnered with the TALENT in Taiwan Alliance. In 2025, we received the Workplace Health Promotion Self-Assessment Qualification and the Taichung City Government Happy Workplace Three-Star Award. Since 2010, our Daxin Graduate Scholarship program has cultivated young scientists and innovators. This year, we increased both award amounts and recipients — investing in the researchers who will define the next chapter of materials science.

Daxin remains committed to advancing corporate governance, considering transparency, sound governance systems, and stakeholder engagement as key foundations for sustainable long-term operations. In addition to regularly disclosing monthly revenue and self-assessed profit, the Company maintains structured investor communication channels to help investors better understand its operating performance, strategic direction, and long-term development priorities. In terms of sustainability governance, the Company elevated the Sustainable Development Committee to the Board level to strengthen the Board's oversight of sustainability strategies and their implementation. The Sustainability Report was verified by an independent third party with limited assurance and approved by the Board of Directors to ensure the reliability and consistency of sustainability disclosures. These corporate governance achievements were recognized by external institutions, as evidenced by receiving the “Progress Achievement Award” from the Taiwan Investor Relations Institute (TIRI). Looking ahead, we will continue to align with the “Sustainable Development Action Plans for TWSE/TPEX-listed Companies” and promote sustainability initiatives to further strengthen corporate governance.

Research and Development

Daxin maintains a significant R&D investment and a strong R&D workforce. The Company's R&D strategy centers on multidisciplinary fundamental chemical research, integrated with process technologies, equipment integration, analytical testing, and AI-driven simulation. This comprehensive material development capability enhances R&D efficiency and product competitiveness, reinforcing its technological leadership across three key sectors: semiconductor materials, display materials, and key raw materials.

Semiconductor Materials

Benefiting from the growth in demand for artificial intelligence (AI) and high-performance computing (HPC) chips, our semiconductor material revenue has achieved exponential growth. Daxin has successfully transitioned from a local supplier to a global partner for critical semiconductor materials. Leveraging our proprietary R&D technologies, we provide specialized materials spanning from Front-End-of-Line/Back-End-of-Line (FEOL/BEOL) to advanced packaging processes. Furthermore, we are developing diverse solutions for critical semiconductor raw materials to meet the requirements of various process nodes and applications.

- **Advanced Packaging Materials:** Laser release layer, photosensitive polyimide (PSPI) for advanced packaging, high-selectivity metal etchant (Copper Seed Etchant) and wafer edge protection glue.
- **Advanced Process Materials:** Lithography auxiliary materials, high-selectivity etchants and cleaning solutions (Post-ash cleaner) and copper seed etchant.
- **Critical Semiconductor Raw Materials-High-Purity Specialty Resins for Photoresists:** Poly (p-hydroxystyrene) (PHS).

In the semiconductor sector, our products have successfully entered the supply chains for advanced processes and advanced packaging. Several products have passed qualification by major international manufacturers and entered mass production. We are actively expanding sample delivery and new product qualification for high-end processes and advanced packaging materials.

Display Materials

Daxin has been deeply involved in the display materials field, establishing a solid market position across various key materials. We provide comprehensive material solutions from upstream to downstream, helping customers improve product performance and manufacturing efficiency. In response to the increasingly competitive landscape of the display industry, the Company continues to prioritize "cost-effectiveness and process optimization" as its core R&D direction, co-developing more competitive products with customers.

In 2025, Daxin achieved several significant milestones in display material research and development, including low-temperature curable PSA liquid crystal alignment layers with superior reliability, contrast, and response speed. Additionally, in response to ESG carbon reduction trends, we developed low-power cholesteric liquid crystal alignment layers.

In response to the global "Net-Zero Emissions" trend and the persistent demand for low-power, high-resolution processes in the display industry, Daxin continues to collaborate with customers on the phased implementation of ESG-aligned energy-saving and eco-friendly materials. The focus remains on reducing process temperatures and overall energy consumption, thereby assisting customers in mitigating carbon emission pressures and operational risks stemming from rising energy costs. Simultaneously, Daxin optimizes process management by increasing solvent recovery rates, minimizing waste fluid generation, and progressively introducing sustainable raw materials. We are also expanding the proportion of local sourcing to strengthen supply chain resilience and fulfill our environmental responsibilities.

Key Raw Materials

With years of expertise in material technology and R&D, the Company continues to deepen its presence in the specialty chemicals and advanced materials sectors. We focus on the R&D and manufacturing of key raw materials required for semiconductors, displays, lithium-ion batteries, and other next-generation electronic industries, progressively building a material technology platform with extensive cross-industry application potential.

In terms of R&D strategy, the Company develops functional key raw materials tailored to diverse application requirements. For instance, in lithium-ion battery applications, the R&D focus is on enhancing ionic conductivity efficiency, electrode adhesion, and reliability. In the field of next-generation electronic materials, the company develops Low-Dielectric (Low-Dk) and Low-Loss (Low-Df) materials to meet the demands of high-frequency and high-speed electronic products with reliability.

Furthermore, the Company continues to invest in the development of advanced functional materials with high purity, low ion content, and an eco-friendly orientation. Depending on different industry applications and process requirements, we provide differentiated and customized material solutions to help customers enhance product performance, process stability, and competitiveness, establishing a solid foundation for the long-term growth of our key raw materials.

Outline of Business Plan

Daxin continues to deepen its R&D and market positioning in semiconductor materials while optimizing operational efficiency in the display sector. We are committed to consolidating our supply chain advantages and service quality while maintaining the agility to respond to market fluctuations.

In the semiconductor segment, Daxin is accelerating mass production conversion of POR (Process of Record) products to meet explosive AI chip demand. Through continuous capacity expansion, we provide international semiconductor clients with localized synthesis, purification, and formulation services, effectively shortening lead times and enhancing supply chain resilience. Daxin is also expanding its product lines with ongoing investing in critical materials for WLP (Wafer Level Packaging), PLP (Panel Level Packaging), and CPO (Co-Packaged Optics).

In display materials, we focus on upgrading our core products, specifically high-resolution photoresists, fine line application etchants, and liquid crystal alignment layers. By leveraging R&D strengths, we provide high-performance materials that boost competitiveness. Aligned with the "Net Zero" trend, we are developing products with low energy consumption and high durability requirements, targeting high-end market gaps and solidifying our position in the supply chain. Furthermore, we continue to optimize our cost structure by refining manufacturing processes and increasing the ratio of self-produced raw materials to reduce supply chain dependency.

Regarding key raw materials, the Company will ensure stable mass production of key materials for semiconductors, displays, and lithium-ion batteries while continuously optimizing processes to enhance competitiveness. Daxin is also penetrating the AI server substrate (IC substrate) supply chain with its Low Dk/Df resins to capture emerging market opportunities. Through deeper customer technical exchange and shorter R&D lead times, the Company aims to rapidly respond to market demands, establish a third major product line and drive diversified long-term growth.

Future Outlook

Looking ahead to 2026, as semiconductor process and packaging technologies continue to evolve, international manufacturers are increasingly seeking partners with proprietary R&D capabilities and supply stability — not merely material suppliers — to strengthen overall supply chain resilience. Meanwhile, the display industry is moving toward higher resolution, diversified applications, and high-value-added products, creating growth opportunities for suppliers with strong material integration and R&D expertise.

In the semiconductor sector, Daxin remains focused on proprietary R&D, deepening its basic material research in advanced processes and advanced packaging, while building integrated capabilities across chemistry, process, equipment, and AI. By tracking semiconductor evolution and anticipating future specifications, we proactively propose forward-looking material solutions and establish early-stage patent positioning to support our customers' technical milestones. Building on this foundation, the Company is further expanding its JDP (Joint Developed Project) collaborative model with international clients. Through close technical exchanges and joint qualification, we ensure material designs precisely meet practical application requirements, accelerating technology adoption and mass production timelines while strengthening long-term partnerships.

With the rapid development of AI servers, Low Earth Orbit (LEO) satellites, and 6G communication technologies, the Company is actively investing in the R&D of Low Dk/Low Df (Low Dielectric Constant/Low Dielectric Loss) materials. By integrating our core technologies in molecular design, organic synthesis, and mass production, we are collaborating with lighthouse customers to develop next-generation material specifications. This is expected to become one of the Company's vital growth engines in the future.

In the display industry, we address demand for high-end, high-resolution displays and AR/VR applications through dynamic product portfolio adjustments targeting niche, high-specification material markets. Leveraging years of mass-production experience and technological leadership, our photo-spacers and copper etchants continue to maintain leading market shares. We have also proactively initiated R&D in high-resolution photoresists and fine-line application etchants, while actively developing carbon-reducing and green materials in alignment with ESG trends to enhance overall product competitiveness.

Semiconductor materials will remain a key growth driver as the market continues to present new opportunities and challenges. The Company will advance technological innovation, expand applications, and deepen strategic partnerships with international customers. In display materials, the Company is focused on cost optimization, high-end product development, and energy-efficient, low-temperature process materials to reduce carbon emissions and enhance competitiveness. With disciplined management and a steadfast focus on efficiency and profitability, Daxin is building a solid foundation for sustainable long-term growth.

Chairman:	<i>Cheng-Yih Lin</i>
President:	<i>Tsung-Hsing Kuo</i>
Chief Financial Officer	<i>Yen-Chen Liu</i>

Attachment 2

Daxin Materials Corporation **Audit Committee's Review Report**

The Board of Directors of the Company has prepared and submitted the Company's 2025 Business Report, earnings distribution proposal and Financial Statements (including the parent company only and consolidated financial statements). Among them, Chun-Yuan Wu and Chien-Hui Lu, Certified Public Accounts of KPMG, have audited the Financial Statements (including the parent company only and consolidated financial statements). The aforementioned business report, earnings distribution proposal, and financial statements (including the parent company only and consolidated financial statements) have been reviewed by the Audit Committee and no discrepancy is found. The report is in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, and we hereby submit this report.

To

2026 Annual Shareholders' Meeting of Daxin Materials Corporation

Convener of the Audit Committee: *Xin-Wu Lin*

February 24, 2026

Attachment 3

Independent Auditors' Report

To the Board of Directors of Daxin Materials Corporation:

Opinion

We have audited the consolidated financial statements of Daxin Materials Corporation and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountant and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue cut-off

Refer to Note 4(13) "Revenue recognition" and Note 6(16) "Operating revenue" to the consolidated financial statements.

Description of the key audit matter:

Revenue generation is a key operating activity of a company, and the Group's major portion of revenue is composed of related party transactions which might have inherently higher risk of fraud. Moreover, revenue recognition is also dependent on the various sales terms in each individual contract with customers to ensure the performance obligation has been satisfied by transferring control over a product to a customer. Consequently, revenue cut-off is one of the key areas our audit focused on.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included understanding and testing the Group's controls surrounding revenue recognition; understanding the Group's revenue types, its sales terms, related sales agreements and other supporting documents, to assess whether revenue recognition policies are applied appropriately; evaluating the trend of revenue; understanding the nature of related party transactions; performing the circularization of related party transactions; computer-aided testing sales cut off, on a sampling basis, for transactions incurred within a certain period before and after the balance sheet date to evaluate whether the revenue was recorded in proper period; and assessing the adequacy of the Group's disclosures of its revenue recognition policy and other related disclosures.

2. Valuation of inventories

Refer to Note 4(8) "Inventories"; Note 5 for uncertainty of accounting estimation and assumptions for inventory valuation, and Note 6(5) "Inventories" to the consolidated financial statements.

Description of the key audit matter:

Inventories are measured at the lower of cost and net realizable value. Due to rapid product innovation and keen market competition, the Group's products may no longer meet market demand in a short time and lead to the rapid fluctuation in the sales demand, as well as the selling price, which may result in product obsolescence and the cost of inventories to be higher than the net realizable value. Therefore, the valuation of inventories has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included evaluating whether valuation of inventories was accounted by the nature of inventories (the storage life of chemicals); performing sampling tests to verify the accuracy of inventory aging; understanding and testing the Group's controls surrounding inventories obsolescence management; inspecting the calculation mode of net realizable value; sampling the related tickets and supporting documents; evaluating whether valuation of inventories was accounted by in accordance with the Group's accounting policies, as well as the reasonableness of inventory provision policy; and assessing the adequacy of the Group's disclosures of its inventory valuation policy and other related disclosures.

Other Matter

Daxin Materials Corporation has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2025 and 2024, on which we have issued an unmodified audit opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chun-Yuan Wu and Chien-Hui Lu.

KPMG

Taipei, Taiwan (Republic of China)

February 24, 2026

Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
Daxin Materials Corporation and subsidiaries

Consolidated Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2025		December 31, 2024		Liabilities and Equity		December 31, 2025		December 31, 2024	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents	\$ 247,361	5	194,873	4	2170	Accounts payable	488,795	10	497,087	10
1110	Financial assets at fair value through profit or loss — current	30,160	1	44,212	1	2180	Accounts payable to related parties	9,919	-	13,331	-
1136	Financial assets at amortized cost — current	1,377,587	27	1,423,778	29	2201	Payroll and bonus payable	436,247	9	349,878	7
1170	Accounts receivable, net	471,071	9	413,109	8	2213	Payable on machinery and equipment	49,300	1	41,339	1
1180	Accounts receivable due from related parties, net	702,896	14	720,178	15	2230	Current tax liabilities	84,892	2	72,275	2
130X	Inventories	415,716	7	379,599	7	2280	Lease liabilities — current	8,886	-	8,606	-
1476	Other financial assets — current	147,476	3	47,110	1	2322	Long-term borrowings, current portion	115,315	2	143,999	3
1479	Other current assets	29,352	1	36,429	1	2399	Other current liabilities	166,525	3	139,358	3
		<u>3,421,619</u>	<u>67</u>	<u>3,259,288</u>	<u>66</u>			<u>1,359,879</u>	<u>27</u>	<u>1,265,873</u>	<u>26</u>
Noncurrent assets:						Noncurrent liabilities:					
1535	Financial assets at amortized cost — noncurrent	26,634	1	26,691	1	2540	Long-term borrowings	79,759	1	244,694	5
1600	Property, plant and equipment	1,494,003	29	1,479,983	30	2570	Deferred tax liabilities	1,944	-	2,057	-
1755	Right-of-use assets	145,871	3	154,624	3	2580	Lease liabilities — noncurrent	144,393	3	152,732	3
1780	Intangible assets	5,087	-	2,552	-			<u>226,096</u>	<u>4</u>	<u>399,483</u>	<u>8</u>
1840	Deferred tax assets	17,161	-	23,449	-		Total liabilities	<u>1,585,975</u>	<u>31</u>	<u>1,665,356</u>	<u>34</u>
1920	Guarantee deposits paid	2,833	-	2,594	-	Equity:					
1990	Other noncurrent assets	283	-	316	-	3110	Common stock	1,027,159	20	1,027,159	21
		<u>1,691,872</u>	<u>33</u>	<u>1,690,209</u>	<u>34</u>	3200	Capital surplus	41,838	1	41,838	1
							Retained earnings:				
						3310	Legal reserve	695,647	14	638,586	13
						3350	Unappropriated retained earnings	1,762,872	34	1,576,558	31
								<u>2,458,519</u>	<u>48</u>	<u>2,215,144</u>	<u>44</u>
							Total equity	<u>3,527,516</u>	<u>69</u>	<u>3,284,141</u>	<u>66</u>
Total assets		\$ 5,113,491	100	4,949,497	100	Total liabilities and equity		\$ 5,113,491	100	4,949,497	100

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Daxin Materials Corporation and subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue	\$ 4,629,779	100	4,117,847	100
5000	Operating costs	<u>2,750,283</u>	<u>59</u>	<u>2,600,000</u>	<u>63</u>
	Gross profit from operations	<u>1,879,496</u>	<u>41</u>	<u>1,517,847</u>	<u>37</u>
	Operating expenses:				
6100	Selling expenses	217,814	5	196,206	5
6200	Administrative expenses	249,333	5	216,504	5
6300	Research and development expenses	<u>559,551</u>	<u>12</u>	<u>497,972</u>	<u>12</u>
		<u>1,026,698</u>	<u>22</u>	<u>910,682</u>	<u>22</u>
	Operating income	<u>852,798</u>	<u>19</u>	<u>607,165</u>	<u>15</u>
	Non-operating income and expenses:				
7020	Other gains and losses	11,193	-	31,346	1
7100	Interest income	24,201	-	27,035	-
7130	Dividend income	2,347	-	557	-
7510	Interest expense	<u>(6,991)</u>	<u>-</u>	<u>(7,516)</u>	<u>-</u>
		<u>30,750</u>	<u>-</u>	<u>51,422</u>	<u>1</u>
	Profit before income tax	883,548	19	658,587	16
7950	Less: Income tax expense	<u>126,593</u>	<u>3</u>	<u>87,975</u>	<u>2</u>
	Net income	<u>756,955</u>	<u>16</u>	<u>570,612</u>	<u>14</u>
8300	Other comprehensive income (loss)	-	-	-	-
	Total comprehensive income	<u>\$ 756,955</u>	<u>16</u>	<u>570,612</u>	<u>14</u>
	Earnings per share (NT dollars)				
9750	Basic earnings per share	<u>\$ 7.37</u>		<u>5.56</u>	
9850	Diluted earnings per share	<u>\$ 7.35</u>		<u>5.54</u>	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Daxin Materials Corporation and subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Common stock	Capital surplus	Retained earnings				Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	
Balance at January 1, 2024	\$ 1,027,159	41,814	586,250	1,310	1,478,107	2,065,667	3,134,640
Net income	-	-	-	-	570,612	570,612	570,612
Other comprehensive income (loss)	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	570,612	570,612	570,612
Appropriation and distribution of retained earnings:							
Legal reserve appropriated	-	-	52,336	-	(52,336)	-	-
Special reserve appropriated	-	-	-	(1,310)	1,310	-	-
Cash dividends to shareholders	-	-	-	-	(421,135)	(421,135)	(421,135)
Other changes in capital surplus	-	24	-	-	-	-	24
Balance at December 31, 2024	1,027,159	41,838	638,586	-	1,576,558	2,215,144	3,284,141
Net income	-	-	-	-	756,955	756,955	756,955
Other comprehensive income (loss)	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	756,955	756,955	756,955
Appropriation and distribution of retained earnings:							
Legal reserve appropriated	-	-	57,061	-	(57,061)	-	-
Cash dividends to shareholders	-	-	-	-	(513,580)	(513,580)	(513,580)
Balance at December 31, 2025	<u>\$ 1,027,159</u>	<u>41,838</u>	<u>695,647</u>	<u>-</u>	<u>1,762,872</u>	<u>2,458,519</u>	<u>3,527,516</u>

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Daxin Materials Corporation and subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from operating activities:		
Profit before income tax	\$ 883,548	658,587
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation	268,101	267,767
Amortization	4,072	3,560
Net loss on financial assets and liabilities at fair value through profit or loss	760	9,541
Interest expense	6,991	7,516
Interest income	(24,201)	(27,035)
Dividend income	(2,347)	(557)
Gain on disposal of property, plant and equipment	(232)	(549)
Provisions for inventory obsolescence and devaluation loss	9,556	12,983
Others	2,275	537
Changes in operating assets and liabilities:		
Accounts receivable	(57,962)	(42,125)
Accounts receivable due from related parties	17,282	(21,873)
Inventories	(45,673)	(54,397)
Other current assets	7,077	(7,226)
Other financial assets — current	(100,366)	5,604
Financial assets at amortized cost — current	95	(261)
Accounts payable	(8,292)	89,792
Accounts payable to related parties	(3,412)	998
Other current liabilities	113,640	53,580
Cash generated from operations	1,070,912	956,442
Interest received	24,804	26,251
Interest paid	(7,095)	(7,478)
Income taxes paid	(107,801)	(109,804)
Net cash provided by operating activities	<u>980,820</u>	<u>865,411</u>
Cash flows from investing activities:		
Acquisition of financial assets at amortized cost	-	(279,996)
Disposal of financial assets at amortized cost	45,550	-
Acquisition of financial assets at fair value through profit or loss	(4,671)	(45,953)
Disposal of financial assets at fair value through profit or loss	17,963	-
Acquisition of property, plant and equipment	(266,982)	(189,922)
Disposal of property, plant and equipment	232	694
Increase in refundable deposits	(239)	(17)
Acquisition of intangible assets	(6,607)	(4,120)
Decrease in other noncurrent assets	33	361
Dividends received	2,347	557
Net cash used in investing activities	<u>(212,374)</u>	<u>(518,396)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	150,000	160,000
Decrease in short-term borrowings	(150,000)	(160,000)
Proceeds from long-term borrowings	-	145,800
Repayments of long-term borrowings	(193,619)	(111,999)
Repayment of the principal portion of lease liabilities	(8,759)	(8,635)
Cash dividends paid	(513,580)	(421,135)
Other financing activities	-	24
Net cash used in financing activities	<u>(715,958)</u>	<u>(395,945)</u>
Net increase (decrease) in cash and cash equivalents	52,488	(48,930)
Cash and cash equivalents at beginning of period	194,873	243,803
Cash and cash equivalents at end of period	<u>\$ 247,361</u>	<u>194,873</u>

Attachment 4

Independent Auditors' Report

To the Board of Directors of Daxin Materials Corporation:

Opinion

We have audited the financial statements of Daxin Materials Corporation (the "Company"), which comprise the balance sheets as of December 31, 2025 and 2024, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountant and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent-Company-Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent-company-only financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue cut-off

Refer to Note 4(13) "Revenue recognition" and Note 6(17) "Operating revenue" to the financial statements.

Description of the key audit matter:

Revenue generation is a key operating activity of a company, and the Company's major portion of revenue is composed of related party transactions which might have inherently higher risk of fraud. Moreover, revenue recognition is also dependent on the various sales terms in each individual contract with customers to ensure the performance obligation has been satisfied by transferring control over a product to a customer. Consequently, revenue cut-off is one of the key areas our audit focused on.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included understanding and testing the Company's controls surrounding revenue recognition; understanding the Company's revenue types, its sales terms, related sales agreements and other supporting documents, to assess whether revenue recognition policies are applied appropriately; evaluating the trend of revenue; understanding the nature of related party transactions; performing the circularization of related party transactions; computer-aided testing sales cut off, on a sampling basis, for transactions incurred within a certain period before and after the balance sheet date to evaluate whether the revenue was recorded in proper period; and assessing the adequacy of the Company's disclosures of its revenue recognition policy and other related disclosures.

2. Valuation of inventories

Refer to Note 4(7) "Inventories"; Note 5 for uncertainty of accounting estimation and assumptions for inventory valuation, and Note 6(5) "Inventories" to the financial statements.

Description of the key audit matter:

Inventories are measured at the lower of cost and net realizable value. Due to rapid product innovation and keen market competition, the Company's products may no longer meet market demand in a short time and lead to the rapid fluctuation in the sales demand, as well as the selling price, which may result in product obsolescence and the cost of inventories to be higher than the net realizable value. Therefore, the valuation of inventories has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included evaluating whether valuation of inventories was accounted by the nature of inventories (the storage life of chemicals); performing sampling tests to verify the accuracy of inventory aging; understanding and testing the Company's controls surrounding inventories obsolescence management; inspecting the calculation mode of net realizable value; sampling the related tickets and supporting documents; evaluating whether valuation of inventories was accounted by in accordance with the Company's accounting policies, as well as the reasonableness of inventory provision policy; and assessing the adequacy of the Company's disclosures of its inventory valuation policy and other related disclosures.

Responsibilities of Management and Those Charged with Governance for the Parent-Company-Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent-company-only financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent-company-only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent-Company-Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent-company-only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent-company-only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent-company-only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent-company-only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the disclosures, and whether the parent-company-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investee companies in other entities accounted for using the equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent-company-only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chun-Yuan Wu and Chien-Hui Lu.

KPMG

Taipei, Taiwan (Republic of China)

February 24, 2026

Notes to Readers

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

The independent auditors' report and the accompanying parent-company-only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent-company-only financial statements, the Chinese version shall prevail.

(English Translation of Parent-Company-Only Financial Statements and Report Originally Issued in Chinese)

Daxin Materials Corporation

Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2025		December 31, 2024		Liabilities and Equity		December 31, 2025		December 31, 2024	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents	\$ 247,361	5	194,873	4	2170	Accounts payable	488,795	10	497,087	10
1110	Financial assets at fair value through profit or loss — current	30,160	1	44,212	1	2180	Accounts payable to related parties	9,919	-	13,331	-
1136	Financial assets at amortized cost — current	1,377,587	27	1,423,778	29	2201	Payroll and bonus payable	436,247	9	349,878	7
1170	Accounts receivable, net	471,071	9	413,109	8	2213	Payable on machinery and equipment	49,300	1	41,339	1
1180	Accounts receivable due from related parties, net	702,896	14	720,178	15	2230	Current tax liabilities	84,892	2	72,275	2
130X	Inventories	415,716	7	379,599	7	2280	Lease liabilities — current	8,886	-	8,606	-
1476	Other financial assets — current	147,476	3	47,110	1	2322	Long-term borrowings, current portion	115,315	2	143,999	3
1479	Other current assets	29,352	1	36,429	1	2399	Other current liabilities	166,525	3	139,358	3
		<u>3,421,619</u>	<u>67</u>	<u>3,259,288</u>	<u>66</u>			<u>1,359,879</u>	<u>27</u>	<u>1,265,873</u>	<u>26</u>
Noncurrent assets:						Noncurrent liabilities:					
1535	Financial assets at amortized cost — noncurrent	26,634	1	26,691	1	2540	Long-term borrowings	79,759	1	244,694	5
1600	Property, plant and equipment	1,494,003	29	1,479,983	30	2570	Deferred tax liabilities	1,944	-	2,057	-
1755	Right-of-use assets	145,871	3	154,624	3	2580	Lease liabilities — noncurrent	144,393	3	152,732	3
1780	Intangible assets	5,087	-	2,552	-			<u>226,096</u>	<u>4</u>	<u>399,483</u>	<u>8</u>
1840	Deferred tax assets	17,161	-	23,449	-		Total liabilities	<u>1,585,975</u>	<u>31</u>	<u>1,665,356</u>	<u>34</u>
1920	Guarantee deposits paid	2,833	-	2,594	-	Equity:					
1990	Other noncurrent assets	283	-	316	-	3110	Common stock	1,027,159	20	1,027,159	21
		<u>1,691,872</u>	<u>33</u>	<u>1,690,209</u>	<u>34</u>	3200	Capital surplus	41,838	1	41,838	1
							Retained earnings:				
						3310	Legal reserve	695,647	14	638,586	13
						3350	Unappropriated retained earnings	1,762,872	34	1,576,558	31
								<u>2,458,519</u>	<u>48</u>	<u>2,215,144</u>	<u>44</u>
							Total equity	<u>3,527,516</u>	<u>69</u>	<u>3,284,141</u>	<u>66</u>
Total assets		<u>\$ 5,113,491</u>	<u>100</u>	<u>4,949,497</u>	<u>100</u>	Total liabilities and equity		<u>\$ 5,113,491</u>	<u>100</u>	<u>4,949,497</u>	<u>100</u>

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

Daxin Materials Corporation

Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue	\$ 4,629,779	100	4,117,847	100
5000	Operating costs	<u>2,750,283</u>	<u>59</u>	<u>2,600,000</u>	<u>63</u>
	Gross profit from operations	<u>1,879,496</u>	<u>41</u>	<u>1,517,847</u>	<u>37</u>
	Operating expenses:				
6100	Selling expenses	217,814	5	196,206	5
6200	Administrative expenses	249,333	5	216,504	5
6300	Research and development expenses	<u>559,551</u>	<u>12</u>	<u>497,972</u>	<u>12</u>
		<u>1,026,698</u>	<u>22</u>	<u>910,682</u>	<u>22</u>
	Operating income	<u>852,798</u>	<u>19</u>	<u>607,165</u>	<u>15</u>
	Non-operating income and expenses:				
7020	Other gains and losses	11,193	-	31,346	1
7100	Interest income	24,201	-	27,035	-
7130	Dividend income	2,347	-	557	-
7510	Interest expense	<u>(6,991)</u>	<u>-</u>	<u>(7,516)</u>	<u>-</u>
		<u>30,750</u>	<u>-</u>	<u>51,422</u>	<u>1</u>
	Profit before income tax	883,548	19	658,587	16
7950	Less: Income tax expense	<u>126,593</u>	<u>3</u>	<u>87,975</u>	<u>2</u>
	Net income	<u>756,955</u>	<u>16</u>	<u>570,612</u>	<u>14</u>
8300	Other comprehensive income (loss)	-	-	-	-
	Total comprehensive income	<u>\$ 756,955</u>	<u>16</u>	<u>570,612</u>	<u>14</u>
	Earnings per share (NT dollars)				
9750	Basic earnings per share	<u>\$</u>	<u>7.37</u>	<u>5.56</u>	
9850	Diluted earnings per share	<u>\$</u>	<u>7.35</u>	<u>5.54</u>	

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

Daxin Materials Corporation

Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings						Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	
Balance at January 1, 2024	\$ 1,027,159	41,814	586,250	1,310	1,478,107	2,065,667	3,134,640
Net income	-	-	-	-	570,612	570,612	570,612
Other comprehensive income (loss)	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	570,612	570,612	570,612
Appropriation and distribution of retained earnings:							
Legal reserve appropriated	-	-	52,336	-	(52,336)	-	-
Special reserve appropriated	-	-	-	(1,310)	1,310	-	-
Cash dividends to shareholders	-	-	-	-	(421,135)	(421,135)	(421,135)
Other changes in capital surplus	-	24	-	-	-	-	24
Balance at December 31, 2024	1,027,159	41,838	638,586	-	1,576,558	2,215,144	3,284,141
Net income	-	-	-	-	756,955	756,955	756,955
Other comprehensive income (loss)	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	756,955	756,955	756,955
Appropriation and distribution of retained earnings:							
Legal reserve appropriated	-	-	57,061	-	(57,061)	-	-
Cash dividends to shareholders	-	-	-	-	(513,580)	(513,580)	(513,580)
Balance at December 31, 2025	\$ 1,027,159	41,838	695,647	-	1,762,872	2,458,519	3,527,516

Daxin Materials Corporation**Statements of Cash Flows****For the years ended December 31, 2025 and 2024**

(Expressed in Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Profit before income tax	\$ 883,548	658,587
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation	268,101	267,767
Amortization	4,072	3,560
Net loss on financial assets and liabilities at fair value through profit or loss	760	9,541
Interest expense	6,991	7,516
Interest income	(24,201)	(27,035)
Dividend income	(2,347)	(557)
Gain on disposal of property, plant and equipment	(232)	(549)
Provisions for inventory obsolescence and devaluation loss	9,556	12,983
Others	2,275	537
Changes in operating assets and liabilities:		
Accounts receivable	(57,962)	(42,125)
Accounts receivable due from related parties	17,282	(21,873)
Inventories	(45,673)	(54,397)
Other current assets	7,077	(7,226)
Other financial assets – current	(100,366)	5,604
Financial assets at amortized cost – current	95	(261)
Accounts payable	(8,292)	89,792
Accounts payable to related parties	(3,412)	998
Other current liabilities	113,640	53,580
Cash generated from operations	1,070,912	956,442
Interest received	24,804	26,251
Interest paid	(7,095)	(7,478)
Income taxes paid	(107,801)	(109,804)
Net cash provided by operating activities	<u>980,820</u>	<u>865,411</u>
Cash flows from investing activities:		
Acquisition of financial assets at amortized cost	-	(279,996)
Disposal of financial assets at amortized cost	45,550	-
Acquisition of financial assets at fair value through profit or loss	(4,671)	(45,953)
Disposal of financial assets at fair value through profit or loss	17,963	-
Acquisition of property, plant and equipment	(266,982)	(189,922)
Disposal of property, plant and equipment	232	694
Increase in refundable deposits	(239)	(17)
Acquisition of intangible assets	(6,607)	(4,120)
Decrease in other noncurrent assets	33	361
Dividends received	2,347	557
Net cash used in investing activities	<u>(212,374)</u>	<u>(518,396)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	150,000	160,000
Decrease in short-term borrowings	(150,000)	(160,000)
Proceeds from long-term borrowings	-	145,800
Repayments of long-term borrowings	(193,619)	(111,999)
Repayment of the principal portion of lease liabilities	(8,759)	(8,635)
Cash dividends paid	(513,580)	(421,135)
Other financing activities	-	24
Net cash used in financing activities	<u>(715,958)</u>	<u>(395,945)</u>
Net increase (decrease) in cash and cash equivalents	52,488	(48,930)
Cash and cash equivalents at beginning of period	194,873	243,803
Cash and cash equivalents at end of period	<u>\$ 247,361</u>	<u>194,873</u>

Attachment 5

Daxin Materials Corporation 2025 Earnings Distribution Table

Unit: (NT\$)

Item	Amount
Unappropriate retained earnings of previous years	1,005,917,060
Net income of 2025	756,954,849
Less:	
Legal reserve	75,695,485
Retained earnings in 2025 available for distribution	681,259,364
Retained earnings available for distribution as of December 31, 2025	1,687,176,424
Distribution items:	
Cash dividends to common shareholders (NT\$ 6.5 per share, i.e, NT\$ 6,500 for every 1000 shares)	667,653,422
Unappropriated retained earnings	1,019,523,002

Attachment 6

List of Director Candidates

Types of Nominee	Name	Gender	Shareholding (Note)	Education	Experience	Current Positions
Director	Chin-Yuan Chen Representative of Eternal Materials Co. Ltd.	Male	23,003,812	B.S., Chemical Engineering, National Taiwan University	Vice President, Chief Technology Officer & Operating chief, Eternal Materials Co. Ltd.	Director, Consultant to the President's Office & Chief Industry Development Strategy Officer, Eternal Materials Co. Ltd.
Director	Ting-Li Lin Representative of Konly Venture Corporation	Male	19,113,730	M.S., Applied Chemistry, National Chiao Tung University	Senior Vice President, AUO Corp.	Senior Vice President, AUO Corp. Director, AFPD Pte. Ltd. Director, BriView (Xiamen) Corp. Representative of the Director, Daxin Materials Corporation
Director	Cheng-Yih Lin	Male	2,298,832	Ph.D., Chemical Engineering, Carnegie Mellon University	Senior Vice President, AUO Corp. Director, AUO Corp. Chairman, AUO Crystal Corp.	Chairman & Chief Executive Officer, Daxin Materials Corporation
Director	Tsung-Hsing Kuo	Male	231,911	B.S., Chemical Engineering, National Taiwan University E.M.B.A., National Sun Yat- sen University	President, Eternal Chemical Industry (China) Co., Ltd. President, Daxin Materials Corporation	Vice Chairman, Daxin Materials Corporation
Director	Yen-Chen Liu	Female	167,786	E.M.B.A., National Tsing Hua University	Accounting Manager, AUO Corp.	Chief Finance Officer, Daxin Materials Corporation Representative of the Director, Frontier Materials (Samoa) Corporation

Note: The shareholdings are as of March 24 2026, the book closure date of the 2026 Annual Shareholders' Meeting.

Types of Nominee	Name	Gender	Shareholding (Note)	Education	Experience	Current Positions
Independent Director	Xin-Wu Lin	Male	0	Ph.D., Economic, National Taiwan University	Committee Member, 6th term of the Fair Trade Committee, Executive Yuan Director of Research Division III & Research Fellow, Taiwan Institute of Economic Research Adjunct Professor, School of Law, National Yang Ming Chiao Tung University Independent Director, FitTech Co.,Ltd.	Vice President & Research Fellow, Taiwan Institute of Economic Research Independent Director, Taiwan Business Bank, Ltd. Chief Consultant of Compliance, AUO Corp. Independent Director, Daxin Materials Corporation
Independent Director	Wei-Shun Cheng	Male	0	M.S., Accounting, Northern Illinois University	Chief Financial Officer and Senior Vice President, AUO Corp. Director, Darwin Precisions Corporation Independent Director, Raydium Semiconductor Corporation Director and Vice President, M.SETEK Co., Ltd. Director, Lextar Electronics Corp. Director, SHIRRE LAB Corp.	Independent Director, Raydium Semiconductor Corporation Independent Director, Chenbro Micom Co., Ltd. Independent Director, Unictron Technologies Corporation Independent Director, Daxin Materials Corporation
Independent Director	Chiao-Mou Cheng	Male	0	B.S., Chemistry, Chung Yuan University	Assistant Vice President & Vice Director of Research Division, Eternal Materials Co. Ltd.	Independent Director, Daxin Materials Corporation
Independent Director	Chih-Chun Tsai	Male	0	M.S., Computer Science, Utah State University	Assistant Researcher, Engineering Division, National Science Council Senior Director, Asia/ Pac Business, Taiwan Semiconductor Manufacturing Company Limited	Independent Director, Leadtrend Technology Corporation Director, Coretech Optical Company, Ltd. Chairman, Hua Jieh Investment Co., Ltd. Director, Egis Technology Inc. Representative Director, Lionic Corporation Independent Director, Daxin Materials Corporation

Note: The shareholdings are as of March 24 2026, the book closure date of the 2026 Annual Shareholders' Meeting.

Attachment 7

List of Non-competition Restrictions to be Lifted

Directors and their Representatives	Released restriction items
Eternal Materials Co. Ltd.	Director, Eternal Global (BVI) Co., Ltd. Director, Eternal Holdings Inc. Director, Mixville Holdings Inc. Director, CHOU-KOU MATERIALS CO., LTD. Director, New E Materials Co., Ltd. Director, Eternal Electronic Material (Thailand) Co., Ltd. Director, Eternal Precision Mechanics Co., Ltd. Director, Elga Europe S.r.l. Director, Eternal Technology Corp. Director, Eternal Materials Singapore Pte. Ltd. Director, Research Innovation Capital Corporation Director, Winchain Material Technology Co., Ltd.
Eternal Materials Co. Ltd. Representative: Chin-Yuan Chen	Director, Consultant to the President's Office & Chief Industry Development Strategy Officer, Eternal Materials Co. Ltd.
Konly Venture Corporation	Director, Carota Corporation Chairman, AUO Education Service Corp. Director, Raydium Semiconductor Corporation Director, PlayNitride Inc. Supervisors, Star River Energy Corporation Supervisors, Star Shining 2 Energy Corporation
Konly Venture Corporation Representative: Ting-Li Lin	Senior Vice President, AUO Corporation Director, AFPD Pte. Ltd. Director, BriView (Xiamen) Corp.
Xin-Wu Lin	Vice President & Research Fellow, Taiwan Institute of Economic Research Independent Director, Taiwan Business Bank, Ltd. Chief Consultant of Compliance, AUO Corp.
Wei-Shun Cheng	Independent Director, Raydium Semiconductor Corporation Independent Director, Chenbro Micom Co., Ltd. Independent Director, Unictron Technologies Corporation
Chih-Chun Tsai	Independent Director, Leadtrend Technology Corporation Director, Coretech Optical Company, Ltd. Chairman, Hua Jieh Investment Co., Ltd. Director, Egis Technology Inc. Representative Director, Lionic Corporation